FAST FORWARD YOUR DREAMS

eastwest

2023 ANNUAL AND SUSTAINABILITY REPORT

About the Cover

Fast Forward Your Dreams

This year, EastWest returns to pre-pandemic performance levels.

This robust recovery is a testament to its steadfast commitment, strategic planning, and capacity to adapt and to flourish in a challenging environment.

Central to this is the new wave of fresh talent, pushing forward with a new energy for progress and innovation—creating value for the Bank's customers as well as its stakeholders.

EastWest moves fast forward to help you realize your dreams.

Fast Forward The Filipino

Filinvest Land, Inc. (FLI) remains dedicated to helping build the Filipino dream, leading Filipinos forward and upward.

The cover of this year's annual report emphasizes this deeply set commitment, with double block arrows symbolizing accelerated movement towards a brighter future.

FLI never loses sight of our core customers, the average Filipinos, who dream of owning their home, be it landed housing, mid-rise or highrise condo unit.

Filinvest Land moves fast forward to enable and empower the Filipino.

Fast Forward Your Success

The office leasing sector is resilient and headed towards recovery, with more diversified tenant acquisition and stronger retention strategies.

The acquisition of prime land in Boracay added a high-grade asset outside Muntinlupa and Cebu, and broadened the income profile mix beyond office leasing.

Exciting opportunities lie ahead—and we remain fully committed to expanding our asset base, providing stable returns, and delivering value to our shareholders.

FILRT moves fast forward for your success in your investments.

Fast Forward Filinvest

In 2023, we moved with agility and with excellence—renewing focus on business fundamentals, staying true to key strategies, and holding fast to core strengths.

From humble beginnings when our founders started the business in the 1950s, we have grown to become a major conglomerate with a diverse portfolio of profitable businesses.

As we move forward, we are guided by three strategic imperatives. First, to shape and optimize our portfolio. Second, to drive synergies and management systems, so we can leverage on key platforms as a cohesive group. Third, to future-proof talent and organization towards a diverse, highperforming and highly-engaged workforce.

The unveiling of the Our Lady of Lourdes Chapel in the group's flagship Filinvest City is a fulfillment of our dream to build an environment that inspires and enables possibilities.

We fast forward Filinvest with a strategic framework for growth—making it even more possible for Filipinos to make their dreams come true.

About the Report

Scope

This 2023 disclosure includes EastWest Bank's Economic, Environmental, Social, and Governance (EESG) performance, including its non-financial performance across the EESG aspects of its business.

The Annual Report covers the financial and non-financial performance of all operations of EastWest and its subsidiaries and affiliate (EastWest Rural Bank, Inc., EastWest Insurance Brokerage, Inc., EastWest Ageas Insurance, and Quest Marketing and Integrated Services) for the period January 1 to December 31, 2023.

The Sustainability Report covers EastWest, EastWest Rural Bank, Inc., EastWest Insurance Brokerage, Inc., and EastWest Ageas Insurance for the period January 1 to December 31, 2023. It excludes the numbers of Quest Marketing and Integrated Services.

Reporting Standards

The report was prepared in accordance with the Securities and Exchange Commission's Sustainability Reporting Guidelines for Publicly Listed Companies under Memorandum Circular No. 4, Series of 2019. It also uses the Global Reporting Initiative (GRI) Standards reporting guidelines as reference.

We welcome feedback on our report. Contact: ir@eastwestbanker.com

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Your dream Our focus

Our Identity

East West Banking Corporation (EastWest) is one of the largest universal banks in the Philippines today.

We cater to the financial needs of a wide range of customer profiles. Our products and services are made available across multiple distribution and delivery channels, presenting a comprehensive range of deposit products consisting primarily of Peso demand, savings, and time deposits. The Bank extends offerings in U.S. dollar and other foreign currency savings and time deposits. In terms of loans, the Bank provides a spectrum of options, ranging from consumer loans—covering auto, mortgage, and personal needs—to corporate loans. Furthermore, the Bank furnishes various payment solutions, including debit, prepaid, and credit cards.

As of December 31, 2023, our multiple customer touch points include a network of 468 stores, of which 392 are EastWest parent bank stores and 76 are stores of EastWest Rural Bank. Our ATM network is at 584, composed of 476 on-site ATMs and 108 off-site ATMs. Internet banking for individuals and corporates (EastWest Online), mobile banking (EasyWay), phone banking, and 24-Hour EastWest Customer Service are also available for the convenience of our customers.

EastWest is a subsidiary of Filinvest Development Corporation (FDC), one of the country's leading conglomerates with diverse interests ranging from real estate, banking sugar, hospitality, power generation, to infrastructure. Since 2012 EastWest has been trading under the symbol "EW" in the Philippine Stock Exchange (PSE). It is not affiliated with any foreign financial institution which may bear the same name.

As of end-2023, EastWest had 8,165 full-time employees.

For more information, visit *www.eastwestbanker.com*

Our Motivations

Vision
To be a world-class bank anchored on service excellence in our chosen markets.

Mission
To create value:

For our chosen markets,
by providing them with excellent service in the delivery of integrated and innovative products responsive to their current and future financial needs, at the best value.

For our employees,
by providing them with oppurtunities to develop their full potential and by giving recognition and rewards commensurate to their contribution.

For our community,
by committing ourselves to improving the quality of life of those around us through the support for various charities and involvement in outreach activities.

For our regulators,
by uncompromisingly adhering to the highest standards of business ethics and corporate governance.

For our shareholders,
by managing the Bank professionally and prudently to consistently achieve optimal possible return.

Our Methods

Brand Pillars

- Insightful expertise directed towards your priorities
- Dedication to making banking easier for you
- Entrepreneurial spirit to realize our collective best potential

Service Pillars

Personable: Warm and positive attitude, genuine sentiment, and personal concern for the customer's well-being and business affairs.

Dependable: Dedicated to making banking as easy as possible for the customer — taking the effort away whenever we can but with professional regard for due process.

Proactive: Actively listening, offering the right information at the right time, considering what the customer needs with thoughtful cross-selling.

One Tree. One Heart.
ONE FILINVEST

One Filinvest Values

EastWest is backed by the strength and resources of our parent company, Filinvest Development Corporation (FDC), one of the country's leading conglomerates which has interests in banking, real estate, hospitality and tourism, power generation, infrastructure, and sugar.

As the universal banking arm of the Filinvest Group, we share One Filinvest Values which guide all Filinvest companies in enabling Filipinos to achieve their dreams.

- **Customer Centricity**
  Keep our customers top of mind.
- **Change for the Better**
  Innovation and agility rule our quest for operational excellence.
- **Filinvest Family**
  Invest in bringing out the best in ourselves and our team.
- **Entrepreneurial Mindset**
  Pursue new opportunities and take ownership of our decisions.
- **Share Benefit**
  Grow hand in hand with our stakeholders.
- **Trustworthiness**
  Deserve and preserve trust.

EastWest Bank Awards

The support we received from our stakeholders helped us turn dreams into reality, and we're excited to keep creating an even brighter future together.

We would like to extend our heartfelt gratitude as 2023 was a year of triumph. It's with immense pride that we share the numerous accomplishments we've achieved with you.

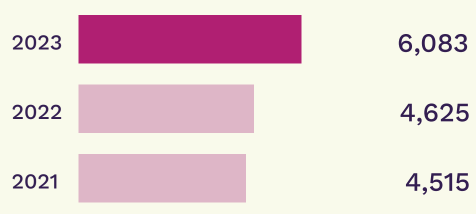
- **Best Private Bank 2024 (EastWest Priority)**
  Global Finance Magazine
- **Best Priority Banking Experience (EastWest Priority)**
  2023 International Finance Magazine (IFM) Awards
- **Golden Arrow for Good Corporate Governance**
  ASEAN Corporate Governance Scorecard
- **Best Foreign Exchange Broker (Institutional) Philippines 2023**
  2023 International Finance Magazine (IFM) Awards
- **Most Innovative Smart Banking Services Provider (Komo)**
  2023 International Finance Magazine (IFM) Awards
- **Best Credit Card Philippines (EastWest JCB)**
  The Asian Banker 2023
- **Best CSR Initiative (Magenta Race 2022)**
  The Digital Banker

Financial Highlights

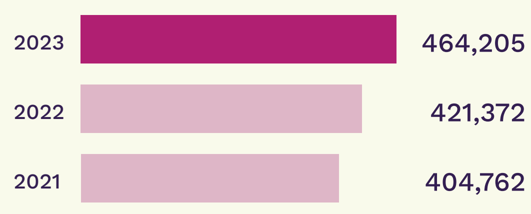
	2021	2022	2023
Profitability (in millions Php)			
Net Interest Income	21,027	23,325	28,225
Trading Income	1,939	176	994
Fees & Other Income	4,045	4,744	6,442
Net Revenues	27,010	28,244	35,660
Operating Expenses	16,520	17,006	20,293
Provision for Losses	4,149	4,951	7,688
Provision for Taxes	1,590	1,433	1,444
Net Income	4,515	4,625	6,083
Balance Sheet (in millions Php)			
Assets	404,762	421,372	464,205
Consumer Loans	155,277	189,987	237,320
Corporate Loans	60,589	68,745	59,558
Low-Cost Deposits (CASA)	244,989	260,895	292,409
High-Cost (Time Deposits)	81,856	68,272	64,126
Capital	59,350	61,035	67,175
Key Financial Ratios (in %)			
Return on Equity	7.9	7.7	9.5
Return on Assets	1.1	1.1	1.4
Net Interest Margin	6.5	7.1	7.6
Cost-to-Income Ratio	61.2	60.2	56.9
Capital Adequacy Ratio	15.6	13.8	13.8
Per Common Share (in Php)			
Net Income Per Share:			
Basic	2.0	2.1	2.7
Diluted	2.0	2.1	2.7
Book Value Per Share	27.1	27.1	29.1
Others			
Cash Dividend Declared (in millions Php)	-	900	925

