UnionBank

UnionBank Plaza, Meralco Avenue cor. Onyx
& Sapphire Roads, Ortigas Center, Pasig City 1605

April 15, 2025

SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue
Salcedo Village, Brgy. Bel-Air, Makati City

Attention : DIRECTOR OLIVER O. LEONARDO
Markets and Securities Regulation Department

via PSE EDGE
THE PHILIPPINE STOCK EXCHANGE, INC.
6th Floor, PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention : ATTY. JOHANNE DANIEL M. NEGRE
Officer-in-charge, Disclosure Department

via electronic mail
PHILIPPINE DEALING AND EXCHANGE CORP.
29/F BDO Equitable Tower
8751 Paseo de Roxas
Makati City

Attention : ATTY. SUZY CLAIRE R. SELLEZA
Head – Issuer Compliance and Disclosure Department

Gentlemen:

Pursuant to Structured Continuing Disclosure Requirements for Listed Companies of the Exchange, we report herewith SEC Form 17A of Union Bank of the Philippines as of December 31, 2024.

For your information and guidance. Thank you.

Very truly yours,

EDGAR ALLAN G. OBLENA
SVP / Financial Controller

COVER SHEET

3 6 0 7 3

S.E.C. Registration Number

U N I O N B A N K   O F   T H E   P H I L I P P I N E S

(Company's Full Name)

U N I O N B A N K   P L A Z A   M E R A L C O   A V E N U E

C O R   O N Y X   A N D   S A P P H I R E   S T R E E T S

O R T I G A S   C E N T E R ,   P A S I G   C I T Y

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

EDGAR ALLAN G. OBLENA	(632)8667-6388
Contact Person	Company Telephone Number

1 2	3 1	**SEC FORM 17A**	0 4	2 5
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			Annual Meeting	

UNDERWRITER OF SECURITIES

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

4,954		
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A
ANNUAL REPORT PURSUANT TO SECTION 11 OF THE REVISED SECURITIES ACT AND SECTION 141 OF CORPORATION CODE OF THE PHILIPPINES

1. For the calendar year ended December 31, 2024

2. SEC Identification Number 36073

3. BIR Tax Identification No. 000-508-271-000

4. UNION BANK OF THE PHILIPPINES
   Exact name of registrant as specified in its charter:

5. METRO MANILA, PHILIPPINES
   Province, Country or other jurisdiction or incorporation or organization

6. (SEC Use Only)
   Industry Classification Code

7. UnionBank Plaza, Meralco Ave. cor. Onyx and Sapphire Streets, 1605
   Ortigas Center, Pasig City — Postal Code
   Address of Principal Office

8. (632) 8667-6388
   Registrant's telephone number, including area code

9. Not applicable
   Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock P10.00 par value	3,316,405,584 shares

11. Common Stocks are listed at the Philippine Stock Exchange.

12. Check whether the issuer:

    (a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the 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 [X]   No [ ]

    (b) Has been subject to such filing requirements for the past ninety (90) days.

    Yes [X]   No [ ]

13. The aggregate market value as of March 31, 2025 of the voting stock held by non-affiliates ₱109,441,384,272.00

UNIONBANK OF THE PHILIPPINES
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PART I – BUSINESS AND GENERAL INFORMATION

Item 1 - Business

A. Description of Business

Union Bank of the Philippines ("UnionBank" or "UBP") is a publicly listed universal bank whose principal shareholders are Aboitiz Equity Ventures, Inc. ("AEV"), Social Security System ("SSS") and The Insular Life Assurance Company, Ltd. ("Insular Life"). The Bank has always been among the first to embrace technological innovations to empower its customers. The Bank leverages on technology and its agile culture to meet the customers' changing and diverse needs and continuously enhance customer experience. Largely regarded as the Philippines' pioneer in digital banking, UnionBank remains a digital trailblazer and aspires to be a Great Retail Bank to best serve the growing needs of Filipinos everywhere.

Historical Background

UnionBank, originally known as "Union Savings and Mortgage Bank", was incorporated in the Philippines on August 16, 1968. On January 12, 1982, it was given the license to operate as a commercial bank. UnionBank's common shares were listed in the Philippine Stock Exchange (PSE) on June 29, 1992 and shortly after, it was granted the license to operate as a universal bank on July 15, 1992. UnionBank became the 13th and youngest universal bank in the country in only its tenth year of operation as a commercial bank.

UnionBank's principal shareholder groups include AEV, a shareholder of UnionBank since 1988 and the public holding company of the Aboitiz group of companies (the "Aboitiz Group"), one of the oldest and largest conglomerates in the Philippines with interests in power generation and distribution, financial services, real estate, food manufacturing and industrial production; SSS, a Government-owned and controlled corporation that provides social security to workers in the private sector; and Insular Life, one of the leading and largest Filipino-owned life insurance companies in the Philippines.

UnionBank has undertaken two mergers, with the International Corporate Bank (Interbank) in 1994 and the International Exchange Bank (iBank) in 2006.

As of December 31, 2024, UnionBank's subsidiaries and affiliates include: City Savings Bank, Inc. (CitySavings or CSB), Petnet, Inc., (Petnet), Bangko Kabayan, Inc. (A Private Development Bank) (Bangko Kabayan), UBP Investments Corporation (formerly Union Properties, Inc.) (UIC), First Union Plans, Inc. (FUPI), First Union Direct Corporation (FUDC), First Union Insurance and Financial Agencies, Inc. (FUIFAI), UBX Philippines Corporation (UBX PH), UBX Private Limited (UBX SG), UnionDigital Bank, Inc. (UnionDigital), UnionBank Financial Services and Insurance Brokerage Philippines, Inc. (formerly Citicorp Financial Services and Insurance Brokerage Philippines, Inc.) (UFSI) and UnionBank Investment Management and Trust Corporation (UBIMTC).

Acquisitions / Company Creation

On January 8, 2013, UnionBank's Board of Directors (BOD) approved the purchase of CSB, a premier thrift bank specializing in granting teacher's loans under the Department of Education's (DepEd) Automatic Payroll Deduction System (APDS). The transaction was approved by the Monetary Board of the Bangko Sentral ng Pilipinas (BSP) on March 21, 2013. The acquisition of CSB is aligned with UnionBank's business plans and long-term strategy of building businesses based on consumers.

In May 2013, UnionBank's subsidiary, UIC[1], completed the acquisition of FUIFAI, a company organized to primarily engage in the business of a general agent for life and non-life insurance, and other allied financial services.

On December 15, 2016, CSB and UIC received Monetary Board approval to finalize its joint-acquisition of a majority stake in FAIRBank, a rural bank that provides banking and microfinance services and loan products to micro, small, and medium enterprises, and micro housing institutions.

In December 2017, CSB signed a Share Purchase Agreement with the ROPALI Group to acquire 100% of the common shares and with International Finance Corp. (IFC) in February 2018 to acquire 100% of the preferred shares of PR Savings Bank. PR Savings Bank is a thrift bank engaged in providing motorcycle, agri-machinery, and teachers' salary loans. The acquisition of shares in PR Savings Bank was approved by the Philippine Competition Commission (PCC) on April 5, 2018. The BSP has issued its approval-in-principle of the acquisition on June 14, 2018. The merger of PR Savings Bank with CSB was approved by the BSP on December 27, 2018. The Securities and Exchange Commission (SEC) approved the same on February 28, 2019.

In January 2018, CSB and UIC executed a Share Purchase Agreement (SPA) with the majority shareholders of PBI for the acquisition of a 75% equity interest through a combination of subscription and purchase of common shares. PBI is a rural bank based in Iloilo engaged in the business of extending credit to farmers, tenants, and rural industries of enterprises. On February 24, 2020, the BSP approved the application of CSB and UIC to acquire 75% ownership of PBI.

In February 2018, CSB and UIC signed an SPA with AEV to purchase 51% of the common shares of Petnet. The transaction was approved by the PCC on May 8, 2018 and by the BSP on December 11, 2018. Petnet, more widely known by its retail brand name PeraHub, has over 3,000 outlets nationwide which offers a variety of cash-based services including remittance, currency exchange, and bills payment.

On December 19, 2018, UBX PH was incorporated with the SEC. On February 11, 2019, the BSP approved its incorporation. UBX PH serves as UnionBank's investment house to hold, purchase, and acquire businesses engaged in financial and information technology services.

A wholly-owned subsidiary of UBX PH, UBX SG was incorporated and registered with the Accounting and Corporate Regulatory Authority (ACRA) of Singapore in 2018. It is a holding company that is principally engaged in acquiring various fintech start-ups. UBX SG owns 100% of UBX Remit Pte. Ltd. (SG) and 1.96% of NYK Ventures Pte. Ltd. (SG). In June 2021, UBX SG sold its 25% stake in Pacific Payments Pte. Ltd. In October 2023, UBX SG also sold its 31.98% stake in Fintech Platform Ventures Pte. Ltd.

In February 2019, City Savings and UIC executed a Share Purchase Agreement with the majority shareholders of Batangas-based Bangko Kabayan to acquire 70% ownership in the MSME-oriented rural bank. The transaction was approved by the BSP and PCC on September 19, 2019 and January 9, 2020, respectively.

In July 2021, the BSP granted a digital banking license to UnionDigital. It is the only digital bank established by a universal bank among the six licensees approved by the BSP.

[1] On July 22, 2019, the Securities and Exchange Commission (SEC) approved the change in the name of Union Properties, Inc. to UBP Investments Corporation (UIC) and change in primary purpose to that of a holding company and its secondary purpose was amended to act as a property administrator.

UnionDigital was incorporated in November 2021 and started commercial operations on July 18, 2022. It is UnionBank's foray to penetrate the larger untapped retail segment in the country in a purely digital and cost-effective manner.

In December 2021, UnionBank entered into a Share and Business Transfer Agreement with the subsidiaries of Citigroup Inc. (Citi) to acquire Citi's consumer banking in the Philippines. The transaction includes Citi's credit card, personal loans, wealth management, and retail deposit businesses. The acquisition also includes Citi's real estate interests in relation to Citibank Square in Eastwood, 3 full-service bank branches, and 5 wealth centers. UnionBank's acquisition of Citi was approved by the BSP on July 18, 2022, and UnionBank became the legal owner of the business beginning August 1, 2022. The deal brought in almost 1 million new customers and ₱99.4 billion in total assets, ₱69.4 billion in gross loans and ₱65.3 billion in deposits. The acquisition is seen to accelerate UnionBank's objective of becoming a 'Great Retail Bank' given Citi's market leadership in the credit cards, personal loans, and wealth management business.

In June 2023, the BSP approved the Parent Bank's request to purchase 1,011,961 shares of Bangko Kabayan. In July 2023, the Parent Bank completed the purchase representing 27.52% ownership in Bangko Kabayan. The result of the purchase of the said shares increased the Group's ownership in Bangko Kabayan to 97.52%. CSB's and UIC's ownership remained the same at 49% and 21%, respectively.

In July 2023, the Securities and Exchange Commission (SEC) officially approved the tripartite merger between Bangko Kabayan, FAIR Bank and PBI, with Bangko Kabayan being the surviving entity.

In July 2023, UnionBank received from the BSP the Certificate of Authority for UBIMTC to operate as a stand-alone trust corporation. UBIMTC is a wholly owned subsidiary of UnionBank. Pursuant to the requirements for incorporating UBIMTC, UnionBank contributed ₱300.0 million in May 2023 in exchange for 300.0 million common shares. In October 2023, the SEC issued UBIMTC's Certificate of Incorporation together with its approved Articles of Incorporation and By-Laws.

Capital Markets Transactions

In May 2022, UnionBank raised ₱40 billion through a stock rights offering, with approximately 617.2 million common shares priced at ₱64.81 per share. The proceeds from the offering were deployed to partially fund the acquisition of the Citibank N.A. consumer banking business in the Philippines.

On June 2, 2022, UnionBank successfully issued the first-ever digital peso bonds in the Philippines, raising an aggregate size of ₱11.0 billion under its ₱39.0 billion bond program. UnionBank is the pilot user of the Philippine Depository & Trust Corp.'s (PDTC) Proof of Concept Digital Registry & Digital Depository that uses Distributed Ledger or Blockchain Technology for registry and depository operations. The bonds, which have a tenor of 1.5 years and a fixed rate of 3.25% per annum, are listed on Philippine Dealing and Exchange Corp. (PDEx) for trading in the PDEx Fixed Income Market.

On November 25, 2022, UnionBank raised $358.0 million from a three-year syndicated loan. The proceeds will be used to refinance UnionBank's maturing USD loans and existing USD bonds, and fund its general corporate purposes.

In December 2022, UnionBank announced another stock rights offering for approximately 210.97 million shares for ₱56.88 each. The proceeds amounting to approximately ₱12.0 billion are mainly for the expansion of the Bank's loan portfolio and for infusion into its digital banking arm, UnionDigital. The listing date of the new shares in the PSE is February 06, 2023.

In February 2023, the BOD of the Bank at its regular meeting held on February 24, 2023, approved the increase in authorized capital stock of the Bank from ₱35.3 million to ₱60.3 million. In August 2023, the BSP approved the amendment of its Articles of Incorporation to increase the authorized capital stock. In December 2023, the SEC approved the amendments to the Articles of Incorporation of Union Bank of the Philippines increasing its authorized capital stock.

In October 2023, the Bank completed the update of its Peso Bonds Program increasing the Program size to fifty billion Pesos (₱50.0 billion). The increase in the Bank's Peso Bonds Program was approved by its BOD last March 24, 2023. The Bank's Peso Bonds Program was initially established on April 26, 2019 with an original size of thirty-nine billion Pesos (₱39.0 billion).

In November 2023, the Bank announced the start of the public offer of its 1.5Y Senior Fixed Rate Series F Bonds due 2025 and 3Y Senior Fixed Rate Series G Bonds due 2026 (collectively, the "New Bonds"). The New Bonds were issued under UnionBank's ₱50.0 billion Bond Program and each tranche were offered with a minimum aggregate principal amount of ₱1.0 billion, with an oversubscription option. The 1.5Y Series F Bonds and 3Y Series G Bonds have interest rates of 6.5625% per annum and 6.6800% per annum, respectively. The public offer period for the New Bonds started from November 20, 2023 and ended on November 29, 2023.

In January 2024, UnionBank issued a 27% stock dividends, in which the Bank listed 635.5 million common shares.

In May 2024, UnionBank concluded a stock rights offering of 327.12 million shares with a total transaction value amounting to approximately ₱10.0 billion at a price of P30.57 per share. The net proceeds were used to fund the capital infusion to UnionDigital, projected retail loan availments, and/or for general corporate purposes.

B. Business of Issuer

Principal products and services

UnionBank offers a broad range of products and services, which include deposit and related services, consumer finance (comprising credit card services, mortgage and auto loans, and personal/salary loans), corporate banking, commercial banking (comprising middle-market banking), micro, small and medium-sized enterprises ("MSME") banking, cash management, trust and investment services, treasury products distribution, funding and trading (involving management of UnionBank's liquidity and funding requirements and handling of transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives).

In addition, UnionBank has a private banking unit which offers estate planning solutions and a global and diversified multi-asset fund to its high-net-worth and ultra-high-net-worth clients through its partnership with Lombard Odier and various life insurance products through its bancassurance partnership with Insular Life.

Deposits and Related Services
Savings Accounts: Personal Savings Account · US Dollar Savings Account · Third Currency Accounts · Dollar Access · My First Savings · Savings+ · Regular Savings Account · Corporate Savings · FCDU Corporate Savings *Checking Accounts:* Regular Checking · Power Checking · Premium Deposit · BizStarter · Business Check · Corporate Checking

Investment Accounts: Time Deposit · Peso Optimizer · Hi-Five · USD Optimizer ·
Corporate, Middle-Market, and Consumer Lending ***Corporate Banking Loans*** ***Commercial Banking Loans*** ***SME Banking Solutions:*** BusinessLine Classic · Dealers Financing Line · MD Line ***Consumer Lending:*** Auto Loans · Mortgage · Quick Loans · eJudiciary
Debit Cards ***Personal:*** Easy Access · US Dollar Visa Debit · Go Rewards Debit · PlayEveryday · Lazada · e-Wallet ***Corporate:*** ePaycard · UnionBank Corporate Debit Card ***Government:*** GSIS UMID/eCard · SSS UMID/Quickcard · Pag-IBIG Loyalty Card
Credit Cards ***Rewards Cards:*** Visa Classic · Visa Gold · Visa Platinum · PlayEveryday Visa Classic · Rewards Visa Platinum · Platinum Mastercard · Lazada Mastercard Titanium · Rewards Platinum Mastercard ***Cashback /Interest Rebate Cards***: Cash Back Visa Platinum · U Visa Platinum · Mastercard Gold · Mastercard Platinum · Cash Back Titanium Mastercard · U Mastercard Platinum ***Travel and Lifestyle:*** Miles+ Visa Platinum · Miles+ Visa Signature · Reserve Visa Infinite · Cebu Pacific Visa Gold · Cebu Pacific Visa Platinum · Go Rewards Visa Gold · Go Rewards Visa Platinum · Miles+ World · Mastercard ·Reserve World Elite Mastercard ***Co-brand and Affinity Cards***: Mercury Drug Visa Gold · Shell Power Visa Gold · Shell Power Visa Platinum · Grab Mastercard Platinum · S&R Visa Platinum · Various other products issued in partnership with companies that are involved in retail business; home-building; hotels; medical, health and fitness; financial security; airlines; educational and service-oriented institutions; and non-profit organizations focusing on religious, humanitarian, cause-oriented activities, and promotion of professional organizations ***Business:*** UnionBank Visa Corporate · Suy Sing Visa ***Consumer Lending:*** Personal Loan
Trust and Investment Products ***Short Term:*** PHP Short-Term Fixed Income Fund · USD Short-Term Fixed Income Fund · *Medium Term:* PHP Fixed Income Fund · USD Fixed Income Fund · PHP Tax-Exempt Fixed Income Fund ***Equities:*** PHP Equity Fund · Philippine Equity Index Tracker Fund ***Balanced:*** Peso Balanced Fund · Capital Accumulation Global Fund of Funds Portfolio (USD-class & PHP-class) ***Managed Accounts (non-UITF):*** Investment Management Account (IMA) · Retirement Fund Management · Pre-need · Other Institution/Individual Trust Accounts · Personal Management Trust (PMT) · Escrow Agency · Court Trust · Legislated and Quasi-Judicial Trust · Mortgage Trust Indenture · Safe-keeping · Transfer Agency · Life Insurance Trust
Cash Management Services ***Corporate Disbursements:*** Electronic Fund Transfers (UnionBank Transfers, PESONet, InstaPay, PDDTS, SWIFT) · Fund Transfers with CWT and Invoice/ PayExpress · eGobyerno (SSS, Philhealth, Pag-IBIG, BIR, BOC) · Business Check · Business Check Online · Checkwriter · Voucher Payout · Pesonet Sponsorship · Instapay Sponsorship ***Corporate Collections:*** Bills Payment · Auto Debit Arrangement (ADA) · Batch Bills Payment · Checkhouse · Check Collections · Mobile Check Deposit · Remote Check Deposit · Cash Mobilization · Customized SOA · Secure Pay · Partner Pay· PSE Trade/Securities Clearing Corporation of the Philippines (SCCP) · UPAY · Paygate · eCollect · Checkhouse · DocuPay ***Payroll:*** Payroll & Corporate Disbursement Solutions (ePaycard, eCrediting/Fund Transfer, ePayroll) · UnionBank Corporate Prepaid Card (StopSell) · Corporate Debit Card · Payee Protect Coverage ***Government Cards:*** GSIS UMID/eCard · SSS UMID/Quickcard · Pag-IBIG Loyalty Card ***Corporate Accounts:*** Corporate Accounts (BizStarter, Corporate Regular Checking, Corporate Checking, Corporate Savings, FCDU Corporate Savings) · Account Pooling and Sweeping · Corporate Credit Card · Bancnet Sponsorship · VISA Sponsorship ***Other Products and Services:*** API Marketplace · Finacial Marketplace · FX via Portal ***Trade Finance Facilitation:*** • *Supply Chain Financing:* A platform to support better cashflows for your business community through digital document presentment, receivables collection, payables

settlement, and instant financing options - DocuPAY · Dealers Financing · Payables Discounting • *Trade Finance Services:* a suite of products that facilitate payment and collections for bank clients via Letter or Credit and non-Letter of Credit services - Import Financing · Export Financing · Documentary Letter of Credit (LC) · Stand-by Letter of Credit · Bank Guaranty/Performance Bond · Non-LC Transactions (Open Account, Documents against Payment, Document against Acceptance, Direct Remittance) · Export Packing Line · Export Bills Purchase Line · Customs Duties Collection
Digital Channels *Retail:* UnionBank Online · Bonds.PH *SME*: UB Negosyante *Corporate:* The Portal
Private Banking Access to Global Funds and Investment Strategies · Government Securities, Corporate Bonds, Money Market Securities, UITFs · Asset Swaps · Family Services · Financial Advisory · Mutual Funds · FX · Other Investments
Wealth Management *UB Elite wealth program for affluent and high net worth individuals.* *Team of experts, wealth advisory and insights, global investments, banking privileges & exclusive offer.* *UB Access wealth program for emerging affluent individuals.* *Convenient banking, wealth creation, banking privileges & offers.* *Savings Accounts:* E-Savings · High Rate Saver · Boost Up Savings · Peso Payroll Saver · USD FCDU Saver · EUR FCDU Saver · AUD FCDU Saver · GBP FCDU Saver · HKD FCDU Saver · SGD FCDU Saver · JPY FCDU Saver *Checking Accounts:* Everyday Account *Cyber Fraud Deposit Insurance* *Debit Cards:* Wealth Elite World Debit Mastercard · Wealth Access Debit Platinum Mastercard · Wealth Debit Gold Mastercard · Access Visa Debit · Visa Signature Debit *Brokerage Products and Services:* BSP-registered Unit Investment Trust Funds · SEC-registered Mutual Funds · Global Mutual Funds · Philippine Government Bonds · Philippine Bank-Issued Bonds · Global Government Bonds · Local Currency Corporate Bonds · Foreign Currency Corporate Bonds · Structured Notes · Qualified Buyer Registration · Traditional Life Insurance · Investment Linked Life Insurance · Non-Life Insurance
Bancassurance Assurance · Assurance Prime · Security · Prominence · Dollar Prominence · Sure Cover · Bancassurance Abundance · Secure 5 · Secure 7

CitySavings is primarily engaged in extending salary loans to employees of public educational institutions under the DepEd's Automatic Payroll Deduction System ("APDS"). The guidelines for the grant of salary loans to public school teachers are set out in a memorandum of agreement between the DepEd and CitySavings. The Bank has diversified its product suite to cater to employees of national government agencies and local government units. In addition, the Bank offers loans to pensioners under the Government Service Insurance System (GSIS), Social Security System (SSS), and other government agencies. In 2019, CitySavings entered the motorcycle financing market through its acquisition of PR Savings Bank and it has substantially expanded its partner-dealer network to grow the business. The Bank also provides deposit products for both retail and corporate customers. CitySavings' affiliate, Bangko Kabayan, is into basic deposit and lending services which range from individual to mSME loans. Another affiliate of the Bank is PETNET, more widely known by its retail brand name PERA HUB. It delivers a variety of cash-based services including remittance, currency exchange and bills payment.

UBX is a premier technology company delivering digital transformation for enterprises and the government, with embedded finance as its core accelerator. UBX are differentiated by comprehensive local financial expertise and global fintech capabilities through its affiliation with UnionBank of the Philippines and SBI Holdings of Japan.

UnionDigital Bank is the digital bank subsidiary of UnionBank. It distinguishes itself as the sole digital bank in the country initiated by a private universal bank, holding a license from the BSP. It represents UnionBank's strategic approach to integrate the vast segments of unbanked and underbanked individuals within the financial system. As a crucial part of the Aboitiz Group, UnionDigital leverages the group's ecosystem and expertise, fostering collaborations that drive towards a vision of a financially inclusive nation. This effort also aligns with UnionBank's expansion goals, promoting inclusive growth and prosperity within the Filipino community.

The vision for UnionDigital is to evolve into a comprehensive financial services hub, offering a wide range of digital financial solutions such as savings and lending, payments, insurance, micro-investments, digital assets, and other value-added services. These offerings are designed to meet the needs of both the unbanked and underserved populations, as well as those who are tech-savvy. By addressing the entire financial lifecycle, including spending, saving, investing, protecting, and borrowing, UnionDigital aims to go beyond traditional banking offerings to include alternative financial products. Central to its mission, UnionDigital is committed to making banking services, products, and financial education accessible to every Filipino, empowering them with the tools and resources needed to achieve their financial goals and uplift their lives.

UBIMTC is a wholly-owned subsidiary of UnionBank and is one of the few trust departments of local banks to have been spun-off to a stand-alone corporation. Considering its roots as a trust department, the group has been in the trust business for more than 44 years and has been offering since then, a wide range of trust and investment management solutions catering to both individual and institutional clients. As a full-service trust corporation, UBIMTC offers bespoke trust and investment solutions such as trusteed accounts, investment management services, escrow agency, custodianship, and other fiduciary services.

In addition to this, UBIMTC manages ten (10) Unit Investment Trust Funds ("UITF") to address the fast-growing investment needs of its retail customers. The funds are geared towards long-term capital appreciation and are largely invested in fixed income securities issued by the Philippine government and local corporations, as well as in equity securities of listed companies in the PSE.

Segment Reporting

Business Segments
The Group's main operating businesses are organized and managed separately according to the nature of products and services provided and the different markets served, with each segment representing a strategic business unit. These are also the basis of the Group in reporting to its chief operating decision-maker for its strategic decision-making activities.

The Group's main business segments are presented below.

a. *Consumer Banking*
This segment principally handles individual customer deposits, funds transfer facilities and provides consumer type loans, such as personal loans, automobiles and mortgage financing, and credit card facilities and small and medium enterprises loan products.

b. *Institutional Banking*
This segment principally handles loans and other credit facilities and deposit and current accounts for corporate, institutional and middle market customers.

c. *Mass Market/Digital Banking*
Mass Market banking primarily provides a range of mass market financial products and services such as salary loans, pension loans, seafarer loans, motorcycle loans, company loans, LGU salary loans, and traditional deposits. Digital Banking offers retail financial products, including deposits and loans, on a highly secure digital banking platform.

d. *Treasury Banking*
This segment is principally responsible for managing the Bank's liquidity and funding requirements, and handling transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives.

e. *Trust and Insurance*
The segment handles trust, asset management and fiduciary services provided by the Bank to its customers.

f. *Headquarters*
This segment includes corporate management, support and administrative units not specifically identified with the above-mentioned segments.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis.

Segment resources and liabilities comprise operating resources and liabilities including items such as taxation and borrowings. Revenues and expenses that are directly attributable to a particular business segment and the relevant portions of the Group's revenues and expenses that can be allocated to that business segment are accordingly reflected as revenues and expenses of that business segment.

Subsidiaries and Affiliates

	Percentage of ownership		
Name of Subsidiary	**2024**	2023	Nature of Business
City Savings Bank, Inc. (CSB)	**99.79%**	99.79%	Thrift bank
PetNet, Inc. (PETNET) [(a)]	**51.00%**	51.00%	Foreign currency trader and remittance business
UBP Investments Corporation (UIC)	**100.00%**	100.00%	Holding company
First Union Plans, Inc. (FUPI) [(b)]	**100.00%**	100.00%	Pre-need
First Union Direct Corporation (FUDC) [(b)]	**100.00%**	100.00%	Financial products marketing
First Union Insurance and Financial Agencies, Inc. (FUIFAI) [(c)]	**100.00%**	100.00%	Agent for insurance and financial products
UBP Securities, Inc. (UBPSI) [(b)]	**100.00%**	100.00%	Securities brokerage
Union Data Corp. (UDC) [(b)]	**100.00%**	100.00%	Data processing
Interventure Capital Corporation (IVCC) [(b)]	**60.00%**	60.00%	Venture capital
UBX Philippines Corporation (UBX) [(d)]	**83.33%**	100.00%	Investment holding and innovation company
UBX Private Limited (UBX SG) [(e)]	**83.33%**	100.00%	Holding company
UBX Remit Pte Ltd. (UBX Remit) [(f)]	**83.33%**	100.00%	Remittance company
Bangko Kabayan, Inc. (A Private Development Bank) (Bangko Kabayan) [(g)]	**97.75%**	97.75%	Private development bank
UnionDigital Bank, Inc. (UnionDigital)	**100.00%**	100.00%	Digital bank

Unionbank Financial Services and Insurance Brokerage Philippines, Inc. (UFSI)	**100.00%**	100.00%	Insurance and securities brokerage
Unionbank Investment Management and Trust Corporation (UBIMTC)	**100.00%**	100.00%	Trust and other fiduciary business

(a) Subsidiary through CSB and UIC, with 40% and 11% share in ownership, respectively
(b) Non-operating subsidiaries
(c) Wholly-owned subsidiary through UIC
(d) On September 27, 2024, Parent Bank's ownership interest reduced to 83.33%
(e) Wholly-owned subsidiary of UBX
(f) Wholly-owned subsidiary of UBX SG
(g) 24.96% owned by the Parent Bank; 49% and 23.79% owned through CSB and UIC, respectively

Other relevant information about the subsidiaries' nature of businesses and their status of operations are discussed in the sections that follow:

a. In its letter dated March 6, 2023, the BSP approved the Bank's application to establish a standalone trust corporation, which will be registered under the name of UBIMTC, a direct and wholly-owned subsidiary of the Bank. The BSP subsequently granted the Bank the authority to register with the SEC via its issuance of a Certificate of Authority to Register dated July 28, 2023.

   Pursuant to the requirements for incorporating UBIMTC, the Bank contributed ₱300.0 million on May 9, 2023, in exchange for 300.0 million common shares. On October 11, 2023, the SEC issued UBIMTC's Certificate of Incorporation together with its approved Articles of Incorporation and By-Laws. As authorized by BSP in its letter dated November 15, 2023, UBIMTC commenced operations in March 2024.

   On November 7, 2024, the BOD of the Parent Bank approved the acquisition of ATR Asset Management, Inc. (AAMI) shareholdings and sale of its shareholdings in UBIMTC. On November 8, 2024, the Parent Bank and AAMI entered into an investment agreement for UBP's acquisition of a 27.5% shareholding in AAMI and a share purchase agreement for the sale of 100% of UBP's shareholding in UBIMTC to AAMI, subject to regulatory approvals.

   The Parent Bank will pay ₱300.0 million to ATR KimEng AMG Holdings, Inc. and AAMI. This will be funded by the proceeds from the sale of the Parent Bank's ownership interest in UBIMTC.

   CSB was incorporated and registered with the SEC on December 9, 1965. It is a thrift bank specializing in granting teacher's loans under the Department of Education's Automatic Payroll Deduction System. CSB has 149 branches as of December 31, 2024.

b. CSB was incorporated and registered with the SEC on December 9, 1965. It is a thrift bank specializing in granting teacher's loans under the Department of Education's Automatic Payroll Deduction System. CSB has 149 branches as of December 31, 2024.

c. PETNET, more widely-known by its retail brand name PERA HUB, has the largest network of Western Union outlets in the Philippines. PETNET has over 3,612 outlets nationwide. It offers a variety of cash-based services including remittance, currency exchange and bills payment.

d. UIC was incorporated and registered with the SEC on December 20, 1993. It is presently engaged in business as a holding company authorized to hold investments of real and personal properties, including shares of stocks, bonds, debentures, notes and other securities and obligations, without engaging in business of an investment company or broker or dealer in securities of stocks.

UIC holds investments of the Group's thrift banks, rural banks and remittance companies. In addition, through its wholly-owned subsidiaries, FUPI and FUIFAI, UIC is also engaged in the servicing of existing pre-need plans, and being an agent for life and non-life insurance products.

e. UBX operates as a financial technology services firm. It was incorporated to invest in, hold, own, purchase, lease manage, sell or otherwise dispose of real and personal properties of every kind and description. It shall also engage in the development of financial technology innovations and engage in electronic commerce business. UBX SG, a subsidiary of UBX, is incorporated to engage in the development of financial technology innovations and engage in electronic commerce business.

   On September 27, 2024, UBX issued 8.0 million shares to a third party for a 16.67% ownership interest at USD10.0 million (or ₱558.00 million). This resulted in a decrease in the Parent Bank's ownership interest in UBX to 83.33%. The reduction in the Parent Bank's ownership interest in UBX resulted in the recognition of other equity reserves of ₱372.16 million in the Group's statement of financial position and Gain on deemed disposal of ₱373.13 million presented as part of Miscellaneous income in the Parent Bank's statement of income, where the amounts represent the difference between the Parent Bank's "deemed share" in the proceeds from issuance of UBX shares and the carrying amount of the equity interest "deemed disposed" in UBX.

f. Bangko Kabayan is authorized to engage in the business of extending financial services to farmers, entrepreneurs, commercial, manufacturing and industrial enterprises and to such other persons or entities that require financial intermediation, and to have and to exercise all authority and powers, and to do and perform all acts, and to transact all business which may legally be done by thrift banks organized under and in accordance with the existing New Thrift Banks Act of 1995 (Republic Act No. 7906).

   On June 22, 2023, the BSP approved the Parent Bank's request to purchase 1,011,961 shares or 27.52% ownership interest in Bangko Kabayan. On July 10, 2023, the Parent Bank completed the purchase, increasing the Group's ownership in Bangko Kabayan to 97.52%. CSB's and UIC's ownership remained the same at 49% and 21%, respectively.

   Bangko Kabayan, First-Agro Industrial Rural Bank, Inc. (FAIR Bank) and Progressive Bank, Inc. (PBI) applied for the regulatory approvals to merge, with Bangko Kabayan as the surviving entity. On March 21, 2022, the PCCacknowledged that the proposed merger of Bangko Kabayan, FAIR Bank and PBI, with Bangko Kabayan as the surviving entity, does not breach the thresholds for compulsory notification. On June 17, 2022 and September 12, 2022, the banks received the consent from PDIC and approval of the BSP, respectively. On July 13, 2023, SEC approved the aforementioned merger. The merger resulted in an increase in the Group's ownership in Bangko Kabayan to 97.75%. CSB's ownership in Bangko Kabayan remained at 49% while UIC's ownership in Bangko Kabayan increased to 23.79%.

   Bangko Kabayan has 36 branches and three (3) branch lites as of December 31, 2024.

g. UnionDigital was organized to engage in, and carry on, the general business of a digital bank, including such other expanded services as may be approved by the MB of the BSP such as creating, developing, owning, maintaining, distributing, and marketing a digital platform that allows the bank to offer digital services, and issues mortgage and chattel certificates, buys and sells them or accept them in to such terms and conditions as may be prescribed by the MB of BSP.

On June 23, 2023, the BOD of the Parent Bank approved the infusion of additional capital of ₱900.0 million to UnionDigital to support business growth. Subsequently on September 29, 2023 and November 13, 2023, the Parent Bank infused capital totaling ₱900.0 million.

Also on November 24, 2023, the BOD of the Parent Bank approved the infusion of additional capital of up to ₱1.8 billion to UnionDigital to support business growth. Subsequently on January 30, 2024, March 27, 2024 and June 28, 2024, the Parent Bank infused capital totaling ₱1.8 billion.

On September 23, 2024, the BOD of the Parent Bank approved the infusion of additional capital of up to ₱1.6 billion in UnionDigital to support its ongoing business operations and allow it to deliver sustainable growth. Subsequently on September 30, 2024, the Parent Bank infused ₱950.0 million to UnionDigital.

As of December 31, 2024 and 2023, the Parent Bank's total equity investment in UnionDigital amounted to ₱6.7 billion and ₱3.9 billion, respectively.

Non-operating subsidiaries

a. The BOD of FUPI and the stockholders, on June 27, 2024 and August 2, 2024, respectively, approved the dissolution of the company by way of an amendment to its Articles of Incorporation (AOI) through shortening its corporate term until March 31, 2025.

b. The BOD of FUDC authorized to temporarily suspend its business operations effective June 1, 2022 and until such time that management, with the approval of the BOD of FUDC deems its appropriate to resume operations. The BOD of FUDC, in its special meeting on July 5, 2024, approved the cessation of business effective December 31, 2024. On November 6, 2024, the BIR issued the tax clearance for the cessation of business. Subsequently on December 4, 2024, FUDC submitted its application for dissolution to the SEC and is still pending evaluation.

c. UBPSI was incorporated and registered with the SEC on March 2, 1993. It was organized to engage in the business of buying, selling or dealing in stocks and other securities. In January 1995, as approved by UBPSI's stockholders and BOD, UBPSI sold its stock exchange seat in the PSE. Accordingly, UBPSI ceased its stock brokerage activities.

d. UDC was registered with the SEC on September 8, 1998. It was organized to handle the centralized branch accounting services as well as the processing of credit card application forms of the Parent Bank and the entire backroom operations of FUPI. On July 1, 2003, the BOD of UDC approved the cessation of its business operations effective on August 30, 2003, and subsequently shortened its corporate term to December 31, 2017 by amending its AOI. On November 29, 2024, the SEC issued the certificate approving the shortening of corporate term until December 31, 2017. The services previously handled by UDC are now undertaken by the Financial Services Group of the Parent Bank. The BIR has issued the certificate of no outstanding tax liability to UDC for the cessation of its business.

e. IVCC was incorporated and registered with the SEC on October 10, 1980. It was organized to develop, promote, aid and assist financially any small or medium scale enterprises and to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage and otherwise deal with such real and personal property, including securities and bonds of other corporations as the transaction of the lawful business of the corporation may reasonably and necessarily require, subject to the limitations prescribed by law. IVCC has ceased operations since 1992.

The total assets, liabilities and capital funds of these non-operating subsidiaries amounted to ₱9.12 million, ₱3.18 million, and ₱5.94 million, respectively, as of December 31, 2024 and ₱10.72 million, ₱3.28 million, and ₱7.44 million, respectively, as of December 31, 2023.

The Bank's registered address, which is also its principal place of business, is at UnionBank Plaza, Meralco Avenue corner Onyx Street and Sapphire Road, Ortigas Center, Pasig City. AEVI's registered address is located at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila.

Distribution Network of Products and Services

UnionBank primarily services its clientele through its well-trained relationship managers, as well as its strong digital footprint through its website (www.unionbankph.com), mobile or online banking apps, customer service chatbot, and various digital platforms, following its digital transformation journey. Its digital channels are complemented by strategically located branch networks, partner outlets, ATMs, as well as a Customer Engagement Group that takes up voice and non-voice customer service-related concerns.

Relationship Managers	UnionBank's sales force is trained to have expertise in UnionBank's solutions-based financial services and are equipped with tools (e.g., MAX 5.0) that allow them to service clients remotely and enhance productivity. UnionBank's Relationship Managers and Financial Advisors are also licensed by the Insurance Commission to provide customers with bancassurance products.
Branch Network	As of December 31, 2024, UnionBank had 196 branches. All of UnionBank's branches were transformed into digital and paperless branches called "The ARK", which allow for straight-through processing of transactions over-the-counter or via self-service machines, and at the same time, house Branch Ambassadors for product discovery, digital conversion and advisory services. UnionBank also increased its presence nationwide through its subsidiaries' physical network which consisted of 149 branches of CitySavings across the country, 39 branches of Bangko Kabayan and over 3,000 locations of PETNET nationwide. In addition, UnionBank has three mobile banking kiosks, also called "Bank on Wheels," which are vans equipped with 5G communication facilities to serve areas where branch access is limited by natural disasters, pandemics or geography, and/or high volume of ATM transactions are needed for a specific period. UnionBank introduced agency banking cash deposit capability through its partnership with 7-Eleven and ECPay among others.
ATM Networks	As of December 31, 2024, UnionBank had 494 ATMs and CitySavings had 109 ATMs for a total of 603 ATMs, which are further categorized as 431 onsite and 172 off-site ATMs. UnionBank and its subsidiaries' network supplements its branch network in providing 24-hour banking services to its customers. UnionBank's interconnection with the Bancnet ATM consortium, allows its cardholders to access thousands of ATMs nationwide. In addition,

	UnionBank's ATM card functions as a VISA or Mastercard debit card that allows electronic purchase and payment transactions.
Call Center	UnionBank's Customer Engagement Support Group (CESG), which is responsible for retail customer relationship and consumer finance relationship and care, manages UnionBank's 24-hour call center, which caters to deposit and card product queries, among others. The call center utilizes a mix of phone, social media, email, and website as customer touch points. In handling customer complaints, it adheres to certain service-level agreements such as feedback or resolution of concerns that were received from the customer touch points. Customer complaint handling is continuously improved through resolution tracking. UnionBank is currently enhancing other enabling channels capable of digital self-servicing and extended reach. The Customer Engagement Group is composed of the voice and email channels, sales and service recovery and strategic development and controls.
Customer Service Chatbot	In 2017, UnionBank launched "Rafa," the Philippines' first banking chatbot that delivers instant 24/7 customer service. Rafa is accessible through Facebook messenger. It can answer customer queries on, among others, the nearest ATM and branch, providing the latest foreign exchange rate of up to ten currencies, assisting customers who are exploring auto loans, and giving customers options to choose the credit card that best suits them. It is also capable of assisting in processing account opening and loan applications. UnionBank believes that Rafa provides a more personal and conversational customer experience compared to the interactive voice response or auto reply forms.
Mobile and E-Banking	UnionBank Online, is the online and mobile banking platform for UnionBank's retail customers. It is designed with an omni-channel user experience wherein the same look and feel applies to different touchpoints (websites and mobile applications), operating systems (Android or IOS) and device types. UnionBank Online enables UnionBank's customers to perform account management and banking transactions such as account opening, deposit checks, fund transfer, bills payment without visiting a branch or contacting UnionBank's call center. Customers may log in through biometric authentication, apart from password login. Customers can use UnionBank Online to send money to various remittance centers or cash outlets nationwide and deposit checks simply by taking a photo with the application. It also enables real-time account opening via a digital application and thus facilitates customer onboarding process. UnionBank was the first Philippine universal bank to introduce such function in the Philippines in 2019. UnionBank also introduced an upgraded version of its cash management platform for corporates called "The Portal". It is a fully featured application which enables, among others, single sign-on for customers with multi-org access, real-time fund transfers, bills payment facility, online check deposits, payroll account opening, and the ability to set up business approval steps. It helps customers' merchant acquisition, account management and lending activities. UnionBank also launched a cash management platform for MSME clients called MSME Business Banking in 2021, now known as "UB Negosyante". Its features include digital account opening for savings and checking account, mobile check deposit, local and international fund transfers, bills payment, payment gateway, and many more to help MSMEs manage financial operations.

	UnionBank also launched “UPAY” in 2021, an integrated payment acceptance hub for SME customers to support collection of funds through various payment channels including UnionBank Online, Gcash and GrabPay, over the counter, and debit and credit cards. In addition, UnionBank has launched “E-commerce Payment Gateway” with API connectivity via websites and mobile applications to enable merchants to accept major credit cards and alternative payment methods to support their customers’ buying behavior and to deliver a cross-channel experience. Recurring customers could experience faster and more convenient payments by securely tokenizing payment credentials.

Competition

The Bank faces competition in all its principal areas of business. Philippine domestic and foreign banks are the Bank’s main competitors, followed by finance companies, mutual funds and investment banks. Currently, the industry is dominated by the four largest universal banks, each with over ₱3 trillion in assets: BDO Unibank, Inc. (BDO), Land Bank of the Philippines (LBP), Metropolitan Bank and Trust Co (MBT) and Bank of the Philippine Islands (BPI). These banks have greater financial and other capital resources, and greater market shares than UnionBank. Moreover, as a publicly-listed bank, UnionBank also monitors its performance against the ten largest publicly-listed universal banks in the country.

Based on the latest data of BSP as of December 31, 2024, there were a total of 44 domestic and foreign universal and commercial banks operating in the Philippines, with total assets of ₱25.7 trillion, total loan portfolio (inclusive of Interbank Loans and RRPs) of ₱13.8 trillion, and total deposits of ₱19.1 trillion. Among the universal banks, there are 13 private domestic universal banks, six branches of foreign universal banks and three government-controlled universal banks. On the other hand, the commercial banks comprise two private domestic commercial banks, 18 branches and two subsidiaries of foreign commercial banks. While mergers, acquisitions, and closures reduced the number of industry players, the entry of foreign banks under new and liberalized banking laws and regulations resulted in the growth of the number of universal and commercial banks.

The Bank also faces competition from financial technology firms and non-financial firms. In particular, non-financial firms pose a challenge to Philippine banks by offering digital products such as mobile payments or online services. Financial technology firms utilize software to provide financial services, and disrupt existing financial systems and corporations that rely less on software by offering faster, more convenient, and more efficient ways of transacting. In addition, purely digital financial technology or non-financial firms have no branches and thus have lower costs. The Bank seeks to gain a competitive advantage by continuing to implement its digital transformation strategies.

Amidst this operating environment, UnionBank leverages on its competitive advantages anchored on its use of superior technology, its unique sales and service culture, and centralized backroom operations, as well as its digital transformation roadmap geared towards strengthening its present business by repositioning itself into a digitally-transformed universal bank that achieves scale in a cost-efficient manner, while preparing for a future when embedded or decentralized banking becomes the dominant business model, all anchored on technology as the enabling factor.

Transactions with and/or dependent on related parties

The information required is contained in item 12 on page 90.

Patents, trademarks and tradenames

The Bank has registered the following trademarks with the Intellectual Property Office (IPO) of the Philippines:

	Trademark	Registration Date	Expiration
1	UNIONBANK	December 19, 2005	December 19, 2025
2	UNIONBANK LOGO	October 21, 2010	October 21, 2030
3	UNIONBANK EON	December 05, 2013	December 05, 2033
4	UBP	August 07, 2014	August 07, 2034
5	UREKA	November 10, 2016	November 10, 2026
6	SELFIE BANKING	December 22, 2019	December 22, 2029
7	DIGITAL ME	June 29, 2017	June 29, 2027
8	EON FOR THE DIGITAL ME	July 30, 2017	July 30, 2027
9	EON	July 30, 2017	July 30, 2027
10	EON CYBER	November 02, 2017	November 02, 2027
11	I2I	May 30, 2019	May 30, 2029
12	THE FUTURE BEGINS WITH U.	October 24, 2019	October 24, 2029
13	CYBERSURE	January 12, 2020	January 12, 2030
14	1U HUB	February 06, 2020	February 06, 2030
15	1U HUB	February 06, 2020	February 06, 2030
16	THE FIRST FINANCIAL SUPPLY BLOCKCHAIN IN THE PHILIPPINES - POWERED BY UNIONBANK	February 06, 2020	February 06, 2030
17	UB	February 24, 2020	February 24, 2030
18	NO VERBAL ELEMENTS	February 24, 2020	February 24, 2030
19	NO VERBAL ELEMENTS	February 24, 2020	February 24, 2030
20	UB UNIONBANK (Gray)	August 14, 2020	August 14, 2030
21	UB UNIONBANK	October 16, 2020	October 16, 2030
22	THE FIRST DIGITAL ACCOUNT OPENING FOR BUSINESS BY UNIONBANK	January 17, 2021	January 17, 2031
23	THE FIRST MOBILE CHECK DEPOSIT FOR BUSINESSES BY UNIONBANK	February 19, 2021	February 19, 2031
24	BANK THE WAY YOU LIVE	March 29, 2021	March 29, 2031
25	SELYADO (Greyscale)	April 16, 2021	April 16, 2031
26	SELYADO (Colored)	April 16, 2021	April 16, 2031
27	UNIONBANK ONLINE	April 16, 2021	April 16, 2031
28	UB ONLINE	April 16, 2021	April 16, 2031
29	UNIONBANK APP	April 16, 2021	April 16, 2031
30	UB MOBILE APP	April 16, 2021	April 16, 2031
31	P PHX COMMERCIAL BANK-BACKED PHILIPPINE STABLECOIN	April 16, 2021	April 16, 2031
32	PHX	May 21, 2021	May 21, 2031
33	UBP XCELLERATOR GAMECHANGERS	May 21, 2021	May 21, 2031
34	UBP XCELLERATOR BLOCKCHAIN BUSINESS SPECIALIST PROGRAM	June 18, 2021	June 18, 2031

35	UBP XCELLERATOR BLOCKCHAIN BASICS PROGRAM	June 18, 2021	June 18, 2031
36	UBXCELLERATOR	July 16, 2021	July 16, 2031
37	UB GARAGE INNOVATION AND INCUBATION LAB POWERED BY UB UNIONBANK.	July 23, 2021	July 23, 2031
38	XCELLERATOR	July 23, 2021	July 23, 2031
39	UBXCELLERATOR	July 30, 2021	July 30, 2031
40	UBP XCELLERATOR PROGRAM	August 6, 2021	August 6, 2031
41	UB GARAGE INNOVATION AND INCUBATION LAB POWERED BY UB UNIONBANK	October 1, 2021	October 1, 2031
42	BITBOX	February 5, 2022	February 5, 2032
43	SECURITYSTARTSWITHU	February 14, 2022	February 14, 2032
44	BANK DIFFERENTLY	February 14, 2022	February 14, 2032
45	UB METAVERSE	April 4, 2022	April 4, 2032
46	UB METAVERSE BRANCH	April 4, 2022	April 4, 2032
47	PLAYEVERYDAY	May 7, 2022	May 7, 2032
48	PLAY EVERYDAY	June 2, 2022	June 2, 2032
49	QUICK GIVES	July 21, 2022	July 21, 2032
50	QUICK ADVANCE	August 8, 2022	August 8, 2032
51	UB UNION BANK (Orange logo)	August 18, 2022	August 18, 2032
52	UB UNIONBANK (Colored)	August 18, 2022	August 18, 2032
53	THE PORTAL	September 15, 2022	September 15, 2032
54	CYBERSURE.PH	September 30, 2022	September 30, 2032
55	UNIONBANK	September 30, 2022	September 30, 2032
56	UBP DIGITAL	September 30, 2022	September 30, 2032
57	UB SME BUSINESS BANKING	September 30, 2022	September 30, 2032
58	UB DIGITAL BANK	October 24, 2022	October 24, 2032
59	EDGE A UNIONBANK PUBLICATION	November 28, 2022	November 28, 2032
60	BANK FROM HOME WITH UNIONBANK	December 8, 2022	December 8, 2032
61	BANK THE WAY YOU LIVE WITH UNIONBANK	December 19, 2022	December 19, 2032
62	PHX PHILIPPINE STABLECOIN	February 4, 2023	February 4, 2033
63	PAYLTR BY UNIONBANK	February 20, 2023	February 20, 2033
64	UB DIGITAL	March 6, 2023	March 6, 2033
65	UPAY BY UB UNIONBANK	May 29, 2023	May 29, 2033
66	UNIONBANK QUICKLOANS (Class 9)	May 8, 2023	July 24, 2023
67	UNIONBANK QUICKLOANS (Class 35, 36)	May 8, 2023	July 24, 2023
68	PHILIPPINE FINTECH FESTIVAL	August 7, 2023	August 7, 2033
69	UNIONBANK MILES+	September 10, 2023	September 10, 2033
70	UNIONBANK RESERVE	September 10, 2023	September 10, 2033
71	PAYANYWAY	September 10, 2023	September 10, 2033
72	UNIONBANK REWARDS	December 11, 2023	December 11, 2033
73	UNIONBANK ELITE	February 24, 2024	February 24, 2034

74	UNIONBANK ACCESS	February 24, 2024	February 24, 2034
75	UNIONBANK BUSINESS CLASS	February 24, 2024	February 24, 2034
76	UB ONLINE	March 14, 2024	March 14, 2034
77	UREWARDS	April 11, 2024	April 11, 2034
78	EASYCONVERT	April 13, 2024	April 13, 2034
79	PAYDIRECT	April 13, 2024	April 13, 2034
80	PAYEASY	April 13, 2024	April 13, 2034
81	OWN THE FUTURE	May 16, 2024	May 16, 2034
82	UNIONBANK CASH BACK	May 30, 2024	May 30, 2034
83	UBP QUICKPAY	August 26, 2024	August 26, 2034
84	UB NEGOSYANTE SME BUSINESS BANKING	September 14, 2024	September 14, 2034
85	UB NEGOSYANTE (GRAY)	September 21, 2024	September 21, 2034
86	UB NEGOSYANTE (WHITE)	September 21, 2024	September 21, 2034
87	UB TAP2PAY	October 3, 2024	October 3, 2034
88	EASYBILL	October 7, 2024	October 7, 2034
89	UNIONBANK EASYBILL	October 7, 2024	October 7, 2034
90	UNIONBANK EASYCONVERT	November 2, 2024	November 2, 2034

The Bank has also registered the following patents with the IPO which are all valid for 7 years:

	TITLE
1	Computer-Implemented System for Cross-Border Remittance though Distributed Ledger Systems
2	Computer-Implemented System for Providing Authenticated Banking Services through Remittance Facilities
3	Computer-Implemented System for an Asset Backed Digital Currency Implemented through Distributed Ledger Systems
4	Computer-Implemented System for Detecting and Reporting Potential Money Laundering Transactions
5	Computer-Implemented System and Method for Managing Digital Accounts
6	Computer-Implemented System for Implementing an Authenticated Circulars Banking Policy Storage and Retrieval System through a Blockchain
7	A Computer-Implemented System for an Enterprise Online Banking Facility
8	Computer-Implemented System for a Financial Supply Chain System through Blockchain Technology
9	Computer-Implemented Method for Efficient Processing of Bank Transactions
10	Computer-Implemented System for Authenticated Consent Wallet
11	Computer-Implemented System for Quick Loans Enhancement
12	Computer-Implemented System for Model Risk Management Platform

Regulatory Approvals
The BSP, SEC, Philippine Deposit Insurance Corporation (PDIC), PSE, PDEx, and the Bureau of Internal Revenue (BIR) are the major regulatory agencies that provide rules, regulations, and guidelines to the Bank's activities.

UnionBank ensures that its products, services, and systems carry the necessary regulatory approvals and conform with prescribed internal controls prior to launch and continue to be compliant with prescribed rules and regulations.

Keeping abreast of regulations affecting the business
As a banking institution, UnionBank adheres to the provisions of the General Banking Law of 2000 (Republic Act No. 8791), as amended, and the regular issuances by the BSP as embodied in its Manual of Regulations for Banks (MORB). The regulatory issuances of the Anti-Money Laundering Council (AMLC), SEC, PDIC, PSE, PDEx, BIR, and other regulatory bodies are likewise monitored constantly for new developments.

Anti-Money Laundering Laws and Know Your Customer Procedures
UnionBank complies and is consistent with the provisions of Republic Act No. 9160, as amended by Republic Act Nos. 9194, 10167 and 10365, otherwise known as the "Anti-Money Laundering Act of the Philippines," and other pertinent laws, rules, regulations, and circulars issued by the BSP, SEC and other regulatory agencies of the Philippines, including the AMLC and the Financial Action Task Force (FATF) on Money Laundering. UBP adheres to the AML laws and regulations that include the Know Your Customer ("KYC") rules and customer due diligence at the inception of the bank-client relationship until its termination.

The Bank employs a third-party tool for screening customers during onboarding, subsequently, whenever there are updates to the sanctions and negative files and during periodic account reviews. A real-time transaction screening system is used to clear all transactions that pass through the SWIFT network. In July 2019, the Bank upgraded its AML system through the deployment of an internally developed, highly intuitive, and more flexible transaction monitoring and reporting system. In 2020, an in-house developed screening portal replaced the previous tool to assist in the namescreening of clients against the lists of sanctioned individuals and organizations, persons convicted of AML predicate crimes, among other negative information.

Customer due diligence remains robust through documentation and upgrading of client information, understanding of client activity, review of customer risk rating, identification of ultimate beneficial owners, and obtaining senior management approval, where warranted.

Finally, on an annual basis, UnionBank, through its Compliance and Corporate Governance Office (CCGO), provides formal AML trainings to the members of the BOD, Senior Management, and its Branches. In coordination with the HR Group, CCGO deploys the AML e-learning refresher module to all bank employees; while Operations and Sales personnel are apprised of new BSP requirements during Compliance roadshows held throughout the year.

Capital Adequacy

Per existing BSP regulations, the combined capital accounts of each universal bank and, commercial bank, and their subsidiaries, should not be less than an amount equal to 10% of its risk assets. Risk assets consist of total resources after exclusion of cash on hand, due from BSP, loans covered by holdout on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits and other non-risk items as determined by the Monetary Board of the BSP.

In implementing current capital requirements, the BSP requires the Group and the Parent Bank to maintain a minimum capital amount and a prescribed ratio of qualifying capital to risk-weighted assets, known as the "capital adequacy ratio" (CAR). Risk-weighted assets is the aggregate value of assets weighted by credit risk, market risk, and operational risk, based on BSP-prescribed formula provided under BSP Circular No. 360, BSP Circular No. 538 and BSP Circular No. 781 which contain the implementing guidelines for the revised risk-based capital adequacy framework to conform to Basel III recommendations.

As of December 2023, 2022 and 2021, the Group and the Bank's CAR were at and 15.7%, 13.0%, 18.4% and 15.3%, 11.8%, 18.4%, respectively and as of December 31, 2024, the Group and the Bank's CAR was at 17.3% and 17.5%, respectively.

Research and Development Activities

The amount spent on research and development activities (in thousand pesos) and its percentage to revenues for the last three years has been as follows:

	2024	2023	2022
Cost	6,249,359	5,437,911	4,991,483
Ratio to Revenues	7.5%	6.9%	9.9%

Employees

As of December 31, 2024, the Bank employed 5,288 people, 541 as Executive. 4,116 as Officers, 631 as Clerical Staff and covered by CBA. Of these, 2,489 are in Operations, 1,636 are in Non-Operations, and 1,163 are in Sales/ Marketing. The Bank does not foresee an increase in the number of headcounts within the ensuing twelve (12) months.

The Collective Bargaining agreement started on June 01, 2020 and will expire on May 31, 2025.

RISK MANAGEMENT OBJECTIVES AND POLICIES

Risks are inherent in the business activities of the Group. Among its identified risks are credit risk, liquidity risk, market risk, interest rate risk, foreign exchange risk, operational risk, information security risk, legal risk, and regulatory risk. These are managed through a risk management framework and governance structure that provides comprehensive controls and management of major risks on an ongoing basis

Risk management is the process by which the Group identifies its key risks, collects consistent and understandable risk measures, decides which risks to take on or reduce and establishes procedures for monitoring the resulting risk positions. The objective of risk management is to ensure that the Group conducts its business within the risk levels set by the BOD while business units pursue their objective of maximizing returns.

Risk Management Structure

The BOD of the Parent Bank exercises oversight over the Parent Bank's risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Parent Bank has established independent Risk Management Units (RMUs) that objectively review and ensure compliance with the risk parameters set by the BOD. The RMUs are responsible for the monitoring and reporting of risks to senior management and the various committees of the Parent Bank.

On the other hand, the risk management processes of its subsidiaries are handled separately by their respective BODs.

The Parent Bank's BOD is primarily responsible for setting the risk appetite, approving risk parameters, proposed credit policies, and investment guidelines, as well as establishing the overall risk-taking capacity of the Parent Bank. To fulfill its responsibilities in risk management, the BOD has established the following committees, whose functions are described below.

(a) The Executive Committee (EXCOM) is composed of seven (7) members of the BOD. The EXCOM exercises certain functions as delegated by the BOD, including among others, the approval of credit and loan transactions, asset recovery, real and other properties acquired (ROPA) sales, and such other transactions as may be initiated by the Bank units within the EXCOM's delegated limits.

(b) The Risk Management Committee (RMC) is composed of at least seven (7) members of the BOD, majority of whom are independent directors including the Chairman, who cannot be the chairman of the board or any other board committee. The RMC advises the BOD regarding the Bank's overall current and future risk appetite, oversees Senior Management's adherence to the risk appetite statement, and reports on the state of risk culture of the Parent Bank. The RMC oversees the Bank's risk management framework and the risk management function. The RMC also provides oversight, direction, and guidance to the other risk committees, specifically the Market Risk Committee (MRC) and the Operations Risk Management Committee (ORMC).

(c) The MRC is composed of nine (9) members of the BOD, majority of whom are independent directors, including the Chairman. The MRC is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.

(d) The ORMC composed of at least seven (7) non-executive Board members (including an independent Chair), oversees the Bank's operational risk management. This oversight includes policy review and approval of the Operational Risk Management Framework (a component of the Enterprise Risk Management System), as well as ensuring its implementation across all business and functional units, including insourced, outsourced and external services. The ORMC's objective is to minimize financial losses, exceed customer expectations, and maintain operational resilience. Furthermore, it fosters a culture of operational risk accountability through a framework emphasizing proactive prevention, root cause analysis, and lessons learned.

(e) The Audit Committee is composed of seven (7) members, all non-executive and majority of whom are independent, including the Chairman, most of whom are with accounting, auditing, or related financial management expertise or experience. The skills, qualifications, and experience of the committee members are appropriate for them to perform their duties as laid down by the BOD.

    The Audit Committee serves as principal agent of the BOD in ensuring independence of the Parent Bank's external auditors and the internal audit function. It also oversees the Parent Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.

    To effectively perform these functions, the Audit Committee obtains a good understanding of the Parent Bank's business, including the following: Parent Bank's structure, businesses, controls, and the types of transactions or other financial reporting matters applicable to the Parent Bank as well as to determining whether the controls are adequate, functioning as designed, and operating effectively. It also considers the potential effects of emerging business risks and their impact on the Parent Bank's financial position and results of operations.

Among the responsibilities of the Audit Committee are:

- *Oversight of the financial reporting process.* The Audit Committee ensures that the Parent Bank has a high-quality reporting process that provides transparent, consistent, and comparable financial statements. In this regard, the Audit Committee works closely with management especially the Office of the Financial Controller, the Internal Audit Group (IAG), as well as the external auditors, to effectively monitor the financial reporting process and resolution of any significant financial reporting issues and concerns.

- *Monitoring and evaluation of internal control.* The Audit Committee, through the IAG, monitors and evaluates the adequacy and effectiveness of the Parent Bank's internal control framework, integrity of financial reporting, and security of physical assets, and ensures that a proactive and forward-looking approach to evaluation of risks and controls is taken. The Audit Committee also ensures that periodic assessment of the internal control system is conducted to identify weaknesses and evaluates its robustness considering the risk profile and strategic direction of the Parent Bank.

- *Oversight of the audit process.* he Audit Committee is knowledgeable on audit function and the audit process. The Audit Committee maintains supportive, trusting, and inquisitive relationships with both internal and external auditors to enhance its effectiveness.

- *Oversight of the outsourced internal audit activities.* The Audit Committee oversees the performance of the internal audit service provider and ensures that they comply with sound internal auditing standards and other supplemental standards issued by regulatory authorities/government agencies, as well as with relevant code of ethics.

- *Oversees the implementation of Group Internal Audit Policy.* The Audit Committee oversees the implementation of the policy through the periodic reports on oversight of the Group Internal Audit and takes appropriate action on any group internal oversight issues identified. The Audit Committee reviews and evaluates the group internal audit policy, and any amendments thereto, and endorses the same to the BOD for approval.

- *Oversight of the whistle-blowing mechanism.* The Audit Committee oversees the establishment of a whistle-blowing mechanism in the Parent Bank by which officers and staff shall in confidence raise concerns about possible improprieties or malpractices in matters of financial reporting, internal control, auditing or other issues to persons or entities that have the power to take corrective action. It also ensures that independent investigation, appropriate follow-up, action, and subsequent resolution of complaints are in place.

- *Reporting responsibilities.* The Audit Committee regularly reports to the Board of Directors about committee activities in relation to its responsibilities and how they were discharged, issues, and related recommendations.

In the performance of these functions, the Audit Committee is supported by the IAG. The Chief Audit Executive derives authority from and is directly accountable to the Audit Committee. However, administratively, the Chief Audit Executive reports to the President of the Parent Bank.

The IAG is entirely independent from all the other organizational units of the Parent Bank, as well as from the personnel and work that are to be audited. It operates under the direct control of the Audit Committee and is given an appropriate standing within the Parent Bank to be free from bias and interference. The IAG is free to report its findings and appraisals internally at its own initiative to the Audit Committee.

The IAG is authorized by the Audit Committee to have unrestricted access to all functions, records, property, and personnel of the Bank subject to existing mandates and applicable laws. This includes the authority to allocate resources, set audit frequencies, select subjects, determine scope of work, and apply the techniques required to accomplish the audit engagement objectives.

The IAG is also authorized to obtain the necessary assistance from personnel within the Parent Bank units where they perform audits, as well as other specialized services within or outside the Parent Bank.

The IAG presents its risk-based and forward-looking audit plan consistent with the Parent Bank's strategic plans and priorities every quarter for approval by the Audit Committee.

At least once a month, the Audit Committee meets to discuss the results of the assurance and consulting engagements, and case investigations by IAG. Financial Reporting and Controllership related topics are also included as needed. The results of these meetings are regularly reported by the Audit Committee Chairman to the BOD in its monthly meetings.

(f) The Corporate Governance Committee (CGC) is primarily responsible for helping the BOD fulfill its corporate governance and compliance responsibilities. It is responsible for ensuring the BOD's effectiveness and due observance of corporate governance principles and of oversight over the compliance risk management. It assists in the establishment of a compliance program that facilitates the escalation and resolution of compliance issues expeditiously.

The CGC is composed of nine (9) members of the BOD, all non-executive, majority of whom, including its Chairman, are independent directors. Its specific duties include, among others, making recommendations to the BOD regarding continuing education of directors, providing a communication channel for its subsidiaries and affiliates to ensure that the Bank, as the Parent company, is kept well abreast of material issues, and overseeing the periodic performance evaluation of the 1) Board; 2) Board Committees; 3) Individual Directors; 4) Management-level Committees (through the respective committee secretariats; and 5) Chief Compliance and Corporate Governance Officer (CCO).

The CGC also performs oversight functions over the Compliance and Corporate Governance Office (CCGO) and the following management-level committees: 1) Anti-Money Laundering Committee and 2) Discipline Committee.

Senior management, through the CCO, periodically reports to the CGC the status of regulatory audit and compliance testing findings until their closure. Any material breaches of the compliance program are reported to and promptly addressed by the CCO within the mechanisms defined by the Compliance Manual.

The Parent Bank's CCO defines the Group's governance and compliance requirements and works closely with the subsidiaries' Chief Compliance Officers in the execution of these standards.

The CGC acts as the Bank's Nomination Committee and reviews the qualifications of and screens candidates for the board including nominees for independent directors and key officers of the Parent Bank. The CGC likewise reviews the qualifications of and screens candidates of its nominees to its subsidiaries. It also oversees the succession plan for board members and senior officers, and directs the alignment of the latter's remuneration with corporate and individual performance.

The Parent Bank's CCO assists the CGC in fulfilling its functions by apprising the same of (1) pertinent regulations and other issuances relating to compliance and corporate governance, (2) related regulatory issues and compliance initiatives affecting the various units and the status of the corrective action plans, and (3) continuously giving updates thereon. In addition, the CCO keeps the CGC abreast of best governance practices and discusses issues brought up among private organizations and individuals advocating good governance philosophy.

(g) The Related Party Transaction Committee is composed of at least five (5) members of the BOD, all of whom are independent directors. The Committee assists the BOD in the fulfillment of its corporate governance responsibilities on related party transactions by ensuring that these are transacted on arm's length terms. The Committee reviews and endorses the related party transactions to the BOD for approval or confirmation, depending on the amounts involved. On January 26, 2024, the Board of Directors appointed two more independent directors to the Related Party Transaction Committee, increasing the current number of members to five.

The major risk types identified by the Group are discussed in the following sections:

Credit Risk
Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligation to the Group. The risk may arise from lending, trade finance, treasury, investments, derivatives and other activities undertaken by the Group. Credit risk is managed through strategies, policies and limits that are approved by the respective BOD and/or Credit Committee of the various companies within the Group. With respect to the Parent Bank, it has a well-structured and standardized credit approval process and credit scoring system for each of its business and/or product segments.

The Enterprise Risk Management (ERM) undertakes several functions with respect to credit risk management. The ERM independently performs credit risk assessment, evaluation and review for its consumer, commercial and corporate financial products to ensure consistency in the Parent Bank's risk assessment process. It also ensures that the Parent Bank's credit policies and procedures are adequate and are constantly updated to meet the changing demands or risk profiles of the business units. The ERM also reported to the Board's Risk Management Committee.

The ERM's portfolio management function involves the review of the Parent Bank's loan portfolio, including the portfolio risks associated with particular customer segment, industry sectors, regions, loan size and maturity, and the development of a strategy for the Parent Bank to achieve its desired portfolio mix and risk profile. The ERM reviews the Parent Bank's loan portfolio quality in line with the Parent Bank's policy of avoiding significant concentrations of exposure to specific industries or groups of borrowers. 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. Concentrations indicate the relative sensitivity of the Parent Bank's performance to developments affecting a particular industry or geographical location.

The Group and the Parent Bank consider concentration risk to be present when the total exposure to a particular industry exceeds 30.0% of the total exposure, which is similar to the BSP requirement. As of December 31, 2024 and 2023, the Group and the Parent Bank did not exceed the limit in any of its industry concentration.

In order to avoid excessive concentrations of risk, the Parent Bank's policies and procedures include guidelines for maintaining a diversified portfolio mix (e.g., concentration limits). Identified concentrations of credit risks are controlled and managed accordingly. The ERM also monitors compliance to the BSP's limit on exposures.

The following summarizes the Group's credit risk management practices and the relevant quantitative and qualitative financial information regarding the credit exposure according to portfolios:

Credit risk management practices and credit quality disclosures

Corporate Loans
Corporate lending activities are undertaken by the Parent Bank's Corporate Banking Center. The customer accounts under this group belong to the top tier corporations, conglomerates and large multinational companies.

The Parent Bank undertakes a comprehensive procedure for the credit evaluation and risk assessment of large corporate borrowers based on its obligor risk rating master scale.

The Parent Bank currently utilizes the same single rating system for both Corporate and Commercial accounts. In addition, the result on the latter is further refined through a second model to take more careful account of the nuances between the commercial bank portfolio with that of the corporate loan book.

The rating system assesses default risk based on financial profile, management capacity, industry performance, and other factors deemed relevant. Significant changes in the credit risk considering movements in credit rating, among other account-level profile and performance factors, define whether the accounts are classified in either Stage 1, Stage 2, or Stage 3 per PFRS 9 loan impairment standards. In 2023, the Parent Bank updated the stage assessment to enhance the considerations related to movements in the borrower's credit rating when determining significant increase in credit risk, which include rating threshold triggers.

Based on foregoing factors, each borrower is assigned a Borrower Risk Rating (BRR), from AAA to D. In addition to the BRR, the Parent Bank assigns a loan exposure rating (LER), a 100-point system which consists of a Facility Tenor Rating (FTR) and a Security Risk Rating (SRR). The FTR measures the maturity risk based on the length of loan exposure, while the SRR measures the quality of the collateral and risk of its potential deterioration over the term of the loan. The FTR and the SRR, each a 100-point scoring system, are given equal weight in determining the LER.

Once the BRR and the LER have been determined, the credit limit to a borrower is determined under the Risk Asset Acceptance Criteria (RAAC) which is a range of acceptable combinations of the BRR and the LER. Under the RAAC system, a borrower with a high BRR will have a broader range of acceptable LERs.

The credit rating for each borrower is reviewed annually or earlier when there are extraordinary or adverse developments affecting the borrower, the industry and/or the Philippine economy such as the COVID-19 pandemic. Any major change in the credit scoring system, the RAAC range and/or the risk-adjusted pricing system is presented to and approved by the RMC.

The description of each credit quality grouping for the credit scores is explained further as follows:

High Quality Grade - These accounts are of the highest quality and are likely to meet financial obligations.

Standard Grade - These accounts may be vulnerable to adverse business, financial and economic conditions but are expected to meet financial obligations.

Substandard Grade - These accounts are vulnerable to non-payment but for which default has not yet occurred.

Non-Performing - These refer to accounts which are in default or those that demonstrate objective evidence of impairment.

Commercial Loans

The Group and Parent Bank's commercial banking activities are undertaken by its Commercial Banking Center (ComBank). These consist of banking products and services rendered to customers which are entities that are predominantly middle market companies. These products and services are similar to those provided to large corporate customers, with the predominance of trade finance-related products and services.

The non-financial ComBank accounts use an adjusted obligor rating scale derived from the one applied for corporate loans, and follows the same RAAC framework, while ComBank accounts classified as banks and non-bank financial institutions are still rated using the 2018 rating scale.

Consumer Financial Products

The Consumer loan portfolio of the Parent Bank is composed of five main product lines, namely: Home Loans, Credit Card, Personal Loans, Small and Medium Enterprise (SME) financial products and Auto Loans.

In particular, SME portfolio is composed of business lines and a small portion from emerging products.

Each of these products has established credit risk guidelines and systems for managing credit risk across all products. Credit models are constantly reviewed and updated as necessary supported by enhanced data analytics to improve portfolio quality and product offers.

For the subsidiary, CSB, an accredited lending institution of the Department of Education (DepEd), provides salary loans to teachers under an agreement with DepEd for payroll deductions. CSB also provides motorcycle loans as a result of its acquisition and subsequent merger with PR Savings Bank.

Exposure to credit risk is managed through diligent assessment upon onboarding and regular portfolio and segment analysis of the ability of borrowers to meet interest and principal repayment obligations and by changing these lending limits when appropriate.

The Consumer products' respective masterscale is defined by the credit scoring models, which consider demographic variables and behavioral performance, to segment the portfolio according to risk masterscale per product. The stages are defined by the approved SICR for

Consumer which takes into account the following: NPL status, days past due, and credit score rating for Application Score (point of application) and Behavior Score (monthly credit performance).

Both Home Loans (except Contract to Sell - CTS) and Legacy Credit Cards use rating scale 1 to 6, while Blue Credit Cards and Personal Loans use rating scale 1 to 13 and 1 to 17, respectively. CTS utilizes the Corporate ratings ranging from 1 to 9. Meanwhile, Auto Loans and SME products use rating scale 1 to 5.

CSB Salary Loans
For CSB salary loans, which relates to the DepEd loans of CSB, each borrower is assigned a credit score with E as minimal risk, D as low risk, C as moderate risk, B as average risk and A as high risk.

The description of each credit quality grouping for the credit scores is explained further as follows:

High grade (minimal to low risk) - These are receivables which have a high probability of collection. The counterparty has the apparent ability to satisfy its obligation and the security on the receivables is readily enforceable.

Standard grade (moderate to average risk) - These are receivables where collections are probable due to the reputation and the financial ability of the counterparty to pay but with experience of default.

Substandard (high risk) - Accounts classified as "Substandard" are individual credits or portions thereof which appear to involve a substantial and unreasonable degree of risk to CSB because of unfavorable record or unsatisfactory characteristics. There exists in such accounts the possibility of future loss to CSB unless given closer supervision. Those classified as "Substandard" must have a well-defined weakness or weaknesses that jeopardize their liquidation. Such well-defined weaknesses may include adverse trends or development of financial, managerial, economic or political nature, or a significant weakness in collateral.

Other receivables from customers
Other receivables from customers of the Group and the Parent Bank include small portfolios such as, with respect to the Parent Bank (i) HR loans, (ii) bills purchased and (iii) customer liabilities under acceptances, (iv) home credit receivables, (v) teacher's loans acquired from CSB, (vi) high-net-worth individual loans, (vii) corporate retail loans and, with respect to the subsidiaries, (i) personal loans, and (ii) motorcycle loans. Each of these products has established credit risk guidelines and systems for managing credit risk across all businesses.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate.

Each product was risk rated using techniques appropriate to the Group's and Parent Bank's credit experience. Such methods consider the payment history that are reflected in aging, delinquency, and/or change in rating. These provide the bases for the ECL stage determination.

The description of each groupings according to stage is explained further 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, does not demonstrate significant increase in credit risk.

Stage 2 - those that are considered more than 30 days past due but does not demonstrate objective evidence of impairment as of reporting date, and, based on change in rating, delinquencies and payment history, demonstrates significant increase in credit risk.

Stage 3 - Those that are considered default of more than 90 days past due or demonstrates objective evidence of impairment as of reporting date.

Investments and Placements
Investments and placements include financial assets at amortized cost, debt financial assets through other comprehensive income, due from BSP, interbank loans receivable, and due from other banks. Each has established credit risk guidelines and systems for managing credit risk across all businesses.

Modification
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.

For the years ended December 31, 2024, 2023, and 2022, the net impact of the subsequent accretion of the 2020 loan modifications amounted to income of ₱53.14 million, ₱47.14 million, and ₱129.15 million for the Group, respectively, and income of ₱53.14 million, ₱46.52 million, and ₱106.00 million for the Parent Bank, respectively.

Collateral Held as Security and Other Credit Enhancements
The Group holds collateral against loans and other receivables from customers in order to mitigate risk. The collateral may be in the form of mortgages over real estate property, chattels, inventory, cash, securities and/or guarantees. The Bank regularly monitors and updates the fair value of the collateral depending on the type of credit exposure. Estimates of the fair value of collateral are considered in the review and assessment of the adequacy of allowance for credit losses. In general, the Bank does not require collateral for loans and advances to other banks, except when securities are held as part of reverse repurchase agreements.

Liquidity Risk
Liquidity risk is the risk that there are insufficient funds available to adequately meet the credit demands of the Group's customers and repay deposits on maturity. The Asset and Liability Committee (ALCO) and the Treasurer of the Group ensure that sufficient liquid assets are available to meet short-term funding and regulatory requirements. Liquidity is monitored by the Group on a daily basis and under stressed situations. A contingency plan is formulated to set out the amount and the sources of funds (such as unused credit facilities) that are available to the Group and the circumstances under which the Group may use such funds.

Liquidity ratios are used to monitor and manage the Bank's liquidity. The MRC approves the ratios to be used for monitoring the performance of the Bank and for mapping out areas where improvements are needed. These ratios include Liquid Assets to Deposits Ratio, Liquidity Ratio, Leverage Ratio and Intermediation Ratio.

The Group also manages its liquidity risks through the use of a Maximum Cumulative Outflow

(MCO) limit which regulates the outflow of cash on a cumulative basis and on a tenor basis. To maintain sufficient liquidity in foreign currencies, the Group has also set an MCO limit for certain designated foreign currencies. The MCO limits are endorsed by the MRC and approved by the BOD. The Bank has separate limits for the short term (generally less than 30 days) and the medium term tenor (from 30 days to one year).

BSP Reporting

Liquidity Coverage Ratio (LCR)
BSP Circular No. 905 provides the implementing guidelines on LCR and disclosure standards that are consistent with Basel III framework. The LCR is calculated as the ratio of stock of high quality liquid assets (HQLA) over the total net cash outflows over the next 30 calendar days, which should not be lower than 100%. The Group is required to disclose information related to the liquidity coverage ratio (LCR) in a single currency and on solo and consolidated basis starting 2019.

The Group's and the Parent Bank's LCR as of December 31, 2024 and 2023 follows (amounts in millions):

	December 31, 2024	
	Group	Parent Bank
Total HQLA	₱281,602	₱236,519
Total net cash outflows	112,682	88,517
LCR Ratio	249.91%	267.20%

	December 31, 2023	
	Group	Parent Bank
Total HQLA	₱303,469	₱252,662
Total net cash outflows	186,732	147,849
LCR Ratio	162.52%	170.89%

Part of the disclosure requirements of BSP Circular 905 Implementation of Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR) and Disclosure Standards beginning in 2019 is the reporting of simple averages of quarterly observations over the last 12 months, following the format set forth in Annex C of BSP Circular 905. The results shown below (amounts in thousands), were simple averages of four data points, representing all the quarters of 2024.

NATURE OF ITEM	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)
STOCK OF HIGH-QUALITY LIQUID ASSETS (HQLA)		
1. TOTAL STOCK OF HQLA (BEFORE CAP)		**269,919,474**
EXPECTED CASH OUTFLOWS		
2. Deposits, of which:	671,545,088	162,019,669
3. Retail funding	311,015,298	36,158,770
4. Wholesale funding, of which:	325,336,098	125,860,899
5. Operational deposits	199,226,038	59,767,811
6. Non-operational deposits (all counterparties)	126,110,060	66,093,087
7. Restricted term deposits	-	-
8. Hold-out deposits	35,193,691	-
9. Unsecured wholesale funding (all counterparties)	2,202,212	2,202,212
10. Secured funding	33,563,967	960,085
11. Derivatives contracts, of which:	39,423,237	39,423,237
12. Outfows related to derivative exposures (net)	39,423,237	39,423,237
13. Outfows related to collateral requirements	-	-
14. Structured financing instruments	-	-
15. Committed business facilities (all counterparties)	11,970,097	1,509,890
16. Other contractual obligations within a 30-day period	3,174,932	3,174,932
17. Other contingent funding obligations	449,030,223	13,470,907
18. TOTAL EXPECTED CASH OUTFLOWS	**1,210,909,755**	**222,760,931**
EXPECTED CASH INFLOWS		
19. Secured lending	-	-
20. Fully-performing exposures (all counterparties)	58,034,460	30,844,637
21. Other cash inflows	63,384,098	63,384,098
22. TOTAL EXPECTED CASH INFLOWS	**121,418,557**	**94,228,735**
23. TOTAL STOCK OF HQLA (AFTER CAP)		**269,919,474**
24. TOTAL EXPECTED NET CASH OUTFLOWS		**128,532,196**
25. LIQUIDITY COVERAGE RATIO (%)		**210.00%**

The Bank has always been compliant with the 100% minimum LCR requirement, as it continues to hold ample level of high-quality liquid assets (HQLA) in the form of cash, deposits with the BSP and investment grade securities. The Bank has also issued long-term liability instruments since 2017, in preparation for the LCR and net stable funding ratio (NSFR) requirements. Lastly, the Bank continues to diversify its funding sources, including deposits with focus on growing the share of CASA to total to further improved the Bank's LCR.

Net Stable Funding Ratio (NSFR)
BSP Circular No. 1007 provides the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR).

BSP Circular No. 1007 provides the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR). The NSFR is aimed to promote long-term resilience against liquidity risk by requiring banks to maintain a stable funding profile in relation to the composition of its assets and off-balance sheet activities. It complements the LCR, which promotes short-term resilience of a bank's liquidity profile. Banks shall maintain an NSFR of at least 100 percent (100%) at all times. As of December 31, 2024 and 2023, the NSFR was at 127.89% and 123.54%, respectively, for the Group, and at 127.70% and 124.03%, respectively, for the Parent Bank.

Market Risk
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate, foreign exchange rates and

equity prices. The Group classifies exposures to market risk into either trading book or banking book. The market risk for the trading portfolio is managed and monitored based on a Value-at-Risk (VaR) methodology. Meanwhile, the market risk for the non-trading positions are managed and monitored using other sensitivity analyses.

The Parent Bank applies a VaR methodology to assess the market risk of positions held and to estimate the potential economic loss based upon a number of parameters and assumptions for various changes in market conditions. VaR is a method used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon.

The Bank uses a 10-day 99% VaR historical simulation with full revaluation approach. The historical simulation with full revaluation approach is the general market accepted methodology in the measurement of VaR. This methodology recalculates the market value of each financial product for each scenario by applying simulated risk factors based on historical movements to the market-accepted valuation methodology defined for each product.

VaR may also be underestimated or overestimated 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% confidence level.

The VaR figures are backtested daily against actual and hypothetical profit and loss of the trading book to validate the robustness of the VaR model. To supplement the VaR, the Parent Bank performs stress tests wherein the trading portfolios are valued under extreme market scenarios not covered by the confidence interval of the Parent Bank's VaR model.

Since VaR is an integral part of the Parent Bank's market risk management, VaR limits are established annually for all financial trading activities and exposures against the VaR limits and are monitored on a daily basis. Limits are based on the tolerable risk appetite of the Parent Bank.

Interest Rate Risk

Interest rate risk in the banking book (IRRBB) is the current and prospective risk to earnings and capital arising from adverse movements in interest rates that affect the bank's banking book positions. When interest rates change, the present value and timing of future cash flows change. This, in turn, changes the underlying value of the Bank's assets, liabilities and off-balance sheet items, and hence its economic value. On the other hand, changes in interest rates also affect the Bank's earnings by altering interest rate-sensitive income and expenses, affecting its net interest income (NII). The ALCO establishes appropriate asset and liability pricing in support of the Bank's balance sheet objectives.

The Group employs "gap analysis" to measure rate-sensitivity of the income and expenses, also known as Earnings-at-Risk (EaR). This sensitivity analysis is performed at least every month. The EaR measures the impact on the net interest income for any mismatch between the amounts of interest-earning assets, and interest-bearing liabilities within a one-year period. The EaR is calculated by first distributing the interest-sensitive assets, liabilities and off-balance sheet items based on the current balance sheet composition into tenor buckets based on time remaining to the next repricing date or the time remaining to maturity if there is no repricing and then subtracting the liabilities from the assets to obtain the repricing gap. The repricing gap per tenor bucket is then multiplied by the assumed interest rate shock and appropriate time factor to derive the EaR per tenor. The 1st year (one-year) EaR is derived from the summation of the EaR per tenor within one year is subject to the established EaR limit per currency. EaR limits are reviewed and updated regularly to ensure that the risks brought by the changes in the balance sheet and liquidity strategies are within the risk appetite of the Bank.

The Bank also calculates EaR for the 2nd and 3rd years in order to measure medium-term vulnerabilities, i.e., those occurring in the 2nd and 3rd years. In addition, EaR is also calculated based on the current balance sheet composition plus projections to provide additional valuable insights in managing IRRBB. However, these are not subject to the EaR limit but are for monitoring purposes only.

Non-maturing or repricing assets or liabilities are considered to be non-interest rate sensitive and are not included in the measurement.

A positive gap occurs when the amount of interest rate-sensitive assets exceeds the amount of interest rate-sensitive liabilities while a negative gap occurs when the amount of interest rate-sensitive liabilities exceeds the amount of interest rate-sensitive assets. Accordingly, during a period of rising interest rates, an entity with a positive gap will have more interest rate-sensitive assets repricing at a higher interest rate than interest rate-sensitive liabilities which will be favorable to it. During a period of falling interest rates, an entity with a positive gap will have more interest rate-sensitive assets repricing at a lower interest rate than interest rate sensitive liabilities, which will be unfavorable to it.

EAR is complemented by stress tests which are conducted quarterly. It involves subjecting the total interest rate-sensitive assets and liabilities within one year to probable short-term and medium-term interest rate movements, assuming parallel and non-parallel shifts (flatteners and steepeners) in the yield curve.

Additionally, the Bank also monitors long-term sensitivity to interest rate risk of the Bank's balance sheet through the Economic Value of Equity (EVE) method at least on a monthly basis. EVE measures the economic value which provides a more comprehensive view of potential long-term effects of changes in interest rates. EVE is defined as the net cash flows of the Bank's assets and liabilities which affect the Bank's capital. Similar to EaR, EVE is also complemented by stress tests conducted quarterly. It involves subjecting the Bank's total interest rate sensitive assets and liabilities to probable short, medium and long-term interest rate movements, assuming parallel and non-parallel (flatteners and steepeners) in the yield curve.

The Bank's interest rate-sensitive asset and liability positions are analyzed based on its cash flows, and its present value are computed using appropriate market rates which include the current risk-free rate plus the corresponding margin. On the other hand, the present values of non-interest sensitive assets and liabilities will be kept at their carrying values.

The Bank's IRRBB models and its assumptions are validated by an independent party prior to use. The Bank's risk management program includes measuring and monitoring the risks associated with fluctuations in market interest rates on its net interest income and capital ensuring that the exposures in interest rates are kept within acceptable limits.

Foreign Exchange Risk
Foreign exchange risk is the risk to earnings or capital arising from changes in foreign exchange rates.

The Group's net foreign exchange exposure, taking into account any spot or forward exchange contracts, is computed as foreign currency assets less foreign currency liabilities. The foreign exchange exposure is limited to the day-to-day, over-the-counter buying and selling of foreign exchange in the Group's branches, as well as foreign exchange trading with corporate accounts and other financial institutions. The Group is permitted to engage in proprietary trading to take advantage of foreign exchange fluctuations.

The Parent Bank's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines. The Parent Bank believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for a financial institution engaged in the type of business in which the Parent Bank is involved.

<u>Operational Risk</u>
Operational risk is defined as the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

The Bank's Operational Risk Management (ORM) Framework and Manual are aligned with the overall business strategy of the Bank. Specifically, this aims to ensure that the Bank has a robust operational risk culture by embedding risk awareness and consciousness in each of the business and functional units in line with BSP's Circular 900 – *Guidelines on ORM*. Further, the framework aims to standardize the risk management, monitoring and reporting of operational risk across the Bank.

Key to the effective implementation of the ORM Framework is a governance structure that transparently defines the lines of responsibility from the Board down to the business and functional unit as follows:

Operational Risk Management Committee (ORMC)
The ORMC is a Board-level committee whose principal responsibility is to review risk management policies and practices relating to bank-wide operational risk.

Operational Risk Management (ORM)
ORM, as the second line of defense, shall support management in its endeavor to oversee the operational risks of the Bank, including integration of environment and sustainability related operational risk requirements, and ensure that operational risk policies and procedures are designed and executed adequately and consistently across the organization. ORM reports directly to the Chief Risk Officer.

Business/Functional Unit
Business and functional units act as the first line of defense where the responsibility to manage risks resides. It sees to it that the controls and practices implemented within the lines of operations conform to the enterprise-wide policies and procedures that address operational risks.

Other Operational Risk-related Functions
Specialist departments e.g., Legal Division, CCGO, Human Resources Group, Enterprise Fraud Management Division, Information Security Office, and Financial Controllership functions have dual responsibilities to manage both the operational risks within their own functions as well as provide support to other departments for ORM.

The Bank has a mechanism in place for operational risk identification and assessment, risk measurement, risk control/mitigation, and risk monitoring and reporting. There is regular monitoring of its operational risk profiles and material exposures to losses to ensure that it is still within the approved thresholds. In doing so, it utilizes operational risk tools (Risk and Control Self-Assessment, Key Risk Indicator, Incident Report, Issue Management &

Remediation, New Product/ Process Risk Assessment) to assess the adequacy of controls and mitigants to address identified risks appropriately.

Legal Risk and Regulatory Risk Management
Legal risk pertains to the Parent Bank's exposure to losses arising from cases decided not in favor of the Parent Bank where significant legal costs have already been incurred, or in some instances, where the Parent Bank may be required to pay damages. The Parent Bank is involved in litigation to enforce its collection rights under loan agreements in case of borrower default. The Parent Bank may incur significant legal expenses as a result of these events, but the Parent Bank may still end up being unable to collect or enforce its claims, depending on the outcome of litigation.

The Parent Bank has established measures to avoid or mitigate the effects of these adverse decisions and engages several qualified legal advisors who were endorsed to and carefully approved by senior management. At year-end, the Parent Bank also ensures that material adjustments or disclosures are made in the financial statements for any significant commitments or contingencies that may arise from legal proceedings involving the Parent Bank.

Regulatory risk refers to the potential risk for the Parent Bank and its subsidiaries to suffer financial loss due to changes in the laws, monetary, tax, or other governmental regulations of the country. Compliance risk is the Bank's potential exposure to legal penalties, financial forfeiture and material loss resulting from its failure to act in accordance with industry laws and regulations, internal policies or prescribed best practices. While the proper and consistent implementation of these rules and regulations is the primary responsibility of the respective units within the Bank and its subsidiaries, the monitoring of the latter's compliance with these regulations rests on the entity's CCO. The study of the potential impact of new laws and regulations is coordinated by the CCO with the Legal Group. The CCO is responsible for communicating and disseminating new rules and regulations to all units, analyzing and addressing potential compliance issues, performing periodic compliance testing, and regularly reporting to the CGC and the BOD.

Item 2 - Properties

The UnionBank Plaza, which is a bank-owned property, is now the Union Bank of the Philippines' Head Office. It is a 50-storey office condominium building with an estimated usable area of 51,032.32 square meters. It is one of the most modern intelligent buildings in the Ortigas Business Center with electronically equipped building utility systems. It is also a PEZA proclaimed "IT Building" under Presidential Proclamation No. 900 dated Aug. 25, 2005 where the Bank occupies around 31,112.70 square meters. The Bank's leased area including those units for lease, cover an estimated total area of 18,108.72 square meters.

The UnionBank Innovation Campus (UBIC) is a one-hectare commercial complex owned by UnionBank of The Philippines. UBIC currently has one fully functional four-storey office building with lower ground, mezzanine, and roof top with a gross floor area of 7,588.65 square meters. The 5G-enabled office is The First Asia-Pacific Smart Campus for a financial institution, having used Huawei's Smart Campus technology for smart building operations, smart security management and digital collaboration tools among others. The property currently houses critical functions of the Bank and an Integrated Operations Center, further enhancing the Bank's Disaster Resiliency practices while providing ample space for collaboration and skills development.

As of December 31, 2024, and 2023, the Bank and its subsidiaries paid ₱824.4 million and ₱777.8 million in rentals, respectively, mainly for its branches.

Other properties owned by the bank are as follows:

There are also Bank premises which are being leased as per attached report (Annex 3).

All the facilities are in good condition. Likewise, there are no properties owned by the Bank that are mortgaged to third parties nor are there adverse claims on such properties. The Bank has plans of purchasing properties for branch locations, if possible. However, there are no concrete steps taken to date regarding actual land purchase for branches in the next 12 months.

Union Bank of the Philippines

Name of Property	Location
Olongapo Branch	87 Magsaysay Drive, East Tapinac, Olongapo City, Zambales
Cagayan De Oro Branch	Lapasan National Highway, Brgy 25, Cagayan De Oro City
Iligan Branch	Manuel L. Quezon Avenue, Poblacion, Iligan City
Iloilo City Branch	General Luna St., Brgy. Villa Anita, Iloilo City
Richville Branch(Southwest Tower)	UGI and UG 4 Condo Units Alabang Zapote Road Madrigal Business Park Alabang, Muntinlupa City
Emerald Branch	Condo Unit-GID and parking lot B209 Wynsum Corporate Plaza Emerald Avenue, Ortigas Center Pasig City (parking lot B209)
Cabanatuan Branch	P. Burgos St., Poblacion, Cabanatuan City
Davao-Magsaysay Branch	156 Ramon Magsaysay Avenue corner Jacinto St., Brgy 29C, Davao City
Dumaguete Branch	Unionbank Bldg., Real corner San Juan Sts., Brgy 7, Dumaguete City
Dasmarinas	G/F, 2/F UnionBank Centre Manila Bldg., Quintin Paredes corner Dasmarinas St, Binondo, Manila
Antel Residences (Unit G-3) Floor Area 40.71	G/F Antel Residences, 7829 Salamanca Street., Brgy Poblacion, Makati City
Cebu Exchange Tower	1322-G/F, 20/F, 21/F Units D & E Cebu Exchange Tower,Salinas Drive, Lahug, Cebu City
Peak Tower (Condo Unit)	8th/9th Floor, Salcedo Village,Makati City (parking units)
Monterraza Property	#6 Jasmine St. Monterraza Subd. Itogon, Baguio City
Iloilo Business Park	Brgy. Tabucan Airport , District of Mandurriao, Iloilo City
Ayala Integrated-Car Display Warehouse (From ROPA - ARG)	#138 Gen. Luis Along Nagkaisang Nayon, Cor. Pasacola St. Novaliches Quezon City
Citibank Square	Citibank Square, No. 1 Eastwood Avenue, Barangay Bagumbayan,Quezon City, Metro Manila, Philippines
UB INNOVATION CAMPUS	Lot 3 Magsaysay Road, Brgy San Antonio, San Pedro Laguna
UNIONBANK PLAZA	UnionBank Plaza, Meralco Avenue corner Onyx Street and Sapphire Road, Ortigas Center, Pasig City

City Savings Bank, Inc.

Name of Property	Address
City Savings Financial Plaza	Barangay Santo Nino, Cebu City
Tagbilaran Branch	Barangay Poblacion II, Tagbilaran City, Bohol
Aurora Branch	Santiago-Tuguegarao Road and Pasuquin Street, Brgy. San Jose, Aurora, Isabela
Cabatuan Branch	Santiago-Tuguegarao Road, Brgy. Centro, Cabatuan, Isabela
Cauayan Branch	Alingog Center, Rizal Ave cor. Canciller Ave., Cauayan City Isabela

Name of Property	Address
Diffun Branch	Cordon-Diffun-Madella-Aurora Road, Brgy. A. Bonifacio, Diffun, Quirino
Laoag Branch	Barangay Nangalisan, Laoag, Ilocos Norte - 338 sqm (T-021-2012000001)
Ortigas Branch	One Corporate Center - Units 103, Ground and 2nd Floor, with parking space
Roxas, Isabela Branch	Don Mariano Marcos Avenue, Brgy. Bantug, Roxas, Isabela , Leal Street, Brgy. Bantug, Roxas, Isabela
San Mateo Branch	Alicia-San Mateo Road, J. Cadelifia Street and La Salette Street, Brgy. 1, San Mateo, Isabela.
Sta. Ana Branch	Dugo-San Vicente Road and Arellano Street, Brgy. Centro, Sta. Ana, Cagayan
Pasig City, NCR (Condo)	2408 Jolibee Plaza, F. Ortigas Jr. Road, Ortigas Center, Pasig City, with parking space

PetNet, Inc.

Name of Property	Address
PETNET Building	J.Catolico Sr Avenue. corner Mateo Rd, Brgy Lagao, Gen. Santos City
Parañaque Warehouse	0029 Spratley Island St, Betterliving Subd, Don Bosco, MM/Petnet Inc, 003-BL-011C Swaziland St. Brgy Don Bosco, Betterliving Subd. Paranaque (2 LOTS)

UBP Investments Corporations

Name of Property	Address
Unionbank Centre-Manila	Quintin Paredes St. Corner Dasmarinas St. Binondo Manila
Kingswood	285 Vito Cruz Extension cor. Metropolitan Ave, Makati

Bangko Kabayan, Inc.

Name of Property	Address
Executive Office And Ibaan Branch	Santiago St. Poblacion Ibaan Batangas
Executive Office And Ibaan Branch Parking	Poblacion, Ibaan, Batangas
Calaca City Branch	Marasigan St., Poblacion 5, Calaca, Batangas
Cuenca Branch	National Road, Poblacion, Cuenca, Batangas
Mabini Branch	Poblacion, Mabini, Batangas
Nasugbu Branch	Mulingbayan St., Brgy. 9, Nasugbu, Batangas
Rosario Branch	Carandang St., Poblacion C., Rosario, Batangas
San Juan Branch	General Luna St., Poblacion, San Juan, Batangas
San Pascual Branch	2680 National Road, Brgy. San Antonio, San Pascual, Batangas
Nagcarlan Branch	Rizal Avenue, Poblacion 2, Nagcarlan, Laguna
Pagsanjan Branch	Gen. Taiño St., Brgy. Poblacion 1, Pagsanjan, Laguna
Balasan Branch	Del Rosario St., Poblacion Sur, Balasan, Iloilo
Daanbantayan Branch	Osmena St., Poblacion, Daanbantayan, Cebu
Kabulig(branch lite)	Del Rosario St., Poblacion Sur, Balasan, Iloilo
Mabini Batangas Property	Solo, Mabini, Batangas
Oriental Mindoro Property	Malugay, Soccoro, Oriental Mindoro
San Pascual Batangas Property	Sambat, San Pascual Batangas
Taal Batangas Property	Brgy.Balisong, Taal, Batangas
Talisay Batangas Property	Brgy. Aya, Talisay Batangas

Name of Property	Address
Calamba City Property	Brgy. Pansol, Calamba City
Bauan Batangas Property	Brgy. Manghinao, Bauan, Batangas
Medellin Cebu Property	Medellin, Cebu
Parañaque City Property	Caliraya Drive Marian Park Subd., San Martin De Porres Parañaque City
Calaca Batangas Property	Brgy. Pantay, Calaca Batangas
Lipa City Batangas Property	#13 P Laygo St Brgy Sabang Lipa City
Batangas City Property	Ms. Philippines St Batangas City
Sto Tomas Batangas Property	San Pedro St.Tomas, Batangas
Taal Batangas Property	Brgy Imamawo,Taal, Batangas
Talisay Batangas Property	Brgy. Poblacion, Talisay Batangas
Naga City Cebu Property	Inoburan, Naga City, Cebu
Bonbon Cebu City Property	Bonbon, Cebu City
San Pablo Laguna Property	Brgy Sto Cristo, San Pablo Laguna
Amadeo Cavite Property	Brgy. Maitim, Amadeo, Cavite
Mandaue City Cebu Property	Mandaue City, Cebu
Muntinlupa City Property	Brgy. Tonasan, Muntinlupa, Metro Manila
Bantayan Cebu Property	Patao,Bantayan, Cebu
Bantayan Cebu Property	Majon, Bantayan, Cebu
Barotac Nuevo Iloilo Property	Brgy. Guintas, Barotac Nuevo Iloilo
Roxas City, Capiz	Brgy. Lanot, Roxas City, Capiz
Estancia Iloilo Property	Brgy. Botongon, Estancia Iloilo
Estancia Iloilo Property	Brgy. Bayuyan, Estancia Iloilo
Lapaz Iloilo City Property	Lot 3459-A-5 Brgy. Baldoza, Lapaz Iloilo City
Alimodian Iloilo Property	Brgy. Sinamay, Alimodian Iloilo
Anilao Iloilo Property	Brgy. Serallo, Anilao Iloilo
Mandurriao Iloilo City Property	Brgy. Hibao-An Norte, Mandurriao Iloilo City
Pototan Iloilo Property	Pototan, Iloilo
Sta Fe Cebu Property	Talisay, Sta. Fe, Cebu
Bantayan Cebu Property	Botigues, Bantayan, Cebu
Bantayan Cebu Property	Ticad, Bantayan, Cebu
Bonbon Cebu City Property	Bonbon, Cebu City
Balamban Cebu Property	Pundol, Balamban, Cebu
Medellin Cebu Property	Tindog, Medellin, Cebu
San Nicolas Cebu City Property	Basak, San Nicolas, Cebu City, Cebu
Bogo City Cebu Property	Cogon, Bogo City, Cebu
San Remigio Cebu Property	Argawanon, San Remigio, Cebu
Bogo City Cebu Property	Gairan, Bogo City, Cebu
Talisay Cebu Property	Talisay, Cebu
Cebu City Property	Bay-Ang, Babag, Cebu City, Cebu
Mandaue City Cebu Property	Ibabao, Mandaue City, Cebu
Lapu-Lapu City Cebu Property	Sudtunggan, Lapu-Lapu City, Cebu
Sta. Fe Cebu Property	Maricaban, Sta. Fe, Cebu
Bantayan Cebu Property	Lipayran, Bantayan, Cebu
Camotes Cebu Property	Puertobello, Tudela, Camotes, Cebu
Naga City Cebu Property	Whiteland, Tuyan, Naga City, Cebu
Sogod Cebu Property	Sitio Nabunturan, Tabunok, Sogod, Cebu

Item 3 - Legal Proceedings

The Bank is not aware of any of the following events wherein any of its directors, nominees for election as director, executive officers, underwriter or control person were involved during the past five (5) years:

- any bankruptcy petition filed by or against any business of which a director, person nominated to become a director, executive officer, or control person of the Bank was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

- any conviction by final judgment in a criminal proceeding or being subject to a pending criminal proceeding of any director, person nominated to become a director, executive officer, or control person of the Bank;

- being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director, person nominated to become a director, executive officer, or control person of the Bank in any type of business, securities, commodities or banking activities; and

- 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.

