



04 May 2022

PHILIPPINE STOCK EXCHANGE, INC.

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

ATTENTION: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, 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: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head – Issuer Compliance and Disclosure Department

We are pleased to furnish your good office with a copy of our SEC 17A Annual Report (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



COVER SHEET

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

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. MARYNETTE M. GRAVADOR

Contact Person

888-55-145

Company Telephone Number

0 5

Month

0 4

Day

1 7 - A *

FORM TYPE

0 5

Month

0 6

Day

Annual Meeting

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number / Section

1,871

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

*with BIR-stamped AFS

Remarks: Please use BLACK ink for scanning purpose

April 21, 2022

SECURITIES AND EXCHANGE COMMISSION
SEC Bldg., EDSA Greenhills
Mandaluyong City

Dear Sir/Madam:

In compliance with your requirements, we are submitting herewith the Bank's Annual Report pursuant to Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, together with the Audited Financial Statements for the years ended 2021 and 2020 stamped received by the Bureau of Internal Revenue and Statement of Management's Responsibility for Financial Statements.

With respect to the financial statements, please note that 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, 2021. Except as otherwise indicated, these changes in the accounting policies did not have any significant impact on the financial position or performance of the Bank:

▪ **Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform – Phase 2***

The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):

- Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
- Relief from discontinuing hedging relationships
- Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Bank shall also disclose information about:

- The about the nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
- Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

The Bank has certain cash flow hedges whose interest rate benchmark is linked to United States (US) London Interbank Offered Rate (LIBOR). This Phase 2 of the IBOR reform provides temporary reliefs that allow the Bank's hedging relationships to continue upon the replacement of an existing interest rate benchmark with an RFR. The reliefs require the Bank to amend hedge designations and hedge documentation. This includes redefining the hedged risk to reference an RFR, redefining the description of the hedging instrument and/or the hedged item to reference the RFR and amending the method for assessing hedge effectiveness. Updates to the hedging documentation must be made by the end of the reporting period in which a replacement takes place.



▪ **Amendment to PFRS 16, COVID-19-related Rent Concessions beyond 30 June 2021**

The amendment provides relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

- The rent concession is a direct consequence of COVID-19;
- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2022; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendment is effective for annual reporting periods beginning on or after April 1, 2021. Early adoption is permitted.

The Bank adopted the amendment beginning April 1, 2021.

Thank you very much.

Very truly yours,


WILLIAM C. WHANG
President 

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 177 OF
THE REVISED CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2021**
2. SEC Identification Number **443** 3. BIR Tax Identification No. **000-444-210-000**
4. Exact name of issuer as specified in its charter **China Banking Corporation**
5. **Philippines** 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
- China Bank Building, 8745 Paseo de Roxas**
7. **cor. Villar St., Makati City** **1226**
Address of principal office Postal Code
8. **(632) 888-55-555**
Issuer's telephone number, including area code

9. Securities registered pursuant to Section 8 and 12 of the SRC or Section 4 and 8 of the RSA:

<i>Title of Each Class</i>	<i>Number of Shares Outstanding</i>
Common	2,691,288,212

10. Are any or all of these securities listed on a Stock Exchange.

Yes [☒] No [☐]

The above common shares are listed in the Philippine Stock Exchange.

11. Check whether the issuer:

- (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 177 of The Revised Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports):

Yes [☒] No [☐]

- (b) has been subject to such filing requirements for the past ninety (90) days:

Yes [☒] No [☐]

12. Aggregate market value of the voting stock held by non-affiliates: P39.95 Billion (as of December 31, 2021)
13. Portions of the Bank's 2021 Annual Report to Stockholders are incorporated by reference in Parts I & II of this report.

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SIGNATURES

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PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

(a) Form and Year of Organization

China Banking Corporation (China Bank) is one of the leading private 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 101-year history, a factor that has enabled it to become deeply entrenched within the socioeconomic fabric of the Chinese-Filipino community.

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

In 2017, China Bank 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, China Bank 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 China Bank shares for every year of service. In the same year, China Bank 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, China Bank unveiled the historical and heritage site markers at the re-constructed Binondo Office. The Bank continued to give back to its shareholders as it declared P2.69 billion total cash dividends, or P1.00 per share in 2021. The Bank declared around P12 billion cash dividends in the last 5 years. The Bank also received regulatory approval for the employee stock grant plan which will distribute 5.4 million shares to around 8,300 qualified employees.

Credit rating agency, *Moody's Investor Services*, affirmed the Bank's investment rating with a stable outlook which was driven by its strong capitalization and profitability, despite the risks to asset quality from the economic shock caused by the pandemic. Similarly, *PhilRatings*, affirmed China Bank's PRS Aaa (corp.) rating with a stable outlook, the highest in the local rating agency's scale, due to the Bank's strong capacity to meet its financial commitments relative to that of other Philippine corporates.

In the same year, China 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. China Bank 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.

China Bank'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.

China Bank offers a comprehensive suite of products and services through its 637 branches complemented by convenient and secure electronic banking channels which are available 24/7— 1,037 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	Principal Activities
	2021	2020		
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)	98.29%	98.29%	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%	----	Philippines	FIST Corporation

**Established in 2021, 100% owned through CBCC*

China Bank has no ultimate parent company. SM Investments Corporation, its significant investor, has effective ownership in the Parent Company of 22.51% and 22.55% as of December 31, 2021 and 2020, respectively.

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

(b) Bankruptcy, receivership or similar proceedings

The Bank is not subject to any bankruptcy, receivership or similar proceedings.

(c) Material Reclassification Merger, Consolidation or Purchase or Sale of Assets

There were no Material Reclassification Merger, Consolidation or Purchase or Sale of Assets other than those reclassification of financial assets arising from the adoption of PFRS 9. Please refer to Audited Financial Statements.

(d) Business of Issuer – Description of the Business and its Significant Subsidiaries

China Bank'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 which accounts for 79% of operating income and (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) which accounts for 21% of operating 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 Prime Mastercard; China Bank Freedom Mastercard; China Bank Cash Rewards Mastercard; China Bank Platinum Mastercard; China Bank World Mastercard; China Bank Wealth Mastercard, China Bank Virtual Card -- card for internet use only; supplemental feature of a regular credit card.

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 Notes, Structured Loan, Project Finance, Long-term Negotiable Certificate of Deposit (LTNCD), Enrolled Notes (Short Dated Notes/QB Notes, Initial Public Offering, Follow On Offering, Preferred Shares, Convertible Shares, Exchangeable Shares, Mergers & Acquisition Advisory, Corporate Structuring, Valuation, Securitization

OVERSEAS KABABAYAN SERVICES

China Bank Remittance; Overseas Kababayan Savings (OKS) Account (PHP and USD); Pay to Cash - Real-Time Cash Pick-Up Anywhere service and Same Day Cash Delivery (within NCR only)

TRUST SERVICES

Unit Investment Trust Fund (UITF) - China Bank Money Market Fund, China Bank Cash Fund, China Bank Short-Term Fund, China Bank Intermediate Fixed Income Fund, China Bank Fixed-Income Fund, China Bank Balanced Fund, China Bank Equity Fund, China Bank High Dividend Equity Fund, China Bank Dollar Fund, China Bank Dollar Money Market Fund; Wealth Management - Investment Management Arrangement, Personal Management 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

INSURANCE PRODUCTS

Bancassurance: Platinum Invest Elite; Enrich Max; MCBL Affluence Income; MCBL Affluence Max Elite; MCBL Enrich; MCBL Invest; Base Protect Plus; Assure Max, Legacy Secure, HealthFlex; 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

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 (EARI); 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

PAYMENT & SETTLEMENT SERVICES

Electronic Banking Channels: China Bank Automated Teller Machine (ATM); China Bank Cash Accept Machine (CAM); 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

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 Sick Leave, 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

(a) Distribution Methods of Products and Services:

China Bank's products and services are made available across multiple distribution and delivery channels: 637 branch network (of which 477 are China Bank branches, 160 are China Bank Savings branches; 1,037 ATM network (643 in-branch and 394 off-site ATMs nationwide; founding member of the BancNet consortium, access to more than 21,000 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 - 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. ANTIPOLO CITY BRANCH - G/F Budget Lane Arcade, No. 6, Provincial Road, Brgy. San Jose, Antipolo City, Rizal*
9. ANTIPOLO - SUMULONG HIGHWAY BRANCH - No. 219 Sumulong Highway, Brgy. Mambungan, Antipolo City, Rizal*
10. ANTIPOLO 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 - Don Felipe Bldg., 675 Tomas Mapua St., Brgy. 301 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., 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 - WORLD PLAZA BRANCH - Unit 5 G/F World Plaza Bldg., L4B5 E-Square Information Technology Park, Crescent Park West, 5th Avenue, Bonifacio Global City, Taguig City*
34. BGC - W TOWER - G/F W Tower, 39th St., North Bonifacio Triangle, Fort Bonifacio Global City, Taguig City, 1634*
35. BINANGONAN BRANCH - National Road, Bo. Tagpos, Binangonan, Rizal*
36. BLUMENTRITT BRANCH - 1777-1781 Cavite St. cor. Leonor Rivera St., Blumentritt, Sta. Cruz, Manila*
37. BO. KAPITOLYO BRANCH - G/F P&E Bldg., 12 United cor. First Sts., Bo. Kapitolyo, Pasig City*
38. BONNY SERRANO BRANCH - G/F Greenhills Garden Square, 297 Col. Bonny Serrano Ave., Bagong Lipunan ng Crame, Quezon City*
39. CAINTA BRANCH - CBC Bldg., F.P. Felix Ave., Brgy. San Isidro, Cainta, Rizal*
40. CAINTA - POBLACION BRANCH - A. Bonifacio Ave., Poblacion, Brgy. Sto. Domingo, Cainta, Rizal*
41. CAPITOL HILLS BRANCH - G/F Design Pro Bldg., Capitol Hills, Old Balara, Quezon City*
42. CENTURY CITY - KNIGHTS BRIDGE BRANCH - Unit 17 & 18 Knightsbridge Residences, Century City, Kalayaan Ave., Makati City*
43. CIRCUIT MAKATI BRANCH - Level 3, Ayala Mall, Circuit Makati, Hippodromo St., Brgy. Carmona, Makati City*
44. COMMONWEALTH AVE. BRANCH - LGF Ever Gotesco Mall, Commonwealth Ave. cor. Don Antonio Road, Quezon City*
45. COMMONWEALTH AVE. EXTENSION - CASA MILAN BRANCH - ALX Center Building, Commonwealth Ave. Ext., Brgy. North Fairview, Quezon City*
46. CONGRESSIONAL AVENUE BRANCH - G/F Unit C, The Arete Square, Congressional Ave., Project 8, Quezon City*
47. CONGRESSIONAL AVE. EXTENSION - MIRA NILA BRANCH - CBC Building, #71 Lot 28 Blk 2 Mira Nila Homes, Congressional Ave. Ext., Quezon City*
48. CONGRESSIONAL AVE. - PROJECT 8 BRANCH - 159 Congressional Ave., Brgy. Bahay Toro, Project 8, Quezon City*
49. CORINTHIAN HILLS BRANCH - G/F The Clubhouse, Corinthian Hills, Temple Drive, Brgy. Ugong Norte, Quezon City*
50. CUBAO - ARANETA BRANCH - Level 2, Ali Mall, Araneta Center, Cubao, Quezon City*
51. CUBAO - AURORA BRANCH - 911 Aurora Boulevard Extension cor. Miami St., Cubao, Quezon City
52. CUBAO - P. TUAZON BRANCH - No. 287 P. Tuazon Ave. near corner 18th Avenue, Brgy. San Roque, Cubao, Quezon City*
53. CULIAT- TANDANG SORA BRANCH - G/F Royal Midway Plaza, No. 419, Tandang Sora Ave. Brgy. Culiat, Quezon City*
54. D. TUAZON BRANCH - 148 D. Tuazon St., Brgy. Lourdes, Sta. Mesa Heights, Quezon City*

55. DAMAR VILLAGE BRANCH - The Clubhouse, Damar Loop, Damar Village, Quezon City*
56. DASMARIÑAS VILLAGE BRANCH - G/F Manila Memorial Park Building, 2283 Pasong Tamo Ext. cor. Lumbang St., Makati City*
57. DEL MONTE AVENUE BRANCH - G/F FRS Bldg., No. 497 Del Monte Ave., Brgy. Manresa, Quezon City*
58. DEL MONTE - MATUTUM BRANCH - No. 202 Del Monte Ave. near cor. Matutum St., Brgy. St. Peter, Quezon City*
59. DILIMAN - MATALINO BRANCH - J&L Building, #23 Matalino Street, Brgy. Central, Diliman, Quezon City*
60. DIVISORIA - STA. ELENA BRANCH - Unit G22 New Divisoria Condominium Center., 632 Sta. Elena St., Binondo, Manila
61. DON ANTONIO BRANCH - G/F Royale Place, Don Antonio Ave., Old Balara, Quezon City*
62. EASTWOOD CITY BRANCH - Unit D, Techno Plaza One, Eastwood City Cyberpark, E. Rodriguez Jr. Ave., Bagumbayan, Quezon City*
63. EASTWOOD CITY FELINA CORPORATE PLAZA BRANCH - G/F Felina Corporate Plaza, #5 Eastwood Ave., Eastwood City, Quezon City*
64. EDSA - KALOOKAN BRANCH - G/F HGL Building, 554 EDSA, Kalookan City*
65. EDSA - PHILAM BRANCH - 917 EDSA, Brgy. Philam, Quezon City*
66. EDSA - TIMOG AVE. BRANCH - G/F Richwell Corporate Center, 102 Timog Ave., Brgy. Sacred Heart, Quezon City*
67. ELCANO BRANCH - G/F Elcano Tower, Elcano St., Binondo, Manila
68. E. RODRIGUEZ - ACROPOLIS BRANCH - G/F Suncrest Building, 82 E. Rodriguez Jr. Ave., Bagumbayan, Quezon City*
69. E. RODRIGUEZ - CORDILLERA BRANCH - 291 E. Rodriguez Sr. Blvd., Brgy. Doña Josefa, Quezon City*
70. E. RODRIGUEZ - HILLCREST BRANCH - No. 402 RCR Bldg., E. Rodriguez Sr. Blvd., Brgy. Immaculate Concepcion, Cubao, Quezon City*
71. E. RODRIGUEZ SR. BLVD. BRANCH - CBC Bldg., #286 E. Rodriguez Sr. Blvd., Brgy. Damayang Lagi, Quezon City*
72. ERMITA BRANCH - G/F Ma. Natividad Bldg., #470 T. M. Kalaw cor. Cortada Sts., Brgy. 666, Ermita, Manila*
73. ESCOLTA BRANCH - Burke Building, Escolta corner Burke Streets, Binondo, Manila*
74. ESPAÑA BRANCH - 878 España cor. Valencia Sts., Sampaloc, Manila*
75. EVANGELISTA BRANCH - 1748 AMV Building, Evangelista cor. Gen Estrella Sts., Bangkal, Makati City*
76. EXAMINER BRANCH - No. 1525 Quezon Ave. cor. Examiner St., West Triangle, Quezon City*
77. FAIRVIEW BRANCH - G/F Angelenix House, Commonwealth Ave. cor. Camaro Sts., Fairview Park Subdivision, Fairview, Quezon City*
78. FAIRVIEW TERRACES BRANCH - LGF Fairview Terraces, Quirino Hiway cor. Maligaya Drive, Brgy. Pasong Putik, Novaliches, Quezon City*
79. FILINVEST CORPORATE CITY BRANCH - G/F Wilcon Depot, Alabang- Zapote Rd cor. Bridgeway Ave., Filinvest Corporate City, Alabang, Muntinlupa City*
80. FILINVEST CORP. CITY - COMMERCENTER BRANCH - G/F Commercenter Bldg., Commerce Ave. cor. Filinvest Ave., Filinvest Corp City, Alabang, Muntinlupa City
81. FILINVEST CORP. CITY - NORTHGATE BRANCH - G/F Aeon Centre Building, Northgate Cyberzone, Filinvest Corporate City, Alabang, Muntinlupa City*
82. FIVE E - COM CENTER BRANCH - G/F Five E-com Center, Harbor Drive, MOA Complex, Pasay City*
83. FORT BONIFACIO GLOBAL CITY BRANCH - G/F Marajo Tower, 26th St. cor. 4th Avenue, Fort Bonifacio Global City, Taguig City*
84. GEN. LUIS - KATIPUNAN - CBC Building, Gen. Luis St. corner Katipunan SB Road, Brgy. Nagkaisang Nayon, Novaliches, Quezon City*
85. GIL PUYAT AVENUE BRANCH - Mitsu Bldg., No. 65 Sen. Gil Puyat Ave., Brgy. Palanan, Makati City*
86. GIL PUYAT - ELIZABETH PLACE BRANCH - G/F Elizabeth Place Condominium, 322 H.V. Dela Costa St., Brgy. Bel-Air, Makati City*
87. GIL PUYAT - REPOSO BRANCH - G/F 331 Bldg., Sen. Gil Puyat Ave., Brgy. Bel-Air, Makati City*
88. GREENBELT 1 BRANCH - G/F Greenbelt 1, Legaspi St. near cor. Paseo de Roxas, San Lorenzo, Makati City*
89. GREENHILLS BRANCH - G/F Gift Gate Bldg., Greenhills Shopping Center, San Juan City, Metro Manila**
90. GREENHILLS - ANNAPOLIS BRANCH - Mercedes 1 Condominium, Annapolis St., Greenhills, San Juan City*
91. GREENHILLS - CONNECTICUT BRANCH - 101 Missouri Square Bldg., Missouri cor. Connecticut St., Northeast Greenhills, San Juan City*
92. GREENHILLS - ORTIGAS BRANCH - CBC Bldg., 14 Ortigas Ave. Greenhills, San Juan City, Metro Manila*
93. HEROES HILLS BRANCH - Quezon Ave. cor. J. Abad Santos St., Heroes Hills, Brgy. Sta. Cruz, Quezon City*
94. HOLY SPIRIT DRIVE BRANCH - CBC Building Lot 18 Block 6 Holy Spirit Drive, Don Antonio Heights, Brgy. Holy Spirit, Quezon City*
95. ILAYA BRANCH - #947 APL-YSL Bldg., Ilaya, Tondo, Manila
96. INTRAMUROS BRANCH - Sitio Grande, No. 409 A. Soriano Ave., Intramuros, Manila*
97. J. ABAD SANTOS AVENUE BRANCH - 2159 J. Abad Santos Ave. cor. Batangas St., Tondo, Manila*
98. J. ABAD SANTOS AVE. - QUIRICADA BRANCH - #1714 J. Abad Santos Ave. near corner Quiricada Street, Brgy. 252, Tondo, Manila*
99. JUAN LUNA BRANCH - G/F Aclem Bldg., 501 Juan Luna St., Binondo, Manila*
100. KALAYAAN AVE. BRANCH - G/F PPS Bldg., Kalayaan Ave., Quezon City*
101. KALOOKAN - 8TH AVE. BRANCH - No. 279 Rizal Ave. cor. 8th Ave., Grace Park, Kalookan City*
102. KALOOKAN - 10TH AVE. BRANCH - No. 275 10th Ave. corner 3rd Street, Grace Park, Kalookan City*
103. KALOOKAN BRANCH - CBC Bldg., 167 Rizal Ave. Extension, Grace Park, Kalookan City*
104. KALOOKAN - CAMARIN BRANCH - L8B4 La Forteza Subd., Brgy. 175, Camarin, Kalookan City*
105. KALOOKAN - MONUMENTO BRANCH - CBC Bldg., 779 McArthur Highway, District 2, Brgy. 78, Kalookan City*
106. KAMIAS BRANCH - G/F CRM Bldg., 116 Kamias Road cor. Kasing-Kasing St., Quezon City*
107. KAMUNING BRANCH - SKY47 Bldg., #47 Kamuning Road, Quezon City*
108. KANLAON BRANCH - Kanlaon near corner N. Roxas Streets, Quezon City*
109. KARUHATAN BRANCH - No. 253-B McArthur Highway cor. Bizotte St., Karuhatan, Valenzuela City*
110. KATIPUNAN AVE. - LOYOLA HEIGHTS BRANCH - GF Elizabeth Hall Bldg., Katipunan Ave., Loyola Heights, Quezon City*

111. KATIPUNAN AVE.- ST. IGNATIUS BRANCH - CBC Bldg., No. 121 Katipunan Ave., Brgy. St. Ignatius, Quezon City*
112. LAGRO BRANCH - CBC Building, Lot 32 Blk 125, Quirino Highway, Greater Lagro, Quezon City*
113. LAS PIÑAS BRANCH - CBC Bldg., Alabang-Zapote Road cor. Aries St., Pamplona Park Subd., Las Piñas City*
114. LAS PIÑAS - MANUELA BRANCH - CBC Bldg., Alabang-Zapote Road cor. Philamlife Ave., Pamplona Dos, Las Piñas City*
115. LAS PIÑAS - MARCOS ALVAREZ BRANCH - Metro Towne Center, 2020 Marcos Alvarez Ave., Talon 5, Moonwalk, Las Piñas City*
116. LAS PIÑAS - NAGA ROAD BRANCH - Lot 3, Naga Road, Pulanglupa 2, Las Piñas City*
117. LAVEZARES BRANCH - 412 Lavezares Street, San Nicolas, Manila*
118. LEGASPI VILLAGE - AIM BRANCH - G/F Cacho-Gonzales Bldg, 101 Aguirre cor. Trasierra Sts., Legaspi Vill., San Lorenzo, Makati City*
119. LEGASPI VILLAGE - AMORSOLO BRANCH - G/F CAP Bldg., Herrera cor. Amorsolo Sts., Legaspi Village, San Lorenzo, Makati City*
120. LEGASPI VILLAGE - C. PALANCA BRANCH - G/F JCS Building, 119 Dela Rosa corner C. Palanca St., Legaspi Village, Makati City*
121. LEGASPI VILLAGE - ESTEBAN BRANCH - G/F PPI Bldg., No. 109 Esteban St., Legaspi Village, Makati City*
122. LEGASPI VILLAGE - PEREA BRANCH - G/F Greenbelt Mansion, 106 Perea St., Legaspi Village, Brgy. San Lorenzo, Makati City*
123. LEGASPI VILLAGE - SALCEDO BRANCH - G/F Fedman Suites, 199 Salcedo St., Legaspi Village, Brgy. San Lorenzo, Makati City*
124. M. DELA FUENTE - TRABAJO MARKET BRANCH - #771 M. Dela Fuente St., Sampaloc, Manila*
125. MACAPAGAL AVE. - ASEANA SQUARE BRANCH - Aseana Square (Caltex Area), D. Macapagal Ave., Aseana City, Brgy. Tambo, Parañaque City*
126. MACAPAGAL AVE. - BIOPOLIS BRANCH - G/F The Biopolis, Central Business Park, 1-A Diosdado Macapagal Avenue, Pasay City*
127. MACAPAGAL AVE. - DOUBLE DRAGON BRANCH - G/F Phase 1, DD Meridian Park Plaza, Macapagal Ave. cor. EDSA Ext., Pasay City*
128. MAGALLANES VILLAGE BRANCH - G/F DHI Bldg., No. 2 Lapu-Lapu Ave. cor. EDSA, Magallanes Village, Magallanes, Makati City*
129. MAKATI AVENUE BRANCH - G/F CBC Bldg., Makati Ave. cor. Hercules St., Bel-Air Village, Brgy. Bel-Air, Makati City*
130. MAKATI - COMEMBO BRANCH - F & V Bldg., No. 46 JP Rizal Ext., Brgy. Comembo, Makati City*
131. MAKATI - JP RIZAL BRANCH - GF Casa Catalina Bldg., JP Rizal corner Honradez Streets, Brgy. Olympia, Makati City*
132. MAKATI - KALAYAAN AVE. BRANCH - GF Zentro Bldg., 8445 Mercedes St. cor. Buntal St., Brgy. Poblacion, Makati City*
133. MAKATI - YAKAL BRANCH - G/F Yakal Place #173 Yakal St. near corner Ayala Ave. Ext., Makati City*
134. MALABON - CONCEPCION BRANCH - Gen. Luna cor. Paez Sts., Concepcion, Malabon City*
135. MALABON - GOV. PASCUAL BRANCH - CBC Bldg., Gov. Pascual Ave., Brgy. Acacia, Malabon City*
136. MALABON - POTRERO BRANCH - CBC Bldg., McArthur Highway, Potrero, Malabon*
137. MALANDAY BRANCH - CBC Bldg. McArthur Highway, Mandalay, Valenzuela City*
138. MANDALUYONG - BONI AVE. BRANCH - G/F VOS Bldg. Boni Ave. cor. San Rafael St., Plain View, Mandaluyong City*
139. MANDALUYONG BONI - SAN ROQUE BRANCH - #768 Bonifacio Ave. cor. San Roque St., Brgy. Barangka Ilaya, Mandaluyong City*
140. MANDALUYONG - D. GUEVARA BRANCH - Libertad Plaza, #19 Domingo Guevara St., Highway Hills, Mandaluyong City*
141. MANDALUYONG - PIONEER BRANCH - UG-05 Globe Telecom Plaza Tower I, Pioneer St., Brgy. Ilaya, Mandaluyong City*
142. MANDALUYONG - THE PODIUM - 3/F The Podium, ADB Avenue, Ortigas Center, Mandaluyong City*
143. MANILA - MACEDA BRANCH - M. Dagupan Bldg., A. Maceda St., Sampaloc, Manila*
144. MARIKINA - FAIRLANE BRANCH - G/F E & L Patricio Bldg., No. 809 J.P. Rizal Ave., Concepcion Uno, Marikina City*
145. MARIKINA - GIL FERNANDO BRANCH - Block 9 Lot 14 Gil Fernando Ave., Marikina City*
146. MARIKINA - SSS VILLAGE BRANCH - Lilac corner Rainbow Sts., Rancho Estate IV, Concepcion Dos, Marikina City*
147. MARIKINA - STA. ELENA BRANCH - 250 J.P. Rizal St., Sta. Elena, Marikina City*
148. MASANGKAY BRANCH - 959-961 G. Masangkay St., Binondo, Manila*
149. MASANGKAY - MAYHALIGUE BRANCH - No. 1417-1419 G. Masangkay St., Sta. Cruz, Manila*
150. MAYON BRANCH - 480 Mayon St., Sta. Mesa Heights, Quezon City*
151. MAYON - ROTONDA BRANCH - G/F One Mayon Place, #68 Mayon Street, Brgy. Sta. Teresita, Quezon City*
152. MEDICAL CENTER PARAÑAQUE - GF Medical Center Paranaque, Dr. Arcadio Santos Ave., San Antonio, Paranaque City*
153. MINDANAO AVE. BRANCH - 30 Mindanao Avenue, Brgy. Tandang Sora, Quezon City*
154. MUNTINLUPA - PUTATAN BRANCH - G/F Teknikos Bldg., National Highway, Brgy. Putatan, Muntinlupa City*
155. N. DOMINGO BRANCH - G/F The Main Place Bldg., No.1 Pinaglabanan cor. N. Domingo Sts., San Juan City*
156. NAVOTAS BRANCH - No. 500 M. Naval St. near cor. Lacson St. Brgy. North Bay Blvd. North (NBBN), Navotas City*
157. NOVALICHES - BAGBAG BRANCH - No. 658 Quirino Highway, Bagbag, Novaliches, Quezon City*
158. NOVALICHES - GULOD BRANCH - 858 Krystle Building, Quirino Highway, Gulod, Novaliches, Quezon City*
159. NOVALICHES - SANGANDAAN BRANCH - CBC Bldg., Quirino Highway cor. Tandang Sora Ave., Brgy. Sangandaan, Novaliches, Quezon City*
160. NOVALICHES - STA. MONICA BRANCH - G/F E & V Bldg., Quirino Highway corner Dumalay St., Novaliches, Quezon City*
161. NOVALICHES - TALIPAPA BRANCH - 528 Copengco Bldg., Quirino Highway, Talipapa, Novaliches, Quezon City*
162. NOVALICHES - ZABARTE - G/F C.I. Bldg 1151 Quirino Highway cor. Zabarte Road, Brgy. Kaligayahan, Novaliches, Quezon City*
163. NUEVA BRANCH - Unit Nos. 557 & 559 G/F Ayson Bldg., Yuchengco St., Binondo, Manila*
164. ONGPIN BRANCH - G/F Se Jo Tong Bldg., 814 & 816 Ongpin St., Brgy. 297, Sta. Cruz, Manila*
165. OROQUIETA BRANCH - No. 1225 Oroquieta St., Sta. Cruz, Manila*
166. ORTIGAS - ADB AVE. BRANCH - LGF Cityland Mega Plaza Bldg., ADB Ave. cor. Garnet Road, Ortigas Center, Brgy. San Antonio, Pasig City*
167. ORTIGAS AVE. EXT. - RIVERSIDE BRANCH - Unit 2-3 Riverside Arcade, Ortigas Ave Ext. cor. Riverside Drive, Brgy. Sta. Lucia, Pasig City*
168. ORTIGAS CENTER BRANCH - Unit 105 Parc Chateau Condominium, Garnet, Ortigas Center, Pasig City*

169. ORTIGAS COMPLEX BRANCH - G/F Padilla Bldg., F. Ortigas Jr. Road, Ortigas Center, Brgy. San Antonio, Pasig City*
170. ORTIGAS - JADE DRIVE BRANCH - Unit G-03, Antel - Global Corporate Center, Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City*
171. ORTIGAS - TEKTITE BRANCH - Unit EC-06B PSE Center (Tektite), Exchange Road, Ortigas Center, Pasig City*
172. PACO BRANCH - 1049 Gen. Luna cor. Escoda St., Paco, Manila*
173. PACO - ANGEL LINA O BRANCH - Unit 1636 & 1638 Angel Linao St. Paco, Manila*
174. PACO - OTIS BRANCH - G/F Union Motor Corporation Bldg., 1760 Dra. Paz Guanzon St., Paco, Manila*
175. PADRE FAURA BRANCH - G/F Regal Shopping Center, A. Mabini cor. Padre Faura Sts., Ermita, Manila*
176. PADRE RADA BRANCH - G/F Gosiupo Bldg., Padre Rada corner Elcano Sts., Tondo, Manila
177. PARAÑAQUE - BACLARAN BRANCH - TCCT Bldg., 123 Quirino Avenue cor. Aragon St., Bacalaran, Parañaque City*
178. PARAÑAQUE - MOONWALK BRANCH - G/F JDLA Bldg., Milky Way St. cor. Armstrong Avenue, Moonwalk Village, Brgy. Moonwalk, Parañaque City*
179. PARAÑAQUE - NAIA BRANCH - G/F AFCI Bldg., 4988 Ninoy Aquino Ave., cor. Kabisnasnan St., Brgy. San Dionisio, Parañaque City*
180. PARAÑAQUE - SAN ANTONIO VALLEY BRANCH - San Antonio Shopping Center, San Antonio Road, Brgy. San Antonio Valley 1, Parañaque City*
181. PARAÑAQUE - SUCAT BRANCH - No. 8260 Dr. A. Santos Ave., Brgy. San Isidro, Parañaque City*
182. PASAY - LIBERTAD BRANCH - CBC Bldg., 184 Libertad St., Antonio Arnaiz Ave., Pasay City*
183. PASAY - ROXAS BLVD. BRANCH - GF Unit G-01 Antel Seaview Towers, 2626 Roxas Blvd., Pasay City*
184. PASIG - A. MABINI BRANCH - A. Mabini Street, Brgy. Kapasigan, Pasig City*
185. PASIG - C. RAYMUNDO BRANCH - G/F MicMar Apartments No. 6353 C. Raymundo Ave., Brgy. Rosario, Pasig City*
186. PASIG - DELA PAZ BRANCH - Amang Rodriguez Avenue, Brgy. Dela Paz, Pasig City*
187. PASIG - CARUNCHO - No. 7 Caruncho Ave., Pasig City*
188. PASIG - ESTANCIA BRANCH - LGF Estancia (Expansion) Capitol Commons, Meralco Ave., Pasig City*
189. PASIG - MERCEDES BRANCH - Commercial Motors Corp. Compound, Mercedes Ave., Brgy. San Miguel, Pasig City**
190. PASIG - ROSARIO BRANCH - 1864 Ortigas Ave. Ext., Rosario, Pasig City*
191. PASIG - SAN JOAQUIN BRANCH - No. 43 M. Concepcion Ave., San Joaquin, Pasig City*
192. PASIG - SANTOLAN BRANCH - G/F Felmarc Business Center, Amang Rodriguez Ave., Santolan, Pasig City*
193. PASIG - SM SUPERCENTER BRANCH - G/F SM Supercenter Pasig, Frontera Drive, C-5, Brgy. Ugong, Pasig City*
194. PASIG - VALLE VERDE BRANCH - G/F Reliance IT Center, E. Rodriguez Jr. Ave., Ugong, Pasig City*
195. PASO DE BLAS BRANCH - #63 Paso de Blas, Valenzuela City*
196. PASONG TAMO - BAGTIKAN BRANCH - G/F Trans-Phil House, 1177 Chino Roces Ave. cor. Bagtikan St., Makati City*
197. PASONG TAMO - CITYLAND BRANCH - Units UG29-UG32 Cityland Pasong Tamo Tower, 2210 Pasong Tamo St., Makati City*
198. PASONG TAMO - LA FUERZA - Unit 14 & 15 La Fuerza Plaza 1, 2241 Chino Roces Ave., Makati City*
199. PATEROS BRANCH - G/F Adela Bldg., M. Almeda St., Brgy. San Roque, Pateros*
200. PHILAM BRANCH - #8 East Lawin Drive, Philam Homes, Quezon City*
201. PROJECT 8 - SHORTHORN - CBC Bldg., 43 Shorthorn Street, Bahay Toro, Project 8, Quezon City*
202. PUREZA BRANCH - G/F Solicare Building, Ramon Magsaysay Blvd. near corner Pureza St., Sta. Mesa, Manila*
203. QUEZON AVE. BRANCH - No. 18, G/F G&D Bldg., Quezon Ave. cor. D. Tuazon St., Brgy. Doña Josefa, Quezon City*
204. QUIAPO BRANCH - 216-220 Villalobos St., Quiapo, Manila
205. REGALADO AVE. - CBC Building, #34 Regalado Ave., North Fairview, Quezon City*
206. REGALADO AVE. - WEST FAIRVIEW - CBC Building, Regalado Ave. corner Bulova St., Quezon City*
207. RIZAL - ANGONO - Lot 3 Bldg. 4 M.L. Quezon Ave., Richmond Subd., Angono, Rizal*
208. RIZAL - SAN MATEO BRANCH - #63 Gen. Luna corner Simon St., Banaba, San Mateo, Rizal*
209. ROCKWELL - ORTIGAS BRANCH - G/F Tower 1, Rockwell Business Center, Ortigas Avenue, Pasig City
210. ROOSEVELT AVE. BRANCH - CBC Bldg., #293 Roosevelt Ave., San Francisco Del Monte, Quezon City*
211. ROOSEVELT AVE. - FRISCO BRANCH - G/F Norita Bldg., #51 H. Francisco St. corner Roosevelt Ave., Brgy. Paraiso, Quezon City*
212. SALCEDO VILLAGE - LP LEVISTE BRANCH - Unit 1-B G/F The Athenaeum, #160 LP Leviste St., Salcedo Village, Brgy. Bel-Air, Makati City*
213. SALCEDO VILLAGE - TORDESILLAS BRANCH - G/F Prince Tower Condominium, 14 Tordesillas St., Salcedo Village, Makati City*
214. SALCEDO VILLAGE - VALERO BRANCH - G/F Valero Tower, 122 Valero St., Salcedo Village, Makati City*
215. SALES - RAON BRANCH - 611 Sales St., Quiapo, Manila*
216. SAN ANTONIO VILLAGE - KAMAGONG BRANCH - Kamagong near corner St. Paul Streets, San Antonio Vill., Makati City*
217. SAN ANTONIO VILLAGE - P. OCAMPO BRANCH - JM Macalino Auto Center, 1405 P. Ocampo Street cor. Dungon St., San Antonio Village, Makati*
218. SAN JUAN - J. ABAD SANTOS BRANCH - Unit 3 Citiplaza Bldg., 8001 Jose Abad Santos St., Little Baguio, San Juan City*
219. SAN JUAN BRANCH - No. 17 F. Blumentritt St., San Juan, Metro Manila*
220. SCT. BORROMEO BRANCH - G/F The Forum Building, 71- A St. Borromeo St., Diliman, Quezon City*
221. SCT. CHUATOCO BRANCH - Estuar Building, No.880 Quezon Ave., Brgy. Paligsahan, Quezon City*
222. SHAW - GOMEZVILLE BRANCH - Gomezville Street cor. Shaw Blvd., Mandaluyong City*
223. SHAW - HAIG BRANCH - G/F First of Shaw Bldg, Shaw Blvd, cor. Haig St, Mandaluyong City*
224. SHAW - PASIG BRANCH - G/F RCC Center, No. 104 Shaw Boulevard, Pasig City*
225. SHAW - SUMMIT ONE BRANCH - Unit 102 Summit One Office Tower, 530 Shaw Boulevard, Mandaluyong City*
226. SM AURA PREMIER BRANCH - LGF SM Aura Premier, McKinley Parkway, Fort Bonifacio Global City, Taguig City*

227. SM CITY BF PARAÑAQUE BRANCH - G/F SM City BF Parañaque, Dr. A. Santos Ave. cor. President's Ave., BF Homes, Parañaque City*
228. SM CITY BICUTAN BRANCH - LGF Bldg. B, SM City Bicutan Doña Soledad Ave. cor. West Service Road, Parañaque City**
229. SM CITY FAIRVIEW BRANCH - LGF SM City Fairview, Quirino Ave. cor. Regalado Ave. Fairview, Greater Lagro, Quezon City*
230. SM CITY GRAND CENTRAL BRANCH - LGF SM City Grand Central, Rizal Ave. Extension corner Bustamante Street, Kalookan City*
231. SM CITY MARIKINA BRANCH - G/F SM City Marikina, Marcos Highway, Brgy. Calumpang, Marikina City*
232. SM CITY MASINAG BRANCH - LGF SM City Masinag, Marcos Highway, Brgy. Mayamot Antipolo City, Rizal*
233. SM CITY SAN LAZARO BRANCH - UGF (Units 164-166) SM City San Lazaro, Felix Huertas St. cor. A.H. Lacson Ext., Sta. Cruz, Manila*
234. SM CITY TAYTAY BRANCH - Unit 147 Bldg. B, SM City Taytay, Manila East Road, Brgy. Dolores, Taytay, Rizal*
235. SM MALL OF ASIA BRANCH - G/F Main Mall Arcade, SM Mall of Asia, Bay Blvd., Pasay City**
236. SM MEGAMALL BRANCH - LGF Bldg. A, SM Megamall, EDSA cor. Julia Vargas St., Mandaluyong City*
237. SM NORTH EDSA BRANCH - GF Cyberzone Carpark Bldg., SM City North Ave cor. EDSA, Brgy. Sto. Cristo, Bago Bantay, Quezon City*
238. SM NORTH TOWERS BRANCH - SM City North EDSA North Towers, SM City North EDSA Complex, Quezon City*
239. SM SOUTHMALL BRANCH - UGF SM Southmall, Alabang-Zapote Road, Almanza Uno, Las Piñas City*
240. SOLEMARE BRANCH - G-11 Solemare Parksuites, 5A Bradco Avenue, Aseana Business Park, Parañaque City*
241. SOLER - ARRANQUE BRANCH - #715 T. Alonzo St. near corner CM Recto Avenue, Sta. Cruz, Manila*
242. SOLER - 168 BRANCH - G/F R&S Bldg., Soler St., Binondo, Manila*
243. SOUTH TRIANGLE BRANCH - G/F Sunshine Blvd. Plaza, Quezon Ave. cor. Sct. Santiago and Panay Ave., Brgy. South Triangle, Quezon City*
244. STA. MESA BRANCH - 1-B G. Araneta Avenue, Brgy. Doña Imelda, Quezon City*
245. STO. CRISTO BRANCH - E-Square Bldg., 622 Sto. Cristo St. Binondo, Manila
246. STO. CRISTO - CM RECTO BRANCH - 858 Sto. Cristo Street, San Nicolas, Manila
247. STO. DOMINGO AVE. BRANCH - GF JRich Holdings Bldg., Sto. Domingo Ave., Brgy. Sto. Domingo, Quezon City*
248. T. ALONZO BRANCH - Anttan Residences, 908 T. Alonzo cor. Espeleta Sts., Brgy. 298, Sta. Cruz, Manila*
249. TAFT AVE. - NAKPIL BRANCH - G Square Taft Ave. corner Nakpil St., Malate, Manila*
250. TAFT AVE. - QUIRINO BRANCH - The Gregorian Bldg., 2178 Taft Ave. near cor. Quirino Ave., Malate, Manila*
251. TANDANG SORA - VISAYAS AVE. BRANCH - #250 Tandang Sora Ave., Brgy. Tandang Sora, Quezon City*
252. TAYTAY - ORTIGAS EXTENSION BRANCH - The Gate, Baltao Compound, Ortigas Ave. Ext., San Isidro Taytay, Rizal*
253. TAYTAY - SAN JUAN BRANCH - Velasquez St., Sitio Bangiad, Brgy. San Juan, Taytay, Rizal**
254. THE MEDICAL CITY BRANCH - 2/F Medical Arts Building, The Medical City, Ortigas Ave., Pasig City
255. TIMOG AVE. BRANCH - G/F Prince Jun Condominium, #42 Timog Ave., Brgy. Laging Handa, Quezon City*
256. TOMAS MAPUA - LAGUNA BRANCH - CBC Building, Tomas Mapua St., Sta. Cruz, Manila*
257. TOMAS MORATO - E. RODRIGUEZ BRANCH - #42 Metrofocus Bldg., Tomas Morato Avenue, Brgy. Kristong Hari, Quezon City*
258. TOMAS MORATO EXTENSION BRANCH - G/F QY Bldg., Tomas Morato Avenue, Brgy. South Triangle, Quezon City*
259. TRINOMA BRANCH - Unit P002, Level P1, Triangle North of Manila, North Ave. cor. EDSA, Brgy. Pag-asa, Quezon City*
260. TUTUBAN PRIME BLOCK BRANCH - Rivera Shophouse, Podium Area, Tutuban Center Prime Block, C.M. Recto Ave. cor. Rivera St., Manila*
261. UP TECHNO HUB BRANCH - UP Ayala Land Techno Hub, Commonwealth Ave., Quezon City*
262. UP VILLAGE - MAGINHAWA BRANCH - LTR Bldg, No. 46 Maginhawa St., UP Village, Quezon City*
263. V. LUNA BRANCH - G/F AGGCT Bldg. No. 32 V. Luna cor Matapat Sts., Brgy. Pinyahan, Quezon City**
264. VALENZUELA BRANCH - CBC Bldg., McArthur Highway cor. V. Cordero St., Marulas, Valenzuela City*
265. VALENZUELA - GEN. LUIS BRANCH - AGT Bldg., 425 Gen. Luis St., Paso de Blas, Valenzuela City*
266. VALENZUELA - MALINTA BRANCH - Jeep Center Bldg., MacArthur Highway, Brgy. Malinta, Valenzuela City*
267. VISAYAS AVE. BRANCH - CBC Bldg., Visayas Ave. cor. Congressional Ave. Ext., Quezon City*
268. WEST AVE. BRANCH - 82 West Ave., Brgy. Philam, Quezon City*
269. XAVIERVILLE BRANCH - G/F Pamintuan Bldg., 65 Xavierville Ave., Loyola Heights, Quezon City*
270. 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 - GF 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. 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. B. Poblacion, 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, Poblacion Borongan, 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, Isabela*
50. CAVITE - DASMARIÑAS BRANCH - G/F CBC Bldg., Gen. E. Aguinaldo Highway, Dasmariñas, Cavite**
51. CAVITE - GEN. TRIAS BRANCH - Lot 12 Brookside 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 Bacoor Tirona Highway cor. Aguinaldo Highway Bacoor, 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 Basak Commercial Bldg., 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 - 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 - Conglasco 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 - 153 Pioneer Ave., Tagum, 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 - G/F John A. Tan Bldg., Iznart St., 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 - GF 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 - JP Rizal St., Highway 1, San Roque, Iriga City, Camarines Sur*
120. ISABELA - ILAGAN BRANCH - G/F North Star Mall, Maharlika Highway, Brgy. Alibagu, 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. KORONADALCITY 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 - National Highway, San Jose Norte, 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 - A. Regidor 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, SouthernLeyte*
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, NegrosOccidental*
150. NUEVA ECIJA - STA ROSA BRANCH - CBC Bldg., Maharlika Highway, Poblacion, Sta Rosa, NuevaEcija*
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., Poblacion Sur, Bayambang, Pangasinan*
158. PANGASINAN - ROSALES BRANCH - CBC Building, Calle Dewey, Rosales, Pangasinan*
159. PANGASINAN - URDANETA BRANCH - 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 CABANATUAN - UGF SM City Cabanatuan, Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija*
171. SM CDO DOWNTOWN PREMIER BRANCH - G/F SM CDO Downtown Premier, Claro M. Recto St., Lapasan, Cagayan de Oro City, Misamis Oriental*

172. SM CITY CLARK BRANCH - G/F (Unit 172-173) SM City Clark, M. Roxas St., CSEZ, Angeles City, Pampanga**
173. SM CITY DASMARIÑAS BRANCH - LGF SM City Dasmariñas, Gov Drive, Pala-Pala, City of Dasmariñas, Cavite*
174. SM CITY LIPA BRANCH - G/F (Units 1111-1113) SM City Lipa, J.P. Laurel Highway, Brgy. Maraouy, Lipa City, Batangas*
175. SM CITY NAGA BRANCH - SM City Naga, CBD II, Brgy. Triangulo, Naga City, Camarines Sur*
176. SM CITY OLONGAPO CENTRAL BRANCH - G/F SM City Olongapo Central, East Tapinac, Olongapo City, Zambales*
177. SM CITY PAMPANGA BRANCH - Unit AX3 102, Bldg. 4, SM City Pampanga, Mexico, Pampanga*
178. 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*
179. SM CITY SAN PABLO BRANCH - G/F SM City San Pablo, National Highway, Brgy. San Rafael, San Pablo City, Laguna*
180. SM CITY STA. ROSA BRANCH - G/F SM City Sta. Rosa, Bo. Tagapo, Sta. Rosa, Laguna*
181. SM CITY TELABASTAGAN BRANCH - G/F SM City Telabastagan, San Fernando City, Pampanga*
182. SOLANO BRANCH - National Highway, Brgy. Quirino, Solano, Nueva Vizcaya*
183. SORSOGON BRANCH - CBC Bldg., Ramon Magsaysay Ave., Brgy. Sirangan, Sorsogon City, Sorsogon*
184. SUBIC BAY FREEPORT ZONE BRANCH - CBC Bldg, Rizal Highway, Subic Bay Gateway Park, Subic Bay Freeport Zone, Zambales*
185. SURIGAO CITY BRANCH - CBC Bldg., Amat St., Barrio Washington, Surigao City, Surigao Del Norte*
186. TABACO CITY BRANCH - G/F ANG Bldg., Ziga Ave. cor. Berces St., Tabaco City, Albay*
187. TACLOBAN CITY BRANCH - Uytungkoc Bldg., Avenida Veteranos, Tacloban City, Leyte*
188. TAGAYTAY CITY BRANCH - Foggy Heights Subdivision, E. Aguinaldo Highway, Tagaytay City, Cavite*
189. TAGBILARAN CITY BRANCH - G/F Melrose Bldg., Carlos P. Garcia Ave., Tagbilaran City, Bohol*
190. TALAVERA BRANCH - CBC Bldg., Maharlika Highway, Marcos District, Talavera, Nueva Ecija*
191. TARLAC - BAMBAN BRANCH - National Road, Brgy. Anupul, Bamban, Tarlac*
192. TARLAC - CAMILING BRANCH - Savewise Bldg., Romulo St., Poblacion, Camiling Tarlac*
193. TARLAC - CONCEPCION BRANCH - G/F Descanzo Bldg., F. Timbol St., San Nicolas, Poblacion, Concepcion, Tarlac*
194. TARLAC - PANIKUI BRANCH - G/F Cedasco Bldg., M. H del Pilar St., Poblacion, Paniqui, Tarlac*
195. TARLAC BRANCH - CBC Bldg., Panganiban near cor. F. Tañedo St., Brgy. San Nicolas, Tarlac City, Tarlac*
196. TARLAC - SAN RAFAEL BRANCH - CBC Building, MacArthur Highway, San Rafael, Tarlac City, Tarlac*
197. THE DISTRICT IMUS BRANCH - G/F The District Imus, Emilio Aguinaldo Highway, Anabu II, Imus, Cavite*
198. TRECE MARTIRES BRANCH - G/F Walter Mart, Governor's Drive cor. City Hall Road, Brgy. San Agustin, Trece Martires City, Cavite*
199. TUGUEGARAO - BALZAIN BRANCH - Editha Bldg., Balzain Highway, Tuguegarao City, Cagayan*
200. TUGUEGARAO CITY BRANCH - A. Bonifacio St., Brgy. Centro 6, Tuguegarao, Cagayan*
201. VALENCIA BRANCH - Tamay Lang Bldg., A. Mabini St., Brgy. Poblacion, Valencia, Bukidnon*
202. VIGAN CITY BRANCH - Burgos St. near cor. Rizal St., Vigan City, Ilocos Sur*
203. VIRAC BRANCH - Quezon Avenue, Brgy. Salvacion, Virac, Catanduanes*
204. ZAMBALES - BOTOLAN BRANCH - National Highway, Brgy. Batonlapoc, Botolan, Zambales*
205. ZAMBOANGA CITY BRANCH - CBC Bldg., Gov. Lim Ave. cor. Nuñez St., Zone III, Zamboanga City, Zamboanga del Sur*
206. ZAMBOANGA - GUIWAN BRANCH - G/F Yang's Tower, Ma. Clara Lorenzo Lobregat National Highway, Guiwan, Zamboanga City, Zamboanga del Sur*
207. 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 - SAVEMORE BRANCH - Acacia Town Center, Acacia Estates, Ususan, Taguig City*
2. AYALA BRANCH - 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- SAVEMORE BRANCH - G/F GBU Bldg. Amang Rodriguez Ave cor. Evangelista St. Santolan, Pasig City*
5. AMORANTO AVENUE - Unit 101 R. Place Building, 255 N.S Amoranto Sr. Avenue, Quezon City*
6. ANONAS - SAVEMORE BRANCH - V. Luna St. corner Anonas Extension, Sikatuna Village, Quezon City*
7. ARANETA CENTER COD - SAVEMORE BRANCH - Gen. Romulo St., Araneta Center, Cubao, Quezon City*
8. BACLARAN - 3751 Quirino Avenue cor. Sta. Rita St., Baclaran, Parañaque City*
9. BANAWA- Nos. 247-249 Banawe St., Sta. Mesa Heights, Brgy. Lourdes, Quezon City*
10. BANGKAL- GF / Amara Bldg., 1661 Evangelista St., Bangkal, Makati City*
11. BLUMENTRITT - Blumentritt St. near Oroquieta St. Sta. Cruz, Manila*
12. BINONDO - JUAN LUNA - 694-696 Juan Luna St., Binondo, Manila
13. BONI AVENUE - Raymond Tower Boni, 615 Boni Avenue, Plainview, Mandaluyong City*
14. BUENDIA- Main Branch, 314 Sen. Gil J. Puyat Ave., Makati City**

15. COMMONWEALTH AVENUE - JocFer Building, Commonwealth Avenue, Brgy. Holy Spirit, Quezon City *
16. CUBAO- Fernandina 88 Suites, 222 P. Tuazon Boulevard, Cubao, Quezon City*
17. DEL MONTE- 392 Del Monte Ave., Brgy. Sienna, Quezon City*
18. DIVISORIA – 3/F Dragon 8 Shopping Center, C.M Recto Avenue cor. Dagupan St., Divisoria Manila*
19. E. RODRIGUEZ SR. - HEMADY - E. Rodriguez, Sr. cor Hemady St., Quezon City*
20. ESPAÑA - SUNMALL, Espana Boulevard corner Mayon St., Manila *
21. FELIX HUERTAS - JT Centrale Mall, 1686 V. Fugoso St. corner Felix Huertas St., Sta. Cruz, Manila*
22. FILINVEST CORPORATE CITY BR - BC Group Bldg., East Asia Drive near cor. Comm. Ave., Filinvest Corp City, Alabang, Muntinlupa City*
23. FTI-TAGUIG -SM HYPERMARKET BRANCH - DBP Avenue, Food Terminal Inc., Western Bicutan, Taguig*
24. G. ARANETA AVENUE – 195 G. Araneta Avenue, Quezon City*
25. GIL PUYAT-BAUTISTA – Lot 25 Blk 74 Bautista St. cor. Buendia Avenue, Makati City*
26. GREENHILLS-ORTIGAS AVENUE - VAG Bldg., Ortigas Ave., Greenhills, San Juan, Metro Manila*
27. GREENHILLS-WILSON BRANCH - 219 Wilson St., Greenhills, San Juan*
28. GUIGUINTO-RIS - RIS-5 Industrial Complex, 68 Mercado St., Tabe, Guiguinto, Bulacan
29. KALOOKAN BRANCH - Augusto Bldg., Rizal Ave., Grace Park, Kalookan City*
30. KALOOKAN-A. MABINI- AJ Bldg., 353 A. Mabini St., Kalookan City*
31. KATIPUNAN – One Burgundy Condominium, Katipunan Avenue, Quezon City*
32. LAGRO- Bonanza Bldg., Quirino Highway, Greater Lagro, Novaliches, Quezon City*
33. LAS PIÑAS – ALMANZA UNO BRANCH - Alabang Zapote Road, Almanza Uno, Las Piñas City*
34. MAKATI-CHINO ROCES BRANCH - 2176 Chino Roces Ave., Makati City*
35. MAKATI-J.P. RIZAL BRANCH - 882 J.P. Rizal St., Makati City*
36. MALABON -SAVEMORE - Francis Market, Governor Pascual corner M.H. Del Pilar Sts., Malabon*
37. MANDALUYONG- Paterno's Bldg., 572 New Panaderos St., Brgy. Pag-asa, Mandaluyong City*
38. MANDALUYONG-SHAW BOULEVARD BRANCH – 500 Shaw Tower, 500 Shaw Boulevard, Mandaluyong City*
39. MANILA - STA.ANA - SAVEMORE BRANCH - Savemore, Pedro Gil St., Sta. Ana, Manila *
40. MARIKINA BRANCH - 33 Bayan-Bayanan Ave., Brgy. Concepcion 1, Marikina City*
41. MARIKINA-GIL FERNANDO AVENUE - CTP Bldg., Gil Fernando Ave., Brgy. San Roque, Marikina City*
42. MUÑOZ – JACKMAN BRANCH - Jackman Plaza, Lower Ground Floor, EDSA-Munoz, Quezon City*
43. NEPA-Q-MART -SAVEMORE BRANCH - Rose Bldg., 770 St. EDSA and K-G St., West Kamias, Quezon City*
44. NINOY AQUINO AVENUE- Ground Floor Skyfreight Bldg., Ninoy Aquino Ave. cor. Pascor Drive, Parañaque City*
45. ORTIGAS BRANCH - Ground Floor, Hanston Square, San Miguel Ave., Ortigas Center, Pasig City*
46. PARAÑAQUE - BETTER LIVING - 90 Dona Soledad Avenue, Better Living Subdivision, Parañaque*
47. PARAÑAQUE - BF HOMES BRANCH - 284 Aguirre Ave., B.F. Homes, Paranaque*
48. PARAÑAQUE-JAKA - Jaka Plaza Center, Dr. A. Santos Ave. (Sucat Road), Brgy. San Isidro, Parañaque City*
49. PARAÑAQUE - LA HUERTA – 1070 Quirino Ave., La Huerta, Paranaque City*
50. PARAÑAQUE – MOONWALK – Kassel Residence Building, E. Rodriguez Avenue, Moonwalk Parañaque City*
51. PASAY-LIBERTAD – 533 Cementina St. Libertad, Pasay City*
52. PASIG CANIOGAN - KSN Building, C. Raymundo Avenue, Caniogan, Pasig City *
53. PASIG-MUTYA – Richcrest Building, Caruncho corner Market Avenue, San Nicolas, Pasig City*
54. PASIG – PADRE BURGOS BRANCH - 114 Padre Burgos St., Kapasigan, Pasig City*
55. PASO DE BLAS- Andok's Bldg., 629 General Luis St., Malinta Interchange-NLEX, Paso de Blas, Valenzuela City*
56. PATEROS BRANCH – Unit CC1, GF East Mansion Townhomes, Sto. Rosario, Pateros*
57. PATEROS-ALMEDA - 120 Almeda St., Pateros, Metro Manila*
58. PEDRO GIL - LKE Bldg. Pedro Gil corner Pasaje, Rosario st. Paco, Manila
59. PLAZA STA. CRUZ BRANCH – MBI Building, Unit 103, Plaza Sta. Cruz, Sta. Cruz, Manila*
60. QUEZON AVENUE BRANCH - G/F GJ Bldg., 385 Quezon Ave., Quezon City*
61. QUEZON AVENUE-PALIGSAHAN - 1184-A Ben-Lor Bldg., Quezon Ave., Brgy. Paligsahan, Quezon City*
62. QUIAPO – ECHAGUE - Palanca corner P. Gomez streets, Echague, Quiapo, City of Manila
63. QUIAPO – QUEZON BLVD. – 416 Quezon Boulevard, Quiapo Manila*
64. RADA- LEGASPI - HRC Center, 104 Rada St., Legaspi Village, Makati City*
65. ROOSEVELT – 342 Roosevelt Avenue, Quezon City*
66. SAN JUAN - Madison Square, 264 N. Domingo St., Barangay Pasadena, San Juan*
67. SM HYPERMARKET - ADRIATICO– Adriatico St., Malate, Manila*
68. SOUTH TRIANGLE - Ground Floor, SUNNYMEDE IT CENTER, Brgy. South Triangle, Quezon Ave., QC
69. STA. MESA - 4128 Ramon Magsaysay Blvd., Sta. Mesa Manila*
70. TANDANG SORA – Cecileville Bldg. III, 670 Tandang Sora Ave. corner General Ave., Tandang Sora, Quezon City*
71. TAYUMAN – 1925-1929 Rizal Avenue near corner Tayuman St., Sta. Cruz, Manila*
72. TIMOG- Jenkinsen Towers, 80 Timog Ave., Brgy. Sacred Heart, Quezon City*

73. TWO E-COM – Two E-Com Center Tower B, Ocean Drive near cor. Bayshore Ave., Mall of Asia Complex, Pasay City*
74. UN AVENUE- 552 U.N. Ave., Ermita, Manila*
75. VALENZUELA-MARULAS- Ong-Juanco Bldg., 92 - J McArthur Highway, Marulas, Valenzuela City*
76. VISAYAS AVENUE- Wilcon City Center Mall, Visayas Ave., Quezon City*
77. ANTIPOLLO- EMS Bldg., M.L. Quezon St. cor. F. Dimanlig St., Antipolo City, Rizal*
78. ANGONO- Manila East Road cor. Don Benito St., Brgy. San Roque, Angono, Rizal*
79. TAYTAY BRANCH - 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 BRANCH - Cacadud, Arayat, Pampanga**
3. BACOLOD BRANCH - 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 - SESSION - B108 Lopez Bldg., Session Road, Baguio City*
6. BALAGTAS- McArthur Highway, Wawa, Balagtas, Bulacan*
7. BALANGA - DM BAZON - D.M. Bazon St., Balanga City*
8. BALIBAGO- JEV Bldg., McArthur Highway, Balibago, Angeles City*
9. BALIUG- Plaza Nanning, Poblacion, Baliug, Bulacan*
10. BATANGAS - P. BURGOS - 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. CAGAYAN DE ORO BRANCH - Sergio Osmeña St., Cogon District, Cagayan de Oro City*
15. CALAMBA BRANCH - HK Bldg II, National Highway, Brgy. Halang, Calamba, Laguna*
16. CAVITE CITY - 485 P. Burgos St., Brgy. 34, Caridad, Cavite City*
17. CEBU – MANDAUE BRANCH - A. Del Rosario Ave., Mantuyong, Mandaue City, Cebu*
18. CEBU – MANGO AVENUE, JSP Mango Plaza, Gen. Maxilom Ave. cor. Echavez St., Cebu City*
19. CEBU-LAHUG BRANCH - G/F Skyrise IT Bldg., Brgy. Apas, Lahug, Cebu City*
20. CEBU-MANDAUE BASAK - Co Tiao King Bldg., Cebu North Road Basak, Mandaue City*
21. DAGUPAN BRANCH - G/F Lyceum-Northwestern University, Tapuac District, Dagupan City*
22. DARAGA BRANCH - Rizal St., Brgy. San Roque, Daraga, Albay, Bicol*
23. DASMARIÑAS- Veluz Plaza Bldg., Zone I, Aguinaldo Highway, Dasmariñas City, Cavite*
24. DAU BRANCH - MacArthur Highway, Dau, Mabalacat, Pampanga*
25. DAVAO – RECTO- C. M. Ville Abrille Bldg., C. M. Recto St. Davao City*
26. DAVAO BRANCH - G/F 8990 Corporate Center, Quirino Ave., Davao City*
27. DOLORES- STCI Bldg., McArthur Highway, San Agustin, City of San Fernando, Pampanga*
28. GENERAL SANTOS- I. Santiago Boulevard General, Santos City*
29. GUAGUA BRANCH - Plaza Burgos, Guagua, Pampanga*
30. ILOILO – JARO BRANCH - Lopez Jaena cor. EL 98 Sts., Jaro, Iloilo*
31. ILOILO – IZNART - Golden Commercial Center Bldg, Iznart St. Iloilo City*
32. IMUS- TANZANG LUMA - Tanzang Luma, Aguinaldo Highway, Imus City, Cavite*
33. KALIBO-CITYMALL – F. Quimpo St. connecting Mabini and Toting Reyes Streets, Kalibo, Aklan*
34. LA UNION- AG Zambrano Bldg., Quezon Ave., San Fernando City, La Union*
35. LAGUNA-STA. CRUZ - E & E Building, Pedro Guevarra St., Sta. Cruz, Laguna. *
36. LAOAG - J.P. Rizal St. corner Balintawak St. Laoag City, Ilocos Norte*
37. LEGAZPI CITY - F. Imperial Street, Barangay Bitano, Legazpi City*
38. LINGAYEN - Unit 5-6, The Hub - Lingayen Building, National Road, Poblacion, Lingayen, Pangasinan
39. LIPA - CM RECTO - C.M. Recto Ave., Lipa City*
40. LOS BAÑOS-CROSSING- Lopez Ave., Batong Malaki, Los Baños, Laguna*
41. LUCENA- Merchan cor., Evangelista St., Lucena City*
42. MACABEBE BRANCH - Poblacion, Macabebe, Pampanga*
43. MALOLOS BRANCH - Canlapan St., Sto. Rosario, Malolos City, Bulacan*
44. MALOLOS-CATMON - Paseo del Congreso, Catmon, City of Malolos, Bulacan*
45. MEYCAUAYAN- Mancon Bldg., McArthur Highway, Calvario, Meycauayan, Bulacan*
46. MOLINO-BACOR - 817 Molino Road Molino III, Bacor, Cavite*
47. MOUNT CARMEL- AMB Bldg., Km. 78 McArthur Highway, Brgy. Saguin, City of San Fernando, Pampanga*

48. NAGA BRANCH - RL Bldg., Panganiban St., Lerma, Naga City*
49. OLONGAPO BRANCH - Ground Floor, City View Hotel, 25 Magsaysay Drive, New Asinan, OlongapoCity*
50. ORANI BRANCH - Brgy. Balut, Orani, Bataan**
51. PLARIDEL- 0226 Cagayan Valley Road, Banga 1st, Plaridel, Bulacan*
52. PORAC BRANCH - Cangatba, Porac, Pampanga**
53. ROXAS AVE.-CAPIZ CITYMALL - Roxas Ave, brgy VI, Roxas City, Capiz
54. SAN FERNANDO BRANCH - KHY Trading Bldg., San Fernando-Gapan Rd., San Fernando City, Pampanga*
55. SAN FERNANDO – BAYAN BRANCH - JSL Building, Consunji St., San Fernando, Pampanga*
56. SAN ILDEFONSO-SEVEMORE BRANCH - Savemore San Ildefonso, Poblacion, San Ildefonso, Bulacan*
57. SAN JOSE DEL MONTE BRANCH - Ground Floor, Giron Bldg., Gov. Halihi Ave., Tungkong Mangga, City of San Jose Del Monte, Bulacan*
58. SAN MIGUEL- Norberto St., San Jose, San Miguel, Bulacan*
59. SAN NARCISO BRANCH - Brgy. Libertad, San Narciso, Zambales*
60. SAN PABLO-RIZAL AVE. BRANCH – Rizal Avenue cor. Lopez Jaena St. San Pablo City, Laguna*
61. SAN PEDRO BRANCH - Gen - Ber Bldg. National Highway Landayan, San Pedro Laguna*
62. SAN RAFAEL BRANCH - Cagayan Valley cor. Cruz na Daan Roads, San Rafael, Bulacan*
63. SANTIAGO - VICTORY NORTE - JECO Bldg., Maharlika Highway cor. Quezon St., Victory Norte, Santiago City*
64. SORSOGON - God is Good Commercial Bldg, Rizal St., Purok 5, Piot, West District, Sorsogon City, Sorsogon*
65. STA. ANA BRANCH - Poblacion, Sta. Ana, Pampanga*
66. STA. MARIA- JC De Jesus cor. M. De Leon, Poblacion, Sta. Maria, Bulacan*
67. STA. RITA BRANCH - San Vicente, Sta. Rita, Pampanga*
68. STA. ROSA BRANCH - Sta. Rosa-Tagaytay Highway, Sta. Rosa, Laguna*
69. STA. ROSA-BALIBAGO - National Highway cor. Lazaga St. Balibago, Sta. Rosa, Laguna*
70. STO. TOMAS- MAHARLIKA - Agojo Bldg., Maharlika Highway, Sto. Tomas, Batangas*
71. SUBIC BRANCH - Baraca, Subic, Zambales*
72. TACLOBAN CITY – GF, YVI Center, Bldg A, Fatima Village, Tacloban City, Leyte*
73. TAGAYTAY-MENDEZ-SEVEMORE - Mendez Crossing West, Tagaytay-Nasugbu Highway corner Mendez-Tagaytay Rd, Tagaytay City*
74. TAGUM-CITYMALL – Maharlika Highway cor. Lapu-Lapu Extension, Brgy. Maguppo Tagum City*
75. TALISAY-NEGROS-SEVEMORE BRANCH – Talisay, Mabini St., Zone 12 Paseo Mabini Talisay City NegrosOccidental*
76. TANAUAN CITY - Jose P. Laurel National Highway, Darasa, Tanauan City, Batangas
77. TARLAC - MAC ARTHUR - McArthur Highway, San Nicolas, Tarlac City*
78. TUGUEGARAO- Metropolitan Cathedral Parish, Rectory Complex, Rizal St., Tuguegarao City*
79. URDANETA- MacArthur Highway, Nancayasan, Urdaneta City, Pangasinan*
80. VIGAN- Plaza Maestro Convention Center, Florentino St., and Burgos St. Vigan City, Ilocos Sur*
81. ZAMBOANGA-CITYMALL BRANCH – CityMall, Don Alfaro St., Tetuan, Zamboanga*

China Bank - Off Branch ATM Directory

Metro Manila

1. 168 MALL - 3F Food Court, 168 Mall, Sta. Elena St., Binondo, Manila
2. 999 SHOPPING MALL - Basement Lobby 999 shopping mall, 1002-1062 Soler St., Brgy. 293, Zone 28, District 3, Binondo, Manila
3. A. ZARATE GEN. HOSPITAL – Naga Road, Pulang Lupa Uno, Las Piñas City
4. ALABANG MALL - Alabang Town Center, Alabang - Zapote Road cor. Madrigal Ave., Muntinlupa City
5. ALFAMART A. MABINI MANGGAHAN - A. Mabini Street, Manggahan, Pasig City
6. ALFAMART DAEZ CAMARIN CALOOCAN - Daez Commercial Bldg., Susano Road, Bagumbong, Caloocan City
7. ALFAMART JHOCSON SAMPALOC - 534-548 M.F. Jhocson St., Zone 042, Brgy. 408, Sampaloc, Manila
8. ALFAMART MAAX - Unit 111 Mall of Asia Annex Bldg. (MAAX), Seaside Blvd., San Rafael, Pasay City
9. ALFAMART NAGA ROAD LAS PIÑAS - Alfamart, Naga Road, Pulang Lupa 2, Las Piñas City
10. ALFAMART SAN LAZARO - Units 108B-113B SM City San Lazaro, A.H. Lacson Ext., Sta. Cruz, Manila
11. ALI MALL - ATM Booth #1 UGF Ali Mall, P. Tuazon Blvd., Araneta Center, Quezon City
12. ALI MALL 2 - LGF Times Square Entrance, Ali Mall, P. Tuazon Blvd., Araneta Center, Quezon 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. CHINA BANK ONLINE CENTER 1 - ATM 1 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
17. CHINA BANK ONLINE CENTER 2 - ATM 2 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
18. CHINA BANK ONLINE CENTER 3 - ATM 3 Starbucks, CBC Bldg., 8745 Paseo de Roxas cor. Villar St., Makati City
19. CHIANG-KAI-SHEK - Chiang Kai Shek College, 1274 P. Algue St., Tondo, Manila
20. CENTURY CITY MALL - 3F Century City Mall, Kalayaan Ave. cor. Salamanca St., Brgy. Poblacion, Makati City

21. COMEMBO COMMERCIAL COMPLEX - Comembo Commercial Complex, J.P. Rizal Ext. cor. Sampaguita St., Comembo, Makati City
22. COMMERCE CENTER - Commerce Ave. cor. Filinvest Ave., Alabang, Muntinlupa City
23. CONRAD S MAISON MALL - 2F Conrad Hotel, Coral Ave., SM MOA Complex, Pasay City
24. CYBER PARK TOWER 1 CUBAO - Lobby Tower 1, Araneta Center, Cubao, Quezon City
25. CYBER PARK TOWER 2 CUBAO - Lobby Tower 2, Araneta Center, Cubao, Quezon City
26. DASMARINAS VILLAGE ASSOCIATION OFFICE - 1417 Campanilla St., Brgy. Dasmariñas Village, Makati City
27. EASTWOOD CITY WALK 2 - G/F ATM 1 Eastwood City Walk Ph. 2, Eastwood City Cyberpark, 188 E. Rodriguez Jr. Ave., Bagumbayan, Quezon City
28. EASTWOOD CYBERMALL - 2F Eastwood Cybermall, Eastwood Ave., Eastwood City Cyberpark, Bagumbayan, Quezon City
29. EASTWOOD MALL - Level 1 ATM 2 Ph.2, Eastwood Mall, E. Rodriguez Jr. Ave., Bagumbayan, Quezon City
30. FAMILY MART PARK SQUARE - Park Square Bldg., South Drive cor. Theater Drive, Ayala Center, Makati City
31. FAMILY MART UP TECHNOHUB - Space 132 GF UP Technohub, 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. HIGH POINTE MEDICAL HUB - 241 Shaw Blvd, Mandaluyong City
38. HOLIDAY ISLAND CALOOCAN - G/F Phase 2, Commercial Site Dutong St. cor. Karlaon St., Bagong Silang, Caloocan City
39. IACADEMY BUENDIA - G/F iAcademy Plaza, H.V. Dela Costa St., Makati City
40. JACKMAN EMPORIUM - Jackman Emporium Department Store Bldg., Grace Park, Kalookan City
41. JACKMAN PLAZA - MUÑOZ - Jackman Plaza Muñoz, EDSA, Muñoz, Quezon City
42. JGC ALABANG - JGC PHILS. Bldg., 2109 Prime St., Madrigal Business Park Ph III, Ayala Alabang, Muntinlupa City
43. KATARUNGAN VILLAGE - Katarungan Village Admin Office, F. Reria cor. University Road, Muntinlupa City
44. KIMSTON PLAZA - Kimston Plaza, P. Victor St. cor. P. Burgos St., Guadalupe Nuevo, Makati City
45. LANDMARK - MAKATI - G/F The Landmark Bldg., Makati Ave., Ayala Center, Makati City
46. LANDMARK - TRINOMA - ATM Slot 4, 2F Landmark Trinoma, North Ave. cor. EDSA, Quezon City
47. LIANA'S SAMPALOC - 537 Earnshaw St., Sampaloc, Manila
48. LOYOLA GRAND VILLAS - Loyola Grand Villas Lifeline, Soliven Ave., Quezon City
49. LRT 2 PUREZA - Westbound, LRT 2 Pureza Station, R. Magsaysay Blvd., Sta. Mesa, Manila
50. LRT 2 RECTO EAST - East Side, LRT 2 Recto Station, Recto Avenue, Sta. Cruz, Manila
51. LRT 2 RECTO WEST - West Side, LRT 2 Recto Station, Recto Avenue, Sta. Cruz, Manila
52. LRT 2 V. MAPA - Westbound, LRT 2 V. Mapa Station, R. Magsaysay Blvd., Sta. Mesa, Manila
53. MALABON CITISQUARE - G/F Malabon Citisquare, C-4 Road cor. Dagat-dagatan Ave., Malabon City
54. MARKET! MARKET! 1 - Market! Market!, Fort Bonifacio Global City, Taguig City
55. MARKET! MARKET! 2 - 2F Market! Market!, Fort Bonifacio Global City, Taguig City
56. MARKET! MARKET! 3 - G/F ATM Center in Fiesta Market, Market! Market!, Fort Bonifacio Global City, Taguig City
57. MEDICAL CITY - Medical City, Ortigas Ave., Pasig City
58. METRO POINT MALL - 3F Metro Point Mall, EDSA cor. Taft Ave., Pasay City
59. METROWALK - ATM 1 Bldg C, G/F Metrowalk Commercial Complex, Meralco Ave., Pasig City
60. MONDE MY SAN CAINTA - Gracia St., Marick Subdivision, Cainta, Rizal
61. MULTINATIONAL CLUBHOUSE - Clubhouse, Nazareth cor. Judea St., Multinational Village, Parañaque City
62. NEWPORT MALL 4F - 4F Newport Mall, Resorts World, Newport City, Pasay City
63. NOTREDAME OF GREATER MANILA KALOOKAN - 12th Avenue, Grace Park, Caloocan City
64. NOVA SQUARE - G/F Nova Square, Quirino Highway, Brgy. San Bartolome, Novaliches, Quezon City
65. ONE E - COM CENTER - G/F One E-Com Center, Palm Coast Ave., SM MOA Complex, Pasay City
66. ONE MALL VALENZUELA - Gen. T. De Leon, Valenzuela City
67. PROMENADE GREENHILLS - Missouri Entrance, Promenade Mall, Greenhills Shopping Center, San Juan City
68. PUREGOLD - BLUMENTRITT - 286 Blumentritt St., Sta Cruz, Manila
69. PUREGOLD - E. RODRIGUEZ - ATM #1 Puregold E. Rodriguez, Cosco Bldg., E. Rodriguez Ave. cor. G. Araneta Ave., Quezon City
70. PUREGOLD - LANGARAY CALOOCAN - Langaray St. Cor. Pampano St., Dagat-Dagatan, Caloocan City
71. PUREGOLD - PASO DE BLAS - LGF Puregold Paso de Blas, Paso de Blas cor. Gen. Luis St., Malinta Ex, Valenzuela City
72. PUREGOLD JR. - PANDACAN - Puregold Jr. Pandacan, West J. Zamora St., Pandacan, Manila
73. PUREGOLD MAYPAJO KALOOKAN - Puregold Maypajo, J.P. Rizal St., Brgy. Maypajo, Caloocan City
74. QUICKLEAN MAYBUNGA - 369 Dr. Sixto Antonio Avenue, Maybunga, Pasig City
75. REGALIA PARK TOWER - 150 P. Tuazon Blvd., Cubao, Quezon City
76. RESORTS WORLD GAMING AREA - G/F Casino Gaming Area, Resorts World, Pasay City
77. ROBINSONS FORUM PIONEER - ATM Center Pioneer Side, Forum Robinsons, Pioneer St. cor. EDSA, Mandaluyong City
78. ROBINSONS GALLERIA - Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City