2023 Financial Highlights

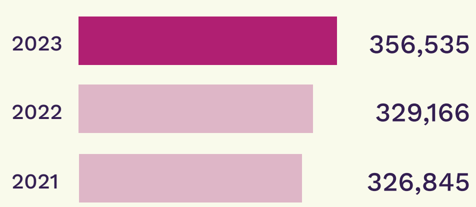
Net Income
In millions Php



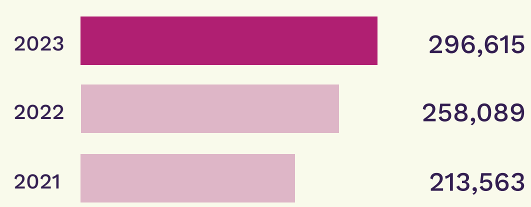
Assets
In millions Php



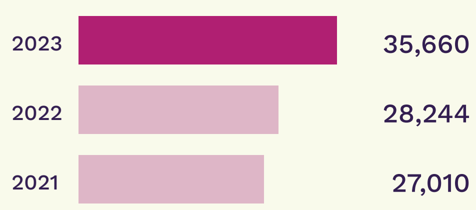
Deposits
In millions Php



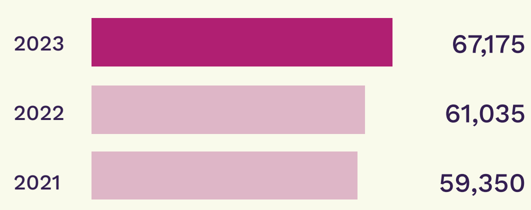
Loans (net)
In millions Php

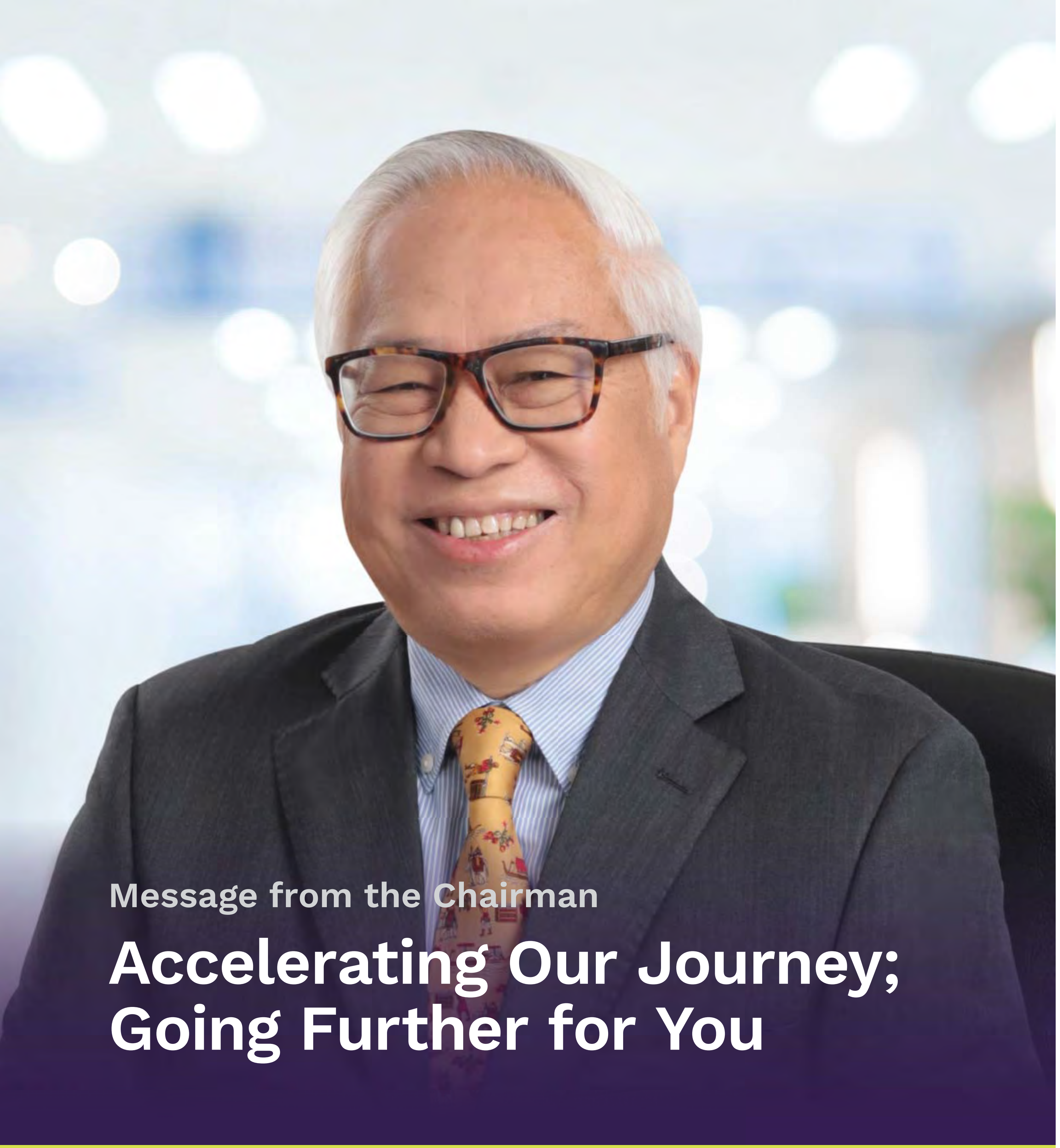


Net Revenue
In millions Php



Equity
In millions Php





Message from the Chairman

Accelerating Our Journey; Going Further for You

“We recognize the profound commitment and relentless pursuit of aspirations that drive us forward. Rooted in a heritage of timeless values and fueled by a passion for innovation and efficiency, we have crafted a banking institution capable of journeying alongside our customers, mile for extra mile.”

Looking back at 2023, it’s clear that our collective dedication and strategic endeavors have propelled us to accomplish substantial milestones, fortifying our competitive position in the banking industry. This achievement is more than just recognizing our successes; it’s about honoring our commitment that has guided us through decades of challenges, shaping our identity, and positioning us where we are today. Moving forward, we remain steadfast in delivering sustainable results, ensuring success for all our stakeholders.

Legacy of Resilience and Determination

As I reflect on the timeless wisdom of the Chinese proverb, “A journey of a thousand miles begins with a single step,” I am reminded of our humble beginnings. Our story commenced with my late parents, Andrew and Mercedes Gotianun, who established a small second-hand car financing business at P. Casal, Manila in 1955. From this humble start, our ventures expanded into consumer lending, real property acquisitions, and bold ventures in real estate development. Over time, our journey led us to diversify into infrastructure, utilities, sugar, and hospitality, with banking emerging as a cornerstone.

August 1994 marked the birth of EastWest Bank, etching a significant milestone in our legacy. As we celebrate 30 years, symbolized by the pearl—a gem born from the gradual transformation of tiny specks of sand—we reflect on the wisdom and evolution gained through experience and adaptability.

Our journey over the past three decades highlights the values of patience, focus, and dedication. As we commemorate our Pearl Anniversary, we proudly carry on the legacy of the Gotianun family—a heritage defined by entrepreneurial spirit, perseverance, integrity, and forward-thinking mindset, values instilled by our parents and passed down through generations.

The East and West in Us

EastWest blends its Eastern heritage of collectivism and collaboration with Western innovation, promoting prosperity and progress through harmony. Throughout 2023, our commitment of focusing on our key customer segments, digital enablement, and transformation has been pivotal, propelling our growth, strategic realignment, and organizational advancements to unparalleled heights.

Our approach intertwines cutting-edge technology with a personalized touch in customer service. While we harness the power of digital channels for heightened productivity and performance, we recognize that genuine human connection is still important for our customers. This steadfast dedication to excellence propels us to continually innovate and elevate the quality of services we provide to our customers.

EastWest excelled in 2023 with earnings of Php 6.1 billion, a robust 32% growth. Our focus in consumer loans drove significant portfolio growth, particularly in auto loans, personal loans, teachers’ loans, and credit cards. Meanwhile, our CASA deposits remained healthy, growing by 12% to reach Php 292.4 billion.

The expansion of EastWest’s footprint—now comprising 392 Stores from the unibank and 76 branches from our rural bank subsidiary, coupled with our digitally innovative app services like Komo, EastWest System Tech Assistant (ESTA), and EastWest Pay—have widened our reach and the ease of accessing our services significantly. We prioritize customer experience through EastWest Online Personal (EWOP). This tool provides secure and

Message from the Chairman

convenient banking services, including account management, bill payments, check deposits, and money transfers.

Our focus on our customers' needs and preferences while embracing digitally innovative products has earned us recognition from renowned organizations in the banking and financial services sector. International Finance Magazine honored our wealth management service with the title of Best Priority Experience, while Global Finance Magazine recognized EastWest Priority as the Best Private Bank. Additionally, Komo was celebrated as the Most Innovative Smart Banking Service of 2023 by International Finance Magazine, and our EastWest JCB Credit Card was crowned the Best Credit Card by the Asian Banker. These laurels testify to the hard work and determination of our people to make EastWest the bank of choice for customers.

We are committed to embarking on a journey of continuous growth, innovation, and excellence, ensuring that EastWest remains at the forefront of the banking industry, catering to the diverse needs of our customers and stakeholders with distinction.

Moving Forward and Fast

The past year presented global challenges, with geopolitical tensions, economic uncertainties like high inflation, and volatile market conditions affecting growth prospects. Factors such as China's economic slowdown and U.S. election dynamics added further complexity to the global economic landscape. However, despite these challenges, there are positive signs for emerging markets in 2024. While Europe and the Americas are expected to experience gradual recovery, the ASEAN region, led by the Philippines, is anticipated to show faster growth. Favorable trends, including improvements in the Philippine stock index and expectations of easing inflation and interest rates, suggest a more optimistic economic outlook as the year progresses.

EastWest Bank, with its deep understanding of consumer needs nationwide, is well-positioned to leverage these advantages in the coming years. We stand ready to harness this momentum, poised to chart a course towards unprecedented growth and success.

A Bright Future Ahead

In conclusion, we recognize the profound commitment and relentless pursuit of aspirations that drive us forward. Rooted in a heritage of timeless values and fueled by a passion for innovation and efficiency, we have crafted a banking institution capable of journeying alongside our customers, mile for extra mile. Whether it's providing access to cutting-edge technology or ensuring every interaction is imbued with empathy and respect, we consistently strive to exceed expectations. With a dedication to going above and beyond, we steadfastly uphold our promise to make your dreams our focus.

I extend heartfelt gratitude to our esteemed Board of Directors, our visionary Senior Management team led by Jerry and Jackie, and our dedicated EastWestbankers—the trailblazers who propel us toward an ever-brighter future. With unwavering confidence in our renewed strategy, ongoing digital transformation, and progress in priority areas, we stand poised to achieve banking leadership in the near future.

Lastly, I extend profound appreciation to our valued customers and stakeholders for entrusting us with their financial needs and aspirations. Your support serves as a beacon of inspiration, driving us to relentlessly pursue excellence in service. Together, we embark on a journey toward a future brimming with promise, innovation, and unparalleled success. As we celebrate the Bank's Pearl Anniversary, we reflect on three decades of growth, resilience, and service to our customers, marking our testament to our enduring commitment to excellence in banking.

Jonathan T. Gotianun
Chairman of the Board

Message from the CEO

All Set for the Future

In 1994, EastWest emerged with a vision—to be a bank that prioritizes customers, fosters entrepreneurial vigor, and fuels local economic growth. Now, as we celebrate our 30th year, we reflect on how we've stayed true to this vision. Our approach has remained consistent from the beginning—blending the traditional prudence, warmth, and hospitality of the East with the efficiency and progressive thinking of the West to create banking solutions that cater to the holistic needs of our diverse customer base. We continue to shape a story of success and excellence, all while remaining deeply anchored in our dedication to our customers and the advancement of our nation.

EastWest's narrative will intertwine with our country's future. And as CEO, my mission is clear—to ensure that EastWest's strategies, actions, and energies align seamlessly with the Philippines' success story.

In this era of the "know me," "empower me," and "wow me" generation, our focus is on understanding our customers better than anyone else, remaining relevant throughout their life journeys and executing a "Digital First" strategy. With a youthful and dynamic population known for embracing innovation, we aim to leverage this demographic advantage and capitalize on consumption-driven growth. Aside from our young population, the other key drivers for the Philippines' progress include a growing middle class and the rapid development of key cities outside Metro Manila. As we look ahead, the Philippines has significant growth potential, especially with increased foreign direct investments (FDIs) and promising sectors like e-commerce, wholesale and retail distribution, and Business Process Outsourcing (BPO).

Actualizing our Brand Promise

As our own journey of innovation and trailblazing unfolds, we envision EastWest Bank achieving its goal of being amongst the top Philippine consumer banks soon. What distinguishes us is our ability to navigate swiftly, akin to a smaller yet more agile version of our larger local counterparts.

Our 2023 performance stands as a testament to our potential and capabilities, offering a clear indication of what EastWest can achieve in the years ahead. However, to become one of the top consumer banks in the Philippines, we recognize the need to outperform our competitors and further elevate our growth trajectory. As we navigate the path ahead, we need to sustain growth rates that surpass industry benchmarks and propel the Bank towards its objectives. We must continually challenge ourselves to identify opportunities and strategies that will drive and maintain this heightened level of growth.

To accelerate our market strategy, we're reinforcing our commitment to our core strengths in consumer loans for both the mass and mass affluent segments. Our consumer lending business, centered around credit cards and personal loans, thrives on, and will be consistently sustained by the valued collaboration and trust of our affluent and business clientele. The symbiotic relationship of these two major Business Units enables us to tailor our offerings to meet their unique financial needs, ensuring mutually beneficial growth and prosperity.

This will be anchored on a Superior Value Proposition for our customers. We will be centering ourselves on the needs of our customers, putting together the right products for the right market segments. We do not sell car loans; we empower customers to buy their dream car. Similarly, we provide more than just a housing loan; we offer the opportunity to create a home. Moreover, we seek to unlock additional value for our corporate clients by fostering an ecosystem approach for our ancillary businesses. Leveraging on our cash management services, we will deliver tailor-fitted solutions to the needs of our anchor corporate clients and their clientele.

We will localize and contextualize our value propositions in high-growth regions to further enhance our position. We will maximize our resources in these areas to capitalize on promising opportunities. To deliver our propositions, we must embed ourselves seamlessly to our customers' daily lives—it should be *fast* and *easy* for our customers. We will continue to bolster our digital channels, with the goal of expanding our market reach and customer satisfaction, and at the same time, reduce sales and operational costs.

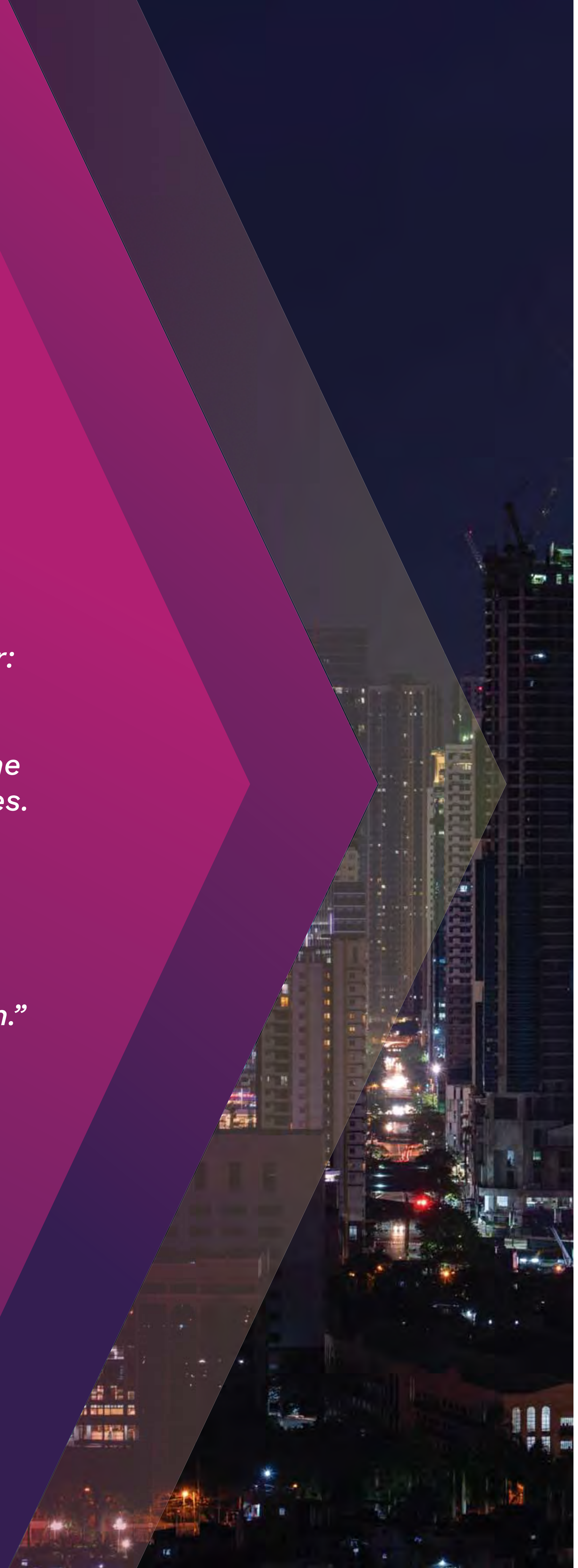
Differentiating through Technology

We will continue to advocate a "Digital First" mindset, maximizing a data-driven approach across all digital capabilities. Our proactive stance on adopting technological innovations to anticipate future trends is fundamental to maintaining our competitive edge.