The Bank is a defendant/respondent in various legal actions, most of which are claims for damages arising in the ordinary course of business. The results of these actions, however, will not have a material effect on the Bank's financial position.

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

There were no matters submitted to a vote of security holders during the fourth quarter covered by this report.

Number of Common Shares as of March 31, 2025:
Number of Issued Common Shares: 3,316,405,584
Number of Outstanding Common Shares: 3,316,405,584

Item 5 - Market for Registrant's Common Equity and Related Stockholder Matters

(1) Market Information

UnionBank's shares were officially listed and first traded at the Philippine Stock Exchange on May 21, 1992.

The price performance of the shares has been as follows:

(Philippine Peso)	HIGH	LOW
Quarter Ended December 2024	43.80	34.50
Quarter Ended September 2024	41.00	32.45
Quarter Ended June 2024	44.50	32.90
Quarter Ended March 2024	49.19	39.12
Quarter Ended December 2023	52.87	44.09

Quarter Ended September 2023	60.12	48.90
Quarter Ended June 2023	68.46	57.87
Quarter Ended March 2023	77.56	63.98
Quarter Ended December 2022	86.20	75.00

(2) Holders

The Bank has 4,947 stockholders of record as of March 31, 2025. The number of common shares outstanding as of said date stood at 3,316,405,584.

The list of top twenty (20) stockholders of the Bank as of March 31, 2025, is as follows:

	STOCKHOLDER NAME	NATIONALITY	SHARES	PERCENTAGE OUT OF THE OUTSTANDING SHARES
1	ABOITIZ EQUITY VENTURES INC.	FILIPINO	1,641,507,714	49.50
2	PCD NOMINEE CORPORATION – FILIPINO*	FILIPINO	880,928,541	26.56
3	THE INSULAR LIFE ASSURANCE COMPANY LTD.	FILIPINO	255,781,203	7.71
4	SOCIAL SECURITY SYSTEM	FILIPINO	243,625,473	7.35
5	SOCIAL SECURITY SYSTEM (1)	FILIPINO	52,262,571	1.58
6	PCD NOMINEE CORPORATION – NON-FILIPINO	FOREIGN	47,090,164	1.42
7	RAMON ABOITIZ FOUNDATION	FILIPINO	12,695,759	0.38
8	ABOITIZ DANEL C.	FILIPINO	8,000,000	0.24
9	SANFIL MANAGEMENT CORPORATION	FILIPINO	5,679,601	0.17
10	OIGIMER CORP.	FILIPINO	4,672,704	0.14
11	FORTES MANAGEMENT INC.	FILIPINO	4,463,233	0.13
12	ASPIRA MANAGEMENT INC.	FILIPINO	4,462,636	0.13
	CIA MANAGEMENT CORPORATION	FILIPINO	4,462,636	0.13
13	AZURA MANAGEMENT INC.	FILIPINO	4,462,633	0.13
14	BAUHINIA MANAGEMENT INC.	FILIPINO	3,959,095	0.12
15	THINEZ CORP.	FILIPINO	3,916,676	0.12
16	DOMINUS CAPITAL INC.	FILIPINO	3,765,874	0.11
	FMK CAPITAL PARTNERS INC.	FILIPINO	3,765,874	0.11
17	PORTOLA INVESTORS INC.	FILIPINO	3,470,716	0.10
18	HAWK VIEW CAPITAL INC.	FILIPINO	3,469,646	0.10

	STOCKHOLDER NAME	NATIONALITY	SHARES	PERCENTAGE OUT OF THE OUTSTANDING SHARES
19	SALTORE HOLDING CORPORATION	FILIPINO	3,287,276	0.10
20	WINDEMERE MANAGEMENT CORPORATION	FILIPINO	2,719,379	0.08

**Inclusive of PCD-lodged shares of Aboitiz Equity Ventures, Inc., The Insular Life Assurance Co., Ltd., and Social Security System*

Level of the Bank's Public Float Pursuant to the Minimum Public Ownership (MPO) Rule of the PSE

As of March 31, 2025, the public ownership percentage representing the total number of shares owned by public in the Bank's stockholdings, computed based on the MPO Rule of the PSE is 17.21%.

As of March 31, 2025, the Bank has only common shares with foreign equity ownership of 48,203,622 or 1.45% of the total subscribed capital stock.

(1) Dividends

A. Cash Dividends

In accordance with the Bank's By-Laws, the Board of Directors (BOD) shall determine and declare dividends each year out of prior year's net income after tax, payable out of the Bank's available unrestricted retained earnings, subject to prior approval by the relevant authorities as may be required.

The following is a summary of the cash dividends declared and distributed by the Bank in 2024, 2023 and 2022:

Date of Declaration	Date of Record	Date of BSP Approval	Date of Payment	Dividend per Share	Outstanding Shares	Total Amount
January 26, 2024	February 13, 2024	N/A	February 20, 2024	₱0.80	2,989,259,518	₱2,391,407,614.40
February 1, 2023	February 15, 2023	N/A	February 27, 2023	2.00	2,353,774,567	4,707,549,134.00
January 28, 2022	February 14, 2022	N/A	March 2, 2022	2.80	1,524,918,059	4,269,770,565.20

On January 31, 2025, the Parent Bank's BOD approved a cash dividend at ₱1.00 per share amounting ₱3,316,405,584.00, issued to all stockholders of the Bank and payable from the unrestricted retained earnings of the Bank as of December 31, 2024. The record date for stockholders entitled to the cash dividend was February 17, 2025, and payment was made on February 24, 2025.

In compliance with BSP regulations, the Bank ensures that adequate reserves are in place for future bank expansion requirements. The foregoing cash dividend declarations were made within the BSP's allowable limit for dividends.

B. Stock Dividends

On February 24, 2023 and April 28, 2023, the Board of Directors and stockholders of the Bank approved, respectively, the declaration of 27% stock dividends in the amount of ₱6,355,191,330.00 equivalent to 635,519,133 common shares with a par value of ₱10.00 to comply with the required 25% subscription of the increase in authorized capital stock of the Bank. Fractional shares resulting from the stock dividend declaration were paid in cash based on the closing rate of ₱87.50 as of February 27, 2023, the next trading day at the PSE following the date of approval by the Board of Directors of the said declaration and computed up to two (2) decimal places.

On August 1, 2023 and December 5, 2023, the Parent Bank obtained the BSP and the SEC approvals, respectively, for the increase in the authorized capital stock and for the issuance of common shares to stockholders of record as of December 22, 2023 and payment date on January 4, 2024.

On January 4, 2024, the Bank issued 635.5 million common shares at par value of ₱10.00 for whole shares and paid ₱0.22 million for 2,550.79 fractional shares in relation to the 27% stock dividends.

(2) Recent Sales of Unregistered Securities or Exempt Securities (within the past 3 years)

On May 31, 2024, the Bank issued and listed on The Philippine Stock Exchange, Inc. (PSE) a total of 327,118,089 million common shares following the completion of its ₱10.0 billion Stock Rights Offering ("SRO"). The offer period was from May 16, 2024 to May 24, 2024. Eligible shareholders of the Bank were entitled to a ratio of 9.1382 common shares as of record date of May 9, 2024 at a price per share of ₱30.57 each. Total gross proceeds from the SRO amounted to ₱9,999,999,980.73. CLSA Exchange Capital, Inc. and Unicapital Inc. acted as Joint Underwriters for the offering while Citigroup Markets Limited acted as Capital Markets Adviser.

On December 5, 2023, the Bank issued and listed on the PDEx its ₱18.168 billion of Peso denominated fixed rate bonds via a dual tranche offering. This is the largest bond issuance by UnionBank from its ₱50.0 billion Bonds Program, which received strong demand from both retail and institutional investors. This enabled the Bank to upsize the issuance to over nine times its initial minimum offer size of ₱2.0 billion for the two tranches.

The 1.5Y Series F Bonds due 2025 raised a total of ₱10.3385 billion and carries an interest rate of 6.5625% per annum while the 3Y Series G Bonds due 2026 raised a total of ₱7.8295 billion and carries an interest rate of 6.6800% per annum (collectively, the "New Bonds").

Concurrent with the issuance of the New Bonds, UnionBank also implemented the country's first public non-sovereign bond exchange which extended to the holders of its ₱8.115 billion 2.750% Fixed Rate Series C Bonds due December 9, 2023 (the "Exchangeable Bonds") the option to sell to UnionBank such Exchangeable Bonds in exchange for subscription to any of the New Bonds (the "Bond Exchange"). The Bond Exchange settlement date was on December 4, 2023, with ₱236.7 million of Exchangeable Bonds to be exchanged with the New Bonds.

ING Bank N.V., Manila Branch ("ING") and Standard Chartered Bank ("SCB") are the Joint Lead Arrangers and Bookrunners for the New Bonds. They are also the Selling Agents for the offering of the New Bonds together with UnionBank.

On February 6, 2023, the Bank issued and listed on The Philippine Stock Exchange, Inc. a total of 210,970,464 million common shares following the completion of its ₱12.0 billion SRO. The offer period was from January 16, 2023 to January 27, 2023. Eligible shareholders of the Bank were entitled to a ratio of 1:10.1536 common shares as of record date of January 12, 2023 at a price per share of ₱56.88 each. Total gross proceeds from the SRO amounted to ₱11,999,999,992.32. CLSA Exchange Capital, Inc. and Unicapital Inc. acted as Joint Global Coordinators and Joint Domestic Underwriters for the SRO.

On June 2, 2022, the Bank successfully issued the first-ever digital peso bonds in the Philippines, raising an aggregate size of ₱11.0 billion under its ₱39.0 billion Bond Program. UnionBank is the pilot user of Philippine Depository & Trust Corp.'s (PDTC) Proof of Concept Digital Registry & Digital Depository that uses Distributed Ledger or Blockchain Technology for registry and depository operations. The bonds, which have a tenor of 1.5 years and a fixed rate of 3.25% per annum, are listed on the Philippine Dealing & Exchange Corp. (PDEx) for trading in the PDEx Fixed Income Market. The Hong Kong and Shanghai Banking Corporation Limited (“HSBC”) and Standard Chartered Bank (“SCB”) were the Joint Lead Arrangers and Bookrunners on the transaction. They were also the Selling agents for the offering together with the Bank.

On May 16, 2022, the Bank issued and listed on PSE a total of 617,188,705 common shares following the completion of its ₱40.0 billion SRO. The offer period was from April 25, 2022 to May 6, 2022. Eligible shareholders of the Bank were entitled to a ratio of 1:2.4707 common shares as of record date of April 11, 2022 at a price per share of ₱64.81 each. Total gross proceeds from the SRO amounted to ₱39,999,999,971.05. CLSA Exchange Capital, Inc. and ING Bank N.V., Manila Branch acted as Joint Global Coordinators and Joint Domestic Underwriters for the SRO.

All the above issued securities were exempt securities under Section 9.1 (e) (Exempt Securities) of the Securities Regulation Code (SRC), i.e. any security issued by a bank except its own shares of stock, except for the SRO which were exempt under Section 10.1 (e) and (i) of the SRC.

The Bank issued a total of 3,627,044 common shares to eligible employees out of the 5,000,000 common shares pursuant to the Bank’s Employee Stock Plan over the 5-year period from 2019 to 2023. The last tranche of the ESP was granted on February 6, 2023. These issuances were exempt from registration under Section 10.2 (Exempt Transactions) of the SRC.

Item 6 - Management's Discussion and Analysis or Plan of Operation

Statement of Income for the Years Ended December 31, 2024 vs December 31, 2023

Union Bank of the Philippines recorded a net income of ₱12.0 billion for the year ended December 31, 2024. This is 30.7% better than last year's reported net income, driven by higher net revenues and lower operating expenses.

Net revenues, consisting of net interest income and other income, improved to ₱79.5 billion, a 12.4% increase from the ₱70.8 billion last year. **Net interest income** grew 11.6% to ₱58.0 billion, driven by expanding margins and higher volume. Net interest margins was up 49 basis points to 6.0%, coming from the higher share of consumer loans to total loans and a year-on-year increase in low-cost Current Account/Savings Account (CASA) deposits. **Service charges, fees and commissions,** and **miscellaneous income** also went up by 11.7% to ₱20.0 billion from increased fees on consumer-related transactions.

Total interest income improved by 6.6% to ₱83.7 billion compared to the same period last year. **Interest income on loans and other receivables** increased by 6.5% to ₱63.1 billion due to the higher share of better-yielding consumer loans. **Interest income on cash and cash equivalents** and **investment securities at amortized cost and fair value through other comprehensive income (FVOCI)** was up by 5.4% to ₱18.7 billion due to improvement in yields and higher average volume. **Interest income on Interbank Loans Receivables and Securities Purchased under Repurchase Agreements (SPURRA)** was up by 4.5% to ₱1.4 billion due to better yields. **Interest income on trading securities at fair value through profit or loss (FVTPL)** was also up by 153.9% to ₱0.5 billion for the period.

Total interest expense for the current period was lower by 3.3% at ₱25.7 billion. This is attributed to the decrease in **interest expense on deposit liabilities,** which reduced by 20.9% to ₱12.5 billion due to the lower average daily balance in time deposit as a result of the shift to alternative sources of funding as well as the 75bps reduction in policy rates. This is partially offset by the increase in **interest expense on bills payable and other liabilities,** which was up by 22.4% to ₱13.2 billion from the higher volume of deposit substitutes.

Provision for credit losses for the year amounted to ₱19.6 billion, a 39.6% increase compared to the previous year. The increase is primarily attributable to the growing share of consumer loans to total loans.

Total other income for the year improved by 14.5% to ₱21.5 billion. The year-on-year increase was primarily due to **gains on trading and investment securities at FVTPL and FVOCI** which was up 67.2% to ₱1.5 billion, and **service charges, fees, and commissions** which grew by 23.2% to ₱13.4 billion driven by higher recurring transaction-related fees. Meanwhile, **miscellaneous income** was down by 6.1% to ₱6.6 billion which partially offset the improvement to total other income.

Total expenses amounted to ₱44.3 billion, a 1.4% improvement compared to last year. **Salaries and employee benefits** increased by 4.1% to ₱14.1 billion, reflective of the yearly compensation and benefit-related adjustments. **Taxes and licenses** was up by 2.6% to ₱6.1 billion coming from higher gross receipts taxes due to growth in loans and increase in license fees but was partially offset by lower documentary stamp taxes. **Occupancy** was relatively flat with an increase of 0.7% to ₱1.2 billion. **Depreciation and amortization** was higher by 6.6% to ₱2.8 billion, consistent with the additional investments in the Bank's premises, furniture, fixtures, and equipment. **Miscellaneous expenses** decreased by 7.1% to ₱20.0 billion, mainly on account of the Bank's exit from the Transitional Services Agreement (TSA) in relation to the Citi acquisition, in April 2024.

Tax expense for the period was ₱3.7 billion, a 38.2% increase from ₱2.6 billion last year due to higher overall taxable income for 2024.

Net income attributable to non-controlling interests decreased by 24.6% to ₱99.8 million and is reflective of the performance of the Bank's subsidiaries for 2024.

Statement of Comprehensive Income for the Year Ended December 31, 2024 vs December 31, 2023

The Bank registered a **total comprehensive income** of ₱12.5 billion, down from the ₱20.6 billion posted in the same period last year. The decrease was primarily driven by the **unrealized mark-to-market gains (losses) on investment securities at FVOCI** which registered a gain of ₱0.6 billion compared to the gain of ₱12.3 billion a year ago. The higher FVOCI gain in 2023 was due to the effects of the change in business model and consequent reclassification of the FCDU FVOCI sub-portfolio (excluding the FX Liquidity sub-portfolio) to FCDU HTC. **Realized gains on sale of investment securities at FVOCI recognized in profit or loss** amounted to ₱0.2 billion for the period lower by 53.7% from last year. Cumulative translation adjustment amounted to a loss of ₱5.8 million, better than the prior period's loss of ₱21.0 million.

Remeasurement gains (losses) on retirement plans, net of tax, improved to ₱5.0 million versus the loss of ₱0.4 billion during the same period last year based on actuarial adjustments. Total comprehensive income attributable to non-controlling interests amounted to ₱102.3 million.

Statement of Condition as of December 31, 2024 vs December 31, 2023

As of the end of December 2024, the Bank's total resources amounted to ₱1.1 trillion, flat compared to the prior year. The increase in the Bank's **Trading and Investment Securities** and **Other Assets** was largely offset by the decrease in its **Primary Liquid Assets** (Cash and Other Cash Items, Due from Bangko Sentral ng Pilipinas, Due from Other Banks, Interbank loans receivable and SPURRA) and **Loans & Other Receivables**.

Cash and other cash items totaled ₱10.1 billion, a 2.8% decrease versus the same period last year. **Due from Bangko Sentral ng Pilipinas** was lower by 0.6% to ₱82.1 billion. **Due from other banks** increased by 24.3% to ₱33.9 billion from higher working balances with foreign correspondent banks. **Interbank loans receivable and SPURRA** was lower by 92.6% to ₱1.9 billion, driven by the reduction in government securities purchased under reverse repurchase agreement (RRP).

Holdings of **trading and investment securities** grew by 4.5% to ₱373.2 billion due to the build-up of **financial assets at FVTPL**, which increased by 77.3% to ₱10.3 billion from ₱5.8 billion. **Financial assets at FVOCI** and **financial assets at amortized cost** also grew by 6.9% to ₱39.5 billion and by 2.8% to ₱323.4 billion, respectively.

Net loans and other receivables was lower by 0.7% to ₱522.7 billion from ₱526.1 billion at the end of last year. The Bank's **loan-to-deposit ratio** was up at 77.3% compared to the 73.8% that was recorded last year.

Bank premises, furniture, fixtures, and equipment increased by 7.9% to ₱11.0 billion, mainly due to an increase in Building assets.

Investment in subsidiaries and associates went down by 5.1% to ₱35.8 million. Meanwhile, **other resources** grew by 8.2% to ₱46.7 billion, driven by higher deferred tax assets and computer software.

Total liabilities was at ₱949.4 billion as of December 31, 2024, 2.1% lower year-on-year. **Deposit liabilities** decreased by 5.1% to ₱676.3 billion as time deposit dipped by 19.1% to ₱229.4 billion as the Bank diversifies its sources of funding. Meanwhile, CASA deposits was higher by 4.1% to ₱446.9 billion, increasing the CASA ratio to 66.1% from last year's 60.2%.

Bills payable increased to ₱162.3 billion from ₱155.3 billion in the prior year as part of the continued diversification of funding sources and cost optimization. **Notes and bonds payable** grew by 14.0% to ₱57.6 billion from ₱50.5 billion. **Other liabilities** grew by 4.0% to ₱53.2 billion primarily due to the increase in financial liabilities held for trading.

The Bank's total capital funds rose by 11.6% to ₱196.1 billion as of December 31, 2024, from last year's ₱175.6 billion. This is mainly driven by the increase in **common stock** (up 40.9% to ₱33.2 billion) and **additional paid-in capital** (up 11.4% to ₱64.4 billion), on the back of the 27% stock dividends issued in January 2024, in which the Bank listed 635.5 million common shares, and the ₱10.0 billion stock rights offering (SRO) in May 2024, in which the Bank listed 327.1 million common shares at a price of ₱30.57 per share.

In addition, **surplus free** increased by 9.9% to ₱97.5 billion coming from the Bank's earnings net of Cash Dividend in 2024. **Surplus reserves** was up by 28.9% to ₱3.3 billion. **Net unrealized fair value losses on investment securities** amounted to: ₱1.8 billion coming from mark-to-market valuation of the Bank's investments at FVOCI, while accumulated **remeasurements of defined benefit plan** also recorded a loss of ₱1.6 billion. **Other reserves**, meanwhile, improved to ₱0.3 billion from ₱0.1 billion loss last year.

Key performance indicators of the Group are as follows:

	2024	2023
Return on Average Assets	1.1%	0.8%
Return on Average Equity	6.4%	5.6%
Cost-to-Income Ratio	55.6%	63.4%
Net Non-Performing Loan Ratio	4.0%	3.7%
Common Equity Tier 1 Ratio	15.6%	13.9%
Capital Adequacy Ratio	17.3%	15.7%

The manner by which the Bank calculates the above indicators is as follows:

Return on Average Assets:	Net income divided by average total resources for the period indicated
Return on Average Equity:	Net income divided by average total capital funds for the period indicated
Cost-to-Income Ratio:	Total operating expenses divided by the sum of net interest income and other income
Net Non-Performing Loan Ratio:	(Total non-performing loans less specific loan loss reserves for NPL) divided by (total loans inclusive of interbank loans receivables)
Capital Adequacy Ratio:	Total qualifying capital divided by total risk-weighted assets (inclusive of credit, market and operational risk charge)

Statement of Income for the Year Ended December 31, 2023 vs December 31, 2022

Union Bank of the Philippines posted a net income of ₱9.2 billion for the year ended December 31, 2023. This is 27.8% lower than the same period last year, mainly due to the ongoing integration cost for the acquired Citi consumer business.

Net revenues, consisting of net interest income and other income, is at a new high of ₱70.8 billion, 35.6% higher than ₱52.2 billion last year, driven by the full-year impact of revenues from the acquired Citi Consumer Business (acquired in August 2022) and the operation of UnionDigital (started in July 2022). **Net interest income** grew 33.6% to ₱52.0 billion on account of higher margins and volume. Net interest margins was up 70 basis points to 5.5%, buoyed by the higher proportion of consumer loans to total loans and the steady level of low-cost Current Account/Savings Account (CASA) deposits. **Service charges, fees and commissions,** and **miscellaneous** income increased by 33.7% to ₱17.9 billion, driven by higher retail transactions.

Total interest income jumped by 55.5% to ₱78.6 billion versus the same period last year. **Interest income on loans and other receivables** improved by 64.5% to ₱59.2 billion due to increased average volume levels and increased proportion of higher-yielding consumer loans to total loan portfolio. **Interest income on cash and cash equivalents** and **investment securities at amortized cost and fair value through other comprehensive income (FVOCI)** improved by 31.8% to ₱17.8 billion due to higher yields. **Interest income on Interbank Loans Receivables and Securities Purchased under Repurchase Agreements (SPURRA)** was up by 65.5% to ₱1.4 billion, coming from higher volume and yield improvement. **Interest income on trading securities at fair value through profit or loss (FVTPL)**, on the other hand, declined by 4.6% to ₱0.19 billion due to lower volume.

Total interest expense grew by 2.3x to ₱26.6 billion. This is attributed to increases in (1) **interest expense on deposit liabilities** which grew by 2.6x to ₱15.8 billion due to higher average daily balance in time deposit as a result of integration of new businesses, and (2) **interest expense on bills payable and other liabilities** (up 92.8% to ₱10.8 billion) from higher interbank borrowings and deposit substitutes.

Provision for credit losses for the year amounted to ₱14.0 billion, 3.5x higher as compared to the prior year, largely from the full-year impact of provisions on loans from new businesses (acquired Citi consumer business and UnionDigital) and additional credit reserves on legacy accounts.

Total other income is higher by 41.4% to ₱18.8 billion. The jump was primarily due to (1) **service charges, fees, and commissions** which was up 53.1% to ₱10.9 billion driven by higher transaction fees from credit card interchange, electronic fund transfers, bills payment, ATM, and other transactional fees, and (2) **miscellaneous income** which grew by 13.2% to ₱7.0 billion on account of higher foreign exchange gains, income from trust operations, and gains recognized on foreclosed assets.

Total expenses amounted to ₱44.9 billion, up 43.2% versus the prior period. **Salaries and employee benefits** rose by 35.5% to ₱13.6 billion, driven by compensation-related increases and manpower expenses due to the full-year effect of the acquired Citi consumer business. **Taxes and licenses** increased by 44.6% to ₱5.9 billion, resulting from higher gross receipt taxes due to growth in loans and documentary stamp taxes due to the higher volume of time deposits. **Occupancy** jumped by 13.4% to ₱1.2 billion, resulting from higher rent and utilities costs. **Depreciation and amortization** is also higher by 43.3% to ₱2.7 billion driven by the Bank's technology investments related to the integration of the Citi consumer business. **Miscellaneous expenses** also grew by 50.3% to ₱21.6 billion, mainly on account of information and technology expenses, advertising, fees and commissions expenses, and other volume-related fees.

Tax expense totaled ₱2.6 billion, 34.5% lower from ₱4.0 billion last year, due to lower overall income for 2023.

Net income attributable to non-controlling interests decreased to ₱0.13 billion, 8.1% lower than in 2022.

Statement of Comprehensive Income for the Year Ended December 31, 2023 vs December 31, 2022

The Bank registered a **total comprehensive income** of ₱20.6 billion, up from ₱0.43 billion posted in the previous year. This was primarily driven by the **unrealized mark-to-market gains (losses) on investment securities at FVOCI** at a ₱12.3 billion gain from ₱12.5 billion loss a year ago on account of the business model change and consequent reclassification of FCDU FVOCI sub-portfolio (excluding the FX Liquidity sub-portfolio) to FCDU HTC, applied prospectively on January 1, 2023.

Remeasurement gains (losses) on defined benefit plan, net of tax expense was recorded at ₱0.53 billion loss vs. last year of ₱0.37 billion gain. **Total comprehensive income attributable to non-controlling interests** was at ₱0.14 billion.

Statement of Condition as of December 31, 2023 vs December 31, 2022

As of end of December 2023, the Bank's total resources amounted to ₱1.14 trillion, 4.8% higher than the previous year's ₱1.09 trillion, primarily coming from growth in Loans and Other Receivables.

There was a 5.5% increase in **Cash and other cash items** versus the same period last year. **Due from Bangko Sentral ng Pilipinas** decreased by 12.6% to ₱82.6 billion as a result of deployment to higher-yielding assets. **Due from other banks** declined by 41.0% to ₱27.3 billion resulting from lower working balances with foreign correspondent banks. **Interbank loans receivable and SPURRA** grew 7.9% to ₱25.4 billion, predominantly from additional SPURRA.

Holdings of trading and investment securities grew by 7.3% to ₱357.3 billion driven by the build-up of **financial assets at amortized cost,** which increased by 28.6% to ₱314.5 billion, primarily from Government Securities. This was offset by the decrease in **financial assets at FVTPL and FVOCI** by 32.9% to ₱5.8 billion and 53.6% to ₱37.0 billion.

Net loans and other receivables also grew by 9.7% to ₱526.1 billion, mainly due to the growth of the Bank's consumer loans portfolio. The Bank's **loan-to-deposit ratio** was recorded at 73.8%.

Bank premises, furniture, fixtures, and equipment increased by 17.1% to P10.2 billion, mainly due to an increase in Land and Building assets.

Investment in subsidiaries and associates went down by 69.5% to ₱0.04 billion. Meanwhile, **other resources** rose by 23.9% to ₱43.2 billion, driven by higher software under development assets.

Total liabilities was at ₱969.5 billion as of December 31, 2023, 2.6% higher YoY. **Deposit liabilities** was almost flat at 0.2% growth to ₱712.6 billion as growth in demand and savings was only up by 0.5% and 0.4% to ₱233.3 billion and ₱195.9 billion, respectively. With this, the Bank maintained its CASA ratio at 60%.

Bills payable jumped to ₱155.3 billion from ₱132.8 billion last year to diversify funding sources and optimize cost. **Notes and bonds payable** decreased by 2.2% to ₱50.5 billion driven by the maturity of senior debt instruments (Peso Digital Bonds and Peso Senior Series C Bonds) but offset by the issuance of (Peso Senior Series F Bonds and Peso Senior Series G Bonds). **Other liabilities** grew by 4.7% to ₱51.2 billion primarily due to increases in accrued expenses, accounts payable, and defined benefit obligation.

The Bank's total capital funds rose by 18.5% to ₱175.6 billion as of December 31, 2023, from ₱148.2 billion as of December 31, 2022 mainly driven by the increase in **common stock** (up 9.9% to ₱23.5 billion) and **additional paid-in capital** (up 20.5% to ₱57.8 billion) as a result of a stock rights offering (SRO) last February 2023 wherein the Bank listed 211.0 million common shares at a price of ₱56.88 per share. **Stock dividend distributable** is ₱6.4 billion as the stock dividends were paid subsequently on January 4, 2024. In addition, **surplus free** decreased by 2.3% to ₱88.7 billion coming from the Bank's earnings, Cash Dividend, and Stock Dividend in 2023. **Surplus reserves** was up by 3.7% to ₱2.54 billion. **Net unrealized fair value gains on investment securities** has a negative balance of ₱2.2 billion coming from mark-to-market valuation of the Bank's investments at FVOCI (reclass of FCDU FVOCI to FCDU HTC), while accumulated **remeasurements of defined benefit plan** also recorded a negative balance of ₱1.6 billion. **Other reserves** decreased 3.5x to a negative balance of ₱0.1 billion.

Key performance indicators of the Group are as follows:

	2023	2022
Return on Average Assets	0.8%	1.3%
Return on Average Equity	5.6%	9.7%
Cost-to-Income Ratio	63.4%	60.1%
Net Non-Performing Loan Ratio	3.7%	2.2%
Common Equity Tier 1 Ratio	13.9%	11.3%
Capital Adequacy Ratio	15.7%	13.0%

The manner by which the Bank calculates the above indicators is as follows:

Return on Average Assets:	Net income divided by average total resources for the period indicated
Return on Average Equity:	Net income divided by average total capital funds for the period indicated
Cost-to-Income Ratio:	Total operating expenses divided by the sum of net interest income and other income
Net Non-Performing Loan Ratio:	(Total non-performing loans less specific loan loss reserves for NPL) divided by (total loans inclusive of interbank loans receivables)
Capital Adequacy Ratio:	Total qualifying capital divided by total risk-weighted assets (inclusive of credit, market and operational risk charge)

Item 7 - Financial Statements

The consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A. Said statements were audited by the accounting firm, SyCip Gorres Velayo & Co. (SGV), and signed by Partner Ms. Janet A. Paraiso.

Item 8 - Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with the Bank's present external auditors, SGV, on accounting principles or practices, financial statement disclosures or scope of audit or procedures for the year ended December 31, 2024.

(A) Audit and Audit Related fees

Fees for the regular and statutory audits for the years 2024 and 2023 amounted to ₱25.2 million and ₱23.0 million, respectively, exclusive of VAT and out-of-pocket expenses.

Fees for other special audit, assurance and related services rendered by SGV in 2024 totalled ₱3.0 million for review engagements and issuance of comfort letters related to capital raising activities.

Fees for other special audit, assurance and related services rendered by SGV in 2023 were as follows:

1. ₱5.2 million for review engagements and issuance of comfort letters related to capital raising and bond offerings;
2. ₱1.7 million for short period audits related to business combination; and
3. ₱4.2 million for other engagements and consultancy services.

(B) All Other Fees

No other fees were paid by the Bank to SGV for 2024 and 2023.

The following practices were agreed to and adopted by and between Management and the external auditor:

1. Before the start of each year's audit, the external auditor presents to the Audit Committee for approval its proposed audit plan, describing the areas of focus for the audit, as well as any new accounting standards, laws and new regulatory rules that need to be taken into account in the course of the audit. The audit schedule is also presented.

2. The audit fees are agreed with the external auditor by Management and reviewed by the Audit Committee.

When the audit is substantially completed and before the Bank's Board meeting in January of the following year, the external auditor presents an initial report of its audit to the Audit Committee. The complete set of audited financial statements and accompanying notes are submitted to the Board for approval of the issuance of the same in its February meeting.

PART IIII – CONTROL AND COMPENSATION INFORMATION

Item 9 – Directors and Executive Officers of the Issuer

a.) Directors and Nominees

The following are the names of the nominee for directors of UnionBank who have been pre-screened and certified qualified by the Corporate Governance Committee of the Board pursuant to SRC Rule No. 38, the BSP's Manual of Regulations for Banks, SEC Code of Corporate Governance and the Bank's Revised Manual on Good Corporate Governance, at the meeting held on February 7, 2025, by the following Corporate Governance Committee Members:

1. Atty. Francisco Ed. Lim, *Chairman/ Independent Director*
2. Justo A. Ortiz
3. Erramon I. Aboitiz
4. Nina Perpetua D. Aguas
5. Roberto G. Manabat, *Lead Independent Director*
6. Manuel D. Escueta, *Independent Director*
7. Josiah L. Go, *Independent Director*
8. Honorio G. Poblador IV, *Independent Director*

NOMINEES	AGE	CITIZENSHIP	POSITION	Period during which individual has served as such
Erramon I. Aboitiz	68	Filipino	Chairman Director	May 22, 2020 to present July 23, 1993 to present October 11, 1988 to April 23, 1993
Justo A. Ortiz	67	Filipino	Vice Chairman Chairman Chairman & CEO	May 22, 2020 to present January 1, 2018 to May 22, 2020 July 23, 1993 to December 31, 2017
Ana Maria A. Delgado	44	Filipino	Director President & CEO	April 23, 2021 to present January 1, 2025 to present
Sabin M. Aboitiz	60	Filipino	Director	May 24, 2013 to present
Samel A. Aboitiz	33	Filipino	Director	April 22, 2022 to present
Jose Emmanuel U. Hilado	61	Filipino	Director	April 28, 2023 to present
Iker M. Aboitiz	52	Filipino	Director	Nominee for election on April 25, 2025
Nina Perpetua D. Aguas	72	Filipino	Director	January 4, 2016 to present
Robert Joseph M. De Claro	53	Filipino	Director	January 27, 2023 to present
Victor Alfonso A. Limlingan	48	Filipino	Director	February 28, 2025 to present
INDEPENDENT DIRECTORS				
Roberto G. Manabat	78	Filipino	Lead Independent Director Independent Director	July 23, 2021 to present May 25, 2018 to present
Manuel D. Escueta	74	Filipino	Independent Director	April 23, 2021 to present

Josiah L. Go	62	**Filipino**	Independent Director	April 23, 2021 to present
Atty. Francisco Ed. Lim	70	**Filipino**	Independent Director	May 28, 2021 to present
Honorio G. Poblador IV	55	**Filipino**	Independent Director	April 28, 2023 to present

The nominees for Independent Directors, namely, Roberto G. Manabat, Manuel D. Escueta, Josiah L. Go, Atty. Francisco Ed. Lim, and Honorio G. Poblador IV possess the qualifications and none of the disqualifications of an independent director. They have complied with all the requirements of the Bangko Sentral ng Pilipinas (BSP), the Securities and Exchange Commission (SEC), and the Bank's Revised Manual on Good Corporate Governance for their respective positions. Messrs. Manabat, Escueta, and Go were nominated by stockholders, Mary Candice V. Tiu, Abigail Sarena T. Chu, and Maria Rowena S. Basconcillo, respectively. Atty. Lim and Mr. Poblador were nominated by stockholders, Marilou I. Ferrer and Alan Jay C. Avila, respectively. The nominators are not related to the nominees for independent directors.

BUSINESS EXPERIENCE:

The following is a brief description of the business experience of each of the directors/nominees of the Bank:

Erramon I. Aboitiz serves as Chairman of UnionBank. He is also the Chairman of Board of Directors of Endeavor Philippines and UnionBank Investment Management and Trust Corporation. Mr. Aboitiz sits as Director of Aboitiz Equity Ventures, Inc.* and Aboitiz Power Corporation*. He is the Chairman of the Board of Trustees of the Asian Institute of Management, and a Board Observer of Aboitiz & Company, Inc.

Mr. Aboitiz was awarded the Management Association of the Philippines' Management Man of the Year and Ernst & Young's Entrepreneur of the Year both in 2011.

Mr. Aboitiz earned a Bachelor of Science degree in Business Administration, major in Accounting and Finance, from Gonzaga University in Spokane, U.S.A. He was also conferred an Honorary Doctorate Degree in Management by the Asian Institute of Management. He is not connected with any government agency or instrumentality.

<u>Committee Memberships:</u>

Chairman	-	Executive Committee
Vice Chairman	-	Non-Executive Board
Member	-	Risk Management Committee, Market Risk Committee, Corporate Governance Committee

**Publicly listed company*

Justo A. Ortiz serves as Vice Chairman of UnionBank. He holds the position of Chairman and/or Director of various subsidiaries of the Bank: UnionDigital Bank Inc. and UBX Philippines Corporation; as Director of the following companies: Aboitiz Equity Ventures, Inc.*, Aboitiz Foods Holdings, Inc., Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation, Concepcion Industrial Corporation*, Philippine Payments Management, Inc., and Advanced Data Innovation, Inc.; and as Member of Board of Trustees of The Insular Life Assurance Co., Ltd., Member of the Management Association of the Philippines; and Member of the Board of Trustees of Philippine Trade Foundation, Inc.

Mr. Ortiz was the Chief Executive Officer of UnionBank from 1993 to 2017. Prior to his stint in the Bank, he was Managing Partner for Global Finance and Country Executive for Investment Banking at Citibank, N.A.

Mr. Ortiz became a member of the Claustro de Profesores of the University of Santo Tomas (UST) as he was conferred a Doctor of Humanities degree, Honoris Causa, on December 11, 2015. He was inducted as Honorary Fellow of Institute of Corporate Directors (ICD) on August 12, 2022. Other recognition bestowed to him were Asian Banker Lifetime Award and Philippine Blockchain Leader of the Year 2022. He graduated Magna Cum Laude with a degree in the Economics Honors Program from Ateneo de Manila University.

Committee Memberships:

Chairman	-	Information Technology and Cybersecurity Committee
Member	-	Non-Executive Board, Executive Committee, Risk Management Committee, Market Risk Committee, Operations Risk Management Committee, Corporate Governance Committee

**Publicly listed company*

Ana Maria A. Delgado serves as Director, President and Chief Executive Officer of Union Bank of the Philippines. Prior to her current role, she was the Senior Executive Vice President and Institutional Banking Head of the Bank. She is also the Chairman of City Savings Bank, Inc., Director of Aboitiz Equity Ventures, Inc.*, and a Director of UnionDigital Bank.

She began her career at UnionBank as a Product Manager under the Retail Banking Center and has since held multiple leadership roles spanning Institutional Banking, Customer Experience, SME Lending, and Consumer Finance. Before joining the Bank, she was an Assistant Vice President for Product Management at Citibank, N.A. from 2006 to 2008.

Ms. Delgado holds a Bachelor of Arts in Art History and Painting from Boston College and earned her Master's Degree in Business Administration from New York University Stern School of Business in 2010.

She is passionate about innovation and enhancing customer experiences, believing that modern banking extends beyond financial services to designing transformative products and solutions that improve people's lives.

Committee Memberships:

Member	-	Executive Committee, Information Technology and Cybersecurity Committee
Alternate Member	-	Market Risk Committee

**Publicly listed company*

Sabin M. Aboitiz serves as Director of UnionBank. He is Director, President and Chief Executive Officer of Aboitiz Equity Ventures, Inc. (AEV)*, and Chairman of the Board of Aboitiz Power Corporation*.

Mr. Aboitiz is also the President of AEV Aviation, Inc., and AEV-CRH Holdings, Inc., wholly-owned subsidiaries of AEV.

He is the Chairman of Aboitiz Foundation, Inc., Aboitiz Land, Inc.; Director of Aboitiz & Company, Inc., Aboitiz InfraCapital, Inc., AEV CRH Holdings, Inc.; Republic Cement and Building Materials, CRH Aboitiz Holdings, Inc., Apo Agua Infrastructura, Inc., Aboitiz Construction International, Inc., Aboitiz Construction, Inc., Republic Cement Services, Inc., Unity Digital Infrastructure Inc., Pilmico International

Pte. Ltd., Aboitiz Power International Pte. Ltd., AEV International Pte. Ltd, and Manila-Oslo Renewable Enterprise, Inc.

He spent much of his professional life with Aboitiz Transport, Inc.; his last position was as President and Chief Executive Officer of one of its subsidiaries, Aboitiz One, Inc. (owner of the 2GO brand) now called 2GO Group, Inc. He graduated from Gonzaga University in the USA with a B.S. Business Administration Degree, majoring in Finance.

Committee Memberships:

Member	-	Non-Executive Board, Executive Committee
Alternate Member	-	Operations Risk Management Committee, Corporate Governance Committee

**Publicly listed company*

Samel A. Aboitiz serves as Director of UnionBank. He is First Vice President for Finance, Accounting and Risk of Aboitiz Equity Ventures, Inc.* He is also concurrently Treasurer and Controller of Aboitiz & Company (ACO). He is a member of the Board of Advisors of ACO, and the Board of Directors of Aboitiz Renewables Inc. and San Fernando Light & Power Co. He served as Assistant Vice President and Controller for Coal Business Unit of Aboitiz Power Corporation* from January 2019 to July 2021; Deputy Head of Operations of PETNET, Inc. from July 2018 to December 2018; and Corporate Finance Manager of AEV from September 2016 to July 2018. Prior to joining the Aboitiz Group, he was Investment Banking Analyst for CLSA Exchange Capital, and with Castleton Commodities International as Freight Analyst.

Committee Memberships:

Member	-	Non-Executive Board, Operations Risk Management Committee, Audit Committee
Alternate Member	-	Executive Committee, Risk Management Committee

**Publicly listed company*

Jose Emmanuel U. Hilado serves as Director of UnionBank and its subsidiaries, UnionBank Investment Management and Trust Corporation, UnionDigital Bank Inc., and UBX Philippines Corporation. He currently serves as Senior Vice President – Chief Financial Officer, Corporate Information Officer, and Chief Risk Officer at Aboitiz Equity Ventures Inc.* (AEV) and holds directorships in various entities under the Aboitiz Group including Aboitiz Foundation, Inc., AEV CRH Holdings, Inc., AEV International Pte. Ltd., Aboitiz Data Innovation Pte. Ltd., Aboitiz Renewables, Inc., AEV Aviation Inc., and CCEP Aboitiz Beverages Philippines, Inc., amongst others. With over 30 years of banking experience, he has held various positions in treasury, trading, investments, correspondent banking, bank operations, human resources, and purchasing.

Mr. Hilado joined UnionBank in July 2017 as Senior Executive Vice President, Treasurer, and Head of Global Markets. He later became its Senior Executive Vice President and Chief Financial Officer, a position he held until December 2022.

His previous roles with publicly listed companies include Senior Executive Vice President and Chief Operating Officer at East West Bank*, Treasurer at RCBC*, and Chief Trader at BDO Unibank, Inc.* He is also a current member of the Financial Executives Institute of the Philippines.

He earned his bachelor's degree in Business Economics from the University of the Philippines and completed his MBA at Kellogg-Hong Kong University of Science and Technology. Additionally, he is a Certified Treasury Professional, which he obtained from the BAP-Ateneo Graduate School.

Committee Memberships:

Member	-	Non-Executive Board, Executive Committee
Alternate Member	-	Risk Management Committee, Market Risk Committee, Information Technology and Cybersecurity Committee

**Publicly listed company*

Iker M. Aboitiz is a nominee for election as Director of UnionBank at the Annual Stockholders' Meeting on April 25, 2025. He is currently Director of Aboitiz InfraCapital, Inc. He held various roles with the Aboitiz Group as follows: First Vice President - Finance of Aboitiz Equity Ventures, Inc.* and First Vice President - Chief Financial Officer and Corporate Information Officer of Aboitiz Power Corporation*; Director and Chief Financial Officer of Abovant Holdings, Inc.; Director and Chief Financial Officer and Treasurer of Hijos de F. Escaño; Director of Cotabato Light and Power & Power Company, Therma Power, Inc., Aboitiz Renewables, Inc., Cebu Private Power Corporation, East Asia Utilities Corporation, AEV Aviation, Inc; Treasurer of Mactan Enerzone Corporation and Subic Enerzone Corporation. He was Treasurer of Mendal Realty Management and Development Corporation.

Mr. Aboitiz began his career with the Aboitiz & Company, Inc. in 1994 and held various positions in the company including Analyst - Corporate Planning Department from 1994-1995, Trader - Treasury Department from February 1995 to June 1995, Assistant Treasurer - Treasury Department from 1995 to 1997 and Assistant Vice-President, Head - Corporate Finance Dept. from 1998 to 1999. He served also as Treasurer of Davao Light & Power Company, Inc. and Cotabato Light & Power Company from 1998 to 1999. He was previously Adviser to the Board of Directors of City Savings Bank from 1998 to 1999. Mr. Aboitiz was also Executive Assistant to the Chairman & CEO of Union Bank of the Philippines and Member of UnionBank Asset and Liability Committee (ALCO) from 1999 to 2000. He served as Analyst – Corporate Finance Group of Credit Lyonaisse SA Exchange Capital Corp. from 2000 to 2003 and Chief Finance Officer of Aboitiz Construction Group Inc. from 2003 to 2007. He worked for FBMA Marine Inc. in several positions including Chief Finance Officer, Member of the Board of Directors and Executive Committee from 2003 to 2007.

He graduated cum laude from Boston College, Newton, Massachusetts with a degree in Bachelor of Science in Business Management, Major in Finance.

**Publicly listed company*

Nina Perpetua D. Aguas serves as Director of UnionBank. She is currently the Executive Chairperson of the Board of Trustees of The Insular Life Assurance Co., Ltd. and its subsidiaries: Insular Health Care, Inc. and Insular Foundation, Inc. She also sits as Non-Executive Director of Pilipinas Shell Petroleum Corporation* and as Independent Director of Monde Nissin Corporation*. She sits in the Governing Council of the Philippine Business Coalition for Women Empowerment (PBCWE). She is a member of Nextgen Organization of Women Corporate Directors (NOWCD) Philippines and its global community network Women Corporate Directors (WCD). She was also a member of the Board of Directors and Chairperson of Bank of Florida (A Rural Bank) and has served as a member of the World Bank Group's Advisory Council on Gender and Development.

She was the President and Chief Executive Officer of Philippine Bank of Communications*, from August 2012 to March 2015. Prior to this, she was the Managing Director for Private Banking, Asia-Pacific at ANZ Banking Group Ltd., Singapore. She also held various positions with Citigroup Inc. - Managing Director for Corporate Compliance, New York; Country Business Manager, Global Consumer Group, Philippines; Head of Sales & Distribution, Global Consumer Group, Philippines; and Regional Audit Director, Citigroup, Asia-Pacific.

Committee Memberships:

Member	-	Non-Executive Board, Executive Committee, Audit Committee, Market Risk Committee, Corporate Governance Committee

**Publicly listed company*

Robert Joseph M. De Claro serves as Director of UnionBank. He was appointed as President and Chief Executive Officer of the Social Security System (SSS) on December 6, 2024. He serves as Vice Chairperson of the Social Security Commission (SSC), the governing body of the SSS. Prior to becoming President and Chief Executive Officer of the SSS, he was a member of the SSC representing the Employers sector since January 11, 2023. In the SSC, he he served as Chairperson of the SSC Information Technology and Collection Committee and a member of the SSC Audit Committee, SSC Risk Management and Investment Committee, and SSC Governance Committee. He also represented the SSS in the Boards of UBP Investment Management and Trust Corporation and PLDT Inc.* He was a former Director of Ionics, Inc.*

With a background in creating and spearheading startup and operating entities for over twenty-five (25) years, Mr. De Claro is a business leader seasoned over decades of professional experience and equipped with necessary knowledge to achieve common and long- term corporate goals. He is able to deliverdouble-digit gain in revenue through strategic growth strategies and with expertise in identifying opportunities, coupled with exceptional customer relationship management skills. He held various roles in companies such as President and CEO for People4u, Inc.; Operating Partner for FutureNow Business Services, Inc.; President and General Manager for JMango Philippines, Inc.; and General Manager, APAC for GlobalOne Solutions, Inc. and Cloud Sherpas.

Mr. De Claro holds a Bachelor of Science in Computer Science with specialization in Information Technology from De La Salle University.

Committee Memberships:

Member	-	Non-Executive Board, Executive Committee, Operations Risk Management Committee, Corporate Governance Committee, Information Technology & Cybersecurity Committee
Alternate Member	-	Risk Management Committee, Market Risk Committee

** Publicly listed company*

Victor Alfonso A. Limlingan serves as Director of UnionBank. He was appointed as a Social Security Commission (SSC) Commissioner, representing Employer's group on November 19, 2024 and took his oath on November 25, 2024. On January 2025, he was designated as Chairperson of the SSS Risk Management and Actuary Committee, and a member of the SSS Investment Committee, Contribution and Collection Committee, and Corporate Governance Committee.

Mr. Limlingan concurrently serves as the Managing Director at Regina Capital Development Corporation, a leading local institutional stock brokerage in the Philippines. He also acts as Chief Financial Officer for Solar Techno Design Solutions Inc., and Technofarm Agricultural and Aquatic Products Inc. He is an entrepreneur with investments in Information Technology, Renewable Energy and Real Estate industries. He was a member of the Board of Directors of the Development Bank of the Philippines in 2024.

Prior to this, he was Senior Vice President of Small Business Corporation; and Managing Director of Argyle Street Management Limited (Hongkong). He has held positions at Cerberus/ GMAC LLC (New Tork and Detroit Offices), and Sun Life Asset Management Co., (Manila). He also served in the National Economic Development Authority as Technical Consultant under the Office of the Secretary as well as Consultant to Office of the Chairman in Banco Filipino. Mr. Limlingan started his career as Private Equity Analyst as Clemente Capital Consultants.

Mr. Limlingan holds an MBA from the Kellogg School of Management and obtained his undergraduate degree in Interdisciplinary Studies Major in History and Humanities from the Ateneo De Manila University. He obtained his Charted Financial Analyst designation in 2001. He is a member of the Financial Executives Institute, Rotary Club of Makati Central, and the Foundation for Economic Freedom.

<u>Committee Memberships:</u>

Member	-	Non-Executive Board, Risk Management Committee, Market Risk Committee, Audit Committee
Alternate Member	-	Executive Committee, Corporate Governance Committee, Operations Risk Management Committee, Information Technology & Cybersecurity Committee

Roberto G. Manabat serves as Lead Independent Director of UnionBank. He is also an Independent Director of the following companies: City Savings Bank, Inc.; UnionDigital Bank Inc.; UnionBank Financial Services and Insurance Brokerage Philippines, Inc.; Goldilocks Bakeshop, Inc.; Pluxee Philippines, Inc.; and National Reinsurance Corporation*. He is a Certified Public Accountant. Mr. Manabat is a Board Adviser on Internal Audits of SM Investments Corporation* and its subsidiaries/affiliates. He sits as Director of PA Properties and Development Corp. and Canelle Food Corporation, and as Chairman of KPMG R.G. Manabat Foundation.

As the first General Accountant of the Securities and Exchange Commission (SEC) from 2003-2005, he set up the mechanism for effective financial reviews of the financial reports submitted by listed and other public companies regulated by the SEC. His past experience involves: Chairman and Chief Executive Officer of KPMG R.G. Manabat & Co.; a member of the Global Council of KPMG International; a member of the Asia-Pacific Board of KPMG International; Chairman of Auditing & Assurance Standards Council; Consultant of the SEC; and Partner of SyCip Gorres Velayo & Co., among others. Mr. Manabat has a track record of more than 40 years in the field of accountancy and has been a prominent advisor to many corporate and government agencies on good governance principles and practices.

In 2018, he received The Outstanding Professional Award in the Field of Accountancy given by the Professional Regulation Commission. In 2019, he was honored by The Federation of Asian Institute of Management Alumni Associations, Inc. (FAIM) with an AIM Alumni Achievement (Triple A) Award, the most prestigious recognition given to AIM graduates. In 2023, Mr. Manabat is the recipient of the Top 100 Notable CPAs Centenary Award granted by the Professional Regulatory Board of Accountancy during the Centennial Celebration of the Accountancy profession.

Mr. Manabat graduated from the University of the East with a degree in Business Administration. He obtained his Master's degree in Business Management from Asian Institute of Management.

<u>Committee Memberships:</u>

Chairman	-	Non-Executive Board, Audit Committee
Member	-	Risk Management Committee, Market Risk Committee, Operations Risk Management Committee, Corporate Governance Committee, Related Party Transaction Committee

**Publicly listed company*

Manuel D. Escueta serves as Independent Director of UnionBank. He is also an Independent Director of the following companies: City Savings Bank, Inc., UnionBank Financial Services and Insurance Brokerage Philippines, Inc., and Pascual Laboratories, Inc.

Mr. Escueta sits as member of the Executive Committee and Marketing Adviser of Mega Prime Foods Corporation; Vice Chairman of the Board of Trustees and Advisory Council of Educhild Foundation, Philippines; and Vice Chairman of the Board of Trustees of PAREF Southridge School for Boys. He served as Independent Director of Vitarich Corporation* from 2014 to mid-2022. He was the President of Educhild Foundation Philippines from 2004 to 2019, and the President and CEO of Pascual Laboratories, Inc. from 2009-2012. He also served as the Chairman of the Board of Directors and Business Head of Pascual Consumer Health Corporation, Inc. and Pascual Consumer Health Division, respectively. He was the Vice President for Corporate Marketing and Communications of United Laboratories, Inc. from September 2001 to March 2004. He also worked as General Advertising and Marketing Manager for Procter & Gamble, Asia.

Mr. Escueta is a graduate of University of the Philippines in Diliman, Quezon City, with a degree in Business Administration, Majoring in Marketing.

Committee Memberships:

Chairman	-	Risk Management Committee
Member	-	Non-Executive Board, Audit Committee, Market Risk Committee, Operations Risk Management Committee, Corporate Governance Committee, Related Party Transaction Committee

**Publicly listed company*

Josiah L. Go is an Independent Director of UnionBank and serves as Chairman and Chief Innovation Strategist of Mansmith and Fielders, Inc., the first private company to be honored with the Agora Award for Nation Building. Mansmith also won the Innovation Excellence Award from the ASEAN Business Awards. Mr. Go is Founder and Chairman of Waters Philippines, the market leader in the direct selling of premium home water purifiers in the Philippines. His leadership roles include serving as National President of the Philippine Marketing Association in 1991, Chairman of the Direct Selling Association of the Philippines in 2002, and National President of the Association of Marketing Educators from 2004-2005.

Mr. Go is widely regarded as one of the Philippines' foremost marketing gurus and is the most awarded marketing educator in the country, with 20 bestselling and record-breaking books on marketing and entrepreneurship. He has received numerous accolades, including multiple Agora Awards in 1994 and 2025, recognition as one of the Ten Outstanding Young Men (TOYM) of the Philippines in 2001, and as one of the Ten Outstanding Young Persons (TOYP) of the World in 2002. He was one of only two Lifetime Achievement Awardees from the Association of Marketing Educators in 2007, being the youngest educator to receive this distinction. Additionally, he earned the Brand Leadership Award at the World Brand Congress in India in 2009 and was listed in the 10th edition of the *International Who's Who of Intellectuals* (England).

Mr. Go is qualified in Blue Ocean Strategy from the Blue Ocean Strategy Institute at INSEAD, France. He has taught at De La Salle and Ateneo Universities and holds an Executive Scholar designation from Kellogg Business School (in Marketing and Sales Management) as well as from MIT Sloan (in Strategy and Innovation). He has also completed advanced programs at Harvard, Wharton, and London Business School. Specializing in the intersection of marketing and innovation, he focuses on data-driven entrepreneurship and teaches advanced marketing courses. Over the years, he has conducted over 1,000 seminars and talks on marketing, both in the Philippines and internationally, covering a range of industries and contexts.

Mr. Go holds a degree in Management from De La Salle University and took Master of Arts in Religious Studies from Maryhill School of Theology.

Committee Memberships:

Chairman	-	Operations Risk Management Committee
Member	-	Non-Executive Board, Risk Management Committee, Audit Committee, Market Risk Committee, Corporate Governance Committee, Related Party Transaction Committee

Atty. Francisco Ed. Lim serves as Independent Director of UnionBank. He was a Senior Partner of the Angara Concepcion Regala & Cruz Law Offices (ACCRALAW) but retired as such effective December 31, 2020. He is one of the several of counsels of the firm with the title Senior Legal Counsel. He is the Chairman of the Air Asia, Inc., Philippines Air Asia Philippines, Inc., Justice Reform Initiative (JRI); Chairman and President of AA Com Travel Philippines, Inc., and Co-Chairman (together with Finance Secretary Ralph Recto and SEC Chairman Emilio B. Aquino) of the Capital Market Development Council.

Atty. Lim is former President of the Philippine Stock Exchange, Inc.* (PSE), Securities Clearing Corporation of the Philippines (SCCP), Financial Executives Institute of the Philippines (FINEX), Management Association of the Philippines (MAP) and Shareholders' Association of the Philippines (SharePHIL). He also served as chairman of the Philippine Stock Exchange Foundation, FINEX Foundation and the FINEX Academy.

Atty. Lim currently serves as a Director/Trustee of several Philippine stock and non-stock corporations, among which are the AirAsia Aviation Group Limited (Malaysian company), Air Asia, Inc., Alphaland Corporation, Converge Information and Communications Technology Solutions*, Inc., First Philippine Holdings Corporation*, The Insular Life Assurance Co., Ltd., and Philippines Air Asia, Inc.

Atty. Lim is a member of the Integrated Bar of the Philippines, Philippine Bar Association, New York State Bar Association and the American Bar Association.

Atty. Lim is a columnist of Rappler and former columnist of the Philippine Star and Philippine Daily Inquirer.

Atty. Lim is the Chairman of the Commercial Law Department of the Philippine Judicial Academy.

Atty. Lim is a law professor in the School of Law, Ateneo de Manila University (on leave) and School of Law of San Beda University (on leave).

Atty. Lim actively assisted in the enactment several Philippine laws such as the Financial Rehabilitation and Insolvency Act (FRIA), Credit Investment System Act (CISA), Real Estate Investment Trust Act (REITA), Personal Equity Retirement Account Act (PERAA), and the Philippine Competition Act (PCA).

As a member of various committees of the Supreme Court, Atty. Lim actively participated in the drafting of several Supreme Court rules of procedure such as the 2019 Rules of Evidence, Interim Rules on Intra-Corporate Controversies, Rules on Electronic Evidence, Rules on Notarial Practice, Rules on DNA Evidence, Financial Rehabilitation Rules of Procedure, Financial Liquidation and Suspension of Payments, Rules of Procedure on the Liquidation of Closed Banks, and Interim Rules on Electronic Notarization.

Atty. Lim has received various awards and citations throughout the years, among which are: "Senior Statespeople" in Dispute Resolution (2025) by Chambers Asia-Pacific"; "Commended External Counsel of the Year" (2023) by the In-House Community; "Market Leader" in Banking and M&A (2022-2024) by IFLR1000; "A-List Philippines' Top 100 Lawyers" (2022-2024) by the Asia Business Law Journal; "Elite Practitioner" in Capital Markets and Dispute Resolution (2022-2024) by the Asialaw Profiles; "Lawyer of the Year – Philippines" by Benchmark Litigation, Asia-Pacific Awards 2019; "Deal Maker of the Year" by the Thomson Reuters Asian Legal Business Philippine Law Awards 2017; Punong Gabay Award from the Philippine Council of Deans and Educators (PCDEB); Professorial Chair in Commercial Law from the Philippine Supreme Court, Philippine Judicial Academy and the Metrobank Foundation, Inc.

**Publicly listed company*

Atty. Lim is a co-author of The Philippine Competition Act: Salient Points and Emerging Issues and the Bench Book for Commercial Courts published by the Supreme Court of the Philippines.

Atty. Lim has a Bachelor of Arts (*cum laude*) and Bachelor of Philosophy (*magna cum laude*) degrees from the University of Santo Tomas, Bachelor of Laws (Second Honors) from the Ateneo de Manila University and Master of Laws from the University of Pennsylvania, USA.

Committee Memberships:

Chairman	-	Corporate Governance Committee, Related Party Transaction Committee
Member	-	Non-Executive Board, Audit Committee, Market Risk Committee, Operations Risk Management Committee

Honorio G. Poblador IV serves as Independent Director of UnionBank. He is a Founder and Managing Partner of The Navegar Fund. He also serves as Independent Director for ABS-CBN Corporation*. He is a Non-Executive Director of the following corporations: The Bistro Group, Bo's Coffee, Royale Cold Storage, and Asia Digital Holdings; and a member of the Board of Trustees of Ateneo Scholarship Foundation. Mr. Poblador has over two decades of investment banking and private equity experience having worked with Credit Suisse First Boston, Morgan Stanley, Iron Capital Management, and Rothschild. Mr. Poblador holds a Bachelor's degree in Management Economics from the Ateneo de Manila University and earned his Master's Degree in Business Administration from Columbia University.

Committee Memberships:

Chairman	-	Market Risk Committee
Member	-	Non-Executive Board, Risk Management Committee, Corporate Governance Committee, Information Technology and Cybersecurity Committee, Related Party Transaction Committee

**Publicly listed company*

b.) Attendance of the Board of Directors in Board Meetings

The Board of Directors held a total of eighteen (18) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	Percentage of Attendance
Erramon I. Aboitiz, Chairman	18	18	100%
Justo A. Ortiz	18	18	100%
Edwin R. Bautista	18	18	100%
Sabin M. Aboitiz	17	18	94.44%
Ana Maria A. Delgado	18	18	100%

Samel A. Aboitiz	18	18	100%
Jose Emmanuel U. Hilado	17	18	94.44%
Nina Perpetua D. Aguas	17	18	94.44%
Rolando L. Macasaet[1]	8	13	61.54%
Robert Joseph M. De Claro	18	18	100%
Roberto G. Manabat	18	18	100%
Manuel D. Escueta	18	18	100%
Josiah L. Go	18	18	100%
Francisco Ed. Lim	18	18	100%
Honorio G. Poblador IV	18	18	100%
Santiago Dionisio R. Agdeppa[2]	2	2	100%

[1] Resigned on October 6, 2024
[2] Elected on December 2, 2024

b.1. Attendance of the Board of Directors in Non-Executive Board Meeting

There were three (3) Non-Executive Directors' Board meetings held on January 19, 2024, July 20, 2024, and November 5, 2024.

Member	Meetings Attended	Meetings Held	Percentage of Attendance
Roberto G. Manabat, Chairman	3	3	100%
Erramon I. Aboitiz	3	3	100%
Justo A. Ortiz	3	3	100%
Sabin M. Aboitiz	3	3	100%
Samel A. Aboitiz	3	3	100%
Nina Perpetua D. Aguas	3	3	100%
Jose Emmanuel U. Hilado	3	3	100%
Rolando L. Macasaet[1]	1	2	50%
Robert Joseph M. De Claro	3	3	100%
Manuel D. Escueta	3	3	100%
Josiah L. Go	3	3	100%
Francisco Ed. Lim	3	3	100%
Honorio G. Poblador IV	3	3	100%
Santiago Dionisio R. Agdeppa[2]	0	0	-

[1] Resigned on October 6, 2024
[2] Elected on December 2, 2024

b.2. Attendance of the Board of Directors in Board Committee Meetings

a. Audit Committee

The Audit Committee held a total of fourteen (14) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	% of Attendance
Roberto G. Manabat, Chairman	14	14	100%
Samel A. Aboitiz	14	14	100%
Nina Perpetua D. Aguas	14	14	100%
Francisco Ed. Lim	14	14	100%
Manuel D. Escueta	14	14	100%
Josiah L. Go	14	14	100%
Robert Joseph M. De Claro[1]	13	13	100%

Santiago Dionisio R. Agdeppa[2]	1	1	100%

[1] Member until December 2, 2024
[2] Elected on December 2, 2024

b. *Corporate Governance Committee*

The Corporate Governance Committee held a total of nineteen (19) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	of Attendance
Francisco Ed. Lim, Chairman	19	19	100%
Justo A. Ortiz	18	19	94.74%
Erramon I. Aboitiz	19	19	100%
Nina Perpetua D. Aguas	19	19	100%
Rolando L. Macasaet[1]	4	8	50%
Roberto G. Manabat	19	19	100%
Honorio G. Poblador IV	18	19	94.74%
Manuel D. Escueta	19	19	100%
Josiah L. Go	19	19	100%
Robert Joseph M. De Claro[2]	11	11	100%

[1] Appointed as Alternate Member on April 26, 2024
[2] Appointed as Regular Member on April 26, 2024

c. *Executive Committee*

The Executive Committee held a total of nineteen (19) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	Percentage of Attendance
Erramon I. Aboitiz, Chairman	18	19	94.74%
Justo A. Ortiz	19	19	100%
Edwin R. Bautista	18	19	94.74%
Sabin M. Aboitiz	18	19	94.74%
Jose Emmanuel U. Hilado	19	19	100%
Nina Perpetua D. Aguas	19	19	100%
Rolando L. Macasaet[1]	8	15	53.33%
Robert Joseph M. De Claro[2]	1	1	100%

[1] Resigned on October 6, 2024
[2] Appointed on December 2, 2024

d. *Market Risk Committee*

The Market Risk Committee held a total of twelve (12) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	Percentage of Attendance
Honorio G. Poblador IV, Chairman	12	12	100%
Josiah L. Go	12	12	100%
Erramon I. Aboitiz	12	12	100%

Justo A. Ortiz	12	12	100%
Nina Perpetua D. Aguas	12	12	100%
Francisco Ed. Lim	12	12	100%
Roberto G. Manabat	12	12	100%
Manuel D. Escueta	12	12	100%
Robert Joseph M. De Claro[1]	11	11	100%
Santiago Dionisio R. Agdeppa[2]	0	1	0.00%

[1] Member until December 2, 2024
[2] Elected on December 2, 2024

e. *Operations Risk Management Committee*

The Operations Risk Management Committee held a total of thirteen (13) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	% of Attendance
Josiah L. Go, Chairman	13	13	100%
Justo A. Ortiz	13	13	100%
Samel A. Aboitiz	13	13	100%
Francisco Ed. Lim	13	13	100%
Manuel D. Escueta	13	13	100%
Roberto G. Manabat	13	13	100%
Robert Joseph M. De Claro	12	13	92.31%

f. *Related Party Transaction Committee*

The Related Party Transactions Committee held a total of fifteen (15) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	% of Attendance
Francisco Ed. Lim, Chairman	15	15	100%
Roberto G. Manabat	15	15	100%
Manuel D. Escueta	15	15	100%
Josiah L. Go[1]	13	13	100%
Honorio G. Poblador IV[2]	12	13	92.31%

[1] Appointed on January 26, 2024
[2] Appointed on January 26, 2024

g. *Risk Management Committee*

The Risk Management Committee held a total of twelve (12) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	% of Attendance
Manuel D. Escueta, Chairman	12	12	100%
Erramon I. Aboitiz	11	12	91.67%
Justo A. Ortiz	12	12	100%
Roberto G. Manabat	12	12	100%
Josiah L. Go	12	12	100%
Honorio G. Poblador IV	12	12	100%

Roberto Joseph M. De Claro[1]	10	11	90.91%
Santiago Dionisio R. Agdeppa[2]	0	1	0.00%

[1] Appointed as Alternate Member on December 2, 2024
[2] Elected on December 2, 2024

h. Information Technology and Cybersecurity Committee

The Information Technology & Cybersecurity Committee held a total of thirteen (13) meetings from January to December 2024.

Member	Meetings Attended	Meetings Held	% of Attendance
Justo A. Ortiz, Chairman	13	13	100%
Edwin R. Bautista	11	13	84.62%
Honorio G. Poblador IV	13	13	100%
Rolando L. Macasaet[1]	5	10	50%
Jose Emmanuel U. Hilado	12	13	92.31%
Dennis D. Omila, Non-voting Member	12	13	92.31%
Robert Joseph M. De Claro[2]	1	1	100%

[1] Resigned on October 6, 2024
[2] Appointed on December 2, 2024

c.) Executive Officers

The Executive Officers of the Bank, and their respective age, citizenship, and position as of February 28, 2025, are as follows:

NAME	AGE	CITIZENSHIP	POSITION	Period during which individual has served as such
Ana Maria A. Delgado	44	Filipino	President & Chief Executive Officer Senior Executive Vice President - Institutional Banking Head and Chief Digital Channel Officer and Chief Customer Experience Officer Senior Executive Vice President – Chief Digital Channel Officer and Chief Customer Experience Officer Executive Vice President – Chief Digital Channel Officer and Chief Customer Experience Officer Senior Vice President - Center Head, Consumer	January 1, 2025 to present July 1, 2023 to December 31, 2024 June 1, 2022 to June 30, 2023 June 1, 2020 to May 31, 2022 October 23, 2018 to May 31, 2020

			Finance and Chief User Experience Officer Senior Vice President – Deputy Center Head, Consumer Finance and Chief User Experience Officer	 August 1, 2018 to October 22, 2018
Manoj Varma	60	American	Senior Executive Vice President – Consumer Bank Head	August 1, 2022 to present
Manish Chawla	50	Indian	Executive Vice President – Chief Technology and Operations Officer Executive Vice President – Chief Information and Operations Officer Executive Vice President – Chief Operations Officer	June 28, 2024 to present July 28, 2023 to June 9, 2024 July 1, 2023 to July 27, 2023
Atty. Isagani R. Cortes	57	Filipino	Executive Vice President – Chief Compliance and Corporate Governance Officer Executive Vice President – Compliance and Corporate Governance Executive	January 1, 2025 to present November 4, 2024 to December 31, 2024
Ramon G. Duarte	60	Filipino	Executive Vice President – Transaction Banking Head Senior Vice President – Center Head, Transaction Banking and Platform Development Head Senior Vice President – Head, Platform Development Group	July 1, 2021 to present April 23, 2020 to June 30, 2021 June 23, 2006 to May 21, 2020
Antonino Agustin S. Fajardo	61	Filipino	Executive Vice President – Corporate Banking Head Senior Vice President – Center Head, Corporate Banking First Vice President – Deputy Center Head, Corporate Banking	August 1, 2019 to present August 1, 2018 to July 31, 2019 January 1, 2018 to July 31, 2018

			First Vice President – Business Head, Mortgage Finance Business First Vice President – Group Head, Consumer Finance – Auto Finance Business Center	November 1, 2014 to December 31, 2018 May 1, 2013 to October 31, 2014
Manuel R. Lozano	54	Filipino	Executive Vice President – Chief Financial Officer	January 1, 2023 to present
Dennis D. Omila	52	Filipino	Executive Vice President – Chief Transformation Officer Executive Vice President – Chief Technology and Operations Officer Executive Vice President – Chief Information Officer, and Head, IT Services Group and Operations and Shared Services Group Executive Vice President – Chief Information Officer Senior Vice President – Chief Information Officer	June 28, 2024 to present July 28, 2023 to June 9, 2024 March 25, 2019 to July 27, 2023 August 1, 2018 to March 24, 2019 November 16, 2016 to July 31, 2018
Michaela Sophia E. Rubio	60	Filipino	Executive Vice President – Chief Human Resource Officer, Head of Corporate Social Responsibility Executive Vice President – Chief Human Resource Officer and Head of CSR and Sustainability Senior Vice President - HR Director First Vice President and HR Director	October 1, 2024 to present August 1, 2019 to September 30, 2024 June 1, 2014 to July 31, 2019 June 1, 2012 to May 31, 2014
Johnson L. Sia	57	Filipino	Executive Vice President – Treasurer and Global Markets Head	October 1, 2022 to present
Mukul Sukhani	56	Indian	Executive Vice President – Cards and Consumer Loans Head	March 5, 2024 to present
Raymond Anthony B. Acosta	48	Filipino	Senior Vice President – Infrastructure and Service Management Head	June 1, 2022 to July 28, 2022

			First Vice President – Head, Infrastructure and Service Management/ Digital Integration Committee Vice President - Senior Team Manager – Technical Support Database Admin Assistant Vice President – Senior Team Manager – Technical Support Database Admin	July 1, 2019 to May 31, 2022 July 1, 2016 to June 30, 2019 June 27, 2008 to June 30, 2016
Atty. Arlene Joan T. Agustin	56	Filipino	Senior Vice President – Private Banking Group Head Senior Vice President – Trust Officer	December 1, 2018 to present February 5, 2018 to November 30, 2018
Atty. Joselito V. Banaag	54	Filipino	Senior Vice President – General Counsel and Corporate Secretary	November 16, 2015 to present
Conrad Anthony Dominic L. Banal	41	Filipino	Senior Vice President – Global Markets Trading Head First Vice President – Head of Markets	July 1, 2023 to present March 1, 2018 to June 30, 2023
Konstantin O. Beloglazov	42	Russian	Senior Vice President – Portfolio Lending Head	November 3, 2022 to present
Ma. Cecilia Teresa S. Bernad	59	Filipino	Senior Vice President – Corporate Banking Group Head First Vice President – Corporate Banking Group Head	July 1, 2023 to present July 1, 2015 to June 30, 2023
Michael L. Chong	39	Filipino	Senior Vice President –Debt Capital Markets Head	August 15, 2023 to present
Antonio Sebastian T. Corro	52	Filipino	Senior Vice President –Chief Cross Sell Officer Senior Vice President – Consumer Finance Center Head Senior Vice President – Head, Cards Business	September 1, 2022 to present August 28, 2020 to August 31, 2022 August 1, 2018 to August 27, 2020
Albert Raymond C. Cuadrante	53	Filipino	Senior Vice President – Chief Marketing and Experience Officer	September 1, 2024 to present

			Senior Vice President – Chief Marketing Officer	August 16, 2021 to October 31, 2024
Gerard R. Darvin	55	Filipino	Senior Vice President - Corporate Solutions Head First Vice President – Sales Head – CMS, Transaction Banking Vice President – Sales Director Assistant Vice President – Business Manager	June 1, 2021 to present July 1, 2016 to June 30, 2021 June 23, 2006 to June 30, 2016 May 2, 2000 to June 22, 2006
Carlo I. Eñanosa	49	Filipino	Senior Vice President – Corporate Planning and Investor Relations Head First Vice President – Head, Corporate Planning Group Vice President – Head, Planning and Budget Assistant Vice President – Strategic Risk Head	June 1, 2022 to present August 1, 2018 to May 31, 2022 July 1, 2016 to July 31, 2018 January 2, 2015 to June 30, 2016
Rear Admiral Rommel Jason L. Galang (Ret.)	59	Filipino	Senior Vice President – Chief Security Officer First Vice President – Chief Security Officer	July 29, 2022 to present November 1, 2021 to July 28, 2022
Erika Denise D. Go	38	Filipino	Senior Vice President – Deputy Head for Transaction Banking Senior Vice President – Corporate Product Management Head Vice President – Head, Sales and Relationship Management Assistant Vice President – Relationship Manager	September 1, 2024 to present July 1, 2023 to August 31, 2024 July 1, 2019 to June 30, 2023 September 16, 2026 to June 30, 2019
Simran Khanna	46	Indian	Senior Vice President – Consumer Risk Head	June 18, 2024 to present
Concepcion Perla P. Lontoc	56	Filipino	Senior Vice President – Head of Retail Banking Senior Vice President – Sales Director and Retail	January 1, 2025 to present October 27, 2023 to December 31, 2024

			Banking Center Deputy Head Senior Vice President – Sales Director First Vice President – Sales Director Vice President – Sales Director	 May 1, 2020 to October 26, 2023 July 1, 2016 to April 30, 2020 December 14, 2007 to June 30, 2016
Michael P. Magbanua	50	Filipino	Senior Vice President – Corporate and Digital Operations Head First Vice President – Head, Customer Service Group	June 1, 2022 to present April 3, 2017 to May 31, 2022
Ana Jania F. Mañalac	47	Filipino	Senior Vice President – Data Science and Analytics Head Senior Vice President – Business Analytics Group Manager	July 1, 2024 to present August 1, 2022 to June 30, 2024
Dave T. Morales	49	Filipino	Senior Vice President – Mortgage Finance Business Head First Vice President - Mortgage Finance Business Head Vice President – Sales Director Assistant Vice President – Sales Director	June 1, 2022 to present July 1, 2019 to May 31, 2022 July 1, 2014 to June 30, 2019 June 1, 2011 to June 30, 2014
Jose Maria O. Roxas	57	Filipino	Senior Vice President – Sales Director First Vice President – Sales Director Vice President – Sales Director Assistant Vice President – Sales Director	June 1, 2022 to present July 1, 2019 to May 31, 2022 July 1, 2016 to June 30, 2019 June 1, 2011 to June 30, 2016
Raquel N. Sevidal	58	Filipino	Senior Vice President – Commercial Banking Head Senior Vice President – Deputy Commercial Banking Head	January 1, 2025 to present September 1, 2024 to December 31, 2024

			Senior Vice President – Chief Wholesale Credit Officer	July 1, 2022 to August 31, 2024
Gautam Sharma	41	Indian	Senior Vice President – Retail Bank Sales Network Head	November 3, 2022 to present
Ma. Cristina C. Tismo	44	Filipino	Senior Vice President – Chief Information Officer Senior Vice President – Solutions Delivery First Vice President – Platforms Integration and Management Vice President – Lean Systems Engineering Head Assistant Vice President – Lean Systems Engineering Head Assistant Vice President – Application Development and Support Senior Team Manager	October 27, 2023 to present June 1, 2023 to October 19, 2023 July 1, 2021 to July 28, 2022 May 1, 2020 to June 30, 2021 April 1, 2018 to April 30, 2020 July 1, 2017 to March 31, 2018
Jeannette Yvonne M. Zagala	54	Filipino	Senior Vice President – Global Markets Sales Head Senior Vice President – Financial Markets Sales Head First Vice President – Head of Distribution	March 1, 2023 to present June 1, 2021 to February 28, 2023 November 8, 2017 to June 30, 2021
Norman C. Gabriel	45	Filipino	Senior Vice President – Chief Audit Executive First Vice President – Deputy Chief Audit Executive First Vice President – Deputy Head of Internal Audit	July 1, 2023 to present February 23, 2021 to June 30, 2023 April 3, 2020 to February 22, 2021
Edgar Allan G. Oblena	42	Filipino	Senior Vice President – Financial Controller Senior Vice President – Officer-in-Charge, Financial Controllership	April 1, 2024 to present September 16, 2023 to March 31, 2024

			First Vice President - Head of Corporate Accounting Vice President – Head of Corporate Accounting Department	June 1, 2022 to September 15, 2023 April 1, 2020 to May 31, 2022
Jose Paolo G. Rufo	40	Filipino	Senior Vice President – Chief Information Security Officer and Data Protection Offer First Vice President– Chief Information Security Officer and Data Protection Officer First Vice President – Chief Information Security Officer Vice President – Chief Information Security Officer	July 29, 2022 to present July 1, 2022 to July 28, 2022 June 1, 2021 to June 30, 2022 August 9, 2018 to May 31, 2021
Atty. Buenaventura S. Sanguyo, Jr.	55	Filipino	Senior Vice President – Deputy Head, Legal Division, and Assistant Corporate Secretary Vice President – Deputy Head, Legal Division, and Assistant Corporate Secretary Vice President – Deputy Head, Legal Division	July 1, 2023 to present July 22, 2016 to June 30, 2023 October 12, 2015 to July 21, 2016
Therese G. Chan	51	Filipino	Wealth and Brokerage Head	August 1, 2022 to present
Erwin Wiriadi	52	Indonesian	Chief Risk Officer Acting Chief Risk Officer Credit Portfolio Senior Group Manager	December 16, 2022 to present October 28, 2022 to December 15, 2022 August 1, 2022 to October 27, 2022

BUSINESS EXPERIENCE:

The following is a brief description of the business experience of each of the Executive Officers of the Bank:

Ana Maria A. Delgado serves as Director, President and Chief Executive Officer of Union Bank of the Philippines. Prior to her current role, she was the Senior Executive Vice President and Institutional Banking Head of the Bank. She is also the Chairman of City Savings Bank, Inc., Director of Aboitiz Equity Ventures, Inc.*, and a Director of UnionDigital Bank.

She began her career at UnionBank as a Product Manager under the Retail Banking Center and has since held multiple leadership roles spanning Institutional Banking, Customer Experience, SME Lending, and Consumer Finance. Before joining the Bank, she was an Assistant Vice President for Product Management at Citibank, N.A. from 2006 to 2008.

Ms. Delgado holds a Bachelor of Arts in Art History and Painting from Boston College and earned her Master's Degree in Business Administration from New York University Stern School of Business in 2010.

She is passionate about innovation and enhancing customer experiences, believing that modern banking extends beyond financial services to designing transformative products and solutions that improve people's lives.

Committee Memberships:

Member	-	Executive Committee, Information Technology and Cybersecurity Committee
Alternate Member	-	Market Risk Committee

**Publicly listed company*

Manoj Varma is Senior Executive Vice President and Head of the Consumer Bank Group of UnionBank. He is also the Chairman of UnionBank Financial Services and Insurance Brokerage Philippines, Inc., and Director of PETNET, Inc. Prior to joining the Bank, he was the Country Business Manager of Citibank Philippines from 2018 to 2022. During his 30-year career with Citibank, he served in various business management across all functional units in finance, sales, credit, and marketing from Philippines, India, Taiwan, South Korea, and the United States of America. Mr. Varma graduated in bachelor's degree in mechanical engineering from New Delhi, India and obtained his MBA degree from Georgetown University, Washington DC.

Manish Chawla is Executive Vice President and Chief Technology and Operations Officer of UnionBank. Prior to joining the Bank, he was Site Head of Citigroup Business Process Solutions Pte. Ltd. He was the Head of Operations & Technology at Citibank Philippines from June 2019 to December 2022. Mr. Chawla has about twenty (20) years of experience handling various positions in the operations and technology functions of Citibank, specifically in collections and the project management office in Indonesia from 2005 - 2012 and then moved to Singapore to be part of the Regional Credit Operations in 2013. Before joining Citi, he spent five (5) years of his career in GE Capital and GE SBI Cards in collections and risk. Mr. Chawla has a Master of Finance and Control post graduate degree from the Kurukshetra University in India.

Atty. Isagani A. Cortes is Executive Vice President and Chief Compliance and Corporate Governance Officer of UnionBank. He is a highly experienced compliance professional with over two decades of demonstrated leadership in the banking and financial sector, particularly in regulatory and financial crime compliance, and corporate governance. He served as the Executive Vice President and Chief Compliance Officer of the Philippine National Bank* from 2019 to 2024 where he managed the bank's regulatory compliance and financial crime risk programs including its overseas branches and subsidiaries. Prior to this role, he was the Senior Vice President and Deputy Head of the Regulatory Affairs Group at Rizal Commercial Banking Corporation*. Atty. Cortes spent fourteen years at The Hongkong and Shanghai Banking Corporation, where he held various positions, including Senior Vice President of Legal and Compliance, Country Head of Regulatory and Financial Crime Compliance, and Country Head of Financial Crime Compliance (Band 3). In his last role with HSBC, he was a subject matter expert and risk steward on financial crime risk, implementing and overseeing controls on transaction monitoring and screening, customer due diligence, and acceptance and exit processes, among others. He has also worked as Vice President and Compliance Officer of East West Banking Corporation*, and as Assistant Vice President for Legal and Remediation Office of ABN-AMRO, Philippines.

Atty. Cortes obtained his Bachelor of Arts degree Major in English from the University of the East and his Bachelor of Laws degree from the University of the Philippines.

**Publicly listed company*

Ramon G. Duarte is Executive Vice President and Center Head of Transaction Banking of UnionBank. His previous role at the Bank includes Center Head of Transaction (2020 to 2021) and Platform Development Head (2006 to 2020). Before joining the Bank, he was previously Chief Technology Officer of Dotenable, Inc. from 2000-2001; Head of Electronic Banking Transaction Services at ABN AMRO Philippines from 1999 to 2000; and Assistant Vice President of Product Management under Global Transaction Services at Citibank from 1996 to 1999.

Antonino Agustin S. Fajardo is Executive Vice President and Center Head of Corporate Banking of UnionBank and serves as Director of First Union Insurance & Financial Agencies, Inc., a subsidiary of the Bank. He is also a Senior Credit Officer and has had broad experience in the corporate and consumer sectors of the Bank in various leadership roles. He headed the Mortgage Business from 2013 to 2017, and in the early years of the Bank from 1994 to 1998, also played key roles in the Specialized Lending Group, which was involved in general project finance and the on-lending of official development funds to key accounts. Prior to joining the Bank, he was Project Officer for the Private Development Corporation of the Philippines.

Manuel R. Lozano is Executive Vice President and Chief Financial Officer of UnionBank. He is currently a Director of the different subsidiaries of the Bank, namely, First Union Plans, Inc. (FUPI), UnionBank Financial Services Insurance Brokerage (UFSI), UnionBank Investment Management And Trust Corporation (UBIMTC), City Savings Bank, Inc. (CSB), and Chairman/Director of UBP Investments Corporation (UIC). He also served as Director of the Bank from May 2017 to April 2023. He was Senior Vice President and Chief Financial Officer of Aboitiz Equity Ventures, Inc.* from June 2015 to December 2022, and Aboitiz Power Corporation* from January 2014 to June 2015. He was also the Chief Financial Officer of the Aboitiz Power Generation Group and AP Renewables, Inc. from December 2008 to December 2013. Prior to joining the Aboitiz Group, Mr. Lozano was the Chief Financial Officer and Director of PAXYS, Inc. and held various positions in financial institutions including Jardine Fleming & CLSA.

**Publicly listed company*

Dennis D. Omila is Executive Vice President and Chief Transformation Officer of UnionBank. He was previously the Chief Technology and Operations Officer, Chief Information Officer and IT Services Group and Operations and Shared Services Group Head of the Bank. He was the former Senior Vice President of the Infrastructure Engineering and Service Operations cluster of Globe Telecom, Inc.* from 2014 to 2016. He was also the President and COO of NetX Technology Solutions, Inc. from 2002 to 2007. His certifications include Certified Information Systems Security Professionals (CISSP), Certified Check Point Security Instruction (CCSI), Certified Check Point Security Engineer (CCSE), Certified Check Point Security Administrator (CCSA), Vulnerability Assessment Specialist, Threat

Assessment Specialist, Certified Core and Edge ATM Network Specialist (Fore Systems), Certified Networks Administrator (Nortel Networks), Certified SINIX, IRIX, Solaris and BSD UNIX Administrator and Business Continuity Certified Planner (BCCP).

Mr. Omila is a graduate of De La Salle University with a degree in Bachelor of Science major in Computer Science with specialization in Computer Technology (BSCS-CT).

Committee Membership:
Non-Voting Member - Information Technology and Cybersecurity Committee

Publicly listed company

Michaela Sophia E. Rubio is Executive Vice President and Chief Human Resource Officer of Union Bank of the Philippines.

Prior to this, she was the Vice President and the Philippine Country Human Resource, Quality and Corporate Communications Head of the global electrical engineering and power company, Asea Brown Boveri. She was a Senior Consultant at OTi Consulting Singapore where she got involved with government and private organizations in establishing Singapore Quality Class, People Developer, Industry Capability Upgrading (ICAP) certifications, Work Life and Work Redesign. For these capabilities she was certified by SPRING Singapore. Before a career in Human Resource and Management Consulting, she worked as an engineer in the semiconductor and electronics manufacturing industry in the areas of Statistical Process Control and Quality Assurance. Michelle obtained a degree in Industrial Management Engineering, minor in Chemical Engineering from De La Salle University.

She was named as one of the Most Influential HR Executives in 2022 by CIO Views, and has won several Stevie Awards for Great Employers including a Gold Stevie Award as HR Thought Leader of the Year 2023.

Johnson L. Sia is Executive Vice President, Treasurer and Head of Global Markets of UnionBank. He was formerly the Head of Financial Markets of ING Philippines. He has twenty-eight (28) years of experience in treasury and financial markets from Citibank Philippines, Singapore and Korea. Mr. Sia started his banking career in Citibank by being part of the bank's Management Associate Program and rose from the ranks. He has broad treasury experience spanning risk management, sales, operations, product development and general treasury management, including balance sheet management.

He has been active in leading industry market issues in the Philippines as Vice Chair of the Open Markets Committee of the Bankers Association of the Philippines (BAP) as well as the Chairperson of the BAP's Benchmark Committee.

He graduated Magna Cum Laude and obtained his Bachelor of Science degree in Computer Science from Ateneo de Manila University. He obtained his Master of Science in Business Management from the Asian Institute of Management and finished his graduate studies with high distinction.

Mukul Sukhani is Executive Vice President and Head of Cards and Personal Loans of UnionBank. He is a seasoned banker and business leader in the area of credit cards and consumer loans. Prior to joining UnionBank, he was Senior Vice President for Business Development of Mastercard, responsible for India and Nepal. He managed all aspects of the Mastercard relationship with issuing partners in terms of profitability, product development and solutioning. He worked with product leads to identify new segments and product opportunities to broaden their reach and market penetration.

Prior to Mastercard, he was Director, Head of Credit Cards and Personal Loans in Citi Philippines from August 2018 – 2021. He held the same position in Citi Vietnam from 2015-2017 and as Head of Small

Business Payments Solutions in Citi India from 2011-2015. Early in his career, he worked as COO of Loyalty Management Insights Network and Exchange Pvt Ltd., a startup in the business of customer loyalty programs from 2009 - 2011. He was Director of American Express in Gurgaon from 2004-2009. He completed a post graduate course in Business Management from XLRI, Jamshedpur and gained a bachelor's degree in Chemical Engineering from Laxmi Narayan Institute of Technology, Nagpur University India.

Raymond Anthony B. Acosta is Senior Vice President and Head of Infrastructure and Service Management of UnionBank. He is responsible for the IT and Service Management operations and has led various infrastructure initiatives of the Bank. Prior to joining the Bank, he was Database Administrator/ Solutions Consultant of iASPire.Net Philippines. He served as LEAD Database Administrator/ Solutions Consultant of Active Business Solutions, Inc. He started his career as LEAD Database Administrator/ Solutions Consultant for DataCenter Operations and Services of Open Systems Operation Corporate Information Solutions, Inc.

Mr. Acosta graduated from Ateneo de Manila University with a degree in Bachelor of Science Major in Management Information Systems.

Atty. Arlene Joan Roxas Tanjuaquio-Agustin is Senior Vice President and Head of Private Banking Group of UnionBank. She is a Chartered Wealth Advisor and a Chartered Trust and Estate Planner. Atty. Agustin brings with her more than two decades of experience and expertise in Treasury and Trust. She started her career in banking in 1990 as a Trader in Asiatrust Bank, then moved to China Banking Corp.* as an Assistant Manager for Treasury. In 1997, she transferred to Jade Progressive Savings and Mortgage Bank where she became the Senior Assistant Vice President-Treasurer. After her two-year stint, she went to join Robinsons Bank and became its First Vice President, Head of Treasury and concurrent Head of Legal & Credit Administration. From 2007 to 2009, she worked for GE Money Bank where she was appointed as First Vice President and Treasurer. When GE Money Bank was acquired by BDO Unibank, Inc.*, she was appointed as the Customer Solutions Desk Head of the Treasury Capital Markets and Derivatives Division and at the same time served as the First Vice President and Treasurer of BDO Elite Savings Bank until 2011. In the same year, she joined Maybank Philippines, Inc. where she became the Senior Vice President, Treasurer and Head of Global Markets.

Atty. Agustin completed her Bachelor's degree in Political Science and Economics from the University of the Philippines, Diliman. She earned her Juris Doctor Law degree at the Ateneo De Manila University and later took her Master's degree in Business Administration at De La Salle University. She is a member of the Integrated Bar of the Philippines.

As part of her continuing endeavor for enhancing her skills as an industry Leader, she was trained by a Swiss-based Private Bank in Geneva on Wealth Management, Investments and Family Services. She represented the Philippines in various international forums in the Asia Pacific region as a recognized expert by her peers in the Private Banking Industry.

**Publicly listed company*

Atty. Joselito V. Banaag is Senior Vice President, Corporate Secretary, and General Counsel of UnionBank. He was the former Head of the Legal and Compliance Division and Corporate Governance of GT Capital Holdings, Inc.* from 2012 to 2015. He also previously worked at the Philippine Stock Exchange (PSE)* as the General Counsel and concurrently, as Chief Legal Counsel of the Securities Clearing Corporation of the Philippines (SCCP). He was also Officer-in-Charge of the Exchange's Issuer Regulation Division. Prior to that, he held various positions in SGV & Co., Cayetano Sebastian Ata Dado & Cruz Law Offices, PNOC Exploration Corporation, and Padilla Jimenez Kintanar & Asuncion Law Offices.

He earned his Bachelor of Arts in Political Science minoring in Japanese Studies from the Ateneo de Manila University and his Bachelor of Laws from the University of the Philippines.

**Publicly listed company*

Conrad Anthony Dominic L. Banal is Senior Vice President and Head of Global Markets Trading of UnionBank. Prior to joining the Bank, he worked with several banks: East West Banking Corporation* as Head of Dollar Fixed Income Trading; and Security Bank Corporation* as a Peso Fixed Income Trader. He started his career with Citibank N.A. as Business Process Analyst under its Regional Financial Control.

He is active in various industry-related associations. He was a Member of the Board of the Money Market Association of the Philippines (MART) from 2016-2024 and was President in 2023, and is currently President of ACI Philippines and has been a Member of the Board since 2022.

He obtained his Bachelor of Arts in European Studies from the Ateneo De Manila University, and his MBA from the William E. Simon Graduate School of Business at the University of Rochester. He is also a CFA charterholder.

**Publicly listed company*

Konstantin O. Beloglazov is Senior Vice President and Portfolio Lending Head of UnionBank. Prior to joining the Bank, he was the Consumer Lending Business Strategy & Development Head of Citibank N.A. He has 19 years of experience in Operations, Customer Engagement, Customer Lending and Project Implementation. Expert in call centre operations & productivity, Product & portfolio SME in cards, cash loans, instalments. He started his career with Citibank N.A. and has held various positions within Citibank. Mr. Beloglazov obtained his bachelor's degree in Linguistics from Sakhalin State University.

Ma. Cecilia Teresa S. Bernad is Senior Vice President and Corporate Banking Group Head of UnionBank. She has been with the Bank for thirty-three (33) years and started her career as Account Assistant under the Bank's Corporate Banking. Prior to joining the Bank, she was Credit Analyst of the International Corporate Bank and Corporate Customer Assistant of Citytrust Banking Corporation. Ms. Bernad graduated from the University of the Philippines with a degree in Bachelor of Arts in Economics.

Michael L. Chong is Senior Vice President and Head of Debt Capital Markets of UnionBank. He has around eighteen (18) years of experience in banking and finance. He was formerly the Managing Director, Head of Origination and Client Coverage at China Bank Capital Corporation where he is responsible for deal origination and primary client relationship management, managing fee income targets, client service delivery, and ensuring timely deal execution. Prior to this, he was with HSBC Philippines for seven (7) years as Vice President of Debt Capital Markets. He has led key landmark transactions in both the onshore and offshore capital markets for the Philippine issuers. Mr. Chong graduated from the Ateneo de Manila University with a BS Management Engineering degree.

Antonio Sebastian T. Corro is Senior Vice President and Chief Cross-Sell Officer of UnionBank. Prior to joining the Bank, he held various positions from 2001 to 2017 in MasterCard Asia/Pacific Pte. Limited such as Country Manager in Thailand & Myanmar, leading the execution of business development strategies to expand MasterCard products and services throughout Thailand and Myanmar; Country Manager and Chief Representative in Indochina Region, guiding the member banks across the Indochina region Vietnam, Cambodia, Laos and Myanmar, through the execution of franchise related activities, among others; and Vice President for Operations and Member Relations in the Philippines. He also held various positions in Standard Chartered Bank from 1997-2001 and

Citibank N.A. Philippines from 1996-1997. Mr. Corro has a degree on Administracion de Recurcos Fisicos Y Financieros from Colegio Universitario Fermin Toro, Venezuela.

Albert Raymond C. Cuadrante is Senior Vice President, Chief Customer Experience, and Chief Marketing Officer of UnionBank. He is the current Chairman and formerly the President of Acumen Strategy Consultants, providing consultancy services focused on strategy, transformation and capability building to enable higher business performance. He also sits as a Member of the Board of Trustees of the Digital Marketing Association of the Philippines (DMAP) and the Advisory Board of the Asia Pacific Tambuli Awards. He is also presently a part-time Marketing faculty lecturer at the Ateneo De Manila University JG School of Management. Mr. Cuadrante has over 30 years of collective experience in the field of digital commerce, brand management and marketing. In 2008, he joined Jollibee Foods Corporation* and handled various positions from Marketing Director for Red Ribbon, Vice President and Marketing Head of Jollibee, President for Greenwich, and established and headed the Digital Commerce and Customer Loyalty division for the Philippines, which was tasked to lead the digital transformation for customer-facing touchpoints. He was the recipient of the 2013 Asia Pacific Tambuli Chief Marketing Officer of the Year award, the 2023 Top 10 CMOs from the Philippines by CEO Insights Asia and the 2022 10 Most Inspiring CMOs by C Level Focus and most recently awarded as 2024 CMO of the Year by Marketech APAC. He started his Marketing career at Procter & Gamble Philippines. Mr. Cuadrante graduated Bachelor of Science Major in Management Engineering (Honors Program) from Ateneo De Manila University.

**Publicly listed company*

Gerard R. Darvin is Senior Vice President and Sales Head of Corporate Solutions under Transaction Banking Center of UnionBank. He has held other roles in the Bank from 2000-2010 initially as a Relationship Manager in Retail Banking Center until he assumed the role of Director of Sales covering several regional areas. Prior to joining the Bank, he had extensive experience in Retail Banking Sales as a Branch Manager in Philam Savings Bank (an AIG company) from 1996 to 2000 and a Sales Officer in Citytrust Banking Corporation from 1992-1996. He started his banking career at Urban Bank, a mid-sized bank known for private banking in 1990 as a Sales Associate. Mr. Darvin graduated with a Bachelor of Arts degree in Political Science at the Ateneo de Manila University in 1990.

Carlo I. Eñanosa is Senior Vice President and Head of Corporate Planning and Investor Relations of UnionBank. He also served as Treasurer of UBX Philippines Corporation, a wholly-owned subsidiary of the Bank. He joined the Bank in 2015 as Assistant Vice President and Head of Strategic Risk Management Division and then held the role of Vice President and Head of Budget and Planning Division. Prior to joining the Bank, he was Senior Assistant Vice President and Head of Strategic Management Department of East West Banking Corporation*. He had been a Project Management Officer for Citigroup Business Service – Asia. He also worked with International Exchange Bank from 1998-2006 and held roles as Methods Analyst and Investments & Capital Budgeting Officer. Mr. Eñanosa graduated from De La Salle University with a Bachelor's degree in Industrial Engineering Minor in Mechanical Engineering.

