



05 March 2024

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department
6F PSE Tower One Bonifacio High Street
28th Street corner 5th Avenue, Bonifacio Global
City Taguig City

ATTENTION: **DISCLOSURE DEPARTMENT**

PHILIPPINE DEALING & EXCHANGE CORP.

Philippine Dealing System Holdings Corp. & Subsidiaries
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City
Telephone Number: 8884 4446

ATTENTION: **MR. ANTONINO A. NAKPIL**
President and CEO

We are pleased to furnish your good office with a copy of our 2023 Preliminary SEC 20 Information Statement (pursuant to section 20 of the Securities Regulation Code) filed with the Securities and Exchange Commission (SEC).

For your information and guidance. Thank you.

Respectfully yours,

GERALD O. FLORENTINO
Corporate Information Officer



8745 Paseo de Roxas cor. Villar St., 1226 Makati City

COVER SHEET

SEC Registration Number

C H I N A B A N K I N G C O R P O R A T I O N

(Company's Full Name)

1 1 F C H I N A B A N K B L D G 8 7 4 5 P A S E O

D E R O X A S C O R V I L L A R S T M A K A T I

(Business Address: No., Street City/ Town / Province)

ATTY. LEILANI B. ELARMO

Contact Person

8885-5131

Company Telephone Number

Preliminary Information Statement

0 3

Month

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Day

2 0

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FORM TYPE

0 4

Month

1 8

Day

Annual Meeting

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number / Section

1,825

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Please be advised that in accordance with Article III, Section 1 of the Amended By-Laws of CHINA BANKING CORPORATION (Chinabank), and as determined and approved by the Board of Directors during its regular meeting on January 3, 2024, the annual meeting of stockholders will be conducted in hybrid format, a combination of in-person and remote attendance, on April 18, 2024, Thursday, at 4:00 P.M. In-person attendance at the meeting will be held at the Penthouse, Chinabank Building, 8745 Paseo de Roxas corner Villar St., Makati City. The meeting will be livestreamed via Zoom for stockholders who have expressed their intention to participate remotely after registration at <https://www.chinabank.ph/asm2024>.

AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of Minutes of the Annual Meeting of Stockholders held on April 20, 2023
5. Annual Report to Stockholders
6. Approval of the Audited Financial Statements for the year ended December 31, 2023
7. Ratification of all acts of the Board of Directors, Executive Committee, other Committees, and Management, including the ratification of related party transactions
8. Election of Directors
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

Attached is a brief explanation of the above agenda items.

Stockholders of record as of February 26, 2024 shall be entitled to notice of and vote at the meeting and any adjournment thereof. The stock and transfer books of Chinabank will be closed from March 25, 2024 to April 18, 2024. There will be audio and video recordings of the meeting.

Stockholders intending to participate by remote communication and exercise their right to vote *in absentia* should register through Chinabank's online registration system on or before April 12, 2024. After verification and validation by the Corporate Secretary, an email containing the log-in details for the online voting system shall be sent to the stockholders. Those who have successfully registered and have been verified can access the online live broadcast of the meeting and can vote *in absentia*. The procedure for online registration and voting are provided in the Guidelines for Participation via Remote Communication and Voting *in Absentia*, appended to the Information Statement which can be accessed through: <https://www.chinabank.ph/asm2024> and posted on Chinabank's website, www.chinabank.ph, and the Philippine Stock Exchange's EDGE System.

Stockholders intending to participate by appointing a proxy should submit their proxy forms to the Office of the Corporate Secretary at the 11th Floor, Chinabank Building, 8745 Paseo de Roxas corner Villar St., Makati City, by email (OCSSTOCKS@chinabank.ph), or by fax [(+632) 8403-5813] on or before 5:00 P.M. on April 12, 2024.

Makati City, March 5, 2024.


LEILANI B. ELARMO
Corporate Secretary

EXPLANATION OF AGENDA ITEMS

1. Call to Order

The Chairman of the Board, Mr. Hans T. Sy, will formally open the 2024 annual meeting of stockholders of Chinabank and call the meeting to order.

2. Proof of Notice of Meeting

The Corporate Secretary, Atty. Leilani B. Elarmo, will certify that notice was sent to the stockholders of record as of February 26, 2024 in compliance with the notice requirements for the meeting and in accordance with Chinabank's Amended By-Laws, Revised Corporation Code of the Philippines, and the Securities and Exchange Commission and Philippine Stock Exchange rules and regulations.

3. Certification of Quorum

The Corporate Secretary will certify the existence of a quorum for a valid transaction of business. A quorum shall be deemed constituted and competent to transact business when stockholders holding a majority of the outstanding capital stock of Chinabank are present either in person, by proxy, through remote communication, or *in absentia*.

4. Approval of Minutes of the Annual Meeting of Stockholders on April 20, 2023

Stockholders will be asked to approve the minutes of the stockholders' meeting held on April 20, 2023. The minutes can be accessed through the Chinabank website, www.chinabank.ph.

5. Annual Report to Stockholders

The President and Chief Executive Officer, Mr. Romeo D. Uyan, Jr., will provide information about Chinabank's activities, business, and financial performance and other pertinent data for the year 2023. The Annual Report can be accessed through the Chinabank website, www.chinabank.ph.

6. Approval of the Audited Financial Statements for the year ended December 31, 2023

The President and Chief Executive Officer will provide information about the financial position, performance, and changes in the financial position of Chinabank. The financial statements will be included in the Information Statement posted on the Chinabank website.

7. Ratification of all acts of the Board of Directors, Executive Committee, other Committees, and Management, including the ratification of related party transactions

All acts of the Board of Directors, Executive Committee, other Committees, and Management during the year 2023, and immediately preceding the stockholders' meeting, including the ratification of related party transactions, will be presented to the stockholders for their approval and ratification.

8. Election of Directors

The Chairperson of the Nominations and Corporate Governance Committees, Ms. Margarita L. San Juan, will present the nominees for election as members of the Board of Directors, including the Independent Directors. The list of the nominees, with their profiles, are provided in the Information Statement.

9. Appointment of External Auditor

Stockholders will be asked to ratify the selection by the Audit Committee and the Board of Directors of SyCip Gorres Velayo & Co. to be re-engaged / re-appointed as external auditors of Chinabank.

10. Other Matters

All matters and businesses that may arise after the notice, agenda, and information statement have been published, posted, and/or sent out may be presented for the consideration of the stockholders as may be allowed by the laws and regulations. Questions from the stockholders will be answered in this portion.

11. Adjournment

The Chairman will then adjourn the meeting when the scheduled order of business is completed and no further business or matter is considered or raised.

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PROXY

The undersigned stockholder of **CHINA BANKING CORPORATION** ("Chinabank") hereby appoints _____ or, in his absence, the Chairman of the Meeting, as proxy, to present and vote all shares of stock registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of Chinabank on April 18, 2024, Thursday, and at any of the adjournments and postponements thereof, for the purpose of acting on the following matters:

1. Election of Directors

____ Vote for all nominees listed below
 Hans T. Sy Harley T. Sy
 Gilbert U. Dee Jose T. Sio
 Romeo D. Uyan, Jr. Margarita L. San Juan*
 Peter S. Dee Philip S.L. Tsai*
 Joaquin T. Dee Claire Ann T. Yap*
 Herbert T. Sy Genaro V. Lapez*
 *Independent

____ Withhold authority for all nominees listed above
 ____ Withhold authority to vote for the nominee/s listed below:

2. Approval of Minutes of the Annual Meeting of Stockholders on April 20, 2023

____ Yes ____ No ____ Abstain

3. Approval of Annual Report to Stockholders

____ Yes ____ No ____ Abstain

4. Approval of Audited Financial Statements for the year ended December 31, 2023

____ Yes ____ No ____ Abstain

5. Ratification of all acts of the Board of Directors, Executive Committee, other Committees, and Management during the year 2023, including the ratification of related party transactions

____ Yes ____ No ____ Abstain

6. Appointment of SyCip Gorres Velayo & Co. as External Auditor

____ Yes ____ No ____ Abstain

7. Such other matters as may properly come before the meeting

____ Yes ____ No ____ Abstain

This proxy should be received by the Corporate Secretary on or before April 12, 2024, the deadline for submission of proxies.

This proxy shall be continuing and valid for any and all regular or special stockholders' meetings and/or any adjournments, continuations or postponements thereof, for the purpose of acting in any and all agenda set. This proxy shall continue until such time as the same is withdrawn by the stockholder through notice in writing, or superseded by subsequent proxy, delivered to the Secretary at least three (3) business days before any scheduled meeting. Should the stockholder personally attend any of the meetings and express his/her intention to vote in person, this proxy shall not apply for such meeting that the said stockholder has attended. No proxy shall be valid and effective beyond five (5) years from date hereof.

This proxy is not required to be notarized, and when properly executed, will be voted in the manner as directed herein. If no direction is made, this proxy will be voted "for" the election of all nominees and "for" the approval of the matters stated above and "for" such other matters as may be properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management or the Board of Directors.

SIGNED IN THE PRESENCE OF:

 Signature of Stockholder/Authorized Signatory

 Printed Name of Stockholder

 Date

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☒ Preliminary Information Statement
☐ Definitive Information Statement

2. Name of Registrant as specified in its charter: **China Banking Corporation**

3. Province, country or other jurisdiction of incorporation or organization: **Philippines**

4. SEC Identification Number: **443**

5. BIR Tax Identification Code: **000-444-210-000**

6. **Chinabank Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City** **1226**
Address of principal office Postal code

7. Registrant's telephone number, including area code: **(632) 888-55555**

8. Date, time, and place of the meeting of security holders:

Date: **April 18, 2024**

Time: **4:00 P.M.**

Place: **Penthouse, Chinabank Building, 8745 Paseo de Roxas corner Villar St., Makati City
and virtually via Zoom after registration at <https://www.chinabank.ph/asm2024>**

9. Approximate date on which the Information Statement is first to be sent or given to security holders:
March 18, 2024

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares Outstanding
Common	2,691,340,312

11. Are any or all of registrant's securities listed in a Stock Exchange? Yes ☒ No ☐
The above common shares are listed in the Philippine Stock Exchange.

A. GENERAL INFORMATION

1. Date, Time, and Place of Meeting of Security Holders

Date : April 18, 2024
Time : 4:00 P.M.
Place (Physical) : Penthouse, Chinabank Building, 8745 Paseo de Roxas cor. Villar St., Makati City
(Virtual) : virtually via Zoom after registration at <https://www.chinabank.ph/asm2024>

Mailing address of principal office: **China Banking Corporation**
Office of the Corporate Secretary
11th Floor Chinabank Building
8745 Paseo de Roxas cor. Villar St., Makati City

Approximate date on which copies of the Information Statement are first to be sent or given to security holders:
March 18, 2024

We are not asking you for a proxy and you are requested not to send us a proxy.
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2. Dissenter's Right of Appraisal

A stockholder has a right to dissent and demand payment of the fair value of his shares in any of the following instances under Section 80 of the Revised Corporation Code of the Philippines (Republic Act No. 11232): (a) in case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; (c) in case of merger or consolidation; and (d) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

There are no matters or proposed corporate actions included in the agenda of the annual meeting that may give rise to the exercise of the right of appraisal.

Should any proposed corporate action be passed upon at the meeting which may give rise to the right of appraisal, any stockholder who votes against the proposed corporate action may avail himself of the right of appraisal by making a written demand on the Bank for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken. To perfect such right, the stockholder shall follow the procedures as described under Sections 81 to 85 of the Revised Corporation Code.

3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director, officer, nominee for election as director, or any associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon as contained in the agenda of the meeting other than election to office.

No director has informed the Bank in writing that he intends to oppose any action to be taken as contained in the agenda of the meeting.

B. CONTROL AND COMPENSATION INFORMATION

4. Voting Securities and Principal Holders Thereof

(a) **Class of Voting Securities:** 2,691,340,312 common shares entitled to vote as of February 29, 2024

(b) **Record Date:** Stockholders of record as of February 26, 2024 are entitled to notice of and vote at the meeting

(c) **Nomination and Election of Directors and Independent Directors and Manner of Voting:**

In accordance with Sections 22 and 26 of the Revised Corporation Code, Section 15 of The General Banking Law (R.A. No. 8791), Section 38 of the Securities Regulation Code, the Amended Implementing Rules and Regulations of the Securities Regulation Code, and Sections 131, 132, and 138 of the *Bangko Sentral ng Pilipinas'* Manual of Regulations for Banks, and relevant circulars or memoranda, the Bank's Nominations and Corporate Governance Committees adopted rules governing the nomination and election of directors. The rules pertinently state that the nomination forms shall be submitted to the Office of the Corporate Secretary on or before February 2, 2024, and thereafter referred to the Committees for evaluation and action. The rules likewise state that the Committees shall pre-screen the qualifications of the nominees and prepare a final list of candidates, indicating the nominees for directors and independent directors.

As to the manner of voting, Article III, Section 7 of the Bank's By-Laws specifies that any stockholder who is not delinquent in his subscription shall be allowed to vote either in person, through remote communication, *in absentia*, or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact in accordance with the requirements of existing rules and regulations. Following Section 23 of the Revised Corporation Code, a stockholder may vote such number of shares for as many persons as there are directors to be elected, or cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of the shares owned, or distribute them on the same principle among as many candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholder as shown in the books of the Bank multiplied by the whole number of directors to be elected.

In accordance with Sections 23 and 57 of the Revised Corporation Code, the Securities and Exchange Commission's (SEC) Memorandum Circular No. 6, Series of 2020, and Article III, Section 7 of the Bank's By-Laws, the Board of Directors approved on January 3, 2024 to allow the conduct of the Annual Stockholders' Meeting on April 18, 2024 and participation therein by the stockholders in hybrid format, a combination of in-person and remote attendance. In-person attendance at the meeting will be held at the Penthouse, Chinabank Building, 8745 Paseo de Roxas corner Villar St., Makati City. The meeting will be livestreamed via Zoom for those participating remotely or *in absentia* after registration at <https://www.chinabank.ph/asm2024>. Please refer to Schedule "A" of this Information Statement for the Guidelines for Participation via Remote Communication and Voting *in Absentia*. Item D.19 of the Information Statement further discusses the voting and tabulation procedures of the Bank.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

(i) Record and beneficial owners holding 5% or more of voting securities as of January 31, 2024:

Title of Class	Name, Address of Record Owner & Relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Common	PCD Nominee Corporation* 29 th Floor BDO Equitable Tower 8751 Paseo de Roxas, Makati City Stockholder	Various stockholders / clients	Non-Filipino	717,637,621	26.66%
Common	PCD Nominee Corporation* 29 th Floor BDO Equitable Tower 8751 Paseo de Roxas, Makati City Stockholder	Various stockholders / clients	Filipino	580,375,979	21.56%
Common	SM Investments Corporation 10 th Floor L.V. Locsin Bldg., 6752 Ayala Avenue, Makati City Stockholder	PCD Nominee Corporation Stockholders	Filipino	463,922,761	17.24%
Common	Sysmart Corporation 10 th Floor L.V. Locsin Bldg., 6752 Ayala Avenue, Makati City Stockholder	Sy Family Sycamore Pacific Corporation Stockholders	Filipino	416,402,026	15.47%

* Based on the list provided by the Philippine Depository & Trust Corporation to the Bank's transfer agent, Stock Transfer Service, Inc., as of December 31, 2023, The Hongkong and Shanghai Banking Corporation Limited (396,732,386 shares or 14.74%) and BDO Securities Corporation (191,921,819 shares or 7.13%) hold 5% or more of the Bank's securities under the names of various beneficial owners. The beneficial owners, such as the clients of PCD Nominee Corporation, have the power to decide how their shares are to be voted.

Except as stated above, the Bank has no knowledge of any person holding more than 5% of the Bank's outstanding shares under a voting trust or similar agreement. The Bank is likewise not aware of any arrangement which may result in a change in control of the Bank, or of any additional shares which the above-listed beneficial or record owners have the right to acquire within thirty (30) days, from options, warrants, rights, conversion privilege or similar obligation, or otherwise.

(ii) Directors and Management as of February 29, 2024:

	Title of Class	Name	Position	Citizenship	Amount & Nature of Ownership (Direct (D)/ Indirect (I))	Percentage
(a)	Directors					
	Common	Hans T. Sy	Chairman of the Board	Filipino	5,014,801 (D)	0.186%
					2,866,781 (I)	0.107%
	Common	Gilbert U. Dee	Vice Chairman	Filipino	838,006 (D)	0.031%
	Common	Romeo D. Uyan, Jr.	Director, President and CEO	Filipino	1,545,500 (D)	0.057%
	Common	Peter S. Dee	Director	Filipino	301,305 (D)	0.011%
	Common	Joaquin T. Dee	Director	Filipino	43,315,883 (D)	1.610%
					8,371,029 (I)	0.311%
	Common	Herbert T. Sy	Director	Filipino	735,431 (D)	0.027%
	Common	Harley T. Sy	Director	Filipino	897,254 (D)	0.033%
	Common	Jose T. Sio	Director	Filipino	3,517 (D)	0.000%
	Common	Margarita L. San Juan	Lead Independent Director	Filipino	95,238 (D)	0.004%
	Common	Philip S.L. Tsai	Independent Director	Filipino	2,000 (D)	0.000%
	Common	Claire Ann T. Yap	Independent Director	Filipino	9,100 (D)	0.000%
	Common	Genaro V. Lapez	Independent Director	Filipino	100 (D)	0.000%
			Total		63,995,945	2.378%
(b)	Executive Officers (in addition to Messrs. Gilbert U. Dee and Romeo D. Uyan, Jr.)					
	Common	Patrick D. Cheng	Executive Vice President & CFO	Filipino	620,256 (D)	0.023%
	Common	Jose L. Osmeña, Jr.	Executive Vice President	Filipino	10,000 (D)	0.000%
	Common	Magnolia Luisa N. Palanca	Executive Vice President	Filipino	100 (D)	0.000%
	Common	Clara C. Sy	Executive Vice President	Filipino	3,479,504 (D)	0.129%
					584,900 (I)	0.022%
	Common	Lilian Yu	Executive Vice President	Filipino	400 (D)	0.000%
	Common	Ananias S. Cornelio III	Senior Vice President	Filipino	10,700 (D)	0.000%
	Common	Angela D. Cruz	Senior Vice President	Filipino	1,651,376 (D)	0.061%
					50,000 (D)*	0.002%
	Common	James Christian T. Dee	Senior Vice President	Filipino	2,911,081 (D)	0.108%
	Common	Delia Marquez	Senior Vice President	Filipino	26,760 (D)	0.001%
	Common	Christopher Ma. Carmelo Y. Salazar	Senior Vice President	Filipino	100 (D)	0.000%
	Common	Jose Luis A. Alcuaz, Jr.	First Vice President II	Filipino	11,000 (D)	0.000%
	Common	Cristina P. Arceo	First Vice President II	Filipino	1,200 (D)	0.000%
	Common	Jaydee P. Caparas	First Vice President II**	Filipino	100 (D)	0.000%
	Common	Gerard T. Dee	First Vice President II	Filipino	12,279,464 (D)***	0.456%
	Common	Antonio Jose S. Dominguez	First Vice President II	Filipino	100 (D)	0.000%
	Common	Maria Luz B. Favis	First Vice President II	Filipino	1,300 (D)	0.000%
	Common	Madelyn V. Fontanilla	First Vice President II	Filipino	1,400 (D)	0.000%
	Common	Jerry Ron T. Hao	First Vice President II	Filipino	300 (D)	0.000%
	Common	Mary Ann T. Lim	First Vice President II	Filipino	200 (D)	0.000%
	Common	Belenette C. Tan	First Vice President II	Filipino	7,708 (D)	0.000%
	Common	Stephen Y. Tan	First Vice President II	Filipino	4,046 (D)	0.000%
	Common	Layne Y. Arpon	First Vice President	Filipino	11,832 (D)	0.000%
	Common	Love Virgilynn T. Baking	First Vice President	Filipino	1,200 (D)	0.000%
	Common	Richard S. Borja	First Vice President	Filipino	10,300 (D)	0.000%
	Common	Marie Carolina L. Chua	First Vice President	Filipino	38,343 (D)	0.001%
	Common	Melissa F. Corpus	First Vice President	Filipino	1,500 (D)	0.000%
	Common	Domingo P. Dayro, Jr.	First Vice President	Filipino	500 (D)	0.000%
	Common	Gemma B. Deladia	First Vice President	Filipino	5,430 (D)	0.000%
	Common	Rhodin Evan O. Escolar	First Vice President	Filipino	400 (D)	0.000%
	Common	Gerald O. Florentino	First Vice President	Filipino	10,000 (D)	0.000%
	Common	Pablito P. Flores	First Vice President	Filipino	1,400 (D)	0.000%
	Common	Cesare' Edwin M. Garcia	First Vice President	Filipino	1,300 (D)	0.000%

Common	Cristina F. Gotuaco	First Vice President	Filipino	3,300 (D)	0.000%
Common	Emir Francis D. Javillonar	First Vice President	Filipino	4,000 (D)	0.000%
Common	Angelyn Claire C.C. Liao	First Vice President	Filipino	123,600 (D)	0.005%
				240,000 (I)	0.009%
Common	Regina Karla F. Libatique	First Vice President	Filipino	300 (D)	0.000%
Common	Karyn C. Lim	First Vice President	Filipino	100 (D)	0.000%
				10,000 (I)	0.000%
Common	Mandrake P. Medina	First Vice President	Filipino	1,200 (D)	0.000%
Common	Jocelyn T. Pavon	First Vice President	Filipino	300 (D)	0.000%
Common	Mani Thess Q. Pena-Lee	First Vice President	Filipino	200 (D)	0.000%
Common	Francisco Eduardo A. Sarmiento	First Vice President	Filipino	8,480 (D)	0.000%
Common	Marisol M. Teodoro	First Vice President	Filipino	23,923 (D)	0.001%
Common	Maria Rosanna Catherina L. Testa	First Vice President	Filipino	7,340 (D)	0.000%
Common	Esmeralda R. Vicente	First Vice President	Filipino	2,900 (D)	0.000%
Common	Carina L. Yandoc	First Vice President	Filipino	31,068 (D)	0.001%
Common	Michelle Y. Yap-Bersales	First Vice President	Filipino	700 (D)	0.000%
		Total		22,191,711	0.825%
(c) Other Officers and Employees				88,130	0.003%
		Total		86,275,786	3.206%

* Owned and held by Senior Vice President Angela D. Cruz and Senior Vice President James Christian T. Dee, jointly with family members

** First Vice President II of China Bank Savings, Inc., seconded to China Banking Corporation as Special Projects Officer effective February 16, 2024

*** Under his own name or held jointly with family members

5. Directors and Principal Officers

(a) Incumbent Directors and Advisor

Hans T. Sy, 68, Filipino, is the Chairman of the Board since May 5, 2011. He has been a member of the Board since May 21, 1986 and was previously the Vice Chairman from 1989 to 2011. He is currently a Director of SM Prime Holdings, Inc. (SMPH) and Adviser to the Board of SM Investments Corporation (SMIC), which are both listed on the Philippine Stock Exchange (PSE). He also serves as the Chairman of the Board of Trustees of National University, Inc. (NUI) and holds other key positions in several companies under the SM Group. In 2023, he was awarded the *Dangal ng Pilipino sa Pag-Aagapay sa Ligtas na Sambayanan*, the first-ever awardee from the private sector, by the Philippines' Department of National Defense - Office of Civil Defense and National Disaster Risk Reduction and Management Council (NDRRMC) for his advocacies toward public-private collaboration in addressing systemic risk and reducing disaster losses. In 2022, he was given the Outstanding Filipino Award at the TOFIL awards for his contribution to nation-building and resiliency through sustainability and disaster risk reduction. Chairman Sy graduated from De La Salle University with a Bachelor of Science degree in Mechanical Engineering. He attends and participates in various trainings and seminars, the most recent of which are on corporate governance, digital transformation and ethical decision-making models conducted by the Good Governance Advocates and Practitioners of the Philippines (GGAPP) in August 2023. In October 2022, he participated in the seminar on Risks and Opportunities in Sustainable Finance conducted by Moody's Analytics, and in August 2022, the Anti-Money Laundering (AML) updates and Advanced Corporate Governance training conducted by the Institute of Corporate Directors (ICD).

Gilbert U. Dee, 88, Filipino, is the Vice Chairman of the Board since May 5, 2011. He has been a member of the Board since March 6, 1969, previously serving as Chairman from 1989 to 2011. He is the Chairman in the Boards of Union Motor Corporation and Chinabank subsidiary CBC Properties and Computer Center, Inc. (CBC - PCCI), which are not listed on the PSE. He was a director in Philippine Pacific Capital Corporation, Philex Mining Corporation, and CBC Finance Corporation. Vice Chairman Dee received his Bachelor of Science degree in Banking from De La Salle University. He also holds a Master's degree in Business Administration (MBA) in Finance from the University of Southern California. Among the trainings in banking and other related fields he has participated in over the years are GGAPP's annual corporate governance training on ethical decision-making models and digital transformation case studies and success stories in August 2023, ICD's Annual Corporate Governance training and AML updates in August 2022, and Technology Governance for Directors: Sink, Float or Swim in the Waves of E-Commerce in January 2022.

Romeo D. Uyan, Jr., 61, Filipino, is the Director, President and Chief Executive Officer (CEO) of the Bank since April 1, 2023. He previously held several key leadership positions in the group since 2014: as President of the Bank

subsidiary, China Bank Capital Corporation (CBCC), Bank Treasurer in July 2016, and Chief Operating Officer (COO) in November 2017. He presently sits as Vice Chairman in CBCC, and Director in other Bank subsidiaries, China Bank Savings, Inc. (CBSI) and China Bank Securities Corporation (CBSC). He also represents the Bank in other entities such as the Bankers' Association of the Philippines and Philippine Payments Management Inc. Besides Chinabank, he does not hold any directorship position in other PSE-listed companies. President and CEO Uyan is a seasoned investment banker with over two decades of experience in trading and financial structuring working with top multinational investment houses in the Asia Pacific region. He previously served as Managing Director and Co-Head of Asia Special Situations and Leveraged Capital Markets at UBS AG - Singapore Branch and Managing Director and Head of Asia Credit Products in Barclays Capital, where he was also a member of the Asia Pacific Executive Committee and Global Emerging Markets Committee. Under his leadership, China Bank was named as the 2023 Employer of the Year Award, the only bank to receive the distinction, by the People Management Association of the Philippines (PMAP). President and CEO Uyan earned a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University, *cum laude*, and obtained his Master's degree in Business Administration (MBA), graduating with distinction, at the Johnson Graduate School of Management in Cornell University, New York, U.S.A. He participated in numerous trainings in banking, securities and futures products, fraud awareness, environmental and social risk, FATCA awareness and responsibility, AML, and corporate governance.

Peter S. Dee, 82, Filipino, has been a member of the Chinabank Board since April 14, 1977. He previously served as President and Chief Executive Officer (CEO) of the Bank from 1985 to 2014. Currently, he serves as independent director for PSE-listed companies City & Land Developers, Inc., and Cityland Development Corporation. He is also a Director and President of Bank subsidiary CBC PCCI and serves as director of other non-listed companies, particularly, Commonwealth Foods, Inc., GDSK Development Corporation, Makati Curb Holdings Corporation, Great Expectation Holdings, Inc., and The Big D Holdings Corporation. He previously held directorship positions in Sinclair (Phils.) Inc., Can Lacquer, Inc., CBC Forex Corporation, and Bank insurance brokerage arm Chinabank Insurance Brokers, Inc. (CIBI), among others. Director Dee holds a Bachelor of Science degree, Major in Commerce, from De La Salle University and from University of the East. He also attended a Special Banking Course at the American Institute of Banking. He participated in various training courses on corporate governance, the latest of which was in 2023 which focused on ethical decision making and digital transformation, and Anti-Money Laundering (AML) and cybersecurity governance in 2022.

Joaquin T. Dee, 88, Filipino, is a member of the Chinabank Board since May 10, 1984. He does not hold any directorship positions in other PSE-listed companies aside from Chinabank. Currently, he is the Chairman of JJACCIS Development Corporation and Enterprise Realty Corporation, and Director of Suntree Holdings Corporation. From 1964 to 1995, he served as Vice President for Wellington Flour Mills. Director Dee is a graduate of Letran College, with a Bachelor of Science degree in Commerce. He attended various trainings and seminars related to banking, particularly on AML, corporate governance, data privacy, managing finances in the digital age, ethical decision-making and digital transformation.

Herbert T. Sy, 67, Filipino, became a member of the Chinabank Board on January 7, 1993. In addition to Chinabank, he is also a director in PSE-listed SM Prime Holdings, Inc. (SMPH). He is the Chairman of non-listed companies, Supervalu, Inc., Super Shopping Market, Inc., Sondrik, Inc., and Sanford Marketing Corp. He also sits as director in NUI. Director Sy has diverse expertise in food retail, mall operations, real estate development, and investments. He holds a Bachelor of Science degree in Management from De La Salle University. His latest banking-related trainings include updates on AML, corporate governance and cybersecurity governance in August 2022, and ethical decision-making models and digital transformation in August 2023. He also attended the Exclusive Economic Briefing conducted by Moody's Analytics in October 2023.

Harley T. Sy, 64, Filipino, is a Director and member of the Chinabank Board since May 24, 2001. He is also the Executive Director of SM Investments Corporation (SMIC), and holds various positions in other non-listed companies under the SM Group. Director Sy graduated with a Bachelor of Science degree in Commerce, Major in Finance, from De La Salle University. He also participates in extensive trainings on banking and finance, the most recent of which cover updates on AML, corporate governance, BSP supervisory assessment framework, technology governance, global trends in banking, and generative artificial intelligence.

Jose T. Sio, 84, Filipino, has served as Director of the Chinabank Board since November 7, 2007. He is concurrently the Chairman *Emeritus* of SM Investments Corporation (SMIC) and a member of the Board of Directors of the following companies listed on the PSE: (i) Atlas Consolidated Mining and Development Corporation and (ii) Far Eastern University, Incorporated (as Independent Trustee). He is also Adviser to the Board of Directors of PSE-listed BDO Unibank, Inc., Belle Corporation, and Premium Leisure Corporation. Mr. Sio also serves as Director of the

following companies not listed on the PSE: (i) NLEX Corporation; (ii) Ortigas Land Corporation; (iii) Carmen Copper Corporation; and (iv) First Asia Realty Development Corporation. He is the Chairman, President and Trustee of SM Foundation, Inc. Director Sio was a Senior Partner of SyCip Gorres Velayo & Co. (SGV). He was voted as CFO of the Year in 2009 by the Financial Executives of the Philippines (FINEX). He was also awarded as Best CFO (Philippines) in various years by Hong Kong-based business publications such as Alpha Southeast Asia, Corporate Governance Asia, Finance Asia and The Asset. In June 2022, he received *Parangal San Mateo*, the highest honor that can be conferred upon an accounting professional by the Philippine Institute of Certified Public Accountants (PICPA). In March 2023, he was honored by the Professional Regulatory Board of Accountancy with the Accountancy Centenary Award of Excellence. Director Sio is a Certified Public Accountant (CPA) and holds a Bachelor of Science degree in Commerce, major in Accounting, from the University of San Agustin. He obtained his Master's degree in Business Administration (MBA) from New York University, U.S.A. He is actively engaged in continuous trainings, having attended seminars/trainings on investments, loans and financial instruments, structured products, debt and equity financing, anti-money laundering updates, advanced corporate governance, risks and opportunities in sustainable finance, and exclusive economic briefing conducted by Moody's Analytics. He has been a speaker in various fora and trainings, such as the webinar organized by the Association of CPAs in Commerce & Industry entitled, Addressing Perceived Competency Gap: From Classroom to Workplace.

Margarita L. San Juan, 70, Filipino, is Chinabank's Lead Independent Director. She was first elected to the Board on May 4, 2017. She concurrently serves as Independent Director in Bank subsidiaries CBCC, CIBI, and CBCC's wholly owned subsidiary, Resurgent Capital (FISTC-AMC) Inc. (RCI). She does not hold any directorship position in other PSE-listed companies. Previously, she served as Independent Director for nine years in the Board of Bank subsidiary CBSI. She also worked with Ayala Investment and Development Corporation, Commercial Bank and Trust Co., and as Senior Vice President and Group Head of Chinabank's Account Management Group until her retirement in 2012. Director San Juan obtained her Bachelor of Science degree in Business Administration, Major in Financial Management, from the University of the Philippines and completed the Advance Bank Management Program of the Asian Institute of Management (AIM). She participated in various seminars and trainings on development financing, international banking operations, marketing, financial analysis and control, risk management, lending and investment banking, restructuring and corporate rehabilitation, corporate governance, enhancing Board performance and Audit Committee effectiveness, AML, cybersecurity governance, managing finances in the digital age, ethical decision-making, digital transformation economic briefings.

Philip S.L. Tsai, 73, Filipino, is an Independent Director of Chinabank since November 7, 2018. He also sits as Independent Director in the Boards of non-listed Bank subsidiaries CBSI, CBCC and CIBI. He does not hold any directorship position in other PSE-listed companies. He has more than 40 years of banking and financial management experience, previously holding executive positions in First CBC Capital (Asia) Limited, Midwest Medical Management, Fortune Travel International Inc., Chemical Bank New York, and Plastic Container Packaging/Consolidated Can Corp. He also served as an officer in the Bank's Retail Banking Business until his retirement in 2015. Director Tsai obtained his Bachelor of Science degree in Business Administration from the University of the Philippines and pursued his Master's degree in Business Administration (MBA) from the Roosevelt University in Chicago, Illinois. He participated in various trainings in banking-related fields over the years. Recently, he attended trainings on effective corporate governance board focus and digital transformation in 2021; AML updates, cybersecurity governance, risks and opportunities in sustainable finance, managing finances in the digital age and sustainability in 2022; and Board and Audit Committee priorities, Exclusive Economic Briefing, Ethical Decision-Making Models and Digital Transformation in 2023.

Claire Ann T. Yap, 68, Filipino, is an Independent Director of the Bank since October 1, 2020. She concurrently serves as Independent Director in Bank subsidiaries CBSI, CBSC, CBCC, and in CBCC's subsidiary, RCI. She does not hold any directorship position in other PSE-listed companies. She has more than 30 years of experience in banking and finance in local and multinational organizations. She was Senior Vice President and Head of Global Service Centre of Global Payments Process Centre, Inc., a Fortune 500 company, and worldwide leader providing payments and financial technology solutions. She has also previously held executive leadership roles at Australia and New Zealand Banking Group Ltd. and Hongkong Shanghai Banking Corporation (HSBC). She also served as Chairman of the Credit Card Association of the Philippines from 2009 to 2010 and President from 2007 to 2009. Director Yap is a CPA, and she graduated with a Bachelor of Science degree in Accountancy, *cum laude*, from De La Salle University. She had various trainings on managing customer experience, credit card fraud and security, information security and data privacy, sustainability, AML, and corporate governance. In 2022, she attended trainings on Technology Governance for Directors, Advanced Corporate Governance Training, which focused on Cybersecurity Governance: Challenges and Solutions, Managing Finances in the Digital Age: FINTECH, and AML Updates, Risks and Opportunities in Sustainable Finance, and AMLA Compliance in the Age of the Digital World. In 2023, she participated in the annual corporate governance by GGAPP focusing on ethical decision-making models

and digital transformation success stories. She also attended KPMG's ASPAC Board Leadership Centre Webinar on Board and Audit Committee Priorities as well as the Exclusive Economic Briefing by Moody's Analytics.

Genaro V. Lapez, 66, Filipino, is an Independent Director of the Bank since May 6, 2021. He also serves as Independent Director in Bank subsidiaries, CBSI and CBSC. He does not hold directorship position in any PSE-listed company other than Chinabank. He has more than 10 years of experience in banking and finance in the Philippines, having handled key executive, leadership and advisory positions as Executive Vice President at Union Bank of the Philippines (UBP), including Head of the Center for Strategic Partnerships and Head of Consumer Finance Center. Aside from banking and financial services, he has considerable exposure across various local and global industries spanning fast-moving consumer goods (FMCG), pharmaceuticals, multimedia publishing, where he held President / Chief Executive positions. He has been posted in Hong Kong, Singapore, and Indonesia, and he is conversant in Chinese and Bahasa. Director Lapez is a seasoned StracTical (Strategic and Tactical) and GloCal (combining Global Best Practices with Local Realities) thinker. He is also a member of the Management Association of the Philippines (MAP) for more than 10 years. In the past, he held various senior leadership positions in Numico (Netherlands), San Miguel Corporation, Nabisco International, and Time Life Inc. Director Lapez obtained his Bachelor of Science degree in Management Engineering from the Ateneo de Manila University. He participated in numerous trainings and seminars on Retail Banking Leadership (Certificate Program) from The Asian Banker; Retail Banking Future Workshop (Certificate Program) from John Clements Consultants and Harvard Business School; and Global Consumer Banking (Certificate Program) from the European Financial Management Association. He attended training on Technology Governance for Directors, AML updates and Advanced Corporate Governance training. For 2023, he participated in ICD's seminar on Raging 2023 Technology Challenges, GGAPP's annual corporate governance training, and Moody's Analytics Exclusive Economic Briefing.

Ricardo R. Chua, 72, Filipino, is the Board's Advisor since November 1, 2017. He previously served as a Director from 2008 up to October 2017, the Bank's President and Chief Executive Officer from September 2014 up to October 2017, and Chief Operating Officer from 2012 to 2014. He currently sits in the boards of the following Bank subsidiaries: as Chairman of CBSI and CBCC and as Director of CBC PCCI. A CPA, Mr. Chua graduated with a Bachelor of Science degree in Business Administration, Major in Accounting, *cum laude*, from the University of the East, and completed his Master's degree in Business Management from the AIM. He had trainings in banking operations and corporate directorship, AML updates, corporate governance, sustainable finance, cybersecurity governance, managing finances in the digital age, ethical decision-making and digital transformation.

Note: Messrs. Gilbert U. Dee and Peter S. Dee are related within the fifth civil degree of consanguinity. Messrs. Hans T. Sy, Herbert T. Sy, and Harley T. Sy are related within the second civil degree of consanguinity.

For the period January to December 2023, the Board had 16 meetings, including the organizational meeting. The incumbent directors attended/participated in more than 50% of all the meetings, as follows:

Director	No. of Meetings Held	No. of Meetings Attended
Hans T. Sy	16	14
Gilbert U. Dee	16	16
Romeo D. Uyan, Jr.*	12	12
Peter S. Dee	16	16
Joaquin T. Dee	16	16
Herbert T. Sy	16	15
Harley T. Sy	16	16
Jose T. Sio	16	16
Margarita L. San Juan	16	16
Philip S.L. Tsai	16	16
Claire Ann T. Yap	16	16
Genaro V. Lapez	16	16

* Mr. Uyan was elected as Director, President and CEO effective April 1, 2023.

(b) Corporate Officers (in addition to the Vice Chairman and President and CEO)

Patrick D. Cheng, 61, Filipino, is the Executive Vice President and Chief Finance Officer (CFO) of the Bank. He is the Chairman of the Board of Bank subsidiary China Bank Insurance Brokers, Inc. (CIBI) and sits as a director in China Bank Savings, Inc. (CBSI) and Bank affiliate Manulife Chinabank Life Assurance Corporation (MCBLife). He concurrently sits as a director for Manila Overseas Commercial Inc. and SR Holdings Corporation. Previously, he served as President and Chief Executive Officer of HSBC Savings Bank (Philippines) from 2008 to 2013, and President of the Chamber of Thrift Banks for two terms from 2011 to 2012. He also held various key senior executive positions at the Philippine Bank of Communications (PBCom), HSBC (Philippine Branch), Citibank N.A. (Philippine Branch), and Citicenter Condominium Corp. CFO Cheng is a Certified Public Accountant (CPA), placing 7th at the CPA Board Examinations. He graduated *magna cum laude* from the University of the Philippines with a Bachelor of Science degree in Business Administration and Accountancy. He obtained his Master's degree in Management, with Distinction, from the Hult International Business School in Cambridge, Massachusetts, and completed the Trust Operations and Investment Management course, also with Distinction, from the Trust Institute of the Philippines. In 2010, he received the Distinguished Alumnus Award from the Virata School of Business of the University of the Philippines - Diliman. He has extensive trainings in banking and related fields, including corporate governance, AML, asset liability management, operational risk, information security, and sustainable finance.

Christopher Ma. Carmelo Y. Salazar, 50, Filipino, Senior Vice President, is the Treasurer and Head of Treasury Group. He has more than 25 years of financial markets experience gained from different institutions, including First Metro Investment Corporation, ING Bank-Manila, Standard Chartered – Manila, Thailand, and U.A.E., and Landbank of the Philippines. Mr. Salazar graduated with a Bachelor of Science in Management Engineering degree (*cum laude*) from the Ateneo de Manila University. He took up the Treasury Certification Program of the Ateneo-BAP Institute of Banking and participated in numerous trainings and seminars in corporate governance, AML, operational risk, information security, data privacy, bank marketing management, risk management, ethical decision making, leadership, and cybersecurity.

Leilani B. Elarmo, 47, Filipino, is the Corporate Secretary of the Bank. She joined the Bank's Office of the Corporate Secretary (OCS) in 2005 where she was Assistant Corporate Secretary from 2006 and became OCS Deputy Head in December 2021 after briefly serving as Legal Counsel at the Bank's Legal and Collection Group. She also served as the Corporate Secretary of the Bank subsidiary, CBC Properties and Computer Center, Inc. (CBC-PCCI), from 2007 to 2021. Prior to joining the Bank, she was a Court Attorney at the Supreme Court of the Philippines under Associate Justice Vicente V. Mendoza until his retirement and subsequently under Associate Justice Ma. Alicia Austria-Martinez and was a Junior Associate at Cayetano Sebastian Ata Dado and Cruz Law Offices. Atty. Elarmo earned her Bachelor of Laws degree from the University of the Philippines, where she also obtained her Bachelor of Science in Business Administration degree, *cum laude*. She participates in trainings and seminars related to banking and corporate housekeeping on a regular basis, including AML, corporate governance and mandatory continuing legal education.

Aileen Paulette S. De Jesus, 57, Filipino, is the Chief Compliance and Governance Officer of the Bank. A CPA-Lawyer by profession, she has over 30 years of extensive experience in audit, corporate taxation, legal, and compliance, having previously handled the positions of audit examiner, financial analyst, tax associate, general counsel, corporate secretary, and chief compliance officer in various companies including Far East Bank & Trust Co., International Exchange Bank, Metrobank Card Corporation, Sterling Bank of Asia, Filinvest Group of Companies, Sumitomo Mitsui Banking Corporation, and Philippine Veterans Bank. Atty. De Jesus obtained her Bachelor of Science degree in Business Administration, Major in Accounting, from the University of the Philippines, and went on to take up her law degree from the Graduate School of Law of San Sebastian College - Recoletos. She was an active member of the Bankers Institute of the Philippines (BAIPHIL) Legal and Regulatory Committee which conducted multiple legal seminars and fora in 2023. She spearheads the overall compliance and corporate governance activities of the Bank and regularly participates in seminars and trainings related to compliance, AML, corporate governance, sustainability, cybersecurity and financial technology.

Jeruel N. Lobien, 46, Filipino, Senior Vice President, is the Bank's Chief Audit Executive (CAE) and Audit Group Head since June 1, 2023. He has over 15 years of banking experience, with extensive exposure in audit plan, execution and communication in his progressive audit roles with various companies in the FMCG industry and with an Accounting/Consulting firm. Previously, he was CAE for Philippine Bank of Communications (PBCOM). He also held key leadership role of Finance Head with Metrobank Card Corporation and Citibank, N.A. A Certified Public Accountant (CPA) and Certified Internal Auditor (CIA), Mr. Lobien graduated from the University of the Philippines cum laude with a Bachelor of Science in Business Administration and Accountancy degree. He then took up and finished an Executive Masters in Business Administration from the Asian Institute of Management (AIM). He has also

acquired the Certification on Control Self-Assessment (CCSA). He regularly attends and participates in trainings and seminars, the most recent of which were on AML and anti-terrorist financing, cybersecurity, social media risk management, and quality assessment of audit activity.

(c) Principal Officers

Aloysius C. Alday, Jr., 54, Filipino, Executive Vice President, is the Head of Consumer Banking Segment. He was previously the Group Head of the Bank's Cards Business and Customer Contact Center. He has more than 25 years of experience in the banking industry, having held key executive roles in HSBC, Metrobank Card Corporation and Metropolitan Bank and Trust Co., in the fields of cards and payments, retail banking, consumer and corporate credit risk and bancassurance. Mr. Alday graduated from the University of the Philippines with a Bachelor of Science degree in Business Administration. He has obtained extensive banking exposures in the Philippines, Hong Kong, Singapore, United Kingdom, and Australia. He has also attended trainings on AML, data privacy, and corporate governance.

Jose L. Osmeña, Jr., 64, Filipino, Executive Vice President, is the Co-Segment Head of Retail Banking Business Segment (RBBS). At present, he also serves as Director in Bank subsidiaries CBSI and CIBI, and previously served as one of the directors for the period 2021 - 2022 of the Philippine Clearing House Corporation. He has been with the Bank for more than 31 years. He previously worked at Insular Bank of Asia and America and Producers Bank of the Philippines. Mr. Osmeña holds a Bachelor of Science degree in Commerce, Major in Accounting, from the University of San Carlos. He also completed the Asian Institute of Management's (AIM) Advance Bank Management Program. He participated in several trainings on export financing, loan documentation, money market, service quality management, channels marketing, and corporate governance.

Magnolia Luisa N. Palanca, 54, Filipino, Executive Vice President, is the Head of Financial Markets Segment (FMS). She concurrently sits in the board of Bank subsidiary CBCC. Ms. Palanca has more than 30 years of banking experience, mainly focused on financial markets. She previously worked with several local and international financial institutions, such as J.P. Morgan (S.E.A. Limited), J.P. Morgan Chase Bank, N.A., Standard Chartered Bank, ING Bank NV, Solidbank Corporation, and Metropolitan Bank and Trust Company. She obtained her Bachelor of Science degree in Business Economics from the University of the Philippines. She is also an SEC Fixed Income Licensed Salesman, Ateneo - BAP Certified Treasury Professional, and was a Registered Representative with the Monetary Authority of Singapore from 2015 - 2018. Her trainings and seminars attended focused on FX, financial derivatives, capital markets, leadership, AML, and corporate governance.

Clara C. Sy, 64, Filipino, Executive Vice President, is the Co-Segment Head of RBBS. She also has officership positions in New Golden City Builders & Development Corp., Citigold Resources & Development Corporation, and Manfoods Inc. She has been with the Bank over 40 years handling retail banking and branches administration. A Certified Public Accountant, Ms. Sy holds a Bachelor of Science degree in Commerce, Major in Accounting, from the University of Santo Tomas. She attended several trainings, such as on AML and counter terrorism financing, corporate governance and branch management.

Lilian Yu, 58, Filipino, Executive Vice President, is the Head of Institutional Banking Segment (IBS). She is also currently a Director in the boards of Bank subsidiaries CBCC and CBCC's wholly-owned subsidiary Resurgent Capital (FISTC-AMC) Inc. Her more than 30 years of experience in the financial industry spans the areas of credit, project and structured finance, and debt capital markets. Prior to joining the Bank, she was an International Consultant for the Asian Development Bank. She also worked for international financial institutions abroad such as Barclays Capital, ABN AMRO Bank, Deutsche Bank, and the International Finance Corporation (IFC) of the World Bank Group. A Certified Public Accountant (CPA), Ms. Yu holds a Bachelor of Science degree in Business Administration and Accountancy, *magna cum laude*, from the University of the Philippines. She obtained her MBA degree from the Wharton School of the University of Pennsylvania. She was also conferred the Certified Financial Analyst (CFA) designation by the CFA Institute.

Ananias S. Cornelio III, 48, Filipino, Senior Vice President, is the Chief Risk Officer (CRO) of the Bank. He has more than 25 years of banking experience, handling risk, treasury and/or audit functions at the Development Bank of the Philippines, Rizal Commercial Banking Corporation, First Metro Investment Corporation, and Solidbank Corporation. Mr. Cornelio earned his Bachelor of Science degree in Commerce, Major in Management, with academic distinction, from the San Beda College, and a Master's degree in Public Administration, as academic scholar, from the National University of Singapore. He also took up the Bank Management Course in AIM. Mr. Cornelio participated in extensive trainings on the Basel Capital Accord, risk management, corporate governance, macro prudential supervision and regulatory change, credit derivatives and structured products, interest rate and currency derivatives, economic forecasting, ISDA documentation, and financial technology, among others. He has

been a panelist/speaker in major events in the region which include The Asian Banker Summit, ASEAN Risk Forum, Risk Minds Asia, and ADB Regional Forum on Financial Asset and Liability, and past resource person/lecturer for the Bankers Institute of the Philippines (BAIPHIL), and the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). He is presently the Sub-Committee Chairman on Basel Standards Implementation under the Risk Management Committee of the Bankers Association of the Philippines (BAP).

Angela D. Cruz, 64, Filipino, Senior Vice President, is the Head of Wealth Management Group. She also presently holds directorship position in Wellington Investment and Manufacturing Corporation and key positions in Suntree Holdings Corporation and JJACCIS Development Corporation. Prior to joining the Bank, she held executive positions at Citibank N.A., Far East Bank and Trust Company, and Equitable PCI Bank. Ms. Cruz earned her Bachelor of Science degree in Commerce, Major in Management of Financial Institutions, from De La Salle University. Her professional trainings related to banking operations include Bourse Game, account and performance management, customer service, AML, corporate governance, data privacy, and information security. She is related within the first civil degree of consanguinity to Bank Director, Mr. Joaquin T. Dee.

James Christian T. Dee, 50, Filipino, Senior Vice President, is the Director and President of Bank subsidiary CBSI since 2021. He was first seconded to CBSI in 2012 as its Treasurer. He also concurrently holds directorship position in Bank affiliate, MCBLife. He has more than 20 years of banking experience, having previously worked in Citibank N.A. Philippines handling treasury portfolio and product development. He also briefly worked as a field engineer in Chevron Philippines. Mr. Dee graduated with a Bachelor of Science degree in Mechanical Engineering from the University of the Philippines - Diliman and obtained his Master's degree in Business Management from AIM. He has also completed the Trust Institute Foundation of the Philippines' Trust Operations course and the Ateneo – BAP's Treasury Certification Program. He had trainings on treasury, strategic asset and liability management, ICAAP risk models validation, and corporate governance. He is related within the first civil degree of consanguinity to Bank Director, Mr. Joaquin T. Dee.

Delia Marquez, 62, Filipino, Senior Vice President, is the Head of Centralized Operations Group (COG). She previously worked as Auditor at SGV & Co. and Transunion Corporation. A Certified Public Accountant, Ms. Marquez graduated with a Bachelor of Science degree in Commerce, Major in Accounting, *cum laude*, from the University of Santo Tomas. She has attended several trainings and seminars on corporate governance, AML, Internal Capital Adequacy Assessment Process (ICAAP), risk model validation, Internal Credit Risk Rating System (ICRRS), and Philippine Financial Reporting Standards (PFRS).

Delfin Jay M. Sabido IX, 56, Filipino, Senior Vice President, is the Chief Innovation and Transformation Officer and Head of Innovation and Transformation Segment (ITS). He is also a Director in the Bank subsidiary CBC-PCCI. He has over 25 years of experience in global technology and across multiple disciplines, namely, information technology, data analytics, research and development, telco-broadband wireless, and electronics manufacturing services. Prior to joining the Bank, he was the Chief Transformation and Technology Officer of AXA Philippines and he held key executive positions in Stratpoint, Ionics EMS, Inc., IBM Philippines, and at Wave Optics, Inc. in Palo Alto, California, USA. Dr. Sabido earned both his Doctor of Philosophy (PhD) and Masters in Science degrees in Electrical Engineering from Stanford University, after graduating with a Bachelor of Science degree in Electrical Engineering from the University of the Philippines, *summa cum laude*. He has had trainings in banking, finance, technology and related fields, including LOMA and corporate governance.

Manuel C. Tagaza, 61, Filipino, Senior Vice President, is the Head of Retail Banking Innovations Group. For more than 35 years, he has handled key positions in companies engaged in banking and technology solutions. Before joining the Bank, he held key executive positions at the Bank of the Philippine Islands, TIM Corporation, and PCI Bank. Mr. Tagaza graduated with a Bachelor of Science degree in Industrial Engineering from the University of Santo Tomas. He attended Harvard Business School Publishing's Leadership Management Program, the ASEAN Banking Council's ASEAN Banking Conference in Cambodia, as well as other local and international seminars and banking conferences related to financial services, business leadership, retail payments, and real time payments.

Jose Luis A. Alcuaz, Jr., 52, Filipino, First Vice President II, is the Head of Business Re-Engineering and Optimization Division. He is a seasoned banker with 30 years of banking experience obtained locally and overseas. His core competencies are in the fields of business re-engineering and transformation, optimization of operations, change delivery, development and deployment of technology, data management, governance, compliance, and financial crime and risk management. He held key positions at the Hongkong and Shanghai Banking Corporation (HSBC), as Chief Administration Officer, Head of Operational Management, Head of Performance Services, Chief Risk and Administration Officer, and Head of Service Delivery, to name a few. He also served as director and/or officer in different Philippine banking industry associations including the Philippine Clearing House Corporation, BAP

and Bancnet Incorporated. Mr. Alcuaz graduated from the Ateneo de Manila University where he finished a course in Liberal Arts, major in Management Economics. He attended several trainings in banking and other related fields, such as on group and project management, value-based leadership, strategic communication, leadership and strategy, cybersecurity governance, AML, and managing finances in the digital age.

Cristina P. Arceo, 55, Filipino, First Vice President II, is the Head of Treasury Group's Investment Management Division. She has more than 30 years of banking and asset management experience, formerly holding officership positions at Philam Asset Management Inc. and Philippine National Bank. Ms. Arceo obtained her Bachelor of Science degree in Economics from the University of the Philippines and earned her MBA degree from De La Salle University. She also successfully passed the SEC's Fixed Income Salesman Licensing Exam. She attended trainings on strategic systems thinking, foreign exchange, money and capital markets, interest rate swaps and options, market reading, derivatives documentation, and portfolio management, among others. She received awards for "Best in Bond Trading" from The Asset for seven (7) years. She earned her CFA charter in 2011 and was the former President and Chairman of the Board of Trustees of the CFA Society Philippines (CFAP). Her affiliations with other finance associations include the Fund Managers Association of the Philippines, Inc. (FMAP), where she sits as member of the Board Senior Advisers, and the Money Market Association of the Philippines, Inc. (MART), where she is an active member and previously served as its President in 2021.

Jaydee P. Caparas, 50, First Vice President II of Bank subsidiary China Bank Savings, Inc. (CBSI), is seconded to the Bank as Special Projects Officer under the Business Development and Support Division. Mr. Caparas has nearly 30 years of banking experience. He joined CBSI in 2019 as National Sales Director for Branch Banking Group and became the Retail Banking Group Head he handled Special Projects. Previously, he held key positions at the Philippine Savings Bank and Bank of the Philippine Islands. A Certified Public Accountant, he obtained both his degrees in Bachelor of Science, Major in Accountancy (*magna cum laude*), and Masters in Business Administration from San Sebastian College. He took up his Executive Masters in Business Administration, with Distinction, from the AIM and a Master of Sciences Course on Investment and Value Creation in Global Sports under the Global Network for Advanced Management, Small Network Online Course (SNOC) participated and sponsored by AIM, at the Stockholm School of Economics in Sweden. He is also a Certified Management Accountant (CMA) - Australia, Chartered Global Professional Accountant (CGPA) - New Zealand, and ASEAN Chartered Professional Accountant (ACPA) – Southeast Asia countries.

Gerard T. Dee, 60, Filipino, First Vice President II, is the Head of IBS' Commercial Banking II. He also currently holds the position of Treasurer in 3700 Gabong Properties, Inc. and December 10 Holdings. He formerly held key positions at Security Bank Corporation, TA Bank of the Philippines, and Banco de Oro, prior to joining the Bank. Mr. Dee received his Bachelor of Science degree in Marketing from De La Salle University and an MBA degree from the New Hampshire College. He attended trainings and seminars on core credit, remedial management, relationship marketing, AML, personal account trading and operational risk management, among others. He is related within the first civil degree of consanguinity to Mr. Gilbert U. Dee, Vice Chairman of the Board.

Antonio Jose S. Dominguez, 56, Filipino, First Vice President II, is the Head of Consumer Banking Segment's Mortgage and Factoring Business Group. He has more than 35 years of experience in the financial industry, primarily in the key areas of sales management, business development, and investment. Most of his experience was gained in HSBC Philippines, under its two management training programs that led to his holding various senior roles in Consumer Loans, Credit Cards, Retail Banking, Wealth Management, Business Banking, Institutional Banking, and Global Custody. Prior to joining the Bank, he headed the Sales and Marketing Group of City Savings Bank. He has had professional trainings on leadership management, sales management, performance management, digital marketing, corporate governance, and AML. Mr. Dominguez holds a Bachelor of Science degree in Commerce, Major in Management, from Colegio de San Juan de Letran.

Maria Luz B. Favis, 63, Filipino, First Vice President II, is the Head of Asset Quality and Recovery Management Division, where her main focus is in Credit Evaluation and Asset Recovery. In the past, she held key positions in Philippine Commercial International Bank (PCIBank), Sun Microsystems Phils., Inc. and Planters Development Bank, with exposure on account management, commercial lending, and credit. Her extensive trainings in various fields of banking include Core Credit, Loan Evaluation and Marketing, Financial Analysis, and Credit Risk Management, supplemented by seminars on Mergers and Acquisitions, Problem Loans Management, Bank Sales and Marketing Strategies, and Real Estate Management. Ms. Favis is a Bachelor of Arts degree holder in Economics from De La Salle University and she obtained her Master's degree in Business Management from AIM.

Madelyn V. Fontanilla, 61, Filipino, First Vice President II, is the Head of RBBS's Branch Operations Division. She has 39 years of banking experience, with focus on retail banking and branch operations, gained from Equitable PCI Bank. A Certified Public Accountant, Ms. Fontanilla is a graduate of Bachelor of Science in Business Administration, Major in Accounting, *cum laude*, from the University of the East. She participated in various trainings on branch automation, leadership, financial planning, operations control enhancement, leadership, AML, and corporate governance, among others.

Jerry Ron T. Hao, 43, Filipino, First Vice President II, is the Bank's Chief Dealer. He was Head of FX and Derivatives of the Bank from 2016 to 2021. Prior to joining the Bank, he gained professional experience from ING Bank and International Exchange Bank. Mr. Hao graduated with a Bachelor of Science in Management Engineering degree from the Ateneo de Manila University. He completed the Treasury Certification Program conducted by the Ateneo - BAP Institute of Banking and is an SEC Fixed Income Market Salesman. He has also attended several trainings in banking, finance and other related fields such as on credit derivatives and structured products.

Mary Ann T. Lim, 55, Filipino, First Vice President II, is the Bank's Trust Officer and Head of the Trust and Asset Management Group. She has more than 30 years of banking experience, having worked with different financial institutions, including Bank of China Ltd. - Manila Branch, HSBC, and PCI Bank. She also served in the Board of the Trust Officers Association of the Philippines (TOAP) as Treasurer and Finance Director for three terms from 2019 - 2022. Ms. Lim earned her Bachelor of Science degree in Commerce, Major in Accounting, *cum laude*, from the University of San Carlos. She is a Certified Public Accountant and has completed the Trust Operations and Investment Management course from the Trust Institute Foundation of the Philippines. She is also an SEC Certified Fixed Income Market Salesman. She attended trust summits and various trainings in banking and related fields, including those which focused on trust, investment management, estate planning, corporate governance, AML, as well as operational and reputational risks.

Belenette C. Tan, 59, Filipino, First Vice President II, is the Head of Legal and Collection Group. She is also the concurrent Corporate Secretary of Bank subsidiary Chinabank Insurance Brokers, Inc. (CBC-CIBI). She has been with the Bank for over 30 years. She also holds positions in other companies, including Sky Printing Company, Inc. as Chief Finance Officer, and Mirabell Medical Corporation as Director. She previously worked with Yap, Apostol, Gumaru and Balgua Law Offices, prior to joining the Bank. Atty. Tan is a Bachelor of Laws degree holder from the University of Santo Tomas, after taking up Bachelor of Arts in Political Science from the University of the Philippines. She attended several trainings and seminars, including the mandatory continuing legal education, corporate governance, AML, and various aspects of commercial, criminal, and civil law.

Stephen Y. Tan, 57, Filipino, First Vice President II, is the Head of RBBS - Visayas Region. He has more than 30 years of banking experience, having handled various positions at Far East Bank and Trust Company, Equitable PCI Bank, and International Exchange Bank, prior to joining the Bank. A Certified Public Accountant, Mr. Tan earned his Bachelor of Science degree in Commerce, Major in Accounting, from the University of San Carlos. He attended several trainings on account management strategies, AML, managerial skills training, whistleblowing, and other trainings in banking and other related fields.

Bernhard Aloysius G. Tsai, 54, Filipino, First Vice President II, is the Head of FMS's Market Sales Group. He is a seasoned banking professional with over three (3) decades of experience in both multinational and local banks. He has a strong background in institutional sales, investment banking, portfolio management, investor relations, corporate planning, treasury, syndication and distribution, digital marketing, operational strategies and securities brokerage. He previously held key leadership roles in BDO Securities Corporation, BDO Capital & Investment Corporation, BDO Unibank, Australia and New Zealand Banking Group, Standard Chartered Bank - Malaysia Berhad and Manila, Banco Santander Philippines, Inc. and Citibank N.A., among others. Mr. Tsai graduated from the University of the Philippines with a Bachelor of Science degree in Business Economics. He is a certified Treasury Professional, licensed SEC Fixed Income Salesperson and Equity Broker, and a qualified Trust Institute Foundation of the Philippines (TIFP) holder. He also attended various trainings and seminars on tradeable securities, foreign exchange, derivatives, and fundamental & technical analyses.

Layne Y. Arpon, 63, Filipino, is First Vice President I under IBS' Corporate Banking I. She has exposure in commercial banking, corporate banking, investment banking, credit review and underwriting, project finance, and audit, having previously worked in other financial institutions, including BDO Unibank, The Manila Banking Corporation, Security Bank Corporation, and Land Bank of the Philippines. A Certified Public Accountant, Ms. Arpon obtained her Bachelor of Science degree in Commerce, Major in Accounting, from the Far Eastern University. She attended various trainings on trade finance, core credit, financial analysis, project financing, and credit investigation and property appraisal, among others.

Love Virgilynn T. Baking, 48, Filipino, First Vice President I, is the Head of FMS's Institutional Fixed Income Sales Division. She has 27 years of experience in branch banking, wealth management, trust, insurance, and treasury. She previously worked with Philippine Bank of Communications, HSBC and HSBC Savings Bank. Ms. Baking graduated with a Bachelor of Science degree in Business Management from the De La Salle University. She is an SEC Fixed Income Licensed Salesman and she has completed a Treasury Certification Program and participated in trainings and seminars on AML, signature verification, and treasury-related topics.

Richard S. Borja, 48, Filipino, First Vice President I, is the Head of COG's International Division. He has over 28 years of experience in the banking industry primarily gained from HSBC, with focus on trade operations, commercial banking, branch operations, and treasury operations. Mr. Borja obtained his Bachelor of Science degree in Mathematics from the De La Salle University.

Marie Carolina L. Chua, 59, Filipino, First Vice President I, is the Head of Self-Service Channels Division. She is a homegrown talent of the Bank, joining more than 35 years ago as a researcher in Branch Banking. Her assignment exposed her to project study and analysis, credit analysis, microcomputer programming and branch site selection. Her assignment to head the Bank's Cash Mobilization Unit provided her a good appreciation of risk management and cash optimization. These exposures serve to sharpen her ability to drive and manage the Bank's self-service network growth and development as well as implement the Bank's retail internet banking and deliver the award winning feature of the Bank's mobile banking app. She has chaired the E-Banking Committee at BancNet, been a member of the BancNet's Operations Committee and InstaPay ACH Operations Committee under the PPMI. Ms. Chua received her Bachelor of Arts, major in Psychology and Bachelor of Science in Commerce, major in management from the College of the Holy Spirit. After graduation, she completed basic courses in computer programming at Software Systems Inc. in Taipei, Taiwan. She has attended various trainings on cards and payments, self service delivery, digital transformation, fraud, blockchain and artificial intelligence, AML, cybersecurity governance, and managing finances in the digital age.

Melissa F. Corpus, 55, Filipino, First Vice President I, is the Head of Credit Management Group. She has 35 years of experience in banking and finance, having worked with various financial institutions such as Far East Bank and Trust Company, HSBC, and Citibank, N.A. - Manila. She has gained a wide span of banking exposure in the areas of credit analysis, credit risk management, relationship management of corporate and financial institutions, loan syndications, project finance, credit policy formulation, and documentation management. She was an academic scholar at the Ateneo de Manila University where she graduated with a Bachelor of Science in Management degree. Apart from having engaged in different trainings on credit, risk management, treasury, derivatives, international trade, property appraisal, and various external regulations, she also finished her comprehensive Executive Training Program at the HSBC Group Management Training College in Bricket Wood, United Kingdom.

Tani Michelle M. Cruz, 54, Filipino, First Vice President I, is the Head of Human Resources Group. She has over 30 years of experience in human resources, finance and administration, gained from ANZ Bank (Thai) PLC, ANZ Banking Group Limited (Philippines), DOLE Pacific General Services Ltd., Dole Asia, Ltd. (ROHQ), and Dole Philippines, Inc. Ms. Cruz obtained her Bachelor of Science in Business Administration degree from the University of the Philippines - Diliman, and a Master's degree in Business Administration from the same university. She also completed a Diploma Program in Organizational Development from the De La Salle - College of St. Benilde. Ms. Cruz has participated in various trainings and seminars on AML, data privacy, operational risk management, compliance, information security, data protection, and good governance, among others.

Domingo P. Dayro, Jr., 48, Filipino, First Vice President I, is the Head of Consumer Banking Segment's Cash Management Services and Operations Group. A seasoned banker, he has over 25 years of experience in the banking industry with exposure on business solutions, business information, project management, product implementation, electronic banking, and IT. Before joining the Bank, he worked with Rizal Commercial Banking Corporation, Security Bank Corporation, Philippine National Bank, Union Bank of the Philippines, and Citibank. Mr. Dayro graduated from the University of the East with a Bachelor of Science degree in Computer Science. He attended training in banking and other related fields, such as the Senior Leaders Development Program conducted by John Clements Consultants.

Francis Andre Z. De Los Santos, 51, Filipino, First Vice President I, is a Director, and the General Manager and Chief Information Officer of Bank subsidiary CBC-PCCI. He was the Head of Business Solutions Division of the Bank prior to his secondment and the integration of Business Solutions into CBC-PCCI. He previously worked in SM Retail, Inc. and Metropolitan Bank and Trust Company, gaining significant experience in the retail and banking business. Mr. Delos Santos graduated with a Bachelor of Science degree in Business from De La Salle University. He has had trainings in information systems, business information security, cybersecurity governance, and financial technology, among others.

Mary Grace R. De Ocampo, 49, Filipino, First Vice President I, is the Head of ITS's Data Science and Artificial Intelligence Division. She has over twenty-five (25) years of experience in Information Technology (IT), five (5) years of which were gained from the banking sector. She has led the overall solutioning and delivery of multiple, large-scale projects, from definition to deployment, led the establishment of domain and technical Practice teams, which also address capability and capacity development per specialization area. She is experienced in developing and implementing artificial intelligence (AI) and data science strategies and projects. She previously worked for Thakral One Pte. Ltd. (ASEAN), SAS Institute, Inc. (for Philippines and Vietnam) and Metropolitan Bank & Trust Company, among others. Ms. De Ocampo obtained her Bachelor of Arts in Communication degree from the Philippine Women's University, and Master's degree in Business Administration from the Ateneo Graduate School of Business.

Gemma B. Deladia, 58, Filipino, First Vice President I, is the Head of TAMG's Operations and Finance Division. She was Auditor at SyCip Gorres Velayo & Co. prior to joining the Bank in 1990. A Certified Public Accountant, she placed 11th in the CPA licensure examination after taking up Bachelor of Science in Business Administration, major in Accounting, from the University of the Philippines - Tacloban City and Philippine School of Business Administration. Ms. Deladia also finished the Trust Institute Foundation of the Philippines' course on trust operations and investment management, and participated in trainings and summits on administration of trust, other fiduciary and investment management accounts and reporting package for trust institutions, information security, AML, estate planning, related party transactions, and fair value measurement.

Rhodin Evan O. Escolar, 48, Filipino, First Vice President I, is the Head of IBS' Credit Portfolio Quality Assurance Group. He also currently sits as Board Director in Resurgent Capital (FISTC-AMC) Inc., a wholly-owned subsidiary of CBCC. He was a former Director for Execution of Bank subsidiary CBCC from 2016 to 2017. Mr. Escolar graduated with Bachelor of Science degrees in Management Engineering and Mathematics from the Ateneo de Manila University. He obtained his MBA degree from the University of Chicago Booth School of Business.

Luellia S. Espine, 59, Filipino, First Vice President I, is the Head of IBS' Corporate Banking Division II. She is a seasoned banker across institutional, corporate and commercial credit and lending, and remedial management. She previously worked with Australia and New Zealand Banking Group Limited - Manila Branch, Export & Industry Bank, Inc., Equitable Banking Corp., and Solidbank Corporation. Ms. Espine earned her Bachelor of Arts degree, major in Economics, from the University of Santo Tomas. She had various trainings on information security, AML, data privacy, relationship and account management and risk analysis in trade finance, among others.

Gerald O. Florentino, 55, Filipino, First Vice President I, is the Head of Investor and Corporate Relations Group. He also currently sits in the board of Bank subsidiary China Bank Securities Corporation (CBSC). He is a seasoned banker having obtained more than 30 years of extensive experience in investor relations, corporate planning, and investment banking. Prior to joining the Bank, he served as the President and Chief Executive Officer of RCBC Securities, Inc., Head of Corporate Planning and Investor Relations for Rizal Commercial Banking Corporation (RCBC), and worked in several financial and investment institutions including United Coconut Planters Bank, Deutsche Bank Philippines, AXA Philippines, and Government of Singapore Investment Corporation. Mr. Florentino graduated with a Bachelor of Science degree in Business Administration, Major in Finance, from the Loyola University in Chicago, USA. He has also obtained his Master's degree in Business Administration from AIM.

Pablito P. Flores, 60, Filipino, First Vice President I, is the Head of RBBS's North Luzon Region. He has nearly 40 years of banking experience, having previously worked with Asia United Bank, ABN AMRO Bank, Metropolitan Bank and Trust Company, and Bank of Commerce. A Certified Public Accountant, Mr. Flores earned his Bachelor of Science degree in Business Administration, Major in Accounting from the Philippine School of Business Administration. He attended trainings on AML, electronic banking, customer relations, and branch management, among others.

Cesare' Edwin M. Garcia, 53, Filipino, First Vice President I, is the Head of FMS's Business Management Division. Before joining the Bank in 2007, initially under the Private Banking Group, he worked with American Express Bank Philippines and ABN AMRO Bank Philippines, focusing on wealth management and treasury sales. Mr. Garcia obtained his Bachelor of Arts degree in Sociology from the University of the Philippines - Los Baños. He is also an SEC Fixed Income Certified Professional and a Treasury Certified Professional. He has had trainings on AML, UITF and compliance, among others.

Cristina F. Gotuaco, 56, Filipino, First Vice President I, is the Head of IBS' Commercial Banking Division I. A homegrown talent, Ms. Gotuaco has been with Bank for more than 30 years and has made significant contributions to the commercial banking business. Ms. Gotuaco obtained both her Bachelor of Science in Commerce degree, major in Management of Financial Institutions, and MBA degree from De La Salle University. She has participated in various trainings in banking, finance, management, and other related fields.

Emir Francis D. Javillonar, 39, Filipino, First Vice President I, is the Head of Balance Sheet Management Division of the Bank's Treasury Group. He has over 15 years of banking experience focused on treasury and trading and he previously worked at Metropolitan Bank and Trust Company, Bank of China (HK) Ltd. - Manila Branch, and Deutsche Bank AG Manila. Mr. Javillonar graduated with a Bachelor of Arts degree in Economics from Ateneo de Manila University. He has completed the Treasury Certification Program conducted by the Ateneo - BAP, and participated in trainings on financial markets, data protection, environmental, social, and governance (ESG), compliance, anti-financial crime, and treasury.

Angelyn Claire C. C. Liao, 49, Filipino, First Vice President I, is the Head of the Business Development and Support Division. She has more than 25 years of banking and finance experience, handling multifaceted roles relating to financial markets, compliance, audit, risk, product development, ESG, information system, customer propositions, customer due diligence, and process re-engineering. She previously worked for different financial institutions such as the Hongkong and Shanghai Banking Corporation (HSBC), Philippine Bank of Communications (PBCOM), and Standard Chartered Bank. Ms. Liao earned her Bachelor of Science degree in Business Management from De La Salle University. She participated in several trainings on AML and corporate governance, among others.

Regina Karla F. Libatique, 56, Filipino, First Vice President I, is the Head of Bancassurance. She has over 20 years of strategic sales and marketing experience in the insurance and investment industry acquired from institutions such as Maybank Philippines, Incorporated, Insular Life Assurance Co., Ltd., BPI-Philam Life Assurance Corporation and Bank subsidiary, Chinabank Insurance Brokers, Inc. (CIBI). Ms. Libatique finished her Bachelor of Science degree in Business Administration and Masters in Information Management from Asia Pacific College. She has attended trainings related to AML, insurance and investment.

Karyn C. Lim, 50, Filipino, First Vice President I, is the Deputy Head of the Wealth Management Group. She has almost three (3) decades of professional experience in the fields of retail banking, wealth management and corporate finance. She previously worked at HSBC and Australia and New Zealand Banking Group Limited (ANZ) where she handled relationship banking. Ms. Lim graduated from the Ateneo de Manila University where she finished her Bachelor of Arts degree in Management Economics. She also holds a Master of Science degree in Computational Finance from De La Salle University Graduate School of Business. She is a registered Fixed Income Market Salesman. Her professional trainings include AML, information security, operational risk management, business continuity and data privacy.

Eduardo S. Martinez, 50, Filipino, First Vice President I, is the Chief Data Officer and Head of ITS's Data Intelligence Division. He has over two (2) decades of experience in data governance, data architecture, data engineering, data warehouse, business intelligence, information technology (IT), cloud computing and financial management, 17 years of which were gained from the banking sector. He was the Head of Data Integration & Analytics of the Bank of the Philippine Islands (BPI), has held IT and data management roles at the Philippine National Bank, among others. Mr. Martinez obtained his Bachelor of Computer Science degree from AMA Computer University.

Mandrake P. Medina, 53, Filipino, First Vice President I, is the Head of RBBS's South Luzon Region. He has more than 30 years of banking experience, which he acquired from banks such as Citytrust Banking Corporation, Solid Bank Corporation, United Overseas Bank, and Chinatrust Banking Corporation. Mr. Medina graduated with a Bachelor of Arts degree in Liberal Arts - Commerce, major in Political Science and Accounting, from the University of Batangas. His professional trainings include AML, corporate governance, risk management, operations control, and service excellence.

Alfredo Manuel E. Moreno, 50, Filipino, First Vice President I, is the Head of Team 6 of IBS's Corporate Banking Division 3. He has more than 30 years of banking experience, which he acquired from banks such as Far East Bank and Trust Company, JPMorgan Chase & Co. and HSBC. Mr. Moreno obtained his Bachelor of Arts in Economics from De La Salle University. His professional trainings include project finance, international trade, capital markets financing, corporate finance, and cash management.

Jocelyn T. Pavon, 52, Filipino, First Vice President I, is the Region Head of Retail Banking Business Segment – Metro Manila West Region. She has 25 years of banking experience which she acquired from International Exchange Bank as Branch Head, and East West Banking Corporation as Area Head of Metro Manila Branches and Head of Branch Operations. Ms. Pavon graduated *magna cum laude* from the University of Sto. Tomas where she finished a course in Bachelor of Science in Hotel and Restaurant Management. She has also attended trainings in banking and other related fields including corporate governance.

Mani Thess Q. Peña-Lee, 45, Filipino, First Vice President I, is the Head of the Institutional and Transaction Advisory Department. She brings with her 20 years of professional legal experience. She obtained significant exposure in the general practice of law locally and abroad, spanning the fields of corporate, commercial and civil law, intellectual property, labor and employee relations, and dispute resolution. She was formerly an Associate in the law firm of Castillo Laman Tan Pantaleon and San Jose, and Foreign Legal Advisor and Partner in the Singapore-based commercial law firm Kelvin Chia Partnership. Placing 7th in the 2003 Philippine bar examinations, Atty. Peña-Lee graduated from the University of the Philippines - Manila with a Bachelor of Arts degree in Political Science, *magna cum laude*, and obtained her Bachelor of Laws degree from the University of the Philippines - Diliman. She is also a Certified Trust Professional having completed the Trust Operations and Investment Management course from the Trust Institute Foundation of the Philippines.

Francisco Eduardo A. Sarmiento, 51, Filipino, First Vice President I, is the Head of COG's Treasury Operations Division. He has 30 years of banking and finance experience gained from working with other banks such as Australia and New Zealand Banking Group Limited (Philippines), Deutsche Knowledge Services Pte. Ltd., BDO Capital and Investment Corporation, BDO Unibank, Inc., Asia United Bank Corporation, and Dao Heng Bank Limited. Mr. Sarmiento graduated from Polytechnic University of the Philippines with a Bachelor of Science degree in Accountancy. He attended various trainings relating to treasury management, taxation, finance, accounting standards, fixed income exchange, capital markets, and securities lending.

Marisol M. Teodoro, 62, Filipino, First Vice President I, is seconded as the Director, President, and Chief Executive Officer of Bank subsidiary CBSC since 2017. Prior to this, she was the Bank's Treasury Business Center Head assigned at the Treasury Group. Earlier, she served as the Division Head of the Business Development and Portfolio Management Division of the Trust Group. She also worked in other financial institutions, namely: Security Bank as Trust Investment Officer and The International Corporate Bank/Union Bank of the Philippines as Credit Evaluation Officer. Ms. Teodoro holds a Bachelor of Science degree in Business Economics, Dean's Medalist, and an MBA degree, both obtained from the University of the Philippines. She has participated in various trainings on trust, treasury, investments, financial planning, and corporate governance. She completed the one-year Trust Course from the Trust Institute Foundation of the Philippines, graduating with Distinction, and the Registered Financial Planning course from RFP-Philippines. She is also an Ateneo - BAP Certified Treasury Professional.

Maria Rosanna Catherina L. Testa, 64, Filipino, First Vice President I, serves as Advisor to the Bank's Human Resources Group. She spent more than 30 years of her career in human resource management. She previously held key positions at Goodyear Phils., Equitable-PCI Bank, Far East Bank and Trust Company, The Manila Banking Corporation, and John Clements Consultants, among others. Ms. Testa is a graduate of Bachelor of Arts, Major in Business Administration, from the Assumption College, and took up Masters in Business Administration from the Ateneo Business School. She participated in trainings on corporate governance, AML, leadership, and trends and challenges in human resource management.

Melanee I. Torrelino, 57, Filipino, First Vice President I, is the Head of ITS's Digital and Customer Experience Platforms Group. She has over two (2) decades of experience in IT, digital customer experience, IT infrastructure, operations and service management, and data privacy. She has held key positions in multi-national financial institutions, successfully managing transformation and technology projects, initiatives and business-as-usual activities. Prior to joining the Bank, she was the Senior Director for the Digital Transformation Office in AXA Philippines. She also previously handled data center operations in Prulife of UK, and systems management at ING Life Insurance Co., Inc., among others. Ms. Torrelino obtained her degree in Bachelor of Arts in Communication Arts from the University of Santo Tomas.

Harvey L. Ty, 47, Filipino, First Vice President I, is the Head of FMS's Treasury Retail Sales Division. He has more than 15 years of banking experience, having worked with different institutions, including HSBC Philippines, BDO Unibank, Inc., and Union Bank of the Philippines. Mr. Ty earned his Bachelor of Science in Legal Management degree from De La Salle University. He is also an SEC certified Fixed Income Salesman.

Ma. Gingili A. Valenzuela, 49, Filipino, First Vice President I, is the Head of IBS's Commercial Banking Division. She has 26 years of experience in account solicitation and management with specialization in business and corporate banking. She was previously the Head of Business Banking Center at the Metropolitan Bank and Trust Company and has also worked with Security Bank Corporation, Keppel Monte Bank and Union Bank of the Philippines. Ms. Valenzuela graduated from De La Salle University with a Bachelor of Science major in Legal Management degree. She also obtained from the De La Salle Professional School a Master's degree in Business Administration.

Esmeralda R. Vicente, 53, Filipino, First Vice President I, is the Head of Loans and Discounts Division of the Centralized Operations Group. She has over 30 years of banking experience gained from the Bank, including oversight on major core automation projects in loan operations. Ms. Vicente graduated from the University of the Philippines with a Bachelor of Science degree in Mathematics and a Master's degree in Business Administration, obtained with academic distinction, from the same university. She participated in various seminars, including data privacy, operational risk management, AML, information security, and loan documentation.

Carina L. Yandoc, 57, Filipino, First Vice President I, is the Head of TAMG's Sales and Marketing Division. She has over 30 years of banking experience specifically on corporate planning and research, account management and sales and marketing of trust products and services. Before joining the Bank, she also handled key positions at Union Bank of the Philippines' Corporate Planning Division as well as Trust and Investment Division. Ms. Yandoc graduated from the University of Santo Tomas with a degree of Bachelor of Science in Commerce, major in Economics. She was also awarded full scholarship by the Hanns Seidel Foundation, Germany and obtained Masteral units in Applied Business Economics Program from the University of Asia and the Pacific (formerly known as Center for Research and Communication). She is a certified Trust Officer and had trainings on UITF, operational risk management, information security, AML, information security and strategic marketing.

Michelle Y. Yap-Bersales, 45, Filipino, First Vice President I, is the Head of Core Finance Group. Prior to joining the Bank, she was a Senior Director at SGV & Co. where she gained extensive work experience handling tax compliance audits, advisory, planning and due diligence services involving corporate acquisitions, mergers and spin-offs for multinational and domestic corporate clients in the banking, capital markets, insurance, real estate and service outsourcing industries. A Certified Public Accountant, Ms. Bersales earned her Bachelor of Science degree in Accountancy from De La Salle University and obtained her Master's degree in Business Administration from AIM where she studied as an SGV scholar. She attended various seminars on accounting, taxation and management, as well as training on corporate governance, cybersecurity, AML, and financial technology. Her extensive knowledge and expertise in tax rules applicable to financial institutions made her a member of the Tax Committee of the Banker's Association of the Philippines and the Bank's suitable representative in the Tax Management Association of the Philippines.

Note 1: All the foregoing officers have been involved in the banking industry or financial sector for more than five (5) years.

Note 2: None of the above-mentioned directors and officers work with the government.

(d) Nominees for election as Directors and Independent Directors

Nominee as Director	Person who nominated	Nominee as Independent Director	Person who nominated and Relationship with Nominee
Hans T. Sy	Sysmart Corporation	Margarita L. San Juan	Maribel S. Meniado, no relation
Gilbert U. Dee	Linda Susan T. Mendoza	Philip S.L. Tsai	Alvin A. Quintanilla, no relation
Romeo D. Uyan, Jr.	Angelyn Claire C.C. Liao	Claire Ann T. Yap	Regina Capital Development Corporation, no relation
Peter S. Dee	Nancy D. Yang	Genaro V. Lapez	Regina Capital Development Corporation, no relation
Joaquin T. Dee	Christopher T. Dee		
Herbert T. Sy	Sysmart Corporation		
Harley T. Sy	SM Investments Corporation		
Jose T. Sio	SM Investments Corporation		

All the above-mentioned nominees are incumbent members of the Board.

The Certifications of the nominees for independent directors, in accordance with SEC Memorandum Circular No. 5, Series of 2017, are attached as Exhibits “A” to “D”.

Upon initial determination, based on the Nomination Forms and attachments submitted to the Nominations and Corporate Governance Committees, the nominees for directors and independent directors were found to be fit and proper for the position they were nominated to and possess all the qualifications and none of the disqualifications of a director or independent director, and their qualities are aligned with the Bank’s strategic directions.

The Nominations and Corporate Governance Committees are currently composed of Ms. Margarita L. San Juan (Chairperson), Ms. Claire Ann T. Yap, and Mr. Philip S.L. Tsai, all independent directors.

(e) Involvement in Legal Proceedings

To the best knowledge and information of the Bank, none of the above-named directors, nominees, and executive officers have been involved in any of the following events during the past five (5) years: (i) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time; (ii) any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses; (iii) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and (iv) being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

For the past five (5) years, the Bank, its affiliates, subsidiaries, directors and officers have not been involved in any legal proceedings that would affect their ability, competence or integrity, and/or would involve a material or substantial portion of their property before any court of law, quasi-judicial body or administrative body in the Philippines or elsewhere, except in the usual routine cases directed against the Bank, arising from the ordinary conduct of its business.

All legal proceedings involving the Bank are efficiently and competently attended to and managed by a group of twenty (20) in-house lawyers and one (1) consultant who are graduates of reputable law schools in the country. For its external counsels, the Bank retains the services of respected law firms, among which are Medialdea Bello

Guevarra & Suarez Law Offices, ACCRA Law Office, Britanico Sarmiento & Ringler Law Offices, Divina Law Office, Tagayuna Panopio & Escobar Law Firm, Atty. Omar D. Vigilia, The Law Firm of Hermosissima Hermosissima & Hermosissima, and Catabay-Lauigan Law Office.

(f) Significant Employees

The Bank highly values its human resources. It expects each employee to do his share in achieving the Bank's set goals. In return, the Bank has in place policies and programs for the protection and growth of employees.

(g) Relationships and Related Transactions

In the ordinary course of business, the Bank has loans and other transactions with its directors, officers, stockholders, and related interests (DOSRI), which were made substantially on fair terms or at an arm's length basis, that is, terms not less favorable to the Bank than those offered to others. Full disclosures for these transactions were made through reports with the appropriate regulatory agency.

The Bank has the following subsidiaries or affiliates/associates:

- i. *China Bank Savings, Inc. (CBSI)* – formerly known as The Manila Banking Corporation (TMBC), CBSI was acquired by Chinabank in June 2007. It was incorporated on May 23, 1960 and was formed to carry on, engage in the business of, and exercise the general powers of a commercial bank as provided by law. On June 23, 1999, the Bangko Sentral ng Pilipinas (BSP) granted TMBC authority to operate as a thrift bank. In 2008, in pursuance of the Bank's acquisition of TMBC, the BSP and the Securities and Exchange Commission (SEC) approved the change of name to CBSI. Further, the Monetary Board and SEC gave their approvals on November 21, 2013 and January 20, 2014, respectively, to the merger with Unity Bank, A Rural Bank, Inc. (Unity Bank), a Pampanga-based rural bank, with CBSI as the surviving bank. On August 14, 2014, the stockholders owning at least 2/3 of the outstanding capital stock of CBSI approved the Plan of Merger of Planters Development Bank and CBSI, with the latter as the surviving bank. BSP approved the merger on November 6, 2015 and SEC registered/approved the merger on December 17, 2015. Chinabank now owns 99.64% of the total outstanding capital stock of CBSI. Sitting as directors and/or officers of CBSI are the following: Mr. Ricardo R. Chua as Chairman, Ms. Nancy D. Yang as Vice Chairman, and the rest of the Board members are: Mr. James Christian T. Dee (who is also the President), Mr. Romeo D. Uyan, Jr., Mr. Jose L. Osmeña, Jr., Mr. Patrick D. Cheng, Mr. Herbert T. Sy, Jr., and four (4) independent directors: Ms. Claire Ann T. Yap, and Messrs. Philip S.L. Tsai, Genaro V. Lapez, and Antonio S. Espedido, Jr.
- ii. *China Bank Capital Corporation (CBCC)* – was incorporated on November 27, 2015 as a full-service investment house with broker/dealer of securities functions. CBCC is also licensed to deal with government securities. It is 100% owned by the Bank. CBCC's Board of Directors is composed of: Messrs. Ricardo R. Chua (Chairman), Romeo D. Uyan, Jr. (Vice Chairman), Mr. Howard Conrad T. Sy, and Ryan Martin L. Tapia (President), Mmes. Lilian Yu and Magnolia Luisa N. Palanca, and three (3) independent directors: Mmes. Margarita L. San Juan and Claire Ann T. Yap, and Mr. Philip S.L. Tsai. CBCC's business is supplemented by its wholly owned subsidiaries: (a) China Bank Securities Corporation (formerly ATC Securities, Inc.), an equity broker-dealer; (b) CBC Assets One (SPC) Inc., a special purpose corporation; and (c) Resurgent Capital (FIST-AMC) Inc., also a special purpose corporation.
- iii. *Chinabank Insurance Brokers, Inc. (CIBI)* - was incorporated on November 3, 1998 as a full-service insurance broker, providing insurance advice and solutions for retail and corporate customers, with a wide and comprehensive range of products for non-life and life insurance requirements. CIBI offers Property, Motor, Marine, Bonds/Surety, Construction All Risk/Engineering Lines, Liability, Financial Lines such as Directors and Officers Liability, Professional Indemnity, Trade Credit, Cyber Liability, and Travel and Group Personal Accident for the Bank's clients including non-mortgaged accounts. CIBI is 100% owned by the Bank, with the following Board members: Messrs. Patrick D. Cheng (Chairman), Frankie G. Panis (President), Jose L. Osmeña, Jr., and two (2) independent directors: Mr. Philip S.L. Tsai and Ms. Margarita L. San Juan.

- iv. *CBC Properties and Computer Center, Inc. (CBC PCCI)* – was incorporated on April 14, 1982 to render general services of computer and other computer-related products and services solely to the Bank and its business group. CBC PCCI is 100% owned by the Bank, with the following Board members: Messrs. Gilbert U. Dee (Chairman), Peter S. Dee (President), Ricardo R. Chua, Delfin Jay M. Sabido IX (Treasurer), and Francis Andre Z. Delos Santos (General Manager and Chief Information Officer).
- v. *China Bank Securities Corporation (CBSC)* – formerly known as ATC Securities, Inc. (ATC), CBSC is a wholly-owned subsidiary of CBCC. ATC originally started out as Cathay Asia Securities, Inc. which was incorporated on December 13, 1978. On April 12, 1984, Cathay Asia Securities, Inc. changed its name to ATC Securities, Inc. On June 29, 2016, CBCC and the stockholders of ATC executed a Share Purchase Agreement for the purchase by CBCC of 100% shares in ATC. The SEC approved CBCC's intended purchase of ATC on August 23, 2016, subject to certain documentary filings. The acquisition of ATC was eventually approved by the PSE on February 22, 2017 and the closing of the purchase of ATC was completed on March 6, 2017. On July 6, 2017, the SEC approved CBSC's amended articles of incorporation, including its change in corporate name from ATC Securities, Inc. to China Bank Securities Corporation. CBSC operates as a stock brokerage licensed by the SEC to engage in dealing, for its own and its customers' accounts, securities listed in the PSE as well as providing securities research and analysis services. The company is eligible to trade dollar-denominated securities or DDS and real estate investment trusts (REITs), and also offers online trading. The company's Board of Directors is comprised of: Messrs. Ryan Martin L. Tapia (Chairman), Juan Paolo E. Colet (Vice Chairman), Romeo D. Uyan, Jr., and Gerald O. Florentino, Ms. Marisol M. Teodoro (President and CEO), and two (2) independent directors: Ms. Claire Ann T. Yap and Mr. Genaro V. Lapez.
- vi. *CBC Assets One (SPC) Inc. (CBC Assets)* – is a special purpose subsidiary of CBCC. It was incorporated on June 15, 2016, with the primary purpose of securitization of assets which include receivables, mortgage loans and other debt instruments. CBC Assets is 100% owned by CBCC, with the following Board members: Messrs. Ryan Martin L. Tapia (Chairman), Juan Paolo E. Colet (President and CEO), Roberto A. Cabusay (Treasurer), and two (2) independent directors: Mr. Ariel A. Soner and Ms. Ma. Cecilia A. Gironella.
- vii. *Resurgent Capital (FISTC-AMC) Inc. (RECAP)* - is a special purpose subsidiary of CBCC. It was incorporated on September 6, 2021, with the primary purpose of investing in or acquiring non-performing assets of financial institutions as contemplated under Republic Act No. 11523 or the Financial Institutions Strategic Transfer (FIST) Act and its implementing rules and regulations. The company's Board of Directors is comprised of: Messrs. Ryan Martin L. Tapia (Chairman), Juan Paolo E. Colet (President and CEO), Roberto A. Cabusay (Treasurer), and Rhodin Evan O. Escolar, Ms. Lilian Yu, and two (2) independent directors: Mmes. Margarita L. San Juan and Claire Ann T. Yap.
- viii. *Manulife China Bank Life Assurance Corporation (MCBLife)* – in 2007, the Bank entered into an agreement with The Manufacturers Life Insurance Company (parent company of The Manufacturers Life Insurance Co. (Phils.), Inc. or Manulife Philippines) for an exclusive bancassurance alliance to distribute life insurance products to the Bank's customers. Initially incorporated as The Pramerica Life Insurance Company, Inc. in 1998, its name was changed to Manulife China Bank Life Assurance Corporation (MCBLife) on March 23, 2007. The Bank initially held a 5% interest in MCBLife, the minimum stake required by the BSP, which has since increased to 40%, giving the Bank better opportunities to expand its fee-based business. The following are MCBLife's Board members: Messrs. Sachin Shah (Chairman), Neil Robert Bowyer (President), Rahul Hora, Matt Lawrence, James Christian Dee, Patrick Cheng, and three (3) independent directors: Mmes. Janette Peña and Maria Theresa Quirino, and Mr. Conrado Favorito.

Further, the Bank has business relationships with related parties. Transactions with such parties are thoroughly reviewed and verified as having been entered into in the best interest of the Bank, in the ordinary course of business and on substantially same terms as those prevailing at the time for comparable transactions with other parties.

The table below shows the Bank's material related party transactions and outstanding balances for the year 2023:

Related Party	Total Amount ^{1/}	Total Outstanding Balance ^{2/}
CBC Group	₱ 14.0 B	-
SM Group	₱ 298.8 B \$ 23.5 M	₱ 7.0 B
Other Related Parties	₱ 206.9 B \$ 46.3 M	₱ 2.6 B

1/ Covers all transactions

2/ For loan transactions approved in 2023 (with availments)

Related party transactions of directors are passed upon by the Related Party Transaction (RPT) Committee of the Bank and endorsed to the Board of Directors for approval/confirmation. The RPT Committee evaluates the terms and conditions of the facilities/transactions to ensure that they are fair, negotiated on an arm's length basis, or upon terms not less favorable to the Bank than those offered to others, that no business resources of the Bank are misappropriated or misapplied, no potential reputational risk issues may arise because of or in connection with the transactions, and that the same are in compliance with the existing rules. Appropriate disclosures and reports are submitted as well to the Bangko Sentral ng Pilipinas (BSP).

Related party transactions are also discussed in Note 30 of the Audited Financial Statements as presented in Annex "E".

6. Compensation of Directors and Executive Officers

Name	Year	Salary	Bonuses & Other Compensation	Total
Total for the 5 most highly compensated Executive Officers*	2024 (estimates)	73,330,065	80,190,352	153,520,417
	2023 (actual)	69,179,306	75,651,275	144,830,581
	2022 (actual)	65,233,046	70,881,725	136,114,771
Total for all Officers and Directors	2024 (estimates)	2,732,839,799	1,297,766,786	4,030,606,585
	2023 (actual)	2,578,150,754	1,224,308,289	3,802,459,043
	2022 (actual)	2,191,551,985	1,033,109,807	3,224,661,792
Total for all Directors	2024 (estimates)		92,000,000	
	2023 (actual)		88,325,000	
	2022 (actual)		74,900,000	

* For Years 2023-2024: Messrs. Gilbert U. Dee, Romeo D. Uyan, Jr., Patrick D. Cheng, and Jose L. Osmena, Jr., and Ms. Lilian Yu.