Strengthening Capacity: The Bank relies on its robust IT infrastructure and advanced technologies to promote operational resilience and remain competitive. To this end, we prioritize updating our enterprise architecture, upgrading platforms, and fortifying core systems to ensure reliability, heightened security, and enhanced responsiveness. Central to this effort is the development of a robust technology stack, underpinned by a responsive data infrastructure.

Security Fortification: The changing business landscape has added unseen risks and threats to physical security. EastWest will continue to ensure the integrity of our banking operations

“As we navigate the path ahead, my mission is clear: to sustain growth rates that surpass industry benchmarks and propel the Bank towards its objectives. We must continually challenge ourselves to identify opportunities and strategies that will drive and maintain this heightened level of growth.”



as well as customers’ safety and security by elevating our technology, maintaining training programs, and practice risk mitigation through more advanced controls and counter measures. In this modern era, we are stepping up and keeping a winning streak by taking advantage of emerging technologies.

Service Enhancement: Acknowledging that technological advancements must align with enhanced services, we created the new Strategy and Transformation Office and the Business Analyst Group. This initiative aims to streamline operations and elevate customer experiences while also optimizing costs to boost profitability. Drawing insights from fintech competitors, we aim to deepen our understanding of consumer behaviors by integrating customer journey mapping into our organizational DNA and processes. As we pivot our assets towards higher-yielding loan products, we’ll streamline the credit decision-making process to expedite loan application approvals. Our focus extends beyond mere digitization; we aim for seamless end-to-end processing.

Setting up our Workforce for Success: As we continue to invest in our pursuits, we also continue to upskill our people. At EastWest, we cultivate the best talents from different backgrounds and unique perspectives. We promote professional development and create an environment where they can thrive and contribute effectively, giving us the edge in handling challenges and delivering first-class service to customers, communities, and one another.

Moving Forward with Determination

Our dedication to social responsibility drives us to make meaningful contributions to the communities we serve. Through sustainable initiatives and partnerships, we aim to create lasting positive impacts on society and the environment.

And as we move forward, our commitment to risk management and governance remains steadfast. This dedication to stability and accountability underpins our journey towards sustainable growth and in shaping the future of consumer banking in the Philippines.

I wish to extend my profound gratitude to the esteemed members of the Board, whose visionary leadership continues to guide us forward. I also want to recognize the unwavering dedication of our devoted management team and the tireless efforts of each and every hardworking employee at EastWest. Their passion, creativity, and relentless pursuit of excellence are the driving forces behind our success. Their contributions, big and small, promote an EastWest culture that fosters growth, innovation, and teamwork.

We are grateful to our partners and collaborators for their invaluable contributions and support which have been pivotal in helping us deliver a strong performance and enhance customer experiences throughout the year. Additionally, my sincere appreciation goes out to our valued clients and shareholders. Your support and confidence in our endeavors inspire us to reach greater heights. We deeply value the trust you place in us and are dedicated to consistently delivering value and excellence. Please rest assured that we remain steadfast in our commitment to achieving our business goals, continually striving for innovation, growth, and excellence in all that we do.

Jerry G. Ngo
CEO

Message from the President

Strong Present for an Empowered Future

The Results of Our Pursuits

In spite of the market volatility, competition, and geopolitical tensions, the steps we have been taking to strengthen the organization and propel it into the future have already yielded significant gains. It is with pride that we report that our Bank delivered a strong performance in 2023.

Net Income grew by 32% due to sustained consumer loan growth and strong deposit generation. Net Revenues grew by a hefty 26% to Php 35.7 billion. Aligned with our goal towards becoming one of the top consumer banks in the country, we shifted our asset mix towards higher earning consumer loans. We doubled down on our consumer lending business resulting in the share to total loans of our Consumer Loans increasing from 73% in 2022 to 80% in 2023.

Our consumer lending portfolio grew by Php 237.3 billion or 25%, accounting for 80% of our total loans, the highest proportion among our peer banks. Credit Card Receivables grew the fastest by 31% to Php 53.8 billion. It is followed by Personal and Salary Loans which grew by 28% to Php 76.9 billion and then Auto Loans by 25% to Php 86.8 billion.

At the same time, we placed more emphasis on generating low-cost deposits through our Cash Management Services. This allowed the Bank to increase its low-cost deposits by 12% to Php 292.4 billion, surpassing the 2023 industry average of 3%. The higher mix towards higher earning consumer loans coupled with the growth in low-cost deposits allowed the Bank to sustain its healthy net interest margin of 7.6%, a little better than the 7.1% of 2022.

Non-Interest Income grew by 51% to Php 7.4 billion. Fees and commissions increased by 26% to Php 4.8 billion as banking transactions grew in line with lending growth. Trading Income also contributed Php 993.6 million to Non-Interest Income growth, growing more than five times in 2022.

We ended the year with a robust balance sheet. The Bank's total assets stood at Php 464.2 billion, growing by 10% from the previous year. Capital ratios continue to stand at a healthy 13.8% and 13.0% for Capital Adequacy Ratios (CAR) and Common Equity Tier 1 (CET1) Ratio, respectively, well above the regulatory requirements. This resulted to a Return on Equity (ROE) of 9.5%, up by nearly two percent from the previous year.

We intensified our activities across the mass affluent, priority, and business segments, which yielded an 8% growth or Php 356.5 billion in total deposits and a 7% growth in our depositor base. We, nonetheless, need to shore up our customer base with better value propositions to close the gap between our Php 774 million per store and the industry average of Php 1.1 billion. We also saw growth in our Assets Under Management, which posted an increase of 17%, to end the year at Php 61.4 billion. However, operating expenses were higher by 19% at Php 20.3 billion, heavily spurred by our investment in manpower, information technology, and efficiency improvement. Nonetheless, this was prevailed on by faster growth in revenues, resulting in improved cost-to-income ratio of 57% from the previous year's 60%.

The Path to Digital Transformation

In 2023, EastWest Bank achieved significant milestones in its digital endeavors, showcasing remarkable growth and innovation. We noted a huge leap in the number of users and their banking activities across all our digital services. Our EastWest Online Personal (EWOP) and its mobile application saw a 33% increase in the total number of registered users and a 9% increase in active users.

EastWest System Tech Assistant (ESTA), the bank's chatbot on Facebook Messenger, experienced a surge in usage, with 51% of EastWest credit cardholders utilizing its AI-powered services for inquiries, requests, and transactions. Additionally, EastWest Bank introduced EastWest Pay, a pioneering in-store payment app leveraging NFC technology, which garnered substantial traction among Visa credit cardholders with Android devices. With all these continued innovations, Komo continues to grow—doubling its user base in 2023 at 116% increase vs. 2022, with over 81% monthly active usership and being among the highest-rated financial apps in the Philippines at 4.7 for Google Play Store, 4.5 for Huawei App Gallery and 4.4 for Apple App Store by end of 2023.

“We are eagerly anticipating the opportunities that lie ahead. We have a multitude of initiatives planned to elevate our customers’ banking experience and solidify our relationship with them. The economic impact from the demographics of the country will be a tremendous opportunity for the Bank. EastWest is well-prepared to ride the waves of change and take on this business landscape.”

The EastWest to Be

We are eagerly anticipating the opportunities that lie ahead. We have a multitude of initiatives planned to elevate our customers’ banking experience and solidify our relationship with them. The economic impact from the demographics of the country will be a tremendous opportunity for the Bank. EastWest is well-prepared to ride the waves of change and take on this business landscape.

We will prioritize strategic investments in our people to equip our team with the necessary skills and knowledge to successfully navigate these dynamic times. Our belief is that by empowering our employees, we can deliver exceptional service and innovative solutions to our customers.

In addition to this, EastWest is committed to maintaining a robust risk management and governance framework. We recognize the importance of managing risks effectively to protect our stakeholders’ interests and ensure the long-term sustainability of our operations. By implementing stringent risk controls and adhering to best practices in governance, we aim to build a more resilient and trustworthy banking institution.

As we look forward to the future, we are confident that our proactive approach, combined with the continuous support of our stakeholders, will enable us to achieve our goals and create lasting value. We would like to extend our heartfelt appreciation to our clients and investors for their steadfast support. Their continued trust through the pandemic has been pivotal as we continue to forge new paths of growth and greatness. We would also like to express our deep gratitude to our Senior Management team and our dedicated EastWest employees for their tireless efforts and invaluable contributions. Their hard work and dedication have been instrumental in navigating challenges and ensuring EastWest’s continued success and growth. We are truly fortunate to have such a talented and dedicated team driving our mission forward.

The EastWest team remains committed to delivering sustainable results and together, we will continue to grow, innovate, and make a positive impact in the banking industry and the communities we serve.

Jackie Fernandez

Jacqueline S. Fernandez
President

2023 at a Glance

Operational Highlights

32% ▲
Php 6.1 billion
Net Income

10% ▲
Php 464.2 billion
Total assets

15% ▲
Php 296.6 billion
Total loans and receivables

12% ▲
Php 292.4 billion
CASA

25% ▲
Auto Loans

28% ▲
Personal and Salary Loans

31% ▲
Credit Card Receivables

45% ▲
Credit Card Revenues

27% ▲
Active Cards

21% ▲
Cash Management Services Enrollments

32% ▲
Number of Registered Cards at EastWest System Tech Assistant

20% ▲
EasyWay Registered Users

9% ▲
Increase in Active Users at EastWest Online Personal (EWOP) and EasyWay platforms

97%
of EastWest credit cardholders are enrolled in eSOA

Performance Review

Satisfaction to the Utmost Degree

We have implemented innovative strategies tailored to meet the diverse needs of our well-profiled customer segments: mass, mass affluent, and affluent. By offering a range of deposit, investment, credit card, and loan products, we're driving growth and catering to a wide audience, from basic savings accounts to premium services for professionals and business owners. This customer-centric approach ensures we deliver tailored solutions that resonate with everyone's financial goals and lifestyles.

BUSINESS HIGHLIGHTS

Distinctive Retail Banking

Over the past year, EastWest has experienced significant growth, particularly in deposits, which has surged by 8% year over year (YoY), in line with industry trends. Notably, we saw an exceptional rise in low-cost deposits, soaring by an impressive 12% YoY. This accomplishment has resulted in an 82% Current Account Savings Account (CASA) ratio, reflecting our strategic focus on bolstering our funding base with low-cost deposits. Our success can be attributed to several key initiatives:

Firstly, the implementation of Project Carbon Sales Transformation has played a pivotal role. This initiative involved establishing a standardized sales culture, equipping our team with new capabilities, and investing in the professional development of our workforce. The introduction of customer segmentation initiatives has been instrumental in enhancing customer centricity. By gaining deeper insights into the diverse needs of our clientele, we have been able to provide more tailored financial products and solutions.

Additionally, our efforts to engage with customers on a local level have yielded positive results, strengthening relationships and fostering deeper connections within our communities. Various grassroots-level engagement programs have facilitated meaningful interactions with clients, enhancing trust and loyalty. The EastWest team participated in several festivals such as Sinulog in Cebu and Masskara in Bacolod to celebrate local traditions and showcase our commitment to community involvement. Our strategic investment in data analytics has positioned us for future success. Leveraging a robust cloud infrastructure, we have derived valuable insights and developed models that enhance our ability to serve customers through data-driven projections and automation.

Holistic Wealth Management

The Bank's impressive trajectory in Wealth Management is reflected in our Assets Under Management (AUM), which reached Php 57 billion (USD 1 billion) by the end of 2023. This marks a 3-year Compound Annual Growth Rate (CAGR) of 13%, showcasing the Bank's consistent upward trajectory. Compared to 2022, where the AUM stood at Php 48 billion, this represents a remarkable 19% growth.

We expanded our physical presence by opening three Priority Centers in strategic locations: San Fernando, Pampanga; Meriton One, Quezon City; and Grace Park, Caloocan. These new centers not only enhanced our service offerings but also strengthened our footprint in key areas.

The Bank actively engaged with the community and its clients through various events and sponsorships. We celebrated the Chinese New Year and the Mid-Autumn festival with special events for our affluent clients. Additionally, we hosted Midyear Market Outlook sessions across Metro Manila, Cebu, and Davao to provide valuable insights to our stakeholders. To further support our clients, we organized local economic briefings in Pampanga, Baguio, and CDO. Our commitment to community involvement was evident through our sponsorships, including the Sinulog golf tournament and concert, as well as partnerships with affluent villages, residential areas, golf clubs, and ivy league alumni associations.

Our Wealth Management arm's excellence in service did not go unnoticed, as evidenced by the accolades we received. The International Finance Magazine Awards 2023 recognized EastWest Bank for its outstanding Priority Banking Experience in the Philippines. Additionally, the Global Finance Awards honored the Bank as the Best Private Bank in the country, underscoring its prowess in wealth management and client services.