**Publicly listed company*

Rear Admiral Rommel Jason L. Galang PN, (Ret.) is Senior Vice President and Chief Security Officer of UnionBank. Prior employment in UnionBank, he is a senior officer of the Philippine Navy where he held various position. Rear Admiral Galang is a distinguished military officer with over 38 years of active service and exhibits exceptional standard of excellence, fine leadership acumen, a notable innovator in navy modernization and perspective vision. He has expertise in the field of strategic and tactical planning, operations and research, project management on the Philippine Navy Modernization program, and special operations. His notable position while on active service was the former Commander of the Naval Sea Systems Command; Commander, Naval Forces West; Deputy Commander, Philippine Fleet; Commander, Littoral Combat Force; Chief of United Command Staff, Western Command, AFP; Director, Naval Research and Technology Development Center; and Commander of the Naval Special Operations Group (Navy seals).

Rear Admiral Galang PN (ret) is a recipient of the Philippine Legion of Honors medal given by president Rodrigo Duterte, and the Order of Lakandula (rank of Commander) given by President Gloria Macapagal arroyo, He also received Four Distinguished Service Star, Two Distinguished Navy Cross, Two Meritorious Achievement Medal, One Distinguished Service Medal, One Gawad sa kaunlaran Medal, Five Bronze Cross medal, Two Silver Wing medal, Thirty Three Military Merit Medal, Two Military Civic Action Medal, Seven Military Commendation Medal, and Ten more assorted medals making him one of the few Navy Officers who received more than 50 different medals throughout his Naval Career. He is a graduate of the Philippine Military Academy Class of 1987 and obtained his master's degree in Management (Public Administration) from the Philippine Christian University.

Erika Denise D. Go is Senior Vice President and Deputy Head for Transaction Banking Center of UnionBank. She has been in the banking and finance industry for over a decade holding various posts in both Manila and Hong Kong for Citibank, the French investment bank CA. She is a SEC-certified Trader and Head of the Fintech Business Group, prior to joining the Transaction Banking Center, and has had vast experience in Finance specifically in the field of Debt and Capital Markets, FX Sales Trading, Derivative Structuring and Corporate Banking and Investment Banking. She was a News Anchor for Bloomberg Philippines and hosted the headlines for some of its daily business news programs.

Ms. Go graduated with special mention from Ateneo de Manila University with a degree in Management and a minor in International Business. She also took further studies in Oxford University's Saïd Business School under their Fintech Program.

Simran Khanna is Senior Vice President and Head of Consumer Risk of UnionBank. She is a seasoned business leader with over 23 years of extensive experience in the areas of Credit Lending, P&L Strategy formulation, end-to-end Technology Implementation, and Analytic Service Delivery. Her career spans across Risk/Collections Strategy and Marketing, with notable achievements in senior stakeholder management, team leadership, and fostering innovation. Prior to joining the Bank, she was part of Citibank as a Credit Risk Review Head in North Americas where she led the credit risk and audit function for Secured Products managing credit risk, and prior to this role, she was assigned as Head for Unsecured Lending Policy and Portfolio Management in India and Head for Credit Risk Review in APAC and EMEA. She had a 3-year stint in Standard Chartered Bank, Singapore as Head of Retail Banking Unsecured Lending where she successfully developed risk decision framework and conducted portfolio shaping and stress testing. In Genpact LLC, India, she handled Retail Consumer Finance Collections Strategy Analytics and Implementation. Earlier in her career, she led the Marketing Models and strategy at the Analytics Center of Excellence in GE Capital International Services Consumer and Commercial businesses.

She graduated from Sri Ram College of Commerce with a degree in BA Economics in 1999 and from Delhi School of Economics with post graduate degree in MA Economics and Econometrics in 2001. She earned her Global Executive MBA from INSEAD in 2018 and Certificate in Machine Learning and AI from John Moores University in 2022.

Concepcion Perla P. Lontoc is Senior Vice President and Head of Retail Banking of UnionBank. Prior to this, she was Sales Director and Deputy Head for Retail Banking Center until December 31, 2024; and First Vice President and Sales Director from July 2016 to June 2020. She started her career with the Bank as Assistant Manager/ Sales Officer in May 1996. She graduated with a degree in BS Economics from the University of the Philippines Diliman in 1989.

Michael P. Magbanua is Senior Vice President and Head of Corporate and Digital Operations of UnionBank. He was First Vice President and Head of Operations and Shared Services Group of the

Bank from July 2019 to July 2021 and Head of Customer Engagement Group April 2017 to July 2019. From 2014 to 2016, he served as President & CEO of Price Solutions Philippines, Inc, a Standard Chartered Group Company. Prior to this, he held various positions in Sales and Distribution with Citibank N.A. Philippines and its affiliates. He was Marketing Manager, and Operations Special Projects & Front-end Collection Manager in Equitable Cardnetwork, Inc.

Mr. Magbanua graduated from the De La Salle University with Bachelor's degree in Business Administration Major in Computer Application. He obtained his MBA from the University of the Philippines.

Ana Jania F. Mañalac is Senior Vice President and Head of Data Science and Analytics of UnionBank. Prior to this role, she was the Head of Data Group and Head of Data Ventures and Insights. She is responsible for providing business intelligence, analytics, data science and model validation support to various business units across the Bank. Before joining the Bank, she was the Head of Data and Analytics for Citibank Philippines from 2019-2022. She also held multiple roles within Citibank Consumer Risk Management from 2002-2019. She graduated with a Bachelor's degree in Statistics from the University of the Philippines in 1998.

Dave T. Morales is Senior Vice President and Head of Mortgage Finance Business of UnionBank. He joined the Bank as Relationship Manager and then assumed the role of Sales Director. He started his career as Merchants Specialist Acquiring of FarEast Bank & Trust Company. He has also worked with Bank of the Philippine Islands* as Merchants Sales Acquiring. Mr. Morales is conferred a Doctor of Philosophy in Commerce and earned his Master's degree in Business Administration both from the University of Santo Tomas.

**Publicly listed company*

Jose Maria O. Roxas is Senior Vice President and Sales Director of UnionBank. He started his career with the Bank as Foreign Exchange Trader in 1999 and then transferred to Retail Banking Group as Relationship Manager in 2007. In 2011, he was promoted as Sales Director for the Bank's Metro Central Region and for Ortigas Central Business district. Mr. Roxas graduated Cum Laude with a degree in Bachelor of Science in Business Management from De La Salle – College of St. Benilde.

Raquel N. Sevidal is Senior Vice President and Head of Commercial Banking of UnionBank. She has been the Deputy Head for Commercial Banking and the Chief Wholesale Credit Officer of the Bank. She has more than twenty-four (24) years of experience in the banking industry. She was formerly First Vice President and Sub-Group Head - Countryside of the Commercial Banking Group of Metropolitan Bank and Trust Company* ("MBTC"). During her stint in MBTC, she also held the position of Division Head of Credit Group from and a Designated Senior Credit Officer; served as Vice Chairman of Credit Committee and as member of Non-Performing Asset Committee. She started her career as Relationship Manager of Equitable PCIBank.

Ms. Sevidal graduated with a Bachelor of Science degree in Psychology from the University of Santo Tomas and holds a Master's degree in Business Administration at De La Salle University.

**Publicly listed company*

Gautam Sharma is Senior Vice President. He is Retail Bank Sales Network Head of UnionBank. He has a 17-year track record of success in financial services and is a result-oriented professional with experience across business strategy, portfolio management, sales & marketing, and digital banking. Prior to joining the Bank, he was Senior Vice President in Regional Retail Bank for APAC & EMEA of Citibank, N.A. He started his career with Citibank N.A. in 2007 and has held various positions within Citibank across India, Philippines, and Singapore.

He graduated with a Bachelor's degree in Technology (Mechanical Engineering) from Punjab Technical University and obtained his Master's in Management Studies (Marketing) from the University of Mumbai.

Ma. Cristina C. Tismo is Senior Vice President, Chief Information Officer, Head of Information Technology & Services Group, and Head of Platforms and Solutions Delivery Management of UnionBank. She has over 20 years of experience in Information Technology. She started her career in the Bank as a Junior Programmer. Her role in leading the overall strategy and execution for application development, technical integration architecture, and quality assurance is paramount. Notably, she has exhibited remarkable leadership as the Bank's Lean Systems Engineering Head and more recently as Solutions Delivery Head. Her invaluable experience, expertise, and an illustrious track record set her on a course to lead the Bank into a new era of technological improvements. Ms. Tismo graduated from the University of the Philippines with a Bachelor's degree in Mathematics.

Jeannette Yvonne M. Zagala is Senior Vice President and Global Markets Sales Head of UnionBank. Prior to joining the Bank in November 2017, she was First Vice President and Distribution Group Head of East West Banking Corporation*. She has extensive experience with distribution of investment and foreign exchange sales, fixed income securities and UITF products to difference market segments, among other. Ms. Zagala's leadership positions have included serving as Vice President and Fixed Income Products and Trading Desk Head of Citicorp Financial Services and Insurance Brokerage Phils., Inc. from July 2010 to January 2015, Senior Assistant Vice President and Fixed Income Asian Credit Portfolio of Banco De Oro Universal Bank* from February 2007 to July 2010. She started her career as Money Market Trader from The Philippine Banking Corporation, and later joined the Metropolitan Bank and Trust Company* as US$/PhP Swap and Forward Trader. She held various positions with the National Association of Securities Brokers, Inc.

**Publicly listed company*

Norman C. Gabriel is Senior Vice President and Chief Audit Executive of UnionBank. He is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA) and also holds certifications in Risk Management Assurance (CRMA) and Controls Self-Assessment (CCSA). He has more than 20 years of audit, operations and financial controllership experience from consumer goods, consumer electronics, banking and other industries. He previously worked as Country Controller for Accenture and Internal Audit Head at Goodyear Tires Asia Pacific and Samsung Electronics Philippines. He spent most of his career in Procter & Gamble, majority of which doing regional and global roles in the Internal Audit function. While at P&G, he also held roles in Credit Risk, Revenue and Trade Fund Management in the Asia HQ in Singapore. His early audit experience includes stints in KPMG, Security Bank Corporation* and UnionBank. Mr. Gabriel obtained his Bachelor of Science degree in Accountancy from De La Salle University.

**Publicly listed company*

Edgar Allan G. Oblena is Senior Vice President and Financial Controller of UnionBank. He also sits as Director of UBP Investments Corporation, a subsidiary of the Bank. Mr. Oblena was Vice President and Local Regulatory Reporting Head of Citibank N.A prior to joining the Bank in 2020. He also held position in ING Bank N.V. Manila Branch as Assistant Vice President and Head of Regulatory and Tax Accounting Services. He started his career as Audit Staff until he was promoted as Associate Director at E&Y Sycip Gorres Velayo & Co.

Mr. Oblena is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. He holds a Bachelor of Science degree in Accountancy from the University of Santo Tomas.

Jose Paolo G. Rufo is Senior Vice President, Chief Information Security Officer, and Data Protection Officer of UnionBank. Mr. Rufo is a Certified Information Systems Security Professional and Founding Member and Treasurer of ISC2 Philippine Chapter. Prior to joining the Bank, he was Head of Data Privacy and Information Security Governance, and formerly served as Head of Data Management and Development of Globe Telecom, Inc.* from 2010 to 2018. He also served under the Government Service Insurance System as the Head of SAP and Database Administration Unit from 2009 to 2010. Mr. Rufo graduated with the degree in BS Statistics from the University of the Philippines - Diliman.

**Publicly listed company*

Atty. Buenaventura S. Sanguyo, Jr. is Senior Vice President, Deputy Head of the Legal Division and Assistant Corporate Secretary of UnionBank. He is also the Corporate Secretary of various subsidiaries of the Bank. Prior to joining the Bank, he was the Assistant Vice President and General Counsel of The Philippine Stock Exchange, Inc.* from 2012 to 2015. He was previously a Partner at Castro Sanguyo Margarejo and Rosas Law Office. He was also engaged as an Associate of Reyes Francisco & Associates Law Office and Senior Tax Consultant at Isla Lipana & Co./ Pricewaterhouse Coopers.

He graduated Cum Laude from the University of Santo Tomas with a degree in Bachelor of Arts in Political Science and obtained his Law degree from the University of the Philippines.

**Publicly listed company*

Therese G. Chan is the Head of Wealth and Brokerage of UnionBank. She serves as Director of UnionBank Financial Services and Insurance Brokerage Inc. (UFSI). Prior to joining the Bank, she was Retail Bank Director of Citibank N.A. Philippines. She also held various roles with Citibank N.A. Philippines such as Consumer Sales & Distribution Director from 2016-2019, and Senior Vice President, and Cards and Loans Sales Head (2012-2015) and CitiPhone Head (2010-2011), among others. Ms. Chan holds a Bachelor of Science degree in Broadcast Communication minor in Economics from the University of the Philippines – Diliman, Quezon City.

Erwin Wiriadi is the Chief Risk Officer of UnionBank since 2022. Prior to joining the Bank, he was the Director and Head of Consumer Risk Management of Citibank N.A. Philippines from 2017 to 2022 and was also a TransUnion Philippines Board of Director member representing Citibank. He held various capacities relating to Risk Management in Citibank N.A. Indonesia for over 20 years prior being assigned to the Philippines. He held Senior Credit Officer entitlement since 2005 during his stint in Citibank N.A. Indonesia and had international exposures through risk reviews/audits and short-term assignment. Mr. Wiriadi graduated from The Ohio State University, Columbus, Ohio with a degree in MSc Industrial and Systems Engineering in 1995.

c) Significant employee

No person who is not an executive officer of the Bank is expected to make a significant contribution to UnionBank.

d) Family Relationship among Directors

Messrs. Erramon I. Aboitiz, Sabin M. Aboitiz and Iker M. Aboitiz, a nominee as director for election, are siblings and are related within the 4th degree of consanguinity. Mr. Samel A. Aboitiz is the son of Mr. Sabin M. Aboitiz and thus, are related to each other within the 4th degree of consanguinity.

Other than the foregoing, there are no directors or officers related within the 4th degree either by consanguinity or affinity.

Item 10 - Compensation of Directors and Executive Officers

Information as to the aggregate compensation paid or accrued during the last two calendar years and to be paid in the ensuing calendar year to the Bank's Chief Executive Officer and four (4) other most highly compensated executive officers are as follows:

Name	Principal Position	Year	Aggregate Compensation (net of bonuses)	Bonuses
Ana Maria A. Aboitiz Manoj Varma Michaela Sophia E. Rubio Dennis D. Omila Manuel R. Lozano	President and Chief Executive Officer Senior Executive Vice President - Consumer Bank Head Executive Vice President – Chief Human Resource Officer, Head of Corporate Social Responsibility Executive Vice President – Chief Transformation Officer Executive Vice President – Chief Financial Officer	2025	₱125,736,399.00*	₱27,040,073.41*
Edwin R. Bautista Manoj Varma Ana Maria A. Aboitiz Dennis D. Omila Manuel R. Lozano	President and Chief Executive Officer Senior Executive Vice President - Consumer Bank Head Senior Executive Vice President - Institutional Banking Head and Chief Customer Experience and Digital Channel Officer Executive Vice President – Chief Technology and Operations Officer Executive Vice President – Chief Financial Officer	2024	₱159,833,655.48	₱35,564,387.53
Edwin R. Bautista David Roi Hardoon	President and Chief Executive Officer Chief Data and AI Officer	2023	₱162,928,587.48	₱27,866,137.45

Manoj Varma Dennis D. Omila Manuel R. Lozano	Senior Executive Vice President - Consumer Bank Head Executive Vice President – Chief Technology and Operations Officer Executive Vice President – Chief Financial Officer			
All other officers & directors as a group unnamed		2025 2024 2023	₱6,257,662,111.19 * ₱5,903,454,822.35 ₱5,122,720,231.32	₱1,198,363,049.87* ₱1,130,531,179.12 ₱1,084,101,672.47

*estimated amount

The non-executive directors each receive a per diem of ₱160,000.00 for attendance in meetings of the Board, except for the Chairman of the Board who receives ₱240,000.00. The executive directors receive a per diem of ₱1,500.00 for attendance at Board meetings and ₱3,000.00 for each committee meeting.

The Chairman of each committee receives a per diem of ₱120,000.00 per meeting attended and a committee member receives a per diem of ₱80,000.00. The per diems and bonuses of some directors who represent institutional shareholders are received by said directors for and on behalf of their respective institutions.

For 2024, the total annual compensation paid to the directors amounted to ₱383,348,273.99. To avoid security concerns, the Bank decided to disclose the annual compensation on an aggregate basis.

An action is to be taken by the stockholders to approve the increase in the per diem for Non-Executive and Independent Directors for attending the Regular Board of Directors' meetings and Board Committee meetings, and the Directors' Fee of Independent Directors, as endorsed by the Board of Directors of the Bank. The details of the increase are as follows:

In PHP for attendance to meetings	**Current**	**Proposed**
A. Regular Board Meeting		
Chairman	240,000	300,000
Member	160,000	200,000
B. Board Committee Meeting		
Chairman	120,000	180,000
Member	80,000	120,000
C. Independent Directors Fees	2,000,000	2,400,000

Applicable taxes will be applied to Board of Directors per diems.

The approval of the increase is being requested based on the independent study of the Human Resources Group using market information and a study on the remuneration and benefits survey of publicly listed companies.

The executive officers receive salaries and bonuses which are covered by the Bank's standard employment contract.

UnionBank Employee Stock Plan

The UnionBank Employee Stock Plan ("ESP") allows selected employees of the Bank stock ownership of shares to align the interest of management and shareholders for the long-term success of the Bank. Up to five million (5,000,000) common shares ("ESP Shares") of the Bank to be granted once per annum, over a 5-year period, to eligible employees of the ESP with the rank of First Vice President and Up. The ESP was issued in the form of stock certificates and kept under the Bank's custody for a period of three (3) years. The issue price of the grant was equivalent to the closing price of common shares of UnionBank's stock on the day the Board of Directors approves the Profit Sharing/ Performance Bonus allocation for the Bank for the year. From 2019 to 2023, a total of 3,627,044 shares were issued to eligible employees out of the 5,000,000 common shares of the ESP over the 5-year period. The last tranche of the issuance of shares under the ESP was on February 6, 2023.

Item 11 - Security Ownership of Certain Beneficial Owners and Management

(a) Security Ownership of Certain Record and Beneficial Owners:

The following are known to the registrant to be directly or indirectly the record or beneficial owners of more than 5 percent of registrant's voting securities (registrant has only one class of voting security, i.e. common shares) as of March 31, 2025:

Title of Class	Name, address of Record Owner & Relationship with Issuer	Name, address of Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percent of Class
Common	Aboitiz Equity Ventures, Inc. NAC Tower, 32nd Street Bonifacio Global City Taguig City Principal Shareholders	Aboitiz Equity Ventures, Inc. NAC Tower, 32nd Street Bonifacio Global City Taguig City	Filipino	1,657,857,164*	49.99%
Common	Social Security System East Avenue, Diliman Quezon City Principal Shareholders	Social Security System East Avenue, Diliman Quezon City	Filipino	608,578,475*	18.35%
Common	The Insular Life Assurance Co., Ltd. Insular Life Corporate Center Insular Life Drive Filinvest, Alabang, Muntinlupa City Principal Shareholders	The Insular Life Assurance Co., Ltd. Insular Life Corporate Center Insular Life Drive Filinvest, Alabang, Muntinlupa City	Filipino	411,850,506*	12.42%
Common	PCD Nominee Corporation 37/F Tower 1 Enterprise Center 6766 Ayala Avenue, Makati City Minority Shareholders	PCD Nominee Corporation** 37/F Tower 1 Enterprise Center 6766 Ayala Avenue, Makati City	Filipino	396,078,582	11.94%

* Inclusive of PCD-Lodged Shares. Based on previous meeting, Mr. Samel A. Aboitiz has been authorized representative for Aboitiz Equity Ventures, Inc., Mr. Raoul Antonio E. Littaua for The Insular Life Assurance, Co., Ltd., and Mr. Rolando L. Macasaet for Social Security System.
** The PCD Nominee Corporation, represented by its Director, Josephine F. Dela Cruz, only holds legal title, and not beneficial ownership over the lodged shares. As of the December 31, 2024 list of PCD participants, Social Security System (326,898,792 shares or 9.86%) hold more than 5% of the Bank's voting securities under the names of various beneficial owners.

(b) Security Ownership of Management

The following are the number of shares comprising the Bank's capital stock (all of which are voting shares) owned of record by the directors, Chief Executive Officer, key officers of the Bank, and nominees for election as director as of March 31, 2025:

Title of Class	Name of Beneficial Owner	Number of Shares, Amount, and Nature of Legal and Beneficial Ownership			Citizenship	Percentage of Class
A. Directors						
Common	Erramon I. Aboitiz	505 39,359,310	₱5,050.00 ₱393,593,100.00	(r) (b)	Filipino	0.00% 1.19%
Common	Justo A. Ortiz	2,701 5,636,974	₱27,010.00 ₱56,369,740.00	(r) (b)	Filipino	0.00% 0.17%
Common	Sabin M. Aboitiz	1,611 5,603,050	₱16,110.00 ₱56,030,500.00	(r) (b)	Filipino	0.00% 0.17%
Common	Ana Maria A. Delgado	167,092 5,268,449	₱1,670,920.00 ₱52,684,490.00	(r) (b)	Filipino	0.00% 0.16%
Common	Samel A. Aboitiz	- 2,430,468	- ₱24,304,680.00	(r) (b)	Filipino	0.00% 0.07%
Common	Jose Emmanuel U. Hilado	307,361 773,109	₱3,073,610.00 ₱7,731,090.00	(r) (b)	Filipino	0.01% 0.02%
Common	Nina Perpetua D. Aguas	1 -	₱10.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Robert Joseph M. De Claro	1 -	₱10.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Victor Alfonso A. Limlingan	1 -	₱10.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Roberto G. Manabat	102 -	₱1,020.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Manuel D. Escueta	102 -	₱1,020.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Josiah L. Go	102 59,562	₱1,020.00 ₱595,620.00	(r) (b)	Filipino	0.00% 0.00%
Common	Atty. Francisco Ed. Lim	- 13,636	- ₱136,360.00	(r) (b)	Filipino	0.00% 0.00%
Common	Honorio G. Poblador IV	102 -	₱1,020.00 -	(r) (b)	Filipino	0.00% 0.00%
B. Officers						
Common	Ramon G. Duarte	47,052 343,282	₱470,520.00 ₱3,432,820.00	(r) (b)	Filipino	0.00% 0.01%
Common	Antonino Agustin S. Fajardo	436,698 523,252	₱4,366,980.00 ₱5,232,520.00	(r) (b)	Filipino	0.01% 0.02%
Common	Manuel R. Lozano	- 69,323	- ₱693,230.00	(r) (b)	Filipino	0.00% 0.00%
Common	Dennis D. Omila	205,376 -	₱2,053,760.00 -	(r) (b)	Filipino	0.01% 0.00%
Common	Michaela Sophia E. Rubio	219,972 -	₱2,199,720.00 -	(r) (b)	Filipino	0.01% 0.00%

Common	Raymond Anthony B. Acosta	16,766 7,611	₱167,660.00 ₱76,110.00	(r) (b)	Filipino	0.00% 0.00%
Common	Arlene Joan T. Agustin	20,223 11,197	₱202,230.00 ₱111,970.00	(r) (b)	Filipino	0.00% 0.00%
Common	Joselito V. Banaag	14,958 14,512	₱149,580.00 ₱145,120.00	(r) (b)	Filipino	0.00% 0.00%
Common	Antonio Sebastian T. Corro	49,094 5,372	₱490,940.00 ₱53,720.00	(r) (b)	Filipino	0.00% 0.00%
Common	Albert Raymond C. Cuadrante	8,016 2,346	₱80,160.00 ₱23,460.00	(r) (b)	Filipino	0.00% 0.00%
Common	Gerard R. Darvin	95,017 -	₱950,170.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Joebart T. Dator	55,393 -	₱553,930.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Montano M. Dimapilis	25,612 13,520	₱256,120.00 ₱135,200.00	(r) (b)	Filipino	0.00% 0.00%
Common	Carlo I. Eñanosa	17,642 54,052	₱176,420.00 ₱540,520.00	(r) (b)	Filipino	0.00% 0.00%
Common	Concepcion Perla P. Lontoc	30,124 12,714	₱301,240.00 ₱127,140.00	(r) (b)	Filipino	0.00% 0.00%
Common	Michael P. Magbanua	8,770 4,453	₱87,700.00 ₱44,530.00	(r) (b)	Filipino	0.00% 0.00%
Common	Dave T. Morales	21,544 -	₱215,440.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Raquel P. Palang	77,589 45,054	₱775,890.00 ₱450,540.00	(r) (b)	Filipino	0.00% 0.00%
Common	Ruby Gisela L. Perez	16,351 4,507	₱163,510.00 ₱45,070.00	(r) (b)	Filipino	0.00% 0.00%
Common	Jose Maria O. Roxas	25,872 9,628	₱258,720.00 ₱96,280.00	(r) (b)	Filipino	0.00% 0.00%
Common	Raquel N. Sevidal	3,625 467	₱36,250.00 ₱4,670.00	(r) (b)	Filipino	0.00% 0.00%
Common	Jeannette Yvonne M. Zagala	12,913 15,792	₱129,130.00 ₱157,920.00	(r) (b)	Filipino	0.00% 0.00%
Common	Donald A. Asuncion	2,569 -	₱25,690.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Alan Jay C. Avila	1,915 513	₱19,150.00 ₱5,130.00	(r) (b)	Filipino	0.00% 0.00%
Common	Conrad Anthony Dominic L. Banal	9,180 34,467	₱91,800.00 ₱344,670.00	(r) (b)	Filipino	0.00% 0.00%
Common	Ronaldo S. Batisan	965 105	₱9,650.00 ₱1,050.00	(r) (b)	Filipino	0.00% 0.00%
Common	Ma. Cecilia Teresa S. Bernad	70,058 58,076	₱700,580.00 ₱580,760.00	(r) (b)	Filipino	0.00% 0.00%
Common	May G. Buencamino	990 -	₱9,900.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Catherine Anne B. Casas	20,638 7,268	₱206,380.00 ₱72,680.00	(r) (b)	Filipino	0.00% 0.00%

Common	Wilbert P. Casillano	1,456 -	₱14,560.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Luis Alberto A. Castañeda	23,876 14,864	₱238,760.00 ₱148,640.00	(r) (b)	Filipino	0.00% 0.00%
Common	Efrenilo L. Cayanga, Jr.	9,003 -	₱90,030.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Abigail Sarena T. Chua	1,607 588	₱16,070.00 ₱5,880.00	(r) (b)	Filipino	0.00% 0.00%
Common	Luis Martin S. Clemente	953 -	₱9,530.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Hannah Theresa S. Contreras	71,050 -	₱710,500.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Antonio Miguel D. Dans II	967 19,455	₱9,670.00 ₱194,550.00	(r) (b)	Filipino	0.00% 0.00%
Common	Jonathan Jerald V. Deomano	4,706 2,255	₱47,060.00 ₱22,550.00	(r) (b)	Filipino	0.00% 0.00%
Common	Gladys G. Enriquez	801 -	₱8,010.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Edric B. Fernandez	695 3,089	₱6,950.00 ₱30,890.00	(r) (b)	Filipino	0.00% 0.00%
Common	Marilou I. Ferrer	515 -	₱5,150.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Norman C. Gabriel	4,349 2,000	₱43,490.00 ₱20,000.00	(r) (b)	Filipino	0.00% 0.00%
Common	Rommel Jason L. Galang	1,466 -	₱14,660.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Erika Denise D. Go	2,658 -	₱26,580.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	James Morris P. Ileto	1,219 150	₱12,190.00 ₱1,500.00	(r) (b)	Filipino	0.00% 0.00%
Common	Mariano Dominick F. Lacson	20,030 -	₱200,300.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Adrian H. Lim	8,622 3,257	₱86,220.00 ₱32,570.00	(r) (b)	Filipino	0.00% 0.00%
Common	Angelbert D.G. Macatangay	9,048 23,154	₱90,480.00 ₱231,540.00	(r) (b)	Filipino	0.00% 0.00%
Common	Kenneth C. Mariano	753 -	₱7,530.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Ma. Eloisa Jovita M. Mariano	8,441 6,353	₱84,410.00 ₱63,530.00	(r) (b)	Filipino	0.00% 0.00%
Common	Don Jerico B. Matriano	1,235 -	₱12,350.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Wilfredo P. Montino, Jr.	2,339 -	₱23,390.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Edgar Allan G. Oblena	753 -	₱7,530.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Christopher Patrick G. Ocampo	10,104 3,864	₱101,040.00 ₱38,640.00	(r) (b)	Filipino	0.00% 0.00%

Common	Lauro P. Peralta	5,756	₱57,560.00	(r)	Filipino	0.00%
		2,964	₱29,640.00	(b)		0.00%
Common	Maria Iraida B. Recto	1,941	₱19,410.00	(r)	Filipino	0.00%
		250	₱2,500.00	(b)		0.00%
Common	Maria Katrina N. Roxas	-		(r)	Filipino	0.00%
		200	₱2,000.00	(b)		0.00%
Common	Jose Paolo G. Rufo	3,820	₱38,200.00	(r)	Filipino	0.00%
		-	-	(b)		0.00%
Common	Quintin C. San Diego, Jr.	5,153	₱51,530.00	(r)	Filipino	0.00%
		17,494	₱174,940.00	(b)		0.00%
Common	Christine V. Siapno	8,214	₱82,140.00	(r)	Filipino	0.00%
		898	₱8,980.00	(b)		0.00%
Common	Jose Paulo R. Soliman	1,921	₱19,210.00	(r)	Filipino	0.00%
		-	-	(b)		0.00%
Common	Ben P. Sy Chu	2,391	₱23,910.00	(r)	Filipino	0.00%
		95,312	₱953,120.00	(b)		0.00%
Common	Leslie May S. Tandoc	965	₱9,650.00	(r)	Filipino	0.00%
		123	₱1,230.00	(b)		0.00%
Common	Ma. Cristina C. Tismo	3,483	₱34,830.00	(r)	Filipino	0.00%
		954	₱9,540.00	(b)		0.00%
Common	Jo-Ann Fatima L. Tolentino	7,363	₱73,630.00	(r)	Filipino	0.00%
		293,608	₱2,936,080.00	(b)		0.01%
Common	Menchie M. Tormon	4,582	₱45,820.00	(r)	Filipino	0.00%
		2,519	₱25,190.00	(b)		0.00%
Common	Maria Paz B. Urmatam	7,520	₱75,200.00	(r)	Filipino	0.00%
		1,381	₱13,810.00	(b)		0.00%
Common	Dominador N. Velasco IV	3,511	₱35,110.00	(r)	Filipino	0.00%
		-	-	(b)		0.00%
Common	Jane Ann C. Vergara	979	₱9,790.00	(r)	Filipino	0.00%
		-	-	(b)		0.00%
Common	Anna Lea O. Axalan	-	-	(r)	Filipino	0.00%
		11,492	₱114,920.00	(b)		0.00%
Common	Edzel S. Babas	12,707	₱127,070.00	(r)	Filipino	0.00%
		31,284	₱312,840.00	(b)		0.00%
Common	Margaret O. Chao	73,810	₱738,100.00	(r)	Filipino	0.00%
		9,528	₱95,280.00	(b)		0.00%
Common	Michael Vincent F. Condez	-	-	(r)	Filipino	0.00%
		54,620	₱546,200.00	(b)		0.00%
Common	Gillian Justine S. Pua	-	-	(r)	Filipino	0.00%
		266	₱2,660.00	(b)		0.00%
Common	Marnita J. Tan	-	-	(r)	Filipino	0.00%
		1,200	₱12,000.00	(b)		0.00%
Common	Ronald Gerard M. Arceo	-	-	(r)	Filipino	0.00%
		2	₱20.00	(b)		0.00%
Common	Aaron Jon D. Atienza	957	₱9,570.00	(r)	Filipino	0.00%
		5,304	₱53,040.00	(b)		0.00%
Common	Basille Alicesandra L. Avelino	-	-	(r)	Filipino	0.00%
		1,538	₱15,380.00	(b)		0.00%

Common	Ma. Rowena S. Basconcillo	18,018 9,784	₱180,180.00 ₱97,840.00	(r) (b)	Filipino	0.00% 0.00%
Common	Jenille Stephanie N. Chuan	- 887	- ₱8,870.00	(b) (r)	Filipino	0.00% 0.00%
Common	Enrique Noel L. Yusingco	- 1,400	- ₱14,000.00	(r) (b)	Filipino	0.00% 0.00%
Common	Therese G. Chan	- 19,983	- ₱199,830.00	(r) (b)	Filipino	0.00% 0.00%
Common	Girly G. Magnait	- 736	- ₱7,360.00	(r) (b)	Filipino	0.00% 0.00%
Common	Cheryl L. Patino	1,355 -	₱13,550.00 -	(r) (b)	Filipino	0.00% 0.00%
Common	Catherine N. Laniog	- 266	- ₱2,660.00	(r) (b)	Filipino	0.00% 0.00%
Common	Catherine Z. De Guzman	17,505 8,975	₱175,050.00 ₱89,750.00	(r) (b)	Filipino	0.00% 0.00%
Common	Marcelo A. Belleca	20,346 14,501	₱203,460.00 ₱145,010.00	(r) (b)	Filipino	0.00% 0.00%
Common	Camille Frances L. Basilio	- 20,367	- ₱203,670.00	(r) (b)	Filipino	0.00% 0.00%
Common	Tina Marie T. Calderon	- 2,500	- ₱25,000.00	(r) (b)	Filipino	0.00% 0.00%
Common	Elizabeth C. Tang	- 554	- ₱5,540.00	(r) (b)	Filipino	0.00% 0.00%
Common	Ann Lilibeth M. Antiquina	505 1,609	₱5,050.00 ₱16,090.00	(r) (b)	Filipino	0.00% 0.00%
Common	Theeex D. Agapito	- 276	- ₱2,760.00	(r) (b)	Filipino	0.00% 0.00%
Common	John Edrian M. Atendido	- 1,723	- ₱17,230.00	(r) (b)	Filipino	0.00% 0.00%
Common	Marco Paulo S. Dumaliang	- 35,000	- ₱350,000.00	(r) (b)	Filipino	0.00% 0.00%

The aggregate number of shares owned of record by the Chief Executive Officer, key officers and directors as a group as of March 31, 2025 is 63,494,647 shares equivalent to ₱634,946,470.00 at ₱10.00/share which is approximately 1.86% of the Bank's outstanding capital stock.

"r" represents record ownership.
"b" represents beneficial ownership at par value of ₱10.00/share.

3. There is no existing voting trust agreement involving shares of the Bank.
4. There was no change in control that occurred in the Bank since the beginning of the last fiscal year.

Item 12 - Certain Relationship and Related Transactions

Related party transactions are transactions or dealings with related parties, regardless of whether a price is charged. These covers all types of transactions both on and off-balance sheet and regardless of which side of the transaction/deal of the bank is acting.

Parties are said to be related if one has direct or indirect control as well as significant influence over the other. Related Parties of the Bank include, but is not limited to: (a) Directors, Officers, Stockholders and Related Interests (DOSRI), subsidiaries, affiliates, and any party that directly or indirectly has control over or is subjected to the control of the Bank as well as those with direct and indirect linkages to it, (b) the Bank's and its affiliated companies' directors, officers, stockholders, and their related interests and close family members, and (c) other persons and juridical entities whose interests may pose potential conflict with the Bank.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

The Group's significant transactions with its related parties are disclosed in Note 32 on Related Party Transactions of the Audited Financial Statements, pages 132-138, as required by Philippine Auditing Standards (PAS) 24, *Related Party Disclosures*, and SEC FRB No. 013. Likewise, disclosure of transactions of the Parent Bank with its subsidiaries that have been eliminated at consolidated level are also disclosed on page 133.

As deemed necessary, enumerated below are the elements of the transactions that are necessary for an understanding of the transactions' business purpose and economic substance, their effect on the financial statements, and the special risks or contingencies arising from these transactions, with reference to the Notes to the financial statements and corresponding pages:

(a) the business purpose of the arrangement	The nature and business purpose are disclosed in columnar format in Note 32 on pages 133-134.
(b) identification of the related party transaction with the registrant and nature of the relationship	As required by PAS 24, the related party transactions and outstanding balances shall be made separately for each of the following categories: (a) parent; (b) entities with joint control of, or significant influence over the entity; (c) subsidiaries; (d) associates; (e) joint ventures in which the entity is a venturer; (f) key management personnel of the entity or its parent; and (g) other related parties as disclosed in Note 32, pages 133-134.
(c) how transaction prices were determined by the parties;	Transactions with such parties are made in the ordinary course of business and on substantially same terms, including interest and collateral, as those prevailing at the time for comparable transactions with other parties. These transactions also did not involve more than the normal risk of collectability and did not present other unfavorable conditions. The Bank has a Related Party Transaction (RPT) Committee which assists the BOD in the fulfillment of its corporate governance responsibilities on related party transactions by ensuring that these are transacted on arm's length terms. The RPT

	Committee's role is further detailed in Note 4, page 38. Discussion of transaction prices are further discussed in the narratives in Note 32, pages 133 to 134.
(d) if disclosures represent that transactions have been evaluated for fairness, a description of how the evaluation was made; and	In accordance with the Bank's RPT Policy, related party transactions are reviewed by the Bank's RPT Committee for fairness and endorsed to the BOD for approval or confirmation, depending on the amounts involved. Discussion of pricing is discussed in Note 32, pages 133 to 138.
(e) any on-going contractual or other commitments as a result of the arrangement.	Any further commitments, if applicable, are disclosed in narratives in Note 32, pages 133-138.

The disclosure shall also include information about parties that fall outside the definition of "related parties" under PAS No. 24, but with whom the registrants or its related parties have a relationship that enables the parties to negotiate terms of material transactions that may not be available from others, more clearly independent parties on an arm's length basis. For example, an entity may be established and operated by individuals that were former senior management of, or have some other current or former relationship with, a registrant. The purpose of the entity may be to own assets used by the registrant or provide financing or services to the registrant. Although former management or persons with other relationships may not meet the definition of a related party pursuant to PAS 24, the former management positions may result in negotiation of terms that are more or less favorable than those available on an arm's-length basis from clearly independent third parties that are material to the registrant's financial position or financial performance. The foregoing required disclosure is not applicable to the Bank.

In some cases, investors may be unable to understand the registrant's reported results of operations without clear explanation of these arrangements and relationships. Items of similar nature may be disclosed in aggregate except when separate disclosure is necessary for an understanding of the effect of related party transaction on the financial statements. Further details are discussed in narratives and disclosed also in Note 32, pages 134-138.

The table below shows the summary of material RPTs in 2024. All related party transactions were conducted fairly and at arm's length basis.

Relationship	Nature	Terms and Conditions	Amount/ Contract Price	Outstanding Amount
DOSRI	Asset Swap/ Corporate Credit Card/Credit Facilities/ Lease Agreement/ ROPA Sale/ Others	Standard Terms and Conditions	15.084Billion	
Affiliate	Purchase of Products/ Corporate Credit Card/ Data Science & Consultancy Services/ Health Insurance	Annual Renewal; Standard Terms and Conditions	.652Billion	
Subsidiary	Technology Services/ Capital Infusion/ Credit Facilities/ Lease Agreement/ Insourcing Services/ Cross Selling/ Others	Standard Terms and Conditions	11.522Billion	

Other Related Party	Asset Swap/ Credit Facilities/ Lease Agreement/ Outsourcing/ ROPA Sale/ Others	Standard Terms and Conditions	20.825Billion	4.56Billion

For the period ended December 31, 2024, there were no material self-dealings or related party transactions by any of the Bank's directors which require disclosure.

UNDERTAKING TO PROVIDE COPIES OF THE ANNUAL REPORT AND INTERIM FINANCIAL STATEMENTS

The Bank undertakes to provide without charge to any stockholder who makes a written request for a copy of the Bank's annual report on SEC Form 17-A. Requests may be sent to Ms. Rose Anne I. Villoria 18th Floor, UnionBank Plaza, Meralco Avenue corner Onyx and Sapphire Streets, Ortigas Center, Pasig City.

The Bank likewise undertakes to provide without charge to any stockholder, during the Annual Stockholder's Meeting, a copy of SEC Form 17Q containing UnionBank's Interim Financial Statements, Management Discussion and Analysis of Financial Condition and Results of Operation.

PART IV - EXHIBITS

Item 13 - Exhibits and Reports on SEC Form 17C

a) Exhibits – Please refer to the Index to Exhibits on page 103.

The other exhibits, as indicated in the Exhibit Table of Securities Regulation Code Forms are either not applicable to the Bank or require no answer.

b) Report on SEC Form 17C

Provided below is a summary of reports on SEC Form 17-C (Current Report) disclosed to PSE and PDEx, and filed with the SEC for the period March 1, 2024 to March 31, 2025:

Date of Report	Event Reported
March 1, 2024	Commencement of Operation of UnionBank Investment Management and Trust Corporation on March 1, 2024
March 1, 2024	Resignation of Senior Officers effective March 1, 2024
March 1, 2024	Hiring of Ms. Donnalyn Grace M. Guevara, Senior Compliance Officer – Subsidiaries and Assistant Vice President, effective March 1, 2024
March 4, 2024	Resignation of Mr. Kyle Reneson Z. Kalaw, Wealth Acquisitions Sales Head and Assistant Vice President, effective March 6, 2024
March 5, 2024	Hiring of Mr. Mukul Sukhani, Head of Cards and Loans and Executive Vice President, effective March 5, 2024
March 13, 2024	Resignation of the following senior officers: 1. Mr. Jan Patrick P. Ching, Fixed Income and Capital Markets Head and Vice President, effective March 15, 2024 2. Ms. Darlene Angelini C. Alcasid, Consumer Product Sales Senior Analyst and Assistant Vice President, effective March 16, 2024
March 18, 2024	Hiring of Mr. Kris Lawrence L. Sia, Product Owner and Vice President, effective March 18, 2024
March 20, 2024	Demise of Mr. Robert Conrad D. Duenas, Jr., Relationship Manager – Corporate Banking and Assistant Vice President
March 22, 2024	Results of the Board of Directors' meeting held on March 22, 2024: 1. Appointment of Senior Vice President Edgar Allan G. Oblena as the Bank's Financial Controller effective April 1, 2024 2. Promotion of Ms. Gladys M. Ocampo from Vice President to Senior Vice President/ HR Business Partner and Head of HR Shared Services, effective immediately 3. Appointment of Atty. Corazon O. Baluyot-Dela Cruz and Atty. Jonaselle F. Tolentino as Assistant Corporate Secretaries, effective March 22, 2024 and April 1, 2024, respectively. Atty. Maria Celsa Corina L. Kilayko, Assistant Corporate Secretary, has resigned from the Bank effective April 1, 2024.
March 26, 2024	Resignation of the following senior officers: 1. Ms. Franelle Ira M. Lareza, Program Management Manager and Assistant Vice President, effective March 28, 2024 2. Ms. Aby Jayne C. Go, Product Management Lead and Vice President, effective March 31, 2024

Date of Report	Event Reported
April 5, 2024	Resignation of Ms. Hazeline A. Sigua, ATM Vendor Management Head and Assistant Vice President, effective April 10, 2024
April 11, 2024	Resignation of the following senior officers: 1. Mr. Mauro M. Angue, Marketing Segments and Services Specialist and Assistant Vice President, effective April 15, 2024 2. Ms. Penelope D. Ajero, Consumer Unsecured Risk Head and Senior Vice President, effective April 16, 2024
April 16, 2024	Termination of employment of Ms. Jennifer Q. Rayala, Business Banking Sales Head and Vice President, effective April 16, 2024
April 19, 2024	Approval by The Philippine Stock Exchange of the application of UnionBank to list up to 450,204,078 shares subject of its Stock Rights Offering
April 22, 2024	Clarification of News Article posted in philstar.com on April 22, 2024 entitled "UnionBank announces ₱17-B stock rights offering"
April 23, 2024	Resignation of Ms. Ana Karina G. Pangilinan, Product Management Senior Analyst and Assistant Vice President, effective April 23, 2024
April 23, 2024	Updated Arrangements of the Analysts' Briefing for the First Quarter 2024 Results
April 25, 2024	Resignation of Mr. Mark Dennis C. Tuazon, Wealth Branch and ATM Operations Head and Vice President, effective May 1, 2024
April 26, 2024	Press Release dated April 26, 2024 re: UnionBank First Quarter Revenues Grow by 14% with Net Income at ₱2 billion
April 26, 2024	Material Information/ Transactions re: UnionBank First Quarter Revenues Grow by 14% with Net Income at ₱2 billion
April 26, 2024	Consolidated Key Financial Information as of March 31, 2024
April 26, 2024	Results of the Annual Stockholders' Meeting and the Organizational Meeting of the Board of the Directors held on April 26, 2024
April 29, 2024	Amendment - Consolidated Key Financial Information as of March 31, 2024
April 29, 2024	Amendment - Audited Financial Statements of Union Bank of the Philippines and Subsidiaries as of and for the year ended December 31, 2023
May 2, 2024	Offer Price, Entitlement Ratio, and Entitlement Ratio of the Stock Rights Offering
May 13, 2024	Resignation of Ms. Catherine Y. Yulo, Merchant Cards Senior Relationship Manager and Vice President, effective May 15, 2024
May 20, 2024	BSP Form 2B – Published Balance Sheets (Parent and Consolidated) as of March 31, 2024
May 24, 2024	Results of the Board of Directors' meeting held on May 24, 2024: 1. Appointment of Atty. Patricia Mae G. Peralta, Legal Counsel of the Corporate Affairs Unit, as Assistant Corporate Secretary; resignation of Atty. Mayla S. Domingo, Vice President, Corporate Affairs Head and Assistant Corporate Secretary, effective June 1, 2024 2. Termination of the services of UnionBank Stock Transfer Unit as stock transfer agent of the Bank, effective June 30, 2024 3. Appointment of Stock Transfer Service, Inc. (STSI) as the new stock transfer agent, effective July 1, 2024
May 29, 2024	Stock Rights Offering - Resulting Increase in the Total Number of Issued and Outstanding Shares

Date of Report	Event Reported
May 29, 2024	Resignation of the following senior officers effective June 1, 2024: 1. Ms. Kaila T. Hizon, Transaction Banking Services Head and Vice President 2. Ms. Carol Grace P. Co, Vice President
May 31, 2024	Press Release dated May 31, 2024 re: Union Bank of the Philippines Completes ₱10 Billion Stock Rights Offering
May 31, 2024	Material Information/ Transactions re: Union Bank of the Philippines Completes ₱10 Billion Stock Rights Offering
June 10, 2024	Resignation of Mr. Patrick Joseph O. Guevarra, Account Officer - Commercial Banking and Assistant Vice President, effective June 12, 2024
June 18, 2024	Hiring of Ms. Simran Khanna, Head of Consumer Risk and Senior Vice President, effective June 18, 2024
June 27, 2024	Resignation of the following senior officers: 1. Mr. Rene R. Guillergan, Jr., Product Management Lead and Assistant Vice President, effective June 29, 2024 2. Mr. Justine Timothy P. Cruz, Senior Region Service Operations Officer and Assistant Vice President, effective June 30, 2024 3. Ms. Gwendolyn V. Cristobal, Commercial Sales Officer and Assistant Vice President, effective July 1, 2024
June 28, 2024	Change in the Effective Date of Resignation of Mr. Rene R. Guillergan, Jr., Product Management Lead and Assistant Vice President
June 28, 2024	Retirement of Mr. Edwin R. Bautista, President and Chief Executive Officer, and appointment of Ms. Ana Maria A. Delgado as President and Chief Executive Officer, both effective January 1, 2025
June 28, 2024	Press Release dated June 28, 2024 re: UnionBank appoints Delgado as President & CEO effective January 1, 2025
June 28, 2024	Approval by the Board of Directors on June 28, 2024 of the appointment of the following executive officers: 1. Mr. Dennis D. Omila, Executive Vice President, from Chief Technology and Operations Officer to Chief Transformation Officer 2. Mr. Manish Chawla, Executive Vice President, from Chief Information and Operations Officer to Chief Technology and Operations Officer vice Mr. Omila
June 28, 2024	Approval by the Board of Directors on June 28, 2024 of the rank promotion of executive officers effective July 1, 2024
July 1, 2024	Sale of Treasury Shares
July 1, 2024	Updated Arrangements of the Analysts' Briefing for the Second Quarter/ First Half 2024 Results
July 3, 2024	Resignation of Mr. Francis Gerald Ricardo S. Cifra, Project Senior Analyst and Assistant Vice President, effective July 5, 2024
July 3, 2024	Amendment – Approval by the Board of Directors on June 28, 2024 of the rank promotion of executive officers effective July 1, 2024
July 11, 2024	Resignation of Mr. Jennifer A. Don, Digital Business Design Development Manager and Vice President, effective July 15, 2024
July 16, 2024	Resignation of Mr. Henry Rhoel R. Aguda, Senior Executive Vice President, effective October 1, 2024

Date of Report	Event Reported
July 16, 2024	Press Release dated July 16, 2024 re: Henry R. Aguda steps down as UnionDigital President & CEO
July 25, 2024	Resignation of the following senior officers: 1. Ms. Stacey Louie Y. Catalan, Account Officer – Commercial Banking and Assistant Vice President, effective July 29, 2024 2. Mr. Ernie June T. Mondia, Treasury and Investment Channels Management Head and Assistant Vice President, effective August 1, 2024 3. Ms. Rahni R. Svenningsen, Consumer/ SME Risk – Secured Head and Senior Vice President, effective August 1, 2024 4. Mr. Ronaldo Jose M. Puno, Senior Vice President, effective August 1, 2024
July 26, 2024	Press Release dated July 26, 2024 re: UnionBank 1H2024 Net Income at ₱5.1 billion
July 26, 2024	Material Information/ Transactions re: UnionBank 1H2024 Net Income at ₱5.1 billion
July 26, 2024	Consolidated Key Financial Information as of June 30, 2024
July 30, 2024	End of Fixed-Term Employment of Ms. Ma Adelita N. Pena, Branch Wealth Manager and Senior Vice President, effective August 1, 2024
August 14, 2024	Quarterly Progress Report on the Application of Proceeds for the period 31 May 2024 to 30 June 2024 from the Stock Rights Offering
August 16, 2024	Hiring of Ms. Stephanie Y. Tan, Senior Trader - Dollar Fixed Income and Vice President, effective August 16, 2024
August 16, 2024	BSP Form 2B – Published Balance Sheets (Parent and Consolidated) as of June 30, 2024
August 22, 2024	Resignation of the following senior officers effective August 27, 2024: 1. Ms. Amabelle Gay P. Jimenez, Credit Controls Head and Assistant Vice President 2. Mr. Franco Tristan E. Corral, Corporate Solutions Team Lead and Assistant Vice President
August 28, 2024	Resignation of the following senior officers: 1. Ms. Jenny Mae C. Vibal, Information Security Head and Assistant Vice President, effective August 30, 2024 2. Ms. Monica C. Buenaventura, Relationship Manager – Retail Banking and Assistant Vice President, effective September 1, 2024 3. Ms. Mary Ann Claire B. Salazar, Account Officer – Commercial Banking and Assistant Vice President, effective September 2, 2024 4. Ms. Elizabeth S. Apilado, Commercial Banking Group 5 Head and Vice President, effective September 2, 2024 5. Ms. Erika T. Sykat, Commercial Banking Group 8 Head and Senior Vice President, effective September 2, 2024
September 12, 2024	Resignation of the following senior officers: 1. Mr. Jan Michael G. Leuterio, Compliance Investment Surveillance Head and Assistant Vice President, effective September 15, 2024 2. Ms. Maria Angelica C. Balangue, Corporate Banking Group 5 Head and Senior Vice President, effective September 16, 2024
September 19, 2024	Resignation of the following senior officers:

Date of Report	Event Reported
	1. Ms. Christia Marie Monica Y. Quintana, Paylite Product Head and Assistant Vice President, effective September 20, 2024 2. Atty. Faye Cience C. Bohol, Legal Counsel and Assistant Corporate Secretary, effective September 23, 2024 3. Ms. Donna Isabelle S. Hermosura, Relationship Manager – UFSI and Assistant Vice President, effective September 25, 2024
September 23, 2024	Approval by the Board of Directors on September 23, 2024 of the additional capital infusion of up to ₱1.6 billion to UnionDigital Bank Inc.
September 30, 2024	Resignation of Mr. Immanuel E. Doctor, Compliance Business Control Senior Analyst and Assistant Vice President, effective October 3, 2024
October 3, 2024	Updated Arrangements of the Analysts' Briefing for the Third Quarter 2024 Results
October 9, 2024	Resignation of the following senior officers: 1. Ms. Ma. Rowena F. Mallari, Compliance AML Risk Management Officer and Vice President, effective October 11, 2024 2. Ms. Ma. Cleofe C. Salamat, Central Clearing Head and Assistant Vice President, effective October 12, 2024
October 25, 2024	Press Release dated October 25, 2024 re: UnionBank Year-to-Date Net Income at 8.6 billion
October 25, 2024	Material Information/ Transaction re: UnionBank Year-to-Date Net Income at 8.6 billion
October 25, 2024	Results of the Board of Directors' meeting held on October 2,5 2024: 1. Acceptance of the resignation of Mr. Rolando L. Macasaet as nominee-director of Social Security System and as member of various Board committees, effective immediately 2. Appointment of Atty. Aira Joyce G. Patricio as Assistant Corporate Secretary, effective immediately
October 25, 2024	Consolidated Key Financial Information as of September 30, 2024
October 30, 2024	Clarification of News Article posted in InsiderPh.com on October 29, 2024 entitled "INSIDER INFO: Wealth manager ATRAM shakes up industry with UnionBank Metrobank deals in the works"
October 30, 2024	Resignation of Ms. Edith C. Roberto, CoBrand and Corporate Cards Head and Vice President, effective November 6, 2024
October 31, 2024	Amendment – Effective date of resignation of Mr. Rolando L. Macasaet
November 4, 2024	Hiring of the following senior officers effective November 4, 2024: 1. Ms. Maria Theresa R. Aquino, Attraction and Acquisition Head and Assistant Vice President 2. Atty. Isagani A. Cortes, Compliance and Corporate Governance Executive and Executive Vice President
November 8, 2024	Press Release dated November 8, 2024 re: UnionBank and ATRAM Announce Merger
November 8, 2024	Material Information/ Transaction re: UnionBank and ATRAM Announce Merger
November 8, 2024	PSE Disclosure Form 4-2 (Acquisition or Disposition of Shares of Another Corporation) re: Acquisition by UnionBank of 27.5% ownership stake in ATR Asset Management Inc. ("AAMI") and sale of

Date of Report	Event Reported
	its shareholdings in UnionBank Investment Management and Trust Corporation ("UBIMTC") to AAMI
November 13, 2024	Resignation of the following senior officers effective November 15, 2024: 1. Ms. Joan Lorraine D. Asprer, Product Manager – Vehicle Financing and Assistant Vice President 2. Mr. Jad Timothy P. Diosana, Segment Marketing Head and Assistant Vice President
November 13, 2024	Quarterly Progress Report on the Application of Proceeds for the period 1 July 2024 to 30 September 2024 from the Stock Rights Offering
November 18, 2024	Hiring of the following senior officers effective November 18, 2024: 1. Mr. Sergei Jude C. Doria, Consumer Business Operational Risk and Control Senior Analyst and Assistant Vice President 2. Ms. Robelyn May S. Ramos, Treasury and Investment Channels Management Head and Assistant Vice President
November 26, 2024	BSP Form 2B – Published Balance Sheets (Parent and Consolidated) as of September 30, 2024
December 2, 2024	Hiring of Mr. Bhuvanesh Hingoraney, Platforms and Solutions Delivery Head and Senior Vice President, effective December 2, 2024
December 2, 2024	Results of the Board of Directors' meeting held on December 2, 2024: 1. Election of Atty. Santiago Dionisio R. Agdeppa as nominee director of Social Security System, and his appointment to various Board committees, effective immediately 2. Changes to the memberships of Director Robert Joseph M. De Claros to various Board committees 3. Approval to exercise call option (voluntary redemption) on the Bank's ₱6.8 Billion Unsecured Subordinated Debt eligible as Tier 2 Capital due 2030, subject to prior approval of the BSP
December 11, 2024	Shortening of Corporate Term of a Subsidiary, Union Data Corporation
December 13, 2024	Resignation of Ms. Rachel Christine T. Geronimo, Chief Remedial and Recovery Officer and Senior Vice President, effective December 13, 2024
December 16, 2024	Hiring of the following senior officers effective December 16, 2024: 1. Ms. Maria Anna Veronica N. Del Rosario, Compliance Business Operational Risk and Control Team Lead and Vice President 2. Mr. Rommel T. Macapagal, Product Development Head – Retail Deposit Products and Debit Cards and Vice President 3. Ms. Dareen Gay S. Viloria, Core Operations Head and Assistant Vice President
December 16, 2024	Amendment - Early Retirement of Rachel Christine T. Geronimo, Chief Remedial and Recovery Officer and Senior Vice President, effective December 13, 2024
December 18, 2024	Termination of employment of Mr. Robertson B. Tolentino, ATM Services Head and Assistant Vice President, effective December 18, 2024

Date of Report	Event Reported
December 19, 2024	Resignation of the following senior officers: 1. Mr. Marc Paul G. Dantes, Product Marketing Senior Officer and Assistant Vice President, effective December 23, 2024 2. Ms. Trixel Onica P. Siasoco, Enterprise Insights Team Lead and Assistant Vice President, effective December 28, 2024
December 20, 2024	Results of the Board of Directors' meeting held on December 20, 2024: 1. Appointment of Director Samel A. Aboitiz as Alternate Member of the Executive Committee, effective immediately 2. Retirement of the following senior officers, effective January 1, 2025: a. Mr. Roberto F. Abastillas, Executive Vice President and Head of Commercial Banking b. Ms. Mary Joyce S. Gonzalez, Executive Vice President and Head of Retail Banking c. Ms. Joselynn B. Torres, Senior Vice President and Chief Compliance and Corporate Governance Officer 3. Appointments of the following senior officers, effective January 1, 2025: a. Ms. Raquel N. Sevidal, Senior Vice President, as Head of Commercial Banking b. Ms. Concepcion Perla P. Lontoc, Senior Vice President, as Head of Retail Banking c. Atty. Isagani A. Cortes, Executive Vice President, as Chief Compliance and Corporate Governance Officer (subject to confirmation of the BSP)
December 26, 2024	Retirement of the following senior officers effective January 1, 2025: 1. Mr. Enrique M. Gregorio, Financial Risk and Performance Head and Senior Vice President 2. Ms. Fides C. Tiongson, Sales Director and Senior Vice President 3. Ms. Honeylee G. Regala, Relationship Manager and Assistant Vice President
January 2, 2025	Hiring of Ms. Vivian S. Perez, Financial Risk and Performance Head and Senior Vice President, effective January 2, 2025
January 6, 2025	Resignation of Ms. Rose Ann D. Madriaga, Service Level Management Head and Assistant Vice President, effective January 8, 2025
January 14, 2025	Notice of Analysts' Briefings for the year 2025
January 15, 2025	Resignation of Mr. Patrick John D. Resurreccion, Compliance Testing Head and Vice President, effective January 16, 2025
January 16, 2025	Hiring of the following senior officers effective January 16, 2025: 1. Ms. Iona I. Mayo, Secured Loans Collections Head and Senior Vice President 2. Mr. Fredrick Daniel D. De Guzman, Senior Planning Officer and Vice President
January 28, 2025	Resignation of Ms. Maria Marissa P. Roquim, Compliance Business Control Senior Manager and Vice President, effective February 1, 2025
January 31, 2025	Results of the Board of Directors' meeting held on January 31, 2025:

Date of Report	Event Reported
	1. Acceptance of the resignation of Atty. Santiago Dionisio R. Agdeppa as nominee director of Social Security System, and as member of various Board committees, effective February 1, 2025 2. Appointment of Director Ana Maria A. Delgado as Member of the Executive Committee and Information Technology & Cybersecurity Committee, vice Director Edwin R. Bautista, effective immediately. 3. Declaration of cash dividend of ₱1.00 per common share in favor of all stockholders of the Bank, payable from the available unrestricted retained earnings of the Bank as of December 31, 2024. The record date for stockholders entitled to the cash dividend is February 17, 2025, and payment date is set on February 24, 2025.
January 31, 2025	Quarterly Progress Report on the Application of Proceeds for the period 01 October 2024 to 31 December 2024 from the Stock Rights Offering and Annual Summary Report for the year ended 31 December 2024
January 31, 2025	Press Release dated January 31, 2025 re: UnionBank 2024 Net Income up by 31% year-on-year
January 31, 2025	Material Information/ Transactions re: UnionBank 2024 Net Income up by 31% year-on-year
January 31, 2025	Consolidated Key Financial Information as of December 31, 2024
February 3, 2025	Hiring of Ms. Maria Minerva A. Nieto, Commercial Banking 5 Head and Vice President, effective February 3, 2025
February 18, 2025	Resignation of Mr. Jose Ciceron A. Haresco, Risk Governance and Special Projects and Vice President, effective February 20, 2025
February 21, 2025	BSP Form 2B – Published Balance Sheets (Parent and Consolidated as of December 31, 2024
February 24, 2025	Resignation of the following senior officers: 1. Mr. Clyde Marvin S. Tito, Acquisition Risk Manager and Vice President, effective February 26, 2025 2. Mr. Kristerjohn I. Palatino, Customer Segments Head and Vice President, effective February 28, 2025
February 28, 2025	Results of the Board of Directors meeting held on February 28, 2025: 1. Election of Mr. Victor Alfonso A. Limlingan as nominee director of the Social Security System ("SSS") in the Bank, effective February 28, 2025, to serve the unexpired term of office of Atty. Santiago Dionisio R. Agdeppa, and his appointment to various Board committees. 2. Issuance of up to USD 800 Million or its equivalent in other foreign currencies out of the Bank's Euro Medium Term Note (EMTN) Program established on November 14, 2017 and updated on October 2, 2020 with current program size of USD 2.0 Billion with remaining balance of USD 1.2 Billion. 3. Increase in the Bank's PHP Bonds Program from ₱50.0 billion to ₱100.0 billion and the issuance of up to ₱30.0 billion out of the Bonds Program. The Bank has yet to establish the timetable and other details for these issuances.

Date of Report	Event Reported
	4. Infusion of additional capital of up to ₱1.2 Billion in UnionDigital Bank Inc. to support UnionDigital's ongoing business operations and allow it to deliver sustainable growth, subject to the applicable regulatory approvals. 5. Setting of March 17, 2025 as the record date for stockholders entitled to notice of and to vote at the Annual Stockholders' Meeting of UnionBank which will be conducted virtually via the Annual Stockholders' Meeting Portal at https://asm.unionbankph.com on April 25, 2025, Friday, at 1:00 p.m. The Bank's stock and transfer book will be closed from April 4, 2025 to April 24, 2025.
February 28, 2025	Audited Financial Statements of the Bank and Subsidiaries as of and for the year-ended December 31, 2024
March 3, 2025	Hiring of Mr. Paul Benedict F. Perez, Secured Policy Senior Reviewer and Senior Vice President, effective March 3, 2025
March 5, 2025	Resignation of the following senior officers: 1. Mr. Alvin Bernard O. Aure, Mortgage Finance Business Team Lead and Assistant Vice President, effective March 5, 2025 2. Ms. Arnie E. Rodriguez, Consumer Product Sales Senior Analyst and Assistant Vice President, effective March 8, 2025
March 13, 2025	Resignation of Mr. Geraldine A. Tirante, IT Risk Management Head and Senior Vice President, effective March 16, 2025
March 17, 2025	Hiring of Ms. Anna Cristina A. Javier, Digital Delivery Cluster Lead and Assistant Vice President, effective March 17, 2025
March 25, 2025	Resignation of Ms. Julie Anne C. Dela Cruz, Data Science Solutions Head and Senior Vice President, effective March 27, 2025
March 25, 2025	Approval by the Bangko Sental ng Pilipinas of UnionBank's request to exercise its Voluntary Redemption Option on its ₱6.8 Billion Unsecured Subordinated Debt Eligible as Tier 2 Capital
March 26, 2025	Resignation of Mr. Edwin R. Bautista, Director, effective March 26, 2025
March 28, 2025	Confirmation by the Board of Directors on the appointment of Mr. Antonio Sebastian T. Corro, Senior Vice President, as Chief External Relations Officer, effective April 1, 2025
March 31, 2025	Resignation of Mr. Jonathan Luis M. Bagadiong, Product Development Head and Assistant Vice President, effective April 3, 2025

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on ____________.

By:

ERRAMON I. ABOITIZ
Chairman of the Board

ANA MARIA A. DELGADO
President & Chief Executive Officer

MANUEL R. LOZANO
EVP & Chief Finance Officer

EDGAR ALLAN G. OBLENA
SVP- Financial Controller/
Principal Accounting Officer

ATTY. JOSELITO V. BANAAG
SVP-Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ of April 2025 at Pasig City, the following affiants exhibiting to me their competent evidence of identity pursuant to 2004 Rules on Notarial Practice.

Name	TIN No.
Erramon I. Aboitiz	103-715-862
Ana Maria A. Delgado	232-084-562
Manuel R. Lozano	148-773-908
Edgar Allan G. Oblena	300-059-461
Joselito V. Banaag	203-083-372

Notary Public

Doc No. ________;
Page No. ________;
Book No. ________;
Series of 2025

Index to Exhibits
Form 17A Item 14

Subsidiaries of the Registrant

Additional Exhibits

Annex 1 - List of ATM Terminal as of December 31, 2024

Annex 2 - List of Bank Owned Branches as of December 31, 2024

Annex 3 - List of Leased Branches as of December 31, 2024

Subsidiaries of the Registrant

UnionBank of the Philippines subsidiaries and affiliates include:

Subsidiaries:	Percentage of Ownership
City Savings Bank, Inc. (CSB)	99.79%
PetNet Inc. (PETNET)	51.00%
UBP Investments Corporation (UIC)	100.00%
First Union Plans, Inc (FUPI)	100.00%
First Union Direct Corporation (FUDC)	100.00%
First Union Insurance and Financial Agencies, Inc. (FUIFAI)	100.00%
UBP Securities, Inc. (UBPSI)	100.00%
UnionData Corporation (UDC)	100.00%
Interventure Capital Corporation (IVCC)	60.00%
UBX Philippines Corporation (UBX)	83.33%
UBX Private Ltd. (UBX SG)	83.33%
UBX Remit Pte. Ltd. (UBX Remit)	83.33%
Bangko Kabayan, Inc. (A Private Development Bank) (Bangko Kabayan)	97.75%
Union Digital Bank, Inc. (UnionDigital)	100.00%
Unionbank Financial Services and Insurance Brokerage Philippines, Inc. (UFSI)	100.00%
Unionbank Investment Management and Trust Corporation (UBIMTC)	100.00%

Annex 1

UNION BANK OF THE PHILIPPINES
LIST OF ATM TERMINALS
As of December 31, 2024

Union Bank of the Philippines

	Branch Name	Address
1	ACC	G/F Alabang Country Club, Acacia Drive, Ayala Alabang Village, Muntinlupa City
2	ATC	Commerce Ave., Makati Supermart Alabang, Alabang Town Center, Muntinlupa, 1780 Metro Manila
3	BAESA	Dra. C.Pascual Bldg., 142 Quirino Highway, Baesa, Quezon City
4	DR SANTOS LLANAS	G/F, MTF Bldg., Kabesang Segundo corner Dr. A. Santos, San Isidro, Sucat Road, Paranaque City
5	GREENBELT ATM	Twin Cities Condominium, 110 Legaspi St., Legaspi Village, Makati City
6	JULIA VARGAS CQM	Centerpoint Condominium, Doña Julia Vargas Ave. cor. Garnet St. Ortigas Center, Pasig City
7	JULIA VARGAS CRM	Centerpoint Condominium, Doña Julia Vargas Ave. cor. Garnet St. Ortigas Center, Pasig City
8	RICHVILLE	Upper G/F Richville Corporate Tower, Alabang-Zapote Rd., Madrigal Bus. Park, Muntinlupa City
9	SHAW PASIG	Chipeco Bldg., Shaw Blvd. corner Meralco Ave., Pasig City
10	VALERO	Ground Floor, Le Grand Condominium, 130 Valero St., Makati City
11	ACROPOLIS	171 Bridgeview Bldg., E. Rodriguez Jr. Ave, Bagumbayan, Quezon City
12	ALIMALL	Ali Mall Financial Center, Level 2, Ali Mall, Araneta Center, Cubao, Quezon City
13	E. RODRIGUEZ	G/F Megacenter Bldg., E. Rodriguez Ave., Quezon City
14	KALOOKAN	357 Rizal Ave. Ext. Grace Park, Kalookan City
15	MEDICAL CITY	Medical City Hospital Compound, Lourdes St. cor. San Miguel Ave., Mandaluyong City
16	MUNTINLUPA	12 Jason's Bldg., National Road Putatan, Muntinlupa
17	PASAY	2528 ERL Building, Taft Ave., Pasay City
18	TIMOG	Cabrera Building II. 64 Timog Ave, Quezon City
19	VITO CRUZ	G/F Kingswood Arcade Vito Cruz Ext. cor Pasong Tamo, Makati City
20	SSS AYALA CRM	SSS Bldg., Ayala Avenue, Makati City
21	SALCEDO	G/F Golden Rock Bldg., 168 Salcedo St., Legaspi Vill., Makati City
22	ANNAPOLIS	G/F, Unit 133, Promenade Missouri, Greenhills Shopping Center, Missouri cor. Annapolis Sts., Greenhills, San Juan
23	PEREA	G/F Greenbelt Mansion Bldg., 106 Perea St., Legaspi Village, Makati City
24	SSS AYALA ATM	SSS Bldg., Ayala Avenue, Makati City
25	ARK ATM2	Insular Building Ayala Avenue., corner Paseo de Roxas Makati City

	Branch Name	Address
26	ARK ATM1	Insular Building Ayala Avenue., corner Paseo de Roxas Makati City
27	ARK CRM3	Insular Building Ayala Avenue., corner Paseo de Roxas Makati City
28	ARK CQM	Insular Building Ayala Avenue., corner Paseo de Roxas Makati City
29	T. ALONZO	625 T. Alonzo St., Sta Cruz,Manila
30	AURORA	677 Aurora Blvd., near cor. Broadway St., Bgy. Mariana, New Manila , Quezon City
31	AYALA MADRIGAL ATM	G/F, Don Vicente Madrigal Building, 6793 Ayala Avenue, Makati City
32	AYALA MADRIGAL CRM 2	G/F, Don Vicente Madrigal Building, 6793 Ayala Avenue, Makati City
33	AYALA MADRIGAL CRM 3	G/F, Don Vicente Madrigal Building, 6793 Ayala Avenue, Makati City
34	AYALA MADRIGAL CQM	G/F, Don Vicente Madrigal Building, 6793 Ayala Avenue, Makati City
35	AYALA RUFINO ATM	Rufino Bldg. Ayala Ave. corner Herrera St., Makati City
36	AYALA RUFINO CRM	Rufino Bldg. Ayala Ave. corner Herrera St., Makati City
37	STO. DOMINGO	Ground Floor Unit-103 Elements Building 560 Quezon Avenue Brgy. Tatalon Quezon City
38	BF HOMES CRM 1	55 President Avenue, BF Homes, Parañaque City
39	BF HOMES CRM 2	55 President Avenue, BF Homes, Parañaque City
40	BICUTAN	28 Doña Soledad Ave., Better Living, Parañaque City
41	BONI AVENUE	Boni Avenue cor. Ligaya St., Mandaluyong City
42	CUBAO	7th Avenue cor P. Tuazon, Cubao, Quezon City
43	DEL MONTE	G/F 345 Del Monte Avenue corner Banawe Street, Brgy. Manresa, Quezon City
44	EDSA KALOOKAN	512 EDSA corner Urbano Plata Street,Kalookan City
45	INTRAMUROS	G/F BF Condo Bldg. A. Soriano Sr. Ave. Intramuros, Manila
46	JP RIZAL ATM	731 J.P. Rizal St., Makati City
47	KAMIAS	Gr. Floor, TDS Bldg., No. 72 Kamias Road, Quezon City
48	KATIPUNAN ATM1	Elizabeth Hall, Katipunan Avenue, Loyola Heights, QC
49	KATIPUNAN CRM	Elizabeth Hall, Katipunan Avenue, Loyola Heights, QC
50	LP PAMPLONA	Alabang Zapote Rd. cor. Crispina Ave., Pamplona, Las Piñas City
51	MAKATI AVENUE	7824 Durban St. corner Makati Avenue, Makati City
52	MALABON	Gov. Pascual Avenue cor. River St., Malabon City, Metro Manila
53	MALATE	G/F Marioco Bldg. 1945 M. Adriatico St. Malate, Manila
54	ORTIGAS ATM	21 San Miguel Ave., Ortigas Center, Pasig City
55	ORTIGAS CQM	21 San Miguel Ave., Ortigas Center, Pasig City
56	PASAY ROAD	Gemland Commercial Bldg., San Lorenzo Village, Makati City 1200
57	PASONG TAMO JTKC	G/F, JTKC Center 2155 Pasong Tamo street., Makati City
58	RADA	Prince Bldg., 117 Rada St, Legaspi Village, Makati City
59	ROOSEVELT	244 Roosevelt Avenue, San Francusco del Monte, Quezon City
60	SHAW MANDALUYONG	PICPA Bldg., 700 Shaw Blvd., Mandaluyong City
61	YUCHENGCO	Escolta corner Yuchengco Sts., Binondo

	Branch Name	Address
62	SOUTH TRIANGLE ATM	Quezon Ave. cor. Sct. Albano St., Quezon City
63	SOUTH TRIANGLE CRM	Quezon Ave. cor. Sct. Albano St., Quezon City
64	TAFT AVENUE	2625 G/F Kassel Condominium, Taft Avenue near cor.P. Ocampo St., Malate, Manila
65	TEKTITE	G/F PSE Center, Ortigas Complex, Pasig City
66	TOMAS MORATO	Tomas Morato cor. Sct. Lozano, Quezon City
67	PLAZA2	UBP Plaza Meralco Avenue., Ortigas Center, Pasig City
68	VALENZUELA	Km 12 McArthur Hi-way, Marulas, Valenzuela City
69	W. SERVICE RD	Rodeo Bldg. Km 18 West Service Road South Luzon Expressway, Parañaque City
70	W. AVENUE BALER	91-A Barangay Bungad, West Avenue, Quezon City
71	ESCOLTA CRM	G/F Regina Building, Escolta, Manila
72	ESCOLTA ATM	G/F Regina Building, Escolta, Manila
73	MARIKINA	WRC2 Bldg., No. 47 Gil Fernando Avenue (formerly A. Tuazon St), Midtown Subd. II Brgy. San Roque, Marikina City
74	NAVOTAS	807-817 M.Naval St., Navotas City
75	NOVALICHES GULOD	854 Quirino Highway, Gulod, Novaliches, Quezon City
76	AYALA ALABANG	G/F Nol Bldg. Commerce Ave., Madrigal Business Park, Alabang, Muntinlupa City
77	EMERALD AVENUE1	G/F Wynsum Corp. Plaza, Ortigas Center, Pasig City
78	GREENHILLS	Ortigas Ave near cor Wilson St., San Juan City
79	GREENHILLS CRM	Ortigas Ave near cor Wilson St., San Juan City
80	LIBIS	184-B E. Rodriguez Jr. Avenue., Bagumbayan, Quezon City
81	PASONG TAMO EXT.	G/F BCS Building, 2297 Pasong Tamo Extension, Makati City
82	PASONG TAMO EXT. ATM2	G/F BCS Building, 2297 Pasong Tamo Extension, Makati City
83	PASONG TAMO EXT. CRM	G/F BCS Building, 2297 Pasong Tamo Extension, Makati City
84	MAYON	G/F, ACI Bldg., 178 Mayon Street, SMH, Brgy Maharlika, Quezon City
85	SHAW PASIG BLVD.	131-133 Shaw Boulevard, Pasig City
86	STO. CRISTO	LG01 and LG02 Burke Plaza, Sto Cristo St., Binondo, Manila
87	WACK WACK	6 Shaw Blvd. corner Laurel St., Mandaluyong City
88	PSO DE MAGALLANES	Ground Floor, Maga Center Building, Paseo de Magallanes, Makati City
89	MCKINLEY HILLS CRM	Units 1A & 1B Two World Square Upper McKinley Road McKinley Hill Drive Fort Bonifacio, Taguig City
90	MCKINLEY HILLS ATM	Units 1A & 1B Two World Square Upper McKinley Road McKinley Hill Drive Fort Bonifacio, Taguig City
91	LIBERTAD MANDA.	Unit A2 Cluster El Dorado, California Garden Square, Libertad Street, Mandaluyong City
92	EDSA PIONEER	Upper Ground Floor 07 Robinsons Cybergate Plaza, Pioneer St., Mandaluyong City
93	NEW PORT CITY	G/F Star Cruises Building, Newport City, Andrews Avenue, Pasay City
94	5TH AVENUE BGC	Unit 3 Ground Floor, One Global Place, 5th Avenue corner 25th Street, BGC, Taguig City
95	SHANG TOWER 1	The St. Francis Shangri-La Place, Tower 1 G/F Retail Internal Road corner St. Francis Street, Mandaluyong City

	Branch Name	Address
96	EASTWOOD CITY	G/F LGR1-6, Le Grand Tower 1, Palm Tree Avenue, Eastwood City, Brgy. Bagumbayan, Quezon City
97	VERTEX ONE	G/F Space 12 & 13 Vertex One Building, San Lazaro, Manila
98	LRT 2 AURORA	G/F Marsk Building, Aurora Boulevard corner Balete Drive, Quezon City
99	2ND AVENUE BGC	G/F Blue Sapphire Building, 2nd Avenue corner 30th Street, Bonifacio Global City, Taguig
100	ICTSI PORT AREA	G/F, ICTSI Admin Bldg. Manila International Container Terminal, MICT South Road, Port Area, Manila
101	RENNAISANCE TWR.	G/F Renaissance Center, Meralco Ave., Pasig City
102	CITY PL SQUARE	3/F Lucky Chinatown-Cityplace Square, Calle Felipe corner La Chambre St., Binondo,Manila
103	32ND BGC CRM2	G/F The Trade & Financial Tower, 7th ave. cor. 32nd St., Fort Bonifacio, Taguig
104	ANTEL RESIDENCES	Ground Floor, Best Western Antel Hotel 7829, Makati Avenue cor. Salamanca St., Makati City
105	MAYHALIGUE	Ground Floor, One Masangkay Place, No. 1420 Masangkay near cor. Mayhaligue St., Sta. Cruz, Manila
106	MASANGKAY	911-913 Masangkay St., Binondo, Manila
107	CARDINAL SANTOS	Ground Floor Cardinal Santos Medical Center, 10 Wilson St., Greenhills West San Juan City
108	MULTINATIONAL	G/F Multinational Bancorporation Center, Ayala Ave., Makati City
109	PLAZA1	UBP Plaza Meralco Avenue., Ortigas Center, Pasig City
110	DELA ROSA	G/F Insular Health Care Building, 167 Dela Rosa corner Legazpi St., Legazpi Village, Makati City
111	BONIFACIO HIGH ST	W Global Center cor 30th and 9th Ave. BGC, Taguig City
112	TRIANGLE DRIVE	Shop 3, G/F Philplans Building Corporate Center, 1012 North Triangle Drive, BGC, Taguig
113	ADB AVENUE	Ground floor Unit 101 AIC Burgundy Empire Tower, ADB Ave., Ortigas Pasig City
114	GMA TIMOG	Cabrera Bldg. 1, 103 Timog Avenue, Quezon City
115	FRONTERA VERDE	G/F Transcom Bldg., Frontera Verde, E. Rodriguez Jr. Avenue., Brgy. Ugong Pasig City
116	SSS E. AVENUE1	G/F SSS Main Bldg., East Ave., Quezon City
117	SSS E. AVENUE2	G/F SSS Main Bldg., East Ave., Quezon City
118	EMERALD AVENUE2	G/F Wynsum Corp. Plaza, Ortigas Center, Pasig City
119	GSIS MAIN	GSIS Main Office Financial Center, Pasay City
120	34TH ST. BGC	G/F, Shop 2, Panorama Bldg., 34TH St. Corner Lane A, Bonifacio Global City, Taguig
121	MCKINLEY RD. BGC	G/F, Unit 1, Fairways Towers, 5th Avenue, Bonifacio Global City, Taguig
122	38TH UPTOWN BGC	G/F, Orion Building, 11th Ave corner 38th St., Bonifacio Global City, Taguig City
123	7TH AVENUE BGC	G/F, Twenty-Four Seven Mckinley Building, 7th Ave. cor. 24th St., Bonifacio Global City, Brgy Fort Bonifacio, Taguig City
124	UPTOWN MALL BGC	Unit B106 Lower Ground Floor Uptown Place Mall 9th Ave Cor. 36th St Bonifacio Global City, Brgy Fort Bonifacio, Taguig City

	Branch Name	Address
125	LUXE RESIDENCES	G/F, Shop 3, The Luxe Residences, 28th St. corner 4th Avenue, Bonifacio Global City, Taguig City
126	PASCOR DRIVE	G/F, SkyFreight Center, Ninoy Aquino Avenue, corner Pascor Drive, Paranaque City
127	3RD AVENUE BGC	G/F, The Net Square Building, 3rd Avenue corner 28th Street, Bonifacio Global City, Taguig City
128	MCKINLEY W. LOWER	G/F Robinson Cyber Sigma Bldg. Lawton Ave. Bonifacio South Taguig City
129	CMW LUZON1	UGF, Kayumanggi Center Bldg., Commonwealth Avenue corner Luzon Avenue, Brgy Matandang Balara, Quezon City
130	CMW LUZON CRM	UGF, Kayumanggi Center Bldg., Commonwealth Avenue corner Luzon Avenue, Brgy Matandang Balara, Quezon City
131	KALOOKAN CRM	357 Rizal Ave. Ext. Grace Park, Kalookan City
132	PLAZA CRM3	UBP Plaza Meralco Avenue., Ortigas Center, Pasig City
133	PSO DE ROXAS1	Ground Floor Tower II Paseo De Roxas Building 111 Paseo De Roxas Corner Legazpi Street Legaspi Village Makati City
134	PSO DE ROXAS CRM	Ground Floor Tower II Paseo De Roxas Building 111 Paseo De Roxas Corner Legazpi Street Legaspi Village Makati City
135	32ND BGC CRM	G/F The Trade & Financial Tower, 7th ave. cor. 32nd St., Fort Bonifacio, Taguig
136	STO. DOMINGO CRM	Ground Floor Unit-103 Elements Building 560 Quezon Avenue Brgy. Tatalon Quezon City
137	STO. DOMINGO CQM	Ground Floor Unit-103 Elements Building 560 Quezon Avenue Brgy. Tatalon Quezon City
138	COMMONWEALTH AVE1	12-13 Upper, G/F, Diliman Commercial Center; Commonwealth Ave., Diliman Quezon City
139	COMMONWEALTH AVE2	12-13 Upper, G/F, Diliman Commercial Center; Commonwealth Ave., Diliman Quezon City
140	KALOOKAN2	357 Rizal Ave. Ext. Grace Park, Kalookan City
141	DASMA. BINONDO	G.A.Cu-Unjieng Bldg., Q. Paredes St. corner Dasmarinas St., Binondo, Manila
142	DASMA. BINONDO CRM	G.A.Cu-Unjieng Bldg., Q. Paredes St. corner Dasmarinas St., Binondo, Manila
143	PLAZA CRM	UBP Plaza Meralco Avenue., Ortigas Center, Pasig City
144	32ND BGC CQM	G/F The Trade & Financial Tower, 7th ave. cor. 32nd St., Fort Bonifacio, Taguig
145	MACAPAGAL CRM	G/F Unit 106 Y Tower Blk 04, Lot 01, corner Coral Way St., Macapagal Blvd., MOA Complex Pasay City
146	MACAPAGAL ATM	G/F Unit 106 Y Tower Blk 04, Lot 01, corner Coral Way St., Macapagal Blvd., MOA Complex Pasay City
147	UN AVENUE ATM	U.N. ave., Cor. M.H. Del Pilar and M. Guerrero Streets, Ermita Manila
148	UN AVENUE CRM	U.N. ave., Cor. M.H. Del Pilar and M. Guerrero Streets, Ermita Manila
149	PANDACAN ATM	1763 Paz M. Guazon St., Paco,Manila
150	PANDACAN CRM	1763 Paz M. Guazon St., Paco,Manila

	Branch Name	Address
151	DELA COSTA ATM	G/F Global Enterprise Bldg. No. 138 HV dela Costa Salcedo Village, Makati City
152	DELA COSTA CRM	G/F Global Enterprise Bldg. No. 138 HV dela Costa Salcedo Village, Makati City
153	DELA COSTA CQM	G/F Global Enterprise Bldg. No. 138 HV dela Costa Salcedo Village, Makati City
154	PANDACAN CQM	1763 Paz M. Guazon St., Paco,Manila
155	SANTIAGO	Maharlika Highway, Santiago City, Isabela
156	LAOAG	G/F 365 Plaza Bldg. Brgy., 1, San Nicolas, Ilocos Norte.
157	VIGAN	Jose Singson St., Vigan City, Ilocos Sur
158	ANGELES	G/F, Building 1, Unit 1 & 2, Central Town Mall, 263 Fil Am Friendship Highway, Brgy Cutcut, Angeles City, Pampanga
159	SAN FDO. CONSUNJI CRM	3M Bldg., MacArthur Highway, San Agustin, San Fernando, Pampanga
160	BAGUIO	PF Floor, Cedar Peak Building, Corner General Luna Road and Mabini Street, Baguio City 2600
161	BALIWAG	G/F, 3006 St Augustine Square, Dona Remedios Trinidad Highway, Pinagbarilan Baliuag, Bulacan
162	MEYCAUAYAN	Gr. Floor, Marian Bldg., McArthur Hi-way, Calvario, Meycauayan City, Bulacan
163	CABANATUAN	P. Burgos Street, Cabanatuan City
164	DAGUPAN	Perez Blvd Bry Pogo Chico Dagupan City
165	DAGUPAN2	Perez Blvd Bry Pogo Chico Dagupan City
166	DAGUPAN CRM	Perez Blvd Bry Pogo Chico Dagupan City
167	TARLAC ATM	Jaral Bldg. McArthur Ave. cor. Juan Luna St., Tarlac City
168	TARLAC CRM 1	Jaral Bldg. McArthur Ave. cor. Juan Luna St., Tarlac City
169	TARLAC CRM 2	Jaral Bldg. McArthur Ave. cor. Juan Luna St., Tarlac City
170	SUBIC	19B Manila Avenue cor. Canal Street, Subic Bay Freeport Zone
171	SAN FDO. LA UNION	Ground Floor of Shania Tower, Quezon Avenue, San Fernando City, La Union
172	CAUAYAN ISABELA	G/F ITC Bldg., National Highway, Cauayan City, Isabela
173	CLARK	M. Roxas Highway, Philexcel Business Park Clark Freeport zone, Pampanga
174	CLARK2	M. Roxas Highway, Philexcel Business Park Clark Freeport zone, Pampanga
175	BAGUIO2	PF Floor, Cedar Peak Building, Corner General Luna Road and Mabini Street, Baguio City 2600
176	OLONGAPO	87 Magsaysay Drive Olongapo City
177	VIGAN2	Jose Singson St., Vigan City, Ilocos Sur
178	LAOAG CRM	G/F 365 Plaza Bldg. Brgy., 1, San Nicolas, Ilocos Norte.
179	MEYCAUAYAN2	Gr. Floor, Marian Bldg., McArthur Hi-way, Calvario, Meycauayan City, Bulacan
180	CABANATUAN2	P. Burgos Street, Cabanatuan City
181	SANTIAGO2	Maharlika Highway, Santiago City, Isabela
182	CAUAYAN ISABELA 2	G/F ITC Bldg., National Highway, Cauayan City, Isabela
183	SUBIC2	19B Manila Avenue cor. Canal Street, Subic Bay Freeport Zone
184	SAN FDO. LA UNION2	Ground Floor of Shania Tower, Quezon Avenue, San Fernando City, La Union

	Branch Name	Address
185	TUGUEGARAO1	G/F 2 Storey Bldg., Bagay Rd., Andrews St., Andrews Vill., Caritan Centro, Tuguegarao City, Cagayan
186	TUGUEGARAO CRM	G/F 2 Storey Bldg., Bagay Rd., Andrews St., Andrews Vill., Caritan Centro, Tuguegarao City, Cagayan
187	TUGUEGARAO CQM	G/F 2 Storey Bldg., Bagay Rd., Andrews St., Andrews Vill., Caritan Centro, Tuguegarao City, Cagayan
188	PAMPANGA ATM	GF Mel-Vi Bldg., Olongapo-Gapan Road, Dolores, City of San Fernando, Pampanga
189	PAMPANGA CRM	GF Mel-Vi Bldg., Olongapo-Gapan Road, Dolores, City of San Fernando, Pampanga
190	PAMPANGA CQM	GF Mel-Vi Bldg., Olongapo-Gapan Road, Dolores, City of San Fernando, Pampanga
191	NAGA	G/F Prime Days Hotel Bldg., Panganiban Drive, Naga City
192	STA. ROSA	Rizal Blvd., Corner Zavalla Street, Brgy Malusak, Sta Rosa City, Laguna
193	BATANGAS	G/F, Insular Life Bldg., Highway Hills, Hilltop, Batangas City
194	LEGASPI	G/F, Unit 1, SMC Bldg., Landco Business Park, Brgy Capantawan, Legazpi City
195	NAGA2	G/F Prime Days Hotel Bldg., Panganiban Drive, Naga City
196	CALAMBA PARIAN	Anderson Bldg. 1, Barangay Parian, Calamba City, Laguna
197	LIPA	B. Morada Avenue, Lipa City
198	LUCENA	G/F One People Square, M.L. Tagarao corner Granja Street, Lucena City
199	SAN PEDRO LAGUNA	Manila South Road corner Cataquiz Avenue, Brgy. Landayan, San Pedro, Laguna
200	DASMARINAS CAVITE	Congressional Road corner Gov. D Mangubat Ave. Aguinaldo Hi-way, Dasmariñas City, Cavite
201	IMUS CAVITE	G/F Melta Building, Aguinaldo Highway,corner Sampaguita Village, Imus, Cavite
202	BACOOR	Addio building, aguinaldo H-way talaba bacoor., Cavite
203	CAINTA	F. Felix Ave. corner Karangalan Drive, Cainta, Rizal
204	PUERTO PRINCESA1	Rizal Avenue, Brgy. Maningning, Puerto Princesa City, Palawan
205	PUERTO PRINCESA2	Rizal Avenue, Brgy. Maningning, Puerto Princesa City, Palawan
206	PASEO DE STA ROSA	G/F The Medical City Southluzon, United Blvd, Greenfield Brgy Don Jose, Sta Rosa Laguna
207	TAGAYTAY	G/F Tagaytay Prime Residences, Tagytay-Calamba Road, Tagaytay Prime Rotonda, Barangay San Jose, Tagaytay City
208	CAINTA2	F. Felix Ave. corner Karangalan Drive, Cainta, Rizal
209	IMUS CAVITE2	G/F Melta Building, Aguinaldo Highway,corner Sampaguita Village, Imus, Cavite
210	BACOOR2	Addio building, aguinaldo H-way talaba bacoor., Cavite
211	STA. ROSA2	Rizal Blvd., Corner Zavalla Street, Brgy Malusak, Sta Rosa City, Laguna
212	LEGASPI2	G/F, Unit 1, SMC Bldg., Landco Business Park, Brgy Capantawan, Legazpi City
213	LIPA2	B. Morada Avenue, Lipa City
214	LUCENA2	G/F One People Square, M.L. Tagarao corner Granja Street, Lucena City

	Branch Name	Address
215	LIMA TECH.1	Units 04 - 05, Block C, The Outlets at Lipa, LIMA Technology Center, Lipa, Batangas
216	LIMA TECH.2	Units 04 - 05, Block C, The Outlets at Lipa, LIMA Technology Center, Lipa, Batangas
217	LIMA TECH. CRM	Units 04 - 05, Block C, The Outlets at Lipa, LIMA Technology Center, Lipa, Batangas
218	BINAN CARMONA ATM	National Highway, Brgy. Maduya, Carmona, Cavite
219	BINAN CARMONA CRM	National Highway, Brgy. Maduya, Carmona, Cavite
220	BINAN CARMONA CQM	National Highway, Brgy. Maduya, Carmona, Cavite
221	CEBU BORROMEO	Door 8 Plaza Borromeo Bldg., Borromeo Street, Kalubihan, Cebu City
222	CEBU MANDAUE	Kentredder Bldg., A. Cortes St., Mandaue City, Cebu
223	TAGBILARAN2	J.S. Torralba St. corner CPG Avenue, Tagbilaran City, Bohol
224	CEBU LAPU-LAPU	Lot 2, Block 1, Phase 1, MEPZ II, SEPZ, Lapu-Lapu City, Cebu
225	CEBU LAPU-LAPU2	Lot 2, Block 1, Phase 1, MEPZ II, SEPZ, Lapu-Lapu City, Cebu
226	CEBU TIME SQUARE	G/F, Times Square 2 Bldg, Mantawe Avenue, Brgy Tipolo, North Reclamation Area, Mandaue City, Cebu
227	BACOLOD LACSON	G/F PhilAm Bldg., Lacson cor. Galo St., Bacolod City
228	CEBU BANILAD	G/F, Banilad Town Center, Gov. M. Cuenco Ave., Banilad, Cebu City
229	CEBU CTR MAXILOM	G/F Ong Tiak Bldg., Gen Maxilom Ave., Cebu City
230	CEBU FUENTE	G/F Rajah Park Hotel, Fuente Osmeña Circle, Cebu City
231	ILOILO GEN. LUNA	Brgy Villa Anita General Luna, Iloilo City
232	ILOILO GEN. LUNA2	Brgy Villa Anita General Luna, Iloilo City
233	TACLOBAN2	Josmar Bldg., M.H. del Pilar St. corner Zamora St., Tacloban City
234	TACLOBAN3	Josmar Bldg., M.H. del Pilar St. corner Zamora St., Tacloban City
235	BACOLOD NORTH CRM	Cor. Villa Valderrama, Lacson St., Mandalagan, Bacolod City
236	BACOLOD NORTH ATM	Cor. Villa Valderrama, Lacson St., Mandalagan, Bacolod City
237	CEBU NORTH ROAD	Gr. Floor, Khuz'ns Bldg., North Hi-way, Estancia, Mandaue City
238	DUMAGUETE	UnionBank Building, Ramon Pastor Sr. Street corner San Juan Street Dumaguete City 6200, Negros Oriental
239	DUMAGUETE2	UnionBank Building, Ramon Pastor Sr. Street corner San Juan Street Dumaguete City 6200, Negros Oriental
240	CEBU MACTAN NT.	G/F, Retail 2 & 3, Plaza Magellan Tower 1, Mactan Newtown, Lapu Lapu City
241	CEBU AS FORTUNA	GF The Space, A.S. Fortuna Corner P. Remedies st., Brgy Banilad, Mandaue City
242	CEBU SUBANGDAKU	G/F, AD Gothong IT Center, Subangdaku, Mandaue City
243	NORTH DRIVE	G/F, North Drive, Ouano Avenue, North Reclamation Area, Mandaue City
244	CEBU MINGLANILLA	G/F, FCT Commercial Bldg., Poblacion Ward-II, Minglanilla, Cebu
245	CEBU SUMILON	G/F, Buildcomm Center, Sumilon Road, Cebu Business Park, Cebu City
246	CEBU BANILAD CRM	G/F, Banilad Town Center, Gov. M. Cuenco Ave., Banilad, Cebu City

	Branch Name	Address
247	CEBU BANILAD CQM	G/F, Banilad Town Center, Gov. M. Cuenco Ave., Banilad, Cebu City
248	ASIATOWN2	G/F TGU Tower, Asiatown I.T. Park, Lahug, Cebu
249	CEBU BUS. PARK	G/F Insular Bldg., Mindanao Ave., cor Biliran Road, Cebu Business Park, Cebu City
250	CEBU BUS. PARK CRM	G/F Insular Bldg., Mindanao Ave., cor Biliran Road, Cebu Business Park, Cebu City
251	CEBU BUS. PARK CRM2	G/F Insular Bldg., Mindanao Ave., cor Biliran Road, Cebu Business Park, Cebu City
252	CEBU BUS. PARK CQM	G/F Insular Bldg., Mindanao Ave., cor Biliran Road, Cebu Business Park, Cebu City
253	CEBU PLARIDEL	No. 104 Plaridel St., Brgy. Sto. Niño, Cebu City
254	ILOILO IZNART CQM	Villanueva Bldg., Iznart St.,Iloilo City
255	ILOILO IZNART CRM	Villanueva Bldg., Iznart St.,Iloilo City
256	ILOILO IZNART	Villanueva Bldg., Iznart St.,Iloilo City
257	CEBU PUSOK	M.L Quezon National Highway Pusok, Lapu-Lapu City 6015
258	CDO LAPASAN	Lapasan National Highway, Cagayan de Oro City
259	CDO LAPASAN2	Lapasan National Highway, Cagayan de Oro City
260	DAVAO CABAGUIO	G/F, DMIRIE Bldg., JP Cabaguio Avenue, Brgy. Paciano Bangoy, Davao City
261	GENERAL SANTOS 2	G/F Laiz Building, Pioneer Avenue, General Santos City
262	ILIGAN	Manuel L. Quezon Ave, Iligan City, 9200 Lanao del Norte
263	PAGADIAN	Rizal Ave, City of Pagadian, Zamboanga Del Sur, Philippines
264	PAGADIAN2	Rizal Ave, City of Pagadian, Zamboanga Del Sur, Philippines
265	DAVAO MONTEVERDE	G/F Mintrade Bldg. Monteverde Ave. cor. Sales St., Davao City
266	DAVAO QUIRINO	Quirino Avenue cor San Pedro St., Davao City
267	DAVAO RIZAL	G/F Quibod Commercial Center, Rizal Avenue, Davao City
268	GENERAL SANTOS	G/F Laiz Building, Pioneer Avenue, General Santos City
269	ILIGAN2	Manuel L. Quezon Ave, Iligan City, 9200 Lanao del Norte
270	ZAMBOANGA JALDON2	G/F ZAEC Bldg., Mayor Jaldon cor. Gov. Alavarez, Zamboanga City
271	ZAMBOANGA JALDON	G/F ZAEC Bldg., Mayor Jaldon cor. Gov. Alavarez, Zamboanga City
272	BUTUAN	G/F CAP Bldg. J. Rosales Avenue corner JC Aquino St., Butuan City
273	BUTUAN2	G/F CAP Bldg. J. Rosales Avenue corner JC Aquino St., Butuan City
274	DAVAO MAGSAYSAY	R. Magsaysay Ave. cor. E. Jacinto St., Davao City
275	DAVAO MAGSAYSAY CRM	R. Magsaysay Ave. cor. E. Jacinto St., Davao City
276	DAVAO MAGSAYSAY CRM2	R. Magsaysay Ave. cor. E. Jacinto St., Davao City
277	SAN AGUSTIN DELA COSTA ATM (LIBERTY CENTER)	G/F Liberty Center 102 HV Dela Costa corner San Agustin Streets, Salcedo Village, Makati City
278	DOUBLE DRAGON CRM	G/F Double Dragon Center West Tower, Macapagal Avenue corner EDSA Extension, Bay Area, Pasay City
279	DOUBLE DRAGON CQM	G/F Double Dragon Center West Tower, Macapagal Avenue corner EDSA Extension, Bay Area, Pasay City
280	PLAZA CRM2	UBP Plaza Meralco Avenue., Ortigas Center, Pasig City