For Year 2022: Messrs. Gilbert U. Dee, William C. Whang, Romeo D. Uyan, Jr., and Patrick D. Cheng, and Ms. Rosemarie C. Gan.

Other than those relating to the foregoing figures, there are no actions to be taken as regards any bonus, profit sharing, pension, or retirement plan, granting or extension of any option warrant or right to purchase any securities between the Bank and its directors and officers. The officers receive compensation based on their performance, banking experience, employment status, position, and rank in the Bank. On the other hand, the directors are entitled to a per diem of up to P10,000 for attendance at each meeting of the Board or of any committee and to 4% of the Bank's net earnings, in accordance with Article IV, Section 11, and Article VIII, Section 1 (a) of the Bank's Amended By-Laws. The directors and officers have no other compensatory arrangement with the Bank.

In 2023, each member of the Board of Directors received the following amount as compensation:

Hans T. Sy	7,310,000.00
Gilbert U. Dee	7,430,000.00
Romeo D. Uyan, Jr.	300,000.00
Peter S. Dee	7,405,000.00
Joaquin T. Dee	7,410,000.00
Herbert T. Sy	7,155,000.00
Harley T. Sy	7,275,000.00
Jose T. Sio	7,210,000.00
Margarita L. San Juan	7,430,000.00
Philip S.L. Tsai	7,430,000.00
Claire Ann T. Yap	7,420,000.00
Genaro V. Lapez	7,350,000.00

7. Independent Public Accountants

SyCip Gorres Velayo & Co. (SGV & Co.) was the Bank's independent auditor for the year 2023 and has been the Bank's independent auditor for more than 40 years. SGV & Co. is again recommended for appointment at the scheduled annual stockholders' meeting. In compliance with SEC Memorandum Circular No. 8, Series of 2003, and Amendments to SRC Rule 68, the signing partners of a firm are rotated every after five (5) years of engagement which was increased to seven (7) years effective August 2019 per Professional Regulatory Board of Accountancy Resolution No. 53, Series of 2019. Ms. Janet A. Paraiso was the assigned signing partner since the year 2021.

None of the Bank's external auditors have resigned during the two (2) most recent fiscal years (2023 and 2022) or any interim period.

Representatives of SGV & Co. are expected to be present at the stockholders' meeting to respond to any matter that may be pertinently raised during the meeting. Their representative will be given the opportunity to make a statement if they so desire.

Fiscal Year	Audit and Audit-Related Fees	All Other Fees
2023	P10,773,803	P134,400
2022	P9,498,720	P974,400

Audit and Audit-Related Fees cover services rendered for the performance of the audit or review of the Bank's financial statements including the combined financial statements of Trust Group. The 2023 and 2022 audit fees were taken up and approved by the Audit Committee.

Tax fees related to the audit of tax accounting and compliance are already incorporated in the year-end audit fees under Audit and Audit-Related Fees category as this is part of the audit process conducted by the external auditors.

The Board/Audit Committee likewise discussed, approved, and authorized to engage the services of SGV & Co in non-audit work for independent vulnerability assessment and penetration testing in 2022, and independent validation of votes in the annual stockholders' meeting in both 2023 and 2022. Payments for these services are included under All Other Fees.

SGV & Co. also confirmed that they did not have any disagreement with Management that could be significant to the Bank's financial statements or their auditor's report. Further, there are no matters that in their professional judgment may reasonably be thought to bear on their independence or that they gave significant consideration to in reaching the conclusion that independence has not been impaired.

8. Compensation Plans

In 2020, in celebration of the Bank's 100th anniversary, the Board of Directors approved on August 5, 2020 and September 2, 2020 a Centennial Stock Grant Plan to issue common shares to eligible grantees. The Bank issued new shares from its authorized but unissued shares for the stock grant. The Board also approved to delegate to the President and Chief Executive Officer and Chief Finance Officer ("Designated Officers") the authority to prepare and approve the comprehensive plan consistent with the Board approval, apply for and comply with the requirements of the regulatory agencies, and perform other actions necessary in connection with the approval.

The Centennial Stock Grant Plan was approved and ratified by the stockholders in their special meeting on October 1, 2020, and approved by the relevant regulatory agencies.

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Authorization or Issuance of Securities Other than for Exchange

- Dividend

The Bank is allowed to declare dividends out of its unrestricted retained earnings at such times and in such percentages based on the recommendation of the Board of Directors. Such recommendation will take into consideration factors such as debt service requirements, the implementation of business plans, operating expenses, budgets, funding for new investments, appropriate reserves and working capital, among other things.

The Bank's Board of Directors is authorized to declare dividends. A cash dividend declaration does not require any further approval from the shareholders. A stock dividend declaration requires the further approval of shareholders holding or representing not less than two-thirds of the Bank's outstanding capital stock. The Revised Corporation Code defines the term "outstanding capital stock" to mean the "total shares of stock issued under binding subscription contracts to subscribers or stockholders, whether fully or partially paid, except treasury shares". Such shareholders' approval may be given at a general or special meeting duly called for such purpose. The Dividend Policy of the Bank is discussed further under Annex "C" - Compliance with Leading Practice on Corporate Governance.

- Voting

Each Common Share entitles the holder to one vote. At each meeting of the shareholders, every stockholder entitled to vote on a particular question or matter involved shall be entitled to one vote for each share of stock standing in his name in the books of the Bank at the time of the closing of the transfer books for such meeting,

In accordance with Section 23 of the Revised Corporation Code, at each election of directors, every stockholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him as of the relevant record date for as many persons as there are directors to be elected and for whose election he has right to vote, or to cumulate his votes by giving one candidate the number of votes equal to the number of directors to be elected multiplied by the number his shares shall equal or by distributing such votes on the same principle among any number of candidates as the stockholder shall see fit.

Material information on the current stockholders and related matters is shown in Annex "B" – Market Information and Related Matters. The list of stockholders of the Bank is regularly submitted to the Bangko Sentral ng Pilipinas and Philippine Stock Exchange, and can be accessed through the Bank's website <https://www.chinabank.ph>.

- Pre-emptive Rights

The Revised Corporation Code confers pre-emptive rights on shareholders of a Philippine corporation, which entitle them to subscribe to all issues or other disposition of shares of any class by the corporation in proportion to their respective shareholdings, subject to certain exceptions. A Philippine corporation may provide for the exclusion of these pre-emptive rights in its articles of incorporation. The Board has proposed and the stockholders of the Bank approved on May 8, 2014 to amend the Articles of Incorporation to include a waiver of such pre-emptive rights. The Articles of Incorporation of the Bank provides that stockholders shall have no pre-emptive rights to subscribe to any or all issues or dispositions of any class of shares.

10. Modification or Exchange of Securities – Not applicable

11. Financial and Other Information

- (a) Brief Description of the general nature and scope of the business of the Bank, attached as Annex "A"
- (b) Market Information, Dividends, and Top 20 Stockholders, attached as Annex "B"
- (c) Discussion of Compliance with Leading Practice on Corporate Governance, attached as Annex "C"
- (d) Management's Discussion and Analysis or Plan of Operation, attached as Annex "D"
- (e) Statement of Management Responsibility for Financial Statements and 2023 Audited Financial Statements, attached as Annex "E"

12. Mergers, Consolidations, Acquisitions and Similar Matters – Not applicable

13. Acquisition or Disposition of Property – Not applicable

14. Restatement of Accounts – Not applicable

D. OTHER MATTERS

15. Action with Respect to Reports

The following are to be submitted for approval during the stockholders' meeting:

- a. Minutes of the Annual Meeting of Stockholders held on April 20, 2023, appended to this Information Statement as Schedule "B", which discussed and acted on various matters, including the following:
 - (i) Annual Report to Stockholders;
 - (ii) Approval of the Audited Financial Statements for the year ended December 31, 2022;
 - (iii) Ratification of all acts of the Board of Directors, Executive Committee, other Committees, and Management, including the related party transactions, during the fiscal year 2022 and immediately preceding the stockholders' meeting;
 - (iv) Election of the Board of Directors;
 - (v) Re-appointment of SGV & Co. as external auditor;
 - (vi) Approval of the Amendment of By-Laws, particularly Article VIII, Section 1 (b) relating to Distribution of Net Earnings, as approved by the Board of Directors on February 1, 2023; and
 - (vii) Announcement of the Board's approval on April 19, 2023 of the declaration of regular cash dividend of P1.00 per share, and additional special cash dividend of P0.90 per share, and questions raised by the stockholders.

The minutes also provided for the following: (a) voting results of each agenda item, including the presence of SGV & Co. which was engaged as independent party tasked to count and validate the votes at the meeting; (b) opportunity given to stockholders to ask questions together with the questions asked and answers given; and, (c) list of attendees to the meeting.

The voting results of each agenda item were made available on Chinabank's website within twenty-four (24) hours from adjournment of the annual meeting, and the minutes was posted on Chinabank's website within five (5) banking days from adjournment of the meeting. The Office of the Corporate Secretary has in its custody the full list and names of the stockholders who participated in the April 20, 2023 annual meeting held via remote communication. To protect the privacy of personal data and due to security concerns, the list is available upon written request to the Corporate Secretary, at the 11th floor Chinabank Building, 8745 Paseo de Roxas cor. Villar St., Makati City, and subject to laws and regulations on the matter.

- b. Annual Report to Stockholders - to provide information about the Bank's activities, business and financial performance, and other relevant data for the preceding year;
- c. Approval of the Audited Financial Statements for the year ended December 31, 2023 - to provide information about the financial position, performance, and changes in financial position of the Bank;
- d. Ratification of all acts of the Board of Directors, Executive Committee, other Committees, and Management, including the ratification of related party transactions;
- e. Election of Directors who will serve as such for the ensuing year;
- f. Appointment of external auditor - for the stockholders to ratify the selection by the Audit Committee and Board of Directors of SGV & Co. to be re-engaged / re-appointed as external auditors; and
- g. All matters as contained in the agenda of the meeting, and other businesses as may properly come before the stockholders.

16. Matters Not Required to be Submitted

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of the stockholders.

17. Amendment of Charter, By-Laws, or Other Documents

On February 2, 2022, the Board took up and unanimously approved amendment to Article III, Section 1 (Regular Meeting of Stockholders) of the By-Laws, by virtue of the delegation to the Board of Directors of the power to amend By-Laws as approved by the stockholders representing more than two-thirds (2/3) of the outstanding capital stock of the Bank in their annual meeting on May 6, 2021. The amendment states that “[t]he regular meeting of stockholders shall be held annually on any date after April 15 of each year as determined by the Board of Directors and at such hour and place as may be fixed by the Board of Directors.”

The amendments were approved by the BSP on February 24, 2022 and registered with the SEC on July 18, 2022.

On February 1, 2023, the Board took up and unanimously approved the amendment to Article VIII, Section 1 (Net Earnings), Item b of the By-Laws, in order to afford the Bank more flexibility going forward and at the same time share with its employees more definitively the financial growth the Bank has enjoyed in recent years. The amendment states that:

“The net earnings resulting from the operations of the Corporation, after deducting the expenses of administration and after writing off all known losses or charging the same against reserves for bad and doubtful accounts, but before making provisions for income tax, shall be disposed of as follows:

- a. xxx; and
- b. Up to Ten Percentum (10%) to the Officers of the Corporation in such manner as the Board of Directors may determine on the basis of the recommendation of the Chief Executive Officer.

The amendment was approved and/or ratified by the stockholders owning or representing more than two-thirds (2/3) of the outstanding and subscribed capital of the Bank in its annual meeting on April 20, 2023. The said amendment was thereafter approved by the BSP on June 26, 2023 and registered with the SEC on November 30, 2023.

18. Other Proposed Action

There are no other actions proposed to be taken at the annual meeting other than the agenda matters indicated in the Notice included in this Information Statement.

19. Voting Procedures

In accordance with Article III, Section 6 of the Bank's Amended By-Laws, no meeting of stockholders shall be competent to transact business unless a majority of the outstanding capital stock is represented. Unless the Revised Corporation Code requires otherwise, a majority vote of the shares present or represented at the stockholders' meeting, provided there is a quorum, shall be required to carry a stockholders' action on any matter taken up during the meeting.

Stockholders as of record date of February 26, 2024 shall be entitled to vote at the annual stockholders' meeting. Stockholders intending to participate by remote communication and exercise the right to vote *in absentia* should register through the Bank's online registration system on or before April 12, 2024. After verification and validation by the Corporate Secretary of the information submitted, an e-mail containing the log-in details for the online voting system shall be sent to the stockholders. Appended to the Information Statement is the Guidelines for Participation via Remote Communication and Voting *in Absentia*.

Each common share of stock entitles its holder as of record date to one vote. However, with respect to the election of the members of the Board of Directors, Article III, Section 7 of the Bank's Amended By-Laws specifies that any stockholder who is not delinquent in his subscription shall be allowed to vote either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact in accordance with the requirements under

existing rules and regulations. Following Section 23 of the Revised Corporation Code, a stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of the shares owned, or distribute them on the same principle among as many candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholders as shown in the books of the Bank multiplied by the whole number of directors to be elected. The twelve (12) nominees receiving the highest number of votes shall be declared elected.

All votes will be counted and tabulated by the Office of the Corporate Secretary, to be assisted by the transfer agent, Stock Transfer Service, Inc., and the results are set to be validated by the external auditor, SGV & Co.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct.

This report is signed in the City of Makati on March 5, 2024.

CHINA BANKING CORPORATION

By:


LEILANI B. ELARMO
Corporate Secretary
qle *mes*

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MARGARITA L. SAN JUAN**, Filipino, of legal age and a resident of _____
after having been duly sworn to in accordance with law, hereby declare that:

1. I am a nominee for independent director of **CHINA BANKING CORPORATION** (China Bank) and have been its independent director since May 4, 2017;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
China Bank Capital Corporation	Independent Director	2018 to present
Chinabank Insurance Brokers, Inc.	Independent Director	2018 to present
Resurgent Capital (FISTC-AMC) Inc.	Independent Director	2021 to present


3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of China Bank, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other Securities and Exchange Commission (SEC) issuances;
4. I am not related to any director, officer, or substantial shareholder of China Bank and its subsidiaries and affiliates;
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, Code of Corporate Governance and other SEC issuances; and
7. I shall inform the Corporate Secretary of China Bank of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this _____ day of FEB 23 2022, in Makati City.


MARGARITA L. SAN JUAN
Affiant

SUBSCRIBED AND SWORN to before me this FEB 23 2022 in Makati City, affiant personally appeared before me and exhibited to me her _____

Doc. No. 344;
Page No. 70;
Book No. 19;
Series of 2024.


REGINE C. YU
Notary Public for Makati City
Appt. No. M-229 until 31 Decem. or 2024
4/F P. Bldg. BGC Bldg.,
8755 Paseo de Roxas, BGC, Makati City
PTR No. 10081554; C. No. 016425; C. No. 016425;
ID# Lifetime No. 016425; C. No. 016425;
MCLE Compliance No. VII-000000; 10.01.2021
Roll of Attorney's No. 62731

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **PHILIP S.L. TSAI**, Filipino, of legal age and a resident of _____ after having been duly sworn to in accordance with law, hereby declare that:

1. I am a nominee for independent director of **CHINA BANKING CORPORATION** (China Bank) and have been its independent director since November 7, 2018;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
China Bank Savings, Inc.	Independent Director	2018 to present
Chinabank Insurance Brokers, Inc.	Independent Director	2018 to present
China Bank Capital Corporation	Independent Director	2019 to present

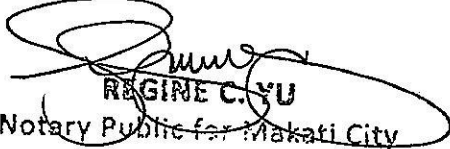
3. I possess all the qualifications and none of the disqualifications to serve as Independent Director of China Bank, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other Securities and Exchange Commission (SEC) issuances;
4. I am not related to any director, officer, or substantial shareholder of China Bank and its subsidiaries and affiliates;
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, Code of Corporate Governance and other SEC issuances; and
7. I shall inform the Corporate Secretary of China Bank of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this FEB 23 2024 day of _____, in Makati City.


PHILIP S.L. TSAI
Affiant

SUBSCRIBED AND SWORN to before me this FEB 23 2024 in Makati City, affiant personally appeared before me and exhibited to me his Philippine _____,

Doc. No. 343;
Page No. 70;
Book No. 19;
Series of 2024.


REGINE C. YU
Notary Public for Makati City
Appt. No. M-240 until 31 December 2024
4/F Philcom Building,
8755 Paseo de Roxas, Makati City
PTR No. 10081554; 01-09-2024; Makati City
IBP Lifetime No. 016425; 05-22-2017; Makati City
MCLE Compliance No. VII-0005180; 10.01.2021
Roll of Attorney's No. 68781

CERTIFICATION OF INDEPENDENT DIRECTOR

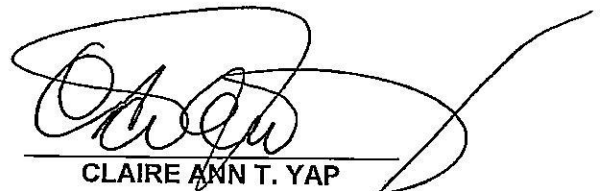
I, **CLAIRE ANN T. YAP** Filipino, of legal age and a resident of _____ after having been duly sworn to in accordance with law, hereby declare that:

1. I am a nominee for independent director of **CHINA BANKING CORPORATION** (China Bank) and have been its independent director since October 1, 2020;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
China Bank Savings, Inc.	Independent Director	2020 to present
China Bank Securities Corporation	Independent Director	2020 to present
China Bank Capital Corporation	Independent Director	2021 to present
Resurgent Capital (FISTC-AMC) Inc.	Independent Director	2021 to present

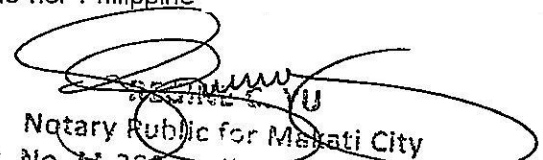
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of China Bank, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other Securities and Exchange Commission (SEC) issuances;
4. I am not related to any director, officer, or substantial shareholder of China Bank and its subsidiaries and affiliates;
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, Code of Corporate Governance, and other SEC issuances; and
7. I shall inform the Corporate Secretary of China Bank of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this _____ day of FEB 23 2024, in Makati City.


CLAIRE ANN T. YAP
Affiant

SUBSCRIBED AND SWORN to before me this FEB 23 2024 in Makati City, affiant personally appeared before me and exhibited to me her Philippine _____

Doc. No. 342;
Page No. 70;
Book No. 19;
Series of 2024.


Notary Public for Makati City
Appt. No. M-243 until 31 December 2024
4/F Philcom Building,
8755 Paseo de Roxas, Makati City
PTR No. 10081554; GC-74-210-1; Makati City
Makati City No. 010-15; Makati City
Makati City No. 010-15; Makati City
36

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **GENARO V. LAPEZ**, Filipino, of legal age and a resident of _____, after having been duly sworn to in accordance with law, hereby declare that:

1. I am a nominee for independent director of **CHINA BANKING CORPORATION** (China Bank) and have been its independent director since May 6, 2021;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
China Bank Savings, Inc.	Independent Director	2021 to present
China Bank Securities Corporation	Independent Director	2021 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of China Bank, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other Securities and Exchange Commission (SEC) issuances;
4. I am not related to any director, officer, or substantial shareholder of China Bank and its subsidiaries and affiliates;
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, Code of Corporate Governance, and other SEC issuances; and
7. I shall inform the Corporate Secretary of China Bank of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this FEB 23 2024 day of _____, in Makati City.



GENARO V. LAPEZ
Affiant

SUBSCRIBED AND SWORN to before me this FEB 23 2024 in Makati City, affiant personally appeared before me and exhibited to me his Philippine Passport No. _____

Doc. No. 228;
Page No. 47;
Book No. 58;
Series of 2024.


CHRISTINE L. ZERNA-BRIONES
Notary Public for the City of Makati
Appt. No. M-412 until 31 December 2024
4/F Philcom Building
8755 Paseo de Roxas, Makati City
PTR No. 10081564, 01-06-2021, Makati City
IBP No. 388813, 01-02-2021, Pampanga
MCLE Compliance No. VII-0014669
Roll of Attorneys No. 42549

BUSINESS AND GENERAL INFORMATION

1. Description of Business

China Banking Corporation (“Chinabank” or the “Bank”) is one of the leading private domestic universal banks in the Philippines that offers a full range of banking products and services to institutional and individual customers, as well as thrift banking, investment banking, insurance brokerage, stock brokerage, and bancassurance through its subsidiaries, China Bank Savings, China Bank Capital, CBC Assets One (SPC), China Bank Securities, Resurgent Capital (FIST-AMC), Chinabank Insurance Brokers (CIBI), CBC Properties and Computer Center, Inc., and affiliate Manulife China Bank Life Assurance Corp (MCBLife). The Bank’s franchise stems from its 103-year history, a factor that has enabled it to become deeply entrenched within the socioeconomic fabric of the Chinese-Filipino community.

Chinabank was incorporated on July 20, 1920 and commenced business on August 16 of the same year. It was listed on the local stock exchange in September 1927 and acquired its universal banking license in 1991. It played a key role in the post-war reconstruction and economic recovery by providing financial support to businesses and entrepreneurs.

In 2007, the Bank acquired Manila Banking Corporation, the oldest savings bank in the country, and renamed the same to China Bank Savings, Inc. (CBSI) in the following year. To fast-track the expansion, the Bank acquired Pampanga-based rural bank Unity Bank. It also entered into a bancassurance joint venture with Manulife to establish MCBLife. In 2014, the Parent Bank increased its equity stake in MCBLife to 40%.

In 2014, the Bank acquired Planters Development Bank (Plantersbank), the country’s largest private development bank, which helped grow Chinabank’s middle market & SME portfolio, as well as its distribution network. In the following year, CBSI and Plantersbank completed its merger, with the former as the surviving entity.

In 2015, Chinabank established its investment house, China Bank Capital Corporation (CBCC), and stock brokerage subsidiary, China Bank Securities Corporation. On the same year, the Chinabank MasterCard was publicly launched.

In 2017, Chinabank completed a P15-billion stock rights offer (SRO). This follows its P8-billion SRO in 2014.

In 2019, the Bank marked a successful return to the market with a USD 150-million Green Bond issue to the International Finance Corporation and the P30 billion Peso fixed-rate retail bond issue.

In 2020, Chinabank kicked off its centennial anniversary with the restoration of the Binondo Business Center and a widespread television & social media ad campaign that tells the story of the Bank’s founding. The Board and stockholders also approved and ratified a centennial stock grant plan which gives qualified employees 100 Chinabank shares for every year of service. In the same year, Chinabank also listed P15 billion-peso bonds due 2022 on the Philippine Dealing & Exchange Corp. (PDEX).

Amid the disruptions caused by the COVID-19 global pandemic, the Bank navigated the new normal in 2020 by adjusting its operations and customer service, accordingly.

In 2021, Chinabank unveiled the historical and heritage site markers at the re-constructed Binondo Office. It also received regulatory approval for the employee stock grant plan which will distribute 5.4 million shares to around 8,300 qualified employees.

The Bank was recognized as the *Best Bank in the Philippines* by international magazine, The Asset, while the investment house subsidiary, China Bank Capital was awarded the Best Bond Adviser (Domestic) for the sixth consecutive year. Chinabank likewise emerged as the second strongest bank in the Philippines in terms of balance sheet at The Asian Banker’s *Top 500 Strongest Banks*, and landed in the top 20% of the 500 strongest banks in the Asia Pacific region.

In 2022, Chinabank was recognized by the ASEAN Capital Markets Forum as among the ASEAN Asset Class, ASEAN Top 20 and Top 3 Philippine Publicly Listed Companies (PLCs). The Bank also received the Five Golden

Arrow Recognition, the highest corporate governance award given by the Institute of Corporate Directors (ICD). Chinabank was the only bank to receive the award, together with two other PLCs.

In 2023, Romeo D. Uyan Jr., succeeded William C. Whang as the Bank's Director, President, and Chief Executive Officer. Mr. Uyan has been with the Bank since 2014 and initially served as the President of the investment banking house, China Bank Capital. He was then appointed as the Bank's Treasurer in July 2016 and Chief Operating Officer in November 2017.

The Bank paid P1.90/share cash dividend composed of P1.00/share regular dividend and an additional P0.90/share special dividend, reflecting Chinabank's confidence in its underlying strength and future prospects. The total cash dividends of P5.1 billion is 27% higher compared to the P4.0 billion dividends paid in 2022 and represents 27% of the full-year 2022 net income of P19.1 billion.

In the same year, Chinabank won for the second consecutive year the Five Golden Arrow Recognition presented by ICD and remained as the only bank to receive the award. The Bank was also named as the 2023 Employer of the Year in the Philippines by the People Management Association of the Philippines (PMAP), the only bank to win this coveted award in the last 30 years.

Credit rating agency, *Moody's Investor Services*, affirmed investment grade credit rating of "Baa2" with "Stable" outlook. Moody's cited strong capitalization and profitability, as well as its modest deposit franchise, offset by its strong level of liquidity, as Chinabank's credit strengths. The ratings also factor in a one-notch uplift to its baa3 Baseline Credit Assessment (BCA) to reflect the moderate probability of support from the Government of Philippines (Baa2 stable).

Chinabank's main business include corporate and SME lending, retail loans (e.g. credit cards, housing, auto, personal & automatic payroll deduction), treasury & foreign exchange trading, trust & asset management, investment banking & advisory services, wealth management, cash management, insurance products through CIBI and MCBLife, internet & mobile banking, and remittances through tie-ups in the Middle East, Asia, and major US cities. The Bank also offers foreign currency deposits in four currencies, USD, EUR, CNY, and JPY.

Chinabank offers a comprehensive suite of products and services through its 648 branches complemented by convenient and secure electronic banking channels which are available 24/7— 1,069 ATMs, Cash Accept Machines, China Bank TellerPhone (phone banking), China Bank Online, and China Bank Mobile App.

Subsidiary	Effective Percentages of Ownership		Country of Incorporation and Place of Business	Principal Activities
	2023	2022		
Chinabank Insurance Brokers, Inc. (CIBI)	100.00%	100.00%	Philippines	Insurance brokerage
CBC Properties and Computer Center, Inc. (CBC-PCCI)	100.00%	100.00%	Philippines	Computer services
China Bank Savings, Inc. (CBSI)	99.64%	99.60%	Philippines	Retail and consumer banking
China Bank Capital Corporation (CBCC)	100.00%	100.00%	Philippines	Investment house
CBC Assets One (SPC) Inc.	100.00%	100.00%	Philippines	Special purpose corporation
China Bank Securities Corporation (CBCSec)	100.00%	100.00%	Philippines	Stock brokerage
Resurgent Capital (FIST-AMC) Inc.,*	100.00%	100.00%	Philippines	FIST Corporation

*Established in 2021, 100% owned through CBCC

The Bank has no ultimate parent company. SM Investments Corporation, its significant investor, has effective ownership in the Bank of 22.51% as of December 31, 2023 and 2022.

The Bank's principal place of business is at 8745 Paseo de Roxas cor. Villar St., Makati City.

2. Business of Issuer

(a) Principal Products and Services

Chinabank's main businesses include deposit-taking, corporate and middle market lending, consumer lending which includes retail estate loans, vehicle loans, credit cards, personal loans and automatic payroll deduction; treasury and foreign exchange trading, trust and investment management, wealth management, cash management, online and mobile banking services, inward remittances through tie-ups with banks and money services businesses in the Middle East, Asia and the Pacific, Europe and the Americas; and investment banking, securities brokerage, bancassurance and insurance brokerage through its subsidiaries and affiliate. The income from these products and services maybe divided into two categories, namely (1) net interest income from the Bank's deposit-taking, lending and investment activities (2) other income (includes service charges, fees & commissions, trading & securities gain, gain on disposal of investment securities at amortized cost, foreign exchange gain, trust fees, income from sale of acquired assets and other miscellaneous income).

Percentage of sales or revenues and net income contribution from foreign sales (broken down into major markets such as Western Europe, Southeast Asia, etc.) for each of the last three years. Not applicable.

DEPOSITS & RELATED SERVICES

Peso Deposits: Checking - ChinaCheck Plus, Savings - Passbook Savings, ATM Savings, MoneyPlus Savings, Young Savers; Time - Regular Time Deposit, Diamond Savings, Money Lift Plus; Foreign Currency Deposits - Savings - (USD, Euro, RMB and JPY), Time - Foreign Currency Time Deposit Account, Premium Savings Account; Deposit-Related Services - Cash Card, Payroll Account, SSS Pensioner's Account, Manager's Check, Gift Check, Demand Draft, Safety Deposit Box Night Depository Services, Cash Delivery and Deposit Pick-up Services

LOANS & CREDIT FACILITIES

Corporate & Commercial Loans: Omnibus Line, Loan Line, Term Loan, Trade Finance Products, Factoring Receivable

Consumer Loans: HomePlus Real Estate Loan, AutoPlus Vehicle Loan, Contract to Sell Facility; SalaryPlus Salary Loan

Credit Cards: China Bank Destinations World Mastercard; China Bank Destinations World Dollar Mastercard; China Bank Destinations Platinum Mastercard; China Bank Wealth Mastercard; China Bank World Mastercard; China Bank Platinum Mastercard; China Bank Cash Rewards Mastercard; China Bank Freedom Mastercard; China Bank Prime Mastercard

INTERNATIONAL BANKING PRODUCTS & SERVICES

Letters of Credit, Standby Letters of Credit, Shipping Guarantee, Documents against Payment, Documents against Acceptance, Advance Payment, Open Account, Trust Receipt Loans, Exports Bill Purchase, Export Collections, Customs and Duties Tax Payments; Advising of Letters of Credit and Standby Letters of Credit; Purchase and Sale of Foreign Exchange; Inward and Outward Remittances - Domestic and International, Foreign Currency Loans

INVESTMENT BANKING SERVICES

Bonds, Syndicated Loans, Corporate Note, Structured Loan, Project Finance, Long-term Negotiable Certificate of Time Deposit (LTNCD), Enrolled Note (Short Dated Notes/Qualified Buyers Notes), Convertible Note, Initial Public Offering, Follow On Offering, Stock Rights Offering, Preferred Shares, Convertible Shares, Exchangeable Shares, Real Estate Investment Trust (REIT), Mergers & Acquisition Advisory, Corporate Structuring, Valuation Analysis, Securitization

ONLINE KABABAYAN SERVICES (OKS)

Chinabank Remittance Services; Online Kababayan Savings (OKS) Account (PHP and USD); Pay to Cash - Real-Time Cash Pick-Up Anywhere service and Same Day Cash Delivery (within NCR)

TRUST SERVICES

Unit Investment Trust Fund (UITF) - Chinabank Cash Fund, Chinabank Money Market Fund, Chinabank Short-Term Fund, Chinabank Intermediate Fixed Income Fund, Chinabank Fixed Income Fund, Chinabank Balanced Fund, Chinabank Equity Fund, Chinabank High Dividend Equity Fund, China bank Philippine Equity Index Tracker Fund, Chinabank Dollar Cash Fund and Chinabank Dollar Fund; Wealth Management - Investment Management Arrangement, Personal Management Trust, and Irrevocable Life Insurance Trust; Corporate Trust Services - Escrow Services Arrangement, Employee Benefit Fund Management, Corporate Fund Management, Facility Agency Arrangement, Security Trusteeship Arrangement, Collecting and Paying Agency Arrangement

TREASURY SERVICES

Investments-Local currency denominated Government and Corporate Bond Issues and Perpetual Notes, Foreign currency denominated Government and Corporate Bond Issues and Perpetual Notes, China Bank Bond; Deposit and Deposit Substitutes- Long-Term Negotiable Certificate of Deposit (LTNCD), Treasury Certificate of Deposit (TCD), Promissory Note; Foreign Exchange & Derivatives- FX Spot, FX Forward and FX Swaps, Interest Rate Swaps and Cross Currency Swaps; Structured Products- Premium Yield Advantage (PYA) and Asset Swap (ASW)

INSURANCE PRODUCTS

Bancassurance: MCBL FutureBoost; MCBL Invest; Base Protect Plus; Assure Max, Legacy Secure, HealthFlex; Health Hero; MCBL WealthOne; Group Yearly Renewable Term (GYRT), Group Credit Life (GCL); Group Personal Accident (GPA); Group Riders (Accidental Death, Dismemberment & Disablement, Total and Permanent Disability, Accidental Medical Reimbursement, Hospital Income Benefit, 60 Critical Illness Benefit, Family Assistance Benefit, Terminal Illness Benefit); Health Protect, Secure Pinoy Group Life Care, Secure Pinoy Student Life Care; Secure Pinoy for Life; Secure Pinoy for Accident and Medical Treatment

Non-Life Insurance: Fire and Allied Perils; Motor Car Insurance; Personal Accident and Travel; Travel Accident Insurance; Medical Insurance / Employee Benefit; Comprehensive General Liability Insurance; Electronic Equipment Insurance; Money, Securities and Payroll Insurance; Fidelity Guarantee Insurance; Property Floater; Contractors' Insurance All Risks (CARI); Erectors' Insurance All Risks (EARL); Marine Cargo; Marine Hull; Surety Bonds
Non-Traditional and Highly Specialized insurance products such as Directors & Officers Liability, Cyber Liability, Trade Credit, and Parametric Solutions, e Credit, Parametric Solutions, Professional Liability, Banker's Blanket Bond and Kidnap and Ransom and Pollution Liability.

Professional Risk Advisory Services: (1) Risk Management Advisory (2) Insurance Placement and Administration Advisory (3) Claims Management and Advisory.

PAYMENT & SETTLEMENT SERVICES

Electronic Banking Channels: China Bank Automated Teller Machine (ATM); China Bank Cash Accept Machine (CAM); China Bank Bills-In Bills-Out (BIBO); China Bank TellerPhone; China Bank Online; China Bank Mobile Banking App; Point-of-Sale (POS)

CASH MANAGEMENT SOLUTIONS

Account Management via China Bank Online Corporate:

Basic Services - Balance Inquiry and Transaction Reporting, Intra-bank transfer of funds to own &/or third-Party account(s), Inter-bank Fund Transfer via Bancnet, Instapay and Pesonet Buy &/or sell foreign currency, Sure Sweep, Collection Arrangement Report;

Self-Service Functionalities - Request for Bank Certificate, Checkbook Reorder, Stop Payment Order

Liquidity Management via China Bank Online Corporate: Multi-Bank SOA Concentration, Sure Sweep – Funds Consolidation, Funds Distribution; Corporate Inter-Bank Fund Transfer

Receivables Management - Automatic Debit Arrangement (ADA), Check Depot, Bills Pay Plus, Referenced Deposit Solution, Smart Cash Safe Solution

Payables Management – Direct Debit Arrangement; Auto Credit Arrangement (ACA);

Check Writing Services – Check Write Plus Software; Check Write Plus Outsourcing-, Check Write Plus Self-Service;

Payroll Services – Payroll Crediting, China Pay Software, Payroll Processing, Processing, Cloud-based Solutions

POS Solutions - ChinaBank Debit POS; ChinaBank POS Cash Out

Trade and Settlement Solutions – Settle stock transactions with the Securities Corporation of the Philippines (SCCP) Broker's Solution; Electronic Invoicing & Payment Solution

Government Payments and Collections – Easy Tax Filing and Payment Solution, Tax Payment Solution (eFPS); eGov Payments, SSS Sickness, Maternity, and Employee Compensation (SSS SMEC)

CHINA BANK SECURITIES

Stock Brokerage – Online Stock Trading, Traditional Trading (Peso-denominated stocks, Dollar-Denominated Securities or DDS, Real Estate Investment Trusts or REITs), Research Services, Stabilization Agency

(b) Distribution Methods of Products and Services:

China bank's products and services are made available across multiple distribution and delivery channels: 648 branch network (of which 480 are China Bank branches, 168 are China Bank Savings branches and 60 branch lite units); 1,069 ATM network (653 in-branch and 416 off-site atms nationwide); founding member of the Bancnet consortium, access to more than 26,000 atms nationwide of bancnet networks; online banking (through the bank's e-portal www.chinabank.ph); TellerPhone (phone banking) and Mobile Banking. Its head office is located at 8745 Paseo de Roxas corner Villar Streets, Makati City.

China Bank Parent

Metro Manila Branches

1. MAKATI MAIN BRANCH (Head Office) - CBC Bldg., 8745 Paseo de Roxas cor. Villar Sts., Makati City***
2. BINONDO BUSINESS CENTER – Unit 161-163, CBC Bldg., Dasmariñas cor. Juan Luna St., Brgy. 287, Zone 27, District III, Binondo, Manila*
3. 999 MALL BRANCH - Unit 3D-5 & 3D-7 999 Shopping Mall, Bldg. 2, Recto - Soler Sts., Binondo, Manila*
4. A. BONIFACIO - MAUBAN BRANCH - G/F Urban Oasis Residences, 423-431 A. Bonifacio Ave., Brgy. San Jose, Quezon City*
5. ALABANG HILLS BRANCH - G/F RBC-MDC Corporate Center, Don Jesus Blvd., Alabang Hills Village, Brgy. Cupang, Muntinlupa City*

6. ALVARADO BRANCH - HS Commercial Tower, 854 Alvarado St. Binondo, Manila
7. ANONAS BRANCH - Anonas corner Marang Streets, Brgy. Quirino, Project 2, Quezon City*
8. ANTIPOLLO CITY BRANCH - G/F Budget Lane Arcade, No. 6, Provincial Road, Brgy. San Jose, Antipolo City, Rizal*
9. ANTIPOLLO - SUMULONG HIGHWAY BRANCH - No. 219 Sumulong Highway, Brgy. Mambungan, Antipolo City, Rizal*
10. ANTIPOLLO CITY-TAKTAK BRANCH - Sumulong Highway corner Taktak Road, Brgy. Dela Paz, Antipolo City, Rizal*
11. ARANETA AVE. BRANCH - Philippine Whithasco Bldg., 420 Araneta Ave., cor. Bayani St., Doña Imelda, Quezon City*
12. ARNAIZ AVE. BRANCH - United Life Assurance Building, A. Arnaiz Ave. (Pasay Road), Makati City*
13. ARRANQUE BRANCH - KDC Tower, 608 Tomas Mapua St., Sta. Cruz, Manila*
14. ASUNCION BRANCH - Units G6 & G7 Chinatown Steel Towers, 531 Asuncion St., San Nicolas, Manila*
15. AURORA BLVD. - NEW MANILA BRANCH - Aurora Blvd., Brgy. Valencia, Quezon City*
16. AYALA - ALABANG BRANCH - G/F CBC Bldg., Acacia Ave., Madrigal Business Park, Ayala Alabang, Muntinlupa City*
17. AYALA AVE. - AMORSOLO BRANCH - G/F Teleperformance Bldg., Ayala Ave., Legazpi Village, Makati City*
18. AYALA - COLUMNS BRANCH - G/F The Columns Tower 3, Ayala Ave cor. Sen. Gil Puyat Ave., Brgy. Bel-Air, Makati City*
19. AYALA MALLS - MANILA BAY BRANCH - Level 2 Ayala Malls Manila Bay, D. Macapagal Ave., Parañaque City*
20. BACLARAN - FB HARRISON BRANCH - BAGPI Main Bldg., 2935 Ortigas St. near cor. F.B. Harrison St., Pasay City*
21. BALINTAWAK - BONIFACIO BRANCH - 657 A. Bonifacio Ave., Balintawak, Quezon City*
22. BALUT BRANCH - North Bay Shopping Center, Honorio Lopez Boulevard, Balut, Tondo, Manila*
23. BANAWA BRANCH - CBC Bldg., 680 Banawe Ave., Sta. Mesa Heights, District I, Quezon City*
24. BANAWA - CALAMBA BRANCH - G/F One Banawe Complex Bldg., #119 Banawe St. cor Calamba St., Brgy. Sto. Domingo, Quezon City*
25. BEL - AIR BRANCH - 2/F Saville Bldg., Gil Puyat Ave. cor. 8728 Paseo de Roxas, Makati City*
26. BEL - AIR - JUPITER BRANCH - Buendia Car Exchange, Jupiter Street, Makati City*
27. BETTER LIVING SUBD. BRANCH - 128 Doña Soledad Ave., Better Living, Brgy. Don Bosco, Parañaque City*
28. BF HOMES BRANCH - Aguirre cor. El Grande Aves., United BF Homes, Parañaque City*
29. BF HOMES - AGUIRRE BRANCH - Margarita Centre, Aguirre Ave. cor. Elsie Gaches St., BF Homes, Parañaque City*
30. BF RESORT VILLAGE BRANCH - BF Resort Drive cor. Gloria Diaz St., BF Resort Village, Talon Dos, Las Piñas City*
31. BGC - ICON PLAZA BRANCH - G/F Icon Plaza Bldg., 25th cor 5th Sts. Bonifacio South, Fort Bonifacio Global City, Taguig City*
32. BGC - ONE WORLD PLACE BRANCH - G/F One World Place, 32nd Avenue, Fort Bonifacio Global City, Taguig City*
33. BGC - W TOWER - G/F W Tower, 39th St., North Bonifacio Triangle, Fort Bonifacio Global City, Taguig City, 1634*
34. BINANGONAN BRANCH - National Road, Bo. Tagpos, Binangonan, Rizal*
35. BLUMENTRITT BRANCH - 1777-1781 Cavite St. cor. Leonor Rivera St., Blumentritt, Sta. Cruz, Manila*
36. BO. KAPITOLYO BRANCH - G/F P&E Bldg., 12 United cor. First Sts., Bo. Kapitolyo, Pasig City*
37. BONNY SERRANO BRANCH - G/F Greenhills Garden Square, 297 Col. Bonny Serrano Ave., Bagong Lipunan ng Crame, Quezon City*
38. CAINTA BRANCH - CBC Bldg., F.P. Felix Ave., Brgy. San Isidro, Cainta, Rizal*
39. CAINTA - POBLACION BRANCH - A. Bonifacio Ave., Poblacion, Brgy. Sto. Domingo, Cainta, Rizal*
40. CAPITOL HILLS BRANCH - G/F Design Pro Bldg., Capitol Hills, Old Balara, Quezon City*
41. CENTURY CITY - KNIGHTS BRIDGE BRANCH - Unit 17 & 18 Knightsbridge Residences, Century City, Kalayaan Ave., Makati City*
42. COMMONWEALTH AVE. BRANCH - LGF Ever Gotesco Mall, Commonwealth Ave. cor. Don Antonio Road, Quezon City*
43. COMMONWEALTH AVE. EXTENSION - CASA MILAN BRANCH - ALX Center Building, Commonwealth Ave. Ext., Brgy. North Fairview, Quezon City*
44. CONGRESSIONAL AVENUE BRANCH - G/F Unit C, The Arete Square, Congressional Ave., Project 8, Quezon City*
45. CONGRESSIONAL AVE. EXTENSION - MIRA NILA BRANCH - CBC Building, #71 Lot 28 Bldg 2 Mira Nila Homes, Congressional Ave. Ext., Quezon City*
46. CONGRESSIONAL AVE. - PROJECT 8 BRANCH - 159 Congressional Ave., Brgy. Bahay Toro, Project 8, Quezon City*
47. CORINTHIAN HILLS BRANCH - G/F The Clubhouse, Corinthian Hills, Temple Drive, Brgy. Ugong Norte, Quezon City*
48. CUBAO - ARANETA BRANCH - Level 2, Ali Mall, Araneta Center, Cubao, Quezon City*
49. CUBAO - AURORA BRANCH - 911 Aurora Boulevard Extension cor. Miami St., Cubao, Quezon City
50. CUBAO - P. TUAZON BRANCH - No. 287 P. Tuazon Ave. near corner 18th Avenue, Brgy. San Roque, Cubao, Quezon City*
51. CULIAT- TANDANG SORA BRANCH - G/F Royal Midway Plaza, No. 419, Tandang Sora Ave. Brgy. Culiat, Quezon City*
52. D. TUAZON BRANCH - 148 D. Tuazon St., Brgy. Lourdes, Sta. Mesa Heights, Quezon City*
53. DAMAR VILLAGE BRANCH - The Clubhouse, Damar Loop, Damar Village, Quezon City*
54. DASMARIÑAS VILLAGE BRANCH - G/F Manila Memorial Park Building, 2283 Pasong Tamo Ext. cor. Lumbang St., Makati City*
55. DEL MONTE AVENUE BRANCH - G/F FRS Bldg., No. 497 Del Monte Ave., Brgy. Manresa, Quezon City*
56. DEL MONTE - MATUTUM BRANCH - No. 202 Del Monte Ave. near cor. Matutum St., Brgy. St. Peter, Quezon City*
57. DILIMAN - MATALINO BRANCH - J&L Building, #23 Matalino Street, Brgy. Central, Diliman, Quezon City*
58. DIVISORIA - STA. ELENA BRANCH - Unit G22 New Divisoria Condominium Center., 632 Sta. Elena St., Binondo, Manila
59. DON ANTONIO BRANCH - G/F Royale Place, Don Antonio Ave., Old Balara, Quezon City*
60. EASTWOOD CITY BRANCH - Unit D, Techno Plaza One, Eastwood City Cyberpark, E. Rodriguez Jr. Ave., Bagumbayan, Quezon City*
61. EASTWOOD CITY FELINA CORPORATE PLAZA BRANCH - G/F Felina Corporate Plaza, #5 Eastwood Ave., Eastwood City, Quezon City*
62. EDSA - KALOOKAN BRANCH - G/F HGL Building, 554 EDSA, Kalookan City*
63. EDSA - PHILAM BRANCH - 917 EDSA, Brgy. Philam, Quezon City*

64. EDSA - TIMOG AVE. BRANCH - G/F Richwell Corporate Center, 102 Timog Ave., Brgy. Sacred Heart, Quezon City*
65. ELCANO BRANCH - G/F Elcano Tower, Elcano St., Binondo, Manila
66. E. RODRIGUEZ - ACROPOLIS BRANCH - G/F Suncrest Building, 82 E. Rodriguez Jr. Ave., Bagumbayan, Quezon City*
67. E. RODRIGUEZ - CORDILLERA BRANCH - 291 E. Rodriguez Sr. Blvd., Brgy. Doña Josefa, Quezon City*
68. E. RODRIGUEZ - HILLCREST BRANCH - No. 402 RCR Bldg., E. Rodriguez Sr. Blvd., Brgy. Immaculate Concepcion, Cubao, Quezon City*
69. E. RODRIGUEZ SR. BLVD. BRANCH - CBC Bldg., #286 E. Rodriguez Sr. Blvd., Brgy. Damayang Lagi, Quezon City*
70. ERMITA BRANCH - G/F Ma. Natividad Bldg., #470 T. M. Kalaw cor. Cortada Sts., Brgy. 666, Ermita, Manila*
71. ESCOLTA BRANCH - Burke Building, Escolta corner Burke Streets, Binondo, Manila*
72. ESPAÑA BRANCH - 878 España cor. Valencia Sts., Sampaloc, Manila*
73. EVANGELISTA BRANCH - 1748 AMV Building, Evangelista cor. Gen Estrella Sts., Bangkal, Makati City*
74. EXAMINER BRANCH - No. 1525 Quezon Ave. cor. Examiner St., West Triangle, Quezon City*
75. FAIRVIEW BRANCH - G/F Pearl Drive Commercial Center, Commonwealth Ave. Corner Pearl Street, Quezon City*
76. FAIRVIEW TERRACES BRANCH - LGF Fairview Terraces, Quirino Hiway cor. Maligaya Drive, Brgy. Pasong Putik, Novaliches, Quezon City*
77. FILINVEST CORPORATE CITY BRANCH - G/F Wilcon Depot, Alabang- Zapote Rd cor. Bridgeway Ave., Filinvest Corporate City, Alabang, Muntinlupa City*
78. FILINVEST CORP. CITY - COMMERCENTER BRANCH - G/F Commercenter Bldg., Commerce Ave. cor. Filinvest Ave., Filinvest Corp City, Alabang, Muntinlupa City
79. FILINVEST CORP. CITY - NORTHGATE BRANCH - G/F Aeon Centre Building, Northgate Cyberzone, Filinvest Corporate City, Alabang, Muntinlupa City*
80. FIVE E - COM CENTER BRANCH - G/F Five E-com Center, Harbor Drive, MOA Complex, Pasay City*
81. FORT BONIFACIO GLOBAL CITY BRANCH - G/F Marajo Tower, 26th St. cor. 4th Avenue, Fort Bonifacio Global City, Taguig City*
82. GEN. LUIS - KATIPUNAN - CBC Building, Gen. Luis St. corner Katipunan SB Road, Brgy. Nagkaisang Nayan, Novaliches, Quezon City*
83. GIL PUYAT AVENUE BRANCH - Mitsui Bldg., No. 65 Sen. Gil Puyat Ave., Brgy. Palanan, Makati City*
84. GIL PUYAT - ELIZABETH PLACE BRANCH - G/F Elizabeth Place Condominium, 322 H.V. Dela Costa St., Brgy. Bel-Air, Makati City*
85. GIL PUYAT - REPOSO BRANCH - G/F 331 Bldg., Sen. Gil Puyat Ave., Brgy. Bel-Air, Makati City*
86. GREENBELT 1 BRANCH - G/F Greenbelt 1, Legaspi St. near cor. Paseo de Roxas, San Lorenzo, Makati City*
87. GREENHILLS BRANCH - G/F Gift Gate Bldg., Greenhills Shopping Center, San Juan City, Metro Manila**
88. GREENHILLS - ANNAPOLIS BRANCH - Mercedes 1 Condominium, Annapolis St., Greenhills, San Juan City*
89. GREENHILLS - CONNECTICUT BRANCH - G/F 101 Missouri Square Bldg., Missouri cor. Connecticut St., Northeast Greenhills, San Juan City*
90. GREENHILLS - ORTIGAS BRANCH - CBC Bldg., 14 Ortigas Ave. Greenhills, San Juan City, Metro Manila*
91. HEROES HILLS BRANCH - Quezon Ave. cor. J. Abad Santos St., Heroes Hills, Brgy. Sta. Cruz, Quezon City*
92. HOLY SPIRIT DRIVE BRANCH - CBC Building Lot 18 Block 6 Holy Spirit Drive, Don Antonio Heights, Brgy. Holy Spirit, Quezon City*
93. ILAYA BRANCH - #947 APL-YSL Bldg., Ilaya, Tondo, Manila
94. INTRAMUROS BRANCH - Sitio Grande, No. 409 A. Soriano Ave., Intramuros, Manila*
95. J. ABAD SANTOS AVENUE BRANCH - 2159 J. Abad Santos Ave. cor. Batangas St., Tondo, Manila*
96. J. ABAD SANTOS AVE. - QUIRICADA BRANCH - #1714 J. Abad Santos Ave. near corner Quiricada Street, Brgy. 252, Tondo, Manila*
97. JUAN LUNA BRANCH - G/F Aclem Bldg., 501 Juan Luna St., Binondo, Manila*
98. KALAYAAN AVE. BRANCH - G/F PPS Bldg., Kalayaan Ave., Quezon City*
99. KALOOKAN - 8TH AVE. BRANCH - No. 279 Rizal Ave. cor. 8th Ave., Grace Park, Kalookan City*
100. KALOOKAN - 10TH AVE. BRANCH - No. 275 10th Ave. corner 3rd Street, Grace Park, Kalookan City*
101. KALOOKAN BRANCH - CBC Bldg., 167 Rizal Ave. Extension, Grace Park, Kalookan City*
102. KALOOKAN - CAMARIN BRANCH - L8B4 La Forteza Subd., Brgy. 175, Camarin, Kalookan City*
103. KALOOKAN - MONUMENTO BRANCH - CBC Bldg., 779 McArthur Highway, District 2, Brgy. 78, Kalookan City*
104. KAMIAS BRANCH - G/F CRM Bldg., 116 Kamias Road cor. Kasing-Kasing St., Quezon City*
105. KAMUNING BRANCH - SKY47 Bldg., #47 Kamuning Road, Quezon City*
106. KANLAON BRANCH - Kanlaon near corner N. Roxas Streets, Quezon City*
107. KARUHATAN BRANCH - No. 253-B McArthur Highway cor. Bizotte St., Karuhatan, Valenzuela City*
108. KATIPUNAN AVE. - LOYOLA HEIGHTS BRANCH - GF Elizabeth Hall Bldg., Katipunan Ave., Loyola Heights, Quezon City*
109. KATIPUNAN AVE.- ST. IGNATIUS BRANCH - CBC Bldg., No. 121 Katipunan Ave., Brgy. St. Ignatius, Quezon City*
110. LAGRO BRANCH - CBC Building, Lot 32 Blk 125, Quirino Highway, Greater Lagro, Quezon City*
111. LAS PIÑAS BRANCH - CBC Bldg., Alabang-Zapote Road cor. Aries St., Pamplona Park Subd., Las Piñas City*
112. LAS PIÑAS - MANUELA BRANCH - CBC Bldg., Alabang-Zapote Road cor. Philamlife Ave., Pamplona Dos, Las Piñas City*
113. LAS PIÑAS - MARCOS ALVAREZ BRANCH - G/F Metro Towne Center, 2020 Marcos Alvarez Ave., Talon 5, Moonwalk, Las Piñas City*
114. LAS PIÑAS - NAGA ROAD BRANCH - Lot 3, Naga Road, Pulanglupa 2, Las Piñas City*
115. LAVEZARES BRANCH - 412 Lavezares Street, San Nicolas, Manila*
116. LEGASPI VILLAGE - AIM BRANCH - G/F Cacho-Gonzales Bldg, 101 Aguirre cor. Trasierra Sts., Legaspi Vill., San Lorenzo, Makati City*
117. LEGASPI VILLAGE - AMORSOLO BRANCH - G/F CAP Bldg., Herrera cor. Amorsolo Sts., Legaspi Village, San Lorenzo, Makati City*
118. LEGASPI VILLAGE - C. PALANCA BRANCH - G/F JCS Building, 119 Dela Rosa corner C. Palanca St., Legaspi Village, Makati City*
119. LEGASPI VILLAGE - ESTEBAN BRANCH - G/F PPI Bldg., No. 109 Esteban St., Legaspi Village, Makati City*
120. LEGASPI VILLAGE - PEREA BRANCH - G/F Greenbelt Mansion, 106 Perea St., Legaspi Village, Brgy. San Lorenzo, Makati City*

121. LEGASPI VILLAGE - SALCEDO BRANCH - G/F Fedman Suites, 199 Salcedo St., Legaspi Village, Brgy. San Lorenzo, Makati City*
122. M. DELA FUENTE - TRABAJO MARKET BRANCH - #771 M. Dela Fuente St., Sampaloc, Manila*
123. MACAPAGAL AVE. - ASEANA SQUARE BRANCH - Aseana Square (Caltex Area), D. Macapagal Ave., Aseana City, Brgy. Tambo, Parañaque City*
124. MACAPAGAL AVE. - BIOPOLIS BRANCH - G/F The Biopolis, Central Business Park, 1-A Diosdado Macapagal Avenue, Pasay City*
125. MACAPAGAL AVE. - DOUBLE DRAGON BRANCH - G/F Phase 1, DD Meridian Park Plaza, Macapagal Ave. cor. EDSA Ext., Pasay City*
126. MAGALLANES VILLAGE BRANCH - G/F DHI Bldg., No. 2 Lapu-Lapu Ave. cor. EDSA, Magallanes Village, Magallanes, Makati City*
127. MAKATI AVENUE BRANCH - G/F CBC Bldg., Makati Ave. cor. Hercules St., Bel-Air Village, Brgy. Bel-Air, Makati City*
128. MAKATI - COMEMBO BRANCH - F & V Bldg., No. 46 JP Rizal Ext., Brgy. Comembo, Makati City*
129. MAKATI - JP RIZAL BRANCH - GF Casa Catalina Bldg., JP Rizal corner Honradez Streets, Brgy. Olympia, Makati City*
130. MAKATI - KALAYAAN AVE. BRANCH - GF Zentro Bldg., 8445 Mercedes St. cor. Buntal St., Brgy. Poblacion, Makati City*
131. MAKATI - YAKAL BRANCH - G/F Yakal Place #173 Yakal St. near corner Ayala Ave. Ext., Makati City*
132. MALABON - CONCEPCION BRANCH - Gen. Luna cor. Paez Sts., Concepcion, Malabon City*
133. MALABON - GOV. PASCUAL BRANCH - CBC Bldg., Gov. Pascual Ave., Brgy. Acacia, Malabon City*
134. MALABON - POTRERO BRANCH - CBC Bldg., McArthur Highway, Potrero, Malabon*
135. MALANDAY BRANCH - CBC Bldg. McArthur Highway, Mandalay, Valenzuela City*
136. MANDALUYONG - BONI AVE. BRANCH - G/F VOS Bldg. Boni Ave. cor. San Rafael St., Plain View, Mandaluyong City*
137. MANDALUYONG BONI - SAN ROQUE BRANCH - #768 Bonifacio Ave. cor. San Roque St., Brgy. Barangka Ilaya, Mandaluyong City*
138. MANDALUYONG - D. GUEVARA BRANCH - Libertad Plaza, #19 Domingo Guevara St., Highway Hills, Mandaluyong City*
139. MANDALUYONG - PIONEER BRANCH - UG-05 Globe Telecom Plaza Tower I, Pioneer St., Brgy. Ilaya, Mandaluyong City*
140. MANDALUYONG - THE PODIUM - 3/F The Podium, ADB Avenue, Ortigas Center, Mandaluyong City*
141. MANILA - MACEDA BRANCH - M. Daguman Bldg., A. Maceda St., Sampaloc, Manila*
142. MARIKINA - FAIRLANE BRANCH - G/F E & L Patricio Bldg., No. 809 J.P. Rizal Ave., Concepcion Uno, Marikina City*
143. MARIKINA - GIL FERNANDO BRANCH - Block 9 Lot 14 Gil Fernando Ave., Marikina City*
144. MARIKINA - SSS VILLAGE BRANCH - Lilac corner Rainbow Sts., Rancho Estate IV, Concepcion Dos, Marikina City*
145. MARIKINA - STA. ELENA BRANCH - 250 J.P. Rizal St., Sta. Elena, Marikina City*
146. MASANGKAY BRANCH - 959-961 G. Masangkay St., Binondo, Manila*
147. MASANGKAY - MAYHALIGUE BRANCH - No. 1417-1419 G. Masangkay St., Sta. Cruz, Manila*
148. MAYON BRANCH - 480 Mayon St., Brgy. Maharlika Sta. Mesa Heights, Quezon City*
149. MAYON - ROTONDA BRANCH - G/F One Mayon Place, #68 Mayon Street, Brgy. Sta. Teresita, Quezon City*
150. MEDICAL CENTER PARAÑAQUE - G/F Medical Center Paranaque, Dr. Arcadio Santos Ave., San Antonio, Paranaque City*
151. MINDANAO AVE. BRANCH - 30 Mindanao Avenue, Brgy. Tandang Sora, Quezon City*
152. MUNTINLUPA - PUTATAN BRANCH - G/F Teknikos Bldg., National Highway, Brgy. Putatan, Muntinlupa City*
153. N. DOMINGO BRANCH - G/F The Main Place Bldg., No.1 Pinaglabanan cor. N. Domingo Sts., San Juan City*
154. NAVOTAS BRANCH - No. 500 M. Naval St. near cor. Lacson St. Brgy. North Bay Blvd. North (NBBN), Navotas City*
155. NEWPORT MALL BRANCH - Ground Floor, Newport Mall, Newport City, Pasay City*
156. NOVALICHES - BAGBAG BRANCH - No. 658 Quirino Highway, Bagbag, Novaliches, Quezon City*
157. NOVALICHES - GULOD BRANCH - 858 Krystle Building, Quirino Highway, Gulod, Novaliches, Quezon City*
158. NOVALICHES - SANGANDAAN BRANCH - CBC Bldg., Quirino Highway cor. Tandang Sora Ave., Brgy. Sangandaan, Novaliches, Quezon City*
159. NOVALICHES - STA. MONICA BRANCH - G/F E & V Bldg., Quirino Highway corner Dumalay St., Novaliches, Quezon City*
160. NOVALICHES - TALIPAPA BRANCH - 528 Copengco Bldg., Quirino Highway, Talipapa, Novaliches, Quezon City*
161. NOVALICHES - ZABARTE - G/F C.I. Bldg 1151 Quirino Highway cor. Zabarte Road, Brgy. Kaligayahan, Novaliches, Quezon City*
162. NUEVA BRANCH - Unit Nos. 557 & 559 G/F Ayson Bldg., Yuchengco St., Binondo, Manila*
163. ONGPIN BRANCH - G/F Se Jo Tong Bldg., 814 & 816 Ongpin St., Brgy. 297, Sta. Cruz, Manila*
164. OROQUIETA BRANCH - No. 1225-1227 Oroquieta St., Sta. Cruz, Manila*
165. ORTIGAS - ADB AVE. BRANCH - LGF City & Land Mega Plaza Bldg., ADB Ave. cor. Garnet Road, Ortigas Center, Brgy. San Antonio, Pasig City*
166. ORTIGAS AVE. EXT. - RIVERSIDE BRANCH - Unit 2-3 Riverside Arcade, Ortigas Ave Ext. cor. Riverside Drive, Brgy. Sta. Lucia, Pasig City*
167. ORTIGAS CENTER BRANCH - Unit 105 Parc Chateau Condominium, Garnet, Ortigas Center, Pasig City*
168. ORTIGAS COMPLEX BRANCH - G/F Padilla Bldg., F. Ortigas Jr. Road, Ortigas Center, Brgy. San Antonio, Pasig City*
169. ORTIGAS - JADE DRIVE BRANCH - Unit G-03, Antel - Global Corporate Center, Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City*
170. ORTIGAS - TEKTITE BRANCH - Unit EC-06B PSE Center (TekTite), Exchange Road, Ortigas Center, Pasig City*
171. PACO BRANCH - 1049 Gen. Luna cor. Escoda St., Paco, Manila*
172. PACO - ANGEL LINAO BRANCH - Unit 1636 & 1638 Angel Linao St. Paco, Manila*
173. PACO - OTIS BRANCH - G/F Union Motor Corporation Bldg., 1760 Dra. Paz Guanzon St., Paco, Manila*
174. PADRE FAURA BRANCH - G/F Regal Shopping Center, A. Mabini cor. Padre Faura Sts., Ermita, Manila*
175. PADRE RADA BRANCH - G/F Gosiupo Bldg., Padre Rada corner Elcano Sts., Tondo, Manila
176. PARAÑAQUE - BACLARAN BRANCH - TCCT Bldg., 123 Quirino Avenue cor. Aragon St., Bacalaran, Parañaque City*
177. PARAÑAQUE - MOONWALK BRANCH - G/F JDLA Bldg., Milky Way St. cor. Armstrong Avenue, Moonwalk Village, Brgy. Moonwalk, Parañaque City*
178. PARAÑAQUE - NAIÁ BRANCH - G/F AFCI Bldg., 4988 Ninoy Aquino Ave., cor. Kabihasan St., Brgy. San Dionisio, Parañaque City*
179. PARAÑAQUE - SAN ANTONIO VALLEY BRANCH - San Antonio Shopping Center, San Antonio Road, Brgy. San Antonio Valley 1, Parañaque City*

180. PARAÑAQUE - SUCAT BRANCH - No. 8260 Dr. A. Santos Ave., Brgy. San Isidro, Parañaque City*
181. PASAY - LIBERTAD BRANCH - CBC Bldg., 184 Libertad St., Antonio Arnaiz Ave., Pasay City*
182. PASAY - ROXAS BLVD. BRANCH - GF Unit G-01 Antel Seaview Towers, 2626 Roxas Blvd., Pasay City*
183. PASIG - A. MABINI BRANCH - A. Mabini Street, Brgy. Kapasigan, Pasig City*
184. PASIG - C. RAYMUNDO BRANCH - G/F MicMar Apartments No. 6353 C. Raymundo Ave., Brgy. Rosario, Pasig City*
185. PASIG - DELA PAZ BRANCH - Amang Rodriguez Avenue, Brgy. Dela Paz, Pasig City*
186. PASIG - CARUNCHO - No. 7 Caruncho Ave., Pasig City*
187. PASIG - ESTANCIA BRANCH - LGF Estancia (Expansion) Capitol Commons, Meralco Ave., Pasig City*
188. PASIG - MERCEDES BRANCH - Commercial Motors Corp. Compound, Mercedes Ave., Brgy. San Miguel, Pasig City**
189. PASIG - ROSARIO BRANCH - 1864 Ortigas Ave. Ext., Rosario, Pasig City*
190. PASIG - SAN JOAQUIN BRANCH - No. 43 M. Concepcion Ave., San Joaquin, Pasig City*
191. PASIG - SANTOLAN BRANCH - G/F Felmarc Business Center, Amang Rodriguez Ave., Santolan, Pasig City*
192. PASIG - SM SUPERCENTER BRANCH - G/F SM Supercenter Pasig, Frontera Drive, C-5, Brgy. Ugong, Pasig City*
193. PASIG - VALLE VERDE BRANCH - G/F Reliance IT Center, E. Rodriguez Jr. Ave., Ugong, Pasig City*
194. PASO DE BLAS BRANCH - #63 Paso de Blas, Valenzuela City*
195. PASONG TAMO - BAGTIKAN BRANCH - G/F Trans-Phil House, 1177 Chino Roces Ave. cor. Bagtikan St., Makati City*
196. PASONG TAMO - CITYLAND BRANCH - Units UG29-UG32 Cityland Pasong Tamo Tower, 2210 Pasong Tamo St., Makati City*
197. PASONG TAMO - LA FUERZA - Unit 14 & 15 La Fuerza Plaza 1, 2241 Chino Roces Ave., Makati City*
198. PATEROS BRANCH - G/F Adela Bldg., M. Almeda St., Brgy. San Roque, Pateros*
199. PHILAM BRANCH - #8 East Lawin Drive, Philam Homes, Quezon City*
200. PROJECT 8 - SHORTHORN - CBC Bldg., 43 Shorthorn Street, Bahay Toro, Project 8, Quezon City*
201. PUREZA BRANCH - G/F Solicare Building, Ramon Magsaysay Blvd. near corner Pureza St., Sta. Mesa, Manila*
202. QUEZON AVE. BRANCH - No. 18, G/F G&D Bldg., Quezon Ave. cor. D. Tuazon St., Brgy. Doña Josefa, Quezon City*
203. QUIAPO BRANCH - 216-220 Villalobos St., Quiapo, Manila
204. REGALADO AVE. - CBC Building, #34 Regalado Ave., North Fairview, Quezon City*
205. REGALADO AVE. - WEST FAIRVIEW - CBC Building, Regalado Ave. corner Bulova St., Quezon City*
206. RIZAL - ANGONO - Lot 3 Blk. 4 M.L. Quezon Ave., Richmond Subd., Angono, Rizal*
207. RIZAL - SAN MATEO BRANCH - #63 Gen. Luna corner Simon St., Banaba, San Mateo, Rizal*
208. ROCKWELL - ORTIGAS BRANCH - G/F Tower 1, Rockwell Business Center, Ortigas Avenue, Pasig City
209. ROOSEVELT AVE. BRANCH - CBC Bldg., #293 Roosevelt Ave., San Francisco Del Monte, Quezon City*
210. ROOSEVELT AVE. - FRISCO BRANCH - G/F Norita Bldg., #51 H. Francisco St. corner Roosevelt Ave., Brgy. Paraiso, Quezon City*
211. SALCEDO VILLAGE - LP LEVISTE BRANCH - Unit 1-B G/F The Athenaeum San Agustin, #160 LP Leviste St., Salcedo Village, Brgy. Bel-Air, Makati City*
212. SALCEDO VILLAGE - TORDESILLAS BRANCH - G/F Prince Tower Condominium, 14 Tordesillas St., Salcedo Village, Makati City*
213. SALCEDO VILLAGE - VALERO BRANCH - G/F Valero Tower, 122 Valero St., Salcedo Village, Makati City*
214. SALES - RAON BRANCH - 611 Sales St., Quiapo, Manila*
215. SAN ANTONIO VILLAGE - KAMAGONG BRANCH - Kamagong near corner St. Paul Streets, San Antonio Vill., Makati City*
216. SAN ANTONIO VILLAGE - P. OCAMPO BRANCH - JM Macalino Auto Center, 1405 P. Ocampo Street cor. Dungon St., San Antonio Village, Makati*
217. SAN JUAN - J. ABAD SANTOS BRANCH - Unit 3 Citiplace Bldg., 8001 Jose Abad Santos St., Little Baguio, San Juan City*
218. SAN JUAN BRANCH - No. 17 F. Blumentritt St., San Juan, Metro Manila*
219. SCT. BORROMEO BRANCH - G/F The Forum Building, 71- A Sct. Borromeo St., Diliman, Quezon City*
220. SCT. CHUATOCO BRANCH - Estuar Building, No.880 Quezon Ave., Brgy. Paligsahan, Quezon City*
221. SHAW - GOMEZVILLE BRANCH - Gomezville Street cor. Shaw Blvd., Mandaluyong City*
222. SHAW - HAIG BRANCH - G/F First of Shaw Bldg, Shaw Blvd, cor. Haig St, Mandaluyong City*
223. SHAW - PASIG BRANCH - G/F RCC Center, No. 104 Shaw Boulevard, Pasig City*
224. SHAW - SUMMIT ONE BRANCH - Unit 102 Summit One Office Tower, 530 Shaw Boulevard, Mandaluyong City*
225. SM AURA PREMIER BRANCH - LGF SM Aura Premier, McKinley Parkway, Fort Bonifacio Global City, Taguig City*
226. SM CITY BF PARAÑAQUE BRANCH - G/F SM City BF Parañaque, Dr. A. Santos Ave. cor. President's Ave., BF Homes, Parañaque City*
227. SM CITY BICUTAN BRANCH - LGF Bldg. B, SM City Bicutan Doña Soledad Ave. cor. West Service Road, Parañaque City**
228. SM CITY FAIRVIEW BRANCH - LGF SM City Fairview, Quirino Ave. cor. Regalado Ave. Fairview, Greater Lagro, Quezon City*
229. SM CITY GRAND CENTRAL BRANCH - LGF SM City Grand Central, Rizal Ave. Extension corner Bustamante Street, Kalookan City*
230. SM CITY MARIKINA BRANCH - G/F SM City Marikina, Marcos Highway, Brgy. Calumpang, Marikina City*
231. SM CITY MASINAG BRANCH - LGF SM City Masinag, Marcos Highway, Brgy. Mayamot Antipolo City, Rizal*
232. SM CITY SAN LAZARO BRANCH - UGF (Units 164-166) SM City San Lazaro, Felix Huertas St. cor. A.H. Lacson Ext., Sta. Cruz, Manila*
233. SM CITY TAYTAY BRANCH - Unit 147 Bldg. B, SM City Taytay, Manila East Road, Brgy. Dolores, Taytay, Rizal*
234. SM MALL OF ASIA BRANCH - 3/F Main Mall Building, SM Mall of Asia, Bay Blvd., Pasay City**
235. SM MEGAMALL BRANCH - LGF Bldg. A, SM Megamall, EDSA cor. Julia Vargas St., Mandaluyong City*
236. SM NORTH EDSA BRANCH - G/F Cyberzone Carpark Bldg., SM City North Ave cor. EDSA, Brgy. Sto. Cristo, Bago Bantay, Quezon City*
237. SM NORTH TOWERS BRANCH - SM City North EDSA North Towers, SM City North EDSA Complex, Quezon City*
238. SM SOUTHMALL BRANCH - UGF SM Southmall, Alabang-Zapote Road, Almanza Uno, Las Piñas City*

239. SOLEMARE BRANCH - G-11 Solemare Parksuites, 5A Bradco Avenue, Aseana Business Park, Parañaque City*
240. SOLER - ARRANQUE BRANCH - #715 T. Alonzo St. near corner CM Recto Avenue, Sta. Cruz, Manila*
241. SOLER - 168 BRANCH - G/F R&S Bldg., Soler St., Binondo, Manila*
242. SOUTH TRIANGLE BRANCH - G/F Sunshine Blvd. Plaza, Quezon Ave. cor. Sct. Santiago and Panay Ave., Brgy. South Triangle, Quezon City*
243. STA. MESA BRANCH - 1-B G. Araneta Avenue, Brgy. Doña Imelda, Quezon City*
244. STO. CRISTO BRANCH - E-Square Bldg., 622-39 Sto. Cristo St. Binondo, Manila
245. STO. CRISTO - CM RECTO BRANCH - 858 Sto. Cristo Street, San Nicolas, Manila
246. STO. DOMINGO AVE. BRANCH - GF JRich Holdings Bldg., Sto. Domingo Ave., Brgy. Sto. Domingo, Quezon City*
247. T. ALONZO BRANCH - Anttan Residences, 908 Espeleta Sts cor. T. Alonzo, Brgy. 298, Sta. Cruz, Manila*
248. TAFT AVE. - NAKPIL BRANCH - G Square Taft Ave. corner Nakpil St., Malate, Manila*
249. TAFT AVE. - QUIRINO BRANCH - The Gregorian Bldg., 2178 Taft Ave. near cor. Quirino Ave., Malate, Manila*
250. TANDANG SORA - VISAYAS AVE. BRANCH - #250 Tandang Sora Ave., Brgy. Tandang Sora, Quezon City*
251. TAYTAY - ORTIGAS EXTENSION BRANCH - The Gate, Baltao Compound, Ortigas Ave. Ext., San Isidro Taytay, Rizal*
252. TAYTAY - SAN JUAN BRANCH - Velasquez St., Sitio Bangiad, Brgy. San Juan, Taytay, Rizal**
253. THE MEDICAL CITY BRANCH - 2/F Medical Arts Building, The Medical City, Ortigas Ave., Pasig City
254. TIMOG AVE. BRANCH - G/F Prince Jun Condominium, #42 Timog Ave., Brgy. Laging Handa, Quezon City*
255. TOMAS MAPUA - LAGUNA BRANCH - CBC Building, Tomas Mapua St., Sta. Cruz, Manila*
256. TOMAS MORATO - E. RODRIGUEZ BRANCH - #42 Metrofocus Bldg., Tomas Morato Avenue, Brgy. Kristong Hari, Quezon City*
257. TOMAS MORATO EXTENSION BRANCH - G/F QY Bldg., Tomas Morato Avenue, Brgy. South Triangle, Quezon City*
258. TRINOMA BRANCH - Unit P002, Level P1, Triangle North of Manila, North Ave. cor. EDSA, Brgy. Pag-asa, Quezon City*
259. TUTUBAN PRIME BLOCK BRANCH - Rivera Shophouse, Podium Area, Tutuban Center Prime Block, C.M. Recto Ave. cor. Rivera St., Manila*
260. UP TECHNO HUB BRANCH - UP Ayala Land Techno Hub, Commonwealth Ave., Quezon City*
261. UP VILLAGE - MAGINHAWA BRANCH - LTR Bldg, No. 46 Maginhawa St., UP Village, Quezon City*
262. V. LUNA BRANCH - G/F AGGCT Bldg. No. 32 V. Luna cor Matapat Sts., Brgy. Pinyahan, Quezon City**
263. VALENZUELA BRANCH - CBC Bldg., McArthur Highway cor. V. Cordero St., Marulas, Valenzuela City*
264. VALENZUELA - GEN. LUIS BRANCH - AGT Bldg., 425 Gen. Luis St., Paso de Blas, Valenzuela City*
265. VALENZUELA - MALINTA BRANCH - Jeep Center Bldg., MacArthur Highway, Brgy. Malinta, Valenzuela City*
266. VISAYAS AVE. BRANCH - CBC Bldg., Visayas Ave. cor. Congressional Ave. Ext., Quezon City*
267. WEST AVE. BRANCH - 82 West Ave., Brgy. Philam, Quezon City*
268. XAVIERVILLE BRANCH - 65 Xavierville Ave., Loyola Heights, Quezon City*
269. ZOBEL ROXAS BRANCH - 1247 Zobel Roxas Ave. corner Taal Street, Malate, Manila*

China Bank Parent

Provincial Branches

1. ALBAY BRANCH - Rizal St. cor. Gov. Reynold Street, Old Albay District, Legazpi City, Albay*
2. ANGELES CITY BRANCH - CBC Bldg., 949 Henson St., Angeles City, Pampanga*
3. ANGELES CITY - BALIBAGO BRANCH - Diamond Square Bldg., Service Road McArthur Highway cor. Charlotte St., Balibago, Angeles City, Pampanga*
4. ANGELES CITY - MARQUEE MALL BRANCH - G/F Activity Center, Marquee Mall, Angeles City, Pampanga*
5. ANGELES - MCARTHUR HIGHWAY BRANCH - CBC Bldg., San Pablo St. cor. McArthur Highway, Brgy. CM Recto, Angeles City, Pampanga*
6. ANGELES - STO. ROSARIO BRANCH - Angeles Business Center Bldg., Teresa Ave., Nepo Mart Complex, Angeles City, Pampanga*
7. ANTIQUE - SAN JOSE BRANCH - Felrosa Bldg., Gen. Fullon St. cor. Cerdana St., San Jose, Antique*
8. APALIT BRANCH - CBC Bldg., McArthur Highway, San Vicente, Apalit, Pampanga*
9. BACOLOD - ARANETA BRANCH - CBC Bldg., Araneta cor. San Sebastian Sts., Bacolod City, Negros Occidental*
10. BACOLOD - LACSON BRANCH - G/F Soliman Bldg., Lacson corner Luzuriaga Sts., Brgy. 29, Bacolod City, Negros Occidental*
11. BACOLOD - LIBERTAD BRANCH - Libertad St., Brgy. 40, Bacolod City, Negros Occidental*
12. BACOLOD - MANDALAGAN BRANCH - COFA Building, Lacson St., Brgy. Mandalagan, Bacolod City, Negros Occidental*
13. BACOLOD - NORTH DRIVE BRANCH - Unit 1, Anesa Bldg., B.S. Aquino Drive, Brgy. Villamonte, Bacolod City, Negros Occidental*
14. BAGUIO CITY BRANCH - G/F Juniper Bldg., A. Bonifacio St., Brgy. ACBR, Baguio City, Benguet*
15. BAGUIO CITY - KISAD BRANCH - G/F Paladin Hotel, No. 136 Kisad cor. Cariño St., Baguio City, Benguet*
16. BALANGA CITY BRANCH - Servicio Filipino Bldg., Paterno St., Poblacion, Balanga City, Bataan*
17. BALER BRANCH - Uy Bldg., Quezon St., Barrio Suklayain, Baler, Aurora**
18. BALIWAG BRANCH - Km. 51, Doña Remedios Trinidad (DRT) Highway, Baliwag, Bulacan*
19. BATAAN - DINALUPIHAN BRANCH - GNI Building, San Ramon Highway corner Doña Rosa Street and Mabini Ext., Dinalupihan, Bataan*
20. BATANGAS CITY BRANCH - P. Burgos St., Brgy. 10, Poblacion, Batangas City, Batangas*
21. BATANGAS CITY - KUMINTANG ILAYA BRANCH - CBC Building, Brgy. Kumintang Ilaya, Batangas City, Batangas*
22. BATANGAS - BALAYAN BRANCH - CBC Building, Barrio Ermita, Balayan, Batangas*
23. BATANGAS - BAUAN BRANCH - 62 Kapitan Ponso St., Bauan, Batangas*
24. BATANGAS - LEMERY BRANCH - Miranda Bldg., Ilustre Ave. Lemery, Batangas*

25. BATANGAS - ROSARIO BRANCH - Dr. Gualberto Ave., Brgy. Namunga, Rosario, Batangas*
26. BATANGAS - SAN JUAN BRANCH - Rizal St. near corner Gen. Luna St., Poblacion, San Juan, Batangas*
27. BATANGAS - TANAUAN BRANCH - J.P Laurel Highway, Tanauan City, Batangas*
28. BAYBAY CITY BRANCH - Brodeth Bldg., R. Magsaysay Ave., Baybay City, Leyte*
29. BORONGAN BRANCH - E. Daza cor. Cardona St., Balud II, Brgy. Poblacion, Borongan City, Eastern Samar*
30. BULACAN - BALAGTAS BRANCH - G/F RES Bldg., McArthur Highway, Brgy. San Juan, Balagtas, Bulacan*
31. BULACAN - GUIGUINTO BRANCH - CBC Building, Cagayan Valley Road, Brgy. Sta. Rita, Guiguinto, Bulacan*
32. BULACAN - PLARIDEL BRANCH - CBC Building, Cagayan Valley Road, Brgy. Banga I, Plaridel, Bulacan*
33. BULACAN - STA. MARIA BRANCH - J.P Rizal cor. C. De Guzman St., Poblacion, Sta. Maria, Bulacan*
34. BUTUAN CITY BRANCH - CBC Building, J.C. Aquino Avenue, Brgy. Imadejas, Butuan City, Agusan del Norte*
35. CABANATUAN CITY BRANCH - Paco Roman St., Brgy. Dimasalang, Cabanatuan City, Nueva Ecija*
36. CABANATUAN - MAHARLIKA BRANCH - CBC Bldg., Maharlika Highway, Brgy. Dicarma, Cabanatuan City, Nueva Ecija*
37. CAGAYAN DE ORO - CARMEN BRANCH - G/F GT Realty Bldg., Max Suniel St. cor. Yakal St., Carmen, Cagayan De Oro City, Misamis Oriental*
38. CAGAYAN DE ORO - DIVISORIA BRANCH - RN Abejuela St., South Divisoria, Cagayan de Oro City, Misamis Oriental*
39. CAGAYAN DE ORO - GAISANO CITY MALL BRANCH - G/F Gaisano City Mall, C. M. Recto Ave. cor. Corrales Ext., Cagayan De Oro City, Misamis Oriental*
40. CAGAYAN DE ORO - LAPASAN BRANCH - CBC Bldg, Claro M. Recto Ave., Lapasan, Cagayan de Oro City, Misamis Oriental*
41. CAGAYAN DE ORO - PUERTO BRANCH - Luis A.S. Yap Bldg, Sayre Hiway, Zone 6, Brgy. Puerto, Cagayan De Oro City, Misamis Oriental*
42. CALAPAN BRANCH - G/F Gliceria Concepcion Bldg., J.P. Rizal St., San Vicente, Calapan City, Oriental Mindoro*
43. CALBAYOG BRANCH - Cajurao cor. Gomez Sts., Balud, Calbayog Dist., Calbayog City, Samar*
44. CAMALANIUGAN BRANCH - CBC Building, National Highway, Brgy. Dugo, Camalaniugan, Cagayan*
45. CANDON CITY BRANCH - CBC Bldg., National Road, San Isidro, Candon City, Ilocos Sur*
46. CARMONA BRANCH - CBC Bldg, Paseo de Carmona, Brgy. Maduya, Carmona, Cavite*
47. CATARMAN BRANCH - Cor. Rizal & Quirino Sts, Brgy. Jose P. Rizal, Catarman, Northern Samar*
48. CATBALOGAN BRANCH - CBC Bldg. Del Rosario St. cor. Taft Ave., Catbalogan City, Samar*
49. CAUAYAN CITY BRANCH - G/F Prince Christopher Bldg. Maharlika Highway, Cauayan City, Dist. 2, Isabela*
50. CAVITE - DASMARIÑAS BRANCH - G/F CBC Bldg., Gen. E. Aguinaldo Highway, Dasmariñas, Cavite**
51. CAVITE - GEN. TRIAS BRANCH - Lot 12 Brookeside Lane 5 Arnaldo Highway, Brgy. San Francisco, Gen. Trias City, Cavite*
52. CAVITE - IMUS BRANCH - G/F CBC Bldg., Nueno Ave., Tanzang Luma, Imus, Cavite*
53. CAVITE - MOLINO BRANCH - Patio Jacinto, Molino Road, Molino 3, Bacoar, Cavite*
54. CAVITE - ROSARIO BRANCH - G/F CBC Bldg., Gen Trias Drive, Rosario, Cavite*
55. CAVITE - SILANG BRANCH - CBC Building, J.P Rizal St., Poblacion, Silang, Cavite*
56. CAVITE - SM CITY BACOR BRANCH - LGF SM City Bacoar Tirona Highway cor. Aguinaldo Highway Bacoar, Cavite*
57. CEBU - AYALA BRANCH - Unit 101 G/F Insular Life Cebu Business Center, Mindanao Ave. cor. Biliran Road, Cebu Business Park, Cebu City, Cebu*
58. CEBU - BANAWA BRANCH - G/F The J Block, Duterte St., Banawa, Guadalupe, Cebu City, Cebu*
59. CEBU - BANILAD BRANCH - CBC Bldg., A.S. Fortuna St., Banilad, Cebu City, Cebu*
60. CEBU - BASAK - SAN NICOLAS BRANCH - Bai Center, N. Bacalso Ave., Brgy. Basak San Nicolas, Cebu City, Cebu*
61. CEBU - BOGO BRANCH - G/F SIM Bldg., P. Rodriguez St., Bogo City Cebu*
62. CEBU BUSINESS CENTER BRANCH - G/F Chinabank Corporate Center, Samar Loop cor. Panay Road, Cebu Business Park, Cebu City, Cebu*
63. CEBU - CARCAR BRANCH - Dr. Jose Rizal St, Poblacion I, Carcar, Cebu City, Cebu*
64. CEBU - CONSOLACION BRANCH - G/F SM City Consolacion, Brgy. Lamac, Consolacion, Cebu*
65. CEBU - ESCARIO BRANCH - Units 3 & 5, Escario Central, Escario Road, Cebu City, Cebu*
66. CEBU - F. RAMOS BRANCH - G/F Cebu Velez Hospital, 41-3 F. Ramos St., Brgy. Cogon, Cebu City, Cebu*
67. CEBU - GORORDO BRANCH - No 424, Gorordo Ave., Bo. Kamputhaw, Cebu City, Cebu*
68. CEBU - GUADALUPE BRANCH - CBC Bldg., M. Velez St., cor. V. Rama Ave., Guadalupe, Cebu City, Cebu*
69. CEBU - IT PARK BRANCH - G/F, The Link, Cebu IT Park, Apas, Cebu City, Cebu*
70. CEBU - LAHUG BRANCH - JY Square Mall, No. 1 Salinas Dr., Lahug, Cebu City, Cebu*
71. CEBU - LAPU LAPU PUSOK BRANCH - G/F Goldberry Suites, President Quezon National Highway, Pusok, Lapu-Lapu City, Cebu*
72. CEBU - LAPU LAPU CENTRO BRANCH - A. Geson Bldg., G.Y Dela Serna St., Poblacion, Lapu Lapu City, Cebu*
73. CEBU - MAGALLANES BRANCH - CBC Bldg., Magallanes cor. Jakosalem Sts., Brgy. Sto. Niño, Cebu City, Cebu*
74. CEBU - MANDAUE BRANCH - SV Cabahug Bldg., 155-B SB Cabahug St., Brgy. Centro, Mandaue City, Cebu*
75. CEBU - MANDAUE CABANCALAN BRANCH - G/F A. Geson Bldg., M.L. Quezon St., Cabancalan, Mandaue City, Cebu*
76. CEBU - MANDAUE - J. CENTRE MALL BRANCH - LGF J Centre Mall, A.S. Fortuna Ave., Bakilid Mandaue City, Cebu*
77. CEBU - MANDAUE NORTH ROAD BRANCH - G/F Units G1-G3, Basak Commercial Bldg. (Kel -2), North Road, Tabok, Mandaue City, Cebu*
78. CEBU - MANDAUE NRA BRANCH - G/F Bai Hotel Cebu, Ouano Ave. cor. Seno Blvd, North Reclamation Area, Mandaue City, Cebu*
79. CEBU - MINGLANILLA BRANCH - Unit 9 Plaza Margarita, Linao-Lipata, Minglanilla, Cebu*
80. CEBU - NAGA BRANCH - Leah's Square, National South Highway, East Poblacion, Naga City, Cebu*
81. CEBU - SM CITY BRANCH - UGF SM City Cebu, Juan Luna cor. A. Soriano Ave., North Reclamation Area, Brgy. Mabolo, Cebu City, Cebu**
82. CEBU - SM SEASIDE CITY BRANCH - LGF SM Seaside City, SM Seaside Complex, South Road Properties, Mambaling, Cebu City, Cebu*
83. CEBU - SUBANGDAKU BRANCH - G/F A.D. Gothong I.T. Center, Subangdaku, Mandaue City, Cebu*

84. CEBU - TALAMBAN BRANCH - Unit UG-7 Gaisano Grand Mall Talamban, Gov. Cuenco Ave., Brgy. Talamban, Cebu City, Cebu*
85. CEBU - TALISAY BRANCH - CBC Bldg., 1055 Cebu South National Road, Bulacao, Talisay City, Cebu*
86. CLARK FREEPORT ZONE BRANCH - G/F Stotsenberg Lifestyle Center, N. Aquino corner S. Osmeña & E. Jacinto Sts., Clark Freeport Zone, Mabalacat, Pampanga*
87. COTABATO CITY BRANCH - No. 76 BH Century Inc., S.K. Pendatun Ave., Cotabato City, Maguindanao*
88. DAET BRANCH - Vinzons Ave., Daet, Camarines Norte*
89. DAGUPAN - M.H.DEL PILAR BRANCH - Carried Realty Bldg., No. 28 M.H. del Pilar St., Dagupan City, Pangasinan*
90. DAGUPAN - PEREZ BRANCH - GF Siapno Bldg., Perez Boulevard, Brgy. Pogo Chico, Dagupan City, Pangasinan*
91. DAVAO - BAJADA BRANCH - B.I. Zone Bldg., J.P. Laurel Ave., Bajada, Davao City, Davao del Sur*
92. DAVAO - BUHANGIN BRANCH - VG Building, Km. 5 Buhangin Road, Davao City, Davao del Sur*
93. DAVAO - CALINAN BRANCH - G/F TNE Bldg., Davao-Bukidnon National Hwy - Riverside, Calinan Proper, Davao City, Davao del Sur**
94. DAVAO - INSULAR VILLAGE BRANCH - Km. 8, Insular Village I, Lanang, Davao City, Davao del Sur*
95. DAVAO - MA-A BRANCH - G/F Lapeña Bldg., Mac Arthur Highway, Matina, Davao City, Davao del Sur*
96. DAVAO - MATINA BRANCH - Comglasco Bldg., Km. 4 McArthur Highway, Matina, Davao City, Davao del Sur*
97. DAVAO - MONTEVERDE BRANCH - Doors 1 & 2, Sunbright Bldg., Monteverde St., Brgy. 27-C, Poblacion District, Davao City, Davao del Sur*
98. DAVAO - PANABO BRANCH - Grajeda Bldg (Major Building), Quezon St., Brgy New Pandan, Panabo City, Davao del Norte*
99. DAVAO - RECTO BRANCH - CBC Bldg., C.M. Recto Ave. cor. J. Rizal St. Davao City, Davao del Sur*
100. DAVAO - SM LANANG BRANCH - G/F SM Lanang Premier, J.P. Laurel Ave., Davao City, Davao del Sur*
101. DAVAO - STA. ANA BRANCH - R. Magsaysay Ave. cor. F. Bangoy St., Sta. Ana District, Davao City, Davao del Sur*
102. DAVAO - TAGUM BRANCH - Davao Central Warehouse Club, Inc. Building, Magugpo East, Lower Apokon, Tagum City, Davao del Norte*
103. DAVAO - TORIL BRANCH - JFI Building, Mc Arthur Highway cor. St. Peter St., Crossing Bayabas, Toril, Davao City, Davao del Sur*
104. DIPOLOG CITY BRANCH - CBC Bldg., Gen Luna cor. Gonzales Sts. Dipolog City, Zamboanga del Norte*
105. DOLORES BRANCH - CBC Bldg., McArthur Highway, Dolores, City of San Fernando, Pampanga*
106. DUMAGUETE CITY BRANCH - CBC Bldg., Real St., Dumaguete City, Negros Oriental*
107. GAPAN BRANCH - G/F Walter Mart Center - Gapan, Maharlika Highway, Brgy. Bayanihan, Gapan, Nueva Ecija*
108. GEN. SANTOS CITY BRANCH - CBC Bldg., I. Santiago Blvd., Gen. Santos City South Cotabato*
109. GEN. SANTOS CITY - DADIANGAS BRANCH - M. Roxas Ave. corner Lapu-Lapu Street, Brgy. Dadiangas East, General Santos City, South Cotabato*
110. GUAGUA BRANCH - Yabut Bldg., Plaza Burgos, Guagua, Pampanga*
111. ILIGAN CITY BRANCH - Lai Bldg., Quezon Ave. Extension, Pala-o, Iligan City, Lanao del Norte*
112. ILIGAN CITY - SOLANA DISTRICT BRANCH - G/F Andres Bonifacio Highway, Brgy. San Miguel, Iligan City, Lanao del Norte*
113. ILOCOS NORTE - SAN NICOLAS BRANCH - National Highway, Brgy. 2, San Baltazar, San Nicolas, Ilocos Norte*
114. ILOILO - IZNART BRANCH - Iznart corner J. De Leon Sts., Brgy. Magsaysay, Iloilo City, Iloilo*
115. ILOILO - JARO BRANCH - CBC Bldg., E. Lopez St., Iloilo City, Iloilo*
116. ILOILO - MABINI BRANCH - Tomas Sun Bldg., A. Mabini St., Iloilo City, Iloilo*
117. ILOILO - MANDURRIAO BRANCH - G/F The Grid, Donato Pison cor. Pacencia Pison Avenues, Atria Park District, San Rafael, Mandurriao, Iloilo City*
118. ILOILO - RIZAL BRANCH - CBC Bldg., Rizal cor. Gomez Sts., Brgy. Ortiz, Iloilo City, Iloilo*
119. IRIGA CITY BRANCH - Highway 1, JP Rizal St., San Roque, Iriga City, Camarines Sur*
120. ISABELA - ILAGAN BRANCH - JHU Golden Grains Center Bldg., Maharlika Highway, Brgy. Baligatan, Ilagan, Isabela*
121. ISABELA - ROXAS BRANCH - National Road, Brgy. Bantug, Roxas, Isabela*
122. KALIBO BRANCH - Aklan Catholic College, Arch. Gabriel M. Reyes St., 5600, Kalibo, Aklan*
123. KIDAPAWAN CITY BRANCH - Datu Ingkal St., Brgy. Poblacion, Kidapawan City*
124. KORONADAL CITY BRANCH - G/F LBU Bldg., Gen. Santos Drive cor. Aquino St. Koronadal City, South Cotabato*
125. LA TRINIDAD BRANCH - G/F SJV Bulasao Bldg., Halsema Highway, Km. 4, La Trinidad, Benguet*
126. LA UNION - AGOO BRANCH - CBC Building, National Highway, San Nicolas Sur, Agoo, La Union*
127. LA UNION - SAN FERNANDO BRANCH - Roger Pua Phee Bldg., National Highway, Brgy. 3, San Fernando, La Union*
128. LAGUNA - BIÑAN BRANCH - G/F Raja Cordelle Bldg, National Highway, Brgy. San Vicente, Biñan, Laguna*
129. LAGUNA - CABUYAO BRANCH - G/F Centro Mall, Pulo, Cabuyao City, Laguna*
130. LAGUNA - CALAMBA BRANCH - CBC Bldg., National Highway, Crossing, Calamba, Laguna*
131. LAGUNA - LOS BAÑOS BRANCH - JM Place, National Road, San Antonio, Los Baños, Laguna*
132. LAGUNA - SAN PEDRO BRANCH - No. 365 National Highway, Brgy. Nueva, San Pedro City, Laguna*
133. LAGUNA - STA. CRUZ BRANCH - CBC Building, P. Guevarra St., Poblacion IV, Sta. Cruz, Laguna*
134. LAOAG CITY BRANCH - Liberato Abadilla St., Brgy 17, San Francisco, Laoag City, Ilocos Norte*
135. LEGAZPI CITY BRANCH - G/F Emma Chan Bldg., F. Imperial St., Brgy. Capantawan, Legazpi City, Albay*
136. LIPA CITY - TAMBO BRANCH - President Jose P. Laurel Highway, Tambo, Lipa City, Batangas*
137. LUCENA CITY BRANCH - Georkimart Bldg., 223 Quezon Ave., Lucena City, Quezon*
138. MAASIN CITY BRANCH - G/F SJC Bldg., Tomas Oppus St., Brgy. Tunga-Tunga, Maasin City, Southern Leyte*
139. MABALACAT - DAU BRANCH - One North Mall, #1 McArthur Highway, Dau, Mabalacat, Pampanga*
140. MALAYBALAY CITY BRANCH - G/F Bethelda Bldg., Sayre Highway, Malaybalay City, Bukidnon*
141. MALOLOS CITY BRANCH - G/F Graceland Mall, BSU Grounds, McArthur Highway, Guinhawa, Malolos City, Bulacan
142. MARILAO BRANCH - G/F SM City Marilao, Km. 21, Brgy. Ibayo, Marilao, Bulacan*