79. ROBINSONS GALLERIA 2 - Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City
80. ROBINSONS GALLERIA 3 - West Wing, Robinsons Galleria, EDSA cor. Ortigas Ave., Pasig City
81. ROBINSONS PLACE - MANILA - G/F Padre Faura Entrance, Robinsons Place Manila, Pedro Gil cor. Adriatico St., Ermita, Manila
82. ROCKWELL BUSINESS CENTER - Rockwell Business Center, Ortigas Ave., Pasig City
83. ROCKWELL POWER PLANT - Stall No. 060 Ground Level, Power Plant Mall, Makati City
84. SHOP N RIDE - 248 Gen. Luis St., Brgy. Nova Proper, Novaliches, Quezon City
85. SHOP N RIDE 2 - ATM 2, 248 Gen. Luis St., Brgy. Nova Proper, Novaliches, Quezon City
86. SHOP N RIDE STA. MONICA - Shop & Ride Sta. Monica, 1004 Quirino Highway, Dumalay Street, Brgy. Sta. Monica, Novaliches, QC
87. SHOPWISE - ANTIPOLLO - Shopwise Bldg., M.L. Quezon St. cor. Circumferential Road, San Roque, Antipolo City
88. SHOPWISE - COMMONWEALTH - Shopwise, Blk 17, Commonwealth Ave., Quezon City
89. SHOPWISE MARKETPLACE EAST BAY - Marketplace East Bay, East Service Road, Muntinlupa City
90. SHOPWISE METLIVE PASAY - Blue Wave Mall, Diosdado Macapagal cor. EDSA, Metropolitan Park Bay City, Pasay
91. SHOPWISE SUCAT - Shopwise Sucat, Dr. A. Santos Avenue corner Soreena Avenue, Paranaque City
92. SM CENTER LAS PIÑAS - G/F SM Center Las Piñas, Alabang - Zapote Road, Las Piñas City
93. SM CITY GRAND CENTRAL 3F - 3/F SM City Grand Central, Rizal Ave. Extension Corner Bustamante St., Kalookan City
94. SM CITY THE BLOCK - GF Hypermarket - The Block, SM City North EDSA, North Avenue corner EDSA, Quezon City
95. SM HYPERMARKET - MANDALUYONG - SM Hypermarket Mandaluyong, 121 Shaw Blvd. cor. E. Magalona St., Brgy. Bagong Silang, Mandaluyong City
96. SM MANILA - UGF SM Manila Main Entrance, Natividad A. Lopez cor. Antonio Villegas St., Ermita, Manila
97. SM MEGAMALL BLDG. B - Level 2 Bldg. B, SM Megamall, EDSA cor. Julia Vargas St., Mandaluyong City
98. SM MOA HYPERMARKET - G/F SM Hypermarket, SM Mall of Asia, Pasay City
99. SM MOA SEASIDE FERRY TERMINAL - SM MOA Seaside Blvd. near Esplanade, Pasay City
100. SM MUNTINLUPA - ATM 2 G/F (beside Rear Entrance) SM Muntinlupa, National Road, Brgy. Tunasan, Muntinlupa City
101. SM TAYTAY OFF-BRANCH - 2F Bldg. A, SM Taytay, Manila East Road, Brgy. San Juan, Taytay, Rizal
102. SOLAIRE MANILA 2 - Entertainment City, Aseana Ave., Tambo, Parañaque City
103. SOLAIRE RESORT & CASINO - Entertainment City, Aseana Ave., Tambo, Parañaque City
104. SOUTHGATE MALL - Alphaland Southgate Mall, EDSA cor. Chino Roces Ave., Makati City
105. ST. JUDE COLLEGE - Dimasalang St. cor. Don Quijote St., Sampaloc, Manila
106. ST. LUKE'S - THE FORT - Basement, St. Luke's Medical Center, 5th Ave., Fort Bonifacio Global City, Taguig City
107. ST. LUKE'S - THE FORT 2 - Basement, St. Luke's Medical Center, 5th Ave., Fort Bonifacio Global City, Taguig City
108. STI - DELOS SANTOS MEDICAL CENTER - 201 E. Rodriguez Sr. Blvd., Quezon City
109. TIENDESITAS - Tiendesitas, Ortigas Ave. cor. E. Rodriguez Ave., Pasig City
110. TRINOMA OFF-BRANCH 1 - Level 1 Trinoma, North Ave. cor. EDSA, Quezon City
111. TRINOMA OFF-BRANCH 2 - Level 1 Trinoma, North Ave. cor. EDSA, Quezon City
112. TWO SHOPPING CENTER - Two Shopping Center, Taft Ave. Ext., 026 Zone 10, Pasay City
113. UNIMART GREENHILLS - B1 Unimart Greenhills Shopping Center, Ortigas Ave., San Juan City
114. UP TOWN CENTER - 2F UP Town Center, Katipunan Ave., Brgy. UP Campus Diliman, Quezon City
115. UPM - PGH - Faculty Medical Arts Bldg., PGH Compound, Taft Ave., Ermita, Manila
116. URDANETA VILLAGE - Urdaneta Village Clubhouse, Urdaneta Ave., Makati City
117. UST - DOCTOR'S CLINIC - University of Sto. Tomas Hospital, Vestibule and New Doctor's Clinic, A.H. Lacson Ave., Sampaloc, Manila
118. UST HOSPITAL - University of Sto. Tomas Hospital, A.H. Lacson Ave., Sampaloc, Manila
119. UST HOSPITAL 3 - G/F Clinical Division, University of Sto. Tomas Hospital, A.H. Lacson Ave., Sampaloc, Manila
120. VICTORY CENTRAL MALL - ATM 2 G/F Victory Central Mall, #717 Old Victory Compound, Rizal Ave., Monumento, Caloocan City
121. VICTORY FOOD MARKET BACLARAN - Victory Food Market, Redemptorist Road, Bacalaran, Parañaque City
122. VICTORY PASAY MALL - Victory Pasay Mall, Antonio S. Arnaiz Ave, Pasay City
123. WACK WACK GOLF & COUNTRY CLUB - Main Lobby Clubhouse, Wack Wack Golf & Country Club, Shaw Blvd., Mandaluyong City
124. WALTER MART - ANTIPOLLO - L. Sumulong Memorial Circle, Antipolo City
125. WALTER MART - MAKATI - G/F Waltermart Makati, 790 Chino Roces Ave. cor. Antonio Arnaiz, Makati City
126. WALTER MART - NORTH EDSA - Walter Mart Bldg., EDSA, Quezon City
127. WALTER MART - SUCAT - Walter Mart Sucat, Dr. A. Santos Ave., Brgy. San Isidro, Sucat, Parañaque City
128. WHITE PLAINS CLUBHOUSE - 10 Natabo Rd., White Plains Clubhouse Area, Quezon City
129. WORLD CITI MEDICAL ANONAS - Lobby Entrance, 960 Aurora Blvd. corner Anonas St., Quezon City
130. 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 - LUMINA - Alfamart Lumina, Aguinaldo Highway cor. Nueno Ave., Imus, Cavite
11. ALFAMART - TRECE MARTIRES - CPC Bldg., Governor's Drive cor. Hugo Perez, Trece Martires, Cavite
12. ALFAMART FILINVEST TANZA - Alfamart Filinvest Tanza, Filinvest Ave., Westwood Place Subd. Ph. 2, Brgy. Paradahan, Tanza, Cavite
13. ALFAMART FORTUNA FLORIDABLANCA 2 - Brgy. Fortuna, Floridablanca, Pampanga
14. ALFAMART GOLDEN CITY - Molino-Paliparan Road, Salawag, Dasmariñas City, Cavite
15. ALFAMART IBAYO SILANGAN NAIC - L1464, F-6, Antero Soriano Highway, Ibayo Silangan, Naic, Cavite
16. ALFAMART ILANG-ILANG TANZA - Alfamart Ilang-Ilang Tanza, Ilang-ilang St., De Roman Subd., Daang Amaya 1, Tanza, Cavite
17. ALFAMART LANCASTER - Alfamart Lancaster, MCS Bldg., Advincula Ave., Alapan II-A, Imus, Cavite
18. ALFAMART L'PASEO ARCADE INDANG - LGF L'Paseo Building, Indang-Trece Martires Road, Indang, Cavite
19. ALFAMART PACITA COMPLEX - Alfamart, Block 3 Phase 3A Pacita Complex, San Pedro, Laguna
20. ALFAMART POBLACION 4 CALACA - #149 Marasigan St., Poblacion 4, Calaca, Batangas
21. ALFAMART POBLACION FLORIDABLANCA 2 - Jesus St., Poblacion, Floridablanca, Pampanga
22. ALFAMART POBLACION ROSARIO - Alfamart Poblacion Rosario, 153 Gen. Trias Drive, Brgy. Poblacion, Rosario, Cavite
23. ALFAMART SAN ROQUE DAU LUBAO - San Roque Dau, Lubao, Pampanga
24. ALFAMART SONGCO FLORIDABLANCA - Songco St., Poblacion, Floridablanca, Pampanga
25. ALFAMART ST. TOMAS LUBAO - Sto. Tomas, Lubao, Pampanga
26. ALFAMART TABANG PLARIDEL - 2586 F. Ignacio St., Santa Ines, Tabang, Plaridel, Bulacan
27. ALFAMART VILLA CATALINA DASMARIÑAS - Lot 6123 Don Placido Campos Avenue, San Agustin, Dasmariñas City, Cavite
28. ALFAMART YAKAL SILANG CAVITE - G/F Alfamart Yakal Silang Cavite, 137 Pedro Montoya St. cor. Yakal, Silang, Cavite
29. ALLEN AVENUE CATBALOGAN - Centro Mall, Allen Ave., Brgy. 04, Catbalogan City, Samar
30. ALWANA BUSINESS PARK - National Highway, Brgy. Cugman, Cagayan de Oro City, Misamis Oriental
31. ANGELES UNIVERSITY FOUNDATION MEDICAL CENTER - Basement, Angeles University Foundation Medical Center, McArthur Highway cor. Diego Silang St., Angeles City, Pampanga
32. ARAULLO UNIVERSITY - Araullo University, Maharlika Highway, Brgy. Bitas, Cabanatuan City, Nueva Ecija
33. ATENEO DE DAVAO UNIVERSITY - Ateneo de Davao University, Roxas Ave, Poblacion Dist., Davao City, Davao del Sur
34. AVENUE HOTEL BACOLOD - Avenue Suites Hotel and Spa, 12th St. cor Lacson St., Bacolod City, Negros Occidental
35. AYALA CENTER CEBU - Level 3 ATM 1 Ayala Center Cebu, Cebu Business Park, Cebu City
36. BELMONT ONE MINGLANILLA - Belmont One Complex, Upper Calajonan, Minglanilla, Cebu
37. BICOL INTERNATIONAL AIRPORT - Airport Road, Daraga, Albay
38. BRENT INTERNATIONAL SCHOOL MANILA - Brentville Subdivision, Mamlasan, Biñan, Laguna
39. CALTEX - SLEX 1 - South Luzon Expressway - Northbound, Brgy. San Antonio, San Pedro, Laguna
40. CAPITOL HILL HOTEL ANGELES - Sierra Madre St., Angeles City, Pampanga
41. CB MALL URDANETA - CB Mall, McArthur Highway, Brgy. Nancayasan, Urdaneta City, Pangasinan
42. CDO MEDICAL CENTER - CDO Medical Center Bldg. 2, Tiano Brothers cor. Nacalaban St., Cagayan de Oro City, Misamis Oriental
43. CEBU DOCTORS' HOSPITAL - Cebu Doctors' University Hospital, Osmeña Blvd., Cebu City, Cebu
44. CEBU DOCTORS' UNIVERSITY - Cebu Doctors' University Hospital, #1 Potenciano Larrazabal Ave., North Reclamation Area, Mandaue City, Cebu
45. CELEBES COCONUT BUTUAN - Km. 9, Brgy. Taguibo, Butuan City, Agusan Del Norte
46. CENTRIO MALL - G/F Centrio Mall, CM Recto cor. Corrales St., Cagayan de Oro, Misamis Oriental
47. CLARK GATEWAY - Clark Gateway Commercial Complex, Gil Puyat Ave., Brgy. San Francisco, Mabalacat, Pampanga
48. COLEGIO SAN AGUSTIN BIÑAN - Southwoods Ecocentrum Ave., Biñan, Laguna
49. CORPUS CHRISTI - Corpus Christi School, Tomas Saco St., Macasandig, Cagayan de Oro City, Misamis Oriental
50. DAGUPAN - NEPO MALL - G/F Nepo Mall Dagupan, Arellano St., Dagupan City, Pangasinan
51. DAVAO ADVENTIST HOSPITAL - Davao Adventist Hospital, Km. 7 McArthur Highway, Bangkal, Davao City, Davao del Sur
52. DAVAO METRO SHUTTLE - Pereyras Terminal 1, Magugpo West, Tagum City, Davao del Norte
53. DIPOLOG CENTER MALL - Dipolog Center Mall, 138 Rizal Ave., Dipolog City, Zamboanga del Norte
54. DIPSSCOR - Davao Integrated Port and Stevedoring Services Corporation Bldg., International Port of Davao, Sasa Wharf, Davao City, Davao del Sur
55. DLSU - DASMARIÑAS - College of Engineering, DLSU Dasmariñas, Dasmariñas City, Cavite

56. DLSU - HEALTH SCIENCE CAMPUS - De La Salle University Health Science Campus Inc., Congressional Road, Dasmariñas City, Cavite
57. DLSU MAC - G/F Medical Arts Centre Bldg., DLSU Medical Center Compound, Congressional Road, Dasmariñas City, Cavite
58. DUSIT THANI D2 DAVAO - Stella Hizon Reyes Drive, Bo. Pampanga, Davao City, Davao del Sur
59. EAGLE RIDGE COUNTRY CLUB - Clubhouse, Eagle Ridge and Country Club, Brgy. Javalera, Gen. Trias, Cavite
60. ECCO BUILDING - G/F ECCO Bldg. (beside unit A), Fil-Am Friendship Highway, Brgy. Anunas, Angeles City, Pampanga
61. FAMILY MART BALITI PAMPANGA - McArthur Hiway cor. Baliti Road, San Fernando, Pampanga
62. FAMILY MART SKYTECH MABALACAT - Skytech IT Park Bldg., McArthur Highway, Camachiles, Mabalacat, Pampanga
63. FCC SUPERMARKET CONCEPCION TARLAC – Juan Luna St., Rosepark, Concepcion, Tarlac
64. FESTIVE WALK - ANNEX BLDG. - Annex Bldg., Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
65. FESTIVE WALK - FOOD HALL - Food Hall, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
66. FESTIVE WALK - OUTDOOR - Outdoor Area, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
67. FESTIVE WALK - WILCON - Wilcon Area, Iloilo Festive Walk, Megaworld Blvd., Iloilo Business Park, Mandurriao, Iloilo City
68. FRIENDSHIP SUPERMARKET MUÑOZ NE - D. Delos Santos St., Science City of Muñoz, Nueva Ecija
69. GAISANO - BULUA - Gaisano Bulua Mall, Bulua St., Cagayan de Oro City, Misamis Oriental
70. GAISANO - ILIGAN - G/F Gaisano Citi Super Mall, Iligan City, Lanao del Norte
71. GAISANO - LAPU-LAPU CITY - Gaisano Mactan Island Mall, Pusok, Lapu-Lapu City, Cebu
72. GAISANO - MASBATE - Gaisano Capital Masbate, Quezon St., Crossing, Masbate City, Masbate
73. GAISANO - PUERTO - Unit #1 ATM - 2nd Level Gaisano Puerto, Sayre Highway, Puerto, Cagayan de Oro City, Misamis Oriental
74. GAISANO MALL - BAJADA DAVAO - Gaisano Mall of Davao, J.P. Laurel Ave., Bajada, Davao City, Davao del Sur
75. GAISANO MALL - CAGAYAN DE ORO - Unit #3 Level 2 Atrium Gaisano Mall, Corrales Extension cor. CM Recto Ave., Cagayan de Oro City, Misamis Oriental
76. GOLDEN PRINCE HOTEL - Golden Prince Hotel & Suites, Acacia St. cor. Archbishop Reyes Ave., Cebu City, Cebu
77. GOOD SAMARITAN HOSPITAL - Good Samaritan Compound, Burgos Ave., Cabanatuan City, Nueva Ecija
78. GREEN CITY MEDICAL CENTER DOLORES - Gapan Olongapo Road, San Fernando, Pampanga
79. GROSVENOR SQUARE - Grosvenor Square, Josefa St., Angeles City, Pampanga
80. HOLY ANGEL UNIVERSITY 2 - G/F Holy Angel University Student's Center, Sto. Rosario St., Angeles City, Pampanga
81. ILIGAN LIGHT AND POWER - Iligan Light and Power, Main Office Bldg. Bro. Jeffrey Road, Pala-o, Iligan City
82. JENRA JUMBO DOLORES - Olongapo-Gapan Road, Dolores, San Fernando, Pampanga
83. JENRA MALL - JENRA Grand Mall, Sto. Rosario St., Angeles City, Pampanga
84. JOLLIBEE - MABALACAT - ATM 2 ATM Center (beside Jollibee), McArthur Highway, Brgy. San Francisco, Mabalacat City, Pampanga
85. JOLLIBEE FLORIDABLANCA - Macabulos St., Floridablanca, Pampanga
86. JOLLIBEE FLORIDABLANCA 2 - Macabulos St., Floridablanca, Pampanga
87. JOLLIBEE GUAGUA - Jollibee Compound, Jose Abad Santos Avenue, Guagua, Pampanga
88. JOLLIBEE MONCADA - McArthur Highway, Poblacion 1, Moncada, Tarlac
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 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 ISLA RESORT - Agus Road, Ibabao, Marigondon, Lapu Lapu City, Cebu
108. MACTAN MARINA MALL - G/F Mactan Marina Mall, MEPZ 1, Lapu-Lapu City, Cebu
109. MAGIC MALL - G/F Magic Mall, Alexander St., Poblacion, Urdaneta City, Pangasinan
110. MAGIC STARMALL - UGF Magic Star Mall, Romulo Blvd., Brgy. Cut-Cut 1, Tarlac City, Tarlac
111. MALOLOS OFF-BRANCH - G/F Graceland Mall, Bulacan State University Grounds, McArthur Highway, Guinhawa, Malolos City, Bulacan
112. MALTA HOSPITAL TORIL - Malta Hospital Toril, McArthur Highway, Toril, Davao City, Davao del Sur
113. MARIA AURORA MUNICIPAL - G/F Maria Aurora Municipal Hall, Aurora
114. MARIA REYNA HOSPITAL - Beside Hospital Entrance/Exit, Maria Reyna Hospital, T.J. Hayes St., Cagayan De Oro City, Misamis Oriental

115. MARITON GROCERY DON DOMINGO - Mariton Grocery, Don Domingo, Tuguegarao City, Cagayan
116. MARKET CITY - Market City Bldg., Bus Terminal, Agora, Cagayan De Oro, Misamis Oriental
117. MARQUEE MALL 1 - G/F Activity Center, Marquee Mall, Aniceto Gueco St., Angeles City, Pampanga
118. MCIA - DOMESTIC CHECK-IN AREA - Mactan Cebu International Airport, Lapu-Lapu Airport Road, Lapu-Lapu City, Cebu
119. MCIA - DOMESTIC DEPARTURE HALL - Mactan Cebu International Airport, Lapu-Lapu Airport Road, Lapu-Lapu City, Cebu
120. MCIA DEPARTURE CHECK-IN SOUTHWING - Mactan Cebu International Airport, Lapu-Lapu Airport Road, Lapu-Lapu City, Cebu
121. MERCY HOSPITAL ILIGAN - Sister of Mercy Road, Iligan City, Lanao del Norte
122. MHAM CEBU - Entrance Matias H. Aznar, Memorial College, R. Duterte St., Cebu City, Cebu
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 HAWKERS MARKET - Hawkers Market, 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, 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 - Poblacion, 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. ROYAL DUTY FREE 2 - Bldg. 1109, Palm St., Subic Gateway District, Subic Bay Freeport Zone, Olongapo City, Zambales
169. ROYCE HOTEL - Royce Hotel, Manuel A. Roxas Highway cor. Ninoy Aquino Avenue, Clark Freeport Zone, Mabalacat, Pampanga
170. ROYCE HOTEL 2 - Royce Hotel, Manuel A. Roxas Highway cor. Ninoy Aquino Avenue, Clark Freeport Zone, Mabalacat, Pampanga
171. ROYCE HOTEL 3 - Royce Hotel, Manuel A. Roxas Highway cor. Ninoy Aquino Avenue, Clark Freeport Zone, Mabalacat, Pampanga
172. RPGMC TUGUEGARAO - Ronald P. Guzman Medical Center, Enrile Blvd., Carig, Tuguegarao City, Cagayan
173. SAMULCO - Sta. Ana Multi-Purpose Cooperative, Bldg. 1, Monteverde St., Davao City, Davao del Sur

174. SAN FERNANDINO HOSPITAL - San Fernandino Hospital, McArthur Highway, Bo. Dolores, San Fernando, Pampanga
175. SAVEWISE - POZORRUBIO - Savewise Bldg., Caballero St., Brgy. Cablong, Pozorrubio, Pangasinan
176. SHOP N RIDE GROTTO - Santa Maria Tungkong Mangga Road, San Jose Del Monte, Bulacan
177. SHOPWISE - CEBU - Shopwise Bldg., N. Bacalso Ave., Basak, San Nicolas, Cebu City, Cebu
178. SHOPWISE - SAN PEDRO - Shopwise, National Highway, Brgy. Landayan, San Pedro, Laguna
179. SHOPWISE BUHAY NA TUBIG IMUS - Brgy. Buhay na Tubig, Imus, Cavite
180. SHOPWISE GRAND TERMINAL BATANGAS - Diversion Road, Brgy. Alangilan, Batangas City, Batangas
181. SHOPWISE LANCASTER IMUS - G/F Shopwise Lancaster City, Advincula Avenue, Imus City, Cavite
182. SIBALOM MUNICIPAL ANTIQUE - G/F Sibalom Municipal Hall, Sibalom, Antique
183. SKYRISE REALTY - G/F Skyrise IT Bldg., Gorordo Ave. cor. N. Escario St., Cebu City, Cebu
184. SM BAGUIO - SM Baguio, Luneta Hill, Upper Session Road, Baguio City, Benguet
185. SM CENTER ANGONO - SM Center Angono, Quezon Ave. Angono, Rizal
186. SM CENTER DAGUPAN - 2F SM Center Dagupan, M.H. del Pilar, Dagupan City
187. SM CENTER IMUS - N.I.A Road, Barangay Bucandala III, Imus, Cavite
188. SM CENTER TUGUEGARAO - 2F SM Center Tuguegarao Downtown, Luna St. cor Mabinit St., Tuguegarao City, Cagayan
189. SM CITY BACOLOD - G/F Bldg. A, ATM #3 SM City Bacolod, Reclamation Area, Bacolod City, Negros Occidental
190. SM CITY BALIWAG - G/F SM City Baliwag, Doña Remedios Trinidad Highway, Brgy. Pagala, Baliwag, Bulacan
191. SM CITY BATANGAS - SM City Batangas, M. Pastor Ave., Pastor Village, Brgy. Pallocan Kanluran, Batangas City, Batangas
192. SM CITY BATANGAS 2 - SM City Batangas, M. Pastor Ave, Pastor Village, Brgy. Pallocan Kanluran, Batangas City, Batangas
193. SM CITY CABANATUAN - ATM Center, SM City Cabanatuan, Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija
194. SM CITY CAGAYAN DE ORO - ATM Center 2, Main Entrance, SM City Cagayan de Oro, Masterson Ave., Cagayan De Oro, Misamis Oriental
195. SM CITY CALAMBA - G/F SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
196. SM CITY CALAMBA 2 - 2F SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
197. SM CITY CALAMBA 3 - SM City Calamba, National Road, Brgy. Real, Calamba City, Laguna
198. SM CITY CAUYAN - Maharlika Highway, Brgy. District II, Cauayan City, Isabela
199. SM CITY CLARK OFF-BRANCH - ATM #1 SM City Clark (in-front of transport terminal), M. Roxas Highway, CSEZ, Angeles City, Pampanga
200. SM CITY DAET - 2/F SM City Daet, Vinzons Avenue, Brgy. Lag-on, Daet, Camarines Norte
201. SM CITY DASMARIÑAS 2 - G/F SM City Dasmariñas, Governor's Drive cor. Aguinaldo Hiway, Brgy. Sampaloc 1, Dasmariñas, Cavite
202. SM CITY GENERAL SANTOS - SM City Gen Santos, Santiago Blvd. cor. San Miguel St., Brgy. Lagao, Gen. Santos City, South Cotabato
203. SM CITY ILOILO - GF SM City Iloilo, Old Iloilo-Capiz Road, Iloilo City
204. SM CITY LIPA OFF-BRANCH - ATM 2, SM City Lipa, Ayala Highway, Brgy. Maraouy, Lipa City, Batangas
205. SM CITY OLONGAPO CENTRAL 2F - 2F East Tapinac, Olongapo City, Zambales
206. SM CITY ROSALES - SM City Rosales, MacArthur Highway, Carmen East, Rosales, Pangasinan
207. SM CITY TARLAC - G/F SM City Tarlac, McArthur Highway, Brgy. San Roque, Tarlac City, Tarlac
208. SM CITY URDANETA - McArthur Highway, Urdaneta, Pangasinan
209. SM DAVAO - ATM Center 1, SM City Davao, Quimpo Blvd. cor. Tulip Drive, Ecoland Subd., Brgy. Matina, Davao City, Davao del Sur
210. SM LANANG PREMIER OFF-BRANCH - UGF SM Lanang Premier, J.P. Laurel Ave., Brgy. San Antonio, Davao City, Davao del Sur
211. SM LEMERY - SM Center Lemery, Ilustre Avenue, Lemery, Batangas
212. SM MARILAO OFF-BRANCH - G/F SM City Marilao, MacArthur Highway, Marilao, Bulacan
213. SM MARKET MALL - ATM 3 SM Market Mall Dasmariñas, Congressional Ave., Dasmariñas Bagong Bayan, Dasmariñas, Cavite
214. SM MINDPRO ZAMBOANGA - G/F La Purisima St., Brgy. Zone III Poblacion, Zamboanga City
215. SM SUPERCENTER MOLINO - G/F SM Supercenter Molino, Molino Road, Brgy. Molino 4, Bacoar, Cavite
216. SOCSARGEN COUNTY HOSPITAL - Socsargen County Hospital, Arradaza St., General Santos City, South Cotabato
217. SOUTH TOWN CENTRE TALISAY - South Gate Mall, Tabunok, Talisay, Cebu
218. SOUTHWAY MALL - The Southway Square Mall, Gov. Lim Ave. cor. La Purisima St., Zamboanga City, Zamboanga del Sur
219. ST. ELIZABETH HOSPITAL - L. Santiago Blvd. corner National Highway, General Santos City
220. ST. ELIZABETH HOSPITAL 2 - Lobby Out Patient, L. Santiago Blvd. corner National Highway, General Santos City
221. STA. ROSA HOSPITAL - Sta. Rosa Hospital and Medical Center, San Lorenzo Road, Brgy. Balibago, Sta. Rosa, Laguna
222. SUPER METRO CARCAR - Natalio B. Bacalso National Highway, Carcar City, Cebu
223. SUPERL PHILS BACOLOR - Angeles Industrial Park, PEZA, Brgy. Calibutbut, Bacolor, Pampanga
224. TARGET MALL 1 - G/F Target Mall, Sta. Rosa Commercial Complex, Brgy. Balibago, Sta. Rosa, Laguna
225. TARGET MALL 2 - ATM 4 Canopy Area, Target Mall, Sta. Rosa Commercial Complex, Brgy. Balibago, Sta. Rosa, Laguna
226. THE DISTRICT - DASMARIÑAS - G/F The District - Dasmariñas, Molino-Paliparan Road, Dasmariñas City, Cavite
227. THE DISTRICT - IMUS - The District Imus, Aguinaldo Highway cor. Daang Hari Road, Brgy. Anabu II-D, Imus, Cavite
228. THREADNETICS PULILAN - San Bernardino St., Dampot II-B, Pulilan, Bulacan
229. TOYOTA SAN NICOLAS - Brgy.16 San Marcos, San Nicolas, Ilocos Norte
230. UNION CHRISTIAN COLLEGE - Union Christian College, Widdoes St., Brgy. II, San Fernando, La Union
231. UNIVERSITY OF BAGUIO - University of Baguio, Assumption Road, Baguio City, Benguet
232. UNIVERSITY OF BOHOL - University of Bohol, Ma. Clara St., Tagbilaran City, Bohol

233. UNIVERSITY OF ILOILO - University of Iloilo Campus, Rizal St., Iloilo City
234. UNIVERSITY OF PERPETUAL HELP - BIÑAN - Dr. Jose Tamayo Medical Bldg., University of Perpetual Help System Laguna, Brgy. Sto. Niño, Biñan, Laguna
235. UNIVERSITY OF SAN CARLOS - University of San Carlos Main University Bldg., Pantaleon del Rosario St., Cebu City, Cebu
236. USC - TALAMBAN - USC Talamban Campus, Gov. M. Cuenco Ave., Brgy. Nasipit, Talamban, Cebu City, Cebu
237. VIRAC TOWN CENTER - Catanduanes Circumferential Road, Virac, Catanduanes
238. VISION FEEDMILLS ROSARIO - Rosario - San Juan - Candelaria Road, Rosario, Batangas
239. WALTER MART - CABANATUAN - Maharlika Highway, Brgy. Dicarma, Cabanatuan City, Nueva Ecija
240. WALTER MART - CARMONA - G/F Walter Mart Carmona, Macaria Business Center, Governor's Drive, Carmona, Cavite
241. WALTER MART - CANDELARIA QUEZON - KM 0108 Daang Maharlika Highway, Brgy. Malabanan Norte, Candelaria
242. WALTER MART - CAPAS - Walter Mart Shopping Center Capas, KM 107.5 McArthur Highway, Brgy. Sto. Domingo I, Capas, Tarlac
243. WALTER MART - DASMARIÑAS - G/F Walter Mart Dasmariñas, Barrio Buro Aguinardo Highway, Dasmariñas City, Cavite
244. WALTER MART - GEN. TRIAS - G/F Waltermart General Trias, Governors Drive, Barrio Mangahan, General Trias, Cavite
245. WALTER MART - MALOLOS - Walter Mart Shopping Center Malolos, KM 45 McArthur Highway, Brgy. Longo, Malolos, Bulacan
246. WALTER MART - MOLINO BACOR - Molino Blvd., Bacoor, Cavite
247. WALTER MART - SAN FERNANDO - Walter Mart San Fernando, McArthur Highway, Brgy. San Agustin, San Fernando, Pampanga
248. WALTER MART - STA. ROSA 1 - UGF Waltermart Sta. Rosa, San Lorenzo Village, Balibago Road, Brgy. Balibago, Sta. Rosa, Laguna
249. WALTER MART - STA. ROSA 2 - UGF Waltermart Sta. Rosa, San Lorenzo Village, Balibago Road, Brgy. Balibago, Sta. Rosa, Laguna
250. WALTER MART - STA. ROSA BEL-AIR - Walter Mart Bel-Air, Sta. Rosa Tagaytay Road, Pulong Sta. Cruz, Sta. Rosa, Laguna
251. WALTER MART - TAGAYTAY - G/F Ayala Mall Serin, Tagaytay-Nasugbu Highway, Silang Junction South, Tagaytay City, Cavite
252. WALTER MART - TANAUAN - Walter Mart Tanauan, J. P. Laurel National Highway, Brgy. Darasa, Tanauan, Batangas
253. WELLCOME MINIMART BASISTA - National highway, Basista, Pangasinan
254. WESLEYAN UNIVERSITY - Wesleyan University of the Philippines, Mabini St. Extension, Cabanatuan City, Nueva Ecija
255. WNU STI UNIVERSITY - STI West Negros University, Burgos cor. Hilado St., Bacolod City, Negros Occidental
256. XAVIER UNIVERSITY - G/F Library Annex, Xavier University, Corrales Ave., Cagayan De Oro City, Misamis Oriental
257. YASHANO MALL LEGAZPI - Yashano Mall, F. Imperial St. cor. Terminal Rd. 1, Legazpi Port District, Legazpi City, Albay
258. YUBENCO STARMALL - Yubenco Starmall, Maria Clara Lorenzo Lobregat Highway, Putik, Zamboanga City, Zamboanga del Sur
259. YU-YU CAFÉ & DESSERT SHOPPE TAGUM - National Hiway cor. Quirante II St., Magugpo Poblacion, Tagum City, Davao del Norte
260. ZAMBOANGA PENINSULA MEDICAL CENTER - Zamboanga Peninsula Medical Center, Maria Clara Lorenzo Lobregat Highway, Putik, Zamboanga City, Zamboanga del Sur

China Bank Savings - Off Branch ATM Directory

1. Calamba Hospital - KM. 49 National Highway, Parian, Calamba City, Laguna
2. RIS - RIS DEVELOPMENT CORPORATION - 168 Mercado St Tabe, Guiguinto, Bulacan 03015 (Balagtas Branch)
3. ZAMECO - ZAMECO II Head Office Compound, National Road, Brgy. Magsaysay, Castillejos, Zambales (Olongapo Branch)
4. SAINT LOUIS COLLEGE LA UNION - St. Louis College Carlatan San Fernando City La Union

(e) Status of Publicly Announced New Products and Services

<i>Product</i>	<i>Status</i>
Deposit Products	
Payroll account	Fully operational

(f) Competition

As of December 2021, there are 45 universal and commercial banks in the Philippines – 17 private domestic banks, 23 foreign bank branches, three government banks, and two foreign bank subsidiaries. Last year, the BSP capped the approved digital bank licenses to six, which should allow the regulator to closely monitor developments and competition.

The combined assets of the universal & commercial banking (UK/B) and thrift banking (TB) industries as of December 2021, expanded by 7% or P1.3 trillion year-on-year to P20.5 trillion. China Bank's assets increased by 7%, at par with the industry's growth rate, to P1.1 trillion.

Industry deposits went up 9% or P1.3 trillion to P16.0 trillion, while gross loans rose by 4% or P431 billion to P10.5 trillion. Gross non-performing loans (NPL) increased by 16% to P431 billion, resulting in higher gross NPL ratio of 4.1% from 3.7%. NPL cover, on the other hand, declined to 89% from 95%.

Combined equity of the UK/B & TB industries went up by 6% or P140 billion to P2.5 trillion. UK/B industry CAR as of September 2021 improved to 16.89% on a solo basis and 17.44% on a consolidated basis.

Among private universal banks, China Bank remained as the fifth largest bank in the country in terms of asset size. The bank advanced as the fourth largest lender (from fifth last year) and maintained its spot as the fifth largest deposit-taker and with fifth largest equity.

(g) 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.

(h) 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 | • China Bank Cash Management |
| • China Bank Treasury Investments | • China Bank Check Write Plus |
| • China Bank GS Fund | • China Bank Check Depot |
| • China Bank Online | • China Bank Sure Sweep |
| • China Bank Diamond Savings Account | • China Bank Sure Collect |
| • China Bank Dollar Fund | • China Bank Bills Pay Plus |
| • China Bank ChinaCheck Plus | • China Bank ACA Auto-Credit Arrangement |
| • China Bank HomePlus | • China Bank ADA Auto-Debit Arrangement |
| • China Bank AutoPlus | • China Bank EGOV |
| • China Bank Platinum | • China Bank Corporate Bills Payment |
| • China Bank Prime | • China Bank Escrow Agency Service POEA |
| • China Bank World | • China Bank Partnership Banking |
| • China Bank Money Plus | • China Bank EIPS Electronic Invoicing and Payment Solution |
| • China Bank Premium Savings Account | • China Bank Direct Debit Arrangement |
| • China Bank Wealth Management | • China Bank Trust and Asset Management Group |

All the Bank's trademark registrations are valid for 10 years with expiration dates varying from 2020 to 2025.

The Bank closely monitors the expiry and renewal dates of these trademark names to protect the Bank's brand equity.

(i) Sources and Availability of raw materials and the names of principal suppliers.

Not applicable.

(j) Disclose how dependent the business is upon a single customer or a few customers.

Not applicable.

(k) Need for any government approval of principal products or services.

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

(l) 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.

(m) Amount spent on research and development activities

(In Thousand Pesos)	2021	2020	2019
Education & Training	23,691	27,325	71,165
Advertising Expenses	50,064	87,179	55,197
Technology	1,350,448	1,159,747	1,186,258

(n) Cost and effect of compliance with environmental laws. Not applicable.

(o) 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 2021 as well as the projected headcount for 2022:

	2022			2021		
	Officers	Staff	Total	Officers	Staff	Total
Marketing	1,950	392	2,342	1,845	299	2,144
Operations	1,090	4,468	5,558	973	4,545	5,518
Support	853	936	1,789	742	903	1,645
Technical	289	202	491	257	183	440
Total	4,182	5,998	10,180	3,817	5,930	9,747

The CBC Employees Association (CBCEA) members have an existing Collective Bargaining Agreement with the Bank for the period 01 August 2020 to 31 July 2022.

(p) Risk Management

Risks are part of doing business. Effective risk management rather than outright risk avoidance has been a guiding principle at China Bank, enabling us to maintain highly profitable and stable operations while undertaking only well-calculated risks for commensurate returns. Risk oversight is a primary Board responsibility, setting the tone for a sound risk culture. Management handles the implementation of the Enterprise Risk Management Framework and day-to-day risk management, ensuring the Bank operates within the established risk appetite and limits. Effective risk management is reinforced as a discipline group-wide through trainings and communication.

Risk Governance System

At China Bank, managing risks is everyone's business. Our framework ensures that the Board direction on strategy and risks are well articulated in the risk policies and that risk appetites, limits, and measures are identified and monitored.

We subscribe to a Three Lines of Defense system to effectively manage group-wide risks. The first line of defense is risk management by the business lines, wherein business unit engages in risk-taking within the established range of risk appetite, and promptly implements risk control at the on-site level when a risk arises. The second line of defense is Compliance and Risk Management. Compliance Division is in charge of the compliance risk management system to identify and mitigate risk that may erode the franchise value of the Bank, while the Risk Management Group (RMG) acts as a restraint function for the risk taking of the first line of defense, and supervises and provides guidance regarding the risk governance system. RMG reports on the status of risk management to

the Board of Directors through the Risk Oversight Committee. The third line of defense is the Audit Division which validates the effectiveness and appropriateness of the group-wide risk governance system and processes from an independent standpoint.

Risk Management Group

The Risk Management Group (RMG), headed by the Chief Risk Officer (CRO), performs overall risk management, identifies and evaluates group-wide risks, creates a risk management process, formulates recovery strategies, and sets risk limits in accordance with the Board-approved risk management policies. RMG applies the principles of sound governance to the identification, assessment, monitoring, and mitigation of risks. Risk identification and assessment are embedded in our work processes and critical business systems to ensure that decision-making is based on valid data. RMG distinguishes the different types of risk and takes an integrated approach, guided by supporting frameworks and policies which are regularly reviewed and enhanced, to effectively manage the Bank's financial, nonfinancial, and emerging risks.

Credit Risk

Our policies for managing credit risk are determined at the business level with specific procedures for different risk environments and business goals. Risk limits and thresholds have been established to monitor and manage credit risk from individual counterparties and/or group of counterparties, countries, and industry sectors. Periodic assessments are also conducted to review the creditworthiness of our counterparties.

We have an existing Internal Credit Risk Rating System (ICRRS) to measure in a consistent manner the credit risk for corporate borrowers with total assets, total facilities, or total exposures amounting to P15 million and above. For retail and small and medium entities and individual loan accounts, we have a credit scoring system, the Borrower Credit Score (BCS). There is also an existing application scorecard for auto loans and housing loans, while Transunion score is used for credit cards in conjunction with other credit acceptance criteria.

In addition, we have a rating system used for Philippine universal, commercial, thrift, rural, and cooperative banks and a Sovereign Risk Rating Model used to assess the strength of the country rated with reference to its economic fundamentals, fiscal policy, institutional strength, and vulnerability to extreme events.

In 2014, we engaged Moody's Analytics for the quantitative and qualitative validation of the ICRRS, followed by the model recalibration in 2015. In 2016, with the assistance of Teradata as its technology provider, we completed the statistical validation of the BCS using the same methodology applied to the validation of the corporate risk rating model. The validation of the two proposed recalibrated ICRRS models continued in 2017 and 2018, and in 2019, the Board approved the recalibrated model to be used in lieu of the old ICRRS model. In 2020, RMG conducted its data quality and quantitative review of the auto and housing loan scorecard. The review document and the related working papers were provided to Internal Audit in 2021 as part of the turnover of the validation function to their team. For the BCS, the Bank continued to perform review of the existing model from 2019 to 2021.

Market and Liquidity Risk

Operating in a market that is dynamic and often unpredictable, China Bank is exposed to market risk—the risk of changes in market factors, such as foreign exchange, interest rates and equity prices negatively impacting earnings. This includes interest rate risk in the banking book which is the risk to interest income from a mismatch between the duration of assets and liabilities. The Bank is also exposed to liquidity risk, which is the current and future risk arising from a company's inability to meet its financial obligations when they come due. The objective of our market risk policies is to obtain the best balance of risk and return while meeting our stakeholders' requirements. On the other hand, our liquidity risk policies center on maintaining adequate liquidity at all times to be in a position to meet all obligations as they fall due. Market risk, interest rate risk, and liquidity risk exposures are managed through a risk management framework comprising of limits, triggers, monitoring, and reporting process that are in accordance with the risk appetite of the Board.

Market risk exposures are measured and monitored through reports from our Market Risk Management System. We use Historical Simulation Value-at-Risk (VaR) approach for all treasury traded instruments, including fixed income bonds, foreign exchange swaps and forwards, interest rate swaps, and equity securities. Meanwhile, liquidity and interest rate risk exposures are measured and monitored through the Maximum Cumulative Outflow (MCO) and Earnings-at-Risk (EaR) reports from our Asset and Liability Management (ALM) system. Based on the latest annual validation of Internal Audit, our internal risk measurement models –VaR, EaR, and MCO – remain appropriate and adequate.

Operational Risk

China Bank looks to be an admired and innovative financial services institution that partners with customers, employees and shareholders in wealth and value creation. The bank recognizes that operating soundly and innovating nimbly are keys to sustaining the faith and credit its stakeholders. Our Operational Risk Management Framework provides guidelines that operational workflows sustain the Bank's growth and profit objectives. Our framework advocates a culture of risk recognition, risk control and risk management. It includes policies, processes, procedures, and various tools, which includes Risk Assessment, Control Self-Assessment, Loss Incident Reporting System and reporting of Key Risk Indicators to manage operational risks.

Business Continuity Management (BCM)

China Bank recognizes infrastructure availability as a critical part of providing our stakeholders with quality service. We strengthen the ability of our operations to recover from significant business disruptions that may include natural calamities, pandemics, and disasters through developing, reviewing and testing our resilience plans/

Information Technology (IT) Risk

China Bank recognizes the horizons that open with the use of Information Technology to deliver products & services or to increase the efficiency of service fulfilment and product delivery. The bank's information technology risk infrastructure centers on ensuring: the soundness of IT Operations, the effectivity of IT Security in the face of increasing cyber threat landscape, the orderliness of implementation of IT Projects particularly as the Bank prepares to embark on a digitization effort. Our board of directors is the owner of our IT risk management framework. The Board of the Parent Bank delegates to an IT steering committee (ITSC) the responsibility for implementing our IT strategies and cohesively monitor IT performance. Our ITSC includes the participation of two directors who oversee the institution's IT function as well as members of management that oversee business execution and business support functions. Governance functions participate in ITSC meetings in advisory capacity. The ITSC aggregates IT concerns from all over the enterprise to ensure concerted implementation of the Group's IT Strategy. The allied subsidiary and affiliate enterprises ensure their respective Boards, Senior Managements and Risk functions remain aware of all businesses they raise before the ITSC.

Trust Risk

With the extensive development of the financial market, the Bank continues to place great importance on managing all the risks specific to our Trust business, including legal, strategic, and reputational risks. Trust risk is managed in accordance with the Guidelines in Strengthening Corporate Governance and Risk Management Practices on Trust, Other Fiduciary Business, and Investment Management Activities (BSP Circular 766), as well as the Bank's internal Trust Risk Management Guidelines.

Integrated Stress Test

RMG has an Integrated Stress Testing (IST) framework to evaluate the Bank's overall vulnerabilities on specific events or crisis and gauge the ability to withstand stress events, in addition to the silo stress tests. The IST covers all the major risk areas of the Bank and complements the Pillar I Plus Approach which is the basis for the Internal Capital Adequacy Assessment Process (ICAAP) capital charge under normal condition.

(q) Additional requirements as to certain issues or issuers. Not Applicable

- (i) Debt Issues
- (ii) Investment Company Securities

Item 2. Properties

(a) Principal Properties Owned

The Bank conducts its business in its Makati headquarters situated on a 2,977 square meter lot (2 parcels) with a multi storey building appraised at P1.8 billion, with business address at 8745 Paseo de Roxas cor. Villar St., Makati City. Its Binondo Business Center is located at a 1,233 sq. m. lot at the corner of Dasmarinas and Juan Luna streets (4 parcels of land with two multi-storey commercial buildings). China Bank Savings Head Office is situated on a 2,400 square meter lot (2 parcels) with a multi storey building with business address at CBS Building 314 Sen. Gil J. Puyat Avenue, Makati City. The average lease period of branches is 10 years and the average annual rental fee is The average lease period of branches is 10 years and the average annual rental fee is around P1.6 million.

China Bank Parent

(i) Bank-owned Properties - Metro Manila & Provincial Branches

	BRANCH	ADDRESS
1	Angeles City	CBC-Building, 949 Henson St., Angeles City
2	Araneta Ave	Philippine Whithasco Bldg. 420 Araneta Avenue, cor. Bayani St., Quezon City
3	Asuncion	Units G6 & G7 Chinatown Steel Towers, Asuncion St., San Nicolas, Manila
4	Bacolod – Araneta	CBC-Building, Araneta corner San Sebastian Streets, Bacolod City
5	Banawe	CBC Building, 680 Banawe Avenue, Sta. Mesa Hts. District I, Quezon City
6	Binondo Business Center	CBC Bldg., Dasmariñas cor. Juan Luna Sts. Binondo, Manila
7	Butuan	CBC-Building J.C. Aquino Ave. Butuan City
8	Cabanatuan - Maharlika	CBC-Building, Maharlika Highway Cabanatuan City
9	Cagayan De Oro - Lapasan	CBC Building, Claro M. Recto Avenue, Lapasan, Cagayan de Oro City
10	Cainta	CBC Bldg (Beside Sta. Lucia East Mall) Felix Ave. (Imelda Ave.), Cainta, Rizal
11	Catbalogan	CBC-Building Del Rosario St. cor. Taft Ave., Catbalogan City
12	Cavite - Dasmariñas	CBC-Building, Gen. E. Aguinaldo Highway, Dasmarinas, Cavite
13	Cavite – Imus	CBC-Building, Nueno Avenue Tanzang Luma, Imus, Cavite
14	Cavite – Rosario	CBC-Building, Gen Trias Drive, Rosario, Cavite
15	Cebu – Banilad	CBC-Building AS Fortuna St. Banilad Cebu City
16	Cebu – Guadalupe	CBC Building, M. Velez Street, cor. V. Rama Ave., Guadalupe, Cebu City
17	Cebu – Magallanes	CBC-Building, Magallanes corner Jakosalem Sts., Cebu City
18	Cebu – Talisay	CBC-Building., 1055 Cebu South National Road Bulacao, Talisay City, Cebu
19	Cebu Business Center	CBC-Building, Samar Loop corner Panay Road, Cebu Business Park, Cebu City
20	Cubao Aurora	911 Aurora Blvd Ext. corner Miami Street, QC
21	Davao – Recto	CBC-Building, C.M. Recto Ave. cor. J. Rizal St. Davao City
22	Dipolog City	CBC Building, Gen Luna corner Gonzales Streets, Dipolog City
23	Divisoria Sta. Elena	Unit G22 New Divisoria Condominium Ctr, Sta. Elena St. near cor Tabora St., Binondo, MM
24	Dumaguete City	CBC-Building Real St, Dumaguete City
25	E. Rodriguez Sr. Blvd	CBC Bldg., #286 E. Rodriguez Sr. Blvd., Brgy. Damayang Lagi, Quezon City

	BRANCH	ADDRESS
26	Gen. Santos City	CBC-Building, I. Santiago Blvd., Gen. Santos City, South Cotabato
27	Gil Puyat - Elizabeth Place	G/F Elizabeth Place, Gil Puyat Ave., Makati City
28	Iloilo – Rizal	CBC-Building Rizal cor. Gomez Sts., Brgy. Ortiz, Iloilo City
29	Kalookan	CBC Bldg., 167 Rizal Avenue Extension Grace Park, Kalookan City
30	Katipunan-St. Ignatius Branch	CBC Bldg., No. 121 Katipunan Ave. Bgy. St. Ignatius, Quezon City
31	Las Piñas	CBC- Bldg., Alabang-Zapote Road cor. Aries St., Pamplona Park Subd., Las Piñas City
32	Legaspi Village - AIM	G/F Cacho-Gonzales Building, 101 Aguirre cor. Trasierra Sts, Legaspi Vill., Makati City
33	Legaspi Village - Salcedo	G/F Fedman Suites, 199 Salcedo Street Legaspi Village, Makati City
34	Makati Main	CBC Building 8745 Paseo de Roxas corner Villar Streets, Makati City
35	Malabon - Gov. Pascual Ave.	CBC Building, Gov. Pascual Ave., Malabon City
36	Malabon - Potrero	CBC Bldg., McArthur Highway, Potrero, Malabon
37	Mandaluyong - Pioneer	UG-05 Globe Telecom Plaza Tower I Pioneer Street, Mandaluyong City
38	Ormoc City	CBC-Building, Real cor. L. Jaena Sts., Ormoc City
39	Ortigas - ADB Ave.	LGF City & Land Mega Plaza ADB Ave. cor. Garnet Rd. Ortigas Ctr. Pasig City
40	Ortigas - Jade Drive	Unit G-03, Antel Global Corporate Center Jade Drive, Ortigas Center, Pasig
41	Pasay - Roxas Blvd.	GF Unit G-01 Antel Seaview Towers 2626 Roxas Blvd., Pasay City
42	Pasay -Libertad	CBC-Building, 184 Antonio Arnaiz Avenue (Formerly Libertad), Pasay City
43	Pasong Tamo - Cityland	Units UG29-UG32 Cityland Pasong Tamo Tower 2210 Pasong Tamo St., Makati City
44	Quiapo	216-220 Villalobos St., Quiapo, Manila
45	Roosevelt	CBC Bldg., #293 Roosevelt Ave., San Francisco Del Monte, Quezon City
46	Salcedo Village - LP Leviste	Unit 1-B G/F The Athenaeum San Agustin – LP Leviste St, Salcedo Village, Makati City
47	Salcedo Village - Tordesillas	G/F Prince Tower Condominium 14 Tordesillas St, Salcedo Village, Makati City
48	Salcedo Village - Valero	Valero Tower, 122 Valero Street Salcedo Village, Makati City
49	San Fernando	CBC-Building, V. Tiomico Street San Fernando, Pampanga
50	San Fernando - Dolores	CBC-Building, McArthur Highway, Dolores, City of San Fernando, Pampanga
51	San Juan	17 (new) F. Blumentritt St., San Juan, M. M.
52	Shaw - Haig	G/F First of Shaw Bldg, Shaw Blvd. corner Haig St, Mandaluyong City
53	Shaw- Summit One	Unit 102 Summit One Office Tower 530 Shaw Boulevard Mandaluyong City
54	Sorsogon	CBC Building, Ramon Magsaysay Avenue Sorsogon City, Sorsogon
55	Tarlac	CBC Building, Panganiban near corner F. Tanedo Street, Tarlac City, Tarlac
56	Timog Avenue	G/F Prince Jun Condo., 42 Timog Ave., Q.C.
57	Valenzuela	CBC-Bldg., Mc Arthur Highway cor. V. Cordero St., Marulas, Valenzuela City
58	Visayas Ave.	CBC-Building, Visayas Avenue corner Congressional Ave. Ext, Quezon City
59	West Ave.	82 West Avenue, Quezon City
60	Zamboanga City	CBC-Building, Gov. Lim Avenue corner Nunez Street, Zamboanga City
61	Bel-Air-Jupiter	Buendia Car Exchange, Jupiter Street, Makati City
62	BF Resort Village	BF Resort Drive cor. Gloria Diaz St, BF Resort Village Talon Dos, Las Piñas City
63	Cagayan De Oro - Divisoria	RN Abejuela St, South Divisoria, Cagayan de Oro City
64	Gen. Santos City - Dadiangas	M. Roxas Ave. corner Lapu-Lapu Street, Brgy. Dadiangas East, Gen. Santos City, South Cotabato
65	Las Piñas - Manuela	Alabang-Zapote Road cor Philamlife Ave., Pamplona Dos, Las Piñas City
66	Ortigas Complex	G/F Padilla Building, F. Ortigas Jr. Road (formerly Emerald Avenue), Ortigas Center, Pasig City.
67	Philam	#8 East Lawin Drive, Philam Homes, QC

(ii) Leased Properties – Metro Manila & Provincial Branches

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
1	999 Mall (formerly Tutuban Center)	Unit 3D-5; 3D-7 999 Shopping Mall Bldg. 2 Recto-Soler Sts. Binondo, Manila	November 27, 2017	November 26, 2022	181,877.24
2	A. Bonifacio - Mauban	GIF Urban Oasis Residences, 423-431., A. Bonifacio Ave., Brgy. San Jose, Quezon City	April 1, 2016	March 31, 2026	109,974.38
3	Alabang Hills	GIF RBC-MDC Corporate Center, Don Jesus Blvd., Alabang Hills Village, Muntinlupa City	May 1, 2016	April 30, 2026	128,478.35
4	Albay	Rizal St. cor. Gov. Reynold Street, Old Albay District, Legazpi City	December 1, 2017	November 30, 2037	89,844.93
5	Alvarado	Alvarado St. Binondo, Manila	August 1, 2017	July 31, 2027	101,368.42
6	Angeles City- Marquee Mall	GIF Marquee Mall, Angeles City, Pampanga	October 1, 2017	September 30, 2022	194,082.02
7	Angeles City-Balibago	Diamond Square, Service Road McArthur Highway cor. Charlotte St. Balibago, Angeles City, Pampanga	August 10, 2021	August 9, 2023	155,132.85
8	Angeles- Stn. Rosario	Angeles Business Center Bldg., Teresa Avenue, Nepo Mart Complex, Angeles City, Pampanga	May 1, 2012	April 30, 2022	90,054.40
9	Angeles-McArthur Highway	CBC Bldg. San Pablo St. corner Mc Arthur Highway, Angeles City	September 1, 2009	August 31, 2024	116,728.92
10	Anonas	Anonas corner Marang Streets, Brgy. Quirino, Project 2, Quezon City	August 01, 2018	July 31, 2028	305,613.00
11	Antipolo City	GIF Budget Lane Arcade, No. 6, Provincial Road, Brgy. San Jose, Antipolo City, Rizal	January 1, 2015	December 31, 2024	143,524.20
12	Antipolo City - Taktak	Sumulong Highway corner Taktak Road, Brgy. Dela Paz, Antipolo City, Rizal	January 1, 2017	December 31, 2026	137,757.80
13	Antipolo- Sumulong Highway	No. 219 Sumulong Highway, Brgy. Mambangan, Antipolo City, Rizal	July 16, 2014	July 15, 2024	70,355.25
14	Anique- San Jose	Felrosa Building, Gen. Fullon St. corner Cerdana St., San Jose, Anique	June 1, 2020	May 31, 2030	39,398.81
15	Apalit	CBC Building, McArthur Highway, San Vicente, Apalit, Pampanga	January 1, 2011	December 31, 2030	45,027.50
16	Arnaiz Ave.	United Life Assurance Building, A. Arnaiz Ave. (Pasay Road), Makati City	February 01, 2018	January 31, 2023	72,765.00
17	Arranque	Don Felipe Building, 675 Tomas Mapua St., Sta. Cruz, Manila	August 1, 2019	July 31, 2024	267,857.14
18	Aurora Blvd. - New Manila	Aurora Blvd., Brgy. Valencia, Quezon City	November 1, 2016	October 31, 2026	182,325.00
19	Ayala Ave. - Amoroso	GIF Teleperformance Bldg, Ayala Ave., Makati City	May 1, 2017	April 30, 2022	331,833.84
20	Ayala Malls Manila Bay	Level 2 Ayala Malls Manila Bay, D. Macapagal Ave., Parañaque City	September 6, 2019	September 30, 2024	289,211.00
21	Ayala-Alabang	GIF, CBC-Building Acacia Ave., Madrigal Business Park, Ayala Alabang, Muntinlupa City	January 1, 2015	December 31, 2024	309,563.10
22	Ayala-Columns	GIF The Columns Tower 3, Ayala Avenue, Makati City	January 1, 2021	December 31, 2021	110,619.00
23	Baclaran- F.B. Harrison	BAGPI Main Bldg., 2935 F.B. Harrison cor. Ortigas St., Pasay City	January 1, 2018	December 31, 2027	181,361.25
24	Bacolod - Lacson	Soliman Bldg., Lacson corner Luzurriaga Sts. Bacolod City, Negros Occidental	October 1, 2017	December 31, 2027	98,398.80
25	Bacolod- Libertad	Libertad Street, Bacolod City, Negros Occidental	July 1, 2012	June 30, 2022	59,098.22
26	Bacolod-Mandalagan	COFA Building, Lacson St., Bgy. Mandalaga, Bacolod City, Negros Occidental	December 16, 2019	March 15, 2030	55,500.00
27	Bacolod-North Drive	Anesa Bldg., B.S. Aquino Drive, Bacolod City	June 1, 2020	March 31, 2030	77,566.41
28	Baguio City	GIF Juniper Bldg., A. Bonifacio Rd., Baguio City	January 1, 2019	December 31, 2021	249,859.02
29	Baguio City-Kisad (former Baguio Abanao)	GIF Paladin Hotel, No. 136 Kisad Road corner corner Cariño St., Baguio City	November 1, 2021	October 31, 2031	126,000.00
30	Balanga City	Servicio Filipino Bldg., Paterno St., Poblacion, Balanga City, Bataan	December 27, 2021	December 26, 2031	114,149.80

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
31	Baler	Provincial Road, Barrio Suklayain, Baler, Aurora	December 1, 2013	November 30, 2023	58,894.19
32	Balintawak-Bonifacio	657 A. Bonifacio Avenue, Balintawak, Quezon City	May 1, 2012	April 30, 2022	79,197.27
33	Baliwag	Km. 51, Doña Remedios Trinidad (DRT) Highway, Baliwag, Bulacan	January 1, 2018	December 31, 2027	80,813.53
34	Balut	North Bay Shopping Center, Honorio Lopez Boulevard, Balut, Tondo, Manila	August 1, 2018	July 31, 2028	186,919.64
35	Banawe Calamba (formerly Banawe Ma. Clara)	119 Banawe St. corner Calamba St. Quezon City	October 1, 2017	September 30, 2027	214,160.63
36	Bataan - Dinalupihan	GNI Building, San Ramon Highway corner Doña Rosa Street and Mabini Ext., Dinalupihan,	March 16, 2018	March 15, 2028	88,200.00
37	Batangas - San Juan	Rizal St. near corner Gen. Luna St., Poblacion, San Juan, Batangas	December 01, 2018	November 30, 2033	68,250.20
38	Batangas- Balayan	CBC Building, Barrio Ermita, Balayan, Batangas	September 1, 2017	August 31, 2037	78,750.00
39	Batangas- Bauan	62 Kapitan Ponso St., Bauan, Batangas	December 16, 2012	December 15, 2022	97,733.67
40	Batangas City	P. Burgos Street, Batangas City	November 1, 2012	October 31, 2022	97,240.50
41	Batangas City- Kumintang Ilaya	CBC Building, Brgy. Kumintang Ilaya, Batangas City, Batangas	April 16, 2018	April 15, 2033	44,625.00
42	Batangas- Lemery	Miranda Building, Ilustre Avenue, Lemery, Batangas	May 1, 2013	April 30, 2023	88,647.33
43	Batangas- Rosario	Dr. Gualberto Ave., Brgy. Namunga, Rosario, Batangas	December 1, 2014	November 30, 2024	72,930.38
44	Batangas- Tanauan	J.P. Laurel Highway, Tanauan City, Batangas	October 1, 2014	September 30, 2024	73,705.26
45	Baybay	Magsaysay Avenue, Baybay, Leyte	July 16, 2021	July 15, 2022	47,093.89
46	Bel-Air	2/F Saville Bldg., Gil Puyat Ave. cor. Paseo de Roxas St., Makati City	January 1, 2019	December 31, 2021	90,438.30
47	Better Living Subdivision	128 Doña Soledad Ave., Parañaque City	March 1, 2019	April 30, 2029	117,733.16
48	BF Homes	Aguirre cor. El Grande Aves., United BF Homes, Parañaque City	March 1, 2015	February 25, 2025	134,009.56
49	BF Homes Aguirre	Margarita Centre, Aguirre Ave. corner Elsie Gaches Street, BF Homes, Parañaque City	February 1, 2019	January 31, 2029	179,585.63
50	Bgc - Icon Plaza	GIF Icon Plaza Bldg., 25 th cor 5 th Sts. Bonifacio South, Fort Bonifacio Global City, Taguig City	July 1, 2016	June 30, 2026	385,875.00
51	Bgc - W Tower	GIF W Tower 39 th St. North Bonifacio Triangle BGC, Taguig City, 1634	January 16, 2017	January 15, 2025	306,477.75
52	BGC- One World Place	GIF One World Place, 32nd Avenue, Fort Bonifacio Global City, Taguig City	July 16, 2020	July 15, 2030	469,670.40
53	Bgc- World Plaza	GIF (Unit 5) World Plaza, L4B5 E-Square Information Technology Park, Crescent Park West, 5th Avenue, Bonifacio Global City, Taguig City	September 15, 2017	September 14, 2022	654,731.91
54	Binangonan	National Highway, Bo. Tagpos, Binangonan, Rizal	April 1, 2015	March 31, 2025	89,340.00
55	Blumentritt	1777-1781 Cavite corner Leonor Rivera St., Blumentritt, Sta. Cruz, Manila	March 6, 2021	March 5, 2031	80,482.50
56	Bo. Kapitolyo	GIF P&E Building, 12 United corner First Sts. Bo. Kapitolyo, Pasig City	August 1, 2022	July 30, 2032	151,749.50
57	Bonny Serrano	GIF Greenhills Garden Square, 297, Col. Bonny Serrano Ave., Quezon City	July 5, 2016	July 4, 2026	110,593.20
58	Borongan	Balud II, Poblacion, Borongan, Eastern Samar	February 1, 2019	January 31, 2029	56,829.90
59	Bulacan- Balagtas	Mac Arthur Highway, Brgy. San Juan, Balagtas, Bulacan	January 1, 2015	December 31, 2024	30,371.33
60	Bulacan- Guiguinto	CBC Building, Cagayan Valley Road, Brgy. Sta. Rita, Guiguinto, Bulacan	July 01, 2018	June 30, 2043	50,000.00
61	Bulacan- Plaridel	CBC Building, Cagayan Valley Road, Plaridel, Bulacan	May 1, 2015	April 30, 2035	46,246.20
62	Bulacan- Sta. Maria	J.P. Rizal corner C. de Guzman St., Poblacion, Sta. Maria	September 1, 2012	September 1, 2022	93,079.80
63	Cabanatuan City	Paco Roman St., Brgy. Dimasalang, Cabanatuan City	September 1, 2021	August 31, 2031	106,089.50
64	Cagayan de Oro- Puerto	Luis A.S. Yap Building, Zone 6, Brgy. Puerto, Cagayan de Oro City, Misamis Oriental	April 1, 2015	March 31, 2025	98,744.10
65	Cagayan De Oro-Carmen	GIF GT Realty Building, Max Suniel St. corner Yakal St., Carmen, Cagayan de Oro City	December 1, 2017	November 30, 2027	92,561.60
66	Cainta- Poblacion	A. Bonifacio Ave., Poblacion, Cainta, Rizal	December 1, 2017	November 30, 2027	133,126.20
67	Calapan City	J.P. Rizal St., San Vicente, Calapan City, Oriental Mindoro	April 17, 2016	April 16, 2026	123,824.84
68	Calbayog City	Cajurao cor. Gomez Sts., Balud, Calbayog Dist., Calbayog City, Samar	June 1, 2017	May 31, 2027	54,834.90
69	Camalaniugan	CBC Building, National Highway, Camalaniugan, Cagayan	July 1, 2017	June 30, 2037	41,893.11
70	Candon City	CBC Building, National Road, Poblacion, Candon City, Ilocos Sur	December 1, 2013	November 30, 2033	46,658.25

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
71	Capitol Hills	GIF 88 Design Pro Building Capitol Hills, Old Balara, Quezon City	November 1, 2018	October 31, 2023	139,175.47
72	Carmona	CBC Building, Paseo de Carmona Brgy. Madya, Carmona, Cavite	March 20, 2018	March 19, 2028	88,200.00
73	Catarman	Cor. Rizal & Quirino Sts., Jose P. Rizal St. Catarman, Northern, Samar	October 3, 2017	October 2, 2022	83,928.28
74	Cauayan City	GIF Prince Christopher Bldg. Maharika Highway, Cauayan City, Isabela	August 1, 2021	July 31, 2024	99,244.69
75	Cavite - Gen. Trias	Lot 12 Brookside Lane 5 Arnaldo Highway, Brgy. San Francisco, Gen. Trias City, Cavite	September 1, 2018	August 31, 2028	105,000.00
76	Cavite- Molino	Pafo Jacinto, Molino Road, Molino 3, Bacoor, Cavite	August 16, 2012	August 12, 2024	82,737.52
77	Cavite- Silang	CBC Building, J.P Rizal St. Poblacion, Silang, Cavite	May 1, 2015	April 30, 2035	72,600.00
78	Cavite- SM City Bacoor	LGF SM City Bacoor, Tirona Highway corner Aquinaldo Highway, Bacoor, Cavite	August 1, 2017	July 31, 2022	294,203.00
79	CDO- Gaisano City Mall	GIF Gaisano City Mall, C. M. Recto corner Corrales Extension, Cagayan de Oro City	November 15, 2012	November 14, 2022	103,948.21
80	Cebu - Mandaue Nra	GIF Bai Hotel Cebu Ouano Ave. cor. Seno Blvd, North Redemafon Area, Mandaue City, Cebu	February 1, 2017	January 31, 2027	127,460.42
81	Cebu -Ayala	Unit 101 GIF Insular Life Cebu Business Center, Mindanao Ave. cor. Biliran Road, Cebu Business Park, Cebu City	February 1, 2021	January 31, 2026	344,598.00
82	Cebu- Banawa	GIF The J Block, Duterte St, Banawa, Guadalupe, Cebu City, Cebu	June 16, 2015	June 15, 2025	62,674.54
83	Cebu- Basak- San Nicolas	GIF Bai Center, N. Bacalso Ave. Basak San Nicolas, Cebu City, Cebu	July 1, 2015	June 30, 2025	74,418.75
84	Cebu- Bogo	Sim Building, P. Rodriguez Street, Bogo City, Cebu	February 1, 2014	January 31, 2024	28,940.63
85	Cebu- Carcar	Dr. Jose Rizal St, Poblacion I, Carcar, Cebu	September 1, 2017	August 31, 2027	85,085.44
86	Cebu- Consolacion	GIF SM City Consolacion, Brgy. Lamac, Consolacion, Cebu	May 1, 2017	April 30, 2022	293,728.00
87	Cebu- Escario	Units 3 & 5 Escario Central, Escario Road, Cebu City	May 11, 2012	May 10, 2022	124,106.26
88	Cebu- Gorordo	No 424. Gorordo Ave., Bo. Camputhaw, Lahug District, Cebu City, Cebu	October 1, 2013	September 30, 2023	79,782.59
89	Cebu- IT Park	GIF The Link, Cebu IT Park, Apas, Cebu City, Cebu	September 1, 2018	August 31, 2023	148,880.09
90	Cebu- Lapu Lapu Centro	G.Y dela Serna St, Opon, Poblacion I, Lapu Lapu City, Cebu	May 1, 2015	April 30, 2025	91,964.06
91	Cebu- Naga	Leah's Square, National South Highway, East Poblacion, Naga City, Cebu	September 20, 2013	September 19, 2023	68,722.78
92	Cebu- SM Seaside City	LGF SM Seaside City Cebu, South Road Properties, 6000, Cebu City, Cebu	November 1, 2020	October 31, 2022	328,900.00
93	Cebu- Talamban	Unit UG-7 Gaisano Grand Mall, Brgy. Talamban, Cebu City	December 1, 2017	December 31, 2022	91,496.01
94	Cebu-F. Ramos	F. Ramos Street, Cebu City	August 1, 2019	July 31, 2022	127,643.28
95	Cebu-Lahug	JY Square Mall, No. 1 Salinas Dr., Lahug, Cebu City	March 29, 2013	March 28, 2023	126,765.68
96	Cebu-Lapu Lapu Pusok	GIF Goldberry Suites, President Quezon National Highway, Pusok, Lapu-Lapu City	May 15, 2020	May 14, 2025	142,506.00
97	Cebu-Mandaue	SV Cabahug Building 155-B SB Cabahug Street Brgy. Centro, Mandaue City, Cebu	December 1, 2015	November 30, 2025	160,811.48
98	Cebu-Mandaue Cabancalan	M.L. Quezon St., Cabancalan, Mandaue City, Cebu	November 1, 2019	October 31, 2029	99,670.03
99	Cebu-Mandaue J Centre Mall	LGF J Centre Mall, A.S Fortuna Ave., Mandaue City, Cebu	September 30, 2021	September 29, 2031	136,940.00
100	Cebu-Mandaue North Road	GIF Units G1-G3, Basak Commercial Building (Kel-2) Basak, Mandaue City	February 1, 2016	January 31, 2026	146,772.38
101	Cebu-Minglanilla	Unit 9, Plaza Margarita Lipata, Minglanilla, Cebu	May 1, 2021	April 30, 2031	68,292.32
102	Cebu-SM City	Upper GIF, SM City Cebu, Juan Luna cor. A. Soriano Avenue, Cebu City	May 1, 2021	April 30, 2022	468,418.00
103	Cebu-Subangdaku	GIF A.D. Gohong I.T. Center, Subangdaku, Mandaue City, Cebu	June 1, 2017	May 31, 2027	128,873.18
104	Century City - Knightsbridge	Unit 17 & 18 Knightsbridge Residences, Century City, Kalayaan Ave. Makati City	December 26, 2016	December 25, 2026	218,535.94
105	Circuit Makati	Level 3, Ayala Mall, Circuit Makati, Hippodromo St., Brgy. Carmona, Makati City	July 27, 2018	September 30, 2023	107,209.31
106	Clark Freeport Zone	Stolsenberg Lifestyle Center, Quirino Sr. cor. N. Aquino Streets, Clark Freeport Zone, Angeles City, Pampanga	December 16, 2016	December 15, 2031	141,561.00
107	Commonwealth Ave	LGF Ever Gotesco Mall, Commonwealth Center, Commonwealth Avenue corner, Don Antonio Road, Quezon City	December 1, 2017	November 30, 2022	141,378.54
108	Commonwealth Ave. Ext. - Casa Milan	ALX Center Building, Commonwealth Ave. Ext. North Fairview, Quezon City	January 1, 2018	December 31, 2027	191,008.13
109	Congressional Ave	GIF Unit C The Arete Square, Congressional Ave., Project 8, Quezon City	January 1, 2020	December 31, 2029	73,160.34

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
110	Congressional Ave. - Project 8	159 Congressional Ave., Brgy. Bahay Toro, Project 8, Quezon City	January 01, 2020	December 31, 2029	193,800.00
111	Congressional Ave. Extension - Mira Nila	CBC Building Congressional Ave. Ext., Quezon City	December 1, 2017	November 30, 2032	129,190.95
112	Corinthian Hills	G/F The Clubhouse, Corinthian Hills, Temple Drive Brgy. Ugong Norte, Quezon City	March 1, 2019	April 30, 2022	217,718.62
113	Cotabato City	No. 76 S.K. Pendatun Avenue, Cotabato City, Maguindanao	April 1, 2017	March 31, 2022	76,768.00
114	Cubao- P. Tuazon	No. 287 P. Tuazon Ave. near corner 18 th Avenue, Brgy. San Roque, Cubao, Quezon City	March 1, 2015	April 30, 2025	76,577.40
115	Cubao-Araneta	Shopwise Arcade Building, Times Square St, Araneta Shopping Center, Cubao, Quezon City	August 1, 2018	September 30, 2034	131,554.50
116	Culiat- Tandang Sora	G/F Royal Midway Plaza, No. 419, Tandang Sora Ave. Brgy. Culiat 1128 Quezon City	June 1, 2014	May 31, 2024	72,930.38
117	D. Tuazon	148 D. Tuazon St, Brgy. Lourdes, Sta. Mesa Heights, Quezon City	February 1, 2017	January 31, 2027	100,018.80
118	Daet	Vinzons Avenue, Daet, Camarines Norte	October 1, 2013	September 30, 2023	93,806.69
119	Dagupan- Perez	Siapno Building, Perez Boulevard, Dagupan City	May 1, 2017	April 30, 2027	188,139.12
120	Dagupan-M.H. Del Pilar	Carried Realty Bldg., No. 28 M.H. del Pilar Street Dagupan City	September 1, 2019	August 31, 2029	110,250.00
121	Damar Village	Clubhouse, Damar Village, Quezon City	August 1, 2019	July 31, 2026	70,052.63
122	Dasmariñas Village	2283 Pasong Tamo Ext. corner Lumbang Street, Makati City	May 16, 2013	May 15, 2023	120,591.00
123	Davao - Calinan	Davao- Bukidnon National Highway - Riverside, Calinan Proper, Davao City	November 1, 2016	October 31, 2026	57,519.00
124	Davao - Monteverde	Doors 1 & 2, Sunbright Bldg., Monteverde Ave., Brgy. 27-C, Poblacion District, Davao City	August 16, 2017	August 15, 2027	93,767.40
125	Davao- Buhangin	Buhangin Road, Davao City	July 1, 2017	June 30, 2022	65,115.36
126	Davao- Insular Village (formerly Davao - Lanang)	Insular Village I, Km. 8, Lanang, Davao City	September 1, 2017	August 31, 2027	239,949.19
127	Davao- MacArthur Highway	G/F Lapeña Building, Mac Arthur Highway, Matina, Davao City	December 1, 2014	November 30, 2024	68,918.85
128	Davao- Panabo	Grajeda Bldg (Major Building), Quezon St, Brgy New Pandan, Davao del Norte	February 16, 2020	February 15, 2030	59,999.84
129	Davao- SM Lanang	G/F SM Lanang Premier, J. P. Laurel Avenue, Davao City	November 1, 2017	October 31, 2022	242,475.25
130	Davao-Bajada	B.I. Zone Building, J.P. Laurel Ave., Bajada, Davao City	May 25, 2015	May 24, 2025	92,871.05
131	Davao-Matina	Km. 4 MacArthur Highway, Matina, Davao City	November 16, 2017	November 15, 2027	125,694.89
132	Davao-Sta. Ana	R. Magsaysay Avenue corner F. Bangoy Street, Sta. Ana District, Davao City	October 1, 2021	September 30, 2031	249,637.21
133	Davao-Tagum	153 Pioneer Avenue, Tagum, Davao del Norte	November 2, 2012	November 1, 2022	74,800.00
134	Davao-Toril	MacArthur Highway corner St. Peter Street Crossing Bayabas, Toril, Davao City	March 1, 2011	February 28, 2026	57,153.60
135	Del Monte - Matutum	No. 202 Del Monte Avenue near corner Matutum St. Brgy St. Peter, Quezon City	March 16, 2017	March 15, 2027	145,378.85
136	Del Monte Ave	No. 497 Del Monte Ave. Brgy. Manresa, QC	March 1, 2013	February 28, 2023	167,454.33
137	Diliman - Matalino	J&L Building, #23 Matalino Street, Diliman, Quezon City	March 16, 2018	March 15, 2028	220,498.60
138	Don Antonio	G/F Royale Place, Don Antonio Ave., Brgy. Old Balara, Quezon City	October 5, 2020	October 4, 2023	92,343.84
139	E. Rodriguez- Acropolis	G/F Suncrest Building, E. Rodriguez Jr. Ave., Quezon City	July 1, 2014	June 30, 2024	168,852.00
140	E. Rodriguez- Cordillera	No. 291 (G/F Units 285 & 287) E. Rodriguez Sr. Blvd., Brgy. Doña Josefa, Quezon City	June 16, 2014	June 15, 2024	107,208.00
141	E. Rodriguez- Hillcrest	No. 402 E. Rodriguez Sr. Blvd., Cubao, Quezon City	December 1, 2009	November 30, 2019	59,098.03
142	Eastwood City	Unit D, Techno Plaza One, Eastwood City Cyberpark, E. Rodriguez Jr. Ave., (C-5) Bagumbayan, Quezon City	February 1, 2021	December 31, 2021	309,295.80
143	Eastwood City Felina Corporate Plaza	G/F Felina Corporate Plaza, #5 Eastwood Ave., Eastwood City, Quezon City	August 01, 2019	July 31, 2029	154,791.00
144	EDSA - Philam	917 EDSA, Brgy. Philam, Quezon City	September 1, 2017	August 31, 2027	192,860.33
145	EDSA- Kalookan	G/F HCL Building, 554 EDSA, Kalookan City	October 16, 2020	October 15, 2030	90,000.00
146	EDSA-Timog (former Tomas Morato)	G/F Richwell Corporate Center, 102 Timog Ave., Brgy. Sacred Heart, Quezon City	February 15, 2021	February 14, 2031	200,000.00
147	Elcano	G/F Elcano Tower, Elcano Street, San Nicolas, Manila	May 1, 2014	April 30, 2024	57,177.52
148	Ermita	Ground Floor A, Ma. Natividad Bldg., #470 T. M. Kalaw cor. Corbada Sts., Ermita, Manila	April 16, 2018	April 15, 2023	280,245.30