	Branch Name	Address
281	BAGUIO CRM 2	PF Floor, Cedar Peak Building, Corner General Luna Road and Mabini Street, Baguio City 2600
282	JP RIZAL CRM	731 J.P. Rizal St., Makati City
283	CEBU MANDAUE CRM	Kentredder Bldg., A. Cortes St., Mandaue City, Cebu
284	COMMONWEALTH AVE CRM	12-13 Upper, G/F, Diliman Commercial Center; Commonwealth Ave., Diliman Quezon City
285	ASIATOWN IT PARK CRM	G/F TGU Tower, Asiatown I.T. Park, Lahug, Cebu
286	SAN AGUSTIN DELA COSTA CRM (LIBERTY CENTER)	G/F Liberty Center 102 HV Dela Costa corner San Agustin Streets, Salcedo Village, Makati City
287	AYALA MADRIGAL CRM 1	G/F, Don Vicente Madrigal Building, 6793 Ayala Avenue, Makati City
288	TAGBILARAN CRM	J.S. Torralba St. corner CPG Avenue, Tagbilaran City, Bohol
289	BACOLOD LACSON CRM	G/F PhilAm Bldg., Lacson cor. Galo St., Bacolod City
290	GREENBELT CRM	Twin Cities Condominium, 110 Legaspi St., Legaspi Village, Makati City
291	NOVALICHES GULOD ATM	854 Quirino Highway, Gulod, Novaliches, Quezon City
292	SAN FDO. CONSUNJI	3M Bldg., MacArthur Highway, San Agustin, San Fernando, Pampanga
293	SHAW PASIG CRM	Chipeco Bldg., Shaw Blvd. corner Meralco Ave., Pasig City
294	SAN PEDRO LAGUNA 2	Manila South Road corner Cataquiz Avenue, Brgy. Landayan, San Pedro, Laguna
295	VISAYAS CONGRE ATM1	G/F, Unit 101, WMG Bldg., 47 Visayas Ave., Brgy Culiat
296	VISAYAS CONGRE ATM2	G/F, Unit 101, WMG Bldg., 47 Visayas Ave., Brgy Culiat
297	VISAYAS CONGRE CRM	G/F, Unit 101, WMG Bldg., 47 Visayas Ave., Brgy Culiat
298	MEDICAL CENTER PQUE CRM	G/F, Medical Center Paranaque, Dr. A Santos Avenue, Brgy San Antonio, Paranque
299	YUCHENGCO CRM	Escolta corner Yuchengco Sts., Binondo
300	GENERAL SANTOS CRM	G/F Laiz Building, Pioneer Avenue, General Santos City
301	CEBU EXCHANGE ATM	Cebu Exchange Arthaland Retail 1D and 1E Cebu Exchange, Salinas Dr. Lahug, Cebu City
302	CEBU EXCHANGE CRM 1	Cebu Exchange Arthaland Retail 1D and 1E Cebu Exchange, Salinas Dr. Lahug, Cebu City
303	CEBU EXCHANGE CRM 2	Cebu Exchange Arthaland Retail 1D and 1E Cebu Exchange, Salinas Dr. Lahug, Cebu City
304	MALINTA	No. 295, Mirjan Building, Maysan Road, Paso de Blas, Valenzuela City
305	MALINTA2	No. 295, Mirjan Building, Maysan Road, Paso de Blas, Valenzuela City
306	UBP 6754 AYALA CRM1	G/F PNB Makati Center, 6754 Ayala Avenue, Brgy. San Lorenzo, Makati City
307	UBP 6754 AYALA ATM1	G/F PNB Makati Center, 6754 Ayala Avenue, Brgy. San Lorenzo, Makati City
308	BAGUIO CRM	PF Floor, Cedar Peak Building, Corner General Luna Road and Mabini Street, Baguio City 2600
309	CEBU AFGU1	Ground Floor, Ayala Life-FGU Center, Mindanao Avenue corner
310	NE GREENHILLS	Ground Floor, 22 Fort & Ester Building, Missouri Street, Northeast Greenhills, San Juan City

	Branch Name	Address
311	UBP ARK3	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City
312	NE GREENHILLS 2	Ground Floor, 22 Fort & Ester Building, Missouri Street, Northeast Greenhills, San Juan City
313	CEBU AFGU2	Ground Floor, Ayala Life-FGU Center, Mindanao Avenue corner
314	CEBU AFGU CRM1	Ground Floor, Ayala Life-FGU Center, Mindanao Avenue corner
315	CEBU AFGU CRM2	Ground Floor, Ayala Life-FGU Center, Mindanao Avenue corner
316	ARK ATM4	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City
317	UBP ARK CRM2	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City
318	NEGH CRM1	Ground Floor, 22 Fort & Ester Building, Missouri Street, Northeast Greenhills, San Juan City
319	NEGH CRM2	Ground Floor, 22 Fort & Ester Building, Missouri Street, Northeast Greenhills, San Juan City
320	ARK CRM4	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City
321	ARK CRM1 (MEZZANINE)	Insular Building Ayala Avenue., corner Paseo de Roxas Makati City
322	ARK ATM MEZZANINE	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City
323	COMMONWEALTH AVE3	12-13 Upper, G/F, Diliman Commercial Center; Commonwealth Ave., Diliman Quezon City
324	C CUBE	19F flr., ZETA TOWER ROBINSON'S BRIDGETOWNE, EULOGIO RODRIGUEZ JR. AVE, -, BAGUMBAYAN, QUEZON CITY, METRO MANILA, PHILIPPINES
325	GSIS COMPLEX	GSIS Financial Complex, Roxas Blvd.,Pasay City
326	GSIS COMPLEX2	GSIS Financial Complex, Roxas Blvd.,Pasay City
327	LA SALLE ZOBEL	Gate 5, La Salle Zobel,University Avenue, Ayala-Alabang Village.,Muntinlupa City
328	CT - STA. MESA	4166 GP Ramon Magsaysay Blvd., Sta Mesa, Manila
329	CT - LAS PINAS	VIP Arcade, Ltd. Alabang – Zapote Rd., Las Piñas
330	STARTEK MAKATI	Ground Floor, SM Makati CyberZone, Sen. Gil Puyat Ave., Makati City
331	STARTEK ORTIGAS2	Startek Ortigas Tiendesitas Ugong Pasig City
332	SL BGC	12/F Philplans Corporate Center,Triangle Drive cor. Bonifacio Triangle, Bonifacio Global City, Taguig, Philippines
333	SOLAIRE1	Level 2 Casino Area Hallway (beside BDO ATM) Solaire Resort and Casino Hotel Macapagal Ave Bagong Nayon Pasay
334	SOLAIRE2	Level 2 Casino Area Hallway (beside BDO ATM) Solaire Resort and Casino Hotel Macapagal Ave Bagong Nayon Pasay
335	ABOITIZ NAC	8th floor NAC building 32nd street BGC near at the football field
336	EXTREME BINGO	EXTREME BINGO 94 timog avenue, Quezon City
337	FOTON BALINTAWAK	728 A. Bonifacio Ave. Balintawak QC

	Branch Name	Address
338	SITEL ETON	Eton CyberPod, Corinthians Business Center, Along Ortigas Avenue (infront of Robinsons Galleria)
339	IBEX PARANAQUE	6th Floor (Pantry area) SM City, BF Parañaque Sucat Road corner President's Avenue, Parañaque City
340	IBEX SHAW	5/F Shaw IT Center 360 Shaw Blvd., cor. 9 de Pebrero St., Brgy. Addition Hills, Mandaluyong City
341	MD CENTER TAGUIG	Medical Center Taguig Levi B. Mariano Ave, Taguig, Metro Manila
342	MJC WINFORD	Winford Hotel & Casino Brgy. 350, Santa Cruz, Manila, Metro Manila
343	SL SHAW	9F, Shaw IT Center 360 Shaw Blvd corner 9 de Pebrero Street, Barangay Addition Hills San Felipe Neri, Mandaluyong City
344	MONOCRETE CONSTR	No. 888 Cayetano Ave. C5 Ext. Diversion Rd. Brgy, Palingon Tipas Taguig
345	HO 14TH FLR.	Plaza Headoffice Meralco Ave cor Onyx Street Pasig
346	ALLIANCE GLOBAL	20/F Alliance Global Tower, 36th Street cor 11th Avenue Uptown Bonfacio Global City Taguig (Near Great Hall)
347	GRAND WING	G/F Casino floor, Hilton Grand Wing, Newport Boulevard, Newport City, Pasay 1309
348	TQMP PASIG	AGC Flat Glass Philippines, Inc. compound 730 M.H. del Pilar St, Pasig, Metro Manila
349	ARMSCOR	ARMSCOR Avenue Brgy Fortune Marikina City
350	TELE. VERTIS NORTH	Teleperformance Vertis North 18F Tower A Vertis North, Mindanao Ave , Q.C.
351	CATS	1008 Epifanio de los Santos Ave, San Juan, Metro Manila
352	ANDOKS	Corazon Tierro-Javier Building, 24 West Avenue, Barangay Bungad, Quezon City
353	SITEL TECHNOHUB	4/F technohub Bldg Ortigas Home Depot # 1 Dona Julia Vargas Avenue Bgy. Ugong Pasig City
354	ABOITIZ NAC CRM	8th floor NAC building 32nd street BGC near at the football field
355	SL CLARK	2nd to 6thth floor, Two West Aeropark Building, Clark Global City, Clark Civil Aviation Complex, Clark Freeport Zone 2023
356	SL CLARK SITE 4	Site 4 Clark Center 6 Jose Abad Santos Highway Clark Field Pampanga
357	SL TARLAC1	Tarlac IT Park II, Ninoy Aquino Highway, San Isidro, Tarlac City
358	PELCO	Pampanga I Electric Coop Inc, Sto Domingo Mexico Pampanga
359	PHILEX OFFSITE1	Philex Mining Corp, Padcal, Tuba, Benquet
360	PHILEX OFFSITE2	Philex Mining Corp, Padcal, Tuba, Benquet
361	SITEL TARLAC	Level 2 Robinsons Place Tarlac
362	SL TARLAC2	Tarlac IT Park II, Ninoy Aquino Highway, San Isidro, Tarlac City
363	AIA	Subic Bay Metropolitan Authority Argonaut Hwy, Olongapo, Zambales
364	PILMICO TARLAC	Santo Domingo II,, Capas, Tarlac
365	SUBIC PORT GRAIN T.	Bldg. 8008 Leyte Wharf, Cubi Point, SBMA, Subic, Zambales 2209
366	BATAAN 2020	Roman Superhighway, Samal, Bataan

	Branch Name	Address
367	SL CARMONA	Warehouse Phase 1 and Phase 2, lot 562-B-3, Governor's Dr., Poblacion,Carmona, Cavite
368	SL CAMSUR1	Camarines Sur IT Center, IT Park, Provincial Capitol Complex, Cadlan, Pili 4418 Camarines Sur
369	SL LEGASPI	Ground Flr.Building ,Embarcadero de Legazpi,Legazpi port Site,Victory Village, Legaspi City
370	SL CAMSUR2	Camarines Sur IT Center, IT Park, Provincial Capitol Complex, Cadlan, Pili 4418 Camarines Sur
371	DLSU ADG BLDG	Ayuntamiento De Gonzales Bldg. DLSU-Dasmariñas Brgy. Fatima 1, Congressional Ave. Dasmariñas City, Cavite (GF cashier area)
372	DLSU MEDICAL	G/F DLSUMC New Building, Governor D. Mangubat Avenue City of Dasmariñas, Cavite
373	TWINLAKES T.	Twin Lakes Tagaytay Vineyard Resort Community, Tagaytay-Nasugbu Highway, Alfonso, Cavite (near Canyon Cove)
374	CEBU LEXMARK1 (Funai Electric)	Mactan Economic Zone II, Basak, Lapu-Lapu City
375	CEBU LEXMARK2	Lexmark Building, Cardinal Rosales Ave, Cebu City
376	ABOITIZ OFFSITE	Aboitiz & Co. Building Archbishop Reyes Avenue Banilad, Cebu City
377	QUALFON CEBU	Cardinal Rosales Avenue., Cor. Samar Loop Cebu Business Park., Cebu City
378	QLFN DUMAGUETE1	LinkSy I.T. Park, North National Highway Bantayan, Dumaguete City 6200, Philippines.
379	QLFN DUMAGUETE2	LinkSy I.T. Park, North National Highway Bantayan, Dumaguete City 6200, Philippines.
380	MD CITY ILOILO	Locsin Street, Molo, Iloilo City, Iloilo
381	CEBU VELEZ	Cebu Velez General Hospital F. Ramos St, Cebu City, Cebu
382	CEBU VECO	Visayan Electric Company (VECO) J. Panis St., Banilad, Cebu City
383	CMA T2 ARRIVAL	Lapu-Lapu Airport Rd, Lapu-Lapu City, 6016 Cebu, T2 Arrival
384	CMA T2 DEPARTURE	Lapu-Lapu Airport Rd, Lapu-Lapu City, 6016 Cebu, T2 Departure
385	CEBU TOWN CENTER	G/F, Banilad Town Center, Gov. M. Cuenco Ave., Banilad, Cebu City
386	HGS ILOILO	HGS SM Strata 19F SM Strata Benigno Aquino Avenue Mandurriao, Iloilo City 5000 Philippines
387	SL DAVAO	R. Magsaysay Ave. cor. E. Jacinto St., Davao City
388	IBEX DAVAO	Ground Floor, Fountain Court, SM Lanang Premier JP Laurel Avenue, Brgy. San Antonio Davao City
389	DLPC	163 - 165 C. Bangoy Sr. St. Davao City, 8000
390	PILMICO ILIGAN	Kiwalan Cove, Dalipuga, Iligan City, Lanao del Norte
391	DLPC BAJADA	Rondez Engineering Center, JP Laurel Ave., Bajada, Davao City
392	DAVAO OFFSOURCING	Ayala Business Center,Matina Town Square
393	BELMONT HOTEL	Newport Blvd, Newport City 1309 Pasay City
394	INSULAR LIFE	G/F Filinvest Corporate City, Alabang 1781, Alabang, Muntinlupa, 1781

	Branch Name	Address
395	LIMA OFFSITE 1 (ADMIN)	Administration Office Special Economic Zone, Malvar, Batangas, 4233
396	WIDUS 1	MA Roxas Highway, Clark Freeport Zone 2023
397	WIDUS 2	MA Roxas Highway, Clark Freeport Zone 2023
398	WIDUS 3	5398 Manuel A. Roxas Highway, Clark Freeport Zone, Pampanga, Philippines 2023
399	WIDUS 4	MA Roxas Highway, Clark Freeport Zone 2023
400	WIDUS 5	MA Roxas Highway, Clark Freeport Zone 2023
401	FOTON CLARK	Lot 1A, Lot 1B and Lot 2 Prince Balagtas Avenue, Clark Freeport Zone
402	UNITED AUCTIONEER	UNITED AUCTIONEERS INC. BLDG.1455 ARGONAUT HIGHWAY SUBICBAY FREEPORTZONE, OLONGAPO
403	AFPMBAI	AFPSLA Building, EDSA corner Colonel Bonny Serrano, Camp Aguinaldo, Quezon City, Metro Manila
404	RESORTS WORLD	Resorts World Manila, Newport Boulevard, Newport City Pasay 1309, Metro Manila
405	RAFI	35 Eduardo Aboitiz St. Tinago, Cebu City, 6000
406	ST DOMINIC	St. Dominic Medical Center, Aguinaldo Highway, Talaba, Bacoor Cavite
407	MABUHAY FILCEMENT	San Fernando, Cebu
408	EMPIRE EAST	3F The World Center Building, Makati City (beside reception area)
409	GERI	9/F Eastwood Global Plaza, Bagumbayan Eastwood City
410	MILLENIAL RESORTS	Calatagan South Beach Leisure Toursim Estate Brgy. Santa Ana, Batangas City
411	UNIVERSITY OF BAGIUO CRM	University of Baguio General Luna Road, Baguio City
412	SAVOY HOTEL	Newport blvd, Andrew Ave. Pasay City 1309
413	ELECTROLINE CORP	Masagana St. Pinagbarilan, Baliuag Bulacan
414	SITEL BAGUIO ATM1 SITE2	University of Baguio General Luna Road, Baguio City
415	BETAINE ATM1	15 Zeta Tower E Rodriguez Jr., Ave. cor Ortigas Ave., bridgestowne, West Ugong Norte, QC.
416	ACEA SUBIC RESORTS	ACEA Subic Beach Resort, The Dungaree Beach, San Bernardino Road, Subic Bay Freeport Zone
417	BUILDNET ATM	Sitio Narra, Barangay Akle, San Ildefonso, Bulacan
418	BUKIDNON	BCC COMMERCIAL BUILDING- DAMILAG HI-WAY MANOLO FORTICH, BUKIDNON
419	INNOVA CAMP ATM	Ynion Drive, Magsaysay Road, San Antonio, San Pedro, Laguna
420	INNOVA CAMP CRM	Ynion Drive, Magsaysay Road, San Antonio, San Pedro, Laguna
421	CEBU AUTOLIV	3rd St. Cor. 3rd Ave. Mepz-1, MEPZ 1, Lapu-Lapu City, 6015 Cebu
422	E-BOW ATM	National Highway, Brgy. Landayan, San Pedro, Laguna
423	MEDIATRIX CRM	JP Laurel Highway, Mataas na Lupa Lipa City Batangas
424	JP MORGAN BGC ATM	9th Avenue corner 38th Street 25th Floor, Uptown Bonifacio, Taguig City, Philippines 1635
425	JP MORGAN BGC ATM2	9th Avenue corner 38th Street 25th Floor, Uptown Bonifacio, Taguig City, Philippines 1635
426	JP MORGAN CEBU ATM	7th Floor E-bloc Tower, Jose Ma. Del Mar Avenue, Asiatown IT Park, Apas, Cebu City, Philippines 6000

	Branch Name	Address
427	LOURDES HOSPITAL CRM	Our Lady of Lourdes Hospital 46P Sanchez St. Sta. Mesa Manila
428	BETAIN ATM2 - Iloilo	2F Ayala Technohub Bldg., Smallville Business Center, Brgy San Rafael, Boardwalk Avenue, Mandurriao, Iloilo City 5000
429	MUZON TERMINAL CRM	MUZON CENTRAL TERMINAL AND MARKET, VILLARICA ROAD, BRGY MUZON, SAN JOSE DEL MONTE BULACAN (entrance of the sm supermarket which inside the terminal)
430	STOTSENBERG ATM	Gil Puyat Avenue Cor. Andres Soriano St. Clark Freeport Zone Pampanga (lobby main entrance casino, ground floor Stotsenberg Hotel)
431	NORTH STAR BULACAN CRM	9001 Dona Feliza Village Tierra Dayao Santa Cruz, Guiguinto, Bulacan 3015
432	ADB	No.6 ADB Avenue, Ortigas Center, Mandaluyong City, Metro Manila
433	BOW2.5 ATM	Ynion Drive, Magsaysay Road, San Antonio, San Pedro, Laguna
434	BOW2.5 CRM	Ynion Drive, Magsaysay Road, San Antonio, San Pedro, Laguna
435	EDSA SHANG MALL	Lower Ground Floor, Shangri-La Plaza, EDSA corner Shaw Boulevard, Mandaluyong City
436	CGS PLASTICS	272 GENERAL LUIS STREET CAYBIGA CALOOCAN CITY (DON DAVE LITSON MANOK) (CAYBIGA BAZAAR)
437	GULLAS COLLEGE CRM	Gov. M. Cuenco Ave. Banilad, Mandaue City Cebu
438	LAMCO PASIG	ALVA BUSINESS CENTER 259 C. RAYMUNDO AVE. MAYBUNGA, PASIG CITY (2nd floor)
439	BEAWESOME DAVAO	Cybergate Delta 2 6th Floor Robinson Cybergate DVO, Governor Paciano Brgy, Agdao District, Davao City 8000
440	VALLEY BREAD	AE 220 Poblacion La Trinidad Benguet
441	MNL POLO CLUB	Manila Polo Club, McKinley Road, Makati City
442	NAIA T3	Ground Floor, NAIA Terminal 3, Andrews Avenue, Pasay City
443	UAA GROUP INC	Lot24 Blk.11 Commonwealth Holy Spirit Quezon City (Chery Commonwealth)
444	KINGSFORD MANILA	BAGONG NAYONG PILIPINO ENTERTAINMENT CITY, TAMBO PARANAQUE CITY
445	MANILA PEN	Lower Ground Floor, Manila Peninsula Hotel, Makati City
446	TRANSGLOBAL CRM	PK Bldg. Ninoy Aquino Ave. Pascor Drive Brgy. Sto Nino Paranaque City
447	IBEX TIENDESITAS	Unit 301 Silver City Building, Tiendesitas, Frontera Verde, Ugong, Pasig City, Metro Manila, Philippines, 1604
448	IBEX ALABANG	8th Flr. CTP Asean Tower 2409 Asean Drive, Spectrum District, Filinvest City, Alabang, Muntinlupa City 1781
449	FRABELLE CORP	1051 Northbay Boulevard, Navotas City 3rd District NCR
450	IBEX CUBAO	22nd flr. Cyberpark Tower 2 Cubao, Quezon City, Metro Manila Philippines
451	NETSEC TECH INC	47 EAST BUSINESS HUB, 47 ESTEBAN ABADA ST. LOYOLA HEIGHTS QUEZON CITY
452	SOUTHWOODS MALL	2F, ATM 203 SOUTHWOODS MALL, SOUTHWOODS CITY, BIÑAN LAGUNA
453	UB SQUARE 1	Ground Floor, Citibank Square, 1 Eastwood Aveue, Eastwood City, Barangay Bagumbayan, Quezon City

	Branch Name	Address
454	UB SQUARE 2	Ground Floor, Citibank Square, 1 Eastwood Aveue, Eastwood City, Barangay Bagumbayan, Quezon City
455	US EMBASSY	2nd Floor, US Embassy, Roxas Boulevard, Manila City
456	CT PLAZA 17F 1	17F 34th Street, Taguig City
457	CT PLAZA 17F 2	17F 34th Street, Taguig City
458	INSULAR WB1	Ground Floor, Insular Life Corporate Centre, Insular Drive, Filinvest Corporate City, Alabang, Muntinlupa City
459	INSULAR WB2	Ground Floor, Insular Life Corporate Centre, Insular Drive, Filinvest Corporate City, Alabang, Muntinlupa City
460	BINONDO ATM	2nd Floor, Pacific Center, Quintin Paredes corner Sabino, Padilla Streets, Binondo, Manila
461	GREENBELT 5	2F Greenbelt 5, Phase 2 legaspi st. Legaspi Village Makati City
462	BGC CSM	Basement 1, Central Square, BGC High Street, Taguig City
463	MOLITO ATM	Puregold Supermarket, Molito Complex, Alabang Zapote Road cor. Madrigal Avenue, Muntinlupa City
464	ADB2	No.6 ADB Avenue, Ortigas Center, Mandaluyong City, Metro Manila
465	CDE DE CEBU	107, 109 V. Ranudo St, Cebu City
466	AAVA CRM	CUENCA FIELD PARK AND SOCCER FIELD, AYALA ALABANG VILLAGE MUNTINLUPA
467	BINONDO CRM	2nd Floor, Pacific Center, Quintin Paredes corner Sabino, Padilla Streets, Binondo, Manila
468	UB SQUARE CRM	Ground Floor, Citibank Square, 1 Eastwood Aveue, Eastwood City, Barangay Bagumbayan, Quezon City
469	INSULAR WB CRM	Ground Floor, Insular Life Corporate Centre, Insular Drive, Filinvest Corporate City, Alabang, Muntinlupa City
470	THE RITZ TOWER	The Ritz Towers Condominium, Apartment Drive, 6745 Ayala Avenue Makati City
471	CMA T1 DEPARTURE	Terminal 1 South Wing Departure (Slot U) of Mactan-Cebu International Airport
472	ADB CRM	No.6 ADB Avenue, Ortigas Center, Mandaluyong City, Metro Manila
473	NEW COAST1	3F Casino near entrance New Coast Hotel Manila 1588 M.H Del Pilar St Cor Pedro Gil St Zone 76 Barangay 699 1004 Malate
474	NEW COAST2	3F cage area New Coast Hotel Manila 1588 M.H Del Pilar St Cor Pedro Gil St Zone 76 Barangay 699 1004 Malate
475	SITEL ATC	Alabang Town Center (ATC) - 9th Floor Pantry Area, ATC Corporate Center BPO 1 Building, Access Road, Alabang,Muntinlupa City
476	CMA T1 ARRIVAL	South Wing Arrival (Slot K) of Mactan-Cebu International Airport
477	GRAND WESTSIDE1	Main Lobby South Tower Bagong Nayong Pilipino, Entertainment City, Tambo, Paranaque, Philippines
478	GRAND WESTSIDE2	Employee Entrance Loading Dock Bagong Nayong Pilipino, Entertainment City, Tambo, Paranaque, Philippines
479	SOLAIRE NORTH 1	1 Solaire Way, Vertis North, Bagong Pag-asa., Quezon City. 1105 Philippines (L2 ATM 4)

	Branch Name	Address
480	SOLAIRE NORTH 2	1 Solaire Way, Vertis North, Bagong Pag-asa., Quezon City. 1105 Philippines (L3 ATM 5)
481	SITEL GLORIETTA	Glorietta 1 Makati (5F beside BDO ATM machine in front of recruitment hub.) Glorietta BPO 1 Office Tower, Hotel Drive, Ayala Center, Makati City, 1224 Philippines
482	MACTAN SHANGRI-LA	Punta Engano Road, Lapu Lapu City, Cebu
483	FOUNDEVER MABOLO	Synergis – Cebu, 3F Lobby or 5F Lobby, F. Cabahug St., Mabolo, Cebu City
484	FOUNDEVER MAX HUB	RGC - Cebu, 3rd Floor Pantry Area,, Robinson's Galleria Cebu BPO Offices, Gen. Maxilom Ave., Cebu City
485	FOUNDEVER CEBU RGC	Robinsons Cybergate Galleria Cebu Commerce corner Benedicto Sts. Cebu City 6000
486	HANN MARRIOTT	Basement employee Marriott Bldg 5398, M.A. Roxas Highway corner C.M. Recto, Zone, Clark Freeport, Mabalacat, 2023 Pampanga
487	CT PLAZA 17F 3	17F 34th Street, Taguig City
488	HANN SWISSOTEL	Swissotel Bldg 5399, M.A. Roxas Highway corner C.M. Recto, Zone, Clark Freeport, Mabalacat, 2023 Pampanga
489	GRAB MARIKINA CRM	#56&#58 Bonifacio Avenue, Barangay Barangka, Marikina City
490	UBIQUITY CDO	CAGAYAN DE ORO SITE - 3F LIMKETKAI MALL, MODULE 2, BPO & CYBERPARK BLDG., CAGAYAN DE ORO
491	EPERFORMAX CEBU	JY Square IT Center 1 & 3, Salinas Drive, Lahug, Cebu City
492	AB LEISURE BGC ATM	Ecoprime Building, 32nd St. corner 9th Avenue, Bonifacio Global City
493	JETOUR QC	33 Quezon Ave. Santo Domingo (Matalahib) Quezon City
494	AB LEISURE BGC CRM	Ecoprime Building, 32nd St. corner 9th Avenue, Bonifacio Global City

City Savings Bank, Inc.

	Branch Name	Address
1	Abulug	Java Commercial Center National Road, Libertad, Abulug, Cagayan
2	Alaminos	Quezon Avenue, Poblacion Alaminos City, Pangasinan
3	Alicia Branch	Nick Hotel Bldg.,Maharlika Highway, Antonino, Alicia Isabela
4	Angeles Branch	Diamond Spring Hotel,192 McArthur Highway, Barangay Balibago, Angeles City, Pampanga
5	Anonas Branch	Ground Floor Belmont Place Building, No. 5 Anonas Street, Project 3, Quezon City
6	Antipolo	Unit 105 Rikland Center Marcos Highway Mayamot Antipolo City, Rizal
7	Antique Branch	C.R. Building, T.A. Fornier St., San Jose, Antique
8	Aparri	Maharlika Highway, Macanaya, Aparri, Cagayan
9	Aurora	National Highway, San Jose, Aurora, Isabela

	Branch Name	Address
10	Bacolod	Unit 4 - 6 G/F 722 Metropolis Tower, Lacson St., Mandalagan, Bacolod City, Negros Occidental
11	Bacoor	G/F San Miguel Bldg, Panapaan I, Aguinaldo Hi-way Bacoor Cavite
12	Baguio	Ground Floor Insular Life Building, Abanao Extension, Corner Legarda Street, Baguio City, Benguet
13	Balamban	E.S. BINGHAY STREET. BRGY. SANTA CRUZ-SANTO NINO-(POB), BALAMBAN, CEBU
14	Balanga	Arzadon Bldg Don Manuel Banzon Avenue, Dona Francisca, Balanga City Bataan
15	Baler	Ground Floor Etcubanez Bldg., M.L Quezon Highway, Brgy. Suklayin, Baler, Aurora
16	Baliuag	Unit 5 & 6 R-Building DRT Hi-way, Pinagbarilan, Baliuag, Bulacan
17	Bank on Wheels (BOW)	G/F, UnionBank Plaza, Meralco Ave. cor. Sapphire and Onyx Streets, Ortigas Center, Pasig City
18	Bantay	Zone 2 National Highway Corner Real St., Brgy. 1 Bantay, Ilocos Sur
19	Batangas	Junction Commercial Complex, Zone 12, Padre Burgos St., Batangas City, Batangas
20	Bayambang Branch	EPAY Building, Juan Luna Street, Poblacion Sur, Bayambang, Pangasinan
21	Bogo	Sim Bldg. P. Rodriguez St., Bogo, Cebu City
22	Borongan	JRC Bldg., Songco, Borongan, Eastern Samar
23	Butuan	Imadejas Triangle, JC Aquino Avenue, Imadejas Subdivision, Butuan City
24	Cabanatuan	701 Paco Roman St., Dimasalang, Cabanatuan City, Nueva Ecija
25	Cabatuan	Purok 2 Centro Cabatuan, Isabela
26	Cagayan de Oro	TS Fashion Building, Corrales Ave. (between J. Ramonal & R. Chaves Sts., Cagayan de Oro City
27	Calamba Branch	Unit #1 EF GF Margimel Bldg., National Highway Brgy. Halang, Calamba City, Laguna
28	Calapan	Pure Gold - Calapan, J.P. Rizal Street, Barangay Camilmil, Calapan City, Oriental Mindoro
29	Calbayog	Youxiu Bldg., Maharlika Highway, P1 Brgy. Obrero, Calbayog City, Western Samar
30	Caloocan Branch	Dianne Building No. 746 Rizal Avenue Extension, Grace Park, Caloocan City
31	Carcar	Units 1-4, Dr. Paulino H. Lopez Building Poblacion 1, Rotunda, Carcar City, Cebu
32	Catarman	Camara Building 1305 Bonifacio corner Garcia Sts., Barangay Mabolo, Catarman, Northern Samar
33	Cauayan Branch	1st Floor Alingog Center Rizal Corner Canciller Avenue, District 1 (Poblacion) Cauayan City, Isabela
34	Daet	Ground Floor Central Plaza Mall, Central Plaza Complex, Barangay Lag-on, Daet, Camarines Norte
35	Dagupan	Rudel Bldg., Perez Boulevard, Corner Guilig St., Dagupan City, Pangasinan

	Branch Name	Address
36	Dasmariñas	Lot 5 & 6, Block 94, Governor's Drive, Metrogate Subdivision, Dasmarinas City, Cavite
37	Davao	Doors 1-4 Red Cross Bldg., M. Roxas Avenue, Davao City
38	Diffun	Purok 7 National Hiway Andres Bonifacio, Diffun, Quirino
39	Digos	Door 6,7,8 USPD Bldg.,Rizal Avenue, Digos City, Davao Del Sur
40	Dipolog	Bolusan Bldg., Sergio Osmena Street, Central Barangay, Dipolog City
41	Dumaguete	Corner Dr. V. Locsin & Real Streets., Dumaguete CIty, Negros Oriental, Philippines
42	Echague Branch	R&J Building, Maharlika Highway, Ipil Junction, Echague, Isabela
43	General Santos	DIMDI Bldg Santiago Boulevard Dadiangas South, General Santos City South Cotabato
44	Gumaca Branch	A Bonifacio Street, Barangay Tabing Dagat, Gumaca, Quezon
45	Head Office (Ortigas)	G/F, UnionBank Plaza, Meralco Ave. cor. Sapphire and Onyx Streets, Ortigas Center, Pasig City
46	Ilagan	4J Commercial, Baligatan, City of Ilagan, Isabela
47	Iloilo	Ground Floor 143 Esperanza Building, General Luna Street, Iloilo City
48	Infanta	General Luna Street, Publacion 39, Infanta Quezon Province
49	Iriga	Ground Floor Everest Plaza, Zone 5, Highway 1, Brgy. San Miguel, Iriga City Camarines Sur
50	Kabankalan	CM Bldg., Corner Guanzon & Azcona Sts., Kabankalan City
51	Kalibo	G/F Cruzadel Bldg, Archbishop Reyes St. Poblacion, Kalibo, Aklan
52	Kidapawan	Ground Floor - Aspilla Bldg. Quirino Drive, North Cotabato, Kidapawan City.
53	Koronadal Branch	Villa Amor Hotel, Door 14, General Santos Drive corner Arellano Street, Koronadal City, General Santos
54	La Union	Kenny Plaza, Quezon Ave., Catbangen, San Fernando City, La Union
55	Laoag	National Highway Brgy 51A, Nangalisan East Laoag City, Ilocos Norte
56	Las Pinas Branch	Alabang-Zapote Road corner Crispina Avenue, Pamplona, Las Piñas City
57	Leganes	Pestaño Bldg., Gustilo St., Poblacion, Leganes, Iloilo
58	Legazpi	Tower Mall 4, LandCo Business Park, Capantawan, Legazpi City, Albay
59	Lemery	NVS Bldg, Barangay Malinis 4209, Lemery, Batangas
60	Lipa	G/F 1NK Centre, General Luna St., Barangay Sabang, Lipa City, Batangas
61	Lucena	Ground Floor ML Tagarao Street, Barangay 5, Lucena City, Quezon
62	Mandaue	Doors 3 and 4 CITYBRIDGE PLAZA A.C. CORTES COR. P. BURGOS ST. MANDAUE (CITY) CEBU
63	Marikina Branch	#3 G. Fernando Avenue, San Roque, Marikina City
64	Marilao	Ground Floor RL Building, McArthur Highway Abangan Norte Marilao, Bulacan

	Branch Name	Address
65	Masbate	Upper Ground Floor, Gaisano Capital Mall, National Highway, Masbate City
66	Mati Branch	Door 5-6 Andrada Bldg, Rizal Street, Barangay Central,Mati City, Davao Oriental, 8200
67	Naga	Door #44-45 CBD II Terminal, Triangulo, Naga City, Camarines Sur
68	Naguilian	Maharlika Highway, Purok 4, Upi, Gamu, Isabela
69	Navotas	M. Naval Street, Navotas City
70	North Caloocan Branch	Door 1-4 R-V Sabangan Building, 500 Susano Road, Hillcrest Village, Camarin, Caloocan City
71	Olongapo	Ground Floor PNRC Building, Magsaysay Drive, Olongapo City, Zambales
72	Ormoc	1st & 2nd STP Bldg, Aviles St., Ormoc City
73	Pagadian	F&N Building, San Francisco District, Pagadian City, Zamboanga del Sur
74	Palawan Branch	UnionBank Bldg. Unit 1 A, Bgy. Maningning, Puerto Princesa City, Palawan
75	Pampanga	Unit 102 Suburbia Commercial Center, Brgy. Maimpis, San Fernando City, Pampanga
76	Ramon	Purok 1, National Highway, Bugallon Proper, Ramon, Isabela
77	Roxas Capiz	Bonifacio (McKinley) St., Roxas City, Capiz
78	Roxas Isabela	Don Mariano Marcos Avenue Bantug Roxas Isabela
79	Sampaloc	1880 G. Tuazon St. Corner Algeciras St., Sampaloc, Manila City
80	San Carlos	Doors 2-4 Heritage Bldg. , F.C. Ledesma Ave., San Carlos City
81	San Jose Mindoro Branch	Lebrilla Ang Building, Burgos Corner Rizal Street, Barangay Poblacion 1, San Jose Occidental Mindoro
82	San Jose, Nueva Ecija	Mario Salvador Building, Maharlika Highway, Barangay Malasin, San Jose City, Nueva Ecija
83	San Mateo	Alicia Road Barangay 1, San Mateo, Isabela
84	San Miguel	R. Bldg., Daang Maharlika Highway, Sta Rita Matanda, San Miguel, Bulacan
85	Santiago	Ground Floor Insular Life Building, Maharlika Highway, Santiago City, Isabela
86	SJDM, Bulacan	RECH B1 Quirino Highway Brgy. Sto. Cristo San Jose del Monte, Bulacan
87	Sogod Branch	Corner Concepcion and Mangkaw Streets, Barangay Zone 1 Sogod, Southern Leyte
88	Solano Branch	Ground Floor Ongtao Building, J.P. Rizal Avenue corner Burgos Street, Solano, Nueva Vizcaya
89	Sorsogon Branch	AD Reyes Building 1461 Magsaysay Street, Barangay Salog, Sorsogon City
90	Sta Cruz Branch	P. Guevarra Street, Poblacion, Barangay IV, Sta. Cruz, Laguna
91	Sta Rosa	Ground Floor Unitop Building, Zircon Road, Balibago Complex, Balibago, Sta. Rosa, Laguna 4027
92	Sta. Ana Branch	National Highway Centro, Sta Ana, Cagayan
93	Sto. Nino Branch	City Savings Financial Plaza, Corner Osmeña Blvd. & P. Burgos St., Cebu City

	Branch Name	Address
94	Surigao Branch	Ground Floor Parkway Mall Km 3, Barangay Luna, National Highway, Surigao City
95	Tacloban	YPL Bldg., Door #3 Salazar St., Tacloban City
96	Tagaytay	Lot I2 E. Aguinaldo Highway, Brgy. San Jose, Tagaytay City, Cavite
97	Tagbilaran	0186 C.P. GARCIA AVENUE, POBLACION II, TAGBILARAN CITY, BOHOL
98	Taguig Branch	#48 Gen. Alfredo Santos Avenue, Lower Bicutan, Taguig City
99	Tagum	Ground Floor PLJ Building, Apokon Road, Tagum City, Davao del Norte
100	Tanjay	Door 2-5, Sweet Lady Bldg., Legaspi St., Brgy. Poblacion 8, Tanjay, Negros Oriental
101	Tarlac	Plaza de Oro Arcade, MacArthur Highway, Sto. Cristo, Tarlac City
102	Taytay Branch	National Road, Ilog Pugad, Barangay San Juan, Taytay, Rizal
103	Tondo	Unit 10 & 11 Ushio Plaza V. Honorio Lopez Boulevard, Barangay 148, Tondo, Manila
104	Tuguegarao	Unit 3 & 4 DR Asuncion Bldg Mabini St, Ugac Norte, Tuguegarao City 3500
105	Ubay	Ground Floor Rogelio Inn Building, Colonel Marciano Garces Street, Poblacion, Ubay, Bohol
106	Urdaneta	Honaco Commercial Bldg., National Highway, Urdaneta City, Pangasinan
107	Valenzuela Branch	389 Mc Arthur Highway, Malinta, Valenzuela City
108	Zamboanga	RHW Bldg., Mayor Jaldon St., Brgy. Canelar, Zamboanga City, Zamboanga del Sur

Annex 2

UNION BANK OF THE PHILIPPINES
LIST OF BANK OWNED BRANCHES
As of December 31, 2024

Union Bank of the Philippines

Branch Name	Address
ANTEL RESIDENCES	G/F Antel Residences, 7829 Salamanca Street., Brgy Poblacion, Makati City
CABANATUAN	110-A Del Pilar Street, Brgy. Nabao ,Cabanatuan City
DASMARINAS GACU	G/F UnionBank Centre Manila Bldg, Quintin Paredes corner Dasmarinas St, Binondo, Manila
DAVAO - MAGSAYSAY	156 Ramon Magsaysay Avenue corner Jacinto St., Brgy 29C, Davao City
DUMAGUETE	Building, Real corner San Juan Sts., Brgy 7, Dumaguete City
EMERALD	G/F Wynsum Corp. Plaza, 22 Emerald Avenue, Ortigas Center, Pasig City
ILIGAN CITY	Manuel L. Quezon Avenue, Poblacion, Iligan City
ILOILO - GEN LUNA	General Luna St., Brgy. Villa Anita, Iloilo City
FRONTERA VERDE	87 Magsaysay Drive, East Tapinac, Olongapo City, Zambales
PUERTO PRINCESA CITY	G/F, UnionBank Bldg., 293 J. Rizal Avenue, Brgy. Maningning, Puerto Princesa City, Palawan
RICHVILLE	G/F, Richville Corporate Tower, Madrigal Business Park, Alabang Zapote Rd., Alabang, Muntinlupa City
CEBU EXCHANGE TOWER	Cebu Exchange Tower,Salinas Drive, Lahug, Cebu City
UNIONBANK PLAZA	G/F, UnionBank Plaza Bldg., Meralco Avenue corner Onyx St, Brgy San Antonio, Pasig City

City Savings Bank, Inc.

Branch Name	Address
City Savings Financial Plaza	Barangay Santo Nino, Cebu CIty
Tagbilaran Branch	Barangay Poblacion II, Tagbilaran City, Bohol
Aurora Branch	Santiago-Tuguegarao Road and Pasuquin Street, Brgy. San Jose, Aurora, Isabela
Cabatuan Branch	Santiago-Tuguegarao Road, Brgy. Centro, Cabatuan, Isabela
Diffun Branch	Cordon-Diffun-Madella-Aurora Road, Brgy. A. Bonifacio, Diffun, Quirino
Laoag Branch	Barangay Nangalisan, Laoag, Ilocos Norte - 338 sqm (T-021-2012000001)
Roxas, Isabela Branch	Don Mariano Marcos Avenue, Brgy. Bantug, Roxas, Isabela
San Mateo Branch	Alicia-San Mateo Road, J. Cadelifia Street and La Salette Street, Brgy. 1, San Mateo, Isabela.
Sta. Ana Branch	Dugo-San Vicente Road and Arellano Street, Brgy. Centro, Sta. Ana, Cagayan

Bangko Kabayan, Inc.

Branch Name	Address
Executive Office And Ibaan Branch	Santiago St. Poblacion Ibaan Batangas
Calaca City	Marasigan St., Poblacion 5, Calaca, Batangas
Cuenca	National Road, Poblacion, Cuenca, Batangas
Mabini	Poblacion, Mabini, Batangas
Nasugbu	Mulingbayan St., Brgy. 9, Nasugbu, Batangas
Rosario	Carandang St., Poblacion C., Rosario, Batangas
San Juan	General Luna St., Poblacion, San Juan, Batangas
San Pascual	2680 National Road, Brgy. San Antonio, San Pascual, Batangas
Nagcarlan	Rizal Avenue, Poblacion 2, Nagcarlan, Laguna
Pagsanjan	Gen. Taiño St., Brgy. Poblacion 1, Pagsanjan, Laguna
Balasan	Del Rosario St., Poblacion Sur, Balasan, Iloilo
Daanbantayan	Osmena St., Poblacion, Daanbantayan, Cebu
Kabulig(branch lite)	Del Rosario St., Poblacion Sur, Balasan, Iloilo

Annex 3

UNION BANK OF THE PHILIPPINES
LIST OF LEASED BRANCHES
As of December 31, 2024

Union Bank of the Philippines

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
2ND AVENUE - GLOBAL CITY	G/F, Unit 1, Blue Sapphire Bldg., 2nd Avenue, Bonfacio Global City, Taguig City	395,767.16	October 31, 2025	every 5 years
32ND AVE. - BGC	G/F, Trade & Financial Tower, 7th Avenue corner 32nd Street, Bonifacio Global City, Taguig City	931,100.00	September 30, 2029	every 5 years
5TH AVENUE - GLOBAL CITY	G/F, Unit 103, One Global Place Bldg., 5th Avenue, Bonifacio Global City, Taguig City	380,395.58	April 30, 2025	every 5 years
ACROPOLIS	G/F, Bridgeview Bldg., 171 E. Rodriguez Jr. Avenue, Brgy Bagumbayan, Quezon City	133,051.40	April 30, 2025	every 5 years
ADB AVENUE	G/F, AIC Burgundy Empire Tower, ADB Avenue corner Sapphire St, Brgy San Antonio, Pasig City	308,426.19	October 31, 2028	every 5 years
ALABANG COUNTRY CLUB	G/F, Main Lobby, Alabang Country Club, 113 Country Club Drive, Ayala Alabang, Muntinlupa	1,723,440.00	February 28, 2028	every 5 years
ALABANG TOWN (Kiosk)	G/F, Makati Supermart Alabang, T. Molina St., Alabang Town Center, Muntinlupa City	170,000.00	December 31, 2028	every 5 years
ALI MALL	Araneta Center, Ali Mall Financial Center, P.Tuazon Boulevard , Brgy. Socorro, Quezon City	207,205.00	September 30, 2028	every 5 years
ANGELES	G/F, Central Town Mall Bldg., 363 Fil-Am Friendship Highway, Brgy Cutcut, Angeles City, Pampanga	129,292.43	November 06, 2026	every 5 years
ANNAPOLIS	G/F Unit 133, Promenade Bldg., Missouri cor. Annapolis Sts., Brgy Northeast Greenhills, San Juan	266,142.99	December 31, 2025	every 5 years
ANTEL RESIDENCES	G/F Antel Residences, 7829 Salamanca Street., Brgy Poblacion, Makati City	148,913.61	September 30, 2026	every 5 years
AURORA - BALETE DRIVE	G/F, Marsk Realty Bldg., 738 Aurora Blvd., cor. Balete Drive, Quezon City	114,074.34	September 14, 2025	every 5 years
AURORA BLVD.	G/F Aurora Blvd., cor. Broadway St., Brgy. Mariana, New Manila, Quezon City	98,497.03	March 14, 2025	every 5 years
AYALA ALABANG	G/F, JD Tower, 1308 Commerce Avenue corner Acacia Avenue, Ayala Alabang, Muntinlupa City	734,133.45	June 30, 2029	every 5 years
AYALA MADRIGAL	G/F Don Vicente Madrigal Bldg., 6793 Ayala Avenue, Salcedo Village, Makati City	837,152.79	November 15, 2025	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
AYALA RUFINO	G/F, Rufino Bldg., 6784 Ayala Avenue corner V Rufino St., Legazpi Village, Makati City	320,137.20	June 30, 2027	every 5 years
AYALA SSS	G/F, SSS Bldg., 6782 Ayala Avenue corner V.A. Rufino St., Legazpi Village, Makati City	893,468.82	September 30, 2025	every 2 years
6754 AYALA AVENUE	G/F PNB Makati Center, 6754 Ayala Avenue, Brgy San Lorenzo MAKATI	291,195.45	September 15, 2027	every 5 years
BACOLOD NORTH MANDALAGAN	G/F, Unit 101, CODECO Bldg., Lacson St. corner Consuela Avenue, Brgy Bata, Bacolod City	151,790.18	October 31, 2029	every 5 years
BACOLOD-LACSON	G/F Philam Bldg., Lacson corner Galo Sts., Brgy 19, Bacolod City	136,560.17	November 14, 2027	every 3 years
BACOOR	G/F, Addio Bldg., Aguinaldo Highway, Brgy Talaba, Bacoor, Cavite	124,573.81	March 31, 2026	every 5 years
BAESA	G/F, Dra. C. Pascual Bldg., 142 Quirino Highway, Baesa, Quezon City	98,166.60	July 31, 2026	every 5 years
BAGUIO CITY	Upper G/F, Cedar Peak Bldg., General Luna corner Mabini Sts., Brgy. Kabayanihan , Baguio City	197,339.80	March 31, 2026	every 3 years
BALIWAG	G/F, Unit 3 and 4, 3006 Augustine Square, 17 Pinagbarilan St, Dona Remedios Trinidad Highway, Baliuag, Bulacan	71,299.32	April 30, 2026	every 5 years
BATANGAS CITY	G/F, University of Batangas Bldg., Pres. Jose P. Laurel Highway, Brgy Hilltop, Highway Hills, Batangas City	98,018.57	September 30, 2029	every 5 years
BF HOMES	55 President's Avenue, Brgy., BF Homes, Parañaque City	324,964.47	August 31, 2028	every 5 years
BGC 34TH STREET (Panorama)	G/F Panorama Bldg., 34th St., Bonifacio Global City, Taguig City	559,964.28	February 28, 2030	every 5 years
BGC 38TH STREET	G/F Orion Bldg., 38th St, Bonifacio Global City, Taguig City	718,652.38	March 31, 2025	every 5 years
BGC 3RD AVENUE	G/F, The Net Square Bldg., 3rd Avenue corner 28th Street, Bonifcaio Global City, Taguig City	403,972.54	May 15, 2026	every 5 years
BGC 7TH AVENUE	G/F Twenty Four-Seven Mckinley Bldg., 7th Avenue cor. 24th St., Bonifacio Global City, Taguig City	510,587.45	June 24, 2025	every 5 years
BGC MCKINLEY ROAD	G/F, Unit 2, Fairways Tower, 5th Avenue, Bonifacio Global City, Taguig City	238,060.77	January 31, 2025	every 5 years
BGC MCKINLEY WEST	Lower G/F, Robinsons Cyber Sigma Bldg., Bonifacio South, Taguig City	119,940.98	July 07, 2027	every 5 years
BGC THE LUXE RESIDENCES	G/F, Shop 3, The Luxe Residences, 28th St., cor. 4th Avenue, Bonifacio Global City, Taguig City	786,092.20	January 31, 2030	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
BGC TRIANGLE DRIVE	G/F, Shop 3, Philplans Bldg. Corporate Center, Bonifacio Global City, Taguig City	471,738.61	August 14, 2028	every 5 years
BGC UPTOWN PLACE MALL	Lower G/F Uptown Place Mall, 9th Avenue, Bonifacio Global City, Taguig City	463,392.36	October 31, 2027	every 5 years
BICUTAN	28 Dona Soledad Avenue, Better Living Subd., Parañaque City	161,832.93	December 31, 2027	every 5 years
BIÑAN-CARMONA	Governor's Drive corner Golden Mile Avenue, Golden Mile Business Park, Brgy. Maduya, Carmona, Cavite	171,297.12	June 30, 2025	every 5 years
BONI AVENUE	655 Boni Avenue corner Ligaya Street, Brgy. New Zaniga, Mandaluyong City	162,585.15	December 05, 2026	every 5 years
BONIFACIO HIGH STREET	G/F W Global Centre, 30th Street, Bonifacio Global City, Taguig City	557,141.94	January 31, 2028	every 5 years
BUTUAN	G/F, CAP Bldg., J.C. Aquino Ave, Brgy Tandang Sora, Butuan City	161,832.93	July 31, 2029	every 5 years
C5-QC LIBIS	184 E. Rodriguez Jr. Avenue, Brgy Bagumbayan, Libis, Quezon City	216,805.88	December 31, 2025	every 1 year
CAINTA	G/F, CRV Bldg., Felix Avenue corner Karangalan Drive, Brgy Karangalan, Cainta, Rizal	261,360.00	December 31, 2025	every 5 years
CALAMBA - PARIAN	G/F, Anderson Bldg., 1, Manila South Road, Brgy Parian, Calamba, Laguna	199,175.59	May 31, 2027	every 5 years
CARDINAL SANTOS	G/F Cardinal Santos Medical Center, 10 Wilson St., Greenhills West, San Juan City	199,661.05	December 30, 2025	every 1 year
CAUAYAN - ISABELA	G/F Isabela Trade Center Bldg., 135 Pan-Philippine Highway, Cauayan, Isabela	117,115.50	November 14, 2028	every 5 years
CEBU - ASIATOWN IT PARK	G/F, Unit GF 01, TG Tower, Asiatown I.T. Park, Barangay Apas, Cebu City, Cebu	253,200.00	January 31, 2029	every 5 years
CEBU - BANILAD	G/F, Banilad Town Center, Gov M. Cuenco Avenue, Banilad, Cebu City	138,641.81	July 31, 2028	every 5 years
CEBU - BORROMEO	8 A. Borromeo St., Plaza Borromeo, Brgy Sto. Nino, Cebu City, Cebu	82,824.00	June 30, 2027	every 5 years
CEBU - FUENTE	G/F, Rajah Park Hotel Bldg., 103 Fuente Osmena Circle, Cebu City	235,768.20	March 31, 2025	every 5 years
CEBU - MINGLANILLA	G/F, FCT Commercial Bldg., Poblacion Ward II, Minglanilla, Cebu	65,235.00	May 31, 2027	every 5 years
CEBU - PLARIDEL	104 Plaridel St., Brgy. Sto. Niño, Cebu City, Cebu	220,500.00	January 31, 2028	every 5 years
CEBU - SUBANGDAKU	G/F A.D. Gothong I.T. Center, Brgy. Subangdaku, Mandaue City, Cebu	140,449.10	June 30, 2027	every 25 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
CEBU A.S. FORTUNA	G/F, The Space, AS Fortuna corner P. Remedios St., Brgy Banilad, Mandaue City, Cebu	120,608.60	February 15, 2027	every 5 years
CEBU BUSINESS PARK (INSULAR)	G/F Insular Life Bldg., Mindanao Avenue corner Biliran Road, Cebu Business Park, Cebu City	571,146.79	February 14, 2026	every 5 years
CEBU- BUSINESS SUMILON ROAD	G/F, Buildcomm Center, Sumilon Road, Cebu Business Park, Cebu City, Cebu	181,168.17	August 31, 2027	every 5 years
CEBU MAXILOM	G/F Ong Tiak Bldg., General Maxilom Avenue, Brgy Camputhaw, Cebu City, Cebu	655,200.00	September 14, 2026	every 5 years
CEBU LAPU - LAPU NATIONAL HIGHWAY	2484 ML Quezon National Highway, Pusok, LapuLapu City, Cebu	81,260.04	February 28, 2026	every 3 years
CEBU LAPU LAPU / MEPZ	Lot 2, Block 1, Phase 1, MEPZ, SEPZ, Lapu Lapu City, Cebu	53,619.41	May 31, 2026	every 5 years
CEBU MACTAN NEWTOWN	G/F Plaza Magellan Tower 1, Mactan Newtown, Lapu Lapu City, Cebu	202,904.77	January 31, 2027	every 5 years
CEBU MANDAUE	G/F, Kentredder Bldg., AC Cortes Avenue, Mandaue City, Cebu	141,230.25	February 28, 2030	every 5 years
CEBU MANDAUE NORTH	G/F, Khuz'ns Bldg., North Hi-way, Estancia, Mandaue City, Cebu	121,949.41	December 31, 2026	every 5 years
CEBU NORTH DRIVE	G/F, North Drive Center, Ouano Avenue, North Reclamation Area, Mandaue City, Cebu	166,848.84	September 30, 2025	every 3 years
CEBU TIME SQUARE	G/F, Time Square 2 Bldg., Mantawe Avenue, Brgy Tipolo, North Reclamation Area, Mandaue City, Cebu	148,761.90	October 31, 2026	every 5 years
CITYPLACE SQUARE	3rd Floor, Lucky Chinatown-Cityplace Square, Calle Felipe cor. Lachambre Streets, Binondo, Manila	264,943.62	August 31, 2027	every 3 years
CLARK	G/F, The Pavillion Mall Bldg., Manuel A. Roxas Highway, Philexcel Business Park, Clark Freeport Zone	111,609.23	April 14, 2028	every 15 years
COMMONWEALTH	G/F, Diliman Commercial Center, Commonwealth Avenue, Brgy Batasan Hills, Quezon City	112,815.57	February 28, 2025	every 5 years
COMMONWEALTH-LUZON AVE.	UGF, Kayumanggi Bldg., Commonwealth Avenue corner Luzon Avenue, Brgy Matandang Balara, Quezon City	131,704.65	January 15, 2028	every 5 years
CUBAO (P. Tuazon)	7th Avenue Corner P. Tuazon St., Brgy. Socorro, Cubao, Quezon City	260,697.60	January 31, 2030	every 5 years
DAGUPAN	G/F, Insular Life Bldg., Arellano Street, Barangay Pantal, Dagupan City	165,000.00	August 31, 2027	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
DASMARIÑAS CAVITE	Aguinaldo Highway corner Congressional Avenue, Brgy San Agustin II, Dasmarinas, Cavite	151,961.90	July 31, 2029	every 5 years
DAVAO - CABAGUIO	G/F, DMIRIE Bldg., 676 JP Cabaguio Avenue, Brgy. Paciano Bangoy, Davao City	145,605.50	March 31, 2027	every 5 years
DAVAO - MONTEVERDE	G/F, Mintrade Bldg., 323 Monteverde Avenue corner Sales St., Brgy 27C, Davao City	212,082.08	June 30, 2026	every 5 years
DAVAO - QUIRINO	Quirino Avenue corner San Pedro St., Brgy 2A, Davao City	171,086.58	September 30, 2029	every 5 years
DAVAO - RIZAL	G/F Quibod Commercial Complex, Rizal St., Brgy 3, Davao City	116,730.66	November 30, 2025	every 5 years
DEL MONTE AVENUE	345 Del Monte Avenue corner Banawe St., Brgy Manresa, Quezon City	300,982.50	March 31, 2026	every 5 years
DELA ROSA	G/F, Insular Health Care Bldg., 167 Legaspi St. corner Dela Rosa., Legazpi Village, Makati City	331,035.98	May 31, 2025	every 4 years
DOUBLE DRAGON MERIDIAN	G/F, Double Dragon Center, West Tower, Macapagal Avenue corner EDSA Extension, Bay Area, Pasay City	441,101.14	December 16, 2030	every 5 years
DR. A. SANTOS	G/F MTF Building, Dr. A. Santos Avenue corner Kabesang Segundo St., Brgy San Isidro, Parañaque City	145,000.00	April 30, 2027	every 5 years
E. RODRIGUEZ	G/F, Katipunan Bldg., 95 E. Rodriguez Avenue, Brgy Tatalon, Quezon City	72,150.00	May 31, 2029	every 5 years
EASTWOOD CITY (Le Grand)	G/F Le Grand Tower 1, Eastwood Palm Tree Avenue, Eastwood City, Brgy. Bagumbayan, Quezon City	244,787.90	January 31, 2025	every 5 years
EDSA - KALOOKAN	512 EDSA cor. Urbano Plata St., Brgy 94, Caloocan City	391,788.94	March 15, 2025	every 5 years
EDSA PIONEER	UG-07 Robinsons Cybergate Plaza, EDSA, Brgy Barangka Ilaya, Mandaluyong City	187,076.55	April 24, 2025	every 3 years
ESCOLTA	G/F Regina Building, 408 Escolta St., Binondo, Manila	286,185.93	May 31, 2025	every 5 years
FRONTERA VERDE	G/F, Transcom Bldg., Frontera Verde, E. Rodriguez Jr. Avenue, Brgy Ugong, Pasig City	294,754.86	December 31, 2025	every 2 years
GENERAL SANTOS	G/F, SunCity Suites, Digos Makar National Hway., Brgy. Lagao, General Santos City	100,800.00	July 31, 2025	every 5 years
GMA TIMOG	G/F, Cabrera Bldg. I , Timog Avenue, Barangay Sacred Heart, Quezon City	379,763.91	January 23, 2029	every 5 years
GREENBELT	G/F, Twin Cities Condominium, 110 Legazpi St., Legazpi Village, Makati City	647,851.13	August 31, 2028	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
GREENHILLS	G/F, Harmonia Center, Ortigas Avenue, Greenhills West, San Juan City	490,017.60	April 30, 2029	every 5 years
GSIS	G/F, GSIS Main Office Financial Center, JW Diokno Blvd, Pasay City	248,000.00	May 31, 2028	every 5 years
H.V. DELA COSTA	G/F Global Enterprise Bldg., 138 HV Dela Costa St., Salcedo Village, Makati City	336,451.19	January 01, 2029	every 5 years
ICTSI - PORT AREA	G/F Administration Bldg., MICT Access Road, ICTSI, Brgy 20, Manila	30,180.00	March 31, 2025	every 5 years
ILOILO - IZNART NORTH	Villanueva Bldg., 217 Iznart Street, Brgy President Roxas, Iloilo City	104,186.25	August 31, 2028	every 5 years
IMUS	G/F Melta Bldg., cor. Sampaguita Village , Aguinaldo, Hi-way Brgy. Bayan Luma III , Imus, Cavite	45,200.00	December 31, 2025	every 3 years
INTRAMUROS	G/F, BF Condominium Bldg., 409 A. Soriano Avenue, Intramuros, Manila	315,151.35	July 31, 2025	every 1 years
J. P. RIZAL	731 Dr. Jose P. Rizal Avenue, Brgy Poblacion, Makati City	96,486.88	November 30, 2027	every 5 years
JULIA VARGAS	G/F, Centerpoint Condominium, Dona Julia Vargas Avenue corner Garnet Road, Brgy San Antonio, Pasig City	178,532.64	February 28, 2027	every 2 years
KALOOKAN	357 Rizal Avenue Extension, Brgy Grace Park West, Caloocan City	301,521.52	March 31, 2028	every 5 years
KAMIAS	G/F, TDS Bldg., 72 Kamias Road, Brgy East Kamias, Quezon City	95,769.07	November 30, 2026	every 5 years
KATIPUNAN	G/F, Agcor Bldg., 335 Katipunan Avenue, Brgy Loyola Heights, Quezon City	232,029.13	January 15, 2030	every 5 years
LAOAG - SAN NICOLAS	G/F, 365 Plaza Bldg., Brgy. San Francisco, San Nicolas, Ilocos Norte	81,530.39	December 31, 2028	every 5 years
LAS PIÑAS - PAMPLONA	Alabang-Zapote Road corner Crispina Avenue, Brgy. Pamplona 3, Las Pinas City	338,673.68	May 31, 2026	every 4 years
LEGAZPI CITY	G/F, Unit 1, SMC Bldg., Landco Business Park, Brgy. Capatawan, Legaspi City, Albay	106,186.63	November 15, 2026	every 5 years
LIBERTAD MANDALUYONG	G/F, Cluster El Dorado, California Garden Square, Domingo M. Guevara St., Brgy Highway Hills, Libertad, Mandaluyong City	193,720.69	October 31, 2024	every 5 years
LIMA	Unit GC-R04-R05, The Outlets, LIMA Technological Center Special Economic Zone, Malvar, Lipa City	152,272.96	June 30, 2028	every 5 years
LIPA CITY	17 B. Morada Avenue, Lipa City, Batangas	159,535.20	April 30, 2027	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
LUCENA (One People Square)	G/F One People Square, ML Tagarao Street corner Granja Street, Brgy 3, Lucena City, Quezon	282,984.73	March 22, 2027	every 5 years
MACAPAGAL AVENUE	G/F, Y Tower, Macapagal Avenue corner Coral Way Drive , Brgy. 76, Pasay City	407,486.32	January 02, 2029	every 5 years
MAGALLANES	G/F, Maga Center, Paseo De Magallanes, Brgy Magallanes, Makati City	73,800.00	December 15, 2029	every 5 years
MAKATI AVENUE	Makati Avenue corner Durban St, Brgy Bel Air, Makati City	612,932.94	December 31, 2025	every 5 years
MALABON	Gov Pascual Avenue corner River St., Brgy Tinajeros, Malabon City	113,445.93	September 05, 2028	every 5 years
MALATE	G/F, Marioco Bldg., 1945 M. Adriatico St., Brgy 700, Malate, Manila	280,433.76	October 15, 2029	every 4 years
MALINTA	G/F, Mirjan Bldg., 295 Maysan Road, Paso De Blas, Valenzuela City	161,051.00	July 16, 2028	every 5 years
MANDALUYONG	G/F, PICPA Bldg, 700 Shaw Blvd, Brgy. Wack Wack, Mandaluyong City	318,840.02	January 31, 2026	every 5 years
MARIKINA	G/F, WRC-2 Bldg., 47 Gil Fernando St., Brgy San Roque, Marikina City	93,824.35	March 18, 2028	every 5 years
MASANGKAY	911-913 Masangkay Street, Brgy 295, Manila	182,325.94	September 15, 2025	every 5 years
MAYHALIGUE	G/F One Masangkay Place, 1420 Masangkay St., Sta Cruz, Manila	234,381.48	December 31, 2027	every 4 years
MAYON	G/F ACI Bldg., 178 Mayon St., Brgy Maharlika, Sta. Mesa Heights, Quezon City	99,225.00	January 31, 2027	every 50 years
MCKINLEY HILL	G/F, Two World Square Bldg., McKinley Hill, Fort Bonifacio, Taguig City	607,601.50	October 31, 2027	every 5 years
MEDICAL CITY	G/F The Medical Arts Tower, Medical City Hospital, 1605 Ortigas Avenue Brgy. Rosario Pasig City	177,962.27	May 31, 2029	every 5 years
MEDICAL CENTER PARANAQUE	G/F, Medical Center Paranaque, Dr. A. Santos Avenue, Brgy. San Antoniio, Sucat, Parañaque City	184,200.00	February 28, 2025	every 5 years
MEYCAUAYAN	G/F Marian Bldg., MacArthur Highway, Calvario, Meycauayan, Bulacan	177,875.30	December 30, 2027	every 5 years
MULTINATIONAL BANCORP	G/F Multinational Bancorporation Center, 6805 Ayala Avenue, Salcedo Village, Makati City	205,634.49	December 15, 2029	every 5 years
MUNTINLUPA	G/F, Jaysons Bldg., 12 National Road, Putatan, Muntinlupa	126,639.04	September 30, 2026	every 5 years
NAGA CITY	G/F, Prime Days Hotel, Panganiban Drive, Barangay Concepcion Pequeña, Naga City	200,024.03	April 30, 2029	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
NAVOTAS	817 M. Naval St., Brgy Sipac Almasen, Navotas City	162,889.47	May 31, 2026	every 5 years
NEWPORT CITY	G/F, Star Cruises Centre, 2012 Andrews Avenue, Newport City, Pasay City	790,566.40	January 31, 2029	every 5 years
NOVALICHES	854 Quirino Highway, Brgy Gulod, Novaliches, Quezon City	259,048.21	July 31, 2029	every 5 years
ORTIGAS (SAN MIGUEL)	G/F, The Crescent Condominium,29 San Miguel Avenue, Ortigas Center, Pasig City	289,847.24	May 31, 2028	every 5 years
PAGADIAN CITY	133 Rizal Avenue, Gatas Poblacion, Pagadian City	131,300.73	December 31, 2029	every 5 years
PAMPANGA	G/F, Mel-Vi Bldg., Olongapo-Gapan Road, Brgy Dolores, San Fernando, Pampanga	187,103.55	May 31, 2028	every 5 years
OTIS	1763 Paz M. Guazon Street, Brgy 829, Zone 90, Paco, Manila	245,395.54	May 31, 2026	every 5 years
PASAY (TAFT)	2528 Taft Avenue, Brgy 93, Zone 11, Pasay City	141,423.68	November 30, 2025	every 3 years
PASAY ROAD	912 Arnaiz Avenue, San Lorenzo Village, Makati City	266,828.00	April 14, 2028	every 5 years
PASCOR DRIVE	G/F, Skyfreight Center, Ninoy Aquino Avenue corner Pascor Drive, Brgy Sto Nino, Pasay City	122,417.73	December 31, 2025	every 5 years
PASEO DE ROXAS	G/F, 111 Paseo de Roxas Bldg., 111 Paseo De Roxas, Legazpi Village, Makati City	253,614.52	May 31, 2028	every 5 years
PASEO DE STA. ROSA	G/F The Medical City South Luzon, United Blvd, Brgy Don Jose, Sta. Rosa, Laguna	107,207.64	December 31, 2027	every 5 years
PASONG TAMO - JTKC	G/F, BCS Prime Bldg., 2297 Chino Roces Avenue, Brgy Magallanes, Makati City	522,467.98	July 31, 2026	every 5 years
PASONG TAMO EXTENSION	G/F JTKC Bldg., 2155 Chino Roces Avenue, Legazpi Village, Makati City	450,787.79	October 01, 2028	every 5 years
PEREA	G/F Greenbelt Mansion Bldg., 106 Perea St., Legazpi Village, Makati City	244,236.47	October 15, 2026	every 5 years
RADA	G/F, Prince Bldg., 117 Rada St., Legazpi Village, Makati City	315,832.00	May 31, 2027	every 5 years
RENAISSANCE	G/F, Renaissance Tower, 29 Meralco Avenue, Brgy Ugong, Pasig City	340,509.12	February 29, 2029	every 5 years
ROOSEVELT	G/F, 244 Roosevelt Avenue., San Francisco del Monte, Quezon City	204,585.11	December 31, 2025	every 5 years
SALCEDO	G/F, Golden Rock Bldg., 168 Salcedo St., Legazpi Village, Makati City	229,023.04	February 28, 2026	every 5 years
SAN AGUSTIN DELA COSTA	G/F, Liberty Plaza Bldg., 102 HV Dela Costa cor. San Agustin Streets, Salcedo Village Makati City	523,432.00	May 31, 2029	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
SAN FERNANDO - PAMPANGA	G/F, 3M Bldg., 69 Manila North Road, Brgy San Agustin, San Fernando, Pampanga	62,177.60	May 31, 2028	every 5 years
SAN FERNANDO LA UNION	G/F Nisce Business Center, Quezon Avenue, San Fernando City, La Union	85,121.90	November 30, 2028	every 5 years
SAN PEDRO	Manila South Road corner Cataquiz Avenue, Brgy. Landayan, San Pedro, Laguna	184,779.00	December 31, 2028	every 5 years
SANTIAGO	Maharlika National Highway, Brgy Malvar, Santiago, Isabela	85,000.00	July 31, 2027	every 5 years
SHAW BLVD.	131-133 Shaw Boulevard Brgy. Oranbo, Pasig City	236,817.99	January 31, 2026	every 5 years
SHAW PASIG	G/F, Chipeco Bldg., Shaw Blvd corner Meralco Avenue, Brgy San Antonio, Pasig City	187,613.39	December 31, 2028	every 5 years
SOUTH TRIANGLE	1604 Quezon Avenue corner Sct. Albano, Brgy South Triangle, Quezon City	478,285.00	December 31, 2025	every 5 years
SSS EAST AVENUE	G/F SSS Main Bldg., East Avenue, Brgy Pinyahan, Quezon City	133,072.29	May 13, 2026	every 2 years
ST. FRANCIS SHANGRI-LA PLACE	G/F, The St. Francis Shangri-La Place Tower 1, St. Francis St., Brgy WackWack, Mandaluyong City	332,888.47	December 31, 2026	every 3 years
STA. ROSA	718 Rizal Blvd corner Zavalla Street, Brgy Malusak, Sta Rosa, Laguna	124,279.51	October 31, 2025	every 5 years
STO. DOMINGO	G/F Elements Bldg., 560 Quezon Avenue, Brgy Tatalon, Quezon City	220,420.58	September 30, 2028	every 5 years
STO. CRISTO	G/F, Burke Plaza Bldg., Sto. Cristo St corner San Fernando St, Binondo, Manila	256,445.94	February 28, 2026	every 4 years
SUBIC	Manila Avenue corner Canal Road, Subic Bay Freeport Zone, Zambales	-	July 31, 2054	every 50 years
T. ALONZO	625 T. Alonzo St., Binondo, Manila	204,936.03	November 14, 2025	every 5 years
TACLOBAN CITY	G/F, Tacloban Plaza Bldg., Justice Romualdez St., Brgy 14, Tacloban City	157,464.00	September 15, 2025	every 5 years
TAFT AVENUE	G/F, Kassel Condominium, 2625 Taft Avenue, Malate, Manila	119,603.54	September 30, 2028	every 5 years
TAGAYTAY	G/F Tagaytay Prime Residences, Tagaytay-Calamba Road, Brgy San Jose, Tagaytay City, Cavite	70,607.04	December 16, 2028	every 5 years
TAGBILARAN	JS Torralba St. corner Carlos P. Garcia Avenue, Poblacion 2, Tagbilaran City, Bohol	112,600.18	January 31, 2030	every 5 years
TARLAC	G/F, Jaral Bldg., MacArthur Highway corner Juan Luna St., Brgy. St. Cristo, Tarlac City	179,857.66	February 28, 2027	every 5 years
TEKTITE	G/F PSE Center, Ortigas Complex, Pasig City	1,103,933.08	September 30, 2025	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
THE ARK-INSULAR AYALA-PASEO	G/F, Insular Life Bldg., Ayala Avenue corner Paseo De Roxas, Salcedo Village, Makati City	1,433,907.00	November 30, 2027	every 5 years
TIMOG	G/F, Cabrera II Bldg., 64 Timog Avenue, Brgy Sacred Heart, Quezon City	455,379.63	February 23, 2028	every 5 years
TOMAS MORATO	G/F, Tomas Morato, corner Sct. Lozano St., Quezon City	249,713.42	November 30, 2029	every 5 years
TUGUEGARAO	Andrews St, Bagay Road , Brgy. Caritan Centro ,Tuguegarao City	91,163.00	January 31, 2029	every 5 years
UN AVENUE	United Nations Avenue corner Guerrero and MH Del Pilar Sts., Ermita, Manila	304,153.70	December 31, 2028	every 5 years
VALENZUELA - FATIMA	G/F, JLB Bldg., KM 12 MacArthur Highway, Brgy Dalandanan, Marulas, Valenzuela City	212,366.57	May 14, 2027	every 5 years
VALERO	G/F Le Grand Condominium, 130 Valero St., Salcedo Village, Makati City	354,233.25	July 31, 2028	every 5 years
VERTEX ONE - SAN LAZARO	G/F, Vertex One Bldg., 2113 Felix Huertas St., San Lazaro, Manila	223,325.71	December 31, 2028	every 5 years
VIGAN	A.R. Lahoz Bldg., Jose Singson Street , Brgy. VIII, Vigan City	102,655.47	August 29, 2026	every 5 years
VISAYAS CONGRESSIONAL EXT.	G/F, WMG Bldg., 47 Visayas Avenue corner Congressional Ext., Brgy. Culiat, Quezon City	200,116.98	December 31, 2025	every 5 years
VITO CRUZ	29 Pablo Ocampo Sr. Extension, Brgy La Paz, Makati City	107,606.92	January 30, 2026	every 5 years
WACK - WACK	G/F, PBJ Bldg., 6 Shaw Blvd corner Laurel St., Brgy Pleasant Hills, Mandaluyong City	238,912.60	December 31, 2029	every 5 years
WEST AVENUE - BALER	91-A West Avenue, Barangay Bungad, Project 7, Quezon City	163,184.96	May 31, 2028	every 5 years
WEST SERVICE ROAD	G/F, Rodeo Bldg., 802 West Service Road, Brgy Marcelo Green, Parañaque City	132,350.46	June 30, 2027	every 5 years
YUCHENGCO	G/F , Units 2 & 3 , Escolta Parking Bldg., Escolta corner Yuchengco Sts., Binondo Manila	253,364.83	August 31, 2025	every 5 years
ZAMBOANGA CITY	G/F, ZAEC Bldg., Mayor Jaldon corner Governor Alvarez Sts., Zone 1, Zamboanga	129,985.56	September 29, 2029	every 5 years
FORMER CITI GREENHILLS / UNIONBANK NORTHEAST	22 Missouri St., Northeast Greenhills , San Juan	1,453,108.78	November 30, 2029	every 5 years
FORMER CITI CEBU / UNIONBANK CEBU AYALA - FGU	G/F Ayala Life-FGU Center, Mindanao Ave. cor. Biliran Rd., Cebu Business Park, Cebu City	646,551.84	June 30, 2025	every 5 years
FORMER CITI ADB	G/F ADB Bldg., 6 ADB Avenue, Mandaluyong City	-	-	-

City Savings Bank, Inc.

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
ABULUG	Java Commercial Center National Road, Libertad, Abulug, Cagayan	35,714.29	January 02, 2028	5
ALAMINOS	21 Quezon Avenue, Poblacion Alaminos City, Pangasinan	104,958.00	July 22, 2025	5
ALICIA	FMNDC Property, Nick Hotel Bldg. Maharlika Highway San Antonio Alicia, Isabela	49,532.71	December 31, 2027	5
ANGELES	Diamond Spring Hotel 192 McArthur Highway Brgy. Balibago, Angeles City Pampanga	126,304.71	April 06, 2025	10
ANONAS	Ground Floor Belmont Place Building, No. 5 Anonas Street, Project 3, Quezon City	77,390.52	July 22, 2025	5
ANTIPOLO	Unit 109 G/F Commercial Bldg, Cordova Tower Marquinton Residences Condominium Sumulong Highway Brgy. Sto. Ninio Marikina City	109,760.21	June 30, 2028	5
ANTIQUE	Rodriquez Building Rental (Formely C.R. Building), T.A. Fornier St., San Jose, Antique	78,947.37	November 30, 2028	5
APARRI	Jose Ting Building, Maharlika Hi-way Aparri, Cagayan	44,490.56	March 31, 2025	3
BACOLOD	G/F 722 Metropolis Tower, Lacson St., Mandalagan, Bacolod City, Negros Occidental	143,668.51	April 30, 2027	5
BACOOR	San Miguel Commercial Building situated at E. Aguinaldo Highway, Panapaan I, Baccor Cavite	101,820.69	May 30, 2029	5
BAGUIO	Ground Floor Insular Life Building, Abanao Extension, Corner Legarda Street, Baguio City, Benguet	177,042.00	September 30, 2028	5
BALAMBAN	E.S. Binghay St. Sto Niño-Sta Cruz Poblacion, Balamban, Cebu	103,162.50	March 31, 2028	5
BALANGA	Don Manuel Banzon Ave. Dona Francisca 2nd District City of Balanga, Bataan	121,906.16	May 14, 2028	8
BALER	Etcubañez Building Ground Floor Purok 7, Quezot Street, Brgy. Suklayin Baler Aurora	44,781.81	December 03, 2029	5
BALIWAG	Unit 5 and 6 R Building DRT Hi-way, Pinagbarilan, Baliwag, Bulacan	89,339.71	April 09, 2028	5
BANGUED	Snook's Commercial Bldg, Torrijos St., Zone 5, Bangued, Abra	22,028.42	March 01, 2028	5
BANTAY	Zone 2 National Highway Corner Real St. Brgy. 2 Bantay, Ilocos Sur	84,552.97	November 30, 2027	5
BATANGAS	Junction Commercial Complex, Zone 12, Padre Burgos St., Batangas City, Batangas	118,911.24	April 26, 2025	5

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
BAYAMBANG	EPAY Bldg. Juan Luan St. Poblacion Sur, Bayambang, Pangasinan	82,687.50	October 31, 2027	5
BAYAWAN	MRG Commercial Building, Peping Gamo St., Tinago, Bayawan City, Negros Oriental	31,682.37	February 28, 2025	5
BISLIG	Saint Vincent de Paul Arcade, John Bosco St., Mangagoy, Bislig City, Surigao del Sur	7,260.00	April 19, 2025	3
BOGO	Sim Building, P. Rodriguez St. Brgy. La Purisima Concepcion, Bogo City Cebu	30,000.00	July 31, 2026	5
BONTOC	Challeya Bldg. Lower Caluttit, Bontoc, Mountain Province	15,887.86	July 17, 2028	5
BORONGAN	JRC Bldg., Songco, Borongan, Eastern Samar	57,995.91	October 31, 2025	5
BUTUAN	Ismael Elloso St., Corner JC Aquino Avenye, Imadejas Butuan City	89,813.74	April 30, 2029	5
CABANATUAN	701 Paco Roman Street, Dimasalang Cabanatuan City, Nueva Ecija	92,379.86	December 04, 2027	5
CABARROGUIS	Purok 1, Gundaway, Cabarroguis, Quirino	7,894.74	November 05, 2029	5
CADIZ NEGROS OCCIDENTAL	Laura Hotel, Villena St., Cadiz, Negros, Occidental	13,387.17	September 30, 2028	5
CAGAYAN	TS Fashion Building, Corrales Ave. (between J. Ramonal & R. Chaves Sts., Cagayan de Oro City	99,412.95	June 30, 2029	3
CALAMBA	Unit #1EF G/F Margimel Bldg., National Highway, Brgy. Halang, Calamba City, Laguna	131,969.25	January 31, 2030	5
CALAPAN	Puregold Building, Brgy. Camilmil, Calapan City	91,927.28	October 31, 2029	5
CALBAYOG	Youxiu Bldg., Maharlika Highway, P1 Brgy. Obrero, Calbayog City, Western Samar	75,000.00	June 13, 2028	5
CALOOCAN	Dianne Building No. 746 Rizal Avenue Extension, Grace Park, Caloocan City	280,554.00	October 31, 2027	5
CANDON	2/F Valdez Building National Highway, San Nicolas, Candon City, Ilocos Sur	12,532.82	March 18, 2026	5
CARCAR	Units 1-4, Dr. Paulino H. Lopez Building Poblacion 1, Rotunda, Carcar City, Cebu	67,880.12	November 01, 2028	5
CATARMAN	Camara Building 1305 Bonifacio corner Garcia Sts., Barangay Mabolo, Catarman, Northern Samar	82,352.47	May 31, 2028	5
CATBALOGAN	138 Del Rosario Street, Brgy. 7, Catbalogan City, Samar	20,000.00	January 15, 2028	5
CAUAYAN	National Highway Bgry. Cabaruan Cauayan, City Isabela	56,074.77	April 30, 2029	5

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
DAET	Central Plaza Mall, Central Plaza Complex, Brgy. Lag-on, Daet, Camarines Norte	103,240.97	May 01, 2025	5
DAGUPAN	Rudel Building Perez Boulevard, Corner Guilig Street, Dagupan City, Pangasinan	65,984.63	May 31, 2026	5
DANAO	Ground Floor, GA Complex II, Juan Luna St., Danao City, Cebu	18,278.30	November 15, 2026	2
DASMARINAS	Lot 5 & 6, Block 94, Governor's Drive, Metrogate Subdivision, Dasmarinas City, Cavite	63,888.00	December 31, 2028	5
DAVAO	Doors 1-4 Philippine Red Cross Bldg., M. Roxas Avenue, Davao City	182,440.58	October 31, 2027	5
DIGOS	Unit 6,7&8 USPD BLDG. Rizal Avenue Digos City	96,917.65	April 30, 2028	5
DINAGAT	Toledo Bldg., Zamora St., 50th Ozamis City	15,789.47	March 01, 2025	5
DINALUPIHAN	No. 20 Rizal St., Brgy Rizal, Dinalupihan, Bataan	16,800.00	June 06, 2028	5
DIPOLOG	Bulosan Bldg., Sergio Osmena Street, Central Barangay, Dipolog City, Zamboanga del Norte	42,105.26	July 23, 2025	5
DUMAGUETE	G/F EROS Bldg., Dr. V. Locsin St. corner Real St., Dumaguete City	143,198.79	December 31, 2024	5
ECHAGUE	R&J Building, Maharlika Highway, Ipil Junction, Echague, Isabela	42,105.26	October 31, 2028	5
ESPANA	G. Tuazon Corner Algeciras St. Sampaloc Manila City	97,370.33	January 26, 2030	5
ESTANCIA	Melina Complex, National Road, Brgy. Bayuyan, Estancia,Iloilo	14,000.00	April 30, 2027	3
GENERAL SANTOS	DIMDI Bldg Santiago Boulevard Dadiangas South, General Santos City South Cotabato	99,381.53	December 24, 2024	5
GLAN	Hombrebueno Street, Poblacion Glan, Sarangani Province	9,473.68	September 06, 2029	5
GOA	#102 Rizal Dt., Goa Camarines Sur	12,278.02	April 27, 2025	3
GUIMARAS	E. Cantua Bldg., San Miguel, Jordan, Guimaras	6,963.16	September 30, 2027	3
GUMACA	A. Bonifacio St. Brgy. Tabing Dagat Gumaca, Quezon	22,564.09	August 22, 2029	5
IBA	H&J De Guia Bldg., Rizal Street, Brgy Palanginan, Iba, Zambales	16,000.00	June 12, 2028	5
ILAGAN	4J Commercial Center, Baligatan, Ilagan City, Isabela	36,842.11	January 31, 2028	5
ILIGAN	Brgy. Mahayahay, Roxas Ave., Iligan City	26,808.16	October 31, 2027	3
ILOILO	Ground Floor 143 Esperanza Building, General Luna Street, Iloilo City	110,959.94	March 31, 2029	5
IMELDA	National Highway, Poblacion, Imelda, Zamboanga Sibugay	12,631.58	February 29, 2028	5
INFANTA	General Luna Street, Publacion 39, Infanta Quezon Province	23,328.25	July 31, 2025	10

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
IPIL ZAMBOANGA SIBUGAY	CL Bldg, Purok Masigla, Poblacion, Ipil, Zamboanga Sibugay	30,000.00	August 15, 2028	5
IRIGA	Ground Floor, Hi-way 1 Zone 5, San Miguel Iriga City	78,890.79	June 12, 2025	5
IROSIN	JRC Bldg., Fr. Zamora St., Brgy. San Julian, Irosin, Sorsogon	18,278.29	March 02, 2025	5
ISULAN	2nd Floor, RDPI Bldg., National Highway, Brgy. Kalawag 2, Isulan, Sultan Kudarat	19,626.17	August 15, 2025	1
KABANKALAN	L&M Bldg., Corner Guanzon & Azcona Sts., Kabankalan City	27,333.04	March 31, 2028	5
KALIBO	G/F Cruzadel Bldg, Archbishop Reyes St. Poblacion, Kalibo, Aklan	53,738.17	March 31, 2028	5
KIDAPAWAN	G/F Aspilla Bldg., Quirino Drive, North Cotabato, Kidapawan City	108,000.00	June 25, 2026	3
KORONADAL	Villa Amor Hotel, General Santos Drive, cor., Arellano Street, Koronadal City, South Cotabato	78,718.50	July 22, 2025	5
LA UNION	1ST FLOOR Kenny Plaza, Quezon Ave., Catbangen, San Fernando City, La Union	84,210.52	February 28, 2027	5
LAGAWE	No. 07 Magno Building Rizal Avenue, Poblacion East, Lagawe, Ifugao	13,094.65	July 17, 2028	5
LAS PINAS	Alabang - Zapote Road Corner Crispina Avenue, Pamplona, Las Pinas City	144,563.00	May 31, 2026	5
LEGANES	Pestaño Bldg., Gustilo St., Poblacion, Leganes, Iloilo	77,786.89	December 31, 2025	4
LEGAZPI	Tower Mall Building 4, Landco Business Park, Legazpi City	135,924.29	January 31, 2029	5
LEMERY	Brgy. Palanas, Lemery, Batangas	81,033.75	September 27, 2029	5
LIPA	G/F 1NK Centre, General Luna St., Sabang, Lipa City, Batangas	98,877.17	October 02, 2027	5
LUCENA	Ground Floor ML. tagarao St., Brgy 5 Lucena City	119,673.89	May 21, 2028	5
LUNA	2nd Floor Awali Square Building San Isidro Luna Apayao	10,075.92	July 17, 2028	5
MAASIN	#267 Aquino Ledesma Suites R. Kangleon St. Brgy Tagnipa, Maasin City Southern Leyte, 6600	12,888.84	March 31, 2025	5
MALITA	Lustre Bldg., Manuel Peralta St., Malita, Davao Occidental	11,605.26	August 14, 2026	5
MANDAUE	Doors 3 and 4, Citybridge Plaza, A.C. Cortez cor. P. Burgos St., Mandaue, Cebu	125,935.49	March 31, 2026	5
MARIKINA	#3 Gil Fernando Avenue, San Roque, Marikina City	136,914.52	June 04, 2029	5
MARILAO	RICHLANE Building McArthur Hi-way, Abangan Norte, Marilao, Bulacan	65,420.56	November 16, 2029	5
MARINDUQUE	P.Madrigal St. Brgy. Malusak Boac Marinduque	18,278.29	March 01, 2025	5

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
MASBATE	Upper Ground Floor (UGF 05 & 06), Gaisano Capital Masbate Quezon St., Crossing Masbate City	85,067.53	July 21, 2025	5
MATI	Andrada Building, #56 Rizal Street, Mati City, Davao Oriental	63,087.34	February 28, 2028	5
MEYCAUAYAN	Meycauayan College Comm. Ctr., Mc Arthur Highway, Brgy. Calvario, Meycauayan City, Bulacan	13,746.62	April 16, 2026	5
MIDSAYAP	Rizal St., Corner Magallanes St., Poblacion 3, Midsayap, North Cotabato	15,789.47	March 02, 2026	3
NABUNTURAN	Door 3 Tsukiko Bldg., LB Flores Street, Prk 3 Poblacion, Nabunturan, Compostela Valley	12,631.58	May 04, 2025	2
NAGA	Door No. 44 & 45, CBD Terminal II, Triangulo, Naga City	67,540.80	April 30, 2028	5
NAGUILIAN	Maharlika Highway, Purok 4, Upi, Gamu, Isabela	65,000.00	November 01, 2028	5
NASUGBU	HBT Bldg., JP Laurel St., Brgy. 9, Nasugbu, Batangas	18,568.42	March 02, 2025	5
NAVAL	208 P. Inocentes St., Naval, Biliran	14,239.84	September 01, 2025	5
NAVOTAS	801-817 M. Naval Street, Navotas City	68,023.45	May 31, 2026	5
NORTH CALOOCAN	Door 1-4 R-V Sabangan Building, 500 Susano Road, Hillcrest Village, Camarin, Caloocan City	54,000.00	March 31, 2029	5
OLONGAPO	1st Floor Philippine Red Cross Olongapo Chapter Building	134,775.33	June 30, 2028	5
ORMOC	STP Bldg, Aviles St., Ormoc City	126,588.66	December 31, 2024	6
ORTIGAS OFC (GF)	G/F. UnionBank Plaza, Meralco Avenue, cor. Sapphire St. and Onyx St., Ortigas Center, Brgy. San Antonio, Pasig City	263,452.68	September 01, 2025	5
OZAMIZ	Zamora St., Barangay 50th, Ozamis City, Misamis Occidental	19,890.19	March 01, 2025	5
PAGADIAN	F&N Building, San Francisco District, Pagadian City, Zamboanga del Sur	72,429.91	April 30, 2025	5
PALAWAN	Unit 1-A Ground Floor Unionbank Palawan Building	72,092.79	February 04, 2030	5
PAMPANGA	Unit 102 Suburbia Commercial Center, Mc Arthur Highway, Maimpis, San Fernando City, Pampanga	95,120.75	March 31, 2026	5
PLARIDEL	RBuilding, Daang Maharlika, Sta. Rita Matanda, San Miguel, Bulacan	81,033.75	May 05, 2025	5
RAMON	Purok 1, National High, Bugallon Proper, Ramon, Isabela	46,757.18	August 31, 2027	5
ROMBLON	2/F., Rose Petal Bldg., Brgy. Dapawan, Odiongan, Romblon	10,818.93	March 02, 2025	5
ROXAS	Mckinley Street, Roxas City	38,317.76	May 31, 2029	5

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
SAN CARLOS	Doors 2-4 Heritage Bldg. 1, F.C. Ledesma Ave., San Carlos City	40,949.54	February 28, 2029	5
SAN CARLOS PANGASINAN	Pagsolingan Bldg. Rizal Avenue, San Carlos City, Pangasinan	4,000.00	March 12, 2025	5
SAN FRANCISCO	GF-01, Gaisano Capital San Francisco, Brgy. 5, National Highway, San Francisco, Agusan Del Sur.	28,940.63	September 28, 2025	5
SAN JOSE DEL MONTE BULACAN	Brgy. Kaypian, Quirino Highway, San Jose Delmonte Bulacan	69,457.50	January 12, 2025	5
SAN JOSE, NUEVA ECIJA	Mario Salvador Building, Maharlika Highway, Barangay Malasin, San Jose City, Nueva Ecija	110,809.15	March 31, 2025	5
SAN JOSE, OCC MINDORO	Lebrilla Ang Building - Burgos St., corner Rizal St., Brgy. Poblacion 1, San Jose, Occidental Mindoro	80,607.26	June 30, 2025	5
SANTIAGO	Ground Floor Insular Life Building, Maharlika Highway, Santiago City, Isabela	81,425.10	April 30, 2029	5
SINDANGAN	Mabini St., Corner Fr. Zamora St., Poblacion, Sindangan, Zamboanga del Norte	15,789.47	March 04, 2025	5
SOGOD	Corner Concepcion and Mangkaw Streets, Barangay Zone 1 Sogod, Southern Leyte	44,781.81	July 31, 2025	5
SOLANO	Ground Floor Ongtao Building, J.P. Rizal Avenue corner Burgos Street, Quirino, Solano, Nueva Vizcaya	72,126.17	July 01, 2029	3
SORSOGON	Unit Number 7 and 8 , National Highway, Brgy., Cabid-an, Sorsogon City	113,072.47	September 30, 2029	5
STA. CRUZ LAGUNA	P. Guevarra Street, Poblacion, Barangay IV, Sta. Cruz, Laguna	90,000.00	October 14, 2029	5
STA. ROSA	Ground Floor Unitop Building, Zircon Road, Balibago Complex, Balibago, Sta. Rosa, Laguna 4027	74,662.48	October 31, 2029	5
SURIGAO	Ground Floor Parkway Mall Km 3, Barangay Luna, National Highway, Surigao City	127,329.20	June 11, 2026	5
TABUK	Commercial Space 2, Purok 2, Provincial Rd. Bulanao, Tabuk City, Kalinga Apayao	36,556.58	September 30, 2025	5
TACLOBAN	YPL Bldg., Door #3&4 Salazar St., Tacloban City	106,045.68	October 31, 2025	5
TAGAYTAY	Lot 12 (Briones Derm Clinique) E. Aguinaldo Highway Brgy San Jose Tagaytay City, Cavite	72,930.38	October 13, 2029	5
TAGUIG	Lot 4 Block 10 Lower Bicutan, Taguig City	85,750.00	September 27, 2029	5
TAGUM	Ground Floor PLJ Building, Apokon Road, Tagum City, Davao del Norte	123,290.00	February 28, 2028	5

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
TANAY	#23 M.H. Del Pilar St., Brgy. Plaza Aldea, Tanay, Rizal	11,025.00	March 02, 2025	5
TANDAG	Purok-Saturn, Capitol Road Telaje, Tandag City	17,368.42	December 06, 2028	5
TANJAY	Sweet Lady Building, Legaspi St., Barangay Poblacion 8, Tanjay City ,6204 Negros Oriental	36,842.11	December 31, 2024	6
TARLAC	Plaza De Oro Arcade, Mac Arthur Highway corner J. Luna extension, Sto Cristo, Tarlac City, Tarlac	168,000.00	December 07, 2027	5
TAYTAY	National Road, Ilog Pugad, Barangay San Juan, Taytay, Rizal	121,113.73	August 31, 2026	5
TONDO	Ushio Plaza V. Honorio Lopez Boulevard, Brgy. 148, Balut Tondo, Manila	100,506.16	June 20, 2025	5
TUBOD	A & A Bldg, PRK, 6A-TCES, Poblacion, Tubod, Lanao Del Norte	17,271.02	March 01, 2025	5
TUGUEGARAO	Unit 3 & 4 DR Asuncion Bldg Mabini St, Ugac Norte, Tuguegarao City 3500	80,516.73	February 27, 2025	5
UBAY	Ground Floor Rogelio Inn Building, Colonel Marciano Garces Street, Poblacion, Ubay, Bohol	44,669.47	July 31, 2028	5
URDANETA	Unit 18 & 19 Honaco Commercial Building, National Highway, Urdaneta City, Pangasinan	88,043.81	March 31, 2028	5
VALENCIA	P-17A Sayre Highway, Hangkol Poblacion Valencua City, Bukidnon	84,210.53	August 21, 2029	5
VALENZUELA	15 Isidro Francisco St. Maysan Road Malinta Valenzuela City	134,009.57	April 01, 2025	5
VIRAC	Virac Town Center, Gogon Sirangan, Virac, Catanduanes	43,791.03	October 31, 2025	1
ZAMBOANGA	RHW Bldg., Mayor Jaldon St., Brgy. Canelar, Zamboanga City, Zamboanga del Sur	81,141.94	December 20, 2025	5

Bangko Kabayan, Inc.

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
Agoncillo	J. Mendoza St., Poblacion, Agoncillo, Batangas	19,511.79	August 17, 2029	every 5 years
Balayan	Union St. Brgy 5, Balayan, Batangas	40,303.63	January 30, 2028	every 10 years
Batangas City	Romero Dy Bldg., P. Burgos St.,Poblacion 10, Batangas City	120,040.98	March 31, 2026	every 5 years
Calatagan	Ayala St., Poblacion 3, Calatagan, Batangas	9,380.67	March 1, 2025	every 15 years
Lemery	National Hi-way, Brgy. Palanas, Lemery Batangas	59,524.45	February 28, 2027	every 10 years
Lipa City	Laguerta Bldg., P. Torres St., Brgy. 11, Lipa City	73,113.15	November 30, 2025	every 5 years

Branch Name	Address	Monthly Rental	Expiration of Lease	Term of Renewal
Talisay	Barangay Banga, Talisay, Batangas	22,987.74	March 1, 2026	every 10 years
Tanauan City	ELR Building J.P. Laurel Highway, Brgy.2, Tanauan City, Batangas	84,147.10	March 31, 2028	every 10 years
Atimonan	Rizal St., Cor. P. Enriquez St., Brgy. Zone 1, Poblacion Atimonan, Quezon	19,661.94	March 31, 2026	every 10 years
Gumaca	G/F Landig Bldg., Paz Castillo St., Brgy. Tabing Dagat, Gumaca, Quezon	21,879.11	April 8, 2026	every 10 years
Sariaya	General Luna St., Poblacion 4, Sariaya, Quezon	28,078.19	July 25, 2027	every 10 years
Tiaong	Don V. Robles St., Poblacion 1,Tiaong, Quezon	12,155.06	August 17, 2027	every 10 years
Iloilo City	32 Ledesma St., Corner of Liberation Road, Iloilo City	134,400.00	September 1, 2028	every 5 years
Pototan	G/F JOLO Building, Matias Yusay St., P. Ledesma Ward, Poblacion, Pototan, Iloilo	56,000.00	January 31, 2034	every 10 years
Santa Fe	F. Roska St., Talisay, Sta. Fe, Cebu	22,105.26	September 8, 2025	every 2 years
Toledo City	Corner Magsaysay and Mercado Sts., Poblacion, Toledo City, Cebu	62,400.00	August 31, 2029	every 5 years
San Carlos City	Center Mall, City Center of San Carlos City, Negros Occidental	25,664.24	December 15, 2033	every 10 years
Bacolod City	Fil-Sino Building, Hilado Ext. Bacolod City, Negros Occidental	65,000.00	April 30, 2034	every 10 years
Dumaguete City	Unit 102, JAT Building, San Juan St., Dumaguete City	76,160.00	November 15, 2033	every 10 years
Tubigon	Cabulihan, Tubigon, Bohol	47,368.42	July 16, 2034	every 10 years
Bogo City	Dela Viña Corner J Lequin STS., Gairan, Bogo City, Cebu	94,205.61	October 25, 2027	every 3 years
San Jose	Maicor Bldg., Makalintal Avenue, Taysan, San Jose, Batangas	70,464.72	October 2, 2027	every 3 years
Lobo (branch lite)	P. Burgos St., Poblacion Lobo, Batangas	9,878.40	December 31, 2024	every 6 months
Mandaue	CQR Bldg., 251 SB Cabahug St., Ibabao, Mandaue City, Cebu	27,740.84	March 15, 2025	every 6 months
Carcar City	San Vicente St., Cogon, Poblacion 1, Carcar City, Cebu	15,000.00	February 28, 2025	none
Danao City (branch lite)	Taboc, Looc, Danao City, Cebu	33,301.05	May 1, 2025	every 1 year

UNION BANK OF THE PHILIPPINES
Index to Financial Statements and Supplementary Schedules
Form 17-A Item 7
December 31, 2024

Outlook

Fw: Your BIR AFS eSubmission uploads were received

From Juderey O. De Guzman <jodeguzman@unionbankph.com>
Date Fri 4/11/2025 3:40 PM
To Arminda M. Cabacoy <aamaquiran@unionbankph.com>
Cc Aellen L. Valenzuela <alvalenzuela@unionbankph.com>

Thanks, Amy!

Juderey O. De Guzman
Regulatory Reporting Unit-Controllership
M: +63 917 8567775 L: 02 9681104

From: Arminda M. Cabacoy <aamaquiran@unionbankph.com>
Sent: Friday, April 11, 2025 3:02 PM
To: Juderey O. De Guzman <jodeguzman@unionbankph.com>
Subject: Fw: Your BIR AFS eSubmission uploads were received

Hi Ms. @Juderey O. De Guzman,

Forwarding BIR email confirmation on the Bank's submission of Annual ITR and FS for taxable year 2024.

Thank you.

Amy

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Friday, April 11, 2025 2:58 PM
To: Menchie M. Tormon <mmtormon@unionbankph.com>
Cc: Arminda M. Cabacoy <aamaquiran@unionbankph.com>
Subject: Your BIR AFS eSubmission uploads were received

Hi UNION BANK OF THE PHILIPPINES,

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Transaction Code: **AFS-0-MMTVM3XX043WTVMNYNMSZSMR40V2T3PY2**
Submission Date/Time: **Apr 11, 2025 02:58 PM**
Company TIN: **000-508-271**

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- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Union Bank of the Philippines** (the Bank) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 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.