143. MARIVELES - FAB BRANCH - GF Tamayo's Building, Avenue of the Phils. Brgy. Malaya, Freeport Area of Bataan (FAB), Mariveles, Bataan*
144. MASBATE BRANCH - G/F Espinosa Bldg., Zurbito St., Brgy. Pating, Masbate City, Masbate*
145. MEYCAUAYAN BRANCH - CBC Bldg., Malhacan Road, Meycauayan, Bulacan*
146. MIDSAYAP BRANCH - CBC Building, Quezon Ave., Poblacion 2, Midsayap, Cotabato*
147. NAGA CITY BRANCH - CBC Building, Penafrancia Avenue, Naga City, Camarines Sur*
148. NEGROS OCCIDENTAL - KABANKALAN BRANCH - CBC Bldg., National Hwy, Brgy. 1, Kabankalan, Negros Occidental*
149. NEGROS OCCIDENTAL - SAN CARLOS BRANCH - Rizal cor. Carmona Sts., San Carlos City, Negros Occidental*
150. NUEVA ECIJA - STA ROSA BRANCH - CBC Bldg., Maharlika Highway, Poblacion, Sta Rosa, Nueva Ecija*
151. OCCIDENTAL MINDORO - SAN JOSE BRANCH - Liboro cor. Rizal St., San Jose, Occidental Mindoro*
152. OLONGAPO - DOWNTOWN BRANCH - CBC Building, No. 2 corner 20th St., East Bajac-Bajac, Olongapo City, Zambales*
153. ORMOC CITY BRANCH - CBC Bldg., Real cor. Lopez Jaena Sts., Ormoc City, Leyte*
154. OZAMIZ CITY BRANCH - Gomez corner Kaamino Streets, Ozamiz City, Misamis Occidental*
155. PAGADIAN CITY BRANCH - G/F Marasigan Bldg., F.S. Pajares Ave., Pagadian City, Zamboanga del Sur*
156. PANGASINAN - ALAMINOS CITY BRANCH - Montemayor Bldg., Marcos Ave., Brgy. Palamis, Alaminos City, Pangasinan*
157. PANGASINAN - BAYAMBANG BRANCH - CBC Bldg., NO.91, Poblacion Sur, Bayambang, Pangasinan*
158. PANGASINAN - ROSALES BRANCH - CBC Building, Calle Dewey, Rosales, Pangasinan*
159. PANGASINAN - URDANETA BRANCH - G/F EF Square Bldg., Poblacion St., MacArthur Highway, Urdaneta City, Pangasinan*
160. PASEO DE STA. ROSA BRANCH - Unit 3, Paseo 5, Paseo de Sta. Rosa, Sta. Rosa City, Laguna*
161. PUERTO PRINCESA CITY BRANCH - Bobby L. Castro Bldg., Malvar St. near cor. Valencia St., Puerto Princesa City, Palawan*
162. QUEZON - CANDELARIA BRANCH - Pan Philippine Highway Cor. Del Valle Street, Poblacion, Candelaria, Quezon*
163. ROXAS CITY BRANCH - 1063 Roxas Ave. cor. Bayot Drive, Sumulong Highway, Brgy. Mambugan, Roxas City, Capiz*
164. SAN FERNANDO BRANCH - CBC Bldg., V. Tiomico St., Brgy. Sto. Rosario, City of San Fernando, Pampanga**
165. SAN FERNANDO - SINDALAN BRANCH - Stall 123 G/F Jumbo Jenra Sindalan, Brgy. Sindalan, San Fernando City, Pampanga*
166. SAN JOSE CITY BRANCH - G/F Violago Bldg., Maharlika Highway, Brgy. Malasin, San Jose City, Nueva Ecija*
167. SAN PABLO CITY BRANCH - Unit 1, M. Paulino St., San Pablo City, Laguna*
168. SANTIAGO CITY BRANCH - Navarro Bldg., Maharlika Highway near cor. Bayaua St., Santiago City, Isabela*
169. SILAY CITY BRANCH - Margarita Bldg., Rizal St., Silay City, Negros Occidental*
170. SM CITY BATAAN BRANCH - G/F (Unit 1065-1066;1072) SM City Bataan, Balanga City, Bataan
171. SM CITY CABANATUAN - UGF SM City Cabanatuan, Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija*
172. SM CDO DOWNTOWN PREMIER BRANCH - G/F SM CDO Downtown Premier, Claro M. Recto St., Lapasan, Cagayan de Oro City, Misamis Oriental*
173. SM CITY CLARK BRANCH - G/F (Unit 172-173) SM City Clark, M. Roxas St., CSEZ, Angeles City, Pampanga**
174. SM CITY CDO UPTOWN - G/F SM City CDO Uptown, North Wing Bldg., Las Ramblas St., Masterson Ave., Pueblo de Oro Business Park, Cagayan de Oro City, Misamis Oriental*
175. SM CITY DASMARINAS BRANCH - LGF SM City Dasmariñas, Gov Drive, Pala-Pala, City of Dasmariñas, Cavite*
176. SM CITY LIPA BRANCH - G/F (Units 1111-1113) SM City Lipa, J.P. Laurel Highway, Brgy. Maraouy, Lipa City, Batangas*
177. SM CITY NAGA BRANCH - SM City Naga, CBD II, Brgy. Triangulo, Naga City, Camarines Sur*
178. SM CITY OLONGAPO CENTRAL BRANCH - G/F SM City Olongapo Central, East Tapinac, Olongapo City, Zambales*
179. SM CITY PAMPANGA BRANCH - Unit AX3 102, Bldg. 4, SM City Pampanga, Mexico, Pampanga*
180. SM CITY SAN JOSE DEL MONTE BRANCH - UGF SM City San Jose Del Monte, Quirino Highway, Brgy. Tungkong Mangga, San Jose Del Monte City, Bulacan*
181. SM CITY SAN PABLO BRANCH - G/F SM City San Pablo, National Highway, Brgy. San Rafael, San Pablo City, Laguna*
182. SM CITY STA. ROSA BRANCH - Unit EXP 1154-1156 G/F SM City Sta. Rosa, Bo. Tagapo, Sta. Rosa, Laguna*
183. SM CITY STO. TOMAS BRANCH - Unit 1045 G/F SM City Sto. Tomas, Brgy. San Bartolome, Sto. Tomas, Batangas
184. SM CITY TANZA - G/F (Unit 1061-1062) SM City Tanza, Brgy. Daang Amaya, Tanza, Cavite*
185. SM CITY TELABASTAGAN BRANCH - G/F SM City Telabastagan, San Fernando City, Pampanga*
186. SOLANO BRANCH - National Highway, Brgy. Quirino, Solano, Nueva Vizcaya*
187. SORSOGON BRANCH - CBC Bldg., Ramon Magsaysay Ave., Brgy. Sirangan, Sorsogon City, Sorsogon*
188. SUBIC BAY FREEPORT ZONE BRANCH - CBC Bldg, Rizal Highway, Subic Bay Gateway Park, Subic Bay Freeport Zone, Zambales*
189. SURIGAO CITY BRANCH - CBC Bldg., Amat St., Barrio Washington, Surigao City, Surigao Del Norte*
190. TABACO CITY BRANCH - G/F ANG Bldg., Ziga Ave. cor. Berces St., Tabaco City, Albay*
191. TACLOBAN CITY BRANCH - Uytingkoc Bldg., Avenida Veteranos, Tacloban City, Leyte*
192. TAGAYTAY CITY BRANCH - Foggy Heights Subdivision, E. Aguinaldo Highway, Tagaytay City, Cavite*
193. TAGBILARAN CITY BRANCH - 0178 G/F BQ Builderware Bldg., Carlos P. Garcia Ave., Tagbilaran City, Bohol*
194. TALAVERA BRANCH - CBC Bldg., Maharlika Highway, Marcos District, Talavera, Nueva Ecija*
195. TARLAC - BAMBAN BRANCH - National Road, Brgy. Anupul, Bamban, Tarlac**
196. TARLAC - CAMILING BRANCH - Savewise Bldg., Romulo St., Poblacion, Camiling Tarlac*
197. TARLAC - CONCEPCION BRANCH - G/F Descanzo Bldg., F. Timbol St., San Nicolas, Poblacion, Concepcion, Tarlac*
198. TARLAC - PANIQUI BRANCH - G/F Cedasco Bldg., M. H del Pilar St., Poblacion, Paniqui, Tarlac*
199. TARLAC BRANCH - CBC Bldg., Panganiban near cor. F. Tañedo St., Brgy. San Nicolas, Tarlac City, Tarlac*
200. TARLAC - SAN RAFAEL BRANCH - CBC Building, MacArthur Highway, San Rafael, Tarlac City, Tarlac*

201. THE DISTRICT IMUS BRANCH - G/F The District Imus, Emilio Aguinaldo Highway, Anabu II, Imus, Cavite*
202. TRECE MARTIRES BRANCH - G/F Walter Mart, Governor's Drive cor. City Hall Road, Brgy. San Agustin, Trece Martires City, Cavite*
203. TUGUEGARAO - BALZAIN BRANCH - Editha Bldg., Balzain Highway, Tuguegarao City, Cagayan*
204. TUGUEGARAO CITY BRANCH - Luna Street corner Burgos Street, Tuguegarao City, Cagayan*
205. VALENCIA BRANCH - Tamay Lang Bldg., A. Mabini St., Brgy. Poblacion, Valencia, Bukidnon*
206. VIGAN CITY BRANCH - Burgos St. near cor. Rizal St., Vigan City, Ilocos Sur*
207. VIRAC BRANCH - G/F MQS Bldg., Quezon Avenue, Brgy. Salvacion, Virac, Catanduanes*
208. ZAMBALES - BOTOLAN BRANCH - National Highway, Brgy. Batonglapoc, Botolan, Zambales*
209. ZAMBOANGA CITY BRANCH - CBC Bldg., Gov. Lim Ave. cor. Nuñez St., Zone III, Zamboanga City, Zamboanga del Sur*
210. ZAMBOANGA - GUIWAN BRANCH - G/F Yang's Tower, Ma. Clara Lorenzo Lobregat National Highway, Guiwan, Zamboanga City, Zamboanga del Sur*
211. ZAMBOANGA - SAN JOSE GUSU BRANCH - Yubenco Star Mall, San Jose Gusu, Zamboanga City, Zamboanga del Sur**

* One (1) ATM

** Two (2) ATMs

*** Four (4) ATMs

China Bank Savings

Metro Manila Branches

1. ACACIA ESTATES- Units 8,9,10 Town Center Acacia Estates, Acacia Estates , Bambang, Taguig City**
2. AYALA - 6772 Ayala Ave., Makati City*
3. ALABANG - GF / Common Goal Bldg., Finance cor. Industry Sts., Madrigal Business Park, Ayala Alabang, Muntinlupa City*
4. AMANG RODRIGUEZ - G/F GBU Bldg. Amang Rodriguez Ave cor. Evangelista St. Santolan, Pasig City*
5. ARANETA CENTER COD-SAVEMORE - Gen. Romulo St., Araneta Center, Cubao, Quezon City*
6. BACLARAN - 3751 Quirino Avenue cor. Sta. Rita St., Baclaran, Parañaque City*
7. BANAWA - Nos. 247-249 Banawe St., Sta. Mesa Heights, Brgy. Lourdes, Quezon City*
8. BANGKAL - GF / Amara Bldg., 1661 Evangelista St., Bangkal, Makati City*
9. BF HOMES - 284 Aguirre Ave., B.F. Homes, Paranaque City*
10. BLUMENTRITT - Blumentritt St. near Oroquieta St. Sta. Cruz, Manila*
11. BINONDO-JUAN LUNA - 694-696 Juan Luna St., Binondo, Manila*
12. BONI AVENUE - Raymond Tower Boni, 615 Boni Avenue, Plainview, Mandaluyong City*
13. BUENDIA-MAIN- 314 Sen. Gil J. Puyat Ave., Makati City**
14. COMMONWEALTH AVE.- JocFer Building, Commonwealth Avenue, Brgy. Holy Spirit, Quezon City *
15. CUBAO - Fernandina 88 Suites, 222 P. Tuazon Boulevard, Cubao, Quezon City*
16. DEL MONTE- 392 Del Monte Ave., Brgy. Sienna, Quezon City*
17. E. RODRIGUEZ SR. AVENUE - E. Rodriguez, Sr. cor Hemady St., Quezon City *
18. ESPAÑA-SUNMAL - Espana Boulevard corner Mayon St., Manila *
19. FELIX HUERTAS-JT CENTRALE - Unit 103, Ground Floor, JT Centrale Mall, No. 1686 V. Fugoso St. corner Felix Huertas St., Sta. Cruz, Manila *
20. FILINVEST - BC Group Bldg., East Asia Drive near cor. Comm. Ave., Filinvest Corp City, Alabang, Muntinlupa City*
21. FTI HYPERMARKET TAGUIG - DBP Avenue, Food Terminal Inc., Western Bicutan, Taguig*
22. G. ARANETA - 195 G. Araneta Avenue, Quezon City*
23. GIL PUYAT BAUTISTA - Lot 25 Blk 74 Bautista St. cor. Buendia Avenue, Makati City*
24. GREENHILLS-ORTIGAS AVENUE - VAG Bldg., Ortigas Ave., Greenhills, San Juan, Metro Manila*
25. GUIGUINTO-RIS - RIS-5 Industrial Complex, 68 Mercado St., Tabe, Guiguinto, Bulacan*
26. KALOOKAN - Augusto Bldg., Rizal Ave., Grace Park, Kalookan City*
27. KALOOKAN-MABINI - AJ Bldg., 353 A. Mabini St., Kalookan City*
28. KATIPUNAN AVE. - One Burgundy Condominium, Katipunan Avenue, Quezon City*
29. LAGRO - Bonanza Bldg., Quirino Highway, Greater Lagro, Novaliches, Quezon City*
30. LAS PIÑAS-ALMANZA UNO - Alabang Zapote Road, Almanza Uno, Las Piñas City*
31. MAKAT-CHINO ROCES - 2176 Chino Rocas Ave., Makati City*
32. MAKATI-J.P. RIZAL - 882 J.P. Rizal St., Makati City*
33. MALABON-FRANCIS MARKET-SAVEMORE - Francis Market, Governor Pascual corner M.H. Del Pilar Sts., Malabon*
34. MANDALUYONG - Paterno's Bldg., 572 New Panaderos St., Brgy. Pag-asa, Mandaluyong City*
35. MANDALUYONG-SHAW BLVD - 500 Shaw Tower, 500 Shaw Boulevard, Mandaluyong City*
36. MARIKINA - 33 Bayan-Bayanan Ave., Brgy. Concepcion 1, Marikina City*
37. MARIKINA-GIL FERNANDO AVENUE - CTP Bldg., Gil Fernando Ave., Brgy. San Roque, Marikina City*
38. NAVOTAS- FP BUILDING No. 855 M. Naval St., Brgy. Sipac-Almacen, Navotas City*
39. NEPA-QMART-SAVEMORE - Rose Bldg., 770 St. EDSA and K-G St., West Kamias, Quezon City*
40. NINOY AQUINO AVENUE- Ground Floor Skyfreight Bldg., Ninoy Aquino Ave. cor. Pascor Drive, Parañaque City*
41. NOVALICHES- Ground Floor, Unit 11, Nova Plaza Mall, Quirino Avenue corner N. Ramirez St., Brgy. Novaliches Proper, District 5, Novaliches, Quezon City*(relocated

from Muñoz-Jackman)

42. N.S. AMORANTTO AVE. - Unit 101 R Place Building, 255 N.S. Amoranto Sr. Avenue, Quezon City*
43. ONGPIN - Unit 576-578, Ground Floor Ramada Manila Central Hotel, Quintin Paredes Road corner Onpin Street, BRGY. 289, Binondo, Manila* (relocated from Divisoria-Dragon 8)
44. ORTIGAS CENTER - Ground Floor, Hanston Square, San Miguel Ave., Ortigas Center, Pasig City*
45. PARAÑAQUE-BETTER LIVING - 90 Dona Soledad Avenue, Better Living Subdivision, Parañaque City*
46. PARAÑAQUE-JAKA PLAZA - Jaka Plaza Center, Dr. A. Santos Ave. (Sucat Road), Brgy. San Isidro, Parañaque City*
47. PARAÑAQUE-LA HUERTA - 1070 Quirino Ave., La Huerta, Parañaque City*
48. PARAÑAQUE-MOONWALK - Kassel Residence Building, E. Rodriguez Avenue, Moonwalk Parañaque City*
49. PASAY-LIBERTAD - 533 Cementina St. Libertad, Pasay City*
50. PASIG-CANIOGAN - KSN Building, C. Raymundo Avenue, Canioagan, Pasig City *
51. PASIG MUTYA - Richcrest Building, Caruncho corner Market Avenue, San Nicolas, Pasig City*
52. PASIG-PADRE BURGOS - 114 Padre Burgos St., Kapasigan, Pasig City*
53. PASO DE BLAS - Andok's Bldg., 629 General Luis St., Malinta Interchange-NLEX, Paso de Blas, Valenzuela City*
54. PATEROS - Unit CC1, GF East Mansion Townhomes, Sto. Rosario, Pateros*
55. PATEROS-ALMEDA - 120 Almeda St., Pateros, Metro Manila*
56. PEDRO GIL - LKE Bldg. Pedro Gil corner Pasaje, Rosario St. Paco, Manila*
57. PLAZA STA. CRUZ - MBI Building, Unit 103, Plaza Sta. Cruz, Sta. Cruz, Manila*
58. QUEZON AVENUE - G/F GJ Bldg., 385 Quezon Ave., Quezon City*
59. QUEZON AVENUE-PALIGSAHAN - 1184-A Ben-Lor Bldg., Quezon Ave., Brgy. Paligsahan, Quezon City*
60. QUIAPO-ECHAGUE - Palanca corner P. Gomez streets, Echague, Quiapo, City of Manila*
61. RADA - HRC Center, 104 Rada St., Legaspi Village, Makati City*
62. ROOSEVELT - 342 Roosevelt Avenue, Quezon City*
63. SAN JUAN - Madison Square, 264 N. Domingo St., Barangay Pasadena, San Juan*
64. SAVEMORE ANONAS - V. Luna St. corner Anonas Extension, Sikatuna Village, Quezon City*
65. SOUTH TRIANGLE - Ground Floor, SUNNYMEDE IT CENTER, Brgy. South Triangle, Quezon Ave., QC*
66. STA. ANA MANILA - Savemore, Pedro Gil St., Sta. Ana, Manila *
67. STA. MESA - 4128 Ramon Magsaysay Blvd., Sta. Mesa Manila*
68. TAFT-QUIRINO AVE. - 1945 Esther Building, Taft Avenue, Malate, Manila* (relocated from SM Hypermarket Adriatico)
69. TANDANG SORA - Cecileville Bldg. III, 670 Tandang Sora Ave. corner General Ave., Tandang Sora, Quezon City*
70. TAYUMAN - 1925-1929 Rizal Avenue near corner Tayuman St., Sta. Cruz, Manila*
71. TIMOG - Jenkinsen Towers, 80 Timog Ave., Brgy. Sacred Heart, Quezon City*
72. TWO ECOM - Two E-Com Center Tower B, Ocean Drive near cor. Bayshore Ave., Mall of Asia Complex, Pasay City*
73. UN AVENUE - 552 U.N. Ave., Ermita, Manila*
74. VALENZUELA-MARULAS- Ong-Juanco Bldg., 92 - J McArthur Highway, Marulas, Valenzuela City*
75. VISAYAS AVENUE- Wilcon City Center Mall, Visayas Ave., Quezon City*
76. WILSON - 219 Wilson St., Greenhills, San Juan*
77. ANGONO- Manila East Road cor. Don Benito St., Brgy. San Roque, Angono, Rizal*
78. ANTIPOLLO- EMS Bldg., M.L. Quezon St. cor. F. Dimanlig St., Antipolo City, Rizal*
79. CAINTA - Lower Ground Floor 04 & 05, CK Square Mall, Ortigas Ave. Ext., Brgy. San Juan, Cainta, Rizal*
80. TAYTAY - C. Gonzaga Bldg. II, Manila East Road, Taytay, Rizal*

China Bank Savings

Provincial Branches

1. ANGELES-RIZAL AVENUE - 639 Rizal St., Angeles City*
2. ARAYAT - Cacutud, Arayat, Pampanga**
3. BACOLOD - Fordland Building I Annex, 12th Lacson Street, Bacolod City*
4. BACOR-TALABA - Coastal Road cor. Aguinaldo Highway, Brgy. Talaba VII, Bacor City, Cavite*
5. BAGUIO - UGF KDC Building 91 Marcos Hwy Benguet Baguio City*
6. BALAGTAS - McArthur Highway, Wawa, Balagtás, Bulacan*
7. BALANGA - D.M. Banzon St., Balanga City*
8. BALIBAGO - JEV Bldg., McArthur Highway, Balibago, Angeles City*
9. BALIUAG - Plaza Naning, Poblacion, Baliuag, Bulacan*
10. BATANGAS - No. 3 P. Burgos St., Batangas City*
11. BIÑAN - Nepa Highway, San Vicente, Biñan, Laguna*
12. BUTUAN - JMC Building, J.C. Aquino Avenue, Brgy. Lapu Lapu, Butuan City, Agusan del Norte*
13. CABANATUAN-BAYAN - Burgos Ave., Cabanatuan City, Nueva Ecija*
14. CABUYAO - G/F Unit 101 C-257 Centrale, National Highway, Brgy. Sala, 4th District, Cabuyao City, Laguna*

15. CAGAYAN DE ORO - Sergio Osmeña St., Cogon District, Cagayan de Oro City*
16. CALAMBA - HK Bldg II, National Highway, Brgy. Halang, Calamba, Laguna*
17. CARMONA- Loyola Street , Brgy. Mabuhay, 5th District, Carmona, Cavite*
18. CAUAYAN- G/F A.V. Building, FNDY St. along Cabatuan Road, Brgy. San Fermin, 6th District, Cauayan City, Isabela*
19. CAVITE CITY - 485 P. Burgos St., Brgy. 34, Caridad, Cavite City*
20. CEBU-MANGO AVENUE, JSP Mango Plaza, Gen. Maxilom Ave. cor. Echavez St., Cebu City*
21. CEBU CITY - G/F Skyrise IT Bldg., Brgy. Apas, Lahug, Cebu City*
22. CEBU MANDAUE BASAK - Co Tiao King Bldg., Cebu North Road Basak, Mandaue City*
23. DAGUPAN - G/F Lyceum-Northwestern University, Tapuac District, Dagupan City*
24. DARAGA - Rizal St., Brgy. San Roque, Daraga, Albay, Bicol*
25. DASMARIÑAS - Veluz Plaza Bldg., Zone I, Aguinaldo Highway, Dasmariñas City, Cavite*
26. DAU - MacArthur Highway, Dau, Mabalacat, Pampanga*
27. DAVAO RECTO - C. M Ville Abrille Bldg., C. M. Recto St. Davao City*
28. DAVAO - G/F 8990 Corporate Center, Quirino Ave., Davao City*
29. DOLORES - STCI Bldg., McArthur Highway, San Agustin, City of San Fernando, Pampanga*
30. DUMAGUETE- Ground Floor, Chateau Francisca Building, 200 North Road National Highway, Brgy. Bantayan, 2nd District, Dumaguete City, Negros Orienta*
31. GENERAL SANTOS - I. Santiago Boulevard General, Santos City*
32. GENERAL TRIAS - G/F VCentral Gentry, Governor's Drive, New Brgy. Manggahan, General Trias, Cavite*
33. GUAGUA - Plaza Burgos, Guagua, Pampanga*
34. ILOILO-JARO - Lopez Jaena cor. EL 98 Sts., Jaro, Iloilo*
35. ILOILO-IZNART - Golden Commercial Center Bldg, Iznart St. Iloilo City*
36. IMUS - Tanzang Luma, Aguinaldo Highway, Imus City, Cavite*
37. KALIBO - Lot 3459-E-1, Toting Reyes St., Brgy. Andagao, Kalibo, Aklan*
38. KAWIT- Unit 105 Ground Floor, Lokal Mall Kawit, Centennial Road, Brgy. Magdalo, Kawit, Cavite*
39. LA UNION - AG Zambrano Bldg., Quezon Ave., San Fernando City, La Union*
40. LAGUNA-STA. CRUZ - E & E Building, Pedro Guevarra St., Sta. Cruz, Laguna *
41. LAOAG - J.P Rizal St. corner Balintawak St. Laoag City, Ilocos Norte*
42. LEGAZPI CITY - F. Imperial Street, Barangay Bitano, Legazpi City*
43. LINGAYEN - Unit 5-6, The Hub - Lingayen Building, National Road, Poblacion, Lingayen, Pangasinan*
44. LIPA - C.M. Recto Ave., Lipa City*
45. LOS BAÑOS CROSSING - Lopez Ave., Batong Malaki, Los Baños, Laguna*
46. LUCENA - Merchan cor., Evangelista St., Lucena City*
47. MACABEBE - Poblacion, Macabebe, Pampanga*
48. MALOLOS - Canlapan St., Sto. Rosario, Malolos City, Bulacan*
49. MALOLOS-CATMON - Paseo del Congreso, Catmon, City of Malolos, Bulacan*
50. MANDAUE - A. Del Rosario Ave., Mantuyong, Mandaue City, Cebu*
51. MEYCAUAYAN - Mancon Bldg., McArthur Highway, Calvario, Meycauayan, Bulacan*
52. MOLINO - 817 Molino Road Molino III, Bacoar, Cavite*
53. MOUNT CARMEL - AMB Bldg., Km. 78 McArthur Highway, Brgy. Saguin, City of San Fernando, Pampanga*
54. NAGA - RL Bldg., Panganiban St., Lerma, Naga City*
55. OLONGAPO - Ground Floor, City View Hotel, 25 Magsaysay Drive, New Asinan, OlongapoCity*
56. ORANI - Brgy. Balut, Orani, Bataan*
57. PLARIDEL - 0226 Cagayan Valley Road, Banga 1st, Plaridel, Bulacan*
58. PORAC - Cangatba, Porac, Pampanga**
59. ROXAS AVE. CAPIZ-CITYMALL - Roxas Ave, Brgy VI, Roxas City, Capiz*
60. SAN FERNANDO - KHY Trading Bldg., San Fernando-Gapan Rd., San Fernando City, Pampanga*
61. SAN FERNANDO-BAYAN - JSL Building, Consunji St., San Fernando, Pampanga*
62. SAN ILDEFONSO - Savemore San Ildefonso, Poblacion, San Ildefonso, Bulacan*
63. SAN JOSE DEL MONTE - Ground Floor, Giron Bldg., Gov. Halili Ave., Tungkong Mangga, City of San Jose Del Monte, Bulacan*
64. SAN MIGUEL - Norberto St., San Jose, San Miguel, Bulacan*
65. SAN NARCISO - Brgy. Libertad, San Narciso, Zambales*
66. SAN PABLO - Rizal Avenue cor. Lopez Jaena St. San Pablo City, Laguna*
67. SAN PEDRO - Gen - Ber Bldg. National Highway Landayan, San Pedro Laguna*
68. SAN RAFAEL - Cagayan Valley cor. Cruz na Daan Roads, San Rafael, Bulacan*
69. SANTIAGO-VICTORY NORTE - JECO Bldg., Maharlika Highway cor. Quezon St., Victory Norte, Santiago City*
70. SAVEMORE TAGAYTAY-MENDEZ - TSL Center Tagaytay No.9089 Gen. Emilio Aguinaldo Highway, Mendez Crossing East, Tagaytay City.*
71. SAVEMORE TALISAY NEGROS OCCIDENTAL - Talisay, Mabini St., Zone 12 Paseo Mabini Talisay City NegrosOccidental**
72. SORSOGON - God is Good Commercial Bldg, Rizal St., Purok 5, Piot, West District, Sorsogon City, Sorsogon*
73. STA. ANA - Poblacion, Sta. Ana, Pampanga*

74. STA. MARIA - JC De Jesus cor. M. De Leon, Poblacion, Sta. Maria, Bulacan*
75. STA. RITA - San Vicente, Sta. Rita, Pampanga*
76. STA. ROSA - Sta. Rosa-Tagaytay Highway, Sta. Rosa, Laguna*
77. STA. ROSA-BALIBAGO - National Highway cor. Lazaga St. Balibago, Sta. Rosa, Laguna*
78. STO. TOMAS - Agojo Bldg., Maharlika Highway, Sto. Tomas, Batangas*
79. SUBIC - Baraca, Subic, Zambales*
80. TACLOBAN CITY - GF, YVI Center, Bldg A, Fatima Village, Tacloban City, Leyte*
81. TAGBILARAN- Upper Ground Floor 3-4, Alta Citta Mall, Honorio Grupo St. and C.P. Garcia Ave., Brgy. Poblacion II, 1st District, Tagbilaran City, Bohol*
82. TAGUM - Maharlika Highway cor. Lapu-Lapu Extension, Brgy. Magugpo Tagum City*
83. TANAUAN CITY - Jose P. Laurel National Highway, Darasa, Tanauan City, Batangas*
84. TARLAC - McArthur Highway, San Nicolas, Tarlac City*
85. TUGUEGARAO - Metropolitan Cathedral Parish, Rectory Complex, Rizal St., Tuguegarao City*
86. URDANETA - MacArthur Highway, Nancayasan, Urdaneta City, Pangasinan*
87. VIGAN - Plaza Maestro Convention Center, Florentino St., and Burgos St. Vigan City, Ilocos Sur*
88. ZAMBOANGA – CityMall, Don Alfaro St., Tetuan, Zamboanga*

China Bank Savings – Branch Lite Units

1. PUERTO PRINCESA – Rizal Avenue corner Roxas St., Brgy. Tagumpay, Puerto Princesa City, Palawan*
2. CALAPAN - R.King Commercial Bldg., China Bank Savings Calapan Branch Brgy. Nacoco, Calapan City, Oriental Mindoro*
3. DIPOLOG - SD Arcade, Rizal Ave, Dipolog City, 7100 Zamboanga del Norte*
4. MASBATE - Ross Hotel, Quezon St., Masbate City*
5. ORMOC - Real Street District 22, Ormoc City, Leyte*
6. SURIGAO - Gaisano Capital Mall Building, Luna St., Surigao City*
7. SAN JOSE BUENAVISTA - Aml Building 1, Cor. Dalipeatabay, San Jose De Buenavista, Antique*
8. PASSI CITY - M. Palmares St., Brgy. Poblacion Ilawod, Passi City, Iloilo*
9. PAGADIAN CITY - Broca St. corner B. Aquino St., Pagadian, Zamboanga*
10. ALAMINOS - Unit 101 S & L Bldg. Brgy. Palamis, Alaminos City*
11. DAET - Alegre Building, J. Lukban St. Daet Camarines Norte*
12. VALENCIA - Tamay Lang Business Triangle Building, Hagkol, Sayre Highway, Valencia City*
13. OZAMIZ - JME Building, Rizal Avenue corner Capistrano St., Ozamis City, Misamis Occidental*
14. KABANKALAN - Dinsay Building, National Highway Mabinay, Kabankalan City, Negros Occidental*
15. KIDAPAWAN - Brookside Building, Datu Ingkal St., Poblacion, Kidapawan City*
16. SAN CARLOS - V. Gustilo St., San Carlos City, Negros Occidental*
17. MALAYBALAY - Fortich Street, Barangay 9, Malaybalay City, Bukidnon*
18. TARLAC GERONA - Morayta St. Poblacion 3, Gerona Tarlac*
19. CALBAYOG - Rosales Corner Rueda Sts., Calbayog City, Samar*
20. ROXAS - 1McKinley Building, McKinley corner San Roque Sts., Roxas City*
21. MATI - Madayaway Distributor Inc., Rizal Extension, Mati, Davao Oriental*
22. BALER - Stall #3, Bonifacio Street, Brgy. Suklayin, Baler, Aurora*
23. SAN NICOLAS, ILOCOS NORTE - Ground Floor Unit 6, Yvy Building, Valdez Center, Barangay 1, San Nicolas, Ilocos Norte
24. IRIGA CITY, CAMARINES SUR - Everest Plaza Building, Zone 5, Highway 1, San Miguel, Iriga City
25. DIGOS CITY, DAVAO DEL SUR - CPP Building II, Rizal Avenue, Zone 1, Digos City, Davao Del Sur
26. GLAN, SARANGANI PROVINCE - Jose Hombrebueno St., Plaza Rizal, Barangay Poblacion, Glan, Sarangani Province
27. JORDAN, GUIMARAS - Piazza Zemarkato Building, New Site, Barangay San Miguel, Jordan, Guimaras
28. GUMACA, QUEZON PROVINCE - Rm Building, Maharlika Highway, A. Bonifacio, Barangay Tabing Dagat, Gumaca, Quezon
29. BOGO CITY, CEBU - Sim Building, Sim Bogo Business Park, P. Rodriguez St., Bogo City, Cebu
30. CABARROGUIS, QUIRINO PROVINCE - P1 Gundaway, Cabarroguis, Quirino
31. KORONADAL CITY, SOUTH COTABATO - Mcm Villamor Building, Gen. San Drive, Zone 2, Koronadal City
32. URDANETA, PANGASINAN - Alexander St. Cor. Belmonte St., Barangay Poblacion, Urdaneta City, Pangasinan
33. ILIGAN CITY, LANA DEL NORTE - Quezon Ave. Ext. Barangay Villaverde, Pob. Iligan City
34. BOTOLAN, ZAMBALES - Casa Bien Bldg., Barangay Batonglapoc, Botolan, Zambales
35. TETUAN, ZAMBOANGA DEL SUR - Unit 05-06 Ground floor, JSB Bldg., Don Alfaro st. Tetuan Zamboanga city
36. BALIBAGO, STA. ROSA LAGUNA - 7LL Pearl Rd. Balibago Complex, Brgy. Balibago, Sta. Rosa, Laguna
37. ESTANCIA, ILOILO - Old Sacramento Building, Sitio Poblacion Highway Cano-An, Estancia, Iloilo
38. SOLANO, NUEVA VIZCAYA - 2627 ZURMAN, PLAZA, 225 J.P. Rizal Avenue, Poblacion South, Solano, Nueva Vizcaya
39. INFANTA, QUEZON - Plaridel St., Poblacion 38, Infanta, Quezon Province
40. CARCAR, CEBU - Door 2 J.P. Rizal St. Poblacion Carcar City, Cebu
41. ODIONGAN, ROMBLON - JBM Building, Regional Highway, Torrel, Dapawan, Odiongan, Romblon

42. TAGBILARAN, BOHOL - Old Holy Spirit School Building A, Jacinto Borja corner Remolador Street, Tagbilaran City, 6300 Bohol
43. DUMAGUETE, NEGROS ORIENTAL - A-3, Ground floor, Central Arcade Building, Cervantes Street, Dumaguete City
44. BONTOC, MT PROVINCE - Aguana Building, Loc-ong, Poblacion, Bontoc, Mountain Province
45. BOAC, MARINDUQUE - Deogracias St. cor San Miguel St., Malusak, Boac, Marinduque
46. TANAY, RIZAL - 2nd Floor Manila East Road Cor E. Rodriguez Ave., Tanay, Rizal
47. VIRAC, CATANDUANES - 2nd floor Imperial Building, Gogon Centro, Virac, Catanduanes
48. LUNA, APAYAO - Stall # 3, Cristobal Building, San Isidro Sur, Luna, Apayao
49. NAGA, CAMARINES SUR - ELS Building, Panganiban Drive, Concepcion Pequeña, Naga City
50. ISULAN, SULTAN KUDARAT - JCB Building, Magbanua St., Corner National Highway, Kalawag I, Isulan, Sultan Kudarat
51. SOGOD, SOUTHERN LEYTE - Zone IV, Osmena St. Sogod Southern Leyte
52. LAGawe, IFUGAO - 07 Rizal Avenue, Poblacion East, Lagawe, Ifugao
53. NABUNTURAN, DAVAO DE ORO - National Highway, Poblacion, Nabunturan, Davao De Oro
54. BANGUED, ABRA - OVAL ERA Mall, Taft St., Zone 4, Bangued, Abra
55. BALAMBAN, CEBU - DC Sanchez St., Sta. Cruz, Balamban, Cebu
56. NAVAL, BILIRAN - Corvera St. Barangay Santissimo Rosario, Naval, Biliran
57. SAN JOSE, NUEVA ECIIJA - Maharlika Highway, Barangay Malasin, San Jose City
58. BISLIG CITY, SURIGAO DEL SUR - R.B. Castillo St., Brgy. Mangagoy, Bislig City, Surigao del Sur
59. CAMALANIUGAN, CAGAYAN - Tuzon Building, Bulala, Camalaniugan, Cagayan
60. TABUK, KALINGA - Sebastian Building, Purok 3, Bakras, Bulanao, Tabuk City, Kalinga

*with One (1) ATM

**with Two (2) ATMs

China Bank - Off Branch ATM Directory

Metro Manila

1. 168 MALL - 3F Food Court, 168 Mall, Sta. Elena St., Binondo, Manila
2. A. ZARATE GEN. HOSPITAL - Naga Road, Pulang Lupa Uno, Las Piñas City
3. ALABANG MALL - Alabang Town Center, Alabang - Zapote Road cor. Madrigal Ave., Muntinlupa City
4. ALFAMART A. MABINI MANGGAHAN - A. Mabini Street, Manggahan, Pasig City
5. ALFAMART DAEZ CAMARIN CALOOCAN - Daez Commercial Bldg., Susano Road, Bagumbong, Caloocan City
6. ALFAMART JHOCSON SAMPALOC - 534-548 M.F. Jhocson St., Zone 042, Brgy. 408, Sampaloc, Manila
7. ALFAMART MOA - Sunset Ave., SM Mall of Asia, Pasay City
8. ALFAMART NAGA ROAD LAS PIÑAS - Alfamart, Naga Road, Pulang Lupa 2, Las Piñas City
9. ALFAMART SAN LAZARO - Units 108B-113B SM City San Lazaro, A.H. Lacson Ext., Sta. Cruz, Manila
10. ALI MALL - ATM Booth #1 UGF Ali Mall, P. Tuazon Blvd., Araneta Center, Quezon City
11. ALI MALL 2 - LGF Times Square Entrance, Ali Mall, P. Tuazon Blvd., Araneta Center, Quezon City
12. ARMATURE - Sumulong Highway, Antipolo City
13. ARMSCOR MARIKINA - 2 Armscor Avenue, Brgy. Fortune, Marikina City
14. ATENEO DE MANILA UNIVERSITY - G/F Kostka Hall, Ateneo De Manila University, Katipunan Ave., Loyola Heights, Quezon City
15. CASH AND CARRY - 2/F Cash and Carry Mall, between South Super Highway & Filmore St., Brgy. Palanan, Makati City
16. CENTURY CITY MALL - 3F Century City Mall, Kalayaan Ave. cor. Salamanca St., Brgy. Poblacion, Makati City
17. CHIANG-KAI-SHEK - Chiang Kai Shek College, 1274 P. Algue St., Tondo, Manila
18. CHINA BANK ONLINE CENTER 1 - ATM 1 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
19. CHINA BANK ONLINE CENTER 2 - ATM 2 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
20. CHINA BANK ONLINE CENTER 3 - ATM 3 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
21. CIVIC MERCHANDISING - 710 Quirino Hwy., Novaliches, Quezon City
22. COLOURS TOWN CENTER - Alabang-Zapote Rd. cor. Maros Alvarez Ave., Las Piñas City
23. COMEMBO COMMERCIAL COMPLEX - Comembo Commercial Complex, J.P. Rizal Ext. cor. Sampaguita St., Comembo, Makati City
24. COMMERCE CENTER - Commerce Ave. cor. Filinvest Ave., Alabang, Muntinlupa City
25. CONRAD S MAISON MALL - 2F Conrad Hotel, Coral Ave., SM MOA Complex, Pasay City
26. CYBER PARK TOWER 1 CUBAO - Lobby Tower 1, Araneta Center, Cubao, Quezon City
27. CYBER PARK TOWER 2 CUBAO - Lobby Tower 2, Araneta Center, Cubao, Quezon City
28. DASMARIÑAS VILLAGE ASSOCIATION OFFICE - 1417 Campanilla St., Brgy. Dasmariñas Village, Makati City
29. EASTWOOD CITY WALK 2 - G/F ATM 1 Eastwood City Walk Ph. 2, Eastwood City Cyberpark, 188 E. Rodriguez Jr. Ave., Bagumbayan, Quezon City
30. EASTWOOD MALL - Level 1 ATM 2 Ph.2, Eastwood Mall, E. Rodriguez Jr. Ave., Bagumbayan, Quezon City
31. G8 MARKETING - 165 Quirino Highway, Novaliches, Quezon City
32. GATEWAY MALL - Booth 4 Level 2 Gateway Mall, Cubao, Quezon City

33. GLORIETTA 4 - Glorietta 4, Ayala Center, Makati City
34. GREENBELT 3 - Greenbelt 3 Drop-off Area, Makati Ave., Makati City
35. GREENHILLS THEATER MALL - Main Entrance Greenhills Theater Mall, San Juan City
36. GREENMEADOWS CLUBHOUSE - Lovebird St., Green Meadows Subdivision, Brgy. Ugong Norte, Quezon City
37. HOLIDAY ISLAND CALOOCAN - G/F Phase 2, Commercial Site Dutong St. cor. Kanlaon St., Bagong Silang, Caloocan City
38. IACADEMY BUENDIA - G/F iAcademy Plaza, H.V. Dela Costa St., Makati City
39. IKEA 1 - 3/F Mall of Asia Complex, Marina Drive, Pasay City
40. IKEA 2 - 4/F Mall of Asia Complex, Marina Drive, Pasay City
41. JACKMAN EMPORIUM - Jackman Emporium Department Store Bldg., Grace Park, Kalookan City
42. JACKMAN PLAZA - MUÑOZ - Jackman Plaza Muñoz, EDSA, Muñoz, Quezon City
43. JGC ALABANG - JGC PHILS. Bldg., 2109 Prime St., Madrigal Business Park Ph III, Ayala Alabang, Muntinlupa City
44. KIMSTON PLAZA - Kimston Plaza, P. Victor St. cor. P. Burgos St., Guadalupe Nuevo, Makati City
45. LANDMARK - TRINOMA - ATM Slot 4, 2F Landmark Trinoma, North Ave. cor. EDSA, Quezon City
46. LIANA'S SAMPALOC - 537 Earnshaw St., Sampaloc, Manila
47. LOYOLA GRAND VILLAS - Loyola Grand Villas Lifeline, Soliven Ave., Quezon City
48. MALABON CITISQUARE - G/F Malabon Citisquare, C-4 Road cor. Dagat-dagatan Ave., Malabon City
49. MARKET! MARKET! 1 - Market! Market!, Fort Bonifacio Global City, Taguig City
50. MARKET! MARKET! 2 - 2F Market! Market!, Fort Bonifacio Global City, Taguig City
51. MARKET! MARKET! 3 - G/F ATM Center in Fiesta Market, Market! Market!, Fort Bonifacio Global City, Taguig City
52. MEDICAL CITY - Medical City, Ortigas Ave., Pasig City
53. MEGA TOWER 27th - 27th Floor, Mega Tower, EDSA, Mandaluyong City
54. METRO POINT MALL - 3F Metro Point Mall, EDSA cor. Taft Ave., Pasay City
55. MONDE MY SAN CAINTA - Gracia St., Marick Subdivision, Cainta, Rizal
56. MULTINATIONAL CLUBHOUSE - Clubhouse, Nazareth cor. Judea St., Multinational Village, Parañaque City
57. NEWPORT MALL 4F - 4F Newport Mall, Resorts World, Newport City, Pasay City
58. NOTREDAME OF GREATER MANILA KALOOKAN - 12th Avenue, Grace Park, Caloocan City
59. NOVA SQUARE - G/F Nova Square, Quirino Highway, Brgy. San Bartolome, Novaliches, Quezon City
60. ONE AYALA MALL - G/F One Ayala Mall, EDSA cor. Ayala Avenue, Makati City
61. ONE E - COM CENTER - G/F One E-Com Center, Palm Coast Ave., SM MOA Complex, Pasay City
62. ONE MALL VALENZUELA - Gen. T. De Leon, Valenzuela City
63. PITX 3F TOWER 2 - Lobby 3F Tower 2, Parañaque Integrated Terminal Exchange, #1 Kennedy Rd., Brgy. Tambo, Parañaque City
64. PITX LEVEL 1 - Level 1, Parañaque Integrated Terminal Exchange, #1 Kennedy Rd., Brgy. Tambo, Parañaque City
65. PITX LEVEL 2 - Level 2, Parañaque Integrated Terminal Exchange, #1 Kennedy Rd., Brgy. Tambo, Parañaque City
66. PROMENADE GREENHILLS - Missouri Entrance, Promenade Mall, Greenhills Shopping Center, San Juan City
67. PUREGOLD - BLUMENTRITT - 286 Blumentritt St., Sta Cruz, Manila
68. PUREGOLD - E. RODRIGUEZ - ATM #1 Puregold E. Rodriguez, Cosco Bldg., E. Rodriguez Ave. cor. G. Araneta Ave., Quezon City
69. PUREGOLD - LANGARAY CALOOCAN - Langaray St. Cor. Pampano St., Dagat-Dagatan, Caloocan City
70. PUREGOLD - PASO DE BLAS - LGF Puregold Paso de Blas, Paso de Blas cor. Gen. Luis St., Malinta Exit, Valenzuela City
71. PUREGOLD JR. - PANDACAN - Puregold Jr. Pandacan, West J. Zamora St., Pandacan, Manila
72. PUREGOLD MAYPAJO KALOOKAN - Puregold Maypajo, J.P. Rizal St., Brgy. Maypajo, Caloocan City
73. QUICKLEAN MAYBUNGA - 369 Dr. Sixto Antonio Avenue, Maybunga, Pasig City
74. REGALIA PARK TOWER - 150 P. Tuazon Blvd., Cubao, Quezon City
75. RESORTS WORLD GAMING AREA - G/F Casino Gaming Area, Resorts World, Pasay City
76. ROBINSONS GALLERIA - Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City
77. ROBINSONS GALLERIA 2 - Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City
78. ROBINSONS GALLERIA 3 - West Wing, Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City
79. ROBINSONS PLACE - MANILA - G/F Padre Faura Entrance, Robinsons Place Manila, Pedro Gil cor. Adriatico St., Ermita, Manila
80. ROCKWELL POWER PLANT - Stall No. 060 Ground Level, Power Plant Mall, Makati City
81. SHOP N RIDE - 248 Gen. Luis St., Brgy. Nova Proper, Novaliches, Quezon City
82. SHOP N RIDE 2 - ATM 2, 248 Gen. Luis St., Brgy. Nova Proper, Novaliches, Quezon City
83. SHOP N RIDE STA. MONICA - Shop & Ride Sta. Monica, 1004 Quirino Highway, Dumalay Street, Brgy. Sta. Monica, Novaliches, QC
84. SHOPWISE - ANTIPOLLO - Shopwise Bldg., M.L. Quezon St. cor. Circumferential Road, San Roque, Antipolo City
85. SHOPWISE - COMMONWEALTH - Shopwise, Blk 17, Commonwealth Ave., Quezon City
86. SHOPWISE MARKETPLACE EAST BAY - Marketplace East Bay, East Service Road, Muntinlupa City
87. SHOPWISE SUCAT - Shopwise Sucat, Dr. A. Santos Avenue corner Soreena Avenue, Paranaque City
88. SM CENTER LAS PIÑAS - G/F SM Center Las Piñas, Alabang - Zapote Road, Las Piñas City
89. SM CITY GRAND CENTRAL 3F - 3/F SM City Grand Central, Rizal Ave. Extension Corner Bustamante St., Kalookan City
90. SM CITY THE BLOCK - G/F Hypermarket - The Block, SM City North Edsa, North Avenue corner EDSA, Quezon City
91. SM MANILA - UGF SM Manila Main Entrance, Natividad A. Lopez cor. Antonio Villegas St., Ermita, Manila

92. SM MEGAMALL BLDG. B - Level 2 Bldg. B, SM Megamall, EDSA cor. Julia Vargas St., Mandaluyong City
93. SM MOA SEASIDE FERRY TERMINAL - SM MOA Seaside Blvd. near Esplanade, Pasay City
94. SM MUNTINLUPA - ATM 2 G/F (beside Rear Entrance) SM Muntinlupa, National Road, Brgy. Tunasan, Muntinlupa City
95. SM TAYTAY OFF-BRANCH - 2F Bldg. A, SM Taytay, Manila East Road, Brgy. Dolores, Taytay, Rizal
96. SOLAIRE MANILA 2 - Entertainment City, Aseana Ave., Tambo, Parañaque City
97. SOLAIRE RESORT & CASINO - Entertainment City, Aseana Ave., Tambo, Parañaque City
98. SOUTHGATE MALL - Alhambra Southgate Mall, EDSA cor. Chino Roces Ave., Makati City
99. ST. JUDE COLLEGE - Dimasalang St. cor. Don Quijote St., Sampaloc, Manila
100. ST. LUKE'S - THE FORT - Basement, St. Luke's Medical Center, 5th Ave., Fort Bonifacio Global City, Taguig City
101. ST. LUKE'S - THE FORT 2 - Basement, St. Luke's Medical Center, 5th Ave., Fort Bonifacio Global City, Taguig City
102. STI - DELOS SANTOS MEDICAL CENTER - 201 E. Rodriguez Sr. Blvd., Quezon City
103. TIENDESITAS - Tiendesitas, Ortigas Ave. cor. E. Rodriguez Ave., Pasig City
104. TRINOMA OFF-BRANCH 1 - Level 1 Trinoma, North Ave. cor. EDSA, Quezon City
105. TRINOMA OFF-BRANCH 2 - Level 1 Trinoma, North Ave. cor. EDSA, Quezon City
106. UNIMART GREENHILLS - B1 Unimart Greenhills Shopping Center, Ortigas Ave., San Juan City
107. URDANETA VILLAGE - Urdaneta Village Clubhouse, Urdaneta Ave., Makati City
108. UST - DOCTOR'S CLINIC - University of Sto. Tomas Hospital, Vestibule and New Doctor's Clinic, A.H. Lacson Ave., Sampaloc, Manila
109. UST HOSPITAL - University of Sto. Tomas Hospital, A.H. Lacson Ave., Sampaloc, Manila
110. UST HOSPITAL 3 - G/F Clinical Division, University of Sto. Tomas Hospital, A.H. Lacson Ave., Sampaloc, Manila
111. VICTORY CENTRAL MALL - ATM 2 G/F Victory Central Mall, #717 Old Victory Compound, Rizal Ave., Monumento, Caloocan City
112. VICTORY PASAY MALL - Victory Pasay Mall, Antonio S. Arnaiz Ave, Pasay City
113. WACK WACK GOLF & COUNTRY CLUB - Main Lobby Clubhouse, Wack Wack Golf & Country Club, Shaw Blvd., Mandaluyong City
114. WALTER MART - ANTIPOLLO - L. Sumulong Memorial Circle, Antipolo City
115. WALTER MART - MAKATI - G/F Waltermart Makati, 790 Chino Roces Ave. cor. Antonio Arnaiz, Makati City
116. WALTER MART - NORTH EDSA - Walter Mart Bldg., EDSA, Quezon City
117. WALTER MART - SUCAT - Walter Mart Sucat, Dr. A. Santos Ave., Brgy. San Isidro, Sucat, Parañaque City
118. WHITE PLAINS CLUBHOUSE - 10 Natabo Rd., White Plains Clubhouse Area, Quezon City
119. WORLD CITI MEDICAL ANONAS - Lobby Entrance, 960 Aurora Blvd. corner Anonas St., Quezon City
120. ZABARTE TOWN CENTER - Basement Zabarte Town Center, 588 Camarin Road corner Zabarte Road, Caloocan City

China Bank - Off Branch ATM Directory

Provincial

1. 2 MANGO AVENUE - 2 Mango Ave. - Solara Bldg., General Maxilom Ave, Cebu City
2. 7-11 CHDG LA TRINIDAD - MB 73 Puguis, La Trinidad, Benguet
3. A. BONIFACIO - MCDONALD'S BAGUIO - Villanueva Bldg., Lower Bonifacio St., Baguio City
4. ABREEZA MALL - Abreeza Mall, J.P. Laurel Ave., Bajada, Davao City, Davao del Sur
5. ACC HYPERMART SAN ANDRES - San Andres, Catanduanes
6. ACIENDA DESIGNER OUTLET SILANG - G/F Acienda Designer Outlet, E. Aguinaldo Highway, Silang, Cavite
7. ADVENTIST UNIVERSITY OF THE PHILIPPINES - Adventist University of the Philippines, Sta. Rosa - Tagaytay Road, Puting Kahoy, Silang, Cavite
8. AG&P - Atlantic, Gulf & Pacific Company of Manila Inc., Brgy. San Roque, Bauan, Batangas
9. AKLAN MISSION HOSPITAL - Aklan Mission Hospital, Roxas Ave. Ext., Andagao, Kalibo, Aklan
10. ALFAMART - TRECE MARTIRES - CPC Bldg., Governor's Drive cor. Hugo Perez, Trece Martires, Cavite
11. ALFAMART FILINVEST TANZA - Alfamart Filinvest Tanza, Filinvest Ave., Westwood Place Subd. Ph. 2, Brgy. Paradahan, Tanza, Cavite
12. ALFAMART GOLDEN CITY - Molino-Paliparan Road, Salawag, Dasmariñas City, Cavite
13. ALFAMART IBAYO SILANGAN NAIC - L1464, F-6, Antero Soriano Highway, Ibayo Silangan, Naic, Cavite
14. ALFAMART ILANG-ILANG TANZA - Alfamart Ilang-Ilang Tanza, Ilang-ilang St., De Roman Subd., Daang Amaya 1, Tanza, Cavite
15. ALFAMART LANCASTER - Alfamart Lancaster, MCS Bldg., Advincula Ave., Alapan II-A, Imus, Cavite
16. ALFAMART L'PASEO ARCADE INDANG - LGF L'Paseo Building, Indang-Trece Martires Road, Indang, Cavite
17. ALFAMART PACITA COMPLEX - Alfamart, Block 3 Phase 3A Pacita Complex, San Pedro, Laguna
18. ALFAMART POBLACION 4 CALACA - #149 Marasigan St., Poblacion 4, Calaca, Batangas
19. ALFAMART POBLACION ROSARIO - Alfamart Poblacion Rosario, 153 Gen. Trias Drive, Brgy. Poblacion, Rosario, Cavite
20. ALFAMART SAN ROQUE DAU LUBAO - San Roque Dau, Lubao, Pampanga
21. ALFAMART SONGCO FLORIDABLANCA - Songco St., Poblacion, Floridablanca, Pampanga
22. ALFAMART TABANG PLARIDEL - 2586 F. Ignacio St., Santa Ines, Tabang, Plaridel, Bulacan
23. ALFAMART VILLA CATALINA DASMARIÑAS - Lot 6123 Don Placido Campos Avenue, San Agustin, Dasmariñas City, Cavite
24. ALFAMART YAKAL SILANG CAVITE - G/F Alfamart Yakal Silang Cavite, 137 Pedro Montoya St. cor. Yakal, Silang, Cavite

25. ALLEN AVENUE CATBALOGAN - Centro Mall, Allen Ave., Brgy. 04, Catbalogan City, Samar
26. ALWANA BUSINESS PARK - National Highway, Brgy. Cugman, Cagayan de Oro City, Misamis Oriental
27. ANGELES UNIVERSITY FOUNDATION MEDICAL CENTER - Basement, Angeles University Foundation Medical Center, McArthur Highway cor. Diego Silang St., Angeles City, Pampanga
28. ARAULLO UNIVERSITY - Araullo University, Maharlika Highway, Brgy. Bitas, Cabanatuan City, Nueva Ecija
29. ATENEO DE DAVAO UNIVERSITY - Ateneo de Davao University, Roxas Ave, Poblacion Dist., Davao City, Davao del Sur
30. AVENUE HOTEL BACOLOD - Avenue Suites Hotel and Spa, 12th St. cor Lacson St., Bacolod City, Negros Occidental
31. AYALA CENTER CEBU - Level 3 ATM 1 Ayala Center Cebu, Cebu Business Park, Cebu City
32. BELMONT ONE MINGLANILLA - Belmont One Complex, Upper Calajoan, Minglanilla, Cebu
33. BENEKO - Benguet Electric Cooperative, #4 South Drive, Baguio City
34. BICOL INTERNATIONAL AIRPORT - Airport Road, Daraga, Albay
35. BRENT INTERNATIONAL SCHOOL MANILA - Brentville Subdivision, Mamlasan, Biñan, Laguna
36. CALTEX - SLEX 1 - South Luzon Expressway - Northbound, Brgy. San Antonio, San Pedro, Laguna
37. CAPITOL HILL HOTEL ANGELES - Sierra Madre St., Angeles City, Pampanga
38. CB MALL URDANETA - CB Mall, McArthur Highway, Brgy. Nancayasan, Urdaneta City, Pangasinan
39. CDO MEDICAL CENTER - CDO Medical Center Bldg. 2, Tiano Brothers cor. Nacalaban St., Cagayan de Oro City, Misamis Oriental
40. CEBU DOCTORS' HOSPITAL - Cebu Doctors' University Hospital, Osmeña Blvd., Cebu City, Cebu
41. CEBU DOCTORS' UNIVERSITY - Cebu Doctors' University Hospital, #1 Potenciano Larrazabal Ave., North Reclamation Area, Mandaue City, Cebu
42. CELEBES COCONUT BUTUAN - Km. 9, Brgy. Taguibo, Butuan City, Agusan Del Norte
43. CENTRIO MALL - G/F Centrio Mall, CM Recto cor. Corrales St., Cagayan de Oro, Misamis Oriental
44. CLARK GATEWAY - Clark Gateway Commercial Complex, Gil Puyat Ave., Brgy. San Francisco, Mabalacat, Pampanga
45. COLEGIO SAN AGUSTIN BIÑAN - Southwoods Ecocentrum Ave., Biñan, Laguna
46. CORPUS CHRISTI - Corpus Christi School, Tomas Saco St., Macasandig, Cagayan de Oro City, Misamis Oriental
47. DAGUPAN - NEPO MALL - G/F Nepo Mall Dagupan, Arellano St., Dagupan City, Pangasinan
48. DAVAO ADVENTIST HOSPITAL - Davao Adventist Hospital, Km. 7 McArthur Highway, Bangkal, Davao City, Davao del Sur
49. DAVAO MEDICAL SCHOOL - Davao Medical School Foundation, Medical School Dr., Poblacion District, Davao City
50. DAVAO METRO SHUTTLE - Pereyras Terminal 1, Magugpo West, Tagum City, Davao del Norte
51. D'HEIGHTS CASINO CLARK - Near Cashier's Cage Casino area, Jose Abad Santos Ave., Clark Freeport Zone Angeles
52. DIPOLOG CENTER MALL - Dipolog Center Mall, 138 Rizal Ave., Dipolog City, Zamboanga del Norte
53. DIPSSCOR - Davao Integrated Port and Stevedoring Services Corporation Bldg., International Port of Davao, Sasa Wharf, Davao City, Davao del Sur
54. DLSU - DASMARIÑAS - College of Engineering, DLSU Dasmariñas, Dasmariñas City, Cavite
55. DLSU - HEALTH SCIENCE CAMPUS - De La Salle University Health Science Campus Inc., Congressional Road, Dasmariñas City, Cavite
56. DLSU MAC - G/F Medical Arts Centre Bldg., DLSU Medical Center Compound, Congressional Road, Dasmariñas City, Cavite
57. DUSIT THANI D2 DAVAO - Stella Hizon Reyes Drive, Bo. Pampanga, Davao City, Davao del Sur
58. EAGLE RIDGE COUNTRY CLUB - Clubhouse, Eagle Ridge and Country Club, Brgy. Javalera, Gen. Trias, Cavite
59. ECCO BUILDING - G/F ECCO Bldg. (beside unit A), Fil-Am Friendship Highway, Brgy. Anunas, Angeles City, Pampanga
60. ECDI STA. ROSA - L4-5 B2 Meridian Industrial Complex, Brgy. Balibago, Sta. Rosa, Laguna
61. FESTIVE WALK - ANNEX BLDG. - Annex Bldg., Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
62. FESTIVE WALK - FOOD HALL - Food Hall, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
63. FESTIVE WALK - OUTDOOR - Outdoor Area, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
64. FESTIVE WALK - WILCON - Wilcon Area, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
65. FRIENDSHIP SUPERMARKET MUÑOZ NE - D. Delos Santos St., Science City of Muñoz, Nueva Ecija
66. GAISANO - BULUA - Gaisano Bulua Mall, Bulua St., Cagayan de Oro City, Misamis Oriental
67. GAISANO - ILIGAN - G/F Gaisano Citi Super Mall, Iligan City, Lanao del Norte
68. GAISANO - LAPU-LAPU CITY - Gaisano Mactan Island Mall, Pusok, Lapu-Lapu City, Cebu
69. GAISANO - MASBATE - Gaisano Capital Masbate, Quezon St., Crossing, Masbate City, Masbate
70. GAISANO - PUERTO - Unit #1 ATM - 2nd Level Gaisano Puerto, Sayre Highway, Puerto, Cagayan de Oro City, Misamis Oriental
71. GAISANO MALL - BAJADA DAVAO - Gaisano Mall of Davao, J.P. Laurel Ave., Bajada, Davao City, Davao del Sur
72. GAISANO MALL - CAGAYAN DE ORO - Unit #3 Level 2 Atrium Gaisano Mall, Corrales Extension cor. CM Recto Ave., Cagayan de Oro City, Misamis Oriental
73. GOLDEN PRINCE HOTEL - Golden Prince Hotel & Suites, Acacia St. cor. Archbishop Reyes Ave., Cebu City, Cebu
74. GOOD SAMARITAN HOSPITAL - Good Samaritan Compound, Burgos Ave., Cabanatuan City, Nueva Ecija
75. GREEN CITY MEDICAL CENTER DOLORES - Gapan Olongapo Road, San Fernando, Pampanga
76. GROSVENOR SQUARE - Grosvenor Square, Josefa St., Angeles City, Pampanga
77. HANN CASINO CLARK - Rewards Section, L Rivera Street, Clark Freeport Zone, Pampanga
78. HOLY ANGEL UNIVERSITY 2 - G/F Holy Angel University Student's Center, Sto. Rosario St., Angeles City, Pampanga

79. ILIGAN LIGHT AND POWER - Iligan Light and Power, Main Office Bldg. Bro. Jeffrey Road, Pala-o, Iligan City
80. JENRA JUMBO DOLORES - Olongapo-Gapan Road, Dolores, San Fernando, Pampanga
81. JENRA MALL - JENRA Grand Mall, Sto. Rosario St., Angeles City, Pampanga
82. JOLLIBEE - MABALACAT - ATM 2 ATM Center (beside Jollibee), McArthur Highway, Brgy. San Francisco, Mabalacat City, Pampanga
83. JOLLIBEE CAMILING - Quezon Ave cor. Zamora St., Camiling, Tarlac
84. JOLLIBEE FLORIDABLANCA - Macabulos St., Floridablanca, Pampanga
85. JOLLIBEE FLORIDABLANCA 2 - Macabulos St., Floridablanca, Pampanga
86. JOLLIBEE GUAGUA - Jollibee Compound, Jose Abad Santos Avenue, Guagua, Pampanga
87. JOLLIBEE MONCADA - McArthur Highway, Poblacion 1, Moncada, Tarlac
88. JOLLIBEE SAN LEONARDO - Pan-Philippine Highway, Diversion Road, San Leonardo, Nueva Ecija
89. KCC MALL - GENSAN - G/F KCC Mall GenSan, J. Catolico Sr. Ave., Gen. Santos City, South Cotabato
90. KCC MALL DE ZAMBOANGA - KCC Mall de Zamboanga, Gov. Camins Rd., Camino Nuevo, Zamboanga City, Zamboanga del Sur
91. KMSCI - Kidapawan Medical Specialist Center Inc., Sudapin, Kidapawan City, North Cotabato
92. LA NUEVA MINGLANILLA - La Nueva Supermart Inc., Poblacion, Minglanilla, Cebu
93. LA NUEVA SUPERMART - La Nueva Supermart Inc., G.Y. Dela Serna St., Lapu-Lapu, Cebu City, Cebu
94. LAKEVIEW BINANGONAN - Manila East Road, Tagpos, Binangonan, Rizal
95. LCC PEÑARANDA - LCC Supermarket, Peñaranda cor. Rizal St., Legazpi City, Albay
96. LCC SUPERMARKET AYALA LEGAZPI - Liberty Center, Quezon Ave., Capantawan, Legazpi City, Albay
97. LEE HYPERMARKET - G/F Lee Plaza Hypermart, Jose E. Romero Sr. Ave., Bagacay, Dumaguete City, Negros Oriental
98. LEE SUPER PLAZA - G/F Lee Super Plaza, M. Perdices cor. San Jose St., Dumaguete City, Negros Oriental
99. LIM KET KAI MALL - M4-193B LIMKETKAI Mall, Lim Ket Kai Drive, Cagayan de Oro City, Misamis Oriental
100. LITE PORT TAGBILARAN - Celestino Gallares St., Poblacion 2, Tagbilaran City, Bohol
101. LOPUE'S EAST CENTRE - Lopue's East Centre, Burgos St. cor. Carlos Hilado National Highway, Bacolod City, Negros Occidental
102. LORMA HOSPITAL - Lorma Medical Center, San Fernando, La Union
103. LOTRIM DAVAO CITY - GF LCI Building 2, 100 Roxas Avenue, Barangay 32-D Poblacion, Davao City, Davao del Sur
104. LOTUS CENTRAL MALL - G/F Lotus Central Mall, Nueno Ave., Imus, Cavite
105. LVGH VALENCIA - La Viña General Hospital, ML Quezon St., Poblacion, Valencia City, Bukidnon
106. MAAP - Maritime Academy of Asia and the Pacific, Kamaya Point Road, Mariveles, Bataan
107. MACTAN MARINA MALL - G/F Mactan Marina Mall, MEPZ 1, Lapu-Lapu City, Cebu
108. MAGIC MALL - G/F Magic Mall, Alexander St., Poblacion, Urdaneta City, Pangasinan
109. MAGIC STARMALL - UGF Magic Star Mall, Romulo Blvd., Brgy. Cut-Cut 1, Tarlac City, Tarlac
110. MALOLOS OFF-BRANCH - G/F Graceland Mall, Bulacan State University Grounds, McArthur Highway, Guinhawa, Malolos City, Bulacan
111. MALTA HOSPITAL TORIL - Malta Hospital Toril, McArthur Highway, Toril, Davao City, Davao del Sur
112. MARIA AURORA MUNICIPAL - G/F Maria Aurora Municipal Hall, Aurora
113. MARIA REYNA HOSPITAL - Beside Hospital Entrance/Exit, Maria Reyna Hospital, T.J. Hayes St., Cagayan De Oro City, Misamis Oriental
114. MARITON GROCERY DON DOMINGO - Mariton Grocery, Don Domingo, Tuguegarao City, Cagayan
115. MARKET CITY - Market City Bldg., Bus Terminal, Agora, Cagayan De Oro, Misamis Oriental
116. MARQUEE MALL 1 - G/F Activity Center, Marquee Mall, Aniceto Gueco St., Angeles City, Pampanga
117. MCIA DEPARTURE CHECK-IN SOUTHWING - Mactan Cebu International Airport, Lapu-Lapu Airport Road, Lapu-Lapu City, Cebu
118. MCIA-DOMESTIC CHECK IN AREA Mactan Cebu International Airport, Lapu-Lapu Airport Road, Lapu-Lapu City, Cebu
119. MERCY HOSPITAL ILIGAN - Sister of Mercy Road, Iligan City, Lanao del Norte
120. METRO MATUTUM HOSPITAL - Howard Hospital, Cannery Site, Polomolok, South Cotabato
121. MHAM CEBU - Entrance Matias H. Aznar, Memorial College, R. Duterte St., Cebu City, Cebu
122. MIDORI CASINO CLARK - Casino Lobby, Recto St., Clark Freeport, Angeles, Pampanga
123. MINDANAO SANITARIUM AND HOSPITAL - Mindanao Sanitarium and Hospital, Tibanga Highway, Iligan City, Lanao del Norte
124. MJS HOSPITAL - Manuel J. Santos Hospital, 554 Montilla Blvd., Butuan City, Agusan del Norte
125. MONDE MY SAN CALAMBA - Carmelray II, Ridge Ave., Calamba, Laguna
126. MOTHER TERESA HOSPITAL - Mother Teresa of Calcutta Medical Center, McArthur Highway, Brgy. Maimpis, City of San Fernando, Pampanga
127. MUZON UPTOWN - G/F Muzon Uptown, Brgy. Muzon, San Jose Del Monte, Bulacan
128. NAGA PAROCHIAL SCHOOL - Corner Bagumabayan Sur and Ateneo Avenue, Naga City, Camarines Sur
129. NAGALAND E-MALL - P. Diaz cor. Elias Angeles St., San Francisco, Naga City, Cebu
130. NAKASHIN DAVAO INTERNATIONAL - Malagamot Road, Kilometer 14, Panacan, Davao City
131. NDMC MIDSAYAP - Notre Dame of Midsayap College, Quezon Ave., Pob. 5, Midsayap, Cotabato
132. NEPO MALL - ANGELES - Nepo Mall Angeles, Doña Teresa Ave. cor. St. Joseph St., Nepo Mart Complex, Angeles, Pampanga
133. NEWPOINT ANGELES - GF ATM Center Newpoint Mall, Plaridel St., Sto. Rosario, Angeles City, Pampanga
134. NORTHSIDE DOCTORS HOSPITAL - Northside Doctors Hospital, Guimod, Bantay, Vigan City, Ilocos Sur

135. NOTRE DAME DE CHARTRES HOSPITAL - Notre Dame De Chartres Hospital, #25 Gen. Luna Road, Baguio City, Benguet
136. NUEVA ECIJA DOCTORS HOSPITAL - Nueva Ecija Doctors Hospital, Maharlika Highway, Cabanatuan City, Nueva Ecija
137. NUVALI SOLENAD 2 - G/F Solenad 2 Nuvali, Sta. Rosa-Tagaytay Road, Don Jose, Sta. Rosa, Laguna
138. NUVALI SOLENAD 3 BLDG. B - G/F Bldg. B Solenad 3 Nuvali, Sta. Rosa-Tagaytay Road, Don Jose, Sta. Rosa, Laguna
139. NUVALI SOLENAD BLDG. E - Bldg. E, Solenad 3 Nuvali, Sta. Rosa-Tagaytay Road, Don Jose, Sta. Rosa, Laguna
140. ORCHARD GOLF AND COUNTRY CLUB - Club House Near Golf Accessories Store, The Orchard Golf and Country Club Inc., Dasmariñas, Cavite
141. OSPA - FARMERS' MEDICAL CENTER - Ormoc Sugarcane Planters Association - Farmers Medical Center, Carlota Hills, Brgy. Can-Adieng, Ormoc City, Leyte
142. OUR LADY OF THE PILLAR - G/F Our Lady of the Pillar Medical Center (near Emergency Room), Tamsui Ave., Bayan Luma II, Imus, Cavite
143. PANGASINAN MEDICAL CENTER - Pangasinan Medical Center, Nable St., Dagupan City, Pangasinan
144. PAVILION MALL - G/F Bldg. A, Pavilion Mall, KM. 35 Brgy. San Antonio, Biñan, Laguna
145. PELCO 1 MEXICO - Jose Abad Santos Ave., Mexico, Pampanga
146. PELCO III APALIT - PELCO III, Mc Arthur Highway, Sampaloc, Apalit, Pampanga
147. PLAZA FINA MAGALANG - Plaza Fina, Don Andres Luciano St., Magalang, Pampanga
148. PLG ECOZONE HERMOSA BATAAN - PLG Prime Global, FTI Group Bldg., GF Ecozone Industrial Park, Hermosa, Bataan
149. PORTA VAGA MALL - Porta Vaga Mall, Along Session Road, Baguio City, Benguet
150. PPL MCDONALD'S ORMOC - G/F IAL Building, Burgos St. cor. Rizal St., Ormoc City, Leyte
151. Primeway Plaza Cebu - F. Ramos St., Sta. Cruz, Cebu City, Cebu
152. PRINCE HYPERMART BAGO - Poblacion Bago City, Negros Occidental
153. PRINCE HYPERMART DAANBANTAYAN - Prince Hypermart, Poblacion, Daanbantayan, Cebu
154. PRINCE HYPERMART HIMAMAYLAN - Brgy. Poblacion, Himamaylan City, Negros Occidental
155. PRINCE HYPERMART MANOLO FORTICH - Prince Hypermart, Sayre Highway, Manolo Fortich, Bukidnon
156. PRINCE HYPERMART TALISAY - Bonifacio St., Talisay City, Negros Occidental
157. PRINCE MALL OF BAYBAY - Prince Town Baybay, Andres Bonifacio & Manuel L. Quezon St., Baybay, Leyte
158. PUREGOLD - DAU - Lot 9 Blk 19 Cosco Building, McArthur Highway, Dau, Mabalacat, Pampanga
159. PUREGOLD OBANDO - Puregold Obando, P. Sevilla St., Brgy. Catanghalan, Obando, Bulacan
160. PUREMART BAUTISTA DASMARIÑAS - Blk. 23 L 46-49, Phase 1, Brgy. Bautista, Bagong Bayan, Dasmariñas, Cavite
161. PUREMART MARAGONDON - Poblacion 1-A, Maragondon, Cavite
162. PUREMART MARY CRIS GEN. TRIAS - Phase 2, Blk. 11 L4-6, Marycris Complex, Brgy. Pasong Camachile 2, Gen. Trisa, Cavite
163. QUICKMART DARAGA - Quickmart Bldg., Rizal St., Daraga, Albay
164. RIVERA HOSPITAL PANABO - Rivera Medical Center, National Highway, 7302 Brgy. San Francisco, Panabo City, Davao Del Norte
165. ROBINSONS CALASIAO - Robinsons Place Pangasinan, Brgy. San Miguel, Calasiao, Pangasinan
166. ROBINSONS GENSAN - G/F Robinsons Gensan, Jose Catolico Sr. Ave., Brgy. Lagao, General Santos City, South Cotabato
167. ROBINSONS TAGUM - National Highway, Tagum, Davao del Norte
168. ROYCE CASINO 1 - Casino Lobby near Cashier Area, New Royce Casino, M. Roxas Highway, Clark Freeport, Angeles, Pampanga
169. ROYCE CASINO 2 - Casino ATM Area 7-8, New Royce Casino, M. Roxas Highway, Clark Freeport, Angeles, Pampanga
170. ROYCE CASINO 3 - ATM Area 5,6 near escalator, New Royce Casino, M. Roxas Highway, Clark Freeport Angeles
171. ROYCE CASINO 4 - ATM Area 4 near Mall Entrance, New Royce Casino, M. Roxas Highway, Clark Freeport Angeles
172. ROYCE CASINO 5 - Employees Area, New Royce Casino, M. Roxas St. cor Ninoy Aquino Ave., Clark Freeport Angeles
173. RPGMC TUGUEGARAO - Ronald P. Guzman Medical Center, Enrile Blvd., Carig, Tuguegarao City, Cagayan
174. SAMULCO - Sta. Ana Multi-Purpose Cooperative, Bldg. 1, Monteverde St., Davao City, Davao del Sur
175. SAN FERNANDINO HOSPITAL - San Fernandino Hospital, McArthur Highway, Bo. Dolores, San Fernando, Pampanga
176. SAVEWISE - POZORRUBIO - Savewise Bldg., Caballero St., Brgy. Cablong, Pozorrubio, Pangasinan
177. SHOP N RIDE GROTTO - Santa Maria Tungkong Mangga Road, San Jose Del Monte, Bulacan
178. SHOPWISE - CEBU - Shopwise Bldg., N. Bacalso Ave., Basak, San Nicolas, Cebu City, Cebu
179. SHOPWISE - SAN PEDRO - Shopwise, National Highway, Brgy. Landayan, San Pedro, Laguna
180. SHOPWISE BUHAY NA TUBIG IMUS - Brgy. Buhay na Tubig, Imus, Cavite
181. SHOPWISE GRAND TERMINAL BATANGAS - Diversion Road, Brgy. Alangilan, Batangas City, Batangas
182. SHOPWISE LANCASTER IMUS - G/F Shopwise Lancaster City, Advincula Avenue, Imus City, Cavite
183. SIBALOM MUNICIPAL ANTIQUE - G/F Sibalom Municipal Hall, Sibalom, Antique
184. SKYRISE REALTY - G/F Skyrise IT Bldg., Gorordo Ave. cor. N. Escario St., Cebu City, Cebu
185. SM BAGUIO - SM Baguio, Luneta Hill, Upper Session Road, Baguio City, Benguet
186. SM CENTER ANGONO - SM Center Angono, Quezon Ave. Angono, Rizal
187. SM CENTER DAGUPAN - 2F SM Center Dagupan, M.H. del Pilar, Dagupan City
188. SM CENTER IMUS - N.I.A. Road, Barangay Bucandala III, Imus, Cavite
189. SM CENTER TUGUEGARAO - 2F SM Center Tuguegarao Downtown, Luna St. cor Mabinit St., Tuguegarao City, Cagayan
190. SM CITY BACOLOD - G/F Bldg. A, ATM #3 SM City Bacolod, Reclamation Area, Bacolod City, Negros Occidental

191. SM CITY BALIWAG - G/F SM City Baliwag, Doña Remedios Trinidad Highway, Brgy. Pagala, Baliwag, Bulacan
192. SM CITY BATANGAS - SM City Batangas, M. Pastor Ave., Pastor Village, Brgy. Pallocan Kanluran, Batangas City, Batangas
193. SM CITY BATANGAS 2 - SM City Batangas, M. Pastor Ave, Pastor Village, Brgy. Pallocan Kanluran, Batangas City, Batangas
194. SM CITY CABANATUAN - ATM Center, SM City Cabanatuan, Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija
195. SM CITY CAGAYAN DE ORO - ATM Center 2, Main Entrance, SM City Cagayan de Oro, Masterson Ave., Cagayan De Oro, Misamis Oriental
196. SM CITY CALAMBA - G/F SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
197. SM CITY CALAMBA 2 - 2F SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
198. SM CITY CALAMBA 3 - SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
199. SM CITY CAUAYAN - Maharlika Highway, Brgy. District II, Cauayan City, Isabela
200. SM CITY CLARK OFF-BRANCH - ATM #1 SM City Clark (in-front of transport terminal), M. Roxas Highway, CSEZ, Angeles City, Pampanga
201. SM CITY DAET - 2/F SM City Daet, Vinzons Avenue, Brgy. Lag-on, Daet, Camarines Norte
202. SM CITY DASMARIÑAS 2 - G/F SM City Dasmariñas, Governor's Drive cor. Aguinaldo Hiway, Brgy. Sampaloc 1, Dasmariñas, Cavite
203. SM CITY GENERAL SANTOS - SM City General Santos, Santiago Blvd. cor. San Miguel St., Brgy. Lagao, Gen. Santos City, South Cotabato
204. SM CITY ILOILO - GF SM City Iloilo, Old Iloilo-Capiz Road, Iloilo City
205. SM CITY LIPA OFF-BRANCH - ATM 2, SM City Lipa, Ayala Highway, Brgy. Maraouy, Lipa City, Batangas
206. SM CITY OLONGAPO CENTRAL 2F - 2F East Tapinac, Olongapo City, Zambales
207. SM CITY ROSALES - SM City Rosales, MacArthur Highway, Carmen East, Rosales, Pangasinan
208. SM CITY STO. TOMAS TERMINAL - ATM Center, Terminal Area, Brgy. San Bartolome, Sto. Tomas, Batangas
209. SM CITY TANZA TERMINAL - Terminal Area, SM City Tanza, Brgy. Daang Amaya II, Tanza, Cavite
210. SM CITY TARLAC - G/F SM City Tarlac, McArthur Highway, Brgy. San Roque, Tarlac City, Tarlac
211. SM CITY URDANETA - McArthur Highway, Urdaneta, Pangasinan
212. SM DAVAO - ATM Center 1, SM City Davao, Quimpo Blvd. cor. Tulip Drive, Ecoland Subd., Brgy. Matina, Davao City, Davao del Sur
213. SM LANANG PREMIER OFF-BRANCH - UGF SM Lanang Premier, J.P. Laurel Ave., Brgy. San Antonio, Davao City, Davao del Sur
214. SM LEMERY - SM Center Lemery, Ilustre Avenue, Lemery, Batangas
215. SM MARILAO OFF-BRANCH - G/F SM City Marilao, MacArthur Highway, Marilao, Bulacan
216. SM MARKET MALL - ATM 3 SM Market Mall Dasmariñas, Congressional Ave., Dasmariñas Bagong Bayan, Dasmariñas, Cavite
217. SM MINDPRO ZAMBOANGA - G/F La Purisima St., Brgy. Zone III Poblacion, Zamboanga City
218. SM SUPERCENTER MOLINO - G/F SM Supercenter Molino, Molino Road, Brgy. Molino 4, Bacoar, Cavite
219. SOCSARGEN COUNTY HOSPITAL - Socsargen County Hospital, Arradaza St., General Santos City, South Cotabato
220. SOUTH TOWN CENTRE TALISAY - South Gate Mall, Tabunok, Talisay, Cebu
221. SOUTHWAY MALL - The Southway Square Mall, Gov. Lim Ave. cor. La Purisima St., Zamboanga City, Zamboanga del Sur
222. ST. ELIZABETH HOSPITAL - L. Santiago Blvd. corner National Highway, General Santos City
223. ST. ELIZABETH HOSPITAL 2 - Lobby Out Patient, L. Santiago Blvd. corner National Highway, General Santos City
224. STA. ROSA HOSPITAL - Sta. Rosa Hospital and Medical Center, San Lorenzo Road, Brgy. Balibago, Sta. Rosa, Laguna
225. STARSHOP BALITI PAMPANGA - McArthur Hiway cor. Baliti Road, San Fernando, Pampanga
226. SUPER METRO CARCAR - Natalio B. Bacalso National Highway, Carcar City, Cebu
227. SUPERL PHILS BACOLOR - Angeles Industrial Park, PEZA, Brgy. Calibutbut, Bacolor, Pampanga
228. SWISSOTEL CLARK - Hotel Lobby, L. Rivera Street, Clark Freeport Zone, Pampanga
229. TARGET MALL 1 - G/F Target Mall, Sta. Rosa Commercial Complex, Brgy. Balibago, Sta. Rosa, Laguna
230. TARGET MALL 2 - ATM 4 Canopy Area, Target Mall, Sta. Rosa Commercial Complex, Brgy. Balibago, Sta. Rosa, Laguna
231. THE DISTRICT - DASMARIÑAS - G/F The District - Dasmariñas, Molino-Paliparan Road, Dasmariñas City, Cavite
232. THE DISTRICT - IMUS - G/F The District Imus, Aguinaldo Highway cor. Daang Hari Road, Brgy. Anabu II-D, Imus, Cavite
233. THE VINEYARD TANAUAN - Purok 7, Brgy. Gonzales, Tanauan, Batangas
234. THREADNETICS PULILAN - San Bernardino St., Dampot II-B, Pulilan, Bulacan
235. TOYOTA SAN NICOLAS - Brgy.16 San Marcos, San Nicolas, Ilocos Norte
236. UNION CHRISTIAN COLLEGE - Union Christian College, Widdoes St., Brgy. II, San Fernando, La Union
237. UNIVERSITY OF BAGUIO - University of Baguio, Assumption Road, Baguio City, Benguet
238. UNIVERSITY OF BOHOL - University of Bohol, Ma. Clara St., Tagbilaran City, Bohol
239. UNIVERSITY OF ILOILO - University of Iloilo Campus, Rizal St., Iloilo City
240. UNIVERSITY OF PERPETUAL HELP - BIÑAN - Dr. Jose Tamayo Medical Bldg., University of Perpetual Help System Laguna, Brgy. Sto. Niño, Biñan, Laguna
241. UNIVERSITY OF SAN CARLOS - University of San Carlos Main University Bldg., Pantaleon del Rosario St., Cebu City, Cebu
242. USC - TALAMBAN - USC Talamban Campus, Gov. M. Cuenco Ave., Brgy. Nasipit, Talamban, Cebu City, Cebu
243. VIRAC TOWN CENTER - Virac Town Center, Catanduanes Circumferential Road, Virac, Catanduanes
244. VISION FEEDMILLS ROSARIO - Rosario - San Juan - Candelaria Road, Rosario, Batangas

245. WALTER MART - CABANATUAN - Maharlika Highway, Brgy. Dicarma, Cabanatuan City, Nueva Ecija
246. WALTER MART - CANDELARIA QUEZON - KM 0108 Daang Maharlika Highway, Brgy. Malabanan Norte, Candelaria, Quezon
247. WALTER MART - CAPAS - Walter Mart Shopping Center Capas, KM 107.5 McArthur Highway, Brgy. Sto. Domingo I, Capas, Tarlac
248. WALTER MART - CARMONA - G/F Walter Mart Carmona, Macaria Business Center, Governor's Drive, Carmona, Cavite
249. WALTER MART - DASMARIÑAS - G/F Walter Mart Dasmariñas, Barrio Buroi Aguinaldo Highway, Dasmariñas City, Cavite
250. WALTER MART - GEN. TRIAS - G/F Waltermart General Trias, Governors Drive, Barrio Mangahan, General Trias, Cavite
251. WALTER MART - MALOLOS - Walter Mart Shopping Center Malolos, KM 45 McArthur Highway, Brgy. Longo, Malolos, Bulacan
252. WALTER MART - MOLINO BACOR - Molino Blvd., Bacoor, Cavite
253. WALTER MART - SAN FERNANDO - Walter Mart San Fernando, McArthur Highway, Brgy. San Agustin, San Fernando, Pampanga
254. WALTER MART - STA. ROSA 1 - UGF Waltermart Sta. Rosa, San Lorenzo Village, Balibago Road, Brgy. Balibago, Sta. Rosa, Laguna
255. WALTER MART - STA. ROSA 2 - UGF Waltermart Sta. Rosa, San Lorenzo Village, Balibago Road, Brgy. Balibago, Sta. Rosa, Laguna
256. WALTER MART - STA. ROSA BELAIR - Walter Mart Bel-Air, Sta. Rosa Tagaytay Road, Pulong Sta. Cruz, Sta. Rosa, Laguna
257. WALTER MART - TAGAYTAY - G/F Ayala Mall Serin, Tagaytay-Nasugbu Highway, Silang Junction South, Tagaytay City, Cavite
258. WALTER MART - TANAUAN - Walter Mart Tanauan, J. P. Laurel National Highway, Brgy. Darasa, Tanauan, Batangas
259. WELLCOME MINIMART BASISTA - National highway, Basista, Pangasinan
260. WESLEYAN UNIVERSITY - Wesleyan University of the Philippines, Mabini St. Extension, Cabanatuan City, Nueva Ecija
261. WNU STI UNIVERSITY - STI West Negros University, Burgos cor. Hilado St., Bacolod City, Negros Occidental
262. XAVIER UNIVERSITY - G/F Library Annex, Xavier University, Corrales Ave., Cagayan De Oro City, Misamis Oriental
263. YASHANO MALL LEGAZPI - Yashano Mall, F. Imperial St. cor. Terminal Rd. 1, Legazpi Port District, Legazpi City, Albay
264. YUBENCO STARMALL - Yubenco Starmall, Maria Clara Lorenzo Lobregat Highway, Putik, Zamboanga City, Zamboanga del Sur
265. YUBENCO-AYALA ZAMBOANGA - Yubenco Supermarket-Ayala, Brgy. Ayala, Zamboanga City
266. YU-YU CAFÉ & DESSERT SHOPPE TAGUM - National Hiway cor. Quirante II St., Magugpo Poblacion, Tagum City, Davao del Norte
267. ZAMBOANGA PENINSULA MEDICAL CENTER - Zamboanga Peninsula Medical Center, Maria Clara Lorenzo Lobregat Highway, Putik, Zamboanga City, Zamboanga del Sur

China Bank Savings – Off Site ATM

1. CALAMBA DOCTORS HOSPITAL – KM. 49 National Highway, Parian, Calamba City, Laguna*
2. RIS – RIS DEVELOPMENT CORPORATION – 168 Mercado St Tabe, Guiguinto, Bulacan 03015*
3. ZAMECO – ZAMECO II Head Office Compound, National Road, Brgy. Magsaysay, Castillejos, Zambales*
4. SAINT LOUIS COLLEGE LA UNION – St. Louis College Carlatan San Fernando City, La Union*
5. RACAL BUILDERS BLACAN – 200 Quirino Hwy, San Jose Del Monte City, Bulacan*
6. C.P. REYES HOSPITAL – C.P. Reyes Hospital, Mabini Avenue, Tanauan, Batangas*
7. MANILA TURF MALVAR - San Pioquinto Malvar Tanauan Batangas City*

3. Status of Publicly Announced New Products and Services

<i>Product</i>	<i>Status</i>
Deposit Products	
Chinese Yuan – Time Deposit	Fully operational

4. Competition

As of December 2023, there are 45 universal and commercial banks in the Philippines – 16 private domestic banks, 24 foreign bank branches, three government banks, and two foreign bank subsidiaries. Six digital banks are also in operation, namely GoTyme Bank Corporation, Maya Bank, Inc., Overseas Filipino Bank, Inc., Tonik Digital Bank, Inc., Union Digital Bank and UNObank, Inc.

The combined assets of the universal & commercial banking (UK/B) and thrift banking (TB) industries as of December 2023 expanded by 9% or P2.0 trillion year-on-year to P24.7 trillion.

Deposits went up 7% or P1.2 trillion to P18.7 trillion while gross loans also grew 7% or P855 billion to P12.5 trillion. Gross non-performing loans (NPL) increased by 12% to P424 billion, resulting in slightly higher gross NPL ratio of 3.4% from 3.2%. NPL cover, on the other hand, declined to 104% from 108%.

Combined equity of the UK/B & TB industries went up by 13% or P344 billion to P3.0 trillion. UK/B industry's

consolidated Capital Adequacy Ratio (CAR) as of September 2023 went up to 17.04% versus December 2022's 16.09%. On a solo basis, CAR increased to 16.55% from 15.37%.

Among private domestic banks, Chinabank is still the fourth largest bank with assets at P1.5 trillion as of December 2023. The bank is also the fourth largest lender with gross loans amounting to P791 billion and the fourth largest deposit-taker with deposits amounting to P1.2 trillion.

5. Transactions with and/or dependence on related parties

In the ordinary course of business, the Bank has loans and other transactions with its subsidiaries and affiliates, and with certain directors, officers, stockholders, and their related interest (DOSRI). These loans and other transactions are in accordance with the Bank's policy and should be reviewed by the Related Party Transaction Committee to ensure that they are conducted at arm's length basis at fair market prices and upon terms not less favorable to Bank than those offered to others and in compliance with all regulatory requirements. Related party transactions are presented to the stockholders during the annual stockholders' meeting for ratification.

6. Trademarks, Licenses, Franchises, etc.

China Bank is operating under a universal banking license obtained in 1991. Over the years, China Bank has registered its corporate brand, slogan, and product trademarks with the Intellectual Property Office (IPO) of the Philippines – Bureau of Trademarks, as follows:

- | | |
|---|--|
| • China Bank – Your Success is Our Business, More Than Your Banker, the Right Partner | • ChinaBank WritePlus |
| • China Bank Treasury Investments | • ChinaBank Check Depot |
| • ChinaBank Online | • ChinaBank Sure Sweep |
| • ChinaBank Diamond Savings Account | • ChinaBank Sure Collect |
| • ChinaBank Dollar Fund | • ChinaBank Bills Pay Plus |
| • ChinaBank ChinaCheck Plus | • ChinaBank EGOV |
| • ChinaBank HomePlus | • ChinaBank Corporate Bills Payment |
| • ChinaBank AutoPlus | • ChinaBank Escrow Agency Services POEA |
| • ChinaBank Platinum | • ChinaBank Partnership Banking |
| • ChinaBank Prime | • ChinaBank Direct Debit Arrangement |
| • ChinaBank World | • ChinaBank Trust and Asset Management Group |
| • ChinaBank Premium Savings Account | • China Bank Online Kababayan Services (OKS) |
| • ChinaBank Wealth Management | • CHIB GPT |
| • ChinaBank Cash Management | • Chinabank Focused on You |
| | • Chinabank Take on Today |

All the Bank's trademark registrations are valid for 10 years with expiration years varying from 2024 to 2030. The Bank closely monitors the expiry and renewal dates of these trademark names to protect the Bank's brand equity.

7. Sources and Availability of raw materials and the names of principal suppliers.

Not applicable.

8. Disclose how dependent the business is upon a single customer or a few customers.

Not applicable.

9. Need for any government approval of principal products or services.

The Bank secures regulatory approval of all its products and services, as required.

10. Effect of existing or probable governmental regulations on the business.

The Bank strictly complied with the Bangko Sentral ng Pilipinas (BSP) requirements in terms of reserves, liquidity

position, capital adequacy, limits on loan exposure, cap on foreign exchange holdings, provision for losses, anti-money laundering provisions and other reportorial requirements.

11. Amount spent on research and development activities

(In Thousand Pesos)	2023	2022	2021
Education & Training	65,329	39,974	23,691
Advertising Expenses	74,514	59,744	50,064
Technology	1,929,601	1,575,980	1,403,179

12. Cost and effect of compliance with environmental laws. Not applicable.

13. Total number of employees

The Bank highly values its human resources. It expects each employee to do his share in achieving the Bank's set goals; in return, the Bank has in place policies and programs for the protection and growth of employees.

Below is the breakdown of the manpower complement in 2023 as well as the projected headcount for 2024:

	2024			2023		
	Officers	Staff	Total	Officers	Staff	Total
Marketing	2,052	545	2,597	1,938	472	2,410
Operations	993	4,811	5,804	975	4,766	5,741
Support	1,041	1,085	2,126	989	1,055	2,044
Technical	334	172	506	300	167	467
TOTAL	4,420	6,613	11,033	4,202	6,460	10,662

The CBC Employees Association (CBCEA) members have an existing Collective Bargaining Agreement with the Bank for the period 01 August 2022 to 31 July 2027.