With a 16% increase in total client count vs. 2022, we continue to expand our reach and deepen our connections within the community. The average portfolio size per client relationship stands at approximately Php 7.5 million (Usd 160,000), indicative of the Bank's ability to cater to diverse client needs and provide tailored financial solutions. Our highly skilled Relationship Managers spread across 11 locations nationwide, ensuring comprehensive coverage and accessibility to clients across different regions.

Bespoke Loan Offerings

In our pursuit of transforming dreams into reality, our Auto Loans, Home Loans, and Personal Loans stand as pillars of promise. We have made it easier for consumers to secure financing by offering collateral-free loans with competitive interest rates and affordable repayment terms. We pledge our dedication to crafting unparalleled financing solutions tailored to the myriad aspirations of our clientele. For within each loan we offer, lies the potential to ignite a spark, to pave the path towards fulfillment, and to usher in a future brimming with possibilities.

The Bank's utilization of digital acquisition and score-based underwriting gave far-reaching advantages. On top of this, with credit policies being more relaxed and our acquisition efforts being more aggressive, it is no wonder that new Personal Loan bookings significantly increased by 78% in 2023 from the previous year.

EastWest aims to sustain this momentum through focused digitization and hyper-segmentation. Digitization initiatives will be perpetuated in the entire customer

Performance Review

experience from marketing, onboarding, and all the way to fulfillment. The Bank also intends to execute targeted and customized programs for diverse customer segments while modernizing policies to adapt to evolving markets.

Meanwhile, our Auto Loans business grew new bookings by an outstanding 59% from Php 26.9 billion in 2022 to Php 42.6 billion in 2023. Gross receipts from these bookings naturally increased from Php 69.3 billion to Php 86.8 billion, a 25% growth and contributing a hefty 29% of the Bank's total gross loans.

As one of the leading auto loan providers in the country, EastWest has been relentless in widening its territory through reinforced dealerships and strong brand alliances. In July 2023, the Bank formalized partnerships with Mitsubishi Motors Philippines, the country's second-biggest seller of vehicles and with Nissan Philippines, another contender for the top seller of vehicles in the country.

Meantime, our Home Loans business was able to deliver an equally outstanding performance, drawing in Php 19.9 billion in receivables. Our product suite for home ownership financing, Home/ Condo Acquire, Lot Acquire, Home Construct, Home Equity, and Top-up Loan are captivating more and more customers. The business was heavily promoted through a very aggressive broker incentive program targeting both existing and newly accredited developers, as well as an enhanced store incentive program. Additionally, we participated in several brand-building and lead-generation events.

Becoming the Best Credit Card

Consumers' changing lifestyle and growing needs have led them to turn to reliable and suitable sources of easy credit. As such, the Bank focused on pushing income from its credit card business by serving customers better in areas where it is most needed. In 2023, our Credit Card Receivables grew by a robust 31%.

Gradually, EastWest is inching towards its ambition of being a Top Credit Card Issuer in the Philippines and this cannot be further from the truth as we saw a 45% growth in Card Revenues from 2022 and 27% growth in cardholder engagement.

We continued to work with our scheme partners, such as JCB, with its Japan Fiesta event and several attractive Card Acquisition initiatives targeted to attract new EastWest credit cardholders. A year after it was launched, the EastWest JCB Credit Card was awarded The Asian Banker's "Best Credit Card in the Philippines" Award for 2023, following exceptional customer offerings by EastWest and JCB.

We also successfully relaunched our EastWest Visa Platinum Credit Card with the "Best in Class" cash rebate offer of 8.88%. The relaunching aimed to promote high social visibility in the mass affluent market scene in the EastWest Gala Night held at the 5th Rockwell Mall in July 2023.

Our successful collaboration with Singapore Airlines remains. First launched in 2019, the EastWest Singapore Airlines KrisFlyer Mastercard is positioned as the best-in-class airline co-brand card in the Philippines that enables cardholders to fulfill their aspirations to travel by earning miles faster. The card boasts a generous spend-to-miles conversion rate, with cardholders earning three times more miles when they spend on Singapore Airlines Group, e-commerce and cross-border.

Our continuing success was the fruit of hard work and determination as we pressed our year-round fuel discount partnership with Unioil and alliances with online shopping platforms (Lazada, Shopee, Zalora). We reinforced ongoing promotions through our Perks Program, Travel Perks, Dining Perks, and Hotel Perks, and our tie-ups not only with Filinvest's Crimson and Quest Hotels and Resorts but with other partner hotels not only in Metro Manila but in key cities in several provinces.

Broader Business Banking

The Bank saw increased business banking activities when it applied a new and unprecedented approach in marketing its services. By employing both industry-focused and hyper-local plan of action, EastWest was able to focus on high-growth industries that have a strong network of customers and prolific industries in specific regions in the country.

We are dedicated to broadening our ecosystem to encompass industries where we matter most. Whether it is for a small, medium or large-scale company, the Bank aims to increase its share of the business market by enhancing digital solutions and expanding its cash management services.

From collections, disbursement, payroll services, liquidity management, eGov, and a host of other business transactions, we utilize our administrative, financial, and digital competencies to address general and specific business clients' requirements. The Bank does not have a one-size-fits-all template but offers a bespoke product suite for every industry.

In 2023, our Cash Management Services significantly helped in filling up corporate CASA with Php83.7 billion, higher by 11% than last year's Php 74.1 billion. This can be attributed to 5,627 new enrolments or 22% more than in 2022.

Operational Highlights

Elevating Customer Centricity

Best customer service in EastWest cannot be empty talk, which is why we continually improve, enhance, and ensure that processes are being executed at an optimal level. The Bank lists several small and big initiatives intended to elevate our customers' best experience:

- We proactively informed our customers by sending advance notices for accounts maturing in 2024 and 2025 that are part of the Bayanihan program. This initiative ensures that our customers are well-informed and prepared for their upcoming account maturities. Moreover, a dedicated Hotline number and Customer Service Representatives were set up to address Bayanihan-related inquiries.
- Under our One Call Resolution Campaign, we worked towards the improvement of our Call Center service by halting all call transfers (except those for Lost Cards) and having the Customer Service Representative handle and resolve concerns aptly. This initiative significantly impacted service level across all splits, bringing down call volume and improving CSAT on transfer waiting time.
- We have improved the Interactive Voice Response System (IVRS) by introducing numerous enhancements:
  a. A One Time Pin (OTP) is sent to the client when calling the hotline prior to being connected to a Customer Service Representative.
  b. Online Banking Option Availability enables clients to directly speak to an Online Banking Customer Service Representative (CSR) specialist to curtail the long wait time.
- The Bank developed a tool which automatically enrolls Newly Booked Personal Loans under the Automatic Debit Arrangement (ADA).
- We developed a Social Media Tracker to monitor feedback across various platforms, providing valuable insights to enhance our customer engagement strategies. Call Interaction is monitored by the Screen Capture Recording capability to ensure that CSRs apply the correct tools in addressing customers concerns.

For us to be a true customer-centric organization, we define and measure key indicators that ensure our adherence to our consumer protection policy. Thus, we came up with the Customer Experience Key Result Areas (CX KRA). In 2023, CX KRA was implemented as part of the functional KRA of Business Units. All the existing and baselining metrics are reported in a dashboard which aims to show trends and identify causes of clients' pain points. In line with this, we launched a Touchpoint Heatmap which monitors the adherence of different EastWest channels available to our customers.

Our fully devoted department for Customer Experience has accomplished several initiatives that will level up our consumers' rights and protection as well as elevate positive experience leaving little room for complaints.

- **Completion of the Bank-wide consumer protection policy (CPP) gap analysis and submission to Bangko Sentral ng Pilipinas (BSP) in lieu of the new provisions under BSP Circular 1160 last December 21, 2023**
- **Creation of the EW Customer-Centric Champion Training Curriculum**
- **Creation of a new complaints handling policy in compliance with BSP Circular 1160 which provides for enhanced handling of customer concerns to ensure an improved and effective resolution process**
- **Implementation of enhancements in the current complaints tracking systems such as inclusion of additional data trending points for better data analysis**
- **Publication of the Touchpoint Heatmap**
- **Integration of the Closed Loop Feedback and Net Promoter Score in the current CSAT survey**
- **Use of QR code as a channel for our customers to share their feedback**
- **Installation of a store validation process as a mechanism to check adherence to the store display standards**
- **Delivery of 100% Operational Risk Management Compliance Rating**

Operational Highlights

The Future of Banking

In today's fast-paced world, convenience and control are key. As such, we developed a wide range of digital products, tailored to fit seamlessly into our customer's evolving needs. Our methodology is straightforward yet impactful: we actively listen to our customers' needs, continuously learn from their feedback, and innovate accordingly.

ESTA (EastWest System Tech Assistant):

- **AI-powered Convenience:** Facebook Messenger may be used to securely perform numerous credit card tasks.
- **Seamless Experience:** Balance transfers, convert transactions to installments, and access Insta-Cash–all through chat.

EastWest's chatbot in Facebook Messenger, ESTA, saw heightened engagement in 2023. About 51% of credit cardholder base have used ESTA for various inquiries, requests and transactions using artificial intelligence (AI). ESTA played a big role in increasing the registered number of cards by 37%. During the year, new features and functions were added to ESTA, including:

- ChatGPT or AI-powered customer service representative
- Display of real time transactions including declines
- Redemption of EastWest VISA Platinum rebates
- Real time notification of select declines via SMS
- Virtual card activation/display for ecommerce transactions

New variations can now accommodate Personal Loans servicing, Auto Auction, ROPA warehouse management, collections, Customer Service for auto loans, Credit Cards/PL acquisition/application, and even Cards delivery.

EW Pay:

- **Contactless Payments:** NFC-enabled Android phones may be used to pay at participating merchants.
- **Simple & Secure:** Convenience and peace of mind afforded by contactless payments.

We are proud to be the first to implement an in-store payment app that uses a mobile phone's NFC (near field communication) antenna. EastWest Pay is the Bank's latest mobile payment app that allows contactless transactions for EastWest VISA credit cardholders. This is performed using an NFC-capable Android mobile phone at merchant point-of-sale "POS" terminals instead of plastic credit cards.

In June 2023, EastWest Pay or EW Pay was commercially launched to EastWest Visa credit cardholders with Android phones and supported with usage promos with partners ACE Hardware and Watsons from the SM Retail Group, and Jollibee. Over a period of six months, the Bank has recorded 7,290 EW Pay transactions and billings amounting to Php 11.8 million. There were about 7,500 users out of an estimated 100,000 eligible users.

On top of this, EastWest Pay won the Best Product Innovation Award in the Visa Annual Awards of 2023.

KOMO:

- **Unparalleled Control:** Block cards, transfer funds, and pay bills.
- **Competitive Rates** boosted by the efficiency of its digital model.

Komo is more than a mobile app. It is an exclusively digital banking service that allows customers to open and manage their account completely online, anywhere except in physical branches. All bank transactions starting from account opening to card blocking can be done in the comforts of one's home or office or actually, anywhere but the bank by using the mobile app.

Aptly called Komo, which is short for KOntrol MO ang pera mo, in the vernacular, it is also the acronym for Keep Our Money Online. The online channel is the only place where the customer's money moves. There is no need to hold a physical wallet because the app allows customers to enjoy free fund transfers and easy bills payment. Customers have complete control and flexibility over their accounts while enjoying one of the highest interest rates. The app also comes with a customized Komo debit card, that can be used for free ATM withdrawals anywhere in the country. Because there are very minimal costs in a mobile-only business model, EastWest allows Komo customers to enjoy the highest interest rates among local banks.

Operational Highlights

More and more consumers are using our exclusive digital banking service, Komo. Aside from a high-interest earnings savings account, this online application offers more than basic banking services including teachers' loans, personal loans, insurance, and analytics. Its end-to-end features and functions, from online onboarding, management, security, and support have gained more and more users. Komo's user base doubled from 2022 to 2023. The app registered 82% user engagement per month, making it the highest-rated app across all finance apps in Apple Store at 4.4/5, App Gallery at 4.5/5, and Google Play at 4.7/5.

2023 was a winning year for Komo which was awarded the Most Innovative Smart Banking Services Providers in the Digital Bank category during the International Finance Magazine Awards for its efforts in providing a unique set of services and unparalleled customer experience.

EWOP & EWOC:

- **Personal & Corporate Banking:** Individuals and businesses can manage accounts, pay bills, and transfer funds with ease.
- **Streamlined Business Operations:** Corporate clients can enjoy eGOV features for seamless payments to government agencies.

EastWest Online Personal or EWOP lets retail customers experience convenient and secure banking from almost anywhere. Whether using the mobile app or the internet browser, personal online banking means the depositor can manage accounts, pay bills, set up recurring payments, deposit checks, securely send money to anyone, view statements, and receive email alerts. These features empower customers with the tools they need to accurately monitor and manage their personal financial activities.

On the other hand, EastWest Online Corporate or EWOC is an online banking tool that allows corporate account holders to perform a heap of business banking activities easily and securely. EWOC lets its customers view balances real-time, manage their savings and checking accounts, send payments to companies, and transfer funds to other accounts. EWOC also allows auto debit and account sweeping arrangements. Additionally, EWOC gives corporate accounts the convenience of the eGOV feature for payment of SSS, Philhealth, Pag-Ibig, and BIR obligations.