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
149	Escolta	Burke Building, Escolta cor Burke Streets, Binondo, Manila	December 1, 2019	November 30, 2029	84,000.00
150	España	España cor. Valencia Sts., Sampaloc, Manila	January 4, 2021	March 31, 2026	150,367.50
151	Evangelista	Evangelista corner Gen. Estrella Sts., Bangkal Makati City	December 1, 2016	November 30, 2026	159,916.79
152	Examiner	No. 1525 Quezon Ave. cor. Examiner St., West Triangle, Quezon City	August 16, 2019	September 15, 2025	132,037.70
153	Fairview	G/F Angelenix House, Fairview Ave. corner Camaro St., Quezon City	November 16, 2016	November 15, 2021	151,938.28
154	Fairview Terraces	LGF Fairview Terraces, Quirino Highway corner Maligaya Drive, Brgy. Pasong Putik, Novaliches, Quezon City	July 1, 2019	June 30, 2024	230,098.80
155	Filinvest Corp. City - Commercenter	G/F Commercenter Alabang, Commerce Ave. cor. Filinvest Ave., Filinvest Corporate City, Alabang, Muntinlupa City	February 1, 2016	January 31, 2021	104,617.55
156	Filinvest Corp. City - Northgate	G/F Aeon Centre Building, Northgate Cyberzone, Filinvest Corporate City, Alabang, Muntinlupa City	December 1, 2020	November 30, 2025	225,330.00
157	Filinvest Corporate City	G/F Wilcon Depot, Alabang- Zapote road cor. Bridgeway Ave. Filinvest Corporate City, Alabang, Muntinlupa	August 1, 2020	July 31, 2025	196,190.64
158	Five E-Com Center	G/F Five E-com Center, Harbor Drive, MOA Complex, Pasay City	November 1, 2021	October 31, 2024	206,076.00
159	Fort Bonifacio Global City	G/F Marajo Tower, 26th Street cor. 4th Avenue, Fort Bonifacio Global City, Taguig City	July 16, 2016	July 15, 2024	440,317.50
160	Gapan	G/F Waltermart Center - Gapan, Maharlika Highway, Brgy. Bayanihan, Gapan, Nueva Ecija	May 1, 2019	April 30, 2021	96,781.25
161	Gen. Luis - Kalipunan	Quezon City	August 1, 2016	July 31, 2031	87,516.45
162	Gil Puyat Ave. - Reposo	No. 331 Gil Puyat Ave., Makati City	September 1, 2017	August 31, 2022	434,664.56
163	Gil Puyat Avenue	Mitsu Bldg., No. 65 Sen. Gil Puyat Ave., Brgy. Palanan, Makati City	March 1, 2014	February 28, 2022	180,912.00
164	Greenbelt 1	G/F Greenbelt 1, Legaspi Street near corner Paseo de Roxas, Makati City	April 1, 2017	December 31, 2018	306,945.64
165	Greenhills	G/F Gift Gate Bldg, Greenhills Shopping Center, San Juan, Metro Manila	January 1, 2020	December 31, 2021	743,500.00
166	Greenhills- Annapolis	Mercedes 1 Condominium, Annapolis St., Greenhills, San Juan City	May 15, 2018	May 14, 2028	210,335.75
167	Greenhills- Connecticut	G/F Missouri Square Bldg., Missouri cor. Connecticut St. Northeast Greenhills, San Juan City	April 1, 2015	March 31, 2025	126,989.22
168	Greenhills-Origas	CBC-Building, 14 Origas Avenue, Greenhills, San Juan, Metro Manila	April 1, 2013	March 31, 2023	443,240.35
169	Guagua	Yabut Building, Plaza Burgos, Guagua, Pampanga	January 1, 2014	December 31, 2024	80,000.00
170	Heroes Hills	Quezon Ave. corner J. Abad Santos Street, Heroes Hills, Quezon City	January 1, 2021	December 31, 2025	256,800.00
171	Holy Spirit Drive	CBC Building Lot 18 Block 6 Holy Spirit Drive, Don Antonio Heights, Brgy. Holy Spirit, Quezon City	April 1, 2015	March 31, 2030	120,608.61
172	Ilaya	#947 APL-YSL Bldg., Ilaya, Tondo, Manila	March 15, 2018	March 14, 2023	133,100.00
173	Iligan City	Lai Building, Quezon Avenue Extension, Pala-o, Iligan City	July 1, 2020	June 30, 2025	83,999.91
174	Iligan City- Solana District	Andres Bonifacio Hi-way, Brgy. San Miguel, Iligan City, Lanao del Norte	October 1, 2017	September 30, 2027	71,662.55
175	Ilocos Norte- San Nicolas	National Highway, Brgy. 2 San Baltazar, San Nicolas, Ilocos Norte	September 1, 2015	August 31, 2025	76,577.14
176	Iloilo- Jaro	CBC Building, E. Lopez St. Jaro, Iloilo City, Iloilo	September 1, 2013	August 31, 2033	25,351.99
177	Iloilo-Iznart	G/F John A. Tan Bldg., Iznart St., Iloilo City	January 1, 2020	December 31, 2029	120,000.00
178	Iloilo-Mabini	A. Mabini Street, Iloilo City	June 1, 2009	May 31, 2025	69,983.67
179	Iloilo-Mandurriao	Benigno Aquino Ave., Brgy. San Rafael, Mandurriao, Iloilo City, Iloilo	December 1, 2019	November 30, 2029	136,561.43
180	Intramuros	No. 409 A. Soriano Avenue, Intramuros, Manila	October 1, 2021	September 30, 2026	123,475.00
181	Iriga City	Highway 1, JP Rizal St., San Roque, Iriga City, Camarines Sur	December 1, 2015	February 28, 2026	109,395.56
182	Isabela- Ilagan	G/F North Star Mall, Maharlika Highway, Brgy. Albagua, Ilagan, Isabela	April 1, 2012	March 31, 2022	53,926.56
183	Isabela- Roxas	National Road, Brgy. Bantug, Roxas, Isabela	January 16, 2014	January 15, 2024	74,057.92
184	J. Abad Santos Ave.- Quiricada	J. Abad Santos Ave. near corner Quiricada Street, Manila	August 1, 2017	July 31, 2027	121,275.00
185	J. Abad Santos Avenue	2159 J. Abad Santos Ave., cor. Balangas St., Tondo, Manila	October 1, 2019	September 30, 2025	131,935.07
186	Juan Luna	G/F Adem Building, 501 Juan Luna St., Binondo, Manila	December 16, 2017	December 15, 2022	235,119.78
187	Kalayaan Ave.	G/F PPS Building, Kalayaan Avenue, Quezon City	August 1, 2017	July 31, 2022	97,734.00

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
188	Kalibo	Waldolf Garcia Building, Osmeña Avenue, Kalibo, Aklan	June 16, 2017	June 15, 2032	52,813.75
189	Kalookan - 10th Ave.	No. 275 10 th Ave. corner 3 rd Street, Grace Park, Kalookan City	December 1, 2016	November 30, 2026	136,744.45
190	Kalookan- 8th Ave.	No. 279 Rizal Avenue corner 8 th Ave., Grace Park, Kalookan City	July 1, 2014	June 30, 2024	140,710.04
191	Kalookan- Camarin	L8B4 La Forteza Subd., Brgy. 175, Camarin, Kalookan City	July 1, 2018	June 30, 2028	77,175.00
192	Kalookan-Monument	779 Mc Arthur Highway, Kalookan City	March 1, 2012	February 28, 2022	179,954.04
193	Kanias	G/F CRM Building II, 116 Kanias Road corner Kasing-Kasing Street, Quezon City	January 1, 2016	December 31, 2025	142,140.82
194	Kamuning	#47 SKY47 Bldg., Kamuning Road, Quezon City	January 1, 2017	December 31, 2026	115,763.11
195	Karlaon	Karlaon near corner N. Roxas Streets, Quezon City	December 01, 2019	November 30, 2029	130,410.00
196	Karuhatan	No. 248 McArthur Highway, Karuhatan, Valenzuela City	August 1, 2018	October 31, 2028	77,175.00
197	Katipunan Ave. - Loyola Heights	Elizabeth Hall, Katipunan Ave., Loyola Heights, Quezon City	March 3, 2017	March 2, 2027	196,036.85
198	Kidapawan City	Datu Inkal St. Brgy. Poblacion, Kidapawan City	Feb. 16, 2020	Feb. 15, 2030	119,257.60
199	Koronadal City	Gen. Santos Drive corner Aquino St., Koronadal City, South Cotabato	August 1, 2019	September 30, 2029	100,041.98
200	La Trinidad	G/F SJV Bulasao Building, Km 4, La Trinidad, Benguet	August 19, 2012	August 18, 2022	66,000.00
201	La Union - San Fernando	Roger Pua Phee Building, National Highway, Brgy. 3, San Fernando, La Union	October 1, 2014	September 30, 2024	103,455.00
202	La Union- Agoo	National Highway, San Jose Norte, Agoo, La Union	January 1, 2015	December 31, 2024	48,620.25
203	Lagro	CBC Building, Lot 32 Blk 125, Quirino Highway, Greater Lagro, Quezon City	October 1, 2016	September 30, 2036	86,821.88
204	Laguna - Calamba	CBC-Building, National Highway, Crossing, Calamba, Laguna	July 1, 2020	June 30, 2030	187,713.27
205	Laguna - Los Baños	National Road, San Antonio, Los Baños, Laguna	September 1, 2017	August 31, 2027	109,669.73
206	Laguna - San Pedro	No. 365 Brgy. Nueva, National Highway, San Pedro City, Laguna	March 1, 2017	February 28, 2027	92,610.00
207	Laguna- Biñan	G/F Raja Cordelle Bldg, National Highway, Brgy. San Vicente, Biñan, Laguna	July 16, 2015	July 15, 2025	85,510.86
208	Laguna- Cabuyao	G/F Centro Mall, Cabuyao City, Laguna	July 1, 2015	June 30, 2025	75,811.12
209	Laguna-Sla Cruz	A. Regidor St., Sla. Cruz, Laguna	August 1, 2021	July 31, 2023	68,000.00
210	Laoag City	Liberato Abadilla Street, Brgy. 17 San Francisco Laoag City	December 1, 2016	November 30, 2026	132,250.00
211	Las Piñas - Marcos Alvarez Ave.	Metro Towne Center, 2020 Marcos Alvarez Ave., Talon V, Moonwalk, Las Piñas City	November 1, 2017	October 31, 2027	130,900.00
212	Las Piñas - Naga Road	Lot 3, Naga Road, Pulanglupa2, Las Piñas City	July 16, 2017	July 15, 2027	164,845.80
213	Lavezares	No. 412 Lavezares Street, San Nicolas, Manila	January 1, 2015	December 31, 2024	99,555.75
214	Legaspi Vill. -C. Palanca	Suite A, Basic Petroleum Building, 104 C. Palanca Jr. Street, Legaspi Village, Makati City	October 1, 2020	September 30, 2030	330,264.00
215	Legaspi Village - Esteban	G/F PPI Bldg., No. 109 Esteban St., Legaspi Village, Makati City	June 16, 2016	June 15, 2026	239,303.40
216	Legaspi Village- Amoroso	G/F CAP Bldg. Herrera cor. Amoroso Sts. Legaspi Village, Makati City	February 1, 2015	January 31, 2023	191,442.00
217	Legaspi Village-Perea	G/F Greenbelt Mansion, 106 Perea St., Legaspi Village, Makati City	January 16, 2016	January 15, 2026	234,763.43
218	Legazpi City	G/F Emma Chan Bldg., F. Imperial St., Legazpi City	January 1, 2016	December 31, 2026	112,971.70
219	Lipa City - Tambo	Tambo, Lipa City, Batangas	May 1, 2017	April 30, 2027	231,525.00
220	Lucena City	233 Quezon Avenue, Lucena City	January 16, 2012	January 15, 2022	57,500.00
221	M. Dela Fuente-Trabajo Market	#771 M. dela Fuente St (Trabajo Market area), Sampaloc, Manila	September 16, 2018	November 15, 2028	82,687.50
222	Maasin City	G/F SJC Bldg., Tomas Oppus St., Brgy. Tunga-Tunga, Maasin City, Southern Leyte	June 1, 2021	May 31, 2031	50,000.00
223	Mabalacat- Dau	R.D. Policarpo Bldg., McArthur Highway, Dau, Mabalacat, Pampanga	December 1, 2020	November 30, 2030	119,000.00
224	Macapagal Ave. - Aseana Square	Aseana Square (Callex Area), D. Macapagal Ave., Aseana City, Parañaque City	July 1, 2017	June 30, 2027	205,848.62
225	Macapagal Ave. - Biopolis	G/F The Biopolis, Central Business Park 1-A 076/01, Diosdado Macapagal Avenue, Pasay City	April 1, 2017	March 31, 2027	303,249.74
226	Macapagal Ave. - Doubledragon	DD Meridian Park Plaza, Macapagal Ave. cor. EDSA Ext., Pasay City	December 1, 2017	November 30, 2022	285,017.62

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
227	Magallanes Village	G/F DHI Bldg., No. 2 Lapu-Lapu Ave. corner EDSA, Magallanes Village, Makati City	December 1, 2016	November 30, 2024	96,928.02
228	Makati - Comembo	No. 46 JP Rizal Ext. Brgy. Comembo, Makati City	December 1, 2015	November 30, 2025	111,826.00
229	Makati - Kalayaan Ave.	Kalayaan Avenue, Makati City	December 1, 2017	November 30, 2027	265,327.65
230	Makati - Yakal	173 Yakal St. near corner Ayala Ave. Ext., Makati City	November 16, 2019	November 15, 2029	182,000.00
231	Makati Avenue	G/F CBC Building, Makati Ave. cor. Hercules St., Makati City	December 1, 2017	November 30, 2025	289,608.69
232	Makati- JP Rizal	JP Rizal corner Honradez Streets, Makati City	June 16, 2015	June 15, 2025	159,535.60
233	Malabon-Concepcion	Gen. Luna corner Paez Streets, Concepcion, Malabon	February 16, 2014	February 14, 2024	115,948.35
234	Malanday	CBC Bldg. McArthur Highway, Mandalay, Valenzuela City	December 1, 2011	November 30, 2031	62,053.13
235	Malaybalay City	Bethelda Building, Sayre Highway, Malaybalay City, Bukidnon	June 1, 2012	May 31, 2022	58,221.60
236	Malolos City	G/F Graceland Mall, BSU Grounds, McArthur Highway, Guinhawa, Malolos City, Bulacan	July 15, 2011	July 14, 2021	79,632.27
237	Mandaluyong - Boni Ave.	G/F VOS Bldg. Boni Avenue corner San Rafael Street Mandaluyong City	January 1, 2016	December 31, 2025	99,226.03
238	Mandaluyong - D. Guevara	G/F 19 Libertad Plaza, Domingo Guevara St., Mandaluyong City	May 1, 2016	April 30, 2026	232,162.56
239	Mandaluyong - The Podium	3/F The Podium, ADB Avenue, Ortigas Center, Mandaluyong City	June 01, 2020	July 31, 2025	132,242.00
240	Mandaluyong- Boni San Roque	#768 Bonifacio Ave. cor. San Roque St. Brgy. Barangka Ilaya, Mandaluyong City	July 01, 2018	June 30, 2028	121,716.00
241	Manila- Maceda	Dagupan Bldg., Maceda St., Sampaloc Manila	June 16, 2015	June 15, 2025	100,507.17
242	Marikina - Fairlane	G/F E & L Patricio Building, No. 809 J.P. Rizal Ave., Concepcion Uno, Marikina City	October 1, 2016	September 30, 2026	142,942.46
243	Marikina - Gil Fernando	Block 9, Lot 14 Gil Fernando Ave., Marikina City	January 1, 2013	December 31, 2022	88,647.00
244	Marikina- Sta. Elena	250 J.P. Rizal Street, Sta. Elena, Marikina City	January 1, 2013	May 31, 2023	160,610.00
245	Marikina-SSS Village	Lilac St., Rancho Estate IV, Concepcion Dos, Marikina City	June 1, 2017	May 31, 2027	110,249.76
246	Marilao	G/F, SMI City Marilao, Km. 21 Brgy. Ibayo, Marilao, Bulacan	November 1, 2017	October 31, 2022	272,745.00
247	Mariveles - FAB	Tamayo's Building, Avenue of the Philippines Brgy. Malaya, Freeport Area of Bataan (FAB), Mariveles, Bataan	April 01, 2018	March 31, 2028	88,200.60
248	Masangkay	959-961 G. Masangkay Street, Binondo, Manila	January 1, 2017	December 31, 2026	362,915.98
249	Masangkay-Mayhaligue (formerly Masangkay Luzon)	No. 1417-1473 G. Masangkay St., Sta. Cruz, Manila	June 1, 2019	May 31, 2029	115,500.00
250	Masbate	Espinosa Bldg., Zurbito St., Masbate City, Masbate	April 9, 2013	April 8, 2023	65,884.50
251	Mayon	480 Mayon St. Maharlika Sta. Mesa Heights, Quezon City	June 1, 2016	May 31, 2026	103,318.03
252	Mayon-Robinda	G/F One Mayon Place, #68 Mayon St. Brgy. Sta. Teresita, Quezon City	February 01, 2020	January 31, 2030	118,690.00
253	Medical Center Paranaque	G/F Medical Center Paranaque, Dr. Arcadio Santos Avenue, San Antonio, Paranaque City	December 01, 2020	November 30, 2030	100,000.00
254	Meycauayan	CBC Building, Malhacan Road, Meycauayan, Bulacan	July 1, 2014	June 30, 2034	81,224.92
255	Midsayap	CBC Building, Quezon Ave., Poblacion 2, Midsayap, Cebu	April 1, 2015	March 31, 2030	33,062.43
256	Mindanao Ave.	30 Mindanao Avenue, near Tandang Sora Ave., Brgy. Tandang Sora, Quezon City	September 16, 2019	September 15, 2029	94,768.08
257	Muntinlupa - Putatan	G/F Teknikos Bldg., National Highway, Brgy. Putatan, Muntinlupa City	August 21, 2012	August 20, 2022	65,884.22
258	N. Domingo	G/F The Main Place, No. 1 Pinaglabanan cor. N. Domingo Sts., San Juan City	September 1, 2017	August 31, 2025	154,980.50
259	Naga City	Centro- Peñafrancia Street, Naga City	July 1, 2014	June 30, 2024	140,105.26
260	Navotas	No. 300 W. Navas St. near corner Lacsun St. Brgy. North Bay Boulevard North (NBBN), Navotas City	December 1, 2011	November 30, 2021	77,566.41
261	Negros Occ.- Kabankalan	CBC Building, National Highway, Brgy. 1, Kabankalan, Negros Occidental	January 1, 2015	December 31, 2034	42,350.00
262	Negros Occidental- San Carlos	Rizal corner Carmona Streets, San Carlos, Negros Occidental	July 1, 2013	June 30, 2023	63,478.21
263	Novaliches - Sta. Monica	G/F E & V Bldg. Quirino Highway corner, Dumalay St., Novaliches, Quezon City	April 1, 2017	May 31, 2027	182,325.94
264	Novaliches- Sangandaan	CBC Bid, Quirino Highway corner Tandang Sora Ave., Brgy. Sangandaan, Novaliches, Quezon	October 16, 2009	October 15, 2024	123,528.85
265	Novaliches- Zabarte	G/F C.I. Bldg 1151 Quirino Highway corner Zabarte Road, Brgy. Kaligayahan, Novaliches,	September 7, 2019	September 6, 2029	121,275.00

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
266	Novaliches-Bagbag	No. 658 Quirino Highway, Bagbag, Novaliches, Quezon City	July 1, 2019	June 30, 2029	108,421.05
267	Novaliches-Gulod (formerly Novaliches)	954 Quirino Highway, Novaliches Proper, Novaliches, Quezon City	December 16, 2018	December 15, 2028	127,338.75
268	Novaliches-Talipapa	528 Copengco Bldg., Quirino Highway, Talipapa, Novaliches, Quezon City	March 15, 2018	March 14, 2028	272,651.06
269	Nueva	Unit Nos. 557 & 559 G/F Ayson Building, Yuchengco St, Binondo, Manila	August 16, 2016	August 15, 2022	161,746.19
270	Nueva Ecija- Sta. Rosa	CBC Building, Maharlika Highway, Poblacion, Sta. Rosa, Nueva Ecija	November 16, 2013	November 15, 2033	63,669.37
271	Occ. Mindoro- San Jose	Liboro corner Rizal Street, San Jose, Occidental Mindoro	September 16, 2014	September 15, 2024	93,712.50
272	Olongapo – Downtown	No. 2 corner 20th St., East Bajac-Bajac, Olongapo City	January 16, 2018	January 15, 2028	132,300.00
273	Ongpin	G/F Se Jo Tong Building, 808 Ongpin Street, Sta. Cruz, Manila	September 1, 2016	August 31, 2022	307,461.00
274	Oroquieta	1225-1227, Oroquieta St, Sta. Cruz, Manila	January 1, 2016	December 31, 2026	56,250.00
275	Ortigas - Tekit	Unit EC-06B PSE Center (Tekit) Ortigas Center, Pasig City	April 01, 2017	March 31, 2027	183,947.04
276	Ortigas Ave. Ext - Riverside	Unit 2-3 Riverside Arcade Ortigas Avenue Extension corner Riverside Drive, Brgy. Sta. Lucia,	April 21, 2021	April 20, 2026	118,713.56
277	Ortigas Center	Unit 101 Parc Chateau Condominium, Onyx corner Sapphire Streets, Ortigas Center, Pasig City	June 1, 2021	May 31, 2031	124,999.17
278	Ozamiz City	Gomez corner Kaamino Streets, Ozamiz City	March 1, 2016	February 25, 2031	78,750.00
279	Paco	Gen. Luna corner Escoda Street, Paco, Manila	July 16, 2020	July 15, 2030	119,700.00
280	Paco - Angel Linao	Unit 1636 & 1638 Angel Linao St Paco, Manila	January 1, 2016	December 31, 2025	81,395.51
281	Paco-Otis	G/F Union Motor Corp Bldg., 1760 Dra. Paz Guazon St, Paco, Manila	February 17, 2017	February 15, 2027	138,915.00
282	Padre Faura	G/F Regal Shopping Center, A. Mabini cor. P. Faura Sts., Ermita, Manila	May 1, 2021	April 30, 2026	223,000.00
283	Padre Rada	G/F Gosiupo Building, Padre Rada corner Elcano Sts., Tondo, Manila	January 16, 2020	January 15, 2035	120,000.00
284	Pagadian City	Marasigan Building, F.S. Pajares Avenue, Pagadian City	December 1, 2013	November 30, 2023	216,972.36
285	Pangasinan- Bayambang	CBC Building, No. 91, Poblacion Sur, Bayambang, Pangasinan	October 1, 2014	September 30, 2034	21,779.61
286	Pangasinan- Rosales	CBC Building, Calle Dewey, Rosales, Pangasinan	October 1, 2015	September 30, 2035	54,450.00
287	Pangasinan-Alaminos City	Marcos Avenue, Brgy. Palamis, Alaminos City, Pangasinan	June 1, 2018	May 31, 2028	80,000.00
288	Pangasinan-Urdaneta	EF Square Bldg., Mc Arthur Highway, Poblacion Urdaneta City, Pangasinan	April 1, 2010	March 31, 2020	130,638.17
289	Parañaque - Bacaran	Quirino Avenue cor. Aragon St, Bacaran, Parañaque City	August 1, 2017	July 31, 2027	144,704.00
290	Parañaque - Naia	Ninoy Aquino Ave., Brgy. San Dionisio, Parañaque City	December 1, 2017	November 30, 2027	208,372.80
291	Parañaque- Moonwalk	Milky Way St. cor. Armstrong Avenue, Moonwalk, Parañaque City	March 1, 2015	February 28, 2025	80,405.74
292	Parañaque-San Antonio Valley	San Antonio Shopping Center, San Antonio Road, Brgy. San Antonio Valley 1, Parañaque City	October 1, 2016	September 30, 2026	180,000.00
293	Paranaque-Sucat	No. 8260 (between AMA Computer School and PLDT), Dr. A. Santos Avenue, Brgy. San Isidro, Parañaque City	November 1, 2011	October 31, 2021	154,998.90
294	Paseo De Sta. Rosa	Unit 3, Paseo 5, Paseo de Sta. Rosa, Sta. Rosa City, Laguna	October 1, 2018	September 30, 2023	216,759.95
295	Pasig - A. Mabini	A. Mabini Street, Brgy. Kapasigan, Pasig City	March 1, 2017	February 28, 2027	165,375.00
296	Pasig – Dela Paz	Amang Rodriguez Avenue, Brgy. Dela Paz, Pasig City	February 1, 2018	December 31, 2028	115,762.50
297	Pasig - Rosario	1864 Ortigas Ave. Ext., Rosario, Pasig City	June 16, 2019	June 15, 2034	110,356.59
298	Pasig – SM Supercenter (G/F)	G/F SM Supercenter Pasig, Frontera Drive, C-5, Ortigas, Pasig City	May 1, 2019	April 30, 2024	127,776.00
	Pasig – SM Supercenter (Mezzanine)		May 01, 2019	April 30, 2024	18,479.50
299	Pasig - Valle Verde	G/F Reliance IT Center, E. Rodriguez Jr. Ave., Ugong, Pasig City	November 16, 2015	November 15, 2025	82,398.75
300	Pasig- C. Raymundo	G/F MidMar Apartments No. 6353 C. Raymundo Avenue, Brgy. Rosario, Pasig City	August 1, 2017	July 31, 2027	48,620.60
301	Pasig- Caruncho	No 7, Caruncho Avenue, Pasig City	March 01, 2020	April 30, 2029	159,861.90
302	Pasig- Estancia	LGF Estancia (Expansion) Capitol Commons, Meralco Ave., Pasig City	November 8, 2019	November 7, 2025	183,764.70
303	Pasig- San Joaquin	No. 43 M. Concepcion Ave., San Joaquin, Pasig City	March 1, 2015	February 28, 2025	127,338.75

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
304	Pasig-Mercedes	Commercial Motors Corp. Compound Mercedes Ave., Pasig City	January 1, 2017	December 31, 2026	111,522.72
305	Pasig-Santolan	G/F Felmarc Business Center, Amang Rodriguez Avenue, Santolan, Pasig City	March 1, 2012	February 29, 2020	168,963.20
306	Paso De Blas	(GMP Building) 63 Paso de Blas, Valenzuela City	December 16, 2019	December 15, 2029	129,937.50
307	Pasong Tamo - Bagtikan	G/F Trans-Phil House 1177 Chino Roces Ave. cor. Bagtikan St., Makati City	January 1, 2018	December 31, 2021	90,728.87
308	Pasong Tamo - La Fuerza - 2/F	La Fuerza Plaza 1, Chino Roces Ave., Makati City	September 1, 2017	August 31, 2022	145,861.50
	Pasong Tamo - La Fuerza - Ground Floor	La Fuerza Plaza 1, Chino Roces Ave., Makati City	September 1, 2017	August 31, 2022	218,791.50
309	Pateros	G/F Adela Building, M. Almada St, Brgy. San Roque, Pateros	September 1, 2014	August 31, 2024	79,860.00
310	Project 8 - Shorthorn	Shorthorn Street, Project 8, Quezon City	November 1, 2016	October 31, 2031	165,126.52
311	Puerto Princesa City	Malvar Street near corner Valencia Street, Puerto Princesa City, Palawan	November 16, 2018	November 15, 2026	127,338.75
312	Pureza	G/F Solicarel Building Ramon Magsaysay Blvd. near corner Pureza St., Sta. Mesa, Manila	July 01, 2021	June 30, 2022	78,000.00
313	Quezon - Candelaria	Pan Philippine Highway cor. Del Valle Street, Poblacion, Candelaria, Quezon	September 1, 2017	August 31, 2027	86,821.88
314	Quezon Ave.	No. 18 G & D Bldg., Quezon Ave. cor. D. Tuazon St., Q.C.	January 21, 2015	January 20, 2022	161,028.37
315	Regalado Ave.	CBC Building, Regalado Ave., North Fairview, Quezon City	July 1, 2015	June 30, 2030	89,339.71
316	Regalado Ave. - West Fairview	CBC Building, Regalado Ave. corner Bulova St., Quezon City	February 01, 2018	January 31, 2038	107,052.75
317	Rizal - Angono	Lot 3 Bldg. 4 M.L. Quezon Ave. Richmond Subd. Angono, Rizal	January 1, 2017	December 31, 2026	121,275.00
318	Rizal- San Mateo	#63 Gen. Luna corner Simon St., Banaba, San Mateo, Rizal	October 1, 2015	September 30, 2025	89,339.52
319	Rockwell - Origas	G/F Tower 1 Rockwell Business Center, Origas Avenue, Pasig City	April 28, 2017	April 27, 2022	134,463.54
320	Roosevelt Ave. - Frisco	G/F Norita Bldg. #51 H. Francisco St. corner Roosevelt Ave. Brgy. Paraiso, Quezon City	June 1, 2016	May 31, 2026	121,550.63
321	Roxas City	1063 Roxas Ave. cor. Bayot Drive, Roxas City, Capiz	April 1, 2015	March 31, 2025	62,537.80
322	Sales-Raon	611 Sales St., Quiapo, Manila	January 1, 2020	December 31, 2029	128,840.80
323	San Antonio Village - Kamagong	Kamagong near corner St. Paul Streets, San Antonio Village, Makati City	November 1, 2017	October 31, 2027	165,005.03
324	San Antonio Village- P. Ocampo	JM Macalino Auto Center, P. Ocampo Street cor. Dungon St., San Antonio Village, Makati	December 1, 2014	November 30, 2024	107,208.00
325	San Fernando - Sindalan	Jumbo Jenra Sindalan, Brgy. Sindalan, San Fernando City, Pampanga	January 1, 2012	December 31, 2021	90,014.27
326	San Jose City	Maharlika Highway, Brgy. Malasin, San Jose City	December 1, 2011	November 30, 2021	71,502.69
327	San Juan- J. Abad Santos	Unit 3 Citipace Bldg., 8001 Jose Abad Santos Street, Little Baguio, San Juan City	December 1, 2014	November 30, 2024	82,006.08
328	San Pablo City	M. Paulino Street, San Pablo City	November 16, 2019	November 15, 2029	100,000.00
329	Santiago City	Navarro Bldg., Maharlika Highway near corner Bayaua St., Santiago City, Isabela	November 15, 2013	November 14, 2023	106,964.57
330	Sct. Borromeo	G/F The Forum Building, 71- A Sct. Borromeo St., Diliman, Quezon City	May 1, 2017	April 30, 2027	135,351.56
331	Sct. Chuabco	Estuar Building, No.880 Quezon Ave., Brgy. Paligsahan, Quezon City	June 01, 2018	May 31, 2028	181,912.50
332	Shaw- Gomezville	Gomezville Street cor. Shaw Blvd., Mandaluyong City	September 1, 2019	August 31, 2029	108,483.80
333	Shaw-Pasig	G/F RCC Center, No. 104 Shaw Boulevard, Pasig City	December 1, 2021	November 30, 2022	177,962.27
334	Silay City	Rizal St., Silay City, Negros Occidental	September 1, 2020	August 31, 2030	51,193.83
335	SM Fairview	LGF, SM City Fairview, Quirino Avenue corner Regalado Avenue, Fairview, Quezon City	November 1, 2018	October 31, 2023	313,261.20
336	SM Southmall	UGF SM Southmall Alabang-Zapote Road, Talon 1, Almazan Las Piñas City	February 1, 2021	January 31, 2025	565,160.00
337	SM Aura Premier	L/G SM Aura Premier, McKinley Parkway, Fort Bonifacio Global City, Taguig City	May 1, 2019	April 30, 2024	254,538.75
338	SM CDO Downtown Premier (formerly CDO - Borja)	G/F SM CDO Downtown Premier, Cagayan de Oro City	May 12, 2017	April 30, 2022	184,855.60
339	SM City BF Paranaque	G/F SM City BF Paranaque, Dr. A. Santos Ave. corner President's Avenue, Paranaque City	December 16, 2019	January 31, 2024	453,031.25
340	SM City Bicutan	LGF, Bldg. B, SM City Bicutan, Doña Soledad Ave. cor. West Service Rd., Paranaque City	November 1, 2018	October 31, 2023	242,575.00
341	SM City Cabanatuan	UGF SM City Cabanatuan, Maharlika Highway Brgy. H. Concepcion, Cabanatuan City, Nueva	March 14, 2018	February 28, 2023	181,176.60

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
342	SM City Clark	G/F (Units 172-173) SM City Clark, M. Roxas St., CSEZ, Angeles City, Pampanga	November 1, 2019	October 31, 2024	284,965.00
343	SM City Dasmariñas	LGF SM City Dasmariñas, Governor's Drive, Pala-pala, Dasmariñas, Cavite	February 1, 2017	January 31, 2022	221,458.50
344	SM City Grand Central	LGF SM City Grand Central, Rizal Ave Ext. corner Bustamante St., Kalookan City	October 01, 2021	October 31, 2026	157,612.00
345	SM City Lipa	G/F (Units 1111-1113) SM City Lipa, Ayala Highway, Brgy. Maraouy, Lipa City, Batangas	November 1, 2017	October 31, 2022	234,328.40
346	SM City Marikina	G/F SM City Marikina, Marcos Highway, Brgy. Calumpang, Marikina City	November 1, 2019	October 31, 2024	209,491.80
347	SM City Masinag	SM City Masinag, Marcos Highway, Brgy. Mayamot, Antipolo City	August 1, 2016	July 31, 2021	193,269.10
348	SM City Naga	SM City Naga, CBD II, Brgy. Triangulo, Naga City	February 1, 2019	January 31, 2024	117,377.50
349	SM City Olongapo Central (former SM City Olongapo)	SM City Olongapo Central, East Tapinac, Olongapo City, Zambales	September 13, 2019	October 31, 2024	286,522.50
350	SM City Pampanga	Unit AX3 102, Building 4, SM City Pampanga, Mexico, Pampanga	November 1, 2020	October 31, 2021	174,336.00
	SM City Pampanga (Mezzanine)	Unit AX3 102, Building 4, SM City Pampanga, Mexico, Pampanga	November 1, 2020	October 31, 2021	11,739.00
351	Sm City San Jose Del Monte	UGF SM City San Jose Del Monte, San Jose Del Monte City, Bulacan	July 1, 2016	July 31, 2021	156,575.25
352	SM City San Lázaro	UGF (Units 164-166) SM City San Lázaro, Felix Huertas Street corner A.H. Lacson Extension, Sta. Cruz, Manila	November 1, 2018	October 31, 2023	321,976.80
353	SM City San Pablo	G/F SM City San Pablo National Highway, Brgy. San Rafael, San Pablo City, Laguna	November 1, 2020	October 31, 2025	244,274.00
354	SM City Sta. Rosa	G/F SM City Sta. Rosa, Bo. Tagapo, Sta. Rosa, Laguna	May 1, 2019	April 30, 2024	229,820.00
355	SM City Taytay	Unit 147 Bldg. B, SM City Taytay, Manila East Road, Brgy. Dolores, Taytay, Rizal	November 1, 2018	October 31, 2023	150,150.00
356	SM City Telabastagan	SM City Telabastagan, San Fernando City, Pampanga	July 01, 2018	April 30, 2023	174,274.65
357	SM Mall Of Asia	G/F Main Mall Arcade, SM Mall of Asia, Bay Blvd., Pasay City	May 1, 2020	January 31, 2022	481,236.00
358	SM Megamall	LGF Building A, SM Megamall, E. delos Santos Avenue corner J. Vargas St., Mandaluyong City	November 1, 2017	October 31, 2022	602,461.50
359	SM North EDSA	Cyberzone Carpark Bldg., SM City North Avenue corner EDSA, Quezon City	February 01, 2020	January 31, 2025	372,126.00
360	SM North Towers	SM City North EDSA North Towers, SM City North EDSA Complex, Quezon City	December 07, 2018	November 30, 2030	137,849.10
361	Solano	National Highway Brgy. Quirino, Solano, Nueva Vizcaya	2020	2030	138,916.00
362	Solemure	G-11 Solemure Parksuites, 5A Bradco Avenue, Aseana Business Park, Parañaque City	January 1, 2015	December 31, 2024	158,062.43
363	Soler-168	G/F R & S Bldg, Soler St., Manila	January 1, 2020	December 31, 2024	122,559.85
364	Soler-Arranque	#715 T. Alonzo St. near corner CM Recto Ave., Sta. Cruz, Manila	November 01, 2018	October 31, 2028	212,180.00
365	South Triangle	G/F Sunshine Blvd. Plaza, Quezon Ave. cor. Sgt. Santiago and Panay Ave., Brgy. South Triangle, Quezon City	January 16, 2015	January 15, 2025	183,465.47
366	Sta. Mesa (formerly Mezza Residences)	1-B G. Araneta Avenue, Brgy. Doña Imelda, Quezon City	December 1, 2016	November 30, 2026	139,782.68
367	Sto. Cristo	622-39 Sto. Cristo St. Binondo, Manila	June 1, 2016	May 31, 2026	161,250.00
368	Sto. Cristo-CM Recto	858 Sto. Cristo Street, Manila	October 01, 2017	September 30, 2027	110,250.00
369	Sto. Domingo Ave.	Sto. Domingo Ave., Quezon City	April 16, 2017	April 15, 2027	101,292.19
370	Subic Bay Freeport Zone	CBC Building., Subic Bay Gateway Park, Rizal Highway, Subic Bay Freeport Zone	June 25, 2008	June 24, 2058	1,381.43
371	Surigao City	CBC Building, Amat St., Barrio Washington, Surigao City, Surigao del Norte	September 1, 2011	August 31, 2031	40,204.80
372	T. Alonzo	Abeleda Business Center, 908 T. Alonzo corner Espeleta Streets, Sta. Cruz, Manila	June 1, 2021	May 31, 2031	135,351.56
373	Tabaco City	Ziga Ave. corner Berces Street, Tabaco City, Albay	March 1, 2015	February 28, 2025	82,971.06
374	Tadoban City	Uytingkoc Building, Avenida Veteranos, Tadoban City, Leyte	July 1, 2020	June 30, 2030	121,495.33
375	Taft Ave. - Nakpil	G Square Taft Ave. corner Nakpil St., Malate, Manila	July 01, 2018	June 30, 2028	173,643.75
376	Taft Ave. - Quirino	2178 Taft Avenue near corner Quirino Avenue, Malate, Manila	May 1, 2017	April 30, 2025	174,507.12
377	Tagaytay City	Foggy Heights Subdivision, E. Aguinaldo Highway, Tagaytay City, Cavite	September 1, 2016	August 31, 2026	123,981.64
378	Tagbilaran City	G/F Melrose Bldg. Carlos P. Garcia Avenue, Tagbilaran City, Bohol	August 16, 2017	August 15, 2022	251,387.83
379	Talavera	CBC Building, Marcos District, Talavera, Nueva Ecija	July 20, 2012	July 19, 2032	28,141.60

	BRANCH	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
380	Tandang Sora - Visayas Ave.	#250 Tandang Sora Ave., Quezon City	February 1, 2017	March 31, 2027	173,643.75
381	Tarlac - Bamban	National Road, Brgy. Anupul, Bamban, Tarlac	December 1, 2016	November 30, 2026	28,939.84
382	Tarlac - San Rafael	CBC Building, Brgy. San Rafael, Tarlac City, Tarlac	November 1, 2017	October 31, 2032	27,560.40
383	Tarlac- Camiling	Savewise Super Market, Poblacion, Camiling, Tarlac	February 1, 2014	January 31, 2024	73,168.68
384	Tarlac- Concepcion	G/F Descanzo Bldg., F. Timbol St. San Nicolas Poblacion, Concepcion, Tarlac	October 1, 2014	September 30, 2024	73,205.00
385	Tarlac- Paniqui	Cedasco Building, M. H del Pilar St, Poblacion, Paniqui, Tarlac	October 1, 2014	September 30, 2024	66,366.00
386	Taytay - Origas Extension	Origas Ave. Ext., Taytay, Rizal	February 01, 2018	January 31, 2028	138,253.50
387	Taytay-San Juan	Velasquez St., Sitio Bangiad, Brgy. San Juan, Taytay, Rizal	August 1, 2016	October 31, 2026	97,241.04
388	The District Imus	G/F The District Imus, Anabu II, Imus, Cavite	January 1, 2021	December 31, 2021	124,722.33
389	The Medical City	2/F Medical Arts Building, The Medical City, Origas Ave., Pasig City	December 1, 2019	November 30, 2029	91,740.00
390	Tomas Mapua - Laguna	CBC Building, Tomas Mapua St. Sta. Cruz, Manila	September 1, 2016	August 31, 2031	97,240.50
391	Tomas Morato - E. Rodriguez	1427 Tomas Morato Ave., Quezon City	April 1, 2017	June 30, 2032	198,052.50
392	Tomas Morato Extension	QY Bldg. Tomas Morato Ave., Quezon City	December 1, 2016	November 30, 2026	164,093.34
393	Trece Martires	G/F Waltermart, Governor's Drive corner City Hall Road, Brgy. San Agustin, Trece Martires City, Cavite	November 19, 2017	October 31, 2022	83,620.55
394	Trinoma	Unit P002, Level P1, Triangle North of Manila, North Avenue corner EDSA, Quezon City	September 1, 2017	August 31, 2022	373,545.12
395	Tuguegarao- Balzain	Balzain Highway, Tuguegarao City, Cagayan	August 1, 2015	July 30, 2025	104,334.00
396	Tuguegarao City	A. Bonifacio Street, Tuguegarao, Cagayan	March 16, 2016	March 15, 2026	127,678.10
397	Tutuban Prime Block	Rivera Shophouse, Podium Area, Tutuban Center Prime Block, C.M. Recto Ave. corner Rivera Street, Manila	August 21, 2016		Leasehold Rights
398	UP Techno Hub	UP AyalaLand Techno Hub, Commonwealth Ave., Quezon City	September 1, 2017	August 31, 2025	149,068.50
399	Up Village - Maginhawa	LTR Bldg. No. 46 Maginhawa St, UP Village, Quezon City	January 1, 2017	December 31, 2026	119,467.76
400	V. Luna	G/F AGGCT Bldg. No. 32 V. Luna cor Matapat Sts., Brgy. Pinyahan, Quezon City	November 1, 2016	October 31, 2026	200,314.40
401	Valencia	A. Mabini Street, Valencia, Bukidnon	May 1, 2016	January 31, 2029	80,262.00
402	Valenzuela - Gen. Luis	AGT Building, 425 Gen. Luis Street, Paso de Blas, Valenzuela City	July 1, 2021	June 30, 2031	60,000.00
403	Valenzuela - Malinta	MacArthur Highway, Brgy. Malinta, Valenzuela City	January 1, 2017	December 31, 2026	93,712.50
404	Vigan City	Burgos Street near corner Rizal Street Vigan City, Ilocos Sur	February 1, 2019	January 31, 2021	80,000.00
405	Virac	Gogon, Virac, Catanduanes	February 1, 2017	January 31, 2027	93,712.50
406	Xavierville	65 Xavierville Ave., Loyola Heights, Quezon City	June 1, 2020	May 31, 2032	164,800.23
407	Zambales - Botolan	National Highway, Brgy. Babonlapoc, Botolan, Zambales	February 1, 2017	January 31, 2027	37,800.00
408	Zamboanga- San Jose Gusu	Yubenco Supermarket, San Jose Gusu, Zamboanga City, Zamboanga del Sur	December 1, 2014	November 30, 2024	67,524.96
409	Zamboanga-Guiwan	G/F Yang's Tower, M.C. Lobregat National Highway, Guiwan, Zamboanga City	March 7, 2017	March 6, 2027	74,070.46
410	Zobel - Roxas	1247 Zobel Roxas Ave. corner Taal Street, Malate, Manila	July 1, 2019	June 30, 2029	141,750.00

China Bank Savings

(iii) Bank-owned Properties – Metro Manila & Provincial Branches

	BRANCHES	ADDRESS
1	ANGELES - RIZAL	639 Rizal Street, Angeles City
2	AYALA AVENUE	6772 Ayala Avenue, Makati City
3	BATANGAS - P. BURGOS	4 Burgos Street, Batangas City
4	BIÑAN	San Vicente Binan Laguna
5	BUENDIA MAIN	314 Buendia Avenue, Makati City
6	DAU	MacArthur Highway, Dau, Mabalacat, Pampanga
7	LA UNION with Business Center	A.G. Zambrano Building Quezon Avenue San Fernando City, La Union
8	ORANI	Brgy. Balut, Orani, Bataan
9	STA. ROSA - BALIBAGO	Old National Hiway cor Roque Lazaga St., Sta Rosa, Laguna

(iv) Leased Properties – Metro Manila & Provincial Branches

	BRANCHES	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
1	ACACIA ESTATES - SAVEMORE	Acacia Taguig Town Center, Acacia Estates, Ususan, Taguig City	December 1, 2021	November 30, 2023	59,099.00
2	ALABANG HILLS	G/F Alabang Comm'l Ctr Arcade, Don Jesus Blvd., Alabang, Muntinlupa City	August 16, 2017	August 15, 2022	116,830.88
3	AMANG RODRIGUEZ - SAVEMORE	Savemore Market G/F GBU Bldg. Amang Rodriguez Avenue corner Evangelista St., Santolan, Pasig City	December 27, 2019	March 31, 2022	72,931.00
4	ANGONO	Manila East Road cor Don Benito St., Brgy. San Roque, Angono, Rizal	June 1, 2016	May 31, 2023	63,941.71
5	ANTIPOLO	E.M.S. Bldg., Ground Floor L1, M. L. Quezon corner F. Dimanig Sts., Antipolo City	May 1, 2015	April 30, 2025	114,284.57
6	ARANETA CENTER COD - SAVEMORE	Gen. Romulo St., Araneta Center, Cubao, Quezon City	December 1, 2021	November 30, 2022	44,324.00
7	ARAYAT	Cacutud Arayat Pampanga	November 16, 2016	November 15, 2021	45,961.83
8	BACLARAN	3751 Quirino Avenue Corner Sta. Rita St., Bacalaran, Parañaque City	April 5, 2016	April 4, 2023	104,655.09
9	BACOLOD	SKT Saturn Bldg., Lacson cor. Rizal Sts., Bacolod City	October 16, 2021	October 15, 2031	253,023.00
10	BACOR - TALABA	UNIT 103 Baco Town Center - E. Aguinaldo Highway Talaba VII, Baco City, Cavite	February 1, 2017	January 31, 2027	113,598.71
11	BAGUIO	B 108 Lopez Bldg., Session Road corner Assumption Road, Baguio City	June 17, 2021	June 16, 2026	165,844.93
12	BALAGTAS	Ultra Mega Supermarket, McArthur Highway, Buro 1st, Balagtas, Bulacan	March 6, 2017	March 5, 2022	36,465.18
13	BALANGA	D.M. Banzon Ave. corner Sto. Domingo St., Balanga, Bataan	October 15, 2017	October 14, 2022	125,209.52
14	BALIBAGO	Mac Arthur Highway, Balibago, Angeles City	January 1, 2016	December 31, 2022	127,628.16
15	BALIUAG	Plaza Naring, Baliuag, Bulacan	September 11, 2019	September 10, 2026	157,500.00
16	BANAWÉ	Nos. 247-249 Banawe St., Sta. Mesa Heights, Barangay Lourdes, Quezon City	November 22, 2012	November 21, 2022	148,333.57
17	BANGKAL	1661 Evangelista St. Bangkal, Makati City	June 21, 2012	June 21, 2022	154,977.05
18	BF HOMES	284 Aguirre Avenue, B.F. Homes, Paranaque	July 1, 2013	June 30, 2023	84,426.03
19	BINONDO - JUAN LUNA	694-696 Juan Luna St., Binondo, Manila	September 16, 2013	September 15, 2023	243,393.20
20	BLUMENTRITT	Blumentritt St. near Oroquieta St., Sta. Cruz Manila	March 28, 2017	March 27, 2027	127,338.75
21	BONI AVENUE	Raymond Tower Boni, 615 Boni Avenue, Plainview, Mandaluyong City	September 1, 2017	August 31, 2027	76,403.25
22	BUTUAN	JMC Building, J.C. Aquino Avenue, Brgy. Lapu Lapu, Butuan City, Agusan del Norte	May 1, 2021	April 30, 2028	138,494.75
23	CABANATUAN - BAYAN	Burgos Avenue, Cabanatuan City	March 1, 2015	February 28, 2022	104,186.25
24	CAGAYAN DE ORO	Sergio Osmeña St., Cogon District, Cagayan de Oro City	November 1, 2010	October 31, 2022	128,275.45
25	CALAMBA	HK Bldg II, National Highway, Brgy. Halang, Calamba, Laguna	November 1, 2017	October 31, 2022	126,639.84

	BRANCHES	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
26	CAVITE CITY	485 P. Burgos St., Barangay 34, Caridad, Cavite City	October 31, 2021	October 30, 2021	55,000.00
27	CEBU - LAHUG	GIF Skyrise IT Bldg., Bgy. Apas, Lahug, Cebu City	June 1, 2017	May 31, 2025	236,823.73
28	CEBU - MANGO with Business Center	JSP Mango Realty Building corner General Maxilom Avenue and Echavez Sts. Cebu City	January 1, 2018	December 31, 2022	331,438.85
29	CEBU MANDAUE - BASAK	Cebu North Road, Basak, Mandaue City	August 1, 2018	July 31, 2023	58,635.73
30	COMMONWEALTH AVE.	Unit 101, JOCFER Building, Commonwealth Avenue, Brgy. Holy Spirit, Quezon City	April 16, 2016	April 15, 2023	68,919.79
31	CUBAO	Fernandina 88 Condominium, 222 P. Tuazon Ave, Araneta Center, Cubao, Quezon City	July 1, 2015	June 30, 2022	93,079.70
32	DAGUPAN	GIF Lyceum-Northwestern University, Tapuac District, Dagupan City	November 2, 2020	November 1, 2030	139,619.53
33	DARAGA	Rizal St., Brgy. San Roque, Daraga, Albay, Bicol	June 15, 2021	June 14, 2026	80,000.00
34	DASMARIÑAS	Veluz Plaza Building, Zone 1, E. Aguinaldo Highway, Dasmariñas, Cavite	April 1, 2016	March 31, 2026	82,687.50
35	DAVAO - RECTO	C.Villa Abrille Building, C.M. Recto Avenue, Davao	August 1, 2018	July 31, 2023	88,200.00
36	DAVAO with Business Center	GIF 8990 Corporate Center, Quirino Ave., Davao City	January 1, 2021	October 31, 2023	93,994.31
37	DEL MONTE	392 Del Monte Avenue, Barangay Sienna, Quezon City	April 1, 2018	March 31, 2028	193,725.00
38	DIVISORIA	3/F Dragon 8 Shopping Center, C.M. Recto Avenue Corner Dagupan St., Divisoria, Manila	March 17, 2016	March 16, 2026	242,478.39
39	DOLORES	STCI Bldg., Mac Arthur Highway, Brgy San Agustín, San Fernando, Pampanga	July 1, 2015	June 30, 2025	75,066.80
40	E. RODRIGUEZ SR. AVENUE	Hemady Square, E. Rodriguez Avenue corner Dona Hemady St., Quezon City	September 1, 2021	August 31, 2028	155,911.52
41	ESPAÑA - SUN MALL	Ground Floor Sun Mall, Espana Boulevard corner Mayon St., Brgy. Sta. Teresita, Quezon City	November 1, 2019	October 31, 2022	133,251.75
42	FELIX HUERTAS - JT CENTRALE	Unit 103, Ground Floor, JT Centrale Mall, No. 1686 V. Fugoso St. corner Felix Huertas St., Sta. Cruz, Manila	December 16, 2016	December 15, 2023	95,435.89
43	FILINVEST CORPORATE CITY	BC Group Bldg., East Asia Drive, near corner Commerce Ave., Filinvest Corporate City, Alabang, Muntinlupa	August 1, 2017	July 31, 2022	177,294.64
44	FTI HYPERMARKET TAGUIG	DBP Avenue, Food Terminal Inc., Western Bicutan, Taguig	May 2, 2019	May 1, 2024	75,071.62
45	GARANETA	195 G. Araneta Avenue, Quezon City	March 15, 2017	March 14, 2024	68,437.69
46	GENERAL SANTOS	Santiago Boulevard, General Santos City	April 1, 2020	March 31, 2027	82,958.31
47	GIL PUYAT-BAUTISTA	Lot 25 Blk 74 Bautista Street corner Buendia Avenue, Makati City	July 1, 2017	June 30, 2024	158,363.10
48	GREENHILLS - ORTIGAS AVE.	Ground Floor, VAG Building, Ortigas Avenue, Greenhills, San Juan	December 1, 2020	November 30, 2025	105,070.00
49	GUAGUA	Plaza Burgos, Guagua, Pampanga	January 1, 2013	December 31, 2023	102,436.79
50	GUIGUINTO-RIS	RIS-5 Industrial Complex, 68 Mercado St., Tabe, Guiguinto, Bulacan	September 25, 2017	September 24, 2027	34,728.75
51	ILOILO - IZNART	Golden Commercial Building, Iznart, Iloilo city	February 1, 2018	January 31, 2028	182,650.00
52	ILOILO - JARO	Lopez Jaena corner EL 98 Streets, Jaro, Iloilo	May 1, 2013	April 30, 2023	100,466.97
53	IMUS	Tanzang Luma, Gen. Emilio Aguinaldo Highway, Imus, Cavite	November 26, 2020	November 25, 2027	100,000.00
54	KALIBO	F. Quimpo Street connecting Mabini and Toting Reyes Streets, Kalibo, Aklan	May 1, 2021	April 30, 2031	100,000.00
55	KALOOKAN	Augusto Bldg., Rizal Ave., Gracepark, Kalookan City	August 16, 2017	August 15, 2025	168,900.29
56	KALOOKAN MABINI	AJ Building, 353 A. Mabini St, Kalookan City	January 1, 2017	December 31, 2023	122,028.50
57	KATIPUNAN AVE.	One Burgundy Condominium, Katipunan Avenue, Quezon City	February 16, 2016	February 15, 2023	159,535.50
58	LAGRO	Ground Floor Bonanza Building, Quirino Highway, Greater Lagro, Novaliches, Quezon City	September 9, 2016	September 8, 2023	88,253.49
59	LAGUNA - STA. CRUZ	E & E Building, Pedro Guevarra Avenue, Sta. Cruz, Laguna	November 8, 2021	November 7, 2026	58,000.00
60	LAOAG CITY	GIF LC Square Building, J.P. Rizal corner M.V. Farinas Sts., Laoag City, Ilocos Norte	July 1, 2015	June 30, 2022	106,810.82
61	LAS PINAS - ALMANZA UNO	Alabang Zapote Road, Almanza Uno, Las Piñas City	September 1, 2017	August 31, 2022	122,562.18
62	LEGAZPI	F. Imperial Street, Barangay Bitano, Legazpi City	March 1, 2018	February 28, 2028	184,800.00
63	LINGAYEN	Unit 5-6, The Hub - Lingayen Building, National Road, Poblacion, Lingayen, Pangasinan	July 1, 2018	June 30, 2028	136,500.00

	BRANCHES	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
64	LIPA	C.M. Recto Avenue, Lipa City	March 1, 2017	February 28, 2022	187,792.36
65	LOS BAÑOS - CROSSING	Babong Malake, Los Baños Laguna	January 1, 2021	December 31, 2023	97,072.50
66	LUCENA	Merchant corner Evangelista Sts., Lucena City	September 16, 2018	September 15, 2023	83,497.99
67	MACABEBE	Poblacion, Macabebe, Pampanga	June 16, 2017	June 15, 2027	57,280.73
68	MAKATI - CHINO ROCES	2176 Chino Roces Avenue, Makati City	October 1, 2013	September 30, 2023	142,480.00
69	MAKATI - J.P. RIZAL	882 J.P. Rizal St, Makati City	September 1, 2013	August 31, 2023	145,860.75
70	MALABON-FRANCIS MARKET-SAVEMORE	Francis Market, Governor Pascual corner M.H. Del Pilar Sts., Malabon	August 1, 2021	July 31, 2022	40,213.29
71	MALOLOS	Canlapan Street, Sto. Rosario, Malolos City, Bulacan	July 1, 2017	June 30, 2022	84,425.60
72	MALOLOS - CATMON	Paseo Del Congreso, Catmon, Malolos City, Bulacan	April 6, 2020	April 5, 2030	85,600.00
73	MANDALUYONG	New Panaderos Ext., Mandaluyong City	March 1, 2012	May 31, 2022	161,832.50
74	MANDALUYONG - SHAW	Ground Floor, 500 Shaw Tower, 500 Shaw Boulevard, Mandaluyong City	December 1, 2018	November 30, 2023	155,671.13
75	MANDAUE	A. Del Rosario Ave., Mantuyong, Mandaue City, Cebu	August 1, 2021	July 31, 2022	100,000.00
76	MARIKINA	33 Bayan-Bayanan Ave., Bgy. Concepcion 1 Marikina City	May 24, 2020	May 23, 2030	220,500.00
77	MARIKINA - GIL FERNANDO AVENUE	CTP Building, Gil Fernando Ave., Marikina City	January 1, 2018	December 31, 2022	102,620.38
78	MEYCAUAYAN	MANCON Building, Calvario, Meycauayan, Bulacan	November 1, 2016	October 31, 2023	75,190.98
79	MOLINO	Avon Building, 817 Molino Road, Molino III, Bacoor, Cavite	October 1, 2021	September 30, 2026	110,000.00
80	MOUNT CARMEL	KM 78 Mac Arthur Highway, Brgy. Saguin, San Fernando City, Pampanga	July 20, 2015	July 19, 2025	127,628.16
81	MUÑOZ - JACKMAN	Jackman Plaza, GF, UG14 to UG18 EDSA Muñoz Brgy. R. Magsaysay, Quezon City	June 1, 2017	May 31, 2024	100,719.28
82	NAGA	RL Building, Panganiban St., Lerma, Naga City	July 16, 2012	July 15, 2022	115,987.16
83	NEPA - Q MART - SAVEMORE	Rose Building, 770 St. EDSA and K-G St., West Kamias, Quezon City	December 1, 2021	November 30, 2022	44,324.00
84	NINOY AQUINO AVE.	GF Skyfreight Building, Nino Aquino Ave. corner Pascor Drive, Paranaque City	June 1, 2012	May 31, 2022	165,916.60
85	N.S. AMORANTO AVE.	Unit 101 R Place Building, 255 N.S. Amoranto St. Avenue, Quezon City	November 15, 2021	November 14, 2026	75,000.00
86	OLONGAPO	Ground Floor, City View Hotel, 25 Magsaysay Drive, New Asinan, Olongapo City	October 25, 2017	October 24, 2022	124,417.63
87	ORTIGAS CENTER	Ground Floor, Hanston Square, San Miguel Avenue, Ortigas Center, Pasig City	March 1, 2021	February 28, 2026	142,387.88
88	PARAÑAQUE - BETTER LIVING	90 Dona Soledad Avenue, Better Living Subd, Biñan, Paranaque	October 1, 2018	September 30, 2023	102,766.20
89	PARANAQUE - JAKA PLAZA	JAKA Plaza Center, Dr. A. Santos, Ave., Sucat Paranaque	April 19, 2016	April 18, 2023	102,069.10
90	PARAÑAQUE - LA HUERTA	Quirino Avenue, La Huerta, Paranaque City	October 1, 2013	September 30, 2028	126,639.04
91	PARAÑAQUE - MOONWALK	Kassel Residence Building, E. Rodriguez Avenue, Moonwalk, Paranaque City	April 17, 2015	April 16, 2022	91,047.20
92	PASAY - LIBERTAD	533 Cementina St. Libertad, Pasay City	February 20, 2017	February 19, 2024	100,279.27
93	PASIG - CANIOGAN	Unit A, KSN Building, C. Raymundo Avenue, Canioogan, Pasig City	June 15, 2016	June 14, 2023	85,085.44
94	PASIG - MUTYA	Richcrest Building, Caruncho Corner Market Avenue, San Nicolas, Pasig City	July 16, 2017	July 15, 2027	108,900.00
95	PASIG - PADRE BURGOS	114 Padre Burgos St., Kapasigan, Pasig City	June 16, 2018	June 15, 2023	110,124.87
96	PASO DE BLAS	Andoks Bldg., 629 Gen. Luis St., Paso De Blas, Valenzuela City	February 1, 2021	January 31, 2026	72,277.62
97	PATEROS	500 Eliso Rd., Sto. Rosario, Pateros City	October 1, 2020	September 30, 2025	69,000.00
98	PATEROS - ALMEDA	120 M. Almeda Street, Pateros	August 30, 2017	August 30, 2022	103,425.50
99	PEDRO GIL	LKE Bldg, Pedro Gil corner Pasaje, Rosario st. Paco, Manila	September 1, 2018	August 31, 2025	127,141.25
100	PLARIDEL	Banga, Plaridel, Bulacan	September 1, 2012	August 31, 2022	177,294.65
101	PLAZA STA. CRUZ	MBI Building, Unit 103, Plaza Sta. Cruz, Sta. Cruz, Manila	April 1, 2016	March 31, 2026	121,000.00

	BRANCHES	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
102	PORAC	Cangaba, Porac, Pampanga	December 14, 2020	December 13, 2025	62,460.97
103	QUEZON AVENUE - PALIGSAHAN	1184-A BEN-LOR Bldg., Brgy. Paligsahan, Quezon City	April 16, 2021	April 15, 2026	109,350.00
104	QUEZON AVENUE	G/F GJ Bldg., 385 Quezon Ave., Quezon City	November 1, 2018	October 31, 2028	172,746.74
105	QUIAPO - ECHAGUE	C. Palanca St. cor P. Gomez St., Quiapo, Manila	August 1, 2018	July 31, 2028	165,375.00
106	QUIAPO - QUEZON BOULEVARD	416 Quezon Boulevard, Quiapo, Manila	February 5, 2016	February 4, 2023	121,550.62
107	RADA	104 Rada St. Levaspi Village, Makati	June 16, 2021	June 15, 2023	151,073.33
108	ROOSEVELT	342 Roosevelt Avenue, Quezon City	June 15, 2017	May 31, 2024	81,033.75
109	ROXAS AVE. CAPIZ - CITYMALL BRANCH	CityMall - Roxas Ave, Brgy VI, Roxas City, Capiz	November 14, 2018	November 13, 2023	77,210.69
110	SAN FERNANDO	KHY Trading Bldg., San Fernando-Gapan Rd., San Fernando City, Pampanga	July 16, 2020	July 15, 2027	170,646.10
111	SAN FERNANDO - BAYAN with Business Center	JSL Building, Consunji Street, City of San Fernando, Pampanga	June 1, 2018	May 31, 2025	123,428.56
112	SAN ILDEFONSO	Savemore Bldg. San Ildefonso, Poblacion, Bulacan	June 22, 2020	July 31, 2025	106,581.70
113	SAN JOSE DEL MONTE	Ground Floor, Giron Building, Gov. Halli Avenue, Tungkong Mangga, City of San Jose Del Monte, Bulacan	August 1, 2012	July 31, 2022	107,854.25
114	SAN JUAN	Madison Square, 264 N. Domingo St, Barangay Pasadena, San Juan	September 1, 2021	August 31, 2028	85,000.00
115	SAN MIGUEL	Norberto St., San Miguel, Bulacan	December 1, 2018	November 30, 2023	88,200.00
116	SAN NARCISO	Brgy. Libertad San Narciso, Zambales	December 8, 2016	December 7, 2024	45,145.54
117	SAN PABLO	Rizal Avenue corner Lopez Jaena, San Pablo City, Laguna	April 1, 2015	March 31, 2022	127,948.03
118	SAN PEDRO	Gen - Ber Bldg, National Highway Landayan, San Pedro Laguna	March 1, 2012	February 28, 2022	40,574.59
119	SAN RAFAEL	Cagayan Valley cor. Cruz na Daan Roads, San Rafael, Bulacan	December 13, 2015	December 12, 2022	93,579.16
120	SANTIAGO - VICTORY NORTE	Maharlika Highway corner Quezon St., Victory Norte, Santiago City	October 15, 2017	October 14, 2022	134,009.57
121	SAVEMORE - ANONAS	Maamo St., Road Lot 30, V. Luna and Anonas Extension, Sikatuna, Quezon City	December 1, 2021	November 30, 2023	59,099.00
122	SAVEMORE TAGAYTAY - MENDEZ	Mendez Crossing West, Tagaytay-Nasugbu Highway corner Mendez-Tagaytay Road, Tagaytay City	August 1, 2021	July 31, 2024	52,586.66
123	SAVEMORE TALISAY NEGROS OCCIDENTAL	Mabini St., Zone 12, Paseo Mabini, Talisay City, Negros Occidental	May 23, 2019	November 30, 2024	113,976.10
124	SM HYPERMARKET - ADRIATICO	M.H. Del Pilar, Adriatico, Malate, Manila	July 31, 2021	December 31, 2021	65,000.00
125	SORSOGON	God is Good Commercial Bldg, Rizal St., Purok 5, Plot, West District, Sorsogon City, Sorsogon	May 1, 2021	April 30, 2028	145,000.00
126	SOUTH TRIANGLE	Ground Floor, SUNNYMEDE IT CENTER, Brgy. South Triangle, Quezon Ave., QC	September 1, 2018	August 31, 2025	181,810.12
127	STA. ANA	Poblacion, Sta. Ana, Pampanga	December 1, 2018	November 30, 2023	58,801.32
128	STA. ANA MANILA	Savemore, Pedro Gil St., Sta. Ana, Manila	August 1, 2021	March 31, 2021	53,654.86
129	STA. MARIA	Gen. Luna cor De Leon Street, Sta. Maria, Bulacan	December 8, 2021	December 7, 2022	117,600.00
130	STA. MESA	4128 Ramon Magsaysay Blvd., Sta. Mesa, Manila	March 16, 2017	March 15, 2024	73,619.16
131	STA. RITA	San Vicente, Sta. Rita, Pampanga	October 8, 2012	October 7, 2022	46,273.26
132	STA. ROSA	Sta. Rosa-Tagaytay Highway, Sta. Rosa, Laguna	June 17, 2013	June 16, 2022	196,994.06
133	STO. TOMAS	AGUJO Corp. Building, Maharlika Highway, Sto Tomas, Batangas	October 26, 2020	October 25, 2025	145,378.86
134	SUBIC	Baraca, Subic, Zambales	March 1, 2019	February 28, 2029	81,144.00
135	TACLOBAN CITY	G/F, YVI Center, Bldg A, Fatima Village, Tacloban City, Leyte	September 16, 2019	September 15, 2024	120,375.00
136	TAGUM	Maharlika Highway cor. Lapu-Lapu Extension, Brgy. Maguipo Tagum City	June 1, 2017	May 31, 2022	64,178.73
137	TANAUAN CITY	National Highway Brgy. Darasa, Tanuan, Batangas	December 1, 2018	November 30, 2028	79,558.61
138	TANDANG SORA	Cecilville Bldg. III, 670 Tandang Sora Ave. corner General Ave, Tandang Sora, Quezon City	May 16, 2017	May 15, 2024	88,558.31
139	TARLAC	Mac Arthur Highway, San Nicolas, Tarlac City	September 15, 2016	September 14, 2023	92,677.15
140	TAYTAY	C Gonzaga Bldg II, Manila East Road, Taytay, Rizal	October 15, 2018	October 14, 2023	131,244.67

	BRANCHES	ADDRESS	LEASE COMMENCEMENT	LEASE EXPIRATION	MONTHLY RENT
141	TAYUMAN	1925-1929 Rizal Avenue near corner Tayuman St, Sta. Cruz, Manila	October 1, 2016	September 30, 2023	115,762.50
142	TIMOG	JENKINSEN TOWERS 80 Timog Avenue, Quezon City	May 1, 2017	April 30, 2024	139,056.69
143	TUGUEGARAO	Metropolitan Cathedral Parish Rectory Complex, Rizal St, Tuguegarao City	August 16, 2017	August 15, 2022	117,387.99
144	TWO E-COM	Two E-Com Center Tower B, Ocean Drive near corner Bayshore Drive, Mall of Asia Complex, Pasay City	November 1, 2019	October 31, 2022	169,503.25
145	UN AVENUE	552 United Nations Avenue, Ermita, Manila	February 1, 2019	January 31, 2024	183,410.78
146	URDANETA	Brgy. Nancayasan, Mc Arthur Highway, Urdaneta City, Pangasinan	August 24, 2016	August 23, 2023	82,687.50
147	VALENZUELA - MARULAS	92-J Mac Arthur Highway, Marulas, Valenzuela City	October 20, 2020	October 19, 2025	72,930.38
148	VIGAN	Plaza Maestro Convention Center, Florentino St and Burgos St Vigan City, Ilocos Sur	June 5, 2017	June 4, 2027	251,098.06
149	WILSON	219 Wilson St, Greenhills, San Juan City	October 16, 2017	October 15, 2022	192,536.19
150	VISAYAS AVE.	Upper Ground Floor, Wilcon City Center Mall, Visayas Avenue, Quezon City	March 2, 2017	March 1, 2022	133,487.01
151	ZAMBOANGA	City Mall, Don Alfaro St, Tetuan, Zamboanga	September 30, 2015	September 29, 2022	107,936.95

The head office and other branches of China Bank are well maintained for the benefit of its employees and clients. The Bank embarked in its branch redesign project which not only modernized the look and feel of a China Bank branch but also took the concept a step further by transforming the branch into a customer-friendly, familiar yet efficient venue for delivering and cross-selling the China Bank brand of quality service.

(b) Limitations on Properties

Usually, our bank properties which have liens and encumbrances or those which were acquired by virtue of foreclosure sale. These liens mostly are lis pendens and adverse claims, posted by the previous owners- borrowers and they are subsequently cancelled upon termination of the case filed by the latter and upon motion/petition we filed in court.

(c) Description of Property the Bank intends to acquire in the next 12 months

The Bank has future plans to acquire properties but no description/location of properties yet at this time.

Item 3. Legal Proceedings

There are pending cases filed for and against the Bank arising from incidental, ordinary and routine conduct of the banking business. It is the opinion of the management and legal counsel that there are no material pending legal proceedings to which the Bank or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders

Except for the matters taken up during the annual stockholders' meeting on May 6, 2021, there was no other matter submitted to a vote of security holders during the fiscal year covered by this report.

PART II – Operational and Financial Information

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

(a) Market Information

The Bank's common shares are listed with and traded at the Philippine Stock Exchange. The high, low, and close sales prices for each quarter within the last two fiscal years and for the first three months of 2022 are show below:

Actual Prices:			
2022	HIGH	LOW	CLOSE
January	26.00	24.75	25.45
February	26.85	25.40	26.50
March	27.95	24.10	27.00
Actual Prices: *			
2021	HIGH	LOW	CLOSE
Jan – Mar	25.80	22.80	23.05
Apr – Jun	25.85	22.80	25.50
Jul – Sept	25.80	23.90	24.15
Oct – Dec	26.50	23.75	26.00
Actual Prices: *			
2020	HIGH	LOW	CLOSE
Jan – Mar	25.30	17.00	20.15
Apr – Jun	22.00	18.86	21.00
Jul – Sept	22.00	19.38	21.75
Oct – Dec	26.10	21.60	24.95

* No price adjustments in 2021 and 2020

The Bank's common shares were valued at P26.00 per share as of December 31, 2021 (last trading day), and at P26.80 per share as of April 13, 2022 (latest practicable trading date).

(b) Holders

The Bank has an authorized capital stock of P33.0 Billion divided into 3.3 Billion shares with a par value of P10.00 per share. As of March 31, 2022, there are approximately 1,871 holders of 2,691,288,212 common shares, and the following are the Top 20 holders of common shares of the Bank:

Name of Stockholder	Number of Shares	Percentage
1. PCD Nominee Corporation (Non-Filipino)	710,657,653	26.406%
2. PCD Nominee Corporation (Filipino)	573,788,907	21.320%
3. SM Investments Corporation	463,922,761	17.238%
4. Sysmart Corporation	415,995,323	15.457%
5. JJACCIS Development Corporation	62,320,926	2.316%
6. CBC Employees Retirement Plan	53,278,951	1.980%
7. Joaquin T. Dee &/or Family	40,787,322	1.516%
8. GDSK Development Corporation	31,458,583	1.169%
9. Suntree Holdings Corporation	24,138,332	0.897%
10. Syntrix Holdings, Inc.	21,552,649	0.801%
11. Hydee Management & Resource Corporation	14,334,603	0.533%
12. The First Resources Mgt. and Sec. Corp.	5,964,229	0.222%
13. Kuan Yan Tan's Charity (Phil.), Inc.	5,941,277	0.221%
14. Reliance Commodities, Inc	5,662,648	0.210%
15. Robert Y. Dee, Jr.	5,569,499	0.207%
16. La Filipina Uy Gongco Corporation	5,444,600	0.202%
17. Ansaldo, Godinez & Co., Inc.	5,037,498	0.187%
18. Michael John G. Dee	3,963,468	0.147%
19. Cheng Siok Tuan	3,864,332	0.144%
20. Rosario Chua Siu Choe	3,631,816	0.135%
TOTAL	2,457,315,377	91.306%

(c) Dividends

The following are the dividends declared on the Bank's common shares for the five (5) most recent fiscal years:

	2021	2020	2019	2018	2017
Stock Dividend	--	--	---	--	8%
Cash Dividend	10.0%	10.0%	8.8%	8.3%	8%

In accordance with Article VIII, Section 2 of the Bank's Amended By-Laws, dividends by the Bank are payable in cash, property or stock. The payment of the dividends in the future will depend upon the earnings and financial condition of the Bank and other factors.

There is no restriction that limits the ability of the Bank to pay dividends other than those required under the Revised Corporation Code and by the Bangko Sentral ng Pilipinas (BSP). The Dividend Policy of the Bank is discussed under Part IV.

(d) Unregistered Securities

There were no unregistered securities sold by the Bank for the past three (3) years. However, the Bank issued new shares from its authorized but unissued shares resulting from the Bank's Centennial Stock Grant of 5,388,400 common shares to eligible grantees. The grant was approved by the Board of Directors on August 5, 2020 and September 2, 2020, ratified by the stockholders in their special meeting on October 1, 2020, and approved by the relevant regulatory agencies. These securities distributions were exempt from registration requirement under Section 10.2 of the Securities Regulation Code.

(e) Free Float Level

Based on the Public Ownership Report of the Bank as of December 31, 2021, 57.096% of the total outstanding shares are owned by the public.

Item 6. Management Discussion and Analysis or Plan of Operation (Last Three Years 2021, 2020, and 2019)

(a) Financial and Operating Highlights

Balance Sheet Indicators

In Million Pesos	Dec 31, 2021 Audited	Dec 31, 2020 Audited	Dec 31, 2019 Audited	Dec 31, 2018 Audited
Assets	1,112,320	1,036,012	962,226	866,072
Investment Securities	279,375	235,892	212,836	190,235
Loans (Net)	609,007	557,214	568,919	505,805
Total Deposits	862,860	835,231	775,428	722,123
Equity	119,123	104,985	96,176	87,857

Analysis of Consolidated Statement of Financial Condition As of December 31, 2021 and December 31, 2020

China Bank's consolidated **assets** were recorded at P1.1 trillion in 2021, 7.4% higher year-on-year, supported by the expansion in investment securities and net loans.

Due from Bangko Sentral ng Pilipinas and due from other banks posted decreases by 18.3% to P124.3 billion and 41.3% to P10.7 billion, respectively, from the drop in year-end placements with the BSP and deposits with correspondent banks. Meanwhile, **interbank loans receivable and securities purchased under resale agreements** rose by P18.3 billion to P36.6 billion from higher overnight placements with other banks and the BSP.

Total investment securities amounted to P279.4 billion, up 18.4%. **Financial assets at fair value through profit or loss** dropped 46.2% to P7.2 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 41.6% and 19.8%, respectively, with the build-up in such investments. **Derivative contracts designated as hedges** amounting to P1.1 billion was also booked during the year in relation to interest rate swap (IRS) contracts used as hedging instruments against time deposits.

The Bank's liquidity ratio stood at 42%, slightly lower than last year's 43%.

Gross loans grew by 9.1% to P624.3 billion, underscored by a normalizing demand for credit in both business and consumer sectors as the economy gradually opens up with loosened COVID-related restrictions. **Net loans** reached P609.0 billion.

Accrued interest receivable decreased by 10.7% to P7.6 billion from P8.5 billion because of lower yields and the timing difference in the receipt of interest earned. **Investment in associates** dropped 12.7% to P796.5 million due to lower comprehensive income contribution and cash dividends received from the Bank's affiliate, MCBLife. **Deferred tax assets** were down 10.6% to P4.6 billion mainly from impact of the CREATE law.

On the liabilities side, **deposits** increased by 3.3% to P862.9 billion, driven by the 18% build-up current and savings account (CASA) deposits to P555.2 billion, which accounted for 64% of total deposits. **Bills payable** increased by P42.2 billion due to higher interbank borrowings. On the other hand, **bonds payable** decreased by 18.4% to P42.5 billion. The net decrease reflects the settlement of the Bank's P30-billion fixed rate bonds in January 2021, as well as the issuance of another P20 billion peso fixed rate bonds in February 2021, which bears a fixed coupon rate of 2.50% *per annum*, payable monthly, and is due in 2024. **Manager's checks** increased 18.3% to 1.9 billion because of higher outstanding checks for negotiation. **Income tax payable** was at P785.1 million, down 7.2% due to lower

regular corporate income tax payable for the period. **Accrued interest and other expenses** increased 21.5% to P4.7 billion, with the setup of higher employee benefits and other expense accruals. Change in the mark-to-market rates resulted in the decrease in **derivative liabilities** and **derivative contracts designated as hedges** by P218.1 million and P358.8 million, respectively. The 28.5% drop in **deferred tax liabilities** was attributable to the savings bank subsidiary. **Other liabilities** increased by P1.8 billion to P12.7 billion mainly from higher accounts payable, acceptances payable, and expected credit losses on off-balance sheet exposures.

Total equity reached P119.1 billion, 13.5% higher than last year's P105.0 billion, mainly from 19.7% increase in **surplus**. **Surplus reserves** rose 29.8% to P3.7 billion due to the appropriation of retained earnings. **Net unrealized gain on financial assets at FVOCI** amounted to P81.2 million, down from P294.1 million last year because of mark-to-market revaluation of the Bank's FVOCI securities. **Remeasurement loss on defined benefit asset** was lower at (P30.5) million due to changes in actuarial assumptions. Furthermore, **remeasurement loss on life insurance reserve of associate** was lower at (P14.0) million from (P45.9) million due to the revaluation of legal policy reserves of the Bank's affiliate, MCBLife. Meanwhile, **cumulative translation adjustment** increased by P12.1 million to P17.6 million due to exchange rate difference arising from the translation of income and expenses to its presentation currency. **Cashflow hedge reserve** improved to P976.8 million 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 at 14.92% while **total Capital Adequacy Ratio (CAR)** was computed at 15.75%. Both are above the regulatory minimum requirement.

Analysis of Consolidated Statement of Financial Condition As of December 31, 2020 and December 31, 2019

The Bank hit a P1.0 trillion mark in **total assets**, 7.7% higher compared to the P962.2 billion last year.

Cash and other cash items dropped 5.1% to P16.0 billion due to the leveling-off of cash-in-vault from its 2019-end build-up. **Due from BSP and due from other banks** posted increases by P52.0 billion and P8.3 billion, respectively arising from the increases in year-end placements with the BSP and deposits with correspondent banks. Similarly, **interbank loans receivable and securities purchased under resale agreements** rose by 7.4% to P18.3 billion from higher overnight placements with the BSP.

Total investment securities amounted to P235.9 billion, up 10.8%. **Investment securities at amortized cost** increased by 20.2% to P202.2 billion with the growth in fixed income assets. Meanwhile, **financial assets at fair value through profit or loss (FVPL)** and **financial assets at fair value through other comprehensive income (FVOCI)** posted decreases by P5.1 billion or 27.5% and P5.9 billion or 22.5%, respectively resulting from the Bank's securities disposal during the year.