MARKET INFORMATION AND RELATED MATTERS**(1) Market Information**

- **Principal market where the equity is traded** – Philippine Stock Exchange, Inc. (PSE)
- **Market Value**

Actual Prices:

2024	HIGH	LOW	CLOSE
January	31.60	31.50	31.60
February	35.30	31.45	34.45

Actual Prices:

2023	HIGH	LOW	CLOSE
Jan - Mar	33.25	26.40	32.05
April - Jun	33.80	29.00	30.00
Jul - Sept	31.75	29.90	30.35
Oct - Dec	31.00	29.70	30.85

Actual Prices:

2022	HIGH	LOW	CLOSE
Jan - Mar	27.95	24.10	27.00
April - Jun	28.10	26.50	26.90
Jul - Sept	31.00	25.30	25.35
Oct - Dec	28.50	25.20	27.45

- **Market value as of December 29, 2023 (last trading day of 2023): P30.85**
- **Price Information as of March 1, 2024 (latest practicable trading date): P34.85**

(2) Holders

- **Top 20 Stockholders**
(As of January 31, 2024)

	Name of Stockholder	Number of Shares	Percentage
1 .	PCD Nominee Corporation (Non-Fil.)	717,637,621	26.66
2 .	PCD Nominee Corporation (Filipino)	580,375,979	21.56
3 .	SM Investments Corporation	463,922,761	17.24
4 .	Sysmart Corporation	416,402,026	15.47
5 .	JJACCIS Development Corporation	62,320,926	2.32
6 .	CBC Employees Retirement Plan	53,278,951	1.98
7 .	Joaquin T. Dee &/or Family	37,861,404	1.41
8 .	GDSK Development Corporation	31,458,583	1.17
9 .	Suntree Holdings Corporation	24,138,332	0.90
10 .	Syntrix Holdings, Inc.	23,266,173	0.86
11 .	Hydee Management & Resource Corp.	14,334,603	0.53
12 .	The First Resources Mgt. & Sec. Corp.	5,964,229	0.22
13 .	Kuan Yan Tan's Charity (Phil.), Inc.	5,941,277	0.22
14 .	Reliance Commodities, Inc.	5,662,648	0.21
15 .	Robert Y. Dee, Jr.	5,569,499	0.21
16 .	Ansaldo, Godinez & Co., Inc.	4,664,350	0.17
17 .	Michael John G. Dee	3,963,468	0.15
18 .	Cheng Siok Tuan	3,864,332	0.14
19 .	Rosario Chua Siu Choe	3,631,816	0.14
20 .	Kristin Dee Belamide	3,520,559	0.13
	TOTAL	2,467,779,537	91.69%

- **Total number of shareholders** (as of January 31, 2024) – 1,825

- **Summary of Filipino and Non-Filipino Holdings** (as of January 31, 2024)

Nationality	Number of Stockholders	Number of Shares	Percentage
Filipino	1,748	1,967,253,014	73.10
Non-Filipino (PCD)	1	717,637,621	26.66
Chinese	49	3,485,501	0.13
American	18	2,403,317	0.09
Australian	1	2,114	0.00
British	2	97,631	0.00
Canadian	2	363,117	0.01
French	1	13,400	0.00
Spanish	1	107	0.00
Taiwanese	2	84,490	0.00
TOTAL	1,825	2,691,340,312	100.00%

(3) Dividend History

	2023	2022	2021	2020	2019	2018
Stock Dividend	--	--	--	--	--	--
Cash Dividend	10.0%	10.0%	10.0%	10.0%	8.8%	8.3%
	(regular)	(regular)				
	9.0%	5.0%				
	(special)	(special)				

Authorized and Issued Capital

Authorized Capital - P33.0 Billion divided into 3.3 Billion shares with a par value of P10.00 per share
Issued Shares - 2,691,340,312 common shares

There is no restriction that limits the ability of the Bank to pay dividends other than what is required under the Revised Corporation Code and pertinent Bangko Sentral ng Pilipinas (BSP) regulations that prescribe minimum levels and ratios of capital adequacy. However, any dividends declared by the Bank are subject to notice to / approval by the BSP, Philippine Stock Exchange (PSE), and/or Securities and Exchange Commission (SEC). The Dividend Policy of the Bank is discussed under Annex "C" of the Information Statement.

(4) Unregistered Securities

There were no unregistered securities sold by the Bank for the past three (3) years.

(5) Free Float Level

Based on the Public Ownership Report of the Bank as of December 31, 2023, 56.833% of the total outstanding shares are owned by the public.

COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

Proactive Leadership: Steering through a Dynamic Banking Landscape

Guided by the corporate philosophy to do business the right way and constantly adapt to multifaceted changes, Chinabank’s governance practices embody a proactive stance, necessary to navigate the ever-evolving banking landscape. Central to the Bank’s governance approach are the principles of Fairness, Accountability, Transparency and Integrity, which are consistently upheld, channeled through decisions and executed across all levels of the organization. Chinabank adheres to ethical standards and remains steadfast in its fiduciary obligations, always taking into account the best interests of its customers, shareholders and other stakeholders.

At the heart of Chinabank’s leadership, is the Board of Directors – it sets the tone and carries out oversight responsibility for business and risk strategies, financial soundness, and regulatory compliance. The Board upholds the institution’s core principles and plays a pivotal role by providing strategic guidance; fostering a culture of agility and innovation; and ensuring that robust governance standards are in place – all of which are crucial in responding to emerging trends, opportunities and risks, as well as unexpected disruptions.

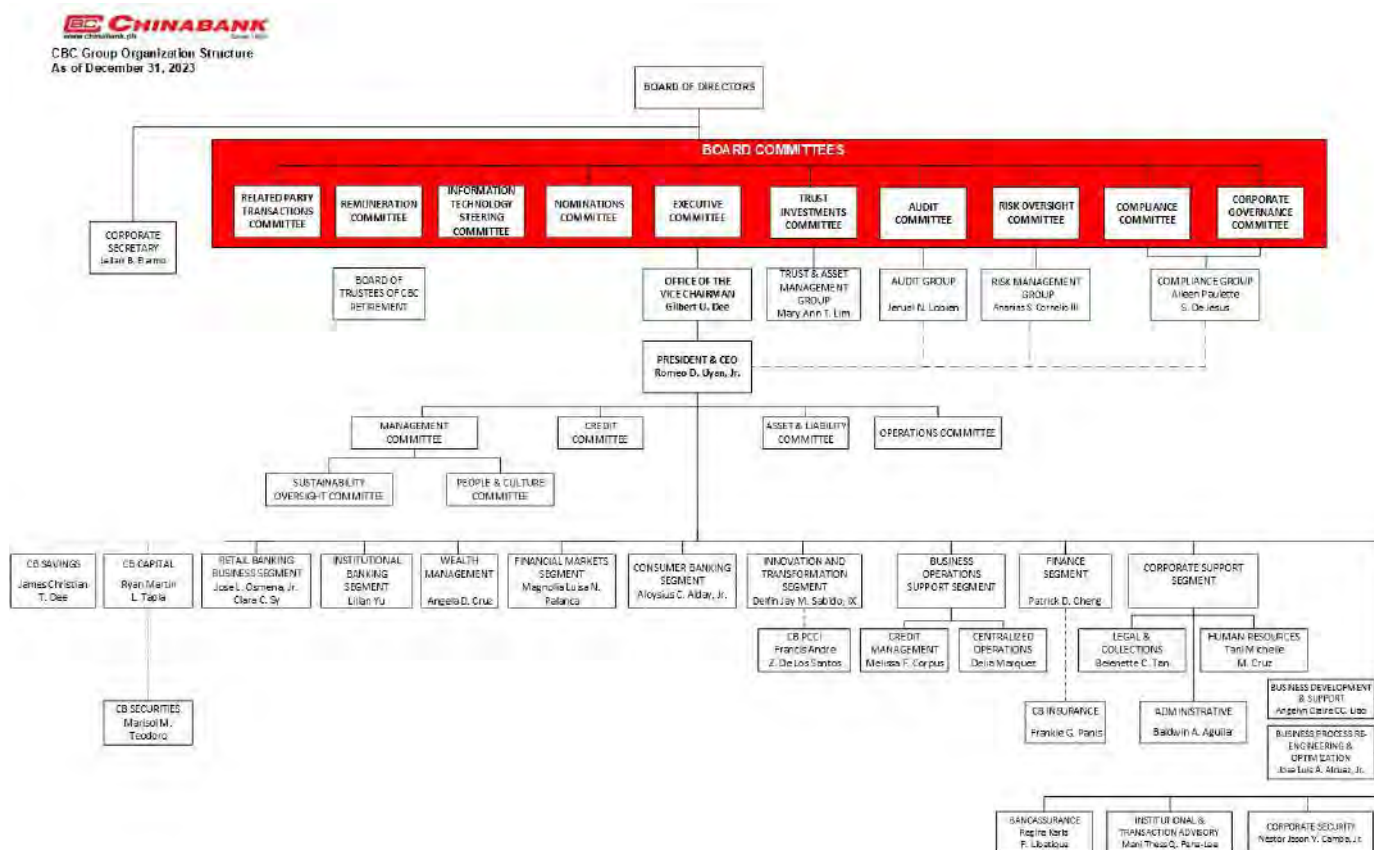
Chinabank places significant emphasis on proactive governance, guiding us towards agile responses, pioneering strategies and unwavering principles. The Bank springs into action, to continuously champion improvement through automation and digital transformation initiatives, promotion of a culture of accountability, transparency and commitment to service excellence. We believe that by fostering an environment that encourages a dedication to exceptional performance and adaptability, Chinabank will be able ensure continued resilience and progress.

In 2023, along with the regular best governance practices, key initiatives were implemented to further strengthen our position as one of the best governed companies in the region. These practices and initiatives include the following:

- Amended the By-Laws to revise the percentage distribution of the net earnings to the Officers, to allow flexibility and opportunity to share with its employees more definitively, the financial growth of the Bank.
- Elevated the IT Steering Committee to a Board-level committee to assist the Board of Directors in its IT-related duties and responsibilities.
- Established the management-level Sustainability Oversight Committee to ensure that oversight of sustainability-related matters is embedded in the Bank’s governance structure.
- Institutionalized the Sustainable Finance Framework to further strengthen the Bank’s sustainability strategy.
- Established the Reputational Risk Management Framework to identify, assess and mitigate potential risks that could adversely impact the Bank’s image and brand value.
- Conducted the virtual Annual Stockholders’ Meeting, allowing stockholders to exercise their voting rights through a secured electronic registration and voting facilities.
- Updated the Corporate Governance Manual to align with recent rules, regulations and international best practices.
- Aligned the Board Committee Charters and Board Self-Assessment Forms with latest regulatory issuances.
- Conducted the annual assessment for the Board, Board-level committees, Independent Directors, Compliance Group, External Auditor and the President.
- Facilitated the accomplishment of the Conflict of Interest and RPT Disclosure Form by the re-elected directors.
- Conducted an in-person corporate governance training for the Bank’s directors and key officers, as facilitated by the Good Governance Advocates and Practitioners of the Philippines (GGAPP).

Organizational Structure

At the core of the Bank's corporate governance structure is our Board of Directors which continues to foster a culture of accountability and responsibility for the corporate affairs and performance of the Bank. The Board is supported by a proactive and competent Management in achieving its goal of going beyond compliance, by adopting local and ASEAN best corporate governance practices.



Board of Directors

We have twelve (12) directors and one (1) advisor to the Board – two (2) are executive directors and the rest are non-executive directors. For proper diversity and balanced structure of the Board, the Bank has put in place a rigorous and transparent procedure for the nomination and election of new directors, which is updated annually. The members of the Board are selected from a pool of qualified candidates based on the Bank's Manual on Corporate Governance that is aligned with laws, rules and regulations. Candidates are considered, among other things, based on their integrity, competence, independence, leadership, ability to exercise sound judgment, and experience at policy-making involving issues affecting business, government, and other areas relevant to finance and banking operations. The Board may use professional search firms or other external sources when searching for candidates for the Board.

Acknowledging the significant and crucial role of Independent Directors, the Bank has four (4) Independent (non-executive) Directors in the Board to ensure a strong element of independence. They are independent of management and major/substantial shareholders, and free from any business, family or any other relationship with the Bank, which could affect their judgment.

The members of the Board are given a copy of their general and specific duties and responsibilities as prescribed by the Manual of Regulations for Banks (MORB). The directors acknowledge that they have received and certify that they read and fully understood the same. Moreover, the Directors also individually submit a Sworn Certification that they possess all

the qualifications as enumerated in the MORB. These certifications are submitted to BSP after their election. Additional certifications are executed by Independent Directors to comply with Securities Regulation Code and BSP rules which are then submitted to the SEC.

Board Committees

The Bank's Board is supported by various Board Committees to effectively carry out its mandate of good corporate governance through compliance with laws, rules, regulations and best practices. These Board Committees are as follows:

- **Executive Committee** has the powers of the Board, when the latter is not in session, in the management of the business and affairs of the Bank to the fullest extent permitted under its By-Laws and Philippine laws. The Executive Committee had 39 meetings in 2023, including 2 joint meetings with Risk Oversight Committee.

Name of Director	Attendance
Hans T. Sy (Chairman)	35
Gilbert U. Dee	39
Peter S. Dee	39
Joaquin T. Dee	39
Romeo D. Uyan, Jr. ^(a)	27

^(a) Member from April 1, 2023; attended 27 out of 28 meetings

- **Corporate Governance Committee** is responsible for ensuring that the Bank's Corporate Governance framework is regularly reviewed, updated, and implemented accordingly at all times. It provides assistance to the Board in fulfilling its responsibilities by ensuring compliance with, and proper observance of governance laws, rules, principles, and best practices, including the continuing education program for the directors and conduct of the Board assessment, among others. The Corporate Governance Committee had 28 meetings in 2023, including 12 joint meetings with the Compliance Committee and 16 joint meetings with Nominations Committee.

Name of Director	Attendance
Margarita L. San Juan (Chairman)	28
Claire Ann T. Yap	26
Philip S.L. Tsai ^(a)	18
Genaro V. Lapez ^(b)	8

^(a) Member from April 20, 2023; attended 18 out of 18 meetings

^(b) Member up to April 19, 2023; attended 8 out of 10 meetings

- **Audit Committee** primarily oversees all matters pertaining to audit – mainly the evaluation of the adequacy and effectiveness of the Bank's internal control system, as well as the integrity of its financial statements. It appoints, reviews and concurs in the appointment or replacement of the Chief Audit Executive (CAE), and is responsible for ensuring that the CAE and internal audit function are free from interference by outside parties. It also ensures that an annual review is performed with regard to the effectiveness of the internal audit mechanism, including compliance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and Code of Ethics. It provides oversight over Management's activities in maintaining an adequate internal control framework, managing credit, market, liquidity, operational, legal and other risks of the Bank, including regular receipts from management of information on risk exposures and risk management activities. It likewise

ensures that internal and external auditors remain independent and are given unrestricted access to records, properties and personnel, to enable them to perform their respective audit functions. It is also responsible for the recommendation on the appointment and removal of the external auditor. It has the explicit authority to investigate any matter within its terms of reference, in order to ensure the effectiveness and efficiency of the Bank's internal controls. The Audit Committee had 13 meetings in 2023.

Name of Director	Attendance
Claire Ann T. Yap (Chairman)	13
Joaquin T. Dee	12
Genaro V. Lapez ^(a)	7
Philip S.L. Tsai ^(b)	5

^(a) Member from April 20, 2023; attended 7 out of 8 meetings

^(b) Member up to April 19, 2023; attended 5 out of 5 meetings

- **Compliance Committee** is tasked to monitor compliance with established bank laws, rules and regulations specifically in creating a dynamic and responsive compliance risk management system for identifying and mitigating risks that may erode the franchise value of the Bank, and ensuring that management is doing business in accordance with the said prescribed laws, rules and regulations including policies, procedures, guidelines and best practices. The Compliance Committee had 13 meetings in 2023, including 12 joint meetings with Corporate Governance Committee.

Name of Director	Attendance
Margarita L. San Juan (Chairman)	13
Harley T. Sy	13
Genaro V. Lapez ^(a)	8
Philip S.L. Tsai ^(b)	4

^(a) Member from April 20, 2023; attended 8 out of 9 meetings

^(b) Member up to April 19, 2023; attended 4 out of 4 meetings

- **Risk Oversight Committee** is responsible for the development and oversight of the Bank's risk management functions, including the evaluation of the effectiveness of the enterprise risk management framework and ensuring that corrective actions are in place to address concerns in a timely manner. It oversees the risk-taking activities of the Bank and warrants the continued relevance, comprehensiveness and overall value of the institutional risk management plan. The Risk Oversight Committee had 14 meetings in 2023, including 2 joint meetings with the Executive Committee.

Name of Director	Attendance
Philip S.L. Tsai (Chairman)	14
Margarita L. San Juan	14
Claire Ann T. Yap	12

- **Nominations Committee** is responsible for reviewing and evaluating the qualifications of all persons nominated to the Board. Jointly with the Corporate Governance Committee, it oversees the nomination process for, and evaluates the qualifications of, all persons nominated to Department and Division Head positions, as well as all promotions to any Bank Officer position. It also undertakes the process of reviewing the qualifications of the Board candidates, to ensure that their qualities and/or skills are sufficient to lead and/or assist the Bank in accomplishing its vision and corporate goals, and identify if the quality of the directors nominated is aligned with the Bank's strategic directions. The Committee is composed entirely of Independent Directors. The Nominations Committee had 16 meetings in 2023, jointly with the Corporate Governance Committee.

Name of Director	Attendance
Margarita L. San Juan (Chairman)	16
Claire Ann T. Yap	15
Philip S.L. Tsai ^(a)	10
Genaro V. Lapez ^(b)	5

^(a) Member from April 20, 2023; attended 10 out of 10 meetings

^(b) Member up to April 19, 2023; attended 5 out of 6 meetings

- **Remuneration Committee** provides oversight over the remuneration of senior management and other key personnel, ensuring that compensation is consistent with the interest of all stakeholders and the Bank's culture, strategy and control environment. The Remuneration Committee had 2 meetings in 2023.

Name of Director	Attendance
Genaro V. Lapez (Chairman)	2
Herbert T. Sy	2
Philip S.L. Tsai	2

- **Related Party Transactions Committee** is responsible for reviewing all material related party transactions (RPTs) to ensure that they are conducted at an arm's length. Composed entirely of Independent Directors, the committee oversees the proper implementation of the RPT Policy and ensures that corresponding transactions are duly identified, measured, monitored, controlled and reported. The Related Party Transactions Committee had 12 meetings in 2023.

Name of Director	Attendance
Genaro V. Lapez (Chairman)	12
Margarita L. San Juan	12
Philip S.L. Tsai	12

- **Information Technology Steering Committee**, elevated to a Board-level committee effective November 8, 2023, is responsible for assisting the Board of Directors in fulfilling its corporate governance and oversight responsibility for the Bank's investments, strategy and implementation in relation to Information Technology and Digitalization. It also oversees the IT strategy and execution of the Bank's subsidiaries and affiliate, to ensure that these are aligned with the overall strategic plans for continuous value creation. Since its elevation to a Board-level committee, the Information Technology Steering Committee had 2 meetings in 2023.

Name of Director	Attendance
Romeo D. Uyan, Jr. (Chairman)	2
Claire Ann T. Yap	2
Genaro V. Lapez	2

Note: The other non-director members as of February 29, 2024 are as follows: Patrick D. Cheng, Jose L. Osmena, Jr., Clara C. Sy, Aloysius C. Alday, Jr. and Delfin Jay M. Sabido IX

- **Trust Investment Committee** provides oversight functions, overall strategic business development and financial policy directions to the Trust and Asset Management Group. It oversees the trust, investment management and fiduciary activities of the Bank, and ensures that they are conducted in accordance with applicable rules and regulations, and judicious practices. Moreover, it ensures that prudent operating standards and internal controls are in place and that the Board's objectives are clearly understood and duly implemented by the concerned units and personnel. The Trust Investment Committee convened 11 times in 2023.

Name of Director	Attendance
Peter S. Dee (Chairman)	11
Harley T. Sy	11
Jose T. Sio	11
Romeo D. Uyan, Jr. ^(a)	8

^(a) Member from 01 April, 2023; attended 8 out of 8 meetings

Note: The other non-director member is Mary Ann T. Lim

Additional details on these committees and their respective charters can be accessed through the Bank's website at www.chinabank.ph.

Corporate Secretary

Assisting the Board of Directors in the effective and efficient discharge of their duties, is the Corporate Secretary, who reports operationally to the Chairman and is accountable to the Board. Our Corporate Secretary is Atty. Leilani B. Elarmo. Her duties and responsibilities are clearly stated in the Bank's Corporate Governance Manual.

The Corporate Secretary is a senior, strategic-level corporate officer who has the vital role of official record keeper responsible for the administrative side of Board and committee meetings; corporate governance gatekeeper responsible for overseeing sound board practices; and Board liaison who works and deals fairly and objectively with the Board, Management, stockholders and other stakeholders.

Board Training and Orientation Program

In compliance with existing rules and regulations and as part of the continuing education program, the Board undergoes an annual training. Last 02 August 2023, the directors and members of the Management Committee, together with key officers of the Bank and subsidiaries attended the Bank's exclusive advanced Corporate Governance training as facilitated by the Good Governance Advocates and Practitioners of the Philippines (GGAPP). The said training focused on Ethical Decision-Making Models and Digital Transformation: Case Studies and Success Stories.

In addition, directors also participate in various small-scale learning opportunities, trainings, and webinars, whenever available and/or applicable¹.

Moreover, a new member of the Board is briefed on his duties and responsibilities and is given an orientation kit, containing: (1) Specific Duties and Responsibilities of Directors, (2) Corporate Governance Manual, and (3) applicable Board Committee Charters. He is also required to attend an orientation program from accredited training providers.

Performance Evaluation for the Board, Individual Directors, Board Committees and President

The Bank has an annual performance assessment to determine the Board, individual Directors, Independent Directors, all Board-level Committees, and the President's level of compliance with leading practices and principles on good governance and to identify areas for improvement. The evaluation seeks to assess the effectiveness and collective performance of the Board through a self-assessment. The Corporate Governance Division summarizes the results of the evaluation and reports it to the Board through the Corporate Governance Committee.

¹ In 2023, an Independent Director attended a webinar on Technology Governance.

A five-point scale rating system is used for the self-assessment, where the lowest is 0, equivalent to “Poor” and the highest is 5, equivalent to “Excellent”.

Rating	Description
0	Poor – Leading practice or principle is not adopted in the company’s Manual of Corporate Governance
1	Needs Improvement – Leading practice or principle is adopted in the Manual but compliance has not yet been made
2-3	Fair – Leading practice or principle is adopted in the Manual and compliance has been made but with major deviation(s) or incompleteness
4	Good – Leading practice or principle is adopted in the Manual and compliance has been made but with minor deviation(s) or incompleteness
5	Excellent – Leading practice or principle is adopted in the Manual and full compliance with the same has been made

The Board reviews the results and evaluates the enhancements needed in order to improve the performance of the Board collectively, the individual directors, and the various committees.

In 2023, there are no significant deviations and in general, the Bank has fully complied with the provisions and requirements of the Corporate Governance Manual.

Compliance System

Vital to the implementation of a group-wide culture of compliance is our Compliance Group (“Compliance”), which designs and manages the implementation of the compliance program across the Bank and also oversees compliance across the Group. It provides assistance to the Board in the discharge of its governance function to protect the franchise value of the Bank as well as the interests of its various stakeholders. The Bank’s compliance risk management system is designed to identify and mitigate risks to ensure the safety and soundness of the Bank. Compliance endeavors to strengthen the culture of compliance and promotes awareness of all applicable laws, rules and regulations, by disseminating the latest regulatory issuances.

Compliance is headed by the Chief Compliance and Governance Officer (CCGO), Atty. Aileen Paulette S. De Jesus, who functionally reports to the Compliance and the Corporate Governance Committees and administratively to the Bank’s President and Chief Executive Officer. The Compliance function is supported by a duly approved Compliance Charter that defines the duties and responsibilities, mandate, independence, and manner on which compliance is implemented. At the helm of this function is the *Regulatory Compliance Division*, which ensures that the compliance system is updated and implemented accordingly. The *Corporate Governance Division* carries out and manages the implementation of the corporate governance mandates, which include managing compliance with the Code of Corporate Governance, BSP and SEC rules on governance and international best practices. The *AML Division* manages the Bank’s compliance with Anti-Money Laundering laws and regulations, and implementation of Money Laundering and Terrorist Financing Prevention Program (MTPP) whilst the *IT Compliance Department* provides the necessary IT support to the AML Division in the administration of the Bank’s AML system, the Base60. IT Compliance Department likewise oversees the regulatory compliance of IT-related units of the Bank. The *Subsidiaries Oversight Department* oversees group-wide compliance to relevant rules, laws and regulations by providing direction and support to the Bank’s subsidiaries. Finally, the *Associated Person Department* is responsible for the Bank’s compliance with the Securities Regulations Code, including relevant laws and issuances related thereon.

All Bank units have Compliance Coordinators to ensure that all risks associated to the operations and business of the individual units are identified, monitored, mitigated and remediated.

To enhance regulatory, compliance and good governance awareness and continuously strengthen the implementation of our compliance culture within the Bank, Compliance:

1. Cascades all recent laws, rules, and regulations to all concerned;
2. Acts as liaison for the Board and Management on regulatory compliance matters, with the regulatory agencies;
3. Provides advisory services, including reviewing proposed Bank products and services;
4. Reviews and updates the Compliance Manual, MTPP and Corporate Governance Manual annually or as necessary, to align with recent regulatory requirements;
5. Continuously educates Bank employees about compliance, anti-money laundering, good governance and its benefits, consumer protection and related party transactions, among others, to ensure that everyone in the institution is in the same direction towards good governance and to develop a culture of trust and integrity and to enable the employees of the Bank embrace the principles set forth by the Board;
6. Conducts briefings and training for Compliance Coordinators in the branches and Head Office to raise the level of awareness and understanding of the principles, concepts, and elements of good corporate governance and compliance. The Compliance Coordinators are required to cascade their learnings to their respective areas; and
7. Conducts lectures to all new employees of the Bank for the basic orientation on Compliance System, AML, Whistleblowing, and Corporate Governance giving them an overview of the Bank's Compliance Risk Management System. Compliance Group also conducts lectures during the Junior Executive Development (JED) and Supervisory Development Program (SDP), among others.

Governance Policies

- **Corporate Governance Manual**

The Bank's extensive Corporate Governance Manual, that is kept updated to ensure that it is aligned with latest regulatory issuances, contains the corporate governance policies, structure, principles, as well as the general and specific duties and responsibilities of the Board and the individual directors. To enjoin Bank-wide compliance and for easy access, a copy of the Manual is posted on the Bank's website and is available in the SharePoint page of Compliance, under the Corporate Governance Division. The CCGO is primarily tasked to monitor compliance with the Manual, and is always available to respond to inquiries from Bank officials and personnel regarding good corporate governance policies and practices.

In 2023, the Bank has fully complied with the provisions of the Corporate Governance Manual.

- **Board Remuneration**

The Bank's amended By-Laws provides that the directors shall receive a *per diem* of up to ten thousand pesos (P10,000.00) for attendance at each meeting / session of the Board of Directors or of any Committee. In accordance with Article VIII of the Bank's By-Laws, a portion of the net earnings shall be given to the members of the Board.

In compliance with the Revised Corporation Code, the Bank has disclosed the compensation of the directors (for the preceding year) on an individual basis.

- **Dividend Policy**

The Bank, as a matter of policy, shall declare cash dividends at a payout ratio of approximately thirty percent (30%) of the net income of the prior year, subject to the conditions and limitations set forth in the policy statement. The Bank's Dividend Policy is an integral component of its Capital Management Policy and Process. Its fundamental and overriding philosophy is sustainability.

Dividend payouts are reviewed annually. These are referenced against the Bank's Capital Management Process. Based on this process, dividend payouts are calibrated based on the prior year's earnings while taking into consideration dividend yields, future earnings streams and future business opportunities.

In declaring dividend payouts, the Bank uses a combination of cash or stock dividends as follows:

1. The dividend is increased in response to the Bank's achieving a higher level of sustainable earnings.
2. Dividends may be increased for a specific year to plow back to shareholders a commensurate share of unusually high earnings for a given year.

The Bank's capital management philosophy and process, and consequently its Dividend Policy which comprises an integral component of this undertaking, are driven by the following primary objectives:

1. Ensuring compliance with externally imposed regulatory capital requirements.
2. Maintaining strong credit ratings.
3. Maintaining healthy capital ratios to support its business and maximize shareholder value.

Moreover, the Bank manages its capital structure and makes adjustments to it in the light of:

1. Changes in economic conditions.
2. The risk characteristics of its activities.
3. The assessment of prospective business requirements or directions.

• **Whistleblowing**

Without fear of any retaliation, Bank employees, customers, shareholders, and any third-party service providers may report questionable or illegal activity, unethical conduct, fraud or any other malpractice by mail, phone or e-mail. The identity of the whistleblower is kept confidential and all reports are acted upon based on their merits. If determined sufficient in form and substance, the disclosure is referred to the appropriate unit/s for further investigation. If the report is found to be baseless, the Whistleblower is informed of the status.

Although the CCGO is the primary driver in the implementation of the Whistleblowing Policy, the policy allows reporting of any disclosure to the Chief Audit Executive, Chief Risk Officer, and the HRG Head. All the disclosures, and their corresponding status and resolution are reported to the Board, through the Audit Committee.

• **Code of Ethics**

In the conduct of our business and dealings with stakeholders, we are guided by our core values of integrity, high performance standards, commitment to quality, customer service focus, concern for people, efficiency and resourcefulness, and initiative that strengthen our commitment to carry our daily tasks of business in an honest and ethical manner. These core values are also the foundation of the Bank's Code of Ethics.

Setting the tone from the top, our Board of Directors is fully committed to principled conduct of business. Just as it expects full compliance to the Code of Ethics from all Bank employees, the body believes that its members should also uphold the principles of integrity, fairness, accountability and transparency at all times.

The Code of Ethics for Directors articulates the acceptable practices in relation to both internal and external dealings (i.e., investors, creditors, customers, depositors, contractors, suppliers, regulators, and the general public) of the members of the Board. It also provides the guiding principles on the performance of their duties in accordance with the fit and proper rules; and establishes standards for professional and ethical conduct. All new directors are given a copy of the Code, which they acknowledge receipt thereof.

To ensure that business is carried out in compliance with relevant laws and in the protection of the interest of the Bank's customers, shareholders and other stakeholders, the Bank's HRG has disseminated the Bank's Code of Ethics to all employees, including new hires. Employees are required to sign an acknowledgement receipt that they have received a copy of the Code of Ethics.

Copies of the Codes are also made available in the Bank's intranet to be readily accessible to all employees, and are also available on the Bank's website. A comprehensive discussion on the Code of Ethics is conducted with new employees of the Bank to foster a culture of awareness on the Bank's core values. Such discussion also highlights the behavioral standards, business conduct, and corresponding sanctions for violations of the Code of Ethics.

- **Anti-Bribery and Corruption**

The Bank promotes a culture of integrity and transparency in its banking operations ensuring compliance with the laws, rules and regulations, including disclosure requirements, accounting standards and good governance best practices. The Bank is subject to external audit and regulatory examination/s, which validates its compliance to the aforementioned rules and standards.

The Bank does not tolerate any form of bribery and corruption. As established in the Code of Ethics, Directors, officers, and employees are prohibited from offering, promising, or giving a financial or other advantage to any person or party, including public officials, with the intention of inducing or rewarding improper performance by them of their duties or to facilitate Bank transactions. They are likewise prohibited from accepting any financial or other advantage as a reward for participating in any act prejudicial to the Bank or any of its stakeholders.

- **Policy on Conflict of Interest**

In accordance with the Bank's Code of Ethics, conflict of interest between the Bank and its directors, officers and employees should be avoided at all times. However, should a conflict arise, the interest of the Bank must prevail. Employees are not permitted to have or be involved in any financial interests that are in conflict or appear to be in conflict with their duties and responsibilities to the Bank. They are likewise barred from engaging in work outside of the Bank unless with duly-approved permission, as well as work that lies in direct competition with the Bank.

To further strengthen our governance practices in the prevention of conflict of interest, the Corporate Governance Committee approved the use of Conflict of Interest and Related Party Transactions Disclosure Form by the Directors, making mandatory the disclosure of any possible conflict of interest, as set forth in the relevant regulations and internal policies.

- **Disclosure and Transparency**

The Bank is committed to a high standard of disclosure and transparency to facilitate an understanding of the Bank's financial condition, operations and corporate governance systems. The Bank believes all material information about its financial condition and operations is disclosed in accordance with applicable rules and regulations. In addition to compliance with reporting requirements, such as the publication of a comprehensive annual report for the annual stockholders meeting, the Bank promptly discloses major and market-sensitive information, including but not limited to dividend declarations, joint ventures and acquisitions, sale and disposition of significant assets, and financial and non-financial information that may affect or influence an investor's investment decision. The Bank also electronically files its disclosures through Electronic Disclosure Generation Technology (EDGE) which are then made available publicly on the PSE's website. The Bank's corporate website is likewise regularly updated to include the latest news and information about the Bank.

The Bank aims to ensure that information about its products and services are clear, accurate, and accessible. The Bank provides all necessary and relevant information to its customers so that they can make informed decisions when transacting with it. The Bank communicates such information to its customers and other stakeholders through the use of wide range of media, including print materials, advertisements in bank branches and electronic and digital advertisements on TV, radio, the internet and social media channels such as Twitter and Facebook; and through its Customer Contact Center. The Bank believes it displays all consumer information required by the BSP at its branches. Further, the Bank's branch personnel are trained to handle customer inquiries in a professional manner and to adequately explain risks related to the Bank's products and services and to provide advice on financial matters as appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATION (Last Three Years 2023, 2022, and 2021)

(a) Financial and Operating Highlights

Balance Sheet Indicators

In Billion Pesos	Dec 31, 2023 Audited	Dec 31, 2022 Audited	Variance	%
Assets	1,478	1,330	148	11.2%
Investment Securities	505	412	92	22.4%
Loans (Net)	772	700	72	10.3%
Total Deposits	1,187	1,066	121	11.3%
Equity	150	135	16	11.7%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Analysis of Consolidated Statement of Financial Condition As of December 31, 2023 and December 31, 2022

Chinabank's consolidated **assets** stood at P1.5 trillion in 2023, 11.2% higher than year-end 2022, supported by the expansion in investment securities and net loans.

Cash and other cash items increased 16.9% or P2.3 billion to P16.0 billion due to usual year-end build-up. **Due from BSP** decreased by P22.5 billion or 21.0% to P84.6 billion due to the drop in placements with the BSP, while **due from other banks** posted 46.6% increase to P20.0 billion, arising from the bigger placements with correspondent banks. **Interbank loans receivable and securities purchased under resale agreements** decreased by 20.3% or P8.8 billion to P34.7 billion due to lower volume of overnight placements with the BSP.

Financial assets at fair value through profit or loss (FVPL) grew by P8.9 billion to P13.6 billion with the growth in fixed income assets. Meanwhile, **Derivative contracts designated as hedges** representing interest rate swap (IRS) contracts used as hedging instruments dropped P2.3 billion to P3.9 billion due to the discontinuance during the year of one of the cash flow hedges against certain liabilities. **Financial assets at fair value through other comprehensive income (FVOCI) and Investment Securities at Amortized Cost** posted increases of P63.2 billion and P22.5 billion to P106.5 billion and P380.5 billion, respectively, due to higher securities volume. The Bank's total investment securities portfolio accounted for 34% of consolidated resources.

Gross loans increased 10.2% to P791.0 billion driven by the expansion in both corporate and consumer loans. The share of consumer loans to the total loan portfolio increased to 23%. Net loans grew 10.3% to P772.0 billion.

The Bank's liquidity ratio inched up to 45%.

Accrued interest receivable increased by 17.2% to P11.5 billion from P9.8 billion due to larger receivables from investment securities and growth in loans. **Investment in associates** increased 41.4% to P1.4 billion due to higher income contribution from the Bank's affiliate, MCBLife. **Bank premises, furniture, fixtures and equipment and right-of-use assets** slightly increased by P741.6 million or 7.9% to P10.1 billion mainly from additional technology related investments. **Deferred tax asset (DTA)** increased by 42.9% to P6.5 billion due to the recognition of DTA on certain deductible temporary differences. **Other assets** increased by 21.7% to P8.2 billion from a higher balance of accounts receivables and other miscellaneous receivables.

On the liabilities side, **total deposits** was recorded at P1.2 trillion, up 11.3% mainly from the increase in the Bank's term deposits of 24% to P611.5 billion. Meanwhile, the combined demand and savings deposits slightly increased to P575.3 billion, accounting for 48% of total deposits. **Bills payable** increased by 20.5% to P84.8 billion with the growth in deposit substitutes. **Bonds payable** declined by 29.4% to P20.0 billion due to the pre-termination of \$150 million bonds payable during the period. **Manager's checks** increased by 36.0% to P2.1 billion as the volume of outstanding checks for negotiation grew year-to-date. **Income tax payable** decreased 57.1% to P133.7 million due to lower regular corporate income tax payable for the period. **Accrued interest and other expenses** was 40.4% larger at P8.6 billion because of interest payable accruals. **Derivative liabilities** decreased by 39.4% to P938.7 million due to lower currency swaps volume. **Derivative liabilities designated as hedges** increased by 93.7% to P8.0 billion arising from the change in the mark-to-market rates.

Total equity reached P150.3 billion, higher than year-end's P134.6 billion mainly from the P16.8 billion or 20.0% increase in **surplus**. **Net unrealized losses on financial assets at FVOCI** was recorded at (P1.4) billion arising from the mark-to-market revaluation of the Bank's FVOCI securities. **Remeasurement gain on defined benefit asset** saw an increase of 13.4% to P88.2 million due to changes in actuarial assumptions. Meanwhile, **cumulative translation adjustment** significantly increased to P190.5 million arising from the translation of foreign currency-denominated positions to its presentation currency, while **cash flow hedge reserve** dropped by 77.3% to P1.2 billion due to the discontinuance of one of the cash flow hedges and to market rate movements.

The Bank's Common Equity Tier 1 (CET 1/ Tier 1) ratio and total CAR were computed at 15.25% and 16.14%, respectively, and remain comfortably above minimum regulatory levels.

Analysis of Consolidated Statement of Financial Condition As of December 31, 2022 and December 31, 2021

In Billion Pesos	Dec 31, 2022 Audited	Dec 31, 2021 Audited	Variance	%
Assets	1,330	1,112	217	19.5%
Investment Securities	412	279	133	47.6%
Loans (Net)	700	609	91	14.9%
Total Deposits	1,066	863	203	23.5%
Equity	135	119	15	13.0%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Chinabank's consolidated **assets** stood at P1.3 trillion in 2022, 20.3% higher year-on-year, sustained by the robust earning assets and deposits expansion.

Cash and other cash items dropped 14.6% to P13.7 billion due to close monitoring of cash-in-vault balances to maximize cash efficiency. **Due from Bangko Sentral ng Pilipinas** decreased by 13.8% to P107.1 billion from the drop in overnight deposits with the BSP, while **due from other banks** posted 27.3% increase to P13.6 billion, arising from the bigger placements with correspondent banks. Meanwhile, **interbank loans receivable and securities purchased under resale agreements** rose by 19.2% to P43.6 billion mainly from higher interbank call loans.

Total investment securities amounted to P412.2 billion, up 47.6%. **Financial assets at fair value through profit or loss** dropped by 34.4% to P4.7 billion due to securities disposal during the year. Meanwhile, **financial assets at fair value through other comprehensive income (FVOCI) and investment securities at amortized cost** posted increases by 51.1% or P14.6 billion and 47.7% or P115.6 billion, respectively, with the build-up in such investments. **Derivative contracts designated as hedges** representing interest rate swap (IRS) contracts used as hedging instruments against time deposits grew 5.4x year-on-year to P6.2 billion.

The Bank's liquidity ratio stood at 44%, higher than last year's 42%.

Gross loans rose by 15.0% to P717.7 billion, on the back of vigorous business and consumer lending to drive economic rebound. **Net loans** reached P699.6 billion. Even with this increase, the Bank recorded a better-than-industry non-performing loan (NPL) ratio and NPL coverage ratio of 2.3% and 123%, respectively.

Accrued interest receivable increased by 28.4% to P9.8 billion from P7.6 billion due to larger receivables from investment securities and growth in loans. **Investment in associates** increased 23.4% to P983.2 million due to higher income contribution Bank's affiliate, MCBLife. **Bank premises, furniture, fixtures and equipment and right-of-use assets** grew by P1.1 billion or 13.4% to P9.3 billion mainly from additional investments in land, furniture, fixtures, and equipment, building, and leasehold improvements.

On the liabilities side, **deposits** reached P1.1 trillion, 23.5% higher on sustained growth across deposit products. Current and savings account (CASA) deposits totaled P573.4 billion, which accounted for 54% of total deposits. Time deposits increased by P184.8 billion or 60.1% due to the increase in additional Peso and FCDO funding requirements.

Bills payable increased by P4.6 billion due to higher funding from institutional borrowings. On the other hand, **bonds payable** decreased by 33.3% to P28.3 billion due to the maturities of P15-billion Peso fixed rate bonds in October 2022. **Manager's checks** decreased 16.4% to P1.6 billion because of lower outstanding checks for negotiation. **Income tax payable** was at P311.9 million, down 60.3% due to lower regular corporate income tax rate for the period. **Accrued interest and other expenses** increased 28.9% to P6.1 billion, mainly from higher accrual of interest expense on financial liabilities. Change in the mark-to-market rates resulted in the increases in **derivative liabilities** and **derivative contracts designated as hedges** by P550.8 million to P1.5 billion and by P4.0 billion to P4.2 billion, respectively. **Other liabilities** increased by P3.4 billion or 26.4% to P16.1 billion mainly from higher accounts payable, outstanding acceptances, and lease liabilities.

Total equity stood at P134.6 billion, up 13.0%, mainly from 20.5% increase in **surplus** to P84.6 billion. Such amount was net of the P4.04 billion total cash dividends, up 50% year-on-year, paid in June 2022 to shareholders. **Surplus reserves** rose 18.7% to P4.4 billion due to the appropriation of retained earnings related to allowance for credit losses. **Net unrealized loss on financial assets at FVOCI** amounted to (P4.3) billion from a gain of P81.2 million in the previous year because of mark-to-market revaluation of the Bank's FVOCI securities. **Remeasurement gain on defined benefit asset** was higher at P77.8 million from (P30.5) million due to changes in actuarial assumptions. Furthermore, **remeasurement gain on life insurance reserves** recorded a P110.4 million rebound to P96.4 million from (P14.0) million due to the revaluation of legal policy reserves of the Bank's affiliate, MCBLife. Meanwhile, **cumulative translation adjustment** increased by P9.9 million or 56.0% to P27.5 million due to exchange rate difference arising from the translation of income and expenses to its presentation currency. **Cash flow hedge reserve** rose 5.6x to P5.5 billion due to the designation of new hedges and favorable mark-to-market rates.

The Bank's **Common Equity Tier 1 (CET 1/ Tier 1) ratio** was recorded at 15.07% while **total Capital Adequacy Ratio (CAR)** was computed at 15.92%. Both were above the regulatory minimum requirement.

Income Statement Indicators

In Million Pesos	2023 Audited	2022 Audited	Variance	%
Interest Income	79,368	57,211	22,157	38.7%
Interest Expense	25,840	11,622	14,218	122.3%
Net Interest Income	53,528	45,590	7,938	17.4%
Non-Interest Income	564	10,063	(9,499)	(94.4%)
Provision for Impairment & Credit Losses	1,246	9,013	(7,767)	(86.2%)
Operating Expenses	27,037	24,354	2,683	11.0%
Net Income	22,018	19,136	2,882	15.1%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Analysis of Consolidated Statements of Income

For the period ended December 31, 2023 and December 31, 2022

Chinabank recorded P22.0 billion **net income** in 2023, 15.1% higher compared with the same period last year on the back of higher revenues from core business and reduced credit provisions. The income performance translated to a **return on equity** and **return on assets** at 15.5% and 1.6%, respectively.

Total interest income increased by 38.7% to P79.4 billion from P57.2 billion with the growth in earning assets and improvement in yields. **Interest income from loans and receivables** was up by 30.7% to P51.7 billion due to higher loan portfolio volume and improved yields year-on-year. Likewise, **interest income from investment securities at amortized cost and at FVOCI** recorded a 54.3% increase to P23.2 billion mainly arising from the higher securities volume and better yields year-on-year. Furthermore, **interest income from financial assets at FVPL** increased by 61.4% to P740.4 million mainly from the higher volume and better yields of FVPL securities portfolio. **Interest income from due from BSP and other banks and SPURA** was 73.0% higher at P3.7 billion from higher interest rates and placements with correspondent banks.

Total interest expense grew to P25.8 billion versus P11.6 billion last year as higher funding cost pushed up **interest expense on deposits** and **interest expense on bills payable and other borrowings** by 2.5 times and 47.3% to P21.7 billion and P3.9 billion, respectively. Interest expense on **lease payable** increased by 35.8% to P246.8 million due to higher rental rates on lease renewals.

Net interest income rose 17.4% to P53.5 billion as the 38.7% surge in top line revenues cushioned the increase in interest expense. **Net interest margin** was recorded at 4.24%.

The Bank cut its **provision for impairment and credit losses** by 86.2% to P1.2 billion, as asset quality remained stable.

Total **non-interest income** decreased by 94.4% to P563.7 million as the improvements in core fees were offset by the P7.4 billion net loss in **foreign exchange income** arising from treasury-related activities. **Service charges, fees, and commissions** increased by 15.3% to P3.3 billion from the upswing in transaction volume and fees. Gains from **trading and securities** was recorded at P1.1 billion from better market position. **Gain on disposal and redemption of investment securities at amortized cost** went down to P78 thousand because there were minimal redemptions and no disposals of investment securities at amortized cost in 2023. **Trust fee income** was 23.7% higher at P585.9 million because of volume-related growth year-on-year. The decrease in sales volume of foreclosed assets resulted in a 13.7% drop in **gain on sale of investment properties** to P602.8 million. Meanwhile, movements in the fair value of investment properties resulted in a significant increase in **gain on asset foreclosure and dacion transactions** to P419.7 million.

Share in net income of associates jumped to P435.1 million mainly from the improved profitability of the bancassurance joint venture, Manulife China Bank Life Assurance Corporation (MCBLife). **Miscellaneous income** totaled P1.4 billion, down by 72.3% mainly due to the one-time gain recognized last year.

Operating expenses (excluding provision for impairment and credit losses) increased by 11.0% to P27.0 billion, from the uptick in core and business volume-related costs. **Compensation and fringe benefits** were up 10.1% to P9.0 billion due to the increase in manpower complement. **Taxes and licenses** were up 19.0% to P5.6 billion mainly from higher volume-related taxes. **Insurance**, which includes PDIC premium payments, grew by 20.1% to P2.7 billion with the annual expansion in deposits. Furthermore, **depreciation and amortization** increased by 15.5% from technology-related upgrades and acquisitions. **Transportation and travelling** increased 21.3% to P699.4 million mainly from higher fuel costs. **Professional fees, marketing and other related services and repairs and maintenance** rose by 16.7%, and 23.6%, respectively, mainly driven by higher repairs and investments in our distribution channel, information technology, and business development. **Entertainment, amusement and recreation** dropped by 7.2% to P520.0 million due to lower marketing-related costs for the period.

Consolidated **cost-to-income ratio** was registered at 50% from 44% in the same period last year.

Analysis of Consolidated Statements of Income For the period ended December 31, 2022 and December 31, 2021

In Million Pesos	2022 Audited	2021 Audited	Variance	%
Interest Income	57,211	46,496	10,715	23.0%
Interest Expense	11,622	7,411	4,211	56.8%
Net Interest Income	45,590	39,085	7,938	16.6%
Non-Interest Income	10,063	9,590	473	4.9%
Provision for Impairment & Credit Losses	9,013	8,877	136	1.5%
Operating Expenses	24,354	22,335	2,019	9.0%
Net Income	19,136	15,106	4,030	26.7%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Note: In 2022, the Bank changed the presentation of CBS's upfront fees that are integral part of the effective interest rate of loans from "Service charges, fees and commissions" to "Interest income on loans and receivables". The Bank effected the change in the comparative financial information to be consistent with the 2022 presentation, increasing "Interest income on loans and receivables" and decreasing "Service charges, fees and commissions" by P771 million in 2021, P549 million in 2020 and P558 million in 2019.

Chinabank posted a 26.7% increase in **net income** to P19.1 billion in 2022 on the back of robust operating income and effective cost management. The higher net profit translated to an improved **return on equity** of 15.1% and a **return on assets** of 1.6%.

Total interest income grew by 23.0% to P57.2 billion due to the continuous build-up in earning assets. **Interest income from loans and receivables** was up 14.0% to P39.6 billion from P34.7 billion on the back of robust year-on-year loan portfolio expansion. **Interest income from investment securities at amortized cost and at fair value through other comprehensive income** recorded a 63.8% growth from the build-up in securities holdings while **interest income from financial assets at fair value through profit or loss (FVPL)** decreased by 37.9% to P458.7 million mainly from lower volume of financial assets at FVPL in 2022.

Interest income from due from BSP and other banks, interbank loans receivable, and securities purchased under resale agreements increased by 14.8% to P2.1 billion with the higher volume of placements with the BSP and other banks and increase in market and policy rates.

Total interest expense amounted to P11.6 billion, P4.2 billion or 56.8% larger than last year as **interest expenses on deposit liabilities** increased 72.6% to P8.8 billion arising from the deposit expansion and higher funding cost. **Interest expenses on bonds payable, bills payable and other borrowings** was 24.3% higher at P2.6 billion due to higher funding cost for institutional borrowings. **Interest expenses on lease payable** was down 6.9% due to lower interest charged on outstanding lease liability.

Despite the growth in interest expenses, the Bank's **net interest margin** remained healthy at 4.21%.

The Bank recognized **provision for impairment and credit losses** amounting to P9.0 billion, slightly higher than the P8.9 billion reported for full-year 2021.

Total **non-interest income** was higher by 4.9% to P10.1 billion from notable improvements in core fee income. Gains from **trading and securities** was recorded at P927.5 million from better market position in **Service charges, fees, and commissions** grew 5.4% to P2.9 billion due to higher transactions-related and investment banking fees. **Trust fee income** was up 5.1% due to P473.8 million with the year-on-year growth in assets under management. The upturn in sales of foreclosed assets resulted in the increases of **gain on sale of investment properties** by 80.0% to P698.8 million and a P58.3 million swing in **gain on asset foreclosure & dacion transactions** by 66.7% to P145.8 million. Higher earnings from the bancassurance joint venture, MCBLife, accounted for the P285.1 million **share in net income of an associate**. **Miscellaneous income** increased 4.1x to P5.2 billion mainly due to one-off gains for the year. On the other hand, **Gain on disposal and redemption of investment securities at amortized cost** dropped to P1.9 million because there were minimal redemptions and no disposals of investment securities at amortized cost during the year. The Bank also recorded a **foreign exchange loss** of (P555.3) million from a gain of P686.9 million in the year prior because of the month-to-month movement in the Peso-Dollar exchange rate.

Operating expenses (excluding provision for impairment and credit losses) increased by 9.0% to P24.4 billion mainly from higher revenue-related costs due to business growth and higher core operating expenses due to inflationary pressures. **Compensation and fringe benefits** were up 8.5% to P8.1 billion due to increase in human resource complement, compliance with government wage orders, and payroll adjustments in related to the newly-minted five-year collective bargaining agreement between management and the CBC Employees' Association. **Taxes and licenses** were up 34.0% to P4.7 billion mainly from higher revenue- and volume-related taxes arising from business growth. **Insurance**, which includes PDIC premium payments, grew 10.8% to P2.3 billion with the annual expansion in deposits. **Professional fees, marketing, and other related services and entertainment, amusement, and recreation** likewise rose by 14.9% to P727.3 million and by 14.3% to P560.2 million, respectively, with the ramp-up in business development and marketing initiatives. **Repairs and maintenance** went up by 6.2% to P184.7 million because of higher repairs and construction-related expenses during the year. **Miscellaneous expenses** amounting to P3.0 billion were down 7.1% year-on-year as the Bank recorded lower costs related to pandemic response and information technology upgrades. Consolidated **cost-to-income ratio** improved to 44% from 46%.

Total Comprehensive Income **For the period ended December 31, 2023, 2022, and 2021**

The Bank recorded **total comprehensive income** of P20.8 billion for 2023, a 6.9% increase from the P19.5 billion recorded last year mainly from increase in net income and movement in fair value of financial assets on FVOCI.

Total comprehensive income for 2022 grew to P19.5 billion from P16.8 billion in 2021, mainly from increases in net income and gain on cash flow hedge.

(b) Key Performance Indicators

Definition of Ratios

Profitability Ratios:

Return on Assets	-	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Assets}}$
Return on Equity	-	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Equity}}$
Net Interest Margin	-	$\frac{\text{Net Interest Income}}{\text{Average Interest Earning Assets}}$
Cost-to-Income Ratio	-	$\frac{\text{Operating Expenses excl Provision for Impairment \& Credit Losses}}{\text{Total Operating Income}}$

Liquidity Ratios:

Liquid Assets to Total Assets	-	$\frac{\text{Total Liquid Assets}}{\text{Total Assets}}$
Loans to Deposit Ratio	-	$\frac{\text{Loans (Net)}}{\text{Deposit Liabilities}}$

Asset Quality Ratios:

Gross Non-Performing Loans (NPL) Ratio	-	$\frac{\text{Gross Non-Performing Loans}}{\text{Gross Loans}}$
Gross NPL Cover	-	$\frac{\text{Total Allowance for Impairment \& Credit Losses on Receivables from Customers plus Retained Earnings Appropriated for Gen. Loan Loss Provision.}}{\text{Gross Non-Performing Loans}}$

Solvency Ratios:

Debt to Equity Ratio	-	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Asset to Equity Ratio	-	$\frac{\text{Total Assets}}{\text{Total Equity}}$
Interest Coverage Ratio -		$\frac{\text{Net Income before Tax and Interest Expense}}{\text{Interest Expense}}$

Capital Adequacy Ratio:

BSP prescribed formula:

CET 1/Tier 1 CAR	-	$\frac{\text{CET 1 / Tier 1 Capital}}{\text{Total Risk Weighted Assets}}$
Total CAR	-	$\frac{\text{Total Qualifying Capital}}{\text{Total Risk Weighted Assets}}$

	2023	2022	2021
PROFITABILITY (in %)			
Return on Assets	1.6	1.6	1.5
Return on Equity	15.5	15.1	13.6
Net Interest Margin	4.24	4.21	4.28
Cost-to-Income Ratio	50	44	46
LIQUIDITY (in %)			
Liquid Assets to Total Assets	45	44	42
Loans to Deposit Ratio	65	66	71
ASSET QUALITY (in %)			
Gross Non-Performing Loans Ratio	2.5	2.3	2.5
Non-performing Loan (NPL) Cover	104	123	116
SOLVENCY RATIOS (in x)			
Debt-to-Equity Ratio	8.8	8.9	8.3
Asset-to-Equity Ratio	9.8	9.9	9.3
Interest Rate Coverage Ratio	2.0	2.9	3.4
CAPITAL ADEQUACY (in %)			
CET 1 / Tier 1	15.25	15.07	14.92
Total CAR	16.14	15.92	15.75

Profitability

For the year ending December 31, 2023

Chinabank posted a 15.1% increase in net income to P22.0 billion in 2023 on the back of higher operating revenues and reduced credit provisions. The income performance translated to a ROE of 15.5% and ROA of 1.6%. Cost-to-income ratio was higher at 50% from 44%, while net interest margin slightly improved to 4.24% from 4.21% last year.

For the year ending December 31, 2022 and December 31, 2021

Chinabank posted a net income of P19.1 billion, up 26.7% year-on-year, resulting in an improved ROE of 15.1% and ROA of 1.6%. Cost-to-income ratio improved to 44% from 46%. Net interest margin remained healthy at 4.21% despite higher cost of funds during the year.

Liquidity

As of December 31, 2023

The Bank's liquidity position was at 45%, slightly higher than last year's 44%.

As of December 31, 2022 and December 31, 2021

The Bank's liquidity position was recorded at 44%, higher than 42% as of end-2021 due to the build-up in liquid assets.

Asset Quality

As of December 31, 2023

Gross non-performing loans (NPL) ratio at 2.5%, better than industry average. Meanwhile, NPL cover remained sufficient and above industry at 104% with Parent bank providing slightly higher buffer at 105%.

As of December 31, 2022 and December 31, 2021

Chinabank recorded a non-performing loan (NPL) ratio of 2.3%, lower than previous year's 2.5% due to gross loans expansion. Consolidated NPL cover remained sufficient at 123%, with the Parent's ratio at 136%.

Solvency Ratios

As of December 31, 2023

Debt-to-equity and asset-to-equity ratios in 2023 was recorded at 8.8 and 9.8, respectively. Interest coverage ratio for the period was lower at 2.0.

As of December 31, 2022 and December 31, 2021

Debt-to-equity and asset-to-equity ratios for the year were recorded at 8.9 and 9.9, respectively. Interest coverage ratio for the period was recorded at 2.9 as against 3.4 for full-year 2021.

Capital Adequacy

As of December 31, 2023

Chinabank's capital base stood at P150.3 billion. CET 1 / Tier 1 CAR and Total CAR ratios were registered at 15.25% and 16.14%, respectively, both well above the minimum regulatory requirements. The Bank's capital is largely comprised of CET 1/ Tier 1 (core) capital.

As of December 31, 2022 and December 31, 2021

Chinabank's CET 1 / Tier 1 Ratio and total CAR ratios were computed at 15.07% and 15.92%, respectively. The Bank's capital is largely comprised of CET 1 / Tier 1 (core) capital.

(a) Past Financial Conditions and Results of Operations

Despite the challenges posed by elevated inflation and higher interest rates, the global economy displayed notable resilience. The US banking sector faced a turbulent start during the first quarter, marked by the failure of several mid-sized banks due to liquidity issues and the resulting credit rating downgrades from Moody's. Fitch Ratings also downgraded the US' long-term foreign currency issuer default rating to AA+ from AAA, citing eroding confidence in the government's fiscal management and potential 'mild' recession at the latter part of 2023.

Nevertheless, the US economy grew by 2.5% in 2023, faster than 2022's 1.9%, underpinned by higher consumer spending, investments and government spending, among others. This economic expansion was achieved albeit the 100 basis points rise in Fed funds rate in 2023 alone to 5.5%, a 22-year high, which was aimed at curbing elevated inflation. From the peak of 7.1% in June 2022, US inflation has moderated to 2.6% as of December 2023.

Similar to the US, the Philippines experienced high inflation rates in 2023 which averaged at 6.0%, surpassing previous year's rate of 5.8% and far above the government's 2% to 4% target. As a response, the BSP Monetary Board implemented an aggregate of 100 basis points increase in policy rates to 6.5% by December 2023.

The growth pace of the domestic economy fell below the 6% to 7% target at 5.6%, significantly slower than last year's 7.6% print. The overall deceleration was due to the slowdown in household, government and investment spending. On the production side, the expansion in the industry and services sectors slowed while agriculture slightly accelerated. Meanwhile, the Philippine peso moderately strengthened against the greenback as it closed the year at P55.37: US\$1.00, stronger than last year's P55.76 closing.

Chinabank's full-year 2023 net income surged to a record-high of P22.0 billion, reflecting an increase of 15.1% year-on-year, which was primarily driven by the sustained strength of its core business. As a result, the Bank's profitability ratios improved, with return on equity of 15.5% and return on assets of 1.6%, still among the highest in the industry.

Net interest income was resilient, posting a growth of 17.4% to P53.5 billion despite the significant increase in interest expense to P25.8 billion. Interest income leaped by 38.7% to P79.4 billion supported by robust increases in loans and investment securities. Net interest margin remained healthy at 4.24%.

Total non-interest income was at P564 million as the improvements in core fees were offset by the foreign exchange losses arising from treasury-related activities as well as one-off gains last year. Operating expenses (excluding provision for impairment and credit losses) increased by 11.0% to P27.0 billion due to higher volume-related taxes and heavier investments in manpower and technology. With the improving economic conditions, provision for impairment and credit losses was reduced to P1.2 billion.

Total assets expanded by 11.2% or P148.3 billion year-on-year to P1.5 trillion as of December 31, 2023. Investment securities portfolio grew by 22.4% to P504.6 billion, mainly from higher holdings of financial assets at fair value through other comprehensive income (FVOCI) and investment securities at amortized cost. Net loans was recorded at P772.0 billion, higher by 10.3% versus the previous year, driven by the sustained growth in both business and consumer segments. Gross non-performing loans (NPL) ratio was better than industry at 2.5% while NPL cover remained sufficient at 104%.

Meanwhile, total deposits increased by 11.3% to P1.2 trillion with the combined demand and savings (CASA) deposits accounting for 48% of total deposits.

Total capital stood at P150.3 billion, up 11.7% year-on-year, with capital ratios well above regulatory minimum: Common Equity Tier 1 (CET 1) at 15.25% and total Capital Adequacy Ratio (CAR) at 16.14%.

(d) Future Prospects

The Philippine economy's growth is seen to accelerate modestly to 5.8% in 2024 vis-à-vis 2023's 5.6% partly due to strong household consumption amid slowing inflation. Inflation may settle at 3.8% on the average, finally within the 2% to 4% target, but may again breach the high-end during the second and third quarter due to higher rice prices. Meanwhile, the Philippine peso is seen to strengthen against the dollar and close the year at P54.00: US\$1.00 as the US Fed contemplates possible rate cuts in the second half of the year. The BSP Monetary Board's easing cycle may start in 4Q 2024, trimming rates by 50 basis points to 6.00%.

For Chinabank, the upcoming year will be dedicated to solidifying our position as one of the country's leading banks and further strengthening core profitability. We will proactively seek to cultivate new relationships while further deepening the understanding of our customers' unique financial needs. To achieve this, the Bank will leverage its extensive physical distribution network, advanced digital banking platforms, a highly-engaged workforce as well as modern data analytics. The Bank will continue to offer more personalized products and services and enhance operational efficiency to ensure the seamless delivery of banking services. Over the medium-term, the Bank will focus on growing customer deposits, loans, and core fee income.

The planned build up in deposits will be backed by both our extensive physical network and digital platforms, with renewed focus on customer acquisition and organic deposit expansion. This approach will be augmented by the launch of new products and deposit promos. In terms of business loans, the Bank will continue to capitalize on its strong corporate and SME pipeline, while implementing and advocating global best practices on environment, social, and governance (ESG) risk management through sustainable finance. Meanwhile, to expand its consumer loan portfolio, the Bank will continue to enhance its credit and operation processes, explore new partnerships and utilize digital platforms to streamline and expedite loan processing. Chinabank will also continue to diversify its revenue streams through more active and targeted cross-sell initiatives across business segments which will be bolstered by the roll-out of alternative platforms and solutions.

As a testament to our unwavering commitment to adapt to the evolving needs of our customers, we will embark on a brand refresh initiative which will enable us to fortify our relationships with our core customers while attracting a larger share of emerging segments. This endeavor will ensure that our brand remains relevant, resonates, and effectively communicates our values and offerings to our target markets.

(b) Material Changes

- 1) Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

There were no events that will trigger direct or contingent financial obligation that is material to the Bank, including any default or acceleration of an obligation.

- 2) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

In the normal course of the Bank's operations, there are various outstanding commitments and contingent liabilities which are not reflected in the accompanying financial statements. Management does not anticipate any material losses as a result of these transactions.

The following is a summary of contingencies and commitments of the Bank with the equivalent peso contractual amounts (in PHP thousands):

	Consolidated		Parent Company	
	2023	2022	2023	2022
Trust department accounts	₱282,061,181	₱222,474,444	₱282,061,181	₱222,474,444
Foreign exchange bought	269,755,228	138,040,375	269,755,228	138,040,375
IRS receivable	99,809,626	90,289,612	99,809,626	90,289,612
Foreign exchange sold	44,274,190	33,914,815	44,274,190	33,914,815
Credit card lines	24,255,716	18,625,491	24,255,716	18,625,491
Unused commercial letters of credit	15,434,894	17,158,800	15,352,213	17,074,520
Committed credit lines	9,597,231	1,906,400	9,597,231	1,906,400
Spot exchange sold	8,544,119	2,792,488	8,544,119	2,792,488
Outstanding guarantees issued	3,639,666	2,971,605	2,032,752	1,539,908
Standby credit commitment	3,334,366	3,550,516	3,334,366	3,550,516
Spot exchange bought	2,619,034	3,407,837	2,619,034	3,407,837
Inward bills for collection	2,496,350	2,697,770	2,496,350	2,697,770
Late deposits/payments received	383,716	309,488	365,285	286,522
Deficiency claims receivable	280,195	280,195	280,195	280,195
Outward bills for collection	29,729	21,378	27,703	19,337
Others	9,180	35,237	8,742	30,498

- 3) Any Material Commitments for Capital Expenditure and Expected Funds

Technology upgrades and construction of new head office building will account for the bulk of the Bank's capital expenditures for 2024. Capital expenditures will be funded from internal sources.

UNDERTAKING

The Bank undertakes to furnish printed copies of its Information Statement (SEC Form 20-IS) and Annual Report (SEC Form 17-A) for the year ended December 31, 2023, without charge, upon the written request of the stockholder entitled to notice and vote at the meeting. Any such written request should be addressed to the Office of the Corporate Secretary of China Banking Corporation, 11th Floor Chinabank Building, 8745 Paseo de Roxas cor. Villar St. Makati City.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of China Banking Corporation (the Bank) is responsible for the preparation and the fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.


In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements, including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Bank in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


Hans T. Sy
Chairman of the Board


Romeo D. Uyan, Jr.
President and Chief Executive Officer


Patrick D. Cheng
Chief Finance Officer

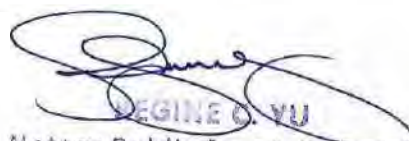
Republic of the Philippines }
City of Makati } S.S.

Signed this MAY 05 2024, 2024, affiants exhibiting to me their Social Security System Nos. as follows:

Name
Hans T. Sy
Romeo D. Uyan, Jr.
Patrick D. Cheng

SSS Nos.

DOC. NO. 172
PAGE NO. 104
BOOK NO. 19
SERIES OF 2024


REGINE O. YU
Notary Public for Makati City
Appt. No. M-289 until 31 December 2024
4/F Philcom Building,
8755 Paseo de Roxas, Makati City
PTR No. 10081554; 01-10-2024; Makati City
IBP Lifetime No. 015425; 01-10-2017; Makati City
MCLE Compliance No. V-10000000; 10.01.2024
Roll of Attorneys; 2023-2024

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

4	4	3							
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COMPANY NAME

C	H	I	N	A		B	A	N	K	I	N	G		C	O	R	P	O	R	A	T	I	O	N		A	N	D	
S	U	B	S	I	D	I	A	R	I	E	S																		

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

8	7	4	5		P	a	s	e	o		d	e		R	o	x	a	s		c	o	r	.		V	i	l	l	a
r		S	t	.	,		M	a	k	a	t	i		C	i	t	y												

Form Type

A	A	F	S
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Department requiring the report

S	E	C	
---	---	---	--

Secondary License Type, If
Applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address

https://www.chinabank.ph

Company's Telephone Number

8885-5555

Mobile Number

N.A.

No. of Stockholders

1,826

Annual Meeting (Month / Day)

04/20

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Patrick D. Cheng

Email Address

pdcheng@chinabank.ph

Telephone Number/s

8885-5022

Mobile Number

CONTACT PERSON'S ADDRESS

8745 Paseo de Roxas cor. Villar St., Makati City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
China Banking Corporation
8745 Paseo de Roxas cor. Villar St.
Makati City

Report on the Consolidated and Parent Company Financial Statements

Opinion

We have audited the consolidated financial statements of China Banking Corporation and its subsidiaries (the Group) and the parent company financial statements of China Banking Corporation (the Parent Company), which comprise the consolidated and parent company balance sheets as at December 31, 2023 and 2022, and the consolidated and parent company statements of income, consolidated and parent company statements of comprehensive income, consolidated and parent company statements of changes in equity and consolidated and parent company statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the consolidated and parent company financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and parent company financial statements present fairly, in all material respects, the financial position of the Group and the Parent Company as at December 31, 2023 and 2022, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2023 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report. We are independent of the Group and the Parent Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated and parent company financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and parent company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and parent company financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and parent company financial statements.

Applicable to the audit of the Consolidated and Parent Company Financial Statements

Adequacy of allowance for credit losses on loans and receivables

The Group's and the Parent Company's application of the expected credit loss (ECL) model in calculating the allowance for credit losses on loans and receivables is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting the Group's and the Parent Company's credit risk exposures; determining the method to estimate ECL; defining default; identifying exposures with significant deterioration in credit quality; determining assumptions to be used in the ECL model such as the counterparty credit risk rating, the expected life of the financial asset, expected recoveries from defaulted accounts; and incorporating forward-looking information, in calculating ECL.

Allowance for credit losses for loans and receivables as of December 31, 2023 for the Group and the Parent Company amounted to ₱17.38 billion and ₱14.33 billion, respectively. Provision for credit losses on loans and receivables of the Group and the Parent Company in 2023 amounted to ₱1.81 billion and ₱0.78 billion, respectively.

Refer to Notes 3 and 16 of the financial statements for the disclosure on the details of the allowance for credit losses using the ECL model.

Audit Response

We obtained an understanding of the board approved methodologies and models used for the Group's and the Parent Company's different credit exposures and assessed whether these considered the requirements of PFRS 9, *Financial Instruments* to reflect an unbiased and probability-weighted outcome, and to consider time value of money and the best available forward-looking information.

We (a) assessed the Group's and the Parent Company's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default and significant increase in credit risk criteria against historical analysis of accounts, credit risk management policies and practices in place; (c) tested the Group's and the Parent Company's application of internal credit risk rating system by reviewing the ratings of sample credit exposures; (d) assessed whether expected life is different from the contractual life by testing the maturity dates reflected in the Group's and the Parent Company's records and considering management's assumptions regarding future collections, advances, extensions, renewals and modifications; (e) tested loss given default by inspecting historical recoveries and related costs, write-offs and collateral valuations, and the effects of any financial support and credit enhancements provided by any party; (f) tested exposure at default considering outstanding commitments and repayment scheme;



(g) evaluated the forward-looking information used for overlay through corroboration of publicly available information and our understanding of the Group's and the Parent Company's lending portfolios and broader industry knowledge; and (h) tested the effective interest rate used in discounting the expected loss.

Further, we compared the data used in the ECL models from source system reports to the data warehouse and from the data warehouse to the loss allowance analysis/models and financial reporting systems. To the extent that the loss allowance analysis is based on credit exposures that have been disaggregated into subsets of debt financial assets with similar risk characteristics, we traced or re-performed the disaggregation from source systems to the loss allowance analysis.

We involved our internal specialist in the performance of the above procedures. We recalculated impairment provisions on a sample basis.

Impairment testing of goodwill and branch licenses with indefinite useful life

Under PFRS, the Group and the Parent Company are required to perform annual impairment test of goodwill and branch licenses with indefinite useful life. As of December 31, 2023, the goodwill recognized in the consolidated and parent company financial statements amounting to P222.84 million is attributed to the Parent Company's Retail Banking Business (RBB) segment, while goodwill of P616.91 million in the consolidated financial statements is attributed to the subsidiary bank, China Bank Savings, Inc. (CBSI). In addition, the respective branches are identified as the cash-generating units (CGUs) for purposes of impairment testing of branch licenses amounting to P3.39 billion and P398.00 million for the Group and Parent Company, respectively. The Group and the Parent Company performed the impairment testing using the CGUs' value-in-use.

Management's assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty due to the current economic conditions, specifically loan and deposit growth rates, discount rate and the long-term growth rate. Hence, the annual impairment test is significant to our audit.

The Group's disclosures about goodwill and branch licenses are included in Notes 3 and 14 to the financial statements.

Audit Response

We evaluated the methodologies used and the management's assumptions by comparing the key assumptions used, such as loan and deposit growth and long-term growth rates against the historical performance of the branches, RBB and CBSI, industry/market outlook and other relevant external data. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive; specifically those that have the most significant effect on the determination of the recoverable amount of goodwill and branch licenses.



Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023, but does not include the consolidated and parent company financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and parent company financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated and parent company financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and parent company financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and parent company financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and parent company financial statements, management is responsible for assessing the Group's and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and Parent Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and parent company financial statements.



As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and parent company financial statements, including the disclosures, and whether the consolidated and parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



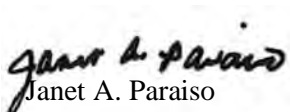
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Supplementary Information Required Under Section 174 of Manual of Regulations for Banks and Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Section 174 of Manual of Regulations for Banks in Note 37 and Revenue Regulations 15-2010 in Note 38 to the financial statements is presented for purposes of filing with the BSP and Bureau of Internal Revenue, respectively, and is not a required part of the basic financial statements. Such information is the responsibility of the management of China Banking Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Janet A. Paraiso.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10079894, January 5, 2024, Makati City

February 26, 2024



CHINA BANKING CORPORATION AND SUBSIDIARIES

BALANCE SHEETS

(Amounts in Thousands)

	Consolidated		Parent Company	
	December 31		2023	2022
	2023	2022	2023	2022
ASSETS				
Cash and Other Cash Items	₱15,998,094	₱13,689,421	₱13,041,135	₱10,073,767
Due from Bangko Sentral ng Pilipinas (Notes 7 and 17)	84,595,973	107,100,295	73,156,991	92,920,540
Due from Other Banks (Note 7)	19,964,415	13,614,609	17,352,830	12,347,169
Interbank Loans Receivable and Securities Purchased under Resale Agreements (Note 8)	34,720,250	43,564,970	31,075,654	41,597,949
Financial Assets at Fair Value through Profit or Loss (Note 9)	13,631,287	4,727,580	12,642,063	3,514,576
Derivative Contracts Designated as Hedges (Note 26)	3,946,553	6,203,379	3,946,553	6,203,379
Financial Assets at Fair Value through Other Comprehensive Income (Note 9)	106,541,487	43,316,757	93,826,436	41,151,125
Investment Securities at Amortized Cost (Note 9)	380,461,421	357,985,926	373,567,542	351,802,877
Loans and Receivables (Notes 10 and 30)	771,991,759	699,594,789	663,182,149	613,197,254
Accrued Interest Receivable (Note 16)	11,464,932	9,781,803	10,382,588	8,730,710
Investment in Subsidiaries (Note 11)	—	—	22,616,966	19,063,796
Investment in Associates (Note 11)	1,389,952	983,243	1,389,952	983,243
Bank Premises, Furniture, Fixtures and Equipment and Right-of-use Assets (Note 12)	10,078,844	9,337,260	8,086,119	7,670,562
Investment Properties (Note 13)	3,936,112	3,914,891	1,737,570	1,487,258
Deferred Tax Assets (Note 28)	6,505,865	4,552,692	4,961,076	3,150,610
Intangible Assets (Note 14 and 16)	3,776,649	3,783,643	726,317	721,314
Goodwill (Note 14)	839,748	839,748	222,841	222,841
Other Assets (Note 15)	8,199,881	6,738,460	4,614,667	3,833,925
	₱1,478,043,222	₱1,329,729,466	₱1,336,529,449	₱1,218,672,895
LIABILITIES AND EQUITY				
Liabilities				
Deposit Liabilities (Notes 17 and 30)				
Demand	₱291,397,398	₱272,109,739	₱266,547,758	₱248,860,724
Savings	283,859,211	301,330,580	263,095,339	279,502,452
Time	611,466,946	492,474,358	520,931,657	431,055,393
	1,186,723,555	1,065,914,677	1,050,574,754	959,418,569
Bonds Payable (Note 18)	19,989,307	28,312,870	19,989,307	28,312,870
Bills Payable (Note 19)	84,798,489	70,375,267	84,798,489	70,375,267
Manager's Checks	2,109,463	1,550,669	1,419,764	1,296,109
Income Tax Payable	133,659	311,915	48,083	293,422
Accrued Interest and Other Expenses (Note 20)	8,589,210	6,115,889	7,499,427	5,399,625
Derivative Liabilities (Note 26)	938,722	1,549,561	938,722	1,549,561
Derivative Contracts Designated as Hedges (Note 26)	8,049,417	4,156,612	8,049,417	4,156,612
Deferred Tax Liabilities (Note 28)	792,114	794,432	—	—
Other Liabilities (Note 21)	15,620,885	16,068,964	12,989,337	13,360,788
	1,327,744,821	1,195,150,856	1,186,307,300	1,084,162,823
Equity				
Equity Attributable to Equity Holders of the Parent Company				
Capital stock (Note 24)	26,913,403	26,912,882	26,913,403	26,912,882
Capital paid in excess of par value (Note 24)	17,201,513	17,200,758	17,201,513	17,200,758
Surplus reserves (Notes 24 and 29)	5,003,653	4,923,115	5,003,653	4,923,115
Surplus (Notes 24 and 29)	100,900,465	84,083,661	100,900,465	84,083,661
Net unrealized loss on financial assets at fair value through other comprehensive income (Note 9)	(1,413,868)	(4,293,952)	(1,413,868)	(4,293,952)
Remeasurement gain on defined benefit asset (Note 25)	88,215	77,760	88,215	77,760
Cumulative translation adjustment	190,471	27,469	190,471	27,469
Remeasurement gain on life insurance reserves	92,103	96,387	92,103	96,387
Hedge-related reserve (Note 26)	1,246,194	5,481,992	1,246,194	5,481,992
	150,222,149	134,510,072	150,222,149	134,510,072
Non-controlling Interest (Note 11)	76,252	68,538	—	—
	150,298,401	134,578,610	150,222,149	134,510,072
	₱1,478,043,222	₱1,329,729,466	₱1,336,529,449	₱1,218,672,895

See accompanying Notes to Financial Statements.



CHINA BANKING CORPORATION AND SUBSIDIARIES

STATEMENTS OF INCOME

(Amounts in Thousands, Except Earnings Per Share)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	2023	2022	2021
INTEREST INCOME						
Loans and receivables (Notes 10 and 30)	₱51,690,659	₱39,553,071	₱34,700,337	₱41,485,837	₱32,002,643	₱28,948,921
Investment securities at amortized cost and at fair value through other comprehensive income (Note 9)	23,236,340	15,060,053	9,193,747	22,730,827	14,776,396	8,934,652
Due from Bangko Sentral ng Pilipinas and other banks, interbank loans receivable, and securities purchased under resale agreements (Notes 7 and 8)	3,700,672	2,139,618	1,863,599	2,534,718	1,694,026	1,525,166
Financial assets at fair value through profit or loss	740,362	458,670	738,643	738,999	458,670	738,643
	79,368,033	57,211,412	46,496,326	67,490,381	48,931,735	40,147,382
INTEREST EXPENSE						
Deposit liabilities (Notes 17 and 30)	21,740,569	8,824,483	5,111,577	17,151,871	7,342,011	4,272,332
Bonds payable, bills payable and other borrowings (Notes 18 and 19)	3,852,869	2,615,608	2,104,471	3,852,827	2,615,607	2,104,470
Lease payable (Note 27)	246,790	181,789	195,310	193,355	141,000	152,194
	25,840,228	11,621,880	7,411,358	21,198,053	10,098,618	6,528,996
NET INTEREST INCOME	53,527,805	45,589,532	39,084,968	46,292,328	38,833,117	33,618,386
Trading and securities gain (loss) - net (Notes 9 and 22)	1,129,032	927,538	(64,005)	1,038,063	913,709	(110,743)
Service charges, fees and commissions (Note 22)	3,300,169	2,863,078	2,715,372	1,921,936	1,698,390	1,438,614
Gain on disposal and redemption of investment securities at amortized cost (Note 9)	78	1,923	4,063,927	78	1,923	4,063,927
Trust fee income (Note 29)	585,915	473,828	450,965	585,915	473,828	450,965
Foreign exchange gain (loss) - net (Note 26)	(7,354,800)	(555,316)	686,861	(7,362,476)	(568,087)	678,431
Gain on sale of investment properties	602,836	698,802	388,295	212,126	250,612	238,891
Share in net income (loss) of an associate (Note 11)	435,075	285,059	(1,609)	435,075	285,059	(1,609)
Gain on asset foreclosure and dacion transactions (Note 13)	419,748	145,801	87,485	373,936	181,624	31,552
Share in net income of subsidiaries (Note 11)	—	—	—	2,541,697	2,044,686	1,422,503
Miscellaneous (Notes 22 and 30)	1,445,597	5,222,179	1,262,841	1,176,462	4,998,275	1,118,731
TOTAL OPERATING INCOME	54,091,455	55,652,424	48,675,100	47,215,140	49,113,136	42,949,648
Provision for impairment and credit losses (Note 16)	1,246,003	9,012,633	8,876,744	208,011	7,427,202	7,679,877
Compensation and fringe benefits (Notes 25 and 30)	8,969,408	8,145,029	7,505,384	7,033,384	6,432,409	5,899,761
Taxes and licenses	5,628,497	4,729,828	3,529,491	4,405,025	3,954,612	2,901,338
Insurance	2,744,739	2,284,645	2,061,059	2,391,242	2,015,047	1,805,915
Depreciation and amortization (Notes 12, 13 and 14)	2,006,146	1,737,144	1,787,166	1,527,440	1,317,159	1,364,324
Occupancy cost (Notes 27 and 30)	2,230,649	2,163,226	2,090,909	1,696,216	1,611,922	1,657,902
Professional fees, marketing and other related services	848,561	727,288	632,857	704,971	579,516	559,649
Transportation and traveling	699,430	576,755	594,063	524,270	429,856	479,985
Entertainment, amusement and recreation	519,953	560,206	490,278	411,443	456,625	381,601
Stationery, supplies and postage	237,994	225,425	218,238	166,250	160,711	149,719
Repairs and maintenance	228,331	184,686	173,825	180,287	154,317	140,177
Miscellaneous (Notes 22 and 30)	2,923,617	3,020,097	3,251,863	2,657,273	2,604,268	2,773,517
TOTAL OPERATING EXPENSES	28,283,328	33,366,962	31,211,877	21,905,812	27,143,644	25,793,765
INCOME BEFORE INCOME TAX	25,808,127	22,285,462	17,463,223	25,309,328	21,969,492	17,155,883
PROVISION FOR INCOME TAX						
(Note 28)	3,789,903	3,149,662	2,357,000	3,298,538	2,861,988	2,067,551
NET INCOME	₱22,018,224	₱19,135,800	₱15,106,223	₱22,010,790	₱19,107,504	₱15,088,332
Attributable to:						
Equity holders of the Parent Company (Note 33)	₱22,010,790	₱19,107,504	₱15,088,332			
Non-controlling interest	7,434	28,296	17,891			
	₱22,018,224	₱19,135,800	₱15,106,223			
Basic/Diluted Earnings Per Share (Note 33)	₱8.18	₱7.10	₱5.61			

See accompanying Notes to Financial Statements.



CHINA BANKING CORPORATION AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	2023	2022	2021
NET INCOME	¥22,018,224	¥19,135,800	¥15,106,223	¥22,010,790	¥19,107,504	¥15,088,332
OTHER COMPREHENSIVE INCOME (LOSS)						
Items that recycle to profit or loss in subsequent periods:						
Changes in fair value of debt financial assets at fair value through other comprehensive income (FVOCI):						
Fair value gain (loss) for the year, net of tax	2,068,782	(4,129,185)	(60,479)	2,102,503	(4,020,071)	(27,185)
Gain taken to profit or loss (Note 22)	(326,063)	(3,465)	(60,316)	(326,063)	(3,465)	(40,937)
Changes in cumulative translation adjustment						
Translation gain (loss) for the year	68,446	(140,939)	101,374	(12,931)	(176,458)	89,570
Loss (gain) taken to profit or loss	94,425	151,412	(89,104)	94,425	151,412	(89,104)
Changes in hedge-related reserves						
Fair value gain (loss) for the year, net of tax	(9,236,057)	4,258,550	1,271,502	(9,236,057)	4,258,550	1,271,502
Loss (gain) taken to profit or loss (Note 26)	5,000,259	246,607	226,541	5,000,259	246,607	226,541
Share in changes in fair value of financial assets at FVOCI of an associate (Note 11)	140,244	(213,444)	(103,148)	140,244	(213,444)	(103,148)
Share in changes in other comprehensive income (loss) of subsidiaries (Note 11):						
Net unrealized loss on debt financial assets at FVOCI	—	—	—	(34,263)	(107,021)	(52,037)
Cumulative translation adjustment	—	—	—	81,508	34,911	11,603
Items that do not recycle to profit or loss in subsequent periods:						
Changes in fair value of equity financial assets at FVOCI:						
Fair value gain (loss) for the year, net of tax	997,698	(31,217)	10,392	907,229	(16,777)	10,965
Remeasurement gain on defined benefit asset, net of tax (Note 25)	14,615	103,494	400,652	66,050	114,308	343,496
Share in changes in other comprehensive income (loss) of subsidiaries (Note 11):						
Net unrealized gain (loss) on equity financial assets at FVOCI	—	—	—	90,434	(14,374)	(573)
Remeasurement gain (loss) on defined benefit plan	—	—	—	(51,269)	(10,751)	56,256
Share in changes in other comprehensive income of an associate (Note 11)						
Remeasurement gain (loss) on life insurance reserves	(4,284)	110,416	31,874	(4,284)	110,416	31,874
Remeasurement gain (loss) on defined benefit plan	(4,326)	4,693	(3,245)	(4,326)	4,693	(3,245)
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX	(1,186,261)	356,922	1,726,043	(1,186,541)	358,536	1,725,578
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	¥20,831,963	¥19,492,722	¥16,832,266	¥20,824,249	¥19,466,040	¥16,813,910
Total comprehensive income attributable to:						
Equity holders of the Parent Company	¥20,824,249	¥19,466,040	¥16,813,910			
Non-controlling interest	7,714	26,682	18,356			
	¥20,831,963	¥19,492,722	¥16,832,266			

See accompanying Notes to Financial Statements.



CHINA BANKING CORPORATION AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)

Consolidated													
Equity Attributable to Equity Holders of the Parent Company													
					Net Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income (Note 9)	Remeasurement Gain (Loss) on Defined Benefit Asset or Liability (Note 25)	Cumulative Translation Adjustment	Remeasurement Gain (Loss) on Life Insurance Reserves	Cash Flow Hedge Reserve	Total Equity	Non- Controlling Interest (Note 11)	Total Equity	
	Capital Stock (Note 24)	Capital Paid in Excess of Par Value (Note 24)	Other Equity - Stock Grants (Note 24)	Surplus Reserves (Notes 24 and 29)	Surplus (Notes 24 and 29)								
Balance at January 1, 2023	P26,912,882	P17,200,758	P-	P4,923,115	P84,083,661	(P4,293,952)	P77,760	P27,469	P96,387	P5,481,992	P134,510,072	P68,538	P134,578,610
Total comprehensive income (loss) for the year	-	-	-	-	22,010,790	2,880,084	10,455	163,002	(4,284)	(4,235,798)	20,824,249	7,714	20,831,963
Stock grants	521	755	-	-	-	-	-	-	-	-	1,276	-	1,276
Transfer from surplus to surplus reserves (Note 24)	-	-	-	58,592	(58,592)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	21,946	(21,946)	-	-	-	-	-	-	-	-
Cash dividends - P1.90 per share	-	-	-	-	(5,113,448)	-	-	-	-	-	(5,113,448)	-	(5,113,448)
Balance at December 31, 2023	P26,913,403	P17,201,513	P-	P5,003,653	P100,900,465	(P1,413,868)	P88,215	P190,471	P92,103	P1,246,194	P150,222,149	P76,252	P150,298,401
Balance at January 1, 2022	P26,912,882	P17,200,758	P-	P4,183,413	P69,752,791	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964	P41,856	P119,122,820
Total comprehensive income (loss) for the year	-	-	-	-	19,107,504	(4,375,152)	108,249	9,865	110,416	4,505,158	19,466,040	26,682	19,492,722
Transfer from surplus to surplus reserves (Note 24)	-	-	-	47,383	(47,383)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	692,319	(692,319)	-	-	-	-	-	-	-	-
Cash dividends - P1.50 per share	-	-	-	-	(4,036,932)	-	-	-	-	-	(4,036,932)	-	(4,036,932)
Balance at December 31, 2022	P26,912,882	P17,200,758	P-	P4,923,115	P84,083,661	(P4,293,952)	P77,760	P27,469	P96,387	P5,481,992	P134,510,072	P68,538	P134,578,610
Balance at January 1, 2021	P26,858,998	P17,122,626	P140,924	P3,194,716	P58,339,056	P294,115	(P426,996)	P5,535	(P45,903)	(P521,209)	P104,961,862	P23,500	P104,985,362
Total comprehensive income (loss) for the year	-	-	-	-	15,088,332	(212,915)	396,507	12,069	31,874	1,498,043	16,813,910	18,356	16,832,266
Stock grants	53,884	78,132	(140,924)	-	-	-	-	-	-	-	(8,908)	-	(8,908)
Transfer from surplus to surplus reserves (Note 24)	-	-	-	45,096	(45,096)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	943,601	(943,601)	-	-	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	(2,685,900)	-	(2,685,900)
Balance at December 31, 2021	P26,912,882	P17,200,758	P-	P4,183,413	P69,752,791	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964	P41,856	P119,122,820

See accompanying Notes to Financial Statements.



	Parent Company										
	Capital Stock (Note 24)	Capital Paid in Excess of Par Value (Note 24)	Other Equity - Stock Grants (Note 24)	Surplus Reserves (Notes 24 and 29)	Surplus (Notes 24 and 29)	Net Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income (Note 9)	Remeasurement Gain (Loss) on Defined Benefit Asset or Liability (Note 25)	Cumulative Translation Adjustment	Remeasurement Gain (Loss) on Life Insurance Reserves	Hedge-related Reserve	Total Equity
Balance at January 1, 2023	P26,912,882	P17,200,758	P-	P4,923,115	P84,083,661	(P4,293,952)	P77,760	P27,469	P96,387	P5,481,992	P134,510,072
Total comprehensive income (loss) for the year	-	-	-	-	22,010,790	2,880,084	10,455	163,002	(4,284)	(4,235,798)	20,824,249
Stock grants	521	755	-	-	-	-	-	-	-	-	1,276
Transfer from surplus to surplus reserves (Note 24)	-	-	-	58,592	(58,592)	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	21,946	(21,946)	-	-	-	-	-	-
Cash dividends - P1.90 per share	-	-	-	-	(5,113,448)	-	-	-	-	-	(5,113,448)
Balance at December 31, 2023	P26,913,403	P17,201,513	P-	P5,003,653	P100,900,465	(P1,413,868)	P88,215	P190,471	P92,103	P1,246,194	P150,222,149
Balance at January 1, 2022	P26,912,882	P17,200,758	P-	P4,183,413	P69,752,791	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964
Total comprehensive income (loss) for the year	-	-	-	-	19,107,504	(4,375,152)	108,249	9,865	110,416	4,505,158	19,466,040
Transfer from surplus to surplus reserves (Note 24)	-	-	-	47,383	(47,383)	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	692,319	(692,319)	-	-	-	-	-	-
Cash dividends - P1.50 per share	-	-	-	-	(4,036,932)	-	-	-	-	-	(4,036,932)
Balance at December 31, 2022	P26,912,882	P17,200,758	P-	P4,923,115	P84,083,661	(P4,293,952)	P77,760	P27,469	P96,387	P5,481,992	P134,510,072
Balance at January 1, 2021	P26,858,998	P17,122,626	P140,924	P3,194,716	P58,339,056	P294,115	(P426,996)	P5,535	(P45,903)	(P521,209)	P104,961,862
Total comprehensive income (loss) for the year	-	-	-	-	15,088,332	(212,915)	396,507	12,069	31,874	1,498,043	16,813,910
Stock grants	53,884	78,132	(140,924)	-	-	-	-	-	-	-	(8,908)
Transfer from surplus to surplus reserves (Note 24)	-	-	-	45,096	(45,096)	-	-	-	-	-	-
Appropriation of retained earnings (Notes 16 and 24)	-	-	-	943,601	(943,601)	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	(2,685,900)
Balance at December 31, 2021	P26,912,882	P17,200,758	P-	P4,183,413	P69,752,791	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964

See accompanying Notes to Financial Statements.



CHINA BANKING CORPORATION AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES						
Income before income tax	¥25,808,127	¥22,285,462	¥17,463,223	¥25,309,328	¥21,969,492	¥17,155,883
Adjustments for:						
Depreciation and amortization (Notes 12, 13 and 14)	2,006,146	1,737,144	1,787,166	1,527,440	1,317,159	1,364,324
Provision for impairment and credit losses (Note 16)	1,246,003	9,012,633	8,876,744	208,011	7,427,202	7,679,877
Amortization of transaction costs and other non-cash movements on bonds payable (Note 18)	39,687	126,063	83,022	39,687	126,063	83,022
Securities gain on financial assets at fair value through other comprehensive income and investment securities at amortized cost (Note 22)	(326,141)	(5,388)	(4,124,243)	(326,141)	(5,388)	(4,104,864)
Gain on sale of investment properties	(602,836)	(698,802)	(388,295)	(212,126)	(250,612)	(238,891)
Gain on asset foreclosure and dacion transactions (Note 13)	(419,748)	(145,801)	(87,485)	(373,936)	(181,624)	(31,552)
Share in net loss (income) of an associate (Notes 2 and 11)	(435,075)	(285,059)	1,609	(435,075)	(285,059)	1,609
Share in net income of subsidiaries (Notes 2 and 11)	—	—	—	(2,541,697)	(2,044,686)	(1,422,503)
Changes in operating assets and liabilities:						
Decrease (increase) in the amounts of:						
Financial assets at fair value through profit or loss	(8,903,707)	(2,582,059)	5,620,336	(9,127,487)	(3,120,918)	6,183,974
Loans and receivables	(74,905,013)	(102,457,363)	(60,053,495)	(50,916,599)	(79,216,499)	(59,354,783)
Other assets	231,340	9,378,000	2,730,389	783,343	8,866,423	2,094,083
Increase (decrease) in the amounts of:						
Deposit liabilities	120,808,878	203,054,780	27,629,067	91,156,185	177,199,669	31,245,992
Manager's checks	558,794	(303,937)	286,374	123,655	(170,250)	400,261
Accrued interest and other expenses	2,473,321	1,370,028	839,772	2,099,802	1,074,199	745,807
Other liabilities and derivative liabilities	(3,864,451)	6,843,231	767,884	(3,282,393)	7,274,719	443,185
Net cash generated from operations	63,715,325	147,328,932	1,432,068	54,031,997	139,979,890	2,245,424
Income taxes paid	(5,276,289)	(3,587,642)	(1,764,692)	(4,723,460)	(3,101,705)	(1,422,931)
Net cash provided by (used in) operating activities	58,439,036	143,741,290	(332,624)	49,308,537	136,878,185	822,493
CASH FLOWS FROM INVESTING ACTIVITIES						
Acquisitions of/Additions to:						
Bank premises, furniture, fixtures and equipment and capitalized software (Note 12)	(1,565,674)	(2,064,403)	(632,109)	(1,144,703)	(1,612,437)	(428,494)
Investment securities at amortized cost	(85,060,985)	(185,997,437)	(259,499,749)	(83,791,451)	(182,910,629)	(258,538,503)
Financial assets at fair value through other comprehensive income	(65,309,075)	(21,195,283)	(60,990,126)	(54,353,741)	(20,927,405)	(59,739,708)
Proceeds from sale or redemption of:						
Investment securities at amortized cost	1,650,091	78,823	59,838,517	1,650,091	78,823	59,838,517
Financial assets at fair value through other comprehensive income	5,138,625	2,392,523	52,512,838	4,676,504	2,248,704	51,545,295
Investment properties	1,581,052	1,297,207	907,423	428,651	378,025	327,875
Bank premises, furniture, fixtures and equipment	537,764	144,493	489,036	277,589	5,174	345,866
Proceeds from maturity of:						
Investment securities at amortized cost	60,930,351	73,072,428	162,908,132	60,371,692	70,478,028	162,708,584
Cash dividends received from subsidiaries and associate (Note 11)	160,000	—	40,000	235,000	75,000	40,000
Capital infusion in a subsidiary	—	—	—	(1,000,000)	—	—
Net cash used in investing activities	(81,937,851)	(132,271,649)	(44,426,038)	(72,650,368)	(132,186,717)	(43,900,568)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from bills payable	563,532,304	402,436,767	193,908,669	563,532,304	402,436,767	193,908,669
Settlement of bills payable	(548,623,126)	(403,994,487)	(152,843,847)	(548,623,126)	(403,994,487)	(152,843,847)
Proceeds from issuance of bonds payable (Note 18)	—	—	19,878,458	—	—	19,878,458
Payments of cash dividends (Note 24)	(5,113,448)	(4,036,932)	(2,685,900)	(5,113,448)	(4,036,932)	(2,685,900)

(Forward)



	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	2023	2022	2021
Settlement of bonds payable (Note 18)	(P8,322,167)	(P15,000,000)	(P30,000,000)	(P8,322,167)	(P15,000,000)	(P30,000,000)
Payments of principal portion of lease liabilities (Note 27)	(665,311)	(467,208)	(597,435)	(444,547)	(263,672)	(410,396)
Net cash provided by (used in) financing activities	808,252	(21,061,860)	27,659,945	1,029,016	(20,858,324)	27,846,984
NET DECREASE IN CASH AND CASH EQUIVALENTS	(22,690,563)	(9,592,219)	(17,098,717)	(22,312,815)	(16,166,856)	(15,231,091)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR						
Cash and other cash items	13,689,421	16,024,863	15,984,210	10,073,767	13,649,247	13,724,265
Due from Bangko Sentral ng Pilipinas (Note 7)	107,100,295	124,283,115	152,156,449	92,920,540	114,528,773	141,811,190
Due from other banks (Note 7)	13,614,609	10,694,312	18,228,721	12,347,169	9,897,264	17,197,750
Interbank Loans Receivable and SPURA (Note 8)	43,564,970	36,559,224	18,290,851	41,597,949	35,030,997	15,604,167
	177,969,295	187,561,514	204,660,231	156,939,425	173,106,281	188,337,372
CASH AND CASH EQUIVALENTS AT END OF YEAR						
Cash and other cash items	15,998,094	13,689,421	16,024,863	13,041,135	10,073,767	13,649,247
Due from Bangko Sentral ng Pilipinas (Note 7)	84,595,973	107,100,295	124,283,115	73,156,991	92,920,540	114,528,773
Due from other banks (Note 7)	19,964,415	13,614,609	10,694,312	17,352,830	12,347,169	9,897,264
Interbank Loans Receivable and SPURA (Note 8)	34,720,250	43,564,970	36,559,224	31,075,654	41,597,949	35,030,997
	P155,278,732	P177,969,295	P187,561,514	P134,626,610	P156,939,425	P173,106,281

OPERATING CASH FLOWS FROM INTEREST

	Consolidated			Parent Company		
	For Years Ended December 31					
	2023	2022	2021	2023	2022	2021
Interest received	P77,684,904	P55,046,301	P46,638,694	P65,838,503	P46,629,590	P40,552,433
Interest paid	23,792,369	10,491,895	P7,384,207	19,502,833	9,166,498	6,480,050

See accompanying Notes to Financial Statements.