The EastWest Online Personal (EWOP) platform and its mobile app experienced a 33% rise in registered users and a 9% growth in active users. Notably, there was a 31% surge in fund transfers to other banks through PESONet, a 29% increase in bill payments, and a 51% uptick in check deposits. Similarly, our EastWest Online Corporate (EWOC) platform saw a significant boost in transaction volume, particularly in corporate bill payments, which soared by 151%. Additionally, there was a 52% increase in fund transfers to other banks via Upload.

Our commitment goes beyond catering solely to tech-savvy or digital natives; rather, we extend our pioneering digital solutions to individuals aiming to achieve their financial success sooner. Whether it pertains to daily funding requirements, special occasions, or retirement planning, the Bank stands ready to provide financial solutions.

Operational Highlights

Harnessing Technology for Data

In our journey towards technological advancement, we've achieved significant milestones that have revolutionized our operations. Among our proudest accomplishments are the successful deployment of a robust cloud architecture, the establishment of our data lakehouse, the development of a cutting-edge Machine Learning Ops platform, and the implementation of a centralized Reporting solution utilizing Qlik Sense for comprehensive management information—truly establishing a single source of truth for our data.

These achievements mark a pivotal moment for EastWest, as they not only signify our transition towards cloud-based operations but also pave the way for a future of innovation and efficiency. With the deployment of our cloud architecture, we've initiated the process of federating data, facilitating seamless integration across various applications. This foundational step empowers us to build and deploy Machine Learning models swiftly, granting us the capability to seamlessly integrate models and data into any application, thereby revolutionizing processes like credit scoring and decision-making, transforming lengthy approval procedures into mere seconds.

Moreover, our endeavors extend beyond conventional boundaries. We're actively engaged in real-time transaction level fraud detection, a groundbreaking initiative poised to revolutionize security protocols. Once operationalized, this system will enable us to monitor transactions in real-time, swiftly identifying and preventing fraudulent activities.

Furthermore, our cloud data platform is not just limited to technical experts. Through innovative solutions like our Chat GPT-like AI assistant, we've democratized data access. This means that non-technical users can effortlessly extract and analyze data, empowering them to make informed decisions. Imagine simply stating, "write me a code that will show me corporate clients' deposit holdings at Beaufort branch," and our AI assistant generates the necessary code, simplifying complex tasks into intuitive interactions.

In essence, these achievements signify more than technological prowess; they represent a paradigm shift towards a future where innovation, efficiency, and accessibility converge to redefine our organizational capabilities. We stand poised at the precipice of transformation, ready to embrace the endless possibilities that lie ahead.

Enabled Workforce:
Ready Supply of Capable & Engaged People

- 749 promotions active as of December 2023, 13% of average headcount
- LinkedIn Learning 100% activation, total of 2,500 active users
- People Centered Leadership (PCL): 5 courses, 41 runs, 1,062 trained with 96% completion rate
- RBG Development Programs: 72 graduates, 58 ongoing, 37 in the pipe; 124 upskilled as Universal Customer Service Associate
- Other Development Programs: 1st Management Development Program (36 participants, 4 internal), CBG Development Program (12 participants)
- Other Learning Programs: Unit Investment Trust Fund (UITF) Certification, Analytics, External and Blended Programs linked to Outcomes Based Development Program (OBDP); Certified Subject Matter Expert for building capabilities of Eastwest Academy Faculty
- People Related Orientation for EW Leaders (PROPEL)
- Increased Social Media followership/ mindshare: Heightened frequency, improved branding collaterals/ads (content and form)

58,451
Jan. 24 2023 followers

81,958
Followers as of Dec. 31, 2023

40%
Follower Increase

23%
Increase in Employee Following in EW as of Dec. 31, 2023

2023 HR Initiatives

Engaging Workplace: Talent EX linked to Employer Value Proposition

- Dress Down Fridays! #nEWlook #nEWvibe #nEWways
- Early Payout of Merit Increases, Profit Share/ Bonus, and selective Salary Alignments vis-à-vis Market data
- Over 6,500 greetings sent – Birthdays and Work Anniversaries
- Thematic Engagement Events and Team Building utilization – 6,000+ employees (Christmas and Summer)
- Kamustahan with Jerry (KJ Sessions) - 89 participants from Pasong Tamo, Cebu, and North Luzon
- Employee Communication Gateway: The S.H.O.R.E.
- Microsoft365 F3 Licenses for Frontliners full deployment
- Health and Wellness Initiatives + HMO Vendor Change and Program Improvement

- Improved Meeting Meals Subsidy and Travel Meal Allowance
- Hybrid Work Arrangements adopted by 35% of employees
- Completed the View Of Workforce (V.O.W.) Employee Engagement Survey with 98% response rate and improved results

Enterprise Winning: Unifying Culture and Fit-to-Purpose Organization

- 1,184 Leaders completed One Filinvest Values Cascade
- 1st line Leaders Train-the-Trainers Certified on Values - 912 in 6 runs
- 3,612 or 56% of employees attended One Filinvest Values Training
- Values Sowers Spot Recognition Platform in THE S.H.O.R.E: 474 recognized by 173 employees
- 121 quarter nominees for Values Cultivators Recognition Program, from which resulted 64 Finalists and 32 winners
- Evolved Performance Management System: shared ownership of People & Culture and Governance deliverables, formalized Enabling Performance Program

- Partnerships in Organization Structure Redesign and Workforce Planning outcomes
- Continuous improvement in Human Capital Processes and Tools: People Analytics Dashboard, Process Simplification, Onboarding of HR Systems

Accelerate Towards Sustainability

Sustainability Report

Sustainability lies at the core of EastWest's banking success, underscored by our commitment to a consumer-centric approach. Central to this philosophy is our recognition of Filipino consumers as the engine propelling our nation towards economic advancement and sustainable development. With every stride we take and with every decision we make, our primary focus remains on the customer. This steadfast dedication drives our pursuit of sustainable growth and societal progress.

Sustainability Framework

We are working comprehensively with our stakeholders and our parent company, Filinvest Development Corporation, to develop a strong sustainability framework and a set of commitments for specific sustainability areas. Guided by our mission and our strategy, this framework will ensure that management's focus and efforts have maximum impact on relevant Economic, Environmental, Social, and Governance (EESG) aspects, leading to enhanced business opportunities and risk control. The framework will also reference the Global Reporting Initiative (GRI) Standards as well as other emerging sustainability frameworks and international reporting guidelines.

We strive to have a customer-centric sustainability mindset by enabling the organization to meet the needs of our customers. We remain committed to managing risks and opportunities relevant to our business EESG practices and to our stakeholders. We identify and address potential risks and carry out initiatives that have a positive impact on our stakeholders, on the environment, and on society. We also espouse transparency of all information related to our performance and on EESG topics that have material impact to our internal and external stakeholders.

We want to develop and keep healthy governance and risk management for all EESG issues. Thus, we continue to embed sustainability principles into our corporate culture and integrate these into our decision-making processes. More specifically, we are strengthening good governance practices through the Bank's Employee Code of Discipline and Ethics (Code of Conduct), Whistleblowing Policy, Ethics-Direct initiative, Equal Opportunity policy, Consumer Protection program, and employee grievances mechanism.

Materiality

For financial and non-financial reporting, we assess materiality from Economic, Environmental, Social, and Governance perspectives. We have identified the following material topics that are relevant to present and potential issues that matter most to all our stakeholders. Sustainable materiality is evolving but those indicated below allow us to address stakeholder concerns and ultimately help in managing our business better.

Material Topics	
Economic	▪ Economic value distributed (e.g., wages and benefits, payments to providers of capital, taxes paid) ▪ Jobs generated (direct and indirect) ▪ Financing support to identified market segments, including SMEs
Environmental	▪ Environmental compliance ▪ Environmental housekeeping (resource use, waste management and emissions)
Social	▪ Employee and customer health and well-being ▪ Employee development and engagement ▪ Occupational health and safety ▪ Customer data privacy and protection ▪ Service resilience, including cybersecurity ▪ Community engagement and social investments
Governance	▪ Regulatory compliance ▪ Risk management ▪ Anti-corruption and business ethics ▪ Related party transactions ▪ Disclosure and transparency

Sustainability Report

Sustainability Governance

Our Board of Directors (BOD) has the responsibility of sustainability and EESG oversight. The directors are tasked to oversee the identification of material risks, including sustainability risks, and to ensure that these are evaluated and mitigated. The Board also plays a critical role in establishing our EESG strategy as well as in developing and implementing sustainability initiatives, assessing its impact on the Bank's performance, and communicating this information to stakeholders.

EastWest will re-assess its integration of sustainability principles with corporate governance, risk management frameworks, business strategies, and operations to effectively identify, assess, and manage environmental and social risks.

We will soon appoint a dedicated sustainability champion who will coordinate with our parent company, Filinvest Development Corporation. The role will also be responsible for implanting sustainability objectives into our performance appraisal systems. Our Environmental and Social Risk Management System (ESRMS) and Credit Risk Management System (CRMS) will play an important function in defining our credit strategy and setting strategic E&S objectives and targets for our credit operations. Additionally, by using our Operational Risk Management System (ORMS), we will be able to ensure operational resilience and assess the impact of E&S risks on our operations.

We will strengthen our commitment to sustainability through independent review and testing by our Internal Audit and Compliance Divisions. Risks will be actively monitored, and control measures immediately implemented to mitigate these risks. Senior Management is responsible for communicating the Bank's progress in implementing sustainability policies and ESRMS, ensuring that the Board is informed of potential internal and external issues relevant to the Bank and its clients.

Stakeholder Engagement

Stakeholder engagement is an essential component of materiality assessments as well as identifying concerns. Our stakeholders also take part in reporting and developing our sustainability strategy. The following are the concerns of our key stakeholders and the corresponding plan for responding and engaging with them.

Key Stakeholder	Concerns	Responses/Channels of Engagement
Employees	· Employee headcount, competencies, and engagement · Occupational health and safety	· Learning and development program, including online trainings, on-the-job training, job rotation, and coaching/mentoring · Competitive salary and benefits · Work from Home arrangement
Customers	· Consumer protection · Data privacy · Service reliability · Health and safety · Online banking reliability · ATM cash availability · Branch/Store accessibility	· Provision of online banking tools/digital solutions · Development of innovative products and services · e-Statements of Account · Cybersecurity program · Data privacy trainings for employees
Regulators	· Regulatory compliance · Transparency · Good governance	· Compliance with permit renewals and mandatory disclosures/reports
Industry Peers	· Regulatory risk · Emerging regulatory risks	· Common advocacies
Investors	· Business Risks · Good governance · Transparency	· Risk management · Corporate disclosures
Local Community and Environment	· Local community concerns · Environmental impact · Paper consumption · Carbon footprint	· Community social investments · Relationship management · Environmental housekeeping

Economic Value

EastWest's business operations contribute to fulfilling the dreams of the Filipino consumer while contributing directly to a sustainable economy. Our retail banking and consumer lending activities generate quantifiable direct value through the loan assistance to teachers, families, workers, the payment of wages and salaries, suppliers' and other operating costs, and more importantly, taxes to the Philippine government.

Php 19.9 billion in home loans

Php 86.8 billion in auto loans

Php 6.8 billion in personal loans

Php 59.6 billion to businesses (corporate lending)

Php 70.0 billion in teachers' loans*

Teachers' loans are presented separately from personal / individual loans.

Direct Economic Value Generated and Distributed in 2023 (Amounts are presented in millions of Philippine Pesos)	
Direct economic value generated (revenue)	35,660
Direct economic value distributed:	
Operating costs	20,293
Employee wages and benefits	7,349
Dividends given to stockholders and interest payments to fund providers (does not include principal debt payments)	6,921
Taxes paid to government	1,444

The Bank's donation of approximately 280 computer units to the Learners' Rights Protection Office of DepED aligned with DepED's mission to protect students' rights. Notably, we are the exclusive Private Lending Institution supporting this initiative of DepED.

Sustainability Report

Responsible Supply Chain

It is our responsibility to oversee the groups and organizations comprising our supply chain and to ensure the success of our operations and consistency of their activities with our sustainability practices.

- Our prospective suppliers are evaluated keeping in mind their environmental practices are consistent with our sustainability principles. We investigate activities relating to forced or child labor in their operations, their approach to labor and human rights issues, and their mechanisms to ensure that bribery and corruption do not occur in their company or in relation to ours.
- We build strategic relationships and partnerships with suppliers who support small and medium enterprises (SMEs) through the provision of goods and services. Our store network is designed to encourage banking locally.
- SharePro, a shared services subsidiary of the Filinvest Group, is handling EastWest's procurement requirements. SharePro operates the centralized Supply Chain Management and other corporate services of the Group. It has also been supervising the implementation of a Supplier Accreditation Program since 2015.
- The Filinvest Group ensures that quality management is practiced in the entire organization by securing certifications from and rendering yardstick programs set by the International Organization for Standardization (ISO), Department of Environment and Natural Resources (DENR), and Occupational Safety & Health Act (OSHA), and by requesting data on the sources of materials delivered to the subsidiaries. As with any Filinvest subsidiary, reviews and vendor performance assessments are regularly performed so that potential supply chain partners comply with local laws and the operating subsidiaries' requirements. A process for blacklisting violators is in place.

In the coming years, we will expand our knowledge of our supply chain and suppliers. We will delve into a deeper understanding of the overall value chain and wider assessment of ESG risks and opportunities. We would like to determine the impact of these in relation to our operations and our relationship to our suppliers.