The Bank's liquidity ratio stood at 43% higher than last year's 37%.

Gross loans were at P572.3 billion, slightly down versus last year's P577.8 billion. **Net loans** reached P557.2 billion.

Accrued interest receivable increased by 19.2% to P8.5 billion from P7.2 billion from higher volume of earning assets. **Investment in associates** increased 29.6% to P912.6 million from additional contribution from the Bank's affiliate MCBLife. **Bank premises, furniture, fixture, and equipment** decreased by P732.5 million or 8.0% to P8.4 billion due to depreciation. **Investment properties** dropped 8.1% to P4.0 billion due to the sale and disposal of foreclosed properties and write-offs. **Deferred tax assets** were up 53.4% to P5.2 billion, with the booking of additional provision for impairment and credit losses. **Other assets** declined by 5.6% to P6.5 billion from lower year-end balance of accounts receivables among others.

On the liabilities side, the Bank sustained the growth of **deposits** by 7.7% to P835.2 billion, of which demand and savings deposits totaled P468.9 billion. **Bills payable** decreased by 29.1% to P23.7 billion from lower interbank borrowings and trade finance. On the other hand, **bonds payable** increased by 39.2% with the Peso fixed rate bond issuance of another P15 billion in October 2020. **Manager's checks** dropped 21.5% to 1.6 billion because of lower outstanding checks for negotiation. **Income tax payable** was at P846.1 million, 56.5% higher due to increase in regular corporate income tax payable for the period. **Accrued interest and other expenses** were 5.2% lower at P3.9

billion with lower interest payable accruals. Change in the mark-to-market rates resulted in increased in **derivative liabilities** and **derivative contracts designated as hedges** by P180.7 million and P469.3 million, respectively.

Total equity reached P105.0 billion, 9.2% higher than last year's P96.2 billion, mainly from 20.8% increase in retained earnings booked under **surplus**. **Surplus reserves** declined 20.1% to due to the reversal of excess appropriation in the allowance for credit losses. **Net unrealized gain on financial assets at FVOCI** amounted to P294.1 million from P417.6 million arising from the mark-to-market revaluation of the Bank's FVOCI securities. **Remeasurement loss on defined benefit asset** recorded a higher loss of P58.5 million to (P427.0) million due to higher retirement payouts from subsidiaries. Furthermore, **remeasurement gain/ (loss) on life insurance reserve of associate** saw a P66.6 million drop to (P45.9) million from the revaluation of legal policy reserves of the Bank's affiliate, MCBLife. **Cumulative translation adjustment and cash flow hedge reserve** was down P1.3 million and P469.3 million due to exchange rate difference arising from the conversion of income and expenses related to foreign currency-denominated positions to base currency.

The Bank's **Common Equity Tier 1 (CET 1/ Tier 1) ratio** and **total CAR** were computed at 13.82% and 14.73%, respectively.

Analysis of Consolidated Statement of Financial Condition As of December 31, 2019 and December 31, 2018

Assets grew by 11.1% to P962.2 billion from P866.1 billion mainly from the build-up in loans and liquid assets.

Cash and other cash items increased by 7.7% to P16.8 billion from P15.6 billion due to the higher cash requirements from the branch network expansion. **Interbank loans receivable and securities purchased under resale agreements** rose 42.0% to P17.0 billion from higher overnight placements with the BSP.

Total investment securities amounted to P212.8 billion, up 11.9%. The build-up in securities volume raised the portfolio of **financial assets at fair value through profit or loss (FVPL)** by P10.9 billion to P18.5 billion and **financial assets at fair value other comprehensive income (FVOCI)** by P16.0 billion to P26.1 billion. The Bank's securities portfolio remained at 22.0% level of consolidated resources.

The Bank's **liquidity ratio** stood at 37%, slightly lower than last year's 38%.

Gross loan portfolio was at P577.8 billion, 12.7% higher year-on-year, while **net loans** stood at P568.9 billion, up P63.1 billion or 12.5% as the demand across market segments steadily increased.

Accrued interest receivable amounted to P7.2 billion, up P1.5 billion from P5.7 billion because of the increase in earning assets. **Investment in associates** saw a P369.1 million increase to P704.2 million because of additional capital infused to the Bank's affiliate, MCBLife, as well as its higher income contribution. **Bank premises, furniture, fixture, and equipment and right-of-use assets** grew by P2.7 billion or 41.9% to P9.2 billion from PFRS-16 related adjustments. **Investment properties** dropped 9.4% to P4.4 billion due to the sale and disposal of foreclosed properties. The booking of additional allowance for credit losses raised **deferred tax assets** by P856.1 million to P3.4 billion. **Other assets** grew by 10.7% to P6.9 billion from higher miscellaneous items such as creditable withholding taxes and returned checks and other cash items (RCOCI).

On the liabilities side, **total deposits** increased by 7.4% to P775.4 billion from P722.1 billion, of which CASA (demand and savings deposits) totaled P411.8 billion. **Bills payable** dropped P6.5 billion or 16.2% to P33.3 billion from lower interbank borrowings and BSP rediscounted loans. The Bank booked P37.4 billion in **bonds payable** comprised of the P30-billion Peso fixed-rate retail bond and USD 150-million Green bond issuance to the International Finance Corporation (IFC).

Manager's checks dropped by 22.5% to P2.0 billion from P2.6 billion because of lower customer demand. **Income tax payable** amounted to P540.7 million, up P63.1 million or 13.2% due to additional regular corporate income taxes payable for the year. **Accrued interest and other expenses** were up by 7.3% to P4.1 billion because of the booking of accruals and payroll expenses. **Derivative liabilities** increased to P1.0 billion from P455.1 million from higher volume of currency swaps during the period. The 12.0% drop in **deferred tax liabilities** was attributable to the

savings bank subsidiary. **Other liabilities** increased P3.3 billion to P11.0 billion mainly from lease-related liabilities from PFRS-16 related adjustments.

Total equity reached P96.2 billion, 9.5% higher than last year's P87.9 billion mainly from the 19.9% increase in **surplus** and the P1.1 billion improvement of **net unrealized gain on financial assets on FVOCI**. **Remeasurement gain on defined benefit asset** recorded a P485.6 million decline resulting from actuarial changes arising from changes in demographic assumptions. **Cumulative translation adjustment** totaled P6.8 million, up from (P91.7) million arising from the conversion of income and expenses related to foreign currency-denominated positions to base currency.

The Bank's Common Equity Tier 1 (CET 1 / Tier 1) ratio and total CAR were computed at 12.76% and 13.67%, respectively, well above the minimum regulatory requirement.

Income Statement Indicators

In Million Pesos	2021 Audited	2020 Audited	2019 Audited	2018 Audited
Interest Income	45,726	47,138	47,685	35,213
Interest Expense	7,411	13,295	21,634	12,286
Net Interest Income	38,314	33,843	26,051	22,926
Non-Interest Income	10,361	10,011	8,431	5,658
Provision for Impairment & Credit Losses	8,877	8,869	2,570	141
Operating Expenses	22,335	21,522	20,324	18,056
Net Income	15,106	12,071	10,075	8,116

Analysis of Consolidated Statements of Income

For the period ended December 31, 2021 and December 31, 2020

China Bank posted a 25.1% increase in **net income** to P15.1 billion in 2021 on the back of sustained core business growth and effective cost management. The higher net profit translated to an improved **return on equity** of 13.58% and a **return on assets** of 1.45%.

Total interest income slid 3.0% year-on-year to P45.7 billion. **Interest income from investment securities at amortized cost and at fair value through other comprehensive income** decreased by 8.3% to P9.2 billion mainly from the effects of a low-yield environment. **Interest income from due from BSP and other banks and securities purchased under resale agreements** recorded a 46.6% increase to P1.9 billion with the higher volume of placements with the BSP and other banks.

Total interest expense amounted to P7.4 billion, P5.9 billion or 44.3% lower than last year as **interest expenses on deposit liabilities** decreased 47.0% to P5.1 billion driven by the growth in CASA deposits, coupled with the decrease in time deposits and funding costs. **Interest expense on bonds payable, bills payable, and other borrowings** decreased by P1.3 billion to P2.1 billion due to the year-on-year drop in interbank borrowings and funding costs. **Interest expenses on lease payable** was also down 16.0% due to lower balance of outstanding lease liability.

With the significant reduction in interest expense, the Bank's **net interest income** rose 13.2% to P38.3 billion, and led to an improved **net interest margin** of 4.20% from 3.92% last year.

The Bank recognized **provision for impairment and credit losses** amounting to P8.9 billion in 2021 which was steady *versus* the 2020 amount.

Total **non-interest income** grew by 3.5% to P10.4 billion, underpinned by a 38.6% increase in core fee-based income and the P4.0 billion net gain on **trading and disposal of investment securities at amortized cost**. **Service charges, fees, and commissions** rose by 29.2% to P3.5 billion due to higher investment banking commissions and loans- & deposits-related revenues. **Trust fee income** saw a 10.0% jump to P451.0 million following the sustained build-up in trust department accounts. **Foreign exchange gain** rose by 3.2x to P686.9 million because of favorable forex trading activities. The upturn in sales of foreclosed assets resulted in the doubling of **gain on sale of investment properties** to P388.3 million and a P110.2 million swing in **gain on asset foreclosure & dacion transactions** to P87.5 million. Lower earnings from the bancassurance joint venture, MCBLife, accounted for the (P1.6) million under **share in net loss of an associate**. Miscellaneous income totaled P1.3 billion, up 32.6% from P952.2 million driven by higher bancassurance fees and other transaction-based revenues.

The Bank controlled the movement in **operating expenses** (excluding provision for impairment and credit losses) at P22.3 billion. **Taxes and licenses** were down 12.7% to P3.5 billion mainly from lower volume-related taxes. **Depreciation and amortization** was down 5.7% due to the depreciation expenses on bank premises, furniture, fixtures, equipment, right-of-use assets, and investment properties. **Occupancy costs** were up 18.9% to P2.1 billion due to higher expenses related to rent, utility, and security services. **Professional fees, marketing, and other related services, transportation and traveling, and entertainment, amusement, and recreation** likewise rose 17.4% to P632.9 million, 30.7% to P594.1 million, and 16.6% to P490.3 million with the ramp-up in business development and marketing initiatives. The Bank has managed to cut **stationery, supplies, and postage** by 13.5% to P218.2 million. **Repairs and maintenance** increased by 29.6% to P173.8 million because of higher repairs and construction-related expenses during the year. **Miscellaneous expenses** increased by 30.1% to P3.3 billion mainly from pandemic-related costs and technology upgrade.

Consolidated cost-to-income ratio significantly improved to 46% from 49%.

Analysis of Consolidated Statements of Income

For the period ended December 31, 2020 and December 31, 2019

China Bank continued its strong performance in 2020, posting a **net income** of P12.1 billion which brought the earnings higher by 19.8%. This translated to a **return on equity** of 12.09% and **return on assets** of 1.21%.

Total interest income ended flat year-on-year. Nevertheless, **interest income from due from BSP and other banks and SPURA** recorded a 14.2% increase to P1.3 billion from the higher volume of placements with the BSP and other banks.

Total interest expense amounted to P13.3 billion, P8.3 billion or 38.5% lower than last year as **interest expenses on deposit liabilities** decreased 48.1% to P9.6 billion driven mainly by the decline in funding cost. **Interest expenses on bills payable and other borrowings** was 22.2% higher at P3.4 billion due to the increase in alternative funding sources, including the Peso fixed-rate bonds issued in October 2020. **Lease payable** was down 12.0% due to lower interest charged on outstanding lease liability.

As a result, **net interest income** jumped 29.9% to P33.8 billion and led to a higher net interest margin of 3.92% from 3.39% last year.

The Bank hiked its **provision for impairment and credit losses** to P8.9 billion which was 3.5x larger from the P2.6 billion posted last year to cushion against the potential impact of COVID-19 pandemic and community quarantine measures on our loan portfolio.

Total non-interest income rose 18.7% to P10.0 billion mainly attributable to the 3.7x increase in **trading and securities gain (net)** to P3.2 billion and the 58.3% uptick in **gain on disposal of investment securities at amortized cost** to P2.2 billion. **Service charges, fees, and commissions** decreased 18.1% to P2.7 billion from lower transaction volume and waiver of some fees during the community quarantine. Also, the decline in sales of foreclosed properties reduced the **gain on sale of investment properties** by 78.3% to P187.2 million and resulted in a **loss on asset foreclosure and dacion transactions** amounting to (P22.8) million. **Trust fee income** managed to increase by P52.8 million or 14.8% with the steady growth in trust assets under management. **Share in net income of an associate** dropped P32.2 million to P152.4 million as the profitability of the bancassurance joint venture, MCBLife

was impacted by community lockdowns. **Miscellaneous income** totaled P952.3 million down 20.2% from P1.2 billion due to lower bancassurance fees and other transaction-related revenues.

Operating expenses increased 5.9% to P21.5 billion. **Compensation and fringe benefits** increased 13.7% to P7.5 billion from the increase in human resource complement and payroll adjustments arising from the 2020 – 2022 collective bargaining agreement between management and the CBC Employees' Association. **Insurance** increased 6.6% to P2.0 billion with the higher PDIC premium payments arising from deposit build-up. **Repairs and maintenance** dropped by 16.1% to P134.2 million because of lower repairs and construction-related expenses during the community lockdown. **Entertainment, amusement and recreation** decreased 12.0% to P420.6 million from the drop in marketing- and selling-related expenses, while **professional fees, marketing, and other related services** increased 30.8% to P539.0 million due to the booking of non-recurring expenses related to the Bank's centennial celebration in 2020. **Miscellaneous expenses** increased by 7.6% to P2.5 billion mainly from pandemic-related costs and technology upgrade

Consolidated cost-to-income ratio significantly improved to 49% from 59%.

Analysis of Consolidated Statements of Income

For the period ended December 31, 2019 and December 31, 2018

For 2019, the Bank recorded a **net income** of P10.1 billion, 24.1% higher than P8.1 billion in 2018 due to higher operating income, resulting in a return on equity of 11.04% and return on assets of 1.10%.

Total interest income climbed 35.4% to P47.7 billion from P35.2 billion with the growth in earning assets. **Interest income from loans and receivables** was up 27.9% to P36.1 billion from P28.2 billion on the back of robust year-on-year loan portfolio expansion. **Interest income from investment securities at amortized cost and at FVOCI and financial assets at FVPL** recorded increases at 67.3% and 67.5%, respectively, from the build-up in securities holdings. Furthermore, **interest income from due from BSP and other banks and SPURA** registered a 53.1% increase to P1.1 billion from P727.3 million with the growth in placements with BSP and other banks.

Total interest expense amounted to P21.6 billion, P9.3 billion or 76.1% higher than last year due to fund build-up. **Interest expense on deposit liabilities** increased 59.8% to P18.6 billion arising from the deposit expansion. **Interest expense on bonds payable, bills payable and other borrowings** was P2.1 billion higher due to volume-related growth including the Bank's P30-billion Peso retail bond and USD 150-million Green bond. There was a P264.2 million **lease payable** that the Bank incurred from PFRS-16 related adjustments.

Net interest income rose 13.6% or P3.1 billion to P26.1 billion. The Bank reported consolidated **net interest margin** of 3.39% from last year's 3.56%.

Provision for impairment and credit losses grew by P2.4 billion to P2.6 billion because of the growth in loan portfolio and of the changes affecting the inputs to the Bank's expected credit loss calculation models.

Total **non-interest income** surged 49.0% to P8.4 billion mainly driven by improvements in service charges, fees and commissions, as well as trading and securities gains. **Service charges, fees, and commissions** increased by 18.7% to P3.3 billion from the upswing in commissions and transactional fee income. Trading opportunities boosted the Bank's profitability as **trading and securities gain** and **Gain on disposal of investment securities at amortized cost** jumped to P884.5 million and P1.4 billion, respectively. Lower sales of foreclosed assets resulted in a 14.9% drop in **gain on sale of investment properties** to P864.4 million and 81.2% decrease in **gain on asset foreclosure and dacion transactions** to P47.5 million. **Trust fee income** increased by P51.3 million or 16.8% to reach P357.1 million with the steady growth in trust assets under management. **Share in net income of an associate** recorded an P83.7 million increase to P184.7 million from P101.0 million because of the improved profitability of the bancassurance joint venture, MCBLife. **Miscellaneous income** decreased by 5.4% to P1.2 billion with the booking of one-off gains last year.

Meanwhile, the ongoing upgrading of systems, processes, infrastructure, and manpower resulted in the 12.6% increase in **operating expenses** to P20.3 billion. Nevertheless, the significant year-on-year increase in operating income improved cost-to-income ratio to 59% from last year's 63%. **Compensation and fringe benefits** increased

7.9% to P6.6 billion from the growth in manpower complement. **Taxes and licenses** increased by 32.8% to P3.9 billion from higher documentary stamp, gross receipts, and business volume related taxes. **Occupancy costs** fell by 22.9% to P1.8 billion due to PFRS-16 related adjustments. **Insurance**, which includes PDIC premium payments, grew 12.4% to P1.9 billion with the expansion in deposits. **Depreciation and amortization** recorded an increase of 49.7% due to the capitalization of depreciable Right-of-use Assets upon the implementation of PFRS 16. **Repairs and maintenance** increased by 21.8% due to the continued investments in our distribution channel and technology upgrades. **Professional fees, marketing, and other related services; entertainment, amusement and recreation; and transportation and traveling** likewise rose by 17.0%, 25.7%, 16.9% respectively, with the ramp-up in business development and marketing efforts. **Miscellaneous expenses** rose by 13.1% to P2.3 billion mainly from increases in information technology-related expenses, litigation and provision for year-end expenses.

Total Comprehensive Income

For the period ended December 31, 2021, 2020, 2019, and 2018

The Bank recorded **total comprehensive income** of P16.8 billion for 2021, a 48.2% increase from the P11.4 billion recorded last year mainly from the significant net income increase and the booking of gain on cash flow hedge.

Total comprehensive income for 2020, 2019, and 2018 stood at P11.4 billion, P10.7 billion and P7.4 billion respectively, mainly from higher net income and movement in the fair value of financial assets on FVOCI.

(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	-	$\frac{\text{Total Qualifying Capital}}{\text{Total Risk Weighted Assets}}$

	2021	2020	2019	2018
PROFITABILITY (in %)				
Return on Assets	1.45	1.21	1.10	1.04
Return on Equity	13.58	12.09	11.04	9.54
Net Interest Margin	4.20	3.92	3.39	3.56
Cost-to-Income Ratio	46	49	59	63
LIQUIDITY (in %)				
Liquid Assets to Total Assets	42	43	37	38
Loans to Deposit Ratio	71	67	73	70
ASSET QUALITY (in %)				
Gross Non-Performing Loans Ratio	2.5	2.3	1.5	1.2
Non-performing Loan (NPL) Cover	116	128	129	167
SOLVENCY RATIOS (in x)				
Debt-to-Equity Ratio	8.3	8.9	9.0	8.9
Asset-to-Equity Ratio	9.3	9.9	10.0	9.9
Interest Rate Coverage Ratio	3.4	2.0	1.5	1.8
CAPITAL ADEQUACY (in %)				
CET 1 / Tier 1	14.92	13.82	12.76	12.16
Total CAR	15.75	14.73	13.67	13.09

Profitability

December 31, 2021 and December 31, 2020

China Bank posted a net income of P15.1 billion, up 25.1% year-on-year, resulting in an improved ROE of 13.58% and ROA of 1.45%. Cost-to-income ratio improved to 46% from 49%. Net interest margin rose to 4.20% from 3.92% mainly from lower cost of funds.

December 31, 2020, 2019 and 2018

Net income of P12.1 billion translated in an ROE of 12.09% and a ROA of 1.21%. Cost-to-income ratio improved to 49% from the 59% in 2019, and 63% in 2018 even as the Bank continued to invest heavily in the needed improvements to provide the best service to customers. Net interest margin was higher at 3.92% from 3.39% in 2019 and 3.56% in 2018.

Liquidity

December 31, 2021 and December 31, 2020

The Bank's liquidity position was steady at 42%, slightly lower than last year's 43%.

December 31, 2020, 2019 and 2018

The Bank's liquidity ratio remained strong at 43%, higher than 37% and 38% recorded in 2019 and 2018, respectively.

Asset Quality

December 31, 2021 and December 31, 2020

China Bank recorded a NPL ratio to 2.5%, slightly up from previous year's 2.3%. Consolidated NPL cover remained sufficient at 116%, with the Parent's ratio at 137%.

December 31, 2020, 2019 and 2018

With the expected impact of pandemic and lockdown measures on asset quality, Gross NPL ratio increased to 2.3% from 1.5% in 2019 and 1.2% in 2018. NPL cover was at 128% in December 2020, 129% in 2019, and 167% in 2018.

Solvency Ratios

December 31, 2021 and December 31, 2020

Debt-to-equity and asset-to-equity ratios for the year were recorded at 8.3 and 9.3, respectively. Interest coverage ratio for the period rose to 3.4 as against 2.0 in 2020.

December 31, 2020, 2019 and 2018

Debt-to-equity and asset-to-equity ratios in 2021 was recorded at 8.9 and 9.9, respectively, slightly lower versus 9.0 and 10.0 in 2019 but remained unchanged *versus* 2018. Interest coverage ratio for the period stood at 2.0, as against 1.5 for 2019, and 1.8 in 2018.

Capitalization

December 31, 2021 and December 31, 2020

China Bank's CET 1 / Tier 1 Ratio and total CAR ratios were computed at 14.92% and 15.75%, respectively. The Bank's capital is largely comprised of CET 1 / Tier 1 (core) capital.

December 31, 2020, 2019 and 2018

China Bank's CET 1 / Tier 1 CAR and total CAR ratios ended at 13.82% and 14.73%, respectively, in 2020; 12.76% and 13.67% in 2019; and 12.16% and 13.09% in 2018, all well above the minimum regulatory requirements.

(c) Past Financial Conditions and Results of Operations

US GDP expanded 5.7% in 2021, its fastest growth rate in nearly four decades, which reflected increases in all major components: personal consumption, investments and exports, as well as the progress in vaccinations, economic reopening and robust policy support. In March 2021, President Biden signed into law a US\$1.9-trillion pandemic stimulus which provided, among others, direct cash payments to the American public. This may have triggered the pickup in inflation which ended at 5.8% in December 2021, above the Fed's 2% target. On the other hand, unemployment rate improved to 3.9% by year-end vs December 2020's 6.7%. Federal funds rate target range was maintained at 0 to 0.25%, while US Fed's monthly asset purchases of US\$120 billion were tapered in November 2021 in response to a strengthening economy and rising inflation.

The Philippine economy mirrored the developments in the US, also recording an expanded GDP, higher inflation and lower unemployment rate. Domestic economic output rebounded by 5.6% in 2021 driven by higher capital formation spending and increased household consumption resulting from loosened mobility restrictions. To support economic recovery, the government rolled out relief measures, such as the extension of the availability of the 2020 National Budget and funds appropriated through Bayanihan 2, the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, the Financial Institutions Strategic Transfer (FIST) Act, Amendments to the Foreign Investments Act and the Retail Trade Liberalization Act. Meanwhile, the BSP kept the policy rate unchanged at 2% considering a manageable inflation environment and emerging market uncertainties.

China Bank finished 2021 stronger than ever before on the back of sustained core business growth and effective cost management. The Bank posted a 25% increase in net income to P15.1 billion, which translated to an improved return on equity and return on assets of 13.6% and 1.5%, respectively. Net interest income was up 13% to P38.3 billion mainly due to prudently managed interest expense which went down 44%. Fee-based income grew 3% to P10.4 billion, underpinned by a 39% increase in core fee-based income such as foreign exchange gain, trust revenues, investment banking commissions, bancassurance fees, and other transaction-based service charges. Growth in operating expenses was controlled at 4% to P22.3 billion, while credit provisioning was steady at P8.9 billion.

Total assets went up 7% to P1.1 trillion, supported by an 18% expansion in investment securities to P279 billion and a 9% expansion in net loans to P609 billion. Gross non-performing loans ratio was lower-than-industry at 2.5%, while NPL cover continues to be adequate at 116%. Deposits increased 3% to P863 billion, which was driven by an 18% build-up in checking and savings accounts (CASA) deposits. In February, the Bank issued P20 billion peso fixed rate bonds, which bears a fixed coupon rate of 2.50% per annum, payable monthly, and is due in 2024. Total equity increased 13% to P119 billion, with a common equity tier 1 (CET1) ratio of 14.9% and total capital adequacy ratio (CAR) of 15.7%, well above the regulatory minimum requirement.

At end-2021, the Bank's distribution network comprised of 637 branches, 1,037 ATMs, and a suite of alternative banking channels, including phone, internet, and mobile banking. We continued to make the health and wellbeing of our employees and customers the top priority. About 97% of total employees have been fully vaccinated in 2021. Alongside the vaccination program, health and safety measures continue to be strictly implemented in all China Bank branches and offices nationwide.

(d) Future Prospects

Philippine economic activity is expected to further rebound in 2022, supported by the continued momentum in consumption spending, tighter labor market conditions, election-related spending and recovery in the pandemic-hit services sector. Public spending is seen to normalize in efforts to reduce the government's budget deficit and debt levels which increased during the pandemic. Meanwhile, the conduct and results of the upcoming national elections can either make or break investor confidence in the near term.

Inflation is expected to settle within the BSP's 2% to 4% target and may face upward pressures from the geopolitical tension between Russia and Ukraine. Although the Philippines has minimal direct links with these two countries, the indirect impact may be felt in two ways: 1) potential higher prices of commodities (e.g. oil, metals, agricultural products) and shipping costs due to closure of airspace; and 2) downside risk to global recovery prospects due to the possible slowdown in countries with heavy economic links with Russia & Ukraine.

We see asynchronous adjustments in monetary policies across central banks. The BSP, on the other hand, is seen to start its monetary policy tightening in the second half of 2022. As a result, the Philippine peso may depreciate against the greenback if other central banks impose bigger and faster increases in policy rates. A wider current account deficit due to higher imports may also contribute to peso depreciation.

Coming out of the last couple of unprecedented years caused by the pandemic and into the next normal, China Bank will continue to pursue business expansion in terms of its core businesses, while future-proofing our growth, especially in the areas of asset quality, digital banking, and environmental, social, and governance (ESG) principles.

The Bank's growth plans will be supported by the build-up in deposits, as branches ramp up the penetration of corporate and business accounts. The Bank will prioritize the rapid shift into digital, with the goal of extending our digital footprint to as many China Bank products and services as possible in the medium term.

In terms of loans expansion, China Bank will continue to tap opportunities in thriving sectors, while managing exposure to identified vulnerable sectors. Increase in the consumer segment will be deliberate yet focused, even as the economy gradually opens to higher mobility and more consumption activities. Operations-wise, the Bank will further streamline documentation processes and loan application turnaround times, in tandem with the ongoing digitization initiatives. The Savings bank will further strengthen competitiveness in the automatic payroll deduction loans space by establishing multi-channel touchpoints and personalized marketing tools for a broader market capture.

The Bank will make more headways in its digital banking transformation journey in 2022, especially in terms of the growth in digital enrollments, number of active users, and the volume & value of digital transactions. A key breakthrough expected this year is a purely digital onboarding experience which will enable prospective China Bank clients to open an account without having to visit the branch. Another is the integration of our online and mobile banking platforms into a single omni-channel envisioned to deliver a seamless customer experience—from onboarding, to servicing, up to the resolution of client concerns / issues.

We continue to balance our financial growth with a sustainability mindset, progressively adopting sustainable business practices to direct our own corporate performance towards creating value for the environment and our stakeholders. The Bank will pursue the financing of eligible projects under its Sustainable Finance Transition Plan which was institutionalized in 2021, together with the Environmental and Social (E&S) risks framework. On top of this, management will broaden its sustainability awareness trainings on basic ESG principles for employees.

(e) 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:

Consolidated	Parent Company			
	2021	2020	2021	2020
Trust department accounts	P223,398,641	210,776,272	P223,398,641	210,776,272
Committed credit lines	12,765,975	9,551,472	12,765,975	9,551,472
Unused commercial letters of credit	12,971,604	14,445,630	12,877,643	14,338,580
Foreign exchange bought	35,113,101	17,338,436	35,113,101	17,338,436
Foreign exchange sold	22,898,059	15,385,289	22,898,059	15,385,289
Credit card lines	14,320,597	12,492,933	14,320,597	12,492,933
IRS receivable	83,669,379	25,351,615	83,669,379	25,351,615
Outstanding guarantees issued	1,274,727	1,187,256	743,643	899,090
Inward bills for collection	1,229,608	1,862,824	1,229,608	1,862,824
Standby credit commitment	3,565,978	1,652,526	3,565,978	1,652,526
Spot exchange sold	1,653,448	2,113,123	1,653,448	2,113,123
Spot exchange bought	1,347,052	1,920,935	1,347,052	1,920,935
Deficiency claims receivable	281,780	283,842	281,780	283,842
Late deposits/payments received	46,125	342,103	37,805	319,833
Outward bills for collection	18,336	150,073	16,469	148,316
Others	105,768	1,110,325	105,664	1,110,163

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

Technology upgrades will account for the bulk of the Bank's capital expenditures for 2022. Capital expenditures will be funded from internal sources.

Item 7. Financial Statements

Please refer to Annex A for the Audited Financial Statements for the years 2021 and 2020.

SyCip Gorres Velayo & Co. (SGV & Co.) was the Bank's independent auditor for the year 2021 and has been the Bank's independent auditor for more than 20 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 for the year 2021.

None of the Bank's external auditors have resigned during the two (2) most recent fiscal years (2021 and 2020) 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
2021	P11,415,712	P3,616,173
2020	10,554,544	1,900,326

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, and the issuance of comfort letters relative to the Bank's bond issuances amounting to P20 billion in 2021 and P15 billion in 2020. The 2021 and 2020 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 review and advisory services and independent validation of votes in the annual stockholders' meeting in both 2021 and 2020. Payment for these services is 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.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

The financial statements of the Bank for the year ending December 31, 2021 and December 31, 2020 have been audited by SGV & Co./Ernst & Young in accordance with the Philippine Financial Reporting Standards. There were no changes in and disagreements with accountants on accounting and financial disclosures.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

(a) Incumbent Directors and Advisor

Hans T. Sy, 66, Filipino, is the Chairman of the Board since May 5, 2011. He has been a member of the China Bank Board since May 21, 1986 and served as Vice Chairman from 1989 to 2011. He also serves as Director and Chairman of the Executive Committee of SM Prime Holdings, Inc. (SMPH) and Adviser to the Board of SM Investments Corporation (SMIC). SMPH and SMIC are both listed on the Philippine Stock Exchange (PSE). He is also the Chairman of the Board of Trustees of National University, Inc. He holds other key positions in several companies within the SM Group. 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 latest of which is on Anti-Money Laundering (AML) updates and advanced corporate governance training conducted by the Institute of Corporate Directors (ICD) in September 2021.

Gilbert U. Dee, 86, Filipino, is the Vice Chairman of the Board since May 5, 2011. He became a member of the China Bank Board on March 6, 1969 and was the Board Chairman from 1989 to 2011. He currently sits as Chairman in the boards of Union Motor Corporation and China Bank subsidiary CBC Properties and Computer Center, Inc. (CBC-PCCI), which are not listed in the PSE. He previously held directorship positions in Philippine Pacific Capital Corporation, Philex Mining Corporation, and CBC Finance Corporation. Vice Chairman Dee holds a Bachelor of Science degree in Banking from De La Salle University and a Master's in Business Administration (MBA) degree in Finance from the University of Southern California. Among the trainings in banking and other related fields he has attended over the years are ICD's Advanced Corporate Governance Training in September 2021 which covered digital transformation, effective board-focused corporate governance practices, and updates on AML.

William C. Whang, 64, Filipino, is the Director and President of China Bank since November 1, 2017. He previously held several key positions in the Bank from 2011 to 2017: as Chief Operating Officer, Head of Lending Business Segment, and Head of Institutional Banking Group. He currently sits as Chairman of the Board of China Bank subsidiary, China Bank Securities Corporation (CBSC), and as member in the boards of other subsidiaries such as China Bank Savings, Inc. (CBSI), China Bank Insurance Brokers, Inc. (CBC-IBI), CBC-PCCI, and China Bank Capital Corporation (CBCC). He also holds other directorship positions, representing China Bank, in Bancnet, Inc., Banker's Association of the Philippines, Philippine Payments Management Inc., and Manulife China Bank Life Assurance Corporation (MCBLife). He does not hold directorship position in PSE-listed companies other than China Bank. He has over 40 years of banking experience, previously holding key positions both in local and international financial institutions. Director and President Whang earned his Bachelor of Science degree in Commerce, Major in Business Management, from De La Salle University. He attended various trainings in banking and other related fields such as corporate governance, AML, branch-based marketing, quality service management, sales management, and principle-centered leadership.

Peter S. Dee, 80, Filipino, is a China Bank Board member since April 14, 1977. He served as Bank President and Chief Executive Officer from 1985 to 2014. At present, he is an independent director in PSE-listed companies City & Land Developers, Inc. and Cityland Development Corporation. He is also a member of the boards of non-listed companies including China Bank subsidiary CBC-PCCI, Hydee Management & Resources Corporation, Commonwealth Foods, Inc., GDSK Development Corporation, Makati Curb Holdings Corporation, Great Expectation Holdings, Inc., and The Big D Holdings Corporation. He previously held directorship position in Sinclair (Phils.) Inc., Can Lacquer, Inc., CBC Forex Corporation, and CBC-IBI, among others. Director Dee obtained his Bachelor of Science degree, Major in Commerce, from De La Salle University and the University of the East, and attended a Special Banking Course at the American Institute of Banking. He attended various trainings, the latest of which was in September 2021 on AML and corporate governance.

Joaquin T. Dee, 86, Filipino, is a member of the China Bank Board since May 10, 1984. He does not hold directorship position in PSE-listed companies other than China Bank. He presently serves as Director in JJACCIS Development Corporation, Enterprise Realty Corporation, and Suntree Holdings Corporation. He previously functioned as Vice President of Wellington Flour Mills from 1964 to 1995. Director Dee is a graduate of Letran College with a Bachelor of Science degree in Commerce. He attended trainings and seminars related to banking,

such as on data privacy, corporate governance and AML.

Herbert T. Sy, 65, Filipino, was first elected to the China Bank Board on January 7, 1993. Aside from China Bank, he serves in PSE-listed SM Prime Holdings, Inc. as Director. In addition, he is the Chairman in non-listed companies including Supervalu, Inc., Super Shopping Market, Inc., Sondrik, Inc., and Sanford Marketing Corp., and holds directorship position in companies including National University. He has been involved in companies engaged in food retailing, investment, real estate development, and mall operations. Director Sy obtained his Bachelor of Science degree in Management from De La Salle University. His latest banking-related trainings include those on AML updates and advanced corporate governance training in September 2021.

Harley T. Sy, 62, Filipino, is a member of the China Bank Board since May 24, 2001. He is also the Executive Director of SM Investments Corporation, one of the largest publicly listed companies in the Philippines, and holds various positions in other non-listed companies in the SM group. Director Sy graduated with a Bachelor of Science degree in Commerce, Major in Finance, from De La Salle University. He participated in extensive trainings focused on enhancing his banking skills, including programs on AML, corporate governance, and BSP supervisory assessment framework.

Jose T. Sio, 82, has served as Director of the China Bank Board since November 7, 2007. He is concurrently the Chairman of the Board of Directors of SM Investments Corporation and a member of the Board of Directors of the following companies listed in the Philippine Stock Exchange (PSE): (i) Belle Corporation; (ii) Atlas Consolidated Mining and Development Corporation; (iii) Independent Trustee of Far Eastern University, Inc.; and Adviser to the Board of Directors of BDO Unibank, Inc. and Premium Leisure Corporation. Mr. Sio also serves as Director of the following companies not listed in the PSE: (i) NLEX Corporation; (ii) Ortigas Land Corporation; and (iii) First Asia Realty Development Corporation. He is Chairman, President and Trustee of SM Foundation, Inc. Mr. 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. Mr. Sio is a Certified Public Accountant 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 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 during the Euromoney Conference in China in 2005, AML updates and advanced corporate governance in 2021.

Margarita L. San Juan, 68, Filipino, is the Lead Independent Director of China Bank. She was first elected to the China Bank Board on May 4, 2017. She is also Independent Director in Bank subsidiaries CBSI, CBCC, CBC-IBI, and CBCC's wholly-owned subsidiary Resurgent Capital (FISTC-AMC) Inc. (RCI). She does not hold directorship position in any other PSE-listed company. In the past, she worked with Ayala Investment and Development Corporation, Commercial Bank and Trust Co., and in the Bank's Account Management Group as Senior Vice President and Group Head until her retirement in 2012. Director San Juan earned 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 including development financing, international banking operations, marketing, financial analysis and control, credit, risk management, lending and investment banking, restructuring and corporate rehabilitation, and the latest on AML and corporate governance in September 2021.

Philip S.L. Tsai, 71, Filipino, is an Independent Director of China Bank since November 7, 2018. Aside from the Bank, he does not hold directorship position in other PSE-listed companies. He also serves as Independent Director in the non-listed Bank subsidiaries, namely, CBSI, CBCC, and CBC-IBI. He has about 40 years of banking and financial experience, previously holding key positions in First CBC Capital (Asia) Limited, Midwest Medical Management, Fortune Travel International Inc., Chemical Bank New York, Plastic Container Packaging / Consolidated Can Corp., and 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 from the Roosevelt University in Chicago, Illinois. He participated in several trainings on corporate governance, bank protection, related party transactions, AML, and branch-based marketing, among others. His latest trainings include sustainability in the board room and risk management in the age of COVID-19 in 2020, and effective corporate governance board focus and digital transformation in 2021.

Claire Ann T. Yap, 66, Filipino, is an Independent Director of the Bank since October 1, 2020. She currently does not hold any directorship position in a PSE-listed company other than China Bank, but she serves as Independent Director in the Bank subsidiaries CBSI, CBCC, CBSC, and in CBCC's subsidiary RCI, as Board Trustee and Vice Chairperson in Vedruna Foundation, Inc. She has over 30 years of experience in banking and finance in local and multinational organizations. She was the 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 and served as Chairman of the Credit Card Association of the Philippines from 2009 to 2010 and President from 2007 to 2009. A Certified Public Accountant, Director Yap graduated *cum laude* from De La Salle University with a Bachelor of Science degree in Accountancy. She has had various trainings on managing customer experience, credit card fraud and security, information security and data privacy, AML, and corporate governance.

Genaro V. Lapez, 64, Filipino, was elected as Independent Director of China Bank on May 6, 2021. He does not hold directorship position in any PSE-listed company other than China Bank. He serves as Independent Director in the Bank subsidiaries CBSI and CBSC. He has more than 10 years of experience in banking and finance in the Philippines, having handled key executive, leadership and advisory positions at Union Bank of the Philippines (UBP), including Head of the Center for Strategic Partnerships and Head of Consumer Finance. He has considerable exposure across various local and global industries spanning fast-moving consumer goods (FMCG), pharmaceuticals, multi-media publishing, banking, and financial services. He has been posted in Hong Kong, Singapore, and Indonesia, and he is conversant in Chinese and Bahasa. Mr. 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; Global Consumer Banking (Certificate Program) from the European Financial Management Association; and AML updates Corporate Governance, and Technology Governance for Directors from the ICD.

Ricardo R. Chua, 71, Filipino, is Advisor to the Board since November 1, 2017. He previously held several key positions in the Bank: as Director from 2008 up to October 2017, President and Chief Executive Officer from September 2014 up to October 2017, and Chief Operating Officer from 2012 to 2014. He is the Advisor of the Bank's Technology Steering Committee and sits in the boards of the following Bank subsidiaries: Chairman of CBSI and CBCC and Director of CBC-PCCI. A Certified Public Accountant, 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 in Business Management from the AIM. He has had trainings in banking operations and corporate directorship, and completed AML updates online course and advanced corporate governance training, among others.

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 2021, 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	Attendance
Hans T. Sy	16
Gilbert U. Dee	15
William C. Whang	16
Peter S. Dee	16
Joaquin T. Dee	16
Herbert T. Sy	15
Harley T. Sy	16
Jose T. Sio	16
Margarita L. San Juan	16
Philip S.L. Tsai	16
Claire Ann T. Yap	16
Genaro V. Lapez	8 ^(a)
^(a) 8 out of 8, from his election on 06 May 2021	

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

Romeo D. Uyan, Jr., 59, Filipino, Executive Vice President, is the Chief Operating Officer (COO) of the Bank. He is also the Vice Chairman in the Boards of Bank subsidiaries China Bank Capital Corporation (CBCC) and China Bank Securities Corporation (CBSC), and Chairman of the Board of Bank subsidiary China Bank Capital Corporation's (CBCC) new wholly-owned subsidiary Resurgent Capital (FISTC-AMC) Inc. In addition, he is the alternative Bank representative in the Bankers Association of the Philippines and Philippines Payments Management, Inc. COO Uyan was an investment banker with more than two decades of experience in trading, financing, and structuring in the Asia Pacific region with various foreign investment houses. In the past, he served as President of CBCC from 2016 to 2017, Managing Director and Co-Head of 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 a member of the Asia Pacific Executive Committee as well as Global Emerging Markets Committee. He graduated with 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, including securities and futures products, fraud awareness, environmental and social risk, FATCA awareness and responsibility, anti-money laundering (AML), and corporate governance.

Patrick D. Cheng, 59, Filipino, Executive Vice President, is the Chief Finance Officer (CFO) of the Bank. He is also in the boards of Bank subsidiaries – China Bank Insurance Brokers, Inc. (CBC-IBI) as Chairman, and China Bank Savings, Inc. (CBSI) as Director, and in the Bank's affiliate - Manulife Chinabank Life Assurance Corporation (MCBLife) as Director. He is also Director of Manila Overseas Commercial Inc. and SR Holdings Corporation. From 2008 to 2013, he was the President and Chief Executive Officer of HSBC Savings Bank (Philippines), and from 2011 to 2012, he was a two-term President of the Chamber of Thrift Banks. In addition, he previously held various key senior executive positions at the Philippine Bank of Communications (PBCom), HSBC Savings Bank (Philippines), HSBC (Philippine Branch), Citibank N.A. (Philippine Branch), and Citicenter Condominium Corp. A Certified Public Accountant (CPA) placing 7th at the CPA Board Examinations, CFO Cheng 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 in Management degree, 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. His extensive trainings in banking and related fields include corporate governance, AML, asset liability management, operational risk, and information security.

Christopher Ma. Carmelo Y. Salazar, 48, Filipino, Senior Vice President effective 03 March 2022, is the Treasurer and Treasury Group Head of the Bank. He has gained more than 25 years of financial markets experience, holding various senior key roles 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 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, anti-money laundering, operational risk, information security, data privacy, bank marketing management, risk management, ethical decision making, and leadership.

Leilani B. Elarmo, 45, Filipino, is the new Corporate Secretary of the Bank having been appointed to the position effective 01 January 2022. She joined the Bank's Office of the Corporate Secretary in 2005 where she was Assistant Corporate Secretary from 2006 and became Deputy Head of the Office of the Corporate Secretary in December 2021 after a brief but significant stint at the Legal and Collection Group. She also served as the Corporate Secretary of a 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 worked as Junior Associate at Cayetano Sebastian Ata Dado and Cruz Law Offices. She 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*. To further hone her skills and knowledge, she has attended several trainings and seminars on corporate housekeeping, mandatory continuing legal education, corporate governance, and AML.

Aileen Paulette S. De Jesus, 55, Filipino, is the Chief Compliance and Governance Officer of the Bank. A CPA-Lawyer by profession, Atty. De Jesus 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 Sycip Gorres Velayo & Co., Far East Bank & Trust Co., International Exchange Bank, Metrobank Card Corporation, Sterling Bank of Asia, Filinvest Group of Companies, Sumitomo Mitsui Banking Group, and Philippine Veterans Bank. She 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. Atty. De Jesus is an active member of BAIPHIL's Legal and Regulatory Committee which in 2021, conducted multiple legal seminars/forum attended by lawyers of various banks. She drives the overall compliance and corporate governance activities of the Bank and regularly participates in seminars and trainings related to compliance, AML, corporate governance and sustainability.

Ronald R. Marcaida, 48, Filipino, is the Chief Audit Executive (CAE) of the Bank. He is a homegrown talent of China Bank, having joined the Bank in 1995 as audit assistant, rising from the ranks and occupying several key audit roles over time. At present, he also serves as CAE of Bank subsidiary CBSI. CAE Marcaida is a Certified Public Accountant. He earned his Bachelor of Science degree in Accountancy, *cum laude*, from the University of Nueva Caceres. He regularly attends trainings and seminars in banking, auditing, and other related fields, including corporate governance, AML, continuing profession development training for auditors, information security, compliance, risk management, financial reporting standards, card fraud, trust, data privacy, and supervisory expectations, among others.

(c) Principal Officers (in addition to the Vice Chairman, President, COO, CFO, and Treasurer)

Rosemarie C. Gan, 64, Filipino, Executive Vice President, is the Segment Head of Retail Banking Business (RBB). At present, she also serves as Director in Bank subsidiaries China Bank Savings, Inc. (CBSI) and CBC Properties and Computer Center, Inc. (CBC-PCCI). With more than 40 years of experience with the Bank, her exposure and training in banking include marketing, financial analysis, credit portfolio management, strategic planning, and corporate governance. Ms. Gan obtained her Bachelor of Science degree in Business Administration, Major in Management, from the University of Santo Tomas, where she graduated *magna cum laude* and received the distinguished Rector's Award. She attended the Asian Institute of Management's (AIM) Advanced Bank Management Program, BAI Retail Delivery Conference conducted by the Bank Administration Institute, and Corporate Governance and AML workshops/seminars conducted by the Institute of Corporate Directors (ICD) from 2014 to 2021.

Aloysius C. Alday, Jr., 52, Filipino, Senior Vice President, is the Segment Head of Consumer Banking Segment. He previously functioned as Group Head of the Bank's Cards Business and Customer Contact Center until his appointment as Consumer Banking Segment Head effective March 1, 2022 in view of the change in the organizational structure with other businesses, such as Credit Card, Customer Contact, Consumer Banking, and Multi-Purpose Loan, being folded into the Consumer Banking Segment. He has more than 25 years of experience in the banking industry, having worked in the past with 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 also attended trainings on AMLA, data privacy and corporate governance.

Ananias S. Cornelio III, 46, Filipino, Senior Vice President, is the Chief Risk Officer (CRO) of the Bank. He has around 25 years of banking experience, handling risk, treasury or audit functions at the Development Bank of the Philippines, Rizal Commercial Banking Corporation, First Metro Investment Corporation, and Solid Bank 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, academic scholar, from the National University of Singapore. He also took up the Bank Management Course in AIM. CRO 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, and ISDA documentation, 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.

Jose L. Osmeña, Jr., 63, Filipino, Senior Vice President, is the Deputy Group Head of RBB. He has been with the Bank for more than 30 years. He previously worked at Insular Bank of Asia and America and Producers Bank of the Philippines prior to joining China Bank. Mr. Osmeña holds a Bachelor of Science degree in Commerce, Major in Accounting, from the University of San Carlos, and he earned his Master of Science degree in Business Administration from the same university. He also completed the AIM's Advance Bank Management Program. He participated in several trainings on export financing, loan documentation, money market, service quality management, channels marketing, corporate governance, and AML.

Magnolia Luisa N. Palanca, 52, Filipino, Senior Vice President, is the Head of Financial Markets Segment. She is also currently sits in the board of Bank subsidiary China Bank Capital Corporation (CBCC). She has more than 30 years of banking experience, mainly focused on financial markets, having worked with several financial institutions before joining the Bank, such as J.P. Morgan (S.E.A. Limited) in Singapore and J.P. Morgan Chase Bank, N.A.-Manila Branch; Standard Chartered Bank Manila; ING Bank NV Manila Branch, Solidbank Corporation, and Metropolitan Bank and Trust Company. She obtained her Bachelor of Science degree in Business Economics from the University of the Philippines - Diliman. 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, and corporate governance.

Manuel C. Tagaza, 59, Filipino, Senior Vice President, is the Head of the Digital Banking Group. He is also currently the General Manager of Bank subsidiary CBC-PCCI. For over 30 years, Mr. Tagaza has handled key positions in companies engaged in banking and technology solutions. Before joining the Bank, he was Senior Vice President at the Bank of the Philippine Islands, Senior Vice President at TIM Corporation, and Vice President at PCI Bank. He is currently a member of the Instapay ACH Steering Committee and the PPMI Technical Working Group. He 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.

Lilian Yu, 56, Filipino, Senior Vice President, is the Head of the Institutional Banking Segment. She also currently sits as 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.

Cristina P. Arceo, 53, 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). She still sits as member of the Board of Trustees of CFAP. She is also affiliated with other finance associations namely, 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) of which she served as its President in 2021 and currently sits in its Board of Directors.

Angela D. Cruz, 62, Filipino, First Vice President II, is the Head of Wealth Management Group. She also presently serves as Director of Wellington Investment and Manufacturing Corporation and holds 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, and corporate governance. She is related within the first civil degree of consanguinity to Bank Director, Mr. Joaquin T. Dee.

Gerard Majella T. Dee, 58, Filipino, First Vice President II, is the Head of Institutional Banking Segment's Commercial Banking II. He also currently holds the position of Treasurer in 3700 Gabong Properties, Inc., and December 10 Holdings. Before joining the Bank, he held key positions at Security Bank Corporation, TA Bank of the Philippines, and Banco de Oro. Mr. Dee graduated with a Bachelor of Science degree in Marketing from De La Salle University and an MBA degree from the New Hampshire College. He attended banking-related trainings on core credit, remedial management, and relationship marketing, 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, 54, Filipino, First Vice President II, is the Head of the Multi-Purpose Loans Division. He has more than 30 years of experience in the financial industry, primarily in the key areas of Sales Management and Business Development. 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 Groups of City Savings Bank and Rosehill Memorial Management, Inc. Earlier in his career, he worked in All Asia Capital and Trust Corporation, All Asia Securities Management Corporation, DMT Securities Inc., and AGJ Securities Corporation. He has had professional trainings on leadership management, sales management, performance management, and digital marketing. He holds a Bachelor of Science degree in Commerce, Major in Management, from the Colegio de San Juan de Letran.

Delia Marquez, 60, Filipino, First Vice President II, is the Head of the Centralized Operations Group. She previously worked as Auditor at SGV & Co. and Transunion Corporation. A Certified Public Accountant, she graduated with a Bachelor of Science degree in Commerce, Major in Accounting, *cum laude*, from the University of Santo Tomas. She attended various seminars on corporate governance, AML, Internal Capital Adequacy Assessment Process (ICAAP), risk model validation, Internal Credit Risk Rating System (ICRRS), Philippine Financial Reporting Standards (PFRS), The Asian Banker's Future of Finance Summit 2017, SAS Management, Inc.'s Intro to Agile Project Management, GGAPP and PWC Phils.' Annual GGAPP Forum on Good Governance, Ethics and Compliance, and ICD's Corporate Governance Training Program.

Stephen Y. Tan, 55, Filipino, First Vice President II, is the Head of RBB - 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 CPA, 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, and other trainings in banking and other related fields.

Layne Y. Arpon, 61, Filipino, First Vice President I, is the Head of Institutional Banking Segment's Corporate Banking I. In the past, she worked in financial institutions including BDO Unibank, The Manila Banking Corporation, Security Bank Corporation and Land Bank of the Philippines, with exposure in commercial banking, corporate banking, investment banking, credit review and underwriting, project finance and audit. Ms. Arpon took up Bachelor of Science in Commerce, Major in Accounting, from the Far Eastern University, and is a licensed CPA. She attended various trainings on trade finance, core credit, financial analysis, project financing, and credit investigation and property appraisal, among others.

Grace C. Buenavista, 49, Filipino, First Vice President I, is the Head of Institutional Banking Segment's Commercial Banking III. She has over 20 years of banking experience, which she acquired in banks such as Metropolitan Bank and Trust Company, Rizal Commercial Banking Corporation, Equitable PCI Bank, and Solid Bank Corporation. She graduated with a Bachelor of Science degree in Business Administration, Major in Accounting, from the Philippine School of Business Administration. She obtained her Executive Master's degree in Business Administration from AIM. She has also obtained relevant training in various topics such as AMLA, cash management, project finance, audit, and corporate governance.

Amelia Caridad C. Castelo, 58, First Vice President I, is the Head of the Bank's Enterprise Business Intelligence Division. She has over 30 years of experience in the use of analytics tools and methodologies, quantitative modelling, and data-driven decision management, and has applied those tools and technologies in various banking roles for Risk, Sales & Marketing, and Finance groups. She previously worked with Standard Chartered Bank (in the Philippines and Hong Kong), HSBC Manila, East West Banking Corporation, and BDO Unibank. Her roles provided extensive experience in risk modelling, advanced analytics, customer segmentation, campaign management and analysis, profit model development, and risk capital modelling, as she has handled roles related to Risk Analytics, Marketing Analytics, Business Intelligence, Credit Policy and MIS. Ms. Castelo graduated with a Bachelor of Science degree in Statistics from the University of the Philippines – Diliman and took post-graduate units in Industrial Engineering from the same university. She recently completed the Executive Program in Data Science and Analytics from the University of California in Berkeley, U.S.A. She has also participated in various trainings on credit risk and operational risk management, Basel standard, risk model development and validation, PFRS, financial consumer protection, and AML.

Melissa F. Corpus, 53, Filipino, First Vice President I, is the Head of Credit Management Group. She has 33 years of experience in banking and finance, having worked with various financial institutions such as Far East Bank and Trust Company, Hongkong and Shanghai Banking Corporation, 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.

Francis Andre Z. De Los Santos, 50, Filipino, First Vice President I, is the Bank's Business Solutions Head. He previously worked for SM Retail, Inc. and Metropolitan Bank and Trust Company, gaining significant experience in the retail and banking business. He graduated with a Bachelor of Science degree in Business from De La Salle University. He has had trainings in information systems and business information security, among others.

James Christian T. Dee, 48, Filipino, First Vice President I, is the Director and President of Bank subsidiary, CBSI since 2021. He was first seconded to CBSI in 2012 as its Treasurer. He has nearly 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. He 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 a one-year course on Trust Operations from the Trust Institute Foundation of the Philippines and the Ateneo-BAP Treasury Certification Program. He has had trainings on treasury, strategic asset and liability management, and ICAAP risk models validation. He is related within the first civil degree of consanguinity to Bank Director, Mr. Joaquin T. Dee.

Maria Luz B. Favis, 61, Filipino, First Vice President I, is the Head of Asset Quality and Recovery Management Division. In the past, she held key positions in Philippine Commercial International Bank (PCIBank) and Planters Development Bank with exposure on account management, commercial lending, and credit. Her extensive trainings covered loan evaluation and marketing, financial analysis, and credit risk management, supplemented by seminars on mergers and acquisitions, 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 obtained her master's degree in Business Management from AIM.

Gerald O. Florentino, 53, Filipino, First Vice President I, is the Head of Investor and Corporate Relations Group. He is a seasoned banker having obtained 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, and worked in several institutions including United Coconut Planters Bank, Deutsche Bank Philippines, and AXA Philippines. He 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.

Madelyn V. Fontanilla, 59, Filipino, First Vice President I, is the Head of RBB's Branch Operations Division. She has 37 years of banking experience, with focus on retail banking and branch operations, gained from Equitable PCI Bank and PCI Bank. A CPA, she 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, and AML, among others.

Jerry Ron T. Hao, 41, Filipino, First Vice President I, 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. He 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 is actively involved in attending several trainings such as on credit derivatives and structured products.

Mary Ann T. Lim, 53, Filipino, First Vice President I, is the Bank's Trust Officer and the Head of the Trust and Asset Management Group. She currently serves in the Board of the Trust Officers Association of the Philippines (TOAP) as Treasurer and Finance Director. She has more than 30 years of banking experience, having worked with different financial institutions, including Bank of China Ltd. Manila Branch, The Hongkong & Shanghai Banking Corporation Ltd., and PCI Bank. She 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. She completed the Trust Operations and Investment Management course from the Trust Institute Foundation of the Philippines. She is also a SEC Certified Fixed Income Market Salesman. She has had various trainings in banking and related fields, including those which focused on trust management, estate planning, corporate governance, anti-money laundering, and operational and reputational risks.

Mandrake P. Medina, 51, Filipino, First Vice President I, is the Head of RBB – South Luzon Region. He has more than 30 years of banking experience, which he has acquired from banks such as Citytrust Banking Corporation, Solid Bank Corporation, United Overseas Bank, and Chinatrust Banking Corporation. He graduated with a Bachelor of Arts degree in Liberal Arts – Commerce (LIACOM), majoring in Political Science and Accounting, from the University of Batangas. His professional trainings include AML, corporate governance, risk management, operations control, and service excellence.

Elizabeth C. Say, 63, Filipino, First Vice President I, is the Head of the Branches Administration Division of RBB. She has been with the Bank for over 30 years. She was an internal auditor at Morrison Forwarding Corporation and a money market trader at State Investment House, Inc. before she joined the Bank. A Certified Public Accountant, Ms. Say is a graduate of Bachelor of Science in Commerce, Major in Accounting, from the University of Santo Tomas. She participated in trainings on corporate governance, integrated risk management, credit risk management, foreign exchange, loan review and classification, AML, and information security, among others.

Clara C. Sy, 62, Filipino, First Vice President I, is the Region Head for Metro Manila East of RBB. She also holds officership positions in New Golden City Builders & Development Corp. and Citigold Resources & Development Corporation. She has been with the Bank for 40 years handling retail banking and branches administration. A CPA, she holds a Bachelor of Science degree in Commerce, Major in Accounting, from the University of Santo Tomas. She attended several trainings on enhancing managerial skills and branch management.

Belenette C. Tan, 57, Filipino, First Vice President I, is the Bank's Chief Legal Counsel and Head of Legal and Collection Group. She is also the concurrent Corporate Secretary of Bank subsidiary China Bank Insurance Brokers, Inc. (CBC-IBI). She has been with the Bank for more than 25 years. She also holds positions in other companies, including Sky Printing Company, Inc. as Chief Financial Officer, and Mirabell Medical Corporation as Director. Atty. Tan previously worked with Yap, Apostol, Gumaru and Balgua Law Offices, prior to joining the Bank. She 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 has had several trainings and seminars, including on the mandatory continuing legal education, corporate governance, AML, and various aspects of commercial, criminal, and civil law.

Marisol M. Teodoro, 60, Filipino, First Vice President I, is seconded as the Director, President, and Chief Executive Officer of Bank subsidiary, China Bank Securities Corporation (CBSC) since her secondment in 2017. At that time, she was the Bank's Treasury Business Center Head assigned at the Treasury Group. Prior to this, she

served as the Division Head of the Business Development and Portfolio Management Division of the Bank's Trust Group. Ms. Teodoro 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. She holds a Bachelor of Science degree in Business Economics and an MBA degree, both obtained from the University of the Philippines in Diliman, Quezon City. 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, and the registered financial planning course from RFP-Philippines. Ms. Teodoro is also an Ateneo-BAP Certified Treasury Professional.

Maria Rosanna Catherina L. Testa, 62, Filipino, First Vice President I, is the Head of Human Resources Group. She also oversees the HR of Bank subsidiary CBSI. 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 completed her master's degree 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.

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

Note 2: None of the above-mentioned directors and officers works 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
William C. Whang	George C. Yap	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.

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 (Chairman), Ms. Claire Ann T. Yap, and Mr. Genaro V. Lapez, 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, including the nature of the offense, 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 sixteen (16) 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 Hermosisima Hermosisima & Hermosisima, 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) Family Relationship

Chairman Hans T. Sy and Directors Herbert T. Sy and Harley T. Sy are brothers; Mr. Henry Sy, Sr. (†) is their father. Ms. Angela D. Cruz, First Vice President II and Head of Wealth Management Group, and Mr. James Christian T. Dee, First Vice President I and Director and President of Bank subsidiary CBSI, are the daughter and son, respectively, of Director Joaquin T. Dee. Mr. Gerard Majella T. Dee, First Vice President II and Head of Institutional Banking Segment's Commercial Banking II, is the son of Mr. Gilbert U. Dee, Vice Chairman of the Board.

Item 10. Executive Compensation

Name	Year	Salary	Bonuses & Other Compensation	TOTAL
Total for the 5 most highly compensated executive officers:	2022 (estimates)	64,337,657.00	61,660,632.00	125,998,289.00
Gilbert U. Dee	2021 (actual)	59,808,878.16	57,874,732.22	117,683,610.38
William C. Whang	2020 (actual)	56,072,606.16	49,666,179.72	105,738,785.88
Romeo D. Uyan, Jr.				
Patrick D. Cheng				
Rosemarie C. Gan				
Total for all officers and Directors	2022 (estimates)	2,180,372,135.00	1,151,335,634.00	3,331,707,769.00
	2021 (actual)	1,948,580,099.00	1,074,414,930.00	3,022,995,029.00
	2020 (actual)	1,761,460,480.00	1,034,838,586.00	2,796,299,066.00
Total for all Directors	2022(estimates)		78,000,000	
	2021 (actual)		72,280,000	
	2020 (actual)		71,917,708	

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 P500.00 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 amount of per diem was increased to up to P10,000, as approved by the stockholders on June 18, 2020. The proposed Amended By-Laws containing the increase in per diem, among other amendments, was approved by the BSP on February 24, 2022, now enabling the Bank to register the amendments with the SEC. The directors and officers have no other compensatory arrangement with the Bank.

In 2021, each member of the Board of Directors received the following amount as compensation:

Hans T. Sy	P6,436,400
Gilbert U. Dee	6,344,200
William C. Whang	6,421,600
Peter S. Dee	6,423,450
Joaquin T. Dee	6,450,300
Herbert T. Sy	6,168,500
Harley T. Sy	6,247,750
Jose T. Sio	6,222,750
Alberto S. Yao ^(a)	6,287,150
Margarita L. San Juan	6,399,200
Philip S.L. Tsai	6,422,150
Claire Ann T. Yap	2,341,550
Genaro V. Lapez ^(b)	115,000

^(a)Lead Independent Director until the expiration of his term on May 6, 2021

^(b)Elected Independent Director on May 6, 2021

**Item 11. Security Ownership of Certain Record and Beneficial Owners and Management
as of March 31, 2022**

(a) Record and beneficial owners holding 5% or more of voting securities:

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	710,657,653	26.41%
Common	PCD Nominee Corporation * 29 th Floor BDO Equitable Tower, 8751 Paseo de Roxas, Makati City Stockholder	Various stockholders/clients	Filipino	573,788,907	21.32%
Common	SM Investments Corporation 10 th Floor L.V. Locsin Bldg., 6752 Ayala Avenue, Makati City Stockholder	Sy Family 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	415,995,323	15.46%

* Based on the list provided by the Philippine Depository & Trust Corporation to the Bank's transfer agent, Stock Transfer Service, Inc., as of March 31, 2022, The Hongkong and Shanghai Banking Corporation Limited (522,576,721 shares or 19.42%) and BDO Securities Corporation (192,578,990 shares or 7.16%) 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.

Mr. Henry Sy, Sr.'s (†) family is known to have substantial holdings in SM Investments Corporation and Sysmart Corporation and, as such, could direct the voting or disposition of the shares of said companies.

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.

(b) Directors and Management:

	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	1,545,137 (D) 3,713,725 (I)	0.057% 0.138%
	Common	Gilbert U. Dee	Vice Chairman	Filipino	838,006 (D)	0.031%
	Common	William C. Whang	Director and President	Filipino	18,318 (D)	0.001%
	Common	Peter S. Dee	Director	Filipino	301,305 (D)	0.011%
	Common	Joaquin T. Dee	Director	Filipino	44,365,883 (D) 7,371,029 (I)	1.648% 0.274%
	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	100 (D)	0.000%
	Common	Genaro V. Lapez	Independent Director	Filipino	100 (D)	0.000%
				Total	59,887,043	2.225%
(b) Executive Officers (in addition to Messrs. Gilbert U. Dee and William C. Whang)						
	Common	Patrick D. Cheng	Executive Vice President & CFO	Filipino	618,256 (D)	0.023%
	Common	Rosemarie C. Gan	Executive Vice President	Filipino	134,132 (D)	0.005%
	Common	Romeo D. Uyan, Jr.	Executive Vice President & CCO	Filipino	500 (D)	0.000%
	Common	Ananias S. Cornelio III	Senior Vice President & CRO	Filipino	700 (D)	0.000%
	Common	Jose L. Osmeña, Jr.	Senior Vice President	Filipino	10,000 (D)	0.000%
	Common	Magnolia Luisa N. Palanca	Senior Vice President	Filipino	100 (D)	0.000%
	Common	Christopher Ma. Carmelo Y. Salazar	Senior Vice President & Treasurer	Filipino	100 (D)	0.000%
	Common	Lilian Yu	Senior Vice President	Filipino	400 (D)	0.000%
	Common	Cristina P. Arceo	First Vice President II	Filipino	1,200 (D)	0.000%
	Common	Angela D. Cruz	First Vice President II	Filipino	1,641,476 (D)	0.061%
	Common	Gerard T. Dee	First Vice President II	Filipino	12,279,464 (D)	0.456%
		(under his own name or held jointly with family members)				
	Common	Antonio Jose S. Dominguez	First Vice President II	Filipino	100 (D)	0.000%
	Common	Delia Marquez	First Vice President II	Filipino	26,760 (D)	0.001%
	Common	Stephen Y. Tan	First Vice President II	Filipino	4,046 (D)	0.000%
	Common	Layne Y. Arpon	First Vice President I	Filipino	11,832 (D)	0.000%
	Common	Amelia Caridad C. Castelo	First Vice President I	Filipino	100 (D)	0.000%
	Common	Melissa F. Corpus	First Vice President I	Filipino	1,500 (D)	0.000%
	Common	James Christian T. Dee	First Vice President I	Filipino	2,911,081 (D)	0.108%
	Common	Maria Luz B. Favis	First Vice President I	Filipino	1,300 (D)	0.000%
	Common	Madelyn V. Fontanilla	First Vice President I	Filipino	1,400 (D)	0.000%
	Common	Jerry Ron T. Hao	First Vice President I	Filipino	300 (D)	0.000%
	Common	Mary Ann T. Lim	First Vice President I	Filipino	200 (D)	0.000%
	Common	Mandrake P. Medina	First Vice President I	Filipino	1,200 (D)	0.000%
	Common	Elizabeth C. Say	First Vice President I	Filipino	6,633 (D)	0.000%
	Common	Clara C. Sy	First Vice President I	Filipino	2,977,104 (D)	0.111%
	Common	Belenette C. Tan	First Vice President I	Filipino	7,708 (D)	0.000%
	Common	Marisol M. Teodoro	First Vice President I	Filipino	23,923 (D)	0.001%
	Common	Maria Rosanna Catherina L. Testa	First Vice President I	Filipino	7,340 (D)	0.000%
				Total	20,668,855	0.768%
				GRAND TOTAL	80,555,898	2.960%
(c) Other Officers and Employees (including Centennial Stock Grantees)					5,546,808 (D)	0.206%

Item 12. Certain 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. Material related party transactions are passed upon by the Related Party Transaction Committee of the Bank, and endorsed to the Board of Directors and then to the stockholders for approval/confirmation/ratification. The Related Party Transaction 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 as a result of or in connection with the transactions, and that the same are in compliance with the existing rules. Appropriate disclosures and reports for these transactions are also made through reports with the appropriate regulatory agency.

Related party transactions are also discussed in Notes 30 and 38 of the Audited Financial Statements.

The Bank retains SGV & Co. / Ernst & Young as its external auditor, and the following law firms for the handling of some of the cases filed for and against the Bank: 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.

PART IV - CORPORATE GOVERNANCE

Item 13. Corporate Governance

Unwavering Governance towards the Next Century

In the past 101 years, good corporate governance is the foundation upon which China Bank was able to earn the trust of our stakeholders and build a reputation of being a reliable institution in the industry. As we move towards the next century, we continue to be guided by the principles of Fairness, Accountability, Transparency, and Integrity in our quest to improve and uphold the highest standards of good corporate governance and remain strongly positioned for value creation, amidst the local challenges and the dynamic changes in the global business landscape.

The overall stewardship of the Bank rests on the Board of Directors. Being at the core of our corporate governance structure, the directors are fully committed to set the tone and lead the practice of ethical business conduct; guide the overall corporate philosophy and direction; and carry out oversight responsibility for business and risk strategy, financial soundness, and regulatory compliance. The Board also sets the pace for the Bank's current operations and future directions and ensures that all obligations to stakeholders are met.

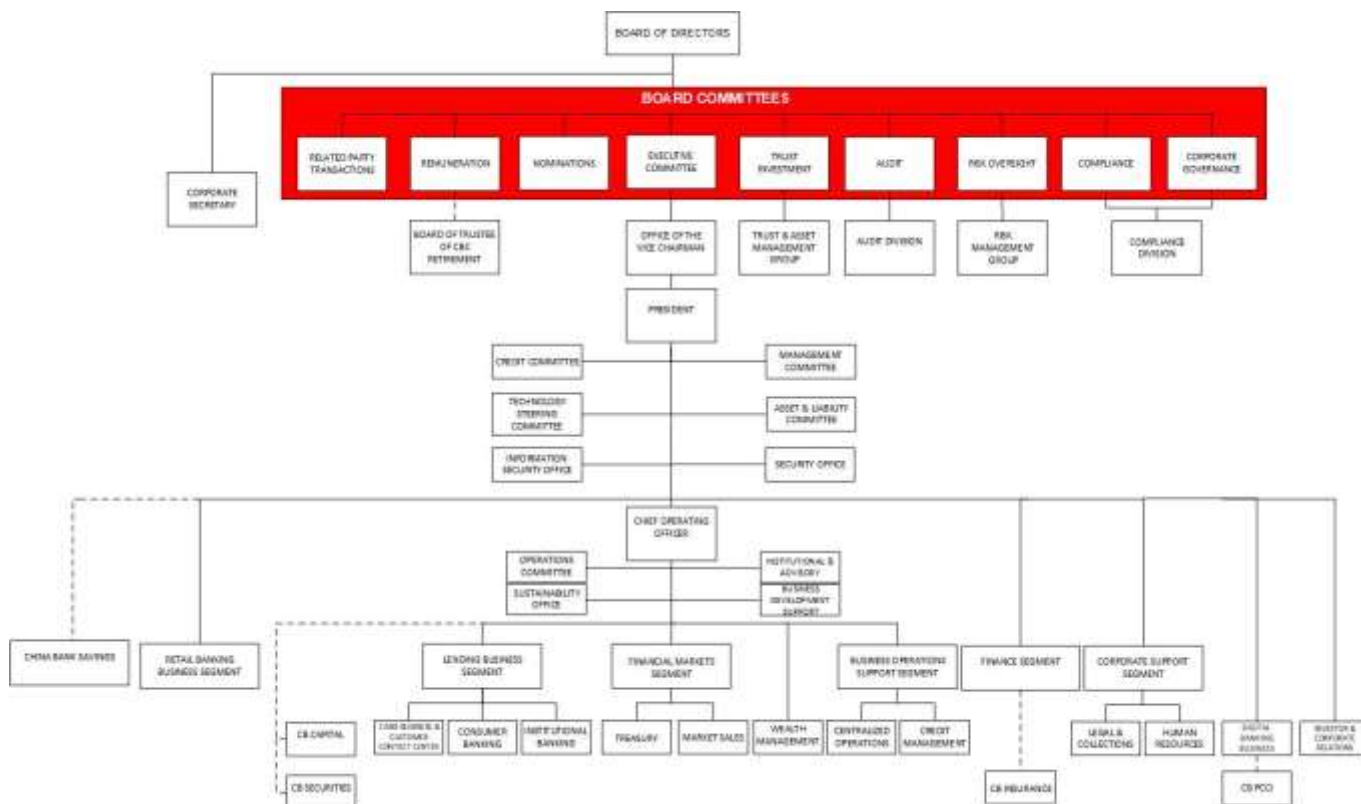
China Bank is dedicated to doing business the right way – in accordance with the rules, best practices, and best interest of all stakeholders. We firmly believe that good corporate governance is vital to our sustainability and continued success. Our robust control and governance systems serve as our cornerstone to ensure that China Bank can fulfill its goals and deliver its commitments in the coming years.

In 2021, 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:

- Amendment of the Bank's By-Laws, to comply with BSP's Manual of Regulations for Banks and the Revised Corporation Code of the Philippines.
- Conduct of virtual Annual Stockholders' Meeting, allowing stockholders to exercise their voting rights through a secured electronic registration and voting facilities, in light of the pandemic.
- Putting in place a 3-year Transition Plan, towards the formulation of the Bank's Sustainable Finance Framework.
- Granting of around 5.4 million common shares to eligible employees, in recognition of their contribution to the Bank and to foster a culture of ownership and commitment, in line with the Bank's 2020 Centennial Stock Grant Plan.
- Updating of the Corporate Governance Manual to align with recent rules, regulations, and international practices.
- Enhancement of the Board Committee Charters and Board Self-Assessment Forms.
- Conduct of annual assessment for the Board, Board-level committees, Independent Directors, Compliance Division, External Auditor, and the President.
- Adoption of the Conflict of Interest and RPT disclosure form by the newly/re-elected directors.
- Election of the Bank's 4th independent director during the Annual Stockholders' Meeting.
- Conduct of online corporate governance training for the Bank's directors and key officers, as facilitated by the Institute of Corporate Directors.
- Restoration of the China Bank Binondo building and its recognition as part of national history.

Organizational Structure

The Board of Directors, being at the core of the Bank's corporate governance structure, continues to foster a culture of a proactive Board that is accountable and responsible for the affairs and performance of the Bank, supported by proactive and competent personnel in achieving its goal of governance of going beyond best practice compliance.



Board of Directors

The Bank has twelve (12) directors and one (1) advisor. Two (2) of the directors are executive directors and the rest are non-executive directors. The Bank has a rigorous and transparent procedure for the nomination and election of new directors to the Board, to ensure a diverse and well-balanced approach. In accordance with the Bank's Manual on Corporate Governance aligned with laws, rules and regulations, the members of the Board are selected from a pool of qualified candidates after considering, among other things, their integrity, competence, independence, leadership, ability to exercise sound judgment, and experience at policy-making levels 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 roles of Independent Directors, the Bank has four (4) Independent (non-executive) Directors in the Board to ensure a strong element of independence. The Bank's Independent Directors 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

To effectively carry out its mandate of good corporate governance through compliance with laws, rules, regulations and best practices, the Bank's Board is supported by various committees, 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 43 meetings in 2021, including two joint meetings with the Risk Oversight Committee.

Name of Director	Attendance
Hans T. Sy (Chairman)	43
Gilbert U. Dee	39
Peter S. Dee	43
Joaquin T. Dee	43
William C. Whang	43

* 2 joint meetings with the Risk Oversight Committee

- **Corporate Governance Committee** is responsible for ensuring that the Bank's Corporate Governance framework is regularly reviewed, updated, and always implemented accordingly. 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 31 meetings including 12 joint meetings with the Compliance Committee and 18 joint meetings with the Nominations Committee.

Name of Director	Attendance
Margarita L. San Juan (Chairman)	31
Claire Ann T. Yap	31
Genaro V. Lapez ^(a)	19
Philip S.L. Tsai ^(b)	12
Alberto S. Yao ^(c)	12

*12 joint meetings with the Compliance Committee

18 joint meetings with the Nominations Committee

(a) Member from May 6, 2021; attended 19 out of 19 meetings of Nominations/Compliance and Corporate Governance Committees

(b) Member up to May 5, 2021; attended 11 out of 11 meetings of Nominations/Compliance and Corporate Governance Committees

(c) Member up to May 5, 2021; attended 11 out of 11 meetings of Nominations/Compliance and Corporate Governance Committees

- **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 about 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, to ensure the effectiveness and efficiency of the Bank's internal controls. There were 14 Committee meetings conducted in 2021.

Name of Director	Attendance
Claire Ann T. Yap ^(a) (Chairman)	9
Joaquin T. Dee	14
Philip S.L. Tsai ^(b)	9
Margarita L. San Juan ^(c)	5
Alberto S. Yao ^(d)	5

(a) Chairman from May 6, 2021; attended 9 out of 9 meetings of Audit Committee

(b) Member from May 6, 2021; attended 9 out of 9 meetings of Audit Committee

(c) Member up to May 5, 2021; attended 5 out of 5 meetings of Audit Committee

(d) Member up to May 5, 2021; attended 5 out of 5 meetings of Audit Committee

- **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 12 joint meetings with the Corporate Governance Committee.

Name of Director	Attendance
Margarita L. San Juan ^(a) (Chairman)	8
Joaquin T. Dee	12
Harley T. Sy ^(b)	8
Hans T. Sy ^(c)	4
Alberto S. Yao ^(d)	4

*12 joint meetings with the Corporate Governance Committee

(a) Chairman from May 6, 2021; attended 8 out of 8 meetings of Compliance and Corporate Governance Committees

(b) Member from May 6, 2021; attended 8 out of 8 meetings of Compliance and Corporate Governance Committees

(c) Member up to May 5, 2021; attended 4 out of 4 meetings of Compliance and Corporate Governance Committees

(d) Member up to May 5, 2021; attended 4 out of 4 meetings of Compliance and Corporate Governance Committees

- **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 Committee met 14 times in 2021, with two meetings jointly held with the Executive Committee.

Name of Director	Attendance
Philip S.L. Tsai (Chairman)	14
Margarita L. San Juan ^(a)	10
Claire Ann T. Yap ^(b)	10
Hans T. Sy ^(c)	4
Alberto S. Yao ^(d)	4

*2 joint meetings with the Executive Committee

(a) Member from May 6, 2021; attended 10 out of 10 meetings of Risk Oversight Committee, and Joint Risk Oversight and Executive Committees

(b) Member from May 6, 2021; attended 10 out of 10 meetings of Risk Oversight Committee, and Joint Risk Oversight and Executive Committees

(c) Member up to May 5, 2021; attended 4 out of 4 meetings of Risk Oversight Committee

(d) Member up to May 5, 2021; attended 4 out of 4 meetings of Risk Oversight Committee

- **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 aligned with the Bank's strategic directions, appropriate for leading and assisting the Bank in achieving its vision and corporate goals. The Committee, which is composed entirely of Independent Directors, held 18 joint meetings with the Corporate Governance Committee in 2021.