CHINA BANKING CORPORATION AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

China Banking Corporation (the Parent Company) is a publicly listed universal bank incorporated in the Philippines. The Parent Company acquired its universal banking license in 1991. It provides expanded commercial banking products and services such as deposit products, loans and trade finance, domestic and foreign fund transfers, treasury products, trust products, foreign exchange, corporate finance and other investment banking services through a network of 480 and 479 local branches as of December 31, 2023 and 2022, respectively.

The Parent Company acquired its original Certification of Incorporation issued by the Securities and Exchange Commission (SEC) on July 20, 1920. By virtue of Section 11 of Republic Act No. 11232 also known as the “Revised Corporation Code of the Philippines,” which took effect on February 23, 2019, the Parent Company has a perpetual existence.

The Parent Company has the following subsidiaries:

Subsidiary	Effective Percentages of Ownership		Country of Incorporation and Place of Business	Principal Activities
	2023	2022		
Chinabank Insurance Brokers, Inc. (CIBI)	100.00%	100.00%	Philippines	Insurance brokerage
CBC Properties and Computer Center, Inc. (CBC-PCCI)	100.00%	100.00%	Philippines	Computer services
China Bank Savings, Inc. (CBSI)	99.64%	99.60%	Philippines	Retail and consumer banking
China Bank Capital Corporation (CBCC)	100.00%	100.00%	Philippines	Investment house
CBC Assets One (SPC) Inc.	100.00%	100.00%	Philippines	Special purpose corporation
China Bank Securities Corporation (CBCSec)	100.00%	100.00%	Philippines	Stock brokerage
Resurgent Capital (FIST-AMC) Inc, *	100.00%	100.00%	Philippines	FIST Corporation

The Parent Company has no ultimate parent company. SM Investments Corporation, its significant investor, has effective ownership in the Parent Company of 22.51% as of December 31, 2023 and 2022.

The Parent Company’s principal place of business is at 8745 Paseo de Roxas cor. Villar St., Makati City.



2. Summary of Material Accounting Policy Information

The material accounting policy information that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

The accompanying consolidated financial statements include the financial statements of the Parent Company and its subsidiaries (collectively referred to as “the Group”).

The accompanying financial statements have been prepared on a historical cost basis except for financial instruments at fair value through profit or loss (FVTPL), derivative contracts designated as hedges and financial assets at fair value through other comprehensive income (FVOCI). The financial statements are presented in Philippine Peso, and all values are rounded to the nearest thousand except when otherwise indicated.

The financial statements of the Parent Company reflect the accounts maintained in the Regular Banking Unit (RBU) and Foreign Currency Deposit Unit (FCDU). The financial statements of these units are combined after eliminating inter-unit accounts.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the Parent Company and each of the subsidiaries is the Philippine Peso, except for the FCDU of the Parent Company and CBSI whose functional currency is USD.

Statement of Compliance

The financial statements of the Group and the Parent Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS).

Presentation of Financial Statements

The balance sheets of the Group and of the Parent Company are presented in order of liquidity. An analysis regarding recovery of assets or settlement of liabilities within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 23.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheets only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group and the Parent Company assess that they have currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group, the Parent Company and all of the counterparties.

Income and expenses are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group and the Parent Company.



Basis of Consolidation and Investments in Subsidiaries

The consolidated financial statements of the Group are prepared for the same reporting year as the Parent Company, using consistent accounting policies. All significant intra-group balances, transactions and income and expenses resulting from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date on which control is obtained by the Parent Company.

The Group controls an investee if and only if the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns.

Non-Controlling Interest

Non-controlling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Parent Company.

Non-controlling interest is presented separately in the consolidated statement of income, consolidated statement of comprehensive income, and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Any losses applicable to the non-controlling interest are allocated against the interests of the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to PFRS which became effective as of January 1, 2023. Except as otherwise indicated, these changes in the accounting policies did not have any significant impact on the financial position or performance of the Group:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments, Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to the Practice Statement provide non-mandatory guidance. Early application is permitted as long as this fact is disclosed. The application of these amendments is reflected in the Group's financial statements under Note 2.



- Amendments to PAS 8, *Definition of Accounting Estimates*

The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as ‘Pillar Two legislation’ and ‘Pillar Two income taxes’, respectively.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023.

Material Accounting Policy Information

Foreign Currency Translation

The consolidated financial statements are presented in Philippine Peso.

Transactions and balances

The books of accounts of the RBU are maintained in Philippine Peso, the RBU’s functional currency, while those of the FCDU are maintained in United States (US) dollars (USD), the FCDU’s functional currency.



RBU

For financial reporting purposes, the foreign currency-denominated monetary assets and liabilities in the RBU are translated in Philippine Peso based on the Bankers Association of the Philippines (BAP) closing rate at end of the year, and foreign currency-denominated income and expenses, at the exchange rates on transaction dates. Foreign exchange differences arising from restatements of foreign currency-denominated assets and liabilities are credited to or charged against operations in the period in which the rates change. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

FCDU

As at the reporting date, the assets and liabilities of the FCDU are translated into the Parent Company's presentation currency (the Philippine Peso) at the BAP closing rate at the reporting date, and its income and expenses are translated at the BAP weighted average rate for the year. Exchange differences arising on translation are taken directly to the statement of comprehensive income under 'Cumulative translation adjustment'. Upon actual remittance or transfer of the FCDU income to RBU, the related exchange difference arising from translation lodged under 'Cumulative translation adjustment' is recognized in the statement of income of the RBU books.

Fair Value Measurement

The Group measures financial instruments, such as financial instruments at FVTPL, derivative contracts designated as hedges, and financial assets at FVOCI at fair value at each reporting date. Also, fair values of financial instruments measured at amortized cost are disclosed in Note 5.

The methods and assumptions used by the Group and Parent Company in estimating fair values are disclosed in Note 5.

SPURA

Securities purchased under agreements to resell at a specified future date ('reverse repos') are not recognized in the balance sheet. An asset corresponding to the cash paid, including accrued interest, is recognized in the balance sheet as SPURA. The difference between the purchase price and the resale price is treated as interest income and is accrued over the life of the agreement using the EIR method.

Financial Instruments - Initial Recognition

Date of recognition

Purchases or sales of financial assets, except for derivative instruments, that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date. Settlement date accounting refers to (a) the recognition of an asset on the day it is received by the Group, and (b) the derecognition of an asset and recognition of any gain or loss on disposal on the day that such asset is delivered by the Group. Any change in fair value of a financial asset is recognized in the statement of income for assets classified as financial assets at FVTPL, and in equity for assets classified as financial assets at FVOCI. Derivatives are recognized on a trade date basis. Deposits, amounts due from banks, and loans and receivables are recognized when cash is received by the Group or advanced to the borrowers.



Initial recognition of financial instruments

All financial instruments are initially recognized at fair value. Except for financial assets and financial liabilities at FVTPL, the initial measurement of financial instruments includes transaction costs.

Classification and Measurement

Under PFRS 9, the classification and measurement of financial assets is driven by the contractual cash flow characteristics of the financial assets and the entity's business model for managing the financial assets.

As part of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the 'solely payments of principal and interest' (SPPI) test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (e.g., if there are repayments of principal or amortization of the premium or discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgment and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- the expected frequency, value, and timing of sales are also important aspects of the Group's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward; unless a change in business model has taken place, in which case, reclassification is necessary.



The Group's measurement categories are described below:

Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Group's business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI on the principal amount outstanding.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest method less any impairment in value. The amortization is included in 'Interest income' in the statement of income. The expected credit losses (ECL) are recognized in the statement of income under 'Provision for impairment and credit losses'. The effects of revaluation of foreign currency-denominated investments are recognized in the statement of income. Gains or losses arising from disposals and redemptions of these instruments are included in 'Gains (losses) on disposal and redemption of investment securities at amortized cost' in the statement of income.

The Group may irrevocably elect at initial recognition to classify a financial asset that meets the amortized cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortized cost.

The Group's financial assets at amortized cost are presented in the balance sheet as Due from BSP, Due from other banks, Interbank loans receivable and SPURA, Investment securities at amortized cost, Loans and receivables, Accrued interest receivables, and certain financial assets under Other assets.

Financial Assets at FVTPL

Debt instruments that neither meet the amortized cost nor the FVOCI criteria, or that meet the criteria but the Group has chosen to designate as at FVTPL at initial recognition, are classified as financial assets at FVTPL. Equity investments are classified as financial assets at FVTPL, unless the Group irrevocably designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Group's financial assets at FVTPL include government securities, corporate bonds, derivatives, and equity securities which are held for trading purposes.

A financial asset is considered as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or financial guarantee.

Gains and losses arising from changes in the fair value (mark-to-market) of the financial assets at FVTPL are included in 'Trading and securities gain (loss) - net' account in the statement of income.

Interest recognized based on the contractual interest rate of these investments is reported in the statement of income under 'Interest income' account while dividend income is reported in the statement of income under 'Miscellaneous income' account when the right of payment has been established.



Derivative instruments

The Parent Company is a party to derivative instruments, particularly, forward exchange contracts, interest rate swaps (IRS), cross currency swaps (CCS), futures, and warrants. These contracts are entered into as a service to customers, as a means of reducing and managing the Parent Company's foreign exchange risk and interest rate risk, as well as for trading purposes. Such derivative financial instruments, which are not designated as accounting hedges, are carried at fair value through profit or loss.

Any gains or losses arising from changes in fair value of derivative instruments that are not designated as accounting hedges are taken directly to the statement of income under 'Foreign exchange gain (loss) - net' for forward exchange contracts and 'Trading and securities gain (loss) - net' for IRS, CCS, futures and warrants.

Financial Assets at FVOCI - Equity Investments

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI. However, such designation is not permitted if the equity investment is held by the Group for trading. The Group has designated certain equity instruments as at FVOCI.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in 'Net unrealized gain (loss) on financial assets at FVOCI' in the balance sheet. When the asset is disposed of, the cumulative gain or loss previously recognized in the 'Net unrealized gain (loss) on financial assets at FVOCI' account is not reclassified to profit or loss, but is reclassified directly to Surplus account. Any dividends earned on holding these equity instruments are recognized in profit or loss under 'Miscellaneous income' account.

Financial Assets at FVOCI - Debt Investments

The Group applies the category of debt instruments measured at FVOCI when both of the following conditions are met:

- the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value being recognized in OCI. Interest income and foreign exchange gains and losses are recognized in profit or loss. Provision for credit and impairment losses is recognized in profit or loss with the corresponding allowance for ECL recognized in OCI and accumulated in 'Net unrealized gain (loss) on financial assets at FVOCI' in the balance sheets.

On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to profit or loss.



Reclassification

The Group can only reclassify financial assets if the objective of its business model for managing those financial assets changes. A change in business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. A change in the objective of the Group's business model will be effected only at the beginning of the next reporting period following the change in the business model.

Impairment of Financial assets

ECL represents credit losses that reflect an unbiased and probability-weighted measure of expected cash shortfalls, discounted at the EIR, which is determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions. The credit risk and impairment assessment policy of the Group and Parent Company are disclosed in Note 6.

Hedge Accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when the risk being hedged is the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment;
- Cash flow hedges when the risk being hedged is the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment; and
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Parent Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Parent Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

The Parent Company applies the IBOR reform Phase 1 reliefs to hedging relationships directly affected by IBOR reform during the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate (RFR). A hedging relationship is affected if IBOR reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. IBOR reform Phase 1 also requires that for hedging relationships affected by IBOR reform, the Parent Company must assume that, for the purpose of assessing expected future hedge effectiveness, the interest rate is not altered as a result of IBOR reform. Further, the Parent Company is not required to discontinue the hedging relationship. The hedge ineffectiveness must be recognized in profit or loss, as normal.

The reliefs cease to apply once certain conditions are met. These include when the uncertainty arising from IBOR reform is no longer present with respect to the timing and amount of the benchmark-based cash flows of the hedged item, if the hedging relationship is discontinued, or once amounts in the cash flow hedge reserve have been released.



IBOR reform Phase 2 provides temporary reliefs that allow the Parent Company's hedging relationships to continue upon the replacement of an existing interest rate benchmark with an alternative risk-free rate (RFR). The reliefs require the Parent Company to amend the hedge designations and hedge documentation. Under one of the reliefs, the Parent Company may elect RFRs to be deemed as meeting the PFRS 9 requirement to be separately identifiable components of the hedged item. In view of the reliefs, the Parent Company has amended its hedge documentations and deemed Secured Overnight Financing Rate (SOFR) to be "separately identifiable" risk component since the Parent Company has a reasonable expectation that the rate will meet the "separately identifiable" requirement within 24 months from its designation.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI as cash flow hedge reserve (Note 26) presented under 'Hedge-related reserve' in the balance sheet, while any ineffective portion is recognized immediately in the statement of income. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

For cash flow hedges, to calculate the change in fair value of the hedged item attributable to the hedged risk, the Parent Company uses the hypothetical derivative method. The hypothetical derivative method involves establishing a notional derivative that would be the ideal hedging instrument for the hedged exposure (normally an interest rate swap with no unusual terms and a zero fair value at inception of the hedge relationship). The fair value of the hypothetical derivative is then used as a proxy for the net present value of the hedged future cash flows against which changes in value of the actual hedging instrument are compared to assess effectiveness and measure ineffectiveness.

When foreign exchange forward contracts are used in hedging relationships, the Parent Company can designate the instrument in its entirety or exclude the forward element by designating the spot element only. The forward element in a foreign exchange forward contract is the difference between the spot and forward prices. When only the spot element is designated, the Parent Company has a choice to apply the cost of hedging accounting to the excluded forward element. In applying the cost of hedging accounting to the forward element of the foreign exchange forward contract, the change in the fair value of the forward element is recognized in OCI and accumulated in a separate component of equity. In case of a time period-related hedged item, the forward element that exists at inception is amortized from the separate component of equity to profit or loss on a systematic and rational basis. The unamortized portion of the cost of hedging is presented under 'Hedge-related reserve' in the balance sheet. The amortization of the forward element is presented under 'Foreign exchange gain (loss) - net' in the statements of income.

When the Parent Company discontinues hedge accounting for a cash flow hedge, it must account for the amount that has been accumulated in the cash flow hedge reserve as follows: (a) the amount remains in accumulated other comprehensive income if the hedged future cash flows are still expected to occur or (b) the amount is immediately reclassified to profit or loss as a reclassification adjustment if the hedged future cash flows are no longer expected to occur. Any amount immediately reclassified to profit or loss as a reclassification adjustment is presented under 'Trading and securities gain (loss) - net' in the statements of income.

As of December 31, 2023 and 2022, the Parent Company has interest rate swaps and foreign exchange forward contracts that have been designated as hedging instruments in cash flow hedges (Note 26).



Financial Liabilities

Financial liabilities which include deposit liabilities, bills payable, bonds payable, derivative liabilities, and other liabilities (except tax-related payables, pre-need reserves and post-employment defined benefit obligation) are recognized when the Group becomes a party to the contractual terms of the instrument.

Financial liabilities, except derivative liabilities, are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method. All interest-related charges incurred on financial liabilities are recognized as an expense in the statements of income under 'Interest expense'.

Deposit liabilities are stated at amounts in which they are to be paid. Interest is accrued periodically and recognized in a separate liability account before recognizing as part of deposit liabilities.

'Bills payable' and 'Bonds payable' are recognized initially at fair value, which is the issue proceeds (fair value of consideration received) less any issuance costs. These are subsequently measured at amortized cost, any difference between the proceeds net of transaction costs and the redemption value is recognized in the statement of income over the period of the borrowings using the effective interest method.

Securities sold under agreements to repurchase at a specified future date ('repos') are not derecognized from the statement of financial position. The corresponding cash received, including accrued interest, is recognized in the statement of financial position as SSURA included in 'Bills payable' and is considered as a loan to the Group, reflecting the economic substance of such transaction.

Derivative liabilities are recognized initially and subsequently measured at fair value with changes in fair value recognized in the statement of income, unless designated as an accounting hedge.

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired; or
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risks and rewards of the asset but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.



Modification of financial assets

In certain circumstances, the Group modifies the original terms and conditions of a financial asset or credit exposure to form a new loan agreement or payment schedule. The modifications can be given depending on the borrower's or counterparty's current or expected financial difficulty. The modifications may include, but are not limited to, change in interest rate and terms, principal amount, maturity date, date and amount of periodic payments, and accrual of interest and charges.

The Group performs a quantitative assessment similar to that being performed for modification of financial liabilities. In performing the quantitative assessment, the Group considers the new terms of a financial asset to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial asset.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the statement of income. A modified financial asset that does not result in derecognition is classified as Stage 3 if there are indicators of impairment or unlikeliness to pay. Otherwise, the modified financial asset is classified as Stage 1 or Stage 2, depending on whether the asset exhibits significant increase in credit risk (Note 6).

When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of a new financial asset, the modified asset is considered a 'new' financial asset and a gain or loss on derecognition of the "old" financial asset is recognized in the statements of income, if any. Accordingly, the date of the modification shall be treated as the date of initial recognition of that financial asset when applying the impairment requirements to the modified financial asset. The newly recognized financial asset is classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be purchased or originated as credit impaired (POCI).

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Financial Guarantees and Undrawn Loan Commitments

The Group issues financial guarantees and loan commitments. Financial guarantees are those issued by the Group to creditors as allowed under existing rules and regulations whereby it guarantees third party obligations by signing as guarantor in the contract/agreement. Undrawn loan commitments and letters of credit are commitments under which the Group is required, over the duration of the commitment, to provide a loan with pre-specified terms to the customer. The nominal contractual value of financial guarantees and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. These contracts are in the scope of the ECL requirements where the Group estimates the expected portion of the undrawn loan commitments that will be drawn over their expected life. The ECL related to loan commitments is recognized in 'Other liabilities'.



Write-offs

Financial assets are written off either partially or in their entirety when the Group no longer expects collections or recoveries within a foreseeable future. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the 'Miscellaneous income' account in the statement of income.

Investment in Associates

Associates pertain to all entities over which the Group has significant influence, but not control, generally accompanying a shareholding of between 20.00% and 50.00% of the voting rights. In the consolidated and parent company financial statements, investments in associates are accounted for under the equity method of accounting.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. Profits or losses resulting from transactions between the Group and an associate are eliminated to the extent of the interest in the associate.

Dividends earned on this investment are recognized as a reduction from the carrying value of the investment.

The financial statements of the associate are prepared for the same reporting period as the Parent Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Investment in Subsidiaries

In the parent company financial statements, investment in subsidiaries is accounted for under the equity method of accounting similar to the investment in associates.

Goodwill

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of fair value of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss as gain on bargain purchase under 'Miscellaneous income'.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the date of acquisition, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether



other assets or liabilities of the acquiree are assigned to those units or group of units. Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than an operating segment identified for segment reporting purposes.

Where goodwill forms part of a CGU (or group of CGUs) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Cash Dividend Distribution to Equity Holders of the Parent Company

The Group recognizes a liability to make cash distributions to equity holders of the Parent Company when the distribution is authorized and the distribution is no longer at the discretion of the Group. A corresponding amount is recognized directly in equity.

Bank Premises, Furniture, Fixtures and Equipment

Land is stated at cost less any impairment in value while depreciable properties such as buildings, leasehold improvements, and furniture, fixtures and equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value. Such cost includes the cost of replacing part of the bank premises, furniture, fixtures and equipment when that cost is incurred and if the recognition criteria are met, but excluding repairs and maintenance costs.

Construction-in-progress is stated at cost less any impairment in value. The initial cost comprises its construction cost and any directly attributable costs of bringing the asset to its working condition and location for its intended use, including borrowing costs. Construction-in-progress is not depreciated until such time that the relevant assets are completed and put into operational use.

Depreciation and amortization is calculated using the straight-line method over the estimated useful life (EUL) of the depreciable assets as follows:

	EUL
Buildings	50 years
Furniture, fixtures and equipment	3 to 5 years
Leasehold improvements	Shorter of 6 years or the related lease terms

The depreciation and amortization method and useful life are reviewed periodically to ensure that the method and period of depreciation and amortization are consistent with the expected pattern of economic benefits from items of bank premises, furniture, fixtures and equipment and leasehold improvements.

An item of bank premises, furniture, fixtures and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognized.



Investment Properties

Investment properties include real properties acquired in settlement of loans and receivables which are measured initially at cost, including certain transaction costs. Investment properties acquired through a nonmonetary asset exchange is measured initially at fair value unless (a) the exchange lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable. The difference between the fair value of the investment property upon foreclosure and the carrying value of the loan is recognized under 'Gain on asset foreclosure and dacion transactions' in the statement of income. Subsequent to initial recognition, depreciable investment properties are stated at cost less accumulated depreciation and any accumulated impairment in value, except for land which is stated at cost less impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged against income in the period in which the costs are incurred.

Depreciation is calculated on a straight-line basis using the remaining EUL of the building and improvement components of investment properties which range from 10 to 30 years from the time of acquisition of the investment properties.

Investment properties are derecognized when they have either been disposed of or when the investment properties are permanently withdrawn from use and no future benefit is expected from their disposal. Any gains or losses on the derecognition of an investment property are recognized as 'Gain on sale of investment properties' in the statement of income in the year of derecognition.

Transfers are made to investment properties when, and only when, there is a change in use evidenced by ending of owner occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is a change in use evidenced by commencement of owner occupation or commencement of development with a view to sale.

Intangible Assets

Intangible assets include exchange trading right for the Group and software costs and branch licenses resulting from the Parent Company's acquisition of CBSI, Unity Bank, and PDB (Notes 11 and 14).

Software costs

Costs related to software purchased by the Group for use in operations are amortized on a straight-line basis over 3 to 10 years. The amortization method and useful life are reviewed periodically to ensure that the method and period of amortization are consistent with the expected pattern of economic benefits embodied in the asset.

Branch licenses

The branch licenses are initially measured at cost as of the date of acquisition (at fair value if part of assets acquired in a business combination) and are deemed to have an indefinite useful life as there is no foreseeable limit to the period over which they are expected to generate net cash inflows for the Group.

Such intangible assets are not amortized, instead they are tested for impairment annually either individually or at the CGU level. Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which the intangible asset relates. Recoverable amount represents the



CGU's value in use. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized.

Gains and losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in earnings when the asset is derecognized.

Exchange Trading Right

Exchange trading right is a result of the Philippine Stock Exchange (PSE) conversion plan, as discussed in Note 14, to preserve access of CBCSec to the trading facilities and continue transacting business in the PSE. Exchange trading right is carried at original cost less any allowance for impairment loss. CBCSec does not intend to sell the exchange trading right in the near future.

The exchange trading right is an intangible asset that is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Group but is tested annually for any impairment in realizable value.

Impairment of Non-financial Assets

At each reporting date, the Group assesses whether there is any indication that its non-financial assets (e.g., investment in associates, investment properties, bank premises, furniture, fixtures and equipment, goodwill and intangible assets) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group makes a formal estimate of recoverable amount.

Recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the CGU to which it belongs. Where the carrying amount of an asset (or CGU) exceeds its recoverable amount, the asset (or CGU) is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is charged to operations in the year in which it arises.

For non-financial assets, excluding goodwill and branch licenses, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed, except for goodwill, only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income. After such a reversal, the depreciation expense is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining life.



Accounting Policy on Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized adjusted by lease payments made at or before the commencement date and lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the depreciable assets. The depreciation expense is presented under 'Depreciation and amortization' in the statement of income.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies on Impairment of Non-financial Assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments), or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of branch sites (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of ATM



sites that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from leased properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Sale (assignment)-and-leaseback transaction

In a sale (assignment)-and-leaseback transaction, a seller-lessee (assignor-lessee) transfers an asset to a buyer-lessor (assignee-lessor) and leases that asset back for a period of time. In accounting for sale (assignment)-and-leaseback transactions where the Parent Company is the buyer-lessor (assignee-lessor), the Parent Company first determines whether the initial transfer of the underlying asset from the seller-lessee (assignor-lessee) to the Parent Company is a sale in accordance with PFRS 15.

PFRS 15 requires an entity to satisfy the performance obligation by transferring a promised good or service (i.e., asset) to the customer. An asset is transferred when (or as) the customer obtains control of the asset. For the purpose of determining control in accordance with PFRS 15, a customer does not obtain control of such asset if the contract contains an option to purchase.

If the transfer of the asset meets the requirements for a “sale” in PFRS 15, then a sale has occurred and the transaction is accounted under PFRS 16’s lessor accounting requirements. Otherwise, there is no sale and the transaction is accounted for as a financing arrangement under PFRS 9 (Note 10).

Capital Stock

Capital stocks are recorded at par. Proceeds in excess of par value are recognized under equity as ‘Capital paid in excess of par value’ in the balance sheet. Incremental costs incurred which are directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

Revenue Recognition

Revenues within the scope of PFRS 15, Revenue from Contracts with Customers

Revenue from contract with customers is recognized upon transfer of promised goods or services to customers at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Group and the Parent Company exercise judgment, taking into consideration all of the relevant facts and circumstances, when applying each step of the five-step model to contracts with customers.

The following specific recognition criteria must be met before revenue is recognized for contracts within the scope of PFRS 15:

Fee and commission income

The Group earns fee and commission income from a diverse range of services it provides to its customers. Fee income can be divided into the following two categories:



- a. *Fee income earned from services that are provided over a certain period of time*
Fees earned for the provision of services over a period of time are accrued over that period. These fees include investment fund fees, custodian fees, fiduciary fees, credit-related fees, asset management fees, portfolio and other management fees, and advisory fees.
- b. *Fee income from providing transactions services*
Fees arising from negotiating or participating in the negotiation of a transaction for a third party - such as commission income, underwriting fees, corporate finance fees, and brokerage fees for the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses - are recognized on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognized after fulfilling the corresponding criteria.

Loan syndication fees are recognized in the statement of income when the syndication has been completed and the Group retains no part of the loans for itself or retains part at the same EIR as for the other participants.

Service charges and penalties

Service charges and penalties are recognized only upon collection or accrued where there is a reasonable degree of certainty as to their collectability.

Other income

Income from sale of service is recognized upon rendition of the service. Income from sale of properties is recognized when control has been transferred to the counterparty and when the collectability of the sales price is reasonably assured.

Revenues outside the scope of PFRS 15

Interest income

For all interest-bearing financial assets, interest income is recorded either (i) at EIR, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability, or (ii) at rate stated in the contract. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options), includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, as applicable, but not future credit losses. The adjusted carrying amount is calculated based on the original EIR. The change in carrying amount is recorded as 'Interest income'. Loan commitment fees for loans that are likely to be drawn down are deferred (together with any incremental costs) and recognized as an adjustment to the EIR on the loan. If the commitment expires without the Group making the loan, the commitment fees are recognized as other income on expiry.

Once the recorded value of a financial asset or group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognized using the original EIR applied to the new carrying amount.

Dividend income

Dividend income is recognized when the Group's right to receive payment is established.



Expense Recognition

Interest expense

Interest expense for all interest-bearing financial liabilities are recognized in 'Interest expense' in the statement of income using the EIR of the financial liabilities to which they relate.

Operating expenses

Operating expenses constitute costs which arise in the normal business operation and are recognized when incurred.

Taxes and licenses

This includes all other taxes, local and national, including gross receipts taxes (GRT), documentary stamp taxes, real estate taxes, licenses, and permit fees. Taxes and licenses are recognized when incurred.

Retirement Benefits

Defined benefit plan

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets and adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The defined benefit obligation is calculated annually by an independent actuary. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds that have terms to maturity approximating the terms of the related retirement liability. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs and remeasurements comprise the following:

- (a) service cost;
- (b) net interest on the net defined benefit liability or asset; and
- (c) remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on Philippine government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.



Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. The fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when, and only when, reimbursement is virtually certain. If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Share-based Payments (Stock Grants)

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments (stock grants), whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is



otherwise beneficial to the employee. Where an award is cancelled by the Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

When the equity-settled transactions vest immediately but the grant date is not yet determined as of reporting date, the Group recognizes the expense and the corresponding increase in equity using the estimated grant date fair value as of reporting date. Subsequently, once the grant date is determined, the Group revises the estimate based on the actual grant date fair value.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of income, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the financial statements but are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as of the reporting date. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences and carry forward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.



Deferred tax liabilities are not provided on non-taxable temporary differences associated with investments in domestic subsidiaries and associates.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognized directly in equity is also recognized in equity and not in the statement of income.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to the same taxable entity and the same taxation authority.

Earnings per Share

Basic earnings per share (EPS) is computed by dividing net income for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock splits, stock dividends declared and stock rights exercised during the year, if any.

The Parent Company computes diluted EPS when there are outstanding dilutive potential common shares. Diluted EPS is computed by adjusting both the net income for the year and the weighted average number of common shares outstanding during the year with the impact of the dilutive potential common stock issuance transaction.

Dividends on Common Shares

Dividends on common shares are recognized as a liability and deducted from equity when approved by the respective shareholders of the Parent Company and its subsidiaries. Dividends declared during the year that are approved after the reporting date are dealt with as an event after the reporting date.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 32. The Group's revenue-producing assets are located in the Philippines (i.e., one geographical location). Therefore, geographical segment information is no longer presented.

Fiduciary Activities

Assets and income arising from fiduciary activities together with related undertakings to return such assets to customers are excluded from the financial statements where the Parent Company acts in a fiduciary capacity such as nominee, trustee, or agent.



Events after the Reporting Period

Any post year-end events that provide additional information about the Group's position at the reporting date (adjusting event) are reflected in the Group's financial statements. Post year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

Standards Issued but Not Yet Effective

There are new PFRSs, amendments, interpretation and annual improvements, to existing standards which are effective for annual periods subsequent to 2023. The Group will adopt the following relevant pronouncements in accordance with their transitional provisions when they become effective; and, unless otherwise stated, none of these are expected to have significant impact on the Group's financial statements:

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.



Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.



On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

3. Significant Accounting Judgments and Estimates

The preparation of the financial statements in accordance with PFRS requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, income, and expenses and disclosure of contingent assets and contingent liabilities at reporting date. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

a. Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded on the balance sheet or disclosed in the notes cannot be derived from active markets, they are determined using discounted cash flow model, incorporating inputs such as current market rates of comparable instruments. The carrying values and corresponding fair values of financial instruments, as well as the manner in which fair values were determined, are discussed in more detail in Note 5.

b. Contingencies

The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the Group's defense in these matters and is based upon an analysis of potential results. The Group currently does not believe that these proceedings will have a material adverse effect on the financial statements (Note 31).

c. Evaluation of business model in managing financial assets

The Group manages its financial assets based on business models that maintain an adequate level of financial assets to match its expected cash outflows, largely arising from customers' withdrawals and continuing loan disbursements to borrowers, while maintaining a strategic portfolio of financial assets for investment and trading activities consistent with its risk appetite.

The Group developed business models which reflect how it manages its portfolio of financial instruments. In determining the classification of a financial instrument under PFRS 9, the Group evaluates which business model a financial asset or a portfolio of financial assets belong to, taking into consideration the objectives of each business model established by the Group, various risks and key performance indicators being reviewed and monitored by responsible officers, as well as the manner of compensation for them. The Group also considers the frequency, value, reasons, and timing of past sales and expectation of future sales activity in this evaluation.



In addition, PFRS 9 emphasizes that if more than an infrequent and more than an insignificant sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Group considers certain circumstances to assess that an increase in the frequency and value of sales of financial instruments in a particular period is not necessarily inconsistent with a held-to-collect business model if the Group can explain the reasons for those sales and why those sales do not reflect a change in the Group's objective for the business model.

The business model assessment is based on reasonably expected scenarios without taking worst case or stress case scenarios into account. If cash flows, after initial recognition, are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward; unless a change in business model has taken place, in such case, reclassification is necessary.

In 2023, 2022, and 2021, investment securities at amortized cost held by the Parent Company were either redeemed or sold. The disposals were assessed by the Parent Company as not inconsistent with the portfolios' business models considering the conditions and reasons for which the disposals were made. Further, the disposals did not result in a change in business model and the remaining securities in the affected portfolios continue to be accounted for at amortized cost. The details of and the reasons for the disposals and redemptions are disclosed in Note 9.

d. Testing the cash flow characteristics of financial assets

In determining the classification of financial assets under PFRS 9, the Group assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal amount outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk), i.e., cash flows that are non-SPPI, does not meet the amortized cost and FVOCI criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Group assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Group considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

e. Hedge accounting

In 2020, the Parent Company designated the hedge relationship between its floating rate bond payable and an interest rate swap as a cash flow hedge. In 2021, the Parent Company designated the hedge relationships between (i) the interest rate risk component of its Treasury time deposits and Retail Banking Business Segment (RBB) time deposits and (ii) interest rate swaps as cash flow hedges. In 2022, the Parent Company designated the hedge relationship between (i) the foreign exchange risk component of certain foreign exchange spot transactions and of future interest payments and (ii) and the spot element of certain foreign exchange forward contracts. In 2023, the



Parent Company pre-terminated the floating rate bond payable due to existing market conditions. Consequently, this resulted to the discontinuance of the hedge relationship between the floating rate bond payable and the interest rate swap as a cash flow hedge.

The Parent Company's hedge accounting policies include an element of judgment and estimation, in particular in respect of the existence of highly probable cash flows for inclusion within the cash flow hedge. Estimates of future interest rates and the general economic environment will influence the availability and timing of suitable hedged items, with an impact on the effectiveness of the hedge relationships. Details of the Parent Company's hedging transactions are described in Note 26.

The Parent Company applies the temporary reliefs provided by the IBOR reform Phase 1 amendments, which enable its hedge accounting to continue during the period of uncertainty, before the replacement of an existing interest rate benchmark with an alternative nearly RFR. The reliefs end when the Parent Company judges that the uncertainty arising from IBOR reform is no longer present for the hedging relationships referenced to IBORs. This applies when the hedged item has already transitioned from LIBOR to SOFR and also to exposures that have transitioned or will transition via fallback to SOFR when LIBOR ceases. The one-week and two-month LIBOR ceased on January 1, 2022. The overnight and 1-, 3-, 6-, and 12-month USD LIBOR ceased on July 1, 2023.

The IBOR reform Phase 2 provides temporary reliefs to enable the Parent Company's hedging relationships to continue upon the replacement of an existing interest rate benchmark with an RFR. In view of the reliefs, the Parent Company designated SOFR as the new hedged risk component for these hedging relationships to replace LIBOR starting July 1, 2023. The Parent Company deemed SOFR to be a separately identifiable risk component since the Parent Company has a reasonable expectation that the RFR will meet the "separately identifiable" requirement within 24 months from its designation. The adoption of transition changes in interest rate benchmark did not have a material impact on the Parent Company's hedges.

Estimates

a. Expected credit losses on financial assets and commitments

The Group reviews its debt financial assets and commitments at each reporting date to determine the amount of ECL to be recognized in the balance sheet and any changes thereto in the statement of income. In particular, judgments and estimates by management are required in determining:

- whether a financial asset has had a significant increase in credit risk since initial recognition;
- whether a default has taken place and what comprises a default;
- macro-economic factors that are relevant in measuring a financial asset's probability of default as well as the Group's forecast of these macro-economic factors;
- probability weights applied over a range of possible outcomes;
- sufficiency and appropriateness of data used and relationships assumed in building the components of the Group's expected credit loss models; and
- the measurement of the exposure at default for unused commitments on which an expected credit loss should be recognized and the applicable loss rate.



The related allowance for credit losses of financial assets and commitments of the Group and the Parent Company are disclosed in Notes 16 and 21, respectively.

b. Impairment of goodwill and branch licenses

The Group performs impairment review of goodwill and branch licenses with indefinite useful life annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill and branch licenses by assessing the recoverable amount of the cash generating unit (CGU) to which the goodwill and branch licenses are attributed. The recoverable amount of the CGU is determined based on a value in use (VIU) calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. For VIU, the Group estimates the discount rate used for the computation of the net present value by reference to the weighted cost of capital of comparable banks. The impairment assessment process requires significant judgment and is based on assumptions, specifically loan and deposit growth rates, discount rate, and the long-term growth rates.

Where the recoverable amount is less than the carrying amount of the CGU to which goodwill and branch licenses have been allocated, an impairment loss is recognized immediately in the statement of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The carrying values of the Group's goodwill and branch licenses are disclosed in Note 14.

c. Present value of defined benefit obligation and retirement expense

The determination of the Group's net present value of defined benefit obligation and annual retirement expense is determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These assumptions include, among others, discount rates and salary rates.

The assumed discount rates were determined using the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as of the reporting date. The salary increase rates were based on the Group's expectations of future salary increases, which take into account the inflation, seniority and promotion.

The present value of the defined benefit obligation, including the details of the assumptions used in the calculation, are disclosed in Note 25.

d. Recognition of deferred income taxes

Deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management discretion is required to determine the amount of deferred tax assets that can be recognized, based on the forecasted level of future taxable profits and the related future tax planning strategies. Key assumptions used in forecast of future taxable income include loan portfolio and deposit growth rates.

The Group believes it will be able to generate sufficient taxable income in the future to utilize its recorded deferred tax assets. Taxable income is sourced mainly from interest income from lending activities and earnings from service charge, fees, commissions, and trust activities.

The recognized and unrecognized deferred tax assets are disclosed in Note 28.



e. Impairment on other non-financial assets

The Group assesses impairment on its non-financial assets (e.g., investment properties and bank premises, furniture, fixtures and equipment) and considers the following impairment indicators:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Except for investment properties where recoverable amount is determined based on fair value less cost to sell, the recoverable amount of all other non-financial assets is determined based on the asset's value in use whose computation considers the present value of estimated future cash flows expected to be generated from the continued use of the asset. The Group is required to make estimates and assumptions that can materially affect the carrying amount of the asset being assessed.

The carrying values of the Group's non-financial assets are disclosed in Notes 12 and 13.

4. Financial Instrument Categories

The following table presents the total carrying amount of the Group's and the Parent Company's financial instruments per category:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Financial assets				
Cash and other cash items	P15,998,094	P13,689,421	P13,041,135	P10,073,767
Financial assets at FVTPL	13,631,287	4,727,580	12,642,063	3,514,576
Derivative contracts designated as hedge	3,946,553	6,203,379	3,946,553	6,203,379
Financial assets at FVOCI	106,541,487	43,316,757	93,826,436	41,151,125
Financial assets at amortized cost				
Due from BSP	84,595,973	107,100,295	73,156,991	92,920,540
Due from other banks	19,964,415	13,614,609	17,352,830	12,347,169
Interbank loans receivables and SPURA	34,720,250	43,564,970	31,075,654	41,597,949
Investment securities at amortized cost	380,461,421	357,985,926	373,567,542	351,802,877
Loans and receivables	771,991,759	699,594,789	663,182,149	613,197,254
Accrued interest receivable	11,464,932	9,781,803	10,382,588	8,730,710
Other assets (Note 15)	4,650,413	3,736,308	2,140,987	1,662,648
	1,307,849,163	1,235,378,700	1,170,858,741	1,122,259,147
Total financial assets	P1,447,966,584	P1,303,315,837	P1,294,314,928	P1,183,201,994



	Consolidated		Parent Company	
	2023	2022	2023	2022
Financial liabilities				
Other financial liabilities:				
Deposit liabilities	P1,186,723,555	P1,065,914,677	P1,050,574,754	P959,418,569
Bonds payable	19,989,307	28,312,870	19,989,307	28,312,870
Bills payable	84,798,489	70,375,267	84,798,489	70,375,267
Accrued interest and other expenses*	8,121,715	5,811,342	7,222,567	5,224,797
Manager's check	2,109,463	1,550,669	1,419,764	1,296,109
Other liabilities (Note 21)	15,298,017	15,620,840	12,784,282	12,988,527
	1,317,040,546	1,187,585,665	1,176,789,163	1,077,616,139
Financial liabilities at FVTPL:				
Derivative liabilities	938,722	1,549,561	938,722	1,549,561
Derivative contracts designated as hedge	8,049,417	4,156,612	8,049,417	4,156,612
Total financial liabilities	P1,326,028,685	P1,193,291,838	P1,185,777,302	P1,083,322,312

*Accrued interest and other expenses excludes accrued taxes and other licenses (Note 20).

5. Fair Value Measurement

The Group has assets and liabilities in the Group and Parent Company balance sheets that are measured at fair value on a recurring and non-recurring basis after initial recognition. Recurring fair value measurements are those that another PFRS requires or permits to be recognized in the balance sheet at the end of each financial reporting period. These include financial assets and liabilities at FVTPL and financial assets at FVOCI.

As of December 31, 2023 and 2022, except for the following financial instruments, the carrying values of the Group's and the Parent Company's financial assets and liabilities as reflected in the balance sheets and related notes approximate their respective fair values:

	2023			
	Consolidated		Parent Company	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Investment securities at amortized cost (Note 9)				
Government bonds	P254,849,986	P253,652,604	P248,501,733	P247,485,441
Private bonds	125,611,435	119,279,664	125,065,809	118,745,420
	380,461,421	372,932,268	373,567,542	366,230,861
Loans and receivables (Note 10)				
Corporate and commercial lending	579,165,319	562,274,548	566,077,609	547,527,290
Consumer lending	180,835,652	195,194,554	85,470,471	87,861,765
Trade-related lending	11,890,709	12,020,823	11,618,254	11,719,952
Others	100,079	117,817	15,815	17,831
	771,991,759	769,607,742	663,182,149	647,126,838
Sales contracts receivable (Note 15)	1,612,416	1,764,176	203,033	208,516
	773,604,175	771,371,918	663,385,182	647,335,354
	P1,154,065,596	P1,144,304,186	P1,036,952,724	P1,013,566,215
Non-financial Assets				
Investment properties (Note 13)				
Land	P2,419,721	P5,087,793	P710,166	P2,761,507
Buildings and improvements	1,516,391	2,819,037	1,027,404	1,206,243
	P3,936,112	P7,906,830	P1,737,570	P3,967,750
Financial Liabilities				
Time deposit liabilities (Note 17)	P611,466,946	P586,818,584	P520,931,657	P497,886,696
Bills payable (Note 19)	84,798,489	84,370,558	84,798,489	84,370,558
Bonds payable (Note 18)	19,989,307	19,989,307	19,989,307	19,989,307
	P716,254,742	P691,178,449	P625,719,453	P602,246,561



	2022			
	Consolidated		Parent Company	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Investment securities at amortized cost (Note 9)				
Government bonds	P229,958,237	P221,875,352	P224,469,204	P216,648,069
Private bonds	128,027,689	118,225,116	127,333,673	117,575,907
	357,985,926	340,100,468	351,802,877	334,223,976
Loans and receivables (Note 10)				
Corporate and commercial lending	538,008,002	529,819,391	523,005,015	512,983,314
Consumer lending	144,021,855	144,355,710	73,041,104	63,792,006
Trade-related lending	17,452,061	17,500,762	17,132,202	17,148,707
Others	112,871	119,095	18,933	21,936
	699,594,789	691,794,958	613,197,254	593,945,963
Sales contracts receivable (Note 15)	1,406,217	1,529,793	180,659	191,276
	701,001,006	693,324,751	613,377,913	594,137,239
	P1,058,986,932	P1,033,425,219	P965,180,790	P928,361,215
Non-financial Assets				
Investment properties (Note 13)				
Land	P2,390,581	P7,015,136	P571,111	P4,605,181
Buildings and improvements	1,524,310	2,448,238	916,147	923,011
	P3,914,891	P9,463,374	P1,487,258	P5,528,192
Financial Liabilities				
Time deposit liabilities (Note 17)	P492,474,358	P467,484,286	P431,055,393	P410,538,638
Bills payable (Note 19)	70,375,267	68,992,828	70,375,267	68,992,828
Bonds payable (Note 18)	28,312,870	27,560,343	28,312,870	27,560,343
	P591,162,495	P564,037,457	P529,743,530	P507,091,809

The methods and assumptions used by the Group and Parent Company in estimating the fair values of the financial instruments follow:

Cash and other cash items, due from BSP and other banks, interbank loans receivable and SPURA and accrued interest receivable – The carrying amounts approximate their fair values in view of the relatively short-term maturities of these instruments.

Debt securities – Fair values are generally based on quoted market prices. If the market prices are not readily available, fair values are estimated using directly or indirectly either values obtained from independent parties offering pricing services or adjusted quoted market prices of comparable investments or using the discounted cash flow methodology.

Equity securities – For publicly traded equity securities, fair values are based on quoted prices. For unquoted equity securities, remeasurement to their fair values is not material to the financial statements.

Loans and receivables and sales contracts receivable (SCR) included in other assets – Fair values of loans and receivables and SCR are estimated using the discounted cash flow methodology, where future cash flows are discounted using the Group's current incremental lending rates for similar types of loans and receivables.

Accounts receivable, RCOI and other financial assets included in other assets – Quoted market prices are not readily available for these assets. These are reported at cost and are not significant in relation to the Group's total portfolio of financial assets.



Derivative instruments (included under FVTPL and designated as hedges) – Fair values are estimated based on discounted cash flows, using prevailing interest rate differential and spot exchange rates.

Deposit liabilities (time, demand, and savings deposits) – Fair values of time deposits are estimated using the discounted cash flow methodology, where future cash flows are discounted using the Group's current incremental borrowing rates for similar borrowings and with maturities consistent with those remaining for the liability being valued. For demand and savings deposits, carrying amounts approximate fair values considering that these are currently due and demandable.

Bonds payable and Bills payable – Unless quoted market prices are readily available, fair values are estimated using the discounted cash flow methodology, where future cash flows are discounted using the current incremental borrowing rates for similar borrowings and with maturities consistent with those remaining for the liability being valued.

Manager's checks and accrued interest and other expenses – Carrying amounts approximate fair values due to the short-term nature of the accounts.

Other liabilities – Carrying amounts approximate fair values due to the short-term nature of the accounts.

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs that are not based on observable market data or unobservable inputs.

As of December 31, 2023 and 2022, the fair value hierarchy of the Group's and the Parent Company's assets and liabilities are presented below:

	Consolidated			
	2023			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P650,086	P7,536,794	P–	P8,186,880
Treasury notes	–	1,135,824	–	1,135,824
Treasury bills	–	772,482	–	772,482
Private bonds	1,252,276	–	–	1,252,276
Quoted equity shares	897,898	–	–	897,898
Financial assets designated at FVTPL	450,825	161,662	–	612,487
Derivatives with positive fair value held for trading	–	773,440	–	773,440
Derivative contracts designated as hedges	–	3,946,553	–	3,946,553
FVOCI financial assets				
Government bonds	29,614,852	55,522,517	–	85,137,369
Quoted private bonds	19,774,579	–	–	19,774,579
Quoted equity shares	1,601,596	–	–	1,601,596
	P54,242,112	P69,849,272	P–	P124,091,384
Derivative liabilities	P–	P938,722	P–	P938,722
Derivative contracts designated as hedges	–	8,049,417	–	8,049,417
	P–	P8,988,139	P–	P8,988,139

(Forward)



	Consolidated			
	2023			
	Level 1	Level 2	Level 3	Total
Fair values of financial assets carried at amortized cost				
Investment securities at amortized cost				
Government bonds	P253,652,604	P–	P–	P253,652,604
Private bonds	63,038,700	–	56,240,963	119,279,663
Loans and receivables				
Corporate and commercial loans	–	–	562,274,548	562,274,548
Consumer loans	–	–	195,194,554	195,194,554
Trade-related loans	–	–	12,020,823	12,020,823
Others	–	–	117,817	117,817
Sales contracts receivable	–	–	1,764,176	1,764,176
Fair values of non-financial assets carried at cost				
Investment properties				
Land	–	–	5,087,793	5,087,793
Buildings and improvements	–	–	2,819,037	2,819,037
	P316,691,304	P–	P835,519,711	P1,152,211,015

Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P–	P–	P586,818,584	P586,818,584
Bills payable	–	–	84,370,558	84,370,558
Bonds payable	–	–	19,989,307	19,989,307
	P–	P–	691,178,449	P691,178,449

	Consolidated			
	2022			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P202,348	P180,513	P–	P382,861
Treasury notes	–	563,548	–	563,548
Treasury bills	–	201,779	–	201,779
Private bonds	760,600	–	–	760,600
Quoted equity shares	700,112	–	–	700,112
Financial assets designated at FVTPL	949,032	153,986	–	1,103,018
Derivative assets	–	1,015,662	–	1,015,662
Derivative contracts designated as hedges	–	6,203,379	–	6,203,379
FVOCI financial assets				
Government bonds	9,189,227	18,258,420	–	27,447,647
Quoted private bonds	15,236,902	–	–	15,236,902
Quoted equity shares	603,898	–	–	603,898
	P27,642,119	P26,577,287	P–	P54,219,406
Derivative liabilities	P–	P1,549,561	P–	P1,549,561
Derivative contracts designated as hedges	–	4,156,612	–	4,156,612
	P–	P5,706,173	P–	P5,706,173

Fair values of financial assets carried at amortized cost				
Investment securities at amortized cost				
Government bonds	P221,875,352	P–	P–	P221,875,352
Private bonds	67,100,457	–	51,124,658	118,225,115
Loans and receivables				
Corporate and commercial loans	–	–	529,819,391	529,819,391
Consumer loans	–	–	144,355,710	144,355,710
Trade-related loans	–	–	17,500,762	17,500,762
Others	–	–	119,095	119,095
Sales contracts receivable	–	–	1,529,793	1,529,793

(Forward)



Consolidated				
2022				
	Level 1	Level 2	Level 3	Total
Fair values of non-financial assets carried at cost				
Investment properties				
Land	P–	P–	P7,015,136	P7,015,136
Buildings and improvements	–	–	2,448,238	2,448,238
	P288,975,809	P–	P753,912,783	P1,042,888,592
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P–	P–	P467,484,286	P467,484,286
Bills payable	–	–	68,992,828	68,992,828
Bonds payable	–	–	27,560,343	27,560,343
	P–	P–	P564,037,457	P564,037,457

Parent Company				
2023				
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P599,186	P7,536,794	P–	P8,135,980
Treasury notes	–	1,135,824	–	1,135,824
Treasury bills	–	772,482	–	772,482
Private bonds	1,252,276	–	–	1,252,276
Quoted equity shares	572,061	–	–	572,061
Derivatives with positive fair value held for trading	–	773,440	–	773,440
Derivatives with Positive Fair Value Held for				
Hedging	–	3,946,553	–	3,946,553
FVOCI financial assets				
Government bonds	17,102,362	55,522,516	–	72,624,878
Quoted private bonds	19,686,382	–	–	19,686,382
Quoted equity shares	1,495,421	–	–	1,495,421
	P40,707,688	P69,687,609	P–	P110,395,297
Derivative liabilities	P–	P938,722	P–	P938,722
Derivative contracts designated as hedge	–	8,049,417	–	8,049,417
	P–	P8,988,139	P–	P8,988,139
Fair values of financial assets carried at amortized cost				
Investment securities at amortized cost				
Government bonds	P247,485,441	P–	P–	P247,485,441
Private bonds	62,504,457	–	56,240,963	118,745,420
Loans and receivables				
Corporate and commercial loans	–	–	547,527,290	547,527,290
Consumer loans	–	–	87,861,765	87,861,765
Trade-related loans	–	–	11,719,952	11,719,952
Others	–	–	17,831	17,831
Sales contracts receivable	–	–	208,516	208,516
Fair values of non-financial assets carried at cost				
Investment properties				
Land	–	–	2,761,507	2,761,507
Buildings and improvements	–	–	1,206,243	1,206,243
	P309,989,898	P–	P707,544,067	P1,017,533,965
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P–	P–	P497,886,696	P497,886,696
Bills payable	–	–	84,370,558	84,370,558
Bonds payable	–	–	19,989,307	19,989,307
	P–	P–	602,246,561	602,246,561



Parent Company				
2022				
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P202,348	P180,513	P–	P382,861
Treasury notes	–	563,548	–	563,548
Treasury bills	–	201,779	–	201,779
Private bonds	760,600	–	–	760,600
Quoted equity shares	590,126	–	–	590,126
Derivative assets	–	1,015,662	–	1,015,662
Derivative contracts designated as hedges	–	6,203,379	–	6,203,379
FVOCI financial assets				
Government bonds	7,196,313	18,258,420	–	25,454,733
Quoted private bonds	15,088,429	–	–	15,088,429
Quoted equity shares	588,192	–	–	588,192
	P24,426,008	P26,423,301	P–	P50,849,309
Derivative liabilities	P–	P1,549,561	P–	P1,549,561
Derivative contracts designated as hedge	–	4,156,612	–	4,156,612
	P–	P5,706,173	P–	P5,706,173
Fair values of financial assets carried at amortized cost				
Investment securities at amortized cost				
Government bonds	P216,648,069	P–	P–	P216,648,069
Private bonds	66,451,249	–	51,124,658	117,575,907
Loans and receivables				
Corporate and commercial loans	–	–	512,983,314	512,983,314
Consumer loans	–	–	63,792,006	63,792,006
Trade-related loans	–	–	17,148,707	17,148,707
Others	–	–	21,936	21,936
Sales contracts receivable	–	–	191,276	191,276
Fair values of non-financial assets carried at cost				
Investment properties				
Land	–	–	4,605,181	4,605,181
Buildings and improvements	–	–	923,011	923,011
	P283,099,318	P–	P650,790,089	P933,889,407
Fair values of liabilities carried at amortized cost				
Time deposit liabilities				
Bills payable	P–	P–	P410,538,638	P410,538,638
Bonds payable	–	–	68,992,828	68,992,828
	–	–	27,560,343	27,560,343
	P–	P–	P507,091,809	P507,091,809

There were no transfers into and out of Level 3 fair value measurements in 2023 and 2022.

The inputs used in the fair value measurement based on Level 2 are as follows:

Government securities – interpolated rates based on market rates of benchmark securities

Derivative assets and liabilities – fair values are calculated by reference to the prevailing interest differential and spot exchange rate as of the reporting date, taking into account the remaining term to maturity of the derivative assets and liabilities.



Inputs used in estimating fair values of financial instruments carried at amortized cost and categorized under Level 3 include risk-free rates and applicable risk premium.

The fair values of the Group's and Parent Company's investment properties have been determined by the appraisal method by independent external and in-house appraisers based on highest and best use of the property being appraised. Valuations were derived on the basis of recent sales of similar properties in the same areas as the investment properties and taking into account the economic conditions prevailing at the time the valuations were made and comparability of similar properties sold with the property being valued.

The table below summarizes the valuation techniques used and the significant unobservable inputs used in the valuation for each type of investment properties held by the Group and the Parent Company:

	Valuation Techniques	Significant Unobservable Inputs
Land	Market Data Approach	Price per square meter, size, location, shape, time element and corner influence
Land and Building	Market Data Approach and Cost Approach	Reproduction Cost New

Descriptions of the valuation techniques and significant unobservable inputs used in the valuation of the Group and the Parent Company's investment properties are as follows:

Valuation Techniques

Market Data Approach	A process of comparing the subject property being appraised to similar comparable properties recently sold or being offered for sale.
Cost Approach	It is an estimate of the investment required to duplicate the property in its present condition. It is reached by estimating the value of the building "as if new" and then deducting the depreciated cost. Fundamental to the Cost Approach is the estimate of Reproduction Cost New of the improvements.

Significant unobservable inputs

Reproduction Cost New	The cost to create a virtual replica of the existing structure, employing the same design and similar building materials.
Size	Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of lot size differences on land value.
Shape	Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.
Location	Location of comparative properties whether on a Main Road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a Main Road are superior to properties located along a secondary road.



Significant unobservable inputs

Time Element	“An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors’ perceptions of the market over time”. In which case, the current data is superior to historic data.
Discount	Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.
Corner influence	Bounded by two (2) roads.

6. Financial Risk Management Objectives and Policies

The Group’s activities are principally related to the profitable use of financial instruments. Risks are inherent in these activities but are managed by the Group through a rigorous, comprehensive, and continuous process of identification, measurement, monitoring and mitigation of these risks, partly through the effective use of risk and authority limits and thresholds, process controls and monitoring, and independent controls. As reflected in its corporate actions and organizational improvements, the Group has placed due importance on expanding and strengthening its risk management process and considers it as a vital component to the Group’s continuing profitability and financial stability. Central to the Group’s risk management process is its adoption of a risk management program intended to avoid unnecessary risks, manage and mitigate inherent risks, and maximize returns from taking acceptable risks necessary to sustain its business viability and good financial position in the market.

The key financial risks that the Group faces are: credit risk, market risk, and liquidity risk. The Group’s risk management objective is primarily focused on controlling and mitigating these risks. The Parent Company and its subsidiaries manage their respective financial risks separately. The subsidiaries, particularly CBSI, have their own risk management processes but are structured similar to that of the Parent Company. To a large extent, the respective risk management programs and objectives are the same across the Group. The severity of risk, materiality, and regulations are primary considerations in determining the scope and extent of the risk management processes put in place for the subsidiaries.

Risk Management Structure

The BOD of the Parent Company is ultimately responsible for the oversight of the Parent Company’s risk management processes. On the other hand, the risk management processes of the subsidiaries are the separate responsibilities of their respective BODs. The BOD of the Parent Company created a separate board-level independent committee with explicit authority and responsibility for managing and monitoring risks.

The BOD has delegated to the Risk Oversight Committee (ROC) the formulation and supervision of the risk management process which includes, among others, determining the appropriate risk mitigating strategies and operating principles, adoption of industry standards, development of risk metrics, monitoring of key risk indicators, and the imposition of risk parameters. The ROC is composed of three members of the BOD, all of whom are independent directors.



The Risk Management Group (RMG) is the operating unit of the ROC primarily responsible for the implementation of the risk management strategies approved by the Board of Directors. The implementation cuts across all departments of the Parent Company and involves all of the Parent Company's financial instruments, whether "on-books" or "off-books". The RMG is likewise responsible for monitoring the implementation of specific risk control procedures and enforcing compliance thereto. The RMG is also directly involved in the day-to-day monitoring of material risks ensuring that the Parent Company, in its transactions and dealings, engages only in risk-taking activities duly approved by the ROC. The RMG also ensures that relevant information is accurately and completely captured on a timely basis in the management reporting system of the Parent Company. The RMG is headed by the Chief Risk Officer (CRO) who reports the results of risk measurements to the ROC.

Apart from RMG, each business unit has created and put in place various process controls which ensure that all the external and internal transactions and dealings of the unit are in compliance with the unit's risk management objectives.

The Internal Audit Division also plays a crucial role in risk management primarily because it is independent of the business units and reports exclusively to the Audit Committee which, in turn, is comprised of independent directors. The Internal Audit Division focuses on ensuring that adequate controls are in place and on monitoring compliance to controls. The regular audit covers all processes and controls, including those under the risk management framework handled by the RMG. The audit of these processes and controls is undertaken regularly. The audit results and exceptions, including recommendations for their resolution or improvement, are discussed initially with the business units concerned before these are presented to the Audit Committee.

Risk Management Reporting

The CRO reports to the ROC and is a resource of the Credit Committee (CreCom), Asset-Liability Committee (ALCO), Operations Committee (OpsCom) and Technology Steering Committee (TSC). The CRO reports on key risk indicators and specific risk management issues that would need resolution from top management. This is undertaken after the risk issues and key risk indicators have been discussed with the business units concerned. The RMG's function, particularly, that of the CRO, as well as the Board's risk oversight responsibilities are articulated in the risk management manual based on the requirements of BSP Circular No. 971, *Guidelines on Risk Governance*.

The key risk indicators were formulated on the basis of the financial risks faced by the Parent Company. These indicators contain information from all business units that provide measurements on the level of the risks taken by the Parent Company in its products, transactions, and financial structure. Among others, the report on key risk indicators includes information on the Parent Company's aggregate credit exposure, credit metric forecasts, hold limit exceptions, Value-at-Risk (VaR), Maximum Cumulative Outflow (MCO) and Earnings-at-Risk (EAR) analysis, utilization of market and credit limits and thresholds, liquidity risk limits and ratios, overall loan loss provisioning, and risk profile changes. Loan loss provisioning and credit limit utilization are, however, discussed in more detail in the Credit Committee. On a monthly basis, detailed reporting of industry, customer, and geographic risks is included in the discussion with the ROC. A comprehensive risk report is presented to the BOD on a periodic basis for an overall assessment of the level of risks taken by the Parent Company. On the other hand, the Chief Audit Executive reports to the Audit Committee on a monthly basis on the results of branch or business unit audits and for the resolution of pending but important internal audit issues.



Risk Mitigation

The Parent Company uses derivatives to manage exposures to financial instruments resulting from changes in interest rates and foreign currencies exposures. However, the nature and extent of use of these financial instruments to mitigate risks are limited to those allowed by the BSP for the Parent Company and its subsidiaries.

To further mitigate risks throughout its different business units, the Parent Company formulates risk management policies and continues to improve its existing policies. These policies further serve as the framework and set of guidelines in the creation or revisions of operating policies and manuals for each business unit. In the process design and implementation, preventive controls are preferred over detection controls. Clear delineation of responsibilities and separation of incompatible duties among officers and staff, as well as, among business units are reiterated in these policies. To the extent possible, reporting and accounting responsibilities are segregated from units directly involved in operations and frontline activities (i.e., players must not be scorers). This is to improve the credibility and accuracy of management information. Any inconsistencies in the operating policies and manuals with the risk framework created by the RMG are taken up and resolved in the ROC.

The Operational Risk Assessment Program and IT Risk Frameworks require the Parent Company to undergo periodic operational risk assessment and for all business units & allied businesses to conduct risk and control self-assessments. These enable determination of priority risk areas, assessment of mitigating controls in place, and institutionalization of additional measures to ensure both a controlled operating environment and proper handling of IT risk exposures. RMG maintains and updates the Parent Company's Centralized Loss Database wherein all reported incidents of losses shall be encoded to enable assessment of weaknesses in the processes and come up with viable improvements to avoid recurrence.

Monitoring and controlling risks are primarily performed based on various limits and thresholds established by the top management covering the Group's transactions and dealings. These limits and thresholds reflect the Group's business strategies and market environment, as well as the levels of risks that the Group is willing to tolerate, with additional emphasis on selected industries. In addition, the Group monitors and measures the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Liquidity risk, interest rate risk, and market risk exposures are measured and monitored through the reports generated by a cloud-based automated system (Ambit Focus system).

BSP issued Circular No. 639 dated January 15, 2009 which mandated the use of the Internal Capital Adequacy Assessment Process (ICAAP) by all universal and commercial banks to determine their minimum required capital relative to their business risk exposures. In this regard, the Board approved the engagement of the services of a consultant to assist in the bank-wide implementation and embedding of the ICAAP, as provided for under Pillar 2 of Basel II and BSP Circular No. 639.



On April 5, 2023, the BOD approved the 2023 ICAAP document for submission to the BSP. The Pillar 1 Plus approach used the Pillar 1 capital as the baseline. The process of allocating capital for all types of risks above the Pillar 1 capital levels includes quantification of capital buffer for Pillar 2 risks under normal business cycle/condition, in addition to the quantification based on the results of the Integrated Stress Test (IST). The adoption of the IST allows the Parent Company to quantify its overall vulnerability to market shocks and operational losses in a collective manner driven by events rather than in silo. The capital assessment in the document discloses that the Group and the Parent Company has appropriate and sufficient level of internal capital.

The Parent Company submitted its annually-updated ICAAP document, in compliance with BSP requirements, on March 31, 2023.

Business Continuity Management

In the aftermath of the pandemic in the past three years, the Group has built its business resilience around policies that would ensure that the Group is able to service and respond to the requirements of its clients, to perform its functions as a Domestic Systemically Important Bank (DSIB), and to continue to fulfill the transaction cycle in its operations.

The Group implemented “The New Normal Work Force and Work Management Plan for the COVID-19 Pandemic” to provide general direction and guidance in sustaining the operations of the Group through the pandemic. The plan put in place health and safety protocols which along with the implementation of the buddy branch system ensured the uninterrupted delivery of services. On April 1, 2022, select personnel from Head Office and subsidiaries were transferred to the SM Mega Tower extension office providing the different business units with the capacity of splitting their teams and operate in two different sites to make certain that the services continue in the event of business interruptions brought about by a pandemic or similar occurrence. Changes in the processes of business units arising from the implementation of the plan and the establishment of the extension office are continuously updated and incorporated in the risk and control self-assessment and business impact analysis tools to reflect the changes in the risk profile. Appropriate measures are also updated and implemented in light of these changes.

Credit Risk

Credit risk is the risk of financial loss on account of a counterparty to a financial product failing to honor its debt obligation. The Group faces potential credit risks every time it extends funds to borrowers, commits funds to counterparties, guarantees the paying performance of its clients, invests funds to issuers (i.e., investment securities issued by either sovereign or corporate entities), or enters into either market-traded or over-the-counter derivatives, through implied or actual contractual agreements (i.e., on or off-balance sheet exposures). The Group manages its credit risk at various levels (i.e., strategic level, portfolio level down to individual credit or transaction).

The Group established risk limits and thresholds for purposes of monitoring and managing credit risk from individual counterparties and/or groups of counterparties, major industries, as well as countries. It also conducts periodic assessment of the creditworthiness of its counterparties. In addition, the Group obtains collateral where appropriate, enters into master netting agreements and collateral arrangements with counterparties, and limits the duration of exposures.



RMG continues to run approximations of the increase in NPL under various scenarios, presenting the results to the Risk Oversight Committee. In addition to factoring in the expert judgment of the lending units, RMG has made adjustments to the assumptions to reflect the improving economic conditions. This includes recognizing that borrowers severely affected by the pandemic have already been identified and booked as non-performing. The status of accounts that underwent restructuring or with terms modification is consistently monitored, with particular focus on those with high risk ratings considered in the NPL approximations. Furthermore, the assumptions include accounts that may potentially default on their debt obligations based on regulatory assessments.

Credit Risk Rating and Scoring Models

The Parent Company employs four credit risk rating models for diverse segments, covering corporate borrowers, retail small and medium entities and individual accounts (non-consumer), financial institutions, and sovereign counterparties. Additionally, it utilizes bureau credit scores for consumer loan products, including housing loans, auto loans, Contract-to-Sell (CTS) without recourse, and credit cards, to assess credit risk comprehensively.

The assessment of credit risk for corporate borrowers with total assets, total facilities, or total credit exposures amounting to at least ₱15 million is conducted using the Internal Credit Risk Rating System (ICRRS). This model adheres to the technical specifications outlined in BSP Circular 855, *Guidelines on Sound Credit Risk Management Practices*. The ICRRS comprises two components, namely: a) Borrower Risk Rating, providing an evaluation of the creditworthiness of the borrower, without considering the proposed facility and security arrangements, and b) Loan Exposure Rating, offering an assessment of the proposed facilities as mitigated or enhanced by security/collateral arrangements.

For retail small and medium entities and individual non-consumer loan accounts, credit risk is evaluated through the Borrower Credit Score (BCS). In addition, the Group has implemented a risk rating system designed to specifically assess Philippine universal, commercial, thrift, rural, and cooperative banks as well as foreign financial institutions. Furthermore, it has introduced a Sovereign Risk Rating scorecard to gauge a country's strength, considering factors such as economic fundamentals, fiscal policy, institutional strength, and vulnerability to extreme events.

For consumer loans, the Parent Company recently implemented the use of Transunion credit score (TU) as the primary scorecard for assessing credit in housing loans and CTS without recourse applications. The TU score was initially adopted for credit cards, wherein it is utilized to screen applications in line with the Bank's credit acceptance criteria. Consistent with the approach taken for other consumer loan products, the Parent Company is currently in the process of updating its policies to incorporate the use of the TU credit score for auto loans in the credit evaluation process.

The Group regularly monitors the performance of its rating models and scorecards. Throughout the years, it has partnered with third party consultants such as Moody's Analytics for model validation, model recalibration, and knowledge transfer projects. Internally, a comprehensive review of the performance of the models is conducted, subjecting the models to various statistical metrics, ensuring the reliability of these tools in the Group's credit evaluation process. Validation results are reported to the Risk Oversight Committee.

To manage model risks effectively, the Group has crafted a Model Risk Policy for Credit Risk. This policy closely aligns with the principles laid out in the "Supervisory Guidance on Model Risk Management" issued by the Office of the Comptroller of the Currency (OCC), an independent bureau of



the U.S. Department of the Treasury, and satisfies the validation requirements set by the BSP for internal rating systems outlined in BSP Circular 855. The framework is designed to manage risks associated with the use of models within the organization, promoting confidence and reliability of model outputs, and supporting effective risk management practices. It serves as a guiding document to ensure models are developed, validated, implemented, and monitored in a consistent, transparent, and controlled manner. Moreover, it establishes a governance framework that clearly defines the roles, responsibilities, and accountabilities of the stakeholders involved in the model life cycle.

Concentration of Assets and Liabilities and Off-Balance Sheet Items

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Parent Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Parent Company's policies and procedures include specific guidelines focusing on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The distribution of the Group's and Parent Company's assets and liabilities, and credit commitment items by geographic region as of December 31, 2023 and 2022 (in millions) follows:

	Consolidated					
	2023			2022		
	Assets*	Liabilities	Commitments**	Assets*	Liabilities	Commitments**
Geographic Region						
Philippines	P1,358,418	P1,232,543	P49,617	P1,219,178	P1,122,325	P35,423
Asia	23,093	38,861	5,356	21,752	24,703	7,499
Europe	60,628	48,048	884	42,051	37,883	1,127
United States	5,808	6,577	380	20,318	8,381	161
Others	20	–	25	17	–	3
	P1,447,967	P1,326,029	P56,262	P1,303,316	P1,193,292	P44,213

*Amounts are net of related allowance for credit losses

**Consists of Committed credit lines, Unused commercial letters of credit, Credit card lines, Outstanding guarantees issued, and Standby credit commitments

	Parent Company					
	2023			2022		
	Assets*	Liabilities	Commitments**	Assets*	Liabilities	Commitments**
Geographic Region						
Philippines	P1,204,766	P1,092,291	P47,927	P1,099,064	P1,012,355	P33,907
Asia	23,093	38,861	5,356	21,752	24,703	7,499
Europe	60,628	48,048	884	42,051	37,883	1,127
United States	5,808	6,577	380	20,318	8,381	161
Others	20	–	25	17	–	3
	P1,294,315	P1,185,777	P54,572	P1,183,202	P1,083,322	P42,697

*Amounts are net of related allowance for credit losses

**Consists of Committed credit lines, Unused commercial letters of credit, Credit card lines, Outstanding guarantees issued, and Standby credit commitments



Information on credit concentration as to industry of financial assets (gross of unearned discount and allowance for credit losses) is presented below:

	Consolidated				
	2023				
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Financial intermediaries	P102,574,807	P358,511,818	P139,280,638	P27,994,387	P628,361,650
Real estate, renting and business services	214,867,430	73,914,541	—	251,629	289,033,600
Electricity, gas and water	100,637,828	26,290,258	—	2,478,533	129,406,619
Manufacturing	61,807,926	1,376,321	—	10,101,234	73,285,481
Wholesale and retail trade	50,624,655	—	—	9,357,281	59,981,936
Transportation, storage and communication	54,284,111	3,738,632	—	294,604	58,317,347
Arts, entertainment and recreation	48,962,012	4,225,784	—	23,026	53,210,822
Accommodation and food service activities	10,171,827	5,104,470	—	1,501,915	16,778,212
Mining and quarrying	12,439,631	—	—	5,579	12,445,210
Construction	11,193,782	—	—	2,027,527	13,221,309
Professional, scientific and technical activities	1,873,140	9,365,392	—	170,436	11,408,968
Agriculture	8,608,120	—	—	56,655	8,664,775
Education	3,986,419	568,000	—	74,924	4,629,343
Public administration and defense	192,985	—	—	225,841	418,826
Others*	108,770,565	17,307,055	—	1,698,302	127,775,922
	P790,995,238	P500,402,271	P139,280,638	P56,261,873	P1,486,940,020

*Others consist of administrative and support service, health, household, and other activities.

	Consolidated				
	2022				
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Financial intermediaries	P122,768,549	P268,327,309	P162,813,886	P22,663,997	P576,573,741
Real estate, renting and business services	185,743,662	67,532,003	—	543,466	253,819,131
Electricity, gas and water	84,314,281	28,088,810	—	3,120,478	115,523,569
Transportation, storage and communication	58,232,646	1,316,348	—	901,375	60,450,369
Wholesale and retail trade	48,849,880	—	—	10,330,040	59,179,920
Manufacturing	44,443,178	4,224,082	—	215,879	48,883,139
Arts, entertainment and recreation	38,666,435	4,241,027	—	1,922,391	44,829,853
Accommodation and food service activities	9,613,592	4,998,276	—	117,278	14,729,146
Construction	13,340,903	—	—	5,299	13,346,202
Mining and quarrying	10,178,863	—	—	2,781,399	12,960,262
Agriculture	947,422	8,398,018	—	219,699	9,565,139
Professional, scientific and technical activities	9,010,166	—	—	42,818	9,052,984
Education	3,894,828	568,000	—	55,237	4,518,065
Public administration and defense	191,203	—	—	163,279	354,482
Others*	87,519,627	17,859,548	—	1,130,178	106,509,353
	P717,715,235	P405,553,421	P162,813,886	P44,212,813	P1,330,295,355

*Others consist of administrative and support service, health, household, and other activities.



Parent Company					
2023					
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Financial intermediaries	P102,372,440	P339,406,237	P121,585,475	P28,015,283	P591,379,435
Real estate, renting and business services	183,890,538	73,457,967	—	208,233	257,556,738
Electricity, gas and water	98,999,202	26,006,043	—	2,462,283	127,467,528
Manufacturing	60,053,892	1,376,321	—	10,030,990	71,461,203
Wholesale and retail trade	48,457,409	—	—	9,124,413	57,581,822
Transportation, storage and communication	52,973,021	3,735,585	—	284,782	56,993,388
Arts, entertainment and recreation	48,930,795	4,201,284	—	22,606	53,154,685
Accommodation and food service activities	9,605,482	5,035,594	—	1,501,915	16,142,991
Mining and quarrying	12,435,720	—	—	5,579	12,441,299
Construction	10,449,504	—	—	1,998,677	12,448,181
Professional, scientific and technical activities	1,795,656	9,365,392	—	170,436	11,331,484
Agriculture	6,065,522	—	—	48,655	6,114,177
Education	3,637,883	450,000	—	74,924	4,162,807
Public administration and defense	192,985	—	—	225,841	418,826
Others*	38,088,866	16,763,625	—	397,661	55,250,152
	P677,948,915	P479,798,048	P121,585,475	P54,572,278	P1,333,904,716

*Others consist of administrative and support service, health, household, and other activities.

Parent Company					
2022					
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Financial intermediaries	P122,139,768	P259,789,084	P146,865,657	P22,661,497	P551,456,006
Real estate, renting and business services	158,474,935	67,002,809	—	309,597	225,787,341
Electricity, gas and water	82,579,587	28,085,921	—	3,120,478	113,785,986
Transportation, storage and communication	56,478,328	1,316,348	—	820,034	58,614,710
Wholesale and retail trade	46,391,648	—	—	10,099,392	56,491,040
Arts, entertainment and recreation	43,018,144	4,224,082	—	215,804	47,458,030
Manufacturing	38,648,650	4,224,987	—	1,922,391	44,796,028
Accommodation and food service activities	9,047,908	4,980,701	—	103,578	14,132,187
Construction	13,340,695	—	—	5,299	13,345,994
Mining and quarrying	9,131,937	—	—	2,697,673	11,829,610
Professional, scientific and technical activities	881,915	8,398,018	—	219,699	9,499,632
Agriculture	7,062,774	—	—	34,718	7,097,492
Education	3,503,357	450,000	—	163,279	4,116,636
Public administration and defense	191,203	—	—	55,237	246,440
Others*	36,663,618	17,513,737	—	268,162	54,445,517
	P627,554,467	P395,985,687	P146,865,657	P42,696,838	P1,213,102,649

*Others consist of administrative and support service, health, household, and other activities.



Maximum exposure to credit risk

The tables below provide the analysis of the maximum exposure to credit risk of the Group's and the Parent Company's financial instruments, excluding those where the carrying values as reflected in the balance sheets and related notes already represent the financial instrument's maximum exposure to credit risk, before and after taking into account collateral held or other credit enhancements:

Consolidated			
2023			
	Gross maximum exposure	Net exposure	Financial effect of collateral or credit enhancement
Credit risk exposure relating to on-balance sheet items are as follows:			
Loans and receivables	P771,991,759	P501,265,255	P270,726,504
Interbank loans receivable and SPURA	34,720,250	22,088,980	12,631,270
Sales contracts receivable	1,612,416	–	1,612,416
	P808,324,425	P523,354,235	P284,970,190
Consolidated			
2022			
	Gross maximum exposure	Net exposure	Financial effect of collateral or credit enhancement
Credit risk exposure relating to on-balance sheet items are as follows:			
Loans and receivables	P699,594,789	P466,526,632	P233,068,157
Interbank loans receivable and SPURA	43,564,970	28,769,544	14,795,426
Sales contracts receivable	1,406,217	–	1,406,217
	P744,565,976	P495,296,176	P249,269,800
Parent Company			
2023			
	Gross maximum exposure	Net exposure	Financial effect of collateral or credit enhancement
Credit risk exposure relating to on-balance sheet items are as follows:			
Loans and receivables	P663,182,149	P444,929,488	P218,252,661
Interbank loans receivable and SPURA	31,075,654	22,088,980	8,986,674
Sales contracts receivable	203,033	–	203,033
	P694,460,836	P467,018,468	P227,442,368



Parent Company			
2022			
	Gross maximum exposure	Net exposure	Financial effect of collateral or credit enhancement
Credit risk exposure relating to on-balance sheet items are as follows:			
Loans and receivables	₱613,197,254	₱426,316,586	₱186,880,668
Interbank loans receivable and SPURA	41,597,949	28,769,545	12,828,404
Sales contracts receivable	180,659	–	180,659
	₱654,975,862	₱455,086,131	₱199,889,731

For the Group, the fair values of collateral held for loans and receivables and sales contracts receivable amounted to ₱521.73 billion and ₱3.09 billion, respectively, as of December 31, 2023 and ₱518.85 billion and ₱2.73 billion, respectively, as of December 31, 2022.

For the Parent Company, the fair values of collateral held for loans and receivables and sales contracts receivable amounted to ₱469.26 billion and ₱0.64 billion, respectively, as of December 31, 2023 and ₱472.66 billion and ₱0.80 billion, respectively, as of December 31, 2022.

The fair values of the financial collaterals held for SPURA are disclosed in Note 35.

Credit risk, in respect of derivative financial products, is limited to those with positive fair values, which are included under financial assets at FVTPL (Note 9). As a result, the maximum credit risk, without taking into account the fair value of any collateral and netting agreements, is limited to the amounts on the balance sheet plus commitments to customers such as unused commercial letters of credit, outstanding guarantees and others as disclosed in Note 31.

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented with regards to the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- For securities lending and reverse repurchase transactions – cash or securities
- For consumer lending – real estate and chattel over vehicle
- For corporate lending and commercial lending – real estate, chattel over properties, assignment of deposits, shares of stocks, bonds, and guarantees

Management requests additional collateral in accordance with the underlying agreement and takes into consideration the market value of collateral during its review of the adequacy of allowance for credit losses.

It is the Group's policy to dispose of repossessed properties in an orderly fashion. The proceeds are used to reduce or repay the outstanding claim. In most cases, the Group does not occupy repossessed properties for business use.



Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group's balance sheet. However, the fair value of collateral affects the calculation of loss allowances. It is generally assessed, at a minimum, at inception and re-assessed on an annual basis. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by internal or external appraisers.

Credit quality per class of financial assets

Loans and Receivables

The credit quality of financial assets is managed by the Group using an internal credit rating system for the purpose of measuring credit risk in a consistent manner as accurately as possible. The model on risk ratings is assessed regularly because the Group uses this information as a tool for business and financial decision making.

It is the Parent Company's policy to apply the appropriate risk rating model across the credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the Parent Company's rating policy. The attributable risk ratings are assessed and monitored regularly.

The rating categories are further described below. Note that for BCS, basis is the mapping of the BCS Score to the Borrower Risk Rating (BRR).

High Grade

This includes all borrowers whose ratings are considered as Low Risk, indicating a very low probability of going into default in the coming year. In terms of borrower credit ratings, these include the following:

ICRRS and BCS-Covered

- BRR 1 (Exceptional)
- BRR 2 (Excellent)
- BRR 3 (Strong)
- BRR 4 (Good)

Generally, a Low Risk (High Grade) rating is indicative of a high capacity to fulfill its obligations supported by robust financials (i.e., profitable, with returns considerably higher than the industry, elevated capacities to service its liabilities), gainful positioning in growing industries (i.e., participation in industries where conditions are very favorable and in which they are able to get a good share of the market), and very strong leadership providing clear strategic direction and/or excellent training and development programs.



Standard Grade

This includes all borrowers whose ratings are considered as Moderate Risk and are seen to withstand typical swings in the economic cycle without going into default. However, any prolonged unfavorable economic period would create deterioration that may already be beyond acceptable levels. In terms of borrower credit ratings, these include the following:

ICRRS and BCS-Covered

- BRR 5 (Satisfactory)
- BRR 6 (Acceptable)
- BRR 7 (Fair)

Generally, a Moderate Risk (Standard Grade) rating signifies a borrower whose financial performance is sufficient to service obligations and is at par with competitors in the industry. In terms of management, it is run by executives with adequate personal and professional qualifications and sufficient experience in similar companies. In terms of growth potential, it is engaged in an industry with stable outlook, supportive of continuing operations.

Sub-Standard Grade

In terms of borrower credit ratings, this includes the following:

A. Unclassified (ICRRS and BCS-Covered)

- BRR 8 (Watchlist)
- BRR 9 (Speculative)
- BRR 10 (Highly Speculative)

B. Adversely Classified (ICRRS and BCS-Covered)

- BRR 11 (Especially Mentioned)
- BRR 12 (Substandard)

For accounts that are Unclassified, a High Risk (Sub-Standard Grade) rating is indicative of borrowers where there are unfavorable industry or company-specific factors. This may be financial in nature (i.e., marginal operating performance, returns that are lower than those of the industry, and/or diminished capacity to pay off obligations that are due), related to management quality (including negative information regarding the company or specific executives) and/or unfavorable industry conditions. The borrower might find it difficult to cope with any significant economic downturn and a default in such a case is more than a possibility. These accounts require a closer monitoring for any signs of further deterioration that can trigger review for possible downgrade to adverse classification.

Adversely Classified accounts are automatically considered as High Risk and generally includes past due accounts. However, in some cases, even accounts that are neither past due nor impaired qualifies for adverse classification. Reasons for this include among others the following: consecutive net losses, emerging weaknesses in terms of cash flow, negative equity, and/or breach in the covenants per term loan agreement.



Impaired

Adversely Classified accounts (refer to the description in the preceding paragraph) rated as BRR 13 (Doubtful) and BRR 14 (Loss), which generally pertain to accounts in default or those demonstrating objective evidence of impairment, are classified as Impaired.

For the Parent Company's borrowers whose exposures are purely consumer loans, the basis for credit quality rating is the BSP classification for those that are booked as Current (i.e., Standard Grade if Unclassified and Sub-Standard Grade if Adversely Classified) and impairment status for those that are booked as Past Due / Items in Litigation. For the Group, the consumer loans of CBSI covered by application scorecard with score ranks of 1-4, and which are Current and Unclassified, are classified as High Grade while the remaining consumer loans are classified consistent with the Parent Company's.

The financial assets are also grouped according to stage whose description is explained as follows:

Stage 1 – those that are considered current and up to 30 days past due, and based on change in rating, delinquencies and payment history, do not demonstrate significant increase in credit risk.

Stage 2 – those that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 30 days past due but does not demonstrate objective evidence of impairment as of reporting date.

Stage 3 – those that are considered in default or demonstrate objective evidence of impairment as of reporting date.

The following tables illustrate the Group's and the Parent Company's credit exposures (amounts in millions):

Consolidated	2023			
	ECL Staging			Total
Corporate and commercial lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P42,146	P179	P–	P42,325
Standard grade	347,082	7,095	–	354,177
Sub-Standard	137,574	44,935	–	182,509
Unrated	1,264	41	–	1,305
Past due but not impaired	–	1,833	–	1,833
Impaired	–	–	15,763	15,763
Gross carrying amount	P528,066	P54,083	P15,763	P597,912

Consolidated	2023			
	ECL Staging			Total
Consumer Lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P21,599	P17	P–	P21,616
Standard grade	131,145	5,129	–	136,274
Sub-Standard	3,958	7,590	–	11,548
Unrated	1,451	1,284	–	2,735
Past due but not impaired	–	3,406	–	3,406
Impaired	–	–	5,205	5,205
Gross carrying amount	P158,153	P17,426	P5,205	P180,784



Consolidated	2023			
	ECL Staging			Total
Trade-related Lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P1,615	P–	P–	P1,615
Standard grade	4,095	11	–	4,106
Sub-Standard	6,087	128	–	6,215
Unrated	–	–	–	–
Past due but not impaired	–	–	–	–
Impaired	–	–	261	261
Gross carrying amount	P11,797	P139	P261	P12,197

Consolidated	2023			
	ECL Staging			Total
Others	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P43	P–	P–	P43
Standard grade	22	–	–	22
Sub-Standard	–	5	–	5
Unrated	15	–	–	15
Past due but not impaired	–	–	–	–
Impaired	–	–	17	17
Gross carrying amount	P80	P5	P17	P102

Consolidated	2023			
	ECL Staging			Total
Loans and receivables – total	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P65,403	P196	P–	P65,599
Standard grade	482,344	12,235	–	494,579
Sub-Standard	147,619	52,658	–	200,277
Unrated	2,730	1,325	–	4,055
Past due but not impaired	–	5,239	–	5,239
Impaired	–	–	21,246	21,246
Gross carrying amount	P698,096	P71,653	P21,246	P790,995

Consolidated	2022			
	ECL Staging			Total
Corporate and commercial lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P34,841	P141	P–	P34,982
Standard grade	337,287	12,964	–	350,251
Sub-Standard	112,348	44,515	–	156,863
Unrated	520	70	–	590
Past due but not impaired	–	587	–	587
Impaired	–	–	12,137	12,137
Gross carrying amount	P484,996	P58,277	P12,137	P555,410

Consolidated	2022			
	ECL Staging			Total
Consumer Lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P19,511	P–	P–	P19,511
Standard grade	102,420	5,665	–	108,085
Sub-Standard	1,926	4,538	–	6,464
Unrated	842	1,334	–	2,176
Past due but not impaired	–	3,165	–	3,165
Impaired	–	–	5,064	5,064
Gross carrying amount	P124,699	P14,702	P5,064	P144,465



Consolidated	2022			
	ECL Staging			Total
Trade-related Lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	₱1,982	₱–	₱–	₱1,982
Standard grade	10,065	327	–	10,392
Sub-Standard	4,713	432	–	5,145
Unrated	3	–	–	3
Past due but not impaired	–	–	–	–
Impaired	–	–	203	203
Gross carrying amount	₱16,763	₱759	₱203	₱17,725

Consolidated		2022			
		ECL Staging			
Others		Stage 1	Stage 2	Stage 3	Total
Neither past due nor impaired					
High grade		₪68	₪–	₪–	₪68
Standard grade		7	5	–	12
Sub-Standard		–	5	–	5
Unrated		19	–	–	19
Past due but not impaired		–	4	–	4
Impaired		–	–	7	7
Gross carrying amount		₪94	₪14	₪7	₪115

Consolidated	2022			
	ECL Staging			
Loans and receivables – total	Stage 1	Stage 2	Stage 3	Total
Neither past due nor impaired				
High grade	P56,402	P141	P–	56,543
Standard grade	449,779	18,961	–	468,740
Sub-Standard	118,987	49,492	–	168,479
Unrated	1,384	1,403	–	2,787
Past due but not impaired	–	3,755	–	3,755
Impaired	–	–	17,411	17,411
Gross carrying amount	P626,552	P73,752	P17,411	717,715

Parent Company	2023			
	ECL Staging			Total
Corporate and commercial lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P41,128	P179	P–	P41,307
Standard grade	339,965	7,095	–	347,060
Sub-Standard	137,574	42,129	–	179,703
Unrated	1,264	41	–	1,305
Past due but not impaired	–	1,248	–	1,248
Impaired	–	–	13,029	13,029
Gross carrying amount	P519,931	P50,692	P13,029	P583,652

Parent Company	2023			
	ECL Staging			Total
Consumer Lending	Stage 1	Stage 2	Stage 3	
Neither past due nor impaired				
High grade	P104	P17	P–	P121
Standard grade	58,788	5,129	–	63,917
Sub-Standard	3,958	7,590	–	11,548
Unrated	1,451	1,284	–	2,735
Past due but not impaired	–	861	–	861
Impaired	–	–	3,186	3,186
Gross carrying amount	P64,301	P14,881	P3,186	P82,368



Parent Company		2023			
		ECL Staging			Total
Trade-related Lending		Stage 1	Stage 2	Stage 3	
Neither past due nor impaired					
High grade		P1,339	P–	P–	P1,339
Standard grade		4,095	3	–	4,098
Sub-Standard		6,087	128	–	6,215
Unrated		–	–	–	–
Past due but not impaired		–	–	–	–
Impaired		–	–	261	261
Gross carrying amount		P11,521	P131	P261	P11,913

Parent Company		2023			
		ECL Staging			Total
Others		Stage 1	Stage 2	Stage 3	
Neither past due nor impaired					
High grade		P–	P–	P–	P–
Standard grade		–	–	–	–
Sub-Standard		–	–	–	–
Unrated		16	–	–	16
Past due but not impaired		–	–	–	–
Impaired		–	–	–	–
Gross carrying amount		P16	P–	P–	P16

Parent Company		2023			
		ECL Staging			Total
Loans and receivables – total		Stage 1	Stage 2	Stage 3	
Neither past due nor impaired					
High grade		P42,571	P196	P–	P42,767
Standard grade		402,848	12,227	–	415,075
Sub-Standard		147,619	49,847	–	197,466
Unrated		2,731	1,325	–	4,056
Past due but not impaired		–	2,109	–	2,109
Impaired		–	–	16,476	16,476
Gross carrying amount		P595,769	P65,704	P16,476	P677,949

Parent Company		2022			
		ECL Staging			Total
Corporate and commercial lending		Stage 1	Stage 2	Stage 3	
Neither past due nor impaired					
High grade		P33,842	P141	P–	P33,983
Standard grade		330,747	9,339	–	340,086
Sub-Standard		112,348	42,540	–	154,888
Unrated		520	70	–	590
Past due but not impaired		–	402	–	402
Impaired		–	–	9,206	9,206
Gross carrying amount		P477,457	P52,492	P9,206	P539,155

Parent Company		2022			
		ECL Staging			Total
Consumer Lending		Stage 1	Stage 2	Stage 3	
Neither past due nor impaired					
High grade		P182	P–	P–	P182
Standard grade		51,977	5,665	–	57,642
Sub-Standard		1,926	4,538	–	6,464
Unrated		842	1,334	–	2,176
Past due but not impaired		–	1,187	–	1,187
Impaired		–	–	3,338	3,338
Gross carrying amount		P54,927	P12,724	P3,338	P70,989



Parent Company	2022			
	ECL Staging			
Trade-related Lending	Stage 1	Stage 2	Stage 3	Total
Neither past due nor impaired				
High grade	P1,982	P–	P–	P1,982
Standard grade	10,064	–	–	10,064
Sub-Standard	4,713	426	–	5,139
Unrated	3	–	–	3
Past due but not impaired	–	–	–	–
Impaired	–	–	203	203
Gross carrying amount	P16,762	P426	P203	P17,391

Parent Company	2022			
	ECL Staging			
Others	Stage 1	Stage 2	Stage 3	Total
Neither past due nor impaired				
High grade	P–	P–	P–	P–
Standard grade	–	–	–	–
Sub-Standard	–	–	–	–
Unrated	19	–	–	19
Past due but not impaired	–	–	–	–
Impaired	–	–	–	–
Gross carrying amount	P19	P–	P–	P19

Parent Company	2022			
	ECL Staging			
Loans and receivables – total	Stage 1	Stage 2	Stage 3	Total
Neither past due nor impaired				
High grade	P36,006	P141	P–	P36,147
Standard grade	392,788	15,004	–	407,792
Sub-Standard	118,987	47,504	–	166,491
Unrated	1,384	1,404	–	2,788
Past due but not impaired	–	1,589	–	1,589
Impaired	–	–	12,747	12,747
Gross carrying amount	P549,165	P65,642	P12,747	P627,554

Depository accounts with the BSP and counterparty banks, Trading and Investment Securities

For these financial assets, outstanding exposure is rated primarily based on credit ratings from international external credit rating agencies accessed through the Group's Bloomberg terminal or from other publicly available information. Otherwise, rating is based on risk grades by Philratings.

For counterparties without external rating, the reference used for determining credit quality is the Bank's internal risk rating system. Exposures with neither external nor internal ratings are included under "Unrated".



The external risk rating of the Group's depository accounts with the BSP and counterparty banks, and trading and investment securities, is grouped as follows:

Credit Quality Rating	Credit Rating Agency		
	Moody's	S&P	Fitch
High Grade	Aaa Aa1/Aa2/Aa3	AAA AA+/AA /AA-	AAA AA+/AA /AA-
Standard Grade	A1/A2/A3 Baa1/Baa2/Baa3	A+/A/A- BBB+/BBB/BBB-	A+/A/A- BBB+/BBB/BBB-
Substandard Grade	Ba1/Ba2/Ba3 B1/B2/B3 Caa1/Caa2/Caa3 Ca	BB+/BB/BB- B+/B/B- CCC+/CCC /CCC- CC C R	BB+/BB/BB- B+/B/B- CCC+/CCC /CCC- CC C

Rating Description

High Grade

AAA – An obligor has exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events. This denotes the lowest expectation of default risk.

AA – An obligor has very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. It differs from the highest-rated obligors at a minimal degree. This denotes expectation of very low default risk.

Standard Grade

A – An obligor has strong capacity for payment of financial commitments. It is more likely to fulfill its debt obligations but carries a slightly higher risk compared to higher ratings. Its capacity may be more vulnerable to adverse business or economic conditions than obligors in higher ratings. This denotes expectation of low default risk.