Environmental Performance

Global climate change and energy security are very critical issues we are all facing. EastWest's value chain is environmentally sustainable and socially responsible. As a conscientious financial institution, our sustainability commitment includes our devotion to helping in the preservation of our environment.

We are always compliant with environmental regulations set forth by the Department of Environment and Natural Resources (DENR) and the Laguna Lake Development Authority (LLDA) for offices situated within the Laguna Lake region. In addition, we continue to strictly adhere to environmental policies established by local government units in the areas where our stores and offices are located.

EastWest and its subsidiaries have never been called out nor given any notice of violation of environmental regulations. As of the end of 2023, there are no pending investigations or resolutions, fines, or penalties imposed.

Since we primarily operate in office settings, our direct and indirect impacts on the environment come from our energy and water consumption, as well as in waste generation.

Energy Consumption and Greenhouse Gas Emissions	2023	2022	2021
Gasoline consumption, by liters	92,907	146,885	Not monitored
Diesel consumption, by liters	41,907	55,953	Not monitored
Electricity consumption, by kilowatt hours	6,099,547	3,434,409.53	2,824,341
Scope 1 GHG emissions due to diesel and gasoline, in tonnes CO2-e	Diesel: 216.29 Gasoline: 113.40	144	Not monitored
Scope 2 GHG emissions due to purchased electricity, in tonnes CO2-e	4,344	2,446	2,011

EastWest sources all its electricity from the local energy utility, Meralco. The emission factor used is 0.7122 tons CO2 per MWH of electricity.

Notes:
The point-to-point shuttle pick-ups of the Bank that were primarily driven by the rules imposed during the pandemic were significantly reduced from 2022, resulting in a subsequent decrease in fuel consumption (both for gasoline and diesel).

The significant increase in electricity consumption was due to the location movements and renovations that the Bank underwent in 2023. This is also one of the factors that caused the increase in the Bank's water consumption.

Water Consumption and Wastewater Generation, in cubic meters	2023	2022	2021
Water consumed	27,516	19,959	13,337

Water used at our headquarters and satellite offices is sourced from Metro Manila's East Zone water utility concessionaire. The Beaufort, however, gets its water supply from the Angat-Ipo-La Mesa dams water source, which is replenished by annual rainfall and considered a sustainable surface water body. Wastewater generated from the headquarters' operations is collected by the Bonifacio Global City's (BGC) sewerage system and conveyed to an offsite facility for full treatment by the water utility.

We sustained our environmental initiatives in 2023, particularly the intensified efforts to convert from printed credit card statements of account into electronic (PDF) versions sent via email. This shift to e-Statements of Account (eSOA) resulted in saving over 23 million printed pages and reducing fuel consumption associated with motorcycle courier deliveries. By the end of 2023, 97% of active EastWest credit cardholders had enrolled in eSOA, resulting in savings exceeding Php 100 million.

Aside from our present initiatives, we are looking beyond basic environmental housekeeping. While we intend to achieve more and at the same time, consume less energy, generate less waste, and reduce carbon emissions, we also want to create a more significant positive impact on the environment through the deployment and financing of projects that are geared towards environmental and social sustainability.

Social Performance/People

We owe our successes and our competency in delivering the best customer experience to our People. They are our greatest asset, our wealth, and our cache of talents with diverse backgrounds and perspectives. We ensure that the EastWest work environment is one where our employees feel secure, safe, and empowered to create ways that will optimally delight consumers.

As of the end of 2023, the EastWest Group was made up of an 8,165-strong workforce. Of this, there are 6,578 employees from EastWest Bank, 35 from EastWest Insurance Brokerage, 1,047 from EastWest Rural Bank and 505 from EastWest Ageas.

Manpower Count by Gender and Employment Category

Tiering	Ranks	2023 F	2023 M	2023 Total	2022 F	2022 M	2022 Total
Executive	AVP and up	197	168	365	174	153	327
Manager	Senior Manager	171	149	320	138	124	262
	Manager	299	238	537	254	195	449
Supervisor	Senior Asst Manager	464	305	769	503	317	820
	Asst Manager	412	359	771	340	319	659
	Junior Officer	532	374	906	418	317	735
Rank and File		3,137	1,342	4,479	2,822	1,168	3,990
Contractual					3	2	5
Consultant		7	11	18	3	3	6
Total		5,219	2,946	8,165	4,655	2,598	7,254
		64%	36%	100%	64%	36%	100%

Note: The EastWest Bank employee headcount includes its Chairman, Jonathan T. Gotianun.

Talent Advantage Agenda

At EastWest, opportunities for professional growth while promoting work-life balance are continuously created. More importantly, we have programs and policies in place to contribute to our people's professional development, employee satisfaction, and engagement through the Talent Advantage Agenda. This encompasses four strategic imperatives that the Bank collaborates on to enhance employee excellence and organizational success. The first imperative focuses on Enabling the Workforce, emphasizing growth in capability and career development to bring out the best in employees both professionally and personally.

The second imperative revolves around building an Engaging Workplace, recognizing that attracting and retaining talent hinges on creating a conducive work environment where employees can thrive. EastWest Bank emphasizes the importance of ascertaining its Employer Value Proposition to attract top talent and ensure a consistent and compelling employee experience throughout their journey with the bank.

EastWest Bank further highlights the need to evolve a Unifying Culture, acknowledging the diverse backgrounds and values of its employees. The Bank underscores the importance of aligning beliefs, standards, and norms to accomplish its growth ambitions while embracing diversity and fostering a sense of unity and belonging among employees. Additionally, the Bank outlines the importance of building an organization Fit to Purpose, with an organizational design and structure that enables strategy execution and adaptation to future challenges, ensuring sustained success.

The Talent Advantage Agenda aims to position EastWest employees to excel individually and collectively, fostering growth in an engaging work environment characterized by a consistent culture and an organizational design that positions the Bank for success today and in the future. By making talent the source of competitive advantage, EastWest Bank aims to elevate itself to new levels of success.

Sustainability Report

Enabled Workforce

Becoming a customer-centric organization calls for us to invest in the enhancement of the talent and capabilities of our employees. We offer them the opportunities to become better. We equip them with the knowledge and tools necessary so that they can better serve our customers. By regularly providing these tools and training, we empower them so that they can come up with the best customer experience and ultimately draw customer satisfaction and loyalty to EastWest.

EastWest conducted a lengthy list of learning and development programs that provided employees with an extensive knowledge of their respective fields, enabling them to perform better and be more confident in doing their jobs as well as prepare them for future roles aligned to their career aspirations. The Bank had 41 runs of its People Centered Leadership program in 2023 and utilized LinkedIn Learning where 2,500 user licenses were 100% activated and optimized.

We focus on building talent capacity, competency, and engagement. We ensure that leadership and functional competencies are developed, and employee engagement programs are in place. Our goal is to continuously deepen our pool of capable and energized talents who will drive our sustainable growth.

In 2023, we conducted and delivered a total of 718,348 training hours, nearly double the training hours clocked in 2022. As the post-pandemic environment eased in, more employees were able to attend face-to-face and virtual training sessions. The average training hours per employee is 94 hours, which was almost twice as many as compared to 2022.

Equal Opportunities and Growth

EastWest provides a promotion process for employees to advance in their respective careers. Promotion references the employee's job content in terms of scope and organization impact linked to job evaluation results, consistency of performance and significance of contribution through the years, and capabilities as well as potential to assume higher levels of responsibility.

Given the objective promotion criteria referenced, clearly EastWest ensures that there are equal opportunities for career growth based on fair and relevant basis, not gender or any other unrelated factors. We are committed to diversity and inclusivity representation as shown by our promotion statistics.

There were 749 promotions as of December 2023 which comprises of 13% of our headcount, reflecting our commitment to recognizing the contributions and commitment exhibited by our employees.

EastWest espouses a culture of diversity and inclusivity. It allows us to attract and retain top talent. This also builds a work environment that encourages every employee to excel and achieve their career goals and align these with the Bank's successes.

Salaries and Benefits

Full-time employees receive competitive salaries and benefit packages. The lowest salary given is above the statutory minimum wage in the National Capital Region and 8% higher than in provincial areas.

In addition, we provide multiple benefits and actively promote wellbeing among employees. More importantly, we give performance-related rewards such as merit increases, profit sharing, spot incentives, and other recognition schemes.

In May 2023, we delivered an early payout of merit increases and profit-sharing proceeds as well as conducted salary alignments on a selective basis.

Benefits Availment*

	Female	Male	Total Availments
SL conversion	2,252	1,326	3,578
HMO benefits	4,547	2,707	7,254
Salary loan benefits	1,294	596	1,890
Home loan benefits	5	2	7
Car plan benefits	152	131	283
Government loan benefits	1,854	1,033	2,887
Death benefits	53	26	79
SSS Maternity Benefit	271	26	297
SSS Sickness Benefit	48	14	62
Additional COVID-19 leaves	372	228	600
Christmas Gift in 2023 (in lieu of Christmas baskets with salary credits of the same)**	4,325	2,270	6,595

**Covers EastWest, EastWest Insurance Brokerage, EastWest Rural Bank, and EastWest Ageas; Excludes Quest Integrated Marketing Services*
***Covers EastWest, and EastWest Insurance Brokerage*

Communication and Engagement

We foster a culture of collaboration and open communication. We regularly come up with thematic engagement events and utilize team building activities. We also recognize our people's milestones such as birthdays and anniversaries through personal greetings.

Our townhall "Kamustahan with Jerry" sessions drew in 89 participants held in different Bank locations. An employee communications gateway called THE S.H.O.R.E was also recently launched. To promote employee satisfaction and engagement, we completed the View of the Workforce (V.O.W), an employee engagement survey that delivered a 98% response rate.

Engagement level increased from
73% » 77%

Satisfaction level increased from
69% » 77%

Sustainability Report

Enterprise Winning

EastWest is committed to building a cohesive organizational culture. This entails defining and communicating its values, mission, and vision to all employees. This begins with the leadership commitment to model the desired behaviors and foster a sense of belonging among team members.

We have increased our efforts to implement a bankwide cascade on our recently adopted One Filinvest Values, pivotal in cultivating a unified culture. To expedite this process, the Bank has trained over a thousand leaders to conduct these sessions with their respective teams.

To support the cascade, 2 Values Recognition programs were launched and in 2023—474 Values Sowers in the Spot Recognition platform. In addition, 121 employees were nominated to the Values Cultivators Recognition Program which generated 64 finalists and 32 winners.

Our Performance Management System evolved towards the shared ownership of People and Culture and Governance deliverables which ultimately became a formalized Enabling Performance Program. We have forged ongoing partnerships with the business for Organization Structure Redesign and Workforce Planning as well as in continuously shaping and improving Human Capital Philosophies, Policies, Processes, Programs, and Practices.

Labor Management Relations and Freedom of Association

We continue to create harmonious management-labor relations through our Employee Relations Council (ERC) which has cross-functional and cross-rank representation. While we do not have collective bargaining agreements, we held a total of 1,000 consultation meetings with employees concerning employee-related policies in 2023.

Succession

EastWest has a succession planning policy and implementation guidelines to ensure that a steady channel of talents is ready to take on any vacated critical roles or fill up new roles that open up from new business opportunities.

Separations*

Reasons	Female	Male	Total
Resignation	962	578	1,540
Termination**	35	18	53
Retirement	3	14	17
AWOL	5	0	5
Non-Regularization	9	10	19
End of Contract	3	7	10
Death	5	3	8
TOTAL	1,022	630	1,652

**Covers EastWest, EastWest Insurance Brokerage, EastWest Rural Bank, and EastWest Ageas; Excludes Quest Integrated Marketing Services*

***The grounds for termination under the Bank's Code of Conduct include the following, but are not limited to: conflict of interest, serious misconduct, unauthorized use of bank property.*

Occupational Health and Safety

We continued to be vigilant over the health and safety of our employees even as mobility restrictions eased in the last two years and there has been no serious Covid-like threat. We remained focused on initiatives that ensure our employees receive adequate and satisfactory support by ensuring that they are healthy and happy in their jobs.

We provide health insurance, group life insurance and retirement benefits to all full-time employees to help safeguard their wellness. This has been a part of the benefits we offer even prior to the pandemic.

Each EastWest office and Store is committed to enhancing working conditions and fostering a conducive environment. We prioritize instilling discipline to prevent work-related injuries and diseases while safeguarding and promoting the health of EastWest bankers.

Outlined below are the Health and Safety programs implemented by the Bank to ensure the protection and enhancement of the safety and well-being of EastWestbankers:

1. Emergency Response Procedure (ERP)
2. Annual Emergency Response and Safety Trainings
3. Drug-Free Workplace
4. TB-Free Workplace
5. Medical Emergency Response
6. Hepatitis B Awareness
7. Breast Feeding Program
8. Sexual Harassment Awareness
9. Family Welfare
10. Environmental Safety and Health
11. Health and Safety Advisories thru Intranet and Marketing Communication
12. Medical Specialists Services
13. Wellness Fairs
14. Business Continuity Management
15. Travel and Flu Pandemic Policy
16. HIV/AIDS Awareness
17. Cervical Cancer Vaccination
18. Flu Vaccination
19. Responsible Smoking Campaign
20. Employee OSH Orientation
21. Fitness Programs
22. Annual Physical examination
23. Personal Sanitation and Hygiene
24. Hybrid work arrangement
25. Mandatory Occupational Safety and Health (OSH) Orientation of New Hires
26. Deployment of Certified Safety Officers for each office and store
27. Deployment of Certified Occupational First Aiders for each office and store

Labor Standards and Human Rights

We do not tolerate discrimination in our workplace. Moreover, we strictly comply with all laws and regulations related to labor and human rights, including those that prohibit forced labor and the hiring of children. We have five policies that explicitly disallow violations of labor laws and human rights as enumerated below. We have had no legal actions or employee grievances involving forced or child labor in 2023.