Name of Director	Attendance
Margarita L. San Juan ^(a) (Chairman)	18
Claire Ann T. Yap ^(b)	18
Genaro V. Lapez ^(c)	11
Philip S.L. Tsai ^(d)	7
Alberto S. Yao ^(e)	7

*18 joint meetings with the Corporate Governance Committee

(a) Member up to May 5, 2021; Chairman from May 6, 2021

(b) Chairman up to May 5, 2021; Member from May 6, 2021

(c) Member from May 6, 2021; attended 11 out of 11 meetings of Nominations and Corporate Governance Committees

(d) Member up to May 5, 2021; attended 7 out of 7 meetings of Nominations and Corporate Governance Committees

(e) Member up to May 5, 2021; attended 7 out of 7 meetings of Nominations and Corporate Governance Committees

- **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 Committee met once in 2021.

Name of Director	Attendance
Genaro V. Lapez (Chairman)	1
Herbert T. Sy	1
Philip S.L. Tsai	1

- **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 Committee had 12 meetings in 2021.

Name of Director	Attendance
Genaro V. Lapez ^(a) (Chairman)	7
Margarita L. San Juan ^(b)	12
Philip S.L. Tsai	12
Claire Ann T. Yap ^(c)	5
Alberto S. Yao ^(d)	5

^(a) Chairman from May 6, 2021; attended 7 out of 7 meetings

^(b) Chairman from January 1 to May 5, 2021; Member from May 6, 2021

^(c) Member up to May 5, 2021; attended 5 out of 5 meetings

^(d) Member up to May 5, 2021; attended 5 out of 5 meetings

- **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 Committee had 11 meetings in 2021.

Name of Director	Attendance
Peter S. Dee (Chairman)	11
Harley T. Sy	11
Jose T. Sio	11
William C. Whang	11
Mary Ann T. Lim *	11

* First Vice President I, Trust Officer and Head of Trust and Asset Management Group

Additional details on the Committees and their 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. Atty. Corazon I. Morando was our Corporate Secretary until her retirement on December 31, 2021. She was replaced by Atty. Leilani B. Elarmo effective January 1, 2022. The duties and responsibilities of the Corporate Secretary 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 September 1, 2021, the directors and members of the Management Committee, together with key officers of the Bank and subsidiaries have attended the Bank's online exclusive advanced Corporate Governance training as facilitated by the Institute of Corporate Directors (ICD). The said training focused on Digital Transformation; Corporate Governance in a Nutshell: What Effective Boards Focus on Before Everything Else; and Anti-Money Laundering Updates.

Moreover, a new member of the Board is briefed on his duties and responsibilities and 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 Compliance Division summarizes the results of the evaluation and reports it to the Board through the Corporate Governance Committee.

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 to improve the performance of the Board collectively, the individual directors, and the various committees. The assessment shall be validated by an external facilitator every three (3) years.

In 2021, 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

The Compliance Division plays a crucial role in fostering a culture of compliance not just in all facets of the Bank, but across the Group, that seeks to assist the Board in the discharge of its governance function to protect the Bank's reputation and its stakeholders' interests. In place is a compliance risk management system that is designed to identify and mitigate risks and ensure the Bank's safety and soundness. Moreover, the division ensures that employees at all levels are aware of and comply with all applicable laws, rules, and regulations, by cascading the compliance plan to them and disseminating all latest issuances, advisories, notices, and other regulatory matters.

Compliance Division is headed by the Chief Compliance and Governance Officer (CCGO), Atty. Aileen Paulette S. De Jesus, who reports functionally to the Compliance and the Corporate Governance committees and administratively to the Bank's President. 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 Department*, which ensures that the compliance system is updated and implemented accordingly. The *Corporate Governance Department* carries out and manages the implementation of the corporate governance mandates, which includes managing compliance with the Code of Corporate Governance, BSP and SEC rules on governance and international best practices. The *AML Department* manages the Bank's compliance with Anti-Money Laundering laws and regulations, and implementation of Money Laundering and Terrorist Financing Prevention Program (MTPP). On the other hand, the *IT Compliance Department* provides the necessary IT support to the AML Compliance Department in the administration of the Bank's AML system, the Base60. The *Subsidiaries Compliance Department* ensures group-wide compliance to relevant rules, laws, and regulations by providing direction and support to the Bank's subsidiaries. The *Associated Person* is responsible for the Bank's compliance with the Securities Regulations Code, including relevant laws and issuances related thereon. All units in the Bank have Compliance Coordinators

to ensure that all risks associated to the operations and business of the individual units are identified, monitored, and mitigated.

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

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 to 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 Division also conducts lectures during the Junior Executive Development (JED) and Supervisory Development Program (SDP), among others.

Governance Policies

- **Corporate Governance Manual**

In place, is an extensive Corporate Governance Manual that contains the Bank's corporate governance policies, structure, principles, as well as the general and specific duties and responsibilities of the Board and the individual directors. The Manual is kept updated to ensure that it is aligned with latest regulatory issuances. 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 Bank's SharePoint site, under Corporate Governance Department. 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 2021, the Bank has fully complied with the provisions of the Corporate Governance Manual.

- **Board Remuneration**

The amendment to the Bank's By-Laws included the increase in the *per diem* of the directors to up to ten thousand pesos (P10,000.00) for attendance at each meeting of the Board of Directors or of any Committee [amendment approved by the BSP on February 24, 2022, now enabling the Bank to register the same with the SEC] or as may be determined from time to time by stockholders owning or representing a majority of the subscribed capital stock, at any regular or special meeting. 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.

Beginning 2021, the Bank disclosed the compensation of the directors (for the preceding year) on an individual basis, in compliance with the Revised Corporation Code.

- **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 this 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, China Bank employees, customers, shareholders, and any third-party 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 evaluated based on their merits and sufficiency in substance before they are endorsed for investigation.

The CCGO is the primary driver in the implementation of the Whistleblowing Policy. All disclosures are directed to the CCGO or to the duly designated Compliance Officer, who is responsible for determining the sufficiency and validity of the report. The policy also allows reporting of any disclosure to the Chief Audit Executive, Chief Risk Officer, and the Human Resources Group Head.

- **Code of Ethics**

The Bank is committed to conduct its business in an honest and ethical manner, well guided by its core values, namely: integrity, high performance standards, commitment to quality, customer service focus, concern for people, efficiency and resourcefulness, and initiative in carrying out its functions and in dealing with its clients. 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 Code 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.

- **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 always avoided. 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 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, in 2020, the Corporate Governance Committee approved the use of Disclosure Form on Conflict of Interest and Related Party Transactions 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 quarterly financial statements in national newspapers and publication of a comprehensive annual report for the Bank's 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 using wide range of media, including via 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 relating to the Bank's products and services and to provide advice on financial matters as appropriate.

PART V – EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports

(a) Exhibits

Subsidiaries and Investments

- i. *China Bank Savings, Inc. (CBSI)* – formerly known as The Manila Banking Corporation (TMBC), CBSI was acquired by China Bank 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. China Bank now owns 98.29% of the total outstanding capital stock of CBSI.

Board of Directors/Officers

Ricardo R. Chua	-	Chairman of the Board
Nancy D. Yang	-	Vice Chairman
James Christian T. Dee	-	President/Director
William C. Whang	-	Director
Patrick D. Cheng	-	Director
Rosemarie C. Gan	-	Director
Herbert T. Sy, Jr.	-	Director
Margarita L. San Juan	-	Independent Director
Philip S.L. Tsai	-	Independent Director
Claire Ann T. Yap	-	Independent Director
Genaro V. Lapez	-	Independent Director
Arturo Jose M. Constantino III	-	Corporate Secretary
No. of Employees	-	2,263

- 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 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.

Board of Directors/Officers

Ricardo R. Chua	-	Chairman of the Board
Romeo D. Uyan, Jr.	-	Vice Chairman
Ryan Martin L. Tapia	-	President/Director
William C. Whang	-	Director
Lilian Yu	-	Director
Magnolia Luisa N. Palanca	-	Director
Margarita L. San Juan	-	Independent Director
Philip S.L. Tsai	-	Independent Director
Claire Ann T. Yap	-	Independent Director
Wilfred Francis B. Martinez	-	Corporate Secretary
No. of Employees	-	23

- iii. *China Bank Securities Corporation (CBSC)* – formerly known as ATC Securities, Inc. (ATC), it 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 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, real estate investment trust (REITs) and also offers online trading.

Board of Directors/Officers

William C. Whang	-	Chairman of the Board
Romeo D. Uyan, Jr.	-	Vice Chairman
Marisol M. Teodoro	-	Director/President & CEO
Ryan Martin L. Tapia	-	Director
Claire Ann T. Yap	-	Independent Director
Genaro V. Lapez	-	Independent Director
Ma. Hildelita P. Alano	-	Corporate Secretary
No. of Employees	-	22

- iv. *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.

Board of Directors/Officers

Ryan Martin L. Tapia	-	Chairman/ President & CEO
Juan Paolo E. Colet	-	Director/Legal Counsel/Corporate Secretary
Roberto A. Cabusay	-	Director/Operations Officer
Marjorie T. Esplana	-	Independent Director
Ariel A. Soner	-	Independent Director
No. of Employees	-	0*

* All CBC Assets directors and officers are seconded from the parent company.

- v. *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.

Board of Directors/Officers

Romeo D. Uyan, Jr.	-	Chairman
Ryan Martin L. Tapia	-	Director/President & CEO
Juan Paolo E. Colet	-	Director
Rhodin Evan O. Escolar	-	Director
Lilian Yu	-	Director
Margarita L. San Juan	-	Independent Director
Claire Ann T. Yap	-	Independent Director
Wilfred Francis B. Martinez	-	Corporate Secretary
No. of Employees	-	0*

* All RECAP directors and officers are seconded from the parent company.

- vi. *CBC Properties and Computer Center, Inc. (CBC PCCI)* – 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.

Board of Directors/Officers

Gilbert U. Dee	-	Chairman of the Board
Peter S. Dee	-	Director/President
Ricardo R. Chua	-	Director
William C. Whang	-	Director/Treasurer
Rosemarie C. Gan	-	Director
Manuel C. Tagaza	-	General Manager
Editha N. Young	-	Chief Technology Officer
Rikki Daniele Louis A. Dela Paz	-	Corporate Secretary
No. of Employees	-	184

- vii. *Chinabank Insurance Brokers, Inc. (CIBI)* – 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 clients including non-mortgaged accounts. CIBI is 100% owned by the Bank.

Board of Directors/Officers

Patrick D. Cheng	-	Chairman of the Board
William C. Whang	-	Director
Frankie G. Panis	-	Director & President
Margarita L. San Juan	-	Independent Director
Philip S.L. Tsai	-	Independent Director
Belenette C. Tan	-	Corporate Secretary
No. of Employees	-	113

- viii. *Manulife Chinabank Life Assurance Corporation (MCBLife)* – in 2007, the Bank entered into an agreement with The Manufacturers Life Insurance Company (a 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.

Board of Directors/Officers

Sachin Shah	-	Chairman
Sandeep Deobhakta	-	Director/President & CEO
Richard Bates	-	Director
William Whang	-	Director
Patrick Cheng	-	Director
Matthew Lawrence	-	Director
Janette Pena	-	Independent Director
Rhoda Regina Rara	-	Independent Director
Conrado Favorito	-	Independent Director
Abbiegail D. Sac	-	Corporate Secretary
No. of Employees	-	484

(b) Reports on SEC Form 17-C

The following reports have been submitted by the Bank during the year 2021 through official disclosure letters:

R E P O R T	DATE REPORTED
Advisement letter on the attendance of directors in Board meetings for the year 2020	January 4, 2021
Executive Committee's notation/approval, confirmation, and/or ratification of the recall of the secondment of Mr. Jose G. Ramos, Jr. as Manager/Officer of Administrative Services of China Bank Savings, Inc. (CBSI), effective January 14, 2021	January 13, 2021
Executive Committee's approval of the promotion of Atty. Aileen Paulette S. De Jesus, Chief Compliance Officer, from Vice President I to Vice President II, effective February 1, 2021	January 27, 2021
Board of Directors' approval, confirmation and/or ratification of the following: (a) 2021 Rules Governing the Nomination and Election of Directors, with Nomination Form, and to set March 2, 2021 as the deadline for nominations for directors and independent directors for election at the Bank's Annual Stockholders' Meeting scheduled on May 6, 2021; (b) interlocking directorship of Ms. Claire Ann T. Yap, Independent Director of the Bank, in China Bank Securities Corporation (CBSEC), effective December 17, 2020; (c) interlocking directorship of Ms. Claire Ann T. Yap, Independent Director of the Bank, in CBSI, effective December 17, 2020; (d) secondment of Mr. Patrick S. Hernandez, Head of the Bank's Administrative Services- Office Services Unit, to CBSI as Head of General Services, effective February 1, 2021; (e) recall of the secondment of Mr. Jose G. Ramos, Jr. as Manager/Officer of Administrative Services of CBSI effective January 14, 2021 and his return to the Bank's Administrative Division under Property Management and Leasing Department; (f) appointment of Mr. Aloysius C. Alday, Jr. as Senior Vice President and Group Head of the Bank's Cards Business and Customer Contact Center Group, effective January 18, 2021; and (g) promotion of Atty. Aileen Paulette S. De Jesus, Chief Compliance Officer, from Vice President I to Vice President II, effective February 1, 2021	February 3, 2021
Board of Directors' approval of further amendments to the Bank's By-Laws to address the comments of the <i>Bangko Sentral ng Pilipinas</i> (BSP), conform to the BSP's Manual of Regulations for Banks, and the Revised Corporation Code of the Philippines, and to enhance corporate governance	March 4, 2021
Board of Directors' approval of the setting of March 19, 2021 close of business as the record date for determining the stockholders entitled to notice of and vote at the Annual Stockholders' Meeting on May 6, 2021 via remote communication and any adjournment(s) thereof, and the closing of the Bank's Stock and Transfer Book from April 15, 2021 to May 6, 2021, inclusive	March 4, 2021
Board of Directors' approval to conduct a fund raising exercise of up to P100 Billion in several tranches for the next three (3) years which may be in the form of Retail Bonds and/or Commercial Papers, or a combination thereof	March 4, 2021
Board of Directors' approval of the amendment to the 2021 Rules Governing Nomination and Election of Independent Director, with Nomination Form, and setting March 18, 2021 as the new deadline for nomination of Independent Director for election at the Bank's Annual Stockholders' Meeting on May 6, 2021	March 4, 2021
Board of Directors' amendment of its approval of March 3, 2021 to endorse the change in the date of the regular meeting of stockholders. The further amendments	March 11, 2021

to the By-Laws were proposed in order to address the comments of BSP, conform to the BSP's Manual of Regulations for Banks and the Revised Corporation Code of the Philippines, and to enhance corporate governance


Board of Directors' approval of the following: (a) delegation to the Board of Directors of the power to amend the By-Laws of the Bank subject to the affirmative vote of the stockholders representing at least two-thirds of the outstanding capital stock during the May 6, 2021 Annual Stockholders' Meeting; (b) promotion of Mr. James Christian T. Dee, Bank Officer seconded to Bank subsidiary CBSI, from Vice President II to First Vice President I, effective April 16, 2021; (c) recall of the secondment of Mr. James Christian T. Dee as Head of Treasury of Bank subsidiary CBSI; and (d) secondment of Mr. James Christian T. Dee as Director and President of Bank subsidiary CBSI	April 8, 2021
Executive Committee's approval of the appointment of Ms. Grace C. Buenavista as Division Head of Commercial Banking Division of Institutional Banking Group, with the rank of First Vice President I, effective May 17, 2021	April 28, 2021
Board of Directors' approval of the promotion of Mr. Ananias S. Cornelio III, Chief Risk Officer, from First Vice President II to Senior Vice President, effective May 16, 2021	May 5, 2021
Board of Directors's: (a) approval of the declaration of 10% cash dividend or P1.00 per share, and setting and/or recommending May 21, 2021 as the record date and June 4, 2021 as the payment/issuance date of the dividends, and (b) notation of the the expiration of the term of Mr. Alberto S. Yao, Lead Independent Director of the Bank, effective May 6, 2021, with expression of gratitude to the outgoing director.	May 6, 2021
Report on the results of the regular annual meeting of stockholders via remote communication on May 6, 2021: (a) election of the Board of Directors; (b) approval/confirmation/ratification/notation of the acts and matters approved during the fiscal year 2020 and immediately preceding the stockholders' meeting; (c) amendment of the Bank's By-Laws to address the comments of BSP, conform to the BSP's Manual of Regulations and Revised Corporation Code of the Philippines, and enhance corporate governance; (d) delegation to the Board of Directors of the power to amend By-Laws; (e) re-appointment of SyCip Gorres Velayo & Co. as external auditor of the Bank; and (f) announcement of cash dividend declaration, among others, as well as on the results of the organizational meeting of the Board	May 6, 2021
Board of Directors' approval of the interlocking appointment of Atty. Ma. Hildelita P. Alano, Vice President II and Head of the Bank's Loan Syndication Division, as Corporate Secretary of the Bank subsidiary CBSEC, effective June 16, 2021	June 2, 2021
Executive Committee's approval of the following: (a) promotion of Ms. Lilibeth R. Cariño, Head of Consumer Banking Group, from First Vice President I to First Vice President II, effective July 1, 2021; and (b) promotion of Mr. Mandrake P. Medina, Region Head of Retail Banking Business-South Luzon Region, from Vice President II to First Vice President I, effective July 1, 2021	June 23, 2021
Executive Committee's approval of the retirement/end of engagement contract of Mr. Manuel M. Te, First Vice President I and Head of Retail Banking Business-Metro Manila South Region, effective June 30, 2021	June 30, 2021
Board of Directors' approval of the interlocking appointment of Atty. Wilfred Francis B. Martinez, Senior Assistant Manager and OCS Officer-Stocks and External Relations, as Corporate Secretary of Bank subsidiary China Bank Capital Corporation (CBCC), effective July 10, 2021	July 8, 2021
Executive Committee's approval of the retirement/end of engagement of Ms. Shirley T. Tan, First Vice President II and Head of Retail Banking Business-Metro Manila West Region, effective July 31, 2021	July 21, 2021

Executive Committee's approval of the promotion of Ms. Angela D. Cruz, Head of Wealth Management Group, from First Vice President I to First Vice President II, effective August 1, 2021	July 28, 2021
Board of Directors' approval and confirmation of the interlocking directorship of Mr. Genaro V. Lapez, Independent Director of the Bank, in Bank subsidiaries CBSI and CBSEC, effective June 17, 2021	August 4, 2021
Executive Committee's approval of the promotion of Mr. Stephen Y. Tan, Region Head of Retail Banking Business- Visayas, from First Vice President I to First Vice President II, effective September 1, 2021	August 18, 2021
Executive Committee's approval of the appointment of Mr. Gerald O. Florentino, as First Vice President I and Head of Investor and Corporate Relations Group, effective October 1, 2021	September 15, 2021
Board of Directors' approval and confirmation of the interlocking directorship of Ms. Claire Ann T. Yap, Independent Director of the Bank, in Bank subsidiary CBCC effective June 10, 2021	October 6, 2021
Executive Committee's approval of the appointment of Mr. Jerry Ron T. Hao, First Vice President I, as Chief Dealer, Treasury Group, effective November 3, 2021	October 27, 2021
Executive Committee's notation/approval of the resignation of Mr. Benedict L. Chan, First Vice President II and Chief Dealer, Treasury Group, effective December 31, 2021	November 10, 2021
Executive Committee's approval of the following: (a) appointment/designation of Mr. Francis Andre Z. De Los Santos, First Vice President I, as Business Solutions Head of the Office of the Chief Operating Officer, effective January 2, 2022; (b) appointment of Atty. Leilani B. Elarmo, Assistant Vice President, as Deputy Head of the OCS, effective from December 1, 2021 to December 31, 2021, and her appointment as Corporate Secretary and Head of the OCS, effective January 1, 2022; and (c) retirement of Atty. Corazon I. Morando, Vice President and Corporate Secretary, effective December 31, 2021	November 17, 2021
Board of Directors' approval, confirmation and/or ratification of the following: (a) appointment of Atty. Leilani B. Elarmo, Assistant Vice President, as Deputy Head of the OCS, effective from December 1, 2021 to December 31, 2021, and her appointment as Corporate Secretary and Head of the OCS, effective January 1, 2022; and (b) retirement of Atty. Corazon I. Morando, Vice President and Corporate Secretary, effective December 31, 2021	December 1, 2021
Executive Committee's approval of the retirement/end of engagement of Mr. Alexander C. Escucha, Senior Vice President and Head of Investor and Corporate Relations Group, effective December 31, 2021	December 9, 2021
Executive Committee's notation and approval of the following: (a) retirement of Mr. Geoffrey D. Uy, First Vice President I and Head of Risk Management Group-Market and Liquidity Risk Division, effective December 31, 2021 and his engagement as Special Projects Employee under the same Division; and (b) end of engagement of Ms. Noemi L. Uy, First Vice President I and Region Head of Retail Banking Business-Metro Manila-North Region, effective December 31, 2021	December 15, 2021

SIGNATURES


Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on APR 13 2022 day of April 2022.


WILLIAM C. WHANG
Principal Executive Officer
President


ROMEO D. UYAN, JR.
Principal Operating Officer
Executive Vice President & Chief Operating Officer


PATRICK D. CHENG
Principal Financial Officer
Executive Vice President & Chief Finance Officer


CHRISTOPHER MA. CARMELO Y. SALAZAR
Senior Vice President & Treasurer


MICHAEL C. TOMON
Principal Accounting Officer
Vice President & Central Accounting Division Head



LEILANI B. ELARMO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 13 2022, affiants
exhibiting to me their proofs of identification, as follows:

NAMES

William C. Whang
Romeo D. Uyan, Jr.
Patrick D. Cheng
Christopher Ma. Carmelo Y. Salazar
Michael C. Tomon
Leilani B. Elarmo

Doc. No. 395
Page No. 36
Book No. 4
Series of 2022


JAZEM A. ANSAMA
Notary Public for Makati City
Appt. No. M-31 : 21 December 2021
4/F PNB Tower, Makati City
8755 PNB Tower, Makati City
PTR No. 88621 : Makati City, Makati City
IBP No. 174507 : Makati Chapter
Roll of Attorney's No. 68624
EXTENDED UNTIL JUNE 30, 2022
PURSUANT TO BAR MATTER NO. 3795

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

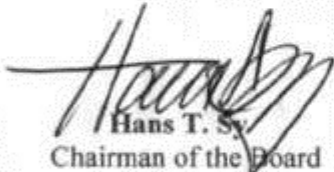
The management of China Banking Corporation (the Bank) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2021 and 2020, in accordance with the prescribed financial reporting framework 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


William C. Whang
President

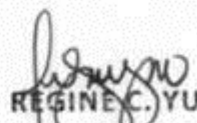

Patrick D. Cheng
Chief Finance Officer

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

Signed this 28th day of February, 2022, affiants exhibiting to me their Social Security System Nos. as follows:

Name
Hans T. Sy
William C. Whang
Patrick D. Cheng

Doc. No.: 99
Page No.: 2/
Book No.: 7
Series of: 2022


REGINE C. YU
Notary Public for Makati City
Appt. No. M-187 until 31 December 2021
4/F Philcom Building,
8755 Paseo de Roxas, Makati City
PTR No. 8855304; 01-05-22; Makati City
IBP Lifetime No. 010713; 01-05-22; Makati City
Roll of Attorneys No. 68781
EXTENDED UNTIL JUNE 30, 2022
PURSUANT TO BAR MATTER NO. 3795

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **China Banking Corporation** (herein referred to as "the Bank") is responsible for all information and representations contained in the **Annual Income Tax Return** for the year ended **December 31, 2021**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2021 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Bank, complete and correct in all material respects. Management likewise affirms that:

- a. the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b. any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Bank's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- c. the Bank has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

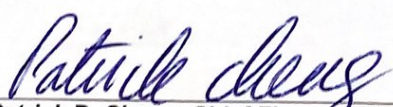
Signature:



William C. Whang, President

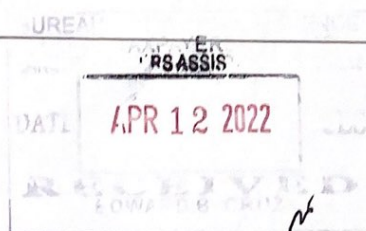
Date:

Signature:



Patrick D. Cheng, Chief Finance Officer

Date:



FS FOR FILING WITH SEC

AFTER THE BIR HAS DULY
STAMPED "RECEIVED."

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

4 4 3

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

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

1,881

Annual Meeting (Month / Day)

05/05

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, which comprise the consolidated and parent company balance sheets as at December 31, 2021 and 2020, 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, 2021, and notes to the consolidated and parent company financial statements, including a summary of significant accounting policies.

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, 2021 and 2020, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2021 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

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, taking into account extension of payment terms and payment holidays provided as a result of the coronavirus pandemic; 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 impact of any financial support and credit enhancements extended by any party; and incorporating forward-looking information, including the impact of the coronavirus pandemic, in calculating ECL.

Allowance for credit losses for loans and receivables as of December 31, 2021 for the Group and the Parent Company amounted to ₱15.06 billion and ₱12.49 billion, respectively. Provision for credit losses of the Group and the Parent Company in 2021 amounted to ₱8.88 billion and ₱7.68 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, and management's assessment of the impact of the coronavirus pandemic on the counterparties; (c) tested the Group's and the Parent Company's application of internal credit risk rating system, including the impact of the coronavirus pandemic on the borrowers, 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, including the impact of the coronavirus pandemic; 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 also assessed the assumptions used where there are missing or insufficient data.

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

Accounting for disposals of investment securities under a hold-to-collect business model

In 2021, the Parent Company disposed investment securities managed under the hold-to-collect (HTC) business model with aggregate carrying amount of ₱55.77 billion. The disposals resulted in a gain of ₱4.06 billion. Investment securities held under a hold-to-collect business model, which are classified as 'Investment securities at amortized cost', are managed to realize cash flows by collecting contractual payments over the life of the instrument.

The accounting for the disposals is significant to our audit because the amounts involved are material (23.01% and 23.60% of the total investment securities at amortized cost of the Group and the Parent Company, respectively). Moreover, it involves the exercise of significant judgment by management in assessing whether the disposals are consistent with the HTC business model and that it would not impact the measurement of the remaining securities in the affected portfolios.

The disclosures related to the disposals of investment securities are included in Notes 3 and 9 to the financial statements.

Audit response

We obtained an understanding of the Parent Company's objectives for disposals of investment securities at amortized cost through inquiries with management and review of approved internal documentations, including governance over the disposals. We evaluated management's assessment of the impact of the disposals in reference to the Parent Company's business models and the provisions of the relevant accounting standards and regulatory issuances. We recalculated the gains on the disposals and the measurement of the remaining securities in the affected portfolios.

We reviewed the disclosures related to the disposals based on the requirements of PFRS 7, *Financial Instruments: Disclosures*, PAS 36 and Philippine Accounting Standard (PAS 1), *Presentation of Financial Statements*.

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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, 2021, the goodwill recognized in the consolidated and parent company financial statements amounting to ₱222.84 million is attributed to the Parent Company's Retail Banking Business (RBB) segment, while goodwill of ₱616.91 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. 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 which have been impacted by the coronavirus pandemic, 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.

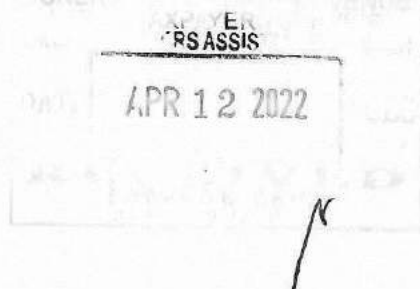
Audit Response

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, taking into consideration the impact associated with the coronavirus pandemic. 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.

Recoverability of deferred tax assets

As of December 31, 2021, the deferred tax assets of the Group and the Parent Company amounted to ₱4.62 billion and ₱3.41 billion. The recognition of deferred tax assets is significant to our audit because it requires significant judgment and is based on assumptions such as availability of future taxable income and the timing of the reversal of the temporary differences that are affected by expected future market or economic conditions and the expected performance of the Group. The estimation uncertainty on the Group's and the Parent Company's expected performance has increased as a result of the uncertainties brought about by the coronavirus pandemic.

The disclosures in relation to deferred income taxes are included in Notes 3 and 28 to the financial statements.



Audit Response

We involved our internal specialist in interpreting the tax regulations, testing the temporary differences identified by the Group and the Parent Company, and the applicable tax rate. We also re-performed the calculation of the deferred tax assets. We evaluated the management's assessment on the availability of future taxable income in reference to financial forecast and tax strategies. We evaluated management's forecast by comparing the loan portfolio and deposit growth rates to the historical performance of the Group and the industry, including future market circumstances and taking into consideration the impact associated with the coronavirus pandemic. We also assessed the timing of the reversal of future taxable and deductible temporary differences.

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, 2021, 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, 2021 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.

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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 Bangko Sentral ng Pilipinas (BSP) Circular No. 1074 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 BSP Circular No. 1074 in Note 38 and Revenue Regulations 15-2010 in Note 39 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

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-062-2020, December 3, 2020, valid until December 2, 2023

PTR No. 8853462, January 8, 2022, Makati City

February 28, 2022

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CHINA BANKING CORPORATION AND SUBSIDIARIES
BALANCE SHEETS
(Amounts in Thousands)

	Consolidated		Parent Company	
	December 31		December 31	
	2021	2020	2021	2020
ASSETS				
Cash and Other Cash Items	₱16,024,863	₱15,984,210	₱13,649,247	₱13,724,265
Due from Bangko Sentral ng Pilipinas (Notes 7 and 17)	124,283,115	152,156,449	114,528,773	141,811,190
Due from Other Banks (Note 7)	10,694,312	18,228,721	9,897,264	17,197,750
Interbank Loans Receivable and Securities Purchased under Resale Agreements (Note 8)	36,559,224	18,290,851	35,030,997	15,604,167
Financial Assets at Fair Value through Profit or Loss (Note 9)	7,209,667	13,406,863	5,457,804	11,641,778
Derivative Contracts Designated as Hedges (Note 26)	1,139,233	—	1,139,233	—
Financial Assets at Fair Value through Other Comprehensive Income (Note 9)	28,672,240	20,244,403	26,523,712	18,345,520
Investment Securities at Amortized Cost (Note 9)	242,353,729	202,240,631	236,347,682	196,794,826
Loans and Receivables (Notes 10 and 30)	609,006,732	557,214,484	544,171,738	491,994,476
Accrued Interest Receivable (Note 16)	7,616,692	8,529,872	6,428,565	6,833,616
Investment in Subsidiaries (Note 11)	—	—	17,191,345	15,754,791
Investment in Associates (Note 11)	796,519	912,647	796,519	912,647
Bank Premises, Furniture, Fixtures and Equipment and Right-of-use Assets (Note 12)	8,232,859	8,422,717	6,600,139	6,876,959
Investment Properties (Note 13)	3,993,338	3,984,939	1,379,370	1,478,933
Deferred Tax Assets (Note 28)	4,624,981	5,172,435	3,409,600	3,732,048
Intangible Assets (Note 14 and 16)	3,807,889	3,881,669	768,440	833,936
Goodwill (Note 14)	839,748	839,748	222,841	222,841
Other Assets (Note 15)	6,464,385	6,501,010	3,641,671	3,367,991
	₱1,112,319,526	₱1,036,011,649	₱1,027,184,940	₱947,127,734
LIABILITIES AND EQUITY				
Liabilities				
Deposit Liabilities (Notes 17 and 30)				
Demand	₱252,324,966	₱212,466,949	₱229,349,909	₱194,231,249
Savings	302,884,786	256,406,867	282,597,580	238,601,774
Time	307,650,145	366,357,014	270,271,411	318,139,885
	862,859,897	835,230,830	782,218,900	750,972,908
Bonds Payable (Note 18)	42,473,558	52,065,678	42,473,558	52,065,678
Bills Payable (Note 19)	65,806,274	23,655,851	65,806,274	23,655,851
Manager's Checks	1,854,606	1,568,232	1,466,359	1,066,098
Income Tax Payable	785,091	846,090	754,026	825,270
Accrued Interest and Other Expenses (Note 20)	4,745,861	3,905,945	4,325,426	3,579,619
Derivative Liabilities (Note 26)	998,721	1,216,771	998,721	1,216,771
Derivative Contracts Designated as Hedges (Note 26)	162,399	521,209	162,399	521,209
Deferred Tax Liabilities (Note 28)	798,212	1,116,362	—	—
Other Liabilities (Note 21)	12,712,087	10,899,319	9,898,313	8,262,468
	993,196,706	931,026,287	908,103,976	842,165,872
Equity				
Equity Attributable to Equity Holders of the Parent Company				
Capital stock (Note 24)	26,912,882	26,858,998	26,912,882	26,858,998
Capital paid in excess of par value (Note 24)	17,200,758	17,122,626	17,200,758	17,122,626
Other equity – stock grants (Note 24)	—	140,924	—	140,924
Surplus reserves (Notes 24 and 29)	3,730,687	2,874,004	3,730,687	2,874,004
Surplus (Notes 24 and 29)	70,205,517	58,659,768	70,205,517	58,659,768
Net unrealized gain on financial assets at fair value through other comprehensive income (Note 9)	81,200	294,115	81,200	294,115
Remeasurement loss on defined benefit asset (Note 25)	(30,489)	(426,996)	(30,489)	(426,996)
Cumulative translation adjustment	17,604	5,535	17,604	5,535
Remeasurement loss on life insurance reserves	(14,029)	(45,903)	(14,029)	(45,903)
Cash flow hedge reserve (Note 26)	976,834	(521,209)	976,834	(521,209)
	119,080,964	104,961,862	119,080,964	104,961,862
Non-controlling Interest (Note 11)	41,856	23,500	—	—
RSASSIS	119,122,820	104,985,362	119,080,964	104,961,862
	₱1,112,319,526	₱1,036,011,649	₱1,027,184,940	₱947,127,734

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					
	2021	2020	2019	2021	2020	2019
INTEREST INCOME						
Loans and receivables (Notes 10 and 30)	₱33,929,525	₱35,135,866	₱36,051,051	₱28,948,921	₱30,372,019	₱30,824,138
Investment securities at amortized cost and at fair value through other comprehensive income (Note 9)	9,193,747	10,023,174	9,828,076	8,934,652	9,734,684	9,362,427
Due from Bangko Sentral ng Pilipinas and other banks and securities purchased under resale agreements (Notes 7 and 8)	1,863,599	1,270,850	1,113,206	1,525,166	889,552	702,422
Financial assets at fair value through profit or loss	738,643	707,741	692,482	738,643	707,741	692,482
	45,725,514	47,137,631	47,684,815	40,147,382	41,703,996	41,581,469
INTEREST EXPENSE						
Deposit liabilities (Notes 17 and 30)	5,111,577	9,637,175	18,567,168	4,272,332	8,193,587	15,915,107
Bonds payable, bills payable and other borrowings (Notes 18 and 19)	2,104,471	3,425,286	2,802,104	2,104,470	3,425,286	2,800,843
Lease payable (Note 27)	195,310	232,584	264,246	152,194	182,821	207,744
	7,411,358	13,295,045	21,633,518	6,528,996	11,801,694	18,923,694
NET INTEREST INCOME	38,314,156	33,842,586	26,051,297	33,618,386	29,902,302	22,657,775
Trading and securities gain (loss) - net (Notes 9 and 22)	(64,005)	3,233,872	884,482	(110,743)	3,193,171	837,875
Service charges, fees and commissions (Note 22)	3,486,184	2,698,726	3,296,673	1,438,614	1,217,030	1,624,703
Gain on disposal of investment securities at amortized cost (Note 9)	4,063,927	2,187,006	1,381,871	4,063,927	2,187,006	1,299,360
Trust fee income (Note 29)	450,965	409,916	357,080	450,965	409,916	357,080
Foreign exchange gain - net (Note 26)	686,861	212,419	221,104	678,431	213,464	243,764
Gain on sale of investment properties	388,295	187,176	864,383	238,891	65,913	721,893
Share in net income (loss) of an associate (Note 11)	(1,609)	152,441	184,661	(1,609)	152,441	184,661
Gain (loss) on asset foreclosure and dacion transactions (Note 13)	87,485	(22,757)	47,479	31,552	42,885	81,294
Share in net income of subsidiaries (Note 11)	-	-	-	1,422,503	790,482	770,628
Miscellaneous (Notes 22 and 30)	1,262,841	952,250	1,193,056	1,118,731	847,735	1,062,795
TOTAL OPERATING INCOME	48,675,100	43,853,635	34,482,086	42,949,648	39,022,345	29,841,828
Provision for impairment and credit losses (Note 16)	8,876,744	8,868,919	2,570,168	7,679,877	7,983,206	2,205,062
Compensation and fringe benefits (Notes 25 and 30)	7,505,384	7,527,441	6,622,664	5,899,761	5,893,272	5,029,191
Taxes and licenses	3,529,491	4,041,457	3,884,183	2,901,338	3,498,440	3,155,849
Insurance	2,061,059	1,999,111	1,875,977	1,805,915	1,727,893	1,624,065
Depreciation and amortization (Notes 12, 13 and 14)	1,787,166	1,894,899	1,942,660	1,364,324	1,460,780	1,463,092
Occupancy cost (Notes 27 and 30)	2,090,909	1,758,872	1,801,154	1,657,902	1,339,284	1,308,482
Professional fees, marketing and other related services	632,857	538,928	412,146	559,649	475,554	329,959
Transportation and traveling	594,063	454,355	566,572	479,985	345,964	432,157
Entertainment, amusement and recreation	490,278	420,641	477,761	381,601	317,774	342,034
Stationery, supplies and postage	218,238	252,365	258,425	149,719	196,668	194,990
Repairs and maintenance	173,825	134,158	159,816	140,177	93,279	120,245
Miscellaneous (Notes 22 and 30)	3,251,863	2,499,935	2,322,938	2,773,517	2,140,996	1,890,022
TOTAL OPERATING EXPENSES	31,211,877	30,391,081	22,894,464	25,793,765	25,473,110	18,095,148
INCOME BEFORE INCOME TAX	17,463,223	13,462,554	11,587,622	17,155,883	13,549,235	11,746,680
PROVISION FOR INCOME TAX (Note 28)	2,357,000	1,391,104	1,512,650	2,067,551	1,486,598	1,677,720
NET INCOME	₱15,106,223	₱12,071,450	₱10,074,972	₱15,088,332	₱12,062,637	₱10,068,960
Attributable to:						
Equity holders of the Parent Company (Note 33)	₱15,088,332	₱12,062,637	₱10,068,960			
Non-controlling interest	17,891	8,813	6,012			
	₱15,106,223	₱12,071,450	₱10,074,972			
Basic/Diluted Earnings Per Share (Note 33)	₱5.61	₱4.49	₱3.75			
PS ASSIS						

See accompanying Notes to Financial Statements.

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

	Consolidated			Parent Company		
	Years Ended December 31					
	2021	2020	2019	2021	2020	2019
NET INCOME	¥15,106,223	¥12,071,450	¥10,074,972	¥15,088,332	¥12,062,637	¥10,068,960
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	(60,479)	2,929,713	1,002,634	(27,185)	2,864,317	926,208
Gain taken to profit or loss (Note 22)	(60,316)	(3,173,881)	(269,478)	(40,937)	(3,145,147)	(240,310)
Share in changes in fair value of financial assets at FVOCI of an associate (Note 11)	(103,148)	119,180	152,452	(103,148)	119,180	152,452
Share in changes in other comprehensive income (loss) of subsidiaries (Note 11)						
Net unrealized gain (loss) on financial assets at FVOCI	—	—	—	(52,610)	31,703	190,495
Cumulative translation adjustment	—	—	—	11,603	(12,166)	17,015
Cumulative translation adjustment	12,270	(5,165)	98,830	466	7,211	81,520
Gain (loss) on cash flow hedges	1,498,043	(469,260)	(51,949)	1,498,043	(469,260)	(51,949)
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 for the year, net of tax	10,392	3,037	160,375	10,965	6,488	14,643
Share in changes in remeasurement gain (loss) on defined benefit plans of subsidiaries (Note 11)	—	—	—	56,256	53,626	(56,353)
Share in changes in other comprehensive income of an associate (Note 11)						
Remeasurement loss on life insurance reserves	31,874	(66,558)	1,501	31,874	(66,558)	1,501
Remeasurement gain (loss) on defined benefit plan	(3,245)	3,415	2,985	(3,245)	3,415	2,985
Remeasurement loss on defined benefit asset, net of tax (Note 25)	400,652	(57,188)	(489,722)	343,496	(111,852)	(432,210)
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX	1,726,043	(716,707)	607,628	1,725,578	(719,043)	605,997
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	¥16,832,266	¥11,354,743	¥10,682,600	¥16,813,910	¥11,343,593	¥10,674,957
Total comprehensive income attributable to:						
Equity holders of the Parent Company	¥16,813,910	¥11,343,593	¥10,674,957			
Non-controlling interest	18,356	11,150	7,643			
	¥16,832,266	¥11,354,743	¥10,682,600			

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													
	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	Cash Flow Hedge Reserve	Non-Controlling Interest (Note 11)	Total Equity	
Balance at January 1, 2021	P26,858,998	P17,122,626	P140,924	P2,874,004	P58,659,768	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	-	-	-	45,096	(45,096)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	811,587	(811,587)	-	-	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	-	-	-
Balance at December 31, 2021	P26,912,882	P17,200,758	P-	P3,730,687	P70,205,517	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964	P41,856	P119,122,820
Balance at January 1, 2020	P26,858,998	P17,122,626	P-	P3,598,275	P48,558,760	P417,576	(P368,531)	P6,835	P20,655	(P51,949)	P96,163,245	P12,350	P96,175,595
Total comprehensive income (loss) for the year	-	-	-	-	12,062,637	(123,461)	(58,465)	(1,300)	(66,558)	(469,260)	11,343,593	11,150	11,354,743
Stock grants	-	-	140,924	-	-	-	-	-	-	-	140,924	-	140,924
Transfer from surplus to surplus reserves	-	-	-	40,992	(40,992)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	(765,263)	765,263	-	-	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	-	-	-
Balance at December 31, 2020	P26,858,998	P17,122,626	P140,924	P2,874,004	P58,659,768	P294,115	(P426,996)	P5,535	(P45,903)	(P521,209)	P104,961,862	P23,500	P104,985,362
Balance at January 1, 2019	P26,858,998	P17,122,626	P-	P4,031,009	P40,497,255	(P702,509)	P117,047	(P91,700)	P19,154	P-	P87,851,880	P4,707	P87,856,587
Total comprehensive income (loss) for the year	-	-	-	-	10,068,960	1,043,488	(485,578)	98,535	1,501	(51,949)	10,674,957	7,643	10,682,600
Transfer from surplus to surplus reserves	-	-	-	35,708	(35,708)	-	-	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	(468,442)	468,442	-	-	-	-	-	-	-	-
Realized loss on sale of equity securities at FVOCI	-	-	-	-	(76,597)	76,597	-	-	-	-	-	-	-
Cash dividends - P0.88 per share	-	-	-	-	(2,363,592)	-	-	-	-	-	(2,363,592)	-	(2,363,592)
Balance at December 31, 2019	P26,858,998	P17,122,626	P-	P3,598,275	P48,558,760	P417,576	(P368,531)	P6,835	P20,655	(P51,949)	P96,163,245	P12,350	P96,175,595

See accompanying Notes to Financial Statements.



	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)	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
Balance at January 1, 2021	P26,858,998	P17,122,626	P140,924	P2,874,004	P58,659,768	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	-	-	-	45,096	(45,096)	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	811,587	(811,587)	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	(2,685,900)
Balance at December 31, 2021	P26,912,882	P17,200,758	P-	P3,730,687	P70,205,517	P81,200	(P30,489)	P17,604	(P14,029)	P976,834	P119,080,964
Balance at January 1, 2020	P26,858,998	P17,122,626	P-	P3,598,275	P48,558,760	P417,576	(P368,531)	P6,835	P20,655	(P51,949)	P96,163,245
Total comprehensive income (loss) for the year	-	-	-	-	12,062,637	(123,461)	(58,465)	(1,300)	(66,558)	(469,260)	11,343,593
Stock grants	-	-	140,924	-	-	-	-	-	-	-	140,924
Transfer from surplus to surplus reserves	-	-	-	40,992	(40,992)	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	(765,263)	765,263	-	-	-	-	-	-
Cash dividends - P1.00 per share	-	-	-	-	(2,685,900)	-	-	-	-	-	(2,685,900)
Balance at December 31, 2020	P26,858,998	P17,122,626	P140,924	P2,874,004	P58,659,768	P294,115	(P426,996)	P5,535	(P45,903)	(P521,209)	P104,961,862
Balance at January 1, 2019	P26,858,998	P17,122,626	P-	P4,031,009	P40,497,255	(P702,509)	P117,047	(P91,700)	P19,154	P-	P87,851,880
Total comprehensive income (loss) for the year	-	-	-	-	10,068,960	1,043,488	(485,578)	98,535	1,501	(51,949)	10,674,957
Transfer from surplus to surplus reserves	-	-	-	35,708	(35,708)	-	-	-	-	-	-
Appropriation of retained earnings (Note 16)	-	-	-	(468,442)	468,442	-	-	-	-	-	-
Realized loss on sale of equity securities at FVOCI	-	-	-	-	(76,597)	76,597	-	-	-	-	-
Cash dividends - P0.88 per share	-	-	-	-	(2,363,592)	-	-	-	-	-	(2,363,592)
Balance at December 31, 2019	P26,858,998	P17,122,626	P-	P3,598,275	P48,558,760	P417,576	(P368,531)	P6,835	P20,655	(P51,949)	P96,163,245

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					
	2021	2020	2019	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES						
Income before income tax	¥17,463,223	¥13,462,554	¥11,587,622	¥17,155,883	¥13,549,235	¥11,746,680
Adjustments for:						
Depreciation and amortization (Notes 12, 13 and 14)	1,787,166	1,894,899	1,942,660	1,364,324	1,460,780	1,463,092
Provision for impairment and credit losses (Note 16)	8,876,744	8,868,919	2,570,168	7,679,877	7,983,206	2,205,062
Amortization of transaction costs on bonds payable (Note 18)	83,022	133,117	200,852	83,022	133,117	200,852
Securities gain on financial assets at fair value through other comprehensive income and investment securities at amortized cost (Note 22)	(4,124,243)	(5,360,887)	(1,651,349)	(4,104,864)	(5,332,153)	(1,539,670)
Gain on sale of investment properties	(388,295)	(187,176)	(864,383)	(238,891)	(65,913)	(721,893)
Gain on asset foreclosure and dacion transactions (Note 13)	(87,485)	22,757	(47,479)	(31,552)	(42,885)	(81,294)
Share in net loss (income) of an associate (Notes 2 and 11)	1,609	(152,441)	(184,661)	1,609	(152,441)	(184,661)
Share in net income of subsidiaries (Notes 2 and 11)	—	—	—	(1,422,503)	(790,482)	(770,628)
Changes in operating assets and liabilities:						
Decrease (increase) in the amounts of:						
Financial assets at fair value through profit or loss	5,620,336	5,743,227	(10,322,948)	6,183,974	6,802,323	(14,085,388)
Loans and receivables	(60,053,495)	3,896,534	(64,140,453)	(59,354,783)	3,806,847	(64,112,157)
Other assets	2,730,389	(2,507,056)	(3,844,834)	2,094,083	(3,090,935)	(2,708,132)
Increase (decrease) in the amounts of:						
Deposit liabilities	27,629,067	59,802,970	53,304,563	31,245,992	63,208,455	49,521,091
Manager's checks	286,374	(430,446)	(578,497)	400,261	(469,838)	(533,876)
Accrued interest and other expenses	839,772	(215,357)	278,777	745,807	(70,720)	308,187
Other liabilities	767,884	(822,854)	169,403	443,185	1,607,172	3,054,754
Net cash generated from (used in) operations	1,432,068	84,148,760	(11,580,559)	2,245,424	88,535,768	(16,237,981)
Income taxes paid	(1,764,692)	(2,879,380)	(2,143,644)	(1,422,931)	(2,537,406)	(1,840,519)
Net cash provided by (used in) operating activities	(332,624)	81,269,380	(13,724,203)	822,493	85,998,362	(18,078,500)
CASH FLOWS FROM INVESTING ACTIVITIES						
Acquisitions of/ Additions to:						
Bank premises, furniture, fixtures and equipment (Note 12)	(632,109)	(541,277)	(873,688)	(428,494)	(408,228)	(709,808)
Equity investments (Note 11)	—	—	(40,000)	—	—	(40,363)
Investment securities at amortized cost	(259,499,749)	(69,431,704)	(24,382,774)	(258,538,503)	(67,524,359)	(23,616,210)
Financial assets at fair value through other comprehensive income	(60,990,126)	(61,994,676)	(27,081,539)	(59,739,708)	(60,758,310)	(27,081,539)
Proceeds from sale of:						
Investment securities at amortized cost	59,838,517	32,330,154	18,616,553	59,838,517	32,330,154	13,324,227
Financial assets at fair value through other comprehensive income	52,512,838	70,814,873	10,972,736	51,545,295	69,454,223	12,141,368
Investment properties	907,423	676,179	2,074,400	327,875	105,364	802,118
Bank premises, furniture, fixtures and equipment	489,036	730,795	62,943	345,866	139,943	26,990
Proceeds from maturity of:						
Investment securities at amortized cost	162,908,132	3,948,763	11,482,400	162,708,584	3,948,763	11,184,226
Cash dividends received from subsidiary and associate (Note 11)	40,000	—	—	40,000	200,000	50,000
Net cash used in investing activities	(44,426,038)	(23,466,893)	(9,168,969)	(43,900,568)	(22,512,450)	(13,918,991)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from bills payable	193,908,669	116,188,100	180,468,980	193,908,669	116,188,100	180,468,980
Settlement of bills payable	(152,843,847)	(124,743,600)	(186,914,106)	(152,843,847)	(124,743,600)	(186,914,106)
Proceeds from issuance of bonds payable (Note 18)	19,878,458	14,803,803	37,193,546	19,878,458	14,803,803	37,193,546
Payments of cash dividends (Note 24)	(2,685,900)	(2,685,900)	(2,363,592)	(2,685,900)	(2,685,900)	(2,363,592)

(Forward)



	Consolidated			Parent Company		
	Years Ended December 31					
	2021	2020	2019	2021	2020	2019
Settlement of bonds payable (Note 18)	(P30,000,000)	P-	P-	(P30,000,000)	P-	P-
Payments of principal portion of lease liabilities (Note 27)	(597,435)	(655,914)	(523,135)	(410,396)	(350,593)	(381,869)
Net cash provided by financing activities	27,659,945	2,906,489	27,861,693	27,846,984	3,211,810	28,002,959
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(17,098,717)	60,708,976	4,968,521	(15,231,091)	66,697,722	(3,994,532)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR						
Cash and other cash items	15,984,210	16,839,755	15,639,474	13,724,265	14,856,844	13,705,304
Due from Bangko Sentral ng Pilipinas (Note 7)	152,156,449	100,174,398	101,889,773	141,811,190	88,109,650	95,092,944
Due from other banks (Note 7)	18,228,721	9,900,642	9,455,447	17,197,750	8,645,547	7,837,894
Interbank Loans Receivable and SPURA (Note 8)	18,290,851	17,036,460	11,998,040	15,604,167	10,027,609	8,998,040
	204,660,231	143,951,255	138,982,734	188,337,372	121,639,650	P125,634,182
CASH AND CASH EQUIVALENTS AT END OF YEAR						
Cash and other cash items	16,024,863	15,984,210	16,839,755	13,649,247	13,724,265	14,856,844
Due from Bangko Sentral ng Pilipinas (Note 7)	124,283,115	152,156,449	100,174,398	114,528,773	141,811,190	88,109,650
Due from other banks (Note 7)	10,694,312	18,228,721	9,900,642	9,897,264	17,197,750	8,645,547
Securities purchased under resale agreements (Note 8)	36,559,224	18,290,851	17,036,460	35,030,997	15,604,167	10,027,609
	P187,561,514	P204,660,231	P143,951,255	P173,106,281	P188,337,372	P121,639,650

OPERATING CASH FLOWS FROM INTEREST

	Consolidated			Parent Company		
	For Years Ended December 31					
	2021	2020	2019	2021	2020	2019
Interest paid	₱7,384,207	₱14,297,974	₱20,557,295	₱6,480,050	₱12,679,471	₱17,928,838
Interest received	46,638,694	45,766,253	46,223,502	40,552,433	41,396,855	40,181,121

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 477 and 476 local branches as of December 31, 2021 and 2020, respectively.

The Parent Company acquired its original Certification of Incorporation issued by the Securities and Exchange Commission (SEC) on July 20, 1920. On December 4, 1963, the Board of Directors (BOD) of the Parent Company approved the Amended Articles of Incorporation to extend the corporate term of the Parent Company for another 50 years or until July 20, 2020, which was confirmed by the stockholders on December 23, 1963, and approved by the SEC on October 5, 1964. On March 2, 2016, the BOD approved the amendment of the Third Article of the Parent Company's Articles of Incorporation, to further extend the corporate term for another 50 years from and after July 20, 2020, the expiry date of its extended term. The approval was ratified by the stockholders during their scheduled annual meeting on May 5, 2016. On November 7, 2016, the SEC issued the Certificate of Filing of Amended Articles of Incorporation, amending the Third Article thereof to extend the term of corporate existence of the Parent Company. 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 now 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
	2021	2020		
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)	98.29%	98.29%	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%	—	Philippines	FIST Corporation

*Established in 2021, 100% owned through CBCC

The Parent Company has no ultimate parent company. SM Investments Corporation, its significant investor, has effective ownership in the Parent Company of 22.51% and 22.55% as of December 31, 2021 and 2020, respectively.

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

APR 12 2022



2. Summary of Significant Accounting Policies

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 each of the Parent Company’s subsidiaries is the Philippine peso, except for the FCDU of 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.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Group and to the non-controlling interests. When necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the related OCI recorded in equity and recycle the same to profit or loss or surplus
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes the remaining difference in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be recognized if the Group had directly disposed of the related assets or liabilities

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, 2021. 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 PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform – Phase 2*

The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):

- Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
- Relief from discontinuing hedging relationships
- Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Group shall also disclose information about:

- The about the nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
- Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

The Group has certain cash flow hedges whose interest rate benchmark is linked to United States (US) London Interbank Offered Rate (LIBOR). This Phase 2 of the IBOR reform provides temporary reliefs that allow the Group's hedging relationships to continue upon the replacement of an existing interest rate benchmark with an RFR. The reliefs require the Group to amend hedge designations and hedge documentation. This includes redefining the hedged risk to reference an RFR, redefining the description of the hedging instrument and/or the hedged item to reference the RFR and amending the method for assessing hedge effectiveness. Updates to the hedging documentation must be made by the end of the reporting period in which a replacement takes place.

- Amendment to PFRS 16, COVID-19-related Rent Concessions beyond 30 June 2021

The amendment provides relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

- The rent concession is a direct consequence of COVID-19;
- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2022; and
- There is no substantive change to other terms and conditions of the lease.



A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendment is effective for annual reporting periods beginning on or after April 1, 2021. Early adoption is permitted.

The Group adopted the amendment beginning April 1, 2021.

Significant Accounting Policies

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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.



The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

If an asset or a liability measured at fair value has a bid price and an ask price, the price within the bid-ask spread that is most representative of fair value in the circumstances shall be used to measure fair value regardless of where the input is categorized within the fair value hierarchy.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, due from BSP and other banks, interbank loans receivables and securities purchased under resale agreements (SPURA) that are convertible to known amounts of cash which have original maturities of three months or less from dates of placements and that are subject to an insignificant risk of changes in value. Due from BSP includes the statutory reserves required by the BSP which the Group considers as cash equivalents wherein withdrawals can be made to meet the Group's cash requirements as allowed by the BSP.

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 to banks, and customers 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.

'Day 1' difference

Where the transaction price in a non-active market is different with the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a 'Day 1' difference) in the statement of income. In cases where the transaction price used is made of data which is not observable, the difference between the transaction price and model value is only recognized in the statement of income when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the 'Day 1' difference amount.

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. Gains or losses are recognized in the statement of income when these investments are derecognized or impaired, as well as through the amortization process. 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 of these instruments are included in 'Gains (losses) on disposal of investment securities at amortized cost' in the statement of income.

The Group's financial assets at amortized cost are presented in the statement of financial position 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.

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.

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), 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, futures and warrants.

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Derivatives embedded in financial liability or a non-financial host are separated from the host and accounted for as separate derivatives if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

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.

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. Accordingly, the Group is required to reclassify financial assets:

- i. from amortized cost to fair value, if the objective of the business model changes so that the amortized cost criteria are no longer met; and
- ii. from fair value to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

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. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL allowances are measured at amounts equal to either (i) 12-month ECL or (ii) lifetime ECL for those financial instruments which have experienced a significant increase in credit risk (SICR) since initial recognition (General Approach). The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECL pertains to credit losses that result from all possible default events over the expected life of a financial instrument.



For non-credit-impaired financial instruments:

- Stage 1 consists of all non-impaired financial instruments which have not experienced a SICR since initial recognition. The Group and the Parent Company recognize a 12-month ECL for Stage 1 financial instruments.
- Stage 2 consists of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group and the Parent Company recognize a lifetime ECL for Stage 2 financial instruments.

For credit-impaired financial instruments:

- Financial instruments are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a financial asset or a portfolio of financial assets. The ECL model requires that lifetime ECL be recognized for impaired financial instruments.

The Group uses internal credit assessment and approvals at various levels to determine the credit risk of exposures at initial recognition. Assessment can be quantitative or qualitative and depends on the materiality of the facility or the complexity of the portfolio to be assessed.

ECL is a function of the probability of default (PD), exposure at default (EAD), and loss given default (LGD), with the timing of the loss also considered, and is estimated by incorporating forward-looking economic information and through the use of experienced credit judgment.

The PD represents the likelihood that a credit exposure will not be repaid and will go into default in either a 12-month horizon for Stage 1 or lifetime horizon for Stage 2. EAD represents an estimate of the outstanding amount of credit exposure at the time a default may occur. For off-balance sheet exposures and undrawn amounts, EAD includes an estimate of any further amounts to be drawn within the contractual availability period of the irrevocable commitments. LGD is the amount that may not be recovered in the event of default. LGD takes into consideration the amount and quality of any collateral held. Please refer to Note 6 for other information related to the Bank's models for PD, EAD, and LGD.

The calculation of ECL, including the estimation of PD, EAD, LGD, and discount rate, is made on an individual basis for most of the Group's financial assets, and on a collective basis for retail products such as credit card receivables. The collective assessments are made separately for portfolios of facilities with similar credit risk characteristics.

In certain circumstances, the Group modifies the original terms and conditions of a 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. Distressed restructuring with indications of unlikelihood to pay are categorized as impaired accounts and are moved to Stage 3.

Restructured loans

Where possible, the Group seeks to restructure loans rather than to take possession of the collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews restructured loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan's original EIR. The difference between the recorded value of



the original loan and the present value of the restructured cash flows, discounted at the original EIR, is recognized in 'Miscellaneous income' or 'Miscellaneous expense' in the statement of income, as applicable.

When the loan has been restructured but not derecognized, the Group also reassesses whether there has been a SICR and considers whether the assets should be classified as Stage 3. If the restructuring terms are substantially different, the loan is derecognized and a new 'asset' is recognized at fair value using the revised EIR.

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).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Parent Company actually hedges and the quantity of the hedging instrument that the Parent Company actually uses to hedge that quantity of hedged item.

An economic relationship exists when the hedging instrument and the hedged item have values that generally move in opposite directions in response to movements in the same risk (hedged risk). The Parent Company assesses economic relationship by performing prospective qualitative or quantitative hedge effectiveness assessment at each reporting date. In addition, the Parent Company measures ineffectiveness by comparing the cumulative change in the fair value of the hedging instrument with the cumulative change in the fair value of the hedged item.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, 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.



As of December 31, 2021 and 2020, the Parent Company has interest rate swaps 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, 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 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 the caption '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.

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.

Other liabilities, apart from derivative liabilities, are recognized initially at their fair value and subsequently measured at amortized cost, using effective interest method.

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

The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.



The Group considers both qualitative and quantitative factors in assessing whether a modification of financial asset is substantial or not. When assessing whether a modification is substantial, the Group considers the following factors, among others:

- Change in currency;
- Introduction of an equity feature;
- Change in counterparty; and
- If the modification results in the asset no longer considered SPPI.

The Group also 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.

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. 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.

Exchange or modification of financial liabilities

The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered 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 liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).



When 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. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

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 statement of financial position. 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.

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.

Under the equity method, an investment in an associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of the net assets of the associates. Goodwill, if any, relating to an associate is included in the carrying value of the investment and is not amortized. The statement of income reflects the share of the results of operations of the associate. Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity.

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.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are charged to profit or loss.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with PFRS 9, either in profit or loss or as a charge to OCI. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill 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 and Non-cash Distribution to Equity Holders of the Parent Company

The Group recognizes a liability to make cash or non-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.

Non-cash distributions are measured at the fair value of the assets to be distributed, with fair value remeasurement recognized directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of income.

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 ranged from 10 to 33 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 software cost 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 ATM 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.

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.

Trading and securities gain (loss) - net

This represents results arising from trading activities and sale of FVOCI debt financial assets.

Gain on disposal of investment securities at amortized cost

This represents results arising from sale of investment securities measured at amortized cost.

Expense Recognition

Expense is recognized when it is probable that a decrease in future economic benefits related to a decrease in an asset or an increase in liability has occurred and the decrease in economic benefits can be measured reliably. Revenues and expenses that relate to the same transaction or other event are recognized simultaneously.

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 and 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. Effective January 1, 2019, 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 2021. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; 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, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

- *Annual Improvements to PFRSs 2018-2020 Cycle*

- Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*



The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

- Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted.

Effective beginning on or after January 1, 2023

- 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).

An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.



- 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.

An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 1 and PFRS Practice Statement 2, *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. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- 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, 2023 and must be applied retrospectively. However, in November 2021, the International Accounting Standards Board (IASB) tentatively decided to defer the effective date to no earlier than January 1, 2024.

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.

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. 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. The Group's business models need not be assessed at the entity level or as a whole but applied at the level of a portfolio of financial instruments (i.e., group of financial instruments that are managed together by the Group) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument under PFRS 9, the Group evaluates in 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 or 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 and the Parent Company's original expectations, the Group and the Parent Company 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 2021 and 2020, the Parent Company sold investment securities at amortized cost whose carrying values prior to the sale amounted ₱55.77 billion and ₱30.14 billion at a net gain of ₱4.06 billion and ₱2.19 billion, respectively. In 2019, the Group and the Parent Company sold investment securities at amortized cost whose carrying values prior to the sale amounted to ₱18.62 billion at a net gain of ₱1.38 billion and ₱13.33 billion at a net gain of ₱1.30 billion, respectively. The reasons for the disposals are disclosed in Note 9.

The above disposals in 2021, 2020, and 2019 were assessed by the Group and Parent Company as not inconsistent with the portfolios' business models considering the conditions and reasons for which the disposals were made. Further, these 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 (see 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 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 2019, the Parent Company designated the hedge relationship between its floating rate bond payable (see Note 18) and an interest rate swap as a cash flow hedge. In addition, 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.

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. For the purpose of determining whether a forecast transaction is highly probable, the reliefs require it to be assumed that the IBOR on which the hedged cash flows are based is not altered as a result of the IBOR reform. 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 IBOR to an RFR and also to exposures that will transition via fallback to an RFR when one-week and two-month LIBORs cease on January 1, 2022. The cessation of these LIBORs does not have an impact on the Parent Company's existing hedge relationships.

The IBOR reform Phase 2 amendments provide temporary reliefs to enable the Parent Company's hedge accounting to continue upon the replacement of an IBOR with an RFR.



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. Additional considerations were made in estimating the ECL in response to the changing credit environment brought about by the coronavirus (COVID-19) pandemic. 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. Note 6 discusses how the Group considered the impact of COVID-19 pandemic in its credit risk management and allowance provisioning;
- 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 such as slow or early recovery from the impact of COVID-19 pandemic;
- 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.

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 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 computation which 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	
	2021	2020	2021	2020
Financial assets				
Cash and other cash items	₱16,024,863	₱15,984,210	₱13,649,247	₱13,724,265
Financial assets at FVTPL	7,209,667	13,406,863	5,457,804	11,641,778
Derivative contracts designated as hedge	1,139,233	—	1,139,233	—
Financial assets at FVOCI	28,672,240	20,244,403	26,523,712	18,345,520
Financial assets at amortized cost				
Due from BSP	124,283,115	152,156,449	114,528,773	141,811,190
Due from other banks	10,694,312	18,228,721	9,897,264	17,197,750
Interbank loans receivables and SPURA	36,559,224	18,290,851	35,030,997	15,604,167
Investment securities at amortized cost	242,353,729	202,240,631	236,347,682	196,794,826
Loans and receivables	609,006,732	557,214,484	544,171,738	491,994,476
Accrued interest receivable	7,616,692	8,529,872	6,428,565	6,833,616
Other assets (Note 15)	3,366,335	3,102,345	1,728,412	1,299,393
	1,033,880,139	959,763,353	948,133,431	871,535,418
Total financial assets	₱1,086,926,142	₱1,009,398,829	₱994,903,427	₱915,246,981

	Consolidated		Parent Company	
	2021	2020	2021	2020
Financial liabilities				
Other financial liabilities:				
Deposit liabilities	₱862,859,897	₱835,230,830	₱782,218,900	₱750,972,908
Bonds payable	42,473,558	52,065,678	42,473,558	52,065,678
Bills payable	65,806,274	23,655,851	65,806,274	23,655,851
Accrued interest and other expenses*	4,478,140	3,672,757	4,175,537	3,412,474
Manager's check	1,854,606	1,568,232	1,466,359	1,066,098
Other liabilities (Note 21)	12,530,441	10,658,982	9,748,858	8,058,580
	990,002,916	926,852,330	905,889,486	839,231,589
Financial liabilities at FVTPL:				
Derivative liabilities	998,721	1,216,771	998,721	1,216,771
Derivative contracts designated as hedge	162,399	521,209	162,399	521,209
Total financial liabilities	₱991,164,036	₱928,590,310	₱907,050,606	₱840,969,569

*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, 2021 and 2020, 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:

	2021			
	Consolidated		Parent Company	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Investment securities at amortized cost (Note 9)				
Government bonds	₱120,586,399	₱122,959,933	₱115,324,372	₱117,746,647
Private bonds	121,767,330	143,693,145	121,023,310	142,961,778
	242,353,729	266,653,078	236,347,682	260,708,425
Loans and receivables (Note 10)				
Corporate and commercial lending	476,742,179	474,629,406	461,837,893	458,204,469
Consumer lending	119,942,290	120,952,674	70,464,116	64,940,408
Trade-related lending	12,208,008	12,382,913	11,849,967	11,998,905
Others	114,255	121,352	19,762	22,077
	609,006,732	608,086,345	544,171,738	535,165,859
Sales contracts receivable (Note 15)	1,101,891	1,210,464	213,399	228,098
	610,108,623	609,296,809	544,385,137	535,393,957
	₱852,462,352	₱875,949,887	₱780,732,819	₱796,102,382
Non-financial Assets				
Investment properties (Note 13)				
Land	₱2,610,210	₱5,074,992	₱682,648	₱2,559,622
Buildings and improvements	1,383,128	2,392,864	696,722	901,235
	₱3,993,338	₱7,467,856	₱1,379,370	₱3,460,857
Financial Liabilities				
Time deposit liabilities (Note 17)	₱307,650,145	₱303,288,548	270,271,411	265,926,690
Bills payable (Note 19)	65,806,274	64,358,633	65,806,274	64,358,633
Bonds payable (Note 18)	42,473,558	42,249,623	42,473,558	42,249,623
	₱415,929,977	₱409,896,804	378,551,243	372,534,946
	2020			
	Consolidated		Parent Company	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Investment securities at amortized cost (Note 9)				
Government bonds	₱100,606,146	₱110,454,734	₱96,001,691	₱105,648,060
Private bonds	101,634,485	109,589,297	100,793,135	108,753,082
	202,240,631	220,044,031	196,794,826	214,401,142
Loans and receivables (Note 10)				
Corporate and commercial lending	453,649,372	455,890,979	434,414,419	434,973,729
Consumer lending	96,488,966	112,946,316	50,805,392	61,290,159
Trade-related lending	6,937,033	8,538,979	6,746,530	8,330,874
Others	139,113	150,900	28,135	32,449
	557,214,484	577,527,174	491,994,476	504,627,211
Sales contracts receivable (Note 15)	1,173,038	1,242,609	185,350	197,878
	558,387,522	578,769,783	492,179,826	504,825,089
	₱760,628,153	₱798,813,814	₱688,974,652	₱719,226,231

(Forward)



	2020			
	Consolidated		Parent Company	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-financial Assets				
Investment properties (Note 13)				
Land	₱2,517,017	₱4,834,488	₱666,409	₱2,469,314
Buildings and improvements	1,467,922	2,331,151	812,524	976,934
	₱3,984,939	₱7,165,639	₱1,478,933	₱3,446,248
Financial Liabilities				
Time deposit liabilities (Note 17)	₱366,357,014	₱362,712,054	₱318,139,885	₱314,485,438
Bills payable (Note 19)	23,655,851	41,351,248	23,655,851	41,351,248
Bonds payable (Note 18)	52,065,678	52,101,935	52,065,678	52,101,935
	₱442,078,543	₱456,165,237	₱393,861,414	₱407,938,621

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 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 Quoted market prices are not readily available for these liabilities. These are reported at cost and are not significant in relation to the Group's total portfolio.

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, 2021 and 2020, the fair value hierarchy of the Group's and the Parent Company's assets and liabilities are presented below:

	Consolidated			
	2021			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	₱156,736	₱23,173	₱—	₱179,909
Treasury notes	—	58,684	—	58,684
Treasury bills	—	1,790,306	—	1,790,306
Private bonds	1,334,070	1,550,793	—	2,884,863
Quoted equity shares	1,063,897	—	—	1,063,897
Financial assets designated at FVTPL	151,209	—	—	151,209
Derivative assets	—	1,080,799	—	1,080,799
Derivative contract designated as hedge	—	1,139,233	—	1,139,233
FVOCI financial assets				
Government bonds	6,251,539	11,461,512	—	17,713,051
Quoted private bonds	10,305,710	—	—	10,305,710
Quoted equity shares	635,114	—	—	635,114
	₱19,898,275	₱17,104,500	₱—	₱37,002,775
Financial liabilities at FVTPL				
Derivative liabilities	₱—	₱998,721	₱—	₱998,721
Derivative contracts designated as hedge	—	162,399	—	162,399
	₱—	₱1,161,120	₱—	₱1,161,120
Fair values of assets carried at amortized cost/cost				
Investment securities at amortized cost				
Government bonds	₱122,959,933	₱—	₱—	₱122,959,933
Private bonds	71,209,566	—	72,483,579	143,693,145
Loans and receivables				
Corporate and commercial loans	—	—	474,629,406	474,629,406
Consumer loans	—	—	120,952,674	120,952,674
Trade-related loans	—	—	12,382,913	12,382,913
Others	—	—	121,352	121,352
Sales contracts receivable	—	—	1,210,464	1,210,464
Investment properties				
Land	—	—	5,074,992	5,074,992
Buildings and improvements	—	—	2,392,864	2,392,864
	₱194,169,499	₱—	₱689,248,244	₱883,417,743
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	₱—	₱—	₱303,288,548	₱303,288,548
Bills payable	—	—	64,358,633	64,358,633
Bonds payable	—	—	42,249,623	42,249,623
	₱—	₱—	₱409,896,804	₱409,896,804



Consolidated				
2020				
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	₱1,970,624	₱1,560,897	₱—	₱3,531,521
Treasury notes	—	2,126,819	—	2,126,819
Treasury bills	—	1,892,770	—	1,892,770
Private bonds	3,358,210	—	—	3,358,210
Quoted equity shares	1,210,665	—	—	1,210,665
Financial assets designated at FVTPL	150,000	—	—	150,000
Derivative assets	—	1,136,878	—	1,136,878
FVOCI financial assets				
Government bonds	2,654,823	10,349,673	—	13,004,496
Quoted private bonds	6,596,820	—	—	6,596,820
Quoted equity shares	624,722	—	—	624,722
	₱16,565,864	₱17,067,037	₱—	₱33,632,901
Financial liabilities at FVTPL				
Derivative liabilities	₱—	₱1,216,771	₱—	₱1,216,771
Derivative contracts designated as hedge	—	521,209	—	521,209
	₱—	₱1,737,980	₱—	₱1,737,980
Fair values of assets carried at amortized cost/cost				
Investment securities at amortized cost				
Government bonds	₱110,454,734	₱—	₱—	₱110,454,734
Private bonds	53,290,698	—	56,298,599	109,589,297
Loans and receivables				
Corporate and commercial loans	—	—	455,890,979	455,890,979
Consumer loans	—	—	112,946,316	112,946,316
Trade-related loans	—	—	8,538,979	8,538,979
Others	—	—	150,900	150,900
Sales contracts receivable	—	—	1,242,609	1,242,609
Investment properties				
Land	—	—	4,834,488	4,834,488
Buildings and improvements	—	—	2,331,151	2,331,151
	₱163,745,432	₱—	₱642,234,021	₱805,979,453
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	₱—	₱—	₱362,712,054	₱362,712,054
Bills payable	—	—	41,351,248	41,351,248
Bonds payable	—	—	52,101,935	52,101,935
	₱—	₱—	₱456,165,237	₱456,165,237

Parent Company				
2021				
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	₱156,736	₱23,173	₱—	₱179,909
Treasury notes	—	58,684	—	58,684
Treasury bills	—	1,790,306	—	1,790,306
Private bonds	1,334,070	—	—	1,334,070
Quoted equity shares	1,014,037	—	—	1,014,037
Derivative assets	—	1,080,798	—	1,080,798
Derivative contract designated as hedge	—	1,139,233	—	1,139,233
FVOCI financial assets				
Government bonds	4,192,999	11,461,512	—	15,654,511
Quoted private bonds	10,245,868	—	—	10,245,868
Quoted equity shares	604,968	—	—	604,968
	₱17,548,678	₱15,553,706	₱—	₱33,102,384

(Forward)



	Parent Company			
	2021			
	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivative liabilities	P=	P998,721	P=	P998,721
Derivative contracts designated as hedge	—	162,399	—	162,399
	P=	P1,161,120	P=	P1,161,120

Fair values of assets carried at amortized cost/cost

Investment securities at amortized cost				
Government bonds	P117,746,647	P=	P=	P117,746,647
Private bonds	70,478,199	—	72,483,579	142,961,778
Loans and receivables				
Corporate and commercial loans	—	—	458,204,469	458,204,469
Consumer loans	—	—	64,940,408	64,940,408
Trade-related loans	—	—	11,998,905	11,998,905
Others	—	—	22,077	22,077
Sales contracts receivable	—	—	228,098	228,098
Investment properties				
Land	—	—	2,559,622	2,559,622
Buildings and improvements	—	—	901,235	901,235
	P188,224,846	P=	P611,338,393	P799,563,239

Fair values of liabilities carried at amortized cost

Time deposit liabilities	P=	P=	P265,926,690	P265,926,690
Bills payable			64,358,633	64,358,633
Bonds payable	—	—	42,249,623	42,249,623
	P=	P=	P372,534,946	P372,534,946

	Parent Company			
	2020			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P1,970,624	P1,560,897	P=	P3,531,521
Treasury notes	—	2,126,819	—	2,126,819
Treasury bills	—	1,892,770	—	1,892,770
Private bonds	1,812,303	—	—	1,812,303
Quoted equity shares	1,141,487	—	—	1,141,487
Derivative assets	—	1,136,878	—	1,136,878
FVOCI financial assets				
Government bonds	1,053,928	10,349,673	—	11,403,601
Quoted private bonds	6,329,550	—	—	6,329,550
Quoted equity shares	594,004	—	—	594,004
	P12,901,896	P17,067,037	P=	P29,968,933
Financial liabilities at FVTPL				
Derivative liabilities	P=	P1,216,771	P=	P1,216,771
Derivative contracts designated as hedge	—	521,209	—	521,209
	P=	P1,737,980	P=	P1,737,980

Fair values of assets carried at amortized cost/cost

Investment securities at amortized cost				
Government bonds	P105,648,060	P=	P=	P105,648,060
Private bonds	52,454,483	—	56,298,599	108,753,082
Loans and receivables				
Corporate and commercial loans	—	—	434,973,729	434,973,729
Consumer loans	—	—	61,290,159	61,290,159
Trade-related loans	—	—	8,330,874	8,330,874
Others	—	—	32,449	32,449

(Forward)



	Parent Company			
	2020			
	Level 1	Level 2	Level 3	Total
Sales contracts receivable	P—	P—	P197,878	P197,878
Investment properties				
Land	—	—	2,469,314	2,469,314
Buildings and improvements	—	—	976,934	976,934
	P158,102,543	P—	P564,569,936	P722,672,479
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P—	P—	P314,485,438	P314,485,438
Bills payable			41,351,248	41,351,248
Bonds payable	—	—	52,101,935	52,101,935
	P—	P—	P407,938,621	P407,938,621

There were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements in 2021 and 2020.

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 as of reporting date.

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.



Valuation Techniques

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.
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 at least annually. 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 Management Committee (ManCom), 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 under 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 and ManCom.

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 and interest rate risk exposures are measured and monitored through the Maximum Cumulative Outflow and Earnings-at-Risk reports from the Asset and Liability Management (ALM) system. It was implemented in 2013 and was upgraded in 2018 to a new version which includes modules for calculating Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The



system also has a Funds Transfer Pricing module used by the Treasury Group and Corporate Planning Group.