BBB – An obligor has adequate capacity for payment of financial commitments, but adverse business or economic conditions are more likely to impair this capacity.

Sub-Standard Grade

BB – An obligor exhibits elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments.

B – An obligor has the capacity to meet its current financial commitments; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment. This indicates that material default risk is present, but a limited margin of safety remains.



CCC – An obligor is currently vulnerable and its capacity to meet its financial commitments relies on favorable business, financial and economic conditions. This indicates that default is a real possibility with very low margin for safety.

CC – An obligor is highly vulnerable to defaulting on its debt obligations. Although default has not yet occurred, it is anticipated and considered probable (or extremely likely to happen). This denotes expectation of greater likelihood of default risk.

C – An obligor has started experiencing default or is at high risk of facing nonpayment and is nearing default, with little prospect for recovery of principal and interest.

R (Regulatory) – An obligor has experienced a regulatory action or intervention that significantly impacts its ability to meet its debt obligations. This rating specifically highlights the influence of regulatory actions rather than a traditional default on debt payments which serves as a warning about the heightened risks associated with the rated financial instruments or issuer.

Impaired

RD (Restrictive Default) – An obligor is experiencing financial difficulties and has failed to meet some of its debt payments, but has also taken certain actions to prevent a more severe default situation. It has not entered into bankruptcy filings, administration, receivership, liquidation, or other formal winding-up procedure, and has not otherwise ceased operating. This signifies an elevated level of risk and uncertainty related to the obligor's ability to fulfill its financial commitments.

SD (Selective Default) – An obligor has failed to meet one or more debt obligations while still fulfilling their other financial commitments. It is experiencing financial stress and may be struggling to meet all of its debt obligations.

D (Default) – An obligor is experiencing financial distress and has defaulted on its debt, which means that it has failed to make timely payments or has not fulfilled its financial commitments as agreed upon. It has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure or that has otherwise ceased business and debt is still outstanding.

In the case of PHP-denominated securities which are not rated by either S&P, Moody's, or Fitch, but have an external rating by Philratings, the following grouping was applied.

Credit Quality Rating	External Credit Risk Rating
High grade	PRSAaa, PRSAa+, PRSAa, PRSAa–
Standard grade	PRSA+, PRSA, PRSA–, PRSBaa+, PRSBaa, PRSBaa–
Sub-Standard grade	PRSBa+, PRSBa, PRSBa–, PRSB+, PRSB, PRSB–, PRSCaa+, PRSCaa, PRSCaa–, PRSCa+, PRSCa, PRSCa–,

Rating Description

High Grade

PRSAaa – The company's capacity to meet its financial commitments relative to that of other Philippine corporates is Very Strong.



PRSAa – The company differs from the highest rated corporates only to a small degree, and its capacity to meet its financial commitments relative to that of other Philippine corporates is Strong.

Standard Grade

PRSA – The company is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated corporates; The obligor's capacity to meet its financial commitments relative to that of other Philippine corporates is Above Average.

PRSBaa – The company's capacity to meet its financial commitments relative to that of other Philippine corporates is Average. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the corporation to meet its financial commitments.

Sub-Standard Grade

PRSBa – The company's capacity to meet its financial commitments relative to that of other Philippine corporates is Below Average. The company faces ongoing uncertainties or exposure to adverse business, financial or economic conditions, which could result in an inadequate capacity on the part of the corporation to meet its financial commitments.

PRSB – The company's capacity to meet its financial commitments relative to that of other Philippine corporates is Weak. Adverse business, financial or economic conditions will likely impair the corporation's capacity or willingness to meet its financial commitments.

PRSCaa – The company is Currently Vulnerable and is dependent upon favorable business and financial conditions to meet its financial commitments.

PRSCa – The company is Currently Highly Vulnerable to defaulting on its financial commitments.

Impaired

PRSC – The company is In Default on its financial commitments.

For counterparty banks with no external rating but rated under the Bank' Camelot Rating System, the following grouping was applied:

Credit Quality Rating	Camelot Rating
High grade	A1, A2, A3, B1, B2, B3
Standard grade	C1, C2, C3, C4
Sub-Standard grade	D1, D2, D3, D4, E1, E2, E3

Rating Description

High Grade

A – Exceptional Bank with strong business franchise, financials and prospects

B – Bank with good fundamentals; some minor weaknesses may exist but should be resolved in due course



Standard Grade

C – Bank with adequate fundamentals; some aspects raise concerns that prevent it from achieving a higher rating

Sub-Standard Grade

D – Bank with weaknesses; capability / ability to resolve such weaknesses is put into question

Impaired

E – Bank with very serious problems / negative fundamentals

For corporate issuers with no external rating but are rated under the Bank's ICRRS, the grouping used for corporate borrowers will apply.

The succeeding tables show the credit exposures of the Group and the Parent Company related to these financial assets (amounts in millions):

Consolidated	2023				2022			
	ECL Staging			Total	ECL Staging			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost								
Neither past due nor impaired								
High grade	P50,040	P–	P–	P50,040	P57,060	P–	P–	P57,060
Standard grade	307,987	5,274	–	313,261	280,612	1,436	–	282,048
Sub-Standard	14,858	–	–	14,858	14,937	1,600	–	16,537
Unrated	–	–	–	–	–	–	–	–
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	P372,885	P5,274	P–	P378,159	P352,609	P3,036	P–	P355,645

Consolidated	2023				2022			
	ECL Staging			Total	ECL Staging			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)								
Neither past due nor impaired								
High grade	P4,410	P–	P–	P4,410	P3,392	P–	P–	P3,392
Standard grade	97,843	1,051	–	98,894	36,405	1,315	–	37,720
Sub-Standard	1,608	–	–	1,608	1,573	–	–	1,573
Unrated	–	–	–	–	–	–	–	–
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	P103,861	P1,051	P–	P104,912	P41,370	P1,315	P–	P42,685

Parent Company	2023				2022			
	ECL Staging			Total	ECL Staging			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost								
Neither past due nor impaired								
High grade	P50,040	P–	P–	P50,040	P57,060	P–	P–	P57,060
Standard grade	301,290	5,274	–	306,564	274,627	1,436	–	276,063
Sub-Standard	14,858	–	–	14,858	14,937	1,600	–	16,537
Unrated	–	–	–	–	–	–	–	–
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	P366,188	P5,274	P–	P371,462	P346,624	P3,036	P–	P349,660



Parent Company	2023				2022			
	ECL Staging				ECL Staging			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial assets at FVOCI (debt securities)								
Neither past due nor impaired								
High grade	P4,276	P–	P–	P4,276	P3,280	P–	P–	P3,280
Standard grade	85,376	1,051	–	86,427	34,376	1,315	–	35,691
Sub-Standard	1,608	–	–	1,608	1,572	–	–	1,572
Unrated	–	–	–	–	–	–	–	–
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	P91,260	P1,051	P–	P92,311	P39,228	P1,315	P–	P40,543

Consolidated	2023				
	High Grade	Standard Grade	Sub-Standard Grade	Unrated	Total
Due from BSP*	P–	P84,596	P–	P–	P84,596
Due from other banks*	3,871	16,082	–	11	19,964
Interbank loans receivable and SPURA*	22,089	12,631	–	–	34,720
Financial assets at FVTPL	1,994	11,185	452	–	13,631
	P27,954	P124,494	P452	P11	P152,911

*These financial assets are classified as Stage 1.

Parent Company	2023				
	High Grade	Standard Grade	Sub-Standard Grade	Unrated	Total
Due from BSP*	P–	P73,157	P–	P–	P73,157
Due from other banks*	3,330	14,020	–	3	17,353
Interbank loans receivable and SPURA*	22,089	8,987	–	–	31,076
Financial assets at FVTPL	1,056	11,134	452	–	12,642
	P26,475	P107,298	P452	P3	P134,228

*These financial assets are classified as Stage 1.

Consolidated	2022				
	High Grade	Standard Grade	Sub-Standard Grade	Unrated	Total
Due from BSP*	P–	P107,100	P–	P–	P107,100
Due from other banks*	1,367	12,226	21	1	13,615
Interbank loans receivable and SPURA*	15,419	28,146	–	–	43,565
Financial assets at FVTPL	1,558	2,393	541	236	4,728
	P18,344	P149,865	P562	P237	P169,008

*These financial assets are classified as Stage 1.

Parent Company	2022				
	High Grade	Standard Grade	Sub-Standard Grade	Unrated	Total
Due from BSP*	P–	P92,921	P–	P–	P92,921
Due from other banks*	927	11,399	21	–	12,347
Interbank loans receivable and SPURA*	15,419	26,179	–	–	41,598
Financial assets at FVTPL	345	2,393	541	236	3,515
	P16,691	P132,892	P562	P236	P150,381

*These financial assets are classified as Stage 1.



Restructured Loans

The following table presents the carrying amount of restructured loans (gross of allowance for impairment and credit losses) of the Group and Parent Company as of December 31, 2023 and 2022:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Loans and advances to customers				
Corporate and commercial lending	₱7,454,119	₱1,526,923	₱7,003,118	₱1,150,752
Consumer lending	1,049,702	1,251,472	1,007,035	1,223,941
Total restructured financial assets	₱8,503,821	₱2,778,395	₱8,010,153	₱2,374,693

Impairment Assessment

The Group recognizes a credit loss allowance on a financial asset based on whether it has had a significant increase in credit risk since initial recognition. Accordingly, the Group categorizes its financial assets into three categories: stage 1 – financial asset that has not had a significant increase in credit risk; stage 2 – financial asset that has had a significant increase in credit risk; and stage 3 – financial asset in default.

Generally, the Group assesses the presence of a significant increase in credit risk based on the number of notches that a financial asset's credit risk rating has declined since origination. When applicable, the Group also applies a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, the Group shall revert it to stage 1.

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when (a) the borrower becomes at least 90 days past due on its contractual payments (unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate), (b) it is classified as doubtful or loss under prudential reporting; (c) it is in litigation; and/or (d) full repayment of principal and interest is unlikely without foreclosure of collateral, if any. As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances or loss events that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted. An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria for a consecutive period of 180 days (i.e., consecutive payments from the borrowers for 180 days).

The Group then measures the credit loss allowance on a financial instrument at an amount equal to 12-month expected credit losses for items categorized as stage 1 and lifetime credit losses for items categorized as stage 2 and stage 3.

The Group modeled the following inputs to the expected credit loss formula separately. The formula is applied to each financial asset, with certain exceptions wherein a collective or other general approach is applied:



Exposure at Default (EAD)

The Group defines EAD as the principal and interests that would not be collected assuming the borrower defaults during a future point in time. The Group computes for a financial asset's EAD using the expected contractual cash flows during the contractual life of the financial instrument. A financial asset's EAD is defined as the sum of EAD from principal and EAD from interest.

Probability of default (PD)

The Group uses forward-looking PD estimates that are unbiased and probability-weighted using a range of possible outcomes. The PD for each individual instrument is modelled based on historical data and is estimated based on current market conditions and reasonable and supportable information about future economic conditions. The Group segmented its credit exposures based on homogenous risk characteristics and developed a corresponding PD methodology for each portfolio. The PD methodology for each relevant portfolio is determined based on the underlying nature or characteristic of the portfolio, behavior of the accounts, and materiality of the segment as compared to the total portfolio. The Group's PDs are mainly categorized into three: (a) corporate; (b) sovereign; and (c) retail.

Loss given default (LGD)

The Group's LGD model considers certain factors such as the historical cash flow recovery and reasonable and supportable information about future economic conditions, where appropriate. Generally, the model utilizes the Group's existing loan exposure rating system which is designed to capture these factors as well as the characteristics of collaterals related to an exposure. In cases wherein this does not apply, the Group looks into the standard characteristics of collaterals (e.g., auto and housing loans) in order to estimate an LGD factor. In the case of exposures without collaterals (e.g., securities), the Group uses internationally-accepted standard LGD factors.

Credit Review

In accordance with BSP Circular 855, credit reviews are conducted on loan accounts to evaluate whether loans are granted in accordance with the Parent Company's policies and to assess loan quality and appropriateness of classification. Results of credit reviews are promptly reported to management to apprise them of any significant findings for proper corrective actions.

Market Risk

Market risk is the risk of loss that may result from changes in the value of a financial product. The Parent Company's market risk originates from its holdings of domestic and foreign-denominated debt securities, foreign exchange instruments, equities, foreign exchange derivatives, and interest rate derivatives.

The RMG of the Parent Company is responsible for assisting the ROC with its responsibility for identifying, measuring, managing, and controlling market risk. Market risk management measures the Parent Company market risk exposures through the use of VaR. VaR is a statistical measure that estimates the maximum potential loss from a portfolio over a holding period, within a given confidence level.

VaR assumptions

The Parent Company calculates the VaR in trading activities. The Parent Company uses the Historical Simulation Full Valuation approach to measure VaR for all treasury traded instruments, using a 99.00% confidence level and a 1-day holding period.



The use of a 99.00% confidence level means that, within a one day horizon, losses exceeding the VaR figure should occur, on average, not more than once every hundred days. The validity of the VaR model is verified through back testing, which examines how frequently actual and hypothetical daily losses exceeds daily VaR. The Parent Company measures and monitors the VaR and profit and loss on a daily basis.

Since VaR is an integral part of the Parent Company's market risk management, VaR limits have been established for all trading positions and exposures are reviewed daily against the limits by management. Further, stress testing is performed for monitoring extreme events.

Limitations of the VaR Methodology

The VaR models are designed to measure market risk in a normal market environment using equally weighted historical data. The use of VaR has limitations because it is based on historical correlations and volatilities in market prices and assumes that future price movements will follow the same distribution. Due to the fact that VaR relies heavily on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated if changes in risk factors fail to align with the assumptions. VaR may also be under- or over-estimated due to the assumptions placed on risk factors and the relationship between such factors for specific instruments. Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99.00% confidence level.

In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the Group would withstand an extreme market event.

A summary of the VaR position of the trading portfolio of the Parent Company is as follows:

	Interest Rate ¹	Foreign Exchange ²	Price ³	Interest Rate ⁴	Interest Rate ⁵
	(In Millions)				
2023					
31 December	P44.59	P1.94	P31.99	P9.85	P2.45
Average daily	54.31	39.88	35.23	10.26	2.16
Highest	111.63	144.42	41.34	17.44	3.94
Lowest	16.70	1.94	24.65	5.17	0.004
2022					
31 December	P14.77	P38.66	P24.65	P6.45	P2.04
Average daily	31.96	21.83	16.72	4.27	2.16
Highest	60.07	83.37	24.65	9.23	3.76
Lowest	13.89	3.19	9.56	0.75	1.50

¹ Interest rate VaR for debt securities (Interest rate VaR for foreign currency denominated debt securities are translated to PHP using daily closing rate)

² FX VaR is the bankwide foreign exchange risk

³ Price VaR for equity securities and futures

⁴ Interest rate VaR for FX swaps and FX forwards

⁵ Interest rate VaR for IRS



Interest Rate Risk

The Group's interest rate risk originates from its holdings of interest rate sensitive assets and interest rate sensitive liabilities. The Parent Company follows prudent policies in managing its exposures to interest rate fluctuations, and constantly monitors and discusses its exposure in Asset and Liability Committee (ALCO) meetings held every week.

As of December 31, 2023 and 2022, 57.86% and 60.30% of the Group's total loan portfolio, respectively, comprised of floating rate loans which are repriced periodically by reference to the transfer pool rate which reflects the Group's internal cost of funds. As of December 31, 2023 and 2022, 62.18% and 63.55% of the Parent's total loan portfolio, respectively, were subject to interest repricing. In keeping with banking industry practice, the Group aims to achieve stability and lengthen the term structure of its deposit base, while providing adequate liquidity to cover transactional banking requirements of customers.

Savings account interest rates are set by reference to prevailing market rates, while interest rates on time deposits and special savings accounts are usually priced by reference to prevailing rates of short-term government bonds and other money market instruments, or, in the case of foreign currency deposits, inter-bank deposit rates and other benchmark deposit rates in international money markets with similar maturities.

The Group is likewise exposed to fair value interest rate risk due to its holdings of fixed rate government bonds as part of its financial assets at FVOCI and FVTPL portfolios. Market values of these investments are sensitive to fluctuations in interest rates. The following table provides for the average effective interest rates of the Group and of the Parent Company as of December 31, 2023 and 2022:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Peso				
Assets				
Due from BSP	1.68%	0.80%	0.81%	0.58%
Due from banks	0.09%	0.10%	0.04%	0.05%
Interbank Loans Receivable and SPURA	5.20%	3.17%	5.20%	3.17%
Investment securities*	5.60%	4.71%	5.63%	4.74%
Loans and receivables	7.22%	6.27%	6.71%	5.76%
Liabilities				
Deposit liabilities	2.42%	1.03%	2.19%	0.96%
Bills payable	–	2.63%	–	2.63%
Bonds payable	2.74%	2.97%	2.74%	2.97%
USD				
Assets				
Due from banks	2.44%	0.65%	2.44%	0.65%
Interbank Loans Receivable and SPURA	5.06%	1.62%	5.06%	1.62%
Investment securities*	4.08%	3.75%	4.10%	3.77%
Loans and receivables	5.37%	3.90%	5.37%	3.90%
Liabilities				
Deposit liabilities	0.73%	0.52%	0.73%	0.52%
Bills payable	4.22%	2.26%	4.22%	2.26%
Bonds payable	–	3.32%	–	3.32%

* Consists of financial assets at FVTPL, Financial assets at FVOCI, and Investment securities at amortized cost



The repricing gap analysis method is used by the Group to measure the sensitivity of its assets and liabilities to interest rate fluctuations. This analysis measures the Group's susceptibility to changes in interest rates. The repricing gap is calculated by first distributing the assets and liabilities contained in the Group's balance sheet into tenor buckets according to the time remaining to the next repricing date (or the time remaining to maturity if there is no repricing), and then obtaining the difference between the total of the repricing (interest rate sensitive) assets and the total of repricing (interest rate sensitive) liabilities.

A gap is considered negative when the amount of interest rate sensitive liabilities exceeds the amount of interest rate sensitive assets. A gap is considered positive when the amount of interest rate sensitive assets exceeds the amount of interest rate sensitive liabilities.

Accordingly, during a period of rising interest rates, a bank with a positive gap would be in a position to invest in higher yielding assets earlier than it would need to refinance its interest rate sensitive liabilities. During a period of falling interest rates, a bank with a positive gap would tend to see its interest rate sensitive assets repricing earlier than its interest rate sensitive liabilities, restraining the growth of its net income or resulting in a decline in net interest income.

The following tables set forth the repricing gap position of the Group and Parent Company as of December 31, 2023 and 2022 (in millions):

	Consolidated							
	2023				2022			
	Up to 3 Months	>3 to 12 Months	>12 Months	Total	Up to 3 Months	>3 to 12 Months	>12 Months	Total
Financial Assets								
Due from BSP	₱81,776	₱–	₱2,820	₱84,596	₱103,609	₱–	₱3,491	₱107,100
Due from other banks	19,964	–	–	19,964	13,615	–	–	13,615
Interbank Loans Receivable and SPURA	34,720	–	–	34,720	43,565	–	–	43,565
Investment securities	33,536	21,656	443,812	499,004	16,606	20,776	368,648	406,030
Loans and receivables	282,121	173,652	316,219	771,992	251,017	159,098	289,480	699,595
Total financial assets	452,117	195,308	762,851	1,410,276	428,412	179,874	661,619	1,269,905
Financial Liabilities								
Deposit liabilities	448,556	146,122	592,046	1,186,724	398,760	72,009	595,146	1,065,915
Bills payable	54,163	19,446	11,189	84,798	31,101	15,194	24,080	70,375
Bonds payable	19,989	–	–	19,989	–	8,313	20,000	28,313
Total financial liabilities	522,708	165,568	603,235	1,291,511	429,861	95,516	639,226	1,164,603
Hedge Receive	189,870	85,373	1,232	276,475	61,331	8,363	–	69,694
Hedge Pay	133,005	116,662	34,546	284,213	–	–	69,694	69,694
Repricing gap	(₱13,726)	(₱1,549)	₱126,302	₱111,027	₱59,882	₱92,721	(₱47,301)	₱105,302

	Parent Company							
	2023				2022			
	Up to 3 Months	>3 to 12 Months	>12 Months	Total	Up to 3 Months	>3 to 12 Months	>12 Months	Total
Financial Assets								
Due from BSP	₱73,157	₱–	₱–	₱73,157	₱92,921	₱–	₱–	₱92,921
Due from other banks	17,353	–	–	17,353	12,347	–	–	12,347
Interbank Loans Receivable and SPURA	31,076	–	–	31,076	41,598	–	–	41,598
Investment securities	25,375	18,534	434,612	478,521	14,912	19,767	361,790	396,469
Loans and receivables	277,318	130,565	255,299	663,182	246,513	123,243	243,441	613,197
Total financial assets	424,279	149,099	689,911	1,263,289	408,291	143,010	605,231	1,156,532

(Forward)



	Parent Company							
	2023				2022			
	Up to 3 Months	>3 to 12 Months	>12 Months	Total	Up to 3 Months	>3 to 12 Months	>12 Months	Total
Financial Liabilities								
Deposit liabilities	P402,980	P111,143	P536,452	P1,050,575	P370,272	P50,527	P538,620	P959,419
Bills payable	54,163	19,446	11,189	84,798	31,101	15,194	24,080	70,375
Bonds payable	19,989	–	–	19,989	–	8,313	20,000	28,313
Total financial liabilities	477,132	130,589	547,641	1,155,362	401,373	74,034	582,700	1,058,107
Hedge Receive	189,870	85,373	1,232	276,475	61,331	8,363	–	69,694
Hedge Pay	133,005	116,662	34,546	284,213	–	–	69,694	69,694
Repricing gap	P4,012	(P12,779)	P108,956	P100,189	P68,249	P77,339	(P47,163)	P98,425

The Group monitors its exposure to fluctuations in interest rates by using scenario analysis to estimate the impact of interest rate movements on its interest income. This is done by modeling the impact to the Group's interest income and interest expenses to parallel changes in the interest rate curve in a given 12-month period. Interest rate risk exposure is managed through approved limits.

The following tables set forth the estimated change in the Group's and Parent Company's annualized net interest income due to a parallel change in the interest rate curve as of December 31, 2023 and 2022 (in millions):

	Consolidated			
	2023			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	(P98)	(P49)	P49	P98
As a percentage of the Group's net interest income for the year ended December 31, 2023	(0.18%)	(0.09%)	0.09%	0.18%
	Consolidated			
	2022			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	P1,294	P647	(P647)	(P1,294)
As a percentage of the Group's net interest income for the year ended December 31, 2022	2.84%	1.42%	(1.42%)	(2.84%)
	Parent Company			
	2023			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	(P6)	(P3)	P3	P6
As a percentage of the Parent Company's net interest income for the year ended December 31, 2023	(0.01%)	(0.01%)	0.01%	0.01%



	Parent Company			
	2022			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	P1,263	P631	(P631)	(P1,263)
As a percentage of the Parent				
Company's net interest income for the year ended December 31, 2022	3.25%	1.63%	(1.63%)	(3.25%)

The following tables set forth the estimated change in the Group's and Parent Company's income before tax and equity due to a reasonably possible change in the market prices of quoted bonds classified under financial assets at FVTPL and financial assets at FVOCI, brought about by movement in the interest rate curve as of December 31, 2023 and 2022 (in millions):

	Consolidated			
	2023			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P44)	(P17)	P17	P44
Change in equity	(1,416)	(566)	566	1,416

	Consolidated			
	2022			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P15)	(P6)	P6	P15
Change in equity	(411)	(164)	164	411

	Parent Company			
	2023			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P42)	(P17)	P17	P42
Change in equity	(1,342)	(537)	537	1,342

	Parent Company			
	2022			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P15)	(P6)	P6	P15
Change in equity	(395)	(158)	158	395

The table below shows the Parent Company's exposures to significant IBOR-related IRS that have yet to transition to a risk-free rate (RFR) as of December 31, 2022. The table excludes exposures that would have matured before the mandatory transition date on June 30, 2023 for the overnight and 1-, 3-, 6-, and 12-month USD LIBOR.

	2022	
	Nominal Amount	Carrying Value
Derivative assets	\$175,464	P9,508
Derivative liabilities	666,000	12,072
Derivative contracts designated as hedges	1,250,000	6,185,749



As of July 1, 2023, all IBOR-related exposures of the Parent Company have transitioned to the RFR and the transition resulted to a net decrease in the fair value of derivative assets (net) amounting to ₱47.07 million.

Foreign Currency Risk

The Group's foreign exchange risk originates from its holdings of foreign currency-denominated assets (foreign exchange assets) and foreign currency-denominated liabilities (foreign exchange liabilities).

Foreign exchange liabilities generally consist of foreign currency-denominated deposits in the Group's FCDU account made in the Philippines or generated from remittances to the Philippines by persons overseas who retain for their own benefit or for the benefit of a third party, foreign currency deposit accounts with the Group.

Foreign currency liabilities are generally used to fund the Group's foreign exchange assets which generally consist of foreign currency-denominated loans and investments in the FCDU. Banks are required by the BSP to match the foreign currency-denominated liabilities with assets held in the FCDU that are denominated in the same foreign currency.

The Group's policy is to maintain foreign currency exposure within existing regulations, and within acceptable risk limits. The Group believes in ensuring its foreign currency is at all times within limits prescribed for financial institutions who are engaged in the same types of businesses in which the Group and its subsidiaries are engaged.

The table below summarizes the Group's and Parent Company's exposure to foreign exchange risk, excluding the US Dollar denominated assets and liabilities under FCDU with functional currency also in US Dollars. Included in the table are the Group's and Parent Company's assets and liabilities at carrying amounts (stated in US Dollars), categorized by currency with its PHP equivalent:

	Consolidated							
	2023				2022			
	USD	Other Currencies*	Total in USD	PHP	USD	Other Currencies*	Total in USD	PHP
Assets								
Cash and other cash items	\$383	\$8,299	\$8,682	₱480,703	\$27	\$2,462	\$2,489	₱138,809
Due from other banks	58,388	8,367	66,755	3,696,213	65,090	5,621	70,711	3,942,531
Financial assets at FVTPL	–	1,497	1,497	82,936	150	2,065	2,215	123,504
Financial assets at FVOCI	–	–	–	–	–	–	–	–
Investment securities at amortized cost	–	26,799	26,799	1,483,858	–	25,953	25,953	1,447,018
Loans and receivables	59,110	27,970	87,080	4,821,603	92,025	29,991	122,016	6,803,000
Accrued interest receivable	32	465	497	27,530	250	335	585	32,618
Other assets	20	27	47	2,598	–	1,203	1,203	67,115
	117,933	73,424	191,357	10,595,441	157,542	67,630	225,172	12,554,595
Liabilities								
Deposit liabilities	–	26,551	26,551	1,470,129	–	71,552	71,552	3,989,416
Bills payables	180,034	38,130	218,164	12,079,922	241,462	–	241,462	13,462,731
Accrued interest and other expenses	269	1	270	14,927	446	1	447	24,890
Other liabilities	32,904	154	33,058	1,830,413	54,710	1,258	55,968	3,120,472
	213,207	64,836	278,043	15,395,391	296,618	72,811	369,429	20,597,509
Currency spot	(107,357)	(243)	(107,600)	(5,957,809)	11,321	(324)	10,997	613,143
Currency forwards	3,927,925	(9,598)	3,918,327	216,957,909	1,793,782	4,406	1,798,188	100,257,988
Net Exposure	\$3,725,294	(\$1,253)	\$3,724,041	₱206,200,150	\$1,666,027	(\$1,099)	\$1,664,928	₱92,828,217

*Other currencies include EUR, CNY, JPY, GBP, AUD, SGD, CHF, CAD, NZD, AED, HKD



	Parent Company							
	2023				2022			
	USD	Other Currencies*	Total in USD	PHP	USD	Other Currencies*	Total in USD	PHP
Assets								
Cash and other cash items	\$383	\$8,299	\$8,682	₱480,703	\$27	\$2,462	\$2,489	₱138,809
Due from other banks	54,734	8,367	63,101	3,493,920	63,046	5,621	68,667	3,828,545
Financial assets at FVTPL	–	1,497	1,497	82,936	150	2,065	2,215	123,404
Financial assets at FVOCI	–	–	–	–	–	–	–	–
Investment securities at amortized cost	–	26,799	26,799	1,483,858	–	25,953	25,953	1,447,018
Loans and receivables	59,110	27,970	87,080	4,821,603	92,025	29,991	122,016	6,803,000
Accrued interest receivable	32	465	497	27,530	250	335	585	32,618
Other assets	–	27	27	1,535	–	1,203	1,203	67,115
	114,259	73,424	187,683	10,392,085	155,498	67,630	223,128	12,440,509
Liabilities								
Deposit liabilities	–	26,551	26,551	1,470,129	–	71,552	71,552	3,989,416
Bills payables	180,034	38,130	218,164	12,079,922	241,462	–	241,462	13,462,731
Accrued interest and other expenses	269	1	270	14,927	446	1	447	24,890
Other liabilities	29,251	154	29,405	1,628,151	52,666	1,258	53,924	3,006,508
	209,554	64,836	274,390	15,193,129	294,574	72,811	367,385	20,483,545
Currency spot	(107,357)	(243)	(107,600)	(5,957,809)	11,321	(324)	10,997	613,143
Currency forwards	3,927,925	(9,598)	3,918,327	216,957,909	1,793,782	4,406	1,798,188	100,257,988
Net Exposure	\$3,725,273	(\$1,253)	\$3,724,020	₱206,199,056	\$1,666,027	(\$1,099)	\$1,664,928	₱92,828,095

*Other currencies include EUR, CNY, JPY, GBP, AUD, SGD, CHF, CAD, NZD, AED, HKD

The following table sets forth, for the period indicated, the impact of the range of reasonably possible changes in the US\$ exchange rate and other currencies per Philippine Peso on the pre-tax income and equity (in millions).

Consolidated					
		2023		2022	
	Change in Foreign Exchange Rate	Sensitivity of Pretax Income	Sensitivity of Equity	Sensitivity of Pretax Income	Sensitivity of Equity
USD	1%	₱1	₱333	₱4	₱208
Other	1%	–	–	–	–
USD	(1%)	(1)	(333)	(4)	(208)
Other	(1%)	–	–	–	–

Parent Company					
		2023		2022	
	Change in Foreign Exchange Rate	Sensitivity of Pretax Income	Sensitivity of Equity	Sensitivity of Pretax Income	Sensitivity of Equity
USD	1%	₱1	₱326	₱4	₱201
Other	1%	–	–	–	–
USD	(1%)	(1)	(326)	(4)	(201)
Other	(1%)	–	–	–	–

The impact in pre-tax income and equity is due to the effect of foreign currency behaviour to Philippine Peso.

Equity Price Risk

Equity price risk is the risk that the fair values of equities change as a result of movements in both the level of equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio.



The effect on the Group and Parent Company's equity as a result of a change in the fair value of equity instruments held as at FVOCI due to a reasonably possible change in equity indices, with all other variables held constant, is as follows (in millions):

	Consolidated		Parent Company	
	Change in equity index	Effect on Equity	Change in equity index	Effect on Equity
2023	+10%	₱6.4	+10%	₱6.8
	-10%	(7.3)	-10%	(6.2)
2022	+10%	₱17.9	+10%	₱17.9
	-10%	7.2	-10%	7.2

Liquidity Risk and Funding Management

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Group's inability to meet its obligations when they become due without incurring unacceptable losses or costs.

The Group's liquidity management involves maintaining funding capacity to accommodate fluctuations in asset and liability levels due to changes in the Group's business operations or unanticipated events created by customer behavior or capital market conditions. The Group seeks to ensure liquidity through a combination of active management of liabilities, a liquid asset portfolio composed of deposits reserves and high quality securities, the securing of money market lines, and the maintenance of repurchase facilities to address any unexpected liquidity situations.

The tables below show the maturity profile of the Group's and the Parent Company's assets and liabilities, based on contractual undiscounted cash flows (in millions):

	Consolidated					
	December 31, 2023					
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Financial Assets						
Cash and other cash items	₱15,998	₱–	₱–	₱–	₱–	₱15,998
Due from BSP	84,596	–	–	–	–	84,596
Due from other banks	19,964	–	–	–	–	19,964
Interbank loans receivable and SPURA	3,645	31,075	–	–	–	34,721
Derivative contracts designated as hedges	–	758	1,990	3,207	–	5,955
Financial assets at FVTPL	938	10,984	2,365	463	2,757	17,507
Financial assets at FVOCI	–	14,538	10,127	12,526	88,473	125,664
Financial assets at AC	–	36,975	28,994	33,051	280,589	379,609
Loans and receivables	–	267,586	133,171	110,916	394,680	906,353
	125,141	361,916	176,647	160,163	766,499	1,590,368
Financial Liabilities						
Deposit liabilities						
Demand	291,397	–	–	–	–	291,397
Savings	283,859	–	–	–	–	283,859
Time	–	599,900	9,083	705	5,897	615,585
Bills payable	9,471	36,075	16,490	18,664	4,098	84,798
Manager's checks	–	2,109	–	–	–	2,109
Accrued interest and other expenses	–	8,589	–	–	–	8,589

(Forward)



Consolidated						
December 31, 2023						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Derivative contracts designated as hedges	P–	P7,437	P66	P17	P–	P7,520
Derivative liabilities	–	939	–	–	–	939
Bonds payable	–	19,989	–	–	–	19,989
Other liabilities:						
Lease payable	–	147	502	890	1,809	3,348
Accounts payable	–	5,904	–	–	–	5,904
Acceptances payable	–	2,269	–	–	–	2,269
Due to PDIC	–	1,030	–	–	–	1,030
Margin deposits	–	–	–	–	–	–
Other credits – dormant	–	415	–	–	40	455
Due to the Treasurer of the Philippines	–	721	–	–	–	721
Miscellaneous	–	1,103	–	–	–	1,103
Total liabilities	584,727	686,627	26,140	20,276	11,845	1,329,617
Net Position	(P459,586)	(P324,711)	P150,507	P139,887	P754,654	P260,751

Consolidated						
December 31, 2022						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Financial Assets						
Cash and other cash items	P13,689	P–	P–	P–	P–	P13,689
Due from BSP	107,100	–	–	–	–	107,100
Due from other banks	13,615	–	–	–	–	13,615
Interbank loans receivable and SPURA	1,967	41,598	–	–	–	43,565
Derivative contracts designated as hedges	–	69	3,506	2,765	–	6,340
Financial assets at FVTPL	1,213	650	88	295	1,254	3,500
Financial assets at FVOCI	–	3,520	3,359	7,284	41,776	55,939
Financial assets at AC	–	35,249	35,289	26,955	260,974	358,467
Loans and receivables	–	184,428	53,992	65,147	414,149	717,716
	137,584	265,514	96,234	102,446	718,153	1,319,931
Financial Liabilities						
Deposit liabilities						
Demand	272,110	–	–	–	–	272,110
Savings	301,331	–	–	–	–	301,331
Time	–	482,104	4,638	2,410	3,321	492,473
Bills payable	5,472	40,823	21,284	2,796	–	70,375
Manager's checks	–	1,551	–	–	–	1,551
Accrued interest and other expenses	–	6,116	–	–	–	6,116
Derivative contracts designated as hedges	–	70	15	4,176	–	4,261
Derivative liabilities	–	1,550	–	–	–	1,550
Bonds payable	–	8,381	19,932	–	–	28,313
Other liabilities:						
Lease payable	–	203	556	799	1,413	2,971
Accounts payable	–	6,557	–	–	–	6,557
Acceptances payable	–	2,912	–	–	–	2,912
Due to PDIC	–	901	–	–	–	901
Margin deposits	–	–	–	–	–	–
Other credits – dormant	–	351	–	–	47	398
Due to the Treasurer of the Philippines	–	535	–	–	–	535
Miscellaneous	–	611	–	–	–	611
Total liabilities	578,913	552,665	46,425	10,181	4,781	1,192,965
Net Position	(P441,329)	(P287,151)	P49,809	P92,265	P713,372	P126,966



Parent Company						
December 31, 2023						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Financial Assets						
Cash and other cash items	₱13,041	₱–	₱–	₱–	₱–	₱13,041
Due from BSP	73,157	–	–	–	–	73,157
Due from other banks	17,353	–	–	–	–	17,353
Interbank loans receivable and SPURA	–	31,076	–	–	–	31,076
Derivative contracts designated as hedges	–	758	1,990	3,207	–	5,955
Financial assets at FVTPL	–	10,984	2,365	463	2,706	16,518
Financial assets at FVOCI	–	5,561	9,914	12,120	85,354	112,949
Financial assets at AC	–	36,336	26,228	32,776	277,375	372,715
Loans and receivables	–	235,674	111,610	91,004	355,019	793,307
	103,551	320,389	152,107	139,570	720,454	1,436,071
Financial Liabilities						
Deposit liabilities						
Demand	266,548	–	–	–	–	266,548
Savings	263,095	–	–	–	–	263,095
Time	–	517,838	6,864	173	176	525,051
Bills payable	9,471	36,075	16,490	18,664	4,099	84,799
Manager's checks	–	1,420	–	–	–	1,420
Accrued interest and other expenses	–	7,499	–	–	–	7,499
Derivative contracts designated as hedges	–	7,437	66	17	–	7,520
Derivative liabilities	–	939	–	–	–	939
Bonds payable	–	19,989	–	–	–	19,989
Other liabilities:	–	–	–	–	–	–
Lease payable	–	70	348	890	1,271	2,579
Accounts payable	–	4,378	–	–	–	4,378
Acceptances payable	–	2,269	–	–	–	2,269
Due to PDIC	–	1,030	–	–	–	1,030
Margin deposits	–	–	–	–	–	–
Other credits – dormant	–	415	–	–	–	415
Due to the Treasurer of the Philippines	–	677	–	–	–	677
Miscellaneous	–	929	–	–	–	929
Total liabilities	539,114	600,965	23,768	19,744	5,546	1,189,137
Net Position	(₱435,563)	(₱280,576)	128,339	₱119,826	₱714,908	₱246,934

Parent Company						
December 31, 2022						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Financial Assets						
Cash and other cash items	₱10,074	₱–	₱–	₱–	₱–	₱10,074
Due from BSP	92,921	–	–	–	–	92,921
Due from other banks	12,347	–	–	–	–	12,347
Interbank loans receivable and SPURA	–	41,598	–	–	–	41,598
Derivative contracts designated as hedges	–	69	3,506	2,765	–	6,340
Financial assets at FVTPL	–	650	88	295	1,254	2,287
Financial assets at FVOCI	–	3,071	2,719	7,097	40,886	53,773
Financial assets at AC	–	34,689	34,743	24,218	258,635	352,285
Loans and receivables	–	156,001	38,515	52,315	380,724	627,555
	115,342	236,078	79,571	86,690	681,499	1,199,180
Financial Liabilities						
Deposit liabilities						
Demand	248,861	–	–	–	–	248,861
Savings	279,502	–	–	–	–	279,502
Time	–	430,436	548	56	16	431,056

(Forward)



Parent Company						
December 31, 2022						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Bills payable	P5,472	P40,823	P21,284	P2,796	P—	P70,375
Manager's checks	—	1,296	—	—	—	1,296
Accrued interest and other expenses	—	5,400	—	—	—	5,400
Derivative contracts designated as hedges	—	70	15	4,176	—	4,261
Derivative liabilities	—	1,550	—	—	—	1,550
Bonds payable	—	8,381	19,932	—	—	28,313
Other liabilities:	—	—	—	—	—	—
Lease payable	—	41	329	799	1,224	2,393
Accounts payable	—	4,694	—	—	—	4,694
Acceptances payable	—	2,912	—	—	—	2,912
Due to PDIC	—	901	—	—	—	901
Margin deposits	—	—	—	—	—	—
Other credits – dormant	—	351	—	—	—	351
Due to the Treasurer of the Philippines	—	503	—	—	—	503
Miscellaneous	—	461	—	—	—	461
Total liabilities	533,835	497,819	42,108	7,827	1,240	1,082,829
Net Position	(P418,493)	(P261,741)	P37,463	P78,863	P680,259	P116,351

Liquidity risk is monitored and controlled primarily by a gap analysis of maturities of relevant assets and liabilities reflected in the MCO report, as well as an analysis of available liquid assets. Instead of relying solely on contractual maturities profile, the Parent Company uses Behavioral MCO to capture a going concern view. Furthermore, internal liquidity ratios and monitoring of large fund providers have been set to determine sufficiency of liquid assets over deposit liabilities. Liquidity is managed by the Parent Company and its subsidiaries on a daily basis, while scenario stress tests and sensitivity analysis are conducted periodically.

7. Due From BSP and Other Banks

Due from BSP

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Demand deposit account (Note 17)	P70,715,958	P77,550,280	P67,756,976	P73,920,525
Special deposit account	13,880,000	29,550,000	5,400,000	19,000,000
Others	15	15	15	15
	P84,595,973	P107,100,295	P73,156,991	P92,920,540

Due from Other Banks

This consists of deposit accounts with:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Local banks	P12,413,625	P7,284,505	P12,413,625	P7,284,505
Foreign banks	7,550,790	6,330,104	4,939,205	5,062,664
	P19,964,415	P13,614,609	P17,352,830	P12,347,169



Due from Other Banks includes margin deposits with various counterparties to meet the collateral requirements for the Parent Company's interbank loans payable (Note 19).

Interest Income on Due from BSP and Other Banks

This account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Due from BSP	P274,996	P218,951	P311,645	P176,246	P136,287	P129,874
Due from other banks	1,770,997	948,607	1,216,160	872,971	656,515	1,088,850
	P2,045,993	P1,167,558	P1,527,805	P1,049,217	P792,802	P1,218,724

The average interest rates on Due from BSP and Other Banks are disclosed in Note 6.

8. **Interbank Loans Receivable and Securities Purchased Under Resale Agreements**

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Interbank loans receivable	P22,088,980	P28,769,544	P22,088,980	P28,769,545
SPURA	12,631,270	14,795,426	8,986,674	12,828,404
	P34,720,250	P43,564,970	P31,075,654	P41,597,949

Interbank Loans Receivable

As of December 31, 2023 and 2022, interbank loans receivable includes short-term foreign currency-denominated loans granted to other banks.

In 2023, 2022, and 2021, the interest rates of foreign currency-denominated interbank loans receivable range from 5.35%% to 5.45%%, from 4.25% to 4.60%, and from 0.05% to 0.16%, respectively.

Securities Purchased Under Resale Agreement

This account represents overnight placements with the BSP where the underlying securities cannot be sold or repledged to parties other than the BSP.

Interest rates of SPURA for both the Group and the Parent Company range from 5.50% to 6.41% in 2023, from 2.00% to 5.00% in 2022, and a fixed rate of 2.00% in 2021.



9. Trading and Investment Securities

Financial Assets at FVTPL

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Held for trading				
Government bonds	P8,186,880	P382,861	P8,135,980	P382,861
Treasury notes	1,135,824	563,548	1,135,824	563,548
Treasury bills	772,482	201,779	772,482	201,779
Private bonds	1,252,276	760,600	1,252,276	760,600
Quoted equity shares	897,898	700,112	572,061	590,126
	12,245,360	2,608,900	11,868,623	2,498,914
Financial assets designated at FVTPL	612,487	1,103,018	–	–
Derivative contracts not designated as hedges (Note 26)	773,440	1,015,662	773,440	1,015,662
Total	P13,631,287	P4,727,580	P12,642,063	P3,514,576

As of December 31, 2023 and 2022, HFT securities include fair value gain of P53.64 million and fair value loss of P98.39 million, respectively, for the Group. As of December 31, 2023 and 2022, HFT securities include fair value loss of P10.85 million and fair value loss of P91.18 million, respectively, for the Parent Company.

Effective interest rates for peso-denominated financial assets at FVTPL for both the Group and the Parent Company range from 0.32% to 9.08% in 2023, from 0.18% to 8.98% in 2022, and from 0.65% to 8.80% in 2021. Effective interest rates for foreign currency-denominated financial assets at FVTPL for the Group and Parent Company range from 2.10% to 10.16% in 2023, from 1.27% to 6.84% in 2022, and from 0.12% to 7.10% in 2021.

Financial Assets at FVOCI

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Debt Securities				
Government bonds (Note 29)	P85,137,369	P27,447,647	P72,624,878	P25,454,732
Private bonds	19,774,579	15,236,902	19,686,382	15,088,429
	104,911,948	42,684,549	92,311,260	40,543,161
Equity Securities				
Quoted equity shares	1,601,596	603,898	1,495,421	588,192
Unquoted equity shares	27,943	28,310	19,755	19,772
	1,629,539	632,208	1,515,176	607,964
Total	P106,541,487	P43,316,757	P93,826,436	P41,151,125

Unquoted equity securities

This account consists of shares of stocks of various unlisted private corporations. The Group has designated these equity securities as at FVOCI as these will not be sold in the foreseeable future.



Net unrealized gains (losses)

As of December 31, 2023 and 2022, financial assets at FVOCI include fair value losses of ₱1.55 billion and ₱4.42 billion, respectively, for both the Group and the Parent Company. The fair value losses are recognized in OCI. As of December 31, 2023, accumulated credit losses on debt financial assets at FVOCI recognized in OCI amounted to ₱134.81 million and ₱134.78 million for the Group and the Parent Company, respectively, while as of December 31, 2022, it amounted to ₱124.31 million and ₱124.38 million for the Group and the Parent Company, respectively.

Effective interest rates for peso-denominated financial assets at FVOCI for both the Group and Parent Company range from 2.08% to 8.58% in 2023, from 1.75% to 8.50% in 2022, and from 1.40% to 5.40% in 2021.

Effective interest rates for foreign currency-denominated financial assets at FVOCI for both the Group and Parent Company range from 1.37% to 7.95% in 2023 and 2022, and from 0.83% to 7.00% in 2021.

Investment Securities at Amortized Cost

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Government bonds (Note 19)	₱251,385,497	₱226,517,019	₱245,233,998	₱221,225,162
Private bonds	126,773,880	129,128,451	126,228,229	128,434,431
	378,159,377	355,645,470	371,462,227	349,659,593
Unamortized premium – net	2,843,560	2,879,276	2,640,762	2,676,055
Allowance for credit losses (Note 16)	(541,516)	(538,820)	(535,447)	(532,771)
	₱380,461,421	₱357,985,926	₱373,567,542	₱351,802,877

Effective interest rates for peso-denominated investment securities at amortized cost for the Group and the Parent Company range from 1.85% to 7.14% in 2023, from 1.66% to 7.14% in 2022, and from 1.28% to 7.14% in 2021. Effective interest rates for foreign currency-denominated investment securities at amortized cost for the Group and the Parent Company range from 0.57% to 10.34% in 2023, 2022 and 2021.

Redemption and Sale of Investment Securities at Amortized Cost

In 2023 and 2022, investment securities at amortized cost held by the Parent Company with carrying values prior to redemption of ₱1.65 billion and ₱76.9 million, respectively, were redeemed by their respective counterparty issuers in accordance with the terms and conditions in the bond indentures which resulted in a gain of ₱0.08 million and ₱1.92 million, respectively. In 2021, the Parent Company sold investment securities at amortized cost with carrying values prior to the sale amounting to ₱55.77 billion, which resulted in a gain of ₱4.06 billion, primarily due to liquidity-related reasons.

These redemptions and disposals of investment securities at amortized cost were assessed by the Parent Company as not inconsistent with the portfolios' business models considering the conditions and reasons for which the redemptions and disposals were made (see Note 3).



Interest Income on Investment Securities at Amortized Cost and at FVOCI

This account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Financial assets at FVOCI	₱4,087,792	₱1,479,250	₱900,827	₱3,885,167	₱1,423,113	₱847,216
Investment securities at amortized cost	19,148,548	13,580,803	8,292,920	18,845,660	13,353,283	8,087,436
	₱23,236,340	₱15,060,053	₱9,193,747	₱22,730,827	₱14,776,396	₱8,934,652

10. Loans and Receivables

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Loans and discounts				
Corporate and commercial lending	₱597,912,215	₱555,410,114	₱583,652,086	₱539,155,413
Consumer lending	180,783,562	144,464,852	82,367,782	70,988,726
Trade-related lending	12,197,414	17,725,069	11,913,049	17,391,202
Others*	102,047	115,200	15,998	19,126
	790,995,238	717,715,235	677,948,915	627,554,467
Unearned discounts	(1,622,481)	(1,177,922)	(440,915)	(182,760)
	789,372,757	716,537,313	677,508,000	627,371,707
Allowance for impairment and credit losses (Note 16)	(17,380,998)	(16,942,524)	(14,325,851)	(14,174,453)
	₱771,991,759	₱699,594,789	₱663,182,149	₱613,197,254

*Others include employee loans and foreign bills purchased

Information on the amounts of secured and unsecured loans and receivables (gross of unearned discounts and allowance for impairment and credit losses) of the Group and Parent Company are as follows:

	Consolidated				Parent Company			
	2023		2022		2023		2021	
	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Loans secured by								
Real estate	₱109,418,722	13.83	₱94,305,837	13.14	₱74,868,845	11.04	₱63,717,907	10.15
Chattel mortgage	25,099,865	3.17	21,083,673	2.94	6,256,291	0.92	4,708,259	0.75
Guarantee by the Republic of the Philippines	65,508	0.01	80,362	0.01	65,508	0.01	80,362	0.01
Deposit hold out	6,759,661	0.86	6,034,139	0.84	6,521,592	0.96	5,765,877	0.92
Shares of stock of other banks	8,323,900	1.05	8,332,250	1.16	8,323,900	1.23	8,332,250	1.33
Others*	122,306,961	15.46	104,383,376	14.54	122,216,525	18.03	104,276,013	16.62
	271,974,617	34.38	234,219,637	32.63	218,252,661	32.19	186,880,668	29.78
Unsecured loans	519,020,621	65.62	483,495,598	67.37	459,696,254	67.81	440,673,799	70.22
	₱790,995,238	100.00	₱717,715,235	100.00	₱677,948,915	100.00	₱627,554,467	100.00

*Others includes loans secured by shares of stocks of other firms, deed of assignment of accounts receivable, assignment/pledge of government securities, mortgage trust indenture, and other collaterals.



Modification of Loans and Receivables

COVID-19 Pandemic

In 2020, the Group provided payment reliefs / grace periods in accordance with Bayanihan to Heal as One Act (“Bayanihan 1 Act”) and Bayanihan to Recover as One Act (“Bayanihan 2 Act”) which were enacted on March 25, 2020 and September 11, 2020, respectively. In addition, the Group offered financial reliefs, aside from those covered by Bayanihan 1 Act and Bayanihan 2 Act, to their borrowers or counterparties as a response to the effect of the COVID-19 pandemic, particularly the modification of existing loans and receivables which includes extension of payment terms.

Based on the Group’s assessments, the modifications in the contractual cash flows as a result of the above reliefs are not substantial and, therefore, do not result in the derecognition of the affected financial assets but would require the recognition of modification losses. The total modification losses resulting from Bayanihan 1 Act and Bayanihan 2 Act are not material for the Parent Company. For CBSI, the total modification loss in 2020 amounted to ₱203.75 million. In 2023 and 2022, the accretion on the modified loans amounted to ₱9.95 million and ₱44.09 million, respectively.

Assignment and Leaseback Transaction with a Repurchase Option

In 2023, the Parent Company (assignee-lessor) entered into an assignment and leaseback transaction with option to repurchase as settlement of a loan receivable, which was assessed by the Parent Company as a loan modification in accordance with the applicable accounting standards (see Note 2). The Parent Company assessed that the modification in the contractual cash flows under the terms of the transaction is ‘not substantial’ and, therefore, does not result in the derecognition of the original loan receivable. As a result of the transaction, the Parent Company recognized a modification gain included under ‘Miscellaneous income’ amounting to ₱163.21 million (Note 22). As of December 31, 2023, the unamortized balance of the modification gain amounted to ₱138.51 million, net of amortization due to accretion amounting to ₱24.70 million.

Interest Income on Loans and Receivables

As of December 31, 2023 and 2022, 57.86% and 60.30%, respectively, of the total receivables from customers of the Group and 62.16% and 63.55%, respectively, of the total receivables from customers of the Parent Company were subject to interest repricing.

Remaining receivables of the Group carry annual fixed interest rates ranging from 2.00% to 39.42% in 2023, from 2.00% to 39.42% in 2022, and from 1.75% to 39.42% in 2021 for peso-denominated receivables, and from 3.00% to 10.50% in 2023, from 4.00% to 10.50% in 2022, and from 2.25% to 10.50% in 2021 for foreign currency-denominated receivables.

Remaining receivables of the Parent Company carry annual fixed interest rates ranging from 2.00% to 30.00% in 2023, from 2.00% to 30.00% in 2022, and from 1.75% to 30.00% in 2021 for peso-denominated receivables and from 3.00% to 10.50% in 2023, from 4.00% to 10.50% in 2022, and from 2.38% to 10.50% in 2021 for foreign currency-denominated receivables.



11. Equity Investments

This account consists of investments in:

A. Subsidiaries

	2023	2022
Balance at beginning of the year		
CBSI	P15,591,412	P14,059,458
CBCC	3,017,191	2,694,466
CBC-PCCI	44,953	80,625
CIBI	410,240	356,796
	19,063,796	17,191,345
Share in net income (losses)		
CBSI	1,851,012	1,624,613
CBCC	550,838	318,085
CBC-PCCI	27,200	(3,440)
CIBI	112,647	105,428
	2,541,697	2,044,686
Share in Other Comprehensive Income		
<i>Items that recycle to profit or loss in subsequent periods:</i>		
Net unrealized gain (loss) on debt financial assets FVOCI		
CBSI	62,206	(120,193)
CBCC	(96,469)	13,172
	(34,263)	(107,021)
Cumulative translation adjustments		
CBSI	81,508	34,911
	81,508	34,911
<i>Items that do not recycle to profit or loss in subsequent periods:</i>		
Net unrealized gain (loss) on equity financial assets at FVOCI		
CBSI	8,774	(3,789)
CBCC	81,659	(10,585)
	90,433	(14,374)
Remeasurement gains (losses) on defined benefit assets/obligations		
CBSI	(41,539)	(3,588)
CBCC	(2,124)	2,053
CBC-PCCI	(3,449)	(7,232)
CIBI	(4,157)	(1,984)
	(51,269)	(10,751)
Additional investments		
CBSI	1,000,064	—
	1,000,064	—

(Forward)



	2023	2022
Cash dividends		
CBC-PCCI	(P15,000)	(P25,000)
CIBI	(60,000)	(50,000)
	(75,000)	(75,000)
Balance at end of the year		
CBSI	18,553,395	15,591,412
CBCC	3,551,095	3,017,191
CBC-PCCI	53,746	44,953
CIBI	458,730	410,240
	P22,616,966	P19,063,796

B. Associates:

	2023	2022
Balance at beginning of the year	P983,243	P796,519
Share in net income	435,075	285,059
Share in OCI:		
<i>Item that recycle to profit or loss in subsequent periods:</i>		
Net unrealized gain (loss) on FVOCI	140,244	(213,444)
<i>Items that do not recycle to profit or loss in subsequent periods:</i>		
Remeasurement gain (loss) on life insurance reserves	(4,284)	110,416
Remeasurement gain (loss) on defined benefit plan	(4,326)	4,693
Cash dividends	(160,000)	—
Balance at end of the year	P1,389,952	P983,243

CBSI

Cost of investment includes the original amount incurred by the Parent Company from its acquisition of CBSI in 2007 amounting to P1.07 billion.

On August 2, 2023, the BOD of the Parent Company took up and approved, confirmed, and ratified the capital infusion amounting to P2.00 billion to China Bank Savings, Inc. (CBSI), in order to support CBSI's sustained loan expansion and enhance its ability to cover and serve more segments of the banking and unbanked population. The additional capital is to be infused to CBSI in tranches and is based on certain conditions. On December 22, 2023, the Parent Company infused additional capital to CBSI amounting to P1.00 billion.

Merger of CBSI with PDB

The BOD of both CBSI and PDB, in their meeting held on June 26, 2014, approved the proposed merger of PDB with CBSI, with the latter as the surviving bank. On November 6, 2015, the BSP issued the Certificate of Authority on the Articles of Merger and the Plan of Merger, as amended, of CBSI and PDB. On December 17, 2015, CBSI obtained SEC's approval of its merger with PDB, whereby the entire assets and liabilities of PDB shall be transferred to and absorbed by CBSI.



Acquisition of PDB

In 2014, the Parent Company made tender offers to non-controlling stockholders of PDB. As of December 31, 2014, the Parent Company owns 99.85% and 100.00% of PDB's outstanding common and preferred stocks, respectively.

The consideration transferred for the acquisition of PDB amounted to:

Acquisition of majority of PDB's capital stock	₱1,421,346
Tender offers	255,354
	<u>₱1,676,700</u>

In 2014 and 2015, the Parent Company made additional capital infusion to PDB amounting to ₱1.30 billion and ₱1.70 billion, respectively.

In 2015, the Monetary Board (MB) of the BSP granted to the Group investment and merger incentives in the form of waiver of special licensing fees for 67 additional branch licenses in restricted areas. This is in addition to the initial investment and merger incentives of 30 new branches in restricted areas and 35 branches to be transferred from unrestricted to restricted areas granted to the Parent Company by the MB in 2014. These branch licenses were granted under the Strengthening Program for Rural Bank (SPRB) Plus Framework.

The branch licenses have the following fair values:

114 Commercial Bank branch licenses	₱2,280,000
18 Thrift Bank branch licenses	270,000
	<u>2,550,000</u>
Deferred tax liability	(765,000)
	<u>₱1,785,000</u>

On April 6, 2016, the Parent Company's BOD approved the allocation of the 67 additional branch licenses in restricted areas as follows: 49 to the Parent Company and 18 to CBSI. Goodwill from acquisition of PDB is computed as follows:

Consideration transferred	₱1,676,700
Less: Fair value of identifiable assets and liabilities acquired	
Net liabilities of PDB*	(₱725,207)
Branch licenses, net of deferred tax liability (Note 14)	1,785,000
	<u>1,059,793</u>
	<u>₱616,907</u>

**inclusive of the existing branch licenses of PDB with an aggregate fair value of ₱289.50 million (Note 14)*

CIBI

On February 21, 2023, the BOD of CIBI declared and approved cash dividends amounting to ₱60.00 million for stockholders on record as of declaration date, payable on March 1, 2023.

On February 8, 2022, the BOD of CIBI declared and approved cash dividends amounting to ₱50.00 million for stockholders on record as of declaration date, payable on March 1, 2022.



CBC-PCCI

On June 14, 2023, the BOD of CBC-PCCI declared and approved cash dividends amounting to ₱15.00 million for stockholders on record as of July 31, 2023, payable on August 15, 2023.

On June 1, 2022, the BOD of CBC-PCCI declared and approved cash dividends amounting to ₱25.00 million for stockholders on record as of July 30, 2022, payable on August 5, 2022.

CBCC

On April 1, 2015, the BOD approved the investment of the Parent Company in an investment house subsidiary, CBCC, up to the amount of ₱500.00 million. On April 30, 2015, the BSP approved the Parent Company's investment of up to 100% or up to ₱500.00 million common shares in CBCC. On November 27, 2015, the SEC approved the Articles of Incorporation and By-Laws of CBCC and granted CBCC the license to operate as an investment house.

CBCC acquisition of CBCSec (formerly ATC Securities, Inc.)

On May 19, 2016, the BOD of CBCC approved the acquisition of ATC Securities, Inc. (ATC).

On June 29, 2016, CBCC and the shareholders of ATC (the Original Shareholders) entered into an Agreement for the Purchase of Shares whereby CBCC agreed to buy, and the Original Shareholders agreed to sell, 3,800,000 shares representing 100% of the issued and outstanding shares of ATC.

On July 6, 2017, the SEC approved the change of name from ATC Securities, Inc. to China Bank Securities Corporation.

CBC Assets One (SPC), Inc.

CBC Assets One (SPC), Inc. was incorporated on June 15, 2016 as a wholly-owned special purpose company of CBCC for asset-backed securitization. It has not yet commenced commercial operations.

Resurgent Capital (FIST-AMC), Inc.

Resurgent Capital (FIST-AMC), Inc. was incorporated on September 6, 2021 as a wholly-owned FIST Corporation of CBCC. The primary purpose is to invest in, or acquire, Non-Performing Assets ("NPAs") of any financial institution. It has not yet commenced commercial operations.

Investment in Associates

Investment in associates in the consolidated and the parent company financial statements pertain to investment in MCB Life and CBC-PCCI's investment in Urban Shelters (accounted for by CBC-PCCI in its financial statements as an investment in an associate). Investment in Urban Shelters is carried at nil amount as of December 31, 2023 and 2022.

MCB Life

In 2006, the Parent Company and Manufacturers Life Insurance Company (Manulife) entered into a joint project where the Parent Company will invest in a life insurance company owned by Manulife, and such company will be offering innovative insurance and financial products for health, wealth, and education through the Parent Company's branches nationwide. The Parent Company acquired 5.00% interest in Manulife China Bank Life Assurance Corporation (MCB Life) on August 8, 2007. This investment is accounted for as an investment in an associate by virtue of the Bancassurance Alliance Agreement which provides the Parent Company the right to be represented in MCB Life's BOD and, thus, exercise significant influence over the latter.



The BSP requires the Parent Company to maintain a minimum of 5.00% ownership over MCB Life in order for MCB Life to be allowed to continue distributing its insurance products through the Parent Company's branches.

On September 12, 2014, the BSP approved the request of the Parent Company to raise its capital investment in MCB Life from 5.00% to 40.00% of its authorized capital through purchase of 1.75 million common shares.

On June 30, 2023, the Parent Company received ₱160.00 million cash dividends from MCB Life. The following tables show the summarized financial information of MCB Life:

	2023	2022
Total assets	₱64,827,549	₱62,278,613
Total liabilities	61,352,672	59,869,929
Equity	3,474,877	2,408,684
	2023	2022
Revenues	₱11,604,711	₱13,402,185
Benefits, claims and operating expenses	10,184,949	12,540,513
Income before income tax	1,419,762	861,672
Net income	1,087,688	712,647

Commission income earned by the Group from its bancassurance agreement is included under 'Miscellaneous income' in the statements of income (Note 22).

12. Bank Premises, Furniture, Fixtures and Equipment and Right-of-use Assets

The composition of and movements in this account follow:

	Consolidated							
	2023							
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Building	Total
Cost								
Balance at beginning of year	₱4,039,674	₱7,867,507	₱2,341,062	₱2,577,648	₱197,953	₱173,372	₱4,442,821	₱21,640,037
Additions	2,081	780,722	128,359	237,706	224,144	178,795	864,202	2,416,009
Disposals/transfers (Note 14)	–	(235,226)	(117,112)	(52,902)	(83,923)	(19,809)	(263,756)	(772,728)
Balance at end of year	4,041,755	8,413,003	2,352,309	2,762,452	338,174	332,358	5,043,267	23,283,318
Accumulated Depreciation and Amortization								
Balance at beginning of year	–	6,705,162	1,536,021	1,963,439	–	100,813	1,997,342	12,302,777
Depreciation and amortization	–	481,955	93,548	214,137	–	54,980	852,490	1,697,110
Disposals/transfers (Note 14)	–	(116,446)	(191,551)	(16,662)	–	(32,062)	(438,692)	(795,413)
Balance at end of year	–	7,070,671	1,438,018	2,160,914	–	123,731	2,411,140	13,204,474
Net Book Value at End of Year	₱4,041,755	₱1,342,332	₱914,291	₱601,538	₱338,174	₱208,627	₱2,632,127	₱10,078,844



	Consolidated							
	2022							
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Building	Total
Cost								
Balance at beginning of year	₱3,288,630	₱7,591,749	₱2,135,583	₱2,332,201	₱164,049	₱173,372	₱4,083,498	₱19,769,082
Additions	751,044	672,624	100,908	258,753	166,042	—	591,492	2,540,863
Disposals/transfers (Note 14)	—	(396,866)	104,571	(13,306)	(132,138)	—	(232,169)	(669,908)
Balance at end of year	4,039,674	7,867,507	2,341,062	2,577,648	197,953	173,372	4,442,821	21,640,037
Accumulated Depreciation and Amortization								
Balance at beginning of year	—	6,502,808	1,285,935	1,792,013	—	85,578	1,869,889	11,536,223
Depreciation and amortization	—	499,943	69,362	204,736	—	15,235	662,836	1,452,112
Disposals/transfers (Note 14)	—	(297,589)	180,724	(33,310)	—	—	(535,383)	(685,558)
Balance at end of year	—	6,705,162	1,536,021	1,963,439	—	100,813	1,997,342	12,302,777
Net Book Value at End of Year	₱4,039,674	₱1,162,345	₱805,041	₱614,209	₱197,953	₱72,559	₱2,445,479	₱9,337,260

	Parent Company							
	2023							
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Building	Total
Cost								
Balance at beginning of year	₱3,641,705	₱6,427,184	₱1,587,263	₱1,766,195	₱69,136	₱181,451	₱3,430,246	₱17,103,180
Additions	2,081	567,149	101,390	140,498	148,428	178,795	450,682	1,589,023
Disposals/transfers (Note 14)	–	(72,753)	(117,112)	(52,902)	(2,469)	(19,809)	(65,839)	(330,884)
Balance at end of year	3,643,786	6,921,580	1,571,541	1,853,791	215,095	340,437	3,815,089	18,361,319
Accumulated Depreciation and Amortization								
Balance at beginning of year	–	5,503,828	1,015,974	1,320,605	–	100,813	1,491,398	9,432,618
Depreciation and amortization	–	365,613	89,252	137,026	–	54,980	629,178	1,276,049
Disposals/transfers (Note 14)	–	52,722	(191,313)	(16,662)	–	(32,062)	(246,152)	(433,467)
Balance at end of year	–	5,922,163	913,913	1,440,969	–	123,731	1,874,424	10,275,200
Net Book Value at End of Year	₱3,643,786	₱999,417	₱657,628	₱412,822	₱215,095	₱216,706	₱1,940,665	₱8,086,119

	Parent Company							
	2022							
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Building	Total
Cost								
Balance at beginning of year	₱2,890,661	₱6,274,945	₱1,411,257	₱1,641,021	₱7,593	₱181,451	₱3,046,270	15,453,198
Additions	751,044	513,336	71,435	138,480	66,717	–	469,136	2,010,148
Disposals/transfers (Note 14)	–	(361,097)	104,571	(13,306)	(5,174)	–	(85,160)	(360,166)
Balance at end of year	3,641,705	6,427,184	1,587,263	1,766,195	69,136	181,451	3,430,246	17,103,180
Accumulated Depreciation and Amortization								
Balance at beginning of year	–	5,380,492	765,171	1,205,028	–	85,578	1,416,790	8,853,059
Depreciation and amortization	–	354,034	58,696	199,125	–	15,235	463,892	1,090,982
Disposals/transfers (Note 14)	–	(230,698)	192,107	(83,548)	–	–	(389,284)	(511,423)
Balance at end of year	–	5,503,828	1,015,974	1,320,605	–	100,813	1,491,398	9,432,618
Net Book Value at End of Year	₱3,641,705	₱923,356	₱571,289	₱445,590	₱69,136	₱80,638	₱1,938,848	₱7,670,562

The Group adopted the deemed cost model as of January 1, 2004 and considered the carrying value of the land determined under its previous accounting method (revaluation method) as the deemed cost of the asset as of January 1, 2005. Accordingly, revaluation increment amounting to ₱1.28 billion was closed to surplus (Note 24) in 2011.

As of December 31, 2023 and 2022, the gross carrying amount of fully depreciated furniture, fixtures and equipment still in use amounted to ₱3.66 billion and ₱3.45 billion, respectively, for the Group and ₱2.76 billion and ₱2.67 billion, respectively, for the Parent Company.



Gains on sale of furniture, fixtures and equipment amounting to ₱1.50 million, ₱2.40 million and nil in 2023, 2022, and 2021, respectively, for the Group and the Parent Company are included in the statements of income under 'Miscellaneous income' account (Note 22).

In 2021, depreciation and amortization amounting to ₱1.47 billion and ₱1.11 billion for the Group and Parent Company, respectively, are included in the statements of income under 'Depreciation and amortization' account.

13. Investment Properties

The composition of and movements in this account follow:

	Consolidated		
	2023		
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱2,827,624	₱2,808,393	₱5,636,017
Additions	683,873	432,569	1,116,442
Disposals/write-off/transfers	(991,880)	(330,799)	(1,322,679)
Balance at end of year	2,519,617	2,910,163	5,429,780
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	1,014,155	1,014,155
Depreciation and amortization	—	158,481	158,481
Disposals/write-off/transfers	—	(103,304)	(103,304)
Balance at end of year	—	1,069,332	1,069,332
Allowance for Impairment Losses (Note 16)			
Balance at beginning of year	437,043	269,928	706,971
Reversals during the year	(36,396)	(5,081)	(41,477)
Disposals/write-off/transfers	(300,751)	59,593	(241,158)
Balance at end of year	99,896	324,440	424,336
Net Book Value at End of Year	₱2,419,721	₱1,516,391	₱3,936,112

	Consolidated		
	2022		
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱2,919,414	₱2,748,948	₱5,668,362
Additions	382,970	406,435	789,405
Disposals/write-off/transfers	(474,760)	(346,990)	(821,750)
Balance at end of year	2,827,624	2,808,393	5,636,017
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	1,021,540	1,021,540

(Forward)



Consolidated			
2022			
	Land	Buildings and Improvements	Total
Depreciation and amortization	P–	P145,753	P145,753
Disposals/write-off/transfers	–	(153,138)	(153,138)
Balance at end of year	–	1,014,155	1,014,155
Allowance for Impairment Losses (Note 16)			
Balance at beginning of year	313,985	339,499	653,484
Reversals during the year	–	75,000	75,000
Disposals/write-off/transfers	123,058	(144,571)	(21,513)
Balance at end of year	437,043	269,928	706,971
Net Book Value at End of Year	P2,390,581	P1,524,310	P3,914,891

Parent Company			
2023			
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	P1,091,352	P1,483,566	P2,574,918
Additions	278,719	250,232	528,951
Disposals/write-off/transfers	(411,679)	(96,692)	(508,371)
Balance at end of year	958,392	1,637,106	2,595,498
Accumulated Depreciation and Amortization			
Balance at beginning of year	–	551,574	551,574
Depreciation and amortization	–	103,590	103,590
Disposals/write-off/transfers	–	(55,832)	(55,832)
Balance at end of year	–	599,332	599,332
Allowance for Impairment Losses (Note 16)			
Balance at beginning of year	520,241	15,845	536,086
Reversals during the year	(36,396)	(5,081)	(41,477)
Disposals/write-off/transfers	(235,619)	(394)	(236,013)
Balance at end of year	248,226	10,370	258,596
Net Book Value at End of Year	P710,166	P1,027,404	P1,737,570

Parent Company			
2022			
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	P1,067,631	P1,444,203	P2,511,834
Additions	117,439	156,212	273,651
Disposals/write-off/transfers	(93,718)	(116,849)	(210,567)
Balance at end of year	1,091,352	1,483,566	2,574,918

(Forward)



	Parent Company		
	2022		
	Land	Buildings and Improvements	Total
Accumulated Depreciation and Amortization			
Balance at beginning of year	P–	P545,792	P545,792
Depreciation and amortization	–	89,274	89,274
Disposals/write-off/transfers	–	(83,492)	(83,492)
Balance at end of year	–	551,574	551,574
Allowance for Impairment Losses (Note 16)			
Balance at beginning and end of year	384,983	201,689	586,672
Provisions (reversals) during the year	135,258	(185,844)	(50,586)
Disposals/write-off/transfers	–	–	–
Balance at end of year	520,241	15,845	536,086
Net Book Value at End of Year	P571,111	P916,147	P1,487,258

The Group's investment properties consist entirely of real estate properties acquired in settlement of loans and receivables. The difference between the fair value of the investment property upon foreclosure and the carrying value of the loan is recognized under 'Gain (loss) on asset foreclosure and dacion transactions' in the statements of income.

In 2021, depreciation and amortization amounting to P150.23 million and P91.72 million for the Group and Parent Company, respectively, are included in the statements of income under 'Depreciation and amortization' account.

Details of rental income earned and direct operating expenses incurred on investment properties follow:

	Consolidated		
	2023	2022	2021
Rent income on investment properties	P98,876	P89,903	P96,759
Direct operating expenses on investment properties generating rent income	1,320	1,277	1,277
Direct operating expenses on investment properties not generating rent income	95,856	91,414	74,293
	Parent Company		
	2023	2022	2021
Rent income on investment properties	P51,313	P44,640	P54,400
Direct operating expenses on investment properties generating rent income	414	371	371
Direct operating expenses on investment properties not generating rent income	31,909	21,843	32,765

Rent income earned from leasing out investment properties is included under 'Miscellaneous income' in the statements of income (Note 22).

Direct operating expenses include occupancy cost, repairs and maintenance, and taxes and licenses related to the investment properties.



On August 26, 2011, the Parent Company was registered as an Economic Zone Information Technology (IT) Facilities Enterprise with the Philippine Economic Zone Authority (PEZA) to operate and maintain a proposed 17-storey building located inside the CBP-IT Park in Barangays Mabolo, Luz, Hipodromo, Carreta, and Kamputhaw, Cebu City, for lease to PEZA-registered IT enterprises, and to be known as Chinabank Corporate Center. This registration is under PEZA Registration Certificate No. 11-03-F.

Under this registration, the Parent Company is entitled to five percent (5.00%) final tax on gross income earned from locator IT enterprises and related operations in accordance with existing PEZA rules. The Parent Company shall also be exempted from the payment of all national and local taxes in relation to this registered activity.

14. Goodwill and Intangible Assets

Goodwill

Goodwill represents the excess of the acquisition costs over the fair value of the identifiable assets and liabilities of companies acquired by the Group.

The Group attributed the goodwill arising from its acquisition of CBSI and PDB to factors such as an increase in geographical presence and customer base due to the branches acquired. CBSI as the surviving entity from the merger with PDB, is the identified CGU for this goodwill. The Parent Company's Retail Banking Business (RBB) has been identified as the CGU for impairment testing of the goodwill from its acquisition of CBSI.

As of December 31, 2023 and 2022, the amount of goodwill per CGU follows:

	Consolidated	Parent Company
RBB	P222,841	P222,841
CBSI	616,907	–
Total	P839,748	P222,841

The recoverable amount of the CGUs has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period, which do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset base of the CGU being tested. Other than loans and deposits growth rates, the significant and most sensitive assumptions used in computing for the recoverable values of the CGUs follow:

	2023		2022	
	RBB	CBSI	RBB	CBSI
Discount rate	10.41%	9.01%	10.85%	10.66%
Long-term growth rate	1.00%	1.00%	1.00%	1.00%

With regard to the assessment of value-in-use of the CGU, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the goodwill to materially exceed its recoverable amount as of December 31, 2023 and 2022.



Intangible Assets

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Branch licenses	₱3,677,100	₱3,677,100	₱455,000	₱455,000
Capitalized software costs	381,051	387,545	328,317	323,314
Exchange trading right	12,000	12,000	—	—
	4,070,151	4,076,645	783,317	778,314
Allowance for impairment losses (Note 16)	(293,502)	(293,002)	(57,000)	(57,000)
	₱3,776,649	₱3,783,643	₱726,317	₱721,314

Branch Licenses

Branch licenses of the Group arose from the acquisitions of CBSI, Unity Bank, and PDB. As of December 31, 2023 and 2022, details of branch licenses in the Group's and the Parent Company's financial statements follow:

	Consolidated	Parent Company
Branch license from CBSI acquisition	₱477,600	₱455,000
Branch license from Unity Bank acquisition	360,000	—
Branch license from PDB acquisition*	2,839,500	—
	3,677,100	455,000
Allowance for impairment losses	(289,502)	(57,000)
	₱3,387,598	₱398,000

*mostly attributable to the Parent Company

Each branch to which the branch license is attributed is the CGU that is tested independently for impairment assessment. Other than loans and deposits growth rates, the significant and most sensitive assumptions used in computing for the recoverable values of the CGUs follow:

	2023		2022	
	RBB	CBSI	RBB	CBSI
Discount rate	10.41%	9.01%	10.85%	10.66%
Long-term growth rate	1.00%	1.00%	1.00%	1.00%

Capitalized Software Costs

The movements in the account follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Cost				
Balance at beginning of year	₱2,101,442	₱1,989,078	₱2,026,390	₱1,935,527
Additions	192,662	135,198	185,157	97,442
Disposals/write-off/reclassification (Note 12)	(46,856)	(22,834)	(36,072)	(6,579)
Balance at end of year	2,247,248	2,101,442	2,175,475	2,026,390

(Forward)



	Consolidated		Parent Company	
	2023	2022	2023	2022
Accumulated Depreciation and Amortization				
Balance at beginning of year	P1,713,897	P1,577,287	P1,703,076	P1,565,087
Depreciation and amortization	150,555	139,279	147,801	136,903
Disposals/write-off/reclassification (Note 12)	1,745	(2,669)	(3,719)	1,086
Balance at end of year	1,866,197	1,713,897	1,847,158	1,703,076
Net Book Value at End of Year	P381,051	P387,545	P328,317	P323,314

Exchange Trading Right

As of December 31, 2023 and 2022, the Group has an exchange trading right with the following carrying values:

	2023	2022
Cost	P12,000	P12,000
Allowance for impairment losses	(4,000)	(3,500)
	P8,000	P8,500

The trading right has an indefinite useful life and, thus, is not amortized but is subject for impairment at every reporting date. In 2023 and 2022, the Group recognized an impairment loss amounting to P0.50 million and nil, respectively.

Under the PSE rules, all exchange membership seats are pledged at its full value to the PSE to secure the payment of all debts to other members of the exchange arising out of or in connection with the present or future members' contracts.

15. Other Assets

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Financial assets				
Accounts receivable	P3,575,524	P2,785,372	P2,309,407	P1,654,697
Sales contract receivable	1,676,807	1,470,031	240,330	218,909
RCOCI	318,667	162,048	103,204	110,051
Others	48,293	30,687	9,535	8,704
	5,619,291	4,448,138	2,662,476	1,992,361
Non-financial assets				
Net plan assets (Note 25)	734,973	400,416	665,588	287,120
Prepaid expenses	609,706	484,093	505,267	413,011
Creditable withholding taxes	40,083	412,316	–	383,928
Security deposit	376,067	372,088	323,566	319,586
Documentary stamps	310,776	227,704	189,688	152,759
Sundry debits	184,988	224,659	114,898	160,077
Miscellaneous	1,292,875	880,876	674,673	454,796
	3,549,468	3,002,152	2,473,680	2,171,277
	9,168,759	7,450,290	5,136,156	4,163,638
Allowance for impairment losses (Note 16)	(968,878)	(711,830)	(521,489)	(329,713)
	P8,199,881	P6,738,460	P4,614,667	P3,833,925



Accounts receivable

Accounts receivable includes non-interest-bearing advances to officers and employees, with terms ranging from 1 to 30 days, and receivables of the Parent Company from automated teller machine (ATM) transactions of clients of other banks that transacted through any of the Parent Company's ATM terminals.

Sales contract receivable

This refers to the amortized cost of receivables arising from the subsequent sale of assets acquired in settlement of loans through foreclosure or dation in payment where the sale is on installment basis and the title to the said property is transferred to the buyers only upon full payment of the agreed selling price.

SCR bears fixed interest rates per annum in 2023 and 2022 ranging from 6.00% to 10.00% and 5.50% to 10.00%, respectively.

Miscellaneous

Miscellaneous consists mainly of unissued stationery and supplies, inter-office float items, and deposits for various services.

16. Allowance for Impairment and Credit Losses

Changes in the allowance for impairment and credit losses are as follows:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Balances at beginning of year				
Loans and receivables	P16,942,524	P15,057,609	P14,174,453	P12,489,884
Investment securities at amortized cost	538,820	3,093,747	532,771	2,886,272
Financial assets at FVOCI *	124,309	61,495	124,378	60,998
Investment properties	706,971	653,484	536,086	586,672
Accrued interest receivable	996,346	478,814	660,751	182,375
Intangible assets	293,002	293,002	57,000	57,000
Investment in subsidiaries	—	—	59,902	59,902
Other assets	711,830	685,057	329,713	379,619
Off-balance sheet exposures *	782,341	740,877	772,323	730,859
	21,096,143	21,064,085	17,247,377	17,433,581
Provisions charged to operations	1,246,003	9,012,633	208,011	7,427,202
Accounts charged off and others	(1,588,373)	(8,980,575)	(923,455)	(7,613,406)
	(342,370)	32,058	(715,444)	(186,204)
Balances at end of year				
Loans and receivables (Note 10)	17,380,998	16,942,524	14,325,851	14,174,453
Investment securities at amortized cost (Note 9)	541,516	538,820	535,447	532,771
Financial assets at FVOCI * (Note 9)	134,809	124,309	134,776	124,378
Investment properties (Note 13)	424,336	706,971	258,596	536,086
Accrued interest receivable	502,132	996,346	131,270	660,751
Intangible assets	293,502	293,002	57,000	57,000
Investment in subsidiaries	—	—	59,902	59,902
Other assets (Note 15)	968,878	711,830	521,489	329,713
Off-balance sheet exposures * (Note 21)	507,602	782,341	507,602	772,323
	P20,753,773	P21,096,143	P16,531,933	P17,247,377

* The allowance for credit and impairment losses in the above table are presented as contra-asset in determining the carrying amount of the related asset accounts, except for the expected credit losses on "Financial assets at FVOCI" and "Off-balance sheet exposures" which are presented under "Net unrealized gain (loss) on financial assets at FVOCI" (Equity) and "Other Liabilities" (Liability), respectively.



At the current level of allowance for impairment and credit losses, management believes that the Group has sufficient allowance to cover any losses that may be incurred from the non-collection or non-realization of its loans and receivables and other risk assets.

Below is the breakdown of provision for credit losses in 2023, 2022, and 2021.