Erramon I. Aboitiz
Chairman of the Board

Ana Maria A. Delgado
President and Chief Executive Officer

Manuel R. Lozano
Executive Vice President
Chief Financial Officer

Edgar Allan G. Oblena
Senior Vice President
Financial Controller

SUBSCRIBED AND SWORN to before me this FEB 2 8 2025 of ________, 2025 at Pasig City, the following affiants personally known to me and exhibiting to me their TIN bearing their photographs and genuine signatures as competent evidence of identity in accordance with 2004 Rules on Notarial Practice.

Name	TIN
Erramon I. Aboitiz	103-715-862
Ana A. Delgado	232-084-562
Manuel R. Lozano	148-773-908
Edgar Allan G. Oblena	300-059-461

Notary Public

Doc No. 5
Page No. 2
Book No. VI
Series of 2025

NIKKI NEIL SANTOS
Notary Public for Pasig City
Metro Manila
Appointment No. 9 (2024-2025)
Commission No. Expires On 12-31-2025
PTR No. AA 2999148/ 1-2-25/ Pasig City
IBP No. 495293/ 1-2-25 Pasig City (RSM Chapter)
Roll of Attorneys No. 57961
MCLE Compliance No. VIII-0015409/
Issued 11-6-24 Valid until 4-14-28
18th Floor, UnionBank Plaza, Meralco Avenue
Ortigas Center, Pasig City

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

3	6	0	7	3						

C O M P A N Y   N A M E

U N I O N   B A N K   O F   T H E   P H I L I P P I N E S

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

U N I O N B A N K   P L A Z A   M E R A L C O   A V E N U E
C O R   O N Y X   A N D   S A P P H I R E   S T R E E T S
O R T I G A S   C E N T E R ,   P A S I G   C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
www.unionbankph.com	**(632) 8841-8600**	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
4,954	**April 25**	**December 31**

CONTACT PERSON INFORMATION

The designated contact person *MUST* be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
EDGAR ALLAN G. OBLENA	**eagoblena@unionbankph.com**	**(632) 8667-6388**	

CONTACT PERSON's ADDRESS

UnionBank Plaza Bldg, Meralco Ave. cor. Onyx and Sapphire Streets, Ortigas Center, Pasig 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.

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Union Bank of the Philippines
Union Bank Plaza, Meralco Avenue corner
Onyx Street and Sapphire Road, Ortigas Center, Pasig City

Report on the Consolidated and Parent Company Financial Statements

Opinion

We have audited the consolidated financial statements of Union Bank of the Philippines and its subsidiaries (the Group) and the parent bank financial statements of Union Bank of the Philippines (the Parent Bank), which comprise the consolidated and parent bank statements of financial position as at December 31, 2024 and 2023, and the consolidated and parent bank statements of income, consolidated and parent bank statements of comprehensive income, consolidated and parent bank statements of changes in capital funds and consolidated and parent bank statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated and parent bank financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and parent bank financial statements present fairly, in all material respects, the financial position of the Group and the Parent Bank as at December 31, 2024 and 2023, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 bank financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and parent bank 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 Bank 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 bank 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 bank financial statements.

Applicable to the Audit of the Consolidated and Parent Bank Financial Statements

Allowance for expected credit loss (ECL)
The Group's and the Parent Bank'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 Bank's credit risk exposures; determining the method to estimate ECL; defining default; identifying exposures with significant deterioration in credit quality; determining assumptions 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 credit enhancements extended by any party; and incorporating forward-looking information in calculating ECL.

Refer to Notes 4 and 20 of the consolidated and parent bank financial statements for the disclosures on the details of the allowance for credit losses using the ECL model.

Audit Response
We obtained an understanding of the methodologies and models used for the Group's and the Parent Bank's different credit exposures and assessed whether these considered the requirements of PFRS 9, *Financial Instruments* (PFRS 9), to reflect an unbiased and probability-weighted outcome, and to consider time value of money and the best available forward-looking information. We also inspected and considered the results of the model validation on the risk rating performed by management's specialist.

We (a) assessed the Group's and the Parent Bank's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default and significant increase in credit risk criteria against historical analysis of accounts, credit risk management policies and practices in place; (c) tested the Group's and the Parent Bank's application of internal credit risk rating system, by reviewing the ratings of sample credit exposures; (d) tested loss given default by inspecting historical recoveries and related costs, write-offs and collateral valuations, and the effects of credit enhancements provided by any party; (e) tested exposure at default considering outstanding commitments and repayment scheme; (f) checked the forward-looking information used for overlay through statistical test and corroboration using publicly available information and our understanding of the Group's and the Parent Bank's lending portfolios and broader industry knowledge; and (g) tested the effective interest rate used in discounting the expected credit loss.

Further, we checked the data used in the ECL models by reconciling data from source system reports to the data warehouse and from the data warehouse to the loss allowance 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 recalculated impairment provisions on a sample basis. We reviewed the completeness of the disclosures made in the consolidated and parent bank financial statements.

We involved our internal specialists in the performance of the above procedures.

Impairment testing of goodwill
Under PFRS, the Group and the Parent Bank are required to annually test the amount of goodwill for impairment. The Group's and the Parent Bank's goodwill attributable to the various cash generating units (CGUs) is considered significant to the consolidated and parent bank financial statements. The Group's and the Parent Bank's impairment assessment requires significant judgement and is based on assumptions which are subject to higher level of estimation uncertainty, specifically on discount rate and long-term growth rate.

The disclosures in relation to the CGUs to which the goodwill is allocated and the Group's and the Parent Bank's impairment assessment are included in Notes 3 and 18 to the consolidated and parent bank financial statements.

Audit Response
We obtained an understanding of the management's process for evaluating the impairment of goodwill. We involved our internal specialist in evaluating the methodologies and the assumptions used in calculating the value-in-use (VIU) of the CGUs. We compared the key assumptions used against the historical financial performance and the specific plans for the CGUs and other relevant external data. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's and the Parent Bank'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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20IS (Definitive Information Statement), SEC Form 17A and Annual Report for the year ended December 31, 2024, but does not include the consolidated and parent bank financial statements and our auditor's report thereon. The SEC Form 20IS (Definitive Information Statement), SEC Form 17A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and parent bank 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 bank 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 bank 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 Bank Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and parent bank financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and parent bank financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated and parent bank financial statements, management is responsible for assessing the Group's and Parent 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 Group and the Parent Bank 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 Bank's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and parent bank 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 bank 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 bank 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 Bank'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 Bank'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 bank 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 Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and parent bank financial statements, including the disclosures, and whether the consolidated and parent bank financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group 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 bank 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 Revenue Regulations 15-2010 and Section 174 of Manual of Regulations for Banks

Our audits was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 37 to the financial statements and Section 174 of Manual of Regulations for Banks in Note 38 to the financial statements is presented for purposes of filing with the the Bureau of Internal Revenue and Bangko Sentral ng Pilipinas, respectively, and is not a required part of the basic financial statements. Such information is the responsibility of the management of Union Bank of the Philippines. 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, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465256, January 2, 2025, Makati City

February 28, 2025

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

(Amounts are presented in thousands of Philippine Pesos)

	Group		Parent Bank	
	December 31		December 31	
	2024	2023	**2024**	2023
RESOURCES				
Cash and Other Cash Items (Note 8)	**₱10,143,777**	₱10,439,112	**₱9,270,243**	₱9,350,898
Due from Bangko Sentral ng Pilipinas (Note 8)	**82,146,575**	82,643,663	**49,212,089**	63,883,124
Due from Other Banks (Note 9)	**33,890,538**	27,263,347	**31,139,779**	23,188,033
Interbank Loans Receivable and Securities Purchased under Reverse Repurchase Agreements (SPURRA) (Note 10)	**1,878,992**	25,411,119	**178,992**	3,184,078
Trading and Investment Securities				
At fair value through profit or loss (FVTPL) (Note 11)	**10,295,089**	5,805,716	**10,028,598**	5,676,867
At amortized cost (Note 12)	**323,412,938**	314,479,239	**313,388,774**	305,334,583
At fair value through other comprehensive income (FVOCI) (Note 13)	**39,512,654**	36,974,774	**39,251,455**	36,699,234
Loans and Other Receivables - net (Note 14)	**522,655,816**	526,145,828	**406,180,888**	411,823,839
Investment in Subsidiaries and Associates (Note 15)	**35,755**	37,675	**37,301,269**	36,114,412
Bank Premises, Furniture, Fixtures and Equipment - net (Note 16)	**11,001,211**	10,193,239	**9,324,944**	8,539,326
Investment Properties - net (Note 17)	**9,789,983**	8,592,259	**8,564,812**	7,359,283
Goodwill (Note 18)	**53,992,565**	53,992,565	**43,339,696**	43,339,696
Other Resources - net (Note 19)	**46,685,142**	43,164,817	**36,521,955**	35,119,322
TOTAL RESOURCES	**₱1,145,441,035**	₱1,145,143,353	**₱993,703,494**	₱989,612,695

LIABILITIES AND CAPITAL FUNDS				
LIABILITIES				
Deposit Liabilities (Note 21)				
Demand	**₱231,377,969**	₱233,282,684	**₱232,683,444**	₱234,228,367
Savings	**215,542,898**	195,864,333	**208,381,675**	190,062,551
Time	**229,401,929**	283,421,391	**131,416,771**	173,264,475
	676,322,796	712,568,408	**572,481,890**	597,555,393
Bills Payable (Note 22)	**162,256,379**	155,287,929	**126,169,642**	120,359,136
Notes and Bonds Payable (Note 23)	**57,565,582**	50,493,627	**51,724,287**	50,493,627
Other Liabilities (Note 24)	**53,228,656**	51,167,965	**48,098,791**	46,116,231
	949,373,413	969,517,929	**798,474,610**	814,524,387
CAPITAL FUNDS				
Capital funds attributable to the Parent Bank's stockholders (Note 25)				
Common stock	**33,164,056**	23,537,746	**33,164,056**	23,537,746
Treasury stock	**–**	(2,097)	**–**	(2,097)
Additional paid-in capital	**64,367,634**	57,769,376	**64,367,634**	57,769,376
Stock dividend distributable	**–**	6,355,129	**–**	6,355,129
Surplus free	**97,521,588**	88,719,176	**98,787,952**	89,032,606
Surplus reserves	**3,277,772**	2,542,762	**2,227,106**	2,142,570
Net unrealized fair value losses on investment securities at FVOCI (Note 13)	**(1,766,482)**	(2,195,087)	**(1,768,342)**	(2,196,947)
Remeasurements of defined benefit plans (Note 29)	**(1,615,135)**	(1,627,698)	**(1,553,703)**	(1,566,266)
Other reserves	**258,204**	(108,141)	**4,181**	16,191
Total capital funds attributable to the Parent Bank's stockholders	**195,207,637**	174,991,166	**195,228,884**	175,088,308
Non-controlling interests	**859,985**	634,258	**–**	–
	196,067,622	175,625,424	**195,228,884**	175,088,308
TOTAL LIABILITIES AND CAPITAL FUNDS	**₱1,145,441,035**	₱1,145,143,353	**₱993,703,494**	₱989,612,695

See accompanying Notes to Financial Statements.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES

STATEMENTS OF INCOME

For the Years Ended December 31, 2024, 2023 and 2022

(Amounts are presented in thousands of Philippine Pesos, Except Earnings per Share)

	Group			Parent Bank		
	Years Ended December 31			Years Ended December 31		
	2024	2023	2022	**2024**	2023	2022
INTEREST INCOME ON						
Loans and other receivables (Note 14)	**₱63,082,428**	₱59,219,084	₱36,004,714	**₱43,303,533**	₱38,853,221	₱23,907,388
Investment securities at amortized cost and FVOCI (Notes 12 and 13)	**16,078,724**	15,620,211	12,489,741	**15,627,153**	15,172,216	12,083,622
Cash and cash equivalents (Notes 8 and 9)	**2,656,793**	2,160,236	1,000,188	**1,156,380**	947,155	584,977
Interbank loans receivable and SPURRA (Note 10)	**1,428,743**	1,367,804	826,362	**554,893**	518,152	652,846
Trading securities at FVTPL (Note 11)	**493,428**	194,354	203,766	**487,216**	193,268	203,766
	83,740,116	78,561,689	50,524,771	**61,129,175**	55,684,012	37,432,599
INTEREST EXPENSE ON						
Deposit liabilities (Note 21)	**12,493,397**	15,788,182	6,021,671	**5,757,673**	9,457,250	4,196,509
Bills payable and other liabilities (Notes 22, 23, 24 and 29)	**13,218,409**	10,797,983	5,601,709	**10,412,382**	8,532,872	4,183,835
	25,711,806	26,586,165	11,623,380	**16,170,055**	17,990,122	8,380,344
NET INTEREST INCOME	**58,028,310**	51,975,524	38,901,391	**44,959,120**	37,693,890	29,052,255
PROVISION FOR CREDIT LOSSES (Note 20)	**19,598,713**	14,040,864	4,068,449	**13,225,535**	11,025,059	2,571,143
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	**38,429,597**	37,934,660	34,832,942	**31,733,585**	26,668,831	26,481,112
OTHER INCOME						
Service charges, fees and commissions (Note 27)	**13,415,641**	10,886,044	7,111,768	**11,306,080**	9,153,672	6,015,859
Gains (losses) on trading and investment securities at FVTPL and FVOCI (Notes 11 and 13)	**1,536,349**	918,647	(181,397)	**1,534,198**	917,695	(182,303)
Gains on sale of investment securities at amortized cost (Note 12)	**–**	–	100,223	**–**	–	100,223
Miscellaneous (Note 28)	**6,569,159**	6,997,698	6,268,487	**4,937,274**	8,831,363	7,167,758
	21,521,149	18,802,389	13,299,081	**17,777,552**	18,902,730	13,101,537
TOTAL OPERATING INCOME	**59,950,746**	56,737,049	48,132,023	**49,511,137**	45,571,561	39,582,649
OTHER EXPENSES						
Salaries and employee benefits (Note 29)	**14,120,125**	13,558,225	10,003,171	**10,396,787**	10,232,372	7,525,194
Taxes and licenses (Note 37)	**6,095,743**	5,941,970	4,110,188	**4,136,943**	4,045,416	2,738,837
Depreciation and amortization (Note 16)	**2,841,728**	2,666,493	1,860,432	**2,114,836**	1,939,485	1,420,123
Occupancy (Note 16)	**1,172,877**	1,164,202	1,026,889	**893,333**	891,506	764,356
Miscellaneous (Note 28)	**20,037,050**	21,557,379	14,347,165	**16,048,356**	18,108,976	11,497,383
	44,267,523	44,888,269	31,347,845	**33,590,255**	35,217,755	23,945,893
PROFIT BEFORE TAX	**15,683,223**	11,848,780	16,784,178	**15,920,882**	10,353,806	15,636,756
INCOME TAX EXPENSE (Note 30)	**3,653,487**	2,644,225	4,039,459	**3,688,451**	1,525,349	3,036,011
NET PROFIT	**₱12,029,736**	₱9,204,555	₱12,744,719	**₱12,232,431**	₱8,828,457	₱12,600,745
Attributable to:						
Parent Bank's stockholders	**₱11,929,971**	₱9,072,217	₱12,600,745	**₱12,232,431**	₱8,828,457	₱12,600,745
Non-controlling interests	**99,765**	132,338	143,974	–	–	–
	₱12,029,736	₱9,204,555	₱12,744,719	**₱12,232,431**	₱8,828,457	₱12,600,745
Basic/Diluted Earnings per Share (Note 33)	**₱3.75**	₱3.06	₱4.95	**₱3.85**	₱2.97	₱4.95

See accompanying Notes to Financial Statements.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2024, 2023 and 2022

(Amounts are presented in thousands of Philippine Pesos)

	Group			Parent Bank		
	Years Ended December 31			Years Ended December 31		
	2024	2023	2022	**2024**	2023	2022
NET PROFIT	**₱12,029,736**	₱9,204,555	₱12,744,719	**₱12,232,431**	₱8,828,457	₱12,600,745
OTHER COMPREHENSIVE INCOME (LOSS)						
***Items that may be reclassified to profit or loss in subsequent periods*:**						
Unrealized mark-to-market gains (losses) on investment securities at FVOCI	**631,325**	12,279,193	(12,510,381)	**620,637**	12,278,125	(12,556,049)
Realized gains on sale of investment securities at FVOCI recognized in profit or loss (Note 13)	**(192,694)**	(416,510)	(99,466)	**(192,694)**	(416,510)	(100,162)
Cumulative translation adjustment	**(5,817)**	(20,991)	17,235	**3,506**	(20,991)	17,235
Share in unrealized mark-to-market gains (losses) on investment securities at FVOCI and cumulative translation adjustments of subsidiaries (Note 15)	**–**	–	–	**(14,854)**	907	43,807
Items that will not be reclassified to profit or loss in subsequent periods:						
Remeasurement gains (losses) on defined benefit plan (Note 29)	**6,697**	(529,145)	372,764	**303,381**	(621,232)	336,721
Income tax benefit (expense) (Note 30)	**(1,674)**	132,286	(93,191)	**(75,845)**	155,309	(84,180)
Share in changes in remeasurement gains of subsidiaries (Note 15)	**–**	–	–	**(214,973)**	65,891	30,406
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	**437,837**	11,444,833	(12,313,039)	**429,158**	11,441,499	(12,312,222)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**₱12,467,573**	₱20,649,388	₱431,680	**₱12,661,589**	₱20,269,956	₱288,523
Attributable to:						
Parent Bank's stockholders	**₱12,365,322**	₱20,513,716	₱288,523	**₱12,661,589**	₱20,269,956	₱288,523
Non-controlling interests	**102,251**	135,672	143,157	**–**	–	–
	₱12,467,573	₱20,649,388	₱431,680	**₱12,661,589**	₱20,269,956	₱288,523

See accompanying Notes to Financial Statements.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES

STATEMENTS OF CHANGES IN CAPITAL FUNDS

For the Years Ended December 31, 2024, 2023 and 2022

(Amounts are presented in thousands of Philippine Pesos)

	Group											
	Equity Attributable to Equity Holders of the Parent Bank											
	Capital Stock	Treasury Stock	Additional Paid-in Capital	Stock Dividend Distributable	Surplus Free	Surplus Reserves	Net Unrealized Fair Value Gains (Losses) on Investment Securities at FVOCI	Remeasurements of Defined Benefit Plan	Other Reserves	Total	Non-controlling Interests	Total Capital Funds
Balances as at January 1, 2024	**₱23,537,746**	**(₱2,097)**	**₱57,769,376**	**₱6,355,129**	**₱88,719,176**	**₱2,542,762**	**(₱2,195,087)**	**(₱1,627,698)**	**(₱108,141)**	**₱174,991,166**	**₱634,258**	**₱175,625,424**
Total comprehensive income (loss) for the year	–	–	–	–	**11,929,971**	–	**428,605**	**12,563**	**(5,817)**	**12,365,322**	**102,251**	**12,467,573**
Issuance of new shares (Note 25)	**3,271,181**	–	**6,671,910**	–	–	–	–	–	–	**9,943,091**	–	**9,943,091**
Cash dividends (Note 25)	–	–	–	–	**(2,391,408)**	–	–	–	–	**(2,391,408)**	–	**(2,391,408)**
Deemed disposal of interest in a subsidiary (Note 1)	–	–	–	–	–	–	–	–	**372,162**	**372,162**	**183,106**	**555,268**
Stock dividends (Note 25)	**6,355,129**	–	**(73,652)**	**(6,355,129)**	–	–	–	–	–	**(73,652)**	–	**(73,652)**
Sale of treasury stock (Note 25)	–	**2,097**	–	–	**(1,141)**	–	–	–	–	**956**	**1,068**	**2,024**
Appropriations during the year - net (Note 25)	–	–	–	–	**(735,010)**	**735,010**	–	–	–	–	–	–
Dividends of subsidiaries to NCI	–	–	–	–	–	–	–	–	–	–	**(60,698)**	**(60,698)**
Balances as at December 31, 2024	**₱33,164,056**	**₱–**	**₱64,367,634**	**₱–**	**₱97,521,588**	**₱3,277,772**	**(₱1,766,482)**	**(₱1,615,135)**	**₱258,204**	**₱195,207,637**	**₱859,985**	**₱196,067,622**
Balances as at January 1, 2023	₱21,421,068	₱–	₱47,949,927	₱–	₱90,799,424	₱2,452,975	(₱14,057,609)	(₱1,227,666)	₱30,989	₱147,369,108	₱844,712	₱148,213,820
Total comprehensive income (loss) for the year	–	–	–	–	9,072,217	–	11,862,522	(400,032)	(20,991)	20,513,716	135,672	20,649,388
Issuance of new shares (Note 25)	2,116,678	–	9,869,950	–	–	–	–	–	–	11,986,628	–	11,986,628
Purchase of treasury stock (Note 25)	–	(2,097)	–	–	–	–	–	–	–	(2,097)	–	(2,097)
Stock dividends (Note 25)	–	–	(50,501)	6,355,129	(6,355,129)	–	–	–	–	(50,501)	–	(50,501)
Cash dividends (Note 25)	–	–	–	–	(4,707,549)	–	–	–	–	(4,707,549)	–	(4,707,549)
Appropriations during the year - net (Note 25)	–	–	–	–	(89,787)	89,787	–	–	–	–	–	–
Acquisition of non-controlling interests (NCI)	–	–	–	–	–	–	–	–	(118,139)	(118,139)	(230,227)	(348,366)
Dividends of subsidiaries to NCI	–	–	–	–	–	–	–	–	–	–	(115,899)	(115,899)
Balances as at December 31, 2023	₱23,537,746	(₱2,097)	₱57,769,376	₱6,355,129	₱88,719,176	₱2,542,762	(₱2,195,087)	(₱1,627,698)	(₱108,141)	₱174,991,166	₱634,258	₱175,625,424

(Forward)

	Group											
	Equity Attributable to Equity Holders of the Parent Bank											
	Capital Stock	Treasury Stock	Additional Paid-in Capital	Stock Dividend Distributable	Surplus Free	Surplus Reserves	Net Unrealized Fair Value Gains (Losses) on Investment Securities at FVOCI	Remeasurements of Defined Benefit Plan	Other Reserves	Total	Non-controlling Interests	Total Capital Funds
Balances as at January 1, 2022	₱12,193,628	₱–	₱14,214,551	₱3,048,388	₱82,122,752	₱2,798,673	(₱1,448,457)	(₱1,507,361)	₱13,754	₱111,435,928	₱777,300	₱112,213,228
Total comprehensive income (loss) for the year	–	–	–	–	12,600,745	–	(12,609,152)	279,695	17,235	288,523	143,157	431,680
Issuance of new shares (Note 25)	9,227,440	–	33,735,376	(3,048,388)	–	–	–	–	–	39,914,428	–	39,914,428
Cash dividends (Note 25)	–	–	–	–	(4,269,771)	–	–	–	–	(4,269,771)	–	(4,269,771)
Reversal of appropriations during the year - net (Note 25)	–	–	–	–	345,698	(345,698)	–	–	–	–	–	–
Dividends of subsidiaries to NCI	–	–	–	–	–	–	–	–	–	–	(75,745)	(75,745)
Balances as at December 31, 2022	₱21,421,068	₱–	₱47,949,927	₱–	₱90,799,424	₱2,452,975	(₱14,057,609)	(₱1,227,666)	₱30,989	₱147,369,108	₱844,712	₱148,213,820

	Parent Bank									
	Capital Stock	**Treasury Stock**	**Additional Paid-in Capital**	**Stock Dividend Distributable**	**Surplus Free**	**Surplus Reserves**	**Net Unrealized Fair Value Gains (Losses) on Investment Securities at FVOCI**	**Remeasurements of Defined Benefit Plan**	**Other Reserves**	**Total Capital Funds**
Balances as at January 1, 2024	**₱23,537,746**	**(₱2,097)**	**₱57,769,376**	**₱6,355,129**	**₱89,032,606**	**₱2,142,570**	**(₱2,196,947)**	**(₱1,566,266)**	**₱16,191**	**₱175,088,308**
Total comprehensive income (loss) for the year	**–**	**–**	**–**	**–**	**12,232,431**	**–**	**428,605**	**12,563**	**(12,010)**	**12,661,589**
Issuance of new shares (Note 25)	**3,271,181**	**–**	**6,671,910**	**–**	**–**	**–**	**–**	**–**	**–**	**9,943,091**
Cash dividends (Note 25)	**–**	**–**	**–**	**–**	**(2,391,408)**	**–**	**–**	**–**	**–**	**(2,391,408)**
Stock dividends (Note 25)	**6,355,129**	**–**	**(73,652)**	**(6,355,129)**	**–**	**–**	**–**	**–**	**–**	**(73,652)**
Sale of treasury stock (Note 25)	**–**	**2,097**	**–**	**–**	**(1,141)**	**–**	**–**	**–**	**–**	**956**
Appropriations during the year – net (Note 25)	**–**	**–**	**–**	**–**	**(84,536)**	**84,536**	**–**	**–**	**–**	**–**
Balances as at December 31, 2024	**₱33,164,056**	**₱–**	**₱64,367,634**	**₱–**	**₱98,787,952**	**₱2,227,106**	**(₱1,768,342)**	**(₱1,553,703)**	**₱ 4,181**	**₱195,228,884**
Balances as at January 1, 2023,	₱21,421,068	₱–	₱47,949,927	₱–	₱91,379,317	₱2,030,080	(₱14,059,469)	(₱1,166,234)	₱37,182	₱147,591,871
Total comprehensive income (loss) for the year	–	–	–	–	8,828,457	–	11,862,522	(400,032)	(20,991)	20,269,956
Issuance of new shares (Note 25)	2,116,678	–	9,869,950	–	–	–	–	–	–	11,986,628
Purchase of treasury stock (Note 25)	–	(2,097)	–	–	–	–	–	–	–	(2,097)
Stock dividends (Note 25)	–	–	(50,501)	6,355,129	(6,355,129)	–	–	–	–	(50,501)
Cash dividends (Note 25)	–	–	–	–	(4,707,549)	–	–	–	–	(4,707,549)
Appropriations during the year – net (Note 25)	–	–	–	–	(112,490)	112,490	–	–	–	–
Balances as at December 31, 2023	₱23,537,746	(₱2,097)	₱57,769,376	₱6,355,129	₱89,032,606	₱2,142,570	(₱2,196,947)	(₱1,566,266)	₱16,191	₱175,088,308
Balances as at January 1, 2022	₱12,193,628	₱–	₱14,214,551	₱3,048,388	₱82,754,489	₱2,323,934	(₱1,447,065)	(₱1,449,181)	₱19,947	₱111,658,691
Total comprehensive income (loss) for the year	–	–	–	–	12,600,745	–	(12,612,404)	282,947	17,235	288,523
Issuance of new shares (Note 25)	9,227,440	–	33,735,376	(3,048,388)	–	–	–	–	–	39,914,428
Cash dividends (Note 25)	–	–	–	–	(4,269,771)	–	–	–	–	(4,269,771)
Appropriations during the year – net (Note 25)	–	–	–	–	293,854	(293,854)	–	–	–	–
Balances as at December 31, 2022	₱21,421,068	₱–	₱47,949,927	₱–	₱91,379,317	₱2,030,080	(₱14,059,469)	(₱1,166,234)	₱37,182	₱147,591,871

See accompanying Notes to Financial Statements.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024, 2023 and 2022
(Amounts are presented in thousands of Philippine Pesos)

	Group			Parent Bank		
	Years Ended December 31			Years Ended December 31		
	2024	2023	2022	**2024**	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax	**₱15,683,223**	₱11,848,780	₱16,784,178	**₱15,920,882**	₱10,353,806	₱15,636,756
Adjustments for:						
Provision for credit losses (Note 20)	**19,598,713**	14,040,864	4,068,449	**13,225,535**	11,025,059	2,571,143
Depreciation and amortization (Note 16)	**3,467,331**	3,277,968	2,480,931	**2,604,566**	2,408,164	1,884,657
Gains on foreclosure of investment properties (Notes 17 and 18)	**(1,203,292)**	(751,936)	(466,388)	**(1,170,914)**	(679,745)	(466,388)
Amortization of premium and discount of financial assets and liabilities	**1,171,399**	1,129,034	1,168,740	**1,158,877**	1,121,507	1,272,967
Unrealized foreign exchange losses (gains) - net	**(962,916)**	786,431	1,265,139	**(976,261)**	781,304	1,187,664
Gains on sale of investment properties, property and equipment, and other assets (Notes 16, 17 and 19)	**(521,421)**	(1,026,933)	(1,209,196)	**(612,000)**	(1,110,755)	(1,192,575)
Gains on sale of investment securities at FVOCI (Note 13)	**(192,694)**	(416,510)	(99,466)	**(192,694)**	(416,510)	(100,162)
Reversal of impairment on investment properties (Note 17)	**(3,547)**	(751)	(24,695)	**(1,909)**	(787)	(24,722)
Share in net loss (profit) of subsidiaries and associates (Notes 15 and 28)	**1,920**	22,355	29,666	**633,126**	(2,837,072)	(1,712,086)
Gain on deemed disposal of a subsidiary (Note 1)	**–**	–	–	**(373,128)**	–	–
Gain on sale of investments in associates (Note 15)	**–**	(22,702)	–	**–**	–	–
Gains on sale of investment securities at amortized cost (Note 12)	**–**	–	(100,223)	**–**	–	(100,223)
Changes in operating assets and liabilities:						
Decreases (increases) in:						
Loans and other receivables	**(16,414,868)**	(60,181,803)	(80,626,502)	**(7,990,380)**	(28,603,062)	(54,060,475)
Trading securities at FVTPL	**(4,484,799)**	2,847,800	(3,013,511)	**(4,347,157)**	2,906,311	(3,011,908)
Other resources	**(8,808,124)**	(12,452,972)	(9,394,186)	**(6,104,222)**	(9,461,654)	(5,491,485)
Increases (decreases) in:						
Deposit liabilities	**(36,245,612)**	4,264,466	75,537,858	**(25,073,503)**	(23,365,639)	65,596,659
Other liabilities	**6,357,378**	9,971,999	17,677,790	**5,621,676**	7,448,793	15,065,712
Net cash generated from (used in) operations	**(22,557,309)**	(26,663,910)	24,078,584	**(7,677,506)**	(30,430,280)	37,055,534
Income taxes paid	**(4,281,142)**	(4,860,628)	(3,566,294)	**(3,405,997)**	(3,223,021)	(2,148,791)
Net cash provided by (used in) operating activities	**(26,838,451)**	(31,524,538)	20,512,290	**(11,083,503)**	(33,653,301)	34,906,743
CASH FLOWS FROM INVESTING ACTIVITIES						
Acquisitions of:						
Investment securities at FVOCI	**(16,964,897)**	(25,052,262)	(111,135,751)	**(16,950,000)**	(25,026,221)	(111,112,623)
Investment securities at amortized cost	**(10,828,446)**	(13,554,953)	(118,551,429)	**(9,805,300)**	(13,519,953)	(113,271,357)
Bank premises, furniture, fixtures and equipment (Note 16)	**(1,647,001)**	**(2,283,303)**	(551,592)	**(1,385,122)**	(2,000,248)	(308,016)
Investments in subsidiaries and associates (Notes 1 and 15)	**–**	–	(14,400)	**(2,751,681)**	(1,547,298)	(7,073,025)
Proceeds from maturities/sale of:						
Investment securities at FVOCI	**14,830,492**	19,524,353	87,266,386	**14,830,492**	19,478,530	87,191,082
Investment securities at amortized cost	**5,420,334**	2,800,379	42,109,410	**5,284,883**	2,690,328	41,846,113
Investment properties (Note 17)	**534,628**	631,815	620,286	**534,628**	626,621	575,169
Bank premises, furniture, fixtures and equipment (Note 16)	**75,585**	113,651	45,761	**36,119**	101,896	18,285
Investments in associates (Note 15)	**–**	86,068	–	**–**	–	–
Dividends received from subsidiaries	**–**	–	–	**1,075,000**	129,000	188,000
Acquisition of business, net of cash acquired (Notes 1 and 15)	**–**	(3,259,683)	(44,942,683)	**–**	(3,252,782)	(41,193,404)
Net cash used in investing activities	**(8,579,305)**	(20,993,935)	(145,154,012)	**(9,130,981)**	(22,320,127)	(143,139,776)

(Forward)

	GROUP			PARENT BANK		
	Years Ended December 31			Years Ended December 31		
	2024	2023	2022	**2024**	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments of:						
Bills payable	**(₱975,385,462)**	(₱1,291,332,050)	(₱225,725,630)	**(₱954,030,713)**	(₱1,268,901,574)	(₱177,520,637)
Notes and bonds payable	**(5,658,904)**	(21,616,552)	(38,183,199)	**–**	(19,115,000)	(35,112,500)
Cash dividends (Note 25)	**(2,391,408)**	(4,707,549)	(4,269,771)	**(2,391,408)**	(4,707,549)	(4,269,771)
Lease liabilities (Note 24)	**(724,806)**	(633,871)	(659,030)	**(552,358)**	(524,291)	(496,312)
Dividends of subsidiaries to NCI	**(60,698)**	(115,899)	(75,745)	**–**	–	–
LTNCD	**–**	(3,000,000)	–	**–**	(3,000,000)	–
Acquisition of NCI's share in a subsidiary	**–**	(230,227)	–	**–**	–	–
Buy-back of treasury shares	**–**	(2,097)	–	**–**	(2,097)	–
Proceeds from:						
Bills payable	**979,986,263**	1,313,421,732	306,504,535	**957,473,570**	1,289,600,128	247,352,242
Notes and bonds payable (Note 23)	**11,482,520**	20,500,543	13,904,476	**–**	18,005,196	10,932,289
Issuance of new shares, net of issuance costs (Note 25)	**9,869,439**	11,936,127	39,914,428	**9,869,439**	11,936,127	39,914,428
Proceeds from subscription of shares of a subsidiary by the non-controlling interest (Note 1)	**555,268**	–	–	**–**	–	–
Sale of treasury shares	**2,024**	–	–	**956**	–	–
Net cash provided by financing activities	**17,674,236**	24,220,157	91,410,064	**10,369,486**	23,290,940	80,799,739
EFFECT OF CHANGES IN FOREIGN CURRENCY EXCHANGE RATES	**46,161**	(240,224)	42,726	**39,968**	(122,089)	34,162
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(17,697,359)**	(28,538,540)	(33,188,932)	**(9,805,030)**	(32,804,577)	(27,399,132)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR						
Cash and other cash items	**10,439,112**	9,891,536	8,904,903	**9,350,898**	8,924,249	7,988,517
Due from Bangko Sentral ng Pilipinas (BSP)	**82,643,663**	94,610,308	103,407,946	**63,883,124**	66,588,121	67,478,389
Due from other banks	**27,263,347**	46,239,964	54,258,465	**23,188,033**	42,263,529	51,308,983
Interbank loans receivable and securities purchased under reverse repurchase agreement (SPURRA)	**25,411,119**	23,553,973	40,913,399	**3,184,078**	14,634,811	33,033,953
	145,757,241	174,295,781	207,484,713	**99,606,133**	132,410,710	159,809,842
CASH AND CASH EQUIVALENTS AT END OF YEAR						
Cash and other cash items	**10,143,777**	10,439,112	9,891,536	**9,270,243**	9,350,898	8,924,249
Due from BSP	**82,146,575**	82,643,663	94,610,308	**49,212,089**	63,883,124	66,588,121
Due from other banks	**33,890,538**	27,263,347	46,239,964	**31,139,779**	23,188,033	42,263,529
Interbank loans receivable and SPURRA	**1,878,992**	25,411,119	23,553,973	**178,992**	3,184,078	14,634,811
	₱128,059,882	₱145,757,241	₱174,295,781	**₱89,801,103**	₱99,606,133	₱132,410,710
OPERATIONAL CASH FLOWS FROM INTERESTS AND DIVIDENDS						
Interest received	**₱85,600,470**	₱77,075,696	₱47,786,261	**₱61,232,614**	₱54,692,669	₱36,762,893
Interest paid	**26,375,644**	24,915,594	10,608,914	**17,072,662**	16,913,293	7,588,579
Dividends received	**9,687**	3,617	6,076	**8,267**	2,768	2,768

See accompanying Notes to Financial Statements.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Incorporation and Operations
Union Bank of the Philippines (the Bank, UnionBank or the Parent Bank) was incorporated in the Philippines on August 16, 1968 and operates as a universal bank through its universal banking license acquired in July 1992.

The Bank provides expanded commercial banking products and services such as loans and deposits, cash management, retail banking, foreign exchange, capital markets, corporate and consumer finance, investment management and trust banking. As of December 31, 2024, the Bank and its subsidiaries (collectively referred to as the "Group") has 383 branches and 431 on-site and 172 off-site automated teller machines (ATMs), located nationwide.

The Bank's common shares are listed in the Philippine Stock Exchange (PSE). The Bank is effectively 49.99% owned by Aboitiz Equity Ventures, Inc. (AEVI), a company incorporated and domiciled in the Philippines. AEVI is the holding and management company of the Aboitiz Group of Companies.

The Bank's subsidiaries are all incorporated in the Philippines, except for UBX SG and UBX Remit, and the Bank's effective percentage of ownership and the nature of the subsidiaries' businesses as of December 31, 2024 and 2023 are as follows:

	Percentage of ownership		
Name of Subsidiary	**2024**	2023	Nature of Business
City Savings Bank, Inc. (CSB)	**99.79%**	99.79%	Thrift bank
PetNet, Inc. (PETNET) [(a)]	**51.00%**	51.00%	Foreign currency trader and remittance business
UBP Investments Corporation (UIC)	**100.00%**	100.00%	Holding company
First Union Plans, Inc. (FUPI) [(b)]	**100.00%**	100.00%	Pre-need
First Union Direct Corporation (FUDC) [(b)]	**100.00%**	100.00%	Financial products marketing
First Union Insurance and Financial Agencies, Inc. (FUIFAI) [(c)]	**100.00%**	100.00%	Agent for insurance and financial products
UBP Securities, Inc. (UBPSI) [(b)]	**100.00%**	100.00%	Securities brokerage
Union Data Corp. (UDC) [(b)]	**100.00%**	100.00%	Data processing
Interventure Capital Corporation (IVCC) [(b)]	**60.00%**	60.00%	Venture capital
UBX Philippines Corporation (UBX) [(d)]	**83.33%**	100.00%	Investment holding and innovation company
UBX Private Limited (UBX SG) [(e)]	**83.33%**	100.00%	Holding company
UBX Remit Pte Ltd. (UBX Remit) [(f)]	**83.33%**	100.00%	Remittance company
Bangko Kabayan, Inc. (A Private Development Bank) (Bangko Kabayan) [(g)]	**97.75%**	97.75%	Private development bank
UnionDigital Bank, Inc. (UnionDigital)	**100.00%**	100.00%	Digital bank
Unionbank Financial Services and Insurance Brokerage Philippines, Inc. (UFSI)	**100.00%**	100.00%	Insurance and securities brokerage
Unionbank Investment Management and Trust Corporation (UBIMTC)	**100.00%**	100.00%	Trust and other fiduciary business

(a) Subsidiary through CSB and UIC, with 40% and 11% share in ownership, respectively
(b) Non-operating subsidiaries
(c) Wholly-owned subsidiary through UIC
(d) On September 27, 2024, Parent Bank's ownership interest reduced to 83.33%
(e) Wholly-owned subsidiary of UBX
(f) Wholly-owned subsidiary of UBX SG
(g) 24.96% owned by the Parent Bank; 49% and 23.79% owned through CSB and UIC, respectively

Other relevant information about the subsidiaries' nature of businesses and their status of operations are discussed in the sections that follow:

(a) In its letter dated March 6, 2023, the BSP approved the Bank's application to establish a standalone trust corporation, which will be registered under the name of Unionbank Investment Management and Trust Corporation (UBIMTC), a direct and wholly-owned subsidiary of the Bank. The BSP subsequently granted the Bank the authority to register with the SEC via its issuance of a Certificate of Authority to Register dated July 28, 2023.

Pursuant to the requirements for incorporating UBIMTC, the Bank contributed ₱300.0 million on May 9, 2023, in exchange for 300.0 million common shares. On October 11, 2023, the SEC issued UBIMTC's Certificate of Incorporation together with its approved Articles of Incorporation and By-Laws. As authorized by BSP in its letter dated November 15, 2023, UBIMTC commenced operations in March 2024.

On November 7, 2024, the BOD of the Parent Bank approved the acquisition of ATR Asset Management, Inc. (AAMI) shareholdings and sale of its shareholdings in UBIMTC. On November 8, 2024, the Parent Bank and AAMI entered into an investment agreement for UBP's acquisition of a 27.5% shareholding in AAMI and a share purchase agreement for the sale of 100% of UBP's shareholding in UBIMTC to AAMI, subject to regulatory approvals.

The Parent Bank will pay ₱300.0 million to ATR KimEng AMG Holdings, Inc. and AAMI. This will be funded by the proceeds from the sale of the Parent Bank's ownership interest in UBIMTC.

(b) CSB was incorporated and registered with the SEC on December 9, 1965. It is a thrift bank specializing in granting teacher's loans under the Department of Education's Automatic Payroll Deduction System. CSB has 149 branches as of December 31, 2024.

(c) PETNET, more widely-known by its retail brand name PERA HUB, has the largest network of Western Union outlets in the Philippines. PETNET has over 3,612 outlets nationwide. It offers a variety of cash-based services including remittance, currency exchange and bills payment.

(d) UIC was incorporated and registered with the SEC on December 20, 1993. It is presently engaged in business as a holding company authorized to hold investments of real and personal properties, including shares of stocks, bonds, debentures, notes and other securities and obligations, without engaging in business of an investment company or broker or dealer in securities of stocks.

UIC holds investments of the Group's thrift banks, rural banks and remittance companies. In addition, through its wholly-owned subsidiaries, FUPI and FUIFAI, UIC is also engaged in the servicing of existing pre-need plans, and being an agent for life and non-life insurance products.

(e) UBX operates as a financial technology services firm. It was incorporated to invest in, hold, own, purchase, lease manage, sell or otherwise dispose of real and personal properties of every kind and description. It shall also engage in the development of financial technology innovations and engage in electronic commerce business. UBX SG, a subsidiary of UBX, is incorporated to engage in the development of financial technology innovations and engage in electronic commerce business.

On September 27, 2024, UBX issued 8.0 million shares to a third party for a 16.67% ownership interest at USD10.0 million (or ₱558.00 million). This resulted in a decrease in the Parent Bank's ownership interest in UBX to 83.33%. The reduction in the Parent Bank's ownership interest in UBX resulted in the recognition of other equity reserves of ₱372.16 million in the Group's statement of financial position and Gain on deemed disposal of ₱373.13 million presented as part of Miscellaneous income in the Parent Bank's statement of income, where the amounts represent the difference between the Parent Bank's "deemed share" in the proceeds from issuance of UBX shares and the carrying amount of the equity interest "deemed disposed" in UBX.

(f) Bangko Kabayan is authorized to engage in the business of extending financial services to farmers, entrepreneurs, commercial, manufacturing and industrial enterprises and to such other persons or entities that require financial intermediation, and to have and to exercise all authority and powers, and to do and perform all acts, and to transact all business which may legally be done by thrift banks organized under and in accordance with the existing New Thrift Banks Act of 1995 (Republic Act No. 7906).

On June 22, 2023, the BSP approved the Parent Bank's request to purchase 1,011,961 shares or 27.52% ownership interest in Bangko Kabayan. On July 10, 2023, the Parent Bank completed the purchase, increasing the Group's ownership in Bangko Kabayan to 97.52%. CSB's and UIC's ownership remained the same at 49% and 21%, respectively.

Bangko Kabayan, First-Agro Industrial Rural Bank, Inc. (FAIR Bank) and Progressive Bank, Inc. (PBI) applied for the regulatory approvals to merge, with Bangko Kabayan as the surviving entity. On March 21, 2022, the Philippine Competition Commission (PCC) acknowledged that the proposed merger of Bangko Kabayan, FAIR Bank and PBI, with Bangko Kabayan as the surviving entity, does not breach the thresholds for compulsory notification. On June 17, 2022 and September 12, 2022, the banks received the consent from PDIC and approval of the BSP, respectively. On July 13, 2023, SEC approved the aforementioned merger. The merger resulted in an increase in the Group's ownership in Bangko Kabayan to 97.75%. CSB's ownership in Bangko Kabayan remained at 49% while UIC's ownership in Bangko Kabayan increased to 23.79%.

Bangko Kabayan has 36 branches and three (3) branch lites as of December 31, 2024.

(g) UnionDigital was organized to engage in, and carry on, the general business of a digital bank, including such other expanded services as may be approved by the MB of the BSP such as creating, developing, owning, maintaining, distributing, and marketing a digital platform that allows the bank to offer digital services, and issues mortgage and chattel mortgage certificates, buys and sells them or accept them in to such terms and conditions as may be prescribed by the MB of BSP.

On June 23, 2023, the BOD of the Parent Bank approved the infusion of additional capital of ₱900.0 million to UnionDigital to support business growth. Subsequently on September 29, 2023 and November 13, 2023, the Parent Bank infused capital totaling ₱900.0 million.

Also on November 24, 2023, the BOD of the Parent Bank approved the infusion of additional capital of up to ₱1.8 billion to UnionDigital to support business growth. Subsequently on January 30, 2024, March 27, 2024 and June 28, 2024, the Parent Bank infused capital totaling ₱1.8 billion.

On September 23, 2024, the BOD of the Parent Bank approved the infusion of additional capital of up to ₱1.6 billion in UnionDigital to support its ongoing business operations and allow it to deliver sustainable growth. Subsequently on September 30, 2024, the Parent Bank infused ₱950.0 million to UnionDigital.

As of December 31, 2024 and 2023, the Parent Bank's total equity investment in UnionDigital amounted to ₱6.7 billion and ₱3.9 billion, respectively.

Non-operating subsidiaries

(a) The BOD of FUPI and the stockholders, on June 27, 2024 and August 2, 2024, respectively, approved the dissolution of the company by way of an amendment to its Articles of Incorporation (AOI) through shortening its corporate term until March 31, 2025.

(b) The BOD of FUDC authorized to temporarily suspend its business operations effective June 1, 2022 and until such time that management, with the approval of the BOD of FUDC, deems it appropriate to resume operations. The BOD of FUDC, in its special meeting on July 5, 2024, approved the cessation of business effective December 31, 2024. On November 6, 2024, the BIR issued the tax clearance for the cessation of business. Subsequently on December 4, 2024, FUDC submitted its application for dissolution to the SEC and is still pending evaluation.

(c) UBPSI was incorporated and registered with the SEC on March 2, 1993. It was organized to engage in the business of buying, selling or dealing in stocks and other securities. In January 1995, as approved by UBPSI's stockholders and BOD, UBPSI sold its stock exchange seat in the PSE. Accordingly, UBPSI ceased its stock brokerage activities.

(d) UDC was registered with the SEC on September 8, 1998. It was organized to handle the centralized branch accounting services as well as the processing of credit card application forms of the Parent Bank and the entire backroom operations of FUPI. On July 1, 2003, the BOD of UDC approved the cessation of its business operations effective on August 30, 2003, and subsequently shortened its corporate term to December 31, 2017 by amending its AOI. The services previously handled by UDC are now undertaken by the Financial Services Group of the Parent Bank. The BIR has issued the certificate of no outstanding tax liability to UDC for the cessation of its business. On November 29, 2024, the SEC issued the certificate approving the shortening of corporate term until December 31, 2017.

(e) IVCC was incorporated and registered with the SEC on October 10, 1980. It was organized to develop, promote, aid and assist financially any small or medium scale enterprises and to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage and otherwise deal with such real and personal property, including securities and bonds of other corporations as the transaction of the lawful business of the corporation may reasonably and necessarily require, subject to the limitations prescribed by law. IVCC has ceased operations since 1992.

The total assets, liabilities and capital funds of these non-operating subsidiaries amounted to ₱9.12 million, ₱3.18 million, and ₱5.94 million, respectively, as of December 31, 2024 and ₱10.72 million, ₱3.28 million, and ₱7.44 million, respectively, as of December 31, 2023.

The Bank's registered address, which is also its principal place of business, is at UnionBank Plaza, Meralco Avenue corner Onyx Street and Sapphire Road, Ortigas Center, Pasig City. AEVI's registered address is located at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila.

Approval of Financial Statements
The consolidated financial statements of UnionBank and Subsidiaries (the Group) and the financial statements of the Parent Bank as of and for each of the three years in the period ended December 31, 2024 were authorized for issue by the Bank's BOD on February 28, 2025.

2. Material Accounting Policy Information

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

Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group and the financial statements of the Bank have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board (IASB), and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of resource, liability, income and expense.

The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standards (PAS 1), *Presentation of Financial Statements.* The Group presents statement of comprehensive income separate from the statement of income.

(c) Functional and Presentation Currency

The financial statements of the Group include the accounts maintained in the Regular Banking Unit (RBU) and Foreign Currency Deposit Unit (FCDU). The functional currency of RBU and FCDU is Philippine Peso (PHP) and United States Dollar (USD), respectively. For financial reporting purposes, FCDU accounts and foreign currency-denominated accounts in the RBU are translated into their equivalents in PHP (see accounting policy on Foreign Currency Translation).

The financial statements of these units are combined after eliminating inter-unit accounts. These are presented in Philippine pesos, and all values are presented in thousands of Philippine Pesos except when otherwise indicated.

Items included in the financial statements of the Group are measured using its functional currency, the currency of the primary economic environment in which the Group operates.

Adoption of New and Amended PFRS
The accounting policies adopted are consistent with those of the previous financial year, except that the Bank has adopted the following new accounting pronouncements starting January 1, 2024. Adoption of these pronouncements did not have any significant impact on the Bank's financial position or performance unless otherwise indicated.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current Liabilities with Covenants*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Supplier Finance Arrangements*
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025
- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Effective beginning on or after January 1, 2026
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards-Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

<u>Basis of Consolidated Financial Statements</u>
The Group's financial statements comprise the accounts of the Parent Bank and its subsidiaries, as enumerated in Note 1 and as disclosed under Note 15, after the elimination of material intercompany transactions. All intercompany resources and liabilities, equity, income, and expenses and cash flows relating to transactions with subsidiaries are eliminated in full. Unrealized profits and losses from intercompany transactions that are recognized in the separate financial statements are also eliminated in full. Intercompany losses that indicate impairment are recognized in the Group's financial statements.

The financial statements of the subsidiaries are prepared in the same reporting period as the Parent Bank using consistent accounting policies.

<u>Non-controlling Interests</u>
Non-controlling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Parent Bank.

The Group's transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transaction with the owners of the Group in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recognized in capital funds and presented in "Other reserves". Disposals of equity investments to non-controlling interests may result in gains and losses for the Group that are also recognized in capital funds and presented in "Other reserves".

When the Group ceases to have control over a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in the statement of income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related resources or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

<u>Investment in Subsidiaries</u>
Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when it has the power over the entity, it is exposed, or has rights to, variable returns from its involvement with the entity, and it has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date the Group obtains control.

The Group reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of controls indicated above. Accordingly, entities are deconsolidated from the date that control ceases.

In the Parent Bank's separate financial statements, investments in subsidiaries are initially recognized at cost and subsequently accounted for using the equity method (see Note 15).

All subsequent changes to the share in the equity of the subsidiaries are recognized in the carrying amount of the Parent Bank's investment. Changes resulting from the profit or loss generated by the subsidiaries are reported as Share in net profit of subsidiaries under Miscellaneous income account in the Parent Bank's separate statement of income.

Changes resulting from other comprehensive income of the subsidiaries are recognized in other comprehensive income of the Parent Bank. Any distributions received from the subsidiaries (e.g., dividends) are recognized as reduction in the carrying amount of investment in subsidiaries. However, when the Parent Bank's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, including any other unsecured receivables, the Parent Bank does not recognize further losses, unless it has incurred obligations or made payments on behalf of the subsidiary. If the subsidiary subsequently reports profits, the Parent Bank recognizes its share on those profits only after its share of the profits exceeds the accumulated share of losses that has previously not been recognized.

In computing the Parent Bank's share in net profit or loss of subsidiaries, unrealized gains or losses on transactions between the Parent Bank and its subsidiaries are eliminated to the extent of the Parent Bank's interest in the subsidiaries. Where unrealized losses are eliminated, the underlying asset is also tested for impairment from a group perspective.

When there is reduction in the Parent Bank's interest in a subsidiary without loss of control and other than by actual disposal, the "deemed disposal" gives rise to "dilution" gain or loss recognized in the Parent Bank's statement of income, including the amounts reclassified from other comprehensive income.

The Parent Bank holds interests in various subsidiaries as presented in Notes 1 and 15.

Investment in Associates

Associates pertain to all entities over which the Group and the Parent Bank have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investment in associates is accounted for under the equity method of accounting.

Business Combinations and Goodwill

Business acquisitions are accounted for using the acquisition method of accounting. This requires recognizing and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group, if any. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred and subsequent change in the fair value of contingent consideration is recognized directly in the statement of income.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment. Impairment losses on goodwill are not reversed.

Gain on bargain purchase which is the excess of the Group’s interest in the net fair value of net identifiable assets acquired over acquisition cost is recognized directly to profit.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Gains and losses on the disposal of an interest in a subsidiary include the carrying amount of goodwill relating to it.

If the business combination is achieved in stages, the acquirer is required to remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in the statement of income, as appropriate.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, either in the statement of income or as a charge to other comprehensive income. Contingent consideration that is classified as capital funds is not remeasured, and its subsequent settlement is accounted for within capital funds.

<u>Fair Value Measurement</u>
The Group measures financial instruments such as financial assets at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI) at fair value at each reporting date. Also, fair values of financial instruments measured at amortized cost and investment properties are disclosed in Note 7.

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 to 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 ask price, the price within the bid-ask spread is the most representative of fair value in the circumstance shall be used to measure fair value regardless of where the input is categorized within the fair value hierarchy. The fair value measurement of a nonfinancial asset takes into account the 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 in Note 7, based on the lowest level input that is significant to the fair value measurement as a whole.

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.

<u>Financial Instruments - Initial Recognition and Subsequent Measurement</u>
Date of recognition
Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial-assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customers are recognised when funds are transferred to the customers' accounts. The Group recognises balances due to customers when funds are transferred to the Group.

Initial measurement of financial instruments
The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described below. Financial instruments are initially measured at their fair value; except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

'Day 1' difference
Where the transaction price in a non-active market is different from the fair value based on 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 the fair value (a 'Day 1'difference) in the statement of income unless it qualifies for recognition as some other type of asset. In cases where 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.

<u>Measurement categories of financial assets and liabilities</u>
The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured either at amortized cost, at FVOCI or at FVTPL.

The Group classifies and measures its derivative and trading portfolio at FVTPL. The Group may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial Assets
Financial assets are recognized when the Group becomes a party to the contractual terms of the financial instrument. For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria under PAS 32, *Financial Instruments: Presentation.* All other non-derivative financial instruments are treated as debt instruments.

(a) Classification, Measurement and Reclassification of Financial Assets

Under PFRS 9, the classification and measurement of financial assets is driven by the entity's contractual cash flow characteristics of the financial assets and 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 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 judgement 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)
- 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.

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 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, Financial assets at amortized cost under Trading and investment securities, Loans and other receivables and certain accounts under Other resources.

For purposes of cash flows reporting and presentation, cash and cash equivalents comprise accounts with original maturities of three months or less, including Cash and other cash items, non-restricted balances of Due from BSP, Due from other banks, Interbank loans receivable and Securities purchased under repurchase agreements included in Loans and other receivables. These generally include cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

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 do not meet the amortized cost 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 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 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.

Financial assets at FVTPL are measured at fair value. Related transaction costs are recognized directly as expense in the statement of income. Unrealized gains and losses arising from changes (mark-to-market) in the fair value of the financial assets at FVTPL category and realized gains or losses arising from disposals of these instruments are included in Gains (losses) on trading and investment securities at FVTPL and FVOCI account in the statement of income.

Interest earned on 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.

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 on initial application of PFRS 9.

Equity 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 fair value gains (losses) on investment securities in the statement of financial position. When the asset is disposed of, the cumulative gain or loss previously recognized in the Net unrealized fair value gains (losses) on investment securities account is not reclassified to profit or loss, but is reclassified directly to Surplus free account.

Any dividends earned on holding these equity instruments are recognized in the statement of income under Miscellaneous income account.

Financial Assets at FVOCI - Debt Instruments
The Group classifies 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 the statement of income in the same manner as for financial assets measured at amortized cost. The Expected Credit Loss (ECL) calculation for financial assets at FVOCI is explained in the ‘Impairment of Financial Assets’ section.

On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to the statement of income.

Reclassification of financial assets
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 FVTPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and, (ii) from FVTPL 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 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.

(b) Impairment of Financial Assets

The Group recognizes the allowance for expected credit losses for all loans and other debt financial assets carried at amortized cost, together with loan commitments and financial guarantee contracts. Equity instruments are not subject to impairment under PFRS 9.

ECL represent possible credit losses that reflect an unbiased and probability-weighted amount 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. 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 are credit losses that results from all possible default events over the expected life of a financial instrument.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the 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 Bank recognizes 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 Bank recognizes 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 loan or a portfolio of loans. 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.

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 more than 90 days past due on its contractual payments. As part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted. An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria for a consecutive period of 180 days (i.e., consecutive payments from the borrowers for 180 days).

The 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. 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. All exposures are therefore provided with ECLs, in the context of SICR status.

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. 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 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.

EAD is modelled on historic data and represents an estimate of the outstanding amount of credit exposure at the time a default may occur. For off-balance sheet and undrawn amounts, EAD includes an estimate of any further amounts that may be drawn at the time of default. LGD is the amount that may not be recovered in the event of default and is modelled based on historical cash flow recovery and reasonable and supportable information about future economic conditions, where appropriate. LGD takes into consideration the amount and quality of any collateral held.

(c) *Derecognition of 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 contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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.

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 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 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 originated as credit impaired (POCI). Distressed restructuring with indications of unlikeliness to pay are categorized as impaired accounts and are moved to Stage 3.

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.

<u>Derivative Financial Instruments</u>
The Group is a counterparty to derivatives contracts, such as forwards, swaps and warrants. These contracts are entered into as a means of reducing or managing the Group's foreign exchange and interest rate exposures as well as those of its customers.

Derivatives are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently measured at their fair values. Fair values are obtained from quoted market prices in active markets, including recent market transactions. All derivatives are carried as resources when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument. When such evidence exists, which indicates a fair value different from the transaction price, the Group recognizes a gain or loss at initial recognition.

Changes in the fair value of derivatives are recognized in the statement of income.

Financial Liabilities

Financial liabilities which include deposit liabilities, bills payable, notes and 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, for those with maturities beyond one year, less settlement payments. All interest-related charges incurred on financial liabilities are recognized as an expense in the statement of income under Interest expense.

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

Bills payable and Notes 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, which are included as part of Other Liabilities, are recognized initially and subsequently measured at fair value with changes in fair value recognized in the statement of income.

Other liabilities, apart from derivative liabilities, are recognized initially at their fair value and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or if the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of the new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Offsetting Financial Instruments

Financial resources and liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and must be legally enforceable for both entity and all counterparties to the financial instruments.

Bank Premises, Furniture, Fixtures and Equipment

Bank premises, furniture, fixtures and equipment are carried at acquisition cost less accumulated depreciation and amortization, and any impairment in value.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized, while expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the depreciable assets as follows:

Buildings	25 - 50 years
Furniture, fixtures and equipment	5 - 10 years

Leasehold rights and improvements are amortized over the term of the lease or the estimated useful lives of the improvements of five to ten years, whichever is shorter.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values, estimated useful lives and method of depreciation and amortization of bank premises, furniture, fixtures and equipment (except land) are reviewed and adjusted if appropriate, at the end of each reporting period.

If a change in use requires an item of bank premises, furniture, fixtures and equipment to be reclassified to investment properties, the difference between the carrying amount of such asset and its fair value as of the date of change in use is recognized in other comprehensive income and accumulated in equity under the Other reserves account. If the asset is subsequently retired or disposed of, the related revaluation surplus is transferred directly to Surplus free account.

An item of bank premises, furniture, fixtures and equipment, including the related accumulated depreciation, amortization and impairment losses, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in the statement of income in the year the item is derecognized.

The Group classifies right-of-use (ROU) assets as part of property and equipment. The Group recognizes ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of ROU assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. ROU assets are subject to impairment.

Investment Properties
Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include parcels of land and buildings and related improvements acquired by the Group from defaulting borrowers.

Investment properties are measured initially at cost, including transaction costs. An investment property acquired through an exchange transaction is initially measured at fair value of the asset acquired unless the fair value of such an asset cannot be measured in which case the investment property acquired is measured at the carrying amount of the asset given up. Foreclosed properties are classified under Investment properties from foreclosure date. Gain or loss from foreclosure is included as part of Gain or loss on foreclosure account under Miscellaneous Income section of the statement of income.

Subsequent to initial recognition, depreciable investment properties are carried at cost less accumulated depreciation and amortization and impairment. Depreciation is computed using the straight line method over the useful life of 50 years and 10 years for building held for lease and other foreclosed properties, respectively. Land is carried at cost less any impairment in value.

Investment properties are derecognized when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of income in the year of retirement or disposal. Expenditures incurred after the investment properties have been put into operations, such as repairs and maintenance costs and real estate taxes, are normally charged against income in the period in which costs are incurred.

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 goodwill, acquired and internally developed computer software and customer relationships and core deposits acquired from business combination. Goodwill represents the excess of the acquisition cost over the fair value of the net identifiable assets arising from the acquisition of a business. Goodwill has indefinite useful life and, thus, not subject to amortization but requires an annual test for impairment. Goodwill is subsequently carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Goodwill sometimes cannot be allocated on a non-arbitrary basis to individual cash-generating units, but only to groups of cash-generating units. As a result, the lowest level within the Group at which goodwill is monitored for internal management purposes sometimes comprises a number of cash-generating units. The Group’s cash-generating unit represents major business segments of the Parent Bank and the subsidiaries of the Group.

Computer software used in administration is accounted for under the cost model. The cost of the asset is the amount of cash or cash equivalents paid or the fair value of the other considerations given up to acquire an asset at the time of its acquisition or production. Computer software are capitalized on the basis of the costs incurred to acquire, develop, and install the specific software, and are amortized on a straight-line basis over the expected useful lives ranging from five to ten years, as the lives of these intangible assets are considered finite. Costs associated with maintaining computer software are expensed as incurred.

Customer relationships and core deposits acquired from business combination are recognized at their acquisition date fair values, and are amortized on a straight-line basis over the expected useful lives ranging from 10 to 14 years. These costs are recognized as part of Depreciation and amortization in the statement of income.

Intangible assets are subject to impairment testing.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognized in the statement of income.

<u>Other Resources</u>
Other resources pertain to resources controlled by the Group as a result of past events. These are recognized in the financial statements only if recognition of that asset and of any resulting income or expenses is a faithful representation of the resources and provides relevant information about the resources.

<u>Repurchase and reverse repurchase agreements</u>
Securities sold under agreements to repurchase at a specified future date (‘repos’) are not derecognized from the statement of financial position. The corresponding cash received, including accrued interest, is recognized in the statement of financial position under ‘Bills payable’ and is considered as a loan to the Group, reflecting the economic substance of such transaction. For purposes of business model assessment, the Group considers the economic substance of the transaction when analyzing whether sales within a portfolio provide evidence related to how cash flows are realized.

Conversely, securities purchased under agreements to resell at a specified future date (‘reverse repos’) are not recognized in the statement of financial position. The corresponding cash paid including accrued interest, is recognized in the statement of financial position as SPURRA, and is considered a loan to the counterparty. The difference between the purchase price and resale price is treated as interest income and is accrued over the life of the agreement using the EIR method.

<u>Provisions and Contingencies</u>
Provisions are recognized when present obligations will probably lead to an outflow of economic resources and can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events (e.g., legal dispute or onerous contracts).

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, at an amount not exceeding the balance of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessment and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

Capital Funds

Common stock represents the nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the issuance of common stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Surplus free includes all current and prior period results as reported in the statement of income and which are available and not restricted for use by the Group, reduced by the amounts of dividend declared, if any.

Surplus reserves pertains to the following:

(a) Portion of the Group's income from trust operations set-up on a yearly basis in compliance with BSP regulations. The surplus set-up is equal to 10% of the net profit accruing from the trust business until the surplus shall amount to 20% of authorized capital stock. The reserve shall not be paid out as dividends, but losses accruing in the course of the trust business may be charged against this account.

(b) Accumulated trust fund income of FUPI that is automatically restricted to payments of benefits of planholders and releases from appropriation representing the amounts of trust fund income that pertains to the matured and pre-terminated plans of planholders which have been withdrawn from the trust fund during the year, in accordance with the amended Pre-need Uniform Chart of Accounts (PNUCA).

(c) The difference of the 1% required General Loan Loss Provision on Stage 1 on-balance sheet loans over the computed allowance for credit losses on Stage 1 accounts as required by the BSP Circular No. 1011 - *Guidelines on the Adoption of the Philippine Financial Reporting Standard (PFRS) 9 - Financial Instruments*.

Net unrealized fair value gains (losses) on investment securities pertains to cumulative mark-to-market valuation of financial assets at FVOCI.

Remeasurements of defined benefit plan refer to accumulated actuarial losses, net of gains, as a result of remeasurements of post-employment defined benefit plan and return on plan assets (excluding amount included in net interest).

Other reserves comprise of exchange differences arising from the translation of the Parent Bank's Foreign Currency Deposit Unit (FCDU) operations and UBX SG, which is taken to the statement of comprehensive income, and the impact of equity transactions within the Group (see policy on "Non-controlling Interests").

Non-controlling interests represent the portion of the net resources and profit or loss not attributable to the Group which are presented separately in the Group's statement of income and within the capital funds in the Group's statements of financial position and changes in capital funds.

Revenue Recognition

Revenues within the scope of PFRS 15, Revenue from Contracts with Customers
Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The following specific recognition criteria of income must also be met before income is recognized:

(a) Service charges, fees and commissions:

Service charges, fees and commissions are generally recognized when the service has been provided.

Loan commitment fees. These are earned as services are provided, recognized as other income on a time proportion basis over the commitment period.

Income under a loyalty points programme. The Group has a loyalty points programme as part of its credit cards business which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer.

A portion of the interchange fee is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

Interchange fees. These are recognized as income upon presentation by member establishments of charges arising from credit card availments by the Bank's cardholders. These discounts are computed based on certain agreed rates and are deducted from amounts remitted to the member establishments.

Commissions earned on credit cards. These are recognized as income upon receipt from member establishments of charges arising from credit availments by credit cardholders. These commissions are computed based on certain agreed rates and are deducted from amounts remittable to member establishments.

Commissions earned on credit cards. These are recognized as income upon receipt from member establishments of charges arising from credit availments by credit cardholders. These commissions are computed based on certain agreed rates and are deducted from amounts remittable to member establishments.

Commission from bancassurance. Exclusive access fee (EAF) related to the bancassurance partnership is recognized on a straight-line basis as the service is rendered.

In 2024, the Group changed the presentation of penalty fees and other charges from Miscellaneous income to Service charges, fees and commissions. Accordingly, the amounts in the comparative periods have been reclassified to conform with the current year presentation.

(b) Miscellaneous income includes the following accounts:

Gain (loss) from assets sold or exchanged. The profit or loss from assets sold or exchanged is recognized when the control of the assets is transferred to the buyer or when the collectibility of the entire sales price is reasonably assured.

Rental. Rental income arising from leased properties is accounted for on a straight-line basis over the lease terms on ongoing leases.

Income from bancassurance business. Exclusive access fee (EAF) related to the bancassurance partnership is recognized as revenue on a straight-line bases as the service is rendered.

Income from trust operations - Trust fees related to investment funds are recognized in reference to the net asset value of the funds. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time.

Revenues outside the scope of PFRS 15

(a) *Interest income recognized using the effective interest rate method* - Interest income is recognized in the statement of income for all instruments measured at amortized cost and debt instruments classified as financial assets at FVOCI using the effective interest method.

    The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

    For credit card receivables, purchases by the credit cardholders, collectible on installment basis, are recorded at the cost of the items purchased. Interest income is recognized on every term of installment billed to the cardholders and computed using the effective interest method.

(b) *Other interest income* - Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognized using the contractual interest rate and is included under Interest Income on financial assets at fair value through profit or loss.

(c) *Gain (loss) on trading and investment securities* - Gain (loss) on trading and investment securities is recognized when the contractual rights on the securities is transferred to the buyer (at an amount equal to the difference of the selling price and the carrying amount of securities) and as a result of the mark-to market valuation of outstanding securities classified as FVTPL at year-end.

(d) *Dividend* - Dividend income, presented under "Miscellaneous income" is recognized when the Group's right to receive payment is established.

Expense Recognition
Expenses are recognized in the statement of income upon utilization of the resources or services or at the date these are incurred. All finance costs are reported on an accrual basis.

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.

The Group as Lessee accounts for its leases as follows:

Group as Lessor
Leases, which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset, are classified as operating leases. Lease income from operating leases is recognized as income in the statement of income on a straight-line basis over the lease term.

The Group determines whether an arrangement is, or contains a lease based on the substance of the arrangement. It makes an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

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 ROU assets representing the right to use the underlying assets.

i. Right-of-use assets
The Group recognizes ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

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 a 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 expense (unless they are incurred to produce inventories) in the period on 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 recognized under Interest expense of bills payable and other liabilities 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 for some branches and the related parking spaces, stalls used for specific events and several office equipment (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 offsite locations, signages and several items of office equipment that are considered of 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 as is recognized as part of 'Occupancy' in the statement of income.

Foreign Currency Transactions and Translations
The accounting records of the Group are maintained in Philippine pesos except for the FCDU of the Parent Bank which are maintained in United States (U.S.) dollars. Foreign currency transactions during the period are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

For financial reporting purposes, the accounts of the FCDU are translated into their equivalents in Philippine pesos based on the Philippine Dealing System closing rates (PDSCR) prevailing at the end of the period (for resources and liabilities) and at the average PDSCR for the period (for income and expenses).

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income.

Changes in the fair value of monetary financial assets denominated in foreign currency are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in the statement of income, and other changes in the carrying amount are recognized in other comprehensive income.

Impairment of Non-financial Assets
The Group's intangible assets (consisting of computer software, customer relationship and core deposits recorded as part of Other resources and goodwill), bank premises, furniture, fixtures and equipment, investment properties, investments in subsidiaries (for Parent Bank only) and other non-financial assets are subject to impairment testing. Intangible assets with an indefinite useful life, such as goodwill, are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment loss is recognized in the statement of income for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value, reflecting market conditions, less costs to sell and value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss, except for goodwill.

Employee Benefits

The Group's employment benefits to employees are as follows:

(a) *Post-employment Defined Benefit Plan*

A defined benefit plan is a post-employment plan that defines an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Group, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Group's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, noncontributory and administered by a trustee.

The liability recognized in the statement of financial position for a defined benefit plan (included as part of Other Liabilities) is the present value of the defined benefit obligation (DBO) at the end of the reporting period less the fair value of plan assets. The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows arising from expected benefit payments using a discount rate derived from the interest rates of a zero-coupon government bond as published by Philippine Dealing & Exchange Corp., that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related post-employment liability.

Remeasurements, comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the return on plan assets (excluding amount included in net interest) are reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they arise. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is included as part of Interest expense or Interest income in the statement of income.

Past-service costs are recognized immediately in the statement of income in the period of a plan amendment or curtailment.

(b) *Post-employment Defined Contribution Plan*

A defined contribution plan is a post-employment plan under which the Group pays fixed contributions. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred.

(c) *Termination Benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of when it can no longer withdraw the offer of such benefits and when it recognizes costs for a restructuring that is within the scope of PAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) *Profit-Sharing and Bonus Plans*
The Group recognizes a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Parent Bank's shareholders, as indicated in the statement of income, after certain regulatory adjustments. The Group recognizes a provision where it is contractually obliged to pay the bonus plans. The Group also recognizes a provision for profit-sharing and bonus plans where there is a past practice that has created a constructive obligation, whether paid in cash or in the form of shares of the Parent Bank to be issued under the Employee Stock Plan.

(e) *Compensated Absences*
Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of the reporting date.

They are included as part of Accrued taxes and other expenses under the Other liabilities account in the statement of financial position at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

<u>Income Taxes</u>
Tax expense recognized in the statement of income comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in capital funds, if any.

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated using the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the statement of income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax is accounted for using the liability method on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply 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 end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of income, except to the extent that it relates to items recognized in other comprehensive income or directly in capital funds. In this case, the tax is also recognized in other comprehensive income or directly in capital funds, respectively.

Deferred tax assets and deferred tax liabilities are offset if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same entity and the same taxation authority.

Related Party Relationships and Transactions

Related party transactions are transactions or dealings with related parties, regardless of whether a price is charged. These covers all types of transactions both on and off-balance sheet and regardless of which side of the transaction/deal of the bank is acting.

Parties are said to be related if one has direct or indirect control as well as significant influence over the other. Related Parties of the Bank include, but is not limited to: (a) DOSRI, subsidiaries, affiliates, and any party that directly or indirectly has control over or is subjected to the control of the Bank as well as those with direct and indirect linkages to it, (b) the Bank's and its affiliated companies' directors, officers, stockholders, and their related interests and close family members, and (c) other persons and juridical entities whose interests may pose potential conflict with the Bank.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Earnings Per Share

Basic earnings per share are determined by dividing the net profit for the year attributable to common shareholders by the weighted average number of common shares outstanding during the year, after retroactive effect to any stock dividends declared in the current year.

Diluted earnings per common share are also computed by dividing net profit by the weighted average number of common shares subscribed and outstanding at the end of the reporting period, after making adjustments to reflect the effects of any potentially dilutive preferred shares, stock options and warrants.

Trust and Fiduciary Activities

The Group commonly acts as trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These resources and the related income arising thereon are excluded from these financial statements, as they are neither resources nor income of the Group.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group’s chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Group’s products and services as disclosed in Note 6, which represent the main products and services provided by the Group.

Each of these operating segments is managed separately as each of these services require different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

The measurement policies the Group uses for segment reporting under PFRS 8, *Operating Segments*, are the same as those used in its consolidated financial statements in arriving at the operating profit of the operating segments.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a particular segment.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group's operations are organized according to the nature of the products and services provided. Financial information on business segments is presented in Note 6.

Events After the End of the Reporting Period

Any post-year-end event that provides additional information about the Group's position at the statement of financial position date (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

3. Summary of Accounting Judgments and Estimates

The preparation of the Group's financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. 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. Actual results may ultimately differ from these estimates.

Unless otherwise stated, below significant judgments and estimates apply as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024.

Critical Management Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

Evaluation of business model in managing financial instruments

The Group manages its financial assets based on business models that maintain 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.

In determining the classification of a financial instrument under PFRS 9, 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 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). The Group evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Group.

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 documented in its business model manual 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.

In 2022, the Parent Bank sold investment securities under the HTC FCDU sub portfolio with carrying amount of ₱1.7 billion, resulting in Gain on sale of investment securities at amortized cost totaling ₱100.2 million. The Parent Bank has assessed that such sales do not reflect a change in the business model of the Group. Accordingly, the remaining investment securities in the affected hold-to-collect subportfolio are continued to be measured at amortized cost.

Reclassification of Financial Assets as FVOCI into Financial Assets at Amortized cost
The acquisition of Citigroup Inc.'s consumer banking business in the Philippines (the Acquisition) in August 2022 substantially altered the Parent Bank's balance sheet composition both on the asset and liability sides. For the FCDU, the Acquisition has significantly changed its FCDU funding profile and together with its existing diversified funding structure, resulted in a change in objective of the management of financial assets in the FCDU moving forward.

With the substantial increase in the asset base of the Parent Bank and the significant change in the CASA profile, there is a need to adjust the Parent Bank's balance sheet and capital management strategies to reap the maximum benefit. These developments have led the Parent Bank to reevaluate its asset and liability management strategies for FCDU. Existing bank assets, including the objectives of the FVOCI Business Model have been reviewed, including the re-assessment of their accounting classification and the related impact to risk metrics. The Bank then revisited its strategy, and consequently, has determined that there has been a fundamental change to its existing business model for managing FCDU FVOCI securities, which resulted in selling the securities being integral to the management of the securities to no longer exist and expected to be incidental only. The portfolio is now held under hold to collect where contractual cash flows will be collected and reinvested to ensure that the desired balance sheet structure is achieved in the most efficient manner. As part of the Parent Bank's governance process, the business model change has been presented to the Market Risk Committee and Risk Management Committee for review, and for approval and endorsement to the BOD. In line with this, the Parent Bank's BOD in its meeting held on December 16, 2022, approved the business model change and the consequent reclassification of FCDU FVOCI sub-porftolio (excluding the FX Liquidity sub-portfolio) to FCDU HTC.

As required by PFRS 9, the reclassification was applied prospectively on January 1, 2023, the first day of the reporting period following the change in business model. The reclassification on January 1, 2023 resulted in: (1) the decrease in investment securities at FVOCI with fair value of $903.21 million (₱50.36 billion); (2) reversal of related net unrealized fair value losses on FVOCI amounting to $185.36 million (₱10.33 billion), as if the investment securities are carried at amortized cost since acquisition; and, (3) increase in FCDU HTC financial assets at amortized cost amounting to $1.09 billion (₱60.69 billion), as if the investment securities had always been carried at amortized cost.

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 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) 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.

Determining the lease term of contracts with renewal and termination options - Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group determined that generally, the options to extend or terminate the lease are not included in the determination of the lease term. These optional periods are not enforceable, as the Group cannot enforce the extension of the lease without the agreement from the lessor, and therefore, the Group does not have the right to use the asset beyond the non-cancellable period.

Key Sources of Estimation Uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

Estimation of impairment losses on Loans and other receivables, Financial assets at amortized cost and Financial assets at FVOCI
The measurement of impairment losses under PFRS 9 across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Significant factors affecting the estimates on the ECL model include:

- The Group's internal grading model, which assigns PDs to individual grades. Qualitative assessments were also considered during risk rating to account for other relevant potential drivers of credit risk.
- The Group's criteria for assessing if there has been a SICR which is the basis for measuring allowances for financial assets on a Lifetime Expected Credit Loss (LTECL) basis. There are also qualitative assessments to consider significant increase in credit risk based on the identified risk profiles of their accounts and portfolios. The Parent Bank updated the stage assessment to include enhancements on the factors considered in the movements in the borrower's credit rating when determining the significant increase in credit risk, which include rating threshold triggers.
- The Group's definition of default. The Bank considers the regulatory requirement and the Bank's indicators of loss events.
- Development of ECL models, including the various formulas and the choice of inputs. Models have been developed, reviewed and/or revised as appropriate based on latest reviews, economic outlook and studies from external sources. The Group updated the PD models for wholesale. For wholesale sectors, the Parent Bank incorporated environmental and social (E&S) factors into the calculation of PDs based on E&S client due diligence. The provisioning methodology for Wholesale Stage 3 accounts are also enhanced to consider specific factors affecting its recoverability.
- For retail products, the Group recalibrated its risk acquisition models for the Mortgage, SME and Auto Loans portfolios. The Group also updated the PD and LGD models of the Mortgage portfolio to reflect more recent performance. Probability weights for ECL calculations have been recalibrated to reflect current economic conditions.
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels, level of government spending, and collateral values, and their effect on PDs, EADs and LGDs. As the economy progresses, analyses and forecasts were continuously reviewed and updated as needed. The quantitative overlays were complemented by experience-based expert judgment inputs through management overlays considered integral to the systematic process.

The carrying amount of loans and other receivables and the related allowance are disclosed in Notes 14 and 20, while the carrying amount of debt financial assets classified under amortized cost and fair value through other comprehensive income and the related allowances are disclosed in Notes 12, 13 and 20.

Fair value of derivatives
Management applies valuation techniques to determine the fair value of derivatives that are not quoted in active markets. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Valuation techniques are used to determine fair values which are validated and periodically reviewed. To the extent practicable, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions could affect reported fair value of financial instruments. The Group uses judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

The fair values of derivatives as of December 31, 2024 and 2023 are presented and grouped into the fair value hierarchy in Note 7.

Recognition of deferred tax assets
Deferred tax assets are recognized for all unused tax losses and temporary differences to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future tax planning strategies.

The carrying value of recognized deferred tax assets is disclosed in Note 30.

Impairment of goodwill
The Group conducts an annual review for any impairment in the value of goodwill. Goodwill is written down for impairment where the recoverable amount of the related CGU is insufficient to support its carrying value. The Group determines the recoverable value of the CGU to which goodwill is allocated by discounting the estimated free cash flows using the weighted-average cost of capital (WACC) as the discount rate. The Group estimates the discount rate used for the computation of the net present value by reference to industry cost of capital.

The recoverable amount of the CGU is determined based on a value-in-use calculation using cash flow projections from financial budgets covering a five-year period. Financial budget for the immediately succeeding year is approved by senior management and BOD of the Parent Bank, while the financial budgets for the other years of cash flow projections are determined by corporate planning group and the relevant business units. In 2024, the assumptions used in the calculation of value-in-use have been updated to factor in economic conditions expected by management during the period the CGUs generate cash flows. The discount rates used for the computation of the value in use for various CGUs (see Note 18) are based on the pre-tax discount rates ranging from 13.7% to 48.8% and from 10.2% to 26.3% as of December 31, 2024 and 2023, respectively. The long-term growth rates used are 5.8% as of December 31, 2024 and 6.2% as of December 31, 2023. The CGUs to which the goodwill is allocated and related carrying values of the goodwill are disclosed in Note 18.

Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

The carrying amount of goodwill is disclosed in Note 18.

Valuation of post-employment and other benefits
The determination of the Group's obligation and cost of pension and other post-employment benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates, expected rates of salary increase, and employee turnover rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or loss and the carrying amount of the post-employment benefit obligation in the next reporting period.

The Group also estimates other employee benefit obligations and expenses, including the cost of paid leaves based on historical leave availments of employees, subject to the Group and the Parent Bank policies. These estimates may vary depending on future changes in salaries and actual experiences during the year.

The amounts of post-employment defined benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment defined benefit obligation, as well as significant assumptions such as salary rate increase, discount rates, and turnover rates used in estimating such obligation are presented in Note 29.

4. Risk Management Objectives and Policies

Risks are inherent in the business activities of the Group. Among its identified risks are credit risk, liquidity risk, market risk, interest rate risk, foreign exchange risk, operational risk, information security risk, legal risk, and regulatory risk. These are managed through a risk management framework and governance structure that provides comprehensive controls and management of major risks on an ongoing basis.

Risk management is the process by which the Group identifies its key risks, collects consistent and understandable risk measures, decides which risks to take on or reduce and establishes procedures for monitoring the resulting risk positions. The objective of risk management is to ensure that the Group conducts its business within the risk levels set by the BOD while business units pursue their objective of maximizing returns.

Risk Management Structure

The BOD of the Parent Bank exercises oversight over the Parent Bank's risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Parent Bank has established independent Risk Management Units (RMUs) that objectively review and ensure compliance with the risk parameters set by the BOD. The RMUs are responsible for the monitoring and reporting of risks to senior management and the various committees of the Parent Bank.

On the other hand, the risk management processes of its subsidiaries are handled separately by their respective BODs.

The Parent Bank's BOD is primarily responsible for setting the risk appetite, approving risk parameters, proposed credit policies, and investment guidelines, as well as establishing the overall risk-taking capacity of the Parent Bank. To fulfill its responsibilities in risk management, the BOD has established the following committees, whose functions are described below.

(a) The Executive Committee (EXCOM) is composed of seven (7) members of the BOD. The EXCOM exercises certain functions as delegated by the BOD, including among others, the approval of credit and loan transactions, asset recovery, real and other properties acquired (ROPA) sales, and such other transactions as may be initiated by the Bank units within the EXCOM's delegated limits.

(b) The Risk Management Committee (RMC) is composed of at least seven (7) members of the BOD, majority of whom are independent directors including the Chairman, who cannot be the chairman of the board or any other board committee. The RMC advises the BOD regarding the Bank's overall current and future risk appetite, oversees Senior Management's

adherence to the risk appetite statement, and reports on the state of risk culture of the Parent Bank. The RMC oversees the Bank's risk management framework and the risk management function. The RMC also provides oversight, direction, and guidance to the other risk committees, specifically the Market Risk Committee (MRC) and the Operations Risk Management Committee (ORMC).

(c) The MRC is composed of nine (9) members of the BOD, majority of whom are independent directors, including the Chairman. The MRC is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.

(d) The Operational Risk Management Committee (ORMC), composed of at least seven (7) non-executive Board members (including an independent Chair), oversees the Bank's operational risk management. This oversight includes policy review and approval of the Operational Risk Management Framework (a component of the Enterprise Risk Management System), as well as ensuring its implementation across all business and functional units, including insourced, outsourced, and external services. The ORMC's objective is to minimize financial losses, exceed customer expectations, and maintain operational resilience. Furthermore, it fosters a culture of operational risk accountability through a framework emphasizing proactive prevention, root cause analysis, and lessons learned.

(e) The Audit Committee is composed of seven (7) members, all non-executive and majority of whom are independent, including the Chairman, most of whom are with accounting, auditing, or related financial management expertise or experience. The skills, qualifications, and experience of the committee members are appropriate for them to perform their duties as laid down by the BOD.

The Audit Committee serves as principal agent of the BOD in ensuring independence of the Parent Bank's external auditors and the internal audit function. It also oversees the Parent Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.

To effectively perform these functions, the Audit Committee obtains a good understanding of the Parent Bank's business, including the following: Parent Bank's structure, businesses, controls, and the types of transactions or other financial reporting matters applicable to the Parent Bank as well as to determining whether the controls are adequate, functioning as designed, and operating effectively. It also considers the potential effects of emerging business risks and their impact on the Parent Bank's financial position and results of operations.

Among the responsibilities of the Audit Committee are:

- *Oversight of the financial reporting process*. The Audit Committee ensures that the Parent Bank has a high-quality reporting process that provides transparent, consistent, and comparable financial statements. In this regard, the Audit Committee works closely with management especially the Office of the Financial Controller, the Internal Audit Group (IAG), as well as the external auditors, to effectively monitor the financial reporting process and resolution of any significant financial reporting issues and concerns.

- *Monitoring and evaluation of internal control*. The Audit Committee, through the IAG, monitors and evaluates the adequacy and effectiveness of the Parent Bank's internal control framework, integrity of financial reporting, and security of physical assets, and ensures that a proactive and forward-looking approach to evaluation of risks and controls is taken. The Audit Committee also ensures that periodic assessment of the internal control system is conducted to identify weaknesses and evaluates its robustness considering the risk profile and strategic direction of the Parent Bank.

- *Oversight of the audit process*. The Audit Committee is knowledgeable on audit function and the audit process. The Audit Committee maintains supportive, trusting, and inquisitive relationships with both internal and external auditors to enhance its effectiveness.

- *Oversight of the outsourced internal audit activities*. The Audit Committee oversees the performance of the internal audit service provider and ensures that they comply with sound internal auditing standards and other supplemental standards issued by regulatory authorities/government agencies, as well as with relevant code of ethics.

- *Oversees the implementation of Group Internal Audit Policy*. The Audit Committee oversees the implementation of the policy through the periodic reports on oversight of the Group Internal Audit and takes appropriate action on any group internal oversight issues identified. The Audit Committee reviews and evaluates the group internal audit policy, and any amendments thereto, and endorses the same to the BOD for approval.

- *Oversight of the whistle-blowing mechanism.* The Audit Committee oversees the establishment of a whistle-blowing mechanism in the Parent Bank by which officers and staff shall in confidence raise concerns about possible improprieties or malpractices in matters of financial reporting, internal control, auditing or other issues to persons or entities that have the power to take corrective action.

  It also ensures that independent investigation, appropriate follow-up, action, and subsequent resolution of complaints are in place.

- *Reporting responsibilities.* The Audit Committee regularly reports to the Board of Directors about committee activities in relation to its responsibilities and how they were discharged, issues, and related recommendations.

In the performance of these functions, the Audit Committee is supported by the IAG. The Chief Audit Executive derives authority from and is directly accountable to the Audit Committee. However, administratively, the Chief Audit Executive reports to the President of the Parent Bank.

The IAG is entirely independent from all the other organizational units of the Parent Bank, as well as from the personnel and work that are to be audited. It operates under the direct control of the Audit Committee and is given an appropriate standing within the Parent Bank to be free from bias and interference. The IAG is free to report its findings and appraisals internally at its own initiative to the Audit Committee.

The IAG is authorized by the Audit Committee to have unrestricted access to all functions, records, property, and personnel of the Bank subject to existing mandates and applicable laws. This includes the authority to allocate resources, set audit frequencies, select subjects, determine scope of work, and apply the techniques required to accomplish the audit engagement objectives.

The IAG is also authorized to obtain the necessary assistance from personnel within the Parent Bank units where they perform audits, as well as other specialized services within or outside the Parent Bank.

The IAG presents its risk-based and forward-looking audit plan consistent with the Parent Bank's strategic plans and priorities every quarter for approval by the Audit Committee.

At least once a month, the Audit Committee meets to discuss the results of the assurance and consulting engagements, and case investigations by IAG. Financial Reporting and Controllership related topics are also included as needed. The results of these meetings are regularly reported by the Audit Committee Chairman to the BOD in its monthly meetings.

(f) The Corporate Governance Committee (CGC) is primarily responsible for helping the BOD fulfill its corporate governance and compliance responsibilities. It is responsible for ensuring the BOD's effectiveness and due observance of corporate governance principles and of oversight over the compliance risk management. It assists in the establishment of a compliance program that facilitates the escalation and resolution of compliance issues expeditiously.

The CGC is composed of nine (9) members of the BOD, all non-executive, majority of whom, including its Chairman, are independent directors. Its specific duties include, among others, making recommendations to the BOD regarding continuing education of directors, providing a communication channel for its subsidiaries and affiliates to ensure that the Bank, as the Parent company, is kept well abreast of material issues, and overseeing the periodic performance evaluation of the 1) Board; 2) Board Committees; 3) Individual Directors; 4) Management-level Committees (through the respective committee secretariats; and 5) Chief Compliance and Corporate Governance Officer (CCO).

The CGC also performs oversight functions over the Compliance and Corporate Governance Office (CCGO) and the following management-level committees: 1) Anti-Money Laundering Committee and 2) Discipline Committee.

Senior management, through the CCO, periodically reports to the CGC the status of regulatory audit and compliance testing findings until their closure. Any material breaches of the compliance program are reported to and promptly addressed by the CCO within the mechanisms defined by the Compliance Manual.

The Parent Bank's CCO defines the Group's governance and compliance requirements and works closely with the subsidiaries' Chief Compliance Officers in the execution of these standards.

The CGC acts as the Bank's Nomination Committee and reviews the qualifications of and screens candidates for the board including nominees for independent directors and key officers of the Parent Bank. The CGC likewise reviews the qualifications of and screens candidates of its nominees to its subsidiaries. It also oversees the succession plan for board members and senior officers, and directs the alignment of the latter's remuneration with corporate and individual performance.

The Parent Bank's CCO assists the CGC in fulfilling its functions by apprising the same of (1) pertinent regulations and other issuances relating to compliance and corporate governance, (2) related regulatory issues and compliance initiatives affecting the various units and the status of the corrective action plans, and (3) continuously giving updates thereon. In addition, the CCO keeps the CGC abreast of best governance practices and discusses issues brought up among private organizations and individuals advocating good governance philosophy.

(g) The Related Party Transactions Committee is composed of five (5) members of the BOD, all of whom are independent directors. The Committee assists the BOD in the fulfillment of its corporate governance responsibilities on related party transactions by ensuring that these are transacted on arm's length terms. The Committee reviews and endorses the related party transactions to the BOD for approval or confirmation, depending on the amounts involved. On January 26, 2024, the BOD appointed two more independent directors to the Related Party Transactions Committee, increasing the current number of members to five.

The major risk types identified by the Group are discussed in the following sections:

Credit Risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligation to the Group. The risk may arise from lending, trade finance, treasury, investments, derivatives and other activities undertaken by the Group. Credit risk is managed through strategies, policies and limits that are approved by the respective BOD and/or Credit Committee of the various companies within the Group. With respect to the Parent Bank, it has a well-structured and standardized credit approval process and credit scoring system for each of its business and/or product segments.

The Enterprise Risk Management (ERM) undertakes several functions with respect to credit risk management. The ERM independently performs credit risk assessment, evaluation and review for its consumer, commercial and corporate financial products to ensure consistency in the Parent Bank's risk assessment process. It also ensures that the Parent Bank's credit policies and procedures are adequate and are constantly updated to meet the changing demands or risk profiles of the business units. The ERM also reported to the Board's Risk Management Committee.

The ERM's portfolio management function involves the review of the Parent Bank's loan portfolio, including the portfolio risks associated with particular customer segment, industry sectors, regions, loan size and maturity, and the development of a strategy for the Parent Bank to achieve its desired portfolio mix and risk profile. The ERM reviews the Parent Bank's loan portfolio quality in line with the Parent Bank's policy of avoiding significant concentrations of exposure to specific industries or groups of borrowers. 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. Concentrations indicate the relative sensitivity of the Parent Bank's performance to developments affecting a particular industry or geographical location.

The Group and the Parent Bank consider concentration risk to be present when the total exposure to a particular industry exceeds 30.0% of the total exposure, which is similar to the BSP requirement. As of December 31, 2024 and 2023, the Group and the Parent Bank did not exceed the limit in any of its industry concentration.

In order to avoid excessive concentrations of risk, the Parent Bank's policies and procedures include guidelines for maintaining a diversified portfolio mix (e.g., concentration limits).

Identified concentrations of credit risks are controlled and managed accordingly. The ERM also monitors compliance to the BSP's limit on exposures.

The table below shows the breakdown of the Group's and the Parent Bank's exposure (outstanding balance and accrued interest receivable) on receivable from customers and investments and placements as of December 31, 2024 and 2023:

	2024	
	Group	**Parent Bank**
Consumer products*	**₱137,551,702**	**₱137,551,702**
Corporate loans	**129,847,959**	**129,847,959**
CSB salary loans	**88,803,586**	–
Home loans	**68,852,185**	**68,852,185**
Commercial loans	**65,129,415**	**65,129,415**
Other receivables from customers**	**43,440,299**	**11,061,503**
Total receivables from customers	**533,625,146**	**412,442,764**
Investments and placements	**488,330,867**	**437,973,957**
	₱1,021,956,013	**₱850,416,721**

**Comprised of the Parent Bank's Small and Medium Enterprise (SME) Financial Products, Auto Loans, Credit Cards and Personal Loans*
***Comprised primarily of High-net-worth-individuals loans, Corporate retail loans, HR loans, Home Credit receivables, personal loans of Union Digital, and motorcycle loans of CSB*

	2023	
	Group	Parent Bank
Corporate loans	₱132,676,825	₱132,676,825
Consumer products*	120,130,248	120,130,248
CSB salary loans	84,456,190	–
Commercial loans	75,045,930	75,045,930
Home loans	70,547,795	70,547,795
Other receivables from customers**	46,418,744	11,860,899
Total receivables from customers	529,275,732	410,261,697
Investments and placements	491,108,029	436,698,874
	₱1,020,383,761	₱846,960,571

**Comprised of the Parent Bank's Small and Medium Enterprise (SME) Financial Products, Auto Loans, Credit Cards and Personal Loans*
***Comprised primarily of High-net-worth-individuals loans, Corporate retail loans, HR loans, Home Credit receivables, personal loans of Union Digital, and motorcycle loans of CSB*

Investments and placements include financial assets at amortized cost, debt securities classified as financial assets at FVOCI, due from other banks, due from BSP and interbank loans receivable and the related accrued interest receivable amounting to ₱4.70 billion and ₱4.31 billion as of December 31, 2024 and 2023, respectively.

The following summarizes the Group's credit risk management practices and the relevant quantitative and qualitative financial information regarding the credit exposure according to portfolios:

Credit risk management practices and credit quality disclosures

Corporate Loans
Corporate lending activities are undertaken by the Parent Bank's Corporate Banking Center. The customer accounts under this group belong to the top tier corporations, conglomerates and large multinational companies.

The Parent Bank undertakes a comprehensive procedure for the credit evaluation and risk assessment of large corporate borrowers based on its obligor risk rating master scale.

The Parent Bank currently utilizes the same single rating system for both Corporate and Commercial accounts. In addition, the result on the latter is further refined through a second model to take more careful account of the nuances between the commercial bank portfolio with that of the corporate loan book.

The rating system assesses default risk based on financial profile, management capacity, industry performance, and other factors deemed relevant. Significant changes in the credit risk considering movements in credit rating, among other account-level profile and performance factors, define whether the accounts are classified in either Stage 1, Stage 2, or Stage 3 per PFRS 9 loan impairment standards. In 2023, the Parent Bank updated the stage assessment to enhance the considerations related to movements in the borrower's credit rating when determining significant increase in credit risk, which include rating threshold triggers.

Based on foregoing factors, each borrower is assigned a Borrower Risk Rating (BRR), from AAA to D. In addition to the BRR, the Parent Bank assigns a loan exposure rating (LER), a 100-point system which consists of a Facility Tenor Rating (FTR) and a Security Risk Rating (SRR). The FTR measures the maturity risk based on the length of loan exposure, while the SRR measures the quality of the collateral and risk of its potential deterioration over the term of the loan. The FTR and the SRR, each a 100-point scoring system, are given equal weight in determining the LER.

Once the BRR and the LER have been determined, the credit limit to a borrower is determined under the Risk Asset Acceptance Criteria (RAAC) which is a range of acceptable combinations of the BRR and the LER. Under the RAAC system, a borrower with a high BRR will have a broader range of acceptable LERs.

The credit rating for each borrower is reviewed annually or earlier when there are extraordinary or adverse developments affecting the borrower, the industry and/or the Philippine economy such as the COVID-19 pandemic. Any major change in the credit scoring system, the RAAC range and/or the risk-adjusted pricing system is presented to and approved by the RMC.

The description of each credit quality grouping for the credit scores is explained further as follows:

High Quality Grade - These accounts are of the highest quality and are likely to meet financial obligations.

Standard Grade - These accounts may be vulnerable to adverse business, financial and economic conditions but are expected to meet financial obligations.

Substandard Grade - These accounts are vulnerable to non-payment but for which default has not yet occurred.

Non-Performing - These refer to accounts which are in default or those that demonstrate objective evidence of impairment.

Below is the breakdown of the Group and Parent Bank's corporate loans exposure (outstanding balance and accrued interest receivable) by masterscale rating as of December 31, 2024 and 2023:

		December 31, 2024			
		Amounts			
Credit Score	**Masterscale**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
High Quality Grade					
AAA to A-	1	**₱–**	**₱–**	**₱–**	**₱–**
BBB+	2	**3,065,224**	–	–	**3,065,224**
BBB	3	**3,586,437**	–	–	**3,586,437**
BBB- to BB+	4	**11,144,592**	–	–	**11,144,592**
Standard Grade					
BB to BB-	5	**55,043,038**	–	–	**55,043,038**
B+	6	**20,977,372**	–	–	**20,977,372**
B to B-	7	**20,499,788**	–	–	**20,499,788**
CCC+ to CCC	8	**57,690**	**12,613,869**	–	**12,671,559**
Substandard Grade					
Lower than CCC	9	**2,438,518**	**194,029**	–	**2,632,547**
Non-Performing					
Default	10	–	–	**227,402**	**227,402**
		₱116,812,659	**₱12,807,898**	**₱227,402**	**₱129,847,959**

		December 31, 2023			
		Amounts			
Credit Score	Masterscale	Stage 1	Stage 2	Stage 3	Total
High Quality Grade					
AAA to A-	1	₱–	₱–	₱–	₱–
BBB+	2	3,883,509	–	–	3,883,509
BBB	3	2,770,438	–	–	2,770,438
BBB- to BB+	4	9,567,635	–	–	9,567,635
Standard Grade					
BB to BB-	5	49,358,202	40,118	–	49,398,320
B+	6	16,089,803	–	–	16,089,803
B to B-	7	29,983,735	4,832,351	–	34,816,086
CCC+ to CCC	8	3,583,286	10,170,378	–	13,753,664
Substandard Grade					
Lower than CCC	9	2,138,896	157,496	–	2,296,392
Non-Performing					
Default	10	–	–	100,978	100,978
		₱117,375,504	₱15,200,343	₱100,978	₱132,676,825

Commercial Loans

The Group and Parent Bank's commercial banking activities are undertaken by its Commercial Banking Center (ComBank). These consist of banking products and services rendered to customers which are entities that are predominantly middle market companies. These products and services are similar to those provided to large corporate customers, with the predominance of trade finance-related products and services.

The non-financial ComBank accounts use an adjusted obligor rating scale derived from the one applied for corporate loans, and follows the same RAAC framework, while ComBank accounts classified as banks and non-bank financial institutions are still rated using the 2018 rating scale.