For the measurement of market risk exposures, the Parent Company uses Historical Simulation VaR approach for all treasury traded instruments, including fixed income bonds, foreign exchange swaps and forwards, IRS and equity securities. Market risk exposures are measured and monitored through reports from the Market Risk Management System which has been implemented in 2018 to enhance risk measurement and automate daily reporting.

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 June 2, 2021, the BOD approved the 2021 ICAAP document for submission to the BSP. There were no changes made in the Priority Risk Areas of the Parent Company and the approved trigger events for the review of Capital Ratios MAT and Priority Risks. Pertinent activities emphasizing the Bank's response to the COVID19 pandemic, however, were included in this submission.

The Parent Company submitted its annually-updated ICAAP document, in compliance with BSP requirements on June 28, 2021. The document disclosed that the Parent Company has an appropriate level of internal capital relative to the Group's risk profile.

For this submission, the Parent Company retained the Pillar 1 Plus approach using 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.

Group's Response to the COVID-19 Pandemic

The COVID-19 pandemic has impacted all types of businesses and the banking sector is among the severely hit, at least operationally. As the National Government imposed stringent quarantine measures and mobility becomes limited, being part of the sector essential to the economy, the need for the Group to quickly adapt to the rapidly changing business climate becomes apparent. In spite of the exceedingly challenging situation, the Group continued to open its doors to serve the public while looking after the health, safety, and well-being of the workers including service personnel and customers.

The Group developed "The New Normal Work Force and Work Management Plan for the COVID-19 Pandemic". The plan is designed to provide general direction and guidance in sustaining the operations of the Group while we manage and exert effort to reduce exposure to COVID-19. In place are team rotation work schedules, work from home arrangements, mandatory health and safety measures, and case management protocols which are all included in the Group's Work Management Plan. In addition, the buddy branch system was implemented in the branches and split office operations were established for the head office units to ensure uninterrupted services even with the extension of community quarantine particularly in the NCR.



The Group continued to implement all its market limits and triggers without changes even with the reduced trading hours in the market and shorter working hours of the Group during the Enhanced Community Quarantine. The Financial Markets Segment also issued guidance on work-from-home setup during this period for its trading personnel. Under this setup, for control purposes, Deal limits of Sales Traders were reduced to zero in the Treasury system to automatically require supervisor authorization of any transaction facilitated offsite.

In view of the heightened credit risk arising from the COVID 19- pandemic, the Group responded by issuing several credit bulletins in 2020 on the changes in credit granting and lending other credit risk management policies. This includes, among others, the implementation of guidelines to comply with the provisions of the Bayanihan to Heal as One Act, the Bayanihan to Recover as One Act, and the tightening of credit approval requirements for new loans and new credit facilities both to new and existing clients. Special Approving Authority was also delegated by the Board to selected senior officers with regards to further extension of credit line expiry. In addition, there were also guidelines on post-ECQ collection, policies for managing loans affected by the Covid-19 crisis, and procedures for the availment of the regulatory relief measure stated in BSP memoranda No. M-2020-008 (Regulatory Relief for BSFIs Affected by the Corona Virus Disease 2019) and M-2020-032 (Amendments to M-2020-008).

In 2021, as the economy slowly recovered from the pandemic, the approval requirements for grant of new loans/new facilities were gradually relaxed. A new process was temporarily adopted for consumer loans to address the slowdown in the processing of mortgage registration by the Registry of Deeds as a result of the lockdowns. In addition, guidelines were issued regarding the booking of modified loans to comply with the provisions under BSP Memo M-2020-061 (Supervisory Expectations on the Measurement of Expected Credit Losses and the Treatment of Regulatory Relief Measures Granted Amid the Novel Coronavirus Disease 2019 (COVID-19) Pandemic). Recognizing the possible benefits of the FIST Act, guidelines for the transfer or disposal of non-performing assets under its IRR and according to the issuances of the BSP for its implementation were also disseminated.

RMG also continued to run approximations of the increase in NPL under Base, Moderate, and Severe scenarios and presented the results to the Risk Oversight Committee. The assumptions were modified to take into account the improving economic condition and the fact that the borrowers severely affected by the pandemic have already been identified and booked as non-performing. The condition of accounts that were restructured or with terms modification continued to be monitored and those with high risk rating were considered in the NPL approximations.

Credit Risk

Credit risk is the risk of financial loss on account of a counterparty to a financial product failing to honor its 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).

RMG also continued to run approximations of the increase in NPL under Base, Moderate, and Severe scenarios and presented the results to the Risk Oversight Committee. The assumptions were modified to take into account the improving economic condition and the fact that the borrowers severely affected by the pandemic have already been identified and booked as non-performing. The condition of accounts that were restructured or with terms modification continued to be monitored and those with high risk rating were considered in the NPL approximations.



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 periodical 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.

Credit Risk Rating and Scoring Models

The Parent Company has four credit risk rating models in place: for corporate borrowers, for retail small and medium entities and individual accounts (non-consumer), for financial institutions, and for sovereign / country exposures. In addition, it also has two scoring models for auto and housing loan applicants.

In compliance with BSP requirements, the Parent Company established an Internal Credit Risk Rating System (ICRRS) for the purpose of measuring credit risk for corporate borrowers in a consistent manner, as accurately as possible, and thereafter uses the risk information for business and financial decision making. The ICRRS covers corporate borrowers with total assets, total facilities, or total credit exposures amounting to ₱15 million and above.

Further, the ICRRS was designed within the technical requirements defined under BSP Circular No. 439. It has two components, namely: a) Borrower Risk Rating which provides an assessment of the creditworthiness of the borrower, without considering the proposed facility and security arrangements, and b) Loan Exposure Rating which provides an assessment of the proposed facilities as mitigated or enhanced by security arrangements.

On February 6, 2019, the Board of Directors approved the recalibrated ICRRS model. Among the changes made was in the rating scale which was expanded from ten to fourteen rating grades, ten of which fall under unclassified accounts, with the remaining four falling under classified accounts in accordance with regulatory provisioning guidelines. In 2021, RMG reviewed the methodology in determining the security points and presented the proposed changes to the Risk Oversight Committee (ROC) on October 20, 2021. The revised methodology was approved by the Board on November 3, 2021. Changes that were made include simplifying the computation by already considering the loan value in the proposed security points and aligning the security points with the estimated recovery value associated with the collateral/guarantee.

The Parent Company launched in 2011 the Borrower Credit Score (BCS), a credit scoring system designed for retail small and medium entities and individual loan accounts. In 2018, RMG completed the statistical validation of the BCS using the same methodology applied to the validation of the corporate risk rating model. The validation process was conducted with the assistance of Teradata which provided the analytics platform, tools and technical guidance for both credit model performance assessment and recalibration.

The CAMELOT rating system was approved by the BOD in 2006 to specifically assess Philippine universal, commercial and thrift banks. In 2009, the Parent Company implemented the rating system for rural and cooperative banks as well as the rating system for foreign financial institutions.



The Parent Company also developed a Sovereign Risk Rating Model, which provided the tool for the Parent Company to assess the strength of the country rated in reference to its economic fundamentals, fiscal policy, institutional strength, and vulnerability to extreme events. The model was approved by the Board on September 7, 2018.

The scorecards for auto and housing loans were officially launched in November 2016, adopting the models developed by CBS with a third-party consultant, and utilizing internally developed software interfaces for their implementation.

For the Parent Company's credit cards, starting September 2017, Transunion score is being used in lieu of an acquisition scorecard to determine application acceptance in conjunction with other credit acceptance criteria.

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, 2021 and 2020 (in millions) follows:

	Consolidated					
	2021			2020		
	Assets*	Liabilities	Commitment**	Assets*	Liabilities	Commitment**
Geographic Region						
Philippines	₱1,015,570	₱983,516	₱38,382	₱942,600	₱907,539	₱31,030
Asia	23,367	—	5,587	19,628	9,495	6,486
Europe	45,736	—	793	35,592	2,750	1,172
United States	2,246	7,648	137	11,390	8,785	458
Others	7	—	—	129	21	184
	₱1,086,926	₱991,164	₱44,899	₱1,009,399	₱928,590	₱39,330

*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					
	2021			2020		
	Assets*	Liabilities	Commitment**	Assets*	Liabilities	Commitment**
Geographic Region						
Philippines	₱923,547	₱899,403	₱37,757	₱848,508	₱819,919	₱30,635
Asia	23,367	—	5,587	19,628	9,495	6,486
Europe	45,736	—	793	35,592	2,750	1,172
United States	2,246	7,648	137	11,390	8,785	458
Others	7	—	—	129	21	184
	₱994,903	₱907,051	₱44,274	₱915,247	₱840,970	₱38,935

*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				
	2021				
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Real estate, renting and business services	₱172,217,058	₱70,176,324	₱—	₱885,124	₱243,278,506
Electricity, gas and water	76,631,134	25,283,654	—	4,663,787	106,578,575
Wholesale and retail trade	45,125,057	—	—	6,491,222	51,616,279
Transportation, storage and communication	58,116,995	3,414,689	—	1,136,456	62,668,140
Financial intermediaries	91,545,065	151,614,315	171,536,651	5,578,282	420,274,313
Manufacturing	34,264,150	16,063	—	3,773,283	38,053,496
Arts, entertainment and recreation	33,762,320	3,830,133	—	85,460	37,677,913
Accommodation and food service activities	11,379,789	4,591,085	—	827,642	16,798,516
Construction	10,387,329	10,585	—	3,663,434	14,061,348
Mining and quarrying	10,967,237	—	—	1,002,343	11,969,580
Agriculture	7,312,462	—	—	337,248	7,649,710
Education	4,446,512	676,071	—	322,060	5,444,643
Public administration and defense	60,036	—	—	506,952	566,988
Professional, scientific and technical activities	841,426	4,645,001	—	1,511,896	6,998,323
Others*	67,268,149	15,990,664	2,034,061	14,113,693	99,406,567
	₱624,324,719	₱280,248,584	₱173,570,712	₱44,898,882	₱1,123,042,897

*Others consist of administrative and support service, health, household and other activities.

	Consolidated				
	2020				
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Real estate, renting and business services	₱145,914,294	₱104,182,177	₱—	₱721,351	₱250,817,822
Electricity, gas and water	77,295,952	1,057,897	—	5,903,340	84,257,189
Wholesale and retail trade	48,797,393	10,789	—	6,087,617	54,895,799
Transportation, storage and communication	54,792,752	31,918	—	1,089,860	55,914,530
Financial intermediaries	67,320,876	126,232,618	188,161,354	10,048,951	391,763,799
Manufacturing	33,567,819	4,851	—	3,850,988	37,423,658
Arts, entertainment and recreation	23,687,515	123,599	—	74,557	23,885,671
Accommodation and food service activities	12,904,107	215,084	—	807,123	13,926,314
Construction	13,955,942	13,394	—	4,659,875	18,629,211
Mining and quarrying	8,000,701	—	—	998,853	8,999,554
Agriculture	7,929,762	—	—	321,822	8,251,584
Education	5,290,900	793,673	—	281,370	6,365,943
Public administration and defense	2,055,542	—	—	448,303	2,503,845
Professional, scientific and technical activities	860,778	26,731	—	1,494,877	2,382,386
Others*	69,970,621	2,062,288	2,573,272	2,540,929	77,147,110
	₱572,344,954	₱234,755,019	₱190,734,626	₱39,329,816	₱1,037,164,415

*Others consist of administrative and support service, health, household and other activities.

	Parent Company				
	2021				
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Real estate, renting and business services	₱149,067,673	₱69,832,995	₱—	₱792,308	₱219,692,976
Electricity, gas and water	74,796,648	25,225,112	—	4,662,842	104,684,602
Financial intermediaries	90,964,720	142,340,451	159,457,033	5,577,282	398,339,486
Wholesale and retail trade	42,312,303	—	—	6,315,485	48,627,788
Transportation, storage and communication	56,097,019	3,409,904	—	1,135,456	60,642,379
Manufacturing	32,469,098	—	—	3,752,183	36,221,281
Arts, entertainment and recreation	33,719,927	3,830,133	—	85,460	37,635,520
Accommodation and food service activities	10,740,999	4,591,085	—	827,492	16,159,576

(Forward)



Parent Company					
2021					
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Construction	₱9,545,693	₱—	₱—	₱3,634,403	₱13,180,096
Mining and quarrying	10,966,519	—	—	1,002,343	11,968,862
Agriculture	5,897,613	—	—	337,236	6,234,849
Public administration and defense	60,036	—	—	506,952	566,988
Education	4,023,325	564,935	—	322,060	4,910,320
Professional, scientific and technical activities	761,461	4,645,001	—	1,504,048	6,910,510
Others*	35,415,712	15,695,056	566,679	13,818,286	65,495,733
	₱556,838,746	₱270,134,672	₱160,023,712	₱44,273,836	₱1,031,270,966

*Others consist of administrative and support service, health, household and other activities.

Parent Company					
2020					
	Loans and Receivables	Financial Investments	Loans and Advances to Banks	Commitments	Total
Real estate, renting and business services	₱123,150,868	₱103,771,477	₱—	₱721,351	₱227,643,696
Electricity, gas and water	75,367,275	1,035,733	—	5,903,340	82,306,348
Financial intermediaries	66,402,640	119,603,856	—	5,914,716	191,921,212
Wholesale and retail trade	45,324,442	—	—	1,089,860	46,414,302
Transportation, storage and communication	52,346,480	26,299	174,613,107	10,048,951	237,034,837
Manufacturing	31,988,437	4,851	—	3,835,488	35,828,776
Arts, entertainment and recreation	23,630,122	123,599	—	74,557	23,828,278
Accommodation and food service activities	11,892,441	211,150	—	787,123	12,890,714
Construction	12,886,246	—	—	4,657,525	17,543,771
Mining and quarrying	7,998,397	—	—	998,853	8,997,250
Agriculture	6,372,652	—	—	321,557	6,694,209
Public administration and defense	2,055,542	—	—	281,370	2,336,912
Education	4,735,250	679,254	—	448,303	5,862,807
Professional, scientific and technical activities	788,324	26,731	—	1,494,877	2,309,932
Others*	39,791,655	162,296	514,667	2,356,729	42,825,347
	₱504,730,771	₱225,645,246	₱175,127,774	₱38,934,600	₱944,438,391

*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			
2021			
	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	₱609,006,732	₱406,823,424	₱202,183,308
Interbank loans receivable and SPURA	36,559,224	—	36,559,224
Sales contracts receivable	1,101,891	—	1,101,891
	₱646,667,847	₱406,823,424	₱239,844,423



Consolidated			
2020			
	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	₱557,214,484	₱358,707,660	₱198,506,824
Interbank loans receivable and SPURA	18,290,851	–	18,290,851
Sales contracts receivable	1,173,038	–	1,173,038
	₱576,678,373	₱358,707,660	₱217,970,713

Parent			
2021			
	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	₱544,171,738	₱384,840,851	₱159,330,887
Interbank loans receivable and SPURA	35,030,996	–	35,030,996
Sales contracts receivable	213,399	–	213,399
	₱579,416,133	₱384,840,851	₱194,575,282

Parent			
2020			
	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	₱491,994,476	₱334,229,018	₱157,765,458
Interbank loans receivable and SPURA	15,604,167	–	15,604,167
Sales contracts receivable	185,350	–	185,350
	₱507,783,993	₱334,229,018	₱173,554,975

For the Group, the fair values of collateral held for loans and receivables and sales contracts receivable amounted to ₱402.68 billion and ₱2.55 billion, respectively, as of December 31, 2021 and ₱314.67 billion and ₱2.59 billion, respectively, as of December 31, 2020.

For the Parent Company, the fair values of collateral held for loans and receivables and sales contracts receivable amounted to ₱359.84 billion and ₱0.81 billion, respectively, as of December 31, 2021 and ₱273.93 billion and ₱0.86 billion, respectively, as of December 31, 2020.

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 to the financial statements.



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 Parent Company 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. Aside from the periodic review by the Parent Company's Internal Audit Group, the Parent Company likewise engaged the services of third-party consultants in 2014, 2015, and 2017 for purposes of conducting an independent validation of the credit risk rating model.

It is the Parent Company's policy to maintain accurate and consistent risk ratings 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.

High Grade

This includes all borrowers whose ratings are considered as Low Risk and/or those where the exposures are covered by Government Guarantee. Thus, these borrowers have a very low probability of going into default in the coming year.

In terms of borrower credit ratings, these include the following:

- A. ICRRS-Covered
 - Borrower Risk Rating (BRR) 1 (Exceptional)
 - BRR 2 (Excellent)
 - BRR 3 (Strong)
 - BRR 4 (Good)
- B. BCS-Covered
 - Strong

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:

- A. ICRRS-Covered
 - BRR 5 (Satisfactory)
 - BRR 6 (Acceptable)
 - BRR 7 (Fair)
- B. BCS-Covered
 - Satisfactory
 - Acceptable

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:

Unclassified

A. ICRRS-Covered

- BRR 8 (Watchlist)
- BRR 9 (Speculative)
- BRR 10 (Highly Speculative)

B. BCS-Covered

- Watchlist

Adversely Classified

A. ICRRS and BCS-Covered

- BRR 11 (Especially Mentioned)
- BRR 12 (Substandard)
- BRR 13 (Doubtful)
- BRR 14 (Loss)

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 very hard 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, warranting 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.

For consumer loans that are covered by application scorecards which provide either a pass/fail score, 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 Classified) and impairment status for those that are booked as Past Due / Items in Litigation. The Parent Company has applied this policy consistently for its consumer loans as of December 31, 2021 and 2020. Beginning December 31, 2021, the Group has applied this policy for CBS in determining the credit quality rating for consumer loans. This resulted in the “Standard grade” classification for the consumer loans of CBS amounting to ₱46.61 billion as of December 31, 2021. Had this been applied as of December 31, 2020, there would have been a decrease amounting to ₱41.27 billion under “High grade” and a corresponding increase for the same amount under “Standard grade” to account for CBS’ consumer loans in the Group’s credit exposures.

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	2021			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Corporate and commercial lending				
Neither past due nor impaired				
High grade	₱32,100	₱142	₱–	₱32,242
Standard grade	272,567	20,677	–	293,244
Sub-Standard	123,413	29,259	–	152,672
Unrated	749	23	–	772
Past due but not impaired	–	517	–	517
Past due and impaired	–	–	9,631	9,631
Gross carrying amount	₱428,829	₱50,618	₱9,631	₱489,078

Consolidated	2021			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Consumer Lending				
Neither past due nor impaired				
High grade	₱209	₱11	₱–	₱220
Standard grade	95,767	5,708	–	101,475
Sub-Standard	3,212	5,817	–	9,029
Unrated	1,053	1,944	–	2,997
Past due but not impaired	–	2,890	–	2,890
Past due and impaired	–	–	6,065	6,065
Gross carrying amount	₱100,241	₱16,370	₱6,065	₱122,676

Consolidated	2021			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Trade-related Lending				
Neither past due nor impaired				
High grade	₱452	₱–	₱–	₱452
Standard grade	7,051	3	–	7,054
Sub-Standard	3,730	938	–	4,668
Unrated	–	–	–	–
Past due but not impaired	–	25	–	25
Past due and impaired	–	–	255	255
Gross carrying amount	₱11,233	₱966	₱255	₱12,454

Consolidated	2021			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Others				
Neither past due nor impaired				
High grade	₱85	₱–	₱–	₱85
Standard grade	–	–	–	–
Sub-Standard	–	–	–	–
Unrated	20	–	–	20
Past due but not impaired	–	7	–	7
Past due and impaired	–	–	5	5
Gross carrying amount	₱105	₱7	₱5	₱117



Consolidated	2020			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Corporate and commercial lending				
Neither past due nor impaired				
High grade	₱29,684	₱3,310	₱—	₱32,994
Standard grade	275,345	23,591	—	298,936
Sub-Standard	92,097	9,290	—	101,387
Unrated	866	120	—	986
Past due but not impaired	—	3,406	—	3,406
Past due and impaired	—	—	11,956	11,956
Gross carrying amount	₱397,992	₱39,717	₱11,956	₱449,665

Consolidated	2020			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Consumer Lending				
Neither past due nor impaired				
High grade	₱41,506	₱70	₱—	₱41,576
Standard grade	44,176	5,349	—	49,525
Sub-Standard	2,167	6,254	—	8,421
Unrated	1,130	2,331	—	3,461
Past due but not impaired	422	2,793	—	3,215
Past due and impaired	—	—	7,805	7,805
Gross carrying amount	₱89,401	₱16,797	₱7,805	₱114,003

Consolidated	2020			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Trade-related Lending				
Neither past due nor impaired				
High grade	₱460	₱33	₱—	₱493
Standard grade	4,809	846	—	5,655
Sub-Standard	1,947	131	—	2,078
Unrated	—	—	—	—
Past due but not impaired	—	3	—	3
Past due and impaired	—	—	305	305
Gross carrying amount	₱7,216	₱1,013	₱305	₱8,534

Consolidated	2020			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Others				
Neither past due nor impaired				
High grade	₱103	₱—	₱—	₱103
Standard grade	—	3	—	3
Sub-Standard	—	—	—	—
Unrated	29	—	—	29
Past due but not impaired	—	—	—	—
Past due and impaired	—	—	7	7
Gross carrying amount	₱132	₱3	₱7	₱142

Parent Company	2021			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Corporate and commercial lending				
Neither past due nor impaired				
High grade	₱25,247	₱142	₱—	₱25,389
Standard grade	272,567	15,850	—	288,417
Sub-Standard	123,413	28,027	—	151,440
Unrated	749	23	—	772
Past due but not impaired	—	91	—	91
Past due and impaired	—	—	6,613	6,613
Gross carrying amount	₱421,976	₱44,133	₱6,613	₱472,722



Parent Company		2021		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
Consumer Lending		12-month ECL	Lifetime ECL	Lifetime ECL
Neither past due nor impaired				
High grade		₱208	₱11	₱–
Standard grade		49,157	5,704	–
Sub-Standard		3,212	5,817	–
Unrated		1,053	1,944	–
Past due but not impaired		–	944	–
Past due and impaired		–	–	3,966
Gross carrying amount		₱53,630	₱14,420	₱3,966
				₱72,016

Parent Company		2021		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
Trade-related Lending		12-month ECL	Lifetime ECL	Lifetime ECL
Neither past due nor impaired				
High grade		₱130	₱–	₱–
Standard grade		7,051	4	–
Sub-Standard		3,730	938	–
Unrated		–	–	–
Past due but not impaired		–	–	–
Past due and impaired		–	–	227
Gross carrying amount		₱10,911	₱942	₱227
				₱12,080

Parent Company		2021		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
Others		12-month ECL	Lifetime ECL	Lifetime ECL
Neither past due nor impaired				
High grade		₱–	₱–	₱–
Standard grade		–	–	–
Sub-Standard		–	–	–
Unrated		20	–	–
Past due but not impaired		–	–	–
Past due and impaired		–	–	–
Gross carrying amount		₱20	₱–	₱–
				₱20

Parent Company		2020		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
Corporate and commercial lending		12-month ECL	Lifetime ECL	Lifetime ECL
Neither past due nor impaired				
High grade		₱19,691	₱3,310	₱–
Standard grade		275,292	17,275	–
Sub-Standard		92,097	9,194	–
Unrated		867	119	–
Past due but not impaired		–	3,096	–
Past due and impaired		–	–	8,240
Gross carrying amount		₱387,947	₱32,994	₱8,240
				₱429,181

Parent Company		2020		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
Consumer Lending		12-month ECL	Lifetime ECL	Lifetime ECL
Neither past due nor impaired				
High grade		₱238	₱70	₱–
Standard grade		44,175	5,349	–
Sub-Standard		2,167	6,254	–
Unrated		1,130	2,331	–
Past due but not impaired		–	310	–
Past due and impaired		–	–	5,169
Gross carrying amount		₱47,710	₱14,314	₱5,169
				₱67,193



Parent Company		2020		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
		12-month ECL	Lifetime ECL	Lifetime ECL
Trade-related Lending				Total
Neither past due nor impaired				
High grade		₱283	₱33	₱–
Standard grade		4,809	846	–
Sub-Standard		1,947	131	–
Unrated		–	–	–
Past due but not impaired		1	3	–
Past due and impaired		–	–	275
Gross carrying amount		₱7,040	₱1,013	₱275
				₱8,328

Parent Company		2020		
		ECL Staging		
		Stage 1	Stage 2	Stage 3
		12-month ECL	Lifetime ECL	Lifetime ECL
Others				Total
Neither past due nor impaired				
High grade		₱–	₱–	₱–
Standard grade		–	–	–
Sub-Standard		–	–	–
Unrated		28	–	–
Past due but not impaired		–	–	–
Past due and impaired		–	–	–
Gross carrying amount		₱28	₱–	₱–
				₱28

Depository accounts with the BSP and counterparty banks, Trading and Investment Securities

For these financial assets, outstanding exposure is rated primarily based on external risk rating of S&P, Moody's, and/or Fitch when available; otherwise, rating is based on risk grades by Philratings.

For this year's disclosure, the Group retained the use of internal rating for counterparties with no external rating. However, to improve the process, instead of mapping the internal rating to its equivalent external rating and then getting the category (i.e. high grade, standard grade or substandard grade) based on external rating, the category of the internal rating was directly applied.

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, trading and investment securities, is grouped as follows:

Credit Quality Rating	External Credit Risk Rating	Credit Rating Agency
High Grade	AAA, AA+, AA, AA–	S&P
	Aaa, Aa1, Aa2, Aa3	Moody's
	AAA, AA+, AA, AA–	Fitch
Standard Grade	A+, A, A–, BBB+, BBB, BBB–	S&P
	A1, A2, A3, Baa1, Baa2, Baa3	Moody's
	A+, A, A–, BBB+, BBB, BBB–	Fitch
Substandard Grade	BB+, BB, BB–, B/B+, CCC, CC, R, SD & D	S&P
	Ba1, Ba2, Ba3, B1, B2, R, SD & D	Moody's
	BB+, BB, BB–, B/B+, CCC, R, SD & D	Fitch

Rating Description

High grade

AAA – An obligor has extremely strong capacity to meet its financial commitments.



AA – An obligor has very strong capacity to meet its financial commitments. It differs from the highest-rated obligors at a minimal degree.

Standard Grade

A – An obligor has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.

BBB and below:

BBB – An obligor has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

Substandard Grade

BB – An obligor is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitments.

B – An obligor is more vulnerable than the obligors rated 'BB', but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments.

CCC – An obligor is currently vulnerable and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments.

CC – An obligor is currently vulnerable. The rating is used when a default has not yet occurred, but expects default to be a virtual certainty, regardless of the anticipated time to default.

R – An obligor is under regulatory supervision owing to its financial condition. During the pendency of the regulatory supervision, the regulators may have the power to favor one class of obligations over others or pay some obligations and not others.

SD and D – An obligor is in default on one or more of its financial obligations including rated and unrated financial obligations but excluding hybrid instruments classified as regulatory capital or in non-payment according to terms.

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-
Substandard grade	PRSBa+, PRSBa, PRSBa-, PRSB+, PRSB, PRSB-, PRSCaa+, PRSCaa, PRSCaa-, PRSCa+, PRSCa, PRSCa-, PRSC+, PRSC, PRSC-



Rating Description

High grade

PRSAaa – The obligor’s capacity to meet its financial commitment on the obligation is extremely strong.

PRSAa – The obligor’s capacity to meet its financial commitment on the obligation is very strong.

Standard Grade

PRSA – With favorable investment attributes and are considered as upper-medium grade obligations. Although obligations rated ‘PRSA’ are somewhat more susceptible to the adverse effects of changes in economic conditions, the obligor’s capacity to meet its financial commitments on the obligation is still strong.

PRSBaa – An obligation rated ‘PRSBaa’ exhibits adequate protection parameters. However, adverse economic conditions and changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. PRSBaa-rated issues may possess certain speculative characteristics.

Substandard Grade

PRSBa – An obligation rated ‘PRSBa’ is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties relating to business, financial or economic conditions, which could lead to the obligor’s inadequate capacity to meet its financial commitment on the obligation.

PRSB – An obligation rated ‘PRSB’ is more vulnerable to nonpayment than obligations rated ‘PRSBa’, but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse economic conditions will likely impair the obligor’s capacity to meet its financial commitment on the obligation. The issue is characterized by high credit risk.

PRSCaa – An obligation rated ‘PRSCaa’ is presently vulnerable to nonpayment and is dependent upon favorable business, financial and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation. The issue is considered to be of poor standing and is subject to very high credit risk.

PRSCa – An obligation rated “PRSCa” is presently highly vulnerable to nonpayment. Likely already in or very near default with some prospect for partial recovery of principal or interest.

PRSC – An obligation is already in default with very little prospect for any recovery of principal or interest.

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
Substandard grade	D1, D2, D3, D4, E1, E2, E3, E4



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

Substandard Grade

D – Bank with weaknesses; capability / ability to resolve such weaknesses is put into question

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 effective as of December 31, 2021. This change in the determination of the category for internally-rated counterparties did not result to any change in the 2021 classification. However, for 2020, if we apply the same, the percentage of High Grade exposures for the Parent Bank will increase from 10.14% to 14.28%, with a corresponding decrease in Standard Grade exposures from 86.32% to 82.18%.

The succeeding tables show the credit exposure of the Group and the Parent Company related to these financial assets (amounts in millions).

Consolidated	2021				2020			
	ECL Staging							
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Investment securities	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
at amortized cost	ECL	ECL	ECL	Total	ECL	ECL	ECL	Total
Neither past due nor impaired								
High grade	₱48,678	₱–	₱–	₱48,678	₱38,401	₱–	₱–	₱38,401
Standard grade	170,149	3,033	–	173,182	148,468	–	–	148,468
Sub-Standard	14,584	533	–	15,117	8,482	–	–	8,482
Unrated	–	–	–	–	69	–	–	69
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	3,947	3,947	–	–	3,632	3,632
Gross carrying amount	₱233,411	₱3,566	₱3,947	₱240,924	₱195,420	₱–	₱3,632	₱199,052

Consolidated	2021				2020			
	ECL Staging							
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
(debt securities)	ECL	ECL	ECL	Total	ECL	ECL	ECL	Total
Neither past due nor impaired								
High grade	₱184	₱–	₱–	₱184	₱590	₱–	₱–	₱590
Standard grade	25,892	408	–	26,300	17,978	–	–	17,978
Sub-Standard	1,534	–	–	1,534	1,032	–	–	1,032
Unrated	1	–	–	1	1	–	–	1
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	₱27,611	₱408	₱–	₱28,019	₱19,601	₱–	₱–	₱19,601



Parent Company	2021				2020			
	ECL Staging							
Investment securities at amortized cost	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Neither past due nor impaired								
High grade	₱48,150	₱–	₱–	₱48,150	₱37,683	₱–	₱–	₱37,683
Standard grade	165,062	3,033	–	168,095	144,105	–	–	144,105
Sub-Standard	14,584	533	–	15,117	8,482	–	–	8,482
Unrated	–	–	–	–	–	–	–	–
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	3,632	3,632	–	–	3,632	3,632
Gross carrying amount	₱227,796	₱3,566	₱3,632	₱234,994	₱190,270	₱–	₱3,632	₱193,902

Parent Company	2021				2020			
	ECL Staging							
Financial assets at FVOCI (debt securities)	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Neither past due nor impaired								
High grade	₱–	₱–	₱–	₱–	₱400	₱–	₱–	₱400
Standard grade	23,961	404	–	24,365	16,300	–	–	16,300
Sub-Standard	1,534	–	–	1,534	1,032	–	–	1,032
Unrated	1	–	–	1	1	–	–	1
Past due but not impaired	–	–	–	–	–	–	–	–
Impaired	–	–	–	–	–	–	–	–
Gross carrying amount	₱25,496	₱404	₱–	₱25,900	₱17,733	₱–	₱–	₱17,733

Consolidated	2021				
	High Grade	Standard Grade	Substandard Grade	Unrated	Total
Due from BSP	₱–	₱124,283	₱–	₱–	₱124,283
Due from other banks	1,147	9,528	19	–	10,694
Interbank loans receivable and SPURA	14,746	21,813	–	–	36,559
Financial assets at FVTPL	2,193	4,144	717	156	7,210
	₱18,086	₱159,768	₱736	₱156	₱178,746

Parent Company	2021				
	High Grade	Standard Grade	Substandard Grade	Unrated	Total
Due from BSP	₱–	₱114,529	₱–	₱–	₱114,529
Due from other banks	1,049	8,829	19	–	9,897
Interbank loans receivable and SPURA	14,746	20,285	–	–	35,031
Financial assets at FVTPL	441	4,144	717	156	5,458
	₱16,236	₱147,787	₱736	₱156	₱164,915

Consolidated	2020				
	High Grade	Standard Grade	Substandard Grade	Unrated	Total
Due from BSP	₱–	₱152,156	₱–	₱–	₱152,156
Due from other banks	1,956	16,114	–	159	18,229
Interbank loans receivable and SPURA	1,311	16,980	–	–	18,291
Financial assets at FVTPL	3,429	7,682	30	2,266	13,407
	₱6,696	₱192,932	₱30	₱2,425	₱202,083

Parent Company	2020				
	High Grade	Standard Grade	Substandard Grade	Unrated	Total
Due from BSP	₱–	₱141,811	₱–	₱–	₱141,811
Due from other banks	1,451	15,727	–	20	17,198
Interbank loans receivable and SPURA	1,311	14,293	–	–	15,604
Financial assets at FVTPL	1,694	7,682	–	2,266	11,642
	₱4,456	₱179,513	₱–	₱2,286	₱186,255



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, 2021 and 2020:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Loans and advances to customers				
Corporate and commercial lending	₱5,905,576	₱2,345,933	₱5,619,916	₱2,091,813
Consumer lending	1,447,356	43,577	1,446,431	42,521
Total restructured financial assets	₱7,352,932	₱2,389,510	₱7,066,347	₱2,134,334

Impairment Assessment (Including the Impact of the COVID-19 Pandemic)

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. 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.

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, in all cases when the borrower becomes at least 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikelihood 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 criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in probabilities of default and qualitative factors such as downgrade in the credit rating of the borrowers and a backstop based on delinquency. The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Group's internal credit assessment, the borrower or counterparty is determined to require close monitoring or with well-defined credit weaknesses. For exposures without internal credit grades, if contractual payments are more than a specified days past due threshold (i.e., 30 days), the credit risk is deemed to have increased significantly since initial recognition. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. 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 to recognizing a 12-month ECL.

Further, the Group considers a financial asset as in default when (a) as a result of one or more loss events, there is objective evidence that its recoverable value is less than its carrying amount; (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. When applicable, the Group also applies a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.



In view of the government moratorium on loan payments (see Note 10), the Group considered how the availment of the borrowers and counterparties will affect the stage classification of the financial assets. In particular, the Group assessed how the availment of the mandatory grace period, together with other relevant information about the borrower (e.g., impact of the pandemic to its industry and operations, potential cash flow pressures affecting the borrower's capacity to pay amounts becoming due), will affect SICR and default assessments. Based on these assessments, in the absence of indicators of impairment or SICR since initial recognition, exposures to borrowers and counterparties who availed of the mandatory grace period as provided for by law are classified as stage 1.

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 to 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.

In relation to the modification of loans and receivables (see Note 10), the Group utilized the revised or modified cash flows of financial assets as EAD in calculating allowance for credit losses.

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.

The PDs used in calculating allowance for credit losses have been updated with information after considering the impact of the pandemic to current market conditions as well as expectations about future economic conditions (i.e., forward-looking information).

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. As of December 31, 2021, the Group has updated all available collateral information in order to incorporate the impact of the pandemic, to the extent possible, in measuring LGD.



The Group will continue to assess the current market conditions and forecasts of future economic conditions, and its impact to the aforementioned items, in order to update the ECL on a timely basis in the upcoming reporting periods, as the country continues to deal with this public health crisis.

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)				
2021					
31 December	₱18.55	₱10.97	₱18.30	₱3.23	₱2.37
Average daily	62.04	23.11	20.95	4.31	3.20
Highest	170.46	84.61	31.23	8.54	12.44
Lowest	6.44	2.47	7.61	1.16	1.26
2020					
31 December	₱139.14	₱11.86	₱13.90	₱4.51	₱2.52
Average daily	98.93	29.67	14.39	7.98	3.08
Highest	202.55	108.73	18.00	18.35	5.35
Lowest	11.69	2.16	12.23	2.22	1.79

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, 2021 and 2020, 62.29% and 65.48% 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, 2021 and 2020, 63.85% and 68.02% of the Parent's total loan portfolio, respectively, were subject to interest repricing. As of December 31, 2021 and 2020, 49.42% and 46.55% of the Subsidiary's total loan portfolio, respectively, were subject to periodic 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.

Interest is paid on demand accounts, which constituted 29.24% and 25.43% of the total deposits as of December 31, 2021 and 2020, respectively for the Group and 29.32% and 25.89% of the total deposits as of December 31, 2021 and 2020, respectively for the Parent Company.

Interest is paid on savings accounts and time deposits accounts, which constitute 35.10% and 35.66%, respectively of the Group's total deposits, and 36.13% and 34.55%, respectively of the Parent Company's total deposits, respectively as of December 31, 2021, and 30.70% and 43.87%, respectively, of the Group's total deposits, and 31.76% and 42.35%, respectively of the Parent Company's total deposits, respectively as of December 31, 2020.



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, 2021 and 2020:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Peso				
Assets				
Due from BSP	0.79%	0.67%	0.75%	0.53%
Due from banks	0.15%	0.23%	0.06%	0.08%
Interbank Loans Receivable and SPURA	1.91%	3.65%	1.91%	3.65%
Investment securities*	4.58%	5.24%	4.62%	5.27%
Loans and receivables	6.04%	6.34%	5.82%	6.19%
Liabilities				
Deposit liabilities	0.68%	1.29%	0.63%	1.22%
Bills payable	3.50%	5.80%	3.50%	5.80%
Bonds payable	3.02%	5.84%	3.02%	5.84%
USD				
Assets				
Due from banks	0.02%	0.11%	0.02%	0.11%
Interbank Loans Receivable and SPURA	0.05%	0.74%	0.05%	0.74%
Investment securities*	3.79%	3.63%	3.81%	3.65%
Loans and receivables	3.76%	3.74%	3.77%	3.73%
Liabilities				
Deposit liabilities	0.31%	0.80%	0.31%	0.81%
Bills payable	3.10%	2.62%	3.10%	2.62%
Bonds payable	1.70%	2.45%	1.70%	2.45%

* Consisting 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, 2021 and 2020 (in millions):

	Consolidated							
	2021				2020			
	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	₱121,878	₱–	₱2,405	₱124,283	₱149,620	₱–	₱2,536	₱152,156
Due from other banks	10,694	–	–	10,694	18,229	–	–	18,229
Interbank Loans Receivable and SPURA	36,559	–	–	36,559	18,291	–	–	18,291
Investment securities	11,610	17,754	248,871	278,235	21,759	4,555	209,578	235,892
Loans and receivables	231,377	122,731	254,898	609,006	237,391	126,106	193,717	557,214
Total financial assets	412,118	140,485	506,174	1,058,777	445,290	130,661	405,831	981,782
Financial Liabilities								
Deposit liabilities	236,102	48,919	577,839	862,860	292,534	34,663	508,034	835,231
Bills payable	33,253	20,041	12,512	65,806	12,466	4,490	6,700	23,656
Bonds payable	–	22,474	20,000	42,474	29,470	7,596	15,000	52,066
Total financial liabilities	269,355	91,434	610,351	971,140	334,470	46,749	529,734	910,953
IRS Hedge Receive	56,099	7,650	–	63,749	–	7,203	–	7,203
IRS Hedge Pay	–	–	63,749	63,749	–	–	7,203	7,203
Repricing gap	₱198,862	₱56,701	(₱167,926)	₱87,637	₱110,820	₱91,115	(₱131,106)	₱70,829

	Parent Company							
	2021				2020			
	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	₱114,529	₱–	₱–	₱114,529	₱141,811	₱–	₱–	₱141,811
Due from other banks	9,897	–	–	9,897	17,198	–	–	17,198
Interbank Loans Receivable and SPURA	35,031	–	–	35,031	15,604	–	–	15,604
Investment securities	8,728	15,849	243,752	268,329	19,658	4,407	202,717	226,782
Loans and receivables	226,674	92,282	225,215	544,171	228,754	96,248	166,992	491,994
Total financial assets	394,859	108,131	468,967	971,957	423,025	100,655	369,709	893,389
Financial Liabilities								
Deposit liabilities	218,115	40,618	523,485	782,218	267,674	22,937	460,362	750,973
Bills payable	33,253	20,041	12,512	65,806	12,466	4,490	6,700	23,656
Bonds payable	–	22,474	20,000	42,474	29,470	7,595	15,000	52,065
Total financial liabilities	251,368	83,133	555,997	890,498	309,610	35,022	482,062	826,694
IRS Hedge Receive	56,099	7,650	–	63,749	–	7,203	–	7,203
IRS Hedge Pay	–	–	63,749	63,749	–	–	7,203	7,203
Repricing gap	₱199,590	₱32,648	(₱150,779)	₱81,459	₱113,415	₱72,836	(₱119,556)	₱66,695

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, 2021 and 2020:

	Consolidated			
	2021			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	2,414	1,207	(₱1,207)	(₱2,414)
As a percentage of the Group's net interest income for the year ended December 31, 2021	6.30%	3.15%	(3.15%)	(6.30%)



	Consolidated			
	2020			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	₱1,738	₱869	(₱869)	(₱1,738)
As a percentage of the Group's net interest income for the year ended December 31, 2020	5.13%	2.57%	(2.57%)	(5.13%)
	Parent Company			
	2021			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	2,241	1,120	(₱1,120)	(₱2,241)
As a percentage of the Parent Company's net interest income for the year ended December 31, 2021	5.85%	2.92%	(2.92%)	(5.85%)
	Parent Company			
	2020			
	Change in interest rates (in basis points)			
	100bp rise	50bp rise	50bp fall	100bp fall
Change in annualized net interest income	₱1,626	₱813	(₱813)	(₱1,626)
As a percentage of the Parent Company's net interest income for the year ended December 31, 2020	4.81%	2.40%	(2.40%)	(4.81%)

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, 2021 and 2020 (in millions):

	Consolidated			
	2021			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(₱25)	(₱10)	₱10	₱25
Change in equity	(287)	(115)	115	287
	Consolidated			
	2020			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(₱99)	(₱40)	₱40	₱99
Change in equity	(281)	(112)	112	281



Parent Company				
2021				
Change in interest rates (in basis points)				
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P25)	(P10)	P10	P25
Change in equity	(266)	(107)	107	266

Parent Company				
2020				
Change in interest rates (in basis points)				
	25bp rise	10bp rise	10bp fall	25bp fall
Change in income before tax	(P99)	(P40)	P40	P99
Change in equity	(253)	(101)	101	253

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 assets with liabilities 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 assets and liabilities under FCDU which are denominated 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							
	2021				2020			
	USD	Other Currencies*	Total in USD	PHP	USD	Other Currencies*	Total in USD	PHP
Assets								
Cash and other cash items	\$3,116	\$2,673	\$5,789	P295,222	\$4,005	\$3,402	\$7,408	P355,735
Due from other banks	49,402	8,560	57,962	2,956,018	77,760	6,758	84,518	4,058,824
Financial assets at FVTPL	109	1	110	5,593	15,363	—	15,363	737,772
Financial assets at FVOCI	15,163	2,304	17,468	890,826	16,638	2,488	19,126	918,512
Investment securities at amortized cost	27,777	29,341	57,118	2,912,954	28,868	31,460	60,328	2,897,396
Loans and receivables	43,866	35,800	79,666	4,062,902	18,954	38,232	57,186	2,746,248
Accrued interest receivable	695	272	967	49,329	761	286	1,047	50,279
Other assets	34,051	3	34,053	1,736,677	17,652	24	17,676	848,835
	174,179	78,954	253,133	12,909,521	180,001	82,650	262,652	12,613,601
Liabilities								
Deposit liabilities	58,593	22,964	81,557	4,159,311	69,549	20,081	89,630	4,304,282
Bills payables	445,967	—	445,967	22,743,874	131,776	—	131,776	6,328,295
Accrued interest and other expenses	174	1	175	8,936	215	1	216	10,371
Other liabilities	30,213	1,289	31,502	1,606,550	20,292	1,979	22,271	1,069,520
	534,947	24,254	559,201	28,518,671	221,832	22,061	243,893	11,712,468
Currency spot	(5,118)	(1,886)	(7,004)	(357,211)	(4,000)	—	(4,000)	(192,092)
Currency forwards	353,105	(53,177)	299,928	15,296,007	49,804	(59,397)	(9,593)	(460,666)
Net Exposure	(S12,781)	(S363)	(S13,144)	(P670,354)	\$3,973	\$1,192	\$5,166	P248,375

*Other currencies include EUR, CNY, JPY, GBP, AUD, SGD, CHF, CAD, NZD, AED, HKD.



Parent Company								
	2021				2020			
	USD	Other Currencies*	Total in USD	PHP	USD	Other Currencies*	Total in USD	PHP
Assets								
Cash and other cash items	\$69	\$2,673	\$2,742	₱139,816	\$163	\$3,402	\$3,566	₱171,234
Due from other banks	41,317	8,560	49,877	2,543,685	58,309	6,758	65,067	3,124,739
Financial assets at FVTPL	109	1	110	5,593	15,363	—	15,363	737,772
Financial assets at FVOCI	—	2,304	2,304	117,526	—	2,488	2,488	119,487
Investment securities at amortized cost	—	29,341	29,341	1,496,363	—	31,460	31,460	1,511,082
Loans and receivables	37,634	35,800	73,434	3,745,077	15,980	38,232	54,212	2,603,419
Accrued interest receivable	65	272	337	17,203	65	286	351	16,848
Other assets	34,023	3	34,025	1,735,250	17,632	24	17,656	847,915
	113,217	78,954	192,170	9,800,513	107,512	82,650	190,163	9,132,496
Liabilities								
Deposit liabilities	12	22,964	22,976	1,171,758	189	20,081	20,270	973,406
Bills payables	445,967	—	445,967	22,743,874	131,776	—	131,776	6,328,295
Accrued interest and other expenses	164	1	165	8,432	187	1	187	9,004
Other liabilities	29,306	1,289	30,595	1,560,317	19,182	1,979	21,160	1,016,183
	475,449	24,254	499,703	25,484,381	151,334	22,061	173,393	8,326,888
Currency spot	(5,118)	(1,886)	(7,004)	(357,211)	(4,000)	—	(4,000)	(192,092)
Currency forwards	353,105	(53,177)	299,928	15,926,007	49,804	(59,397)	(9,593)	(460,666)
Net Exposure	(\$14,245)	(\$363)	(\$14,609)	(₱115,072)	\$1,982	\$1,192	\$3,177	₱152,850

*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					
	2021			2020	
	Change in Foreign Exchange Rate	Sensitivity of Pretax Income	Sensitivity of Equity	Sensitivity of Pretax Income	Sensitivity of Equity
USD	1%	₱13	₱165	₱20	₱98
Other	1%	—	1	—	1
USD	(1%)	(13)	(165)	(20)	(98)
Other	(1%)	—	(1)	—	(1)

Parent Company					
	2021			2020	
	Change in Foreign Exchange Rate	Sensitivity of Pretax Income	Sensitivity of Equity	Sensitivity of Pretax Income	Sensitivity of Equity
USD	1%	₱13	₱157	₱20	₱90
Other	1%	—	1	—	1
USD	(1%)	(13)	(157)	(20)	(90)
Other	(1%)	—	(1)	—	(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
2021	+10%	₱3.9	+10%	₱2.7
	-10%	(20.3)	-10%	(19.2)
2020	+10%	(₱0.9)	+10%	(₱3.9)
	-10%	(7.4)	-10%	(5.1)

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, 2021					
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Financial Assets						
Cash and other cash items	₱16,025	₱—	₱—	₱—	₱—	₱16,025
Due from BSP	124,283	—	—	—	—	124,283
Due from other banks	10,697	—	—	—	—	10,697
Interbak loans receivable and SPURA	1,528	35,031	—	—	—	36,559
Derivative contracts designated as hedges	—	25,022	31,083	554,717	726,077	1,336,899
Financial assets at FVTPL	1,705	2,233	92	225	4,296	8,551
Financial assets at FVOCI	11	2,694	2,440	1,974	59,272	66,391
Financial assets at AC	—	15,691	22,474	28,344	151,071	217,580
Loans and receivables	—	157,593	54,659	48,550	363,523	624,325
	154,249	238,264	110,748	633,810	1,304,239	2,441,310
Financial Liabilities						
Deposit liabilities						
Demand	₱252,325	₱—	₱—	₱—	₱—	₱252,325
Savings	302,885	—	—	—	—	302,885
Time	—	290,456	3,376	10,346	3,472	307,650
Bills payable	13	59,094	6,699	—	—	65,806
Manager's checks	—	1,855	—	—	—	1,855
Accrued interest and other expenses	—	4,746	—	—	—	4,746
Derivative contracts designated as hedges	—	254	573	1,671	174,524	177,022
Derivative liabilities	—	999	—	—	—	999
Bonds payable	—	22,596	2,878	19,877	—	45,351
Other liabilities:						

(Forward)



Consolidated						
December 31, 2021						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Lease payable	P-	P289	P372	P449	P1,737	P2,847
Accounts payable	-	4,941	-	-	-	4,941
Acceptances payable	-	1,483	-	-	-	1,483
Due to PDIC	-	786	-	-	-	786
Margin deposits	-	1	-	-	-	1
Other credits – dormant	-	337	-	-	50	387
Due to the Treasurer of the Philippines	-	346	-	-	-	346
Miscellaneous	-	1,244	-	-	-	1,244
Total liabilities	555,223	389,427	13,898	32,343	179,783	1,170,674
Net Position	(P400,974)	(P151,163)	P96,850	P601,467	P1,124,456	P1,273,636

Consolidated						
December 31, 2020						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Financial Assets						
Cash and other cash items	P15,984	P-	P-	P-	P-	P15,984
Due from BSP	152,156	-	-	-	-	152,156
Due from other banks	18,189	40	-	-	-	18,229
Interbak loans receivable and SPURA	2,687	15,604	-	-	-	18,291
Financial assets at FVTPL	150	4,190	617	1,502	6,109	12,568
Financial assets at FVOCI	-	2,745	1,553	1,266	34,280	39,844
Financial assets at AC	-	11,803	16,104	24,124	123,480	175,511
Loans and receivables	-	163,452	30,855	43,019	332,626	569,952
	189,166	197,834	49,129	69,911	496,495	1,002,535
Financial Liabilities						
Deposit liabilities						
Demand	212,467	-	-	-	-	212,467
Savings	256,407	-	-	-	-	256,407
Time	5	354,378	1,729	3,345	6,900	366,357
Bills payable	-	23,656	-	-	-	23,656
Manager's checks	-	1,568	-	-	-	1,568
Accrued interest and other expenses	5	3,899	2	-	-	3,906
Derivative contracts designated as hedges	-	228	243	258	602,260	602,989
Derivative liabilities	-	1,217	-	-	-	1,217
Bonds payable	-	30,000	2,378	14,882	7,184	54,444
Other liabilities:						
Lease payable	-	734	712	368	1,529	3,343
Accounts payable	-	4,322	-	-	-	4,322
Acceptances payable	-	478	-	-	-	478
Due to PDIC	-	756	-	-	-	756
Margin deposits	-	-	-	-	-	-
Other credits – dormant	-	357	-	-	-	357
Due to the Treasurer of the Philippines	-	390	-	-	-	390
Miscellaneous	-	947	-	-	-	947
Total liabilities	468,884	422,930	5,064	18,853	617,873	1,533,604
Net Position	(P279,718)	(P225,096)	P44,065	P51,058	(P121,378)	(P531,069)

Parent Company						
December 31, 2021						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Financial Assets						
Cash and other cash items	P13,649	P-	P-	P-	P-	P13,649
Due from BSP	114,529	-	-	-	-	114,529
Due from other banks	9,897	-	-	-	-	9,897
Interbak loans receivable and SPURA	-	35,031	-	-	-	35,031
Derivative contracts designated as hedges	-	25,022	31,083	554,717	726,077	1,336,899
Financial assets at FVTPL	-	2,186	92	225	4,296	6,799
Financial assets at FVOCI	-	2,584	1,920	1,525	58,212	64,241
Financial assets at AC	-	13,091	21,914	27,632	148,936	211,573
Loans and receivables	-	133,008	41,144	39,913	342,773	556,838
	138,075	210,922	96,153	624,012	1,280,294	2,349,456

(Forward)



Parent Company						
December 31, 2021						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Financial Liabilities						
Deposit liabilities						
Demand	₱229,350	₱—	₱—	₱—	₱—	₱229,350
Savings	282,598	—	—	—	—	282,598
Time	—	263,014	978	6,224	55	270,271
Bills payable	13	59,094	6,699	—	—	65,806
Manager's checks	—	1,466	—	—	—	1,466
Accrued interest and other expenses	—	4,325	—	—	—	4,325
Derivative contracts designated as hedges	—	254	573	1,671	174,524	177,022
Derivative liabilities	—	999	—	—	—	999
Bonds payable	—	22,596	2,878	19,877	—	45,351
Other liabilities:						
Lease payable	—	87	148	449	1,505	2,189
Accounts payable	—	3,580	—	—	—	3,580
Acceptances payable	—	1,483	—	—	—	1,483
Due to PDIC	—	786	—	—	—	786
Margin deposits	—	1	—	—	—	1
Other credits – dormant	—	337	—	—	—	337
Due to the Treasurer of the Philippines	—	314	—	—	—	314
Miscellaneous	—	524	—	—	—	524
Total liabilities	511,961	358,860	11,276	28,221	176,084	1,086,402
Net Position	(₱373,886)	(₱147,938)	₱84,877	₱595,791	₱1,104,210	₱1,263,054

Parent Company						
December 31, 2020						
	On demand	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Financial Assets						
Cash and other cash items	₱13,724	₱—	₱—	₱—	₱—	₱13,724
Due from BSP	141,811	—	—	—	—	141,811
Due from other banks	17,198	—	—	—	—	17,198
Interbak loans receivable and SPURA	—	15,604	—	—	—	15,604
Financial assets at FVTPL	—	2,575	617	1,502	6,109	10,803
Financial assets at FVOCI	—	2,581	1,317	995	33,242	38,135
Financial assets at AC	—	11,609	14,020	23,564	120,871	170,064
Loans and receivables	—	140,997	17,617	33,955	312,161	504,730
	172,733	173,366	33,571	60,016	472,383	912,069
Financial Liabilities						
Deposit liabilities						
Demand	194,231	—	—	—	—	194,231
Savings	238,602	—	—	—	—	238,602
Time	—	316,635	471	909	125	318,140
Bills payable	—	23,656	—	—	—	23,656
Manager's checks	—	1,066	—	—	—	1,066
Accrued interest and other expenses	—	3,589	—	—	—	3,589
Derivative contracts designated as hedges	—	228	243	258	602,260	602,989
Derivative liabilities	—	1,217	—	—	—	1,217
Bonds payable	—	30,000	2,378	14,882	7,184	54,444
Other liabilities:						
Lease payable	—	538	476	368	1,338	2,720
Accounts payable	—	2,810	—	—	—	2,810
Acceptances payable	—	478	—	—	—	478
Due to PDIC	—	756	—	—	—	756
Margin deposits	—	—	—	—	—	—
Other credits – dormant	—	303	—	—	—	303
Due to the Treasurer of the Philippines	—	371	—	—	—	371
Miscellaneous	—	491	—	—	—	491
Total liabilities	432,833	382,138	3,568	16,417	610,907	1,445,863
Net Position	(₱260,100)	(₱208,772)	₱30,003	₱43,599	(₱138,524)	(₱533,794)



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	
	2021	2020	2021	2020
Demand deposit account (Note 17)	₱80,272,888	₱77,986,434	₱77,728,758	₱75,311,175
Special deposit account	44,010,212	74,170,000	36,800,000	66,500,000
Others	15	15	15	15
	₱124,283,115	₱152,156,449	₱114,528,773	₱141,811,190

Due from Other Banks

This comprises of deposit accounts with:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Local banks	₱8,675,169	₱14,032,433	₱8,675,168	₱14,032,433
Foreign banks	2,019,143	4,196,288	1,222,096	3,165,317
	₱10,694,312	₱18,228,721	₱9,897,264	₱17,197,750

Interest Income on Due from BSP and Other Banks

This account consists of:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Due from BSP	₱311,645	₱180,394	₱232,148	₱129,874	₱49,762	₱83,124
Due from other banks	1,216,160	783,050	229,197	1,088,850	605,858	162,709
	₱1,527,805	₱963,444	₱461,345	₱1,218,724	₱655,620	₱245,833

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	
	2021	2020	2021	2020
Interbank loans receivable	₱19,230,679	₱6,268,203	₱19,230,679	₱6,268,203
SPURA	17,328,545	12,022,648	15,800,317	9,335,964
	₱36,559,224	₱18,290,851	₱35,030,996	₱15,604,167



Interbank Loans Receivable

As of December 31, 2021 and 2020, interbank loans receivable includes short-term foreign currency-denominated loans granted to other banks.

As of December 31, 2020, interbank loans receivable also includes short-term peso-denominated loans granted to other banks.

In 2021, 2020 and 2019, the interest rates of foreign currency-denominated interbank loans receivable range from 0.05% to 0.16%, from 0.07% to 0.30%, and from 1.90% to 2.10%, respectively.

In 2020, the interest rates of peso-denominated interbank loans receivable range from 1.00% to 1.13%.

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.

In 2021, 2020 and 2019, the interest rate of SPURA is 2.00%, 2.00% to 4.00%, and 4.00% to 4.75%, respectively, for the Group and Parent Company.

9. Trading and Investment Securities

Financial Assets at FVTPL

This account consists of:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Held for trading				
Government bonds	₱179,909	₱3,531,521	₱179,909	₱3,531,521
Treasury notes	58,684	2,126,819	58,684	2,126,819
Treasury bills	1,790,306	1,892,770	1,790,306	1,892,770
Private bonds	2,884,863	3,358,210	1,334,070	1,812,303
Quoted equity shares	1,063,897	1,210,665	1,014,037	1,141,487
	5,977,659	12,119,985	4,377,006	10,504,900
Financial assets designated at FVTPL	151,209	150,000	–	–
Derivative assets (Note 26)	1,080,799	1,136,878	1,080,798	1,136,878
Total	₱7,209,667	₱13,406,863	₱5,457,804	₱11,641,778

As of December 31, 2021 and 2020, HFT securities include fair value gain of ₱2.07 million and fair value loss of ₱26.75 million, respectively, for the Group. As of December 31, 2021 and 2020, HFT securities include fair value loss of ₱12.70 million and ₱27.48 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 0.65% to 8.80% in 2021, from 0.32% to 8.04% in 2020 and from 1.41% to 7.26% in 2019. Effective interest rates for foreign currency-denominated financial assets at FVTPL for the Group range from 0.12% to 7.10% in 2021, from 0.53% to 7.17% in 2020 and from 0.71% to 5.81% in 2019. Effective interest rates for foreign currency-denominated financial assets at FVTPL for the Parent Company range from 0.12% to 7.10% in 2021, from 0.53% to 7.17% in 2020 and from 0.71% to 5.81% in 2019.



Financial Assets at FVOCI

This account consists of:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Debt Securities				
Government bonds (Note 29)	₱17,713,051	₱13,004,496	₱15,654,511	₱11,403,601
Private bonds	10,305,710	6,596,820	10,245,868	6,329,550
	28,018,761	19,601,316	25,900,379	17,733,151
Equity Securities				
Quoted equity shares	635,114	624,722	604,968	594,004
Unquoted equity shares	18,365	18,365	18,365	18,365
	653,479	643,087	623,333	612,369
Total	₱28,672,240	₱20,244,403	₱26,523,712	₱18,345,520

Unquoted equity securities

This account comprises 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)

Financial assets at FVOCI include fair value gains of ₱19.71 million for the Group and the Parent Company as of December 31, 2021 and fair value gains of ₱263.74 million for the Group and the Parent Company as of December 31, 2020. The fair value gains are recognized under OCI.

Accumulated credit losses on debt financial assets at FVOCI of the Group and the Parent Company amounted to ₱61.49 million and ₱61.00 million as of December 31, 2021, respectively. Accumulated credit losses on debt financial assets at FVOCI recognized in OCI of the Group and the Parent Company amounted to ₱30.38 million and ₱30.06 million as of December 31, 2020, respectively.

Effective interest rates for peso-denominated financial assets at FVOCI for both the Group and Parent Company range from 1.40% to 5.40% in 2021, from 1.74% to 5.06% in 2020 and from 3.94% to 6.87% in 2019.

Effective interest rates for foreign currency-denominated financial assets at FVOCI for both the Group and Parent Company range from 0.83% to 7.00% in 2021, from 0.83% to 7.00% in 2020 and from 0.83% to 5.65% in 2019.

Investment Securities at Amortized Cost

This account consists of:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Government bonds (Note 19)	₱116,246,059	₱95,852,375	₱111,060,036	₱91,543,048
Private bonds	124,678,017	103,200,111	123,933,996	102,358,761
	240,924,076	199,052,486	234,994,032	193,901,809
Unamortized premium – net	4,523,400	5,577,990	4,239,922	5,276,817
Allowance for credit losses (Note 16)	(3,093,747)	(2,389,845)	(2,886,272)	(2,383,800)
	₱242,353,729	₱202,240,631	₱236,347,682	₱196,794,826

Effective interest rates for peso-denominated investment securities at amortized cost for the Group range from 1.28% to 7.14% in 2021, 1.06% to 8.92% in both 2020 and 2019. Effective interest rates for foreign currency-denominated investment securities at amortized cost range from 0.01% to 10.35% in 2021, 0.57% to 10.35% in 2020 and 1.82% to 6.97% in 2019.



Sale of Investment Securities at Amortized Cost

In 2021 and 2020, the Parent Company sold investment securities at amortized cost whose carrying values prior to the sale amounted ₱55.77 billion and ₱30.14 billion, respectively. In 2019, the Group and the Parent Company sold investment securities at amortized cost whose carrying values prior to the sale amounted to ₱18.62 billion and ₱13.33 billion, respectively. Details of these sales, including the reason for selling, are presented in the succeeding tables.

The Parent Company sold the following investment securities at amortized cost in 2021 (amounts in millions):

Reason for selling	Parent Company	
	Carrying amount	Gain on sale
Additional liquidity to support planned loan growth	₱51,316	₱3,787
Redemption by issuer to effect its debt refinancing or in view of minimal outstanding amounts	3,735	226
Additional liquidity to take advantage of a change in a regulatory loan limit *	589	27
A change in the funding profile of the Parent Company **	134	24
Total	₱55,774	₱4,064

*The sales are based on the assessments made in 2020.

**The sales are based on the assessments made in 2019.

In 2020, the Parent Company sold the following investment securities at amortized cost (amounts in millions):

Reason for selling	Parent Company	
	Carrying amount	Gain on sale
Additional liquidity to take advantage of a change in a regulatory loan limit	₱25,761	₱1,782
Redemption by issuer to effect its debt refinancing	2,641	145
A change in the funding profile of the Parent Company *	698	243
To address requirements on regulatory and internal limit of the Parent Company	536	5
A highly probable change in regulations with a potentially adverse impact to the financial assets' contractual cash flows	507	12
Total	₱30,143	₱2,187

* The sales are based on the assessments made in 2019.

The Group and the Parent Company sold the following investment securities at amortized cost in 2019 (amounts in millions):

Reason for selling	Group		Parent Company	
	Carrying amount	Gain on sale	Carrying amount	Gain on sale
A change in funding profile of the Parent Company	₱10,445	₱1,156	₱10,445	₱1,156
To address requirements on regulatory and internal limit of the Group and Parent Company	6,275	168	982	86
An increase in the financial assets' credit risk due to political uncertainty affecting the sovereign issuer's environment	1,169	43	1,169	43
A highly probable change in regulations with a potentially adverse impact to the financial assets' contractual cash flows	729	14	729	14
Total	₱18,618	₱1,381	₱13,325	₱1,299



These disposals of investment securities at amortized cost were assessed by the Group as not inconsistent with the portfolios' business models considering the conditions and reasons for which the disposals were made (see Note 3).

Interest Income on Investment Securities at Amortized Cost and at FVOCI

This account consists of:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Financial assets at FVOCI	₱900,827	₱3,595,277	₱665,379	₱847,216	₱3,531,285	₱600,160
Investment securities at amortized cost	8,292,920	6,427,897	9,162,697	8,087,436	6,203,399	8,762,267
	₱9,193,747	₱10,023,174	₱9,828,076	₱8,934,652	₱9,734,684	₱9,362,427

10. Loans and Receivables

This account consists of:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Loans and discounts				
Corporate and commercial lending	₱489,078,422	₱449,665,226	₱472,722,122	₱429,181,294
Consumer lending	122,675,849	114,003,342	72,016,473	67,192,608
Trade-related lending	12,453,552	8,534,049	12,079,859	8,328,448
Others*	116,896	142,337	20,292	28,421
	624,324,719	572,344,954	556,838,746	504,730,771
Unearned discounts	(260,378)	(390,552)	(177,124)	(208,638)
	624,064,341	571,954,402	556,661,622	504,522,133
Allowance for impairment and credit losses (Note 16)	(15,057,609)	(14,739,918)	(12,489,884)	(12,527,657)
	₱609,006,732	₱557,214,484	₱544,171,738	₱491,994,476

*Others include employee loans and foreign bills purchased.

As of December 31, 2021 and 2020, loans of the Parent Company amounting to nil and ₱5.75 billion, respectively, are rediscounted with the BSP (Note 19).

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			
	2021		2020		2021		2020	
	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Loans secured by								
Real estate	₱85,021,052	13.62	₱77,049,605	13.46	₱58,622,700	10.53	₱51,972,071	10.30
Chattel mortgage	22,096,827	3.54	23,902,079	4.18	7,459,462	1.34	8,334,760	1.65
Guarantee by the Republic of the Philippines	3,315	0.00	2,274,070	0.40	3,315	0.00	2,274,070	0.45
Deposit hold out	2,506,588	0.40	3,018,427	0.53	2,214,506	0.40	2,539,755	0.50
Shares of stock of other banks	8,350,600	1.34	2,354,950	0.41	8,350,600	1.50	2,354,950	0.47
Others	82,803,122	13.26	90,569,698	15.82	82,680,304	14.85	90,289,852	17.89
	200,781,504	32.16	199,168,829	34.80	159,330,887	28.62	157,765,458	31.26
Unsecured loans	423,543,215	67.84	373,176,125	65.20	397,507,859	71.38	346,965,313	68.74
	₱624,324,719	100.00	₱572,344,954	100.00	₱556,838,746	100.00	₱504,730,771	100.00

Modification of Loans and Receivables

On March 25, 2020, Republic Act No. 11469, otherwise known as the Bayanihan to Heal as One Act ("Bayanihan 1 Act") was enacted. Bayanihan 1 Act provides that all covered institutions shall implement a 30-day grace period for all loans with principal and/or interest and lease amortization



falling due within the enhanced community quarantine (ECQ) period without incurring interest on interest, penalties, fees and other charges. Subsequently, on September 11, 2020, Republic Act No. 11494, otherwise known as the Bayanihan to Recover as One Act (“Bayanihan 2 Act”), was enacted. Under Bayanihan 2 Act, a one-time 60-day grace period is granted for the payment of all existing, current and outstanding loans falling due, or any part thereof, on or before December 31, 2020, without incurring interest on interests, penalties, fees, or other charges and thereby extending the maturity of the said loans. Furthermore, a minimum 30-day grace period shall also be granted by covered institutions to all payments due within the period of community quarantine on rent and utility-related expenditures without incurring penalties, interest and other.

In 2020, the Group and the Parent Company, in addition to the reliefs provided under Bayanihan 1 Act and Bayanihan 2 Act, have offered financial reliefs 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 and the Parent Company’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 CBS, the total modification loss amounted to ₱203.75 million. The net impact of the loan modification after subsequent accretion in 2020 of the modified loans amounted to ₱141.79 million. In 2021, the accretion on the modified loans amounted to ₱69.57 million.

The Group’s loans and receivables that had loss allowances measured at an amount equal to lifetime ECL and whose cash flows were modified in 2020 but have not resulted in derecognition had an amortized cost before modification amounting to ₱6.79 billion and ₱5.28 billion for the Group and the Parent Company, respectively. The modification loss for these loans and receivables is not material to the Parent Company. For CBS, the modification loss on these loans and receivables amounted to ₱5.90 million in 2020.

The Group’s loans and receivables having loss allowance measured at an amount equal to lifetime ECL at the time of modification but were not derecognized in 2020 and for which credit risk has significantly improved as at the end of reporting period, resulting in a change in loss allowance to 12-month ECL, had an amortized cost as follows (figures in billions):

	Consolidated	Parent Company
Prior to modification	₱1.28	₱1.13
As of December 31, 2020	1.25	1.10
As of December 31, 2021 (after accretion, transfers between ECL measurement, and principal payments)	1.14	0.98

Interest Income on Loans and Receivables

As of December 31, 2021 and 2020, 62.29% and 65.48%, respectively, of the total receivables from customers of the Group and 63.85% and 68.02%, 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 1.02% to 39.42% in 2021, from 1.02% to 39.42% in 2020, and from 1.66% to 39.43% in 2019 for foreign currency-denominated receivables and from 1.50% to 30.00% in 2021, 2020 and 2019 for peso-denominated receivables.



Remaining receivables of the Parent Company carry annual fixed interest rates ranging from 1.02% to 10.50% in 2021, from 1.02% to 16.25% in 2020, and from 1.66% to 10.50% in 2019 for foreign currency-denominated receivables and from 1.50% to 30.00% in 2021, 2020 and 2019 for peso-denominated receivables.

11. Equity Investments

This account consists of investments in:

A. Subsidiaries

	2021	2020
Balance at beginning of the year		
CBSI	₱13,006,556	₱12,479,647
CBCC	2,406,507	2,236,902
CBC-PCCI	77,367	60,800
CIBI	264,361	351,769
	15,754,791	15,129,118
Share in net income		
CBSI	1,027,189	506,068
CBCC	292,847	215,971
CBC-PCCI	10,154	7,704
CIBI	92,313	60,739
	1,422,503	790,482
Share in Other Comprehensive Income		
<i>Items that recycle to profit or loss in subsequent periods:</i>		
Net unrealized gain (loss) on FVOCI		
CBSI	(36,523)	15,054
CBCC	(5,069)	4,048
CBC-PCCI	(11,017)	11,017
CIBI	—	1,584
	(52,610)	31,703
Cumulative translation adjustments		
CBSI	11,603	(12,166)
	11,603	(12,166)
Other Equity-stock grants		
CBSI	(1,009)	18,286
CBCC	(11)	211
CBC-PCCI	(145)	2,776
CIBI	(34)	657
	(1,199)	21,930

(Forward)



	2021	2020
<i>Items that do not recycle to profit or loss in subsequent periods:</i>		
Remeasurement gains (losses) on defined benefit assets/obligations		
CBSI	₱51,640	₱59,569
CBCC	193	(625)
CBC-PCCI	4,266	(4,930)
CIBI	157	(388)
	56,256	53,626
Impairment		
CBSI	—	(59,902)
	—	(59,902)
Cash Dividends		
CBCC	—	(50,000)
CIBI	—	(150,000)
	—	(200,000)
Balance at end of the year		
CBSI	14,059,458	13,006,556
CBCC	2,694,466	2,406,507
CBC-PCCI	80,625	77,367
CIBI	356,796	264,361
	₱17,191,345	₱15,754,791

B. Associates:

	2021	2020
Balance at beginning of the year	₱912,647	₱704,169
Share in net income	(1,609)	152,441
Share in OCI:		
<i>Items that do not recycle to profit or loss in subsequent periods</i>		
Remeasurement gains (losses) on life insurance reserves	31,874	(66,558)
Remeasurement on defined benefit plan	(3,245)	3,415
<i>Item that recycle to profit or loss in subsequent periods:</i>		
Net unrealized gain on FVOCI	(103,148)	119,180
Cash dividends	(40,000)	—
Balance at end of the year	₱796,519	₱912,647

CBSI

Cost of investment includes the original amount incurred by the Parent Company from its acquisition of CBSI in 2007 amounting to ₱1.07 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 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. Pursuant to a memorandum dated March 18, 2017, the 67 branch licenses were awarded as incentives by the Monetary Board as a result of the Parent Company's acquisition of PDB. 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 January 16, 2020, the BOD declared and approved cash dividends amounting to ₱100 million for stockholders on record as of declaration date, payable on February 21, 2020. On December 10, 2020, the BOD declared and approved another cash dividends amounting to ₱50 million for stockholders on record as of declaration date, payable on December 21, 2020.



CBCC

On June 11, 2020, the BOD declared and approved cash dividends of ₱50 million for stockholders on record as of declaration date, payable on June 30, 2020.

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 (Agreement), 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, 2021 and 2020.

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 December 5, 2018, the Parent Company's BOD approved the additional capital infusion in the amount of ₱40.00 million in MCB Life. This represents 40% of the ₱100.00 million total capital infusion in MCB Life with the balance of ₱60.00 million to be provided by Manulife Philippines. On top of complying with the higher capital requirements for insurance companies, the additional capital will improve MCB Life's capacity to underwrite more business and enhance its competitive position. On February 22, 2019, the BSP approved the Bank's capital infusion of ₱40.0 million to MCB Life to comply with the capitalization requirement of the Insurance Commission for insurance companies, which was paid on March 21, 2019.

On January 11, 2021, the Parent Company received ₱40 million cash dividends from MCB Life. The following tables show the summarized financial information of MCB Life:

	2021	2020
Total assets	₱55,544,393	₱43,089,159
Total liabilities	53,602,517	40,856,962
Equity	1,941,876	2,232,197

	2021	2020
Revenues	₱16,502,813	₱9,402,315
Benefits, claims and operating expenses	16,535,119	8,932,982
Income before income tax	(32,306)	469,333
Net income	(4,023)	381,102

Commission income earned by the Group from its bancassurance agreement amounting to ₱432.08 million, ₱282.00 million, ₱303.45 million in 2021, 2020 and 2019, respectively, 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						
	2021						
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Building
Cost							
Balance at beginning of year	₱3,288,630	₱7,202,584	₱2,074,105	₱2,358,640	₱81,461	₱173,372	₱3,639,500
Additions	-	462,932	52,661	23,614	92,902	-	447,449
Disposals/transfers (Note 14)*	-	(73,767)	8,817	(50,053)	(10,314)	-	(3,451)
Balance at end of year	3,288,630	7,591,749	2,135,583	2,332,201	164,049	173,732	4,083,498
Accumulated Depreciation and Amortization							
Balance at beginning of year	₱-	₱6,201,653	₱1,223,048	₱1,631,012	₱-	₱70,343	₱1,269,519
Depreciation and amortization	-	543,245	67,242	216,712	-	15,235	628,346
Disposals/transfers (Note 14)*	-	(242,090)	(4,355)	(55,711)	-	-	(27,976)
Balance at end of year	-	6,502,808	1,285,935	1,792,013	-	85,578	1,869,889
Net Book Value at End of Year	₱3,288,630	₱1,088,941	₱849,648	₱540,188	₱164,049	₱87,794	₱2,213,609

*Includes transfers from investment properties amounting to ₱14.46 million.



Consolidated 2020								
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Bldg.	Total
Cost								
Balance at beginning of year	₱3,236,995	₱6,982,242	₱1,961,818	₱2,326,571	₱59,439	₱181,451	₱3,506,393	₱18,254,909
Additions	51,635	273,890	105,272	65,800	44,680	—	167,762	709,039
Disposals/transfers (Note 14)*	—	(53,548)	7,015	(33,731)	(22,658)	(8,079)	(34,655)	(145,656)
Balance at end of year	3,288,630	7,202,584	2,074,105	2,358,640	81,461	173,372	3,639,500	18,818,292
Accumulated Depreciation and Amortization								
Balance at beginning of year	—	5,802,599	1,157,640	1,467,601	—	13,556	658,280	9,099,676
Depreciation and amortization	—	564,984	69,561	238,980	—	56,787	642,024	1,572,336
Disposals/transfers (Note 14)*	—	(165,930)	(4,153)	(75,569)	—	—	(30,785)	(276,437)
Balance at end of year	—	6,201,653	1,223,048	1,631,012	—	70,343	1,269,519	10,395,575
Net Book Value at End of Year	₱3,288,630	₱1,000,931	₱851,057	₱727,628	₱81,461	₱103,029	₱2,369,981	₱8,422,717

*Includes transfers from investment properties amounting to ₱ 28.90 million.

Parent Company								
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Bldg.	2021 Total
Cost								
Balance at beginning of year	₱2,890,661	₱5,890,301	₱1,350,906	₱1,670,745	₱14,498	₱181,451	₱2,786,874	₱14,785,436
Additions	—	353,223	51,533	20,329	3,409	—	205,402	633,896
Disposals/transfers (Note 14)*	—	31,421	8,818	(50,053)	(10,314)	—	53,994	33,866
Balance at end of year	2,890,661	6,274,945	1,411,257	1,641,021	7,593	181,451	3,046,270	15,453,198
Accumulated Depreciation and Amortization								
Balance at beginning of year	—	5,089,267	702,039	1,096,037	—	70,343	950,791	7,908,477
Depreciation and amortization	—	432,652	67,255	164,702	—	15,235	428,850	1,108,694
Disposals/transfers (Note 14)*	—	(141,427)	(4,123)	(55,711)	—	—	37,149	(164,112)
Balance at end of year	—	5,380,492	765,171	1,205,026	—	85,578	1,416,790	8,853,059
Net Book Value at End of Year	₱2,890,661	₱894,453	₱646,086	₱435,993	₱7,593	₱95,873	₱1,629,480	₱6,600,139

*Includes transfers from investment properties amounting to ₱14.46 million.