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Loans and receivables:						
Corporate and commercial lending	P930,730	P6,851,108	P5,887,208	P679,626	P6,064,157	P6,228,681
Consumer lending	744,560	(33,430)	1,803,215	(41,352)	(500,018)	533,013
Trade-related lending	136,317	(232,200)	21,737	138,415	(241,718)	25,858
Others	(258)	(519)	855	–	(328)	328
Investments:						
Investment securities at amortized cost	5,100	1,365,391	394,228	5,080	1,251,442	369,383
Financial assets at FVOCI (debt securities)	11,623	58,111	13,226	11,659	58,677	13,057
	1,828,072	8,008,461	8,120,469	793,428	6,632,212	7,170,320
Impact to profit or loss of movements in ECL for off-books exposures	(263,419)	26,637	271,578	(263,419)	26,637	271,578
Other assets	(318,650)	977,535	484,697	(321,998)	768,353	237,979
Provisions charged to operations	P1,246,003	P9,012,633	P8,876,744	P208,011	P7,427,202	P7,679,877

The tables below illustrate the movements of the allowance for impairment and credit losses during 2023 (effect of movements in ECL due to transfers between stages are shown in the total column):

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	P4,885,938	P2,085,985	P7,617,468	P14,589,391
Transfers:				
Transfer from Stage 1 to Stage 2	(148,218)	382,190	–	233,972
Transfer from Stage 1 to Stage 3	(58,465)	–	1,905,735	1,847,270
Transfer from Stage 2 to Stage 1	102,525	(582,257)	–	(479,732)
Transfer from Stage 2 to Stage 3	–	(107,895)	950,470	842,575
Transfer from Stage 3 to Stage 1	1,234	–	(95,766)	(94,532)
Transfer from Stage 3 to Stage 2	–	898	(15,231)	(14,333)
New financial assets originated *	2,943,438	680,808	1,207,173	4,831,419
Changes in PDs / LGDs / EADs	(568,215)	(291,163)	(2,935,129)	(3,794,507)
Financial assets derecognized during the period	(1,596,828)	(434,809)	(438,019)	(2,469,656)
FX and other movements	(14,893)	(4,161)	47,308	28,254
Provision for credit losses during the period	660,578	(356,389)	626,541	930,730
Write-offs, foreclosures, and other movements	14,893	4,161	(853,693)	(834,639)
Loss allowance at December 31, 2023	P5,561,409	P1,733,757	P7,390,316	P14,685,482

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₹802,246	₹344,449	₹1,074,458	₹2,221,153
Transfers:				
Transfer from Stage 1 to Stage 2	(47,731)	89,195	–	41,464
Transfer from Stage 1 to Stage 3	(6,208)	–	243,006	236,798
Transfer from Stage 2 to Stage 1	4,812	(16,827)	–	(12,015)
Transfer from Stage 2 to Stage 3	–	(14,034)	144,636	130,602
Transfer from Stage 3 to Stage 1	506	–	(21,463)	(20,957)
Transfer from Stage 3 to Stage 2	–	3,410	(125,287)	(121,877)

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
New financial assets originated *	₱416,585	₱65,930	₱744,830	₱1,227,345
Changes in PDs / LGDs / EADs	(40,793)	(45,831)	124,139	37,515
Financial assets derecognized during the period	(203,809)	(209,980)	(360,526)	(774,315)
FX and other movements	—	—	—	—
Provision for credit losses during the period	123,362	(128,137)	749,335	744,560
Write-offs, foreclosures, and other movements	—	—	(515,062)	(515,062)
Loss allowance at December 31, 2023	₱925,608	₱216,312	₱1,308,731	₱2,450,651

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱57,721	₱16,244	₱55,575	₱129,540
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	(215)	–	11,642	11,427
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	(235)	8,843	8,608
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	38,071	18,081	190,253	246,405
Changes in PDs / LGDs / EADs	(3)	(6,681)	(1,426)	(8,110)
Financial assets derecognized during the period	(57,506)	(16,090)	(53,172)	(126,768)
FX and other movements	1,657	–	3,098	4,755
Provision for credit losses during the period	(17,996)	(4,925)	159,238	136,317
Write-offs, foreclosures, and other movements	(1,657)	–	(21,517)	(23,174)
Loss allowance at December 31, 2023	₱38,068	₱11,319	₱193,296	₱242,683

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₹67	₹139	₹2,234	₹2,440
Transfers:				
Transfer from Stage 1 to Stage 2	—	—	—	—
Transfer from Stage 1 to Stage 3	—	—	84	84
Transfer from Stage 2 to Stage 1	—	—	—	—
Transfer from Stage 2 to Stage 3	—	—	—	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	—	—	1,697	1,697
Changes in PDs / LGDs / EADs	(66)	(139)	(1,834)	(2,039)
Financial assets derecognized during the period	—	—	—	—
FX and other movements	—	—	—	—
Provision for credit losses during the period	(66)	(139)	(53)	(258)
Write-offs, foreclosures, and other movements	—	—	—	—
Loss allowance at December 31, 2023	₹1	₹—	₹2,181	₹2,182

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱5,745,972	₱2,446,817	₱8,749,735	₱16,942,524
Transfers:				
Transfer from Stage 1 to Stage 2	(195,949)	471,385	–	275,436
Transfer from Stage 1 to Stage 3	(64,888)	–	2,160,467	2,095,579
Transfer from Stage 2 to Stage 1	107,337	(599,084)	–	(491,747)
Transfer from Stage 2 to Stage 3	–	(122,164)	1,103,949	981,785
Transfer from Stage 3 to Stage 1	1,740	–	(117,229)	(115,489)
Transfer from Stage 3 to Stage 2	–	4,308	(140,518)	(136,210)
New financial assets originated *	3,398,094	764,819	2,143,953	6,306,866
Changes in PDs / LGDs / EADs	(609,077)	(343,814)	(2,814,250)	(3,767,141)
Financial assets derecognized during the period	(1,858,143)	(660,879)	(851,717)	(3,370,739)
FX and other movements	(13,236)	(4,161)	50,406	33,009
Provision for credit losses during the period	765,878	(489,590)	1,535,061	1,811,349
Write-offs, foreclosures, and other movements	13,236	4,161	(1,390,272)	(1,372,875)
Loss allowance at December 31, 2023	₱6,525,086	₱1,961,388	₱8,894,524	₱17,380,998

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱493,776	₱45,044	₱–	₱538,820
Transfers:				
Transfer from Stage 1 to Stage 2	(13,553)	52,823	–	39,270
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	2,655	(25,006)	–	(22,351)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	51,026	167	–	51,193
Changes in PDs / LGDs / EADs	(13,061)	(12,078)	–	(25,139)
Financial assets derecognized during the period	(35,915)	(4,362)	–	(40,277)
FX and other movements	2,208	196	–	2,404
Provision for credit losses during the period	(6,640)	11,740	–	5,100
Write-offs, foreclosures, and other movements	(2,208)	(196)	–	(2,404)
Loss allowance at December 31, 2023	₱484,928	₱56,588	₱–	₱541,516

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱98,933	₱25,376	₱–	₱124,309
Transfers:				
Transfer from Stage 1 to Stage 2	(214)	1,934	–	1,720
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	686	(25,375)	–	(24,689)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	45,807	180	–	45,987
Changes in PDs / LGDs / EADs	1,269	–	–	1,269
Financial assets derecognized during the period	(13,925)	–	–	(13,925)
FX and other movements	1,106	155	–	1,261
Provision for credit losses during the period	34,729	(23,106)	–	11,623
Write-offs, foreclosures, and other movements	(968)	(155)	–	(1,123)
Loss allowance at December 31, 2023	₱132,694	₱2,115	₱–	₱134,809

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱4,801,942	₱2,000,803	₱6,537,938	₱13,340,683
Transfers:				
Transfer from Stage 1 to Stage 2	(146,783)	380,293	–	233,510
Transfer from Stage 1 to Stage 3	(58,168)		1,895,933	1,837,765
Transfer from Stage 2 to Stage 1	93,834	(570,771)	–	(476,937)
Transfer from Stage 2 to Stage 3	–	(104,209)	858,266	754,057
Transfer from Stage 3 to Stage 1	989	–	(87,672)	(86,683)
Transfer from Stage 3 to Stage 2	–	782	(12,328)	(11,546)
New financial assets originated *	2,929,459	675,714	726,298	4,331,471
Changes in PDs / LGDs / EADs	(564,884)	(285,181)	(2,918,362)	(3,768,427)
Financial assets derecognized during the period	(1,561,203)	(400,083)	(200,552)	(2,161,838)
FX and other movements	(14,893)	(4,161)	47,308	28,254
Provision for credit losses during the period	678,351	(307,616)	308,891	679,626
Write-offs, foreclosures, and other movements	14,893	4,161	(524,611)	(505,557)
Loss allowance at December 31, 2023	₱5,495,186	₱1,697,348	₱6,322,218	₱13,514,752

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱80,491	₱267,456	₱370,292	₱718,239
Transfers:				
Transfer from Stage 1 to Stage 2	(37,160)	49,426	–	12,266
Transfer from Stage 1 to Stage 3	(571)	–	20,719	20,148
Transfer from Stage 2 to Stage 1	688	(1,310)	–	(622)
Transfer from Stage 2 to Stage 3	–	(1,397)	12,196	10,799
Transfer from Stage 3 to Stage 1	150	–	(7,432)	(7,282)
Transfer from Stage 3 to Stage 2	–	1,026	(100,311)	(99,285)
New financial assets originated *	95,559	12,362	4,929	112,850
Changes in PDs / LGDs / EADs	28,801	(37,230)	129,250	120,821
Financial assets derecognized during the period	(4,165)	(182,472)	(24,410)	(211,047)
FX and other movements	–	–	–	–
Provision for credit losses during the period	83,302	(159,595)	34,941	(41,352)
Write-offs, foreclosures, and other movements	–	–	(96,560)	(96,560)
Loss allowance at December 31, 2023	₱163,793	₱107,861	₱308,673	₱580,327

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱57,720	₱2,236	₱55,575	₱115,531
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	(215)	–	11,642	11,427
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	(235)	8,843	8,608
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	37,016	461	190,253	227,730
Changes in PDs / LGDs / EADs	–	–	(1,426)	(1,426)

(Forward)



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets derecognized during the period	(57,506)	(2,001)	(53,172)	(112,679)
FX and other movements	1,657	–	3,098	4,755
Provision for credit losses during the period	(19,048)	(1,775)	159,238	138,415
Write-offs, foreclosures, and other movements	(1,657)	–	(21,517)	(23,174)
Loss allowance at December 31, 2023	₹37,015	₹461	₹193,296	₹230,772

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	₱4,940,153	₱2,270,495	₱6,963,805	₱14,174,453
Transfers:				
Transfer from Stage 1 to Stage 2	(183,943)	429,719	–	245,776
Transfer from Stage 1 to Stage 3	(58,954)	–	1,928,294	1,869,340
Transfer from Stage 2 to Stage 1	94,522	(572,081)	–	(477,559)
Transfer from Stage 2 to Stage 3	–	(105,841)	879,305	773,464
Transfer from Stage 3 to Stage 1	1,139	–	(95,104)	(93,965)
Transfer from Stage 3 to Stage 2	–	1,808	(112,639)	(110,831)
New financial assets originated *	3,062,034	688,537	921,480	4,672,051
Changes in PDs / LGDs / EADs	(536,083)	(322,411)	(2,790,538)	(3,649,032)
Financial assets derecognized during the period	(1,622,874)	(584,556)	(278,134)	(2,485,564)
FX and other movements	(13,236)	(4,161)	50,406	33,009
Provision for credit losses during the period	742,605	(468,986)	503,070	776,689
Write-offs, foreclosures, and other movements	13,236	4,161	(642,688)	(625,291)
Loss allowance at December 31, 2023	₱5,695,994	₱1,805,670	₱6,824,187	₱14,325,851

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	P487,728	P45,043	P–	P532,771
Transfers:				
Transfer from Stage 1 to Stage 2	(13,553)	52,823	–	39,270
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	2,655	(25,006)	–	(22,351)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	51,910	167	–	52,077
Changes in PDs / LGDs / EADs	(14,540)	(12,077)	–	(26,617)
Financial assets derecognized during the period	(35,341)	(4,362)	–	(39,703)
FX and other movements	2,208	196	–	2,404
Provision for credit losses during the period	(6,661)	11,741	–	5,080
Write-offs, foreclosures, and other movements	(2,208)	(196)	–	(2,404)
Loss allowance at December 31, 2023	P478,859	P56,588	P–	P535,447

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2023	P99,003	P25,375	P–	P124,378
Transfers:				
Transfer from Stage 1 to Stage 2	(214)	1,934	–	1,720
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	686	(25,375)	–	(24,689)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	45,806	181	–	45,987
Changes in PDs / LGDs / EADs	1,305	–	–	1,305
Financial assets derecognized during the period	(13,925)	–	–	(13,925)
FX and other movements	1,106	155	–	1,261
Provision for credit losses during the period	34,764	(23,105)	–	11,659
Write-offs, foreclosures, and other movements	(1,106)	(155)	–	(1,261)
Loss allowance at December 31, 2023	P132,661	P2,115	P–	P134,776

* Stage classification of new financial assets originated pertains to the stage as of end of year

Comparative figures for the movement of allowance for credit and impairment losses for 2022 are shown below:

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	P3,015,176	P3,204,874	P5,814,240	P12,034,290
Transfers:				
Transfer from Stage 1 to Stage 2	(190,176)	823,884	–	633,708
Transfer from Stage 1 to Stage 3	(730)	–	113,269	112,539
Transfer from Stage 2 to Stage 1	32,783	(232,131)	–	(199,348)
Transfer from Stage 2 to Stage 3	–	(1,400,135)	5,627,387	4,227,252
Transfer from Stage 3 to Stage 1	140	–	(5,396)	(5,256)
Transfer from Stage 3 to Stage 2	–	1,124	(119,364)	(118,240)
New financial assets originated *	2,718,295	622,610	532,548	3,873,453
Changes in PDs / LGDs / EADs	58,593	(225,633)	677,027	509,987
Financial assets derecognized during the period	(748,143)	(708,608)	(715,580)	(2,172,331)
FX and other movements	(7,926)	(2,469)	(261)	(10,656)
Provision for credit losses during the period	1,862,836	(1,121,358)	6,109,630	6,851,108
Write-offs, foreclosures, and other movements	7,926	2,469	(4,306,402)	(4,296,007)
Loss allowance at December 31, 2022	P4,885,938	P2,085,985	P7,617,468	P14,589,391

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	P570,316	P175,111	P2,043,684	P2,789,111
Transfers:				
Transfer from Stage 1 to Stage 2	(29,074)	55,808	–	26,734
Transfer from Stage 1 to Stage 3	(3,995)	–	219,387	215,392
Transfer from Stage 2 to Stage 1	1,626	(67,053)	–	(65,427)
Transfer from Stage 2 to Stage 3	–	(18,507)	185,771	167,264
Transfer from Stage 3 to Stage 1	237	–	(126,143)	(125,906)
Transfer from Stage 3 to Stage 2	–	757	(139,229)	(138,472)
New financial assets originated *	771,609	76,340	50,798	898,747

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Changes in PDs / LGDs / EADs	(P441,222)	P150,142	(P184,945)	(P476,025)
Financial assets derecognized during the period	(67,251)	(28,149)	(440,337)	(535,737)
FX and other movements	–	–	–	–
Provision for credit losses during the period	231,930	169,338	(434,698)	(33,430)
Write-offs, foreclosures, and other movements	–	–	(534,528)	(534,528)
Loss allowance at December 31, 2022	P802,246	P344,449	P1,074,458	P2,221,153

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱123,568	₱14,772	₱92,124	₱230,464
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	57,512	16,127	–	73,639
Changes in PDs / LGDs / EADs	149	66	(10,491)	(10,276)
Financial assets derecognized during the period	(123,508)	(14,721)	(1,357)	(139,586)
FX and other movements	(154,923)	(1,054)	–	(155,977)
Provision for credit losses during the period	(220,770)	418	(11,848)	(232,200)
Write-offs, foreclosures, and other movements	154,923	1,054	(24,701)	131,276
Loss allowance at December 31, 2022	₱57,721	₱16,244	₱55,575	₱129,540

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	P3	P–	P3,741	P3,744
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	1	–	162	163
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	1	330	331
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	73	153	482	708
Changes in PDs / LGDs / EADs	(7)	(14)	(644)	(665)
Financial assets derecognized during the period	(3)	(1)	(1,052)	(1,056)
FX and other movements	–	–	–	–
Provision for credit losses during the period	64	139	(722)	(519)
Write-offs, foreclosures, and other movements	–	–	(785)	(785)
Loss allowance at December 31, 2022	P67	P139	P2,234	P2,440

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱3,709,063	₱3,394,757	₱7,953,789	₱15,057,609
Transfers:				
Transfer from Stage 1 to Stage 2	(219,250)	879,692	–	660,442
Transfer from Stage 1 to Stage 3	(4,724)	–	332,818	328,094
Transfer from Stage 2 to Stage 1	34,409	(299,184)	–	(264,775)
Transfer from Stage 2 to Stage 3	–	(1,418,641)	5,813,488	4,394,847
Transfer from Stage 3 to Stage 1	377	–	(131,539)	(131,162)
Transfer from Stage 3 to Stage 2	–	1,881	(258,593)	(256,712)
New financial assets originated *	3,547,489	715,230	583,828	4,846,547
Changes in PDs / LGDs / EADs	(382,487)	(75,439)	480,947	23,021
Financial assets derecognized during the period	(938,905)	(751,479)	(1,158,326)	(2,848,710)
FX and other movements	(162,849)	(3,523)	(261)	(166,633)
Provision for credit losses during the period	1,874,060	(951,463)	5,662,362	6,584,959
Write-offs, foreclosures, and other movements	162,849	3,523	(4,866,416)	(4,700,044)
Loss allowance at December 31, 2022	₱5,745,972	₱2,446,817	₱8,749,735	₱16,942,524

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱447,645	₱38,388	₱2,607,714	₱3,093,747
Transfers:				
Transfer from Stage 1 to Stage 2	(6,794)	26,811	–	20,017
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	743	(27,696)	–	(26,953)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	37,525	2,557	–	40,082
Changes in PDs / LGDs / EADs	34,827	5,146	1,339,286	1,379,259
Financial assets derecognized during the period	(16,908)	(162)	–	(17,070)
FX and other movements	(29,675)	(269)	–	(29,944)
Provision for credit losses during the period	19,718	6,387	1,339,286	1,365,391
Write-offs, foreclosures, and other movements	26,413	269	(3,947,000)	(3,920,318)
Loss allowance at December 31, 2022	₱493,776	₱45,044	₱–	₱538,820

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱59,958	₱1,537	₱–	₱61,495
Transfers:				
Transfer from Stage 1 to Stage 2	(1)	1	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	71	(1,537)	–	(1,466)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	30,552	25,375	–	55,927
Changes in PDs / LGDs / EADs	8,851	–	–	8,851

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets derecognized during the period	(P498)	P–	P–	(P498)
FX and other movements	(4,422)	(281)	–	(4,703)
Provision for credit losses during the period	34,553	23,558	–	58,111
Write-offs, foreclosures, and other movements	4,422	281	–	4,703
Loss allowance at December 31, 2022	P98,933	P25,376	P–	P124,309

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱2,957,844	₱3,152,298	₱4,839,259	₱10,949,401
Transfers:				
Transfer from Stage 1 to Stage 2	(161,104)	795,711	–	634,607
Transfer from Stage 1 to Stage 3	(458)	–	102,778	102,320
Transfer from Stage 2 to Stage 1	31,662	(231,045)	–	(199,383)
Transfer from Stage 2 to Stage 3	–	(1,394,846)	4,974,946	3,580,100
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	1,007	(114,702)	(113,695)
New financial assets originated *	2,622,787	544,328	315,151	3,482,266
Changes in PDs / LGDs / EADs	81,114	(175,806)	698,682	603,990
Financial assets derecognized during the period	(729,903)	(690,844)	(594,645)	(2,015,392)
FX and other movements	(7,926)	(2,469)	(261)	(10,656)
Provision for credit losses during the period	1,836,172	(1,153,964)	5,381,949	6,064,157
Write-offs, foreclosures, and other movements	7,926	2,469	(3,683,270)	(3,672,875)
Loss allowance at December 31, 2022	₱4,801,942	₱2,000,803	₱6,537,938	₱13,340,683

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱478,079	₱154,386	₱681,717	₱1,314,182
Transfers:				
Transfer from Stage 1 to Stage 2	(27,951)	49,778	–	21,827
Transfer from Stage 1 to Stage 3	(3,455)	–	42,563	39,108
Transfer from Stage 2 to Stage 1	253	(59,680)	–	(59,427)
Transfer from Stage 2 to Stage 3	–	(15,882)	25,477	9,595
Transfer from Stage 3 to Stage 1	–	–	(6,600)	(6,600)
Transfer from Stage 3 to Stage 2	–	301	(96,279)	(95,978)
New financial assets originated *	49,912	1,253	1,597	52,762
Changes in PDs / LGDs / EADs	(371,369)	160,340	(146,175)	(357,204)
Financial assets derecognized during the period	(44,978)	(23,040)	(36,083)	(104,101)
FX and other movements	–	–	–	–
Provision for credit losses during the period	(397,588)	113,070	(215,500)	(500,018)
Write-offs, foreclosures, and other movements	–	–	(95,925)	(95,925)
Loss allowance at December 31, 2022	₱80,491	₱267,456	₱370,292	₱718,239

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			Total
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2022	¥120,643	¥14,702	¥90,628	¥225,973
Transfers:				



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Transfer from Stage 1 to Stage 2	—	—	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	—	—	—	—
Transfer from Stage 2 to Stage 3	—	—	—	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	57,511	2,037	—	59,548
Changes in PDs / LGDs / EADs	149	147	(10,352)	(10,056)
Financial assets derecognized during the period	(120,583)	(14,650)	—	(135,233)
FX and other movements	(154,923)	(1,054)	—	(155,977)
Provision for credit losses during the period	(217,846)	(13,520)	(10,352)	(241,718)
Write-offs, foreclosures, and other movements	154,923	1,054	(24,701)	131,276
Loss allowance at December 31, 2022	₱57,720	₱2,236	₱55,575	₱115,531

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱–	₱–	₱328	₱328
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	–	–	–	–
Changes in PDs / LGDs / EADs	–	–	–	–
Financial assets derecognized during the period	–	–	(328)	(328)
FX and other movements	–	–	–	–
Provision for credit losses during the period	–	–	(328)	(328)
Write-offs, foreclosures, and other movements	–	–	–	–
Loss allowance at December 31, 2022	₱–	₱–	₱–	₱–

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱3,556,566	₱3,321,386	₱5,611,932	₱12,489,884
Transfers:				
Transfer from Stage 1 to Stage 2	(189,055)	845,489	–	656,434
Transfer from Stage 1 to Stage 3	(3,913)	–	145,341	141,428
Transfer from Stage 2 to Stage 1	31,915	(290,725)	–	(258,810)
Transfer from Stage 2 to Stage 3	–	(1,410,728)	5,000,423	3,589,695
Transfer from Stage 3 to Stage 1	–	–	(6,600)	(6,600)
Transfer from Stage 3 to Stage 2	–	1,308	(210,981)	(209,673)
New financial assets originated *	2,730,210	547,618	316,748	3,594,576
Changes in PDs / LGDs / EADs	(290,106)	(15,319)	542,155	236,730

(Forward)



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets derecognized during the period	(P895,464)	(P728,534)	(P631,056)	(P2,255,054)
FX and other movements	(162,849)	(3,523)	(261)	(166,633)
Provision for credit losses during the period	1,220,738	(1,054,414)	5,155,769	5,322,093
Write-offs, foreclosures, and other movements	162,849	3,523	(3,803,896)	(3,637,524)
Loss allowance at December 31, 2022	P4,940,153	P2,270,495	P6,963,805	P14,174,453

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱436,596	₱38,388	₱2,411,288	₱2,886,272
Transfers:				
Transfer from Stage 1 to Stage 2	(6,794)	26,811	–	20,017
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	743	(27,696)	–	(26,953)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	34,775	2,556	–	37,331
Changes in PDs / LGDs / EADs	34,826	5,146	1,220,337	1,260,309
Financial assets derecognized during the period	(12,418)	(162)	–	(12,580)
FX and other movements	(26,413)	(269)	–	(26,682)
Provision for credit losses during the period	24,719	6,386	1,220,337	1,251,442
Write-offs, foreclosures, and other movements	26,413	269	(3,631,625)	(3,604,943)
Loss allowance at December 31, 2022	₱487,728	₱45,043	₱–	₱532,771

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Loss allowance at January 1, 2022	₱59,461	₱1,537	₱–	₱60,998
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	71	(1,537)	–	(1,466)
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	30,552	25,375	–	55,927
Changes in PDs / LGDs / EADs	9,024	–	–	9,024
Financial assets derecognized during the period	(105)	–	–	(105)
FX and other movements	(4,422)	(281)	–	(4,703)
Provision for credit losses during the period	35,120	23,557	–	58,677
Write-offs, foreclosures, and other movements	4,422	281	–	4,703
Loss allowance at December 31, 2022	₱99,003	₱25,375	₱–	₱124,378

* Stage classification of new financial assets originated pertains to the stage as of end of year



The corresponding movement of the gross carrying amount of the financial assets during 2023 are shown below:

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱484,995,851	₱58,277,293	₱12,136,970	₱555,410,114
Transfers:				
Transfer from Stage 1 to Stage 2	(11,128,883)	11,128,883	–	–
Transfer from Stage 1 to Stage 3	(2,724,649)	–	2,724,649	–
Transfer from Stage 2 to Stage 1	13,284,653	(13,284,653)	–	–
Transfer from Stage 2 to Stage 3	–	(1,261,406)	1,261,406	–
Transfer from Stage 3 to Stage 1	161,743	–	(161,743)	–
Transfer from Stage 3 to Stage 2	–	41,647	(41,647)	–
New financial assets originated *	206,140,793	19,963,728	1,876,904	227,981,425
Changes in EADs	(29,169,866)	(5,638,681)	(310,225)	(35,118,772)
Financial assets derecognized during the period	(133,493,999)	(15,143,579)	(906,703)	(149,544,281)
Write-offs, foreclosures, and other movements	–	–	(816,271)	(816,271)
Total movements of carrying amount	43,069,792	(4,194,061)	3,626,370	42,502,101
Gross carrying amount at December 31, 2023	₱528,065,643	₱54,083,232	₱15,763,340	₱597,912,215

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱124,698,727	₱14,701,573	₱5,064,552	₱144,464,852
Transfers:				
Transfer from Stage 1 to Stage 2	(6,643,519)	6,643,519	–	–
Transfer from Stage 1 to Stage 3	(1,135,889)	–	1,135,889	–
Transfer from Stage 2 to Stage 1	1,276,183	(1,276,183)	–	–
Transfer from Stage 2 to Stage 3	–	(765,964)	765,964	–
Transfer from Stage 3 to Stage 1	222,231	–	(222,231)	–
Transfer from Stage 3 to Stage 2	–	567,923	(567,923)	–
New financial assets originated *	75,110,114	4,875,218	853,172	80,838,504
Changes in EADs	(13,156,822)	(1,916,550)	(75,817)	(15,149,189)
Financial assets derecognized during the period	(22,218,339)	(5,403,285)	(1,128,350)	(28,749,974)
Write-offs, foreclosures, and other movements	–	–	(620,631)	(620,631)
Total movements of carrying amount	33,453,959	2,724,678	140,073	36,318,710
Gross carrying amount at December 31, 2023	₱158,152,686	₱17,426,251	₱5,204,625	₱180,783,562

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱16,762,797	₱759,519	₱202,753	₱17,725,069
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	(11,642)	–	11,642	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	(12,095)	12,095	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	11,798,499	145,990	256,776	12,201,265
Changes in EADs	(690)	(5,049)	(1,282)	(7,021)

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets derecognized during the period	(P16,751,155)	(P749,348)	(P200,329)	(P17,700,832)
Write-offs, foreclosures, and other movements	–	–	(21,067)	(21,067)
Total movements of carrying amount	(4,964,988)	(620,502)	57,835	(5,527,655)
Gross carrying amount at December 31, 2023	P11,797,809	P139,017	P260,588	P12,197,414

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₹94,784	₹13,943	₹6,473	₹115,200
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	(242)	–	242	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	64,950	4,547	13,578	83,075
Changes in EADs	(79,390)	(13,942)	(2,896)	(96,228)
Financial assets derecognized during the period	–	–	–	–
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	(14,682)	(9,395)	10,924	(13,153)
Gross carrying amount at December 31, 2023	₹80,102	₹4,548	₹17,397	₹102,047

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱626,552,159	₱73,752,328	₱17,410,748	₱717,715,235
Transfers:				
Transfer from Stage 1 to Stage 2	(17,772,402)	17,772,402	–	–
Transfer from Stage 1 to Stage 3	(3,872,422)	–	3,872,422	–
Transfer from Stage 2 to Stage 1	14,560,836	(14,560,836)	–	–
Transfer from Stage 2 to Stage 3	–	(2,039,465)	2,039,465	–
Transfer from Stage 3 to Stage 1	383,974	–	(383,974)	–
Transfer from Stage 3 to Stage 2	–	609,570	(609,570)	–
New financial assets originated *	293,114,356	24,989,483	3,000,430	321,104,269
Changes in EADs	(42,406,768)	(7,574,222)	(390,220)	(50,371,210)
Financial assets derecognized during the period	(172,463,493)	(21,296,212)	(2,235,382)	(195,995,087)
Write-offs, foreclosures, and other movements	–	–	(1,457,969)	(1,457,969)
Total movements of carrying amount	71,544,081	(2,099,280)	3,835,202	73,280,003
Gross carrying amount at December 31, 2023	₱698,096,240	₱71,653,048	₱21,245,950	₱790,995,238

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱352,609,868	₱3,035,602	₱–	₱355,645,470
Transfers:				
Transfer from Stage 1 to Stage 2	(4,830,200)	4,830,200	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	1,411,527	(1,411,527)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	90,108,395	102,324	–	90,210,719
Changes in EADs	(4,184,575)	(191,608)	–	(4,376,183)
Financial assets derecognized during the period	(62,229,928)	(1,090,702)	–	(63,320,630)
Write-offs, foreclosures, and other movements	-	-	–	-
Total movements of carrying amount	20,275,219	2,238,687	–	22,513,906
Gross carrying amount at December 31, 2023	₱372,885,087	₱5,274,289	₱–	₱378,159,376

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱41,369,553	₱1,314,996	₱–	₱42,684,549
Transfers:				
Transfer from Stage 1 to Stage 2	(981,609)	981,609	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	1,314,996	(1,314,996)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	66,992,040	84,861	–	67,076,901
Changes in EADs	(391,830)	(15,124)	–	(406,954)
Financial assets derecognized during the period	(4,456,151)	–	–	(4,456,151)
Write-offs, foreclosures, and other movements	13,603	–	–	13,603
Total movements of carrying amount	62,491,049	(263,650)	–	62,227,399
Gross carrying amount at December 31, 2023	₱103,860,602	₱1,051,346	₱–	₱104,911,948

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱477,456,923	₱52,492,289	₱9,206,201	₱539,155,413
Transfers:				
Transfer from Stage 1 to Stage 2	(11,000,040)	11,000,040	–	–
Transfer from Stage 1 to Stage 3	(2,698,036)	–	2,698,036	–
Transfer from Stage 2 to Stage 1	12,504,605	(12,504,605)	–	–
Transfer from Stage 2 to Stage 3	–	(1,011,085)	1,011,085	–
Transfer from Stage 3 to Stage 1	139,769	–	(139,769)	–
Transfer from Stage 3 to Stage 2	–	33,767	(33,767)	–
New financial assets originated *	202,584,806	18,547,982	1,304,217	222,437,005
Changes in EADs	(28,760,644)	(5,081,454)	(267,308)	(34,109,406)
Financial assets derecognized during the period	(130,296,496)	(12,785,226)	(262,015)	(143,343,737)
Write-offs, foreclosures, and other movements	–	–	(487,189)	(487,189)
Total movements of carrying amount	42,473,964	(1,800,581)	3,823,290	44,496,673
Gross carrying amount at December 31, 2023	₱519,930,887	₱50,691,708	₱13,029,491	₱583,652,086

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱54,927,439	₱12,723,233	₱3,338,054	₱70,988,726
Transfers:				
Transfer from Stage 1 to Stage 2	(5,621,650)	5,621,650	–	–
Transfer from Stage 1 to Stage 3	(590,878)	–	590,878	–
Transfer from Stage 2 to Stage 1	877,485	(877,485)	–	–
Transfer from Stage 2 to Stage 3	–	(441,244)	441,244	–
Transfer from Stage 3 to Stage 1	187,829	–	(187,829)	–
Transfer from Stage 3 to Stage 2	–	506,687	(506,687)	–
New financial assets originated *	22,023,392	3,759,159	81,734	25,864,285
Changes in EADs	(4,583,280)	(1,714,666)	(65,499)	(6,363,445)
Financial assets derecognized during the period	(2,918,917)	(4,696,488)	(304,250)	(7,919,655)
Write-offs, foreclosures, and other movements	–	–	(202,129)	(202,129)
Total movements of carrying amount	9,373,981	2,157,613	(152,538)	11,379,056
Gross carrying amount at December 31, 2023	₱64,301,420	₱14,880,846	₱3,185,516	₱82,367,782

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱16,762,798	₱425,650	₱202,754	₱17,391,202
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	(11,642)	–	11,642	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	(12,095)	12,095	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	11,521,649	130,812	256,775	11,909,236
Changes in EADs	–	–	(1,283)	(1,283)
Financial assets derecognized during the period	(16,751,156)	(413,555)	(200,328)	(17,365,039)
Write-offs, foreclosures, and other movements	–	–	(21,067)	(21,067)
Total movements of carrying amount	(5,241,149)	(294,838)	57,834	(5,478,153)
Gross carrying amount at December 31, 2023	₱11,521,649	₱130,812	₱260,588	₱11,913,049

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱19,124	₱–	₱2	₱19,126
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	–	–	201	201
Changes in EADs	(3,329)	–	–	(3,329)
Financial assets derecognized during the period	–	–	–	–
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	(3,329)	–	201	(3,128)
Gross carrying amount at December 31, 2023	₱15,795	₱–	₱203	₱15,998

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱549,166,284	₱65,641,172	₱12,747,011	₱627,554,467
Transfers:				
Transfer from Stage 1 to Stage 2	(16,621,690)	16,621,690	–	–
Transfer from Stage 1 to Stage 3	(3,300,556)	–	3,300,556	–
Transfer from Stage 2 to Stage 1	13,382,090	(13,382,090)	–	–
Transfer from Stage 2 to Stage 3	–	(1,464,424)	1,464,424	–
Transfer from Stage 3 to Stage 1	327,598	–	(327,598)	–
Transfer from Stage 3 to Stage 2	–	540,454	(540,454)	–
New financial assets originated *	236,129,847	22,437,953	1,642,927	260,210,727
Changes in EADs	(33,347,253)	(6,796,120)	(334,090)	(40,477,463)
Financial assets derecognized during the period	(149,966,569)	(17,895,269)	(766,593)	(168,628,431)
Write-offs, foreclosures, and other movements	–	–	(710,385)	(710,385)
Total movements of carrying amount	46,603,467	62,194	3,728,787	50,394,448
Gross carrying amount at December 31, 2023	₱595,769,751	₱65,703,366	₱16,475,798	₱677,948,915

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱346,623,991	₱3,035,602	₱–	₱349,659,593
Transfers:				
Transfer from Stage 1 to Stage 2	(4,830,200)	4,830,200	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	1,411,527	(1,411,527)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	88,822,380	102,324	–	88,924,704
Changes in EADs	(4,168,490)	(191,608)	–	(4,360,098)
Financial assets derecognized during the period	(61,671,270)	(1,090,702)	–	(62,761,972)
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	19,563,947	2,238,687	–	21,802,634
Gross carrying amount at December 31, 2023	₱366,187,938	₱5,274,289	₱–	₱371,462,227

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2023	₱39,228,165	₱1,314,996	₱–	₱40,543,161
Transfers:				
Transfer from Stage 1 to Stage 2	(981,609)	981,609	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	1,314,996	(1,314,996)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	56,169,253	84,861	–	56,254,114
Changes in EADs	(14,740)	(15,124)	–	(29,864)
Financial assets derecognized during the period	(4,456,151)	–	–	(4,456,151)
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	52,031,749	(263,650)	–	51,768,099
Gross carrying amount at December 31, 2023	₱91,259,914	₱1,051,346	₱–	₱92,311,260

* Stage classification of new financial assets originated pertains to the stage as of end of year



Comparative figures for the movement of gross carrying amount for 2022 are shown below:

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱428,829,243	₱50,618,381	₱9,630,798	₱489,078,422
Transfers:				
Transfer from Stage 1 to Stage 2	(28,933,747)	28,933,747	–	–
Transfer from Stage 1 to Stage 3	(210,472)	–	210,472	–
Transfer from Stage 2 to Stage 1	4,822,541	(4,822,541)	–	–
Transfer from Stage 2 to Stage 3	–	(6,882,377)	6,882,377	–
Transfer from Stage 3 to Stage 1	16,701	–	(16,701)	–
Transfer from Stage 3 to Stage 2	–	144,674	(144,674)	–
New financial assets originated *	209,925,720	16,508,948	1,112,976	227,547,644
Changes in EADs	(20,565,292)	(6,923,647)	(59,585)	(27,548,524)
Financial assets derecognized during the period	(108,888,843)	(19,299,892)	(1,243,369)	(129,432,104)
Write-offs, foreclosures, and other movements	–	–	(4,235,324)	(4,235,324)
Total movements of carrying amount	56,166,608	7,658,912	2,506,172	66,331,692
Gross carrying amount at December 31, 2022	₱484,995,851	₱58,277,293	₱12,136,970	₱555,410,114

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱100,240,891	₱16,369,705	₱6,065,253	₱122,675,849
Transfers:				
Transfer from Stage 1 to Stage 2	(6,379,023)	6,379,023	–	–
Transfer from Stage 1 to Stage 3	(690,604)	–	690,604	–
Transfer from Stage 2 to Stage 1	2,718,825	(2,718,825)	–	–
Transfer from Stage 2 to Stage 3	–	(773,367)	773,367	–
Transfer from Stage 3 to Stage 1	191,424	–	(191,424)	–
Transfer from Stage 3 to Stage 2	–	746,478	(746,478)	–
New financial assets originated *	58,478,093	1,246,320	434,540	60,158,953
Changes in EADs	(11,143,173)	(1,460,699)	(330,038)	(12,933,910)
Financial assets derecognized during the period	(18,717,706)	(5,087,062)	(1,019,190)	(24,823,958)
Write-offs, foreclosures, and other movements	–	–	(612,082)	(612,082)
Total movements of carrying amount	24,457,836	(1,668,132)	(1,000,701)	21,789,003
Gross carrying amount at December 31, 2022	₱124,698,727	₱14,701,573	₱5,064,552	₱144,464,852

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱11,232,490	₱966,231	₱254,831	₱12,453,552
Transfers:				
Transfer from Stage 1 to Stage 2	—	—	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	—	—	—	—
Transfer from Stage 2 to Stage 3	—	—	—	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	16,754,797	754,444	—	17,509,241
Changes in EADs	—	(1,925)	(2,541)	(4,466)

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets derecognized during the period	(P11,224,490)	(P959,231)	(P24,836)	(P12,208,557)
Write-offs, foreclosures, and other movements	–	–	(24,701)	(24,701)
Total movements of carrying amount	5,530,307	(206,712)	(52,078)	5,271,517
Gross carrying amount at December 31, 2022	P16,762,797	P759,519	P202,753	P17,725,069

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱105,130	₱7,030	₱4,736	₱116,896
Transfers:				
Transfer from Stage 1 to Stage 2	(88)	88	–	–
Transfer from Stage 1 to Stage 3	(471)	–	471	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	(958)	958	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	58,394	12,650	2,812	73,856
Changes in EADs	(9,052)	(1,428)	(644)	(11,124)
Financial assets derecognized during the period	(59,129)	(3,439)	(1,075)	(63,643)
Write-offs, foreclosures, and other movements	–	–	(785)	(785)
Total movements of carrying amount	(10,346)	6,913	1,737	(1,696)
Gross carrying amount at December 31, 2022	₱94,784	₱13,943	₱6,473	₱115,200

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱540,407,754	₱67,961,347	₱15,955,618	₱624,324,719
Transfers:				
Transfer from Stage 1 to Stage 2	(35,312,858)	35,312,858	–	–
Transfer from Stage 1 to Stage 3	(901,547)	–	901,547	–
Transfer from Stage 2 to Stage 1	7,541,366	(7,541,366)	–	–
Transfer from Stage 2 to Stage 3	–	(7,656,702)	7,656,702	–
Transfer from Stage 3 to Stage 1	208,125	–	(208,125)	–
Transfer from Stage 3 to Stage 2	–	891,152	(891,152)	–
New financial assets originated *	285,217,004	18,522,362	1,550,328	305,289,694
Changes in EADs	(31,717,517)	(8,387,699)	(392,808)	(40,498,024)
Financial assets derecognized during the period	(138,890,168)	(25,349,624)	(2,288,470)	(166,528,262)
Write-offs, foreclosures, and other movements	–	–	(4,872,892)	(4,872,892)
Total movements of carrying amount	86,144,405	5,790,981	1,455,130	93,390,516
Gross carrying amount at December 31, 2022	₱626,552,159	₱73,752,328	₱17,410,748	₱717,715,235

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱233,410,560	₱3,566,516	₱3,947,000	₱240,924,076
Transfers:				
Transfer from Stage 1 to Stage 2	(2,098,004)	2,098,004	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	2,968,142	(2,968,142)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	190,261,714	324,828	–	190,586,542
Changes in EADs	(2,066,581)	(1)	–	(2,066,582)
Financial assets derecognized during the period	(79,484,999)	(65,000)	–	(79,549,999)
Write-offs, foreclosures, and other movements	9,619,036	79,397	(3,947,000)	5,751,433
Total movements of carrying amount	119,199,308	(530,914)	(3,947,000)	114,721,394
Gross carrying amount at December 31, 2022	₱352,609,868	₱3,035,602	₱–	₱355,645,470

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2022	₱27,611,006	₱407,755	₱–	₱28,018,761
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	403,647	(403,647)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	19,248,977	1,314,996	–	20,563,973
Changes in EADs	(2,561,524)	–	–	(2,561,524)
Financial assets derecognized during the period	(3,423,435)	(4,108)	–	(3,427,543)
Write-offs, foreclosures, and other movements	90,882	–	–	90,882
Total movements of carrying amount	13,758,547	907,241	–	14,665,788
Gross carrying amount at December 31, 2022	₱41,369,553	₱1,314,996	₱–	₱42,684,549

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱421,975,891	₱44,133,134	₱6,613,097	₱472,722,122
Transfers:				
Transfer from Stage 1 to Stage 2	(25,458,513)	25,458,513	–	–
Transfer from Stage 1 to Stage 3	(178,002)	–	178,002	–
Transfer from Stage 2 to Stage 1	4,688,561	(4,688,561)	–	–
Transfer from Stage 2 to Stage 3	–	(6,229,937)	6,229,937	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	130,245	(130,245)	–
New financial assets originated *	201,681,491	14,337,374	797,455	216,816,320
Changes in EADs	(18,543,995)	(3,539,737)	(795)	(22,084,527)
Financial assets derecognized during the period	(106,708,510)	(17,108,742)	(869,058)	(124,686,310)
Write-offs, foreclosures, and other movements	–	–	(3,612,192)	(3,612,192)
Total movements of carrying amount	55,481,032	8,359,155	2,593,104	66,433,291
Gross carrying amount as at December 31, 2022	₱477,456,923	₱52,492,289	₱9,206,201	₱539,155,413

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱53,630,564	₱14,419,615	₱3,966,294	₱72,016,473
Transfers:				
Transfer from Stage 1 to Stage 2	(5,811,653)	5,811,653	–	–
Transfer from Stage 1 to Stage 3	(418,097)	–	418,097	–
Transfer from Stage 2 to Stage 1	2,025,099	(2,025,099)	–	–
Transfer from Stage 2 to Stage 3	–	(526,334)	526,334	–
Transfer from Stage 3 to Stage 1	71,880	–	(71,880)	–
Transfer from Stage 3 to Stage 2	–	703,528	(703,528)	–
New financial assets originated *	17,282,658	144,851	7,382	17,434,891
Changes in EADs	(4,390,466)	(1,198,623)	(234,982)	(5,824,071)
Financial assets derecognized during the period	(7,462,546)	(4,606,358)	(396,184)	(12,465,088)
Write-offs, foreclosures, and other movements	–	–	(173,479)	(173,479)
Total movements of carrying amount	1,296,875	(1,696,382)	(628,240)	(1,027,747)
Gross carrying amount as at December 31, 2022	₱54,927,439	₱12,723,233	₱3,338,054	₱70,988,726

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱10,911,196	₱941,208	₱227,455	₱12,079,859
Transfers:				
Transfer from Stage 1 to Stage 2	—	—	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	—	—	—	—
Transfer from Stage 2 to Stage 3	—	—	—	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	16,754,798	418,650	—	17,173,448
Changes EADs	—	—	—	—
Financial assets derecognized during the period	(10,903,196)	(934,208)	—	(11,837,404)
Write-offs, foreclosures, and other movements	—	—	(24,701)	(24,701)
Total movements of carrying amount	5,851,602	(515,558)	(24,701)	5,311,343
Gross carrying amount as at December 31, 2022	₱16,762,798	₱425,650	₱202,754	₱17,391,202

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Others	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱19,939	₱–	₱353	₱20,292
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	–	–	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated *	–	–	–	–
Changes in EADs	(815)	–	–	(815)
Financial assets derecognized during the period	–	–	(351)	(351)
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	(815)	–	(351)	(1,166)
Gross carrying amount as at December 31, 2022	₱19,124	₱–	₱2	₱19,126

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱486,537,590	₱59,493,957	₱10,807,199	₱556,838,746
Transfers:				
Transfer from Stage 1 to Stage 2	(31,270,166)	31,270,166	–	–
Transfer from Stage 1 to Stage 3	(596,099)	–	596,099	–
Transfer from Stage 2 to Stage 1	6,713,660	(6,713,660)	–	–
Transfer from Stage 2 to Stage 3	–	(6,756,271)	6,756,271	–
Transfer from Stage 3 to Stage 1	71,880	–	(71,880)	–
Transfer from Stage 3 to Stage 2	–	833,773	(833,773)	–
New financial assets originated *	235,718,947	14,900,875	804,837	251,424,659
Changes in EADs	(22,935,276)	(4,738,360)	(235,777)	(27,909,413)
Financial assets derecognized during the period	(125,074,252)	(22,649,308)	(1,265,593)	(148,989,153)
Write-offs, foreclosures, and other movements	–	–	(3,810,372)	(3,810,372)
Total movements of carrying amount	62,628,694	6,147,215	1,939,812	70,715,721
Gross carrying amount as at December 31, 2022	₱549,166,284	₱65,641,172	₱12,747,011	₱627,554,467

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2022	₱227,795,892	₱3,566,515	₱3,631,625	₱234,994,032
Transfers:				
Transfer from Stage 1 to Stage 2	(2,098,004)	2,098,004	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	2,968,142	(2,968,142)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	187,487,105	324,829	–	187,811,934
Changes in EADs	(2,141,972)	–	–	(2,141,972)
Financial assets derecognized during the period	(76,890,599)	(65,000)	–	(76,955,599)
Write-offs, foreclosures, and other movements	9,503,427	79,396	(3,631,625)	5,951,198
Total movements of carrying amount	118,828,099	(530,913)	(3,631,625)	114,665,561
Gross carrying amount as at December 31, 2022	₱346,623,991	₱3,035,602	₱–	₱349,659,593

* Stage classification of new financial assets originated pertains to the stage as of end of year

	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
	12-month ECL	Lifetime ECL	Lifetime ECL	
Financial assets at FVOCI (debt securities)				
Gross carrying amount as at January 1, 2022	P25,496,732	P403,647	P–	P25,900,379
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	403,647	(403,647)	–	–
Transfer from Stage 2 to Stage 3	–	–	–	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	19,049,256	1,314,996	–	20,364,252
Changes in EADs	(2,413,796)	–	–	(2,413,796)
Financial assets derecognized during the period	(3,307,674)	–	–	(3,307,674)
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	13,731,433	911,349	–	14,642,782
Gross carrying amount as at December 31, 2022	P39,228,165	P1,314,996	P–	P40,543,161

* Stage classification of new financial assets originated pertains to the stage as of end of year



While the Group recognizes through the statement of income the movements in the expected credit losses computed using the models, the Group also complies with BSP's regulatory requirement to appropriate a portion of its retained earnings at an amount necessary to bring to at least 1% the allowance for credit losses on loans (Note 24).

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Provision for Impairment and Credit Losses	P1,246,003	P9,012,633	P8,876,744	P208,011	P7,427,202	P7,679,877
Appropriation (Un-appropriation) of Retained Earnings*	21,946	692,319	943,601	(77,472)	651,536	811,587
	P1,267,949	P9,704,952	P9,820,345	P130,539	P8,078,738	P8,491,464

*The Parent Company figures exclude the amounts appropriated by CBSI.

17. Deposit Liabilities

As of December 31, 2023 and 2022, 42.92% and 39.47% respectively, of the total deposit liabilities of the Group and 48.61% and 43.86% of the parent are subject to periodic interest repricing. The remaining deposit liabilities bear annual fixed interest rates ranging from 0.06% to 5.98% in 2023, from 0.05% to 4.55% in 2022, and from 0.05% to 4.55% in 2021 for the Group and the Parent Company.

Interest Expense on Deposit Liabilities

This account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Demand	P348,300	P325,725	P301,420	P317,113	P296,702	P266,605
Savings	4,407,218	2,294,286	1,556,758	4,337,101	2,229,503	1,495,056
Time	16,985,051	6,204,472	3,253,399	12,497,657	4,815,806	2,510,671
	P21,740,569	P8,824,483	P5,111,577	P17,151,871	P7,342,011	P4,272,332

BSP Circular No. 830 requires reserves against deposit liabilities. As of December 31, 2023 and 2022, due from BSP amounting to P70.72 billion and P77.55 billion, respectively, for the Group and P67.76 billion and P73.92 billion, respectively, for the Parent Company were set aside as reserves for deposit liabilities per latest report submitted to BSP. As of December 31, 2023 and 2022, the Parent Company is in compliance with such regulation.

On May 27, 2020, BSP issued Circular No. 1087, *Alternative Compliance with the Reserve Requirements of Banks and Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)*, which provides the following allowable modes of alternative compliance with the required reserves against deposit and deposit liabilities, provided that the following loans were granted, renewed, or restructured after March 15, 2020:

- Peso-denominated loans that are granted to micro-, small- and medium enterprises (MSMEs)
- Peso-denominated loans that are granted to large enterprises, excluding banks and NBQBs; provided that large enterprises are directly and adversely impacted by the Covid-19 outbreak



Subsequently on October 8, 2020, BSP issued Circular No. 1100 *Amendment to the Alternative Compliance with the Reserve Requirements of Banks and Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)*, which states that a bank/NBQB may continue to utilize past due or non-performing MSME and large enterprise loan as alternative compliance with the reserve requirements for an additional thirty (30) calendar days from the date the loan becomes past due or non-performing, whichever comes earlier.

The use of MSME loans as allowable alternative compliance with the reserve requirement shall be available to banks/NBQBs from April 24, 2020 to December 29, 2022 while the use of loans to a large enterprise as allowable alternative compliance with the reserve requirements shall be available to banks/NBQBs from May 29, 2020 to December 29, 2022. However, the subsequent issuance of BSP Circular No. 1155 *Amendments to the Alternative Compliance with the Reserve Requirements of Banks and NBQBs* further extended the use of MSME loans and loans to a large enterprise as allowable alternative compliance from December 29, 2022 to June 30, 2023.

As of December 31, 2023 and 2022, the Group is in compliance with the reserve requirement.

Long Term Negotiable Certificates of Deposits (LTNCD)

On August 3, 2016, the BOD of the Parent Company approved the issuance of Long Term Negotiable Certificates of Deposits (LTNCD) of up to ₱20.00 billion in tranches of ₱5.00 billion to ₱10.00 billion each and with tenors ranging from 5 to 7 years to support the Group's strategic initiatives and business growth. On October 27, 2016, the Monetary Board of the BSP approved the LTNCD issuances.

On November 18, 2016, the Parent Company issued the first tranche at par with aggregate principal amount of ₱9.58 billion, which matured on May 18, 2022. The LTNCDs bear a fixed coupon rate of 3.65% per annum, payable quarterly in arrears.

On June 2, 2017, the Parent Company issued at par LTNCDs with aggregate principal amount of ₱6.35 billion, which bear a fixed coupon rate of 3.65% per annum, payable quarterly in arrears, and matured on December 22, 2022, representing the second tranche of the ₱20.00 billion.

On March 7, 2018, the Board of Directors approved the Bank's Peso funding program of up to ₱50.00 billion via a combination of Long-Term Negotiable Certificate of Time Deposit and/or Retail Bonds and/or Commercial Papers. Part of the funding program is a ₱20.00 billion LTNCD program which was approved by BSP on June 14, 2018.

On July 12, 2018, the Parent Company issued at par LTNCDs with aggregate principal amount of ₱10.25 billion due January 12, 2024, representing the first tranche of the ₱20 billion LTNCD program. The LTNCDs bear a fixed coupon rate of 4.55% per annum, payable quarterly in arrears. The Parent Company settled the LTNCDs on January 12, 2024.

The LTNCDs are included under the 'Time deposit liabilities' account.



18. Bonds Payable

The Parent Company's bonds payable consists of:

₱20.00 Billion Peso Fixed Rate Bonds due in 2024

On February 18, 2021, the Parent Company issued ₱20.00 billion Peso fixed rate bonds, which bears a fixed coupon rate of 2.50% per annum, payable monthly, and matured on February 18, 2024.

₱15.00 Billion Peso Fixed Rate Bonds due in 2022

On October 22, 2020, the Parent Company issued ₱15.00 billion Peso fixed rate bonds, which bears a fixed coupon rate of 2.75% per annum, payable quarterly, and matured on October 22, 2022.

BSP Circular No. 830 requires reserves against peso-denominated bonds. As of December 31, 2023 and 2022, the Group is in compliance with such regulation.

\$150.00 Million Bonds Payable to IFC

On June 18, 2019, the Parent Company issued a \$150 million, seven-year bond to International Finance Corporation. The bond reprices semi-annually and carries an interest margin of 120 basis points over 6-month LIBOR.

Shortly thereafter, the Parent Company entered into a seven-year pay-fixed, receive-floating IRS (see Note 26) with the same principal terms to hedge the exposure to interest rate risk attributable to variable cash flow payments on the floating-rate bonds payable (Note 6).

The Bond Subscription Agreement contains certain financial covenants with which the Parent Company should comply during the term of the bond, including the following:

- Risk Weighted Capital Adequacy Ratio of not less than ten per cent (10%);
- Equity to Assets Ratio of not less than five per cent (5%);
- Aggregate Large Exposures Ratio of not more than four hundred per cent (400%);
- Open Credit Exposures Ratio of not more than twenty-five per cent (25%);
- Fixed Assets Plus Equity Participations Ratio of not more than thirty-five per cent (35%);
- Aggregate Foreign Exchange Risk Ratio of not more than twenty-five per cent (25%);
- Single Currency Foreign Exchange Risk Ratio of not more than ten per cent (10%);
- Interest Rate Risk Ratio of not less than negative twenty-five per cent (-25%) and not more than twenty five per cent (25%);
- Aggregate Interest Rate Risk Ratio of not less than negative fifty per cent (-50%) and not more than twenty per cent (20%);
- Open FX Position of 25% of Qualifying Capital and USD 150 million, whichever is lower.

In addition, the Parent Company should also comply with the regulatory requirements related to Economic Group Exposure and Related Party Exposure set by the BSP or the Bond Subscription Agreement, whichever is more stringent.

Non-compliance with these obligations may require the Parent Company to pay the bond immediately. As of December 31, 2022, the Parent Company is in compliance with these covenants and regulatory requirements.



On May 11, 2023, the Parent Company informed IFC of its decision to pre-terminate the \$150 million bonds payable with the latter. The pretermination of the bonds took effect on June 15, 2023, and resulted in a loss of ₱17.98 million. On May 18, 2023, the Parent Company pre-terminated the IRS, which was previously designated as a hedging instrument to the \$150 million bonds payable with IFC. The pretermination of the IFC bonds payable resulted in the discontinuance of the cash flow hedge and the recycling of the corresponding hedge reserve of the IRS from the OCI to profit or loss. Realized gains from the pre-termination of the IRS amounted to ₱468.35 million.

The movements in the Parent Company's total unamortized discount and debt issue cost on the above bonds payable follow:

	2023	2022
Beginning balance	₱50,380	₱176,292
Additions	–	151
Amortization	(57,320)	(126,063)
Pre-termination	17,633	–
Ending balance	₱10,693	₱50,380

19. Bills Payable

The Parent Company's bills payable consists of the Interbank loans payable and Securities sold under repurchase agreements amounting to ₱84.80 million and ₱70.38 million as of December 31, 2023 and 2022, respectively.

Interbank loans payable consists of foreign currency-denominated borrowings of the Parent Company with annual interest ranging from 0.39% to 6.08%, from 0.38% to 6.25%, and from 0.31% to 1.60%, in 2023, 2022, and 2021, respectively.

The carrying amount of foreign currency-denominated investment securities at amortized cost pledged by the Parent Company as collateral for its interbank borrowings amounted to ₱82.00 billion and ₱67.00 billion as of December 31, 2023 and 2022, respectively. The carrying amount of the peso-denominated investment securities at amortized cost pledged by the Parent Company as collateral for its interbank borrowings amounted to ₱9.90 billion and ₱14.63 billion as of December 31, 2023 and 2022, respectively.

The aggregate fair value of investment securities at amortized cost pledged as collateral amounted to ₱85.15 billion and ₱75.45 billion as of December 31, 2023 and 2022, respectively. The aggregate fair value of financial assets at FVOCI pledged as collateral amounted to ₱5.49 billion and nil as of December 31, 2023 and 2022, respectively.

As of December 31, 2023 and 2022, margin deposits amounting to ₱9.09 billion and ₱7.60 billion, respectively, are deposited with various counterparties to meet the collateral requirements for its interbank loans payable.



20. Accrued Interest and Other Expenses

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Accrued payable for employee benefits	P2,884,023	P2,412,429	P2,884,023	P2,412,430
Accrued interest payable	4,091,357	2,043,498	3,500,606	1,805,386
Accrued taxes and other licenses	467,495	304,547	276,860	174,828
Accrued other expenses payable	1,146,335	1,355,415	837,938	1,006,981
	P8,589,210	P6,115,889	P7,499,427	P5,399,625

21. Other Liabilities

This account consists of:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Financial liabilities				
Accounts payable	P5,904,031	P6,556,555	P4,377,894	P4,693,982
Lease liabilities (Note 27)	3,347,987	2,970,301	2,578,292	2,393,362
Due to PDIC	1,030,459	901,387	1,030,459	901,387
Acceptances payable	2,269,296	2,912,388	2,269,296	2,912,388
Expected credit losses on off-balance sheet exposures (Note 16)	507,602	782,341	507,602	772,323
Due to the Treasurer of the Philippines	720,591	535,029	676,961	502,686
Other credits – dormant	414,714	351,231	414,714	351,231
Margin deposits	–	483	–	483
Miscellaneous	1,103,337	611,125	929,064	460,685
	15,298,017	15,620,840	12,784,282	12,988,527
Non-financial liabilities				
Withholding taxes payable	292,475	425,435	205,055	372,261
Retirement liabilities (Note 25)	30,393	22,689	–	–
	322,868	448,124	205,055	372,261
	P15,620,885	P16,068,964	P12,989,337	P13,360,788

Accounts payable includes payables to suppliers and service providers, and loan payments and other charges received from customers in advance.

Miscellaneous mainly includes sundry credits, inter-office float items, and dormant deposit accounts.



22. Other Operating Income and Miscellaneous Expenses

Service Charges, Fees and Commissions

Details of this account are as follows:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Service and collection charges:						
Deposits	P789,316	P724,365	P544,450	P708,979	P655,020	P544,450
Loans	212,432	191,466	337,719	14,943	13,099	21,252
Remittances	175,000	189,575	217,191	175,000	189,575	217,191
Others	392,059	320,381	206,148	303,693	246,405	204,335
	1,568,807	1,425,787	1,305,508	1,202,615	1,104,099	987,228
Fees and commissions	1,731,362	1,437,291	1,409,864	719,321	594,291	451,386
	P3,300,169	P2,863,078	P2,715,372	P1,921,936	P1,698,390	P1,438,614

Trading and Securities Gain (Loss) – Net

This account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Financial assets at FVOCI	P326,063	P3,465	P60,316	P326,063	P3,465	P40,937
Held-for-trading (Note 9)	232,021	(266,127)	(194,502)	141,052	(279,956)	(220,693)
Derivatives (Note 26)	570,948	1,190,200	69,013	570,948	1,190,200	69,013
Financial assets designated at FVTPL	–	–	1,168	–	–	–
	P1,129,032	P927,538	(P64,005)	P1,038,063	P913,709	(P110,743)

Miscellaneous Income

Details of this account are as follows:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Bancassurance (Note 11)	P337,123	P452,420	P473,010	P294,583	P394,198	P432,082
Dividends (Note 8)	93,764	100,627	102,867	85,989	98,748	99,326
Rental on investment properties	90,428	118,898	101,601	79,735	69,741	42,796
Rental of safety deposit boxes	29,537	30,693	31,057	29,537	30,693	31,057
Fund transfer fees	23,730	17,144	21,211	23,730	17,144	21,211
Miscellaneous income						
(Notes 10, 12, 13, and 30)	871,015	4,502,397	533,095	662,888	4,387,751	492,259
	P1,445,597	P5,222,179	P1,262,841	P1,176,462	P4,998,275	P1,118,731

Miscellaneous income includes recovery of charged-off assets and gain on sale of certain assets.

Miscellaneous Expenses

Details of this account are as follows:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Information technology	P1,121,290	P810,466	P1,349,236	P1,381,030	P1,040,601	P1,281,146
Litigations	325,189	332,029	261,282	147,700	95,482	83,308
Service charges	108,559	128,809	142,951	105,081	125,376	142,894
Freight	86,391	67,650	63,662	59,133	44,774	45,844
Clearing and processing fee	25,305	27,827	12,376	25,305	27,827	12,376
Membership fees and dues	27,269	20,648	20,290	26,015	19,589	18,767
Broker's fee	27,780	19,896	20,671	27,780	19,896	20,664
Miscellaneous expense	1,201,834	1,612,772	1,381,395	885,229	1,230,723	1,168,518
	P2,923,617	P3,020,097	P3,251,863	P2,657,273	P2,604,268	P2,773,517



23. Maturity Analysis of Assets and Liabilities

The following tables present both the Group's and the Parent Company's assets and liabilities as of December 31, 2023 and 2022 analyzed according to whether they are expected to be recovered or settled within one year and beyond one year from the respective reporting date:

	Consolidated					
	2023			2022		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Financial assets						
Cash and other cash items	P15,998,094	P-	P15,998,094	P13,689,421	P-	P13,689,421
Due from BSP	84,595,973	-	84,595,973	107,100,295	-	107,100,295
Due from other banks	19,964,415	-	19,964,415	13,614,609	-	13,614,609
Interbank loans receivable and SPURA	34,720,250	-	34,720,250	43,564,970	-	43,564,970
Financial assets at FVTPL	13,569,574	61,713	13,631,287	4,716,692	10,888	4,727,580
Derivative Contracts Designated as Hedge	-	3,946,553	3,946,553	-	6,203,379	6,203,379
Financial assets at FVOCI	9,940,487	96,601,000	106,541,487	1,388,456	41,928,301	43,316,757
Investment securities at amortized cost	20,745,578	360,257,359	381,002,937	14,517,748	344,006,998	358,524,746
Loans and receivables – gross	191,202,974	599,792,264	790,995,238	180,664,506	537,050,729	717,715,235
Accrued interest receivable – gross	11,967,064	-	11,967,064	10,778,149	-	10,778,149
Other assets – gross	3,942,484	1,676,807	5,608,310	2,978,107	1,470,031	4,448,138
	406,646,893	1,062,335,696	1,468,971,608	395,619,291	930,670,326	1,323,683,279
Non-financial assets						
Bank premises, furniture, fixtures and equipment – net of accumulated depreciation and amortization	-	10,078,844	10,078,844	-	9,337,260	9,337,260
Investment properties – net of accumulated depreciation	-	4,360,448	4,360,448	-	4,621,862	4,621,862
Deferred tax assets	-	6,505,865	6,505,865	-	4,552,692	4,552,692
Investments in associates	-	1,389,952	1,389,952	-	983,243	983,243
Intangible assets	-	4,070,151	4,070,151	-	4,076,645	4,076,645
Goodwill	-	839,748	839,748	-	839,748	839,748
Other assets – gross	2,814,495	734,973	3,549,468	2,601,736	400,416	3,002,152
	2,814,495	27,979,981	30,794,476	2,601,736	24,811,866	27,413,602
Allowance for impairment and credit losses (Note 16)			(20,111,362)			(20,189,493)
Unearned discounts (Note 10)			(1,622,481)			(1,177,922)
			(21,733,843)			(21,367,415)
			P1,478,043,222			P1,329,729,466
Financial liabilities						
Deposit liabilities	P1,171,118,878	P15,604,677	P1,186,723,555	1,055,547,844	10,366,833	1,065,914,677
Bills payable	84,798,489	-	84,798,489	70,375,267	-	70,375,267
Bonds payable	19,989,307	-	19,989,307	-	28,312,870	28,312,870
Manager's checks	2,109,463	-	2,109,463	1,550,669	-	1,550,669
Accrued interest and other expenses*	8,121,715	-	8,121,715	5,811,342	-	5,811,342
Derivative liabilities	938,722	-	938,722	1,549,561	-	1,549,561
Derivative contracts designated as hedges	7,436,719	612,698	8,049,417	4,156,612	-	4,156,612
Other liabilities	15,298,017	-	15,298,017	15,620,840	-	15,620,840
	1,309,811,310	16,217,375	1,326,028,685	1,154,612,135	38,679,703	1,193,291,838
Non-financial liabilities						
Accrued interest and other expenses	467,495	-	467,495	304,547	-	304,547
Deferred tax liabilities	-	792,114	792,114	-	794,432	794,432
Income tax payable	133,659	-	133,659	311,915	-	311,915
Other liabilities	292,475	30,393	322,868	425,435	22,689	448,124
	893,629	822,507	1,716,136	1,041,897	817,121	1,859,018
	P1,310,704,939	P17,039,882	P1,327,744,821	P1,155,654,032	P39,496,824	P1,195,150,856

*Accrued interest and other expenses include accrued interest payable, accrued payable for employee benefits and accrued other expenses payable (Note 20).



Parent Company						
	2023			2022		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Financial assets						
Cash and other cash items	P13,041,135	P–	P13,041,135	P10,073,767	P–	P10,073,767
Due from BSP	73,156,991	–	73,156,991	92,920,540	–	92,920,540
Due from other banks	17,352,830	–	17,352,830	12,347,169	–	12,347,169
Interbank loans receivable and SPURA	31,075,654	–	31,075,654	41,597,949	–	41,597,949
Financial assets at FVTPL	12,631,250	10,813	12,642,063	3,503,688	10,888	3,514,576
Derivative Contracts Designated as Hedge	–	3,946,553	3,946,553	–	6,203,379	6,203,379
Financial assets at FVOCI	1,045,144	92,781,292	93,826,436	939,856	40,211,269	41,151,125
Investment securities at amortized cost	20,106,841	353,996,148	374,102,989	13,957,866	338,377,782	352,335,648
Loans and receivables – gross	163,527,755	514,421,160	677,948,915	156,001,047	471,553,420	627,554,467
Accrued interest receivable – gross	10,513,858	–	10,513,858	9,391,461	–	9,391,461
Other assets – gross	2,422,146	240,330	2,662,476	1,773,452	218,909	1,992,361
	344,873,604	965,396,296	1,310,269,900	342,506,795	856,575,647	1,199,082,442
Non-financial assets						
Bank premises, furniture, fixtures and equipment – net of accumulated depreciation and amortization	–	8,086,119	8,086,119	–	7,670,562	7,670,562
Investment properties – net of accumulated depreciation	–	1,996,166	1,996,166	–	2,023,344	2,023,344
Deferred tax assets	–	4,961,076	4,961,076	–	3,150,610	3,150,610
Investments in subsidiaries	–	22,676,868	22,676,868	–	19,123,698	19,123,698
Investment in associates	–	1,389,952	1,389,952	–	983,243	983,243
Intangible assets	–	783,317	783,317	–	778,314	778,314
Goodwill	–	222,841	222,841	–	222,841	222,841
Other assets – gross	1,808,092	665,588	2,473,680	1,884,157	287,120	2,171,277
	1,808,092	40,781,927	42,590,019	1,884,157	34,239,732	36,123,889
Allowances for impairment and credit losses (Note 16)			(15,889,555)			(16,350,676)
Unearned discounts (Note 10)			(440,915)			(182,760)
			(16,330,470)			(16,533,436)
			P1,336,529,449			P1,218,672,895
Financial liabilities						
Deposit liabilities	P1,043,436,247	P7,138,507	P1,050,574,754	P958,799,325	P619,244	P959,418,569
Bills payable	84,798,489	–	84,798,489	70,375,267	–	70,375,267
Bonds payable	19,989,307	–	19,989,307	–	28,312,870	28,312,870
Manager's checks	1,419,764	–	1,419,764	1,296,109	–	1,296,109
Accrued interest and other expenses*	7,222,567	–	7,222,567	5,224,797	–	5,224,797
Derivative liabilities	938,722	–	938,722	1,549,561	–	1,549,561
Derivative Contracts Designated as Hedge	7,436,719	612,698	8,049,417	4,156,612	–	4,156,612
Other liabilities	12,784,282	–	12,784,282	12,988,527	–	12,988,527
	1,178,026,097	7,751,205	1,185,777,302	1,054,390,198	28,932,114	1,083,322,312
Non-financial liabilities						
Accrued interest and other expenses	276,860	–	276,860	174,828	–	174,828
Income tax payable	48,083	–	48,083	293,422	–	293,422
Other liabilities	205,055	–	205,055	372,261	–	372,261
	529,998	–	529,998	840,511	–	840,511
	P1,178,556,095	P7,751,205	P1,186,307,300	P1,055,230,709	P28,932,114	P1,084,162,823

*Accrued interest and other expenses include accrued interest payable, accrued payable for employee benefits and accrued other expenses payable (Note 20).



24. Equity

The Parent Company's capital stock consists of (amounts in thousands, except for number of shares):

	2023		2022	
	Shares	Amount	Shares	Amount
Common stock – ₱10.00 par value				
Authorized – shares	3,300,000,000		3,300,000,000	
Issued and outstanding				
Balance at beginning of year	2,691,288,212	₱26,912,882	2,691,288,212	₱26,912,882
Issuance through stock grant	52,100	521	–	–
Balance at end of year	2,691,340,312	₱26,913,403	2,691,288,212	₱26,912,882

The Parent Company shares are listed in the Philippine Stock Exchange.

The summarized information on the Parent Company's registration of securities under the Securities Regulation Code follows:

Date of SEC Approval	Authorized Shares*
April 12, 1991	100,000,000
October 7, 1993	150,000,000
August 30, 1994	200,000,000
July 26, 1995	250,000,000
September 12, 1997	500,000,000
September 5, 2005	1,000,000,000
September 14, 2007	1,600,000,000
September 5, 2008	2,000,000,000
August 29, 2014	2,500,000,000
September 29, 2018	3,300,000,000

* Restated to show the effects of the ten-for-one stock split in 2012

As reported by the Parent Company's transfer agent, Stock Transfer Service, Inc., the total number of stockholders is 1,826 and 1,875 as of December 31, 2023 and 2022, respectively.

Centennial Stock Grant

In light of the Parent Company's 100th anniversary, the Board of Directors approved on August 5, 2020 a Centennial Stock Grant Plan to issue common shares to eligible grantees.

The Centennial Stock Grant Plan was approved and ratified by the stockholders on October 1, 2020 and the approvals of the relevant regulatory agencies were completed in 2021. New shares were issued from the Parent Company's authorized but unissued shares in favor of the Group's regular employees and certain other officers and contractual employees as of August 16, 2020, numbering around 8,400.



On August 9, 2021, the Philippine Stock Exchange (PSE) approved the Parent Company's application to list 5,451,600 common shares, with a par value of ₱10.00 per share, to cover the Group's Centennial Stock Grant Plan. The Parent Company issued a total of 5.39 million shares on September 1, 2021. This resulted in an increase in the Parent Company's 'Capital stock' and 'Capital paid in excess of par value' totaling ₱132.02 million as of the grant date. The difference in the fair value of the stock grants upon issuance of shares is recognized in the profit or loss.

Dividends

Details of the Parent Company's cash dividend payments follow:

Cash Dividends

Date of Declaration	Date of Record	Date of Payment	Cash Dividend Per Share
April 19, 2023	May 5, 2023	May 18, 2023	1.90
May 5, 2022	May 20, 2022	June 3, 2022	1.50
May 6, 2021	May 21, 2021	June 4, 2021	1.00
June 18, 2020	July 3, 2020	July 17, 2020	1.00
May 2, 2019	May 17, 2019	May 31, 2019	0.88
May 3, 2018	May 17, 2018	June 1, 2018	0.83
May 4, 2017	May 18, 2017	June 2, 2017	0.80
May 5, 2016	May 23, 2016	June 3, 2016	1.00
May 7, 2015	August 12, 2015	September 9, 2015	1.00
May 8, 2014	September 19, 2014	October 15, 2014	1.00
May 2, 2013	July 19, 2013	August 14, 2013	1.20

Stock Dividends

Date of Declaration	Date of Record	Date of Payment	Stock Dividend Per Share
March 15, 2017	October 20, 2017	November 03, 2017	8%
May 05, 2016	May 23, 2016	June 03, 2016	8%
May 07, 2015	August 12, 2015	September 09, 2015	8%
May 08, 2014	September 19, 2014	October 15, 2014	8%
May 02, 2013	July 19, 2013	August 14, 2013	10%

Surplus

The computation of surplus available for dividend declaration in accordance with SEC Memorandum Circular No. 11 issued in December 2008 differs to a certain extent from the computation following BSP guidelines.

As of December 31, 2023 and 2022, surplus includes the amount of ₱1.37 billion, net of deferred tax effect of ₱456.17 million, representing transfer of revaluation increment on land which was carried at deemed cost when the Group transitioned to PFRS in 2005 (Note 12). This amount will be available to be declared as dividends upon sale of the underlying land.

In the consolidated financial statements, a portion of the Group's surplus corresponding to the net earnings of the subsidiaries and associates amounting to ₱10.41 billion and ₱7.43 billion as of December 31, 2023 and 2022, respectively, is not available for dividend declaration. The accumulated equity in net earnings becomes available for dividends upon declaration and receipt of cash dividends from the investees.



Reserves

In compliance with BSP regulations, 10.00% of the Parent Company's profit from trust business is appropriated to surplus reserve. This annual appropriation is required until the surplus reserves for trust business equals 20.00% of the Parent Company's authorized capital stock.

Upon adoption of PFRS 9, BSP requires appropriation of a portion of the Group's Surplus at an amount necessary to bring to at least 1% the allowance for credit losses on loans (Note 16).

Capital Management

The primary objectives of the Group's capital management are to ensure that it complies with externally imposed capital requirements and that it maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies, and processes as of December 31, 2023 and 2022.

Regulatory Qualifying Capital

Under existing BSP regulations, the determination of the Parent Company's compliance with regulatory requirements and ratios is based on the amount of the Parent Company's unimpaired capital (regulatory capital) as reported to the BSP. This is determined on the basis of regulatory accounting policies which differ from PFRS in some respects.

In addition, the risk-based capital ratio of a bank, expressed as a percentage of qualifying capital to risk-weighted assets (RWA), should not be less than 10.00% for both solo basis (head office and branches) and consolidated basis (Parent Company and subsidiaries engaged in financial allied undertakings but excluding insurance companies). Qualifying capital and RWA are computed based on BSP regulations. RWA consists of total assets less cash on hand, due from BSP, loans covered by hold-out on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits and other non-risk items determined by the Monetary Board of the BSP.

On August 4, 2006, the BSP, under BSP Circular No. 538, issued the prescribed guidelines implementing the revised risk-based capital adequacy framework for the Philippine banking system to conform to Basel II capital adequacy framework. The BSP guidelines took effect on July 1, 2007. Thereafter, banks were required to compute their CAR using these guidelines.

Standardized credit risk weights were used in the credit assessment of asset exposures. Third party credit assessments were based on ratings by international credit assessment agencies – Standard & Poor's, Moody's, and Fitch, and BSP-recognized domestic credit assessment agencies such as PhilRatings. Per BSP guidelines, domestic debt issuances may be rated by BSP-recognized domestic credit assessment agencies or by international credit assessment agencies which have developed a national rating system acceptable to the BSP. Internationally-issued debt obligations shall be rated by BSP-recognized international credit assessment agencies only.



On January 15, 2013, the BSP issued Circular No. 781, *Basel III Implementing Guidelines on Minimum Capital Requirements*, which provides the implementing guidelines on the revised risk-based capital adequacy framework particularly on the minimum capital and disclosure requirements for universal banks and commercial banks, as well as their subsidiary banks and quasi-banks, in accordance with the Basel III standards. The circular took effect on January 1, 2014.

The Circular sets out a minimum Common Equity Tier 1 (CET1) ratio of 6.00% and Tier 1 capital ratio of 7.50%. It also introduces a capital conservation buffer of 2.50% comprised of CET1 capital. The BSP's existing requirement for Total CAR remains unchanged at 10.00% and this ratio shall be maintained at all times.

Further, existing capital instruments as of December 31, 2010 which do not meet the eligibility criteria for capital instruments under the revised capital framework shall no longer be recognized as capital upon the effectivity of Basel III. Capital instruments issued under BSP Circular Nos. 709 and 716 (the circulars amending the definition of qualifying capital particularly on Hybrid Tier 1 and Lower Tier 2 capitals), starting January 1, 2011 and before the effectivity of BSP Circular No. 781, shall be recognized as qualifying capital until December 31, 2017. In addition to changes in minimum capital requirements, this Circular also requires various regulatory adjustments in the calculation of qualifying capital.

On April 28, 2020, the BSP issued BSP Memorandum No. M-2020-034 *Relaxation in the Credit Risk Weight for Loans to MSMEs under the BSP's Risk-Based Capital Adequacy Framework*, which provides temporary relaxation in the assigned credit risk weight for loans to micro, small, and medium enterprises (MSMEs) for purposes of computing compliance with the BSP's Risk-Based Capital Adequacy Frameworks.

The following exposures to MSMEs, as defined under Basel III shall be assigned a credit risk weight of 50 percent:

- a. MSME exposures that meet the criteria of qualified MSME portfolio, and
- b. Current MSME exposures that do not qualify as a highly diversified MSME portfolio.

The foregoing provision under BSP Memorandum No. M-2020-034 shall apply until December 31, 2021. However, it was extended until December 31, 2022 by the subsequent issuance of BSP Memorandum No. M-2022-004 *Extension of BSP Prudential Relief Measures* and further extended until June 30, 2023 by the subsequent issuance of BSP Memorandum No. M-2022-041 *Extension of BSP Prudential Relief Measure on the Relaxation in the Credit Risk Weight for Loans to MSMEs under the BSP's Risk-Based Capital Adequacy Frameworks*.



The CAR of the Group and the Parent Company as of December 31, 2023 and 2022 as reported to the BSP are shown in the table below.

	Consolidated		Parent Company	
	2023	2022	2023	2022
	(Amounts in Million Pesos)			
CET 1 Capital	₱147,553	₱132,695	₱144,740	₱129,945
Less: Regulatory Adjustments	16,355	13,079	31,153	24,533
	131,198	119,616	113,587	105,412
Additional Tier 1 Capital	—	—	—	—
Less: Regulatory Adjustments	—	—	—	—
	—	—	—	—
Net Tier 1 Capital	131,198	119,616	113,587	105,412
Tier 2 Capital	7,632	6,683	6,587	6,125
Less: Regulatory Adjustments	—	—	—	—
Net Tier 2 Capital	7,632	6,683	6,587	6,125
Total Qualifying Capital	₱138,830	₱126,299	₱120,174	₱111,537

	Consolidated		Parent Company	
	2023	2022	2023	2022
	(Amounts in Million Pesos)			
Credit RWA	₱761,451	₱695,054	₱656,483	₱612,227
Market RWA	14,365	28,309	13,921	28,358
Operational RWA	84,404	70,188	72,233	59,861
Total RWA	₱860,220	₱793,551	₱742,637	₱700,446

CET 1 capital ratio	15.25%	15.07%	15.30%	15.05%
Tier 1 capital ratio	15.25%	15.07%	15.30%	15.05%
Total capital ratio	16.14%	15.92%	16.18%	15.92%

The Group and the Parent Company have complied with all externally imposed capital requirements throughout the period.

The issuance of BSP Circular No. 639 covering the ICAAP in 2009 supplements BSP's risk-based capital adequacy framework under Circular No. 538. In compliance with this circular, the Parent Company has adopted and developed its ICAAP framework to ensure that appropriate level and quality of capital are maintained by the Group. Under this framework, the assessment of risks extends beyond the Pillar 1 set of credit, market, and operational risks and onto other risks deemed material by the Parent Company. The level and structure of capital are assessed and determined in light of the Parent Company's business environment, plans, performance, risks, and budget, as well as regulatory edicts. BSP normally requires submission of the ICAAP document every March 31.

However, for 2021 and 2022, in view of the pandemic, the BSP adjusted the deadline for submission from March 31 to June 30. It reverted back to March 31 for 2023. The Group has also complied with this requirement.

On April 16, 2021, the BSP issued Circular No. 1113, which requires that the recovery plan shall be distinct and separate from the ICAAP document. It should be submitted every June 30, beginning in 2022. On October 18, 2022, the BSP issued Circular No. 1158, which enumerates the new guidelines on recovery plan of banks. The Group has complied with the requirements for the 2023 submission.



Leverage Ratio

On June 9, 2015, BSP issued circular No. 881, which approved the guidelines for the implementation of the Basel III Leverage Ratio in the Philippines. The Basel III Leverage Ratio is designed to act as a supplementary measure to the risk-based capital requirements. The leverage ratio intends to restrict the build-up of leverage in the banking sector to avoid destabilizing deleveraging processes which can damage the broader financial system and the economy. Likewise, it reinforces the risk-based requirements with a simple, non-risk based “backstop” measure. The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator). The monitoring of the leverage ratio was implemented as a Pillar 1 minimum requirement effective on 1 July 2018. The Basel III leverage ratio of the banks shall not be less than 5.00%.

The BLR of the Group and the Parent Company as of December 31, 2023 and 2022 as reported to the BSP are shown in the table below.

	Consolidated		Parent Company	
	2023	2022	2023	2022
	(Amounts in Millions)			
Tier 1 Capital	₱131,198	₱119,616	₱113,587	₱105,412
Exposure Measure	1,412,944	1,365,346	1,252,635	1,238,956
Leverage Ratio	9.29%	8.76%	9.07%	8.51%

Liquidity Coverage Ratio

On 18 February 2016, BSP issued Circular No. 905 which approved the attached liquidity standards, which include guidelines on liquidity coverage ratio (LCR) and LCR disclosure standards that are consistent with the Basel III framework. Banks are required to adopt Basel III's Liquidity Coverage Ratio (LCR) aimed at strengthening the short-term liquidity position of banks. This requires banks to have available High Quality Liquid Assets (HQLA) to meet anticipated net cash outflow for a 30-day period under stress conditions. The standard prescribes that, under a normal situation, the value of the liquidity ratio be no lower than 100% on a daily basis because the stock of unencumbered HQLA is intended to serve as a defense against potential onset of liquidity stress. Beginning January 1, 2019, the prescribed minimum ratio of LCR is 100.00%. As of December 31, 2023 and 2022, the LCR in single currency is 127.02% and 117.00%, respectively, for the Group and 125.61% and 115.79%, respectively, for the Parent Company.

Net Stable Funding Ratio

On 24 May 2018, BSP issued Circular No. 1007 which approved the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR). Banks are required to adopt Basel III's NSFR aimed to promote long-term resilience of banks against liquidity risk. Banks shall maintain a stable funding profile in relation to the composition of its assets and off-balance sheet activities. The NSFR complements the Liquidity Coverage Ratio (LCR), which promotes short-term resilience of a Bank's liquidity profile. The Group started monitoring and reporting NSFR to the BSP in 2019. The banks shall maintain a NSFR of at least 100.00% at all times. As of December 31, 2023 and 2022, the NSFR is 113.47% and 115.96%, respectively, for the Group and 111.84% and 114.63%, respectively, for the Parent Company.



25. Retirement Plan

The Group has separate funded noncontributory defined benefit retirement plans covering substantially all its officers and regular employees. The retirement plans are administered by the Parent Company's Trust Group which acts as the trustee of the plans. Under these retirement plans, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements. The latest actuarial valuation studies of the retirement plans were made as of December 31, 2023.

The Group's annual contribution to the retirement plan consists of a payment covering the current service cost, unfunded actuarial accrued liability, and interest on such unfunded actuarial liability.

The amounts of net defined benefit asset in the balance sheets follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Net plan assets (Note 15)	P734,973	P400,416	P665,588	P287,120
Retirement liabilities (Note 21)	(30,393)	(22,689)	–	–
	P704,580	P377,727	P665,588	P287,120



The movements in the defined benefit asset, present value of defined benefit obligation and fair value of plan assets follow:

	Consolidated											
	Net benefit cost					Remeasurements in OCI						
	January 1, 2023	Current service cost	Net interest	Net pension expense*	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Total remeasurements in OCI	Contribution by employer	December 31, 2023
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j) = f + g + h + i	(k)	(l) = a + d + e + j + k
Fair value of plan assets	₱5,798,068	₱–	₱387,778	₱387,778	(₱432,707)	₱57,410	₱–	₱–	₱–	₱57,410	₱788,973	₱6,599,522
Present value of defined benefit obligation	5,420,341	509,507	362,700	872,207	(432,707)	–	(35,515)	80,380	(9,764)	35,101	–	5,894,942
Net defined benefit asset	₱377,727	(₱509,507)	₱25,078	(₱484,429)	₱–	₱57,410	₱35,515	(₱80,380)	₱9,764	₱22,309	₱788,973	₱704,580

*Presented under Compensation and fringe benefits in the statements of income.

	Consolidated											
	Remeasurements in OCI											
	January 1, 2022	Net benefit cost				Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Total remeasurements in OCI	Contribution by employer	December 31, 2022
		Current service cost	Net interest	Net pension expense*	Benefits paid							
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j) = f + g + h + i	(k)	(l) = a + d + e + j + k
Fair value of plan assets	₱5,602,106	₱–	₱258,678	₱258,678	(₱392,776)	₱59,768	₱–	₱–	₱–	₱59,768	₱270,292	₱5,798,068
Present value of defined benefit obligation	5,129,718	523,487	237,540	761,027	(392,776)	–	166,546	(267,822)	23,648	(77,628)	–	5,420,341
Net defined benefit asset	₱472,388	(₱523,487)	₱21,138	(₱502,349)	₱–	₱59,768	(₱166,546)	₱267,822	(₱23,648)	₱137,396	₱270,292	₱377,727

*Presented under Compensation and fringe benefits in the statements of income.



Parent Company													
	January 1, 2023	Net benefit cost			Transfer from Affiliates	Benefits paid	Remeasurements in OCI					Contribution by employer	December 31, 2023
		Current service cost	Net interest	Net pension expense*			Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Total remeasurements in OCI (k) = g + h + i + j		
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j)		(l)	(m) = a + d + e + f + k + l
Fair value of plan assets	P5,084,943	P–	P340,691	P340,691	P–	(P386,709)	P86,283	P–	P–	P–	P86,283	P690,000	P5,815,208
Present value of defined benefit obligation	4,797,823	419,190	321,437	740,627	(337)	(386,709)	–	(49,822)	60,126	(12,088)	(1,784)	–	5,149,620
Net defined benefit asset	P287,120	(P419,190)	P19,254	(P399,936)	P337	P–	P86,283	P49,822	(P60,126)	P12,088	P88,067	P690,000	P665,588

*Presented under Compensation and fringe benefits in the statements of income.

Parent Company													
	January 1, 2022	Net benefit cost			Transfer from Affiliates	Benefits paid	Remeasurements in OCI					Contribution by employer	December 31, 2022
		Current service cost	Net interest	Net pension expense*			Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Total remeasurements in OCI (k) = g + h + i + j		
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j)		(l)	(m) = a + d + e + f + k + l
Fair value of plan assets	P4,862,046	P–	P227,057	P227,057	P–	(P359,829)	P102,669	P–	P–	P–	P102,669	P253,000	P5,084,943
Present value of defined benefit obligation	4,561,655	431,784	213,066	644,850	888	(359,829)	–	142,589	(197,051)	4,721	(49,741)	–	4,797,823
Net defined benefit asset	P300,391	(P431,784)	P13,991	(P417,793)	(P888)	P–	P102,669	(P142,589)	P197,051	(P4,721)	P152,410	P253,000	P287,120



The Group and the Parent Company is recommended to contribute to its defined benefit pension plan in 2024 amounting to ₱72.23 million and nil, respectively.

In 2023 and 2022, the major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Parent Company shares (Note 30)	25.51%	25.84%	28.95%	29.46%
Equity instruments	13.26%	13.73%	12.62%	13.03%
Cash and cash equivalents	0.11%	0.09%	0.12%	0.10%
Debt instruments	57.96%	57.35%	56.29%	56.62%
Other assets	3.16%	2.99%	2.02%	0.79%
	100.00%	100.00%	100.00%	100.00%

The following table shows the breakdown of fair value of the plan assets:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Deposits in banks	₱7,265	₱5,286	₱7,195	₱5,246
Financial assets at FVTPL				
Quoted debt securities	3,734,614	3,235,622	3,273,228	2,879,178
Quoted equity securities	875,251	795,788	733,867	662,570
Parent Company shares	1,683,769	1,498,200	1,683,769	1,498,200
Investments in unit investment trust fund	90,453	89,704	—	—
Loans and receivable	116	116	116	116
Investment properties*	3,023	3,000	3,000	3,000
Other assets	205,030	170,352	114,033	36,633
	₱6,599,521	₱5,798,068	₱5,815,208	₱5,084,943

* Investment properties comprise properties located in Manila

The principal actuarial assumptions used in 2023 and 2022 in determining the retirement liability for the Group's and Parent Company's retirement plans are shown below:

	2023					
	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate:						
January 1	6.70%	6.52%	6.79%	6.93%	6.79%	6.79%
December 31	5.98%	5.96%	6.03%	6.00%	6.00%	5.99%
Salary increase rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	2022					
	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate:						
January 1	4.67%	4.14%	4.14%	4.91%	4.35%	4.55%
December 31	6.70%	6.52%	6.79%	6.93%	6.79%	6.79%
Salary increase rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%



The sensitivity analysis below has been determined based on the impact of reasonably possible changes of each significant assumption on the defined benefit liability as of the end of the reporting period, assuming all other assumptions were held constant:

December 31, 2023	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate						
(+1%)	(P78,942)	(P22,213)	(P2,168)	(P3,858)	(P2,540)	(P522)
(-1%)	110,847	27,113	2,771	4,571	3,016	636
Salary increase rate						
(+1%)	104,562	26,015	2,670	4,350	2,909	613
(-1%)	(76,103)	(21,863)	(2,136)	(3,754)	(2,506)	(514)
December 31, 2022	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate						
(+1%)	(P64,933)	(P19,719)	(P906)	(P3,109)	(P1,828)	(P309)
(-1%)	82,712	23,554	1,117	3,688	2,191	376
Salary increase rate						
(+1%)	78,408	22,861	1,076	3,535	2,140	367
(-1%)	(63,002)	(19,627)	(891)	(3,042)	(1,823)	(307)

The weighted average durations (in years) of the defined benefit obligation are presented below:

	December 31, 2023	December 31, 2022
Parent Company	8	8
CBSI	6	6
CIBI	15	9
CBC-PCCI	11	12
CBCC	11	9
CBSC	9	9

The maturity analyses of the undiscounted benefit payments as of December 31, 2023 and 2022 are as follows:

December 31, 2023	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC	Total
1 year and less	P1,599,180	P1,226	P-	P16,246	P-	P-	P1,616,652
More than 1 year to 5 years	1,898,007	148,252	3,660	26,878	-	1,584	2,078,381
More than 5 years to 10 years	2,465,273	645,020	18,492	61,331	-	2,767	3,192,883
More than 10 years to 15 years	4,000,343	661,767	15,142	195,615	67,460	7,737	4,948,064
More than 15 years to 20 years	6,363,208	1,282,602	40,076	280,759	101,107	15,050	8,082,802
More than 20 years	30,587,618	11,310,935	876,018	1,272,314	448,822	225,291	44,720,998
December 31, 2022	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC	Total
1 year and less	P1,435,367	P5,560	P1,282	P8,139	P-	P-	P1,450,348
More than 1 year to 5 years	1,760,894	122,392	557	41,500	-	-	1,925,343
More than 5 years to 10 years	2,371,016	538,013	18,695	47,423	-	1,533	2,976,680
More than 10 years to 15 years	3,746,795	751,224	6,995	181,585	56,401	10,042	4,753,042
More than 15 years to 20 years	6,093,752	935,257	16,053	295,088	77,345	15,065	7,432,560
More than 20 years	28,332,630	9,734,299	811,738	999,191	456,819	229,195	28,332,630



The defined benefit plan exposes the Group and the Parent Company to actuarial risks such as longevity risk, investment risk, market risk, and salary risk.

26. Derivative Financial Instruments

Derivative Contracts not Designated as Hedges

Occasionally, the Parent Company enters into forward exchange contracts as an accommodation to its clients. These derivatives are not designated as accounting hedges. As of December 31, 2023 and 2022, the fair values of these derivatives follow:

	2023		2022	
	Derivative Asset	Derivative Liability	Derivative Asset	Derivative Liability
Currency forwards	P311,418	P417,844	P397,445	P1,028,042
Interest rate swaps (IRS)	450,913	444,621	533,294	521,398
Futures	296	76,257	49,903	—
Cross currency swaps	—	—	24,132	121
Warrants	10,813	—	10,888	—
	P773,440	P938,722	P1,015,662	P1,549,561

Currency forwards

As of December 31, 2023 and 2022, the aggregate notional amount of outstanding currency forwards and its weighted average rate are as follows:

		2023				2022			
		Notional Amount	Weighted Average Rate	Derivative Assets	Derivative Liability	Notional Amount	Weighted Average Rate	Derivative Assets	Derivative Liability
US Dollar	Buy	\$788,254	P56.12	P20,566	P391,367	\$580,792	P57.21	P150,724	P877,583
	Sell	\$711,266	P55.72	199,910	19,692	\$495,222	P55.87	170,325	131,217
Euro	Buy	€1,900	P61.28	—	5,676	€42,113,043	P57.92	71,703	2
	Sell	€38,000	P61.59	8,021	1	€38,780	P59.46	4,629	670
Japanese Yen	Buy	¥5,500,000	P0.3849	81,480	—	—	—	—	—
	Sell	¥147,000	P0.3922	51	—	¥267,660	P0.4265	—	8,570
Chinese Yuan	Buy	CNY18,000	P7.79	543	—	CNY20,000	P8.08	64	—
	Sell	CNY10,000	P7.78	31	—	—	—	—	—
Singaporean Dollar	Sell	\$463	P42.01	2	—	—	—	—	—
Korean Won	Buy	₩1,000,000	P0.0419	814	—	—	—	—	—
	Sell	₩5,000,000	P0.0425	—	1,108	—	—	—	—
				P311,418	P417,844			P397,445	P1,018,042

Interest rate swaps

The aggregate notional amounts of the outstanding IRS as of December 31, 2023 and 2022 are as follows:

		2023			2022		
		Notional Amount	Derivative Asset	Derivative Liability	Notional Amount	Derivative Asset	Derivative Liability
Peso-denominated							
	Fixed Receiver	P500,000	P107	—	P500,000	P—	P2,905
	Fixed Payer	—	—	—	P500,000	—	4,201
US dollar-denominated							
	Fixed Receiver	\$189,198	450,806	—	\$151,000	—	514,292
	Fixed Payer	\$204,365	—	444,621	\$200,464	533,294	—
			P450,913	P444,621		P533,294	P521,398



Futures

The aggregate notional amounts of the outstanding futures amounted to US\$35 million and US\$62 million as of December 31, 2023 and 2022, respectively.

Cross currency swaps

The aggregate notional amounts of the outstanding CCS as of December 31, 2022 are as follows:

		2022		
		Notional Amount	Derivative Asset	Derivative Liability
US dollar				
	Buy	\$17,180	P24,132	P121
		\$17,180	P24,132	P121

Fair Value Changes of Derivatives

The net movements in fair value changes of derivative instruments are as follows:

	2023	2022
Balance at beginning of year	(P533,899)	P82,078
Fair value changes during the year	(2,132,050)	(1,621,474)
Net settled transactions	2,500,667	1,005,497
Balance at end of year	(P165,282)	(P533,899)

The net movements in the value of the derivatives are presented in the statements of income under the following accounts:

	2023	2022	2021
Foreign exchange losses	(P2,702,998)	(P2,811,674)	(P378,469)
Trading and securities gain* (Note 22)	570,948	1,190,200	69,013
	(P2,132,050)	(P1,621,474)	(P309,456)

*Net movements in the value related to IRS and futures

Interest income on IRS in 2023, 2022, and 2021 amounted to P280.61 million, P227.20 million, and P332.18 million, respectively, while interest expense on IRS in 2023, 2022, and 2021 amounted to P290.57 million, P250.64 million, and P350.32 million, respectively.

Derivative Contracts Designated as Hedges

The Parent Company enters into hedging transactions, particularly cash flow hedges, to hedge its exposure to variability in future cash flows associated with its assets, liabilities, or highly probable forecast transactions. The following table shows the summary of the hedging transactions of the Parent Company designated as cash flow hedges and the related balances as of December 31, 2023 and 2022, respectively:

Hedged Item	Hedging Instrument	Notional Amount	Date of Hedge Designation	2023				
				Derivative Asset	Derivative Liability	Cash Flow Hedge Reserve	Cost of Hedge Reserve, net of tax	Total Hedge-related Reserve, net of tax
Current and forecasted issuance of Treasury time deposits	Receive float/ Pay fix IRS	\$500,000	June 7, 2021	P616,163	P–	P581,504	P–	P581,504

(Forward)



Hedged Item	Hedging Instrument	Notional Amount	Date of Hedge Designation	2023				
				Derivative Asset	Derivative Liability	Cash Flow Hedge Reserve	Cost of Hedge Reserve, net of tax	Total Hedge-related Reserve, net of tax
Current and forecasted issuance of RBB time deposits	Receive float/ Pay fix IRS	600,000	October 20, 2021	₱2,797,208	₱–	₱2,705,699	₱–	₱2,705,699
Cash short position in the RBU books and future interest payments pertaining to certain FX spot transactions	Spot element of FX forward contract	3,882,353	July 20, 2022	533,182	8,049,417	–	(2,041,009)	(2,041,009)
Total		\$4,982,353		₱3,946,553	₱8,049,417	₱3,287,203	(₱2,041,009)	₱1,246,194

Hedged Item	Hedging Instrument	Notional Amount	Date of Hedge Designation	2022				
				Derivative Asset	Derivative Liability	Cash Flow Hedge Reserve	Cost of Hedge Reserve, net of tax	Total Hedge-related Reserve, net of tax
Floating rate bonds payable	Receive float/ Pay fix IRS	\$150,000	June 18, 2019	₱638,504	₱–	₱638,504	₱–	₱638,504
Current and forecasted issuance of Treasury time deposits	Receive float/ Pay fix IRS	500,000	June 7, 2021	1,780,228	–	1,780,228	–	1,780,228
Current and forecasted issuance of RBB time deposits	Receive float/ Pay fix IRS	600,000	October 20, 2021	3,767,017	–	3,767,017	–	3,767,017
Cash short position in the RBU books and future interest payments pertaining to certain FX spot transactions	Spot element of FX forward contract	1,753,507	July 20, 2022	17,630	4,156,612	–	(703,757)	(703,757)
Total		\$3,003,507		₱6,203,379	₱4,156,612	₱6,185,749	(₱703,757)	₱5,481,992

As of December 31, 2023 and 2022, the Parent Company assessed that the hedging relationships are expected to be highly effective.

The aggregate net interest income on the IRS designated as hedge amounted to ₱2.78 billion and ₱620.19 million in 2023 and 2022, respectively. The aggregate net interest expense on the IRS designated as hedge amounted to ₱226.51 million in 2021. The ineffective portion of the hedging relationships recognized under ‘Trading and securities gain (loss) – net’ in the statements of income is a gain amounting to ₱124.52 million for 2023 (Note 22).

The cost of hedging pertaining to the amortization of the forward element presented under ‘Foreign exchange gain (loss) – net’ in the statements of income amounted to ₱7.90 billion and ₱866.80 million for 2023 and 2022, respectively.



27. Lease Contracts

The lease contracts are for periods ranging from one (1) to 15 years from the dates of the contracts and are renewable under certain terms and conditions. Various lease contracts include escalation clauses, most of which bear an annual rent increase of 5.00% to 10.00%.

Movements in the lease liabilities account are as follows:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Beginning Balance	₱2,970,301	₱2,846,018	₱2,393,362	₱2,187,898
Additions	1,042,997	591,491	629,477	469,136
Interest expenses	246,790	181,789	193,355	141,000
Payments	(912,101)	(648,997)	(637,902)	(404,672)
Ending Balance	₱3,347,987	₱2,970,301	₱2,578,292	₱2,393,362

Expenses related to short-term leases amounting to ₱604.55 million and ₱484.38 million for the Group and Parent Company in 2023, respectively, and ₱713.25 million and ₱565.72 million for the Group and Parent Company in 2022, respectively, are included in the 'Occupancy cost' account.

Total cash outflows for leases amounted to ₱1.52billion and ₱1.12 billion for the Group and Parent Company in 2023, respectively, and ₱1.36 billion and ₱0.97 billion for the Group and Parent Company in 2022, respectively.

The Group and the Parent Company have also entered into commercial property leases on its investment properties (Note 13).

Future minimum rentals receivable under noncancellable operating leases follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Within one year	₱15,885	₱18,118	₱7,662	₱5,399
After one year but not more than five years	43,802	83,042	15,589	20,246
	₱59,687	₱101,160	₱23,251	₱25,645

Future minimum rentals payable under noncancellable leases follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Within one year	₱698,364	₱698,057	₱690,626	₱647,202
After one year but not more than five years	2,314,267	2,134,999	1,762,022	1,695,903
After more than five years	868,208	750,376	728,087	604,134
	₱3,880,839	₱3,583,432	₱3,180,735	₱2,947,239



28. Income and Other Taxes

Income taxes include corporate income tax and FCDU final taxes, as discussed below, and final tax paid at the rate of 20.00% on gross interest income from government securities and other deposit substitutes. These income taxes, as well as the deferred tax benefits and provisions, are presented as 'Provision for income tax' in the statements of income.

Republic Act (RA) No. 9337, *An Act Amending National Internal Revenue Code*, as amended by RA 10963 otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) and RA 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE), provides that RCIT rate shall be 25.00% while interest expense allowed as a deductible expense is reduced to 20.00% of interest income subject to final tax.

An MCIT of 1.00% for gross income from January 1, 2023 to June 30, 2023, and 2.00% for gross income from July 1, 2023 to December 31, 2023, under Revenue Memorandum Circular (RMC) No. 69-2023 pursuant to CREATE Law, are computed and compared with the RCIT. Any excess MCIT over RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years. In addition, the NOLCO is allowed as a deduction from taxable income in the next three years from the year of inception.

Effective in May 2004, RA No. 9294 restored the tax exemption of FCDUs and offshore banking units (OBUs). Under such law, the income derived by the FCDU from foreign currency transactions with nonresidents, OBUs, local commercial banks including branches of foreign banks is tax-exempt while interest income on foreign currency loans from residents other than OBUs or other depository banks under the expanded system is subject to 10.00% gross income tax. All other income of the FCDU is subject to the 25.00% corporate tax under the CREATE Law.

Current tax regulations also provide for the ceiling on the amount of entertainment, amusement, and recreation (EAR) expense that can be claimed as a deduction against taxable income. Under the regulations, EAR expense allowed as a deductible expense is limited to the actual EAR paid or incurred but not to exceed 1.00% of the Parent Company's net revenue.

TRAIN Law

RA No. 10963, the Tax Reform for Acceleration and Inclusion (TRAIN), is the first package of the comprehensive tax reform program of the government. The bill was signed into law on December 19, 2018 and took effect on January 1, 2018, amending some provisions of the old Philippine tax system.

Except for resident foreign corporations, which, under the said law, is subject to 7.50%, tax on interest income of foreign currency deposit was increased to 15.00% under TRAIN. Documentary stamp tax on bank checks, drafts, certificate of deposit not bearing interest, all debt instruments, bills of exchange, letters of credit, mortgages, deeds, and others are now subjected to a higher rate.

CREATE Law

RA 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) was signed into law last March 26, 2021. The law became effective on April 11, 2021, fifteen (15) days after its publication in a newspaper of general circulation on March 27, 2021.



The key changes to the Philippine tax law pursuant to the CREATE Law which have an impact on the Bank are the following:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30.00% to 25.00% for domestic and resident foreign corporations;
- Minimum corporate income tax (MCIT) rate reduced from 2.00% to 1.00% of gross income effective July 1, 2020 to June 30, 2023. From July 1, 2023, RMC No. 69-2023 reverts the rate of MCIT to 2.00% based on the gross income of domestic and resident foreign corporations, including Offshore Banking Units and Regional Operating Headquarters; and
- Interest income of foreign currency remittance transaction deposit received by resident foreign corporations are now subject to 15.00% final tax.

In 2021, the Group applied the provisions of the CREATE Law on its income tax payable, deferred tax assets, and deferred tax liabilities as of December 31, 2020.

There were no tax-related contingent liabilities and contingent assets arising from the changes in the tax rates due to CREATE Law.

RR 4-2011

On March 15, 2011, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 4-2011 which prescribed the attribution and allocation of expenses between FCDUs/EFCDUs or OBU and RBU and within RBU.

On April 6, 2015, the Parent Company and other member banks of the Bankers Association of the Philippines (BAP), filed a Petition for Declaratory Relief with Application for Temporary Restraining Order (TRO) and/or Writ of Preliminary Injunction with the Regional Trial Court of Makati (Makati Trial Court). Further, in Civil Case No. 15-287, the Parent Company and other BAP member banks assailed the validity of RR 4-2011 on the ground, among others, that (a) the RR violates the petitioner-banks substantive due process rights; (b) it is not only illegal but also unfair; (c) that it serves as a deterrent to banks to invest in capital market transactions to the prejudice of the economy; (d) it sets a dangerous precedent for the disallowance of full deductions due to the prescribed method of allocation; and (e) it violates the equal protection clause of the Constitution.

On April 8, 2015, the Makati Trial Court issued a TRO enjoining the BIR from enforcing RR 4-2011. Also, on April 25, 2015, the Makati Trial Court issued a Writ of Preliminary Injunction enjoining the BIR from enforcing, carrying out, or implementing in any way or manner RR 4-2011 against the Parent Company and other BAP member banks, including issuing Preliminary Assessment Notice or Final Assessment Notice against them during the pendency of the litigation, unless sooner dissolved.

On June 10, 2015, the Makati Trial Court issued a Confirmatory Order stating that the TRO and Writ of Preliminary Injunction also prohibits the BIR from ruling or deciding on any administrative matter pending before it in relation to the subject revenue regulations and insofar as the Parent Company and other BAP member banks are concerned.

On May 25, 2019, the Makati Trial Court issued a decision annulling RR 4-2011 and making the Writ of Preliminary Injunction permanent.

On May 10, 2022, the Supreme Court Decision promulgated on December 1, 2021 ruled that RR No. 4-2011 is invalid and void.



The provision for income tax consists of:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Current						
Final tax	₱3,295,691	₱1,820,926	₱927,631	₱3,269,539	₱1,811,756	₱917,411
RCIT	1,802,343	1,293,540	1,359,129	1,208,582	829,345	952,844
	5,098,034	3,114,466	2,286,760	4,478,121	2,641,101	1,870,255
Deferred	(1,308,131)	35,196	70,240	(1,179,583)	220,887	197,296
	₱3,789,903	₱3,149,662	₱2,357,000	₱3,298,538	₱2,861,988	₱2,067,551

The details of net deferred tax assets follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Deferred tax assets (liabilities) on:				
Allowance for impairment and credit losses	₱5,041,487	₱4,752,238	₱3,635,904	₱3,612,417
Revaluation increment on land (Notes 12 and 24)	(456,171)	(456,171)	(456,171)	(456,171)
Fair value adjustments on asset foreclosure and dacion transactions - net of depreciated portion	(84,678)	(23,963)	(201,911)	(118,704)
Net defined benefit asset	(171,407)	(99,504)	(158,796)	(78,518)
Derivative contracts designated as hedges	1,805,532	—	1,805,532	—
Others	371,102	380,092	336,518	191,586
	₱6,505,865	₱4,552,692	₱4,961,076	₱3,150,610

Others pertains primarily to the deferred tax assets on derivatives, leases, and foreign exchange revaluation.

The details of net deferred tax liabilities follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Deferred tax liabilities (assets) on:				
Branch licenses arising from acquisition of PDB	₱637,500	₱637,500	₱—	₱—
Fair value adjustments on net assets/ liabilities of PDB and Unity Bank, and others	154,614	156,932	—	—
	₱792,114	₱794,432	₱—	₱—

In 2023, deferred tax credited to OCI amounted to ₱647.25 million and ₱630.88 million for the Group and the Parent Company, respectively. In 2022, deferred tax debited to OCI amounted to ₱35.08 million and ₱38.10 million for the Group and the Parent Company, respectively.