1. Anti-Sexual Harassment Policy

2. Code of Discipline and Ethics Policy: Promulgated as a guide in promoting and enforcing discipline and order that ensures employees adhere to ethical and work standards and corporate values of the Bank. Pertinent sanction is imposed upon those who violate basic human rights and law of the land.

3. Compensation Policy: Embodies the Bank's principles on fair and just compensation wherein salaries and benefits are not only within but above what is prescribed by law.

4. Employment Policy: There is no discrimination on employment. Employment is based on fitness to role based on the Bank's requirements and in compliance to Fit and Proper Rule under BSP's Manual of Regulations for Banks.

5. Health and Wellness Policy: This is related to various programs that protect the interest of the employees, such as but not limited to the following:
   - *Drug Prevention*
   - *HIV and AIDS*
   - *Breastfeeding*
   - *Health and Safety in the workplace*

Corruption and Bribery

We strictly abide by our Code of Conduct which prohibits corruption and bribery among our Board of Directors, employees, vendors, and suppliers. We have no incidents involving the removal of directors, dismissal, or disciplinary actions taken against employees, or contract termination of business partners due to corruption.

Navigating Risk

Risk Management

The year 2023 was marked by the continued momentum of our post-pandemic rebound. As the country kept growing, it was tempered by a rapid surge in inflation exacerbated by geopolitical conflicts that significantly affected many global economies.

Still, this moderate growth opened doors for the Bank to be able to shift to asset expansion from capital preservation, accompanied by purposeful capital allocation and calculated risk management. EastWest continued to improve its risk management framework, focusing on Credit Risk. We continue to perform a thorough scan and assessment of economic conditions to be able to identify credit losses and defaults. Our efforts at fine-tuning our risk models and assumptions ensure that a strong capital position is aligned with regulatory capital standards and provides adequate risk coverage.

We strive to strengthen our enterprise-wide risk management culture by imbuing in our people the daily practice of managing risks that come with their respective operations. We are making significant headway in raising risk awareness beyond compliance or recognition. This is done by leveraging and integrating the risk tools employed by the Bank into our day-to-day operational processes. We accomplished this through the establishment of risk maturity assessments that enable operating units to constantly improve on risk management capabilities.

RISK MANAGEMENT STRUCTURE

Risk Management is strictly practiced in all processes and operations of the organization. Our Board of Directors, through the oversight of its Risk Management Committee, is responsible for the governance of risk. As primary owners of risks and internal controls, Senior Management is mandated to be the anchor point in enforcing risk management discipline.

RISK FACTORS

Credit Risk remains to be the principal risk exposure in our business, followed by operational risk, interest rate risk in the banking book, and market risk in the trading book. It also recognized marginal risk exposures to liquidity, credit concentration, compliance, reputational, and strategic risks. In addition to these risks inherent in banking, other risks borne out by more stringent industry regulations are also recognized.

CAPITAL RISK

This is the risk faced when a company loses the value of its capital, which consequently puts it into a situation of having inadequate capital to cover its risk exposures. We mitigate this by implementing capital risk management to ensure capital is preserved and shareholder value is maximized, while maintaining capital ratios compliant with the minimum prescription of the Bangko Sentral ng Pilipinas (BSP).

Risk Management

CREDIT RISK

This type of risk arises when borrowers fail to meet credit obligations based on the agreed terms, may it be repaying a loan or meeting a contractual obligation. Under the Philippine Financial Reporting Standards 9, banks use models to estimate credit losses on its portfolio on a forward-looking perspective. This entails banks to forecast a loan account or portfolio's potential loss from a 12-month period up to the entire life cycle as its credit quality deteriorates.

In 2023, the Bank's Credit Risk remained reasonable. Its manageability is founded on satisfactory levels of asset quality, credit concentration, collateral, loss rate level, and more importantly, adequacy of loss coverage. This is realized through mitigating measures during the early stage of credit underwriting, aided mainly by credit scoring tools for consumer products and the internal Credit Risk rating system for corporate clients. Likewise, in line with portfolio maintenance and management, we regularly monitor key Credit Risk indicators under normal conditions and perform stress tests based on internally determined and BSP-prescribed scenarios to anticipate and prepare for its impact if found to be plausible.

OPERATIONAL RISK

This risk relates to potential loss arising from systems, people, processes, and external events in the conduct of our business and operations. Lapses and failures in the delivery and performance of our operations are not without consequences. Considering our heavy reliance on technology to deliver products and services to our customers, information technology (IT) risks such as cybersecurity, data privacy, and legacy IT infrastructure and operations are deemed relevant.

We address this risk by espousing self-regulation through regular risk and control self-assessment by all the concerned Bank units, which investigate potential risk incidents inherent in one's process and operations, relevant mitigating measures, and periodic monitoring of operational risk indicators relative to defined risk appetite and tolerances. Specific to IT risk, a defense in-depth strategy involving multiple security tools, people awareness and education, as well as continued modernization of our legacy infrastructure and applications are in play to diminish such risk.

MARKET RISK AND INTEREST RATE RISK

Market risk arises as the fair value or future cashflows of financial instruments fluctuate due to changes in market variables such as interest rates, foreign exchange rates, and equity prices. Interest rate risk is the risk to current or anticipated earnings or capital arising from movements in interest rates. This can potentially affect the financial results and capital of the Bank arising from positions in the banking book.

The major factors that lead to increased interest rate risk are the volatility of interest rates and mismatches between the interest reset dates on assets and liabilities. We manage this risk by increasing the proportion of our less sensitive funding, which aims to minimize the impact of rising interest rates on our banking book. Meanwhile, market risk is managed through judicious trading activities.

RISK OUTLOOK

Even as the Philippine government has targeted a growth of 6.5% to 7.5%, there are persistent challenges that the Bank is wary of. Key growth drivers such as stronger consumption, government spending, and higher export demand will be toned down by high inflation and the impact on production by El Niño. The government aims to address food supply concerns through investments in infrastructure and financial assistance to farmers. The BSP may implement modest rate cuts in the third quarter of 2024, should inflation be managed within the target range.

Managed inflation and decrease in interest rates can further stimulate credit demand which can spur more economic activity. We remain cautious of domestic challenges such as severe natural disasters, which pose potential threats to the country's economic outlook. Global threats such as unresolved geopolitical issues in the Eurozone (Ukraine-Russia) and Middle East (Israel-Palestine) can continue to impact inflation, supply chain, and cause higher market volatility.

We remain vigilant of present and emerging risks, with Credit Risk remaining to be the largest risk exposure, followed by operational and interest rate risks. With the expected expansion of its loan portfolio, the Bank will continue to maintain sufficient capital levels to cover its risk exposures.

Despite these challenges, the government is determined to manage inflation by increasing infrastructure spending and supporting farmers to stabilize food prices. The Bangko Sentral ng Pilipinas (BSP) tipped at modest interest rate cuts by the third quarter of 2024 if the inflation level is managed within target, which could catalyze credit demand and spur further economic activity.

Despite these challenges, the Development Budget Coordination Committee (DBCC) expects the Philippines to remain one of the strongest economies in the Asia Pacific region. This confidence is echoed by credit agencies Fitch, S&P, and Moody's, which have affirmed the country's investment grade rating with a stable outlook, signaling trust in its macroeconomic fundamentals.

BSP CIRCULAR 1128: ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT FRAMEWORK

In keeping with its commitment, EastWest completed the establishment of its Environmental and Social (E&S) Risk Management Framework. The Bank has taken the necessary updates to ensure its existing risk management policies meet the regulation of Circular 1128, including provisions specific to operational and credit risks. This is in line with the three-year transition period set out by BSP Circular 1085 on Sustainable Finance issued in 2020 which takes effect in May 2023. The Bank continues its commitment through integrating the principles of E&S Risk Management Framework by periodically reviewing and updating its risk management processes.

Our Approach to Sustainable Financial Growth

Sustainable Finance

Background

BSP Circular 1085; Sustainable Finance Framework, defines Environmental & Social (E&S) Risk as the potential financial, legal, and/or reputational negative effect of environmental and social issues on the Bank. E&S issues include environmental pollution, climate risk, hazards to human health, safety and security, and threats to community, biodiversity and cultural heritage, among others.

Climate Risk encompasses Physical and Transition Risk. Physical Risk refers to the potential loss or damage to tangible assets arising from climate change and/or other weather-related conditions such as floods, typhoons, droughts, earthquakes, extreme weather variability, and rising sea levels. Meanwhile, Transition Risk refers to potential economic adjustment cost resulting from policy, legal, technology, and market changes to meet climate change mitigation and adaptation requirements.

E&S Risk Management (ESRM) System refers to the policies, procedures, and tools to identify, assess, monitor, and mitigate exposures to E&S risks.

By effectively managing these E&S risks, banks can contribute to sustainable development, promote financial stability, and enhance their resilience against emerging challenges such as climate change and social inequalities. Moreover, proactive risk management aligns with the growing demand from stakeholders for responsible and ethical banking practices, ultimately fostering trust and credibility within the financial sector.

Sustainable Finance

BSP Guidelines Relevant to ESRM System

Cognizant of the evolving nature of Sustainable Finance concepts and best practices, the BSP adopted a phased approach in introducing sustainability-related guidelines with due regard to the principle of proportionality.

- **Sustainable Finance Framework (BSP Circular 1085 on Sustainable Finance)**
  The Framework emphasizes the role of the Board in leading and institutionalizing the adoption of sustainability principles and prescribes the general prescriptions for banks' Environmental and Social Risk Management (ESRM) System. The Framework also enumerates the E&S disclosure requirements for banks' annual reports on information covered by the Framework.

- **Environment and Social Risk Management Framework (Circular No. 1128)**
  The Circular outlines detailed guidelines for banks to manage E&S risks associated with credit and operational exposures. Banks are required to establish strategic environmental and social objectives across short, medium, and long-term periods. Additionally, banks must implement robust policies, processes, and procedures to address operational risks stemming from environmental and social factors, ensuring prompt recovery and operational resilience in the face of events like extreme weather.

- **Guidelines on the Integration of Sustainability Principles in Investment Activities of Banks (Circular No. 1149)**
  The Circular specifies the requirements for banks to incorporate sustainability principles into their investment endeavors, particularly in the banking book. Banks are mandated to factor in their sustainability goals and tolerance for risk when engaging in investment activities, ensuring that their investments do not support sectors deemed detrimental to the environment or society.

- **Guidance on the Implementation of the Environmental and Social Risk Management (ESRM) System (Memorandum No. M-2022-042)**
  The Guidance informs banks on the initial steps they can take to establish an ESRM System. It outlines the BSP's minimum expectations as laid out in its Circulars. It offers resources such as publications from relevant international organizations to assist banks in creating an effective ESRM System.

Disclosure Requirements Relevant to ESRM System (ESRMS)

As laid down in BSP Circular 1085 on Sustainable Finance, below are the disclosure requirements relevant to ESRMS:

- Risk appetite
- Overview of E&S risk management system
- Breakdown of E&S exposures per industry or sector
- Information on existing and emerging E&S risks and their impact

EastWest Bank's E&S Risk Appetite Statement

At EWBC, we are committed to embedding sustainability into all aspects of our business and operations.

The Bank's E&S risk appetite is defined to assume all E&S risks inherent in its businesses aligned with its strategic intent, including but not limited to, sustainability cause/s. Provided that, the Bank's risk exposures on indirect risks are well diversified, i.e., no significant concentration on any specific risk driver, and that mitigants are adopted by the client or the Bank to address the E&S risks.

Embedding Sustainability
The Bank recognizes that environmental and social risk events impact its primary risk areas, such as Credit and Operational Risks. **The Bank maintains a low tolerance level for environmental and social risks that could potentially harm it and result in losses.** Thus, it does not allow risk taking beyond its current risk appetite and limits for each of its primary risks.

The Bank's guiding principle is to integrate sustainability practices into the core of its business and operations, while managing and mitigating any risks principally impacted by the sustainability agenda, such as Credit and Operational Risks. The Bank strives to ensure that environmental and social factors are integral considerations in all risk management decision-making processes.

The Bank actively monitors current and emerging environmental and social risks across its lending and investment activities and other related bank operations. The Environmental and Social (E&S) Risk Management Framework is embedded in the Bank's overall Enterprise Risk Management Framework that is the foundation of our approach to managing these risks. It covers tolerance thresholds within existing risk limits for each major risk to guide our mitigation efforts effectively. This framework is regularly reviewed and updated to ensure alignment with evolving sustainability challenges and risk profile.

Customer Empowerment
To ensure continued product and service delivery amidst the transition risk linked to pursuing sustainability goals, on the operational front, **the Bank maintains low risk appetite for Operational Risk and related environmental and social risk events.**

The Bank empowers its customers by offering tailored banking products that adhere to or promote sustainability. Digital innovations play a crucial role in this endeavor. Digitalization initiatives help minimize environmental footprints. We also manage Operational Risks associated with digital platforms, ensuring data security, system reliability, and customer privacy to maintain customer trust and confidence that will bolster the transition to more environmentally sound banking practices.