Parent Company								
	Land (Note 24)	Furniture, Fixtures and Equipment	Buildings	Leasehold Improvements	Construction- in-Progress	Right-of-use Assets Land	Right-of-use Assets Bldg.	2020 Total
Cost								
Balance at beginning of year	₱2,889,705	₱5,665,067	₱1,235,690	₱1,642,879	₱19,370	₱181,451	₱2,730,534	₱14,364,696
Additions	956	223,555	104,259	61,672	17,786	—	56,340	464,568
Disposals/transfers (Note 14)*	—	1,679	10,957	(33,806)	(22,658)	—	—	(43,828)
Balance at end of year	2,890,661	5,890,301	1,350,906	1,670,745	14,498	181,451	2,786,874	14,785,436
Accumulated Depreciation and Amortization								
Balance at beginning of year	—	4,749,235	645,600	995,684	—	13,556	491,975	6,896,050
Depreciation and amortization	—	453,352	56,352	175,989	—	56,787	458,816	1,201,296
Disposals/transfers (Note 14)*	—	(113,320)	87	(75,636)	—	—	—	(188,869)
Balance at end of year	—	5,089,267	702,039	1,096,037	—	70,343	950,791	7,908,477
Net Book Value at End of Year	₱2,890,661	₱801,034	₱648,867	₱574,708	₱14,498	₱111,108	₱1,836,083	₱6,876,959

*Includes transfers from investment properties amounting to ₱28.90 million

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, 2021 and 2020, the gross carrying amount of fully depreciated furniture, fixtures and equipment still in use amounted to ₱3.29 billion and ₱2.90 billion, respectively, for the Group and ₱2.44 billion and ₱2.09 billion, respectively, for the Parent Company.



Gain on sale of furniture, fixtures and equipment amounting to nil, ₦1.25 million and ₦1.44 million in 2021, 2020 and 2019, respectively, for the Group and nil, ₦0.02 million and ₦1.44 million in 2021, 2020 and 2019, respectively, for the Parent Company are included in the statements of income under 'Miscellaneous income' account (Note 22).

In 2019, depreciation and amortization amounting to ₦1.59 billion and ₦1.19 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		2021
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₦3,130,005	₦2,760,986	₦5,890,991
Additions	430,594	322,162	752,756
Disposals/write-off/transfers*	(641,185)	(334,200)	(975,385)
Balance at end of year	2,919,414	2,748,948	5,668,362
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	989,831	989,831
Depreciation and amortization	—	150,229	150,229
Disposals/write-off/transfers*	—	(118,520)	(118,520)
Balance at end of year	—	1,021,540	1,021,540
Allowance for Impairment Losses (Note 16)			
Balance at beginning of year	612,988	303,233	916,221
Provisions (reversals) during the year	(296,785)	75,000	(221,785)
Disposals/write-off/reclassification*	(6,999)	(33,953)	(40,952)
Balance at end of year	309,204	344,280	653,484
Net Book Value at End of Year	₦2,610,210	₦1,383,128	₦3,993,338

*Includes transfers to bank premises amounting to ₦27.63 million (Note 12).

	Consolidated		2020
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₦3,649,943	₦2,730,718	₦6,380,661
Additions	129,272	165,054	294,326
Disposals/write-off/transfers*	(649,210)	(134,786)	(783,996)
Balance at end of year	3,130,005	2,760,986	5,890,991
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	914,464	914,464
Depreciation and amortization	—	157,568	157,568
Disposals/write-off/transfers*	—	(82,201)	(82,201)
Balance at end of year	—	989,831	989,831

(Forward)



	Consolidated		2020
	Land	Buildings and Improvements	Total
Allowance for Impairment Losses			
(Note 16)			
Balance at beginning of year	₱874,363	₱254,648	₱1,129,011
Disposals/write-off/reclassification*	(261,375)	48,585	(212,790)
Balance at end of year	612,988	303,233	916,221
Net Book Value at End of Year	₱2,517,017	₱1,467,922	₱3,984,939

*Includes transfers to bank premises amounting to ₱14.46 million (Note 12).

	Parent Company		2021
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱1,342,507	₱1,533,910	₱2,876,417
Additions	50,406	30,730	81,136
Disposals/write-off/transfers*	(325,282)	(120,437)	(445,719)
Balance at end of year	₱1,067,631	₱1,444,203	₱2,511,834
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	519,697	519,697
Depreciation and amortization	—	91,715	91,715
Disposals/write-off/transfers*	—	(65,620)	(65,620)
Balance at end of year	—	545,792	545,792
Allowance for Impairment Losses			
(Note 16)			
Balance at beginning of year	676,098	201,689	877,787
Provisions (reversals) during the year	(296,785)	—	(296,785)
Disposals/write-off/reclassification*	5,670	—	5,670
Balance at end of year	384,983	201,689	586,672
Net Book Value at End of Year	₱682,648	₱696,722	₱1,379,370

*Includes transfers to bank premises amounting to ₱27.63 million (Note 12).

	Parent Company		2020
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱1,528,079	₱1,538,765	₱3,066,844
Additions	46,693	70,967	117,660
Disposals/write-off/transfers*	(232,265)	(75,822)	(308,087)
Balance at end of year	1,342,507	1,533,910	2,876,417
Accumulated Depreciation and Amortization			
Balance at beginning of year	—	455,342	455,342
Depreciation and amortization	—	96,263	96,263
Disposals/write-off/transfers*	—	(31,908)	(31,908)
Balance at end of year	—	519,697	519,697
Allowance for Impairment Losses			
(Note 16)			
Balance at beginning and end of year	912,826	201,689	1,114,515
Disposals/write-off/reclassification*	(236,728)	—	(236,728)
Balance at end of year	676,098	201,689	877,787
Net Book Value at End of Year	₱666,409	₱812,524	₱1,478,933

*Includes transfers to bank premises amounting to ₱14.46 million (Note 12).



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 on asset foreclosure and dacion transactions' in the statements of income.

In 2019, depreciation and amortization amounting to ₱173.38 million and ₱101.93 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		
	2021	2020	2019
Rent income on investment properties	₱96,759	₱66,493	₱88,898
Direct operating expenses on investment properties generating rent income	1,277	1,537	12,952
Direct operating expenses on investment properties not generating rent income	74,293	69,651	55,424
	Parent Company		
	2021	2020	2019
Rent income on investment properties	₱54,400	₱47,209	₱59,070
Direct operating expenses on investment properties generating rent income	371	815	12,150
Direct operating expenses on investment properties not generating rent income	32,765	22,753	20,503

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 increase in geographical presence and customer base due to the branches acquired. None of the goodwill recognized is expected to be deductible for income tax purposes. CBSI as 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, 2021 and 2020, amount of goodwill per CGU follows:

	Consolidated	Parent Company
RBB	₱222,841	₱222,841
CBSI	616,907	—
Total	₱839,748	₱222,841

The recoverable amount of the CGUs have 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 assumptions, and the most sensitive, used in computing for the recoverable values of the CGUs follow:

	2021		2020	
	RBB	CBSI	RBB	CBSI
Discount rate	9.08%	11.33%	6.12%	7.25%
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, 2021 and 2020.

Branch Licenses

Branch licenses of the Group arose from the acquisitions of CBSI, Unity Bank, and PDB. Each branch to which the branch license is attributed is the CGU that is tested independently for impairment assessment.



As of December 31, 2021 and 2020, details of branch licenses in the Group's and the Parent Company's financial statements follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Branch license from CBSI acquisition	₱477,600	₱477,600	₱455,000	₱455,000
Branch license from Unity Bank acquisition	360,000	360,000	—	—
Branch license from PDB acquisition*	2,839,500	2,839,500	—	—
	3,677,100	3,677,100	455,000	455,000
Allowance for probable losses	(289,502)	(289,502)	(57,000)	(57,000)
	₱3,387,598	₱3,387,598	₱398,000	₱398,000

*mostly attributable to the Parent Company

Other than loans and deposits growth rates, the Group uses the discount rate of 9.08% and long-term growth rate of 1.00% for computing for the recoverable values of the CGUs.

Capitalized software costs

The movements in the account follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Cost				
Balance at beginning of year	₱1,919,187	₱1,878,745	₱1,836,621	₱1,785,403
Additions	104,662	68,133	94,060	52,371
Disposals/Write-off/Reclassifications (Note 12)	(34,771)	(27,691)	4,846	(1,153)
Balance at end of year	1,989,078	1,919,187	1,935,527	1,836,621
Accumulated Depreciation and Amortization				
Balance at beginning of year	1,433,616	1,268,667	1,400,685	1,237,487
Depreciation and amortization	166,157	164,995	163,915	163,221
Disposals/Write-off/Reclassifications (Note 12)	(22,486)	(46)	487	(23)
Balance at end of year	1,577,287	1,433,616	1,565,087	1,400,685
Net Book Value at End of Year	₱411,791	₱485,571	₱370,440	₱435,936

Exchange Trading Right

As of December 31, 2021 and 2020, the Group has an exchange trading right with the following carrying value:

Cost	₱12,000
Less: allowance for impairment losses	3,500
	₱8,500

The trading right has an indefinite useful life and, thus, is not amortized but is subject for impairment at every reporting date. The last transacted price of the trading right is ₱8.50 million as approved by the BOD of PSE. The exchange trading right, as of December 31, 2021 and 2020, remains to be unimpaired.



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	
	2021	2020	2021	2020
Financial assets				
Accounts receivable	₱2,664,413	₱2,279,947	₱1,673,539	₱1,223,657
SCR	1,163,371	1,203,482	243,355	209,692
RCOCI	205,933	124,705	181,477	90,566
Others	17,675	17,303	9,660	9,587
	4,051,392	3,625,437	2,108,031	1,533,502
Non-financial assets				
Net plan assets (Note 25)	483,001	127,937	300,391	32,609
Prepaid expenses	494,381	336,626	427,713	309,436
Creditable withholding taxes	446,253	598,278	435,700	489,157
Security deposit	157,070	256,804	155,197	177,479
Documentary stamps	305,942	209,699	244,461	137,302
Sundry debits	105,776	609,383	36,131	627,227
Miscellaneous	1,105,627	1,259,938	313,666	295,388
	3,098,050	3,398,665	1,913,259	2,068,598
	7,419,442	7,024,102	4,021,290	3,602,100
Allowance for impairment losses (Note 16)	(685,057)	(523,092)	(379,619)	(234,109)
	₱6,464,385	₱6,501,010	₱3,641,671	₱3,367,991

Accounts receivable

Accounts receivable also 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 assets acquired in settlement of loans through foreclosure or dation in payment and subsequently sold on installment basis whereby 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 2021, 2020 and 2019 ranging from 5.50% to 10.00%, 5.00% to 10.00%, and 5.00% to 10.25%, 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	
	2021	2020	2021	2020
Balances at beginning of year				
Loans and receivables	₱14,739,918	₱8,559,976	₱12,527,657	₱6,938,785
Investment securities at amortized cost	2,389,845	1,087,983	2,383,800	1,082,690
Financial assets at FVOCI *	30,384	18,521	30,056	18,471
Investment properties	916,219	1,129,012	877,787	1,114,515
Accrued interest receivable	337,785	275,888	36,609	39,261
Intangible assets	293,002	233,100	57,000	57,000
Investment in subsidiaries	—	—	59,902	—
Other assets	523,092	565,319	234,109	294,913
Off-balance sheet exposures *	467,117	1,239,967	457,099	1,229,949
	19,697,362	13,109,766	16,664,019	10,775,584
Provisions charged to operations	8,876,744	8,868,919	7,679,877	7,983,206
Accounts charged off and others	(7,510,021)	(2,281,323)	(6,910,315)	(2,094,771)
	1,366,723	6,587,596	769,562	5,888,435
Balances at end of year				
Loans and receivables (Note 10)	15,057,609	14,739,918	12,489,884	12,527,657
Investment securities at amortized cost (Note 9)	3,093,747	2,389,845	2,886,272	2,383,800
Financial assets at FVOCI * (Note 9)	61,495	30,384	60,998	30,056
Investment properties (Note 13)	653,484	916,219	586,672	877,787
Accrued interest receivable	478,814	337,785	182,375	36,609
Intangible assets	293,002	293,002	57,000	57,000
Investment in subsidiaries	—	—	59,902	59,902
Other assets (Note 15)	685,057	523,092	379,619	234,109
Off-balance sheet exposures *	740,877	467,117	730,859	457,099
	₱21,064,085	₱19,697,362	₱17,433,581	₱16,664,019

* 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 "Other Comprehensive Income" (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.

The separate valuation allowance of acquired loans and receivables from PDB amounting to ₱1.59 billion was not recognized by the Group on the effectivity date of acquisition as these receivables were measured at fair value at acquisition date. Any uncertainties about future cash flows of these receivables were included in their fair value measurement (Note 11). Also, the separate valuation allowance of acquired investment properties from PDB amounting to ₱199.15 million was not recognized by the Group on the effectivity date of acquisition as these properties were measured at fair value on acquisition date.



Below is the breakdown of provision for credit losses in 2021, 2020 and 2019.

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Corporate and commercial lending	₱5,887,208	₱6,620,171	₱1,714,041	₱6,228,681	₱6,300,097	₱1,369,339
Consumer lending	1,803,215	1,626,588	(44,227)	533,013	1,076,445	79,969
Trade-related lending	21,737	(34,744)	235,962	25,858	(43,355)	240,718
Others	855	2,889	1,873	328	—	—
Investment securities at amortized cost	394,228	1,337,700	732,874	369,383	1,336,947	887,745
Financial assets at FVOCI (debt securities)	13,226	21,208	10,337	13,057	20,930	10,287
	8,120,469	9,573,812	2,650,860	7,170,320	8,691,064	2,588,058
Impact to profit or loss of movements in						
ECL for off-books exposures	271,578	(772,850)	(389,182)	271,578	(772,850)	(389,182)
Other assets	484,697	67,957	308,490	237,979	64,992	6,186
	₱8,876,744	₱8,868,919	₱2,570,168	₱7,679,877	₱7,983,206	₱2,205,062

The tables below illustrate the movements of the allowance for impairment and credit losses during 2021 (effect of movements in ECL due to transfers between stages are shown in the total column):

	Consolidated ECL Staging			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Corporate and commercial lending				
Loss allowance at January 1, 2021	₱4,536,289	₱3,213,081	₱4,628,126	₱12,377,496
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(265,804)	405,942	—	140,138
Transfer from Stage 1 to Stage 3	(19,149)	—	976,835	957,686
Transfer from Stage 2 to Stage 1	26,858	(109,652)	—	(82,794)
Transfer from Stage 2 to Stage 3	—	(2,461,394)	2,668,435	207,041
Transfer from Stage 3 to Stage 1	45	—	(4,278)	(4,233)
Transfer from Stage 3 to Stage 2	—	152,158	(284,566)	(132,408)
New financial assets originated *	1,316,932	1,923,910	578,704	3,819,546
Changes in PDs / LGDs / EADs	(831,490)	273,731	4,325,035	3,767,276
Financial assets derecognized during the period	(1,748,505)	(192,902)	(783,973)	(2,725,380)
Fx and other movements	(48,112)	(11,112)	(440)	(59,664)
Total net P&L charge during the period	(1,569,225)	(19,319)	7,475,752	5,887,208
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	48,112	11,112	(6,289,638)	(6,230,414)
Total movements without P&L impact	48,112	11,112	(6,289,638)	(6,230,414)
Loss allowance at December 31, 2021	₱3,015,176	₱3,204,874	₱5,814,240	₱12,034,290

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated ECL Staging			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Consumer lending				
Loss allowance at January 1, 2021	₱332,094	₱155,749	₱1,593,086	₱2,080,929
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(21,355)	67,308	—	45,953
Transfer from Stage 1 to Stage 3	(4,530)	—	195,646	191,116
Transfer from Stage 2 to Stage 1	19,388	(42,397)	—	(23,009)
Transfer from Stage 2 to Stage 3	—	(20,763)	301,488	280,725
Transfer from Stage 3 to Stage 1	3,084	—	(70,099)	(67,015)
Transfer from Stage 3 to Stage 2	—	31,980	(361,359)	(329,379)
New financial assets originated *	169,078	39,175	213,930	422,183
Changes in PDs / LGDs / EADs	123,269	(22,668)	1,488,672	1,589,273
Financial assets derecognized during the period	(50,712)	(33,273)	(222,647)	(306,632)
Fx and other movements	—	—	—	—
Total net P&L charge during the period	238,222	19,362	1,545,631	1,803,215
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	—	—	(1,095,033)	(1,095,033)
Total movements without P&L impact	—	—	(1,095,033)	(1,095,033)
Loss allowance at December 31, 2021	₱570,316	₱175,111	₱2,043,684	₱2,789,111

* 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, 2021	₱133,667	₱23,814	₱121,123	₱278,604
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(8)	8	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	60	(99)	—	(39)
Transfer from Stage 2 to Stage 3	—	(411)	23,794	23,383
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	123,508	13,656	—	137,164
Changes in PDs / LGDs / EADs	(58)	388	19,498	19,828
Financial assets derecognized during the period	(133,601)	(22,584)	—	(156,185)
Fx and other movements	(2,407)	(7)	—	(2,414)
Total net P&L charge during the period	(12,506)	(9,049)	43,292	21,737
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	2,407	7	(72,291)	(69,877)
Total movements without P&L impact	2,407	7	(72,291)	(69,877)
Loss allowance at December 31, 2021	₱123,568	₱14,772	₱92,124	₱230,464

* 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, 2021	₱1	₱48	₱2,840	₱2,889
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	—	35	—	35
Transfer from Stage 1 to Stage 3	—	—	658	658
Transfer from Stage 2 to Stage 1	—	(31)	—	(31)
Transfer from Stage 2 to Stage 3	—	—	9	9
Transfer from Stage 3 to Stage 1	—	—	(211)	(211)
Transfer from Stage 3 to Stage 2	—	—	(6)	(6)
New financial assets originated *	3	—	477	480
Changes in PDs / LGDs / EADs	—	(44)	1,200	1,156
Financial assets derecognized during the period	(1)	(8)	(1,226)	(1,235)
Fx and other movements	—	—	—	—
Total net P&L charge during the period	2	(48)	901	855
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements without P&L impact	—	—	—	—
Loss allowance at December 31, 2021	₱3	₱—	₱3,741	₱3,744

* 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, 2021	₱5,002,051	₱3,392,692	₱6,345,175	₱14,739,918
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(287,167)	473,293	–	186,126
Transfer from Stage 1 to Stage 3	(23,679)	–	1,173,139	1,149,460
Transfer from Stage 2 to Stage 1	46,306	(152,179)	–	(105,873)
Transfer from Stage 2 to Stage 3	–	(2,482,568)	2,993,726	511,158
Transfer from Stage 3 to Stage 1	3,129	–	(74,588)	(71,459)
Transfer from Stage 3 to Stage 2	–	184,138	(645,931)	(461,793)
New financial assets originated *	1,609,521	1,976,741	793,111	4,379,373
Changes in PDs / LGDs / EADs	(708,279)	251,407	5,834,405	5,377,533

(Forward)



	Consolidated			
	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	(P1,932,819)	(P248,767)	(P1,007,846)	(P3,189,432)
Fx and other movements	(50,519)	(11,119)	(440)	(62,078)
Total net P&L charge during the period	(1,343,507)	(9,054)	9,065,576	7,713,015
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	50,519	11,119	(7,456,962)	(7,395,324)
Total movements without P&L impact	50,519	11,119	(7,456,962)	(7,395,324)
Loss allowance at December 31, 2021	P3,709,063	P3,394,757	P7,953,789	P15,057,609

* 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, 2021	P387,575	P	P2,002,270	P2,389,845
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(5,718)	32,451	–	26,733
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 or purchased *	121,126	5,937	–	127,063
Changes in PDs / LGDs / EADs	(29,762)	–	409,018	379,256
Financial assets derecognized during the period	(28,047)	–	–	(28,047)
Fx and other movements	(126,906)	(3,712)	19,841	(110,777)
Total net P&L charge during the period	(69,307)	34,676	428,859	394,228
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	129,377	3,712	176,585	309,674
Total movements without P&L impact	129,377	3,712	176,585	309,674
Loss allowance at December 31, 2021	P447,645	P38,388	P2,607,714	P3,093,747

* 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, 2021	P30,384	P–	P–	P30,384
Movements with P&L impact				
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 or purchased *	42,901	1,537	–	44,438
Changes in PDs / LGDs / EADs	(9,504)	–	–	(9,504)
Financial assets derecognized during the period	(3,823)	–	–	(3,823)
Fx and other movements	(17,380)	(505)	–	(17,885)
Total net P&L charge during the period	12,194	1,032	–	13,226
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	17,380	505	–	17,885
Total movements without P&L impact	17,380	505	–	17,885
Loss allowance at December 31, 2021	P59,958	P1,537	P–	P61,495

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2021	₱4,441,063	₱3,158,914	₱3,281,557	₱10,881,534
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(259,998)	401,008	—	141,010
Transfer from Stage 1 to Stage 3	(18,486)	—	951,502	933,016
Transfer from Stage 2 to Stage 1	24,677	(107,799)	—	(83,122)
Transfer from Stage 2 to Stage 3	—	(2,460,478)	2,627,237	166,759
Transfer from Stage 3 to Stage 1	37	—	(3,977)	(3,940)
Transfer from Stage 3 to Stage 2	—	150,926	(229,165)	(78,239)
New financial assets originated *	1,316,388	1,923,874	578,642	3,818,904
Changes in PDs / LGDs / EADs	(843,891)	259,691	4,346,872	3,762,672
Financial assets derecognized during the period	(1,701,946)	(173,837)	(492,932)	(2,368,715)
Fx and other movements	(48,112)	(11,112)	(440)	(59,664)
Total net P&L charge during the period	(1,531,331)	(17,727)	7,777,739	6,228,681
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	48,112	11,111	(6,220,037)	(6,160,814)
Total movements without P&L impact	48,112	11,111	(6,220,037)	(6,160,814)
Loss allowance at December 31, 2021	₱2,957,844	₱3,152,298	₱4,839,259	₱10,949,401

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2021	₱214,195	₱110,481	₱1,051,455	₱1,376,131
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(18,072)	46,141	—	28,069
Transfer from Stage 1 to Stage 3	(3,071)	—	89,672	86,601
Transfer from Stage 2 to Stage 1	16,906	(26,398)	—	(9,492)
Transfer from Stage 2 to Stage 3	—	(15,563)	242,894	227,331
Transfer from Stage 3 to Stage 1	2,560	—	(32,061)	(29,501)
Transfer from Stage 3 to Stage 2	—	29,661	(335,225)	(305,564)
New financial assets originated *	127,765	35,008	59,709	222,482
Changes in PDs / LGDs / EADs	165,450	(1,094)	235,539	399,895
Financial assets derecognized during the period	(27,654)	(23,850)	(35,304)	(86,808)
Fx and other movements	—	—	—	—
Total net P&L charge during the period	263,884	43,905	225,224	533,013
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	—	—	(594,962)	(594,962)
Total movements without P&L impact	—	—	(594,962)	(594,962)
Loss allowance at December 31, 2021	₱478,079	₱154,386	₱681,717	₱1,314,182

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2021	₱132,753	₱23,814	₱113,425	₱269,992
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(8)	8	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	60	(99)	—	(39)
Transfer from Stage 2 to Stage 3	—	(410)	23,794	23,384
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	120,583	13,585	—	134,168
Changes in PDs / LGDs / EADs	(66)	388	25,700	26,022

(Forward)



	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Trade-related lending				
Financial assets derecognized during the period	(P132,679)	(P22,584)	P–	(P155,263)
Fx and other movements	(2,407)	(7)	–	(2,414)
Total net P&L charge during the period	(14,517)	(9,119)	49,494	25,858
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	2,407	7	(72,291)	(69,877)
Total movements without P&L impact	2,407	7	(72,291)	(69,877)
Loss allowance at December 31, 2021	P120,643	P14,702	P90,628	P225,973

* Stage classification of new financial assets originated or purchased pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Others				
Loss allowance at January 1, 2021	P–	P–	P–	P–
Movements with P&L impact				
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 *	–	–	328	328
Changes in PDs / LGDs / EADs	–	–	–	–
Financial assets derecognized during the period	–	–	–	–
Fx and other movements	–	–	–	–
Total net P&L charge during the period	–	–	328	328
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements without P&L impact	–	–	–	–
Loss allowance at December 31, 2021	P–	P–	P328	P328

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Loans and receivables – total				
Loss allowance at January 1, 2021	P4,788,011	P3,293,209	P4,446,437	P12,527,657
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(278,078)	447,157	–	169,079
Transfer from Stage 1 to Stage 3	(21,557)	–	1,041,174	1,019,617
Transfer from Stage 2 to Stage 1	41,643	(134,296)	–	(92,653)
Transfer from Stage 2 to Stage 3	–	(2,476,451)	2,893,925	417,474
Transfer from Stage 3 to Stage 1	2,597	–	(36,038)	(33,441)
Transfer from Stage 3 to Stage 2	–	180,587	(564,390)	(383,803)
New financial assets originated *	1,564,736	1,972,467	638,679	4,175,882
Changes in PDs / LGDs / EADs	(678,507)	258,985	4,608,111	4,188,589
Financial assets derecognized during the period	(1,862,279)	(220,271)	(528,236)	(2,610,786)
Fx and other movements	(50,519)	(11,119)	(440)	(62,078)
Total net P&L charge during the period	(1,281,964)	17,059	8,052,785	6,787,880
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	50,519	11,118	(6,887,290)	(6,825,653)
Total movements without P&L impact	50,519	11,118	(6,887,290)	(6,825,653)
Loss allowance at December 31, 2021	P3,556,566	P3,321,386	P5,611,932	P12,489,884

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Investment securities at amortized cost				
Loss allowance at January 1, 2021	₱381,530	₱–	₱2,002,270	₱2,383,800
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(5,718)	32,451	–	26,733
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 or purchased *	118,552	5,937	–	124,489
Changes in PDs / LGDs / EADs	(29,762)	–	409,018	379,256
Financial assets derecognized during the period	(28,006)	–	–	(28,006)
Fx and other movements	(129,377)	(3,712)	–	(133,089)
Total net P&L charge during the period	(74,311)	34,676	409,018	369,383
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	129,377	3,712	–	133,089
Total movements without P&L impact	129,377	3,712	–	133,089
Loss allowance at December 31, 2021	₱436,596	₱38,388	₱2,411,288	₱2,886,272

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Financial assets at FVOCI (debt securities)				
Loss allowance at January 1, 2021	₱30,056	₱–	₱–	₱30,056
Movements with P&L impact				
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 or purchased *	42,511	1,537	–	44,048
Changes in PDs / LGDs / EADs	(9,555)	–	–	(9,555)
Financial assets derecognized during the period	(3,551)	–	–	(3,551)
Fx and other movements	(17,380)	(505)	–	(17,885)
Total net P&L charge during the period	12,025	1,032	–	13,057
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	17,380	505	–	17,885
Total movements without P&L impact	17,380	505	–	17,885
Loss allowance at December 31, 2021	₱59,461	₱1,537	₱–	₱60,998

* 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 2020 are shown below:

	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Corporate and commercial lending				
Loss allowance at January 1, 2020	₱3,406,716	₱493,312	₱3,017,416	₱6,917,444
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(110,125)	1,795,484	–	1,685,359
Transfer from Stage 1 to Stage 3	(333,940)	–	2,259,231	1,925,291
Transfer from Stage 2 to Stage 1	111,168	(243,190)	–	(132,022)
Transfer from Stage 2 to Stage 3	–	(57,867)	815,965	758,098
Transfer from Stage 3 to Stage 1	32	–	(4,661)	(4,629)
Transfer from Stage 3 to Stage 2	–	179	(22,117)	(21,938)

(Forward)



	Consolidated			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	Total
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	
New financial assets originated *	₱1,893,028	₱1,171,035	₱451,313	₱3,515,376
Changes in PDs / LGDs / EADs	614,376	168,604	(263,803)	519,177
Financial assets derecognized during the period	(1,044,910)	(114,476)	(614,627)	(1,774,013)
Fx and other movements	15,527	788	133,157	149,472
Total net P&L charge during the period	1,145,156	2,720,557	2,754,458	6,620,171
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(15,583)	(788)	(1,143,748)	(1,160,119)
Total movements without P&L impact	(15,583)	(788)	(1,143,748)	(1,160,119)
Loss allowance at December 31, 2020	₱4,536,289	₱3,213,081	₱4,628,126	₱12,377,496

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Consumer lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2020	₱226,544	₱30,935	₱1,048,161	₱1,305,640
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(36,480)	129,412	–	92,932
Transfer from Stage 1 to Stage 3	(11,450)	–	1,004,196	992,746
Transfer from Stage 2 to Stage 1	1,638	(5,843)	–	(4,205)
Transfer from Stage 2 to Stage 3	–	(9,289)	160,169	150,880
Transfer from Stage 3 to Stage 1	107	–	(13,073)	(12,966)
Transfer from Stage 3 to Stage 2	–	881	(20,232)	(19,351)
New financial assets originated *	95,436	20,068	55,052	170,556
Changes in PDs / LGDs / EADs	97,587	(4,418)	40,010	133,179
Financial assets derecognized during the period	(41,288)	(5,997)	(117,332)	(164,617)
Fx and other movements	–	–	287,434	287,434
Total net P&L charge during the period	105,550	124,814	1,396,224	1,626,588
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	–	–	(851,299)	(851,299)
Total movements without P&L impact	–	–	(851,299)	(851,299)
Loss allowance at December 31, 2020	₱332,094	₱155,749	₱1,593,086	₱2,080,929

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Trade-related lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance at January 1, 2020	₱127,073	₱429	₱207,015	₱334,517
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(882)	882	—	—
Transfer from Stage 1 to Stage 3	(253)	—	22,748	22,495
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	—	204	(11,808)	(11,604)
New financial assets originated *	130,287	22,522	26,235	179,044
Changes in PDs / LGDs / EADs	630	96	(106,093)	(105,367)
Financial assets derecognized during the period	(123,188)	(319)	—	(123,507)
Fx and other movements	275	—	3,920	4,195
Total net P&L charge during the period	6,869	23,385	(64,998)	(34,744)
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(275)	—	(20,894)	(21,169)
Total movements without P&L impact	(275)	—	(20,894)	(21,169)
Loss allowance at December 31, 2020	₱133,667	₱23,814	₱121,123	₱278,604

* Stage classification of new financial assets originated pertains to the stage as of end of year



Others	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Loss allowance at January 1, 2020	₱—	₱—	₱—	₱—
Movements with P&L impact				
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 *	1	8	—	9
Changes in PDs / LGDs / EADs	—	40	2,840	2,880
Financial assets derecognized during the period	—	—	—	—
Fx and other movements	—	—	—	—
Total net P&L charge during the period	1	48	2,840	2,889
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements without P&L impact	—	—	—	—
Loss allowance at December 31, 2020	₱1	₱48	₱2,840	₱2,889

* Stage classification of new financial assets originated pertains to the stage as of end of year

Loans and receivables – total	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Loss allowance at January 1, 2020	₱3,760,333	₱524,676	₱4,272,592	₱8,557,601
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(147,505)	1,925,778	—	1,778,273
Transfer from Stage 1 to Stage 3	(345,643)	—	3,286,175	2,940,532
Transfer from Stage 2 to Stage 1	112,806	(249,033)	—	(136,227)
Transfer from Stage 2 to Stage 3	—	(67,156)	976,134	908,978
Transfer from Stage 3 to Stage 1	139	—	(17,734)	(17,595)
Transfer from Stage 3 to Stage 2	—	1,264	(54,157)	(52,893)
New financial assets originated *	2,118,752	1,213,633	532,600	3,864,985
Changes in PDs / LGDs / EADs	712,611	164,322	(327,046)	549,887
Financial assets derecognized during the period	(1,209,386)	(120,792)	(731,959)	(2,062,137)
Fx and other movements	15,802	788	424,511	441,101
Total net P&L charge during the period	1,257,576	2,868,804	4,088,524	8,214,904
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(15,858)	(788)	(2,015,941)	(2,032,587)
Total movements without P&L impact	(15,858)	(788)	(2,015,941)	(2,032,587)
Loss allowance at December 31, 2020	₱5,002,051	₱3,392,692	₱6,345,175	₱14,739,918

* Stage classification of new financial assets originated pertains to the stage as of end of year

Investment securities at amortized cost	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Loss allowance at January 1, 2020	₱276,088	₱811,828	₱—	₱1,087,916
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	—	—	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	13,447	(21,613)	—	(8,166)
Transfer from Stage 2 to Stage 3	—	(784,940)	2,002,270	1,217,330
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated or purchased *	159,142	—	—	159,142
Changes in PDs / LGDs / EADs	(35,080)	—	—	(35,080)

(Forward)



	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Investment securities at amortized cost				
Financial assets derecognized during the period	(P24,960)	(P5,275)	P–	(P30,235)
Fx and other movements	34,709	–	–	34,709
Total net P&L charge during the period	147,258	(811,828)	2,002,270	1,337,700
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(35,771)	–	–	(35,771)
Total movements without P&L impact	(35,771)	–	–	(35,771)
Loss allowance at December 31, 2020	P387,575	P–	P2,002,270	P2,389,845

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Consolidated			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Financial assets at FVOCI (debt securities)				
Loss allowance at January 1, 2020	P18,521	P–	P–	P18,521
Movements with P&L impact				
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 or purchased *	13,467	–	–	13,467
Changes in PDs / LGDs / EADs	2,946	–	–	2,946
Financial assets derecognized during the period	(4,550)	–	–	(4,550)
Fx and other movements	9,345	–	–	9,345
Total net P&L charge during the period	21,208	–	–	21,208
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(9,345)	–	–	(9,345)
Total movements without P&L impact	(9,345)	–	–	(9,345)
Loss allowance at December 31, 2020	P30,384	P–	P–	P30,384

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Corporate and commercial lending				
Loss allowance at January 1, 2020	P3,316,660	P485,666	P1,939,230	P5,741,556
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(88,400)	1,768,208	–	1,679,808
Transfer from Stage 1 to Stage 3	(331,620)	–	2,028,750	1,697,130
Transfer from Stage 2 to Stage 1	110,960	(242,929)	–	(131,969)
Transfer from Stage 2 to Stage 3	–	(53,579)	476,664	423,085
Transfer from Stage 3 to Stage 1	3	–	(1,750)	(1,747)
Transfer from Stage 3 to Stage 2	–	38	(11,004)	(10,966)
New financial assets originated *	1,860,151	1,161,153	427,996	3,449,300
Changes in PDs / LGDs / EADs	591,037	154,171	(63,162)	682,046
Financial assets derecognized during the period	(1,017,672)	(113,814)	(504,576)	(1,636,062)
Fx and other movements	15,527	788	133,157	149,472
Total net P&L charge during the period	1,139,986	2,674,036	2,486,075	6,300,097
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(15,583)	(788)	(1,143,748)	(1,160,119)
Total movements without P&L impact	(15,583)	(788)	(1,143,748)	(1,160,119)
Loss allowance at December 31, 2020	P4,441,063	P3,158,914	P3,281,557	P10,881,534

* 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
Loss allowance at January 1, 2020	₱145,051	₱12,423	₱704,737	₱862,211
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(32,668)	93,437	–	60,769
Transfer from Stage 1 to Stage 3	(8,925)	–	604,704	595,779
Transfer from Stage 2 to Stage 1	1,198	(1,698)	–	(500)
Transfer from Stage 2 to Stage 3	–	(1,826)	35,021	33,195
Transfer from Stage 3 to Stage 1	74	–	(7,851)	(7,777)
Transfer from Stage 3 to Stage 2	–	714	(17,434)	(16,720)
New financial assets originated *	52,797	13,663	29,628	96,088
Changes in PDs / LGDs / EADs	87,549	(3,400)	2,702	86,851
Financial assets derecognized during the period	(30,881)	(2,832)	(24,961)	(58,674)
Fx and other movements	–	–	287,434	287,434
Total net P&L charge during the period	69,144	98,058	909,243	1,076,445
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	–	–	(562,525)	(562,525)
Total movements without P&L impact	–	–	(562,525)	(562,525)
Loss allowance at December 31, 2020	₱214,195	₱110,481	₱ 1,051,455	₱ 1,376,131

* 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
Loss allowance at January 1, 2020	₱127,073	₱429	₱207,015	₱334,517
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(882)	882	–	–
Transfer from Stage 1 to Stage 3	(253)	–	22,748	22,495
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	–	204	(11,808)	(11,604)
New financial assets originated *	129,366	22,522	26,235	178,123
Changes in PDs / LGDs / EADs	638	96	(113,791)	(113,057)
Financial assets derecognized during the period	(123,189)	(319)	–	(123,508)
Fx and other movements	276	–	3,920	4,196
Total net P&L charge during the period	5,956	23,385	(72,696)	(43,355)
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(276)	–	(20,894)	(21,170)
Total movements without P&L impact	(276)	–	(20,894)	(21,170)
Loss allowance at December 31, 2020	₱132,753	₱23,814	₱113,425	₱269,992

* 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, 2020	₱3,588,784	₱498,518	₱2,850,982	₱6,938,284
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(121,968)	1,862,527	–	1,740,559
Transfer from Stage 1 to Stage 3	(340,798)	–	2,656,202	2,315,404
Transfer from Stage 2 to Stage 1	112,158	(244,627)	–	(132,469)
Transfer from Stage 2 to Stage 3	–	(55,405)	511,685	456,280
Transfer from Stage 3 to Stage 1	77	–	(9,601)	(9,524)
Transfer from Stage 3 to Stage 2	–	956	(40,246)	(39,290)
New financial assets originated *	2,042,314	1,197,338	483,859	3,723,511
Changes in PDs / LGDs / EADs	679,242	150,867	(174,251)	655,858

(Forward)



	Parent Company			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	Total
Loans and receivables – total	12-month ECL	Lifetime ECL	Lifetime ECL	
Financial assets derecognized during the period	(P1,171,742)	(P116,965)	(P529,537)	(P1,818,244)
Fx and other movements	15,803	788	424,511	441,102
Total net P&L charge during the period	1,215,086	2,795,479	3,322,622	7,333,187
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(15,859)	(788)	(1,727,167)	(1,743,814)
Total movements without P&L impact	(15,859)	(788)	(1,727,167)	(1,743,814)
Loss allowance at December 31, 2020	P4,788,011	P3,293,209	P4,446,437	P12,527,657

* 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, 2020	₱270,795	₱811,829	₱–	₱1,082,624
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	13,447	(21,614)	-	(8,167)
Transfer from Stage 2 to Stage 3	–	(784,940)	2,002,270	1,217,330
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	156,697	–	–	156,697
Changes in PDs / LGDs / EADs	(35,080)	–	–	(35,080)
Financial assets derecognized during the period	(24,329)	(5,275)	-	(29,604)
Fx and other movements	35,771	–	–	35,771
Total net P&L charge during the period	146,506	(811,829)	2,002,270	1,336,947
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(35,771)	–	–	(35,771)
Total movements without P&L impact	(35,771)	–	–	(35,771)
Loss allowance at December 31, 2020	₱381,530	₱–	₱2,002,270	₱2,383,800

* 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, 2020	₱18,471	₱–	₱–	₱18,471
Movements with P&L impact				
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 or purchased *	13,217	–	–	13,217
Changes in PDs / LGDs / EADs	2,918	–	–	2,918
Financial assets derecognized during the period	(4,550)	–	–	(4,550)
Fx and other movements	9,345	–	–	9,345
Total net P&L charge during the period	20,930	–	–	20,930
Other movements without P&L impact				
Write-offs, foreclosures, and other movements	(9,345)	–	–	(9,345)
Total movements without P&L impact	(9,345)	–	–	(9,345)
Loss allowance at December 31, 2020	₱30,056	₱–	₱–	₱30,056

* 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 2021 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, 2021	₱397,992,042	₱39,717,491	₱11,955,693	₱449,665,226
Transfers:				
Transfer from Stage 1 to Stage 2	(19,672,462)	19,672,462	–	–
Transfer from Stage 1 to Stage 3	(1,393,524)	–	1,393,524	–
Transfer from Stage 2 to Stage 1	6,698,133	(6,698,133)	–	–
Transfer from Stage 2 to Stage 3	–	(6,141,795)	6,141,795	–
Transfer from Stage 3 to Stage 1	10,953	–	(10,953)	–
Transfer from Stage 3 to Stage 2	–	2,948,121	(2,948,121)	–
New financial assets originated *	192,066,995	15,979,547	755,583	208,802,125
Changes in EADs	(15,880,903)	(620,169)	13,237	(16,487,835)
Financial assets derecognized during the period	(130,991,991)	(14,239,143)	(1,542,680)	(146,773,814)
Write-offs, foreclosures, and other movements	–	–	(6,127,280)	(6,127,280)
Total movements of carrying amount	30,837,201	10,900,890	(2,324,895)	39,413,196
Gross carrying amount at December 31, 2021	₱428,829,243	₱50,618,381	₱9,630,798	₱489,078,422

* 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, 2021	₱89,400,795	₱16,797,090	₱7,805,457	₱114,003,342
Transfers:				
Transfer from Stage 1 to Stage 2	(6,137,698)	6,137,698	–	–
Transfer from Stage 1 to Stage 3	(1,141,006)	–	1,141,006	–
Transfer from Stage 2 to Stage 1	3,942,515	(3,942,515)	–	–
Transfer from Stage 2 to Stage 3	–	(1,631,296)	1,631,296	–
Transfer from Stage 3 to Stage 1	509,029	–	(509,029)	–
Transfer from Stage 3 to Stage 2	–	1,852,799	(1,852,799)	–
New financial assets originated *	41,096,087	2,098,371	324,046	43,518,504
Changes in EADs	(13,359,637)	(1,953,252)	(15,928)	(15,328,817)
Financial assets derecognized during the period	(14,069,194)	(2,989,190)	(1,700,600)	(18,758,984)
Write-offs, foreclosures, and other movements	–	–	(758,196)	(758,196)
Total movements of carrying amount	10,840,096	(427,385)	(1,740,204)	8,672,507
Gross carrying amount at December 31, 2021	₱100,240,891	₱16,369,705	₱6,065,253	₱122,675,849

* 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, 2021	₱7,216,491	₱1,012,597	₱304,961	₱8,534,049
Transfers:				
Transfer from Stage 1 to Stage 2	(39,688)	39,688	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	11,460	(11,460)	—	—
Transfer from Stage 2 to Stage 3	—	(24,701)	24,701	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	11,224,489	921,424	—	12,145,913
Changes in EADs	(1,907)	(15,352)	(2,540)	(19,799)
Financial assets derecognized during the period	(7,178,355)	(955,965)	—	(8,134,320)
Write-offs, foreclosures, and other movements	—	—	(72,291)	(72,291)
Total movements of carrying amount	4,015,999	(46,366)	(50,130)	3,919,503
Gross carrying amount at December 31, 2021	₱11,232,490	₱966,231	₱254,831	₱12,453,552

* 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, 2021	₱131,951	₱3,497	₱6,889	₱142,337
Transfers:				
Transfer from Stage 1 to Stage 2	(2,619)	2,619	–	–
Transfer from Stage 1 to Stage 3	(1,589)	–	1,589	–
Transfer from Stage 2 to Stage 1	2,288	(2,288)	–	–
Transfer from Stage 2 to Stage 3	–	(21)	21	–
Transfer from Stage 3 to Stage 1	510	–	(510)	–
Transfer from Stage 3 to Stage 2	–	14	(14)	–
New financial assets originated *	65,101	4,368	519	69,988
Changes in EADs	(19,754)	(540)	(796)	(21,090)
Financial assets derecognized during the period	(70,758)	(619)	(2,962)	(74,339)
Write-offs, foreclosures, and other movements	–	–		
Total movements of carrying amount	(26,821)	3,533	(2,153)	(25,441)
Gross carrying amount at December 31, 2021	₱105,130	₱7,030	₱4,736	₱116,896

* 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, 2021	₱494,741,279	₱57,530,675	₱20,073,000	₱572,344,954
Transfers:				
Transfer from Stage 1 to Stage 2	(25,852,467)	25,852,467	–	–
Transfer from Stage 1 to Stage 3	(2,536,119)	–	2,536,119	–
Transfer from Stage 2 to Stage 1	10,654,396	(10,654,396)	–	–
Transfer from Stage 2 to Stage 3	–	(7,797,813)	7,797,813	–
Transfer from Stage 3 to Stage 1	520,492	–	(520,492)	–
Transfer from Stage 3 to Stage 2	–	4,800,934	(4,800,934)	–
New financial assets originated *	244,452,672	19,003,710	1,080,148	264,536,530
Changes in EADs	(29,262,201)	(2,589,313)	(6,027)	(31,857,541)
Financial assets derecognized during the period	(152,310,298)	(18,184,917)	(3,246,242)	(173,741,457)
Write-offs, foreclosures, and other movements	–	–	(6,957,767)	(6,957,767)
Total movements of carrying amount	45,666,475	10,430,672	(4,117,382)	51,979,765
Gross carrying amount at December 31, 2021	₱540,407,754	₱67,961,347	₱15,955,618	₱624,324,719

* 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, 2021	₱195,420,861	₱–	₱3,631,625	₱199,052,486
Transfers:				
Transfer from Stage 1 to Stage 2	(1,731,257)	1,731,257	–	–
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 or purchased *	99,846,490	1,784,965	–	101,631,455
Changes in EADs	2,791,802	50,294	–	2,842,096
Financial assets derecognized during the period	(62,821,820)	–	–	(62,821,820)
Write-offs, foreclosures, and other movements	(95,516)	–	315,375	219,859
Total movements of carrying amount	37,989,699	3,566,516	315,375	41,871,590
Gross carrying amount at December 31, 2021	₱233,410,560	₱3,566,516	₱3,947,000	₱240,924,076

* 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, 2021	₱19,601,316	₱—	₱—	19,601,316
Transfers:				
Transfer from Stage 1 to Stage 2	(4,131)	4,131	—	—
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 or purchased *	19,706,665	403,647	—	20,110,312
Changes in EADs	360,885	(23)	—	360,862
Financial assets derecognized during the period	(12,066,616)	—	—	(12,066,616)
Write-offs, foreclosures, and other movements	12,887	—	—	12,887
Total movements of carrying amount	8,009,690	407,755	—	8,417,445
Gross carrying amount at December 31, 2021	₱27,611,006	₱407,755	₱—	₱28,018,761

* 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, 2021	₱387,946,594	₱32,994,569	₱8,240,131	₱429,181,294
Transfers:				
Transfer from Stage 1 to Stage 2	(19,059,999)	19,059,999	—	—
Transfer from Stage 1 to Stage 3	(1,323,623)	—	1,323,623	—
Transfer from Stage 2 to Stage 1	6,468,118	(6,468,118)	—	—
Transfer from Stage 2 to Stage 3	—	(6,028,117)	6,028,117	—
Transfer from Stage 3 to Stage 1	10,123	—	(10,123)	—
Transfer from Stage 3 to Stage 2	—	2,795,255	(2,795,255)	—
New financial assets originated *	192,001,895	15,975,179	755,392	208,732,466
Changes in EADs	(17,986,765)	(2,322,614)	(131,493)	(20,440,872)
Financial assets derecognized during the period	(126,080,452)	(11,873,019)	(739,615)	(138,693,086)
Write-offs, foreclosures, and other movements	—	—	(6,057,680)	(6,057,680)
Total movements of carrying amount	34,029,297	11,138,565	(1,627,034)	43,540,828
Gross carrying amount as at December 31, 2021	₱421,975,891	₱44,133,134	₱6,613,097	₱472,722,122

* 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, 2021	₱47,709,517	₱14,314,162	₱5,168,929	₱67,192,608
Transfers:				
Transfer from Stage 1 to Stage 2	(4,976,724)	4,976,724	—	—
Transfer from Stage 1 to Stage 3	(625,150)	—	625,150	—
Transfer from Stage 2 to Stage 1	3,065,004	(3,065,004)	—	—
Transfer from Stage 2 to Stage 3	—	(1,346,074)	1,346,074	—
Transfer from Stage 3 to Stage 1	323,869	—	(323,869)	—
Transfer from Stage 3 to Stage 2	—	1,725,586	(1,725,586)	—
New financial assets originated *	20,219,304	1,706,268	86,374	22,011,946
Changes in EADs	(6,169,530)	(1,419,713)	(163,992)	(7,753,235)
Financial assets derecognized during the period	(5,915,726)	(2,472,334)	(788,660)	(9,176,720)
Write-offs, foreclosures, and other movements	—	—	(258,126)	(258,126)
Total movements of carrying amount	5,921,047	105,453	(1,202,635)	4,823,865
Gross carrying amount as at December 31, 2021	₱53,630,564	₱14,419,615	₱3,966,294	₱72,016,473

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Trade-related lending				
Gross carrying amount as at January 1, 2021	₱7,040,805	₱1,012,598	₱275,045	₱8,328,448
Transfers:				
Transfer from Stage 1 to Stage 2	(39,688)	39,688	—	—
Transfer from Stage 1 to Stage 3	—	—	—	—
Transfer from Stage 2 to Stage 1	11,460	(11,460)	—	—
Transfer from Stage 2 to Stage 3	—	(24,701)	24,701	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	10,903,196	896,400	—	11,799,596
Changes EADs	(3,460)	(15,352)	—	(18,812)
Financial assets derecognized during the period	(7,001,117)	(955,965)	—	(7,957,082)
Write-offs, foreclosures, and other movements	—	—	(72,291)	(72,291)
Total movements of carrying amount	3,870,391	(71,390)	(47,590)	3,751,411
Gross carrying amount as at December 31, 2021	₱10,911,196	₱941,208	₱227,455	₱12,079,859

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Others				
Gross carrying amount as at January 1, 2021	₱28,392	₱—	₱29	₱28,421
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 *	—	—	328	328
Changes in EADs	(8,453)	—	(4)	(8,457)
Financial assets derecognized during the period	—	—	—	—
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements of carrying amount	(8,453)	—	324	(8,129)
Gross carrying amount as at December 31, 2021	₱19,939	₱—	₱353	₱20,292

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Loans and receivables – total				
Gross carrying amount as at January 1, 2021	₱442,725,308	₱48,321,329	₱13,684,134	₱504,730,771
Transfers:				
Transfer from Stage 1 to Stage 2	(24,076,411)	24,076,411	—	—
Transfer from Stage 1 to Stage 3	(1,948,773)	—	1,948,773	—
Transfer from Stage 2 to Stage 1	9,544,582	(9,544,582)	—	—
Transfer from Stage 2 to Stage 3	—	(7,398,892)	7,398,892	—
Transfer from Stage 3 to Stage 1	333,992	—	(333,992)	—
Transfer from Stage 3 to Stage 2	—	4,520,841	(4,520,841)	—
New financial assets originated *	223,124,395	18,577,847	842,094	242,544,336
Changes in EADs	(24,168,208)	(3,757,679)	(295,489)	(28,221,376)
Financial assets derecognized during the period	(138,997,295)	(15,301,318)	(1,528,275)	(155,826,888)
Write-offs, foreclosures, and other movements	—	—	(6,388,097)	(6,388,097)
Total movements of carrying amount	43,812,282	11,172,628	(2,876,935)	52,107,975
Gross carrying amount as at December 31, 2021	₱486,537,590	₱59,493,957	₱10,807,199	₱556,838,746

* Stage classification of new financial assets originated pertains to the stage as of end of year



	Parent Company			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2021	₱190,270,184	₱—	₱3,631,625	₱193,901,809
Transfers:				
Transfer from Stage 1 to Stage 2	(1,731,257)	1,731,257	—	—
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 or purchased *	99,251,834	1,784,965	—	101,036,799
Changes in EADs	2,791,802	50,293	—	2,842,095
Financial assets derecognized during the period	(62,786,671)	—	—	(62,786,671)
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements of carrying amount	37,525,708	3,566,515	—	41,092,223
Gross carrying amount as at December 31, 2021	₱227,795,892	₱3,566,515	₱3,631,625	₱234,994,032

* Stage classification of new financial assets originated pertains to the stage as of end of year

	Parent Company			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2021	₱17,733,151	₱—	₱—	₱17,733,151
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 or purchased *	18,799,138	403,647	—	19,202,785
Changes in EADs	366,062	—	—	366,062
Financial assets derecognized during the period	(11,401,619)	—	—	(11,401,619)
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements of carrying amount	7,763,581	403,647	—	8,167,228
Gross carrying amount as at December 31, 2021	₱25,496,732	₱403,647	₱—	₱25,900,379

* 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 2020 are shown below:

	Consolidated			
	ECL Staging			Total
	Stage 1	Stage 2	Stage 3	
Corporate and commercial lending	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount at January 1, 2020	₱435,460,383	₱19,438,408	₱4,784,696	₱459,683,487
Transfers:				
Transfer from Stage 1 to Stage 2	(18,887,144)	18,887,144	—	—
Transfer from Stage 1 to Stage 3	(7,901,000)	—	7,901,000	—
Transfer from Stage 2 to Stage 1	4,181,487	(4,181,487)	—	—
Transfer from Stage 2 to Stage 3	—	(1,625,803)	1,625,803	—
Transfer from Stage 3 to Stage 1	8,649	—	(8,649)	—
Transfer from Stage 3 to Stage 2	—	69,542	(69,542)	—
New financial assets originated *	155,334,831	17,883,810	661,047	173,879,688
Changes in EADs	(22,204,610)	(3,662,390)	(1,017,595)	(26,884,595)
Financial assets derecognized during the period	(147,958,908)	(7,091,733)	(821,116)	(155,871,757)
Write-offs, foreclosures, and other movements	(41,646)	—	(1,099,951)	(1,141,597)
Total movements of carrying amount	(37,468,341)	20,279,083	7,170,997	(10,018,261)
Gross carrying amount at December 31, 2020	₱397,992,042	₱39,717,491	₱11,955,693	₱449,665,226

* 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, 2020	₱98,802,692	₱4,603,066	₱3,496,043	₱106,901,801
Movements with P&L impact				
Transfers:				
Transfer from Stage 1 to Stage 2	(13,429,858)	13,429,858	—	—
Transfer from Stage 1 to Stage 3	(4,447,940)	—	4,447,940	—
Transfer from Stage 2 to Stage 1	650,492	(650,492)	—	—
Transfer from Stage 2 to Stage 3	—	(931,969)	931,969	—
Transfer from Stage 3 to Stage 1	50,795	—	(50,795)	—
Transfer from Stage 3 to Stage 2	—	156,508	(156,508)	—
New financial assets originated *	30,288,112	1,980,655	249,762	32,518,529
Changes in EADs	(11,163,581)	(993,341)	230,266	(11,926,656)
Financial assets derecognized during the period	(11,349,917)	(797,195)	(448,534)	(12,595,646)
Write-offs, foreclosures, and other movements	—	—	(894,686)	(894,686)
Total movements of carrying amount	(9,401,897)	12,194,024	4,309,414	7,101,541
Gross carrying amount at December 31, 2020	₱89,400,795	₱16,797,090	₱7,805,457	₱114,003,342

* 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, 2020	₱10,886,516	₱74,497	₱235,906	₱11,196,919
Transfers:				
Transfer from Stage 1 to Stage 2	(45,350)	45,350	–	–
Transfer from Stage 1 to Stage 3	(70,425)	–	70,425	–
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	–	12,258	(12,258)	–
New financial assets originated *	6,977,551	954,429	38,718	7,970,698
Changes in EADs	36,827	(11,883)	(6,936)	18,008
Financial assets derecognized during the period	(10,568,628)	(62,054)	–	(10,630,682)
Write-offs, foreclosures, and other movements	–	–	(20,894)	(20,894)
Total movements of carrying amount	(3,670,025)	938,100	69,055	(2,662,870)
Gross carrying amount at December 31, 2020	₱7,216,491	₱1,012,597	₱304,961	₱8,534,049

* 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, 2020	₱41,987	₱—	₱4,843	₱46,830
Transfers:				
Transfer from Stage 1 to Stage 2	(2,887)	2,887	—	—
Transfer from Stage 1 to Stage 3	(2,224)	—	2,224	—
Transfer from Stage 2 to Stage 1	—	—	—	—
Transfer from Stage 2 to Stage 3	—	(6)	6	—
Transfer from Stage 3 to Stage 1	—	—	—	—
Transfer from Stage 3 to Stage 2	—	—	—	—
New financial assets originated *	81,129	610	—	81,739
Changes in EADs	651,455	6	(140)	651,321
Financial assets derecognized during the period	(637,509)	—	(44)	(637,553)
Write-offs, foreclosures, and other movements	—	—	—	—
Total movements of carrying amount	89,964	3,497	2,046	95,507
Gross carrying amount at December 31, 2020	₱131,951	₱3,497	₱6,889	₱142,337

* 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, 2020	₱545,191,578	₱24,115,971	₱8,521,488	₱577,829,037
Transfers:				
Transfer from Stage 1 to Stage 2	(32,365,239)	32,365,239	–	–
Transfer from Stage 1 to Stage 3	(12,421,589)	–	12,421,589	–
Transfer from Stage 2 to Stage 1	4,831,979	(4,831,979)	–	–
Transfer from Stage 2 to Stage 3	–	(2,557,778)	2,557,778	–
Transfer from Stage 3 to Stage 1	59,444	–	(59,444)	–
Transfer from Stage 3 to Stage 2	–	238,308	(238,308)	–
New financial assets originated *	192,681,623	20,819,504	949,527	214,450,654
Changes in EADs	(32,679,909)	(4,667,608)	(794,405)	(38,141,922)
Financial assets derecognized during the period	(170,514,962)	(7,950,982)	(1,269,694)	(179,735,638)
Write-offs, foreclosures, and other movements	(41,646)	–	(2,015,531)	(2,057,177)
Total movements of carrying amount	(50,450,299)	33,414,704	11,551,512	(5,484,083)
Gross carrying amount at December 31, 2020	₱494,741,279	₱57,530,675	₱20,073,000	₱572,344,954

* 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	
Investments securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount at January 1, 2020	₱151,804,525	₱8,638,161	₱–	₱160,442,686
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	4,566,011	(4,566,011)	–	–
Transfer from Stage 2 to Stage 3	–	(3,631,625)	3,631,625	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	76,662,322	–	–	76,662,322
Changes in EADs	(3,158,904)	–	–	(3,158,904)
Financial assets derecognized during the period	(34,393,876)	(440,525)	–	(34,834,401)
Write-offs, foreclosures, and other movements	(59,217)	–	–	(59,217)
Total movements of carrying amount	43,616,336	(8,638,161)	3,631,625	38,609,800
Gross carrying amount at December 31, 2020	₱195,420,861	₱–	₱3,631,625	₱199,052,486

* 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, 2020	₱25,493,787	₱–	₱–	₱25,493,787
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 or purchased *	15,042,008	–	–	15,042,008
Changes in EADs	(54,738)	–	–	(54,738)
Financial assets derecognized during the period	(20,880,289)	–	–	(20,880,289)
Write-offs, foreclosures, and other movements	548	–	–	548
Total movements of carrying amount	(5,892,471)	–	–	(5,892,471)
Gross carrying amount at December 31, 2020	₱19,601,316	₱–	₱–	19,601,316

* 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, 2020	₱414,240,164	₱18,004,969	₱2,229,488	₱434,474,621
Transfers:				
Transfer from Stage 1 to Stage 2	(13,773,628)	13,773,628	–	–
Transfer from Stage 1 to Stage 3	(7,354,780)	–	7,354,780	–
Transfer from Stage 2 to Stage 1	4,132,553	(4,132,553)	–	–
Transfer from Stage 2 to Stage 3	–	(821,691)	821,691	–
Transfer from Stage 3 to Stage 1	1,750	–	(1,750)	–
Transfer from Stage 3 to Stage 2	–	43,206	(43,206)	–
New financial assets originated *	151,866,536	16,657,311	596,710	169,120,557
Changes in EADs	(19,576,589)	(3,562,665)	(1,057,326)	(24,196,580)
Financial assets derecognized during the period	(141,547,766)	(6,967,636)	(560,305)	(149,075,707)
Write-offs, foreclosures, and other movements	(41,646)	–	(1,099,951)	(1,141,597)
Total movements of carrying amount	(26,293,570)	14,989,600	6,010,643	(5,293,327)
Gross carrying amount as at December 31, 2020	₱387,946,594	₱32,994,569	₱8,240,131	₱429,181,294

* 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, 2020	₱58,698,242	₱3,630,197	₱2,419,724	₱64,748,163
Transfers:				
Transfer from Stage 1 to Stage 2	(11,539,252)	11,539,252	–	–
Transfer from Stage 1 to Stage 3	(3,195,903)	–	3,195,903	–
Transfer from Stage 2 to Stage 1	432,662	(432,662)	–	–
Transfer from Stage 2 to Stage 3	–	(539,745)	539,745	–
Transfer from Stage 3 to Stage 1	34,429	–	(34,429)	–
Transfer from Stage 3 to Stage 2	–	147,738	(147,738)	–
New financial assets originated *	15,210,115	1,629,310	126,005	16,965,430
Changes in EADs	(5,743,177)	(1,029,086)	(165,331)	(6,937,594)
Financial assets derecognized during the period	(6,187,599)	(630,842)	(159,038)	(6,977,479)
Write-offs, foreclosures, and other movements	–	–	(605,912)	(605,912)
Total movements of carrying amount	(10,988,725)	10,683,965	2,749,205	2,444,445
Gross carrying amount as at December 31, 2020	₱47,709,517	₱14,314,162	₱5,168,929	₱67,192,608

* 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, 2020	₱10,592,165	₱74,497	₱235,906	₱10,902,568
Transfers:				
Transfer from Stage 1 to Stage 2	(45,350)	45,350	—	—
Transfer from Stage 1 to Stage 3	(40,509)	—	40,509	—
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	—	12,258	(12,258)	—
New financial assets originated *	6,800,313	954,429	38,718	7,793,460
Changes in EADs	(99,057)	(11,882)	(6,936)	(117,875)
Financial assets derecognized during the period	(10,166,757)	(62,054)	—	(10,228,811)
Write-offs, foreclosures, and other movements	—	—	(20,894)	(20,894)
Total movements of carrying amount	(3,551,360)	938,101	39,139	(2,574,120)
Gross carrying amount as at December 31, 2020	₱7,040,805	₱1,012,598	₱ 275,045	₱8,328,448

* Stage classification of new financial assets originated pertains to the stage as of end of year



Others	Parent Company			Total
	ECL Staging			
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2020	₱34,041	₱–	₱299	₱34,340
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	(5,649)	–	(270)	(5,919)
Financial assets derecognized during the period	–	–	–	–
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	(5,649)	–	(270)	(5,919)
Gross carrying amount as at December 31, 2020	₱28,392	₱–	₱29	₱28,421

* 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, 2020	₱483,564,612	₱21,709,663	₱4,885,417	₱510,159,692
Transfers:				
Transfer from Stage 1 to Stage 2	(25,358,230)	25,358,230	–	–
Transfer from Stage 1 to Stage 3	(10,591,192)	–	10,591,192	–
Transfer from Stage 2 to Stage 1	4,565,215	(4,565,215)	–	–
Transfer from Stage 2 to Stage 3	–	(1,361,436)	1,361,436	–
Transfer from Stage 3 to Stage 1	36,179	–	(36,179)	–
Transfer from Stage 3 to Stage 2	–	203,202	(203,202)	–
New financial assets originated *	173,876,964	19,241,050	761,433	193,879,447
Changes in EADs	(25,424,472)	(4,603,633)	(1,229,863)	(31,257,968)
Financial assets derecognized during the period	(157,902,122)	(7,660,532)	(719,343)	(166,281,997)
Write-offs, foreclosures, and other movements	(41,646)	–	(1,726,757)	(1,768,403)
Total movements of carrying amount	(40,839,304)	26,611,666	8,798,717	(5,428,921)
Gross carrying amount as at December 31, 2020	₱442,725,308	₱48,321,329	₱13,684,134	₱504,730,771

* 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	
Investment securities at amortized cost	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2020	₱148,076,088	₱8,638,161	₱–	₱156,714,249
Transfers:				
Transfer from Stage 1 to Stage 2	–	–	–	–
Transfer from Stage 1 to Stage 3	–	–	–	–
Transfer from Stage 2 to Stage 1	4,566,011	(4,566,011)	–	–
Transfer from Stage 2 to Stage 3	–	(3,631,625)	3,631,625	–
Transfer from Stage 3 to Stage 1	–	–	–	–
Transfer from Stage 3 to Stage 2	–	–	–	–
New financial assets originated or purchased *	74,557,360	–	–	74,557,360
Changes in EADs	(3,105,720)	–	–	(3,105,720)
Financial assets derecognized during the period	(33,865,976)	(440,525)	–	(34,306,501)
Write-offs, foreclosures, and other movements	42,421	–	–	42,421
Total movements of carrying amount	42,194,096	(8,638,161)	3,631,625	37,187,560
Gross carrying amount as at December 31, 2020	₱190,270,184	₱–	₱3,631,625	₱193,901,809

* 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	
Financial assets at FVOCI (debt securities)	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Gross carrying amount as at January 1, 2020	₱23,565,221	₱–	₱–	₱23,565,221
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 or purchased *	13,615,307	–	–	13,615,307
Changes in EADs	(60,034)	–	–	(60,034)
Financial assets derecognized during the period	(19,387,343)	–	–	(19,387,343)
Write-offs, foreclosures, and other movements	–	–	–	–
Total movements of carrying amount	(5,832,069)	–	–	(5,832,069)
Gross carrying amount as at December 31, 2020	₱17,733,151	₱–	₱–	₱17,733,151
* Stage classification of new financial assets originated pertains to the stage as of end of year				

* 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		
	2021	2020	2019	2021	2020	2019
Provision for Impairment and Credit Losses	₱8,876,744	₱8,868,919	₱2,570,168	₱7,679,877	₱7,983,206	₱2,205,062
Retained Earnings, appropriated	811,587	(765,263)	(468,442)	811,587	(765,263)	(468,442)
	₱9,688,331	₱8,103,656	₱2,101,726	₱8,491,464	₱7,217,943	₱1,736,620

17. Deposit Liabilities

As of December 31, 2021 and 2020, 28.26% and 35.70%, respectively, of the total deposit liabilities of the Group, and 31.17% and 38.87%, respectively, of the Parent Company are subject to periodic interest repricing. The remaining deposit liabilities bear annual fixed interest rates ranging from 0.05% to 4.55% in 2021, from 0.13% to 4.25% in 2020 and from 0.13% to 4.55% in 2019.

Interest Expense on Deposit Liabilities

This account consists of:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Demand	₱301,420	₱284,620	₱242,838	₱266,605	₱243,035	₱189,776
Savings	1,556,758	2,215,388	6,356,024	1,495,056	2,122,076	6,247,134
Time	3,253,399	7,137,167	11,968,306	2,510,671	5,828,476	9,478,197
	₱5,111,577	₱9,637,175	₱18,567,168	₱4,272,332	₱8,193,587	₱15,915,107

BSP Circular No. 830 requires reserves against deposit liabilities. As of December 31, 2021 and 2020, Due from BSP amounting to ₱80.27 billion and ₱77.99 billion, respectively, for the Group and ₱77.73 billion and ₱75.31 billion, respectively, for the Parent Company were set aside as reserves for deposit liabilities per latest report submitted to the BSP.



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:

- a. Peso-denominated loans that are granted to micro-, small- and medium enterprises (MSMEs)
- b. 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.

As of December 31, 2021 and 2020, 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 due May 18, 2022. The LTNCDs bear a fixed coupon rate of 3.65% per annum, payable quarterly in arrears. Subject to BSP rules, the Group has the option to pre-terminate the LTNCDs as a whole but not in part, prior to maturity and on any interest payment date at face value plus accrued interest covering the accrued and unpaid interest.

On June 2, 2017, the Parent Company issued at par LTNCDs with aggregate principal amount of ₱6.35 billion due 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 billion via a combination of Long-Term Negotiable Certificate of Time Deposit and/or Retail Bonds and/or Commercial Papers.

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 approved by BSP on June 14, 2018. The LTNCDs bear a fixed coupon rate of 4.55% per annum, payable quarterly in arrears. The ₱20.00 billion LTNCD program is part of the Group's funding program amounting to ₱50 billion.

The LTNCDs are included under the 'Time deposit liabilities' account.



18. Bonds Payable

The Parent Company's bonds payable consists of:

₱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 is due on October 22, 2022.

₱30.00 Billion Peso Fixed Rate Bonds due in 2021

On July 10, 2019, the Parent Company issued ₱30.00 billion peso fixed rate bonds, which bears a fixed coupon rate of 5.70% per annum, payable monthly, and is due on January 10, 2021. This was settled in 2021 as scheduled.

BSP Circular No. 830 requires reserves against peso-denominated bonds. As of December 31, 2021 and 2020, the Group is in compliance with such regulation.

₱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 is due on February 18, 2024.

This issuance is the second drawdown under the ₱45 billion bond and commercial paper program established in September 2020.

\$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 variable cash flow payments on the floating-rate bonds payable attributable to interest rate risk (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.

Noncompliance of these obligations may require the Parent Company to pay the bond immediately. As of December 31, 2021 and 2020, the Parent Company is in compliance with these covenants and regulatory requirements.

The movements in the Parent Company's total unamortized discount and debt issue cost of the above bonds payable follows:

	2021	2020
Beginning balance	₱137,772	₱200,852
Additions	121,542	133,117
Amortization	(83,022)	(196,197)
Ending balance	₱176,292	₱137,772

19. Bills Payable

The Parent Company's bills payable consist of:

	2021	2020
Interbank loans payable and securities sold under repurchase agreements	₱65,697,274	₱17,518,091
BSP rediscounting (Note 10)	–	5,747,160
Promissory Notes	109,000	390,600
	₱65,806,274	₱23,655,851

Interbank loans payable and securities sold under repurchase agreements

Interbank loans payable consists of short-term dollar-denominated borrowings of the Parent Company with annual interest ranging from 0.31% to 1.60%, from 0.79% to 1.60%, and from 1.30% to 3.15% in 2021, 2020, and 2019, 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 ₱48.85 billion and ₱13.09 billion as of December 31, 2021 and 2020, 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 ₱23.59 billion and ₱7.21 billion as of December 31, 2021 and 2020, respectively.

The aggregate fair value of investment securities at amortized cost pledged as collateral amounted to ₱74.90 billion and ₱21.66 billion as of December 31, 2021 and 2020, respectively. The aggregate fair value of financial assets at FVOCI pledged as collateral amounted to ₱3.25 billion and nil as of December 31, 2021 and 2020, respectively.

As of December 31, 2021 and 2020, margin deposits amounting to ₱3.91 billion and ₱2.35 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	
	2021	2020	2021	2020
Accrued payable for employee benefits	₱1,841,197	₱1,347,783	₱1,841,197	₱1,347,783
Accrued interest payable	913,513	886,362	873,266	824,321
Accrued taxes and other licenses	267,721	233,188	149,889	167,145
Accrued other expenses payable	1,723,430	1,438,612	1,461,074	1,240,370
	₱4,745,861	₱3,905,945	₱4,325,426	₱3,579,619

21. Other Liabilities

This account consists of:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Financial liabilities				
Accounts payable	₱4,941,102	₱4,321,936	₱3,580,280	₱2,809,867
Lease liabilities (Note 27)	2,846,018	2,996,003	2,187,898	2,392,891
Due to PDIC	786,195	755,977	786,195	755,977
Acceptances payable	1,482,761	477,662	1,482,761	477,662
Expected credit losses on off-balance sheet exposures (Note 16)	740,877	467,117	730,859	457,099
Due to the Treasurer of the Philippines	345,945	389,621	313,569	370,778
Other credits-dormant	336,777	303,056	336,777	303,056
Margin deposits	626	291	626	291
Miscellaneous	1,050,140	947,319	329,893	490,959
	12,530,441	10,658,982	9,748,858	8,058,580
Non-financial liabilities				
Withholding taxes payable	171,033	227,909	149,455	203,888
Retirement liabilities (Note 25)	10,613	12,428	—	—
	181,646	240,337	149,455	203,888
	₱12,712,087	₱10,899,319	₱9,898,313	₱8,262,468

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		
	2021	2020	2019	2021	2020	2019
Service and collection charges:						
Deposits	₱544,450	₱419,564	₱510,517	₱544,450	₱419,565	₱510,517
Loans	1,108,531	726,819	806,509	21,252	20,363	46,967
Remittances	217,191	223,756	315,050	217,191	223,756	315,050
Others	206,148	204,742	252,254	204,335	202,241	228,734
	2,076,320	1,574,881	1,884,330	987,228	865,925	1,101,268
Fees and commissions	1,409,864	1,123,845	1,412,343	451,386	351,105	523,435
	₱3,486,184	₱2,698,726	₱3,296,673	₱1,438,614	₱1,217,030	₱1,624,703



Trading and Securities Gain – Net

This account consists of:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Financial assets at FVOCI	₱60,316	₱3,173,881	₱269,478	₱40,937	₱3,145,147	₱240,310
Financial assets designated at FVTPL (Note 9)	1,168	–	(8,929)	–	–	–
Held-for-trading (Note 9)	(194,502)	257,480	739,278	(220,693)	245,513	712,910
Derivatives (Note 26)	69,013	(197,489)	(115,345)	69,013	(197,489)	(115,345)
	(₱64,005)	₱3,233,872	₱884,482	(₱110,743)	₱3,193,171	₱837,875

Miscellaneous Income

Details of this account are as follows:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Bancassurance (Note 11)	₱432,082	₱282,000	₱303,454	₱432,082	₱282,000	₱300,664
Dividends (Note 8)	102,867	136,957	107,969	99,326	123,494	107,050
Rental of bank premises classified as investment properties	101,601	53,352	72,556	42,796	34,069	39,896
Recovery of charged off assets	107,585	39,059	244,947	92,033	27,494	219,055
Rental of safety deposit boxes	31,057	27,645	28,987	31,057	27,645	28,987
Fund transfer fees	21,211	15,140	52,976	21,211	15,140	52,976
Miscellaneous income (Notes 12, 13, and 30)	466,438	398,097	382,167	400,226	337,895	314,167
	₱1,262,841	₱952,250	₱1,193,056	₱1,118,731	₱847,735	₱1,062,795

Miscellaneous Expenses

Details of this account are as follows:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Information technology	₱1,349,236	₱984,849	₱635,422	₱1,281,146	₱925,366	₱575,316
Service charges	142,951	146,769	207,782	142,894	146,769	206,754
Litigations	261,282	121,720	243,124	83,308	23,141	60,811
Freight	63,662	58,184	58,397	45,844	43,818	38,911
Broker's fee	20,671	26,991	27,370	20,664	25,834	27,370
Membership fees and dues	20,290	15,662	21,525	18,767	14,433	17,369
Clearing and processing fee	12,376	14,801	15,331	12,376	14,801	15,331
Miscellaneous expense	1,381,395	1,130,959	1,113,987	1,168,518	946,834	948,159
	₱3,251,863	₱2,499,935	₱2,322,938	₱2,773,517	₱2,140,996	₱1,890,021

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, 2021 and 2020 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					
	2021			2020		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Financial assets						
Cash and other cash items	₱16,024,863	₱–	₱16,024,863	₱15,984,210	₱–	₱15,984,210
Due from BSP	124,283,115	–	124,283,115	152,156,449	–	152,156,449
Due from other banks	10,694,312	–	10,694,312	18,228,721	–	18,228,721
Interbank loans receivable and SPURA	36,559,224	–	36,559,224	18,290,851	–	18,290,851
Financial assets at FVTPL	7,199,707	9,960	7,209,667	13,397,485	9,378	13,406,863
Derivative Contracts Designated as Hedge	–	1,139,233	1,139,233	–	–	–
Financial assets at FVOCI	135,486	28,536,754	28,672,240	2,163,764	18,080,639	20,244,403
Investment securities at amortized cost	6,410,730	239,036,746	245,447,476	6,482,819	198,147,657	204,630,476
Loans and receivables – gross	154,942,216	469,382,503	624,324,719	163,451,586	408,893,368	572,344,954
Accrued interest receivable – gross	8,095,506	–	8,095,506	8,867,657	–	8,867,657
Other assets – gross	2,878,020	1,173,372	4,051,392	2,421,955	1,203,482	3,625,437
	367,223,179	739,278,568	1,106,501,747	401,445,497	626,334,524	1,027,780,021

(Forward)



	Consolidated					
	2021			2020		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Non-financial assets						
Bank premises, furniture, fixtures and equipment – net of accumulated depreciation and amortization	P=	P8,232,859	P8,232,859	P=	P8,422,717	P8,422,717
Investment properties – net of accumulated depreciation	–	4,646,821	4,646,821	–	4,901,158	4,901,158
Deferred tax assets	–	4,624,981	4,624,981	–	5,172,435	5,172,435
Investments in associates	–	796,519	796,519	–	912,647	912,647
Intangible assets	–	4,100,891	4,100,891	–	4,174,671	4,174,671
Goodwill	–	839,748	839,748	–	839,748	839,748
Other assets – gross	2,615,049	483,002	3,098,051	2,848,609	550,056	3,398,665
	2,615,049	23,724,821	26,339,870	2,848,609	24,973,432	27,822,041
Allowance for impairment and credit losses (Note 16)			(20,261,713)			(19,199,861)
Unearned discounts (Note 10)			(260,378)			(390,552)
			(20,522,091)			(19,590,413)
			P1,112,319,526			P1,036,011,649
Financial liabilities						
Deposit liabilities	P845,666,109	17,193,788	P862,859,897	P823,257,082	P11,973,748	P835,230,830
Bills payable	59,106,708	6,699,566	65,806,274	23,655,851	–	23,655,851
Bonds payable	22,596,330	19,877,228	42,473,558	37,183,590	14,882,088	52,065,678
Manager's checks	1,854,606	–	1,854,606	1,568,232	–	1,568,232
Accrued interest and other expenses*	4,478,140	–	4,478,140	3,672,757	–	3,672,757
Derivative liabilities	998,721	–	998,721	1,216,771	–	1,216,771
Derivative Contracts Designated as Hedge	–	162,399	162,399	521,209	–	521,209
Other liabilities	12,530,441	–	12,530,441	10,658,982	–	10,658,982
	947,231,055	43,932,981	991,164,036	901,734,474	26,855,836	928,590,310
Non-financial liabilities						
Accrued interest and other expenses	267,721	–	267,721	233,188	–	233,188
Deferred tax liabilities	–	798,212	798,212	–	1,116,362	1,116,362
Income tax payable	785,091	–	785,091	846,090	–	846,090
Other liabilities	171,033	10,613	181,646	227,909	12,428	240,337
	1,223,845	808,825	2,032,670	1,307,187	1,128,790	2,435,977
	P948,454,900	P44,741,806	P993,196,706	P903,041,661	P27,984,626	P931,026,287

*Accrued interest and other expenses include accrued interest payable and accrued other expenses payable (Note 19).