The Group did not set up deferred tax assets on the following temporary differences as it believes that it is highly probable that these temporary differences will not be realized in the near foreseeable future:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Allowance for impairment and credit losses	₱—	₱899,580	₱—	₱—
Others	865,254	16,761	—	—
	₱865,254	₱916,341	₱—	₱—



The reconciliation of the statutory income tax to the provision for income tax follows:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Statutory income tax	₱6,452,032	₱5,571,366	₱4,365,806	₱6,327,332	₱5,492,373	₱4,288,971
Tax effects of						
FCDU income	(815,421)	(1,207,137)	(408,410)	(813,259)	(1,201,231)	(402,305)
Non-taxable income	(1,525,269)	(2,016,646)	(1,650,965)	(1,357,900)	(1,856,145)	(1,560,515)
Interest income						
subjected to final tax	(821,950)	(414,022)	(257,644)	(743,943)	(386,422)	(179,194)
Nondeductible expenses	538,939	1,357,123	685,021	182,417	918,033	631,661
Others	(38,428)	(141,022)	(713,337)	(296,109)	(104,620)	(1,088,232)
CREATE adjustment – deferred tax	–	–	593,418	–	–	614,018
CREATE adjustment – current tax	–	–	(256,889)	–	–	(236,853)
Provision for income tax	₱3,789,903	₱3,149,662	₱2,357,000	₱3,298,538	₱2,861,988	₱2,067,551

29. Trust Operations

Securities and other properties (other than deposits) held by the Parent Company in fiduciary or agency capacities for clients and beneficiaries are not included in the accompanying balance sheets since these are not assets of the Parent Company (Note 31).

In compliance with the requirements of current banking regulations relative to the Parent Company's trust functions: (a) government bonds included under financial assets at FVOCI with total face value of ₱2.91 billion and ₱2.38 billion as of December 31, 2023 and 2022, respectively, are deposited with the BSP as security for the Parent Company's faithful compliance with its fiduciary obligations (Note 9); and (b) a certain percentage of the Parent Company's trust fee income is transferred to surplus reserve. This yearly transfer is required until the surplus reserve for trust function equals 20.00% of the Parent Company's authorized capital stock.

30. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Group's related parties include:

- key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members,
- significant investors,
- subsidiaries, joint ventures and associates and their respective subsidiaries, and
- post-employment benefit plans for the benefit of the Group's employees.

The Group has several business relationships with related parties. Transactions with such parties are normally made in the ordinary course of business and based on the terms and conditions discussed below. Transactions with related parties are settled in cash, unless otherwise indicated.

Transactions with Retirement Plans

Under PFRS, certain post-employment benefit plans are considered as related parties. The Group has business relationships with a number of its retirement plans pursuant to which it provides trust and management services to these plans. Income earned by the Group and Parent Company from such



services amounted to ₱56.74 million and ₱49.77 million, respectively, in 2023, ₱53.24 million and ₱46.24 million, respectively, in 2022, and ₱49.48 million and ₱42.91 million, respectively, in 2021. The Group's retirement funds may hold or trade the Parent Company's shares or securities. Significant transactions of the retirement fund, particularly with related parties, are approved by the Trust Investment Committee (TIC) and the Related Party Transaction (RPT) Committee of the Parent Company. The members of the TIC are directors and key management personnel of the Parent Company.

A summary of transactions with related party retirement plans follows:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Deposits in banks	₱7,468	₱5,287	₱7,195	₱5,246
Financial assets at FVTPL	1,683,769	1,498,200	1,683,769	1,498,200
Dividend income	103,701	54,579	103,701	54,579
Interest income	98	46	95	44
Total market value of shares	1,683,769	1,498,200	1,683,769	1,498,200
Number of shares held (in thousands)	54,579	54,579	54,579	54,579

In 2021, dividend income and interest income of the retirement plan from investments and placements amounted to ₱54.58 million and ₱0.04 million, respectively, for the Group, and ₱54.58 million and ₱0.02 million, respectively, for the Parent Company.

Financial assets at FVTPL represent shares of stock of the Parent Company. Voting rights over the Parent Company's shares are exercised by an authorized trust officer.

Remunerations of Directors and other Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly. The Group considers the members of the ManCom to constitute key management personnel for purposes of PAS 24.

Total remunerations of key management personnel are as follows:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Short-term employee benefits	₱1,081,311	₱897,964	₱762,878	₱959,263	₱788,136	₱669,174
Post-employment benefits	4,864	3,477	3,176	1,907	1,663	2,003
	₱1,086,175	₱901,441	₱766,054	₱961,170	₱789,799	₱671,177

Members of the BOD are entitled to a per diem and to four percent (4.00%) of the Parent Company's net earnings, with certain deductions in accordance with BSP regulation. On July 18, 2022, the SEC approved the amendment of the Parent Company's by-laws increasing the per diem of the directors for attendance at each meeting of the Board or of any committees to an amount up to ₱10,000 (previously, a fixed amount of ₱500.00) to align with the current industry practice and standards.

Non-executive directors do not receive any performance-related compensation. Directors' remuneration covers all Parent Company's Board activities and membership of committees and subsidiary companies.

The Group also provides banking services to directors and other key management personnel and persons connected to them. These transactions are presented in the tables below.



Other Related Party Transactions

Transactions between the Parent Company and its subsidiaries meet the definition of related party transactions. Transactions between the Group and its associated companies also qualify as related party transactions. Details of the Parent Company's subsidiaries and associate are disclosed in Notes 1 and 11.

Group

Related party transactions of the Group by category of related party are presented below.

December 31, 2023			
Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans and receivables		P8,323,900	Secured with shares of stocks; with interest rates ranging from 4% to 4.18%; with remaining term to maturity between 0.62 years to 4.88 years; with allowance for credit losses of P4.54 million.
Issuances	P–		
Repayments	(8,350)		
Associate			
Deposit liabilities		1,659	These are checking accounts with annual average rate of 0.13%.
Deposits	212		
Withdrawals	(1,523)		
Key Management Personnel			
Loans and receivables		3,656	Unsecured officer's credit card accounts with interest of 3% and loan accounts with average 5% rate.
Issuances	2,061		
Repayments	(1,569)		
Deposit liabilities		114,323	These are checking, savings and time deposits with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	341,843		
Withdrawals	(348,676)		
Other Related Parties			
Loans and receivables		59,968,980	Secured and unsecured loans amounting to P5.16 billion and P54.8 billion, respectively, with interest rates ranging from 2.50 % to 10.80%; with remaining term to maturity between 0.01 years to 12.57 years; with allowance for credit losses of P371.3 million.
Issuances	17,261,831		
Repayments	(8,216,634)		
Deposit liabilities		541,801	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	592,183		
Withdrawals	(450,813)		
December 31, 2022			
Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans and receivables		P8,332,250	Secured with shares of stocks; with interest rate ranging from 4% to 4.18%; with remaining term to maturity between 1.17 years to 5.89 years; and with allowance for credit losses of P4.51 million
Issuances	P–		
Repayments	(8,350)		
Deposit liabilities		–	These are checking accounts with annual average rate of 0.13%.
Deposits	600		
Withdrawals	(3,077)		
Associate			
Deposit liabilities		2,970	These are checking accounts with annual average rate of 0.13%.
Deposits	3,941		
Withdrawals	(257,558)		
Key Management Personnel			
Loans and receivables		3,164	Unsecured officer's credit card accounts with interest of 2% and loan accounts with average 5% rate.
Issuances	–		
Repayments	(1,387)		
Deposit liabilities		121,157	These are checking, savings and time deposits with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	563,345		
Withdrawals	(471,820)		
Other Related Parties			
Loans and receivables		50,923,783	Secured and unsecured loans amounting to P40.75 billion and P10.1 billion, respectively, with interest rates ranging from 2.25 % to 9.69%; with remaining term to maturity between .017 years to 9.87 years; with allowance for credit losses of P318.04 million.
Issuances	7,870,487		
Repayments	(4,561,478)		
Deposit liabilities		400,431	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	2,069,677		
Withdrawals	(1,830,110)		



Interest income earned and interest expense incurred from the above loans and deposit liabilities in 2023, 2022, and 2021 follow:

	Significant Investor			Associate		
	2023	2022	2021	2023	2022	2021
Interest income	P340,142	P340,483	P155,890	P–	P–	P–
Interest expense	–	2	3	1	900	2,896

	Key Management Personnel			Other Related Parties		
	2023	2022	2021	2023	2022	2021
Interest income	P161	P164	P101	P2,725,039	P2,161,943	P1,809,292
Interest expense	4,566	4,139	1,383	1,200	990	689

Related party transactions of the Group with significant investor, associate, and other related parties pertain to transactions of the Parent Company with these related parties.

Parent Company

Related party transactions of the Parent Company by category of related party are presented below.

Category	December 31, 2023		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Significant Investor			
Loans and receivables		P8,323,900	Secured with shares of stocks; with interest rates ranging from 4% to 4.18%; with remaining term to maturity between 0.62 years to 4.88 years; with allowance for credit losses of P4.54 million.
Issuances	P–		
Repayments	8,350		
Deposit liabilities		–	
Deposits	–		
Withdrawals	–		
Subsidiaries			
Deposit liabilities		590,094	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	35,904,257		
Withdrawals	(36,314,931)		
Associate			
Deposit liabilities		1,659	These are checking accounts with annual average rate of 0.13%.
Deposits	212		
Withdrawals	(1,523)		
Key Management Personnel			
Loans and receivables		995	Unsecured officer's credit card accounts with interest of 3%.
Issuances	2,061		
Repayments	1,165		
Deposit liabilities		21,942	These are checking, savings and time deposit account with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	305,427		
Withdrawals	(310,691)		
Other Related Parties			
Loans and receivables		59,968,980	Secured and unsecured loans amounting to P5.16 billion and P54.8 billion, respectively, with interest rates ranging from 2.50 % to 10.80%; with remaining term to maturity between .001 years to 12.57 years; with allowance for credit losses of P371.3 million.
Issuances	17,261,831		
Repayments	8,216,634		
Deposit liabilities		267,455	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	569,431		
Withdrawals	(433,201)		

Category	December 31, 2022		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Significant Investor			
Loans and receivables		P8,332,250	Secured with shares of stocks; with interest rates ranging from 4% to 4.18%; with remaining term to maturity between 1.17 years to 5.89 years; with allowance for credit losses of P4.51 million
Issuances	P–		
Repayments	(8,350)		
Deposit liabilities		–	These are checking accounts with annual average rate of 0.13%.
Deposits	600		
Withdrawals	(2,582)		
Subsidiaries			
Deposit liabilities		345,557	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	224,719		
Withdrawals	(383,498)		
Associate			
Deposit liabilities		P2,970	These are checking accounts with annual average rate of 0.13%.
Deposits	3,941		
Withdrawals	(40,283)		



Category	December 31, 2022		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Key Management Personnel			
Loans and receivables		P99	Unsecured officer's credit card accounts with interest of 2%.
Issuances	P-		
Repayments	(1,018)		
Deposit liabilities		27,205	These are checking, savings and time deposit account with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	449,687		
Withdrawals	(452,521)		
Other Related Parties			
Loans and receivables		50,923,783	Secured and unsecured loans amounting to P40.75 billion and P10.1 billion, respectively, with interest rates ranging from 2.25 % to 9.69%; with remaining term to maturity between .017 years to 9.87 years; with allowance for credit losses of P318.04 million.
Issuances	7,870,487		
Repayments	(4,561,478)		
Deposit liabilities		131,224	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	541,484		
Withdrawals	(1,762,978)		

The related party transactions shall be settled in cash.

Interest income earned and interest expense incurred from the above loans and deposit liabilities in 2023, 2022, and 2021 follow:

	Subsidiaries			Associate		
	2023	2022	2021	2023	2022	2021
Interest income	P-	P-	P-	P-	P-	P-
Interest expense	935	426	437	1	900	2,896

	Key Management Personnel			Other Related Parties		
	2023	2022	2021	2023	2022	2021
Interest income	P18	P2	P36	P2,725,039	P2,161,943	P1,809,292
Interest expense	30	29	34	282	290	218

	Significant Investor		
	2023	2022	2021
Interest income	P340,142	P340,483	P155,890
Interest expense	-	2	3

Outright sale of debt securities of the Parent Company with its subsidiaries in 2023 and 2022 amounted to P21.27 billion and P2.84 billion, respectively.

The following table shows the amount and outstanding balance of other related party transactions included in the financial statements:

	Subsidiaries			
	2023	2022	Nature, Terms and Conditions	
Balance Sheet				
Accounts receivable	₱33,970	P3,845	This pertains to various expenses advanced by CBC in behalf of various subsidiaries.	
Security deposits	10,981	10,420	This pertains to the rental deposits with CBSI and CBCC for office space leased out to the Parent Company	
			Subsidiaries	
	2023	2022	2021	Nature, Terms and Conditions
Income Statement				
Trust fee income	₱528	P1,104	P189	Trust Fee earned by Parent Company from CBCC
Rent income	3,351	3,191	3,039	Rent Income from CBCC
Miscellaneous income	3,850	9,984	2,850	Certain functions provided by the Parent Company to its subsidiaries such as accounting, human resources, audit, treasury operations, administrative, corporate marketing, and financial control services. Under the agreement between the Parent Company and its subsidiaries, the subsidiaries shall pay the Parent Company an annual fee



	Subsidiaries			Nature, Terms and Conditions
	2023	2022	2021	
Interest Income	₱1,078	₱251	₱497	Interest earned from cash in bank and short-term investment of Parent Company
Other Income	23,776	3,623	14,769	Unrealized gain on money market funds of Parent Company
Occupancy cost	39,168	37,267	42,359	Certain units of the condominium owned by CBSI are being leased to the Parent Company for a term of five years, with no escalation clause.
Deferred charges	307	2,228	5,371	Arranger fees paid by the Parent Company to CBCC for the issuance of its fixed rate bonds.
Information technology	340,908	294,483	240,651	This pertains to the computer and general banking services provided by CBC-PCCI to the Parent Company to support its reporting requirements.
Miscellaneous expenses	3,248	5,123	5,718	Brokerage fees paid by the Parent Company to CBSec

31. Commitments and Contingent Assets and Liabilities

In the normal course of the Group's operations, there are various outstanding commitments and contingent liabilities which are not reflected in the accompanying financial statements. Management does not anticipate any material losses as a result of these transactions.

There are several suits, assessments or notices and claims that remain contested. Management believes, based on the opinion of its legal counsels, that the ultimate outcome of such suits, assessments and claims will not have a material effect on the Group's and the Parent Bank's financial position and results of operations.

The following is a summary of contingencies and commitments of the Group and the Parent Company with the equivalent Peso contractual amounts:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Trust department accounts (Note 29)	₱282,061,181	₱222,474,444	₱282,061,181	₱222,474,444
Foreign exchange bought	269,755,228	138,040,375	269,755,228	138,040,375
IRS receivable	99,809,626	90,289,612	99,809,626	90,289,612
Foreign exchange sold	44,274,190	33,914,815	44,274,190	33,914,815
Credit card lines	24,255,716	18,625,491	24,255,716	18,625,491
Unused commercial letters of credit (Note 30)	15,434,894	17,158,800	15,352,213	17,074,520
Committed credit lines	9,597,231	1,906,400	9,597,231	1,906,400
Spot exchange sold	8,544,119	2,792,488	8,544,119	2,792,488
Outstanding guarantees issued	3,639,666	2,971,605	2,032,752	1,539,908
Standby credit commitment	3,334,366	3,550,516	3,334,366	3,550,516
Spot exchange bought	2,619,034	3,407,837	2,619,034	3,407,837
Inward bills for collection	2,496,350	2,697,770	2,496,350	2,697,770
Late deposits/payments received	383,716	309,488	365,285	286,522
Deficiency claims receivable	280,195	280,195	280,195	280,195
Outward bills for collection	29,729	21,378	27,703	19,337
Others	9,180	35,237	8,742	30,498



32. Segment Information

The Group's operating businesses are recognized and managed separately according to the nature of services provided and the markets served, with each segment representing a strategic business unit. The businesses are organized to cater to the banking needs of market segments, facilitate customer engagement, ensure timely delivery of products and services as well as achieve cost efficiency and economies of scale. In 2022, the Lending Business Segment was split into two separate segments, namely, Institutional Banking Segment and Consumer Banking Segment to integrate various business units for synergy and maximization of potential value in terms of market share, product line, customer base and operational efficiency. Corresponding segment information for all periods presented herein are restated to reflect such change.

The Group's business segments are as follows:

- a. Institutional Banking – principally handles lending, trade finance and corollary banking products and services offered to corporate and institutional customers as well as selected middle market clients;
- b. Consumer Banking – principally handles home loans, contract-to-sell receivables, loans to developers, auto loans, and credit cards for individual and/or corporate customers;
- c. Retail Banking Business – principally handles retail and commercial loans, individual and corporate deposits, overdrafts and funds transfer facilities, trade facilities, and all other services for retail customers;
- d. Financial Markets – principally provides money market, trading and treasury services, manages the Bank's funding operations through the use of government securities, placements and acceptances with other banks as well as offers advisory and capital-raising services to corporate clients and remittance transactions;
- e. Others – handles other services including but not limited to trust and investment management services, wealth management services to high net-worth customers, asset management, credit management, operations and financial control, cash management services and other support services; and
- f. Subsidiaries – handles services of the Parent Bank's subsidiaries and affiliates such as thrift banking business, investment house, insurance brokerage, bancassurance business, stock brokerage and computer-related services.

The Group reports its primary segment information to the Chief Operating Decision Maker (CODM) on the basis of the above-mentioned segments. The CODM of the Group is the President of the Parent Company.

Segment assets are those operating assets that are employed by a segment in its operating activities that are either directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Segment liabilities are those operating liabilities that result from the operating activities of a segment and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis.



Interest income is reported net as management primarily relies on the net interest income as performance measure, instead of gross income and expense.

The segment results include internal transfer pricing adjustments across business units as deemed appropriate by management. Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to the business units based on a pool of funds rate which approximates the marginal cost of funds.

Other operating income mainly consists of trading and securities gain (loss) – net, service charges, fees and commissions, trust fee income and foreign exchange gain – net. Other operating expense mainly consists of compensation and fringe benefits, provision for impairment and credit losses, taxes and licenses, occupancy, depreciation and amortization, stationery, supplies and postage, and insurance. Other operating income and expense are allocated between segments based on equitable sharing arrangements.

The Group has no significant customers which contributes 10.00% or more of the consolidated revenues.

The Group's asset-producing revenues are located in the Philippines (i.e., one geographical location); therefore, geographical segment information is no longer presented.

The following tables present relevant financial information regarding business segments measured in accordance with PFRS as of and for the years ended December 31, 2023, 2022, and 2021:

	Institutional Banking			Consumer Banking		
	2023	2022	2021	2023	2022	2021
Results of Operations						
Net interest income						
Third party	P33,129,532	P25,742,307	P23,363,847	P5,845,803	P5,075,687	P4,504,508
Intersegment	(25,423,785)	(17,783,228)	(14,492,769)	(3,823,910)	(2,156,039)	(1,958,541)
	7,705,747	7,959,079	8,871,078	2,021,893	2,919,648	2,545,967
Other operating income	907,815	4,718,342	704,887	652,923	604,030	118,648
Total revenue	8,613,562	12,677,421	9,575,965	2,674,816	3,523,678	2,664,615
Other operating expense	(2,134,842)	(2,956,595)	(1,943,869)	(2,118,133)	(1,841,603)	(1,602,155)
Income before provisions and taxes	6,478,720	9,720,826	7,632,096	556,683	1,682,075	1,062,460
Reversal from (provision for) impairment and credit losses	19,714	(8,001,988)	(6,365,299)	132,471	496,119	(533,561)
Income before income tax	6,498,434	1,718,838	1,266,797	689,154	2,178,194	528,899
Provision for income tax	(118,365)	(173,284)	(215,239)	192,931	25,723	214,281
Net income	P6,380,069	P1,545,554	P1,051,558	P882,085	P2,203,917	P743,180
Total assets	P534,327,778	P487,101,912	P434,242,804	P87,575,351	P74,317,662	P71,628,745
Total liabilities	P1,282,440	P1,423,175	P740,158	P1,056,689	P1,658,271	P1,258,197
Depreciation and amortization	P32,274	P10,270	P9,576	P83,272	P31,988	P28,738
Capital expenditures	P11,214	P13,633	P9,485	P28,819	P23,344	P13,541

	Retail Banking Business			Financial Markets		
	2023	2022	2021	2023	2022	2021
Results of Operations						
Net interest income						
Third party	(P899,965)	P1,330,276	P2,246,145	P8,218,160	P6,686,447	P3,511,779
Intersegment	23,537,023	19,599,439	16,743,174	5,776,475	(92,666)	(373,322)
	22,637,058	20,929,715	18,989,319	13,994,635	6,593,781	3,138,457
Other operating income	2,953,934	3,350,278	2,371,764	(6,520,631)	(265,107)	4,919,675
Total revenue	25,590,992	24,279,993	21,361,083	7,474,004	6,328,674	8,058,132
Other operating expense	(12,926,729)	(12,296,179)	(11,263,339)	(3,989,905)	(2,679,584)	(2,310,737)
Income before provisions and taxes	12,664,263	11,983,814	10,097,744	3,484,099	3,649,090	5,747,395
Reversal from (provision for) impairment and credit losses	(462,358)	41,781	(719,487)	102,129	36,702	(61,124)

(Forward)



	Retail Banking Business			Financial Markets		
	2023	2022	2021	2023	2022	2021
Income before income tax	P12,201,905	P12,025,595	P9,378,257	P3,586,228	P3,685,792	P5,686,271
Provision for income tax	(218,363)	(1,167,406)	(1,545,878)	(3,154,741)	(1,547,022)	(727,990)
Net income	P11,983,542	P10,858,189	P7,832,379	P431,487	P2,138,770	P4,958,281
Total assets	P651,728,414	P638,675,682	P628,223,856	P510,301,559	P453,178,093	P313,935,966
Total liabilities	P639,647,311	P650,550,449	P658,061,048	P742,577,884	P516,851,926	P184,942,985
Depreciation and amortization	P1,358,704	P1,248,459	P803,283	P53,190	P26,443	P34,554
Capital expenditures	P185,393	P161,139	P144,043	P16,756	P17,512	P8,746

	Other Business and Support Units			Subsidiaries		
	2023	2022	2021	2023	2022	2021
Results of Operations						
Net interest income						
Third party	P1,011	P354	P103,219	P7,233,264	P6,754,461	P5,355,470
Intersegment	(65,803)	432,494	81,458	–	–	–
	(64,792)	432,848	184,677	7,233,264	6,754,461	5,355,470
Other operating income	(73,502)	(457,270)	(314,544)	2,643,111	2,112,619	1,789,702
Total revenue	(138,294)	(24,422)	(129,867)	9,876,375	8,867,080	7,145,172
Other operating expense	(130,545)	29,942	(963,493)	(5,737,171)	(4,610,310)	(4,251,540)
Income before provisions and taxes	(268,839)	5,520	(1,093,360)	4,139,204	4,256,770	2,893,632
Reversal from (provision for) impairment and credit losses	(474)	35,411	(406)	(1,037,485)	(1,620,658)	(1,196,867)
Income before income tax	(269,313)	40,931	(1,093,766)	3,101,719	2,636,112	1,696,765
Provision for income tax	–	–	314,405	(491,365)	(287,673)	(396,579)
Net income	(P269,313)	P40,932	(P779,361)	P2,610,354	P2,348,439	P1,300,186
Total assets	(P447,403,654)	(P434,433,683)	(P421,058,442)	P141,513,774	P110,889,800	P85,346,597
Total liabilities	(P198,257,025)	(P86,159,361)	P62,889,576	P141,437,522	P110,826,396	P85,304,742
Depreciation and amortization	(P1,406)	P–	P465,259	P480,112	P419,984	P445,755
Capital expenditures	P384,936	P338,869	P257,390	P60,990	P74,257	P53,800

	Total		
	2023	2022	2021
Results of Operations			
Net interest income			
Third party	P53,527,805	P45,589,532	P39,084,968
Intersegment	–	–	–
	53,527,805	45,589,532	39,084,968
Other operating income	563,650	10,062,892	9,590,132
Total revenue	54,091,455	55,652,424	48,675,100
Other operating expense	(27,037,325)	(24,354,329)	(22,335,133)
Income before provisions and taxes	27,054,130	31,298,095	26,339,967
Reversal from (provision for) impairment and credit losses	(1,246,003)	(9,012,633)	(8,876,744)
Income before income tax	25,808,127	22,285,462	17,463,223
Provision for income tax	(3,789,903)	(3,149,662)	(2,357,000)
Net income	P22,018,224	P19,135,800	P15,106,223
Total assets	P1,478,043,222	P1,329,729,466	P1,112,319,526
Total liabilities	P1,327,744,821	P1,195,150,856	P993,196,706
Depreciation and amortization	P2,006,146	P1,737,144	P1,787,166
Capital expenditures	P688,108	P628,754	P487,005

The Group's share in net income (loss) of an associate included in other operating income amounting to P435.08 million, P285.06 million, and (P1.60 million) million in 2023, 2022 and 2021, respectively, are reported under 'Other Business and Support Units'.



33. Earnings Per Share

Basic EPS amounts are calculated by dividing the net income for the year by the weighted average number of common shares outstanding during the year.

The following reflects the income and share data used in the basic earnings per share computations:

	2023	2022	2021
a. Net income attributable to equity holders of the parent	₱22,010,790	₱19,107,504	₱15,088,332
b. Weighted average number of common shares outstanding (Note 24)	2,691,340	2,691,288	2,687,696
c. Earnings per share – basic and diluted (a/b)	₱8.18	₱7.10	₱5.61

As of December 31, 2023, 2022 and 2021, there were no outstanding dilutive potential common shares.

34. Supplementary Information for Cash Flow Analysis

The following is a summary of certain non-cash investing activities that relate to the analysis of the statements of cash flows:

	Consolidated		
	2023	2022	2021
Addition to investment properties from settlement of loans	₱1,116,442	₱789,405	₱752,756
Fair value gain on FVOCI financial assets	3,066,480	(4,160,403)	(50,087)
Cumulative translation adjustment	49,014	10,473	12,270
Addition to chattel mortgage from settlement of loans	481,175	77,886	596,009
	Parent Company		
	2023	2022	2021
Addition to investment properties from settlement of loans	₱528,951	₱273,651	₱81,136
Fair value gain (loss) in FVOCI financial assets	3,009,733	(4,036,849)	(16,220)
Cumulative translation adjustment	81,493	(25,046)	465
Addition to chattel mortgage from settlement of loans	43,690	–	15,830



The following table shows the reconciliation analysis of bonds payable, bills payable, and lease liability under financing activities for both the Group and Parent Company for the years ended December 31, 2023 and 2022:

	Consolidated			
	2023			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱70,375,267	₱28,312,870	₱2,970,301	₱101,658,438
Cash flows during the year				
Proceeds	563,532,304	–		563,532,304
Settlement/payment*	(548,623,126)	(8,322,167)	(912,101)	(557,857,394)
Non-cash changes				
Additions	–		1,042,997	1,042,997
Accretion of interest/pretermination	–	39,687	246,790	286,477
Foreign exchange movement	(485,956)	(41,083)	–	(527,039)
Balance at end of year	₱84,798,489	₱19,989,307	₱3,347,987	₱108,135,783

*For lease liability, payment refers to both principal and interest components

	Consolidated			
	2022			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱65,806,274	₱42,473,558	₱2,846,018	₱111,125,850
Cash flows during the year				
Proceeds	402,436,767	–	–	402,436,767
Settlement/payment*	(403,994,487)	(15,000,000)	(648,997)	(419,643,484)
Non-cash changes				
Additions	–	–	591,491	591,491
Accretion of interest	–	126,063	181,789	307,852
Foreign exchange movement	6,126,713	713,249	–	6,839,962
Balance at end of year	₱70,375,267	₱28,312,870	₱2,970,301	₱101,658,438

*For lease liability, payment refers to both principal and interest components

	Parent Company			
	2023			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱70,375,267	₱28,312,870	₱2,393,362	₱101,081,499
Cash flows during the year				
Proceeds	563,532,304	–	–	563,532,304
Settlement/payment	(548,623,126)	(8,322,167)	(637,902)	(557,583,195)
Non-cash changes				
Additions	–	–	629,477	629,477
Accretion of interest/pretermination	–	39,687	193,355	233,042
Foreign exchange movement	(485,956)	(41,083)	–	(527,039)
Balance at end of year	₱84,798,489	₱19,989,307	₱2,578,292	₱107,366,088

*For lease liability, payment refers to both principal and interest components

	Parent Company			
	2022			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱65,806,274	₱42,473,558	₱2,187,898	₱110,467,730
Cash flows during the year				
Proceeds	402,436,767	–	–	402,436,767
Settlement/payment*	(403,994,487)	(15,000,000)	(404,672)	(419,399,159)
Non-cash changes				
Additions	–	–	469,136	469,136
Accretion of interest	–	126,063	141,000	267,063
Foreign exchange movement	6,126,713	713,249	–	6,839,962
Balance at end of year	₱70,375,267	₱28,312,870	₱2,393,362	₱101,081,499

*For lease liability, payment refers to both principal and interest components



35. Offsetting of Financial Assets and Liabilities

The amendments to PFRS 7 require the Group to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under enforceable master netting agreements or similar arrangements. The effects of these arrangements are disclosed in the succeeding tables.

Consolidated December 31, 2023						
Financial instruments recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effects of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Financial assets						
SPURA	P12,631,270	P-	P12,631,270	P12,631,270	P12,631,270	P-
Currency forwards	40,987,512	-	40,987,512	12,395,123	-	28,592,389
IRS	129,121	-	129,121	111,333	-	17,788
	P53,747,903	P-	P53,747,903	P25,137,726	P12,631,270	P28,610,177
Financial liabilities						
Bills payable	P75,327,366	P-	P75,327,366	P64,446,855	P75,457,749	P-
Currency forwards	15,366,327	-	15,366,327	12,395,123	-	2,971,204
IRS	994,451	-	994,451	111,333	-	883,118
	P91,688,144	P-	P91,688,144	P76,953,311	P75,457,749	P3,854,322

Consolidated December 31, 2022						
Financial instruments recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effects of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Financial assets						
SPURA	P14,795,426	P-	P14,795,426	P14,795,426	P14,795,426	P-
Currency forwards	33,264,783	-	33,264,783	10,593,404	-	22,671,379
IRS	533,294	-	533,294	25,939	-	507,355
	P48,593,503	P-	P48,593,503	P25,414,769	P14,795,426	P23,178,734
Financial liabilities						
Bills payable	P70,375,267	P-	P70,375,267	P70,375,267	P70,375,267	P-
Currency forwards	11,697,274	-	11,697,274	10,593,404	-	1,103,870
IRS	521,398	-	521,398	25,939	-	495,459
	P82,593,939	P-	P82,593,939	P80,994,610	P70,375,267	P1,599,329

Parent Company December 31, 2023						
Financial instruments recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effects of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Financial assets						
SPURA	P8,986,674	P-	P8,986,674	P8,986,674	P8,986,674	P-
Currency forwards	40,987,512	-	40,987,512	12,395,123	-	28,592,389
IRS	129,121	-	129,121	111,333	-	17,788
	P50,103,307	P-	P50,103,307	P21,493,130	P8,986,674	P28,610,177
Financial liabilities						
Bills payable	P75,327,366	P-	P75,327,366	P64,446,855	P75,457,749	P-
Currency forwards	15,366,327	-	15,366,327	12,395,123	-	2,971,204
IRS	994,451	-	994,451	111,333	-	883,118
	P91,688,144	P-	P91,688,144	P76,953,311	P75,457,749	P3,854,322



Parent Company December 31, 2022						
Financial instruments recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effects of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Financial assets						
SPURA	P12,828,404	P-	P12,828,404	P12,828,404	P12,828,404	P-
Currency forwards	33,264,783	-	33,264,783	10,593,404	-	22,671,379
IRS	533,294	-	533,294	25,939	-	507,355
	P46,626,481	P-	P46,626,481	P23,447,747	P12,828,404	P23,178,734
Financial liabilities						
Bills payable	P70,375,267	P-	P70,375,267	P70,375,267	P70,375,267	P-
Currency forwards	11,697,274	-	11,697,274	10,593,404	-	1,103,870
IRS	521,398	-	521,398	25,939	-	495,459
	P82,593,939	P-	P82,593,939	P80,994,610	P70,375,267	P1,599,329

The amounts disclosed in column (d) include those rights to set-off amounts that are only enforceable and exercisable in the event of default, insolvency or bankruptcy. These include amounts related to financial collateral both received and pledged, whether cash or non-cash collateral, excluding the extent of over-collateralization.

36. Approval of the Financial Statements

The accompanying consolidated and parent company financial statements were authorized for issue by the Parent Company's BOD on February 26, 2024.

37. Supplementary Information Required Under Section 174 of the MORB

Presented below is the supplementary information required by BSP under Appendix 55 of BSP Circular 1074 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

Basic quantitative indicators of financial performance

The following basic ratios measure the financial performance of the Group and the Parent Company:

	Consolidated			Parent Company		
	2023	2022	2021	2023	2022	2021
Return on average equity	15.46%	15.07%	13.58%	15.46%	15.07%	13.58%
Return on average assets	1.57%	1.56%	1.45%	1.72%	1.70%	1.58%
Net interest margin	4.24%	4.21%	4.28%	4.07%	3.93%	4.02%

Description of capital instruments issued

The Group and the Parent Company consider its common stock as capital instruments eligible as Tier 1 capital.



Significant credit exposures

Information on the significant credit exposures (gross of unearned discounts and allowance for impairment and credit losses) of the Group and Parent Company are as follows:

	Consolidated			
	2023		2022	
	Amounts	%	Amounts	%
Real estate, renting and business services	P214,867,430	27.16	P185,743,662	25.88
Financial intermediaries	102,574,807	12.97	122,768,549	17.11
Electricity, gas and water	100,637,828	12.72	84,314,281	11.75
Manufacturing	61,807,926	7.81	58,232,646	8.11
Wholesale and retail trade	50,624,655	6.40	48,849,880	6.81
Transportation, storage and communication	54,284,111	6.86	44,443,178	6.19
Arts, entertainment and recreation	48,962,012	6.19	38,666,435	5.39
Mining and quarrying	12,439,631	1.58	13,340,903	1.86
Construction	11,193,782	1.42	10,178,863	1.42
Accommodation and food service activities	10,171,827	1.29	9,613,592	1.34
Agriculture	8,608,120	1.09	9,010,166	1.26
Education	3,986,419	0.50	3,894,828	0.54
Professional, scientific and technical activities	1,873,140	0.24	947,422	0.13
Public administration and defense	192,985	0.02	191,203	0.03
Others*	108,770,565	13.75	87,519,627	12.18
	P790,995,238	100.00	P717,715,235	100.00

*Others consist of industry/sector under administrative and support service, health, household and other activities which, individually, is not a significant credit exposure.

	Parent Company			
	2023		2022	
	Amounts	%	Amounts	%
Real estate, renting and business services	P183,890,538	27.12	P158,474,935	25.25
Financial intermediaries	102,372,440	15.10	122,139,768	19.46
Electricity, gas and water	98,999,202	14.61	82,579,587	13.16
Manufacturing	60,053,892	8.86	56,478,328	9.00
Wholesale and retail trade	48,457,409	7.15	46,391,648	7.39
Transportation, storage and communication	52,973,021	7.81	43,018,144	6.85
Arts, entertainment and recreation	48,930,795	7.22	38,648,650	6.16
Mining and quarrying	12,435,720	1.83	13,340,695	2.13
Construction	10,449,504	1.54	9,131,937	1.46
Accommodation and food service activities	9,605,482	1.42	9,047,908	1.44
Agriculture	6,065,522	0.89	7,062,774	1.13
Education	3,637,883	0.54	3,503,357	0.56
Professional, scientific and technical activities	1,795,656	0.26	881,915	0.14
Public administration and defense	192,985	0.03	191,203	0.03
Others*	38,088,866	5.62	36,663,618	5.84
	P677,948,915	100.00	P627,554,467	100.00

*Others consist of industry/sector under administrative and support service, health, household and other activities which, individually, is not a significant credit exposure.

The BSP considers significant credit exposures when the total loan exposure to a particular industry or economic sector exceeds 30.00% of total loan portfolio or 10.00% of Tier 1 capital (see Note 24).

Status of loans

Information on the amounts of performing and non-performing loans and receivables (gross of allowance for impairment and credit losses) of the Group and Parent Company are as follows:

	Consolidated					
	2023			2022		
	Performing	Non-Performing	Total	Performing	Non-Performing	Total
Loans and discounts						
Corporate and commercial lending	P583,158,675	P14,755,319	P597,913,994	P543,990,429	P11,288,208	P555,278,637
Consumer lending:	174,103,327	5,055,578	179,158,905	138,352,571	5,065,530	143,418,101
Housing	97,856,796	3,302,592	101,159,388	83,063,410	3,448,501	86,511,911
Automatic Payroll Deduction	49,867,796	1,173,977	51,041,773	32,680,505	792,779	33,473,284
Auto	22,497,952	462,803	22,960,755	19,729,996	707,533	20,437,529
Credit Card	2,881,302	80,359	2,961,661	2,068,069	41,999	2,110,068
Others	999,481	35,847	1,035,328	810,591	74,718	885,309
Trade-related lending	11,955,041	242,373	12,197,414	17,522,315	202,754	17,725,069
Others	97,966	4,478	102,444	109,960	5,546	115,506
	P769,315,009	P20,057,748	P789,372,757	P699,975,275	P16,562,038	P716,537,313



	Parent Company					
	2023			2022		
	Performing	Non-Performing	Total	Performing	Non-Performing	Total
Loans and discounts						
Corporate and commercial lending	₱570,544,276	₱13,111,279	₱583,655,555	₱530,046,824	₱8,980,119	₱539,026,943
Consumer lending:	78,832,063	3,091,334	81,923,397	67,537,410	3,397,025	70,934,435
Housing	71,072,521	2,893,688	73,966,209	60,633,934	3,026,183	63,660,117
Auto	4,867,384	116,650	4,984,034	4,823,796	328,563	5,152,359
Credit Card	2,881,302	80,359	2,961,661	2,068,069	41,999	2,110,068
Others	10,856	637	11,493	11,611	280	11,891
Trade-related lending	11,670,675	242,374	11,913,049	17,188,448	202,754	17,391,202
Others	15,796	203	15,999	19,125	2	19,127
	₱661,062,810	₱16,445,190	₱677,508,000	₱614,791,807	₱12,579,900	₱627,371,707

Loans per security

As of December 31, 2023 and 2022, secured and unsecured non-performing loans (NPLs) of the Group and the Parent Company follow:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Secured	₱13,173,475	₱11,477,782	₱11,432,038	₱9,210,369
Unsecured	6,884,273	5,084,256	5,013,152	3,369,531
	₱20,057,748	₱16,562,038	₱16,445,190	₱12,579,900

According to BSP Circular 941, *Amendments to the Regulations on Past Due and Non-Performing Loans*, loans shall be considered non-performing, even without any missed contractual payments, when it is considered impaired under existing accounting standards, classified as doubtful or loss, in litigation, and/or there is evidence that full repayment of principal and interest is unlikely without foreclosure of collateral, if any. All other loans, even if not considered impaired, shall be considered non-performing if any principal and/or interest are unpaid for more than ninety (90) days from contractual due date, or accrued interests for more than ninety (90) days have been capitalized, refinanced, or delayed by agreement.

Information on the amounts of secured and unsecured loans and receivables (gross of unearned discounts and allowance for impairment and credit losses) of the Group and Parent Company are as follows:

	Consolidated				Parent Company			
	2023		2022		2023		2022	
	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Loans secured by								
Real estate	₱109,418,722	13.83	₱94,305,837	13.14	₱74,868,845	11.04	₱63,717,907	10.15
Chattel mortgage	24,302,537	3.07	21,083,673	2.94	5,458,963	0.81	4,708,259	0.75
Guarantee by the Republic of the Philippines	65,508	0.01	80,362	0.01	65,508	0.01	80,362	0.01
Deposit hold out	6,759,661	0.85	6,034,139	0.84	6,521,592	0.96	5,765,877	0.92
Shares of stock of other banks	8,323,900	1.05	8,332,250	1.16	8,323,900	1.23	8,332,250	1.33
Others*	122,306,961	15.47	104,383,376	14.54	122,216,525	18.03	104,276,013	16.62
	271,177,289	34.28	234,219,637	32.63	217,455,333	32.08	186,880,668	29.78
Unsecured loans	519,817,949	65.72	483,495,598	67.37	460,493,582	67.92	440,673,799	70.22
	₱790,995,238	100.00	₱717,715,235	100.00	₱677,948,915	100.00	₱627,554,467	100.00

*Others includes loans secured by shares of stocks of other firms, deed of assignment of accounts receivable, assignment/pledge of government securities, mortgage trust indenture, and other collaterals.

Secured liability and assets pledged as security

The carrying amount of foreign currency-denominated investment securities at amortized cost pledged by the Parent Company as collateral for its interbank borrowings amounted to ₱82.00 billion and ₱67.00 billion as of December 31, 2023 and 2022, respectively. The carrying amount of the peso-denominated investment securities at amortized cost pledged by the Parent Company as collateral for its interbank borrowings amounted to ₱9.90 billion and ₱14.63 billion as of



December 31, 2023 and 2022, respectively. The fair value of investment securities at amortized cost pledged as collateral amounted to ₱85.15 billion and ₱75.45 billion as of December 31, 2023 and 2022, respectively. The aggregate fair value of financial assets at FVOCI pledged as collateral amounted to ₱5.49 billion nil and nil as of December 31, 2023 and 2022, respectively.

Related party loans

As required by the BSP, the Group discloses loan transactions with its and affiliates and investees and with certain directors, officers, stockholders, and related interests (DOSRI). Under existing banking regulations, the limit on the amount of individual loans to DOSRI, of which 70.00% must be secured, should not exceed the regulatory capital or 15.00% of the total loan portfolio, whichever is lower. These limits do not apply to loans secured by assets considered as non-risk as defined in the regulations.

BSP Circular No. 423, dated March 15, 2004, amended the definition of DOSRI accounts. The following table shows information relating to the loans, other credit accommodations, and guarantees classified as DOSRI accounts under regulations existing prior to said Circular, and new DOSRI loans, other credit accommodations granted under said Circular:

	Consolidated			
	2023		2022	
	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)
Total outstanding DOSRI loans	₱9,222,120	₱68,300,578	₱9,162,853	₱59,971,643
Percent of DOSRI/Related Party loans to total loan portfolio	1.17%	8.63%	1.28%	8.36%
Percent of unsecured DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	2.93%	64.90%	2.88%	67.95%
Percent past due DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	—	—	—	—
Percent of non-performing DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	—	—	—	—
	Parent Company			
	2023		2022	
	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)
Outstanding DOSRI loans	₱9,215,417	₱68,293,875	₱9,156,873	₱59,256,132
Percent of DOSRI/Related Party loans to total loan portfolio	1.36%	10.07%	1.46%	9.44%
Percent of unsecured DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	2.92%	64.91%	2.88%	68.77%
Percent past due DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	—	—	—	—
Percent of non-performing DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	—	—	—	—



The amounts of loans disclosed for related parties above differ with the amounts disclosed for key management personnel since the composition of DOSRI is more expansive than that of key management personnel.

BSP Circular No. 560 provides that the total outstanding loans, other credit accommodations, and guarantees to each of the bank's/quasi-bank's subsidiaries and affiliates shall not exceed 10.00% of the net worth of the lending bank/quasi-bank, provided that the unsecured portion of which shall not exceed 5.00% of such net worth. Further, the total outstanding loans, credit accommodations, and guarantees to all subsidiaries and affiliates shall not exceed 20.00% of the net worth of the lending bank/quasi-bank; and the subsidiaries and affiliates of the lending bank/quasi-bank are not related interest of any director, officer, and/or stockholder of the lending institution, except where such director, officer, or stockholder sits in the BOD or is appointed officer of such corporation as representative of the bank/quasi-bank.

On May 12, 2009, BSP issued Circular No. 654 allowing a separate individual limit of twenty-five (25.00%) of the net worth of the lending bank/quasi-bank to loans of banks/quasi-banks to their subsidiaries and affiliates engaged in energy and power generation.

Commitments and contingencies

The following is a summary of contingencies and commitments of the Group and the Parent Company with the equivalent Peso contractual amounts:

	Consolidated		Parent Company	
	2023	2022	2023	2022
Trust department accounts (Note 29)	P282,061,181	P222,474,444	P282,061,181	P222,474,444
Foreign exchange bought	269,755,228	138,040,375	269,755,228	138,040,375
IRS receivable	99,809,626	90,289,612	99,809,626	90,289,612
Foreign exchange sold	44,274,190	33,914,815	44,274,190	33,914,815
Credit card lines	24,255,716	18,625,491	24,255,716	18,625,491
Unused commercial letters of credit (Note 30)	15,434,894	17,158,800	15,352,213	17,074,520
Committed credit lines	9,597,231	1,906,400	9,597,231	1,906,400
Spot exchange sold	8,544,119	2,792,488	8,544,119	2,792,488
Outstanding guarantees issued	3,639,666	2,971,605	2,032,752	1,539,908
Standby credit commitment	3,334,366	3,550,516	3,334,366	3,550,516
Spot exchange bought	2,619,034	3,407,837	2,619,034	3,407,837
Inward bills for collection	2,496,350	2,697,770	2,496,350	2,697,770
Late deposits/payments received	383,716	309,488	365,285	286,522
Deficiency claims receivable	280,195	280,195	280,195	280,195
Outward bills for collection	29,729	21,378	27,703	19,337
Others	9,180	35,237	8,742	30,498

38. Supplementary Information Required Under RR No. 15-2010

In compliance with the requirements set forth by RR No. 15-2010, hereunder are the details of percentage and other taxes paid or accrued by the Parent Company in 2023.

Gross receipts tax	P2,722,609
Documentary stamps tax	1,513,816
Local taxes	104,774
Fringe benefit tax	17,097
Others	49,033
Total for the year	P4,407,329



Withholding Taxes

Details of total remittances of withholding taxes in 2023 and amounts outstanding as of December 31, 2023 are as follows:

	Total remittances	Amounts outstanding
Final withholding taxes	₱3,908,613	₱365,983
Withholding taxes on compensation and benefits	834,527	46,197
Expanded withholding taxes	204,219	14,524
	₱4,947,359	₱426,704

Tax Assessment

As of December 31, 2023, the Parent Company has no pending tax assessment from the BIR.

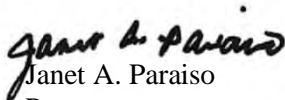


INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
China Banking Corporation
8745 Paseo de Roxas cor. Villar St.
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of China Banking Corporation and Subsidiaries (the Group) as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, included in this Form 17-A, and have issued our report thereon dated February 26, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10079894, January 5, 2024, Makati City

February 26, 2024

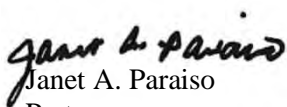


INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
China Banking Corporation
8745 Paseo de Roxas cor. Villar St.
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of China Banking Corporation and Subsidiaries (the Group) as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2022 and have issued our report thereon dated February 26, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10079894, January 5, 2024, Makati City

February 26, 2024



CHINA BANKING CORPORATION AND SUBSIDIARIES
INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2023

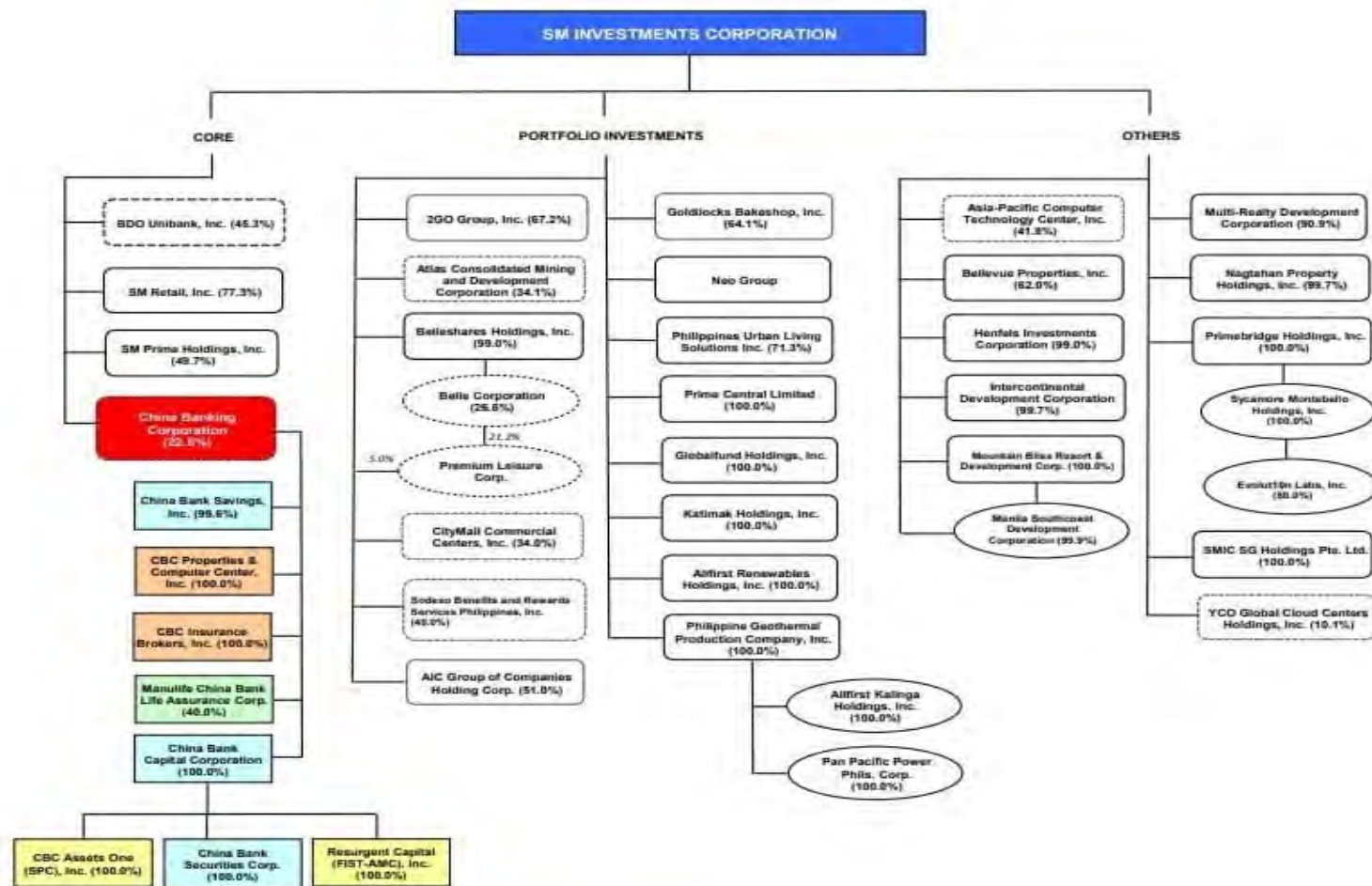
Part I		
Schedule	Content	Page No.
I	Reconciliation of retained earnings available for dividend declaration <i>(Part I 5B, Annex 68-D)</i>	1
II	Map showing relationships between and among parent, subsidiaries, an associate, and joint venture <i>(Part I 5G)</i>	2
Part II		
A	Financial Assets	
	Financial assets at fair value through profit or loss	
	Financial assets at fair value through other comprehensive income	
	Financial assets at amortized cost <i>(Part II 7D, Annex 68-J, A)</i>	3
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties) <i>(Part II 7D, Annex 68-J, B)</i>	4
C	Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statements <i>(Part II 7D, Annex 68-J, C)</i>	5
D	Long-Term Debt <i>(Part II 7D, Annex 68-J, D)</i>	6
E	Indebtedness to Related Parties (included in the consolidated balance sheet) <i>(Part II 7D, Annex 68-J, E)</i>	7
F	Guarantees of Securities of Other Issuers <i>(Part II 7D, Annex 68-J, F)</i>	8
G	Capital Stock <i>(Part II 7D, Annex 68-J, G)</i>	9
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CHINA BANKING CORPORATION AND SUBSIDIARIES
8745 Paseo de Roxas corner Villar Street Makati City

SCHEDULE I
RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2023
(Amounts in Thousands)

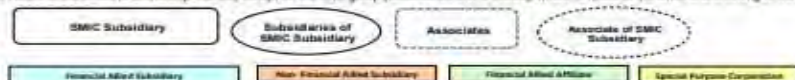
Unappropriated Retained Earnings, beginning of reporting period		₱69,447,143
Add: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of appropriation of Retained Earnings during the period	77,472	
Dividends declared by subsidiaries and associate in previous years	415,000	492,472
		<hr/>
Less: Items that are directly debited to Unappropriated Retained Earnings		
Cash dividend declared during the period	5,113,448	
Transfer from Surplus to Surplus Reserves	58,592	5,172,040
		<hr/>
Unappropriated Retained Earnings, as adjusted		64,767,575
 Add: Net income during the period		 22,010,790
Less: Unrealized income recognized in the profit or loss during the reporting period		
Unrealized fair value adjustments (MTM gains) of financial instruments at FVTPL	216,448	
Net earnings of subsidiaries not available for dividends	2,466,697	
Equity in net income of associate, net of dividends declared	275,075	
Fair value gain on initial recognition of investment properties	373,936	
Sub-total		<hr/> 3,332,156
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Unrealized fair value adjustments (MTM gains) of financial instruments at FVTPL	154,494	
Reversal of net fair value gains recognized at initial recognition upon disposal of investment properties	105,917	
Sub-total		<hr/> 260,411
Adjusted Net Income		18,939,045
Add / Less: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Benefit from deferred taxes		(1,179,583)
Total Retained Earnings, end of the period available for dividend		<hr/> ₱82,527,037 <hr/>

SCHEDULE II
MAP SHOWING RELATIONSHIPS BETWEEN AND AMONG PARENT COMPANY,
SUBSIDIARIES, AN ASSOCIATE, AND JOINT VENTURE



Legend:

% Refers to the Effective Ownership Interest, except for the CBC group (subsidiaries and affiliates), where % refers to the direct shareholding of the parent company.



China Banking Corporation
Schedule A – Financial Assets
December 31, 2023
(Amounts in Thousands)

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds or notes	Amount shown on the balance sheet*	Valued based on market quotation at end of reporting period	Income received and accrued
<u>Financial Assets at Fair Value through Profit or Loss</u>				
Philippine government	₱10,200,371	₱10,095,186	₱10,095,186	₱359,552
Private corporation, other sovereign bonds, and unit investment trust funds	1,872,203	1,864,763	1,864,763	90,171
Equity securities	97,080 shares	897,898	897,898	72,701
Various derivative counterparties		762,627	762,627	290,639
	20 warrants	10,813	10,813	–
		₱13,631,287	₱13,631,287	₱813,063
<u>Financial Assets at Fair Value through Other Comprehensive Income</u>				
Philippine government	₱79,334,082	₱81,292,932	₱81,292,932	₱2,845,628
Private corporation and other sovereign bonds	25,693,630	23,619,016	23,619,016	1,242,164
Equity securities	116,479 shares	1,629,539	1,629,539	21,063
		₱106,541,487	₱106,541,487	₱4,108,855
<u>Financial Assets at Amortized Cost</u>				
Philippine government	₱246,216,061	₱249,612,353	₱248,539,030	₱12,202,562
Private corporation and other sovereign bonds.	131,943,316	130,849,068	124,393,238	6,945,986
	₱378,159,377	₱380,461,421	₱372,932,268	₱19,148,548
<u>Derivative Contracts Designated as Hedges</u>				
Various derivative counterparties		₱3,946,553	₱3,946,553	₱7,776,721

*FVTPL, Derivative Contracts Designated as Hedges and FVOCI are carried at fair value. Investment securities at AC are carried at amortized cost

China Banking Corporation
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and
Principal Stockholders (Other than Related Parties)
December 31, 2023

Name of Debtor	Balance at beginning of period	Additions	Amounts Collected	Amounts Written- off	Current	Non- Current	Balance at end of period
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The Group has no receivables from directors, officers, employees, related parties and principal stockholders that did not arise from ordinary course of business.

China Banking Corporation
Schedule C - Amounts Receivable from Related Parties which are eliminated
during the consolidation of financial statements
December 31, 2023
(Amounts in Thousands)

Name of Debtor	Relationship	Balance at beginning of period	Additions	Amounts Collected	Amounts Written-off	Current	Non- Current	Balance at end of period
China Bank Savings, Inc.	Subsidiary	₱3,122	₱25,277	₱3,122	₱—	₱25,277	₱—	₱25,277
China Bank Capital Corporation	Subsidiary	34	1,309	34	—	1,309	—	1,309
China Bank Securities Corporation	Subsidiary	—	466	—	—	466	—	466
China Bank Insurance Brokers, Inc.	Subsidiary	38	1,248	38	—	1,248	—	1,248
CBC Properties and Computer Center, Inc (PCCI)	Subsidiary	651	5,670	651	—	5,670	—	5,670
		₱3,845	₱33,970	₱3,845	₱—	₱33,970	₱—	₱33,970

China Banking Corporation
Schedule D - Long-Term Debt
December 31, 2023
(Amounts in Thousands)

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption “Current portion of long-term debt” in related balance sheet	Amount shown under caption “Long-Term Debt” in related balance sheet	Interest Rate %	Maturity Date
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Peso-denominated:

LTNCD-Tranche 3*	₱10,250,000	₱10,247,711		4.55%	January 12, 2024
₱20 Billion Peso Fixed Rate Bonds due in 2024**	20,000,000	19,989,307		2.50%	February 18, 2024

Securities sold under repurchase agreement***:

Various	\$699,993	₱27,567,660	₱38,758,738	0.39% to 5.83%	Various
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*The LTNCDs are included in “Time Deposits” under the caption “Deposit liabilities”.

**The amounts are presented in the caption “Bonds payable”.

***The amounts are included in the caption “Bills payable”.

China Banking Corporation
Schedule E - Indebtedness to Related Parties
(Long-term Loans from Related Companies)
December 31, 2023

Name of Related Parties ⁽ⁱ⁾	Balance at beginning of period	Balance at end of period ⁽ⁱⁱ⁾
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None to Report

- ⁽ⁱ⁾ The related parties named shall be grouped as in Schedule D. The information called shall be stated for any persons whose investments shown separately in such related schedule.
- ⁽ⁱⁱ⁾ For each affiliate named in the first column, explain in a note hereto the nature and purpose of any material increase during the period that is in excess of 10 percent of the related balance at either the beginning or end of the period.

China Banking Corporation
Schedule F - Guarantees of Securities of Other Issuers
December 31, 2023

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount of guaranteed and outstanding ⁽ⁱ⁾	Amount owned by person of which statement is filed	Nature of guarantee ⁽ⁱⁱ⁾
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None to Report

- (i) Indicate in a note any significant changes since the date of the last balance sheet file. If this schedule is filed in support of consolidated financial statements, there shall be set forth guarantees by any person included in the consolidation except such guarantees of securities which are included in the consolidated balance sheet.
- (ii) There must be a brief statement of the nature of the guarantee, such as "Guarantee of principal and interest", "Guarantee of Interest", or "Guarantee of Dividends". If the guarantee is of interest, dividends, or both, state the annual aggregate amount of interest or dividends so guaranteed.

China Banking Corporation
Schedule G - Capital Stock
December 31, 2023

(Absolute numbers of shares)

Title of Issue ⁽ⁱ⁾	Number of shares authorized	Number of shares issued and outstanding as shown under the related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties ⁽ⁱⁱ⁾	Directors, officers and employees	Others ⁽ⁱⁱⁱ⁾
Common stock - ₱10 par value						
Authorized – shares	3,300,000,000					
Issued and outstanding		2,691,340,312		1,022,330,736	139,438,907	1,529,570,669

⁽ⁱ⁾ Include in this column each type of issue authorized

⁽ⁱⁱ⁾ Related parties referred to include persons for which separate financial statements are filed and those included in the consolidated financial statements, other than the issuer of the particular security.

⁽ⁱⁱⁱ⁾ Indicate in a note any significant changes since the date of the last balance sheet filed.

China Banking Corporation
Schedule H – Schedule for Listed Companies with a Recent Offering of Securities to the Public
December 31, 2023
(Amounts in Thousand)

	Gross Proceeds as disclosed in the Final Prospectus	Expenditure Items	Net Proceeds as disclosed in the Final Prospectus	Actual Gross Proceeds	Actual Net Proceeds	Balance of the proceeds as of the reporting period
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None to Report

CHINA BANKING CORPORATION AND SUBSIDIARIES
FINANCIAL SOUNDNESS INDICATORS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021

Ratio	Formula	2023	2022	2021
<i>PROFITABILITY (%)</i>		Amounts in Php millions, except for the ratios		
Return on Assets	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Assets}^1}$	1.57 22,011 1,403,886	1.56 19,108 1,221,024	1.45 15,106 1,039,074
Return on Equity	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Equity}^1}$	15.46 22,011 142,366	15.07 19,108 126,796	13.58 15,106 111,223
Net Interest Margin	$\frac{\text{Net Interest Income}}{\text{Average Interest Earning Assets}^{1,2}}$	4.24 53,528 1,263,190	4.21 45,590 1,083,719	4.28 39,085 912,732
Cost to Income Ratio	$\frac{\text{Operating Expense less Provision for Impairment and Credit Losses}}{\text{Total Operating Income}}$	50 27,037 54,091	44 24,354 55,652	46 22,335 48,675
<i>LIQUIDITY (%)</i>				
Liquid Assets to Total Assets	$\frac{\text{Total Liquid Assets}^3}{\text{Total Assets}}$	45 659,859 1,478,043	44 590,203 1,329,729	42 466,936 1,112,320
Loans (net) to Deposit Ratio	$\frac{\text{Loans (Net)}}{\text{Deposit Liabilities}}$	65 771,992 1,186,724	66 699,595 1,065,915	71 609,007 862,860
<i>ASSET QUALITY (%)</i>				
Gross Non-Performing Loans Ratio	$\frac{\text{Gross Non-Performing Loans}}{\text{Gross Loans}}$	2.5 20,058 789,373	2.3 16,562 716,537	2.5 15,351 624,064

Ratio	Formula	2023	2022	2021
Non-performing Loan (NPL) Cover	Total Allowance for Impairment and Credit Losses on Receivables from Customers plus Retained Earnings Appropriated for General Loan Loss Provision	104 20,873 20,058	123 20,412 16,562	116 17,828 15,351
	Gross Non-Performing Loans			
SOLVENCY RATIOS				
Debt to Equity Ratio	Total Liabilities	8.8	8.9	8.3
	Total Equity	1,327,745 150,298	1,195,151 134,579	993,197 119,123
Asset to Equity Ratio	Total Assets	9.8	9.9	9.3
	Total Equity	1,478,043 150,298	1,329,729 134,579	1,112,320 119,123
Interest Rate Coverage Ratio	Net Income Before Tax and Interest Expense	2.0	2.9	3.4
	Interest Expense	51,648 25,840	33,907 11,622	24,875 7,411
CAPITALIZATION (%)				
Capital Adequacy Ratio CET 1 / Tier 1	CET 1 / Tier 1 Capital	15.25	15.07	14.92
	Total Risk Weighted Assets	131,198 860,220	119,616 793,551	104,397 699,885
Total CAR	Total Qualifying Capital	16.14	15.92	15.75
	Total Risk Weighted Assets	138,830 860,220	126,299 793,551	110,204 699,885

¹Average end of year balances for 2023 and 2022, monthly balances for 2021

²Interest earning assets composed of due from Bangko Sentral ng Pilipinas, due from other banks, interbank loans receivable, securities purchased under resale agreement, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortized costs, current loans and performing sales contract receivables, gross of applicable allowance for credit losses and unearned interest and discounts.

³Composed of cash and other cash items, due from Bangko Sentral ng Pilipinas, due from other banks, interbank loans receivable, securities purchased under resale agreement, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortized costs, net of applicable allowance for credit losses.

**GUIDELINES FOR PARTICIPATION VIA REMOTE COMMUNICATION
AND VOTING *IN ABSENTIA***

April 18, 2024 at 4:00 P.M.

The 2024 Annual Stockholders' Meeting (ASM) of the China Banking Corporation (Chinabank) is scheduled on April 18, 2024 at 4:00 P.M. (Manila Time) and the Board of Directors has set the close of business on February 26, 2024 as the record date for the determination of stockholders entitled to the notice of, to attend, and to vote during the 2024 ASM and any adjournment thereof.

The Board of Directors approved on January 3, 2024 to allow the conduct of the ASM and participation therein by the stockholders in hybrid format, a combination of in-person and remote attendance. In-person attendance at the meeting will be held at the Penthouse, Chinabank Building, 8745 Paseo de Roxas corner Villar St., Makati City. The meeting will be livestreamed via Zoom for those participating remotely or *in absentia*.

ONLINE REGISTRATION

Stockholders who wish to attend and participate in the 2024 ASM via remote communication must go through the entire registration process in order for them to gain access to Chinabank's secure Online Voting Portal. Online registration shall be open until April 12, 2024.

Stockholders can access the Online Registration Portal, Voting Portal, Livestream Broadcast, as well as additional information about the event through Chinabank's official 2024 ASM website at www.chinabank.ph/asm2024.

To begin the online registration process, the stockholders must visit the 2024 ASM website and navigate through the Registration page by clicking on the REGISTER button. The stockholders will then be prompted to provide an active email address. Once provided, the system will send an automated verification email containing a link which the stockholder must click in order to verify that his/her email is active.

To complete the registration process, the stockholders/representatives must upload/provide the following information/documents when prompted by the system:

1. Full Name (last name, given name, middle name)
2. Valid and active email address
3. Alternate email address (optional)
4. Tax Identification Number (optional)
5. Landline/Mobile Number (optional)
6. Government issued ID with photo and signature (scanned front and back)

In addition, the following documents must be submitted based on the capacity in which the registrants are attending and participating in the 2024 ASM:

- Individual Certificated Stockholders
 1. Stock Certificate Number

If appointing a proxy:

- a. Copy of the duly signed proxy form of the stockholder
 - b. Email address and contact number of the proxy
- Representative of a Joint Account
 1. Stock Certificate Number of the Representative

2. Authorization Letter

The authorization letter will serve as proof of authority of the stockholder voting the shares for and on behalf of the other registered stockholders. The authorization letter must reflect the stock certificate number of each of the representative's fellow joint account holders. A template format can be downloaded from the ASM website.

- Representative of Corporate Stockholders
 1. Secretary's Certificate

Along with the necessary authorizations and approvals appointing the representative to participate in the 2024 ASM, the Secretary's Certificate must reflect the Stock Certificate Number of the Corporate Stockholder.

- Stockholders with Shares in a Broker's Account
 1. Secretary's Certificate

If appointing a proxy:

- a. Copy of the duly signed proxy form of the stockholder
- b. Email address and contact number of the proxy

A stockholder attending and participating in the ASM in multiple capacities must go through the online registration process for each capacity. To illustrate, a stockholder participating in his/her individual capacity and at the same time as representative of a Corporate Stockholder, must register twice (one time in his/her personal capacity and another time as company representative).

Registering stockholders must exert all effort to provide complete and accurate information. Stockholders must refrain from sending duplicate and inconsistent information which can result in failure of the registration process.

Once registration is complete, the information shall be verified and validated by Chinabank. If successful, an automated email will be sent to the stockholders' registered email address containing their log-in credentials for the Online Voting Portal.

VOTING IN ABSENTIA

Stockholders who have received their log-in credentials may now access the Online Voting Portal.

- Step 1. The stockholders must visit the Online Voting Portal at www.chinabank.ph/asm2024.
- Step 2. The stockholders will use log-in credentials, sent to them by automated email, to access the Online Voting Portal.
- Step 3. The stockholders can vote on each agenda item. A brief description of each item for stockholders' approval is appended to the Notice of the Meeting.
 - 3.1. The stockholders may choose to vote "Yes", "No" or "Abstain" on each agenda item for approval.
 - 3.2. For the election of directors, the stockholders will have the option to vote for all the nominees, or vote for certain nominees only.

The stockholder may vote such number of shares for as many persons as there are directors to be elected or cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares owned, or distribute them on the same principle among as many

candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholder.

Step 4. Once the stockholders are satisfied with their votes, they can complete the online voting process by clicking the "Submit" button.

A stockholder attending and participating in the ASM in multiple capacities must go through the voting process for each capacity.

PARTICIPATION THROUGH REMOTE COMMUNICATION

The 2024 ASM will be broadcasted live and stockholders who have successfully registered can participate via remote communication. Details of the meeting, reminders, and step-by-step procedures will be sent to stockholders in the email they have provided to Chinabank. Instructions on how to access the livestream are posted on the ASM website www.chinabank.ph/asm2024.

Audio and video recordings of the ASM will be adequately maintained by Chinabank.

QUESTIONS AND ANSWERS

Stockholders may submit questions and comments, preferably on or before 5:30 P.M. on April 17, 2024, which will be read and answered during the livestream broadcast. Any questions or comments submitted and received but not addressed during the livestream shall be answered directly by email to the stockholder concerned. Additional questions or comments may be sent to investor-relations@chinabank.ph.

For any concerns, please contact Chinabank's Office of the Corporate Secretary at (+632) 8885-5135 or OCSSTOCKS@chinabank.ph, or Investor and Corporate Relations Group at (+632) 8885-5609 or investor-relations@chinabank.ph.

For complete information on Chinabank's 2024 ASM, please visit www.chinabank.ph/asm2024.

**MINUTES OF THE 2023 ANNUAL MEETING OF STOCKHOLDERS
OF CHINA BANKING CORPORATION**

*Held via Remote Communication at <https://www.chinabank.ph/asm2023>
20 April 2023 at 4:00 P.M.*

Directors Present:

- | | |
|---------------------------|--|
| Mr. Hans T. Sy | - Chairman of the Board, and Chairman of the Executive Committee |
| Mr. Gilbert U. Dee | - Vice Chairman of the Board, and Member of the Executive Committee |
| Mr. Romeo D. Uyan, Jr. | - Director, President, and Chief Executive Officer, and Member of the Executive and Trust Investment Committees |
| Mr. Peter S. Dee | - Director, Chairman of the Trust Investment Committee, and Member of the Executive Committee |
| Mr. Joaquin T. Dee | - Director, and Member of the Executive and Audit Committees |
| Mr. Herbert T. Sy | - Director, and Member of the Remuneration Committee |
| Mr. Harley T. Sy | - Director, and Member of the Compliance and Trust Investment Committees |
| Mr. Jose T. Sio | - Director, and Member of the Trust Investment Committee |
| Ms. Margarita L. San Juan | - Lead Independent Director, Chairperson of the Corporate Governance, Nominations and Compliance Committees, and Member of the Risk Oversight and Related Party Transaction Committees |
| Mr. Philip S.L. Tsai | - Independent Director, Chairman of the Risk Oversight Committee, and Member of the Audit, Related Party Transaction, Remuneration and Compliance Committees |
| Ms. Claire Ann T. Yap | - Independent Director, Chairperson of the Audit Committee, and Member of the Corporate Governance, Risk Oversight and Nominations Committees |
| Mr. Genaro V. Lapez | - Independent Director, Chairman of the Related Party Transaction and Remuneration Committees, and Member of the Corporate Governance and Nominations Committees |

Director Absent:

None

Also Present:

- | | |
|--|---|
| Mr. Ricardo R. Chua | - Advisor to the Board |
| Atty. Leilani B. Elarmo | - Corporate Secretary |
| Mr. Patrick D. Cheng | - Chief Finance Officer |
| Mr. Gerald O. Florentino | - Head of Investor and Corporate Relations Group |
| Mr. Christopher Ma. Carmelo Y. Salazar | - Treasurer |
| Atty. Aileen Paulette S. De Jesus | - Chief Compliance Officer |
| Ms. Janet A. Paraiso | - Sycip Gorres Velayo & Co. (SGV), External Auditor, and Team |
| Mr. Joel S. Cortez | - Stock Transfer Service, Inc., Transfer Agent |

Stockholders present through remote communication, by proxy, or *in absentia*:

2,111,753,833 shares (See Annex A for the list of stockholders and other attendees)

I. CALL TO ORDER

After the Philippine National Anthem was played, Investor and Corporate Relations Group (ICRG) Head Gerald O. Florentino introduced the current members of the Board of Directors and Advisor to the Board Ricardo R. Chua, as well as the members of the Bank's Management Team which included Chief Finance Officer Patrick D. Cheng, Consumer Banking Segment Head Aloysius C. Alday, Jr., Retail Banking Business Segment Head Jose L. Osmeña, Jr., Financial Markets Segment Head Magnolia Luisa N. Palanca, Chief Innovation and Transformation Officer and Innovation and Transformation Segment Head Delfin Jay M. Sabido IX, President of Bank subsidiary China Bank Capital Corporation (CBCC) Ryan Martin L. Tapia, and Institutional Banking Segment Head Lilian Yu. Thereafter, he gave the floor to the Chairman.

Mr. Hans T. Sy, Chairman of the Board, welcomed the stockholders and guests to the Bank's 2023 Annual Stockholders' Meeting, which was an online-only event as the Bank continues to prioritize the health and safety of the stockholders and participants, similar to last year's annual meeting. He called the meeting to order and presided over the same. Atty. Leilani B. Elarmo, Corporate Secretary, took the minutes of the proceedings.

The list of the stockholders present through remote communication, by proxy, or *in absentia*, with their respective number of shares, and other attendees is hereto attached as Annex "A".

II. PROOF OF NOTICE OF MEETING

Chairman Hans Sy inquired from the Corporate Secretary about the sending of the required Notice of Meeting to the stockholders.

Atty. Elarmo confirmed that the stockholders were duly notified about the meeting in accordance with the Bank's By-Laws, and Securities and Exchange Commission's (SEC) Memorandum Circular No. 6, series of 2020, Sections 23, 49, 50, 57 and other related provisions of the Revised Corporation Code, and SEC Notice dated 13 March 2023 on the alternative modes of distributing documents in relation with the holding of annual stockholders' meeting for 2023.

Moreover, the Notice was published in the business section of The Philippine Star and Philippine Daily Inquirer, in print and online formats, on 13 and 14 March 2023. Electronic copies of the Notice of Meeting with Explanation of Agenda Items, Information Statement (SEC Form 20-IS), Management Report, Annual Report (SEC Form 17-A) and other pertinent documents were also made available in the Bank's website www.chinabank.ph and Philippine Stock Exchange's (PSE) EDGE Portal.

The Corporate Secretary certified that the required Notice of Meeting via remote communication was sent in compliance with the Bank's By-Laws, the laws and rules and regulations of the *Bangko Sentral ng Pilipinas* (BSP), SEC and PSE.

III. CERTIFICATION OF QUORUM

The Chairman asked the Corporate Secretary about the presence of quorum.

The Corporate Secretary certified that based on record and the final count of attendees, as verified by SyCip Gorres Velayo & Co. (SGV), the independent party tasked to count and validate the votes at the meeting, out of 2,691,288,212 total subscribed and outstanding shares of the Bank, the holders of 2,111,753,833 shares representing 78.466% or more than two-thirds (2/3) of the outstanding capital stock of the Bank are present through remote communication, by proxy, or *in absentia*. She declared the existence of a quorum competent to transact business.

The Guidelines for Participation via Remote Communication and Voting *in Absentia* was included as Schedule "A" of the Bank's Information Statement.

IV. APPROVAL OF MINUTES OF 05 MAY 2022 ANNUAL MEETING OF STOCKHOLDERS

The Chairman proceeded to the next item in the Agenda, which is the approval of minutes of the annual stockholders' meeting held on 05 May 2022. The minutes was included in the Definitive Information Statement and can also be accessed through the Bank's website www.chinabank.ph.

Atty. Elarmo presented the following proposed resolution and the approval by the stockholders based on the votes cast:

"The reading of the minutes of the Annual Meeting of Stockholders held on 05 May 2022 was dispensed with, and all matters included in the minutes were considered complete and accurate, and were approved for all intents and purposes."

Opinion		Votes Cast		Percentage (based on shares present or represented at the meeting)
For	-	2,111,690,842	-	99.997%
Against	-	-	-	-
Abstain	-	62,991	-	0.003%

V. ANNUAL REPORT TO STOCKHOLDERS

Chairman Hans Sy introduced the Bank's President and Chief Executive Officer (CEO) Romeo D. Uyan, Jr. to deliver his report on the Bank's activities, business and financial performance, and other relevant data for the year 2022.

To start, Mr. Uyan thanked the Board for the opportunity given to serve as the Bank's President and CEO. Since joining the Bank in 2014, he had seen the Bank evolved and is convinced of its solid fundamentals. He is excited to lead the Bank's incredible team of over 10,000 employees to scale up the operations in the coming years.

He then proceeded with his report and noted that in 2022, a year marked by geopolitical tension and decades-high inflation, the global economy slowed down to 3.4%. Amid the headwinds, the Philippine economy grew by 7.6%, as pent-up demand from the easing of COVID restrictions more than offset the impact of inflation. Despite the challenges, the country was back to its pre-pandemic growth path.

The reopening of the economy was good for businesses, and for the Bank in particular, as it enabled it to achieve record financial results. On the back of the Bank's robust operating income and effective cost management, the Bank's net profits grew by 27% to P19.1B, more than double the net income since 2018 and the highest among private mid-sized banks. This translated to a return on equity of 15.1%, and to a return on assets of 1.6%.

Despite the large increase in interest expense, net interest income improved by 17% to P45.6B, buoyed by topline revenues. Net interest margin remained healthy at 4.2%. Non-interest income, on the other hand, rose by 5% to P10.1B. The Bank maintained efficiency despite a moderate increase in the operating expenses, with cost to-income ratio improving to 44%.

The President and CEO shared that the Bank became the 4th largest private domestic bank, with total assets up 20% to P1.3T, underpinned by double-digit growth in loans, investment securities and deposits. The loan portfolio increased to P718.0B. Corporate and business loans accounted for 80% of the total loans as the Bank continued to cater to the business requirements of clients. Despite increased lending, the Bank recorded better-than-industry NPL ratio of 2.3% and NPL coverage ratio 123%. On the funding side, the Bank breached the trillion-peso mark in deposits on sustained growth across its various liability products. CASA deposits increased to P573.0B for a CASA ratio of 54%.

The Bank's total capital reached P135.0B, resulting to a common equity tier (CET) 1 ratio of 15.1% and a total capital adequacy ratio of 15.9%. The Bank sustained the CET1 ratio well above regulatory thresholds while continuing to distribute to shareholders their fair share of profits. In 2022, the Bank paid a total of P4.0B in cash dividends. By way of recognition on the Bank's stable capitalization and profitability, Moody's affirmed the Bank's investment grade rating with a Stable outlook last year.

The President also noted the Bank's continued contribution in strengthening the Philippine capital markets via Bank subsidiary CBCC. He shared that CBCC has been named by the prestigious *Asset* magazine as the Best Domestic Bond Adviser for the 7th year in a row. It led equity and debt capital market transactions that raised P1.2T for the public and private companies in 2022. It also remained the top local debt house and the most active investment house in terms of equity IPOs with five issuances.

As the Bank pursued growth, it continued to work towards governance excellence, digitalization, and sustainability. The Bank is committed to maintain high governance standards and adopt best practices to ensure long-term success. The President then highlighted the Bank's outstanding performance in the 2021 ASEAN Corporate Governance Scorecard, as the ASEAN Capital Markets Forum (ACMF) once again named the Bank among the Top 20 Publicly Listed Companies in ASEAN and among the Top 3 in the Philippines. The Institute of Corporate Directors, ACMF's domestic ranking body, conferred its highest governance recognition, the Five-Golden Arrow Award, making China Bank the only bank with such honor.

As to the digitalization efforts, the Bank continued to strengthen its digital capabilities in 2022 to bring it closer to the homes of the customers. It launched its account opening mobile app China Bank START. It also continued to be active in the digital payments space to promote financial inclusion, and was among the first banks to be part of PesoNet, InstaPay, and QRPH. More self-service devices - ATMs, Cash Recyclers, Cash-Accept Machines, and POS terminals - were made available so customers can choose how and when to bank. The shift to electronic and digital channels continued, accounting for 70% of the Bank's total transactions.

For the sustainability initiatives, the Bank has redefined its sustainability strategy by focusing on resilience, value creation and environmental impact. A Sustainability Oversight Committee was established to ensure the implementation of the ESG initiatives across the Bank's various functions. To further elevate and improve the existing policies and frameworks, the Bank formally engaged Moody's Analytics to become its sustainability consultant.

Moving forward, global growth is expected to moderate this year. Meanwhile, the Philippines is seen to weather the economic slowdown as the expected resilience of domestic demand, the full reopening of the economy and the continued implementation of structural reforms will provide positive ripple effects. The country is yet to fully realize the impact of foreign liberalization laws such as the amendments to the Retail Trade Liberalization Act, Public Services Act, and Renewable Energy Act. The Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) will also reduce some of the costs of doing business in the country, thereby enticing more direct foreign investments in the coming years. Encouraging public-private partnerships to address the country's infrastructure backlog will also help spur development despite an expected tighter fiscal purse.

For the Bank, it will continue to leverage the extensive distribution network and exceptional human resources to pursue expansion opportunities and deliver sustainable outcomes. For the coming year, the Bank has identified three focus areas of growth. First, the Bank will continue to diversify the depositor base to deliver robust growth in the low cost funds. Second, the Bank will continue to grow its consumer portfolio product suites to better address the needs of clients. Finally, the Bank will continue to diversify fee income streams while sustaining momentum in the core business lines. President and CEO Uyan believes that the Bank is well positioned for significant growth for this year and beyond, with solid strategy, and more importantly, a highly driven and capable team to deliver on our plans and growth ambitions.

To end his report, the President and CEO expressed his gratitude to all the employees, customers, shareholders, and partners of the Bank, who all contributed to the Bank's accomplishments. On behalf of the Board of Directors of the Bank, he thanked everyone's continued trust and support.

After the presentation, Chairman Hans Sy thanked the President and CEO and asked the Corporate Secretary for the proposed resolution and voting results.

Atty. Elarmo presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The Annual Report, an electronic copy of which having been made available on the Bank's website and on the Philippine Stock Exchange's (PSE) EDGE Portal, and as presented by Bank President and Chief Executive Officer, Mr. Romeo D. Uyan, Jr., was approved."

Opinion		Votes Cast		Percentage (based on shares present or represented at the meeting)
For	-	2,111,690,842	-	99.997%
Against	-	-	-	-
Abstain	-	62,991	-	0.003%

VI. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

For this item in the agenda, Chairman Hans Sy stated that the President and CEO, in his annual report earlier, presented the financial position, performance and changes in the financial position of the Bank for the year 2022. He then asked the Corporate Secretary for the proposed resolution and voting results.

The Corporate Secretary presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The Audited Financial Statements for the year ended 31 December 2022, attached as Annex E of the Definitive Information Statement, posted on the Bank's website and PSE's EDGE Portal and covered in part by the presentation of the Bank President and Chief Executive Officer Romeo D. Uyan, Jr., was approved."

Opinion		Votes Cast		Percentage (based on shares present or represented at the meeting)
For	-	2,111,690,842	-	99.997%
Against	-	-	-	-
Abstain	-	62,991	-	0.003%

VII. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, OTHER COMMITTEES, AND MANAGEMENT

Continuing with the next item in the agenda on the ratification of all acts of the Board, Committees, and Management, including related party transactions, the Chairman asked for the proposed resolution and voting results.

Atty. Elarmo presented the following proposed resolution and its approval by the stockholders based on the votes cast:

“All the acts of the Board of Directors, which include the following related party transactions discussed in the Definitive Information Statement and Audited Financial Statements, and all the acts of the Executive Committee and of the various committees of the Bank and Management, during the fiscal year 2022 and immediately preceding this stockholders' meeting, were approved, confirmed and ratified for all intents and purposes:

Related Party	Total Amount ^{1/}	Total Outstanding Balance ^{2/}
CBC Group	₱ 64.5 B \$ 20.0 M	₱ 467.6 M
SM Group	₱ 183.2 B \$ 86.0 M	₱ 3.6 B
Other Related Parties	₱ 9.0 B \$ 6.4 M	₱ 429.7 M

1/ Covers all transactions

2/ For loan transactions approved in 2022 (with availments)

Opinion	Votes Cast		Percentage (based on shares present or represented at the meeting)
For	-	2,111,690,842	99.997%
Against	-	-	-
Abstain	-	62,991	0.003%

VIII. ELECTION OF THE BOARD OF DIRECTORS

For the next order of business, which is the election of the members of the Board of Directors for the ensuing year, the Chairman called on Lead Independent Director and Chairperson of the Nominations and Corporate Governance Committees, Ms. Margarita L. San Juan, to announce the nominees for election.

Ms. San Juan stated that based on the determination by the Nominations and Corporate Governance Committees, and as confirmed by the Board of Directors, the following nominees for directors and independent directors were found to be fit and proper for the position and to possess all the qualifications and none of the disqualifications of a director or independent director, and their capabilities are aligned with the Bank's strategic directions: (a) Nominees for director – Mr. Hans T. Sy, Mr. Gilbert U. Dee, Mr. Romeo D. Uyan, Jr., Mr. Peter S. Dee, Mr. Joaquin T. Dee, Mr. Herbert T. Sy, Mr. Harley T. Sy, and Mr. Jose T. Sio; and (b) Nominees for independent director – Ms. Margarita L. San Juan, Mr. Philip S.L. Tsai, Ms. Claire Ann T. Yap, and Mr. Genaro V. Lapez.

Chairman Hans Sy thanked Ms. San Juan. Before proceeding with the results of the election, he expressed his deepest gratitude to Mr. William C. Whang, former President of the Bank, for having been part of the Bank for 11 years, and a member of the Board and Bank President for more than 5 years. The Chairman recognized that during Mr. Whang's stay with the Bank, he provided consistent and strong leadership and stewardship towards the Bank's sustained strong growth even amid the pandemic. On behalf of the Bank and the Board, Chairman Hans Sy thanked Mr. Whang for all his years of dedication and unparalleled service to the Bank.

Thereafter, the Chairman asked Atty. Elarmo to present the results of the election. The Corporate Secretary presented the following proposed resolution and its approval by the stockholders based on the votes cast, as confirmed by SGV:

“Based on the tally of votes and as confirmed by SyCip Gorres Velayo & Co., the independent party tasked to count and validate the votes at today’s meeting, the 12 nominees enumerated by the Chairperson of the Nominations and Corporate Governance Committees, and listed with their profiles in the Definitive Information Statement, are declared duly elected directors.

Name of Director	Type of Director	Votes Cast		
Mr. Hans T. Sy	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Gilbert U. Dee	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Romeo D. Uyan, Jr.	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Peter S. Dee	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Joaquin T. Dee	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Herbert T. Sy	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Harley T. Sy	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Jose T. Sio	Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Ms. Margarita L. San Juan	Independent Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Philip S.L. Tsai	Independent Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Ms. Claire Ann T. Yap	Independent Director	For	-	2,111,690,842
		Against	-	-
		Abstain	-	62,991
Mr. Genaro V. Lapez	Independent Director	For	-	2,111,313,542
		Against	-	-
		Abstain	-	440,291

IX. APPOINTMENT OF EXTERNAL AUDITOR

Proceeding with the next item in the agenda, the Chairman called on Ms. Claire Ann T. Yap, Director and Chairperson of the Audit Committee, to make the recommendation.

Ms. Yap stated that the Audit Committee, composed of herself, Director Joaquin T. Dee and Independent Director Philip S.L. Tsai, has evaluated the performance during the past year of the Bank’s current external auditor, SGV, and found it to be satisfactory. The Committee, therefore, as well as the Board of Directors, agreed to endorse the re-appointment of SGV as the Bank’s external auditor for the ensuing year.

The Chairman asked the Corporate Secretary for the resolution and voting results. Atty. Elarmo then presented the following proposed resolution and its approval by the stockholders based on the votes cast:

“The incumbent external auditor, SyCip Gorres Velayo & Co, was re-appointed external auditor of the Bank for the ensuing year.”

Opinion		Votes Cast		Percentage (based on shares present or represented at the meeting)
For	-	2,111,690,842	-	99.997%
Against	-	-	-	-
Abstain	-	62,991	-	0.003%

X. AMENDMENT OF BY-LAWS

The Chairman next informed the stockholders that the Board of Directors approved on February 1, 2023 to amend Article VIII, Section 1 (b) of the Bank’s By-Laws.

On motion duly made and seconded, the following resolutions were approved by the stockholders owning or representing more than two-thirds (2/3) of the subscribed capital stock of the Bank –

‘WHEREAS, on February 1, 2023, the Board of Directors of the Corporation approved the following resolutions:

‘The Board discussed extensively with the Chief Operating Officer about the need to amend the Bank’s By-Laws, particularly Article VIII, Section 1 (b), in order to afford the Bank more flexibility going forward and, at the same time, the opportunity to share with its employees more definitively the financial growth the Bank has enjoyed in recent years.

‘After discussion, upon motion duly made and seconded, a majority of the members of the Board present, approved the following resolutions –

‘RESOLVED, that subject to the ratification or confirmation by at least a majority of the outstanding capital stock of the Bank at the scheduled regular annual meeting of the stockholders on April 20, 2023, or any adjournment thereof, and thereafter to the evaluation and approval of the Bangko Sentral ng Pilipinas and Securities and Exchange Commission, the following provision of the By-Laws of the Bank is hereby endorsed for approval:

Article and Section	From	To	Purpose
Article VIII (Distribution of Net Earnings) Section 1 (Net Earnings)	<p>Sec. 1. <u>Net Earnings</u> – The net earnings resulting from the operations of the Corporation, after deducting the expenses of administration and after writing off all known losses or charging the same against reserves for bad and doubtful accounts, but before making provisions for income tax, shall be disposed of as follows:</p> <p>a. x x x; and</p> <p>b. Ten Percentum (10%) to the Officers of the Corporation in such manner as the Board of Directors may determine on the basis of the recommendation of the Chief Executive Officer.</p> <p>x x x</p>	<p>Sec. 1. <u>Net Earnings</u> – The net earnings resulting from the operations of the Corporation, after deducting the expenses of administration and after writing off all known losses or charging the same against reserves for bad and doubtful accounts, but before making provisions for income tax, shall be disposed of as follows:</p> <p>a. x x x; and</p> <p>b. <u>Up to</u> Ten Percentum (10%) to the Officers of the Corporation in such manner as the Board of Directors may determine on the basis of the recommendation of the Chief Executive Officer.</p> <p>x x x</p>	To afford the Bank more flexibility going forward, and at the same time the opportunity to share with its employees more definitively the financial growth the Bank has enjoyed in recent years.

‘RESOLVED ALSO, that the Board and/or any of the Executive Officer/s be authorized, as it/he is hereby authorized, to make such approval/s or amendments to these resolutions as may be necessary to comply with any other requirement/s of the regulatory agency/ies concerned.’

‘RESOLVED, FINALLY, that the Corporate Secretary / Assistant Corporate Secretary be authorized, as she is hereby authorized, to give notice of the foregoing approvals to the regulatory offices concerned.’”

NOW, THEREFORE, BE IT RESOLVED, that the Stockholders of this Corporation approve, as they hereby approve *en toto*, the resolution of the Board of Directors during their regular meeting held on February 1, 2023 as above-quoted, approving the amendment to the By-Laws of the Bank.

BE IT RESOLVED FINALLY, that the Board of Directors is hereby fully empowered and authorized to do such other act/s as may be necessary or required by the regulatory agency/ies concerned to carry into effect amendments of the By-Laws.”

Atty. Elarmo then presented the voting results based on the votes cast.

Opinion		Votes Cast		Percentage (based on shares present or represented at the meeting)		Percentage (based on total outstanding shares)
For	-	2,111,690,842	-	99.997%	-	78.464%
Against	-	-	-	-	-	-
Abstain	-	62,991	-	0.003%	-	0.002%

XI. OTHER MATTERS

The Chairman announced that the Board of Directors, in their meeting held on 19 April 2023, approved the declaration of a regular cash dividend of P1.00 per share, and an additional special cash dividend of P0.90 per share. The total peso amount of the cash dividends is P5.113B, from P4.037B last year. Further, the Board approved to set and/or recommend 05 May 2023 as the record date and 18 May 2023 as the payment/issuance date of the cash dividends, with the closing of books from 08 to 18 May 2023. The Board also delegated to the President and CEO the authority to change the said dates as may be required to comply with the regulatory requirements.

Next, the Chairman gave the floor to ICRG Head Mr. Florentino for the questions and comments from the stockholders sent via e-mail. As provided in the Guidelines for participation in the meeting via remote communication, which was posted on the Bank's website, any questions or comments submitted and received but not addressed during the livestream shall be answered directly by e-mail to the stockholder concerned.

Mr. Florentino began by reading the question sent by stockholder, Mr. Allan Secreto. Mr. Secreto would like to hear from Mr. Romeo D. Uyan, Jr., the new President and CEO of the Bank, his goal for the Bank over the next 5 years. President and CEO Uyan in response said that he wants the Bank to maintain its leadership position in the businesses where it holds a dominant presence while enhancing the quality of product and service offerings in areas where it can further improve. To achieve this, he will continue to nurture the close relationships the Bank has with its customers and aim to become their primary bankers. He will create teams and support units to help the Bank reengineer and improve its operational processes, as well as, make the necessary investments in manpower and technology to enable the Bank to attain its goals. The Bank also plans to make extensive investments to enhance its digital capabilities, to improve its ability to acquire new clients, and to develop new products expertise. Further, the Bank will continue to tap the vast ecosystem of existing customers and of the SM Group to further expand the Bank's client base.

For the next question from stockholder, Mr. Raymond Morgado, Mr. Florentino asked the Bank's response to the changing landscape specifically on digital non-banks, mobile wallets, and digital banks. President and CEO Uyan shared that the Bank's digital transformation journey is focused on better serving the evolving needs of clients brought about by the emergence of new technologies. He noted that customers are now empowered and demand "consistency" and "immediacy", as well as personalized services across multiple channels. Thus, the Bank is enhancing its existing customer touch points and deploying new platforms to enable its front-liners to engage clients across the different stages of the customer life cycle. The Bank aims to leverage data analytic tools to provide meaningful solutions to customers to enable it to make better decisions to support the customers' needs. Finally, the Bank will continue to prioritize digital projects that would address existing customer pain points and help expand their transactional capabilities.

As a follow-up question from Mr. Morgado, Mr. Florentino inquired how the Bank factors in the growing concern on cybersecurity and fraud into its digital strategy. President and CEO Uyan answered that cybersecurity and fraud control are among the top concerns of the Board. All digital initiatives, particularly those that impact customer touchpoints, including support processes, are subjected to vulnerability and risk impact assessments. Thus, the Bank is constantly strengthening its fraud management systems, to allow it to detect, prevent and react to cybersecurity threats immediately.

Mr. Florentino then read the last question from stockholder, Mr. Jose Luis Alcuaz, Jr. Mr. Alcuaz inquired if the Bank has any direct and/or indirect exposures to Silicon Valley Bank (SVB), First Republic Bank, Signature Bank, and Credit Suisse, either from the funding or asset side. The President and CEO answered in the negative, and stated that the Bank has no exposure to Credit Suisse, SVB, First Republic, Signature Bank or any other US regional banks. The issues with these banks will have no impact in the Bank's operations and services. As part of the Bank's stringent credit and investment review processes, periodic analysis and reviews of its exposures are conducted to identify and mitigate any unwanted credit or counterparty risks.

Thereafter, Mr. Florentino announced the conclusion of the question-and-answer session, and undertook to reply directly by e-mail to all other questions directly to the stockholders. He also announced that any other questions or concerns may be sent to the ICRG at investor-relations@chinabank.ph.

XII. ADJOURNMENT

There being no other business to transact and other matters to be taken up, Chairman Hans Sy, on behalf of the Board of Directors and Management of the Bank, expressed gratitude to all those who participated in the meeting. He thanked everyone for their continued support.

Thereafter, the meeting was adjourned at 4:32 P.M.

Prepared by:

Attested by:

(original signed)
LEILANI B. ELARMO
Corporate Secretary
and Secretary of the Meeting

(original signed)
HANS T. SY
Chairman of the Board and
Chairman of the Meeting