Below is the breakdown of the Group and Parent Bank's commercial loans exposure (outstanding balance and accrued interest receivable) by masterscale rating as of December 31, 2024 and 2023 for financial and non-financial institutions:

Financial Institutions

		December 31, 2024			
		Amounts			
Credit Score	Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
High Quality Grade					
AAA to A-	1	**₱–**	**₱–**	**₱–**	**₱–**
BBB+	2	–	–	–	–
BBB-	3	–	–	–	–
BBB- to BB+	4	–	–	–	–
Standard Grade					
BB to BB-	5	**2,830,955**	–	–	**2,830,955**
B+	6	**1,312,994**	–	–	**1,312,994**
B to B-	7	**6,073,537**	–	–	**6,073,537**
CCC+ to CCC	8	–	**120,703**	–	**120,703**
Substandard Grade					
Lower than CCC	9	–	**75,439**	–	**75,439**
Non-Performing					
Default	10	–	–	**28,172**	**28,172**
		₱10,217,486	**₱196,142**	**₱28,172**	**₱10,441,800**

		December 31, 2023			
		Amounts			
Credit Score	Masterscale	Stage 1	Stage 2	Stage 3	Total
High Quality Grade					
AAA to A-	1	₱–	₱–	₱–	₱–
BBB+	2	–	–	–	–
BBB-	3	–	–	–	–
BBB- to BB+	4	2,509,605	–	–	2,509,605
Standard Grade					
BB to BB-	5	29,328	–	–	29,328
B+	6	1,152,948	–	–	1,152,948
B to B-	7	17,526,941	–	–	17,526,941
CCC+ to CCC	8	738,545	–	–	738,545
Substandard Grade					
Lower than CCC	9	75,396	–	–	75,396
Non-Performing					
Default	10	–	–	28,176	28,176
		₱22,032,763	₱–	₱28,176	₱22,060,939

Non-financial Institutions

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱–**	**₱–**	**₱–**	**₱–**
2	**–**	**–**	**–**	**–**
3	**80,266**	**–**	**–**	**80,266**
4	**6,597,738**	**–**	**–**	**6,597,738**
5	**12,584,148**	**–**	**–**	**12,584,148**
6	**10,164,025**	**–**	**–**	**10,164,025**
7	**11,621,597**	**–**	**–**	**11,621,597**
8	**53,159**	**1,182,133**	**–**	**1,235,292**
9	**1,165,352**	**1,585,868**	**–**	**2,751,220**
10	**–**	**–**	**9,653,329**	**9,653,329**
	₱42,266,285	**₱2,768,001**	**₱9,653,329**	**₱54,687,615**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱–	₱–	₱–	₱–
2	–	–	–	–
3	360,593	–	–	360,593
4	4,018,599	–	–	4,018,599
5	13,994,067	47,556	–	14,041,623
6	6,860,808	–	–	6,860,808
7	14,892,588	–	–	14,892,588
8	1,483,261	28,839	–	1,512,100
9	307,030	1,525,569	–	1,832,599
10	3,272	21,878	9,440,931	9,466,081
	₱41,920,218	₱1,623,842	₱9,440,931	₱52,984,991

<u>Consumer Financial Products</u>
The Consumer loan portfolio of the Parent Bank is composed of five main product lines, namely: Home Loans, Credit Card, Personal Loans, Small and Medium Enterprise (SME) financial products and Auto Loans.

In particular, SME portfolio is composed of business lines and a small portion from emerging products.

Each of these products has established credit risk guidelines and systems for managing credit risk across all products. Credit models are constantly reviewed and updated as necessary supported by enhanced data analytics to improve portfolio quality and product offers.

For the subsidiary, CSB, an accredited lending institution of the Department of Education (DepEd), provides salary loans to teachers under an agreement with DepEd for payroll deductions. CSB also provides motorcycle loans as a result of its acquisition and subsequent merger with PR Savings Bank.

Exposure to credit risk is managed through diligent assessment upon onboarding and regular portfolio and segment analysis of the ability of borrowers to meet interest and principal repayment obligations and by changing these lending limits when appropriate.

The Consumer products' respective masterscale is defined by the credit scoring models, which consider demographic variables and behavioral performance, to segment the portfolio according to risk masterscale per product. The stages are defined by the approved SICR for Consumer which takes into account the following: NPL status, days past due, and credit score rating for Application Score (point of application) and Behavior Score (monthly credit performance).

Both Home Loans (except Contract to Sell - CTS) and Legacy Credit Cards use rating scale 1 to 6, while Blue Credit Cards and Personal Loans use rating scale 1 to 13 and 1 to 17, respectively. CTS utilizes the Corporate ratings ranging from 1 to 9. Meanwhile, Auto Loans and SME products use rating scale 1 to 5.

Below is the breakdown of the Group's and the Parent Bank's major consumer portfolio loans exposure (outstanding balance and accrued interest receivable) by masterscale rating as of December 31, 2024 and 2023:

Group and Parent Bank - Consumer Products: Home Loans

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱11,938,908**	**₱61,947**	**₱–**	**₱12,000,855**
2	**13,735,257**	**144,897**	**–**	**13,880,154**
3	**10,503,829**	**354,231**	**–**	**10,858,060**
4	**4,064,334**	**378,748**	**–**	**4,443,082**
5	**5,305,110**	**257,021**	**–**	**5,562,131**
6	**1,420,068**	**1,907,567**	**–**	**3,327,635**
7	**11,366,889**	**–**	**–**	**11,366,889**
Default	**–**	**–**	**7,413,379**	**7,413,379**
	₱58,334,395	**₱3,104,411**	**₱7,413,379**	**₱68,852,185**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱7,859,646	₱28,100	₱–	₱7,887,746
2	10,828,564	46,860	–	10,875,424
3	9,507,714	187,012	–	9,694,726
4	8,532,904	419,933	–	8,952,837
5	8,795,005	735,960	–	9,530,965
6	2,905,576	1,621,101	–	4,526,677
7	12,069,230	–	–	12,069,230
Default	–	–	7,010,190	7,010,190
	₱60,498,639	₱3,038,966	₱7,010,190	₱70,547,795

Group and Parent Bank - Consumer Products: Credit Cards

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱3,942,413**	**₱33**	**₱–**	**₱3,942,446**
2	**12,212,607**	**446**	–	**12,213,053**
3	**19,909,886**	**11,529**	–	**19,921,415**
4	**23,115,365**	**28,462**	–	**23,143,827**
5	**22,918,054**	**201,881**	–	**23,119,935**
6	**16,483,925**	**1,342,352**	–	**17,826,277**
7	**317,719**	**1,145**	–	**318,864**
8	**627,510**	**28,177**	–	**655,687**
9	**1,009,803**	**204,908**	–	**1,214,711**
10	–	**146,960**	–	**146,960**
11	–	**287,948**	–	**287,948**
12	–	**745,480**	–	**745,480**
13	–	**1,110,527**	–	**1,110,527**
Default	–	–	**4,101,014**	**4,101,014**
	₱100,537,282	**₱4,109,848**	**₱4,101,014**	**₱108,748,144**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱17,248,988	₱232,358	₱–	₱17,481,346
2	10,260,790	212	–	10,261,002
3	16,889,066	9,023	–	16,898,089
4	18,416,632	17,570	–	18,434,202
5	16,111,877	85,678	–	16,197,555
6	11,359,282	676,733	–	12,036,015
7	235,790	291	–	236,081
8	480,963	1,661	–	482,624
9	622,944	15,424	–	638,368
10	–	109,088	–	109,088
11	–	195,430	–	195,430
12	–	380,998	–	380,998
13	–	573,821	–	573,821
Default	–	–	2,309,971	2,309,971
	₱91,626,332	₱2,298,287	₱2,309,971	₱96,234,590

Group and Parent Bank - Consumer Products: Personal loans

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱806,024**	**₱9,607**	**₱–**	**₱815,631**
2	**2,592,640**	**23,538**	–	**2,616,178**
3	**3,897,428**	**56,869**	–	**3,954,297**
4	**3,994,483**	**55,180**	–	**4,049,663**
5	**950,259**	**12,084**	–	**962,343**
6	**2,658,822**	**191,310**	–	**2,850,132**
7	**63,897**	**2,981**	–	**66,878**
8	**119,649**	**8,172**	–	**127,821**
9	**196,539**	**12,701**	–	**209,240**
10	**87,913**	**2,680**	–	**90,593**
11	**146,028**	**23,493**	–	**169,521**
12	**254,644**	**100,645**	–	**355,289**
13	–	**87,785**	–	**87,785**
14	–	**131,831**	–	**131,831**
15	–	**225,541**	–	**225,541**
16	–	**61,774**	–	**61,774**
17	–	**139,248**	–	**139,248**
Default	–	–	**777,871**	**777,871**
	₱15,768,326	**₱1,145,439**	**₱777,871**	**₱17,691,636**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱717,016	₱1,920	₱–	₱718,936
2	2,087,882	2,130	–	2,090,012
3	2,725,191	8,894	–	2,734,085
4	3,196,858	4,004	–	3,200,862
5	845,402	1,263	–	846,665
6	1,522,170	7,434	–	1,529,604
7	37,751	–	–	37,751
8	42,802	93	–	42,895
9	78,800	381	–	79,181
10	39,307	–	–	39,307
11	68,774	312	–	69,086
12	51,735	28,386	–	80,121
13	–	43,105	–	43,105
14	–	72,940	–	72,940
15	–	104,610	–	104,610
16	–	40,954	–	40,954
17	–	80,847	–	80,847
Default	–	–	422,955	422,955
	₱11,413,688	₱397,273	₱422,955	₱12,233,916

Group and Parent Bank - Consumer Products: SME Financial Products and Auto Loans

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total***
1	**₱1,701,874**	**₱5,805**	**₱–**	**₱1,707,679**
2	**3,792,883**	**7,185**	**–**	**3,800,068**
3	**1,612,031**	**10,049**	**–**	**1,622,080**
4	**1,513,347**	**124,030**	**–**	**1,637,377**
5	**451,658**	**141,361**	**–**	**593,019**
Default	**–**	**–**	**1,751,699**	**1,751,699**
	₱9,071,793	**₱288,430**	**₱1,751,699**	**₱11,111,922**

As of December 31, 2024, this consists of SME loans and auto loans amounting to ₱9.72 billion and ₱1.39 billion, respectively. The Bank uses rating scale of 1 to 5 for both products.

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total*
1	₱3,535,280	₱83,997	₱–	₱3,619,277
2	2,940,655	137	–	2,940,792
3	1,616,661	34,930	–	1,651,591
4	1,573,116	62,029	–	1,635,145
5	570,350	73,483	–	643,833
Default	–	–	1,171,105	1,171,105
	₱10,236,062	₱254,576	₱1,171,105	₱11,661,743

As of December 31, 2023, this consists of SME loans and auto loans amounting to ₱10.09 billion and ₱1.57 billion, respectively. The Bank uses rating scale of 1 to 5 for both products.

CSB Salary Loans
For CSB salary loans, which relates to the DepEd loans of CSB, each borrower is assigned a credit score with E as minimal risk, D as low risk, C as moderate risk, B as average risk and A as high risk.

The description of each credit quality grouping for the credit scores is explained further as follows:

High grade (minimal to low risk) - These are receivables which have a high probability of collection. The counterparty has the apparent ability to satisfy its obligation and the security on the receivables is readily enforceable.

Standard grade (moderate to average risk) - These are receivables where collections are probable due to the reputation and the financial ability of the counterparty to pay but with experience of default.

Substandard (high risk) - Accounts classified as “Substandard” are individual credits or portions thereof which appear to involve a substantial and unreasonable degree of risk to CSB because of unfavorable record or unsatisfactory characteristics. There exists in such accounts the possibility of future loss to CSB unless given closer supervision. Those classified as “Substandard” must have a well-defined weakness or weaknesses that jeopardize their liquidation. Such well-defined weaknesses may include adverse trends or development of financial, managerial, economic or political nature, or a significant weakness in collateral.

Below is the breakdown of CSB's salary loans exposure (outstanding balance and accrued interest receivable) by credit score as of December 31, 2024 and 2023:

	December 31, 2024			
	Amounts			
Credit Score	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
D to E	**₱9,896,039**	**₱–**	**₱–**	**₱9,896,039**
B to C	**68,614,420**	**973,348**	**–**	**69,587,768**
A	**956,557**	**1,002,979**	**–**	**1,959,536**
Default	**–**	**–**	**7,360,243**	**7,360,243**
	₱79,467,016	**₱1,976,327**	**₱7,360,243**	**₱88,803,586**

	December 31, 2023			
	Amounts			
Credit Score	Stage 1	Stage 2	Stage 3	Total
D to E	₱11,268,117	₱34,833	₱–	₱11,302,950
B to C	64,281,214	1,596,857	–	65,878,071
A	1,143,608	110,276	–	1,253,884
Default	–	–	6,021,285	6,021,285
	₱76,692,939	₱1,741,966	₱6,021,285	₱84,456,190

Other receivables from customers

Other receivables from customers of the Group and the Parent Bank include small portfolios such as, with respect to the Parent Bank (i) HR loans, (ii) bills purchased and (iii) customer liabilities under acceptances, (iv) home credit receivables, (v) teacher's loans acquired from CSB, (vi) high-net-worth individual loans, (vii) corporate retail loans and, with respect to the subsidiaries, (i) personal loans, and (ii) motorcycle loans. Each of these products has established credit risk guidelines and systems for managing credit risk across all businesses.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate.

Each product was risk rated using techniques appropriate to the Group's and Parent Bank's credit experience. Such methods consider the payment history that are reflected in aging, delinquency, and/or change in rating. These provide the bases for the ECL stage determination.

The description of each groupings according to stage is explained further 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, does not demonstrate significant increase in credit risk.

Stage 2 - those that are considered more than 30 days past due but does not demonstrate objective evidence of impairment as of reporting date, and, based on change in rating, delinquencies and payment history, demonstrates significant increase in credit risk.

Stage 3 - Those that are considered default of more than 90 days past due or demonstrates objective evidence of impairment as of reporting date.

Below is a summary as of December 31, 2024 and 2023 of the Group's and Parent Bank's other receivables from customers.

	December 31, 2024			
	Amounts			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Group	**₱34,439,079**	**₱1,119,125**	**₱7,882,095**	**₱43,440,299**
Parent Bank	**10,181,231**	**207,032**	**673,240**	**11,061,503**

	December 31, 2023			
	Amounts			
	Stage 1	Stage 2	Stage 3	Total
Group	₱34,868,654	₱2,241,167	₱9,308,923	₱46,418,744
Parent Bank	10,847,410	239,451	774,038	11,860,899

<u>Investments and Placements</u>

Investments and placements include financial assets at amortized cost, debt financial assets through other comprehensive income, due from BSP, interbank loans receivable, and due from other banks. Each has established credit risk guidelines and systems for managing credit risk across all businesses.

Below is the breakdown of the Group's and the Parent Bank's investments and placements (outstanding balance and accrued interest receivable) by masterscale rating as of December 31, 2024 and 2023:

Sovereign – Group

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱–**	**₱–**	**₱–**	**₱–**
2	**15,717,182**	–	–	**15,717,182**
3	–	–	–	**–**
4	**290,074**	–	–	**290,074**
5	**1,816,857**	–	–	**1,816,857**
6	–	–	–	**–**
7	–	–	–	**–**
8	–	–	–	**–**
9	**297,874,377**	–	–	**297,874,377**
10	–	–	–	
11	**3,393,505**	**1,356,514**	–	**4,750,019**
12	–	–	–	**–**
13	–	–	–	**–**
14	–	**2,331,786**	–	**2,331,786**
15	–	–	–	–
16	–	–	–	–
Default	–	–	–	–
	₱319,091,995	**₱3,688,300**	**₱–**	**₱322,780,295**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱15,056,577	₱–	₱–	₱15,056,577
2	–	–	–	–
3	–	–	–	–
4	277,725	–	–	277,725
5	1,741,414	–	–	1,741,414
6	–	–	–	–
7	–	–	–	–
8	–	–	–	–
9	286,359,197	–	–	286,359,197
10	–	–	–	–
11	3,278,223	1,299,905	–	4,578,128
12	–	–	–	–
13	–	–	–	–
14	–	2,232,039	–	2,232,039
15	–	–	–	–
16	–	–	–	–
Default	–	–	–	–
	₱306,713,136	₱3,531,944	₱–	₱310,245,080

Corporate – Group

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱21,881,403**	**₱–**	**₱–**	**₱21,881,403**
2	**2,117,338**	–	–	**2,117,338**
3	**901,530**	–	–	**901,530**
4	**90,603,106**	–	–	**90,603,106**
5	**2,916,278**	–	–	**2,916,278**
6	**12,976,914**	–	–	**12,976,914**
7	**7,488,260**	–	–	**7,488,260**
8	**2,475,448**	–	–	**2,475,448**
9	**5,798,372**	–	–	**5,798,372**
10	**10,866,262**	–	–	**10,866,262**
11	**7,525,661**	–	–	**7,525,661**
12	**–**	–	–	**–**
13	**–**	–	–	**–**
Default	**–**	–	–	**–**
	₱165,550,572	**₱–**	**₱–**	**₱165,550,572**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱18,469,539	₱–	₱–	₱18,469,539
2	2,050,789	–	–	2,050,789
3	622,974	–	–	622,974
4	112,625,385	–	–	112,625,385
5	7,984,325	–	–	7,984,325
6	12,397,023	–	–	12,397,023
7	4,079,434	–	–	4,079,434
8	2,379,104	–	–	2,379,104
9	5,544,929	–	–	5,544,929
10	10,550,593	–	–	10,550,593
11	4,158,854	–	–	4,158,854
12	–	–	–	–
13	–	–	–	–
Default	–	–	–	–
	₱180,862,949	₱–	₱–	₱180,862,949

Sovereign – Parent Bank

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱–**	**₱–**	**₱–**	**₱–**
2	**15,717,182**	–	–	**15,717,182**
3	–	–	–	–
4	**290,074**	–	–	**290,074**
5	**1,816,857**	–	–	**1,816,857**
6	–	–	–	–
7	–	–	–	–
8	–	–	–	–
9	**287,940,213**	–	–	**287,940,213**
10	-	–	–	–
11	**3,393,505**	**1,356,514**	–	**4,750,019**
12	–	–	–	–
13	–	–	–	–
14	–	**2,331,786**	–	**2,331,786**
15	–	–	–	–
16	–	–	–	–
Default	–	–	–	–
	₱309,157,831	**₱3,688,300**	**₱–**	**₱312,846,131**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱15,056,577	₱–	₱–	₱15,056,577
2	–	–	–	–
3	–	–	–	–
4	277,725	–	–	277,725
5	1,741,414	–	–	1,741,414
6	–	–	–	–
7	–	–	–	–
8	–	–	–	–
9	277,165,707	–	–	277,165,707
10	–	–	–	–
11	3,278,223	1,299,905	–	4,578,128
12	–	–	–	–
13	–	–	–	–
14	–	2,232,039	–	2,232,039
15	–	–	–	–
16	–	–	–	–
Default	–	–	–	–
	₱297,519,646	₱3,531,944	₱–	₱301,051,590

Corporate – Parent Bank

	December 31, 2024			
	Amounts			
Masterscale	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1	**₱21,881,403**	**₱–**	**₱–**	**₱21,881,403**
2	**2,117,338**	–	–	**2,117,338**
3	**901,530**	–	–	**901,530**
4	**57,668,620**	–	–	**57,668,620**
5	**2,916,278**	–	–	**2,916,278**
6	**12,976,914**	–	–	**12,976,914**
7	–	–	–	-
8	**2,475,448**	–	–	**2,475,448**
9	**5,798,372**	–	–	**5,798,372**
10	**10,866,262**	–	–	**10,866,262**
11	**7,525,661**	–	–	**7,525,661**
12	–	–	–	–
13	–	–	–	–
Default	–	–	–	–
	₱125,127,826	**₱–**	**₱–**	**₱125,127,826**

	December 31, 2023			
	Amounts			
Masterscale	Stage 1	Stage 2	Stage 3	Total
1	₱18,469,539	₱–	₱–	₱18,469,539
2	2,050,789	–	–	2,050,789
3	622,974	–	–	622,974
4	71,489,154	–	–	71,489,154
5	7,984,325	–	–	7,984,325
6	12,397,023	–	–	12,397,023
7	–	–	–	–
8	2,379,104	–	–	2,379,104
9	5,544,929	–	–	5,544,929
10	10,550,593	–	–	10,550,593
11	4,158,854	–	–	4,158,854
12	–	–	–	–
13	–	–	–	–
Default	–	–	–	–
	₱135,647,284	₱–	₱–	₱135,647,284

Analysis of Movements of Gross Carrying Amounts

The movements in receivables from customers on a total and per segment basis in 2024 and 2023 follow. The balances presented consist of the outstanding principal balance and the related accrued interest receivables:

Group – Total receivables from customers

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱467,904,474**	**₱27,293,424**	**₱34,077,834**	**₱529,275,732**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**198,532,316**	**–**	**–**	**198,532,316**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**5,490,851**	**4,469,435**	**9,960,286**
Movements in receivable balance (excluding write-offs)	**(177,230,865)**	**(10,101,286)**	**(1,406,384)**	**(188,738,535)**
Transfers to Stage 1	**2,727,618**	**(1,473,954)**	**(1,253,664)**	**–**
Transfers to Stage 2	**(11,046,744)**	**11,649,442**	**(602,698)**	**–**
Transfers to Stage 3	**(13,972,478)**	**(5,342,856)**	**19,315,334**	**–**
Amounts written-off	**–**	**–**	**(15,404,653)**	**(15,404,653)**
Balances at end of year	**₱466,914,321**	**₱27,515,621**	**₱39,195,204**	**₱533,625,146**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱431,414,633	₱25,137,043	₱23,943,886	₱480,495,562
Newly originated assets that remained in Stage 1 as at December 31, 2023	198,247,972	–	–	198,247,972
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	5,689,456	9,538,467	15,227,923
Movements in receivable balance (excluding write-offs)	(146,525,650)	(4,205,922)	(5,870,947)	(156,602,519)
Transfers to Stage 1	3,892,876	(2,153,493)	(1,739,383)	–
Transfers to Stage 2	(9,469,703)	9,815,342	(345,639)	–
Transfers to Stage 3	(9,655,654)	(6,989,003)	16,644,657	–
Amounts written-off	–	–	(8,093,206)	(8,093,206)
Balances at end of year	₱467,904,474	₱27,293,423	₱34,077,835	₱529,275,732

Parent Bank – Total receivables from customers

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱367,190,291**	**₱23,549,742**	**₱19,521,664**	**₱410,261,697**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**116,895,142**	**–**	**–**	**116,895,142**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**4,058,443**	**2,524,629**	**6,583,072**
Movements in receivable balance (excluding write-offs)	**(104,577,760)**	**(8,260,857)**	**506,169**	**(112,332,448)**
Transfers to Stage 1	**2,532,808**	**(1,346,838)**	**(1,185,970)**	**–**
Transfers to Stage 2	**(9,759,206)**	**10,352,114**	**(592,908)**	**–**
Transfers to Stage 3	**(9,091,818)**	**(3,725,403)**	**12,817,221**	**–**
Amounts written-off	**–**	**–**	**(8,964,699)**	**(8,964,699)**
Balances at end of year	**₱363,189,457**	**₱24,627,201**	**₱24,626,106**	**₱412,442,764**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱354,666,830	₱22,312,321	₱13,617,365	₱390,596,516
Newly originated assets that remained in Stage 1 as at December 31, 2023	115,800,971	–	–	115,800,971
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	2,516,824	2,454,117	4,970,941
Movements in receivable balance (excluding write-offs)	(90,226,268)	(2,525,845)	(1,651,979)	(94,404,092)
Transfers to Stage 1	2,613,555	(1,733,947)	(879,608)	–
Transfers to Stage 2	(9,049,528)	9,385,315	(335,787)	–
Transfers to Stage 3	(6,615,269)	(6,404,927)	13,020,196	–
Amounts written-off	–	–	(6,702,639)	(6,702,639)
Balances at end of year	₱367,190,291	₱23,549,741	₱19,521,665	₱410,261,697

Group and Parent Bank – Corporate loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱117,375,504**	**₱15,200,343**	**₱100,978**	**₱132,676,825**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**36,658,581**	**–**	**–**	**36,658,581**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**258,397**	**214,532**	**472,929**
Movements in receivable balance (excluding write-offs)	**(33,796,746)**	**(6,062,813)**	**(100,817)**	**(39,960,376)**
Transfers to Stage 2	**(3,411,971)**	**3,411,971**	**–**	**–**
Transfers to Stage 3	**(12,709)**	**–**	**12,709**	**–**
Balances at end of year	**₱116,812,659**	**₱12,807,898**	**₱227,402**	**₱129,847,959**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱119,542,864	₱10,804,150	₱152,958	₱130,499,972
Newly originated assets that remained in Stage 1 as at December 31, 2023	25,719,830	–	–	25,719,830
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	263,017	–	263,017
Movements in receivable balance (excluding write-offs)	(23,189,804)	(564,210)	(51,980)	(23,805,994)
Transfers to Stage 2	(4,697,386)	4,697,386	–	–
Balances at end of year	₱117,375,504	₱15,200,343	₱100,978	₱132,676,825

Group and Parent Bank – Commercial loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱63,952,981**	**₱1,623,842**	**₱9,469,107**	**₱75,045,930**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**43,183,757**	**–**	**–**	**43,183,757**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**2,218,925**	**206,404**	**2,425,329**
Movements in receivable balance (excluding write-offs)	**(53,590,583)**	**(1,633,111)**	**(301,907)**	**(55,525,601)**
Transfers to Stage 1	**–**	**–**	**–**	**–**
Transfers to Stage 2	**(970,706)**	**970,706**	**–**	**–**
Transfers to Stage 3	**(91,678)**	**(216,219)**	**307,897**	**–**
Balances at end of year	**₱52,483,771**	**₱2,964,143**	**₱9,681,501**	**₱65,129,415**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱64,327,976	₱6,970,136	₱3,934,386	₱75,232,498
Newly originated assets that remained in Stage 1 as at December 31, 2023	52,714,903	–	–	52,714,903
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	1,231,556	1,259,386	2,490,942
Movements in receivable balance (excluding write-offs)	(53,505,362)	(1,778,647)	(108,404)	(55,392,413)
Transfers to Stage 1	588,016	(577,664)	(10,352)	–
Transfers to Stage 2	(115,872)	115,872	–	–
Transfers to Stage 3	(56,680)	(4,337,411)	4,394,091	–
Balances at end of year	₱63,952,981	₱1,623,842	₱9,469,107	₱75,045,930

Group and Parent Bank – Home Loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱60,498,639**	**₱3,038,966**	**₱7,010,190**	**₱70,547,795**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**6,271,780**	**–**	**–**	**6,271,780**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**165,605**	**235,233**	**400,838**
Movements in receivable balance (excluding write-offs)	**(6,544,386)**	**(296,686)**	**(1,527,156)**	**(8,368,228)**
Transfers to Stage 1	**2,020,285**	**(997,600)**	**(1,022,685)**	**–**
Transfers to Stage 2	**(1,814,754)**	**2,339,664**	**(524,910)**	**–**
Transfers to Stage 3	**(2,097,169)**	**(1,145,538)**	**3,242,707**	**–**
Amounts written off	**–**	**–**	**–**	**–**
Balances at end of year	**₱58,334,395**	**₱3,104,411**	**₱7,413,379**	**₱68,852,185**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱58,266,289	₱1,580,016	₱5,813,164	₱65,659,469
Newly originated assets that remained in Stage 1 as at December 31, 2023	17,021,583	–	–	17,021,583
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	267,831	342,728	610,559
Movements in receivable balance (excluding write-offs)	(11,076,034)	(266,835)	(1,396,014)	(12,738,883)
Transfers to Stage 1	1,155,702	(435,759)	(719,943)	–
Transfers to Stage 2	(2,307,460)	2,551,886	(244,426)	–
Transfers to Stage 3	(2,561,441)	(658,173)	3,219,614	–
Amounts written off	–	–	(4,933)	(4,933)
Balances at end of year	₱60,498,639	₱3,038,966	₱7,010,190	₱70,547,795

Group and Parent Bank - Consumer Products

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱114,515,757**	**₱3,447,140**	**₱2,167,351**	**₱120,130,248**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**25,168,515**	**–**	**–**	**25,168,515**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31 2024	**–**	**1,387,872**	**1,763,625**	**3,151,497**
Movements in receivable balance (excluding write-offs)	**(4,412,804)**	**(236,297)**	**2,677,434**	**(1,971,667)**
Transfers to Stage 1	**453,698**	**(327,119)**	**(126,579)**	**–**
Transfers to Stage 2	**(3,531,994)**	**3,580,844**	**(48,850)**	**–**
Transfers to Stage 3	**(6,815,771)**	**(2,308,723)**	**9,124,494**	**–**
Amounts written-off	**–**	**–**	**(8,926,891)**	**(8,926,891)**
Balances at end of year	**₱125,377,401**	**₱5,543,717**	**₱6,630,584**	**₱137,551,702**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱94,976,599	₱2,754,273	₱4,133,254	₱101,864,126
Newly originated assets that remained in Stage 1 as at December 31, 2023	15,441,984	−	−	15,441,984
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31 2023	−	588,056	769,937	1,357,993
Movements in receivable balance (excluding write-offs)	8,996,116	(53,515)	(841,488)	8,101,113
Transfers to Stage 1	770,059	(671,481)	(98,578)	−
Transfers to Stage 2	(1,866,879)	1,953,236	(86,357)	−
Transfers to Stage 3	(3,802,122)	(1,123,429)	4,925,551	−
Amounts written-off	−	−	(6,634,968)	(6,634,968)
Balances at end of year	₱114,515,757	₱3,447,140	₱2,167,351	₱120,130,248

Group - CSB Salary Loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱76,692,939**	**₱1,741,966**	**₱6,021,285**	**₱84,456,190**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**63,697,277**	−	−	**63,697,277**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	−	**970,196**	**822,341**	**1,792,537**
Movements in receivable balance (excluding write-offs)	**(57,513,323)**	**(1,250,579)**	**(1,710,460)**	**(60,474,362)**
Transfers to Stage 1	**93,901**	**(55,372)**	**(38,529)**	−
Transfers to Stage 2	**(949,224)**	**949,281**	**(57)**	−
Transfers to Stage 3	**(2,554,554)**	**(379,165)**	**2,933,719**	−
Amounts written-off	−	−	**(668,056)**	**(668,056)**
Balances at end of year	**₱79,467,016**	**₱1,976,327**	**₱7,360,243**	**₱88,803,586**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱57,558,594	₱1,284,874	₱5,185,814	₱64,029,282
Newly originated assets that remained in Stage 1 as at December 31, 2023	64,157,086	−	−	64,157,086
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	−	1,563,239	1,793,030	3,356,269
Movements in receivable balance (excluding write-offs)	(43,917,268)	(965,756)	(2,203,423)	(47,086,447)
Transfers to Stage 1	92,449	(74,277)	(18,172)	−
Transfers to Stage 2	(129,695)	131,226	(1,531)	−
Transfers to Stage 3	(1,068,227)	(197,340)	1,265,567	−
Balances at end of year	₱76,692,939	₱1,741,966	₱6,021,285	₱84,456,190

Group – Other receivables

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱34,868,654**	**₱2,241,167**	**₱9,308,923**	**₱46,418,744**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**23,552,406**	**–**	**–**	**23,552,406**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**489,856**	**1,227,300**	**1,717,156**
Movements in receivable balance (excluding write-offs)	**(21,373,023)**	**(621,800)**	**(659,257)**	**(22,654,080)**
Transfers to Stage 1	**159,734**	**(93,863)**	**(65,871)**	**–**
Transfers to Stage 2	**(368,095)**	**396,976**	**(28,881)**	**–**
Transfers to Stage 3	**(2,400,597)**	**(1,293,211)**	**3,693,808**	**–**
Amounts written-off	**–**	**–**	**(5,593,927)**	**(5,593,927)**
Balances at end of year	**₱34,439,079**	**₱1,119,125**	**₱7,882,095**	**₱43,440,299**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱37,691,857	₱2,674,618	₱5,505,380	₱45,871,855
Newly originated assets that remained in Stage 1 as at December 31, 2023	23,192,586	–	–	23,192,586
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	1,775,758	5,373,385	7,149,143
Movements in receivable balance (excluding write-offs)	(24,782,845)	(1,507,982)	(2,050,708)	(28,341,535)
Transfers to Stage 1	1,286,650	(394,313)	(892,337)	–
Transfers to Stage 2	(352,411)	365,737	(13,326)	–
Transfers to Stage 3	(2,167,183)	(672,652)	2,839,834	–
Amounts written-off	–	–	(1,453,306)	(1,453,306)
Balances at end of year	₱34,868,654	₱2,241,166	₱9,308,922	₱46,418,743

Parent Bank – Other receivables

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱10,847,410**	**₱239,451**	**₱774,038**	**₱11,860,899**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**5,612,509**	**–**	**–**	**5,612,509**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2024	**–**	**27,644**	**104,835**	**132,479**
Movements in receivable balance (excluding write-offs)	**(6,233,241)**	**(31,950)**	**(241,385)**	**(6,506,576)**
Transfers to Stage 1	**58,825**	**(22,119)**	**(36,706)**	**–**
Transfers to Stage 2	**(29,781)**	**48,929**	**(19,148)**	**–**
Transfers to Stage 3	**(74,491)**	**(54,923)**	**129,414**	**–**
Amounts written-off	**–**	**–**	**(37,808)**	**(37,808)**
Balances at end of year	**₱10,181,231**	**₱207,032**	**₱673,240**	**₱11,061,503**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱18,502,648	₱1,134,770	₱364,673	₱20,002,091
Newly originated assets that remained in Stage 1 as at December 31, 2023	4,902,671	–	–	4,902,671
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	166,365	82,065	248,430
Movements in receivable balance (excluding write-offs)	(12,400,731)	(793,661)	(35,162)	(13,229,554)
Transfers to Stage 1	99,779	(49,045)	(50,734)	–
Transfers to Stage 2	(61,931)	66,936	(5,005)	–
Transfers to Stage 3	(195,026)	(285,914)	480,940	–
Amounts written-off	–	–	(62,739)	(62,739)
Balances at end of year	₱10,847,410	₱239,451	₱774,038	₱11,860,899

Investments and Placements
Movements in 2024 and 2023 for investments and placements follow. The balances presented include accrued interest receivables:

Group

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱487,576,085**	**₱3,531,944**	**₱–**	**₱491,108,029**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**98,403,316**	–		**98,403,316**
Newly originated assets that moved to Stage 2 as at December 31, 2024	–	–	–	–
Movements in the balance (excluding write-offs)	**(101,336,834)**	**156,356**	–	**(101,180,478)**
Balances at end of year	**₱484,642,567**	**₱3,688,300**	**₱–**	**₱488,330,867**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱489,815,002	₱3,037,116	₱–	₱492,852,118
Newly originated assets that remained in Stage 1 as at December 31, 2023	200,016,146	–	–	200,016,146
Newly originated assets that moved to Stage 2 as at December 31, 2023	–	516,780	–	516,780
Movements in the balance (excluding write-offs)	(202,255,063)	(21,952)	–	(202,277,015)
Balances at end of year	₱487,576,085	₱3,531,944	₱–	₱491,108,029

Parent

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱433,166,930**	**₱3,531,944**	**₱–**	**₱436,698,874**
Newly originated assets that remained in Stage 1 as at December 31, 2024	**56,958,003**	–	–	**56,958,003**
Newly originated assets that moved to Stage 2 as at December 31, 2024	–	–	–	–
Movements in the balance (excluding write-offs)	**(55,839,276)**	**156,356**	**–**	**(55,682,920)**
Balance at end of year	**₱434,285,657**	**₱3,688,300**	**₱–**	**₱437,973,957**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱439,417,743	₱3,037,116	₱–	₱442,454,859
Newly originated assets that remained in Stage 1 as at December 31, 2023	154,800,568	–	–	154,800,568
Newly originated assets that moved to Stage 2 as at December 31, 2023	–	516,780	–	516,780
Movements in the balance (excluding write-offs)	(161,051,381)	(21,952)	–	(161,073,333)
Balance at end of year	₱433,166,930	₱3,531,944	₱–	₱436,698,874

Modification
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.

For the years ended December 31, 2024, 2023, and 2022, the net impact of the subsequent accretion of the 2020 loan modifications amounted to income of ₱53.14 million, ₱47.14 million, and ₱129.15 million for the Group, respectively, and income of ₱53.14 million, ₱46.52 million, and ₱106.00 million for the Parent Bank, respectively.

Collateral Held as Security and Other Credit Enhancements

The Group holds collateral against loans and other receivables from customers in order to mitigate risk. The collateral may be in the form of mortgages over real estate property, chattels, inventory, cash, securities and/or guarantees. The Bank regularly monitors and updates the fair value of the collateral depending on the type of credit exposure. Estimates of the fair value of collateral are considered in the review and assessment of the adequacy of allowance for credit losses. In general, the Bank does not require collateral for loans and advances to other banks, except when securities are held as part of reverse repurchase agreements.

An estimate of the fair value of collateral and other security enhancements held by the Group and the Parent Bank against loans and other receivables as of December 31, 2024 and 2023 is shown below:

	Group				
	Exposure before collaterals	Properties	Deposits	Others	Exposure after financial effect of collaterals
As of December 31, 2024	**₱549,307,034**	**₱35,909,760**	**₱735,414**	**₱90,688,457**	**₱421,973,403**
As of December 31, 2023	548,898,606	27,626,545	824,136	90,110,026	430,337,899

	Parent Bank				
	Exposure before collaterals	Properties	Deposits	Others	Exposure after financial effect of collaterals
As of December 31, 2024	**₱424,449,352**	**₱31,810,298**	**₱596,274**	**₱83,650,244**	**₱308,392,536**
As of December 31, 2023	426,207,235	25,425,229	749,558	89,230,221	310,802,227

The Group's manner of disposing the collateral for impaired loans and receivables is normally through sale of the assets after foreclosure proceedings have taken place.

Liquidity Risk

Liquidity risk is the risk that there are insufficient funds available to adequately meet the credit demands of the Group's customers and repay deposits on maturity. The Asset and Liability Committee (ALCO) and the Treasurer of the Group ensure that sufficient liquid assets are available to meet short-term funding and regulatory requirements. Liquidity is monitored by the Group on a daily basis and under stressed situations. A contingency plan is formulated to set out the amount and the sources of funds (such as unused credit facilities) that are available to the Group and the circumstances under which the Group may use such funds.

Liquidity ratios are used to monitor and manage the Bank's liquidity. The MRC approves the ratios to be used for monitoring the performance of the Bank and for mapping out areas where improvements are needed. These ratios include Liquid Assets to Deposits Ratio, Liquidity Ratio, Leverage Ratio and Intermediation Ratio.

The Group also manages its liquidity risks through the use of a Maximum Cumulative Outflow (MCO) limit which regulates the outflow of cash on a cumulative basis and on a tenor basis. To maintain sufficient liquidity in foreign currencies, the Group has also set an MCO limit for certain designated foreign currencies. The MCO limits are endorsed by the MRC and approved by the BOD. The Bank has separate limits for the short term (generally less than 30 days) and the medium term tenor (from 30 days to one year).

The table below shows the financial assets and financial liabilities' liquidity information which includes coupon cash flows categorized based on the contractual date on which the asset will be realized and the liability will be settled. For financial assets at FVTPL, the analysis into maturity grouping is based on the remaining period from the end of the reporting period to the expected date the assets will be realized (amounts in millions).

	Group						
	2024						
	On Demand	**Up to 1 Month**	**1 to 3 Months**	**3 to 6 Months**	**6 to 12 Months**	**Beyond 1 Year**	**Total**
Financial assets							
Cash and other cash items	**₱10,144**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱10,144**
Due from BSP	**30,938**	**51,273**	**–**	**–**	**–**	**–**	**82,211**
Due from other banks	**33,891**	**–**	**–**	**–**	**–**	**–**	**33,891**
Interbank loans receivable and SPURRA	**–**	**1,882**	**–**	**–**	**–**	**–**	**1,882**
	74,973	**53,155**	**–**	**–**	**–**	**–**	**128,128**
Financial assets at FVTPL							
Derivative assets	**–**	**430**	**21**	**66**	**237**	**838**	**1,592**
Debt securities	**–**	**7,760**	**–**	**–**	**–**	**–**	**7,760**
Equity securities	**–**	**–**	**–**	**–**	**–**	**1,074**	**1,074**
Financial assets at FVOCI							
Debt securities	**–**	**373**	**143**	**351**	**1,041**	**52,597**	**54,505**
Equity securities	**–**	**–**	**–**	**–**	**–**	**300**	**300**
Financial assets at amortized cost	**–**	**1,566**	**2,724**	**7,827**	**31,361**	**403,951**	**447,429**
	–	**10,129**	**2,888**	**8,244**	**32,639**	**458,760**	**512,660**
Loans and other receivables	**–**	**70,381**	**76,697**	**55,196**	**70,160**	**310,161**	**582,595**
Other receivables							
Accounts receivable	**–**	**10,730**	**–**	**–**	**–**	**–**	**10,730**
Accrued interest receivable	**–**	**–**	**–**	**–**	**–**	**7,534**	**7,534**
Sales contract receivable	**–**	**32**	**53**	**65**	**131**	**3,107**	**3,388**
	–	**81,143**	**76,750**	**55,261**	**70,291**	**320,802**	**604,247**
Other financial assets							
Returned checks and other cash items	**–**	**53**	**–**	**–**	**–**	**–**	**53**
Sundry debits	**–**	**1,934**	**–**	**–**	**–**	**–**	**1,934**
	–	**1,987**	**–**	**–**	**–**	**–**	**1,987**
Total assets	**₱74,973**	**₱146,414**	**₱79,638**	**₱63,505**	**₱102,930**	**₱779,562**	**₱1,247,022**
Non-derivative liabilities							
Deposit liabilities							
Demand	**₱231,378**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱231,378**
Savings	**215,543**	**–**	**–**	**–**	**–**	**–**	**215,543**
Time and LTNCD	**580**	**132,044**	**42,218**	**17,544**	**13,117**	**27,581**	**233,084**
	447,501	**132,044**	**42,218**	**17,544**	**13,117**	**27,581**	**680,005**
Bills payable	**–**	**45,226**	**42,371**	**394**	**37,281**	**45,137**	**170,409**
Notes and bonds payable	**–**	**61**	**397**	**17,721**	**17,879**	**31,881**	**67,939**
Manager's checks	**8,494**	**–**	**–**	**–**	**–**	**–**	**8,494**
Accrued interest payable	**–**	**2,809**	**–**	**–**	**–**	**–**	**2,809**
Accounts payable	**–**	**9,139**	**–**	**–**	**–**	**–**	**9,139**
Other liabilities	**–**	**21,532**	**–**	**–**	**–**	**–**	**21,532**
	455,995	**210,811**	**84,986**	**35,659**	**68,277**	**104,599**	**960,327**
Derivative Liabilities	**–**	**472**	**299**	**350**	**640**	**1,875**	**3,636**
Total liabilities	**₱455,995**	**₱211,283**	**₱85,285**	**₱36,009**	**₱68,917**	**₱106,474**	**₱963,963**

	Group						
	2023						
	On Demand	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 to 12 Months	Beyond 1 Year	Total
Financial assets							
Cash and other cash items	₱10,439	₱–	₱–	₱–	₱–	₱–	₱10,439
Due from BSP	59,247	23,413	–	–	–	–	82,660
Due from other banks	27,263	–	–	–	–	–	27,263
Interbank loans receivable and SPURRA	–	25,431	–	–	–	–	25,431
	96,949	48,844	–	–	–	–	145,793
Financial assets at FVTPL							
Derivative assets	–	26	74	129	255	928	1,412
Debt securities	–	5,113	–	–	–	–	5,113
Financial assets at FVOCI							
Debt securities	–	325	188	441	984	54,872	56,810
Equity securities	–	–	–	–	–	63	63
Financial assets at amortized cost	–	1,576	2,101	3,581	12,987	428,368	448,613
	–	7,040	2,363	4,151	14,226	484,231	512,011

(Forward)

	Group						
	2023						
	On Demand	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 to 12 Months	Beyond 1 Year	Total
Loans and other receivables	₱–	₱69,664	₱71,541	₱55,254	₱73,981	₱323,990	₱594,430
Other receivables							
Accounts receivable	–	–	–	–	–	10,750	10,750
Accrued interest receivable	–	–	–	–	–	14,692	14,692
Sales contract receivable	–	27	54	78	146	3,312	3,617
	–	69,691	71,595	55,332	74,127	352,744	623,489
Other financial assets							
Returned checks and other cash items	–	282	–	–	–	–	282
Sundry debits	–	246	–	–	–	–	246
	–	528	–	–	–	–	528
Total assets	₱96,949	₱126,103	₱73,958	₱59,483	₱88,353	₱836,975	₱1,281,821
Non-derivative liabilities							
Deposit liabilities							
Demand	₱233,283	₱–	₱–	₱–	₱–	₱–	₱233,283
Savings	195,864	–	–	–	–	–	195,864
Time and LTNCD	402	167,166	76,952	12,550	10,755	25,553	293,378
	429,549	167,166	76,952	12,550	10,755	25,553	722,525
Bills payable	–	35,217	50,473	3,754	11,540	64,663	165,647
Notes and bonds payable	–	58	397	576	1,032	53,193	55,256
Manager's checks	7,513	–	–	–	–	–	7,513
Accrued interest payable	–	3,472	–	–	–	–	3,472
Accounts payable	–	14,716	–	–	–	–	14,716
Other liabilities	–	10,009	–	–	–	–	10,009
	437,062	230,638	127,822	16,880	23,327	143,409	979,138
Derivative Liabilities	–	52	253	295	632	2,520	3,752
Total liabilities	₱437,062	₱230,690	₱128,075	₱17,175	₱23,959	₱145,929	₱982,890

	Parent Bank						
	2024						
	On Demand	**Up to 1 Month**	**1 to 3 Months**	**3 to 6 Months**	**6 to 12 Months**	**Beyond 1 Year**	**Total**
Financial assets							
Cash and other cash items	₱9,270	₱–	₱–	₱–	₱–	₱–	₱9,270
Due from BSP	29,212	20,018	–	–	–	–	49,230
Due from other banks	31,140	–	–	–	–	–	31,140
Interbank loans receivable and SPURRA	–	180	–	–	–	–	180
	69,622	20,198	–	–	–	–	89,820
Financial assets at FVTPL							
Derivative assets	–	430	21	66	237	838	1,592
Debt securities	–	7,494	–	–	–	–	7,494
Financial assets at FVOCI						1,074	1,074
Debt securities	–	373	143	351	1,041	52,576	54,484
Equity securities	–	–	–	–	–	58	58
Financial assets at amortized cost	–	1,414	2,663	7,794	31,097	391,560	434,528
	–	9,711	2,827	8,211	32,375	446,106	499,230
Loans and other receivables	–	66,358	68,785	45,579	54,478	209,517	444,717
Other receivables							
Accounts receivable	–	7,990	–	–	–	–	7,990
Accrued interest receivable	–	–	–	–	–	4,213	4,213
Sales contract receivable	–	28	48	60	117	2,956	3,209
	–	74,376	68,833	45,639	54,595	216,686	460,129
Other financial assets							
Returned checks and other cash items	–	53	–	–	–	–	53
Sundry debits	–	1,935	–	–	–	–	1,935
	–	1,988	–	–	–	–	1,988
Total assets	₱69,622	₱106,273	₱71,660	₱53,850	₱86,970	₱662,792	₱1,051,167
Non-derivative liabilities							
Deposit liabilities							
Demand	₱232,683	₱–	₱–	₱–	₱–	₱–	₱232,683
Savings	208,382	–	–	–	–	–	208,382
Time and LTNCD	148	94,455	25,332	8,555	2,798	785	132,073
	441,213	94,455	25,332	8,555	2,798	785	573,138
Bills payable	–	45,216	32,567	394	28,165	23,251	129,593
Notes and bonds payable	–	61	397	17,721	17,879	18,285	54,343
Manager's checks	8,488	–	–	–	–	–	8,488
Accrued interest payable	–	1,593	–	–	–	–	1,593
Accounts payable	–	7,860	–	–	–	–	7,860
Other liabilities	–	19,733	–	–	–	–	19,733
	449,701	168,918	58,296	26,670	48,842	42,321	794,748
Derivative liabilities	–	472	299	350	640	1,875	3,636
Total liabilities	₱449,701	₱169,390	₱58,595	₱27,020	₱49,482	₱44,196	₱798,384

	Parent Bank						
	2023						
	On Demand	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 to 12 Months	Beyond 1 Year	Total
Financial assets							
Cash and other cash items	₱9,351	₱–	₱–	₱–	₱–	₱–	₱9,351
Due from BSP	55,883	8,005	–	–	–	–	63,888
Due from other banks	23,188	–	–	–	–	–	23,188
Interbank loans receivable and SPURRA	–	3,187	–	–	–	–	3,187
	88,422	11,192	–	–	–	–	99,614
Financial assets at FVTPL							
Derivative assets	–	26	74	129	255	928	1,412
Debt securities	–	4,984	–	–	–	–	4,984
Financial assets at FVOCI							
Debt securities	–	325	188	440	953	54,624	56,530
Equity securities	–	–	–	–	–	63	63
Financial assets at amortized cost	–	1,424	1,925	3,547	12,775	416,802	436,473
	–	6,759	2,187	4,116	13,983	472,417	499,462
Loans and other receivables	–	65,531	63,152	44,614	54,884	236,102	464,283
Other receivables							
Accounts receivable	–	–	–	–	–	8,415	8,415
Accrued interest receivable	–	7,553	–	–	–	–	7,553
Sales contract receivable	–	26	51	73	137	3,123	3,410
	–	73,110	63,203	44,687	55,021	247,640	483,661
Other financial assets							
Returned checks and other cash items	–	282	–	–	–	–	282
Sundry debits	–	246	–	–	–	–	246
	–	528	–	–	–	–	528
Total assets	₱88,422	₱91,589	₱65,390	₱48,803	₱69,004	₱720,057	₱1,083,265
Non-derivative liabilities							
Deposit liabilities							
Demand	₱234,228	₱–	₱–	₱–	₱–	₱–	₱234,228
Savings	190,063	–	–	–	–	–	190,063
Time and LTNCD	90	111,777	54,710	5,029	2,252	1,248	175,106
	424,381	111,777	54,710	5,029	2,252	1,248	599,397
Bills payable	–	35,217	39,061	2,082	1,472	47,201	125,033
Notes and bonds payable	–	58	397	576	1,032	53,193	55,256
Manager's checks	7,509	–	–	–	–	–	7,509
Accrued interest payable	–	2,495	–	–	–	–	2,495
Accounts payable	–	12,821	–	–	–	–	12,821
Other liabilities	–	8,837	–	–	–	–	8,837
	431,890	171,205	94,168	7,687	4,756	101,642	811,348
Derivative liabilities	–	52	253	295	632	2,520	3,752
Total liabilities	₱431,890	₱171,257	₱94,421	₱7,982	₱5,388	₱104,162	₱815,100

<u>BSP Reporting</u>

Liquidity Coverage Ratio (LCR)
BSP Circular No. 905 provides the implementing guidelines on LCR and disclosure standards that are consistent with Basel III framework. The LCR is calculated as the ratio of stock of high quality liquid assets (HQLA) over the total net cash outflows over the next 30 calendar days, which should not be lower than 100%. The Group is required to disclose information related to the liquidity coverage ratio (LCR) in a single currency and on solo and consolidated basis starting 2019.

The Group's and the Parent Bank's LCR as of December 31, 2024 and 2023 follows (amounts in millions):

	December 31, 2024	
	Group	**Parent Bank**
Total HQLA	**₱281,602**	**₱236,519**
Total net cash outflows	**112,682**	**88,517**
LCR Ratio	**249.91%**	**267.20%**

	December 31, 2023	
	Group	Parent Bank
Total HQLA	₱303,469	₱252,662
Total net cash outflows	186,732	147,849
LCR Ratio	162.52%	170.89%

Net Stable Funding Ratio (NSFR)
BSP Circular No. 1007 provides the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR).

BSP Circular No. 1007 provides the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR). The NSFR is aimed to promote long-term resilience against liquidity risk by requiring banks to maintain a stable funding profile in relation to the composition of its assets and off-balance sheet activities. It complements the LCR, which promotes short-term resilience of a bank's liquidity profile. Banks shall maintain an NSFR of at least 100 percent (100%) at all times. As of December 31, 2024 and 2023, the NSFR was at 127.89% and 123.54%, respectively, for the Group, and at 127.70% and 124.03%, respectively, for the Parent Bank.

Market Risk
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading book or banking book. The market risk for the trading portfolio is managed and monitored based on a Value-at-Risk (VaR) methodology. Meanwhile, the market risk for the non-trading positions are managed and monitored using other sensitivity analyses.

The Parent Bank applies a VaR methodology to assess the market risk of positions held and to estimate the potential economic loss based upon a number of parameters and assumptions for various changes in market conditions. VaR is a method used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon.

The Bank uses a 10-day 99% VaR historical simulation with full revaluation approach. The historical simulation with full revaluation approach is the general market accepted methodology in the measurement of VaR. This methodology recalculates the market value of each financial product for each scenario by applying simulated risk factors based on historical movements to the market-accepted valuation methodology defined for each product.

VaR may also be underestimated or overestimated 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% confidence level.

The VaR figures are backtested daily against actual and hypothetical profit and loss of the trading book to validate the robustness of the VaR model. To supplement the VaR, the Parent Bank performs stress tests wherein the trading portfolios are valued under extreme market scenarios not covered by the confidence interval of the Parent Bank's VaR model.

Since VaR is an integral part of the Parent Bank's market risk management, VaR limits are established annually for all financial trading activities and exposures against the VaR limits and are monitored on a daily basis. Limits are based on the tolerable risk appetite of the Parent Bank.

A summary of the Parent Bank's VaR position at December 31, 2024 and 2023 follows (amounts in millions of Philippine pesos)

	Foreign Exchange	**Interest Rate**	**Equity**	**Total VaR**
2024	**₱217.9**	**₱1,943.1**	**₱–**	**₱2,161.0**
Average daily	**334.4**	**2,178.8**	–	**2,513.2**
Highest	**836.9**	**2,930.6**	**–**	**3,476.3**
Lowest	**19.1**	**1,798.6**	**–**	**1,903.9**
2023	₱762.3	₱1,813.7	₱–	₱2,576.0
Average daily	503.7	1,620.3	–	2,124.0
Highest	910.9	2,053.2	–	2,864.1
Lowest	138.2	1,062.0	–	1,206.6

The high and low of the total portfolio may not equal to the sum of the individual components as the highs and lows of the individual portfolios may have occurred on different trading days.

Interest Rate Risk

Interest rate risk in the banking book (IRRBB) is the current and prospective risk to earnings and capital arising from adverse movements in interest rates that affect the bank's banking book positions. When interest rates change, the present value and timing of future cash flows change. This, in turn, changes the underlying value of the Bank's assets, liabilities and off-balance sheet items, and hence its economic value. On the other hand, changes in interest rates also affect the Bank's earnings by altering interest rate-sensitive income and expenses, affecting its net interest income (NII). The ALCO establishes appropriate asset and liability pricing in support of the Bank's balance sheet objectives.

The Group employs "gap analysis" to measure rate-sensitivity of the income and expenses, also known as Earnings-at-Risk (EaR). This sensitivity analysis is performed at least every month. The EaR measures the impact on the net interest income for any mismatch between the amounts of interest-earning assets, and interest-bearing liabilities within a one-year period. The EaR is calculated by first distributing the interest-sensitive assets, liabilities and off-balance sheet items based on the current balance sheet composition into tenor buckets based on time remaining to the next repricing date or the time remaining to maturity if there is no repricing and then subtracting the liabilities from the assets to obtain the repricing gap. The repricing gap per tenor bucket is then multiplied by the assumed interest rate shock and appropriate time factor to derive the EaR per tenor. The 1st year (one-year) EaR is derived from the summation of the EaR per tenor within one year is subject to the established EaR limit per currency. EaR limits are reviewed and updated regularly to ensure that the risks brought by the changes in the balance sheet and liquidity strategies are within the risk appetite of the Bank.

The Bank also calculates EaR for the 2nd and 3rd years in order to measure medium-term vulnerabilities, i.e., those occurring in the 2nd and 3rd years. In addition, EaR is also calculated based on the current balance sheet composition plus projections to provide additional valuable insights in managing IRRBB. However, these are not subject to the EaR limit but are for monitoring purposes only.

Non-maturing or repricing assets or liabilities are considered to be non-interest rate sensitive and are not included in the measurement.

A positive gap occurs when the amount of interest rate-sensitive assets exceeds the amount of interest rate-sensitive liabilities while a negative gap occurs when the amount of interest rate-sensitive liabilities exceeds the amount of interest rate-sensitive assets. Accordingly, during a period of rising interest rates, an entity with a positive gap will have more interest rate-sensitive assets repricing at a higher interest rate than interest rate-sensitive liabilities which will be favorable to it. During a period of falling interest rates, an entity with a positive gap will have more interest rate-sensitive assets repricing at a lower interest rate than interest rate sensitive liabilities, which will be unfavorable to it.

The asset-liability gap position of the Group and Parent Bank at carrying amounts follows (amounts in millions of Philippine pesos):

	Group			
	2024			
	Up to Six Months	**Beyond Six Months To One Year**	**Beyond One Year**	**Total**
Resources				
Loans	**₱187,008**	**₱55,944**	**₱279,704**	**₱522,656**
Placements	**86,977**	**–**	**30,939**	**117,916**
Investments	**7,401**	**23,361**	**342,459**	**373,221**
	281,386	**79,305**	**653,102**	**1,013,793**
Liabilities				
Deposit liabilities	**128,386**	**11,311**	**536,626**	**676,323**
Bills payable	**126,004**	**14,215**	**22,037**	**162,256**
Notes and bonds payable	**25,697**	**17,333**	**14,536**	**57,566**
	280,087	**42,859**	**573,199**	**896,145**
Asset-Liability Gap	**₱1,299**	**₱36,446**	**₱79,903**	**₱117,648**

	Group			
	2023			
	Up to Six Months	Beyond Six Months To One Year	Beyond One Year	Total
Resources				
Loans	₱195,451	₱58,261	₱272,434	₱526,146
Placements	76,067	–	59,251	135,318
Investments	3,799	4,925	348,536	357,260
	275,317	63,186	680,221	1,018,724
Liabilities				
Deposit liabilities	253,498	9,955	449,115	712,568
Bills payable	122,319	9,645	23,324	155,288
Notes and bonds payable	8,267	–	42,227	50,494
	384,084	19,600	514,666	918,350
Asset-Liability Gap	(₱108,767)	₱43,586	₱165,555	₱100,374

	Parent Bank			
	2024			
	Up to Six Months	**Beyond Six Months To One Year**	**Beyond One Year**	**Total**
Resources				
Loans	**₱172,498**	**₱43,604**	**₱190,079**	**₱406,181**
Placements	**51,319**	**–**	**29,212**	**80,531**
Investments	**7,512**	**23,452**	**331,705**	**362,669**
	231,329	**67,056**	**550,996**	**849,381**
Liabilities				
Deposit liabilities	**64,411**	**1,070**	**507,001**	**572,482**
Bills payable	**116,296**	**5,531**	**4,343**	**126,170**
Notes and bonds payable	**25,697**	**17,333**	**8,694**	**51,724**
	206,404	**23,934**	**520,038**	**750,376**
Asset-Liability Gap	**₱24,925**	**₱43,122**	**₱30,958**	**₱99,005**

	Parent Bank			
	2023			
	Up to Six Months	Beyond Six Months To One Year	Beyond One Year	Total
Resources				
Loans	₱177,588	₱45,751	₱188,485	₱411,824
Placements	34,372	–	55,883	90,255
Investments	3,663	4,896	339,152	347,711
	215,623	50,647	583,520	849,790
Liabilities				
Deposit liabilities	169,889	2,127	425,539	597,555
Bills payable	110,162	679	9,518	120,359
Notes and bonds payable	8,267	–	42,227	50,494
	288,318	2,806	477,284	768,408
Asset-Liability Gap	(₱72,695)	₱47,841	₱106,236	₱81,382

EAR is complemented by stress tests which are conducted quarterly. It involves subjecting the total interest rate-sensitive assets and liabilities within one year to probable short-term and medium-term interest rate movements, assuming parallel and non-parallel shifts (flatteners and steepeners) in the yield curve.

Additionally, the Bank also monitors long-term sensitivity to interest rate risk of the Bank's balance sheet through the Economic Value of Equity (EVE) method at least on a monthly basis. EVE measures the economic value which provides a more comprehensive view of potential long-term effects of changes in interest rates. EVE is defined as the net cash flows of the Bank's assets and liabilities which affect the Bank's capital. Similar to EaR, EVE is also complemented by stress tests conducted quarterly. It involves subjecting the Bank's total interest rate sensitive assets and liabilities to probable short, medium and long-term interest rate movements, assuming parallel and non-parallel (flatteners and steepeners) in the yield curve.

The Bank's interest rate-sensitive asset and liability positions are analyzed based on its cash flows, and its present value are computed using appropriate market rates which include the current risk-free rate plus the corresponding margin. On the other hand, the present values of non-interest sensitive assets and liabilities will be kept at their carrying values.

The Bank's IRRBB models and its assumptions are validated by an independent party prior to use. The Bank's risk management program includes measuring and monitoring the risks associated with fluctuations in market interest rates on its net interest income and capital ensuring that the exposures in interest rates are kept within acceptable limits.

The following table sets out the impact of changes in interest rates on the Group's and Parent Bank's net interest income (amounts in millions of Philippine pesos):

	Group		**Parent Bank**	
Increase (decrease) in interest rates (in basis points)	**100**	**(100)**	**100**	**(100)**
2024				
Change in annualized net interest income	**(₱1,168.0)**	**₱1,168.0**	**(₱922.0)**	**₱922.0**
As a percentage of net interest income	**(2.01%)**	**2.01%**	**(2.05%)**	**2.05%**
2023				
Change in annualized net interest income	(₱1,647.7)	₱1,647.7	(₱1,259.0)	₱1,259.0
As a percentage of net interest income	(3.17%)	3.17%	(3.34%)	3.34%

This sensitivity analysis is performed for risk management purposes and assumes no other changes in the repricing structure. Actual changes in net interest income may vary from the Bank's internal model.

Foreign Exchange Risk

Foreign exchange risk is the risk to earnings or capital arising from changes in foreign exchange rates.

The Group's net foreign exchange exposure, taking into account any spot or forward exchange contracts, is computed as foreign currency assets less foreign currency liabilities. The foreign exchange exposure is limited to the day-to-day, over-the-counter buying and selling of foreign exchange in the Group's branches, as well as foreign exchange trading with corporate accounts and other financial institutions. The Group is permitted to engage in proprietary trading to take advantage of foreign exchange fluctuations.

The breakdown of the financial resources and financial liabilities of the Group and the Parent Bank as to foreign currency-denominated balances (excluding FCDU USD-denominated financial resources and liabilities, which functional currency is in USD), translated to Philippine pesos as of December 31, 2024 and 2023 is shown below:

	Group		
	2024		
	U.S. Dollars	**Other Foreign Currencies**	**Total**
Resources:			
Cash and other cash items	**₱307,881**	**₱418,781**	**₱726,662**
Due from other banks	**6,306,847**	**2,869,382**	**9,176,229**
Interbank loans receivables and SPURRA	**–**	**178,992**	**178,992**
Financial assets at FVTPL	**–**	**4,689**	**4,689**
Financial assets at amortized cost	**–**	**1,891,812**	**1,891,812**
Loans and other receivables	**2,515,371**	**351,558**	**2,866,929**
Other resources	**–**	**14,901,066**	**14,901,066**
	9,130,099	**20,616,280**	**29,746,379**
Liabilities:			
Deposit liabilities	**–**	**18,384,432**	**18,384,432**
Bills payable	**8,296,324**	**16,497,600**	**24,793,924**
Notes and bonds payable	**7,230,625**	**–**	**7,230,625**
Derivative liabilities	**–**	**1,419**	**1,419**
Accrued interest and other expenses	**323,404**	**4,876**	**328,280**
Other liabilities	**41,960,068**	**15,131,831**	**57,091,699**
	57,813,340	**50,059,543**	**107,872,883**
Currency swaps and forwards	**49,212,592**	**30,614,308**	**79,826,900**
Net exposure	**₱529,351**	**₱1,171,045**	**₱1,700,396**

	Group		
	2023		
	U.S. Dollars	Other Foreign Currencies	Total
Resources:			
Cash and other cash items	₱108,171	₱730,640	₱838,811
Due from other banks	4,100,751	2,558,199	6,658,950
Interbank loans receivables and SPURRA	–	188,520	188,520
Financial assets at FVTPL	–	703	703
Financial assets at amortized cost	–	1,926,099	1,926,099
Loans and other receivables	3,167,946	613,475	3,781,421
Other resources	–	1,615,423	1,615,423
	7,376,868	7,633,059	15,009,927
Liabilities:			
Deposit liabilities	–	5,428,675	5,428,675
Bills payable	19,082,743	14,312,054	33,394,797
Notes and bonds payable	6,921,250	–	6,921,250
Derivative liabilities	–	7,007	7,007
Accrued interest and other expenses	376,128	30,168	406,296
Other liabilities	59,319,051	1,769,171	61,088,222
	85,699,172	21,547,075	107,246,247
Currency swaps and forwards	51,291,204	15,844,124	67,135,328
Net exposure	(₱27,031,100)	₱1,930,108	(₱25,100,992)

	Parent Bank		
	2024		
	U.S. Dollars	**Other Foreign Currencies**	**Total**
Resources:			
Cash and other cash items	**₱134,982**	**₱174,374**	**₱309,356**
Due from other banks	**6,161,554**	**2,651,437**	**8,812,991**
Interbank loans receivable and SPURRA	**–**	**178,992**	**178,992**
Financial assets at FVTPL	**–**	**4,689**	**4,689**
Financial assets at amortized cost	**–**	**1,891,812**	**1,891,812**
Loans and other receivables	**2,014,335**	**110,651**	**2,124,986**
Other assets	**–**	**14,901,066**	**14,901,066**
	8,310,871	**19,913,021**	**28,223,892**
Liabilities:			
Deposit liabilities	**–**	**18,384,432**	**18,384,432**
Bills payable	**8,296,324**	**16,497,600**	**24,793,924**
Notes and bonds payable	**7,230,625**	**–**	**7,230,625**
Derivative liabilities	**–**	**1,419**	**1,419**
Accrued interest and other expenses	**323,404**	**4,876**	**328,280**
Other liabilities	**41,811,209**	**14,857,407**	**56,668,616**
	57,661,562	**49,745,734**	**107,407,296**
Currency swaps and forwards	**49,212,592**	**29,868,664**	**79,081,256**
Net exposure	**(₱138,099)**	**₱35,951**	**(₱102,148)**

	Parent Bank		
	2023		
	U.S. Dollars	Other Foreign Currencies	Total
Resources:			
Cash and other cash items	₱52,625	₱423,204	₱475,829
Due from other banks	3,954,839	2,273,638	6,228,477
Interbank loans receivable and SPURRA	–	188,520	188,520
Financial assets at FVTPL	–	703	703
Financial assets at amortized cost	–	1,926,099	1,926,099
Loans and other receivables	3,141,829	82,374	3,224,203
Other assets	–	1,615,423	1,615,423
	7,149,293	6,509,961	13,659,254
Liabilities:			
Deposit liabilities	–	5,428,675	5,428,675
Bills payable	19,082,743	14,312,054	33,394,797
Notes and bonds payable	6,921,250	–	6,921,250
Derivative liabilities	–	7,007	7,007
Accrued interest and other expenses	376,128	1,642	377,770
Other liabilities	59,006,058	1,737,868	60,743,926
	85,386,179	21,487,246	106,873,425
Currency swaps and forwards	51,291,204	15,098,480	66,389,684
Net exposure	(₱26,945,682)	₱121,195	(₱26,824,487)

The Parent Bank's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines. The Parent Bank believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for a financial institution engaged in the type of business in which the Parent Bank is involved.

The following table illustrates the sensitivity of the net results and capital funds to the changes in foreign exchange rates on the Parent Bank's financial assets and financial liabilities in the RBU. The percentages change (increase and decrease) have been determined based on the average market volatility in exchange rates in the previous 12 months, using a confidence level of 99%. The sensitivity analysis is based on the Parent Bank's foreign currency-denominated financial instruments held at each reporting date, including currency swaps and forwards.

	2024		2023	
	% Change	**Effect on Net Profit For the Year**	% Change	Effect on Net Profit For the Year
U.S. dollars	**1.0%**	**(₱157,827)**	1.0%	(₱705,647)
Japanese yen	**2.0%**	**(918,474)**	2.0%	(630,043)
Euros	**1.0%**	**6,309**	1.0%	7,608
Others	**1.1%**	**4,364**	1.2%	6,894

<u>Operational Risk</u>
Operational risk is defined as the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

The Bank's Operational Risk Management (ORM) Framework and Manual are aligned with the overall business strategy of the Bank. Specifically, this aims to ensure that the Bank has a robust operational risk culture by embedding risk awareness and consciousness in each of the business and functional units in line with BSP's Circular 900 – *Guidelines on ORM*. Further, the framework aims to standardize the risk management, monitoring and reporting of operational risk across the Bank.

Key to the effective implementation of the ORM Framework is a governance structure that transparently defines the lines of responsibility from the Board down to the business and functional unit as follows:

Operational Risk Management Committee (ORMC)
The ORMC is a Board-level committee whose principal responsibility is to review risk management policies and practices relating to bank-wide operational risk.

Operational Risk Management (ORM)
ORM, as the second line of defense, shall support management in its endeavor to oversee the operational risks of the Bank, including integration of environment and sustainability related operational risk requirements, and ensure that operational risk policies and procedures are designed and executed adequately and consistently across the organization. ORM reports directly to the Chief Risk Officer.

Business/Functional Unit
Business and functional units act as the first line of defense where the responsibility to manage risks resides. It sees to it that the controls and practices implemented within the lines of operations conform to the enterprise-wide policies and procedures that address operational risks.

Other Operational Risk-related Functions
Specialist departments e.g., Legal Division, CCGO, Human Resources Group, Enterprise Fraud Management Division, Information Security Office, and Financial Controllership functions have dual responsibilities to manage both the operational risks within their own functions as well as provide support to other departments for ORM.

The Bank has a mechanism in place for operational risk identification and assessment, risk measurement, risk control/mitigation, and risk monitoring and reporting. There is regular monitoring of its operational risk profiles and material exposures to losses to ensure that it is still within the approved thresholds. In doing so, it utilizes operational risk tools (Risk and Control Self-Assessment, Key Risk Indicator, Incident Report, Issue Management & Remediation, New Product/ Process Risk Assessment) to assess the adequacy of controls and mitigants to address identified risks appropriately.

Legal Risk and Regulatory Risk Management

Legal risk pertains to the Parent Bank's exposure to losses arising from cases decided not in favor of the Parent Bank where significant legal costs have already been incurred, or in some instances, where the Parent Bank may be required to pay damages. The Parent Bank is involved in litigation to enforce its collection rights under loan agreements in case of borrower default. The Parent Bank may incur significant legal expenses as a result of these events, but the Parent Bank may still end up being unable to collect or enforce its claims, depending on the outcome of litigation.

The Parent Bank has established measures to avoid or mitigate the effects of these adverse decisions and engages several qualified legal advisors who were endorsed to and carefully approved by senior management. At year-end, the Parent Bank also ensures that material adjustments or disclosures are made in the financial statements for any significant commitments or contingencies that may arise from legal proceedings involving the Parent Bank.

Regulatory risk refers to the potential risk for the Parent Bank and its subsidiaries to suffer financial loss due to changes in the laws, monetary, tax, or other governmental regulations of the country. Compliance risk is the Bank's potential exposure to legal penalties, financial forfeiture and material loss resulting from its failure to act in accordance with industry laws and regulations, internal policies or prescribed best practices. While the proper and consistent implementation of these rules and regulations is the primary responsibility of the respective units within the Bank and its subsidiaries, the monitoring of the latter's compliance with these regulations rests on the entity's CCO. The study of the potential impact of new laws and regulations is coordinated by the CCO with the Legal Group. The CCO is responsible for communicating and disseminating new rules and regulations to all units, analyzing and addressing potential compliance issues, performing periodic compliance testing, and regularly reporting to the CGC and the BOD.

5. **Capital Management**

Regulatory Capital

As the Parent Bank's regulator, the BSP sets and monitors capital requirements of the Parent Bank.

In implementing current capital requirements, the BSP requires the Group and the Parent Bank to maintain a minimum capital amount and a prescribed ratio of qualifying capital to risk-weighted assets, known as the "capital adequacy ratio" (CAR). Risk-weighted assets is the aggregate value of assets weighted by credit risk, market risk, and operational risk, based on BSP-prescribed formula provided under BSP Circular No. 360 and BSP Circular No. 538 which contain the implementing guidelines for the revised risk-based capital adequacy framework to conform to Basel II recommendations.

Effective January 1, 2014, the BSP has adopted the new risk-based capital adequacy framework particularly on the minimum capital and disclosure requirements for the Philippine banking system in accordance with the Basel III standards through BSP Circular No. 781. The adopted Basel III risk-based capital adequacy framework requires the Group to maintain:

(a) Common Equity Tier 1 (CET1) of at least 6.0% of risk-weighted assets;
(b) Tier 1 Capital of at least 7.5% of risk-weighted assets;
(c) Qualifying Capital (Tier 1 plus Tier 2 Capital) of at least 10.0% of risk-weighted assets; and,
(d) Capital Conservation Buffer of 2.5% of risk-weighted assets, comprised of CET1 Capital.

On November 29, 2018, the BSP amended the requirements of Subsection X115.1 of the Manual for Regulations for Banks (MORB) through BSP Circular No. 1024. The amendment requires the Group and the Parent Bank to maintain, with respect to the CET 1 requirement, in addition to the minimum, the following capital buffers:

(a) Capital conservation buffer (CCB) of 2.5%; and
(b) Countercyclical capital buffer (CCyB) of 0% subject to upward adjustment to a rate determined by the MB when systemic conditions warrant but not to exceed to 2.5%

The Group's and the Parent Bank's regulatory capital position as of December 31, 2024 and 2023, as reported to the BSP, follow (amounts in millions):

	Group		Parent Bank	
	2024	2023	**2024**	2023
Common Equity Tier 1 Capital				
Paid-up common stock	**₱33,164**	₱23,538	**₱33,164**	₱23,538
Common stock dividends distributable	**–**	6,355	**–**	6,355
Additional paid in capital	**64,368**	57,769	**64,368**	57,769
Surplus free	**81,345**	75,449	**83,573**	77,388
Undivided profits	**11,556**	8,624	**12,089**	9,241
Other comprehensive income/(loss)	**(3,089)**	(3,390)	**(3,088)**	(3,357)
Minority interest in financial allied subsidiary	**872**	655	**–**	–
Sub-total	**188,216**	169,000	**190,106**	170,934
Less Regulatory Adjustments:				
Treasury stock	**₱–**	₱3	**₱–**	₱2
Total outstanding unsecured credit accommodations, both direct and indirect, to DOSRI, and unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates	**362**	448	**1,204**	400
Deferred income tax	**9,811**	9,024	**6,767**	6,936
Goodwill	**48,570**	48,843	**43,340**	43,340
Other intangible assets	**17,029**	12,820	**14,487**	10,810
Defined benefit pension fund assets	**–**	–	**–**	–
Un-booked valuation reserves	**–**	–	**–**	–
Investments in equity of consolidated subsidiary banks and quasi banks, and other financial allied undertakings	**–**	–	**37,432**	36,439
Total regulatory adjustments to Common Equity Tier 1 capital	**75,772**	71,138	**103,230**	97,927
Total Common Equity Tier 1 capital	**112,444**	97,862	**86,876**	73,007
Total Tier 1 capital	**₱112,444**	₱97,862	**₱86,876**	₱73,007
Tier 2 Capital				
General loan loss provision	**₱5,580**	₱5,770	**₱4,702**	₱4,773
Unsecured subordinated debt	**6,768**	6,762	**6,768**	6,762
Total Tier 2 capital	**12,348**	12,532	**11,470**	11,535
Net Tier 1 capital	**112,444**	97,862	**86,876**	73,007
Net Tier 2 capital	**12,348**	12,532	**11,470**	11,535
Total qualifying capital	**124,792**	110,394	**98,346**	84,542
Credit risk-weighted assets	**610,396**	608,482	**475,977**	477,080
Market risk-weighted assets	**14,665**	20,816	**14,543**	20,789
Operational risk-weighted assets	**95,571**	74,642	**71,031**	55,781
Total risk-weighted assets	**₱720,632**	₱703,940	**₱561,551**	₱553,650

(Forward)

	Group		Parent Bank	
	2024	2023	2024	2023
Capital ratios:				
Total regulatory capital expressed as percentage of total risk weighted assets	17.32%	15.68%	17.51%	15.27%
Total Tier 1 expressed as percentage of total risk-weighted assets	15.60%	13.90%	15.47%	13.19%
Total Common Equity Tier 1 expressed as percentage of total risk-weighted assets	15.60%	13.90%	15.47%	13.19%
Conservation buffer	9.60%	7.90%	9.47%	7.19%

The Parent Bank has fully complied with the CAR requirements of the BSP on both solo and consolidated bases.

The breakdown of credit risk-weighted assets, market risk-weighted assets and operational risk-weighted assets follow (amounts in millions):

	Group		Parent Bank	
	2024	2023	2024	2023
On-books assets	₱596,464	₱589,047	₱462,066	₱457,879
Off-books assets	7,143	9,401	7,122	9,387
Counterparty risk-weighted assets:				
in the banking books	5,738	8,671	5,738	8,671
in the trading books	1,051	1363	1,051	1363
Gross Credit Risk-Weighted Assets	₱610,396	₱608,482	₱475,977	₱477,300
Excess of amount permitted in upper Tier 2	–	–	–	220
Total Credit Risk-Weighted Assets	₱610,396	₱608,482	₱475,977	₱477,080
Capital Requirements	₱61,040	₱60,848	₱47,598	₱47,708
Interest rate exposures	₱10,642	₱8,328	₱10,642	₱8,328
Equity exposures	892	–	892	–
Foreign exchange exposures	3,131	12,488	3,009	12,461
Total Market Risk-Weighted Assets	₱14,665	₱20,816	₱14,543	₱20,789
Capital Requirements	₱1,467	₱2,082	₱1,454	₱2,079
Total Operational Risk-Weighted Assets - Basic indicator	₱95,571	₱74,642	₱71,031	₱55,781
Capital Requirements	₱9,557	₱7,464	₱7,103	₱5,578

The total credit exposure broken down by type of exposures and risk weights follow (amounts in millions):

	Group					
	2024					
	Credit Risk Total Credit Risk Exposure	Total Credit Risk Exposure after Risk Mitigation	0%-50%	75%-100%	150%	Total Weighted Assets
Risk-Weighted On-Books Assets						
Cash on hand	₱10,116	₱10,116	₱10,116	₱–	₱–	₱–
Checks and other cash items	27	27	27	–	–	5
Due from BSP	82,205	82,205	82,205	–	–	–
Due from other banks	33,891	33,891	32,959	932	–	14,803
Financial assets at FVTPL	237	237	–	237	–	237
Financial assets at FVOCI	40,102	40,102	39,802	300	–	302
Financial assets at amortized cost	327,479	316,480	268,853	47,627	–	61,569
Loans and receivables	504,656	503,232	78,129	408,679	16,424	455,931
SPURRA	1,701	340	340	–	–	–
Sales contract receivable (SCR)	2,377	2,377	–	1,067	1,310	3,032
ROPA	5,628	5,628	–	–	5,628	8,442
Other assets	49,059	49,059	–	49,059	–	49,059
Total risk-weighted on-books assets not covered by CRM	1,057,478	1,043,694	512,431	507,901	23,362	593,380
Total risk-weighted on-books assets covered by CRM	–	13,784	13,784	–	–	3,084
	₱1,057,478	₱1,057,478	₱526,215	₱507,901	₱23,362	₱596,464
Risk-Weighted Off-Books Assets						
Direct credit substitutes (e.g., general guarantee of indebtedness and acceptances)	₱3,427	₱–	₱–	₱3,427	₱–	₱3,427

(Forward)

	Group					
	2024					
	Credit Risk Total Credit Risk Exposure	**Total Credit Risk Exposure after Risk Mitigation**	**0%-50%**	**75%-100%**	**150%**	**Total Weighted Assets**
Transaction-related contingencies (e.g., performance bonds, bid bonds, warrantees and stand-by LCs related to particular transactions)	**₱2,077**	**₱–**	**₱–**	**₱1,038**	**₱–**	**₱1,038**
Trade-related contingencies arising from movements of goods (e.g., documentary credits collateralized by the underlying shipments) and commitments with an original maturity of up to one year	**13,388**	**–**	**–**	**2,678**	**–**	**2,678**
	₱18,892	**₱–**	**₱–**	**₱7,143**	**₱–**	**₱7,143**
Counterparty Risk-Weighted Assets in the Banking Books						
Repo-style Exposure	**₱115,819**	**₱11,088**	**₱10,641**	**₱447**	**₱–**	**₱5,738**
Counterparty Risk-Weighted Assets in the Trading Books						
Interest Rate Contracts	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**
Exchange Rate Contracts	**27,279**	**1,581**	**1,022**	**559**	**–**	**1,051**
Total	**₱27,279**	**₱1,581**	**₱1,022**	**₱559**	**₱–**	**₱1,051**

	Group					
	2023					
	Credit Risk Total Credit Risk Exposure	Total Credit Risk Exposure after Risk Mitigation	0%-50%	75%-100%	150%	Total Weighted Assets
Risk-Weighted On-Books Assets						
Cash on hand	₱10,436	₱10,436	₱10,436	₱–	₱ –	₱–
Checks and other cash items	13	13	13	–	–	3
Due from BSP	82,766	82,766	82,766	–	–	–
Due from other banks	27,263	27,263	25,467	1,796	–	13,845
Financial assets at FVTPL	99	99	60	39	–	39
Financial assets at FVOCI	37,620	37,620	37,331	289	–	297
Financial assets at amortized cost	319,078	306,630	263,923	42,707	–	56,196
Loans and receivables	505,126	503,742	86,754	400,617	16,371	448,747
SPURRA	25,227	4,446	4,446	–	–	–
Sales contract receivable (SCR)	2,452	2,452	–	1,045	1,407	3,156
ROPA	5,025	5,025	–	–	5,025	7,537
Other assets	55,451	55,451	–	55,451	–	55,451
Total risk-weighted on-books assets not covered by CRM	1,070,556	1,035,943	511,196	501,944	22,803	585,271
Total risk-weighted on-books assets covered by CRM	–	34,612	34,612	–	–	3,776
	₱1,070,556	₱1,070,555	₱545,808	₱501,944	₱22,803	₱589,047
Risk-Weighted Off-Books Assets						
Direct credit substitutes (e.g., general guarantee of indebtedness and acceptances)	₱4,496	₱–	₱–	₱4,496	₱–	₱4,496
Transaction-related contingencies (e.g., performance bonds, bid bonds, warrantees and stand-by LCs related to particular transactions)	3,057	–	–	1,528	–	1,528
Trade-related contingencies arising from movements of goods (e.g., documentary credits collateralized by the underlying shipments) and commitments with an original maturity of up to one year	₱16,881	₱–	₱–	₱3,377	₱–	₱3,377
	₱24,434	₱–	₱–	₱9,401	₱–	₱9,401
Counterparty Risk-Weighted Assets in the Banking Books						
Repo-style Exposure	₱114,057	₱15,892	₱13,897	₱1,995	₱–	₱8,671
Counterparty Risk-Weighted Assets in the Trading Books						
Interest Rate Contracts	₱–	₱–	₱–	₱–	₱–	₱–
Exchange Rate Contracts	101,841	2,231	1,679	552	–	1,363
Total	₱101,841	₱2,231	₱1,679	₱552	₱–	₱1,363

	Parent Bank					
	2024					
	Credit Risk Total Credit Risk Exposure	**Total Credit Risk Exposure after Risk Mitigation**	**0%-50%**	**75%-100%**	**150%**	**Total Weighted Assets**
Risk-Weighted On-Books Assets						
Cash on hand	**₱9,270**	**₱9,270**	**₱9,270**	**₱ –**	**₱ –**	**₱ –**
Cash and other cash items	**–**	**–**	**–**	**–**	**–**	**–**
Due from BSP	**49,227**	**49,227**	**49,227**	**–**	**–**	**–**
Due from other banks	**31,140**	**31,140**	**30,377**	**763**	**–**	**13,343**
Financial asset at FVTPL	**–**	**–**	**–**	**–**	**–**	**–**
Financial assets at FVOCI	**39,841**	**39,841**	**39,783**	**58**	**–**	**58**
Financial assets at amortized cost	**317,313**	**306,314**	**258,687**	**47,627**	**–**	**61,551**
Loans and other receivables	**394,438**	**393,272**	**77,919**	**307,314**	**8,039**	**342,353**
SPURRA	**–**	**–**	**–**	**–**	**–**	**–**
SCR	**2,257**	**2,257**	**–**	**1,004**	**1,253**	**2,883**
ROPA	**4,306**	**4,306**	**–**	**–**	**4,306**	**6,459**
Other assets	**32,375**	**32,375**	**–**	**32,375**	**–**	**32,375**
Total risk-weighted on-books assets not covered by CRM	**880,167**	**868,002**	**465,263**	**389,141**	**13,598**	**459,022**
Total risk-weighted on-books assets covered by CRM	**–**	**12,165**	**12,165**	**–**	**–**	**3,044**
	₱880,167	**₱880,167**	**₱477,428**	**₱389,141**	**₱13,598**	**₱462,066**
Risk-Weighted Off-Books Assets						
Direct credit substitutes (e.g., general guarantee of indebtedness and acceptances)	**₱3,427**	**₱–**	**₱–**	**₱3,427**	**₱–**	**₱3,427**
Transaction-related contingencies (e.g., performance bonds, bid bonds, warrantees and stand-by LCs related to particular transactions)	**2,077**	**–**	**–**	**1,038**	**–**	**1,038**
Trade-related contingencies arising from movements of goods (e.g., documentary credits collateralized by the underlying shipments) and commitments with an original maturity of up to one year	**13,285**	**–**	**–**	**2,657**	**–**	**2,657**
	₱18,789	**₱–**	**₱–**	**₱7,122**	**₱–**	**₱7,122**
Counterparty Risk-Weighted Assets in the Banking Books						
Repo-style Exposure	**₱115,819**	**₱11,088**	**₱10,641**	**₱447**	**₱–**	**₱5,738**
Counterparty Risk-Weighted Assets in the Trading Books						
Interest Rate Contracts	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**
Exchange Rate Contracts	**27,279**	**1,581**	**1,022**	**559**	**–**	**1,051**
Total	**₱27,279**	**₱1,581**	**₱1,022**	**₱559**	**₱–**	**₱1,051**

	Parent Bank					
	2023					
	Credit Risk Total Credit Risk Exposure	Total Credit Risk Exposure after Risk Mitigation	0%-50%	75%-100%	150%	Total Weighted Assets
Risk-Weighted On-Books Assets						
Cash on hand	₱9,351	₱9,351	₱9,351	₱ –	₱ –	₱–
Cash and other cash items	–	–	–	–	–	–
Due from BSP	63,976	63,976	63,976	–	–	–
Due from other banks	23,196	23,196	21,572	1,624	–	11,726
Financial asset at FVTPL	–	–	–	–	–	–
Financial assets at FVOCI	37,344	37,344	37,281	63	–	63
Financial assets at amortized cost	309,799	297,352	254,645	42,707	–	56,178
Loans and other receivables	396,801	395,611	86,580	301,006	8,025	336,924
SPURRA	2,996	–	–	–	–	–
SCR	2,342	2,342	–	994	1,348	3,016
ROPA	3,872	3,872	–	–	3,872	5,808
Other assets	40,415	40,415	–	40,415	–	40,415
Total risk-weighted on-books assets not covered by CRM	890,092	873,459	473,405	386,809	13,245	454,133
Total risk-weighted on-books assets covered by CRM	–	16,633	16,633	–	–	3,776
	₱890,092	₱890,092	₱490,038	₱386,809	₱13,245	₱457,909

(Forward)

	Parent Bank					
	2023					
	Credit Risk Total Credit Risk Exposure	Total Credit Risk Exposure after Risk Mitigation	0%-50%	75%-100%	150%	Total Weighted Assets
Risk-Weighted Off-Books Assets						
Direct credit substitutes (e.g., general guarantee of indebtedness and acceptances)	₱4,496	₱–	₱–	₱4,496	₱–	₱4,496
Transaction-related contingencies (e.g., performance bonds, bid bonds, warrantees and stand-by LCs related to particular transactions)	3,057	–	–	1,528	–	1,528
Trade-related contingencies arising from movements of goods (e.g., documentary credits collateralized by the underlying shipments) and commitments with an original maturity of up to one year	16,813	–	–	3,363	–	3,363
	₱24,366	₱–	₱–	₱9,387	₱–	₱9,387
Counterparty Risk-Weighted Assets in the Banking Books						
Repo-style Exposure	₱114,057	₱15,892	₱13,897	₱1,995	₱–	₱8,671
Counterparty Risk-Weighted Assets in the Trading Books						
Interest Rate Contracts	₱–	₱–	₱–	₱–	₱–	₱–
Exchange Rate Contracts	101,841	2,231	1,679	552	–	1,363
Total	₱101,841	₱2,231	₱1,679	₱552	₱–	₱1,363

Risk weighted on-balance sheet assets covered by credit risk mitigants were based on collateralized transactions as well as guarantees by the Philippine National Government and those guarantors and exposures with the highest credit rating.

Standardized credit risk weights were used in the credit assessment of asset exposures. Third party credit assessments were based on the ratings by Standard & Poor's, Moody's, Fitch and Philratings on exposures to Sovereigns, Multilateral Development Banks, Banks, Local Government Units, Government Corporations and Corporates.

Minimum Capital Requirement

Under the relevant provisions of current BSP regulations, the required minimum capitalization of a universal bank is ₱20.0 billion both as of December 31, 2024 and 2023. As of those dates, the Bank is in compliance with these regulations.

Basel III Leverage Ratio (BLR)

BSP Circular Nos. 881 and 990 cover the implementing guidelines on the BLR framework designed to act as a supplementary measure to the risk-based capital requirements and shall not be less than 5.00%. Effective July 1, 2018, the monitoring of the leverage ratio was implemented as a Pillar I minimum requirement.

The details of the BLR as of December 31, 2024 and 2023 follow (amounts in millions, except for percentages):

	Consolidated		**Parent Bank**	
	2024	2023	**2024**	2023
Tier 1 Capital	**₱112,444**	₱97,862	**₱86,876**	₱73,007
Exposure Measure	**1,129,483**	1,123,087	**952,152**	915,156
BLR	**9.96%**	8.71%	**9.12%**	7.98%

Under the framework, BLR is defined as the capital measure divided by the exposure measure. Capital measure is Tier 1 capital. Exposure measure is the sum of on-balance sheet exposures, derivative exposures, security financing exposures and off-balance sheet items.

Ensuring Sufficient Capital

On January 15, 2009, the BSP issued Circular No. 639, which articulates the need for banks to adopt and document an Internal Capital Adequacy Assessment Process (ICAAP). All universal and commercial banks are expected to perform a thorough assessment of all their material risks, as well as maintain capital adequate to support these risks. This is intended to complement the current regulatory capital requirement of at least 10% of risk assets, which only covers credit, market and operational risks. On December 29, 2009, the BSP issued Circular No. 677 that effectively extends the implementation of the ICAAP from January 2010 to January 2011.

Cognizant of the importance of a strong capital base to meet strategic and regulatory requirements, the Parent Bank has adopted a robust ICAAP on a group-wide level that is consistent with its risk philosophy and risk appetite. The ICAAP Document embodies the Group's risk philosophy, risk appetite, and risk governance framework and structure, and integrates these with: (a) the Group's strategic objectives and long-term strategies; (b) the five-year financial and business plans; and, (c) the capital plan and dividend policy.

The ICAAP's objective is to ensure that the BOD and senior management actively and promptly identify and manage the material risks arising from the general business environment, and that an appropriate level of capital is maintained to cover these risks.

On January 4, 2018, the BSP issued Circular No. 989 which mandates the conduct of stress testing exercise of banks. The Group's ICAAP Document considered the impact of severe but plausible scenarios on the Group's capital position. The results are thoroughly discussed during RMC meetings, and reported to the Board. In the course of its discussions, the BOD and senior management may request for additional stress testing scenarios or revisions to the test assumptions in order to better align these to current trends and forecasts.

The Group has a cross-functional ICAAP technical team, comprised of representatives from the core risk management units - credit, market, operational, information technology, and emerging risks; corporate planning; financial controllership; treasury; internal audit; and compliance. This ensures a well-coordinated approach to the development, documentation, implementation, review, improvement, and maintenance of the various sub-processes included in the ICAAP.

The key members of the ICAAP technical team are enrolled in further training as well as various fora and briefings to enhance their knowledge and expertise particularly on the subjects of ICAAP, Basel III, and their interface with PFRS.

The Group's ICAAP Document is subjected each year to an independent review by the Internal Audit Division (IAD) to provide reasonable assurance that the Group has met the regulatory requirements. For the 2023 ICAAP Document submission, the results of the audit assessment were presented to the Audit Committee and the BOD.

Based on IAD's assessment of the ICAAP document, its related supporting documents, and existing processes and structures, IAD reported that the Group has satisfactorily complied with the minimum requirements prescribed in BSP Circular No. 639. Presence of a proper governance and oversight function of the ICAAP, comprehensive risk management framework, and sound capital management process were verified in the audit process. For 2024, the Group and Parent Bank's ICAAP Document was submitted to the BSP on March 27, 2024.

6. Segment Reporting

Business Segments

The Group's main operating businesses are organized and managed separately according to the nature of products and services provided and the different markets served, with each segment representing a strategic business unit. These are also the basis of the Group in reporting to its chief operating decision-maker for its strategic decision-making activities.

The Group's main business segments are presented below.

(a) Consumer Banking

This segment principally handles individual customer deposits, funds transfer facilities and provides consumer type loans, such as personal loans, automobiles and mortgage financing, and credit card facilities and small and medium enterprises loan products.

(b) Institutional Banking

This segment principally handles loans and other credit facilities and deposit and current accounts for corporate, institutional and middle market customers.

(c) Mass Market/Digital Banking

Mass Market banking primarily provides a range of mass market financial products and services such as salary loans, pension loans, seafarer loans, motorcycle loans, company loans, LGU salary loans, and traditional deposits. Digital Banking offers retail financial products, including deposits and loans, on a highly secure digital banking platform.

(d) Treasury Banking

This segment is principally responsible for managing the Bank's liquidity and funding requirements, and handling transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives.

(e) Trust and Insurance

The segment handles trust, asset management and fiduciary services provided by the Bank to its customers.

(f) Headquarters

This segment includes corporate management, support and administrative units not specifically identified with Consumer Banking, Corporate and Commercial Banking or Treasury.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis.

Segment resources and liabilities comprise operating resources and liabilities including items such as taxation and borrowings. Revenues and expenses that are directly attributable to a particular business segment and the relevant portions of the Group's revenues and expenses that can be allocated to that business segment are accordingly reflected as revenues and expenses of that business segment.

Analysis of Segment Information

Segment information of the Group as of and for the years ended December 31, 2024, 2023 and 2022 follow (amounts in millions):

	Consumer Banking	**Mass Market/ Digital**	**Institutional**	**Treasury**	**Trust/ Insurance and Brokerage**	**Headquarters**	**Total**
December 31, 2024							
Results of operations							
Net interest income and other income	**₱49,784**	**₱14,152**	**₱10,194**	**₱2,091**	**₱1,330**	**₱1,998**	**₱79,549**
Other expenses	**(20,139)**	**(8,897)**	**(3,400)**	**(1,426)**	**(763)**	**(9,642)**	**(44,267)**
Income before credit losses and income tax	**₱29,645**	**₱5,255**	**₱6,794**	**₱665**	**₱567**	**(₱7,644)**	**35,282**
Provision for credit losses							**(19,599)**
Tax expense							**(3,653)**
Net income							**₱12,030**
Segment resources	**₱225,181**	**₱180,709**	**₱193,167**	**₱446,237**	**₱1,640**	**₱98,507**	**₱1,145,441**
Segment liabilities	**₱456,093**	**₱152,862**	**₱142,704**	**₱186,581**	**₱391**	**₱10,742**	**₱949,373**
Other information:							
Depreciation and amortization	**₱797**	**₱766**	**₱184**	**₱29**	**₱3**	**₱1,062**	**₱2,841**
Capital expenditures	**3,942**	**–**	**222**	**45**	**–**	**1,808**	**6,017**

	Consumer Banking	Mass Market/ Digital	Institutional	Treasury	Trust/ Insurance and Brokerage	Headquarters	Total
December 31, 2023							
Results of operations							
Net interest income and other income	₱42,048	₱14,870	₱8,595	₱3,694	₱915	₱656	₱70,778
Other expenses	(20,898)	(8,377)	(3,503)	(1,966)	(460)	(9,684)	(44,888)
Income before credit losses and income tax	₱21,150	₱6,493	₱5,092	₱1,728	₱455	(₱9,028)	25,890
Provision for credit losses							(14,041)
Tax expense							(2,644)
Net income							₱9,205
Segment resources	₱209,068	₱182,085	₱207,678	₱442,546	₱1,869	₱101,897	₱1,145,143
Segment liabilities	₱423,590	₱155,934	₱157,018	₱219,411	₱245	₱13,320	₱969,518
Other information:							
Depreciation and amortization	₱35	₱644	₱70	₱5	₱6	₱1,906	₱2,666
Capital expenditures	171	605	362	43	–	3,144	4,325

	Consumer Banking	Mass Market/ Digital	Institutional	Treasury	Trust/ Insurance and Brokerage	Headquarters	Total
December 31, 2022							
Results of operations							
Net interest income and other income	₱24,171	₱10,964	₱9,292	₱5,251	₱411	₱2,111	₱52,200
Other expenses	(11,842)	(6,300)	(3,010)	(2,002)	(166)	(8,028)	(31,348)
Income before credit losses and income tax	₱12,329	₱4,664	₱6,282	₱3,249	₱245	(₱5,917)	20,852
Provision for credit losses							(4,068)
Tax expense							(4,039)
Net income							₱12,745
Segment resources	₱184,980	₱148,486	₱208,724	₱454,514	₱1,600	₱94,582	₱1,092,886
Segment liabilities	₱414,598	₱126,018	₱136,495	₱254,006	₱222	₱13,333	₱944,672
Other information:							
Depreciation and amortization	₱26	₱381	₱53	₱4	₱7	₱1,389	₱1,860
Capital expenditures	759	216	273	140	–	2,778	4,166

7. Fair Value Measurement and Offsetting of Financial Assets and Financial Liabilities

Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the resource or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

For assets and liabilities that are recognized at fair value in the statement of financial position on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by reassessing 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.