	Parent Company					
	2021			2020		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Financial assets						
Cash and other cash items	P13,649,247	P=	P13,649,247	P13,724,265	P=	P13,724,265
Due from BSP	114,528,773	–	114,528,773	141,811,190	–	141,811,190
Due from other banks	9,897,264	–	9,897,264	17,197,750	–	17,197,750
Interbank loans receivable and SPURA	35,030,997	–	35,030,997	15,604,167	–	15,604,167
Financial assets at FVTPL	5,447,844	9,960	5,457,804	11,632,400	9,378	11,641,778
Derivative Contracts Designated as Hedge	–	1,139,233	1,139,233	–	–	–
Financial assets at FVOCI	15,616	26,508,096	26,523,712	1,999,447	16,346,073	18,345,520
Investment securities at amortized cost	3,602,648	235,631,306	239,233,954	6,289,102	192,889,524	199,178,626
Loans and receivables – gross	133,008,434	423,830,312	556,838,746	140,997,182	363,733,589	504,730,771
Accrued interest receivable – gross	6,610,940	–	6,610,940	6,870,225	–	6,870,225
Other assets – gross	1,864,676	243,355	2,108,031	1,323,810	209,692	1,533,502
	323,656,439	687,362,262	1,011,018,701	357,449,538	573,188,256	930,637,794
Non-financial assets						
Bank premises, furniture, fixtures and equipment – net of accumulated depreciation and amortization	–	6,600,139	6,600,139	–	6,876,959	6,876,959
Investment properties – net of accumulated depreciation	–	1,966,042	1,966,042	–	2,356,720	2,356,720
Deferred tax assets	–	3,409,600	3,409,600	–	3,732,048	3,732,048
Investments in subsidiaries	–	17,251,247	17,251,247	–	15,814,693	15,814,693
Investment in associates	–	796,519	796,519	–	912,647	912,647
Intangible assets	–	825,440	825,440	–	890,936	890,936
Goodwill	–	222,841	222,841	–	222,841	222,841
Other assets – gross	1,612,868	300,391	1,913,259	2,035,989	32,609	2,068,598
	1,612,868	31,372,219	32,985,087	2,035,989	30,839,453	32,875,442
Allowances for impairment and credit losses (Note 16)			(16,641,724)			(16,176,864)
Unearned discounts (Note 10)			(177,124)			(208,638)
			(16,818,848)			(16,385,502)
			P1,027,184,940			P947,127,734

(Forward)



	Parent Company					
	2021			2020		
	Within Twelve Months	Over Twelve Months	Total	Within Twelve Months	Over Twelve Months	Total
Financial liabilities						
Deposit liabilities	₱774,961,350	₱7,257,550	₱782,218,900	₱749,468,113	₱1,504,795	₱750,972,908
Bills payable	59,106,708	6,699,566	65,806,274	23,655,851	—	23,655,851
Bonds payable	22,596,330	19,877,228	42,473,558	37,183,590	14,882,088	52,065,678
Manager's checks	1,466,359	—	1,466,359	1,066,098	—	1,066,098
Accrued interest and other expenses*	4,175,537	—	4,175,537	3,412,474	—	3,412,474
Derivative liabilities	998,721	—	998,721	1,216,771	—	1,216,771
Derivative Contracts Designated as Hedge	—	162,399	162,399	521,209	—	521,209
Other liabilities	9,748,858	—	9,748,858	8,058,582	—	8,058,582
	873,053,863	33,996,743	907,050,606	824,582,688	16,386,883	840,969,571
Non-financial liabilities						
Accrued interest and other expenses	149,889	—	149,889	167,145	—	167,145
Income tax payable	754,026	—	754,026	825,270	—	825,270
Other liabilities	149,455	—	149,455	203,886	—	203,886
	₱1,053,370	—	₱1,053,370	1,196,301	—	1,196,301
	₱874,107,233	₱33,996,743	₱908,103,976	₱825,778,989	₱16,386,883	₱842,165,872

*Accrued interest and other expenses include accrued interest payable, accrued payable for employee benefits and accrued other expenses payable (Note 19).

24. Equity

The Parent Company's capital stock consists of (amounts in thousands, except for number of shares):

	2021		2020	
	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	2,685,899,812	₱26,858,998	2,685,899,812	₱26,858,998
Issuance through stock grant	5,388,400	53,884	—	—
Balance at end of year	2,691,288,212	₱26,912,882	2,685,899,812	₱26,858,998

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 1,881 and 1,890 as of December 31, 2021 and 2020, 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
May 6, 2021	May 21, 2021	June 4, 2021	1.00
June 18, 2020	July 03, 2020	July 17, 2020	1.00
May 02, 2019	May 17, 2019	May 31, 2019	0.88
May 03, 2018	May 17, 2018	June 01, 2018	0.83
May 04, 2017	May 18, 2017	June 02, 2017	0.80
May 05, 2016	May 23, 2016	June 03, 2016	1.00
May 07, 2015	August 12, 2015	September 09, 2015	1.00
May 08, 2014	September 19, 2014	October 15, 2014	1.00
May 02, 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, 2021 and 2020, surplus includes the amount of ₱1.37 billion and ₱1.28 billion, net of deferred tax effect of ₱456.17 million and ₱547.41 million, respectively, 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 ₱5.10 billion and ₱3.68 billion as of December 31, 2021 and 2020, 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, 2021 and 2020.

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 Bangko Sentral-recognized domestic credit assessment agencies or by international credit assessment agencies which have developed a national rating system acceptable to the Bangko Sentral. Internationally-issued debt obligations shall be rated by Bangko Sentral-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:

- MSME exposures that meet the criteria of qualified MSME portfolio, and
- 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*.

The CAR of the Group and the Parent Company as of December 31, 2021 and 2020 as reported to the BSP are shown in the table below.

	Consolidated		Parent Company	
	2021	2020	2021	2020
	(Amounts in Million Pesos)			
CET 1 Capital	₱116,675	₱103,104	₱113,954	₱100,378
Less: Regulatory Adjustments	12,278	12,354	22,099	21,286
	104,397	90,750	91,855	79,092
Additional Tier 1 Capital	—	—	—	—
Less: Regulatory Adjustments	—	—	—	—
	—	—	—	—
Net Tier 1 Capital	104,397	90,750	91,855	79,092
Tier 2 Capital	5,807	5,986	5,464	5,302
Less: Regulatory Adjustments	—	—	—	—
Net Tier 2 Capital	5,807	5,986	5,464	5,302
Total Qualifying Capital	₱110,204	₱96,736	₱97,319	₱84,394



	Consolidated		Parent Company	
	2021	2020	2021	2020
	(Amounts in Million Pesos)			
Credit RWA	₱610,687	₱597,826	₱546,185	₱528,980
Market RWA	28,261	6,835	28,194	6,739
Operational RWA	60,599	51,921	50,603	42,559
Total RWA	₱699,547	₱656,582	₱624,982	₱578,278
CET 1 capital ratio	14.92%	13.82%	14.70%	13.68%
Tier 1 capital ratio	14.92%	13.82%	14.70%	13.68%
Total capital ratio	15.75%	14.73%	15.57%	14.59%

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 the 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, in view of the current pandemic, the BSP adjusted the deadline for submission from March 31, 2021 to June 30, 2021. The Group has 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. The submission of a separate recovery plan shall commence on 2022.

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 BLR of the Group and the Parent Company as of December 31, 2021 and 2020 as reported to the BSP are shown in the table below.

	Consolidated		Parent Company	
	2021	2020	2021	2020
	(Amounts in Million Pesos)			
Tier 1 Capital	₱104,397	₱90,750	₱91,855	₱79,092
Exposure Measure	1,058,243	1,027,936	959,770	926,668
Leverage Ratio	9.87%	8.83%	9.57%	8.54%



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. As of December 31, 2021 and 2020, the LCR in single currency is 120.94% and 117.14%, respectively, for the Group and 119.49% and 115.84%, 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 Net Stable Funding Ratio (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. As of December 31, 2021 and 2020, the NSFR is 117.03% and 119.48%, respectively, for the Group and 116.15% and 118.85%, 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, 2021.

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	
	2021	2020	2021	2020
Net plan assets (Note 15)	₱483,001	₱127,937	₱300,391	₱32,609
Retirement liabilities (Note 21)	(10,613)	(12,428)	—	—
	₱472,388	₱115,509	₱300,391	₱32,609



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					Contribution by employer	December 31, 2021
	January 1, 2021	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	
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j) = f + g + h + i	(l) = a + d + e + j + k
Fair value of plan assets	₱5,204,266	₱–	₱145,943	₱145,943	(₱281,350)	₱188,056	₱–	₱–	₱–	₱188,056	₱345,191
Present value of defined benefit obligation	5,088,757	561,738	142,897	704,635	(281,350)	–	17,139	(417,862)	18,399	(382,324)	–
Net defined benefit asset	₱115,509	(₱561,738)	₱3,046	(₱558,692)	₱–	₱188,056	(₱17,139)	₱417,862	(₱18,399)	₱570,380	₱472,388

*Presented under Compensation and fringe benefits in the statements of income.

Consolidated											
	Net benefit cost				Remeasurements in OCI					Contribution by employer	December 31, 2020
	January 1, 2020	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	
	(a)	(b)	(c)	(d) = b + c	(e)	(f)	(g)	(h)	(i)	(j) = f + g + h + i	(l) = a + d + e + j + k
Fair value of plan assets	₱5,340,401	₱–	₱227,744	₱227,744	(₱277,475)	(₱410,930)	₱–	₱–	₱–	(₱410,930)	₱324,526
Present value of defined benefit obligation	4,812,121	518,068	210,658	728,726	(275,756)	–	(56,521)	758,972	(878,786)	(176,335)	–
Net defined benefit asset	₱528,280	(₱518,068)	₱17,086	(₱500,982)	(₱1,719)	(₱410,930)	₱56,521	(₱758,972)	₱878,786	(₱234,595)	₱115,510

*Presented under Compensation and fringe benefits in the statements of income.



	Parent Company												
							Remeasurements in OCI						
	January 1, 2021	Net benefit cost			Transfer from Affiliates	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 (j) = f + g + h + i	Contribution by employer (k)	December 31, 2021 (l) = a + d + e + j + k
	(a)	(b)	(c)	(d) = b + c	(e)	(e)	(f)	(g)	(h)	(i)		(k)	
Fair value of plan assets	₱4,562,287	₱–	₱129,113	₱129,113	₱–	(₱268,950)	₱179,596	₱–	₱–	₱–	₱179,596	₱260,000	₱4,862,046
Present value of defined benefit obligation	4,529,678	461,787	128,190	589,977	–	(268,950)	–	23,864	(339,777)	26,863	(289,050)	–	4,561,655
Net defined benefit asset	₱32,609	(₱461,787)	₱923	(₱460,864)	₱–	₱–	₱179,596	(₱23,864)	₱339,777	(₱26,863)	₱468,646	₱260,000	₱300,391

*Presented under Compensation and fringe benefits in the statements of income.

	Parent Company													
	January 1, 2020	Net benefit cost			Transfer from Affiliates	Benefits paid	Remeasurements in OCI					Total remeasurements in OCI	Contribution by employer	December 31, 2020
		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				
(a)	(b)	(c)	(d) = b + c	(e)	(e)	(f)	(g)	(h)	(i)	(j) = f + g + h + i	(k)	(l) = a + d + e + j + k		
Fair value of plan assets	₱4,783,615	₱–	₱208,566	₱208,566	₱–	(₱267,313)	(₱242,580)	₱–	₱–	₱–	(₱242,580)	₱80,000	₱4,562,288	
Present value of defined benefit obligation	4,283,904	408,223	186,783	595,006	873	(265,594)	–	(34,618)	570,519	(620,412)	(84,511)	–	4,529,678	
Net defined benefit asset	₱499,711	(₱408,223)	₱21,783	(₱386,440)	(₱873)	(₱1,719)	(₱242,580)	₱34,618	(₱570,519)	₱620,412	(₱158,069)	₱80,000	₱32,610	



The Group and the Parent Company is recommended to contribute to its defined benefit pension plan in 2022 amounting to ₱272.86 million and ₱251.60 million, respectively.

In 2021 and 2020, the major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Parent Company shares (Note 30)	25.33%	26.17%	29.19%	29.85%
Equity instruments	4.87%	4.70%	3.02%	3.39%
Cash and cash equivalents	0.08%	0.15%	0.09%	0.04%
Debt instruments	67.12%	66.81%	67.70%	66.72%
Other assets	2.60%	2.17%	0.00%	0.00%
	100.00%	100.00%	100.00%	100.00%

The following table shows the breakdown of fair value of the plan assets:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Deposits in banks	₱4,207	₱7,879	₱4,172	₱1,849
Financial assets at FVTPL				
Quoted debt securities	3,135,600	2,915,597	2,776,713	2,587,492
Quoted equity securities	272,770	244,627	146,879	154,610
Parent Company shares	1,419,060	1,361,752	1,419,060	1,361,752
Investments in unit investment trust fund	624,772	561,329	515,222	456,584
Other assets	145,697	113,082	—	—
	₱5,602,106	₱5,204,266	₱4,862,046	₱4,562,287

* Investment properties comprise properties located in Manila.

The principal actuarial assumptions used in 2021 and 2020 in determining the retirement asset (liability) for the Group's and Parent Company's retirement plans are shown below:

2021						
	Parent	CBSI	CIBI	CBC-PC CI	CBCC	CBSC
Discount rate:						
January 1	2.83%	2.54%	2.36%	3.02%	2.54%	2.54%
December 31	4.67%	4.14%	4.14%	4.91%	4.35%	4.55%
Salary increase rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
2020						
	Parent	CBSI	CIBI	CBC-PCC I	CBCC	CBSC
Discount rate:						
January 1	4.36%	4.47%	4.47%	4.76%	4.30%	4.24%
December 31	2.83%	2.54%	2.36%	3.02%	2.54%	2.54%
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, 2021	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate						
(+1%)	(₱106,672)	(₱24,926)	(₱793)	(₱3,850)	(₱1,701)	(₱407)
(-1%)	162,386	31,463	1,144	5,392	2,045	504
Salary increase rate						
(+1%)	148,933	28,909	1,048	4,950	1,947	479
(-1%)	(100,531)	(23,610)	(764)	(3,708)	(1,662)	(397)
December 31, 2020	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
Discount rate						
(+1%)	(₱209,890)	(₱36,453)	(₱937)	(₱6,779)	(₱1,858)	(₱32)
(-1%)	302,556	44,539	1,108	10,729	2,231	406
Salary increase rate						
(+1%)	273,413	40,633	1,004	9,716	2,071	378
(-1%)	(198,188)	(34,277)	(872)	(6,461)	(1,776)	(312)

The weighted average duration (in years) of the defined benefit obligation are presented below:

	December 31, 2021	December 31, 2020
Parent Company	8	8
CBSI	5	5
CIBI	5	4
CBC-PCCI	12	11
CBCC	6	5
CBSC	7	5

The maturity analyses of the undiscounted benefit payments as of December 31, 2021 and 2020 are as follows:

December 31, 2021	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
1 year and less	₱1,300,595	₱21,773	₱-	₱5,110	₱-	₱-
More than 1 year to 5 years	1,595,647	81,504	5,650	35,704	-	-
More than 5 years to 10 years	2,432,513	438,804	18,259	33,146	-	1,289
More than 10 years to 15 years	3,094,497	786,403	4,349	154,175	56,832	6,510
More than 15 years to 20 years	5,565,237	835,852	15,653	224,592	31,960	13,212
More than 20 years	26,551,956	8,797,118	664,878	1,166,267	472,706	205,038
December 31, 2020	Parent	CBSI	CIBI	CBC-PCCI	CBCC	CBSC
1 year and less	₱1,143,078	₱14,526	₱-	₱-	₱-	₱-
More than 1 year to 5 years	1,382,813	84,373	1,182	34,908	-	-
More than 5 years to 10 years	2,498,436	346,179	16,990	23,094	-	1,303
More than 10 years to 15 years	2,706,056	795,042	6,293	130,483	16,071	4,243
More than 15 years to 20 years	5,260,877	844,853	18,074	180,316	78,979	15,106
More than 20 years	28,539,408	10,154,177	605,215	1,245,968	416,103	166,606



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

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, 2021 and 2020, the fair values of these derivatives follow:

	2021		2020	
	Derivative Asset	Derivative Liability	Derivative Asset	Derivative Liability
Currency forwards	₱395,201	₱264,783	₱107,900	₱124,137
Interest rate swaps (IRS)	675,638	706,112	1,019,600	1,092,634
Futures	—	27,826	—	—
Warrants	9,960	—	9,378	—
	₱1,080,799	₱998,721	₱1,136,878	₱1,216,771

As of December 31, 2021 and 2020, the aggregate notional amount of outstanding forwards and its weighted average rate are as follows:

		2021		2020	
		Notional Amount	Weighted Average Rate	Notional Amount	Weighted Average Rate
US Dollar	Buy	\$687,896	₱50.52	\$358,209	₱48.40
	Sell	\$291,629	₱50.31	\$253,506	₱48.49
Euro	Buy	—	—	—	—
	Sell	€9,128	₱58.03	€44,900	₱58.72
Singapore Dollar	Sell	—	—	SGD 1,007	₱36.14
New Zealand Dollar	Buy	NZD 10,628	₱34.77	—	—
Canadian Dollar	Buy	CAD 695	₱40.37	—	—
Australian Dollar	Sell	AUD 10,750	₱36.99	—	—

The aggregate notional amounts of the outstanding futures as of December 31, 2021 amounted to US\$100.5 million.

The aggregate notional amounts of the outstanding IRS as of December 31, 2021 and 2020 are as follows:

		2021			2020		
		Notional Amount	Derivative Asset	Derivative Liability	Notional Amount	Derivative Asset	Derivative Liability
Peso-denominated	Fixed Receiver	₱500,000	₱1,572	1,511	₱500,000	₱5,202	₱575
	Fixed Payer	₱500,000	—	28,581	₱600,000	—	53,147
US dollar denominated	Fixed Receiver	\$184,000	666,807	—	\$180,000	1,014,059	—
	Fixed Payer	\$187,000	7,259	676,019	\$175,000	339	1,038,908
			₱675,638	₱706,111		₱1,019,600	₱1,092,634



Fair Value Changes of Derivatives

The net movements in fair value changes of derivative instruments are as follows:

	2021	2020
Balance at beginning of year	(₱79,893)	(₱368,103)
Fair value changes during the year	(309,456)	486,337
Net settled transactions	471,427	(198,127)
Balance at end of year	₱82,078	(₱79,893)

*Included in financial assets at FVTPL

The net movements in the value of the derivatives are presented in the statements of income under the following accounts:

	2021	2020	2019
Foreign exchange gain (loss)	(₱378,469)	₱683,826	₱446,138
Trading and securities gain (loss)* (Note 22)	69,013	(197,489)	(115,345)
	(₱309,456)	₱486,337	₱330,793

*Net movements in the value related to IRS and futures.

On June 18, 2019, the Parent Company established a monitoring process to properly account for the net movements in the value of foreign exchange contracts which pertain to funding and trading activities.

Funding activities pertain to activities undertaken by the Parent Company to obtain funds in one currency in exchange of another currency through the use of foreign exchange derivatives. Foreign exchange gains (losses) in the Parent Company's statements of income included the net movements in the value of foreign exchange contracts amounting to ₱7.21 million gain and ₱409.56 million gain for funding and trading activities, respectively, in 2021 and ₱102.63 million loss and ₱316.09 million gain for funding and trading activities, respectively, in 2020.

Interest income on IRS in 2021, 2020 and 2019 amounted to ₱332.18 million, ₱264.09 million and ₱223.63 million respectively, while interest expense on IRS in 2021, 2020 and 2019 amounted to ₱350.32 million, ₱288.73 million and ₱228.06 million in 2019, respectively.

Derivative contracts designated as hedges

In 2019, the Parent Company designated an interest rate swap contract (IRS) with a corresponding notional amount of US\$150 million to hedge the cash flow variability of its floating rate bonds payable. The IRS designated as cash flow hedge has the same principal terms as the hedged bonds payable (Note 18).

On June 7, 2021, the Parent Company designated an IRS with a corresponding notional amount of US\$500 million to hedge the cash flow variability of its portfolio of Treasury time deposits.

On October 20, 2021, the Parent Company designated an IRS with a corresponding notional amount of US\$600 million to hedge the cash flow variability of its portfolio of Retail Banking Business Segment (RBB) time deposits.



The following table shows the summary of the hedging transactions of the Parent Company:

Hedged Item	Hedging Instrument	Notional Amount	Date of Hedge Designation	Derivative Assets		Derivative Liability	
				2021	2020	2021	2020
Floating rate bonds payable	Receive float/ Pay fix IRS	\$150,000	June 18, 2019	₱—	₱—	₱162,399	₱521,209
Current and forecasted issuance of Treasury time deposits	Receive float/ Pay fix IRS	500,000	June 7, 2021	480,133	—	—	—
Current and forecasted issuance of RBB time deposits	Receive float/ Pay fix IRS	600,000	October 20, 2021	659,100	—	—	—
Total		\$1,250,000		₱1,139,233	₱—	₱162,399	₱521,209

As of December 31, 2021 and 2020, the Parent Company assessed that the hedging relationships are expected to be highly effective.

The aggregate net interest expense on the IRS designated as hedge amounted to ₱226.51 million in 2021, ₱61.20 million in 2020 and ₱14.27 million in 2019.

27. Lease Contracts

The lease contracts are for periods ranging from one to 25 years from the dates of 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 follows:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Beginning Balance	₱2,996,003	₱3,394,925	₱2,392,891	₱2,719,524
Additions	447,449	167,762	205,402	56,340
Interest expenses	195,311	232,584	152,194	182,821
Lease concessions	—	(32,380)	—	(32,380)
Payments	(792,745)	(766,888)	(562,589)	(533,414)
Ending Balance	₱2,846,018	₱2,996,003	₱2,187,898	₱2,392,891

As a result of the pandemic, the Parent Company was given lease concessions by its lessors in 2020. The lease concessions resulted to a decrease in lease payable and an increase in miscellaneous income amounting to ₱32.38 million in 2020.

Expenses related to short-term leases amounting to ₱618.67 million and ₱512.93 million for the Group and Parent Company in 2021, respectively, and ₱403.71 million and ₱398.57 million for the Group and Parent Company in 2020, respectively, are included in the 'Occupancy cost' account.

Total cash outflows for leases amounted to ₱1.43 billion and ₱1.09 billion for the Group and Parent Company in 2021, respectively, and ₱1.19 billion and ₱1.00 billion for the Group and Parent Company in 2020, 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	
	2021	2020	2021	2020
Within one year	₱4,341	₱4,664	₱4,049	₱4,664
After one year but not more than five years	109,170	5,228	—	3,498
	₱113,511	₱9,892	₱4,049	₱8,162

Future minimum rentals payable under noncancellable leases follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Within one year	₱687,755	₱1,301,541	₱509,857	₱568,029
After one year but not more than five years	1901,881	2,094,499	1,527,304	1,016,816
After more than five years	440,377	2,074,369	359,201	1,706,197
	₱3,030,013	₱5,470,409	₱2,396,362	₱3,289,042

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 regular corporate income tax (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.

A minimum corporate income tax (MCIT) of 1.00% until June 30, 2023 under CREATE on modified gross income is computed and compared with the RCIT. Excess MCIT over RCIT can be used as a tax credit against future income tax liability for the next three years. In addition, any net operating loss carry over (NOLCO) is allowed as a deduction from taxable income in the next three years from the year of inception. In addition under RA 11494, also known as the Bayanihan to Recover As One Act, the net operating loss of the business or enterprise for taxable years 2020 and 2021 shall be carried over as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

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. Lastly, all other income of the FCDU is subject to the 25.00% corporate tax.



Relevant Tax Updates

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 is still subject to the existing rate of 7.5%, tax on interest income of foreign currency deposit was increased to 15% 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 by President Rodrigo Duterte 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 Act which have an impact on the Bank are the following:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.
- Interest income of foreign currency remittance transaction deposit received by resident foreign corporations are now subject to 15% final tax.

The Group applied the provisions of the CREATE Act on its income tax payable, deferred tax assets and deferred tax liabilities as of December 31, 2020 in 2021.

Impact of CREATE Law

Applying the provisions of the CREATE Law, the Group and the Parent Company is subjected to lower regular corporate income tax rate of 25% effective July 1, 2020. The following are the impact of CREATE in the 2021 financial statements of the Group and the Parent Company:

- Based on the provisions of Revenue Regulations (RR) No. 5-2021 dated April 8, 2021 issued by the BIR, the transitory RCIT and MCIT rates applicable to the Group and the Parent Company for the taxable year 2020 is 27.5% and 1.50%, respectively. This resulted in reduction in the current income tax due for the taxable year 2020 amounting to ₱256.89 million and ₱236.85 million for the Group and the Parent Company, respectively. The reduced amounts were reflected in the 2020 Annual Income Tax Returns filed in 2021. For financial reporting purposes, such reductions in the 2020 current income taxes were recognized in the 2021 financial statements as reduction to 2021 income tax expense.
- The deferred tax assets as of December 31, 2021 were also remeasured using the lower RCIT rate of 25.00%. The net decrease in the deferred tax balances amounting to ₱601.56 million and ₱622.02 million for the Group and the Parent Company, respectively, reduced the benefit from deferred tax assets credited to profit or loss by ₱593.42 million and ₱614.02 million for the Group and the Parent Company, respectively, and other comprehensive income by ₱8.14 million and ₱8.0 million for the Group and the Parent Company, respectively



There were no tax-related contingent liabilities and contingent assets arising from the changes in the tax rates due to CREATE Act.

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 Bank 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 Bank 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 prescribes 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 Bank 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 Bank 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.

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.

The provision for income tax consists of:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Current						
Final tax	₱927,631	₱1,425,341	₱1,420,644	₱917,411	₱1,415,116	₱1,402,657
RCIT	1,359,129	1,759,466	962,712	952,844	1,467,636	680,187
	2,286,760	3,184,807	2,383,356	1,870,255	2,882,752	2,082,844
Deferred	70,240	(1,793,703)	(870,706)	197,296	(1,396,154)	(405,124)
	₱2,357,000	₱1,391,104	₱1,512,650	₱2,067,551	₱1,486,598	₱1,677,720



The details of net deferred tax assets follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Net deferred tax assets on:				
Allowance for impairment and credit losses	₱4,955,236	₱5,407,554	₱3,803,881	₱4,183,930
Revaluation increment on land (Notes 12 and 24)	(456,171)	(547,405)	(456,171)	(547,405)
Fair value adjustments on asset foreclosure and dacion transactions - net of depreciated portion	38,370	272,994	(20,973)	34,054
Net defined benefit asset	(123,121)	(27,086)	(75,098)	(11,551)
Others	210,667	66,378	157,961	73,020
	₱4,624,981	₱5,172,435	₱3,409,600	₱3,732,048

The details of net deferred tax liabilities follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Net deferred tax liabilities on:				
Fair value adjustments on asset foreclosure and dacion transactions – net of depreciated portion	(₱69,753)	₱145,781	₱–	₱–
Fair value adjustments on net assets (liabilities) of PDB and Unity Bank	107,372	128,846	–	–
Others	760,594	841,735	–	–
	₱798,212	₱1,116,362	–	–

Others pertains primarily to the deferred tax liabilities on branch licenses arising from the acquisition of PDB.

In 2021 and 2020, deferred tax debited to OCI (excluding CREATE impact) amounted to ₱144.49 million and ₱29.76 million respectively, for the Group and ₱117.16 million and ₱47.94 million, respectively, for the Parent Company.

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	
	2021	2020	2021	2020
Allowance for impairment and credit losses	₱628,002	₱937,610	₱–	₱–
Others	21,085	25,580	–	–
	₱649,086	₱963,190	₱–	₱–



The reconciliation of the statutory income tax to the provision for income tax follows:

	Consolidated			Parent Company		
	2021	2020	2019	2021	2020	2019
Statutory income tax	₱4,365,806	₱4,038,766	₱3,476,287	₱4,288,971	₱4,064,771	₱3,524,004
Tax effects of						
FCDU income	(408,410)	(558,048)	(730,776)	(402,305)	(553,550)	(714,703)
Non-taxable income	(1,650,965)	(445,898)	(690,059)	(1,560,515)	(2,227,782)	(1,458,268)
Interest income						
subjected to final tax	(257,644)	(2,375,355)	(1,609,292)	(179,194)	(642,318)	(622,878)
Nondeductible expenses	685,021	1,476,130	1,439,020	631,661	1,062,266	1,244,697
Others	(713,337)	(744,491)	(372,530)	(1,088,232)	(216,789)	(295,132)
CREATE adjustment - deferred tax	593,418	—	—	614,018	—	—
CREATE adjustment – current tax	(256,889)	—	—	(236,853)	—	—
Provision for income tax	₱2,357,000	₱1,391,104	₱1,512,650	₱2,067,551	₱1,486,598	₱1,677,720

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 ₱2.26 billion and ₱2.32 billion as of December 31, 2021 and 2020, 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 Parent Company 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 Parent Company from such services amounted to ₱49.48 in 2021, ₱48.31 million and in 2020, and ₱50.78 million, in 2019.

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) 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	
	2021	2020	2021	2020
Deposits in banks	₱4,207	₱7,879	₱4,172	₱1,849
Financial assets at FVTPL	1,419,060	1,361,752	1,419,060	1,361,752
Dividend income	54,579	54,579	54,579	54,579
Interest income	41	245	22	133
Total market value of shares	1,419,060	1,361,752	1,419,060	1,361,752
Number of shares held	54,579	54,579	54,579	54,579

In 2019, dividend income and interest income of the retirement plan from investments and placements in the Parent Company amounted to ₱48.13 million and ₱21.48 million, respectively, for the Group, and ₱48.12 million and ₱18.98 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		
	2021	2020	2019	2021	2020	2019
Short-term employee benefits	₱762,878	₱557,390	₱550,767	₱669,174	₱468,427	₱468,271
Post-employment benefits	3,176	2,683	5,395	2,003	1,661	4,718
	₱766,054	₱560,073	₱556,162	₱671,177	₱470,087	₱472,989

Members of the BOD are entitled to a per diem of ₱500.00 for attendance at each meeting of the Board or of any committees and to four percent (4.00%) of the Parent Company's net earnings, with certain deductions in accordance with BSP regulation. 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 10.



Group

Related party transactions of the Group by category of related party are presented below.

December 31, 2021			
Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans and receivables		₱8,340,600	Secured with shares of stocks, with interest rate ranging from 4% to 4.18% with remaining maturity between 2.72 years and 6.91 years. Allowance for probable losses to ₱2.4 million.
Issuances	6,000,000		
Repayments	(2,350)		
Deposit liabilities		2,477	These are checking accounts with annual average rate of 0.13%.
Deposits	496		
Withdrawals	(1)		
Associate			
Deposit liabilities		256,587	These are checking accounts with annual average rate of 0.13%.
Deposits	541,470		
Withdrawals	(324,277)		
Key Management Personnel			
Loans and receivables		4,024	Unsecured officer's accounts from credit card with interest of 2% maturing within 1 year and OEL accounts with interest rate ranging from 4% to 5%, with remaining maturity between 0.63 and 0.76 years and unsecured employee loans with interest rate of 5% maturing in 7.61 years.
Issuances	3,876		
Repayments	(1,584)		
Deposit liabilities		29,632	These are checking, savings and time deposits with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	229,407		
Withdrawals	(294,090)		
Other Related Parties			
Loans and receivables		47,614,775	Secured and unsecured loans with interest rate ranging from 2.25% to 9.69% with remaining maturity between 3 days and 19.14 years. Allowance for probable losses amounted to ₱21.78 million.
Issuances	20,297,184		
Repayments	(16,595,015)		
Deposit liabilities		160,864	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	9,566,217		
Withdrawals	(11,092,240)		
December 31, 2020			
Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans and receivables		₱2,342,950	Secured with shares of stocks, with interest rate of 4% with remaining maturity of 3.73 years.
Issuances	–		
Repayments	2,350		
Deposit liabilities		1,982	These are checking accounts with annual average rate of 0.13%.
Deposits	487		
Withdrawals	–		
Associate			
Deposit liabilities		39,394	These are savings accounts with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	181,158		
Withdrawals	(442,383)		
Key Management Personnel			
Loans and receivables		1,732	Unsecured officer's accounts from credit card with interest of 2% and currently maturing and fully secured OEL accounts with interest of 6%, with remaining maturity between 1.64 years and 1.77 years
Issuances	216		
Repayments	(980)		
Deposit liabilities		94,315	These are checking, savings and time deposits with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	282,538		
Withdrawals	(266,986)		
Other Related Parties			
Loans and receivables		43,912,605	Secured and unsecured loans with interest rate ranging from 3.75% to 9.92% with remaining maturity between 6 days and 9.98 years. Allowance for probable losses amounted to ₱15.94 million.
Issuances	10,049,254		
Repayments	(15,572,694)		
Deposit liabilities		1,686,887	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	19,107,945		
Withdrawals	(17,824,347)		



Interest income earned and interest expense incurred from the above loans and deposit liabilities in 2021, 2020, and 2019 follow:

	Significant Investor			Associate		
	2021	2020	2019	2021	2020	2019
Interest income	₱155,890	₱93,718	₱123,128	₱—	₱—	₱—
Interest expense	3	2	2	2,896	500	655

	Key Management Personnel			Other Related Parties		
	2021	2020	2019	2021	2020	2019
Interest income	₱101	₱87	₱10	₱1,809,292	₱2,158,577	₱1,861,042
Interest expense	1,383	1,459	1,952	689	1,467	2,376

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, 2021		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Significant Investor			
Loans and receivables		₱8,340,600	Secured with shares of stocks, with interest rate ranging from 4% to 4.18% with remaining maturity between 2.72 years and 6.91 years. Allowance for probable losses to 2.4 million.
Issuances	6,000,000		
Repayments	(2,350)		
Deposit liabilities		1,982	These are checking accounts with annual average rate of 0.13%.
Deposits	487		
Withdrawals	—		
Subsidiaries			
Deposit liabilities		504,336	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	5,949,780		
Withdrawals	(5,949,780)		
Associate			
Deposit liabilities		39,312	These are checking accounts with annual average rate of 0.13%.
Deposits	181,157		
Withdrawals	(181,239)		
Key Management Personnel			
Loans and receivables		1,117	Unsecured officer's accounts from credit card with interest of 2% maturing within 1 year and OEL accounts with interest rate ranging from 4% to 5%, secured and currently maturing.
Issuances	258		
Repayments	(873)		
Deposit liabilities		30,039	These are checking, savings and time deposit account with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	249,524		
Withdrawals	(313,800)		
Other Related Parties			
Loans and receivables		47,614,775	Secured and unsecured loans with interest rate ranging from 2.25% to 9.69% with remaining maturity between 3 days and 19.14 years. Allowance for probable losses amounted to ₱21.78 million.
Issuances	20,297,184		
Repayments	(16,595,015)		
Deposit liabilities		1,352,718	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	18,996,452		
Withdrawals	(19,330,621)		

Category	December 31, 2020		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Significant Investor			
Loans and receivables		₱2,342,950	Secured with shares of stocks, with interest rate of 4% with remaining maturity of 3.73 years.
Issuances			
Repayments			
Deposit liabilities		1,982	These are checking accounts with annual average rate of 0.13%.
Deposits	487		
Withdrawals			
Subsidiaries			
Deposit liabilities		504,336	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	5,949,780		
Withdrawals	(5,926,690)		
Associate			
Deposit liabilities		39,394	These are savings accounts with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	181,158		
Withdrawals	(442,383)		

(Forward)



Category	December 31, 2020		
	Amount / Volume	Outstanding Balance	Nature, Terms and Conditions
Key Management Personnel			
Loans and receivables		₱1,732	Unsecured officer's accounts from credit card with interest of 2% and currently maturing and fully secured OEL accounts with interest of 6%, with remaining maturity between 1.64 years and 1.77 years
Issuances	216		
Repayments	(980)		
Deposit liabilities		94,315	These are checking, savings and time deposit account with annual average interest rates ranging from 0.25% to 1.00%.
Deposits	282,538		
Withdrawals	(266,986)		
Other Related Parties			
Loans and receivables		43,912,605	Secured and unsecured loans with interest rate ranging from 3.75% to 9.92% with remaining maturity between 6 days and 9.98 years. Allowance for probable losses amounted to ₱15.94 million.
Issuances	10,049,254		
Repayments	(15,572,694)		
Deposit liabilities		1,686,887	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposits	19,107,945		
Withdrawals	(17,824,347)		

The related party transactions shall be settled in cash.

Interest income earned and interest expense incurred from the above loans and deposit liabilities in 2021, 2020 and, 2019 follow:

	Subsidiaries			Associate		
	2021	2020	2019	2021	2020	2019
Interest Income	₱-	₱-	₱-	₱-	₱-	₱-
Interest expense	437	850	743	2,896	500	654

	Key Management Personnel			Other Related Parties		
	2021	2020	2019	2021	2020	2019
Interest income	₱36	₱87	₱10	₱1,809,292	₱2,158,577	₱1,861,042
Interest expense	34	63	36	218	257	210

	Significant Investor		
	2021	2020	2019
Interest income	₱155,890	₱93,718	₱46,906
Interest expense	3	2	2

Outright purchases and outright sale of debt securities of the Parent Company with its subsidiaries in 2021 and 2020 follow:

	Subsidiaries	
	2021	2020
Peso-denominated		
Outright purchase	₱515,053	₱248,570
Outright sale	1,232,410	2,715,570
Dollar-denominated (equity)		
Outright purchase	3,074	5,000
Outright sale	5,584	6,000

The following table shows the amount and outstanding balance of other related party transactions included in the financial statements:

	Subsidiaries		Nature, Terms and Conditions
	2021	2020	
Balance Sheet			
Accounts receivable	₱50,450	₱1,322	This pertains to various expenses advanced by CBC in behalf of various subsidiaries.
Security deposits	10,420	1,878	This pertains to the rental deposits with CBSI and CBCC for office space leased out to the Parent Company
Accounts payable	-	11	This pertains to various unpaid rental to CBSI



Income Statement	Subsidiaries			
	2021	2020	2019	Nature, Terms and Conditions
Trust fee income	₱189	₱640	₱25	Trust Fee earned by Parent Company from CBCC
Rent income	3,039	2,895	2,516	Rent Income from CBCC
Miscellaneous income	2,850	2,850	2,510	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
Occupancy cost	42,359	11,808	20,067	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	5,371	2,862	–	Arranger fees paid by the Parent Company to CBCC for the issuance of its fixed rate bonds.
Information technology	240,651	225,428	222,414	This pertains to the computer and general banking services provided by CBC-PCCI to the Parent Company to support its reporting requirements.
Miscellaneous expenses	5,718	2,948	3,571	Commission for brokerage

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	
	2021	2020	2021	2020
Trust department accounts (Note 29)	₱223,398,641	₱210,776,272	₱223,398,641	₱210,776,272
Committed credit lines	12,765,975	9,551,472	12,765,975	9,551,472
Unused commercial letters of credit (Note 30)	12,971,604	14,445,630	12,877,643	14,338,580
Foreign exchange bought	35,113,101	17,338,436	35,113,101	17,338,436
Foreign exchange sold	22,898,059	15,385,289	22,898,059	15,385,289
Credit card lines	14,320,597	12,492,933	14,320,597	12,492,933
IRS receivable	83,669,379	25,351,615	83,669,379	25,351,615
Outstanding guarantees issued	1,274,727	1,187,256	743,643	899,090
Inward bills for collection	1,229,608	1,862,824	1,229,608	1,862,824
Standby credit commitment	3,565,978	1,652,526	3,565,978	1,652,526
Spot exchange sold	1,653,448	2,113,123	1,653,448	2,113,123
Spot exchange bought	1,347,052	1,920,935	1,347,052	1,920,935
Deficiency claims receivable	281,780	283,842	281,780	283,842
Late deposits/payments received	46,125	342,103	37,805	319,833
Outward bills for collection	18,336	150,073	16,469	148,316
Others	105,768	1,110,325	105,664	1,110,163



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 Group's business segments are as follows:

- a. Lending Business – principally handles all the lending, trade finance and corollary banking products and services offered to corporate and institutional customers as well as selected middle market clients. It also handles home loans, contract-to-sell receivables, auto loans and credit cards for individual and/or corporate customers. Aside from the lending business, it also provides cash management services;
- b. 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;
- c. Financial Markets – principally provides money market, trading and treasury services, manages the Group's funding operations by 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; and
- d. Others – handles other services including but not limited to trust and investment management services, wealth management services to high net-worth customers, asset management, insurance brokerage, credit management, thrift banking business, operations and financial control, and other support services.

The Group's 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. Accordingly, the corresponding segment information for all periods presented herein are restated to reflect such change.

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.

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, not the 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 its assets' and liabilities' repricing or maturity date using market-based yield curve approved by the Asset Liability Committee (ALCO).



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, 2021, 2020 and 2019:

	Lending Business			Retail Banking Business		
	2021	2020	2019	2021	2020	2019
Results of Operations						
Net interest income						
Third party	₱27,868,124	₱26,243,948	₱24,613,498	₱2,246,145	(₱537,797)	(₱5,338,849)
Intersegment	(16,451,310)	(17,367,936)	(18,388,536)	16,743,174	18,378,843	18,020,023
	11,416,814	8,876,012	6,224,962	18,989,319	17,841,046	12,681,174
Other operating income	949,677	1,014,330	2,281,689	2,371,764	1,924,001	2,209,567
Total revenue	12,366,491	9,890,342	8,506,651	21,361,083	19,765,047	14,890,741
Other operating expense	(3,672,205)	(3,603,526)	(3,771,960)	(11,253,327)	(11,276,218)	(9,785,604)
Income before provisions and taxes	8,694,286	6,286,816	4,734,691	10,107,756	8,488,829	5,105,137
Provision for impairment and credit losses	(6,898,860)	(6,987,211)	(1,836,780)	(719,487)	(888,952)	(443,621)
Income before income tax	1,795,426	(700,395)	2,897,911	9,388,269	7,599,877	4,661,516
Provision for income tax	(1,481)	271,102	(45,149)	(1,545,289)	(244,334)	(419,750)
Net income	₱ 1,793,945	(₱429,293)	₱2,852,762	₱ 7,842,980	₱7,355,543	₱4,241,766
Total assets	₱505,883,838	₱447,944,431	₱438,731,372	₱628,223,856	₱587,770,303	₱516,900,229
Total liabilities	₱1,998,355	₱8,177,263	5,042,977	₱658,061,048	₱631,763,776	569,897,912
Depreciation and amortization	₱50,765	₱126,699	54,477	₱803,283	₱1,004,571	1,185,539
Capital expenditures	₱335,084	₱263,493	₱351,529	₱416,119	₱345,742	₱414,161

	Financial Markets			Other Business and Support Units		
	2021	2020	2019	2021	2020	2019
Results of Operations						
Net interest income						
Third party	₱3,511,779	₱4,200,824	₱3,462,384	₱4,688,108	₱3,935,611	₱3,314,264
Intersegment	(373,322)	(817,457)	1,041,115	81,458	(193,450)	(672,602)
	3,138,457	3,383,367	4,503,499	4,769,566	3,742,161	2,641,662
Other operating income	4,919,675	5,564,672	1,994,224	2,119,828	1,508,046	1,945,309
Total revenue	8,058,132	8,948,039	6,497,723	6,889,394	5,250,207	4,586,971
Other operating expense	(2,309,853)	(2,040,542)	(1,760,735)	(5,099,748)	(4,601,876)	(5,005,997)
Income before provisions and taxes	5,748,279	6,907,497	4,736,988	1,789,646	648,331	(419,026)
Provision for impairment and credit losses	(61,124)	(103,465)	(92,689)	(1,197,273)	(889,291)	(197,078)
Income before income tax	5,687,155	6,804,032	4,644,299	592,373	(240,960)	(616,104)
Provision for income tax	(728,056)	(1,514,395)	(1,240,335)	(82,174)	96,523	192,584
Net income	₱4,959,099	₱5,289,637	₱3,403,964	₱510,199	(₱144,437)	(₱423,520)
Total assets	₱313,935,966	₱291,325,133	₱230,368,926	(₱335,724,134)	(₱291,028,218)	(₱223,774,546)
Total liabilities	₱184,942,985	₱141,939,942	₱118,786,174	₱148,194,318	₱149,145,306	₱172,323,323
Depreciation and amortization	₱34,554	₱329,510	₱52,328	₱898,564	₱434,119	₱650,316
Capital expenditures	₱207,943	₱171,365	₱184,581	(₱222,375)	₱ -171,190	₱ -179,297



	Total		
	2021	2020	2019
Results of Operations			
Net interest income			
Third party	₱38,314,156	₱33,842,586	₱26,051,297
Intersegment	—	—	—
	38,314,156	33,842,586	26,051,297
Other operating income	10,360,944	10,011,049	8,430,789
Total revenue	48,675,100	43,853,635	34,482,086
Other operating expense	(22,335,133)	(21,522,162)	(20,324,296)
Income before provisions and taxes	26,339,967	22,331,473	14,157,790
Provision for impairment and credit losses	(8,876,744)	(8,868,919)	(2,570,168)
Income before income tax	17,463,223	13,462,554	11,587,622
Provision for income tax	(2,357,000)	(1,391,104)	(1,512,650)
Net income	₱15,106,223	₱12,071,450	₱10,074,972
Total assets	₱1,112,319,526	₱1,036,011,649	₱962,225,981
Total liabilities	₱993,196,706	₱931,026,287	₱866,050,386
Depreciation and amortization	₱1,787,166	₱1,894,899	₱1,942,660
Capital expenditures	₱487,005	₱276,881	₱425,124

The Group's share in net income (loss) of an associate included in other operating income amounting to (₱1.60 million), ₱152.44 million and ₱184.66 million in 2021, 2020 and 2019, 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 (adjusted for stock dividends).

The following reflects the income and share data used in the basic earnings per share computations:

	2021	2020	2019
a. Net income attributable to equity holders of the parent	₱15,088,332	₱12,062,637	₱10,068,960
b. Weighted average number of common shares outstanding – basic (Note 24)	2,687,696	2,685,900	2,685,900
c. Weighted average number of common shares outstanding – diluted (Note 24)	—	2,687,247	—
d. Basic (a/b) and diluted (a/c) earnings per share*	₱5.61	₱4.49	₱3.75

*For the year ended December 31, 2021, the basic and diluted EPS are the same after rounding-off.

Prior to September 1, 2021, the Group's centennial stock grants are potential common shares that have dilutive effect to the EPS. Accordingly, after adjusting the dilutive potential common shares arising from the centennial stock grants to the weighted average number of common shares, the diluted EPS amounted to ₱5.61. As of December 31, 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		
	2021	2020	2019
Addition to investment properties from settlement of loans	₱752,756	₱294,326	₱832,290
Fair value gain on FVOCI financial assets	(50,087)	2,932,752	1,163,009
Cumulative translation adjustment	12,270	(5,165)	98,830
Addition to chattel mortgage from settlement of loans	596,009	32,568	618,298
	Parent Company		
	2021	2020	2019
Addition to investment properties from settlement of loans	₱81,136	₱117,660	₱471,020
Fair value gain (loss) in FVOCI financial assets	(16,220)	2,870,805	940,851
Cumulative translation adjustment	465	7,210	81,518
Addition to chattel mortgage from settlement of loans	15,830	2,006	10,332

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 the years ended December 31, 2021 and 2020:

	Consolidated			
	2021			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱23,655,851	₱52,065,678	₱2,996,003	₱78,717,532
Cash flows during the year				
Proceeds	193,908,669	19,878,458	–	213,787,127
Settlement/payment	(152,843,847)	(30,000,000)	(792,745)	(183,636,592)
Non-cash changes				
Additions	–	–	447,449	447,449
Amortization	–	83,022	195,311	278,333
Foreign exchange movement	1,085,601	446,400	–	1,532,001
Balance at end of year	₱65,806,274	₱42,473,558	₱2,846,018	₱111,125,850
	Consolidated			
	2020			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱33,381,406	₱37,394,398	₱3,394,925	₱74,170,729
Cash flows during the year				
Proceeds	116,188,100	14,803,803	–	130,991,903
Settlement/payment	(124,743,600)	–	(766,888)	(125,510,488)
Non-cash changes				
Additions	–	–	167,762	167,762
Lease concessions	–	–	(32,380)	(32,380)
Amortization	–	133,117	232,584	365,701
Foreign exchange movement	(1,170,055)	(265,640)	–	(1,435,695)
Balance at end of year	₱23,655,851	₱52,065,678	₱2,996,003	₱78,717,532



	Parent Company			
	2021			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱23,655,851	₱52,065,678	₱2,392,891	₱78,114,420
Cash flows during the year				
Proceeds	193,908,669	19,878,458	—	213,787,127
Settlement/payment	(152,843,847)	(30,000,000)	(562,590)	(183,406,437)
Non-cash changes				
Additions	—	—	205,402	205,402
Amortization	—	83,022	152,195	235,217
Foreign exchange movement	1,085,601	446,400	—	1,532,001
Balance at end of year	₱65,806,274	₱42,473,558	₱2,187,898	₱110,467,730

	Parent Company			
	2020			
	Bills Payable	Bonds Payable	Lease Liability	Total
Balance at beginning of year	₱33,381,406	₱37,394,398	₱2,719,524	₱73,495,328
Cash flows during the year				
Proceeds	116,188,100	14,803,803	—	130,991,903
Settlement	(124,743,600)	—	(533,414)	(125,277,014)
Non-cash changes				
Additions	—	—	56,340	56,340
Lease concessions	—	—	(32,380)	(32,380)
Amortization	—	133,117	182,821	315,938
Foreign exchange movement	(1,170,055)	(265,640)	—	(1,435,695)
Balance at end of year	₱23,655,851	₱52,065,678	₱2,392,891	₱78,114,420

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.

December 31, 2021						
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		
				Financial instruments	Fair value of financial collateral	Net exposure
	[a]	[b]	[c]	[d]		[e]
Financial assets						
SPURA	₱15,800,317	₱—	₱15,800,317	₱15,800,317	₱15,800,317	₱—
Currency forwards	35,148,537	—	35,148,537	14,670,502	—	20,478,035
IRS	675,638	—	675,638	12,966	—	662,671
	₱51,624,492	₱—	₱51,624,492	₱30,483,785	₱15,800,317	₱21,140,706
Financial liabilities						
Bills payable	₱65,806,274	₱—	₱65,806,274	₱73,840,623	₱78,154,719	₱—
Currency forwards	15,597,807	—	15,597,807	14,670,502	—	927,306
IRS	706,111	—	706,111	12,966	—	693,145
	₱82,110,192	₱—	₱82,110,192	₱88,524,092	₱78,154,719	₱1,620,451



December 31, 2020						
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	₱12,022,648	₱—	₱12,022,648	₱12,022,648	₱12,022,648	₱—
Currency forwards	106,327	—	106,327	30,790	—	75,537
IRS	37,171	—	37,171	32,616	—	4,555
	₱12,166,146	₱—	₱12,166,146	₱12,086,054	₱12,022,648	₱80,092
Financial liabilities						
Bills payable	₱23,655,851	₱—	₱23,655,851	₱20,298,521	₱21,664,145	₱1,991,706
Currency forwards	41,935	—	41,935	30,790	—	11,145
IRS	97,055	—	97,055	32,616	—	64,439
	₱23,794,841	₱—	₱23,794,841	₱20,361,927	₱21,664,145	₱2,067,290

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. Covid-19 Pandemic

On March 13, 2020, amid the COVID 19 outbreak, the Office of the President of the Philippines issued a Memorandum directive to impose stringent social distancing measures in the National Capital Region effective March 15, 2020. These measures have caused disruptions to businesses and economic activities, and its impact on businesses continues to evolve.

Bayanihan to Heal as One Act

On March 25, 2020, President Duterte signed into law the Bayanihan to Heal as One Act (RA 11469). The law provides the President, among others, the power to direct all private and public banks, quasi-banks, financing companies, lending companies and other financial institutions, including the Government Service Insurance System, Social Security System and Pag-ibig Fund to implement a grace period of 30 days minimum, for the payment of all loans falling due within the enhanced community quarantine (ECQ) without interests, penalties, fees or other charges. In a separate Frequently Asked Questions (FAQ) released by BSP on May 18, 2020, it clarified that the modified enhance community quarantine (MECQ) shall have the same effect as the ECQ with respect to the application of the mandatory grace period for the payment of all loans falling due within the period of MECQ.

The Implementing Rules and Regulations (IRR) of the said law provides that borrowers have the option to pay the interest accrued during the mandatory grace period either in lumpsum on the new due date or on staggered basis over the life of the loan. Nonetheless, covered financial institutions are not precluded from offering less onerous payment schemes with the consent of the borrower, such as allowing lump sum payment of accrued interest on the last payment date of the loan, provided that the accrued interest during the mandatory grace period will not be charged with interest on interest, fees and other charges.



On March 14, 2020, the BSP issued BSP Memorandum No. M-2020-008 *Regulatory Relief for BSFIs Affected by the Corona Virus Disease 2019 (COVID-19)*. The said memorandum provides for certain temporary regulatory and rediscounting relief measures for financial institutions supervised by the BSP. Accordingly, the Parent Company informed the BSP of its intention to avail the following:

- Provide financial assistance to officers affected by the present health emergency subject to submission by the Parent Company of a request for BSP approval within 30 calendar days from the approval thereof of the Parent Company's Board of Directors;
- Exclude from the computation of past due ratio, loans by borrowers in affected areas, subject to the following: (i) such loans shall be reported to the BSP; (ii) extension shall be for a period of one year from 08 March 2020; and (iii) BSP documentary requirements for restructuring of loans may be waived provided that the Bank will adopt appropriate and prudent operational control measures;
- Non-imposition of monetary penalties for delays incurred in the submission of all supervisory reports to BSP due to be submitted from 08 March 2020 up to six months thereafter;
- Allow staggered booking of allowance for credit losses computed under Section 143 of the Manual of Regulation for Banks (MORB) over a maximum period of five years for all types of credits extended to individuals and businesses directly affected by COVID-19 as of 08 March 2020, subject to prior approval of the BSP;
- Non-imposition of penalties on legal reserve deficiencies computed under Section 255 of the MORB starting from reserve week following 08 March 2020 up to six months thereafter, subject to prior approval of the BSP;
- Rediscounting relief as follows:
 - a. Grant of a 60-day grace period, upon application with BSP, to settle outstanding rediscounting obligations as of 08 March 2020, provided that interest shall be charged but no penalty shall be imposed;
 - b. Allowing the Parent Company to restructure with BSP, the outstanding rediscounted loans as of 08 March 2020 of its end-user borrowers affected by the COVID-19, subject to the terms and conditions stated in Appendix 133 of the MORB; and
 - c. relaxation of eligibility requirements by excluding the criteria on reserve requirement for the renewal of rediscounting line and for the availment of rediscounting loans from 08 March 2020 up to six months thereafter.

As of December 31, 2021 and 2020, there was no actual availment of the foregoing regulatory reliefs.

37. 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 28, 2022.



38. Supplementary Information Required Under BSP Circular 1074

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		
	2021	2020	2019	2021	2020	2019
Return on average equity	13.58%	12.09%	11.04%	13.58%	12.09%	11.04%
Return on average assets	1.45%	1.21%	1.10%	1.58%	1.32%	1.22%
Net interest margin	4.20%	3.92%	3.39%	4.02%	3.82%	3.26%

Description of capital instruments issued

The Group and the Parent Company considers its common stock as capital instruments eligible as Tier 1 capital.

Significant credit exposures

	Consolidated			
	2021		2020	
	Amounts	%	Amounts	%
Real estate, renting and business services	₱172,217,058	27.59	₱145,914,294	25.49
Electricity, gas and water	76,631,134	12.27	77,295,952	13.51
Wholesale and retail trade	45,125,057	7.23	48,797,393	8.53
Transportation, storage and communication	58,116,995	9.31	54,792,752	9.57
Financial intermediaries	91,545,065	14.66	67,320,876	11.76
Manufacturing	34,264,150	5.49	33,567,819	5.86
Arts, entertainment and recreation	33,762,320	5.41	23,687,515	4.14
Accommodation and food service activities	11,379,789	1.82	12,904,107	2.25
Construction	10,387,329	1.66	13,995,942	2.44
Mining and quarrying	10,967,237	1.76	8,000,701	1.40
Agriculture	7,312,462	1.17	7,929,762	1.39
Education	4,446,512	0.71	5,290,900	0.92
Public administration and defense	60,036	0.01	2,055,542	0.36
Professional, scientific and technical activities	841,426	0.13	806,778	0.15
Others*	67,268,149	10.78	69,970,621	12.23
	₱624,324,719	100.00	₱572,344,954	100.00

*Others consist of administrative and support service, health, household and other activities.

	Parent Company			
	2021		2020	
	Amounts	%	Amounts	%
Real estate, renting and business services	₱149,067,673	26.77	₱123,150,868	24.40
Electricity, gas and water	74,796,648	13.43	75,367,275	14.93
Financial intermediaries	90,964,720	16.34	66,402,640	13.16
Wholesale and retail trade	42,312,303	7.60	45,324,442	8.98
Transportation, storage and communication	56,097,019	10.07	52,346,480	10.37
Manufacturing	32,469,098	5.83	31,988,437	6.34
Arts, entertainment and recreation	33,719,927	6.06	23,630,122	4.68
Accommodation and food service activities	10,740,999	1.93	11,892,441	2.36
Construction	9,545,693	1.71	12,886,246	2.55

(Forward)



	Parent Company			
	2021		2020	
	Amounts	%	Amounts	%
Mining and quarrying	₱10,966,519	1.97	₱7,998,397	1.58
Agriculture	5,897,613	1.06	6,372,652	1.26
Public administration and defense	60,036	0.01	2,055,542	0.41
Education	4,023,325	0.72	4,735,250	0.94
Professional, scientific and technical activities	761,461	0.14	788,324	0.16
Others*	35,415,712	6.36	39,791,655	7.88
	₱556,838,746	100.00	₱504,730,771	100.00

*Others consist of administrative and support service, health, household and other activities.

The BSP considers that loan concentration exists when the total loan exposure to a particular industry or economic sector exceeds 30.00% of total loan portfolio. As of December 31, 2021 and 2020, the Parent Company does not have credit concentration in any particular industry.

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					
	2021			2020		
	Performing	Non-Performing	Total	Performing	Non-Performing	Total
Loans and discounts						
Corporate and commercial lending	₱479,884,768	₱9,088,162	₱488,972,930	₱444,111,245	₱5,391,246	₱449,502,491
Consumer lending:						
Housing	80,518,808	3,948,376	84,467,184	71,659,301	5,136,896	76,796,197
Auto	17,922,533	1,280,521	19,203,054	19,748,879	1,209,090	20,957,969
Credit Card	1,294,196	79,525	1,373,721	1,014,155	392,156	1,406,311
Others	16,783,524	693,141	17,476,994	14,070,206	544,918	14,615,124
Trade-related lending	12,197,050	256,502	12,453,552	8,230,427	303,622	8,534,049
Others*	111,998	5,237	116,907	137,620	4,641	142,261
	₱608,712,877	₱15,351,465	₱624,064,342	₱558,971,833	₱12,982,569	₱571,954,402

	Parent Company			2020		
	2021			2020		
	Performing	Non-Performing	Total	Performing	Non-Performing	Total
Loans and discounts						
Corporate and commercial lending	₱466,015,296	₱6,609,892	₱472,625,188	₱426,469,140	₱2,587,729	₱429,056,869
Consumer lending:						
Housing	61,463,351	3,360,182	64,823,533	54,940,444	4,140,628	59,081,072
Auto	5,208,436	527,528	5,735,964	6,349,025	271,150	6,620,175
Credit Card	1,294,196	79,525	1,373,721	1,014,155	392,156	1,406,311
Others	3,066	—	3,394	838	—	838
Trade-related lending	11,852,404	227,455	12,079,859	8,053,403	275,045	8,328,448
Others*	19,961	330	19,963	28,392	28	28,420
	₱545,856,710	₱10,804,912	₱556,661,622	₱496,855,397	₱7,666,736	₱504,522,133

Loans per security

As of December 31, 2021 and 2020, secured and unsecured non-performing loans (NPLs) of the Group and the Parent Company follow:

	Consolidated		Parent Company	
	2021	2020	2021	2020
Secured	₱6,909,212	₱3,966,218	₱4,140,525	₱775,355
Unsecured	8,442,253	9,016,351	6,664,388	6,891,381
	₱15,351,465	₱12,982,569	₱10,804,913	₱7,666,736



According to BSP Circular 941, *Amendments to the Regulations on Past Due and Non-Performing Loans* effective January 1, 2018, 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			
	2021		2020		2021		2020	
	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Loans secured by								
Real estate	₱85,021,052	13.62	₱77,049,605	13.46	₱58,622,700	10.53	₱51,972,071	10.30
Chattel mortgage	22,096,827	3.54	23,902,079	4.18	7,459,462	1.34	8,334,760	1.65
Guarantee by the Republic of the Philippines	3,315	0.00	2,274,070	0.40	3,315	0.00	2,274,070	0.45
Deposit hold out	2,506,588	0.40	3,018,427	0.53	2,214,506	0.40	2,539,755	0.50
Shares of stock of other banks	8,350,600	1.34	2,354,950	0.41	8,350,600	1.50	2,354,950	0.47
Others	82,803,122	13.26	90,569,698	15.82	82,680,304	14.85	90,289,852	17.89
	200,781,504	32.16	199,168,829	34.80	159,330,887	28.62	157,765,458	31.26
Unsecured loans	423,543,215	67.84	373,176,125	65.20	397,507,859	71.38	346,965,313	68.74
	₱624,324,719	100.00	₱572,344,954	100.00	₱556,838,746	100.00	₱504,730,771	100.00

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 ₱48.85 billion and ₱13.09 billion as of December 31, 2021 and 2020, 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 ₱23.59 billion and ₱7.21 billion as of December 31, 2021 and 2020, respectively. The fair value of investment securities at amortized cost pledged as collateral amounted to ₱78.15 billion and ₱21.66 billion as of December 31, 2021 and 2020, respectively. The aggregate fair value of financial assets at FVOCI pledged as collateral amounted to ₱3.25 billion and nil as of December 31, 2021 and 2020, 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			
	2021		2020	
	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)
Total outstanding DOSRI loans	₱8,734,613	₱55,963,128	₱3,224,094	₱55,523,024
Percent of DOSRI/Related Party loans to total loan portfolio	1.40%	8.96%	0.56%	9.70%
Percent of unsecured DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	0.37%	75.56%	0.14%	78.14%
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			
	2021		2020	
	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)	DOSRI Loans	Related Party Loans (inclusive of DOSRI Loans)
Outstanding DOSRI loans	₱8,727,598	₱55,955,965	₱3,217,097	₱54,839,195
Percent of DOSRI/Related Party loans to total loan portfolio	1.57%	10.05%	0.64%	10.87%
Percent of unsecured DOSRI/Related Party loans to total outstanding DOSRI/Related Party loans	0.37%	75.57%	0.10%	94.25%
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 accommodation 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	
	2021	2020	2021	2020
Trust department accounts	₱223,398,641	₱210,776,272	₱223,398,641	₱210,776,272
Committed credit lines	12,765,975	9,551,472	12,765,975	9,551,472
Unused commercial letters of credit	12,971,604	14,445,630	12,877,643	14,338,580
Foreign exchange bought	35,113,101	17,338,436	35,113,101	17,338,436
Foreign exchange sold	22,898,059	15,385,289	22,898,059	15,385,289
Credit card lines	14,320,597	12,492,933	14,320,597	12,492,933
IRS receivable	83,669,379	25,351,615	83,669,379	25,351,615
Outstanding guarantees issued	1,274,727	1,187,256	743,643	899,090
Inward bills for collection	1,229,608	1,862,824	1,229,608	1,862,824
Standby credit commitment	3,565,978	1,652,526	3,565,978	1,652,526
Spot exchange sold	1,653,448	2,113,123	1,653,448	2,113,123
Spot exchange bought	1,347,052	1,920,935	1,347,052	1,920,935
Deficiency claims receivable	281,780	283,842	281,780	283,842
Late deposits/payments received	46,125	342,103	37,805	319,833
Outward bills for collection	18,336	150,073	16,469	148,316
Others	105,768	1,110,325	105,664	1,110,163

39. 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 2021.

Gross receipts tax	₱1,676,153
Documentary stamps tax	1,043,374
Local taxes	88,912
Fringe benefit tax	44,490
Others	55,206
Total for the year	₱2,908,135

Withholding Taxes

Details of total remittances of withholding taxes in 2021 and amounts outstanding as of December 31, 2021 are as follows:

	Total	Amounts
	remittances	outstanding
Final withholding taxes	₱1,075,078	₱73,678
Withholding taxes on compensation and benefits	761,598	32,890
Expanded withholding taxes	155,386	11,248
	₱1,992,062	₱117,816

Tax Assessment

As of December 31, 2021, the Parent Company has no pending tax assessment notice from the BIR.

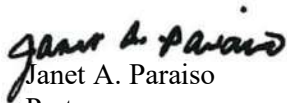


INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

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, 2021 and 2020 and for each of the three years ended December 31, 2021, included in this Form 17-A, and have issued our report thereon dated February 28, 2022. 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

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-062-2020, December 3, 2020, valid until December 2, 2023

PTR No. 8853462, January 3, 2022, Makati City

February 28, 2022

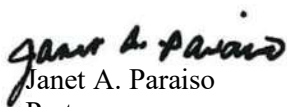


INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

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, 2021 and 2020 and for each of the three years in the period ended December 31, 2021 and have issued our report thereon dated February 28, 2022. 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, 2021 and for each of the three years in the period ended December 31, 2021 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

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-062-2020, December 3, 2020, valid until December 2, 2023

PTR No. 8853462, January 3, 2022, Makati City

February 28, 2022



CHINA BANKING CORPORATION AND SUBSIDIARIES
INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2021

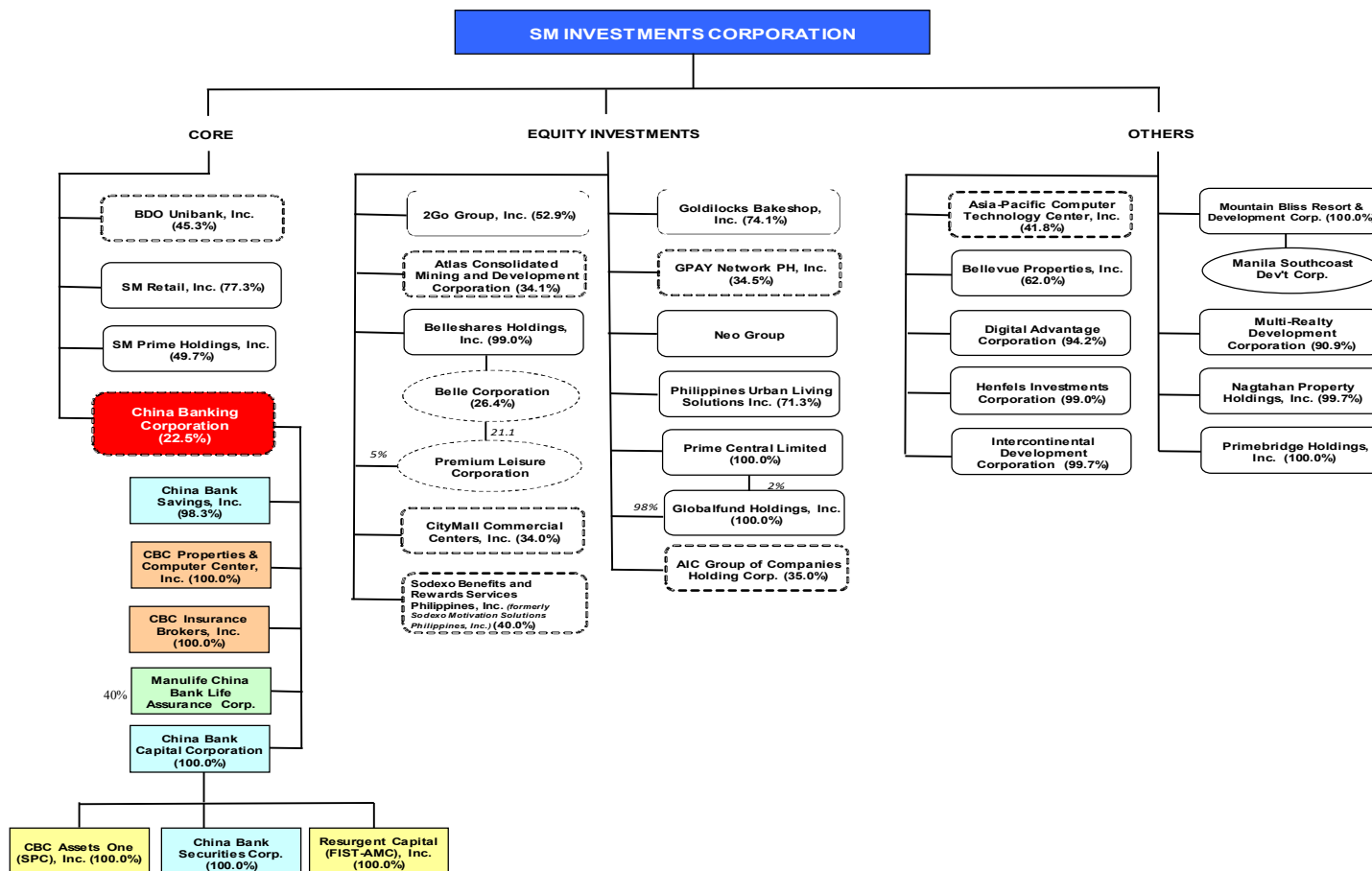
Part I		
Schedule	Content	Page No.
I	Reconciliation of retained earnings available for dividend declaration <i>(Part I 5B, Annex 68-D)</i>	1
II	Map showing relationships between and among parent, subsidiaries, an associate, and joint venture <i>(Part I 5G)</i>	2
Part II		
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CHINA 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, 2021
(Amounts in Thousands)

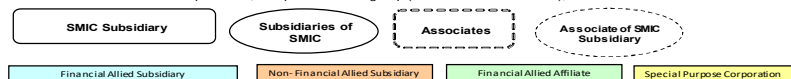
Unappropriated Retained Earnings, Beginning	₱58,659,768
Adjustments:	
Prior years non-actual/unrealized income net of tax (2007-2020)	(6,145,788)
Transfer of revaluation increment to surplus	(1,277,277)
Prior years' net earnings of subsidiaries and associates not available for dividends	(3,679,403)
	(11,102,468)
Unappropriated Retained Earnings, as adjusted to available for dividend distribution, beginning	47,557,300
 Add: Net income during the period	 15,088,332
Less: Non-actual/unrealized income net of tax	
Fair value adjustments (mark-to-market gains)	40,181
Net earnings of subsidiaries not available for dividends	1,422,503
Fair value adjustments of investment property resulting to gain	54,554
Sub-total	1,517,238
 Add: Non-actual losses	
Reversal of net fair value gains upon disposal of investment properties	117,703
	117,703
 Net income actually earned/ realized during the period	 13,688,797
Less: Cash dividend declared during the period	2,685,900
Appropriation of Retained Earnings during the period	811,587
Transfer from Surplus to Surplus Reserves	45,096
	(3,542,583)
 Unappropriated Retained Earnings, Ending, Available for Dividend Declaration	 ₱57,703,514

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.



Schedule A – Financial Assets
December 31, 2021
(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 accrued
<u>Financial Assets at Fair Value through Profit or Loss</u>				
Philippine government	₱2,038,446	₱2,028,898	₱2,028,898	₱45,935
Private corporation	2,984,219	3,036,073	3,036,073	13,361
Equity securities	14,326 shares	1,063,897	1,063,897	–
Various derivative counterparties		1,070,839	1,070,839	73,107
	20 warrants	9,960	9,960	–
		₱7,209,667	₱7,209,667	₱132,403
<u>Financial Assets at Fair Value through Other Comprehensive Income</u>				
Philippine government	₱17,642,283	₱17,713,051	₱17,713,051	₱136,369
Private corporation	10,114,780	10,305,710	10,305,710	124,247
Equity securities	34,034 shares	653,479	653,479	–
		₱28,672,240	₱28,672,240	₱260,616
<u>Financial Assets at Amortized Cost</u>				
Philippine government	₱115,804,119	₱120,586,399	₱122,959,933	₱1,182,607
Private corporation	124,796,965	121,767,330	143,693,145	1,336,030
	₱240,601,084	₱242,353,729	₱266,653,078	₱2,518,637
<u>Derivative Contract Designated as Hedge</u>				
Various derivative counterparties		1,139,233	1,139,233	5,312
		₱1,139,233	₱1,139,233	₱5,312

*FVTPL 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, 2021

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, 2021
(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	Subsidiary	₱1,322	₱48,077	₱1,322	₱—	₱48,077	₱—	₱48,077
China Bank Capital Corporation	Subsidiary	—	1,629	—	—	1,629	—	1,629
China Bank Securities Corporation	Subsidiary	—	92	—	—	92	—	92
CBC Properties and Computer Center, Inc (PCCI)	Subsidiary	—	652	—	—	652	—	652
		₱1,322	₱50,450	₱1,322	₱—	₱50,450	₱—	₱50,450

China Banking Corporation
Schedule D - Long-Term Debt
December 31, 2021
(Amounts in Thousand)

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
Peso-denominated:					
LTNCD-Tranche 1*	₱9,588,000	₱9,565,337	₱—	3.25%	May 18, 2022
LTNCD-Tranche 2*	6,348,000	6,327,572	—	3.65%	December 22, 2022
LTNCD-Tranche 3	10,250,000	—	10,198,837	4.55%	January 12, 2024
₱15 Billion Peso Fixed Rate Bonds due in 2022**	15,000,000	14,882,088	—	2.75%	October 22, 2022
₱20 Billion Peso Fixed Rate Bonds due in 2024**	20,000,000	—	19,877,228	2.50%	February 18, 2024
Foreign-currency-denominated:					
\$150 Million Bonds Payable to IFC**	\$150,000	₱7,714,242	₱—	6-month LIBOR + 120	June 18, 2026
Securities sold under repurchase agreement***:					
Various	\$376,699	₱12,511,644	₱6,699,566	1.98% to 4.08%	Various

*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, 2021

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, 2021

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, 2021

(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		2,691,288,212		1,021,693,594	132,967,916	1,536,626,702

⁽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, 2021
(Amounts in Thousand)

	Gross Proceeds as disclosed in the Final Prospectus	Expenditure Items	Net Proceeds as disclosed in the Final Prospectus ⁽ⁱ⁾	Actual Gross Proceeds	Actual Net Proceeds	Balance of the proceeds as of the reporting period
₱20 Billion Peso Fixed Rate Bonds	₱20,000,000	₱20,000,000	₱19,832,512	₱20,000,000	₱19,832,512	₱–

(i) The net proceeds from the securities were used to support the Bank's initiatives and expansion programs.

CHINA BANKING CORPORATION
FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	2021	2020	2019
<i>PROFITABILITY (%)</i>		Amounts in Php millions, except for the ratios		
Return on Assets				
	Net Income after Income Tax	1.45	1.21	1.10
	Average Total Assets ¹	<u>15,106</u>	<u>12,071</u>	<u>10,075</u>
		1,039,074	997,175	915,896
Return on Equity				
	Net Income after Income Tax	13.58	12.09	11.04
	Average Total Equity ¹	<u>15,106</u>	<u>12,071</u>	<u>10,075</u>
		111,223	99,809	91,288
Net Interest Margin				
	Net Interest Income	4.20	3.92	3.39
	Average Interest Earning Assets ^{1,2}	<u>38,314</u>	<u>33,842</u>	<u>26,051</u>
		912,732	863,819	769,013
Cost to Income Ratio				
	Operating Expense less Provision for Impairment and Credit Losses	46	49	59
	Total Operating Income	<u>22,335</u>	<u>21,522</u>	<u>20,324</u>
		48,675	43,854	34,482
<i>LIQUIDITY (%)</i>				
Liquid Assets to Total Assets				
	Total Liquid Assets ³	42	43	37
	Total Assets	<u>466,936</u>	<u>440,552</u>	<u>356,787</u>
		1,112,320	1,036,012	962,226
Loans (net) to Deposit Ratio				
	Loans (Net)	71	67	73
	Deposit Liabilities	<u>609,007</u>	<u>557,214</u>	<u>568,919</u>
		862,860	835,231	775,429
<i>ASSET QUALITY (%)</i>				
Gross Non-Performing Loans Ratio				
	Gross Non-Performing Loans	2.5	2.3	1.5
	Gross Loans	<u>15,351</u>	<u>12,983</u>	<u>8,699</u>
		624,064	571,954	577,479

Ratio	Formula	2021	2020	2019
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	116 <u>17,828</u> 15,351	128 <u>16,574</u> 12,983	129 <u>11,180</u> 8,699
	Gross Non-Performing Loans			
SOLVENCY RATIOS				
Debt to Equity Ratio	Total Liabilities	8.3	8.9	9.0
	Total Equity	<u>993,197</u> 119,123	<u>931,026</u> 104,985	<u>866,050</u> 96,176
Asset to Equity Ratio	Total Assets	9.3	9.9	10.0
	Total Equity	<u>1,112,320</u> 119,123	<u>1,036,012</u> 104,985	<u>962,226</u> 96,176
Interest Rate Coverage Ratio	Net Income Before Tax and Interest Expense	3.4	2.0	1.5
	Interest Expense	<u>24,875</u> 7,411	<u>26,758</u> 13,295	<u>33,221</u> 21,634
CAPITALIZATION (%)				
Capital Adequacy Ratio CET 1 / Tier 1	CET 1 / Tier 1 Capital	14.92	13.82	12.76
	Total Risk Weighted Assets	<u>104,397</u> 699,547	<u>90,750</u> 656,582	<u>81,266</u> 636,710
Total CAR	Total Qualifying Capital	15.75	14.73	13.67
	Total Risk Weighted Assets	<u>110,204</u> 699,547	<u>96,736</u> 656,582	<u>87,066</u> 636,710

¹ Average monthly balances

² Interest 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.

³ Composed 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.