The financial assets and financial liabilities measured at fair value in the consolidated statements of financial position are grouped into the fair value hierarchy as follows:

a) Financial instruments measured at fair value

Group

	December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Resources				
Financial assets at FVTPL				
Debt securities	**₱7,693,772**	**₱–**	**₱–**	**₱7,693,772**
Equity securities	**35,363**	**571,412**	**533,850**	**1,140,625**
Derivative assets	**–**	**1,406,028**	**54,664**	**1,460,692**
Financial assets at FVOCI				
Debt securities	**39,212,893**	**–**	**–**	**39,212,893**
Equity securities	**–**	**–**	**299,761**	**299,761**
Liabilities				
Derivative liabilities	**–**	**3,088,312**	**–**	**3,088,312**

	December 31, 2023			
Resources				
Financial assets at FVTPL				
Debt securities	₱4,542,117	₱–	₱–	₱4,542,117
Equity securities	97,849	442,100	31,000	570,949
Derivative assets	–	640,325	52,325	692,650
Trust fund assets	–	55,673	–	55,673
Financial assets at FVOCI				
Debt securities	36,685,421	–	–	36,685,421
Equity securities	–	–	289,353	289,353
Liabilities				
Derivative liabilities	–	926,176	–	926,176

Parent Bank

	December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Resources				
Financial assets at FVTPL				
Debt securities	**₱7,493,643**	**₱–**	**₱–**	**₱7,493,643**
Equity securities	**–**	**571,412**	**502,851**	**1,074,263**
Derivative assets	**–**	**1,406,028**	**54,664**	**1,460,692**
Financial assets at FVOCI				
Debt securities	**39,193,382**	**–**	**–**	**39,193,382**
Equity securities	**–**	**–**	**58,073**	**58,073**
Liabilities				
Derivative liabilities	**–**	**3,088,312**	**–**	**3,088,312**

	December 31, 2023			
Resources				
Financial assets at FVTPL				
Debt securities	₱4,542,117	₱–	₱–	₱4,542,117
Equity securities	–	442,100	–	442,100
Derivative assets	–	640,325	52,325	692,650
Financial assets at FVOCI				
Debt securities	36,636,587	–	–	36,636,587
Equity securities	–	–	62,647	62,647
Liabilities				
Derivative liabilities	–	926,176	–	926,176

b) *Financial instruments measured at amortized cost and investment properties for which fair value is disclosed*

Group

	December 31, 2024				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Resources					
Financial Assets					
Financial assets at amortized cost	**₱323,412,938**	**₱303,086,488**	**₱–**	**₱–**	**₱303,086,488**
Loans and other receivables	**522,655,816**	**–**	**–**	**489,825,582**	**489,825,582**
Nonfinancial Assets					
Investment properties	**9,789,983**	**–**	**–**	**20,262,561**	**20,262,561**
Liabilities					
Financial Liabilities					
Deposit liabilities	**676,322,796**	**–**	**–**	**685,523,143**	**685,523,143**
Bills payable	**162,256,379**	**–**	**180,790,718**	**–**	**180,790,718**
Notes and bonds payable	**57,565,582**	**–**	**56,044,999**	**–**	**56,044,999**

	December 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Resources					
Financial Assets					
Financial assets at amortized cost	₱314,479,239	₱293,924,390	₱–	₱–	₱293,924,390
Loans and other receivables	526,145,828	–	–	514,125,509	514,125,509
Nonfinancial Assets					
Investment properties	8,592,259	–	–	18,908,548	18,908,548
Liabilities					
Financial Liabilities					
Deposit liabilities	712,568,408	–	–	714,376,295	714,376,295
Bills payable	155,287,929	–	152,063,102	–	152,063,102
Notes and bonds payable	50,493,627	–	48,342,776	–	48,342,776

Parent Bank

	December 31, 2024				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Resources					
Financial Assets					
Financial assets at amortized cost	**₱313,388,774**	**₱293,392,468**	**₱–**	**₱–**	**₱293,392,468**
Loans and other receivables	**406,180,888**	**–**	**–**	**385,018,069**	**385,018,069**
Nonfinancial Assets					
Investment properties	**8,564,812**	**–**	**–**	**18,697,704**	**18,697,704**
Liabilities					
Financial Liabilities					
Deposit liabilities	**572,481,891**	**–**	**–**	**574,504,333**	**574,504,333**
Bills payable	**126,169,642**	**–**	**144,626,478**	**–**	**144,626,478**
Notes and bonds payable	**51,724,287**	**–**	**50,165,422**	**–**	**50,165,422**

	December 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Resources					
Financial Assets					
Financial assets at amortized cost	₱305,334,583	₱285,206,482	₱–	₱–	₱285,206,482
Loans and other receivables	411,823,839	–	–	399,803,520	399,803,520
Nonfinancial Assets					
Investment properties	7,359,283	–	–	17,343,691	17,343,691
Liabilities					
Financial Liabilities					
Deposit liabilities	597,555,393	–	–	599,363,280	599,363,280
Bills payable	120,359,136	–	117,134,309	–	117,134,309
Notes and bonds payable	50,493,627	–	48,342,776	–	48,342,776

There were neither transfers between Levels 1 and 2 nor changes in Level 3 instruments in both years. Certain disclosures required for financial instruments measured at fair value and classified as Level 3 are not presented as these financial instruments are comprised of derivative assets and unquoted equity securities that are not material to the financial statements.

Below information provided about how the fair values of the Group's classes of financial instruments are determined.

(a) *For Cash and other cash items, Due from BSP and other banks, Interbank loans receivable, SPURRA (included under loans and other receivable) and Returned checks and other cash items, and Other liabilities such as Manager's checks, Bills purchased, Accounts payable, Accrued interest payable, Payment orders payable and Due to Treasurer of the Philippines*
Management considers that the carrying amounts approximate their fair value due to their short-term nature. Accordingly, these are not presented in the tables above.

(b) *Debt securities*
Fair values of debt securities under Level 1, composed of government securities issued by the Philippine government and other foreign governments and private debt securities, are determined based on quoted prices at the close of business as appearing on Bloomberg. Fair values of debt securities under Level 2 composed of government securities, determined based on observable input prices of similar securities appearing on Bloomberg.

(c) *Derivatives*
The fair values of derivative financial instruments that are not quoted in an active market are determined through valuation techniques using the net present value computation (see Note 3). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

(d) *Equity securities*
Instruments included in Level 1 comprise equity securities classified as financial assets at FVTPL. These securities are valued based on their closing prices published by the Philippine Stock Exchange.

Club shares classified as financial assets at FVTPL are included in Level 2 as their prices are not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period. Fair value of the of unquoted equity investments is based on the price in the recently observed transaction and is considered Level 2.

Equity instruments included in Level 3 comprise of UIC's investment in unquoted equity securities valued using the adjusted net asset method. The adjusted net asset method involves deriving the fair value of the investee's equity instruments by reference to the fair value of its assets and liabilities. Adjustments in the fair value of the investee's net assets, such as discount for the lack of liquidity, were also considered in the valuation. The Level 3 unquoted equity instruments are not material to the consolidated financial statements.

(e) *Loans and receivables, Deposit liabilities and Bills payable*
The Group maximizes the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

(f) *Notes and bonds payable*
Fair values of notes and bonds payable under Level 2 are determined based on quoted prices at the close of business as appearing on PDEx and Bloomberg. These are classified as Level 2 due to absence of an active market.

(g) *Investment properties*
The fair values of the Group's investment properties are determined on the basis of the appraisals performed by internal appraisers (for investment properties with values below ₱5 million) and independent appraisal companies acceptable to the BSP (for investment properties with fair values above ₱5 million), with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation process is conducted by the appraisers with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, appraisal companies take into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management's assessment, the best use of the Group's non-financial assets indicated above is their current use.

The fair values of investment properties are determined using the market data approach that reflects observable and recent transaction prices for similar properties in nearby locations. Under this approach, when sales prices of comparable property in close proximity are used in the valuation of the subject property with no adjustment on the price, fair value is included in Level 2. On the other hand, if the observable and recent prices of the reference properties were adjusted for differences in key attributes such as property size, zoning, and accessibility, the fair value will be the lower level of the hierarchy or Level 3. The most significant input into this valuation approach is the price per square meter, hence, the higher the price per square meter, the higher the fair value.

There has been no change in the valuation techniques used by the Group during the year for its investment properties.

Offsetting Financial Assets and Financial Liabilities

Certain financial assets and financial liabilities of the Group and the Parent Bank with amounts presented in the statements of financial position as of December 31, 2024 and 2023 are subject to offsetting, enforceable master netting arrangements and similar agreements. However, there were no financial assets and financial liabilities presented at net in the statements of financial position.

Presented below is the financial assets and financial liabilities subject to offsetting but the related amounts are not set-off in the statements of financial position.

	Group							
	December 31, 2024				December 31, 2023			
	Net amount presented in the statement	Related amounts not set off in the statement of financial position			Net amount presented in the statement	Related amounts not set off in the statement of financial position		
	of financial position	Financial Instruments	Collateral Received	Net Exposure	of financial position	Financial Instruments	Collateral Received	Net Exposure
Financial Assets								
Derivative Assets								
Currency forwards	**₱620,328**	**₱258,954**	**₱–**	**₱361,374**	₱171,025	₱75,833	₱–	₱95,192
Cross currency interest rate swaps	**354,585**	**18,087**	**–**	**336,498**	469,300	57,965	–	411,335
Loans and Receivables	**2,434,684**	**–**	**2,434,684**	**–**	25,785,023	–	25,785,023	–
Total financial assets	**₱3,409,597**	**₱277,041**	**₱2,434,684**	**₱697,872**	₱26,425,348	₱133,798	₱25,785,023	₱506,527
Financial Liabilities								
Derivative Liabilities								
Currency forwards	**₱1,594,694**	**₱258,954**	**₱–**	**₱1,335,740**	₱741,313	₱75,833	₱–	₱665,480
Cross currency swaps	**1,062,908**	**18,087**	**–**	**1,044,821**	184,863	57,965	–	126,898
Deposit Liabilities	**935,785**	**555,692**	**–**	**380,093**	595,679	373,904	–	221,775
Bills Payable	**1,878,992**	**1,878,992**	**–**	**–**	25,411,119	25,411,119	–	–
Total financial liabilities	**₱5,472,379**	**₱2,711,725**	**₱–**	**₱2,760,654**	₱26,932,974	₱25,918,821	₱–	₱1,014,153

	Parent Bank							
	December 31, 2024				December 31, 2023			
	Net amount presented in the statement	Related amounts not set off in the statement of financial position			Net amount presented in the statement	Related amounts not set off in the statement of financial position		
	of financial position	Financial Instruments	Collateral Received	Net Exposure	of financial position	Financial Instruments	Collateral Received	Net Exposure
Financial assets								
Derivative assets								
Currency forwards	**₱620,328**	**₱258,954**	**₱–**	**₱361,374**	₱171,025	₱75,833	₱–	₱95,192
Cross currency interest rate swaps	**354,585**	**18,087**	**–**	**336,498**	469,300	57,965	–	411,335
Loans and receivables	**662,782**	**–**	**662,782**	**–**	3,498,457	–	3,498,457	–
Total financial assets	**₱1,637,695**	**₱277,041**	**₱662,782**	**₱697,872**	₱4,138,782	₱133,798	₱3,498,457	₱506,527
Financial liabilities								
Derivative liabilities								
Currency forwards	**₱1,594,694**	**₱258,954**	**₱–**	**₱1,335,740**	₱741,313	₱75,833	₱–	₱665,480
Cross currency swaps	**1,062,908**	**18,087**	**–**	**1,044,821**	184,863	57,965	–	126,898
Deposit liabilities	**796,644**	**483,790**	**–**	**312,854**	511,063	314,379	–	196,684
Bills Payable	**178,992**	**178,992**	**–**	**–**	3,184,078	3,184,078	–	–
Total financial liabilities	**₱3,633,238**	**₱939,823**	**₱–**	**₱2,693,415**	₱4,621,317	₱3,632,255	₱–	₱989,062

8. Cash and Balances with the BSP

These accounts are composed of the following as of December 31:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Cash and other cash items	**₱10,143,777**	₱10,439,112	**₱9,270,243**	₱9,350,898
Due from BSP				
Mandatory reserves (Note 21)	**₱32,038,411**	₱56,967,441	**₱30,507,385**	₱53,955,218
Non-mandatory reserves	**50,108,164**	25,676,222	**18,704,704**	9,927,906
	₱82,146,575	₱82,643,663	**₱49,212,089**	₱63,883,124

Cash consists primarily of funds in the form of Philippine currency notes and coins in the Group and the Parent Bank's vault and those in the possession of tellers, including ATMs. Other cash items include cash items (other than currency and coins on hand) such as checks drawn on other banks or other branches that were received after the Group and the Parent Bank's clearing cut-off time until the close of the regular banking hours.

Mandatory reserves represent the balance of the deposit account maintained with the BSP to meet reserve requirements and to serve as clearing account for interbank claims (see Note 21). Under Section 254 of the MORB, a bank shall keep its required reserves in the form of deposits placed in the bank's demand deposit account with the BSP. Section 254.1 of the MORB further provides that such deposit account with the BSP is not considered as a regular current account as drawings against such deposits shall be limited to: (a) settlement of obligation with the BSP, and (b) withdrawals to meet cash requirements.

Due from BSP bears annual interest rates ranging from 5.25% to 6.25% in 2024, from 5.00% to 6.71% in 2023, and from 1.50% to 5.00% in 2022, except for the amounts within the required reserve as determined by the BSP. Total interest income on Due from BSP recognized by the Group amounted to ₱1.70 billion, ₱1.47 billion, and ₱0.90 billion in 2024, 2023, and 2022, respectively, while the total interest income on Due from BSP recognized by the Parent Bank amounted to ₱204.11 million, ₱290.29 million, and ₱487.78 million in 2024, 2023, and 2022, respectively.

9. Due from Other Banks

The balance of this account consists of regular deposits with the following:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Foreign banks	**₱29,671,672**	₱22,912,686	**₱29,671,672**	₱22,912,686
Local banks	**4,231,317**	4,362,535	**1,477,758**	283,101
	33,902,989	27,275,221	**31,149,430**	23195,787
Allowance for impairment (Note 20)	**(12,451)**	(11,874)	**(9,651)**	(7,754)
	₱33,890,538	₱27,263,347	**₱31,139,779**	₱23,188,033

The breakdown of this account as to currency follows:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
U.S. dollars	**₱26,384,493**	₱20,482,672	**₱26,190,737**	₱20,373,199
Philippine pesos	**4,854,585**	4,507,037	**2,297,605**	541,197
Other currencies	**2,651,460**	2,273,638	**2,651,437**	2,273,637
	₱33,890,538	₱27,263,347	**₱31,139,779**	₱23,188,033

Annual interest rates on these deposits range from 0.00% to 5.40% in 2024 and 2023, and from 0.00% to 2.30% in 2022. Total interest income on Due from other banks earned by the Group amounted to ₱958.20 million, ₱694.49 million, and ₱103.74 million in 2024, 2023, and 2022, respectively, while total interest income earned by the Parent Bank amounted to ₱952.27 million, ₱656.87 million, and ₱97.20 million in 2024, 2023, and 2022, respectively.

10. Interbank Loans Receivable and Securities Purchased under Repurchase Agreements

Interbank loans receivable of the Group and the Parent Bank amounted to ₱178.99 million and ₱188.52 million, net of allowance for credit losses of ₱0.04 million, as of December 31, 2024 and 2023, respectively. Interbank loans receivable consists of foreign currency-denominated loans granted to other banks with terms ranging from 1 to 15 days in 2024 and from 1 to 10 days in 2023. SPURRA of the Group and the Parent Bank amounted to ₱1,700.00 million and ₱25,222.60 million, as of December 31, 2024 and 2023, respectively. SPURRA represents short-term placements with the BSP and private entities where the underlying securities cannot be sold or re-pledged to parties other than the contracting party.

Interest income on interbank loans amounted to ₱71.21 million, ₱96.18 million, and ₱249.92 million in 2024, 2023, and 2022, respectively, for the Group, and ₱71.22 million, ₱96.18 million, and ₱248.76 million in 2024, 2023, and 2022, respectively, for the Parent Bank. Interest income on SPURRA amounted to ₱1,357.53 million, ₱1,271.63 million, and ₱576.44 million in 2024, 2023, and 2022, respectively, for the Group, and ₱483.67 million, ₱421.98 million, and ₱404.09 million in 2024, 2023, and 2022, respectively, for the Parent Bank.

Annual interest rates on interbank loans receivable range from 3.70% to 6.65% in 2024, from 2.63% to 6.44% in 2023, and from 0.05% to 5.03% in 2022. SPURRA bears nominal annual interest ranging from 5.70% to 6.51% in 2024, from 5.50% to 6.48% in 2023, and from 2.00% to 5.50% in 2022.

11. Financial Assets at Fair Value through Profit or Loss

The Group's and Parent Bank's financial assets at FVTPL as of December 31, 2024 and 2023 consist of the following:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Debt securities held for trading	**₱7,693,772**	₱4,542,117	**₱7,493,643**	₱4,542,117
Derivative assets	**1,460,692**	692,650	**1,460,692**	692,650
Equity securities designated at FVTPL	**1,140,625**	570,949	**1,074,263**	442,100
	₱10,295,089	₱5,805,716	**₱10,028,598**	₱5,676,867

The breakdown of this account as to currency follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Philippine pesos	**₱4,400,727**	₱3,222,363	**₱4,134,236**	₱3,093,514
U.S. dollars	**5,889,673**	2,582,650	**5,889,673**	2,582,650
Others	**4,689**	703	**4,689**	703
	₱10,295,089	₱5,805,716	**₱10,028,598**	₱5,676,867

Derivative instruments include warrants, foreign exchange forwards and swaps, cross-currency interest rate swaps and futures. These derivative instruments represent commitments to purchase/sell/exchange foreign currency or bonds on a future date at an agreed price, exchange rate and/or interest rates.

The aggregate contractual or notional amount of derivative financial instruments and the total fair values of derivative financial assets and liabilities of the Group and the Parent Bank are set out below.

	December 31, 2024		
		Fair Values	
	Notional Amount	**Assets**	**Liabilities** (Note 24)
Currency forwards			
Bought	**₱84,778,570**	**₱328,045**	**₱1,501,260**
Sold	**23,326,152**	**292,283**	**93,434**
Cross currency interest rate swaps			
Payer	**26,692,894**	**16,912**	**265,946**
Receiver	**26,047,329**	**337,673**	**796,962**
Futures	**867,675**	**431,115**	**430,710**
Warrants		**54,664**	**–**
		₱1,460,692	**₱3,088,312**

	December 31, 2023		
Currency forwards			
Bought	₱67,830,319	₱100,663	₱688,115
Sold	15,469,007	70,362	53,198
Cross currency interest rate swaps			
Payer	20,848,585	35,580	158,876
Receiver	21,207,464	433,720	25,987
Warrants		52,325	–
		₱692,650	₱926,176

Equity securities include PSE listed securities, club shares and unquoted equity securities.

Interest income generated from these financial assets amounted to ₱493.43 million, ₱194.35 million, and ₱203.77 million in 2024, 2023, and 2022, respectively, for the Group, and ₱487.22 million, ₱193.27 million, and ₱203.77 million in 2024, 2023, and 2022, respectively, for the Parent Bank. In 2024, annual interest rates on these financial assets range from 2.63% to 8.00% and from 1.38% to 9.63% for securities denominated in Philippine peso and U.S. dollars, respectively. In 2023 and 2022, annual interest rates on these financial assets range from 2.38% to 9.25% and from 1.38% to 9.63% for securities denominated in Philippine peso and U.S. dollars, respectively.

The Group recognized fair value gains (losses) on financial assets at FVTPL amounting to ₱1.34 billion, ₱502.14 million, and (₱281.56 million) in 2024, 2023, and 2022, respectively, while the Parent Bank recognized fair value gains (losses) on financial assets at FVTPL amounting to ₱1.34 billion, ₱501.19 million, and (₱282.47 million) in 2024, 2023, and 2022, respectively, and included as part of Gains (losses) on trading and investment securities at FVTPL and FVOCI in the statement of income.

Government securities with aggregate face value of ₱58 million as of December 31, 2024 are deposited with BSP as security for the Bank’s faithful compliance with its fiduciary obligations (see Note 31).

12. Financial Assets at Amortized Cost

The Group's and the Parent Bank's financial assets at amortized cost as of December 31, 2024 and 2023 consist of the following:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Government bonds and other debt securities	**₱298,650,068**	₱293,919,676	**₱288,715,904**	₱284,865,020
Private bonds and commercial papers	**25,080,834**	20,864,219	**24,990,834**	20,774,219
	323,730,902	314,783,895	**313,706,738**	305,639,239
Allowance for impairment (Note 20)	**(317,964)**	(304,656)	**(317,964)**	(304,656)
	₱323,412,938	₱314,479,239	**₱313,388,774**	₱305,334,583

The Group's and the Parent Bank's investment securities with carrying values of ₱115.73 billion and ₱123.27 billion as of December 31, 2024 and 2023, respectively, were pledged as collaterals for bills payable under repurchase agreements (see Note 22).

The breakdown of this account as to currency as of December 31, 2024 and 2023 follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Philippine pesos	**₱221,048,337**	₱217,448,551	**₱211,024,173**	₱208,303,895
U.S. dollars	**100,472,789**	95,104,589	**100,472,789**	95,104,589
Others	**1,891,812**	1,926,099	**1,891,812**	1,926,099
	₱323,412,938	₱314,479,239	**₱313,388,774**	₱305,334,583

Financial assets at amortized cost denominated in Philippine pesos have annual fixed interest rates ranging from 2.38% to 18.25% in 2024, 2023, and 2022, while financial assets at amortized cost denominated in U.S. dollars and Euros have annual fixed interest rates ranging from 1.25% to 9.63% in 2024, 2023 and 2022. These bonds have remaining maturities of 1 to 27 years as of December 31, 2024 and 1 to 30 years as of December 31, 2023 and 2022.

Interest income generated from these financial assets, including amortization of premium or discount, amounted to ₱14.20 billion, ₱13.81 billion, and ₱9.73 billion in 2024, 2023, and 2022, respectively, by the Group, and ₱13.75 billion, ₱13.37 billion, and ₱9.33 billion in 2024, 2023, and 2022, respectively, by the Parent Bank. This is shown as part of Interest income on investment securities at amortized cost and FVOCI account in the statement of income.

Government bonds with aggregate face value of nil and ₱1.2 billion as of December 31, 2024 and 2023, respectively, are deposited with BSP as security for the Bank's faithful compliance with its fiduciary obligations (see Note 31).

The Parent Bank sold investment securities classified as Investment securities at amortized cost with carrying amount of ₱1.7 billion in 2022, resulting in gains totaling ₱0.10 billion (see Note 3). There was no sale of investment securities classified as Investment securities at amortized cost in 2024 and 2023.

13. Financial Assets at Fair Value Through Other Comprehensive Income

The Group's and the Parent Bank's financial assets at FVOCI as of December 31, 2024 and 2023 consist of the following:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Debt securities:				
Government bonds	**₱39,203,066**	₱36,646,114	**₱39,193,382**	₱36,636,587
Private bonds and commercial papers	**9,827**	39,307	**–**	–
Equity securities	**299,761**	289,353	**58,073**	62,647
	₱39,512,654	₱36,974,774	**₱39,251,455**	₱36,699,234

The breakdown of this account as to currency as of December 31, 2024 and 2023 follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Philippine pesos	**₱39,270,967**	₱36,748,068	**₱39,251,455**	₱36,699,234
U.S. dollars	**241,687**	226,706	**–**	–
	₱39,512,654	₱36,974,774	**₱39,251,455**	₱36,699,234

The Group has designated the above equity securities as at FVOCI because they are held for long-term investments and are neither held-for-trading nor designated as at FVTPL. Unquoted equity securities pertain to golf club shares and investments in non-marketable equity securities.

Debt securities denominated in Philippine pesos have annual interest rates ranging from 2.88% to 8.13% in 2024 and from 2.88% to 9.25% in 2023 and 2022, while debt securities denominated in U.S. dollars have annual interest rates ranging from nil in 2024 and from 1.25% to 9.63% in 2023 and 2022. Interest income, including amortization of premium or discount, amounted to ₱1.88 billion, ₱1.81 billion and ₱2.76 billion in 2024, 2023 and 2022, respectively, for the Group, and ₱1.88 billion, ₱1.81 billion and ₱2.75 billion in 2024, 2023 and 2022, respectively, for the Parent Bank, and is shown as part of Interest income on investment securities at amortized cost and FVOCI account in the statement of income.

The Group and the Parent Bank recognized gains from the sale of investments securities at FVOCI amounting to ₱0.19 billion, ₱0.42 billion, and ₱0.10 billion in 2024, 2023 and 2022, respectively. The amounts are included under Gains on trading and investments securities at FVTPL and FVOCI in the statement of income.

14. Loans and Other Receivables

The Group's and the Parent Bank's loans and other receivables as of December 31, 2024 and 2023 consist of the following:

	Group		Parent Bank	
	December 31		December 31	
	2024	2023	**2024**	2023
Receivables from customers:				
Loans and discounts	**₱512,958,473**	₱509,344,030	**₱395,379,978**	₱393,690,035
Customers' liabilities under acceptances and trust receipts	**11,152,182**	10,944,955	**11,152,182**	10,944,955
Bills purchased	**2,469,666**	2,432,182	**2,469,666**	2,432,182
Accrued interest receivable	**7,044,825**	6,554,565	**3,440,938**	3,194,525
	533,625,146	529,275,732	**412,442,764**	410,261,697
Unearned discounts	**(2,571,970)**	(2,741,969)	**(293,049)**	(367,697)
Allowance for impairment (Note 20)	**(22,870,642)**	(19,166,486)	**(17,194,228)**	(13,415,639)
	508,182,534	507,367,277	**394,955,487**	396,478,361
Other receivables:				
Accounts receivable	**8,309,457**	12,346,579	**4,911,001**	8,920,956
Accrued interest receivable	**4,942,863**	4,506,661	**4,777,509**	4,358,097
Sales contracts receivable	**2,428,972**	2,768,725	**2,318,078**	2,666,485
Installment contracts receivable	**596**	909	**–**	–
	15,681,888	19,622,874	**12,006,588**	15,945,538
Allowance for impairment (Note 20)	**(1,208,606)**	(844,323)	**(781,187)**	(600,060)
	14,473,282	18,778,551	**11,225,401**	15,345,478
	₱522,655,816	₱526,145,828	**₱406,180,888**	₱411,823,839

Restructured loans amounted to ₱4.13 billion and ₱2.53 billion as of December 31, 2024 and 2023, respectively, for the Group, and ₱4.08 billion and ₱2.46 million as of December 31, 2024 and 2023, respectively, for the Parent Bank. Interest income on these restructured loans amounted to ₱78.57 million, ₱113.12 million, and ₱136.65 million in 2024, 2023 and 2022, respectively, for the Group, and ₱62.63 million, ₱111.15 million, and ₱136.13 million in 2024, 2023 and 2022, respectively, for the Parent Bank.

The maturity profile of loans and other receivables (net of unearned discounts) follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Less than one year	**₱231,738,442**	₱206,226,521	**₱214,265,825**	₱179,801,242
One year to less than five years	**225,142,870**	221,942,259	**121,696,401**	128,518,701
Beyond five years	**89,853,752**	117,987,857	**88,194,077**	117,519,595
	₱546,735,064	₱546,156,637	**₱424,156,303**	₱425,839,538

Loans and other receivables bear annual interest ranging from 4.25% to 14.00% in 2024, 2023 and 2022.

The breakdown of loans (receivable from customers excluding accrued interest receivable) as to type of interest rate follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Variable interest rates	**₱263,892,104**	₱379,224,034	**₱263,892,104**	₱278,853,696
Fixed interest rates	**262,688,217**	143,497,133	**145,109,722**	128,213,476
	₱526,580,321	₱522,721,167	**₱409,001,826**	₱407,067,172

The amounts of interest income per type of loans and receivables for each reporting period are as follows:

	Group		
	2024	2023	2022
Receivables from customers	**₱62,909,822**	₱59,015,283	₱35,862,813
Other receivables:			
Sales contracts receivable	**172,572**	203,642	141,615
Installment contracts receivable	**34**	159	286
	₱63,082,428	₱59,219,084	₱36,004,714

	Parent Bank		
	2024	2023	2022
Receivables from customers	**₱43,144,836**	₱38,670,624	₱23,773,696
Sales contracts receivable	**158,697**	182,597	133,692
	₱43,303,533	₱38,853,221	₱23,907,388

15. Investments in Subsidiaries and Associates

Investment in Subsidiaries

This account in the Parent Bank's financial statements pertains to investments in the following subsidiaries, which are accounted for using the equity method:

	% Interest	**2024**	2023
Acquisition costs:			
CSB	99.79%	**₱6,748,543**	₱6,746,861
UnionDigital (Note 1)	100%	**6,650,000**	3,900,000
UFSI	100%	**5,097,261**	5,097,261
UBX (Note 1)	83.33%	**1,100,000**	1,100,000
UIC	100%	**924,861**	924,861
UBIMTC	100%	**300,000**	300,000
FUPI	100%	**290,002**	290,002
UBPSI	100%	**5,000**	5,000
UDC	100%	**3,125**	3,125
		₱21,118,792	₱18,367,110

The movement in investments in subsidiaries is shown below:

	2024	2023	2022
Acquisition costs:			
Beginning balances	**₱18,367,110**	₱17,167,110	₱10,069,849
Additional investments (Note 1)	**2,751,682**	1,200,000	7,097,261
	21,118,792	18,367,110	17,167,110
Accumulated equity in total comprehensive income:			
Beginning balances	**17,400,004**	14,615,586	13,013,106
Dividends	**(1,075,000)**	(129,000)	(188,000)
Share in net profit (loss) (Note 28)	**(633,126)**	2,837,072	1,712,086
Gain on deemed disposal (Note 1)	**373,128**	–	–
Share in other comprehensive income (loss) (Note 29)	**(229,827)**	76,346	82,778
Others	**–**	–	(4,384)
	15,835,179	17,400,004	14,615,586
Net investment in subsidiaries	**₱36,953,971**	₱35,767,114	₱31,782,696

The Parent Bank's direct subsidiaries are all incorporated in the Philippines. The principal place of business of these subsidiaries is in Metro Manila, Philippines except for CSB, which has its principal place of operations in Cebu, Philippines.

Investment in Associates

As of December 31, 2024 and 2023, the Group has investment in associates with aggregate carrying amounts of ₱35.76 million and ₱37.68 million, respectively. As of December 31, 2024 and 2023, the Parent Bank has investment in associate amounting to ₱347.30 million. The aggregate share in losses on these associates amounted to ₱1.92 million, ₱22.36 million, and ₱29.67 million in 2024, 2023, and 2022, respectively.

On June 22, 2023, the BSP approved the Parent Bank's request to purchase 1,011,961 shares in Bangko Kabayan. On July 10, 2023, the Parent Bank completed the purchase representing 27.52% ownership interest in Bangko Kabayan (see Note 1).

Sale of Investments in Fintech Platform Ventures Pte Ltd. by UBX SG

On August 28, 2023, UBX SG sold its 32.28% stake in Fintech Platform Ventures Pte. Ltd with a carrying value of $1.30 million (₱74.8 million) for $1.70 million (₱98 million) with gain from sale of $0.407 million (₱23.2 million).

Summarized Financial Information

The following table presents the combined financial information of the subsidiaries, which comprises of CSB, UnionDigital, UFSI, PETNET, UBX, UIC, Bangko Kabayan, and UBIMTC as of and for the years ended December 31, 2024 and 2023:

	Assets	**Liabilities**	**Revenues**	**Net Profit (Loss)**
2024	**₱186,467,856**	**₱154,098,330**	**₱26,805,544**	**(₱256,564)**
2023	187,953,140	157,096,503	25,946,479	3,126,768

16. Bank Premises, Furniture, Fixtures and Equipment

The gross carrying amounts and accumulated depreciation and amortization of bank premises, furniture, fixtures and equipment as of December 31, 2024 and 2023 are shown below.

	Group					
	Land	Buildings	Furniture, Fixtures and Equipment	Right-of-Use Asset	Leasehold Improvements	Total
December 31, 2024						
Cost	**₱1,174,299**	**₱7,369,579**	**₱5,942,479**	**₱4,774,810**	**₱1,996,279**	**₱21,257,446**
Accumulated depreciation and amortization	–	**(1,244,772)**	**(4,200,382)**	**(3,270,814)**	**(1,540,267)**	**(10,256,235)**
Net carrying amounts	**₱1,174,299**	**₱6,124,807**	**₱1,742,097**	**₱1,503,996**	**₱456,012**	**₱11,001,211**
December 31, 2023						
Cost	₱1,182,455	₱6,198,435	₱5,868,900	₱4,049,322	₱1,918,847	₱19,217,959
Accumulated depreciation and amortization	–	(1,075,637)	(3,897,871)	(2,632,391)	(1,418,821)	(9,024,720)
Net carrying amounts	₱1,182,455	₱5,122,798	₱1,971,029	₱1,416,931	₱500,026	₱10,193,239

	Parent Bank					
	Land	Buildings	Furniture, Fixtures and Equipment	Right-of-Use Asset	Leasehold Improvements	Total
December 31, 2024						
Cost	**₱558,820**	**₱6,877,938**	**₱4,390,220**	**₱3,779,970**	**₱917,123**	**₱16,524,071**
Accumulated depreciation and amortization	–	**(967,241)**	**(3,024,638)**	**(2,637,898)**	**(569,350)**	**(7,199,127)**
Net carrying amounts	**₱558,820**	**₱5,910,697**	**₱1,365,582**	**₱1,142,072**	**₱347,773**	**₱9,324,944**
December 31, 2023						
Cost	₱558,820	₱5,701,310	₱4,288,699	₱3,218,343	₱910,845	₱14,678,017
Accumulated depreciation and amortization	–	(803,000)	(2,688,984)	(2,148,168)	(498,539)	(6,138,691)
Net carrying amounts	₱558,820	₱4,898,310	₱1,599,715	₱1,070,175	₱412,306	₱8,539,326

A reconciliation of the carrying amounts at the beginning and end of 2024 and 2023 of this account (including right-of-use assets) is shown below:

	Group					
	Land	Buildings	Furniture, Fixtures and Equipment	Right-of-Use Assets	Leasehold Improvements	Total
Balances at January 1, 2024, net of accumulated depreciation and amortization	**₱1,182,455**	**₱5,122,798**	**₱1,971,029**	**₱1,416,931**	**₱500,026**	**₱10,193,239**
Additions	**–**	**1,189,253**	**373,368**	**714,284**	**84,380**	**2,361,285**
Disposals	**(8,156)**	**(1,073)**	**(40,196)**	**–**	**–**	**(49,425)**
Reclassifications/adjustments	**–**	**(930)**	**(17,601)**	**(1,616)**	**(6,948)**	**(27,095)**
Depreciation and amortization charges for the year	**–**	**(185,241)**	**(544,503)**	**(625,603)**	**(121,446)**	**(1,476,793)**
Balances at December 31, 2024, net of accumulated depreciation and amortization	**₱1,174,299**	**₱6,124,807**	**₱1,742,097**	**₱1,503,996**	**₱456,012**	**₱11,001,211**

	Group					
	Land	Buildings	Furniture, Fixtures and Equipment	Right-of-Use Assets	Leasehold Improvements	Total
Balances at January 1, 2023, net of accumulated depreciation and amortization	₱850,660	₱4,141,372	₱1,836,695	₱1,303,921	₱573,971	₱8,706,619
Additions	355,276	1,152,394	707,799	675,994	67,834	2,959,297
Disposals	(23,481)	(13,430)	(30,469)	–	–	(67,380)
Reclassifications/adjustments	–	(9)	(1,371)	48,491	(1,348)	45,763
Depreciation and amortization charges for the year	–	(157,529)	(541,625)	(611,475)	(140,431)	(1,451,060)
Balances at December 31, 2023, net of accumulated depreciation and amortization	₱1,182,455	₱5,122,798	₱1,971,029	₱1,416,931	₱500,026	₱10,193,239

	Parent Bank					
	Land	**Buildings**	**Furniture, Fixtures and Equipment**	**Right-of-Use Assets**	**Leasehold Improvements**	**Total**
Balances at January 1, 2024, net of accumulated depreciation and amortization	**₱558,820**	**₱4,898,310**	**₱1,599,715**	**₱1,070,175**	**₱412,306**	**₱8,539,326**
Additions	**–**	**1,176,682**	**202,027**	**561,627**	**6,413**	**1,946,749**
Disposals	**–**	**–**	**(34,834)**	**–**	**–**	**(34,834)**
Reclassifications/adjustments	**–**	**(54)**	**8,582**	**–**	**(136)**	**8,392**
Depreciation and amortization charges for the year	**–**	**(164,241)**	**(409,908)**	**(489,730)**	**(70,810)**	**(1,134,689)**
Balances at December 31, 2024, net of accumulated depreciation and amortization	**₱558,820**	**₱5,910,697**	**₱1,365,582**	**₱1,142,072**	**₱347,773**	**₱9,324,944**
Balances at January 1, 2023, net of accumulated depreciation and amortization	₱248,301	₱3,902,450	₱1,530,367	₱1,069,103	₱485,813	₱7,236,034
Additions	334,000	1,145,646	514,233	468,129	6,369	2,468,377
Disposals	(23,481)	(13,429)	(21,557)	–	–	(58,467)
Reclassifications/adjustments	–	–	(3,283)	1,622	–	(1,661)
Depreciation and amortization charges for the year	–	(136,357)	(420,045)	(468,679)	(79,876)	(1,104,957)
Balances at December 31, 2023, net of accumulated depreciation and amortization	₱558,820	₱4,898,310	₱1,599,715	₱1,070,175	₱412,306	₱8,539,326

The Group has leases for branch offices, parking lots, stalls for specific events, signage and computer equipment. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the consolidated statement of financial position as a ROU asset and a lease liability.

Generally, the Group is restricted from assigning and subleasing the leased assets. The lease contracts are cancellable upon mutual agreement of the parties or renewable under certain terms and conditions. Various lease contracts include escalation clauses, most of which bear an annual rent increase of 5% to 10%. As of December 31, 2024 and 2023, the Group has neither a contingent rent payable nor an asset restoration obligation in relation with these lease agreements.

The Group's leasing activities qualified to recognize ROU assets mainly comprise of branch offices and parking lots with remaining lease terms ranging from 1 to 10 years.

The details of depreciation and amortization in the consolidated statements of income follow:

	Group		
	2024	2023	2022
Bank premises, furniture, fixtures and equipment*	**₱851,190**	₱839,585	₱743,254
Computer software (Note 19)	**758,880**	595,876	322,612
Investment properties and foreclosed chattel (Notes 17 and 19)	**598,444**	597,818	514,936
Customer relationships (Note 19)	**343,500**	343,500	143,125
Core deposits (Note 19)	**289,714**	289,714	136,505
	₱2,841,728	₱2,666,493	₱1,860,432

**Excluding depreciation of ROU asset presented in Occupancy.*

	Parent Bank		
	2024	2023	2022
Bank premises, furniture, fixtures and equipment*	**₱644,959**	₱636,278	₱552,480
Investment properties and foreclosed chattel (Notes 17 and 19)	**446,092**	380,662	362,719
Computer software (Note 19)	**417,642**	316,402	252,365
Customer relationships (Note 19)	**343,500**	343,500	143,125
Core deposits (Note 19)	**262,643**	262,643	109,434
	₱2,114,836	₱1,939,485	₱1,420,123

**Excluding depreciation of ROU asset presented in Occupancy.*

Depreciation charges amounted to ₱625.60 million, ₱611.48 million, and ₱620.50 million in 2024, 2023, and 2022, respectively, for the ROU of the Group and ₱489.73 million, ₱468.68 million, and ₱464.53 million in 2024, 2023, and 2022, respectively, for the ROU of the Parent Bank. This is shown as part of Occupancy in the consolidated and parent bank statements of income.

Under BSP rules, investments in bank premises, furniture, fixtures and equipment should not exceed 50% of the Parent Bank's unimpaired capital. As of December 31, 2024 and 2023, the Parent Bank has satisfactorily complied with this requirement.

17. Investment Properties

The Group's and the Parent Bank's investment properties include several parcels of land and buildings held for rentals and foreclosed properties. The composition of this account are shown below.

	Group		Parent	
	As at December 31		As at December 31	
	2024	2023	**2024**	2023
Cost	**₱13,048,848**	₱11,648,702	**₱11,589,371**	₱10,190,789
Accumulated depreciation	**(3,158,632)**	(2,951,583)	**(2,961,656)**	(2,766,694)
Accumulated impairment loss	**(100,233)**	(104,860)	**(62,903)**	(64,812)
Net carrying amounts	**₱9,789,983**	₱8,592,259	**₱8,564,812**	₱7,359,283

The composition of and movements in the Group's and the Parent Bank's investment properties are shown below.

	Group		
	2024		
	Building Held for Lease	**Foreclosed Properties**	**Total**
Cost			
Balances at January 1	**₱2,533,424**	**₱9,115,278**	**₱11,648,702**
Additions/rescission	**2,526**	**2,270,497**	**2,273,023**
Disposals	**(142)**	**(872,547)**	**(872,689)**
Reclassifications/adjustments	**–**	**(189)**	**(189)**
Balances at December 31	**2,535,808**	**10,513,039**	**13,048,847**
Accumulated Depreciation and Amortization			
Balances at January 1	**842,463**	**2,109,120**	**2,951,583**
Depreciation	**52,883**	**431,545**	**484,428**
Disposals	**–**	**(275,593)**	**(275,593)**
Reclassifications/adjustments	**–**	**(1,786)**	**(1,786)**
Balances at December 31	**895,346**	**2,263,286**	**3,158,632**
Accumulated Impairment Losses			
Balances at January 1	**–**	**104,860**	**104,860**
Reversals on provision for impairment	**–**	**(3,547)**	**(3,547)**
Disposals	**–**	**(1,087)**	**(1,087)**
Reclassifications/adjustments	**–**	**6**	**6**
Balances at December 31	**–**	**100,232**	**100,232**
Net Book Values	**₱1,640,462**	**₱8,149,521**	**₱9,789,983**

	Group		
	2023		
	Building Held for Lease	Foreclosed Properties	Total
Cost			
Balances at January 1	₱2,533,566	₱8,898,967	₱11,432,533
Additions	–	1,716,395	1,716,395
Disposals	(142)	(1,510,760)	(1,510,902)
Reclassifications/adjustments	–	10,676	10,676
Balances at December 31	2,533,424	9,115,278	11,648,702
Accumulated Depreciation and Amortization			
Balances at January 1	789,725	2,312,230	3,101,955
Depreciation	52,738	336,898	389,636
Disposals	–	(545,343)	(545,343)
Reclassifications/adjustments	–	5,335	5,335
Balances at December 31	842,463	2,109,120	2,951,583
Accumulated Impairment Losses			
Balances at January 1	–	71,705	71,705
Reversals on provision for impairment	–	(751)	(751)
Disposals	–	(7,063)	(7,063)
Reclassifications/adjustments	–	40,969	40,969
Balances at December 31	–	104,860	104,860
Net Book Values	₱1,690,961	₱6,901,298	₱8,592,259

	Parent Bank		
	2024		
	Building Held for Lease	**Foreclosed Properties**	**Total**
Cost			
Balances at January 1	**₱2,198,110**	**₱7,992,679**	**₱10,190,789**
Additions	**–**	**2,194,537**	**2,194,537**
Disposals	**–**	**(795,955)**	**(795,955)**
Balances at December 31	**2,198,110**	**9,391,261**	**11,589,371**
Accumulated Depreciation and Amortization			
Balances at January 1	**695,135**	**2,071,559**	**2,766,694**
Depreciation	**45,854**	**419,277**	**465,131**
Disposals	**–**	**(270,169)**	**(270,169)**
Balances at December 31	**740,989**	**2,220,667**	**2,961,656**
Accumulated Impairment Losses			
Balances at January 1	**–**	**64,812**	**64,812**
Reversals on provision for impairment	**–**	**(1,909)**	**(1,909)**
Disposals	**–**	**–**	**–**
Balances at December 31	**–**	**62,903**	**62,903**
Net Book Values	**₱1,457,121**	**₱7,107,691**	**₱8,564,812**
	2023		
Cost			
Balances at January 1	₱2,198,110	₱7,931,807	₱10,129,917
Additions	–	1,522,822	1,522,822
Disposals	–	(1,461,950)	(1,461,950)
Balances at December 31	2,198,110	7,992,679	10,190,789
Accumulated Depreciation and Amortization			
Balances at January 1	649,281	2,284,884	2,934,165
Depreciation	45,854	328,388	374,242
Disposals	–	(541,713)	(541,713)
Balances at December 31	695,135	2,071,559	2,766,694
Accumulated Impairment Losses			
Balances at January 1	–	71,703	71,703
Reversals on provision for impairment	–	(787)	(787)
Disposals	–	(6,104)	(6,104)
Balances at December 31	–	64,812	64,812
Net Book Values	₱1,502,975	₱5,856,308	₱7,359,283

Real property taxes related to these investment properties paid by the Group and recognized as expense totaled ₱50.03 million, ₱48.29 million, and ₱41.24 million, in 2024, 2023, and 2022, respectively. Real property taxes related to these investment properties paid by the Parent Bank and recognized as expense totaled ₱45.49 million, ₱43.92 million, and ₱35.25 million, in 2024, 2023, and 2022, respectively. These are presented as part of Taxes and licenses account under Other expenses in the statements of income.

Rent income, included as part of Rental account under Miscellaneous income in the statement of income (see Note 28), amounted to ₱150.41 million, ₱118.56 million, and ₱209.60 million in 2024, 2023, and 2022, respectively, earned by the Group on its investment properties under operating leases. Rent income, included as part of Rental account under Miscellaneous income in the statement of income (see Note 28), amounted to ₱199.44 million, ₱171.67 million, and ₱146.89 million in 2024, 2023, and 2022, respectively, earned by the Parent Bank on its investment properties under operating leases.

The gain on foreclosure of loan collaterals, presented as part of Miscellaneous income in the statements of income (see Note 28), amounted to ₱1.20 billion, ₱751.94 4 million and ₱466.39 million in 2024, 2023, and 2022, respectively, for the Group and ₱1.17 billion, ₱679.75 million and ₱466.39 million in 2024, 2023, and 2022, respectively for the Parent Bank.

The gain on disposal of foreclosed properties, presented as part of Miscellaneous income in the statements of income (see Note 28), amounted to ₱496.10 million, ₱1.02 billion, and ₱1.22 billion in 2024, 2023, and 2022, respectively, for the Group, and ₱610.72 million, ₱1.11 billion, and ₱1,19 billion in 2024, 2023, and 2022, respectively, for the Parent Bank.

Information about the fair value of investment properties is presented in Note 7.

18. Goodwill

Goodwill represents the excess of the acquisition cost over the fair value arising from the acquisitions of (a) former iBank's in April 2006; (b) CSB in January 2013, (c) PR Savings Bank by CSB in June 2018, (d) PETNET in December 2018, (e) Bangko Kabayan in March 2020, and (f) Citigroup Inc.'s consumer banking business in the Philippines in August 2022 (see Note 1).

None of the goodwill recognized is expected to be deductible for income tax purposes.

For impairment testing purposes, the goodwill of the Group acquired through business combinations is allocated to the following CGUs:

a. With respect to acquisition of iBank, to the Parent Bank's Retail Banking and Parent Bank's Institutional Banking;
b. With respect to the goodwill from the acquisition of CSB and PR Savings Bank, to CSB's DepEd salary loans business and motorcycle loans business, respectively;
c. With respect to the goodwill from the acquisition of PETNET, the separate cash generating unit of PETNET at entity level;
d. With respect to the goodwill from the acquisition of Bangko Kabayan, the separate cash generating unit of Bangko Kabayan at entity level; and,
e. With respect to the goodwill from the acquisition of Citigroup Inc.'s consumer banking business in the Philippines, the separate cash generating unit of (i) credit card and personal loans products within the consumer banking business; and (ii) UFSI at entity level

The goodwill of the Group and the Parent Bank is allocated to the following CGUs:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Parent Bank				
Parent Bank's Credit card/Personal Loan Business	**₱35,452,798**	₱35,452,798	**₱35,452,798**	₱35,452,798
Parent Bank's Institutional Banking	**3,208,998**	3,208,998	**3,208,998**	3,208,998
Parent Bank's Retail Banking	**4,677,900**	4,677,900	**4,677,900**	4,677,900
	43,339,696	43,339,696	**43,339,696**	43,339,696
CSB				
CSB's DepEd Salary Loans Business	**3,371,353**	3,371,353	–	–
CSB's Motorcycle Loans Business*	**2,729,424**	2,729,424	–	–
	6,100,777	6,100,777	–	–
UFSI	**3,720,835**	3,720,835	–	–
PETNET	**715,118**	715,118	**–**	–
Bangko Kabayan	**116,139**	116,139	**–**	–
	₱53,992,565	₱53,992,565	**₱43,339,696**	₱43,339,696

**Goodwill of ₱3.48 billion, net of accumulated impairment recognized of ₱752.77 million, arising from the acquisition of PR Savings Bank.*

In July 2023, the Bank completed the allocation of goodwill arising from the acquisition of Citigroup's consumer banking business in the Philippines to the CGUs. As allowed by PFRS, the Bank allocated the goodwill to the individual CGU or an aggregation of a group of CGUs that are expected to benefit from the synergies arising from the acquisition, which includes (i) a group of CGUs within the Consumer Banking Group, comprising of the Bank's credit card and personal loans business; and (ii) UFSI at entity level.

The Group performs its annual impairment test in December of each year, unless indicators for impairment warrant earlier reassessment. The Group considers various internal and external sources of information in assessing whether there is any indication that goodwill is impaired including if there are significant changes with an adverse effect on the CGUs that have taken place during the period in the technological, market, economic or legal environment in which the Group operates.

The recoverable amount of the Group's CGUs has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The key assumptions in VIU calculation of CGUs which are most sensitive include the long-term growth rate and discount rate. Future cash flows and growth rates were based on historical experiences and strategies developed. The discount rate used for the computation of the net present value is the weighted average cost of capital and was determined by reference to a comparable entity, market observable inputs and assumptions consistent with the valuation practice. Refer to Note 3 for the disclosure of assumptions used in the impairment assessment.

In 2024 and 2023, the Group performed its annual impairment test and noted that there is no impairment to be recognized for the CGUs (see Note 3).

19. Other Resources

The composition of Other resources account as of December 31 follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Deferred tax assets (Note 30)	**₱10,481,236**	₱9,680,031	**₱7,365,133**	₱7,710,187
Computer software - net	**10,168,398**	5,327,888	**7,466,441**	3,182,556
Software under development	**7,807,156**	9,650,075	**7,807,156**	9,650,075
Customer relationships - net	**3,978,875**	4,322,375	**3,978,875**	4,322,375
Core deposits - net	**3,137,029**	3,426,743	**3,042,280**	3,304,923
Deferred charges	**1,766,909**	1,229,215	**1,423,915**	819,419
Prepaid expenses	**1,698,664**	1,032,466	**720,850**	714,724
Sundry debits	**1,549,047**	246,755	**1,549,021**	246,755
Creditable withholding taxes	**1,259,698**	1,449,688	**1,173,413**	1,329,675
Advances and other investments	**1,142,469**	1,614,541	**1,065,905**	1,525,288
Documentary stamps	**592,820**	778,537	**292,757**	428,597
Net retirement asset (Note 29)	**129,020**	189,241	**–**	–
Miscellaneous	**3,086,465**	4,260,518	**639,980**	1,888,519
	46,797,786	43,208,073	**36,525,726**	35,123,093
Allowance for impairment (Note 20)	**(112,644)**	(43,256)	**(3,771)**	(3,771)
	₱46,685,142	₱43,164,817	**₱36,521,955**	₱35,119,322

As of December 31, 2024 and 2023, the Miscellaneous includes chattels, motorcycle and automobiles, security deposits and ongoing improvements on the Group's and the Parent Bank's branches and offices.

Movements in the Computer software, Customer relationship and Core deposits accounts follow:

	Group		
	Computer Software	**Customer Relationship**	**Core Deposits**
Balances at January 1, 2024, net of accumulated amortization	**₱5,327,888**	**₱4,322,375**	**₱3,426,743**
Additions	**5,604,479**	**–**	**–**
Amortization charges for the year	**(758,880)**	**(343,500)**	**(289,714)**
Reclassifications/adjustments	**(5,089)**	**–**	**–**
Balances at December 31, 2024, net of accumulated amortization	**₱10,168,398**	**₱3,978,875**	**₱3,137,029**
Balances at January 1, 2023, net of accumulated amortization	₱3,836,706	₱4,665,875	₱3,716,457
Additions	2,340,414	–	–
Amortization charges for the year	(595,876)	(343,500)	(289,714)
Reclassifications/adjustments	(253,356)	–	–
Balances at December 31, 2023, net of accumulated amortization	₱5,327,888	₱4,322,375	₱3,426,743

	Parent Bank		
	Computer Software	**Customer Relationship**	**Core Deposit**
Balances at January 1, 2024, net of accumulated amortization	**₱3,182,556**	**₱4,322,375**	**₱3,304,923**
Additions	**4,701,527**	**–**	**–**
Amortization charges for the year	**(417,642)**	**(343,500)**	**(262,643)**
Balances at December 31, 2024, net of accumulated amortization	**₱7,466,441**	**₱3,978,875**	**₱3,042,280**
Balances at January 1, 2023, net of accumulated amortization	₱1,499,300	₱4,665,875	₱3,567,566
Additions	1,999,658	–	–
Amortization charges for the year	(316,402)	(343,500)	(262,643)
Balances at December 31, 2023, net of accumulated amortization	₱3,182,556	₱4,322,375	₱3,304,923

20. Allowance for Impairment

The breakdown of allowance for impairment is shown in the table below:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Receivable from customers (Note 14)	**₱22,870,642**	₱19,166,486	**₱17,194,228**	₱13,415,639
Other receivables (Note 14)	**1,208,606**	844,323	**781,187**	600,060
Investments and placements (Notes 9, 12 and 13)	**330,518**	316,638	**327,718**	312,518
Others	**212,876**	148,116	**66,674**	68,583
	₱24,622,642	₱20,475,563	**₱18,369,807**	₱14,396,800

Allowance for impairment of investments and placements include the Group's and the Parent Bank's financial assets at amortized cost, debt financial assets at FVOCI, due from other banks and interbank loans receivable. Others refer to allowance for impairment of investment properties and other resources.

With the foregoing level of allowance for impairment and credit losses, management believes that the Group has sufficient allowance for any losses that the Group may incur from the non-collection or nonrealization of its receivables and other risk assets.

The reconciliation of allowance for the total receivables from customers follows.

Group - Total Receivables from Customers

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱3,603,258**	**₱1,357,576**	**₱14,205,652**	**₱19,166,486**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**973,475**	**–**	**–**	**973,475**
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2024	**–**	**571,884**	**2,116,811**	**2,688,695**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(264,290)**	**(131,573)**	**376,960**	**(18,903)**
Amounts written-off	**–**	**–**	**(15,188,874)**	**(15,188,874)**
Transfers to Stage 1	**446,020**	**(106,391)**	**(339,629)**	**–**
Transfers to Stage 2	**(259,449)**	**429,452**	**(170,003)**	**–**
Transfers to Stage 3	**(706,942)**	**(845,598)**	**1,552,540**	**–**
Impact on ECL of exposures transferred between stages	**(170,489)**	**862,991**	**14,557,261**	**15,249,763**
Balances at end of year	**₱3,621,583**	**₱2,138,341**	**₱17,110,718**	**₱22,870,642**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱2,475,127	₱1,037,808	₱10,525,750	₱14,038,685
Newly originated assets that remained in Stage 1 as of December 31, 2023	1,223,586	–	–	1,223,586
Effect of collections and other movements in receivable balance (excluding write-offs), and impact of changes in ECL model and assumptions	648,930	597,385	432,500	1,678,815
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2023	–	372,563	3,074,350	3,446,913
Amounts written-off	–	–	(3,790,909)	(3,790,909)
Transfers to Stage 1	613,455	(384,742)	(228,713)	–
Transfers to Stage 2	(85,165)	195,996	(110,831)	–
Transfers to Stage 3	(835,409)	(1,041,152)	1,876,561	–
Impact on ECL of exposures transferred between stages	(437,266)	580,080	2,426,582	2,569,396
Balances at end of year	₱3,603,258	₱1,357,578	₱14,205,650	₱19,166,486

Parent Bank - Total Receivables from Customers

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱3,215,569**	**₱1,186,605**	**₱9,013,465**	**₱13,415,639**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**780,611**	**–**	**–**	**780,611**
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2024	**–**	**533,265**	**1,499,425**	**2,032,690**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(402,457)**	**(102,472)**	**508,332**	**3,403**
Transfers to Stage 1	**412,044**	**(100,408)**	**(311,636)**	**–**
Transfers to Stage 2	**(169,836)**	**326,665**	**(156,829)**	**–**
Transfers to Stage 3	**(368,103)**	**(722,880)**	**1,090,983**	**–**
Impact on ECL of exposures transferred between stages	**(370,354)**	**853,347**	**9,443,591**	**9,926,584**
Amounts written-off	**–**	**–**	**(8,964,699)**	**(8,964,699)**
Balances at end of year	**₱3,097,474**	**₱1,974,122**	**₱12,122,632**	**₱17,194,228**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱1,697,803	₱829,162	₱6,650,072	₱9,177,037
Newly originated assets that remained in Stage 1 as of December 31, 2023	947,769	–	–	947,769
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2023	–	230,571	1,225,536	1,456,107
Effect of collections and other movements in receivable balance (excluding write-offs), and impact of changes in ECL model and assumptions	776,814	570,969	(237,679)	1,110,104
Transfers to Stage 1	562,996	(363,160)	(199,836)	–
Transfers to Stage 2	(71,785)	175,513	(103,728)	–
Transfers to Stage 3	(165,728)	(820,287)	986,015	–
Impact on ECL of exposures transferred between stages	(532,300)	563,837	3,096,437	3,127,974
Amounts written-off	–	–	(2,403,352)	(2,403,352)
Balances at end of year	₱3,215,569	₱1,186,605	₱9,013,465	₱13,415,639

Reconciliation of the allowance for impairment by class follows:

Group and Parent Bank - Corporate Loans -

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱68,149**	**₱190,708**	**₱100,977**	**₱359,834**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**17,672**	**–**	**–**	**17,672**
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2024	**–**	**11,142**	**165,048**	**176,190**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(52,185)**	**(16,499)**	**(100,976)**	**(169,660)**
Transfers to Stage 2	**(1,706)**	**1,706**	**–**	**–**
Transfers to Stage 3	**(20)**	**–**	**20**	**–**
Impact on ECL of exposures transferred between stages	**–**	**1,503**	**7,270**	**8,773**
Balances at end of year	**₱31,910**	**₱188,560**	**₱172,339**	**₱392,809**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱48,511	₱233,297	₱141,586	₱423,394
Newly originated assets that remained in Stage 1 as of December 31, 2023	50,036	–	–	50,036
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2023	–	12,840	–	12,840
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	(29,534)	(64,028)	(40,609)	(134,171)
Transfers to Stage 2	(864)	864	–	–
Impact on ECL of exposures transferred between stages	–	7,735	–	7,735
Balances at end of year	₱68,149	₱190,708	₱100,977	₱359,834

In 2024 and 2023, there were no write-offs for corporate loans.

Group and Parent Bank - Commercial Loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱289,655**	**₱91,694**	**₱4,704,401**	**₱5,085,750**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**179,222**	**–**	**–**	**179,222**
Newly originated assets that moved to Stage 2 & 3 as of December 31, 2024	**–**	**124,224**	**129,872**	**254,096**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(256,115)**	**(55,304)**	**868,032**	**556,613**
Transfers to Stage 1	**–**	**–**	**–**	**–**
Transfers to Stage 2	**(20,756)**	**20,756**	**–**	**–**
Transfers to Stage 3	**(797)**	**(35,702)**	**36,499**	**–**
Impact on ECL of exposures transferred between stages	**–**	**(19,308)**	**108,019**	**88,711**
Balances at end of year	**₱191,209**	**₱126,360**	**₱5,846,823**	**₱6,164,392**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱315,049	₱245,527	₱2,896,794	₱3,457,370
Newly originated assets that remained in Stage 1 as of December 31, 2023	237,326	–	–	237,326
Newly originated assets that moved to Stage 2 & 3 as of December 31, 2023	–	81,184	661,092	742,276
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	(262,786)	(88,412)	(1,146)	(352,344)
Transfers to Stage 1	16,552	(13,674)	(2,878)	–
Transfers to Stage 2	(56)	56	–	–
Transfers to Stage 3	(440)	(136,715)	137,155	–
Impact on ECL of exposures transferred between stages	(15,990)	3,728	1,013,384	1,001,122
Balances at end of year	₱289,655	₱91,694	₱4,704,401	₱5,085,750

In 2024 and 2023, there were no write-offs for commercial loans.

Group and Parent Bank - Home Loans

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱471,644**	**₱84,063**	**₱1,628,257**	**₱2,183,964**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**43,593**	**–**	**–**	**43,593**
Newly originated assets that moved to Stage 3 as of December 31, 2024	**–**	**9,336**	**27,303**	**36,639**
Impact of changes in ECL model and assumptions, and effect of collections and other movements in receivable balance (excluding write-offs).	**(173,950)**	**26,901**	**(299,479)**	**(446,528)**
Transfers to Stage 1	**264,019**	**(27,405)**	**(236,614)**	**–**
Transfers to Stage 2	**(9,370)**	**137,040**	**(127,670)**	**–**
Transfers to Stage 3	**(10,631)**	**(32,043)**	**42,674**	**–**
Impact on ECL of exposures transferred between stages	**(236,153)**	**23,127**	**523,215**	**310,189**
Amounts written-off	**–**	**–**	**–**	**–**
Balances at end of year	**₱349,152**	**₱221,019**	**₱1,557,686**	**₱2,127,857**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱475,196	₱33,831	₱1,247,656	₱1,756,683
Newly originated assets that remained in Stage 1 as of December 31, 2023	262,545	–	–	262,545
Newly originated assets that moved to Stage 3 as of December 31, 2023	–	5,941	58,264	64,205
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	(244,869)	(1,177)	(179,197)	(425,243)
Transfers to Stage 1	152,585	(9,053)	(143,532)	–
Transfers to Stage 2	(13,082)	60,764	(47,682)	–
Transfers to Stage 3	(13,898)	(14,513)	28,411	–
Impact on ECL of exposures transferred between stages	(146,833)	8,270	669,270	530,707
Amounts written-off	–	–	(3,847)	(3,847)
Balances at end of year	₱471,644	₱84,063	₱1,629,343	₱2,185,050

Consumer Products - Group and Parent Bank

Consumer Products include auto loans, business line, credit cards, personal loans and SME financial products.

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱2,356,872**	**₱807,939**	**₱2,310,723**	**₱5,475,534**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**524,922**	**–**	**–**	**524,922**
Newly originated assets that moved to Stage 3 as of December 31, 2024	**–**	**383,692**	**1,118,915**	**1,502,607**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**96,882**	**(58,787)**	**79,646**	**117,741**
Transfers to Stage 1	**144,665**	**(72,745)**	**(71,920)**	**–**
Transfers to Stage 2	**(137,951)**	**166,648**	**(28,697)**	**–**
Transfers to Stage 3	**(355,576)**	**(648,196)**	**1,003,772**	**–**
Impact on ECL of exposures transferred between stages	**(130,961)**	**846,374**	**8,722,748**	**9,438,161**
Amounts written-off	**–**	**–**	**(8,926,891)**	**(8,926,891)**
Balances at end of year	**₱2,498,853**	**₱1,424,925**	**₱4,208,296**	**₱8,132,074**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱755,729	₱168,100	₱2,140,699	₱3,064,528
Newly originated assets that remained in Stage 1 as of December 31, 2023	391,493	–	–	391,493
Newly originated assets that moved to Stage 3 as of December 31, 2023	–	125,613	461,065	586,678
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	1,392,981	817,718	(21,238)	2,189,461
Transfers to Stage 1	385,702	(333,427)	(52,275)	–
Transfers to Stage 2	(57,633)	113,570	(55,937)	–
Transfers to Stage 3	(89,918)	(581,278)	671,196	–
Impact on ECL of exposures transferred between stages	(361,479)	538,489	1,417,450	1,594,460
Amounts written-off	(60,003)	(40,846)	(2,250,237)	(2,351,086)
Balances at end of year	₱2,356,872	₱807,939	₱2,310,723	₱5,475,534

CSB Salary Loans – Group

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱132,173**	**₱44,336**	**₱1,068,123**	**₱1,244,632**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**15,718**	**–**	**–**	**15,718**
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2024	**–**	**13,144**	**96,472**	**109,616**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**295,627**	**10,635**	**140,861**	**447,123**
Transfers to Stage 1	**435**	**(426)**	**(9)**	**–**
Transfers to Stage 2	**(86,660)**	**86,666**	**(6)**	**–**
Transfers to Stage 3	**(320,313)**	**(49,545)**	**369,858**	**–**
Amounts written-off	**–**	**–**	**(668,056)**	**(668,056)**
Balances at end of year	**₱36,980**	**₱104,810**	**₱1,007,243**	**₱1,149,033**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱270,800	₱174,497	₱849,136	₱1,294,433
Newly originated assets that remained in Stage 1 as of December 31, 2023	83,820	–	–	83,820
Newly originated assets that moved to Stage 2 and Stage 3 as of December 31, 2023	–	33,937	150,906	184,843
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	(234,675)	(118,435)	34,646	(318,464)
Transfers to Stage 1	23,974	(14,939)	(9,035)	–
Transfers to Stage 2	(4,016)	5,445	(1,429)	–
Transfers to Stage 3	(7,730)	(36,169)	43,899	–
Amounts written-off	–	–	–	–
Balances at end of year	₱132,173	₱44,336	₱1,068,123	₱1,244,632

Other Receivables from Customers

Other receivables from customers of the Group and the Parent Bank include small portfolios such as, with respect to the Parent Bank (i) HR loans, (ii) bills purchased and (iii) customer liabilities under acceptances, (iv) home credit receivables, (v) teacher’s loans acquired from CSB and, with respect to the subsidiaries, (i) personal loans, and (ii) motorcycle loans.

Group

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱284,765**	**₱138,836**	**₱4,393,171**	**₱4,816,772**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**192,348**	–	–	**192,348**
Newly originated assets that moved to Stage 3 as of December 31, 2024	**–**	**30,346**	**579,201**	**609,547**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(174,549)**	**(38,519)**	**(311,124)**	**(524,192)**
Transfers to Stage 1	**36,902**	**(5,815)**	**(31,087)**	–
Transfers to Stage 2	**(3,006)**	**16,636**	**(13,630)**	–
Transfers to Stage 3	**(19,605)**	**(80,112)**	**99,717**	–
Impact on ECL of exposures transferred between stages	**196,624**	**11,295**	**5,196,010**	**5,403,929**
Amounts written-off	**–**	**–**	**(5,593,927)**	**(5,593,927)**
Balances at end of year	**₱513,479**	**₱72,667**	**₱4,318,331**	**₱4,904,477**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱609,842	₱182,554	₱3,249,881	₱4,042,277
Newly originated assets that remained in Stage 1 as of December 31, 2023	198,366	–	–	198,366
Newly originated assets that moved to Stage 3 as of December 31, 2023	–	113,048	1,743,023	1,856,071
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	73,981	54,526	561,414	689,921
Transfers to Stage 1	34,642	(13,649)	(20,993)	–
Transfers to Stage 2	(9,514)	15,297	(5,783)	–
Transfers to Stage 3	(663,420)	(231,991)	895,411	–
Impact on ECL of exposures transferred between stages	40,867	19,053	(593,807)	(533,887)
Amounts written-off	–	–	(1,435,976)	(1,435,976)
Balances at end of year	₱284,764	₱138,838	₱4,393,170	₱4,816,772

Parent Bank

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱29,249**	**₱12,201**	**₱269,107**	**₱310,557**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**15,202**	–	–	**15,202**
Newly originated assets that moved to Stage 3 as of December 31, 2024	**–**	**4,871**	**58,287**	**63,158**
Impact of changes in ECL model and assumptions and effect of collections and other movements in receivable balance (excluding write-offs).	**(17,089)**	**1,217**	**(38,891)**	**(54,763)**
Transfers to Stage 1	**3,360**	**(258)**	**(3,102)**	**–**
Transfers to Stage 2	**(53)**	**515**	**(462)**	**–**
Transfers to Stage 3	**(1,079)**	**(6,939)**	**8.018**	**–**
Impact on ECL of exposures transferred between stages	**(3,240)**	**1,651**	**82,339**	**80,750**
Amounts written-off	**–**	**–**	**(37,808)**	**(37,808)**
Balances at end of year	**₱26,350**	**₱13,258**	**₱337,488**	**₱377,096**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱103,319	₱148,405	₱223,338	₱475,062
Newly originated assets that remained in Stage 1 as of December 31, 2023	6,369	–	–	6,369
Newly originated assets that moved to Stage 3 as of December 31, 2023	–	4,993	45,115	50,108
Effect of collections and other movements in receivable balance (excluding write-offs), and impact of changes in ECL model and assumptions	(78,979)	(93,130)	5,596	(166,513)
Transfers to Stage 1	8,157	(7,006)	(1,151)	–
Transfers to Stage 2	(150)	259	(109)	–
Transfers to Stage 3	(1,469)	(46,935)	48,404	–
Impact on ECL of exposures transferred between stages	(7,998)	5,615	(3,667)	(6,050)
Amounts written-off	–	–	(48,419)	(48,419)
Balances at end of year	₱29,249	₱12,201	₱269,107	₱310,557

Investments and Placements

Group

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱37,997**	**₱278,641**	**₱–**	**₱316,638**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**6,971**	–	–	**6,971**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(2,968)**	**9,878**	–	**6,910**
Balances at end of year	**₱42,000**	**₱288,519**	**₱–**	**₱330,519**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱44,176	₱291,487	₱–	₱335,663
Newly originated assets that remained in Stage 1 as of December 31, 2023	15,103	–	–	15,103
Effect of collections and other movements in receivable balance (excluding write-offs)	–	3,456	–	3,456
Impact of changes in ECL model and assumptions	(21,282)	(16,302)	–	(37,584)
Balances at end of year	₱37,997	₱278,641	₱–	₱316,638

Parent Bank

	2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances at beginning of year	**₱33,877**	**₱278,641**	**₱–**	**₱312,518**
Newly originated assets that remained in Stage 1 as of December 31, 2024	**6,971**	–	–	**6,971**
Newly originated assets that moved to Stage 2 as of December 31, 2024	–	–	–	–
Effect of collections and other movements in receivable balance (excluding write-offs)	**(1,649)**	**9,878**	–	**8,229**
Balances at end of year	**₱39,199**	**₱288,519**	**₱–**	**₱327,718**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Balances at beginning of year	₱40,056	₱291,487	₱–	₱331,543
Newly originated assets that remained in Stage 1 as of December 31, 2023	15,103	–	–	15,103
Newly originated assets that moved to Stage 2 as of December 31, 2023	–	3,456	–	3,456
Effect of collections and other movements in receivable balance (excluding write-offs)	(21,282)	(16,302)	–	(37,584)
Balances at end of year	₱33,877	₱278,641	₱–	₱312,518

21. Deposit Liabilities

The breakdown of deposit liabilities account follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Due to banks:				
Demand	**₱1,177,426**	₱1,223,082	**₱1,177,399**	₱1,223,082
Savings	**266,068**	264,879	**228,263**	264,021
Time	**31,865**	188,340	**17,241**	185,765
	1,475,359	1,676,301	**1,422,903**	1,672,868
Due to customers:				
Demand	**230,200,543**	232,059,602	**231,506,045**	233,005,285
Savings	**215,276,830**	195,599,454	**208,153,412**	189,798,530
Time	**229,370,064**	283,233,051	**131,399,530**	173,078,710
	674,847,437	710,892,107	**571,058,987**	595,882,525
	₱676,322,796	₱712,568,408	**₱572,481,890**	₱597,555,393

The breakdown of deposit liabilities account as to currency follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Philippine pesos	**₱541,061,450**	₱616,554,615	**₱437,219,348**	₱501,541,600
Foreign currencies	**135,261,346**	96,013,793	**135,262,542**	96,013,793
	₱676,322,796	₱712,568,408	**₱572,481,890**	₱597,555,393

Deposit liabilities bear annual fixed interest rates ranging from 0.00% to 7.50% in 2024, from 0.00% to 7.00% in 2023, and from 0.00% to 8.00% in 2022 for the Group and from 0.03% to 5.10% in 2024, from 0.00% to 6.00% in 2023, and from 0.00% to 5.75% in 2022 for the Parent Bank.

Interest expense on the deposit liabilities amounted to ₱12.49 billion, ₱15.79 billion, and ₱6.02 billion in 2024, 2023, and 2022, respectively, in the Group's statements of income, and ₱5.78 billion, ₱9.46 billion, and ₱4.20 billion in 2024, 2023, and 2022, respectively, in the Parent Bank's statements of income.

Under existing BSP regulations at the start of 2023, non-FCDU deposit liabilities of the Bank are subject to unified reserve requirement equivalent to 12.0% (under BSP Circular No. 1092). In 2023, BSP Circular No. 1175 reduced the reserve requirement to 9.5%, 6.0%, 2.0% and 1.0% for universal and commercial banks, digital banks, thrift banks, and rural banks, respectively, effective reserve week June 30, 2023. In 2024, BSP Circular No. 1201 further reduced the reserve requirement to 7.0%, 4.0%, 1.0% and nil, for universal and commercial banks, digital banks, thrift banks, and rural banks, respectively, effective reserve week beginning October 25, 2024.

Required reserves as of December 31, 2024 and 2023 amounted to ₱32.04 billion and ₱56.97 billion, respectively, for the Group, and ₱30.51 billion and ₱53.96 billion, respectively, for the Parent Bank (see Note 8).

22. **Bills Payable**

Bills payable consist of borrowings from:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Banks, other financial institutions and individuals	**₱162,009,917**	₱154,975,282	**₱125,923,180**	₱120,056,162
Others	**246,462**	312,647	**246,462**	302,974
	₱162,256,379	₱155,287,929	**₱126,169,642**	₱120,359,136

Bills payable to banks and other financial institutions consist mainly of amortized cost balance of short, medium and long-term borrowings. Certain bills payable to banks and other financial institutions are collateralized by investment securities (see Notes 12 and 37).

Other bills payable of the Group mainly pertain to availments of short-term loan lines from certain related parties (see Note 32).

The breakdown of bills payable as to currency follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Philippine pesos	**₱89,022,209**	₱70,451,542	**₱52,935,472**	₱35,522,749
Foreign currencies	**73,234,170**	84,836,387	**73,234,170**	84,836,387
	₱162,256,379	₱155,287,929	**₱126,169,642**	₱120,359,136

The breakdown of interest expense on bills payable, which is presented as part of Interest expense on bills payable and other liabilities account in the statements of income, follows:

	Group			Parent Bank		
	2024	2023	2022	**2024**	2023	2022
Banks, other financial institutions and individuals	**₱10,162,425**	₱8,466,972	₱3,002,685	**₱7,647,926**	₱6,263,551	₱1,621,975
BSP	**–**	87,028	–	**–**	87,028	–
Others	**272**	327	485	**272**	327	485
	₱10,162,697	₱8,554,327	₱3,003,170	**₱7,648,198**	₱6,350,906	₱1,622,460

In November 2022, the Parent Bank raised $358 million 3-year syndicated loan facility. The proceeds were used to partially refinance the USD Senior Medium Term Notes, which matured on November 29, 2022 (see Note 23).

The range of interest rates of bills payable per currency follows:

	Group and Parent Bank		
	2024	2023	2022
Philippine pesos	**6.10% to 8.37%**	3.50% to 8.37%	1.88% to 8.37%
Foreign currencies	**1.20% to 4.90%**	0.32% to 6.41%	1.06% to 5.23%

23. Notes and Bonds Payable

The Group's and the Parent Bank's notes and bonds payable as of December 31, 2024 and 2023 consist of the following:

	Coupon Interest	Principal Amount	Outstanding Balance **December 31, 2024**	 December 31, 2023	Issue Date	Maturity Date	First Call Option Date
USD Senior Medium Term Notes Due 2025	2.125%	₱17,353,500	**₱17,333,327**	₱16,568,058	October 22, 2020	October 22, 2025	
Peso Senior Series F Bonds Due 2025	6.563%	10,338,500	**10,296,528**	10,269,590	December 5, 2023	June 5, 2025	
USD Social Bonds Due 2028	6.579%*	8,676,750	**8,647,015**	8,266,271	July 23, 2021	July 23, 2028	
Peso Senior Series G Bonds Due 2026	6.680%	7,829,500	**7,792,794**	7,739,007	December 5, 2023	December 5, 2026	
Unsecured Subordinated Tier 2 Notes Due 2030 Callable in 2025	5.250%	6,800,000	**6,768,021**	6,762,293	February 24, 2020	May 24, 2030	May 24, 2025
Peso Senior Series D Bonds Due 2026	3.375%	885,000	**886,602**	888,408	December 9, 2020	March 9, 2026	
Total for Parent Bank		51,883,250	**51,724,287**	50,493,627			
Peso Social Bond	6.535%	5,864,500	**5,841,295**	–	June 20, 2024	June 21, 2027	
Total for Group		₱57,747,750	**₱57,565,582**	₱50,493,627			

**floating interest rate based on prevailing SOFR as of December 31, 2024*

USD Senior Medium Term Notes Due 2025

These USD300 million Senior Medium Term Notes Due 2025 were issued under the updated USD2 Billion MTN Programme of the Parent Bank and were also rated Baa2 by Moody's. The Notes were also listed on the Singapore Exchange Securities Trading Limited.

The Notes will constitute direct, unconditional, unsubordinated and (subject to the Terms and Conditions of the issuance) unsecured obligations of the Parent Bank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Parent Bank from time to time outstanding.

Peso Senior Series F Bonds Due 2025 and Peso Senior Series G Bonds Due 2026

On December 5, 2023, the Bank issued and listed on the PDEx its ₱18.17 billion of Peso denominated fixed rate bonds via a dual tranche offering. This is the largest bond issuance by the Bank from its ₱50.00 billion Bonds Program, which received strong demand from both retail and institutional investors. This enabled the Bank to upsize the issuance to over nine times its initial minimum offer size of ₱2.00 billion for the two tranches.

The 1.5Y Series F Bonds due 2025 raised a total of ₱10.34 billion and carries an interest rate of 6.56% per annum while the 3Y Series G Bonds due 2026 raised a total of ₱7.83 billion and carries an interest rate of 6.68% per annum (collectively, the "New Bonds").

Concurrent with the issuance of the New Bonds, the Bank also implemented the country's first public non-sovereign bond exchange which extended to the holders of its Php8.12 billion 2.75% Fixed Rate Series C Bonds due December 9, 2023 (the "Exchangeable Bonds") the option to sell to UnionBank such Exchangeable Bonds in exchange for subscription to any of the New Bonds (the "Bond Exchange"). The Bond Exchange settlement date was on December 4, 2023, with ₱236.70 million of Exchangeable Bonds to be exchanged with the New Bonds.

USD Social Bonds Due 2028

The International Finance Corporation (IFC) invested in a USD150 million social bond issued by the Bank under its sustainable finance framework. The social bond carries a floating rate interest and is unsecured. It is the first social bond by the Parent Bank and its longest-term USD-denominated bond to date. Proceeds from the bond were used to finance loans to micro, small and medium-sized enterprises (MSMEs).

The Parent Bank shall at all times maintain, and abstain from any action which may result in the breach of, several financial parameters provided in the subscription agreement with IFC.

Unsecured Subordinated Tier 2 Notes Due 2030 Callable in 2025

The Basel III-compliant Unsecured Subordinated Tier 2 Notes were issued by the Parent Bank under its BSP-approved issuance of ₱20.0 Billion Unsecured Subordinated Notes Qualifying as Tier 2 Capital.

Unless the Notes are previously redeemed, the Initial Interest Rate will be reset at the equivalent of the Initial Spread per annum plus the Benchmark as of Reset Date as defined in the Terms and Conditions of the Notes. Subject to certain conditions, the BSP Guidelines, and the Terms and Conditions, the Parent Bank may redeem the Notes in whole and not only in part on the Redemption Option Date at 100% of the face value of the Notes, plus accrued and unpaid interest as of but excluding the Redemption Option Date.

The Notes have a loss absorption feature which means the Notes are subject to a Non-Viability Write-Down in case of a Non-Viability Trigger Event. A Non-Viability Trigger Event is deemed to have occurred when the Issuer is considered non-viable as determined by the BSP.

The Tier II Notes constitute a direct, unconditional, fixed, unsecured and subordinated obligation of the Bank. Claims in respect of the Tier II Notes will rank: (a) junior to the claims of holders of all deposits and general creditors of the Bank; (b) *pari passu* with obligations of the Bank that are, expressly or by applicable laws, subordinated so as to rank *pari passu* with claims in respect of securities constituting “Tier 2” capital of the Bank; and (c) senior to (i) the claims for payment of any obligation that, expressly or by applicable law, is subordinated to the Tier II Notes, (ii) the claims in respect of securities constituting “Tier 1” capital of the Bank, and (iii) the rights and claims of holders of equity shares of the Bank.

Peso Senior Series D Bonds Due 2026

These fixed rate Senior Series Bonds Due 2026 amounting to ₱885.0 million formed part of the Bank’s dual-tranche issuance on December 9, 2020. The Bonds were issued under the existing ₱39 Billion Corporate Bonds Program of the Bank.

The Bank may, at its sole option and subject to the Terms and Conditions of the issuance, redeem the Bonds at par plus accrued interest (if any), without premium or penalty, as of but excluding the Early Redemption Date. The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Bank.

CSB Peso Social Bond Due 2027
IFC subscribed to fixed-rate ₱5.8 billion social bond issued by CSB to finance CSB's lending operations in respect of Eligible Sub-loans in accordance with the ICMA and ASEAN Social Bond Principles and this Agreement. The social bond shall rank at least pari passu with the claims of all its other senior and unsubordinated creditors, except for the obligations mandatorily preferred established under Philippine laws.

CSB shall at all times maintain and abstain from any action, which may result in the breach of the "Conditions of Subscription" with IFC.

The interest expense on notes and bonds payable amounted to ₱2.91 billion, ₱2.12 billion, and ₱2.49 billion in 2024, 2023, and 2022, respectively, for the Group, and ₱2.64 billion, ₱2.08 billion, and ₱2.47 billion in 2024, 2023, and 2022, respectively, for the Parent Bank. These are included under Interest Expense on Bills payable and other liabilities account in the statements of income.

As of December 31, 2024 and 2023, the Group is in compliance with all the debt covenants on the above notes and bonds.

24. Others Liabilities

Other liabilities consist of the following as of December 31:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Accounts payable	**₱14,650,894**	₱14,715,682	**₱13,380,470**	₱12,821,356
Accrued taxes and other expenses	**11,812,911**	13,039,259	**9,452,687**	10,729,290
Manager's checks	**8,494,370**	7,512,789	**8,488,258**	7,509,074
Derivative liabilities (Note 11)	**3,088,312**	926,176	**3,088,312**	926,176
Other credits - dormant	**3,039,115**	3,055,238	**2,914,182**	2,927,349
Sundry credits	**2,563,450**	1,117,848	**2,243,567**	1,115,410
Bills purchased - domestic and foreign	**2,450,166**	2,432,182	**2,450,166**	2,432,182
Lease liabilities	**1,625,925**	1,551,143	**1,238,395**	1,180,973
Payment orders payable	**1,585,421**	1,950,117	**1,585,421**	1,950,117
Post-employment defined benefit obligation (Note 29)	**1,335,849**	1,571,666	**885,923**	1,464,586
Unearned income - bancassurance (Note 32)	**442,693**	590,258	**442,693**	590,258
Miscellaneous	**2,139,550**	2,705,607	**1,928,717**	2,469,460
	₱53,228,656	₱51,167,965	**₱48,098,791**	₱46,116,231

The breakdown of Accrued taxes and other expenses account follows:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Accrued interest payable	**₱2,808,646**	₱3,472,484	**₱1,592,531**	₱2,495,138
Accrued income and other taxes	**1,146,076**	860,068	**928,064**	728,144
Other accruals	**7,858,189**	8,706,707	**6,932,092**	7,506,008
	₱11,812,911	₱13,039,259	**₱9,452,687**	₱10,729,290

Other accruals represent mainly fringe and other personnel benefits.

Set out below is the carrying amount of lease liabilities and the movements during the year:

	Group		Parent Bank	
	2024	2023	**2024**	2023
Balance at beginning of year	**₱1,551,143**	₱1,424,530	**₱1,180,973**	₱1,177,555
Additions	**731,139**	685,477	**561,627**	468,129
Payments	**(724,806)**	(633,871)	**(552,358)**	(524,291)
Accretion of interest (Note 34)	**68,499**	75,007	**48,153**	59,580
Balance at end of year	**₱1,625,925**	₱1,551,143	**₱1,238,395**	₱1,180,973

Accretion of interest is included as part of Interest expense on bills payable and other liabilities account in the statements of income.

As at December 31, 2024 and 2023, the Group has no lease commitments which have not yet commenced.

The unearned income represents the unamortized portion of the Exclusive Access Fees (EAF) arising from the Parent Bank's bancassurance agreement with a related party (see Note 32).

25. Capital Funds

Capital Stock

The Parent Bank's capital stock as of December 31, 2024 and 2023 consists of the following:

	Shares		Amount	
	2024	2023	**2024**	2023
Common – ₱10 par value				
Authorized	**5,030,785,238**	5,030,785,238	**₱50,307,852**	₱50,307,852
Issued	**3,316,405,584**	2,353,774,567	**33,164,056**	23,537,746
Treasury stock	**–**	(27,977)	**–**	(2,097)
Issued and outstanding	**3,316,405,584**	2,353,746,590	**₱33,164,056**	₱23,535,649
Preferred – ₱100 par value, non-voting				
Authorized	**100,000,000**	100,000,000	**₱10,000,000**	₱10,000,000
Issued and outstanding	**–**	–	**–**	–

On June 29, 1992, the Bank was originally listed with the then Makati Stock Exchange, now PSE. A total of 89.7 million shares were issued at an issue price of ₱22.50. As of December 31, 2024 and 2023, there are 3,315.0 million shares and 2,351.5 million shares, respectively, listed at the PSE. The number of holders and the closing price of the said shares is 4,954 and ₱36.00 per share, respectively, as of December 31, 2024, and 4,949 and ₱50.35 per share, respectively, as of December 31, 2023.

Issuance of Shares under the Employee Stock Plan

The Bank issued 697,339 shares on February 6, 2023 to qualified employees under the Parent Bank's Employee Stock Plan (ESP), which accounts as the last tranche. A total of 3.6 million common shares were issued over the five-year period.

Treasury Stocks
On March 10, 2023, in accordance with the terms of the ESP and its supporting agreements, the Parent Bank acquired 27,977 common shares at a price per share of ₱74.97 or in the total amount of ₱2.10 million and is presented as Treasury stock in the statement of financial position as of December 31, 2023. The ESP provides that in the event of death or disability of an employee participating in the ESP, the Parent Bank shall buy back shares that have not been previously released to the employee and are subject to a holding period.

On June 28, 2024, the Parent Bank's BOD approved the sale of 27,977 treasury stocks at ₱34.50 per share. The sale was completed on July 1, 2024.

Issuance of Shares through Stock Rights
On May 31, 2024, the Parent Bank issued approximately 327.1 million common shares priced at ₱30.57 per share. The shares were offered to eligible shareholders as of record date of May 9, 2024 at a ratio of 1 right share for every 9.1382 existing common shares. The newly issued shares were listed at the PSE on the same date. Net proceeds to the Parent Bank from the Offer amounted to ₱10.0 billion.

Also on February 6, 2023, the Parent Bank issued approximately 211.0 million common shares priced at ₱56.88 per share. The shares were offered to eligible shareholders as of record date of January 12, 2023 at a ratio of 1 right share for every 10.1536 existing common shares. The newly issued shares were listed at the PSE on the same date. Net proceeds to the Parent Bank from the Offer amounted to ₱11.86 billion.

Distribution of Stock Dividends
On January 4, 2024, the Bank issued 635.5 million common shares at par value of ₱10 for whole shares and paid ₱0.22 million for 2,550.79 fractional shares in relation to the 27% stock dividends approved by the Bank's BOD and stockholders on February 24, 2023 and April 28, 2023, respectively.

Surplus Free
At the annual meeting of the stockholders of the Parent Bank held on April 28, 2023, the stockholders approved the following matters as endorsed by the BOD at its meeting held on February 24, 2023:

a. Amendment of the Parent Bank's Articles of Incorporation (AOI) to increase the authorized capital stock from ₱35.3 billion to ₱60.3 billion, with the increase of ₱25.0 billion equivalent to 2,500,000,000 common shares with a par value of ₱10.00.
b. Declaration of 27% stock dividends in the amount of ₱6.4 billion equivalent to 635.5 million common shares with a par value of ₱10.00, to comply with the required 25% subscription of the increase in authorized capital stock.

The stock dividend is presented as Stock dividend distributable in the statement of financial position as of December 31, 2023. Fractional shares resulting from the stock dividend declaration were paid in cash based on the closing rate of ₱87.50 as of February 27, 2023, the next trading day at the PSE following the date of approval by the BOD of the stock dividend declaration and computed up to two (2) decimal places.

On August 1, 2023 and December 5, 2023, the Parent Bank obtained the BSP and the SEC approvals, respectively, for the increase in the authorized capital stock and for the issuance of common shares to stockholders of record as of December 22, 2023 and payment date on January 4, 2024.

The following is a summary of the cash dividends declared and distributed by the Parent Bank in 2024, 2023, and 2022:

Date of Declaration	Date of Record	Date of BSP Approval	Date of Payment	Dividend per Share	Outstanding Shares	Total Amount
January 26, 2024	**February 13, 2024**	**N/A**	**February 20, 2024**	**₱0.80**	**2,989,259,518**	**₱2,391,408**
February 1, 2023	February 15, 2023	N/A	February 27, 2023	2.00	2,353,774,567	4,707,549
January 28, 2022	February 14, 2022	N/A	March 2, 2022	2.80	1,524,918,059	4,269,771

In compliance with BSP regulations, the Parent Bank ensures that adequate reserves are in place for future bank expansion requirements. The foregoing cash dividend declarations were made within the BSP's allowable limit of dividends.

Surplus Reserves

In compliance with BSP regulations, a portion of the Group's income from trust operations is setup as Surplus Reserves. In 2023 and 2022, the Group and the Parent Bank appropriated ₱31.2 million and ₱31.7 million, respectively. In 2024, the Parent Bank transferred its trust business to UBIMTC, hence, no appropriation was made.

Included in this account is the difference between the 1% general loan loss provision (GLLP) over the computed ECL allowance for credit losses related to Stage 1 accounts, as a required BSP appropriation. As of December 31, 2024 and 2023, surplus reserves related to the difference between GLLP over ECL allowance amounted to ₱2.49 billion and ₱2.17 billion, respectively, for the Group and ₱1.86 billion and ₱1.77 billion, respectively, for the Parent Bank.

The amended PNUCA requires that the portion of retained earnings representing Trust fund income of FUPI be automatically restricted to payments of benefits of plan holders and related payments as allowed in the amended PNUCA. The accumulated Trust Fund income, net of releases representing the amount of Trust fund income that pertains to the matured and pre-terminated plans of planholders which have been withdrawn from the trust fund during the year, should be appropriated and presented separately as Surplus Reserves in the statements of changes in capital funds. No transfer has been made for the years ended December 31, 2024 and 2023.

26. Maturity Profile of Assets and Liabilities

The following tables show an analysis of assets and liabilities analyzed according to whether they are expected to be recovered or settled within one year and beyond one year from the statement of financial position date:

	Group					
	2024			2023		
	Due within one year	**Due beyond one year**	**Total**	Due within one year	Due beyond one year	Total
Financial Assets						
Cash and other cash items	**₱10,143,777**	**₱–**	**₱10,143,777**	₱10,439,112	₱–	₱10,439,112
Due from BSP	**82,146,575**	**–**	**82,146,575**	82,643,663	–	82,643,663
Due from other banks	**33,902,989**	**–**	**33,902,989**	27,275,221	–	27,275,221
IBLR and SPURRA	**1,879,030**	**–**	**1,879,030**	25,411,162	–	25,411,162
Trading and investment securities						
at FVTPL	**10,295,089**	**–**	**10,295,089**	5,805,716	–	5,805,716
at amortized cost - gross	**27,980,825**	**295,750,077**	**323,730,902**	4,855,282	309,928,613	314,783,895
at FVOCI	**31,563**	**39,481,091**	**39,512,654**	29,506	36,945,268	36,974,774
Loans and receivables - net of unearned discounts	**231,738,442**	**314,996,622**	**546,735,064**	205,981,555	340,175,082	546,156,637
Other resources	**1,601,963**	**1,270,134**	**2,872,097**	585,449	1,802,360	2,387,809
	399,720,253	**651,497,924**	**1,051,218,177**	363,026,666	688,851,323	1,051,877,989
Nonfinancial Assets						
Investment in associates	**–**	**35,755**	**35,755**	–	37,675	37,675
Bank premises, furniture, fixtures and equipment	**–**	**21,257,446**	**21,257,446**	–	19,217,959	19,217,959
Investment properties	**–**	**13,048,847**	**13,048,847**	–	11,648,702	11,648,702
Goodwill	**–**	**53,992,565**	**53,992,565**	–	53,992,565	53,992,565
Other resources	**3,551,182**	**40,374,507**	**43,925,689**	3,260,691	37,559,573	40,820,264
	3,551,182	**128,709,120**	**132,260,302**	3,260,691	122,456,474	125,717,165
	₱403,271,435	**₱780,207,044**	**₱1,183,478,479**	₱366,287,357	₱811,307,797	₱1,177,595,154
Allowance for credit losses and impairment (Notes 20)			**24,622,577**			20,475,498
Accumulated depreciation (Notes 16 and 17)			**13,414,867**			11,976,303
			38,037,444			32,451,801
			₱1,145,441,035			₱1,145,143,353
Financial Liabilities						
Deposit liabilities	**₱650,045,618**	**₱26,277,178**	**₱676,322,796**	₱680,342,981	₱32,225,427	₱712,568,408
Bills payable	**122,146,186**	**40,110,193**	**162,256,379**	118,394,375	36,893,554	155,287,929
Notes and bonds payable	**34,397,876**	**23,167,706**	**57,565,582**	–	50,493,627	50,493,627
Other liabilities	**43,926,989**	**5,573,348**	**49,500,337**	41,706,033	5,307,645	47,013,678
	850,516,669	**95,128,425**	**945,645,094**	840,443,389	124,920,253	965,363,642
Nonfinancial Liabilities						
Accrued income and other taxes	**1,146,076**	**–**	**1,146,076**	860,068	–	860,068
Other liabilities	**456,792**	**2,125,451**	**2,582,243**	498,995	2,795,224	3,294,219
	1,602,868	**2,125,451**	**3,728,319**	1,359,063	2,795,224	4,154,287
	₱852,119,537	**₱97,253,876**	**₱949,373,413**	₱841,802,452	₱127,715,477	₱969,517,929

	Parent Bank					
	2024			2023		
	Due within one year	**Due beyond one year**	**Total**	Due within one year	Due beyond one year	Total
Financial Assets						
Cash and other cash items	**₱9,270,243**	**₱–**	**₱9,270,243**	₱9,350,898	₱–	₱9,350,898
Due from BSP	**49,212,089**	**–**	**49,212,089**	63,883,124	–	63,883,124
Due from other banks	**31,149,430**	**–**	**31,149,430**	23,195,787	–	23,195,787
IBLR and SPURRA	**179,030**	**–**	**179,030**	3,184,121	–	3,184,121
Trading and investment securities						
at FVTPL	**10,028,598**	**–**	**10,028,598**	5,676,867	–	5,676,867
at amortized cost - gross	**27,960,825**	**285,745,913**	**313,706,738**	4,719,843	300,919,396	305,639,239
at FVOCI	**31,563**	**39,219,892**	**39,251,455**	–	36,699,234	36,699,234
Loans and receivables - net of unearned discounts	**214,265,825**	**209,890,478**	**424,156,303**	179,801,242	246,038,296	425,839,538
Other resources	**1,601,937**	**1,065,905**	**2,667,842**	528,354	1,525,288	2,053,642
	343,699,540	**535,922,188**	**879,621,728**	290,340,236	585,182,214	875,522,450
Nonfinancial Assets						
Investment in subsidiaries	**–**	**37,301,269**	**37,301,269**	–	36,114,412	36,114,412
Bank premises, furniture, fixtures and equipment	**–**	**16,524,071**	**16,524,071**	–	14,678,017	14,678,017
Investment properties	**–**	**11,589,371**	**11,589,371**	–	10,190,789	10,190,789
Goodwill	**–**	**43,339,696**	**43,339,696**	–	43,339,696	43,339,696
Other resources	**2,187,020**	**31,670,864**	**33,857,884**	2,472,996	30,596,455	33,069,451
	2,187,020	**140,425,271**	**142,612,291**	2,472,996	134,919,369	137,392,365
	₱345,886,560	**₱676,347,459**	**₱1,022,234,019**	₱292,813,232	₱720,101,583	₱1,012,914,815
Allowance for credit losses and impairment			**18,369,742**			14,396,735
Accumulated depreciation (Notes 16 and 17)			**10,160,783**			8,905,385
			28,530,525			23,302,120
			₱993,703,494			₱989,612,695
Financial Liabilities						
Deposit liabilities	**571,084,636**	**1,397,254**	**572,481,890**	595,611,052	1,944,341	597,555,393
Bills payable	**103,753,709**	**22,415,933**	**126,169,642**	97,271,395	23,087,741	120,359,136
Notes and bonds payable	**34,397,876**	**17,326,411**	**51,724,287**	–	50,493,627	50,493,627
Other liabilities	**39,864,381**	**4,934,936**	**44,799,317**	37,484,533	4,843,836	42,328,369
	749,100,602	**46,074,534**	**795,175,136**	730,366,980	80,369,545	810,736,525
Nonfinancial Liabilities						
Accrued income and other taxes	**928,064**	**–**	**928,064**	728,144	–	728,144
Other liabilities	**292,139**	**2,079,271**	**2,371,410**	365,536	2,694,182	3,059,718
	1,220,203	**2,079,271**	**3,299,474**	1,093,680	2,694,182	3,787,862
	₱750,320,805	**₱48,153,805**	**₱798,474,610**	₱731,460,660	₱83,063,727	₱814,524,387

27. Service Charges, Fees and Commissions

This account is broken down as follows:

	Group			Parent Bank		
	2024	2023	2022	**2024**	2023	2022
Service charges	**₱11,042,723**	₱8,960,632	₱5,638,183	**₱10,012,969**	₱8,220,988	₱5,142,605
Brokerage fees	**963,740**	769,277	312,756	**63,944**	6,405	19,888
Commissions from bancassurance (Note 32)	**627,708**	589,520	377,657	**627,708**	589,520	377,657
Bank commissions	**230,563**	203,243	241,109	**229,943**	198,945	218,555
Others	**550,898**	363,372	542,063	**371,516**	137,814	257,154
	₱13,415,641	₱10,886,044	₱7,111,768	**₱11,306,080**	₱9,153,672	₱6,015,859

Others include various commission income on remittance transactions and management fees.

28. **Miscellaneous Income and Expenses**

Miscellaneous Income

Miscellaneous income is composed of the following:

	Group		
	2024	2023	2022
Recoveries from charged-off assets	**₱1,748,822**	₱1,149,193	₱579,130
Foreign exchange gains - net	**1,436,317**	2,126,188	2,151,194
Gain on foreclosure of investment properties (Note 17)	**1,203,292**	751,936	466,388
Cards rebates and migration support	**995,546**	826,689	463,827
Net gain on sale of investment properties, property and equipment and other assets (Note 16, 17 and 19)	**521,422**	1,026,933	1,209,196
Income from trust operations (Note 31)	**316,901**	311,816	316,939
Rental (Notes 17 and 34)	**159,384**	127,739	218,019
Others	**187,475**	677,204	863,794
	₱6,569,159	₱6,997,698	₱6,268,487

	Parent Bank		
	2024	2023	2022
Recoveries from charged-off assets	**₱1,718,740**	₱1,106,189	₱533,616
Gain on foreclosure of investment properties (Note 17)	**1,170,914**	679,745	466,388
Cards rebates and migration support	**995,546**	826,689	463,827
Share in net profit (loss) of subsidiaries (Note 15)	**(633,126)**	2,837,072	1,712,086
Net gain on sale of investment properties, property and equipment and other assets (Note 16, 17 and 19)	**612,000**	1,110,755	1,192,575
Gain on deemed disposal of a subsidiary (Note 1)	**373,128**	–	–
Rental (Notes 17 and 34)	**207,913**	180,273	154,907
Foreign exchange gains – net	**64,263**	1,464,603	1,523,650
Income from trust operations (Note 31)	**46,432**	311,816	316,939
Others	**381,464**	314,221	803,770
	₱4,937,274	₱8,831,363	₱7,167,758

Miscellaneous Expenses

The breakdown of miscellaneous expenses follows:

	Group		
	2024	2023	2022
Information technology	**₱5,166,269**	₱5,726,110	₱3,115,086
Advertising and publicity	**4,682,038**	4,882,498	2,255,794
Fees and commission	**2,438,894**	1,364,037	573,087
Insurance	**1,538,005**	1,518,627	1,353,558
Outside services	**1,442,523**	1,488,965	1,260,553
Card-related expenses	**762,967**	508,396	730,958
Communication	**699,573**	644,736	460,209
Management and professional fees	**636,440**	903,708	1,062,648
Stationery and supplies	**375,218**	424,516	353,613
Litigation	**319,265**	303,581	183,726
Provision for impairment on investment properties and other non-financial assets, net of reversal (Note 17)	**308,705**	916,619	374,536
Transportation and travel	**305,132**	416,558	334,164
Repairs and maintenance	**203,000**	224,376	169,308
Supervision and compliance costs	**84,723**	781,521	684,576
Others	**1,074,298**	1,453,131	1,435,349
	₱20,037,050	₱21,557,379	₱14,347,165

	Parent Bank		
	2024	2023	2022
Information technology	**₱4,475,524**	₱5,215,041	₱2,937,704
Advertising and publicity	**4,529,410**	4,792,726	2,187,771
Outside services	**1,278,998**	1,083,916	863,284
Insurance	**1,261,362**	1,264,648	1,176,892
Fees and commission	**1,121,295**	1,149,643	388,987
Card-related expenses	**762,967**	508,396	730,958
Communication	**521,211**	446,582	324,773
Management and professional fees	**462,388**	700,469	676,020
Stationery and supplies	**322,284**	368,009	285,337
Litigation	**308,182**	300,055	170,532
Repairs and maintenance	**150,456**	174,097	124,642
Transportation and travel	**105,052**	214,406	171,298
Provision for impairment on investment properties and other non-financial assets (Note 17)	**84,162**	403,042	2,186
Supervision and compliance costs	**42,754**	747,560	660,929
Others	**622,311**	740,386	796,070
	₱16,048,356	₱18,108,976	₱11,497,383

29. Salaries and Employee Benefits

Salaries and Employee Benefits Expense

Expenses recognized for employee benefits are as follows:

	Group		
	2024	2023	2022
Short-term benefits:			
Salaries and wages	**₱7,790,723**	₱7,395,773	₱5,581,557
Bonuses and fringe benefits	**4,795,373**	4,763,223	3,276,495
Social security costs	**449,813**	386,205	267,273
Other benefits	**266,772**	225,620	200,104
Post-employment and other long-term benefits	**817,444**	787,404	677,742
	₱14,120,125	₱13,558,225	₱10,003,171

	Parent Bank		
	2024	2023	2022
Short-term benefits:			
Salaries and wages	**₱5,369,739**	₱5,318,750	₱4,234,232
Bonuses and fringe benefits	**3,908,999**	3,850,248	2,452,656
Social security costs	**293,541**	261,460	164,995
Other benefits	**191,831**	171,337	159,729
Post-employment and other long-term benefits	**632,677**	630,577	513,582
	₱10,396,787	₱10,232,372	₱7,525,194

Post-employment Defined Benefit Plan and Defined Contribution Plan

(a) Characteristics of the Defined Benefit Plan

The Group maintains funded, tax-qualified, noncontributory pension plans covering all regular full-time employees that are being administered by appointed trustee banks, including UBIMTC, a subsidiary of the Parent Bank, for the Parent Bank, UIC, CSB, and PETNET. Under these pension plans, all covered employees are entitled to cash benefits after satisfying certain age and service requirements.

The Group maintains various retirement plans, among the retirement plans are being maintained for UnionBank, former iBank employees and former Citigroup Inc.'s consumer banking business employees, hence, the Parent Bank presents pension information in its financial statements separately for the three plans. The other pension plans are for UIC, CSB, FUIFAI, Bangko Kabayan, PETNET, and UFSI.

UnionBank Plan

The normal retirement age is 60. The plan also provides for an early retirement at age 55, or age 50 with the completion of at least ten years of service. However, late retirement is subject to the approval of the Parent Bank's BOD. Normal retirement benefit is an amount equivalent to 150% of the final monthly salary for each year of credited service.

Former iBank Plan

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with the completion of at least ten years of service and late retirement subject to the approval of the Parent Bank's BOD on a case-to-case basis. Normal retirement benefit is an amount equivalent to 125% of the final monthly covered compensation for every year of credited service.

UIC Plan

The normal retirement age is 60 and the compulsory retirement age is 65. Both must have a minimum of five years of credited service. Both have retirement benefit equal to one-half month's salary as of the date of retirement multiplied by the employee's year of service. Upon retirement of an employee, whether optional or compulsory, his services may be continued or extended on a case to case basis upon agreement of management and employee.

This is based on the retirement plan benefits provided in the Retirement Law (R.A. No. 7641). Under the law, unless the parties provide for broader inclusions, the term one-half (1/2) month salary shall mean fifteen (15) days plus one-twelfth (1/12) of the 13th month pay and the cash equivalent of not more than (5) days of service incentive leaves.

CSB Plan

The normal retirement age is 60 or completion of 30 years of service whichever is earlier. The service of any member, however, may be extended from year-to-year beyond the normal retirement date, provided such an extension of service is with the consent of the member and the express approval of CSB. The plan also provides for an early retirement after completion of at least ten years of service. Normal retirement benefit is an amount equivalent to 100% of the final basic monthly salary multiplied by the number of years of service prior to January 1, 2008 and 150% of the final basic monthly salary for services rendered starting January 1, 2008.

FUIFAI Plan

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of FUIFAI's BOD. Normal retirement benefit is an amount equivalent to 150% of the final monthly covered compensation (average monthly basic salary during the last 12 months of credited service) for every year of credited service.

PETNET Plan
The normal retirement age is 60. The plan also provides for an early retirement at age 50 with the completion of at least ten years of service and late retirement beyond age 60. However, early and late retirement are subject to the approval of the company. Retirement benefit is an amount equivalent to 92% of the final monthly salary for each year of continuous service.

Bangko Kabayan Plan
The normal retirement age is 60 with at least five years of credited service. Retirement benefit is an amount equivalent to 100%, 125% or 150% of the latest basic monthly salary for each year of credited service if the years of service is 10 years but less than 15 years, 15 years but less than 20 years, and 20 years or more, respectively.

PBI Plan
The normal retirement age is 60 with at least five years of credited service. Retirement benefit is an amount equivalent to 22.5 days pay for every year of credited service.

Former Citibank, N.A., PH Consumer Business Plans
Fund B and Fund C
The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with the completion of at least ten years of continuous service. Normal retirement benefit is an amount equivalent to 200% of the final average covered monthly salary for each year of credited service.

The Parent Bank and Citigroup, Inc. agreed that the previous tenure of Citi employees will be continued upon joining with the Group.

(b) Characteristics of the Defined Contribution Plans

The Group maintains a defined contribution plan covering all regular and permanent employees. Starting on the date of membership of an employee in the Plan, the employer shall contribute to the retirement fund 8% of the member's salary as defined every month. As this plan operates in the Philippines, it is subject to R.A. No. 7641, which requires a minimum benefit equivalent to one-half month's salary for every year of service, with six months or more of service considered as one year.

Former Citibank, N.A., PH Consumer Business Plan
Fund D
Fund D is an allocated fund established to hold contributions on behalf of and made by the employees and the corresponding earnings and losses on such contributions. The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with the completion of at least ten years of continuous service. Normal retirement benefit is an amount equivalent to the sum of (a) 100% of the balance in the Member's Individual Account Balances (IAB) attributable to the employer's contributions as of most recent valuation prior to his retirement date adjusted for subsequent contributions and earnings and (b) 100% of the balance in the Member's IAB attributable to the employee's contributions as of most recent valuation prior to his retirement date adjusted for subsequent contributions and earnings.

UFSI Plan
The unfunded, contributory defined contribution retirement plan covers all regular full-time employees. Contribution to the plan is equal to 8% of the annual basic salary of each covered employee.

(c) Analysis of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions. All amounts presented in the subsequent pages are based on the actuarial valuation reports obtained from independent actuaries in 2024 and 2023.

The amounts of post-employment defined benefit obligation (net retirement asset) recognized in the statements of financial position are determined as follows (see Notes 19 and 24):

	Group	
	2024	2023
Present value of the obligation	**₱7,927,314**	₱7,299,841
Fair value of plan assets	**6,720,485**	5,917,416
	₱1,206,829	₱1,382,425

As of December 31, 2024 and 2023, the net retirement obligation of the Group amounting to ₱1.21 billion and ₱1.38 billion is separately shown at gross amount of ₱129.02 million and ₱189.24 million, respectively, as Net retirement asset in the Other Resources (see Note 19), and as Post-employment defined benefit obligation of ₱1.34 billion and ₱1.57 billion, respectively (see Note 24).

	Parent Bank	
	2024	2023
Present value of the obligation	**₱6,715,680**	₱6,505,811
Fair value of plan assets	**5,829,757**	5,041,225
	₱885,923	₱1,464,586

The movements in the present value of the post-employment benefit obligation recognized in the financial statements are as follows:

	Group		
	2024	2023	2022
Balance at beginning of year	**₱7,299,841**	₱6,194,063	₱5,285,027
Current service cost	**698,953**	617,879	579,173
Interest expense	**342,984**	392,446	244,198
Remeasurements:			
Actuarial losses (gains) arising from			
Changes in financial assumptions	**85,638**	425,647	(917,442)
Experience adjustments	**(55,809)**	56,868	27,707
Changes in demographic assumptions	**–**	50	(3,246)
Benefits paid	**(410,827)**	(387,112)	(375,742)
Net released obligation due to employee transfers	**(33,466)**	–	–
Effects of business combinations	–	–	1,354,388
Balance at end of year	**₱7,927,314**	₱7,299,841	₱6,194,063

	Parent Bank		
	2024	2023	2022
Balance at beginning of year	**₱6,505,811**	₱5,468,709	₱4,514,965
Current service cost	**587,951**	521,682	459,481
Interest expense	**341,660**	346,395	235,886
Remeasurements:			
Actuarial losses (gains) arising from			
Experience adjustments	**(135,196)**	(27,055)	15,286
Changes in financial assumptions	**(85,334)**	473,555	(877,330)
Changes in demographic assumptions	**(465,746)**	(277,475)	(211,825)
Net released obligation due to employee transfers	**(33,466)**	–	–
Effects of business combinations	**–**	–	1,332,245
Balance at end of year	**₱6,715,680**	₱6,505,811	₱5,468,708

The movements in the fair value of plan assets are presented below.

	Group		
	2024	2023	2022
Balance at beginning of year	**₱5,917,416**	₱5,227,021	₱4,321,676
Interest income	**318,271**	344,075	208,245
Return on plan asset (excluding amounts included in net interest)	**36,526**	(46,580)	(520,217)
Contributions to the plan	**943,094**	720,135	417,379
Benefits paid	**(483,018)**	(327,235)	(261,690)
Net released obligation due to employee transfer	**(11,804)**	–	–
Effects of business combinations (Note 1)	**–**	–	1,061,628
Balance at end of year	**₱6,720,485**	₱5,917,416	₱5,227,021

	Parent Bank		
	2024	2023	2022
Balance at beginning of year	**₱5,041,225**	₱4,558,600	₱3,621,937
Interest income	**272,332**	301,472	195,439
Return on plan asset (excluding amounts included in net interest)	**43,096**	(174,732)	(525,321)
Contributions to the plan	**801,586**	633,360	416,742
Benefits paid	**(316,678)**	(277,475)	(211,825)
Net acquired/(released) obligation due to employee transfers	**(11,804)**	–	–
Effects of business combinations	**–**	–	1,061,628
Balance at end of year	**₱5,829,757**	₱5,041,225	₱4,558,600

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristics is shown below.

	Group	
	2024	2023
Bank deposits	**₱187,621**	₱789,749
Quoted equity securities:		
Financial and insurance activities	**3,009,625**	3,125,493
Real estate activities	**213,734**	88,133
Electricity, gas and water	**30,116**	30,675
Others	**559,590**	564,438
	3,813,065	3,808,739
Debt securities:		
Philippine government bonds	**1,771,080**	624,496
Corporate bonds	**602,335**	677,912
	2,373,415	1,302,408
Others	**346,384**	16,520
	₱6,720,485	₱5,917,416

	Parent Bank	
	2024	2023
Bank deposits	**₱176,988**	₱769,724
Quoted equity securities:		
Financial and insurance activities	**2,474,024**	2,560,165
Real estate activities	**206,416**	88,130
Electricity, gas and water	**14,652**	21,151
Others	**536,902**	400,910
	3,231,994	3,070,356
Debt securities:		
Philippine government bonds	**1,678,998**	604,224
Corporate bonds	**496,608**	581,251
	2,175,606	1,185,475
Others	**245,169**	15,670
	₱5,829,757	₱5,041,225

The fair values of the above equity and debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy). Equity securities under the fund are primarily investments in corporations listed in the PSE, which include ₱463.70 million and ₱478.40 million investments in the shares of stocks of the Parent Bank as of December 31, 2024 and 2023, respectively, while debt securities represent investments in government and corporate bonds, which include ₱319.26 million and ₱311.86 million investment in the notes of the Parent Bank as of December 31, 2024 and 2023, respectively (see Note 32).

The fair values of the above equity and debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy). The retirement fund neither provides any guarantee or surety for any obligation of the Parent Bank nor its investments in the Bank's shares of stocks covered by any restriction and liens. Bank deposits are maintained with reputable financial institutions, which include ₱11.23 million and ₱241.77 million deposits with the Parent Bank as of December 31, 2024 and 2023, respectively (see Note 32).

Actual returns on plan assets amounted to ₱318.65 million, ₱272.03 million, and (₱311.97 million) in 2024, 2023, and 2022, respectively, for the Group. Actual returns on plan assets amounted to ₱315.43 million, ₱126.74 million, and (₱329.88 million) in 2024, 2023, and 2022, respectively, for the Parent Bank.

The amounts recognized in the statements of income in respect of the post-employment defined benefit plan are as follows:

	Group		
	2024	2023	2022
Current service cost	**₱698,953**	₱617,879	₱579,173
Net interest expense (income)	**24,713**	48,371	35,953
	₱723,666	₱666,250	₱615,126

	Parent Bank		
	2024	2023	2022
Current service cost	**₱587,951**	₱521,682	₱459,481
Net interest expense (income)	**69,328**	44,923	40,447
	₱657,279	₱566,605	₱499,928

The amounts recognized in other comprehensive income in respect of the post-employment defined benefit plan are as follows:

	Group		
	2024	2023	2022
Actuarial losses (gains) arising from changes in:			
Changes in financial assumption	**₱85,638**	₱425,647	(₱917,442)
Experience adjustments	**(55,809)**	56,868	27,707
Changes in demographic assumptions		50	(3,246)
Return on plan assets (excluding amounts included in net interest)	**(36,526)**	46,580	520,217
	(₱6,697)	₱529,145	(₱372,764)

	Parent Bank		
	2024	2023	2022
Actuarial losses (gains) arising from changes in:			
Changes in financial assumption	**(₱85,334)**	₱473,555	(₱877,330)
Experience adjustments	**(135,196)**	(27,055)	15,286
Return on plan assets (excluding amounts included in net interest)	**(43,096)**	174,732	525,321
	(₱263,626)	₱621,232	(₱336,723)

In addition to the above items, the Parent Bank also recognized its share of the other comprehensive income of subsidiaries in respect of the post-employment defined benefit plan amounting to gains (losses) of (₱214.97 million), ₱65.89 million, and ₱30.41 million in 2024, 2023, and 2022, respectively (see Note 15).

The Group and the Parent Bank expect to contribute ₱787.57 million and ₱586.94 million, respectively, in 2025.

In determining the retirement benefits, the following actuarial assumptions were used:

	Group		
	2024	2023	2022
Retirement age	**60**	60	60
Average remaining working life	**6-26 years**	6-26 years	5-26 years
Discount rate	**5.96%-6.09%**	6.01%-7.31%	4.00%-7.56%
Expected rate of salary increase	**5.00%-7.00%**	2.00%-7.00%	2.00%-7.00%
Employee turnover rate	**0%-19%**	0%-19%	0%-26%

	Parent Bank		
	2024	2023	2022
Retirement age	**60**	60	60
Average remaining working life	**8 to 14 years**	8 to 14 years	8 to 15 years
Discount rate	**5.96%-6.13%**	6.01%-6.11%	7.05%-7.25%
Expected rate of salary increase	**6.00%**	6.00%-7.00%	6.00%-7.00%
Employee turnover rate	**0%-18%**	0%-18%	0%-18%

Assumptions regarding future mortality and disability are based on published statistics and mortality tables. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero-coupon government bond with terms to maturity approximating to the terms of the retirement obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(d) *Risk Associated with the Retirement Plan*

The plans expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

- *Investment and Interest Risk*
  The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plans are mostly invested in equity securities. Due to the long-term nature of plan obligation, a level of continuing equity investments is an appropriate element of the Group's long-term strategy to manage the plans efficiently.

- *Longevity and Salary Risks*
  The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will results in an increase in the plan obligation.

(e) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding pages.

- *Sensitivity Analysis*

  The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of December 31:

Group

	Impact on Post-Employment Defined Benefit Obligation		
	Change in Assumption	**Increase in Assumption**	**Decrease in Assumption**
December 31, 2024			
Discount rate	**+/-1.0%**	**(₱571,211)**	**₱543,498**
Salary growth rate	**+/-1.0%**	**592,246**	**(626,177)**
Turn-over rate	**+/-20.0%**	**(92,112)**	**(185,026)**
December 31, 2023			
Discount rate	+/-1.0%	(₱721,266)	₱930,243
Salary growth rate	+/-1.0%	992,066	(798,490)
Turn-over rate	+/-20.0%	(51,105)	(43,777)

Parent Bank

	Impact on Post-Employment Defined Benefit Obligation		
	Change in Assumption	**Increase in Assumption**	**Decrease in Assumption**
December 31, 2024			
Discount rate	**+/-1.0%**	**(₱284,500)**	**₱327,623**
Salary growth rate	**+/-1.0%**	**343,826**	**(303,768)**
Turn-over rate	**+/-20.0%**	**(20,109)**	**20,775**
December 31, 2023			
Discount rate	+/-1.0%	(₱641,114)	₱665,717
Salary growth rate	+/-1.0%	867,439	(544,559)
Turn-over rate	+/-20.0%	(52,624)	39,776

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

- *Asset-liability Matching Strategies*

To efficiently manage the retirement plan, the Group through its Retirement Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations. In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets as of December 31, 2024 and 2023 consists of equity securities and bonds, although the Group also invests in bank deposits. The Group believes that equity securities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a diversified portfolio of investments in corporations listed in the PSE.

There has been no change in the Group's strategies to manage its risks from previous periods.

- *Funding Arrangements and Expected Benefit Payment*

There is no minimum funding requirement in the country.

The maturity profile of undiscounted expected benefits payments from the plan follows:

Group

	2024	2023
Less than one year	**₱1,598,062**	₱1,649,751
One year to less than five years	**2,494,331**	2,357,357
Five years to less than ten years	**4,681,319**	4,584,317
Ten years to less than 15 years	**5,844,681**	5,503,589
15 years to less than 20 years	**7,358,118**	6,906,291
20 years and above	**14,645,098**	15,254,451
	₱36,621,609	₱36,255,756

Parent Bank

	2024	2023
Less than one year	**₱1,370,516**	₱1,447,895
One year to less than five years	**2,296,031**	2,131,964
Five years to less than ten years	**4,081,848**	4,036,406
Ten years to less than 15 years	**4,619,173**	4,365,293
15 years to less than 20 years	**5,417,069**	5,146,918
20 years and above	**9,454,176**	10,351,462
	₱27,238,813	₱27,479,938

The weighted average duration of the defined benefit obligation is 17 years in both 2024 and 2023.

Other Long-term Employment benefits

Other long term employment benefits include convertible sick leave benefits. Sick leave is computed and credited on a pro-rata basis and accumulated up to a maximum of certain working days. Any excess sick leave beyond the limit shall be convertible to cash on January 31st of the following year. All earned sick leave is convertible to cash and for inclusion to the employee's separation pay upon resignation. Accordingly, this is considered as other long term employee benefits, calculated using an actuarial valuation. As of December 31, 2024 and 2023, they key actuarial assumptions include expected salary increase rate of 6.00% per annum and discount rate of 6.07%.

As of December 31, 2024 and 2023, accrued sick leave obligation amounted to ₱755.18 million and ₱648.88 million, respectively.

30. **Income Taxes**

Current and Deferred Income Taxes

The components of income tax expense (benefit) for the years ended December 31, 2024, 2023, and 2022 are as follows:

	Group		
	2024	2023	2022
Reported in profit or loss			
Current tax expense:			
Final tax	**₱3,253,404**	₱3,165,140	₱2,231,917
Regular corporate income tax (RCIT)	**1,010,096**	886,028	1,333,468
MCIT	**2,351**	538,492	1,467
	4,265,851	4,589,660	3,566,852
Deferred tax expense (benefit) relating to origination and reversal of temporary differences	**(612,364)**	(1,945,435)	472,607
	₱3,653,487	₱2,644,225	₱4,039,459
Reported in other comprehensive income			
Deferred tax expense (benefit) relating to origination and reversal of actuarial gains or losses	**₱1,674**	(₱132,286)	₱93,191

	Parent Bank		
	2024	2023	2022
Reported in profit or loss			
Current tax expense:			
Final tax	**₱2,675,412**	₱2,669,179	₱2,029,648
RCIT	**730,506**	26,334	108,513
MCIT	**–**	527,838	–
	3,405,918	3,223,351	2,138,161
Deferred tax expense (benefit) relating to origination and reversal of temporary differences	**282,533**	(1,698,002)	897,850
	₱3,688,451	₱1,525,349	₱3,036,011
Reported in other comprehensive income			
Deferred tax expense (benefit) relating to origination and reversal of actuarial gains or losses	**₱75,845**	(₱155,309)	₱84,180

The reconciliation of the statutory income tax rate and the effective income tax rate follows:

	Group		
	2024	2023	2022
Statutory income tax rate	**25.00%**	25.00%	25.00%
Adjustment for income subjected to lower income tax rates	**(5.15)**	(2.02)	(3.20)
Tax effects of:			
FCDU income before tax	**(1.42)**	(2.02)	(1.73)
Non-taxable income	**(0.71)**	(8.48)	(0.89)
Non-deductible expenses	**5.11**	10.98	3.20
Others	**0.46**	(0.98)	1.69
Effective income tax rate	**23.30%**	22.49%	24.07%

	Parent Bank		
	2024	2023	2022
Statutory income tax rate	**25.00%**	25.00%	25.00%
Adjustment for income subjected to lower income tax rates	**(4.18)**	(3.15)	(1.97)
CREATE related adjustments	**–**	–	5.68
Tax effects of:			
FCDU income before tax	**(1.40)**	(1.86)	(18.79)
Non-taxable income	**(0.25)**	(3.68)	(0.27)
Non-deductible expenses	**4.11**	3.31	2.07
Others	**(0.12)**	(0.20)	(0.23)
Effective income tax rate	**23.17%**	19.42%	11.90%

The components of the net deferred tax assets presented under Other resources (see Note 19) as of December 31, 2024 and 2023 follow:

	Group	
	2024	2023
Deferred tax assets:		
Allowance for impairment	**₱5,955,867**	₱5,010,016
Accrued other expenses	**1,846,241**	1,682,104
Net operating loss carry over (NOLCO)	**1,588,979**	1,069,474
Deferred service fees	**517,442**	476,785
Excess MCIT	**1,358**	681,016
Investment properties	**66,903**	287,322
Unrealized foreign exchange loss	**526,124**	250,459
Others	**773,977**	775,071
	11,276,891	10,232,247
Deferred tax liabilities:		
Unrealized fair value gain	**85,369**	–
Unrealized foreign exchange gain	**47,903**	60,723
Capitalized interest	**21,050**	21,965
Others	**641,333**	469,528
	795,655	552,216
Net deferred tax assets	**₱10,481,236**	₱9,680,031

	Parent Bank	
	2024	2023
Deferred tax assets:		
Allowance for credit losses	**₱4,464,471**	₱3,576,777
Accrued other expenses	**1,600,632**	1,542,120
Net operating loss carry-over (NOLCO)	**601,424**	1,068,153
Unrealized foreign exchange loss	**525,438**	248,787
Investment properties	**21,014**	202,220
Excess MCIT	**–**	680,353
Others	**779,984**	789,288
	7,992,963	8,107,698
Deferred tax liabilities:		
Unrealized fair value gain	**85,369**	–
Unrealized foreign exchange gain	**47,902**	51,875
Capitalized interest	**21,050**	21,965
Others	**473,509**	323,671
	627,830	397,511
Net deferred tax assets	**₱7,365,133**	₱7,710,187

Other deferred tax asset includes post-retirement obligation and other future deductible items.

The Parent Bank's NOLCO follows:

Year incurred	Amount	Expired	Applied	Balances	Availment Period
2020	₱2,211,455	₱–	₱2,211,455	₱–	2021-2025*
2021	155,461	–	155,461	–	2022-2026*
2023	2,517,174	–	–	2,517,174	2024-2026
	₱4,884,090	₱–	₱2,366,916	₱2,517,174	

**The NOLCO can be carried over as a deduction from gross income for the next five consecutive taxable years from the year it was incurred pursuant to Revenue Regulations No. 25-2020 (RR 25-2021), implementing Section 4(bbbb) of Republic Act No. 11494 or the Bayanihan to Recover as One Act.*

The Parent Bank's MCIT follows:

Year incurred	Amount	Expired	Applied	Balances	Availment Period
2020	₱214,453	₱214,453	₱–	₱–	2021-2023
2021	152,515	–	152,515	–	2022-2024
2023	527,838	–	527,838	–	2024-2026
	₱894,806	₱214,453	₱680,353	₱–	

The Parent Bank's MCIT can be applied against regular corporate income tax liability for the next three consecutive years after the MCIT was incurred.

Relevant Tax Regulations

The following are the relevant tax regulations affecting the Group:

Income Tax

(a) MCIT computed at 1% of gross income (net of allowable deductions as defined under tax regulations) from July 1, 2020 to June 30, 2023 and at 2% from July 1, 2023 onwards, or RCIT of 25%, whichever is higher;

(b) FCDU transactions with non-residents of the Philippines are tax-exempt, while interest income on foreign currency loans from residents other than depository banks under the expanded system is subject to 10% income tax;

(c) Withholding tax of 15% is imposed on interest earned under the expanded foreign currency deposit system; and,

(d) NOLCO can be claimed as deductions against taxable income within three years after NOLCO is incurred. The excess of the MCIT over income tax due may be carried over to the three succeeding taxable years and credited against income tax due provided the Bank is in RCIT position. On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of Bayanihan to Recover as One Act which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Gross Receipts Tax

Banks are subject to gross receipts tax under Sec. 121 of the National Internal Revenue Code as amended.

Documentary Stamp Tax
Documentary stamp taxes (DST) (at varying rates) are imposed on the following:
(a) Bank checks, drafts, or certificate of deposit not bearing interest, and other instruments;
(b) Bonds, loan agreements, promissory notes, bills of exchange, drafts, instruments and securities issued by the Government of any of its instrumentalities, deposit substitute debt instruments, certificates of deposits bearing interest and other not payable on sight or demand;
(c) Acceptance of bills of exchange and letters of credit; and,
(d) Bills of lading or receipt.

The significant provisions relating to DST under TRAIN are summarized below:
(a) On every original issue of debt instruments, there shall be collected a DST of 1.50 on each 200 or fractional part thereof of the issue price of any such debt instrument; provided, that for such debt instruments with terms of less than one year, the DST to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to 365 days; provided further that only one DST shall be imposed on either loan agreement or promissory notes to secure such loan.
(b) On all sales or transfer of shares or certificates of stock in any corporation, there shall be collected a DST of 1.50 on each 200, or fractional part thereof, of the par value of such stock.
(c) On all bills of exchange (between points within the Philippines) or drafts, there shall be collected a DST of 0.60 on each 200, or fractional part thereof, of the face value of any such bill of exchange or draft.
(d) The following instruments, documents and papers shall be exempt from DST:
- Borrowings and lending of securities executed under the Securities Borrowing and Lending Program of a registered exchange, or in accordance with regulations prescribed by the appropriate regulatory authority;
- Loan agreements or promissory notes, the aggregate of which does not exceed 250,000 or any such amount as may be determined by the Secretary of Finance, executed by an individual for his purchase on installment for his personal use;
- Sale, barter or exchange of shares of stock listed and traded through the local stock exchange (as amended by RA No. 9648);
- Fixed income and other securities traded in the secondary market or through an exchange;
- Derivatives including repurchase agreements and reverse repurchase agreements;
- Bank deposit accounts without a fixed term or maturity; and,
- Interbank call loans with maturity of not more than seven days to cover deficiency in reserve against deposit liabilities.

<u>Itemized Deduction</u>
The Parent Bank opted to claim itemized deductions in 2024, 2023 and 2022.

31. **Trust Operations**

The following securities and other properties held by UBIMTC and Parent Bank in 2024 and 2023 in fiduciary or agency capacity (for a fee) for its customers are not included in the accompanying statement of financial position since these are not properties of the Parent Bank.

	2024	2023
Investments	**₱92,721,880**	₱91,212,192
Others	**8,399,386**	2,755,771
	₱101,121,266	₱93,967,963

In compliance with the requirements of the General Banking Act relative to the Parent Bank's trust functions as of December 31, 2023:

(a) Investment in government securities with a total face value of ₱58.00 million and ₱1.21 billion as of December 31, 2024 and 2023, respectively, are deposited with BSP as security for Group's faithful compliance with its fiduciary obligations (see Notes 11 and 12); and,

(b) Ten percent of the trust income is transferred to Surplus reserves. This yearly transfer is required until the surplus reserves for trust function is equivalent to 20% of the Parent Bank's authorized capital stock. No part of such reserves shall at anytime be paid out as dividends, but losses accruing in the course of business may be charged against such surplus. As of December 31, 2023, the reserve for trust functions amounted to ₱367.84 million and is included as part of Surplus reserves in the statements of financial position (see Note 25).

In 2023, the Bank established UBIMTC to operate as a stand-alone trust corporation (see Note 1). In 2024, pursuant to the transfer agreement between the Bank and UBIMTC, the Parent Bank transferred the assets under management under the trust business to UBIMTC.

Income from trust operations of the Group and the Parent Bank amounted to ₱316.90 million and ₱46.43 million, respectively, in 2024. Income from trust operations of the Group and the Parent Bank amounted to ₱311.82 million and ₱316.94 million in 2023 and 2022, respectively. These are presented as part of the Miscellaneous income in the statement of income (see Note 28).

32. **Related Party Transactions**

The Group's and Parent Bank's related parties include subsidiaries, stockholders, key management personnel and others as described below.

The Parent Bank's transactions with related parties, as defined in the Bank's Policy on Related Party Transactions, are reviewed and approved by the Bank's RPT Management Review Committee (for non-material transactions), endorsed by the RPT Board Committee, and ultimately approved or confirmed by the BOD. The terms and prices are benchmarked against market prices, non-RPT transactions and on a cost-plus basis as practiced by the market if market prices are not available. In other instances, valuations are made by appraisers and third party consultants in determining prices.

The summary of the Group's significant transactions with its related parties as of and for the years ended December 31, 2024 and 2023 are as follows:

	2024		2023		
Related Party Category	**Amount of Transaction**	**Outstanding Balance**	Amount of Transaction	Outstanding Balance	Terms and Conditions/Nature
Applicable to the Parent Bank					
Subsidiaries					
Lease of properties:					
Lease income	**₱65,694**	**₱–**	₱72,056	₱–	Lease renewed every 5 years
Refundable deposits	**(7,340)**	**994**	6,375	8,334	with 5% escalation rate.
Management services	**148,768**	**–**	88,227	–	Project management fee, management services, commission and service charges paid to/by subsidiaries
Deposit liabilities:					
Outstanding balance	**–**	**2,650,643**	–	1,799,248	With interest rate based on
Net movements	**851,395**	**–**	(161,905)	–	average daily bank deposit
Interest expense on deposits	**53,182**	**–**	4,631	–	rate.
Sale of receivables	**–**	**–**	(22,027,981)	–	Sale of qualified Quick Loan Accounts to UnionDigital
Interbank borrowing					
Availment	**4,000,000**	**–**	10,000,000	–	Short-term borrowing with annual fixed rate ranging from 6.47% to 6.50% in 2024 and from 6.34% to 6.41% in 2023.
Interest expense	**2,161**	**–**	1,771	–	No outstanding balances as of 2024 and 2023.
Interbank lending					
Availment	**700,000**	**–**	–	–	Short-term lending with annual fixed rate of 6.53% and 8.00% in 2024. No
Interest income	**839**	**–**	–	–	outstanding balance as of 2024.
Advances:					
Outstanding balance	**–**	**96,027**	–	129,438	Various expenses advanced by the Bank
Net movements	**(33,411)**	**–**	49,865	–	
Interest income	**1,836**	**–**	–	–	
Other liabilities	**–**	**160,973**	–	2,653	Various expenses and service fees
Applicable to the Group and the Parent Bank					
Stockholders and related parties under common ownership					
Deposit liabilities:					
Outstanding balance	**–**	**1,951,260**	–	2,474,724	With interest rate based on
Net movements	**(523,464)**	**–**	(4,234,491)	–	average daily bank deposit rate
Interest expense on deposits	**20,001**	**–**	24,028	–	
Bills payable:					
Outstanding balance	**–**	**13,979**	–	13,957	Long term liability with
Net movements	**22**	**–**	21	–	annual fixed rate of 4%
Interest expense	**584**	**–**	560	–	
Income from bancassurance business:					
Commission income	**627,708**	**–**	589,520	–	Income recognized on sale of insurance policies in accordance with the bancassurance agreement
Unearned income	**–**	**442,693**	–	590,258	Unearned income from Exclusive Access Fees arising from the bancassurance agreement
Sale of Investment properties					
Sales contract receivable	**–**	**–**	(413,987)	–	Sale of foreclosed property
Unearned income	**–**	**–**	(52,044)	–	
Key Management Personnel	**4,574,205**	**–**	4,262,562	–	Employee benefits related to key management personnel

(Forward)

	2024		2023		
Related Party Category	**Amount of Transaction**	**Outstanding Balance**	Amount of Transaction	Outstanding Balance	Terms and Conditions/Nature
Directors, officers and other related interests:					
Loans receivable					
Outstanding balance	**₱–**	**₱747,727**	₱–	₱830,157	Secured borrowings with annual interest of 8.0% in 2024 and 8.0% and 12.0% in 2023 and employee fringe benefit loans with annual fixed interest rate from 0.0% to 7.0% in 2024 and 0.0% to 8.0% in 2023
Net movements	**(82,430)**	**–**	189,613	–	
Accounts receivable	**151,260**	**151,260**	185,238	185,238	Fringe benefits related to employee cars and laptop lease

Lease of Properties

The Parent Bank leases certain properties to UIC, CSB, UBX PH, UnionDigital, UBIMTC and UFSI at fixed monthly rental payments with 5% annual escalation rate.

Management Services

The Parent Bank has entered into service agreements with CSB, UIC, FUIFAI, FUPI, PETNET, UBX, UnionDigital, UBIMTC and UFSI to perform various services including corporate accounting, human resource, legal, corporate secretarial, operations support, IT-related and data science.

Deposit Liabilities and Interest Expense

The deposit accounts of subsidiaries and stockholders with the Parent Bank generally earn interest based on daily bank deposit rates.

Advances

The Parent Bank also has advances to UnionDigital, UFSI and UBX PH as of December 31, 2024 and 2023. These are generally settled in cash on a monthly basis.

Bills Payable and Interest Expense

In 2020, CSB availed of a loan with Aboitiz Foundation, Inc., amounting to ₱14.00 million which is payable in five years and bears an annual interest rate of 4.0%. This borrowing had an outstanding balance of ₱13.98 million and ₱13.96 million (net of unamortized debt issue costs) as of December 31, 2024 and 2023, respectively.

Bancassurance Agreement

On January 27, 2017, the Parent Bank and its subsidiary, CSB, entered into a bancassurance partnership (the Distribution Agreement) with Insular Life Assurance Company, Ltd. (Insular Life). Under the Agreement, Insular Life paid the Parent Bank an amount representing Exclusive Access Fee (EAF) with a term of 15 years. Under the Distribution Agreement, in the event that the cumulative annualized premium earned (APE) sold during the first five-year period is less than the agreed minimum amount, the Parent Bank shall refund the proportion of EAF that equals the proportion by which the cumulative APE is less the minimum amount.

In 2023, the Parent Bank and Insular Life signed an addendum to the Distribution Agreement to modify certain provisions in the original contract. The Addendum removed the provision on EAF refund. Under the new terms of the agreement, the unearned EAF as of January 1, 2023 will be earned evenly each year from 2023 to 2027, provided that the Parent Bank shall not be a defaulting party in a material breach during the EAF Credit Period.

Unearned income arising from this transaction is presented as Unearned Income - bancassurance under Other liabilities account in the statements of financial position (see Note 24). Amortization of EAF recognized for 2024 and 2023 is included in Commission from bancassurance under Service charges, fees and commissions account in the statements of income.

Under the distribution agreement, Insular Life will have exclusive access to the branch network of the Parent Bank and CSB. Additionally, the Parent Bank's sales force, composed of relationship managers and financial advisors, shall be trained and licensed to sell life insurance products. Under the same Agreement, the Parent Bank shall earn commissions on all insurance policies sold by the Parent Bank. Commissions earned in 2024 and 2023 are presented as part of Commissions from bancassurance under Service charges, fees and commissions account in the statements of income (see Note 27).

Quick Loans

On August 1, 2022 (the "Effective Date"), the Parent Bank entered into an agreement (the "Agreement") with UnionDigital to sell, in a true sale and without recourse basis, and for cash consideration, loan accounts from the Parent Bank's Quick Loans portfolio that are existing and granted as of the Effective Date and during the Term of the Agreement, which pass the eligibility criteria including the credit score, borrower profile, loan tenors and terms acceptable to UnionDigital. The Agreement shall remain valid and subsisting until terminated by the Parties as defined and allowed under the Agreement. The total outstanding principal sold to UnionDigital in 2023 and 2022 amounted to ₱22.03 billion and ₱6.68 billion, respectively. The Parent Bank and UnionDigital mutually agreed to terminate the Agreement in August 2023.

Sale of Investment Properties

In June 2022, the Parent Bank sold to Lima Land, Inc., a related party under common ownership, parcels of foreclosed land with carrying value of ₱312.50 million for a consideration of ₱591.41 million, payable until 2027. The Parent Bank recognized Gain on disposal of investment properties amounting to ₱226.91 million and Unearned income of ₱52.00 million on the date of sale. In November 2023, the parties mutually agreed to modify the terms of the contract and fully settle the outstanding obligation in relation to such sale.

Key Management Personnel Compensation

The compensation of key management personnel for the Group and Parent Bank follows:

	Group		
	2024	2023	2022
Short-term benefits	**₱4,245,206**	₱3,948,441	₱2,565,550
Post-employment benefits	**204,996**	178,917	197,044
Other long-term benefits	**124,003**	135,204	211,238
	₱4,574,205	₱4,262,562	₱2,973,832

	Parent Bank		
	2024	2023	2022
Short-term benefits	**₱3,287,581**	₱3,074,645	₱2,126,299
Post-employment benefits	**165,133**	161,847	182,200
Other long-term benefits	**114,887**	128,555	205,565
	₱3,567,601	₱3,365,047	₱2,514,064

The Group incurred directors' fees amounting to ₱192.81 million, ₱159.59 million, and ₱130.79 million in 2024, 2023 and 2022, respectively. The Parent Bank incurred fees amounting to ₱117.87 million, ₱105.41 million , and ₱100.69 million in 2024, 2023 and 2022, respectively.

Loans and Other Transactions

In the ordinary course of business, the Group has loans, deposits and other transactions with its related parties and with certain DOSRI. Under the Group's existing policies, these transactions are made substantially on the same terms and conditions as transactions with other individuals and businesses of comparable risks. The amount of individual loans to DOSRI, of which 70% must be secured, should not exceed the amount of the deposit and book value of their investment in the Group. In the aggregate, loans to DOSRI generally should not exceed the total equity or 15% of the total loan portfolio of the Group, whichever is lower.

The following additional information is presented relative to DOSRI loans:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Total DOSRI loans	**₱747,727**	₱830,157	**₱606,488**	₱690,843
Unsecured DOSRI loans	**354,656**	418,582	**257,988**	292,880
% of DOSRI loans to total loan portfolio	**0.14%**	0.16%	**0.15%**	0.17%
% of unsecured DOSRI loans to total DOSRI loans	**0.08%**	0.05%	**0.10%**	0.06%
% of unsecured DOSRI loans inclusive of fringe benefits to total DOSRI loans	**47.43%**	50.42%	**42.54%**	42.39%
% of past due DOSRI loans to total DOSRI loans	**0.08%**	0.05%	**0.10%**	0.06%
% of non-accruing DOSRI accounts to total DOSRI loans	**–%**	–%	**–%**	–%

The total unsecured DOSRI loans above include loans extended to employees treated as fringe benefits that are excluded in determining the compliance with the individual ceiling under subsection X330.1 of the MORB.

On January 31, 2007, BSP issued Circular No. 560 which provides the rules and regulations that govern loans, other credit accommodations and guarantees granted to subsidiaries and affiliates of banks and quasi-banks. Under the said circular, the total outstanding exposures to each of the Parent Bank's subsidiaries and affiliates shall not exceed 10% of bank's net worth, the unsecured portion of which shall not exceed 5% of such net worth. Further, the total outstanding exposures to subsidiaries and affiliates shall not exceed 20% of the net worth of the lending bank.

Transactions with the Retirement Plan

The retirement fund of the Group covered under defined benefit post-employment plan maintained for qualified employees is administered by the Retirement Committee. The members of the Retirement Committee are Senior Executives and officers of the Parent Bank as approved by Corporate Governance Committee. Through its Retirement Committee, it has appointed UBIMTC as one of its trustees for the retirement fund which is covered by trust agreements.

The composition of the retirement plan assets in the actuarial valuation reports of the Parent Bank and its subsidiaries as of December 31, 2024 and 2023 are disclosed in Note 29. As of December 31, 2024 and 2023, total assets of the retirement plan managed by the UBIMTC of the Parent Bank as contained in the actuarial valuation reports amounted to ₱6.57 billion and ₱6.31 billion, respectively.

As of December 31, 2024 and 2023, the carrying value of the fund is equivalent to its fair value.

The Parent Bank and its subsidiaries' retirement plans have transactions directly and indirectly with the Parent Bank as of December 31, 2024 and 2023 as follows:

	Group			
	2024		2023	
	Amount of Transaction	**Outstanding Balance**	Amount of Transaction	Outstanding Balance
Investment in Parent Bank shares	**(₱14,699)**	**₱463,699**	₱126,190	₱478,398
Investments in Parent Bank notes payable:				
Outstanding balance	**–**	**319,260**	–	311,861
Net movements	**7,399**	**–**	(42,655)	–
Interest income	**19,813**	**–**	17,255	–
Accrued interest income	**–**	**2,022**	–	4,562
Deposit liabilities:				
Outstanding balance	**–**	**11,230**	–	241,771
Net movements	**(230,541)**	**–**	(106,691)	–
Interest income on deposits	**14,016**	**–**	1,692	–
Dividend income	**8,780**	**–**	9,307	–

	Parent Bank			
	2024		2023	
	Amount of Transaction	**Outstanding Balance**	Amount of Transaction	Outstanding Balance
Investment in Parent Bank shares	**(₱12,258)**	**₱449,594**	₱126,136	₱461,852
Investments in Parent Bank notes payable:				
Outstanding balance	**–**	**277,537**	–	271,083
Net movements	**6,454**	**–**	(39,889)	–
Interest income	**17,188**	**–**	15,067	–
Accrued interest income	**–**	**1,752**	–	3,185
Deposit liabilities:				
Outstanding balance	**–**	**10,999**	–	235,176
Net movements	**(224,177)**	**–**	(94,675)	–
Interest income on deposits	**14,028**	**–**	1,684	–
Dividend income	**8,497**	**–**	8,751	–

The investment in Parent Bank shares are primarily held for re-sale and the Group's retirement fund does not intend to exercise its voting rights over those shares. The terms of the investment in notes payable are discussed in Note 23.

Group Health Insurance from a Related Party

The Parent Bank entered into a contract with Insular Life for its group health insurance. The group health insurance package amounted to ₱310.58 million and ₱188.90 million, covering October 2023 to September 2024 and October 2022 to September 2023, respectively.

Receivable from Kingswood Project

UIC acts as the project and fund manager of Kingswood Project. As fund manager, UIC is responsible for the treasury and money management as well as arranging the necessary facilities and accounting for the development of the project. UIC also receives a certain percentage of the sales price related to Kingswood Project as sales commission and to compensate for the marketing expenses incurred. As of December 31, 2024 and 2023, the receivable of UIC from Kingswood Project amounted to ₱35.20 million and ₱32.0 million, respectively.

Transfer of the Parent Bank's Trust Business

In 2023, the Parent Bank established UBIMTC, a stand-alone trust corporation and the resulting entity of the spin-off of the Parent Bank's Trust and Investment Services Group (TISG). The Parent Bank contributed ₱300.0 million on May 9, 2023, in exchange for 300.0 million common shares pursuant to the requirements for incorporating UBIMTC (see Note 1). In March 2024, the Parent Bank entered into an agreement with UBIMTC to transfer the Parent Bank's trust business and operations to UBIMTC. UBIMTC commenced its operations in the same month.

33. **Earnings Per Share**

In 2024, 2023 and 2022, the Group and the Parent Bank have no outstanding potentially dilutive securities, hence, basic earnings per share are equal to diluted earnings per share.

As a result of the stock dividends declared by the Parent Bank on April 28, 2023 to stockholders of record as of December 22, 2023 and issued on January 4, 2024 (see Notes 25 and 36), the weighted average number of outstanding common shares have been adjusted retrospectively for the effect of the stock dividends on January 1, 2022, representing the beginning of the earliest prior period presented, as required under PFRS.

The basic and diluted earnings per share were computed as follows:

	Group		
	2024	2023	2022
Net profit attributable to Parent Bank's stockholders	**₱11,929,971**	₱9,072,217	₱12,600,745
Divided by:			
Weighted average number of outstanding common shares	**3,180,090**	2,332,962	1,911,431
Adjustment related to stock dividends	–	635,519	635,519
Weighted average number of outstanding common shares, after adjustment for stock dividends	**3,180,090**	2,968,481	2,546,950
Basic and diluted earnings per share	**₱3.75**	₱3.06	₱4.95

	Parent Bank		
	2024	2023	2022
Net profit	**₱12,232,431**	₱8,828,457	₱12,600,745
Divided by:			
Weighted average number of outstanding common shares	**3,180,090**	2,332,962	1,911,431
Adjustment related to stock dividend	–	635,519	635,519
Weighted average number of outstanding common shares, after adjustment for stock dividends	**3,180,090**	2,968,481	2,546,950
Basic and diluted earnings per share	**₱3.85**	₱2.97	₱4.95

As of December 31, 2024, 2023 and 2022, there were no outstanding dilutive potential common shares.

34. **Commitments and Contingent Liabilities**

Leases

Group as Lessee

The Group leases various branch premises for an average period of seven years. The lease contracts are cancellable upon mutual agreement of the parties or renewable at the Parent Bank's option under certain terms and conditions. Various lease contracts include escalation clauses, most of which bear an annual rent increase ranging from 5% to 10%. Some leases include a clause to enable adjustment of the rental charge on an annual basis based on prevailing market rates. As of December 31, 2024 and 2023, the Parent Bank has neither a contingent rent payable nor an asset restoration obligation in relation with these lease agreements.

Shown below is the maturity analysis of the undiscounted lease payments as of December 31, 2024 and 2023:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
1 year or less	**₱444,059**	₱597,214	**₱415,758**	₱453,932
more than 1 years to 2 years	**438,411**	450,676	**326,516**	352,348
more than 2 years to 3 years	**351,838**	303,813	**267,310**	235,500
more than 3 years to 4 years	**244,261**	217,275	**165,842**	157,865
more than 5 years	**83,070**	64,374	**43,838**	35,301

The following are the amounts recognized in profit or loss for the years ended December 31, 2024 and 2023:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Amortization expense of ROU assets (Note 16)	**₱625,603**	₱611,475	**₱489,730**	₱468,679
Interest expense on lease liabilities (Note 24)	**68,449**	75,007	**48,153**	59,580
Expenses relating to short term - leases	**293,175**	268,345	**220,433**	214,309
Total amount recognized in profit or loss	**₱987,227**	₱954,827	**₱758,316**	₱742,568

Group as Lessor

The Group has entered into commercial property leases on the Group's surplus offices. These non-cancellable leases have remaining non-cancellable lease terms of one to four years.

Total rent income earned included under Miscellaneous income account in the statements of income (see Note 28) by the Group and the Parent Bank for the years ended December 31, 2024, 2023 and 2022 are as follows:

	2024	2023	2022
Group	**₱159,384**	₱127,739	₱218,019
Parent Bank	**207,913**	180,273	154,907

The estimated minimum future annual rentals receivable under non-cancellable operating leases follows:

	Group	
	2024	2023
Within one year	**₱146,930**	₱119,487
Beyond one year but within five years	**334,669**	123,370
	₱481,599	₱242,857

	Parent Bank	
	2024	2023
Within one year	**₱131,807**	₱102,643
Beyond one year but within five years	**303,539**	110,043
	₱435,346	₱212,686

Others

In the normal course of the Group's operations, there are various outstanding commitments and contingent liabilities such as guarantees, commitments to extend credit, which are not reflected in the accompanying financial statements. The Group recognizes in its books any losses and liabilities incurred in the course of its operations as soon as these become determinable and quantifiable. Management believes that, as of December 31, 2024, no additional material losses or liabilities are required to be recognized in the accompanying financial statements as a result of the above commitments and transactions.

There are several suits, assessments or notices and claims that remain unsettled. 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.

35. Notes to the Statements of Cash Flows

Presented below is the supplemental information on the Group's and the Parent Bank's liabilities arising from financing activities:

	Group			
	Bills Payable	**Notes and Bonds Payable**	**Lease Liabilities***	**Total**
Balances at beginning of year	**₱155,287,929**	**₱50,493,627**	**₱1,551,143**	**₱207,332,699**
Cash flows from financing activities:				
Additions	**979,827,074**	**11,482,520**	**–**	**991,309,594**
Repayment of borrowings	**(975,385,462)**	**(5,658,904)**	**(724,806)**	**(981,769,172)**
Non-cash financing activities:				
Effects of foreign exchange rate changes	**2,367,649**	**1,124,866**	**–**	**3,492,515**
New lease arrangements	**–**	**–**	**731,139**	**731,139**
Amortization of debt issue costs and accretion of interest	**159,189**	**123,473**	**68,449**	**351,111**
Balances at end of year	**₱162,256,379**	**₱57,565,582**	**₱1,625,925**	**₱221,447,886**

**additions to lease liabilities arising from initial recognition of ROU assets are considered non-cash financing activities*

	Group				
	LTNCD	Bills Payable	Notes and Bonds Payable	Lease Liabilities*	Total
Balances at beginning of year	₱3,000,000	₱132,846,789	₱51,644,325	₱1,424,530	₱188,915,644
Cash flows from financing activities:					
Additions	−	1,313,421,732	20,500,543	−	1,333,922,275
Repayment of borrowings	(3,000,000)	(1,291,332,050)	(21,616,552)	(633,871)	(1,316,582,473)
Non-cash financing activities:					
Effects of foreign exchange rate changes	−	350,441	(65,136)	−	285,305
New lease arrangements	−	−	−	685,477	685,477
Amortization of debt issue costs and accretion of interest	−	1,017	30,447	75,007	106,471
Balances at end of year	₱−	₱155,287,929	₱50,493,627	₱1,551,143	₱207,332,699

**additions to lease liabilities arising from initial recognition of ROU assets are considered non-cash financing activities*

	Parent Bank			
	Bills Payable	**Notes and Bonds Payable**	**Lease Liabilities***	**Total**
Balances at beginning of year	**₱120,359,136**	**₱50,493,627**	**₱1,180,973**	**₱172,033,736**
Cash flows from financing activities:				
Additions	**957,473,570**	**−**	**−**	**957,473,570**
Repayment of borrowings	**(954,030,712)**	**−**	**(552,358)**	**(954,583,070)**
Non-cash financing activities:				
Effects of foreign exchange rate changes	**2,367,648**	**1,111,521**	**−**	**3,479,169**
New lease arrangements	**−**	**−**	**561,627**	**561,627**
Amortization of debt issue costs and accretion of interest	**−**	**119,139**	**48,153**	**167,292**
Balances at end of year	**₱126,169,642**	**₱51,724,287**	**₱1,238,395**	**₱179,132,324**

**additions to lease liabilities arising from initial recognition of ROU assets are considered non-cash financing activities*

	Parent Bank				
	LTNCD	Bills Payable	Notes and Bonds Payable	Lease Liabilities*	Total
Balances at beginning of year	₱3,000,000	₱99,309,124	₱51,644,325	₱1,177,555	₱155,131,004
Cash flows from financing activities:					
Additions	−	1,289,600,128	18,005,196	−	1,307,605,324
Repayment of borrowings	(3,000,000)	(1,268,901,574)	(19,115,000)	(524,291)	(1,291,540,865)
Non-cash financing activities:					
Effects of foreign exchange rate changes	−	350,441	(71,341)	−	279,100
New lease arrangements	−	−	−	468,129	468,129
Amortization of debt issue costs and accretion of interest	−	1,017	30,447	59,580	91,044
Balances at end of year	₱−	₱120,359,136	₱50,493,627	₱1,180,973	₱172,033,736

**additions to lease liabilities arising from initial recognition of ROU assets are considered non-cash financing activities*

Non-cash investing activities of the Group for the years ended December 31, 2024 and 2023 include (1) additions to investment properties in settlement of loans and receivables amounting to ₱807.75 million and ₱984.12 million, respectively, (2) disposals of properties with carrying values of ₱713.01 million and ₱638.52 million, respectively, through sales contract receivables, and (3) addition to right of use assets amounting to ₱714.28 million and ₱675.99 million, respectively, for the Group and amounting to ₱561.63 million and ₱468.13 million, respectively, for the Parent Bank.

36. Events After the End of the Reporting Period

Dividend Declaration
On January 31, 2025, the Parent Bank's BOD approved the declaration of cash dividends at ₱1.00 per share for a total of ₱3.32 billion, issued to all stockholders of the Bank and payable from the unrestricted retained earnings of the Bank as of December 31, 2024. The record date for stockholders entitled to the cash dividend was February 17, 2025, and payment was made on February 24, 2025.

Capital Infusion to Union Digital
On January 31, 2025, the Parent Bank infused capital amounting to ₱650.00 million out of the approved amount of ₱1.60 billion to UnionDigital to support its ongoing business operations.

On February 28, 2025, the Parent Bank approved the infusion of additional capital of up to ₱1.2 billion in UnionDigital to support the latter's ongoing business operations and enable it to deliver sustainable growth, subject to the applicable regulatory approvals.

UBP Bond Program
On February 28, 2025, the Parent Bank's BOD approved the issuance of up to USD800 million or its equivalent in other foreign currencies out of the Bank's Euro Medium Term Note (EMTN) Program. The EMTN Program was established on November 14, 2017 and updated on October 2, 2020, with the current program size of USD2.00 Billion and with remaining balance of USD 1.20 Billion.

Additionally, the Parent Bank's BOD also approved the increase in the Bank's PHP Bonds Program from ₱50.00 billion to ₱100.0 Billion, and the issuance of up to ₱30.0 billion out of the PHP Bonds Program.

37. Supplementary Information Required Under Revenue Regulations 15-2010

Presented below is the supplementary information required by the Bureau of Internal Revenue (BIR) under RR 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

Gross Receipts Tax
In lieu of the value-added tax (VAT), the Parent Bank is subject to the GRT imposed on all banks and non-bank financial intermediaries pursuant to Section 121 of the Tax Code.

The Parent Bank reported total GRT amounting to ₱3.30 billion in 2024 as shown under Taxes and Licenses account. Total GRT payable as of December 31, 2024 amounted to ₱0.91 billion and is included in Accrued taxes and other expenses under Other liabilities account in the 2024 statement of financial position.

Documentary Stamp Tax
The Bank is enrolled under the Electronic DST System. In general, the Parent Bank's DST transactions arise from the execution of debt instruments, security documents, and bills of exchange. For the year ended December 31, 2024, DST affixed amounted to ₱1.63 billion.

Withholding Taxes
The details of total withholding taxes for the year ended December 31, 2024 are shown below (amounts in thousands):

Final	₱2,268,186
Expanded	345,227
Compensation and benefits	1,421,322
	₱4,034,735

Taxes and Licenses
The details of taxes and licenses in 2024 of the Parent Bank are as follows (amounts in thousands):

GRT	₱3,302,672
DST	610,210
Real property tax	45,490
Fringe benefit tax (FBT)	73,965
Local and business permits	71,333
Miscellaneous	107,238
Less:	
FBT charged to employee benefits	(73,965)
	₱4,136,943

Excise Taxes
The Parent Bank does not have excise taxes accrued since it did not have any transactions subject to excise tax.

Other Required Tax Information
The Parent Bank has not paid or accrued any excise taxes or customs' duties and tariff fees as it had no importation for the year ended December 31, 2024.

The Parent Bank has no pending deficiency tax assessment with the BIR, the courts or other regulatory bodies outside of the BIR as at December 31, 2024.

38. Supplementary Information Required Under Section 174 of the Manual of Regulations for Banks (MORB)

Presented below is the supplementary information required by the BSP under Section 174 of the MORB.

Basic quantitative indicators of financial performance

Group	**2024**	2023	2022
Return on average capital funds:			
Net profit / Average total capital funds*	**6.4%**	5.6%	9.7%
Return on average resources:			
Net profit / Average total resources*	**1.1%**	0.8%	1.3%
Net interest margin:			
Net interest income / Average interest-earning resources*	**6.0%**	5.5%	4.8%
Liquidity ratio:			
Current Assets / Current Liabilities	**47.3%**	43.5%	49.6%
Debt-to-equity ratio:			
Liabilities / Capital Funds	**4.8:1**	5.5:1	6.4:1
Asset-to-equity ratio:			
Asset / Capital Funds	**5.8:1**	6.5:1	7.4:1
Interest rate coverage ratio:			
Earnings before interests and taxes / Interest expense	**1.6:1**	1.4:1	2.4:1

**Average amount is calculated based on current year-end and previous year-end balances*

Parent Bank	**2024**	2023	2022
Return on average capital funds:			
Net profit / Average total capital funds*	**6.6%**	5.5%	9.7%
Return on average resources:			
Net profit / Average total resources*	**1.2%**	0.9%	1.5%
Net interest margin:			
Net interest income / Average interest-earning resources*	**5.6%**	4.8%	4.1%
Liquidity ratio:			
Current Assets / Current Liabilities	**46.1%**	40.0%	48.5%

Parent Bank	**2024**	2023	2022
Debt-to-equity ratio:			
Liabilities / Capital Funds	**4.1:1**	4.7:1	5.6:1
Asset-to-equity ratio:			
Asset / Capital Funds	**5.1:1**	5.7:1	6.6:1
Interest rate coverage ratio:			
Earnings before interests and taxes / Interest expense	**2.0:1**	1.6:1	2.9:1

**Average amount is calculated based on current year-end and previous year-end balances*

Capital instruments issued

The Parent Bank's capital instruments consist of the following:

Capital stock

As of December 31, 2024 and 2023, the Parent Bank has outstanding capital stock shown below (peso amounts in thousands):

	Shares		**Amount**	
	2024	2023	**2024**	2023
Common – ₱10 par value				
Authorized	**5,030,785,238**	5,030,785,238	**₱50,307,852**	₱50,307,852
Issued	**3,316,405,584**	2,353,774,567	**33,164,056**	23,537,746
Treasury stock	–	(27,977)	–	(2,097)
Issued and outstanding	**3,316,405,584**	2,353,746,590	**33,164,056**	23,535,649
Preferred – ₱100 par value, non-voting				
Authorized	**100,000,000**	100,000,000	**₱10,000,000**	₱10,000,000
Issued and outstanding	–	–	–	–

Unsecured Subordinated Tier 2 Notes Due 2030 Callable in 2025

The Basel III-compliant Unsecured Subordinated Tier 2 Notes were issued by the Parent Bank under its BSP-approved issuance of ₱20.0 Billion Unsecured Subordinated Notes Qualifying as Tier 2 Capital.

Unless the Notes are previously redeemed, the Initial Interest Rate will be reset at the equivalent of the Initial Spread per annum plus the Benchmark as of Reset Date as defined in the Terms and Conditions of the Notes. Subject to certain conditions, the BSP Guidelines, and the Terms and Conditions, the Parent Bank may redeem the Notes in whole and not only in part on the Redemption Option Date at 100% of the face value of the Notes, plus accrued and unpaid interest as of but excluding the Redemption Option Date.

The Notes have a loss absorption feature which means the Notes are subject to a Non-Viability Write-Down in case of a Non-Viability Trigger Event. A Non-Viability Trigger Event is deemed to have occurred when the Issuer is considered non-viable as determined by the BSP.

The Tier II Notes constitute a direct, unconditional, fixed, unsecured and subordinated obligation of the Bank. Claims in respect of the Tier II Notes will rank: (a) junior to the claims of holders of all deposits and general creditors of the Bank; (b) *pari passu* with obligations of the Bank that are, expressly or by applicable laws, subordinated so as to rank *pari passu* with claims in respect of securities constituting "Tier 2" capital of the Bank; and (c) senior to (i) the claims for payment of any obligation that, expressly or by applicable law, is subordinated to the

Tier II Notes, (ii) the claims in respect of securities constituting "Tier 1" capital of the Bank, and (iii) the rights and claims of holders of equity shares of the Bank.

Distribution of Stock Dividends
As of December 31, 2023, the Parent Bank has stock dividend distributable amounting to ₱6.36 billion, representing the 27% stock dividends approved by the Bank's BOD and stockholders on February 24, 2023 and April 28, 2023, respectively. Subsequently, on January 4, 2024, the Parent Bank issued the related 635.5 million common shares at par value of ₱10 per share.

Concentration of credit exposures
An analysis of concentrations of credit risk for loans and other receivables and investment securities (grossed up for any allowance for credit losses and unearned discounts) of the Group and the Parent Bank by industry and by geographic location as of December 31, 2024 and 2023 is shown below (amounts in thousands):

	Group			
	2024			
	Loans and Other Receivables		Trading and Investment	
	Amount	%	Securities	Total
Concentration by industry				
Financial and insurance activities	**₱36,287,795**	**6.66**	**₱437,848,516**	**₱471,373,468**
Other consumption	**236,274,329**	**43.38**	**–**	**236,274,329**
Real estate activities	**93,720,155**	**17.21**	**13,981,886**	**107,702,041**
Electricity, gas steam and air conditioning supply	**14,364,514**	**2.64**	**25,476,487**	**39,841,001**
Wholesale and retail trade, repair of motor vehicles	**31,653,180**	**5.81**	**–**	**31,653,180**
Information and communication	**28,378,273**	**5.21**	**–**	**28,378,273**
Arts, entertainment and recreation	**22,784,818**	**4.18**	**–**	**22,784,818**
Transportation and storage	**15,367,065**	**2.82**	**2,486,098**	**17,853,163**
Manufacturing	**17,353,646**	**3.19**	**–**	**17,353,646**
Other service activities	**8,711,874**	**1.60**	**–**	**8,711,874**
Construction	**7,766,191**	**1.43**	**–**	**7,766,191**
Activities of households as employers and undifferentiated goods and services	**2,461,152**	**0.45**	**–**	**2,461,152**
Agriculture, forestry and fishing	**2,629,485**	**0.48**	**–**	**2,629,485**
Accommodation and food service activities	**1,391,169**	**0.26**	**–**	**1,391,169**
Professional, scientific and technical activities	**470,575**	**0.09**	**–**	**470,575**
Others	**24,993,053**	**4.59**	**8,537,880**	**33,530,933**
	₱544,607,274	**100.0**	**₱488,330,867**	**₱1,030,175,298**
Concentration by location				
Philippines	**₱544,607,274**	**100.0**	**₱427,730,677**	**₱972,337,951**
Others - Asia	**–**	**–**	**28,363,556**	**28,363,556**
United States	**–**	**–**	**15,717,181**	**15,717,181**
North America	**–**	**–**	**7,661,426**	**7,661,426**
South America	**–**	**–**	**6,095,184**	**6,095,184**
	₱544,607,274	**100.0**	**₱485,568,024**	**₱1,030,175,298**

	Group			
	2023			
	Loans and Other Receivables		Trading and Investment	
	Amount	%	Securities	Total
Concentration by industry				
Financial and insurance activities	₱51,103,435	9.38	₱446,923,047	₱498,026,482
Other consumption	112,628,257	20.68	–	112,628,257
Real estate activities	95,950,982	17.61	6,772,418	102,723,400
Electricity, gas steam and air conditioning supply	12,777,457	2.35	25,922,919	38,700,376
Wholesale and retail trade, repair of motor vehicles	30,793,295	5.65	–	30,793,295
Information and communication	30,272,891	5.56	–	30,272,891
Transportation and storage	22,391,674	4.11	2,381,427	24,773,101
Manufacturing	18,042,908	3.31	2,772,368	20,815,276
Arts, entertainment and recreation	13,396,218	2.46	–	13,396,218
Other service activities	7,613,267	1.40	–	7,613,267
Construction	5,558,126	1.02	–	5,558,126
Activities of households as employers and undifferentiated goods and services	2,522,318	0.46	–	2,522,318
Agriculture, forestry and fishing	2,913,770	0.53	–	2,913,770
Accommodation and food service activities	1,280,636	0.24	–	1,280,636
Professional, scientific and technical activities	522,663	0.10	–	522,663
Others	136,948,323	25.14	6,335,850	143,284,173
	₱544,716,220	100.00	₱491,108,029	₱1,035,824,249
Concentration by location				
Philippines	₱544,716,220	100.00	₱436,081,182	₱980,797,402
Others – Asia	–	–	26,951,292	26,951,292
United States	–	–	14,979,766	14,979,766
South America	–	–	13,095,789	13,095,789
	₱544,716,220	100.00	₱491,108,029	₱1,035,824,249

	Parent Bank			
	2024			
	Loans and Other Receivables		**Trading and Investment**	
	Amount	**%**	**Securities**	**Total**
Concentration by industry				
Financial and insurance activities	**₱36,281,742**	**8.65**	**₱387,491,606**	**₱423,773,348**
Other consumption	**129,874,819**	**30.95**	**–**	**129,874,819**
Real estate activities	**93,053,635**	**22.17**	**13,981,886**	**107,035,521**
Electricity, gas steam and air conditioning supply	**14,364,300**	**3.42**	**25,476,487**	**39,840,787**
Wholesale and retail trade, repair of motor vehicles	**30,753,351**	**7.33**	–	**30,753,351**
Information and communication	**28,375,439**	**6.76**	–	**28,375,439**
Arts, entertainment and recreation	**22,784,046**	**5.43**	–	**22,784,046**
Transportation and storage	**15,028,998**	**3.58**	**2,486,098**	**17,515,096**
Manufacturing	**17,148,485**	**4.09**	**–**	**17,148,485**
Other service activities	**8,523,609**	**2.03**	–	**8,523,609**
Construction	**7,651,879**	**1.82**	**–**	**7,651,879**
Activities of households as employers and undifferentiated goods and services	**2,372,507**	**0.57**	–	**2,372,507**
Agriculture, forestry and fishing	**1,818,990**	**0.43**	–	**1,818,990**
Accommodation and food service activities	**1,391,169**	**0.33**	–	**1,391,169**
Professional, scientific and technical activities	**469,695**	**0.11**	–	**469,695**
Others	**9,783,266**	**2.33**	**8,537,880**	**18,321,146**
	₱419,675,930	**100.0**	**₱437,973,957**	**₱857,649,887**
Concentration by location				
Philippines	**₱419,675,930**	**100.0**	**₱380,136,610**	**₱799,812,540**
Others - Asia	–	–	**28,363,556**	**28,363,556**
United States	–	–	**15,717,181**	**15,717,181**
North America	–	–	**7,661,426**	**7,661,426**
South America	–	–	**6,095,184**	**6,095,184**
	₱419,675,930	**100.0**	**₱437,973,957**	**₱857,649,887**

	Parent Bank			
	2023			
	Loans and Other Receivables		Trading and Investment	
	Amount	%	Securities	Total
Concentration by industry				
Financial and insurance activities	₱64,419,599	15.27	₱392,513,892	₱456,933,491
Other consumption	112,628,257	26.70	–	112,628,257
Real estate activities	95,284,452	22.58	6,772,418	102,056,870
Electricity, gas steam and air conditioning supply	12,777,243	3.03	25,922,919	38,700,162
Information and communication	30,270,057	7.17	–	30,270,057
Wholesale and retail trade, repair of motor vehicles	29,870,815	7.08	–	29,870,815
Transportation and storage	22,049,095	5.23	2,381,427	24,430,522
Manufacturing	17,837,246	4.23	2,772,368	20,609,614
Arts, entertainment and recreation	13,395,446	3.17	–	13,395,446
Other service activities	7,402,806	1.75	–	7,402,806
Construction	5,443,813	1.29	–	5,443,813
Activities of households as employers and undifferentiated goods and services	2,433,674	0.58	–	2,433,674
Accommodation and food service activities	1,279,303	0.30	–	1,279,303
Agriculture, forestry and fishing	1,993,504	0.47	–	1,993,504
Professional, scientific and technical activities	521,783	0.12	–	521,783
Others	4,299,613	1.02	6,335,850	10,635,463
	₱421,906,706	100.00	₱436,698,874	₱858,605,580
Concentration by location				
Philippines	₱421,906,706	100.00	₱381,672,027	₱803,578,733
Others - Asia	–	–	26,951,292	26,951,292
United States	–	–	14,979,766	14,979,766
South America	–	–	13,095,789	13,095,789
	₱421,906,706	100.00	₱436,698,874	₱858,605,580

The BSP considers significant credit concentration when the total loan exposure to a particular industry or economic sector exceeds 30.00% of total loan portfolio or 10.00% of Tier 1 capital (see Note 5).

Breakdown of total loans as to security and status

As to security

The breakdown of total loans and other receivables (gross of allowance for credit losses, net of unearned discounts) as to secured, with corresponding collateral types, and unsecured loans follows (amounts in thousands):

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Secured:				
Real estate	**₱8,818,878**	₱9,123,863	**₱6,110,887**	₱7,061,241
Deposit hold-out	**560,408**	388,958	**488,506**	314,379
Chattel mortgage	**6,677,423**	37,008	**–**	–
Others	**60,750,589**	70,712,231	**60,721,759**	70,593,577
	76,807,298	80,262,060	**67,321,152**	77,969,197
Unsecured	**469,927,766**	465,894,577	**356,835,151**	347,870,341
	₱546,735,064	₱546,156,637	**₱424,156,303**	₱425,839,538

The breakdown as to secured and unsecured of non-accruing loans (gross of unearned discounts and allowance for credit losses) of the Group and the Parent Bank as of December 31 follows:

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Secured	**₱8,384,920**	₱5,436,524	**₱6,024,801**	₱5,374,227
Unsecured	**29,265,459**	28,799,717	**18,144,023**	15,479,796
	₱37,650,379	₱34,236,241	**₱24,168,824**	₱20,854,023

As to status

As of December 31, 2024 and 2023, the Group's and Parent Bank's non-performing loans (NPLs) (gross of unearned discounts) and related specific allowance for credit losses in compliance with BSP Circular 855 are presented below (amounts in thousands):

	Group		**Parent Bank**	
	2024	2023	**2024**	2023
Gross NPLs	**₱37,650,379**	₱34,236,241	**₱24,168,824**	₱20,854,022
Specific allowance for credit losses on NPLs	**(16,774,674)**	(13,942,408)	**(11,846,563)**	(8,975,937)
	₱20,875,705	₱20,293,833	**₱12,322,261**	₱11,878,086

Under BSP Circular 941, an account or exposure is considered non-performing, even without any missed contractual payments, when it is deemed impaired under existing applicable 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, in the case of secured accounts. All other accounts, even if not considered impaired, shall be considered non-performing if any contractual principal and/or interest are past due for more than ninety (90) days, or accrued interests for more than 90 days have been capitalized, refinanced, or delayed by agreement.

Microfinance and other small loans with similar credit characteristics shall be considered non-performing after contractual due date or after it has become past due. Restructured loans shall be considered non-performing. However, if prior to restructuring, the loans were categorized as performing, such classification shall be retained.

Non-performing loans, investment, receivables, or any financial asset (and/or any replacement loan) shall remain classified as such until (a) there is a sufficient evidence to support that full collection of principal and interests is probable and payments of interest and/or principal are received for at least six (6) months; or (b) written-off.

Information on the amounts of performing and non-performing loans and receivables (gross of unearned discounts and allowance for impairment and credit losses) per product line of the Group and Parent Bank are as follows:

	Group					
	2024			2023		
	Performing	**Non-Performing**	**Total**	Performing	Non-Performing	Total
Consumer products*	**₱130,880,410**	**₱6,671,292**	**₱137,551,702**	₱116,136,252	₱3,993,996	₱120,130,248
Corporate loans	**129,617,997**	**229,962**	**129,847,959**	132,566,330	110,495	132,676,825
CSB salary loans	**81,827,132**	**6,976,454**	**88,803,586**	79,145,770	5,310,420	84,456,190
Home loans	**61,617,753**	**7,234,432**	**68,852,185**	63,664,670	6,883,125	70,547,795
Commercial loans	**55,533,036**	**9,596,379**	**65,129,415**	65,656,618	9,389,312	75,045,930
Other receivables from customers**	**36,498,439**	**6,941,860**	**43,440,299**	37,869,851	8,548,893	46,418,744
Total receivables from customers	**₱495,974,767**	**₱37,650,379**	**₱533,625,146**	₱495,039,491	₱34,236,241	₱529,275,732

**Comprised of the Parent Bank's Small and Medium Enterprise (SME) Financial Products, Auto Loans, Credit Cards and Personal Loans*
*** Comprised primarily of High-net-worth-individuals loans, Corporate retail loans, HR loans, Home Credit receivables, personal loans of Union Digital, and motorcycle loans of CSB*

	Parent Bank					
	2024			2023		
	Performing	**Non-Performing**	**Total**	Performing	Non-Performing	Total
Consumer products*	**₱130,880,410**	**₱6,671,292**	**₱137,551,702**	₱116,136,252	₱3,993,996	₱120,130,248
Corporate loans	**129,617,997**	**229,962**	**129,847,959**	132,566,330	110,495	132,676,825
Home loans	**61,617,753**	**7,234,432**	**68,852,185**	63,664,670	6,883,125	70,547,795
Commercial loans	**55,533,036**	**9,596,379**	**65,129,415**	65,656,618	9,389,312	75,045,930
Other receivables from customers**	**10,624,744**	**436,759**	**11,061,503**	11,383,805	477,094	11,860,899
Total receivables from customers	**₱388,273,940**	**₱24,168,824**	**₱412,442,764**	₱389,407,675	₱20,854,022	₱410,261,697

**Comprised of Small and Medium Enterprise (SME) Financial Products, Auto Loans, Credit Cards and Personal Loans*
*** Comprised primarily of High-net-worth-individuals loans, Corporate retail loans, HR loans, and Home Credit receivables*

Related party loans
As of December 31, 2024 and 2023, the Group's and the Parent Bank's related party loans solely consist of DOSRI loans, as shown below (peso amounts in thousands):

	Group		Parent Bank	
	2024	2023	**2024**	2023
Total DOSRI loans	**₱747,727**	₱830,157	**₱606,488**	₱690,843
Unsecured DOSRI loans	**354,656**	418,582	**257,988**	292,880
Total related party loans (including DOSRI loans)	**747,727**	830,157	**606,488**	690,843
Unsecured related party loans (including DOSRI loans)	**354,656**	418,582	**257,988**	292,880
% of DOSRI/related party loans to total loan portfolio	**0.14%**	0.16%	**0.15%**	0.17%
% of unsecured DOSRI/related party loans to total DOSRI loans	**0.08%**	0.05%	**0.10%**	0.06%
% of unsecured DOSRI loans inclusive of fringe benefit loans to total DOSRI loans	**47.43%**	50.42%	**42.54%**	42.39%
% of past due DOSRI/related party loans to total DOSRI loans	**0.08%**	0.05%	**0.10%**	0.06%
% of non-accruing DOSRI/related party accounts to total DOSRI loans	**–%**	–%	**–%**	–%

The total unsecured DOSRI loans above include loans extended to employees treated as fringe benefits that are excluded in determining the compliance with the individual ceiling under subsection X330.1 of the MORB.

Secured liability and assets pledged as security
The Group's and the Parent Bank's bills payable under repurchase agreements amounted to ₱104.73 billion and ₱98.17 billion as of December 31, 2024 and 2023, respectively.

The Group's and the Parent Bank's investment securities at amortized cost with carrying values of ₱115.73 billion and ₱123.27 billion as of December 31, 2024 and 2023, respectively, were pledged as collaterals against bills payable under repurchase agreement.

Commitments and contingencies
Following is a summary of the Group and Parent Bank's commitments and contingent accounts (amounts in thousands):

	Group		Parent Bank	
	2024	2023	**2024**	2023
Commitments	**₱510,778,231**	₱345,361,959	**₱510,674,959**	₱345,294,119
Trust department accounts	**101,121,266**	93,967,963	**–**	93,967,963
Forward exchange bought	**84,778,570**	67,830,319	**84,778,570**	67,830,319
Forward exchange sold	**23,326,152**	15,469,007	**23,326,152**	15,469,007
Other derivatives	**30,532,781**	24,458,518	**30,532,781**	24,458,518
Inward bills for collections	**19,042,984**	24,452,478	**19,042,984**	24,452,478
Unused standby letters of credit	**5,958,221**	7,226,237	**5,958,221**	7,226,237
Spot exchange bought	**5,860,221**	2,215,761	**5,860,221**	2,215,761
Spot exchange sold	**4,912,824**	2,544,518	**4,912,824**	2,544,518
Outstanding guarantees issued	**888,228**	1,100,445	**888,221**	1,100,445
Other commitment and contingent accounts	**91,454**	27,567	**91,442**	27,552

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Union Bank of the Philippines
Union Bank Plaza, Meralco Avenue corner
Onyx Street and Sapphire Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Union Bank of the Philippines and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 28, 2025. 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 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 consolidated 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 financial 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, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465256, January 2, 2025, Makati City

February 28, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Union Bank of the Philippines
Union Bank Plaza, Meralco Avenue corner
Onyx Street and Sapphire Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Union Bank of the Philippines and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 28, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The 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 (PFRS) Accounting Standards 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 PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Janet A. Paraiso

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Partner
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February 28, 2025

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES
INDEX TO SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024

A. Statement of Management's Responsibility for Financial Statements

B. Independent Auditors' Report on the SEC Supplementary Schedules Filed Separately from the Basic Financial Statements

C. List of Supplementary Information

Supplementary Schedules to Financial Statements (Form 17-A, Item 7)

* These schedules and supplementary information are not included as these are not applicable to Group.

Union Bank of the Philippines and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule A - Financial Assets
December 31, 2024
(Amounts in Thousands of Philippine Pesos)

COUNTERPARTY/ISSUER	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statement Financial Position	Value Based on Market Quotation at Statement of Condition Date	Income Received and Accrued
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Debt Securities				
Bureau of Treasury	4,219,297,756	P 3,843,849	P 3,843,849	P 57,668
Filinvest Development Corporation	1,619,660	1,581	1,581	67
International Container Terminal Services Inc.	10,874,860	10,623	10,623	522
Philippine National Bank	1,145,331,000	1,120,031	1,120,031	10,718
Power Sector Asset and Liabilities Management Corp	161,040,480	183,440	183,440	15,500
Republic of Philippines	1,646,268,700	1,585,409	1,585,409	81,949
Rizal Commercial Banking Corporation	82,949,730	83,576	83,576	34,196
Security Bank Corporation	93,940,280	94,867	94,867	40,281
Vista Land and Lifescapes Inc.(Vista Land)	777,841,715	770,396	770,396	25,060
Total Debt Securities		P 7,693,772	P 7,693,772	P 265,961
Equity Securities				
Abacore Capital (Abacus)	256,000	P 136	P 136	(P 82)
Benguet Corporation - A	355	1	1	-
Benguet Corporation - B	1,702	7	7	(2)
BDO Unibank, Inc.	72	10	10	1
Cosco Capital, Inc.	99,000	533	533	75
Keppel Philippines Properties, Inc. - A	593	2	2	(1)
Mabuhay Holdings Corporation	170,000	27	27	8
Philippine Depository & Trust Corp.	5,228	959	959	-
Prime Media Holdings, Inc.	939	2	2	(1)
Project Quest	8,750,000	33,683	33,683	2,078
Shiptek Solutions Corp PH	-	31,000	31,000	-
The Philodrill Corporation	280,554	2	2	-
Philippine Airlines	2,286,764	571,413	571,413	569,126
Alta Vista Golf & Country Club	1	500	500	100
Cebu Country Club (certified true copy only)	2	36,000	36,000	6,000
Celebrity (Sports) Plaza, Inc.	1	300	300	-
Club Strata	1	-	-	-
Green Valley Country Club	1	-	-	-
Green Valley Country Club of Baguio	1	-	-	-
Manila Polo Club	9	459,000	459,000	54,000
The Metropolitan Club, Inc. A	10	2,500	2,500	-
The Metropolitan Club, Inc. B	13	4,550	4,550	650
Total Equity Securities		P 1,140,625	P 1,140,625	P 631,952

Derivative Assets				
Abba Currency Exchange	-	P 1	P 1	P -
Agway Chemical Corporation	-	423	423	-
ANZ Banking Group Ltd	-	15,787	15,787	-
Asian Cultural Council Philippines Foundation Incorporated	-	611	611	-
Bank of the Philippine Islands	-	30,853	30,853	-
Barclays Bank London	-	228	228	-
BDO Privte Bank Incorporated	-	2,656	2,656	-
BDO Unibank Inc.	-	25,547	25,547	-
China Banking Corporation	-	6,241	6,241	-
Citibank Manila	-	455	455	-
Citibank Singapore	-	26	26	-
Credit Access Philippines Financing Company Inc.	-	3,827	3,827	-
Creditaccess Philippines Financing Company Inc.	-	666	666	-
CYMA Worldwide Consultancy Management Inc.	-	837	837	-
Ecology Energy Corporation	-	833	833	-
EPL Propack Philippines Inc.	-	492	492	-
EPL Propack Philippines Inc.	-	1,302	1,302	-
First Nitro Corporation	-	3,655	3,655	-
Foodsphere Inc.	-	6,962	6,962	-
Grand Dragon Enterprises Incorporated	-	2	2	-
Insular Oil Corp	-	7,275	7,275	-
Ironcon Builders and Development Corporation	-	935	935	-
JPMorgan Chase & Co.	-	18,655	18,655	-
Maybank Philippines Inc.	-	225	225	-
Megalopolis Square Trading OPC	-	177	177	-
Metropolitan Bank and Trust Company Inc.	-	65,825	65,825	-
Monark Equipment Corporation	-	312	312	-
Monark Equipment Corporation	-	192	192	-
Nitro Asia Company, Inc.	-	1,444	1,444	-
Odyssey Foundation Inc.	-	441	441	-
Petron Corporation	-	55,034	55,034	-
Philflex Wire And Cables Corporation	-	1,367	1,367	-
Precision Contractor Enterprise Inc.	-	381	381	-
Results Alaska Incorporated	-	251	251	-
Results Manila Incorporated	-	13,788	13,788	-
Standard Chartered Bank London	-	126	126	-
Standard Chartered Bank Manila	-	7,343	7,343	-
Stealth Ventures Corporation	-	22	22	-
The Bank of Tokyo-Mitsubishi UFJ Limited. (Manila Branch)	-	16,013	16,013	-
Transcom Worlwide (Philippines), Inc.	-	15,762	15,762	-
Union Bank of Switzerland	-	1,191	1,191	-
Wells Fargo Bank	-	3,346	3,346	-
Various	-	146,665	146,665	-
Goldman Sach	-	431,116	431,116	-
Individual Clients	-	516,738	516,738	-
Credit Suisse International Group	-	54,664	54,664	-
Total Derivative Asssets		P 1,460,692	P 1,460,692	P -
Total - Financial Assets at Fair Value through Profit or Loss		**P 10,295,089**	**P 10,295,089**	**P 897,913**

FINANCIAL ASSETS AT AMORTIZED COST

Government bonds and other debt securities				
Bureau of Treasury	216,943,879,226	P 220,912,997	P 213,885,352	P 534,150
Abu Dhabi National Energy Co.(TAQA)	462,760,000	462,858	459,951	5,201
Bharat Petroleum Corp. Ltd.	3,268,242,500	3,230,802	3,225,076	(25,770)
Brazil Sovereign Group	1,735,350,000	2,003,031	1,752,389	114,575
Colombia Sovereign Group	1,041,210,000	1,312,626	992,971	79,473
Indonesian Government	10,134,444,000	10,808,488	10,254,259	255,822
NTPC Limited	289,225,000	287,575	282,894	1,970
Peru Sovereign Group	1,851,040,000	2,532,305	2,200,850	257,282
Perusahaan Perseroan(Persero) PT Perusahaan Listrik Negara	867,675,000	1,084,910	1,024,742	45,671
Petroleos Mexicanos	7,534,056,732	7,461,203	5,670,883	197,557
Petroliam Nasional Berhad(Petronas)	578,450,000	578,414	575,945	5,543
Power Finance Corporation Ltd.	1,793,195,000	1,796,718	1,577,545	8,486
Power Sector Asset and Liabilities Management Corp	4,807,613,640	6,007,880	5,476,305	699,229
PT Indonesia Asahan Aluminium (Persero)	1,540,123,125	1,526,756	1,531,836	20,311
PT Pertamina(Persero)	173,535,000	173,245	165,960	448
Qatar Sovereign Group	289,225,000	289,316	282,651	1,007
Republic of Philippines	15,155,390,000	15,504,691	13,617,928	200,670
Saudi Arabia Sovereign Group	1,793,195,000	1,800,238	1,496,463	27,523
Saudi Arabian Oil Company	1,446,125,000	1,453,869	1,305,128	12,674
Sultanate of Oman Sovereign Group	1,276,523,460	1,327,728	1,267,362	33,348
Turkey Sovereign Group	2,313,800,000	2,310,414	1,738,179	21,464
Uruguay Sovereign Group	115,690,000	147,176	133,942	16,583
US Treasury/Sovereign Group	15,618,150,000	15,636,828	10,103,442	105,077
Total Government bonds and other debt securities		P 298,650,068	P 279,022,053	P 2,618,294

Private bonds and commercial papers				
Vista Land and Lifescapes Inc.(Vista Land)	7,230,625,000	P 7,245,661	P 7,183,941	P 320,325
STI Education Services Group Inc.	45,370,000	45,370	44,973	2,893
Manila Water Company Inc.	3,444,206,990	3,425,165	3,277,714	153,585
Megaworld Corporation	3,280,563,485	3,288,337	3,154,262	132,368
Metropolitan Bank and Trust Company	462,760,000	462,085	447,679	10,466
JG Summit Holdings	2,997,007,295	3,100,336	2,823,541	106,833
Filinvest Development Corporation	2,284,877,500	2,282,776	2,229,949	96,938
First Pacific Company Ltd.	1,800,772,695	1,820,998	1,748,028	71,690
San Miguel Corporation	40,000,000	40,000	37,783	2,305
Aboitiz Power Corporation	50,000,000	50,000	48,535	1,911
Hindustan Petroleum Corporation	867,675,000	852,758	843,536	20,182
International Container Terminal Services Inc.	2,406,352,000	2,467,348	2,224,494	86,225
Total Private bonds and commercial papers		P 25,080,834	P 24,064,435	P 1,005,721
Less: Allowance for Credit Loss		(P 317,964)		-
Total - Financial Assets at Amortized Cost		**P 323,412,938**	**P 303,086,488**	**P 3,624,015**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Government and private bonds and other debt securities				
Aboitiz Power Corporation	10,000.00	P 9,827	P 9,827	P 350
Bureau of Treasury	40,495,820	39,203,066	39,203,066	1,814,178
Total Government and private bonds and other debt securities		P 39,212,893	P 39,212,893	P 1,814,528
Equity Securities				
BANCNET	50,000	5,000	5,000	P -
BAP Consulting, Inc.	12,500	1,250	1,250	-
BAP-Credit Bureau	-	50	50	-
Coop Society Swift	-	3	3	-
Cruztelco	90	9	9	-
Eastern Visayas Tel Co.	100	5	5	-
Fixed Income Exchange	125,000	1,250	1,250	-
Local Government Unit Guaranty Corporation	50,000	5,000	5,000	-
Local Govt. Unit Guaranty Corp.	50,000	5,000	5,000	-
Makati Executive Center	1	32	32	-
Meralco	21,934	219	219	-
Metropolitan Threater	1	40	40	-
NAWASA	-	-	-	-
Phil. Clearing House Corp.	21,000	5,000	5,000	-
PhilAm	2	1,000	1,000	-
Philam Properties Corp.	-	500	500	-
Philippine Dealing System Holdings Corporation (formerly Philippine Central Depository I	31,690	3,169	3,169	-
PILTEL	75	6	6	-
Rockwell Land Corporation	4	700	700	-
Steel Asia	-	13,440	13,440	-
Integra Fund LLP	-	63,532	63,532	-
NYK Ventures Pte. Ltd.	4,459	78,366	78,366	-
Consensys Software Inc.	29,240	99,700	99,700	-
Transunion Information Solutions Inc	28,800	16,400	16,400	-
Others		90	90	-
Total Equity Securities		P 299,761	P 299,761	P -
Total - Financial Assets at Fair value through OCI		**P 39,512,654**	**P 39,512,654**	**P 1,814,528**
GRAND TOTAL		**P 373,220,681**	**P 352,894,231**	**P 6,336,456**

Union Bank of the Philippines and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
December 31, 2024

Name and Designation of Debtor	Balance at Beginning of Year	Additions	Deductions		Ending Balance		Balance at End of Year
			Amounts Collected	Amounts Written-off	Current	Not Current	

RECEIVABLES FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS ARE WITHIN THE ORDINARY COURSE OF BUSINESS OF THE BANK

Union Bank of the Philippines and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2024
(Amounts in Thousands of Philippine Pesos)

Name and Designation of Debtor	Balance at Beginning of Year	Additions	Deductions		Ending Balance		Balance at End of Year
			Amounts Collected/ Paid	Amounts Written-off	Current	Not Current	
Accounts Receivable from Related Parties							
UnionDigital Bank, Inc. (Subsidiary)	P 92,746	P 8,818	P 98,383	P -	P 3,181	P -	**P 3,181**
UBX Philippines Corporation (Subsidiary)	36,692	203,807	147,802	-	92,697	-	**92,697**
Unionbank Financial Services and Insurance Brokerage Philippines, Inc. (Subsidiary)	-	37,640	37,491	-	149	-	**149**
	P 129,438	P 250,265	P 283,676	P -	P 96,027	P -	**P 96,027**
Accounts Payable to Related Parties							
UBX Philippines Corporation (Subsidiary)	P -	P 194,573	P 33,600	P -	P 160,973	P -	**P 160,973**
UnionDigital Bank, Inc. (Subsidiary)	2,585	-	2,585	-	-	-	**-**
Bangko Kayaban, Inc. (Bangko Kabayan) (Subsidiary)	68.00	-	68	-	-	-	**-**
	P 2,653	P 194,573	P 36,253	P -	P 160,973	P -	**P 160,973**

Union Bank of the Philippines and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule D - Long-term Debt
December 31, 2024
(Amounts in Thousands)

Title of Issue and Type of Obligation	Amount Authorized by Indenture		Amount Shown Under Caption "Current Portion of Long-term Debt" in Related Statement of Financial Position	Amount Shown Under Caption"Long-term Debt" in related Statement of Financial Condition
USD Senior Medium Term Notes Due 2025	USD	300,000	P 17,333,327	P -
Peso Senior Series F Bonds Due 2025	P	50,000,000	10,296,528	-
Peso Senior Series G Bonds Due 2026			-	7,792,794
USD Social Bonds Due 2028	USD	150,000	-	8,647,015
Unsecured Subordinated Tier 2 Notes Due 2030 Callable in 2025	P	20,000,000	6,768,021	-
Peso Social Bond Due 2027	P	5,864,500	-	5,841,295
Peso Senior Series D Bonds Due 2026	P	39,000,000	-	886,602
Bills Payable***	P	162,256,379	122,146,186	40,110,193

Details:

	Maturity Date	Interest Rate
USD Senior Medium Term Notes Due 2025	October 22, 2025	2.125%
Peso Senior Series F Bonds Due 2025	June 5, 2025	6.563%
Peso Senior Series G Bonds Due 2026	December 5, 2026	6.680%
USD Social Bonds Due 2028	July 23, 2028	6.579%*
Unsecured Subordinated Tier 2 Notes Due 2030 Callable in 2025	May 24, 2030**	5.250%
Peso Social Bond Due 2027	June 21, 2027	6.535%
Peso Senior Series D Bonds Due 2026	March 9, 2026	3.375%

**floating rate*

***first call option date is May 24, 2025*

****Range of annual interest for peso and foreign currencies is 6.10% to 8.37% and 1.20% to 4.90%, respectively*

Union Bank of the Philippines and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule G - Capital Stock
December 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as Shown Under the Related Statement of Condition	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by		
				Related Parties	Directors, Officers and Employees	Others
Common Stock	5,030,785,238	3,316,405,584	-	2,678,286,144	71,046,965	567,072,475
Preferred Stock	100,000,000	-	-	-	-	-

Reconciliation of Retained Earnings Available for Dividend Declaration
For the Reporting Period Ended December 31, 2024
(Amounts in Thousands of Philippine Pesos)

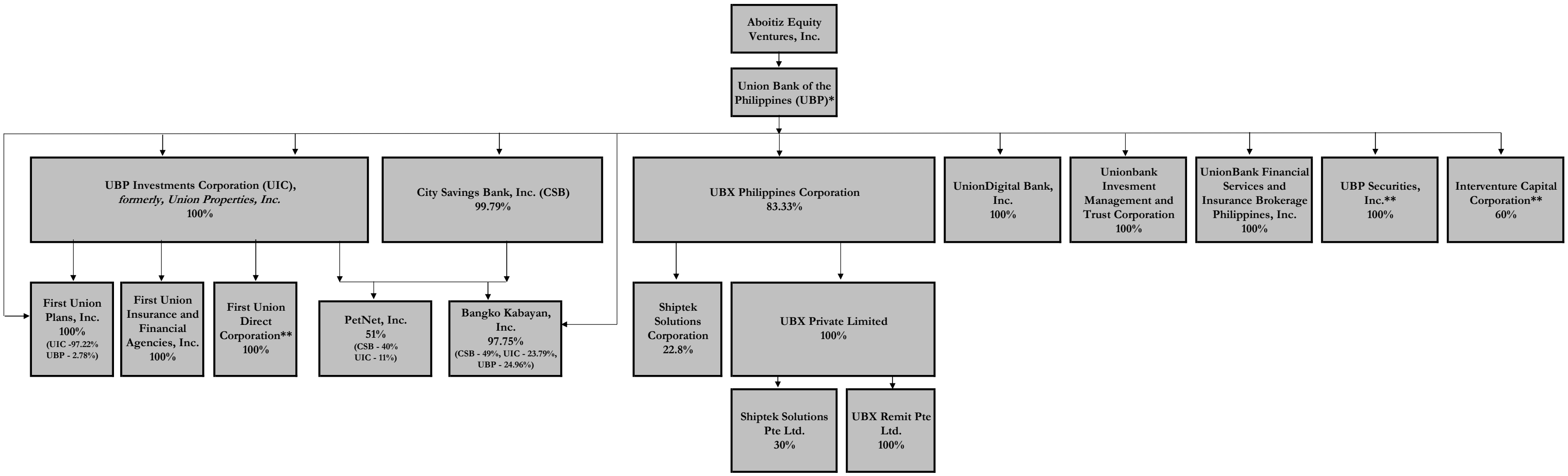
UNION BANK OF THE PHILIPPINES
UnionBank Plaza, Meralco Avenue corner Onyx Street and Sapphire Road
Ortigas Center, Pasig City

Unappropriated Retained Earnings, beginning of reporting period		**P**	**60,717,965**
Less: Items that are directly debited to Unappropriated Retained Earnings			
Dividend declarations during the period	2,391,408		
Retained Earnings Appropriation during the period	84,536		2,475,944
Unappropriated Retained Earnings, as adjusted			**58,242,021**
Net Income for the current year			**12,232,431**
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
Gain on deemed disposal	373,128		
Unrealized fair value gains on financial assets at fair value through profit or loss (FVTPL)	227,403		
Unrealized gain on foreclosure/initial recognition	878,186		
Sub-total			**1,478,717**
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized fair value gains on trading financial assets at FVTPL	106,877		
Realized gain on foreclosure through sale	269,785		
Sub-total			**376,662**
Adjusted Net Income			**11,130,376**
Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)			
Depreciation on unrealized gain on foreclosure			143,010
Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution			
Adjustments for foreign exchange difference and deferred taxes in the prior period	508,873		
Purchase of treasury stock	(1,141)		
Movements in deferred tax asset	112,585		620,317
Total Retained Earnings, end of the reporting period Available for Dividend Declaration		**P**	**70,135,724**

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES
UnionBank Plaza, Meralco Avenue corner Onyx Street and Sapphire Road,
Ortigas Center, Pasig City

Map Showing the Relationship Between and Among the Bank
and its Related Entities
December 31, 2024

C O N G L O M E R A T E   M A P P I N G



* Union Bank of the Philippines (UBP) is effectively 49.99% owned by Aboitiz Equity Ventures, Inc. (AEVI); hence, UBP is an associate of AEVI in accordance with PAS 28, *Investments in Associates*.
** Dormant

Annex 68 -E

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Union Bank of the Philippines and Subsidiaries
As of December 31, 2024

Ratio	Formula	Current Year	Prior Year
Current ratio	Current Assets/ Current Liabilities	**47.3%**	43.5%
Acid test ratio	Liquid Assets/ Liquid Liabilities	**47.0%**	43.2%
Solvency ratios	Net Profit After Tax, Before Non-cash Expenses/ Liabilities	**3.8%**	2.7%
Debt-to-equity ratio	Liabilities/ Capital Funds	**4.8:1**	5.5:1
Asset-to-equity ratio	Assets/ Capital Funds	**5.8:1**	6.5:1
Interest rate coverage ratio	Earnings before interests and taxes/ Interest expense	**1.6:1**	1.4:1
Return on equity	Net Profit/ Average Total Capital Funds*	**6.4%**	5.6%
Return on assets	Net Profit/ Average Total Resources*	**1.1%**	0.8%
Net interest margin	Net Interest Income/ Average Interest-earning Resources*	**6.0%**	5.5%

**Average amount is calculated based on average daily balances*

ANNEX 68-I

SCHEDULE FOR LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC

Union Bank of the Philippines
For the Period Ended December 31, 2024

1. Gross and net proceeds as disclosed in the final prospectus

UBP Stock Rights Offering:

Gross Proceeds	**9,999,999,981**
Net Proceeds	**9,912,300,000**

2. Actual gross and net proceeds

UBP Stock Rights Offering:

Gross Proceeds	**9,999,999,981**
Total Offer Expenses	**79,466,279**
Net Proceeds	**9,920,533,702**

3. Each expenditure item where the proceeds were used

The net proceeds of the Stock Rights Offering (SRO) in the amount of Php9.92 billion has been fully disbursed. Php1.35 billion was infused as capital to UnionDigital Bank, Inc. (a subsidiary) while the rest were deployed to consumer loans in accordance with the approved Use of Proceeds of the Bank's SRO.

Total Offer Expenditures amounting to Php79.47 million include the SEC Filing Fee, Documentary Stamp Tax, PSE Listing and Processing Fee, Legal and Professional Fees, and Other Micellaneous Expenses.

4. Balance of the proceeds as of end of reporting period

Nil. Proceeds has been fully utilized as of end of reporting period.

UNION BANK OF THE PHILIPPINES AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
December 31, 2024
(Amounts in Thousands)

		2024		2023
Total Audit Fees	**P**	**25,193.3**	P	23,025.0
Non-audit services fees:				
Other assurance services		**2,750.0**		6,738.0
Tax services		**-**		700.0
All other services		**275.0**		3,612.7
Total Non-audit Fees		**3,025.0**		11,050.7
Total Audit and Non-audit Fees	**P**	**28,218.3**	P	34,075.7

Audit and Non-audit fees of other related entities

	2024	2023
Audit Fees	-	-
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit fees of other related entities	-	-

Fee Dependency	-	-

Sustainability Report

UnionBank's 2024 Sustainability Report outlines the Bank's economic, environmental, social, and governance (ESG) performance from January to December 2024. This report highlights UnionBank's commitment to sustainability, covering initiatives and progress across key areas, including responsible banking, environmental stewardship, financial inclusion, and governance.

To gain a more complete view, UnionBank's Sustainability Report should be read alongside the Annual Report. Both documents are available through the following links:

https://www.unionbankph.com/company-disclosure/annual-reports

https://www.unionbankph.com/sustainability/full-report