The Bank manages its Operational Risks through its dynamic Operational Risk Management Framework and sound Business Continuity Management (BCM), ensuring resilience and continuity in business and operations.

Employee Engagement
The Bank maintains a low tolerance for legal disputes and business disruption arising from employment practices and workplace safety. It is committed to avert risks jeopardizing the health and safety of its employees. It has zero tolerance for discrimination and bias, ensures gender equality throughout the workplace, and is committed to inclusive and sustainable economic growth for all.

The Bank proactively mitigates workplace hazards, promotes wellness programs, enforces anti-discrimination policies, provides equal opportunities for all genders, and prioritizes fair labor practices and environmental sustainability. Any action contrary to these principles will be swiftly addressed, as the Bank strives to foster a workplace culture that supports the well-being of employees, promotes gender equality, and contributes to sustainable economic development.

Sustainable Finance

The Bank is committed to attracting and retaining employees guided by environmental and social risk management principles. Employees play a vital role in risk management as we espouse the principle that everyone is a risk manager. Employees help in identifying and managing risks effectively, driving continuous improvement and innovations across all aspects of our business and operations. Through continuous education and training, employees are empowered to champion risk management, including the management of environmental and social related risks within the organization.

Balancing Shareholder Interest and Societal Contribution
The Bank is committed to identifying and managing environmental and social risks, including those that may arise from its lending activities which could impact the Bank's financial performance. These include exposures to industries that are either a cause of or will be impacted by environmental and social risk that may lead to credit defaults as well as business and operational disruptions.

The Bank actively assesses and mitigates these risks to ensure that they remain within pre-defined risk limits for direct risk exposures such as Credit and Operational Risks. These risk management activities support our dual objectives of shareholder value creation and societal benefit.

The Bank manages its Credit and Operational Risks through its dynamic Credit and Operational Risk Management Frameworks that ensure satisfactory credit quality of credit exposures and resilience and continuity of business and operations to be well-maintained.

The Bank aims to balance financial performance with environmental and social initiatives, ensuring that its banking products and services contribute to the long-term sustainability of both the organization and the communities it serves. Its approach includes regular monitoring, assessment, and mitigation of environmental and social risks inherent in its activities. It upholds high standards of corporate governance, transparency, and accountability, aligned with the expectations of its shareholders and broader society.

Overview of EastWest's Environmental and Social Risk Management (ESRM) Framework

Cognizant of the banking sector's part in the ESG agenda, EastWest has made sustainability a key initiative. With the global drive and regulatory push, the Bank integrated its E&S risk management into its existing risk management frameworks.

The Bank's framework defines E&S Risks as the potential financial, legal, and/or reputational negative impact of environmental and social issues on the Bank. These issues can present themselves as either Physical Risk or Transition Risk.

The Bank sets its E&S risk appetite to manage potential E&S business impact within the established risk appetite and tolerances of the Bank's primary risks (i.e., Credit and Operational).

EastWest established its ESRM Framework that is integrated in its existing risk management system, ensuring a holistic approach to risk identification, assessment, mitigation, and monitoring. The ESRM Framework serves as the Bank's cornerstone of its bank-wide implementation into core business processes.

EastWest sets the criteria to ensure that the E&S risks identified are rightfully applicable to EWBC. The criteria are as follows: localization of the scenario, government guidance, information access, and assessment of likelihood and severity. With this guidance, EWBC identified four (4) relevant subcategories of E&S risks, namely: physical risk, transition risk, social inequality, and financial exclusion.

E&S Risk and Credit Risk
Credit-related E&S Risks manifest in large loan deployments to industries that may become obsolete due to E&S concerns. The type, quantity, and severity of E&S risks should be evaluated considering various factors such as the type of loan, location of the borrower, collateral for the account, and industry of the borrower. Corresponding actions to facilitate the integration of E&S principles may include changes in the composition of the loan portfolio which may have existing exposures in markets, sectors, or geographic areas vulnerable to material E&S risks and may ultimately result to an increased allocation to sustainable financing.

E&S Risk and Operational Risk
E&S Risks events, in the context of Operational Risk, may contribute to business disruption of the Bank's operations. For example, severe weather events may lead to damage of stores/ offices or labor issues may materialize to vacancies or absenteeism. Such risk events may ultimately result in financial losses, regulatory non-compliance or reputational impact, among others.

EWBC E&S Risk Loan and Investment Exposures

The Bank assessed its total credit portfolio for E&S related exposures. To facilitate the assessment, the Bank used the Department of Environment and Natural Resources' (DENR) Environmental and Social Risk Categorization Guide as a basis for the identification of environmentally high-risk industries and sectors. The Bank's counterparties were examined based on the nature of their services and products, which were then checked versus the DENR's Guide.

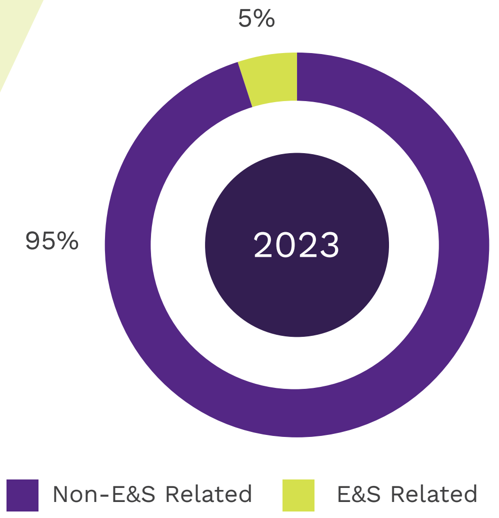
The Bank concluded that its primary E&S-related exposures are in the following industries:
- Fishery and aquaculture projects
- Mining and quarrying
- Non-ferrous metal industries
- Petroleum refineries
- Pulp and paper industries
- Steel mills
- Thermal power plants (coal)

The Bank's identification of E&S-related exposures is focused on its corporate loans and investment exposures as its consumer loan portfolio is assessed as a positive contributor to the UN SDGs.

Per the Bank's assessment, its E&S-related exposures only amount to 5% of its total credit exposures. It is assessed to be marginal and, therefore, low risk.

Sustainable Finance

TOTAL OUTSTANDING BALANCE



Further, since the Bank deems E&S Risks as part of its identified primary risks, the above E&S-related exposures already form part of the Bank's overall Credit Risk assessment and should not significantly change the risk profile of the Bank.

EastWest Bank's Environmental and Social Risk Scenarios and Risk Assessment

Beyond traditional financial risks, the banking industry is increasingly facing environmental and social (E&S) risks directly or through their clients' activities. Thus, understanding and managing E&S risks is no longer an option, but a necessity. Below presents the Bank's E&S Risk Assessment, outlining its commitment to proactively manage its risk. The assessment examines potential impacts on EWBC arising from:

- Physical risk: Climate change, natural disasters, and resource depletion can disrupt operations, impact borrowers' ability to repay, and damage collateral, leading to financial losses.
- Transition risk: Evolving regulations, shifting market demands towards sustainability, and technological advancements can create stranded assets, reputational damage, and legal challenges if not properly addressed.

The Bank continuously performs a comprehensive E&S risk identification and assessment. The major potential business impact will manifest as credit losses arising from exposures to industries susceptible to physical and transition risks. Moreover, from an operational standpoint, the Bank's physical assets are also exposed to climate-related natural disasters that may cause physical damage. These risk events were assessed as the direct impact of E&S related events while the other direct risks of the Bank (e.g., Liquidity, Interest Rate, etc.) may have secondary effects arising from the aftermath of climate related natural disasters.

Part of the Bank's assessment is to identify emerging E&S risks. These are relatively new risks that are not yet fully understood or widely recognized but need to be monitored to be managed proactively. The Bank assessed that there are no such risks to the Bank beyond what have been identified in this risk assessment.

Credit Risk

EWBC is exposed to Credit Risk when a borrower is unwilling and/or unable to fulfil its contractual obligations associated with a transaction as a result of E&S issues.

The main risk is the reduction in the counterparty's willingness/ability to repay the Bank due to the following:

- Loss of revenue: Changing regulations, market demands for sustainable practices, and operational disruptions due to E&S issues that may severely reduce corporate borrowers' profitability. On consumer lending, loss of livelihood and source of income may result in credit defaults. This is particularly applicable for unsecured loan portfolios as the collaterals for the Bank's secured loans are covered by insurance.
- Reputational damage: Public backlash and negative media attention surrounding their unsustainable practices can erode trust and brand value.
- Costly litigation: Legal challenges arising from environmental or social violations by clients can result in hefty fines and settlements.

The Bank primarily manages E&S Risk as a driver of Credit Risk by identifying its possible E&S risk exposures in its credit portfolio. The tools the Bank employs for this purpose are as follows:

- Industry analysis for counterparties and income sources of individual borrowers to assess their continued viability, thus, not affecting the borrower's ability to honor their credit obligations
- Tagging of defaults driven by the manifestation of E&S Risks to provide the Bank with an assessment of the impact of E&S risk events on its portfolio
- Appraisal policies considering E&S risk exposures of collaterals to allow the Bank to implement mitigating measures prior to granting of credit
- E&S Risk Stress Testing to assess the Bank's capital resilience should Credit Risk losses manifest through E&S Risks

Operational Risk

The Philippines, being a tropical country, is exposed to severe wet and dry weather conditions in form of "El Niño" and "La Niña". Over the years, the changes in the climate of the country have aggravated affecting economy and businesses where certain cases of heavy typhoon and extreme flooding have led to unexpected business disruption as well as damage to Bank facilities, ultimately affecting the Bank's profitability. Specifically, heavy typhoons have restricted key personnel from reporting to work causing disruptions to critical processes and restricting the Bank's ability to serve customers. Extreme flooding, on the other hand, has caused shutdown of operations of affected branches as well as financial losses from damage to property caused by strong winds, heavy downpour, and flooding.

The Bank has been cognizant of the risk exposure arising from impact of typhoon and flooding. In this regard, mitigations have been put in place to proactively manage environmental risk through:

- Proper geographical assessment of store and office location considering the location's susceptibility to effects of severe typhoons like flooding
- Periodic maintenance of Bank facilities against damage from environmental factors
- Securing risk financing through property insurance
- Appropriate personnel skeletal system, back-up system, and succession planning

Market Risk, Interest Rate Risk, and Liquidity Risk Management

Climate-related natural disasters like severe typhoons present significant challenges to banking institutions, particularly concerning Market and Liquidity Risks. In the aftermath of these events, the resulting property damages often trigger increased funding needs among depositors, leading to heightened withdrawal activity. Simultaneously, disruptions to local infrastructure may hinder the Bank's access to funding, potentially causing liquidity shortages and operational disruptions. Moreover, climate-related natural disasters can impact the creditworthiness of counterparties, potentially resulting in investment losses, particularly in corporate bonds, as concerns about issuers' ability to repay their debt emerge. Market volatility induced by such disasters can also affect interest rate movements. Additionally, damage to crops and infrastructure can lead to food supply disruptions, driving inflation and causing interest rate volatility and margin compression due to increased funding costs.

The Bank's exposures that are sensitive to Market Risk, Interest Rate Risk, and Liquidity Risks have its management of risk in place during the normal course of its operations. This includes policies, processes, and tools that mitigate the impact of the abovementioned E&S-related risks in the Bank's trading, investment, and balance sheet exposures.

Corporate Governance

We at EastWest are dedicated to our desire for paramount customer service and we consider Trust as the vital factor that helps build robust relationships. We take proactive steps to earn the trust of customers by acting with integrity, transparency, and accountability in all our endeavors. Our business is guided by strict adherence to corporate governance principles found in our Corporate Governance Manual. The Manual contains a clear definition of corporate governance as well as procedures for nomination, elections, meetings, and quorum requirements. It also lists the duties of Board members, Board committees, and key officers and employees. In addition, it discusses a disclosure system which highlights adherence to the principles of transparency, accountability, and fairness.

Governance Structure

Corporate governance commences with our Board of Directors (BOD) and Senior Management team who facilitate crucial dialogue and impartial decision-making. They establish the standard and guarantee the implementation of comprehensive disclosure mechanisms, along with safeguarding shareholders' rights and ensuring equitable treatment.

Board of Directors

As the principal governing authority within the Bank, the BOD assumes stewardship over our management and activities, endorsing our overarching strategy, guided by our fundamental values and principles, with a focus on sustainable, long-term performance.

The BOD also holds the responsibility for cultivating our enduring success and maintaining our competitive edge in accordance with its fiduciary obligations. It is dedicated to upholding the highest standards of honesty, integrity, and transparency in fulfilling its duties, functions, and responsibilities. Regular and special meetings are convened to deliberate on our strategic trajectory, performance, policies, and advancements in risk management, IT, governance, and pertinent operational processes.

Comprised of 11 directors, with a majority being non-executive, the BOD undergoes annual nomination and shareholder vote, each serving a one-year term until the subsequent election. Through its Corporate Governance and Compliance Committee, the BOD ensures the suitability of all directors for election, considering criteria such as integrity, competence, education, community standing, and relevant business or banking expertise, without bias towards gender, age, ethnicity, political affiliation, religion, or cultural background.

Independent Directors

Among the 11 individuals comprising our BOD, five serve as independent directors, tasked with offering impartial judgment, external expertise, and objectivity to the Board's deliberations. They maintain a limit of no more than five seats in other publicly listed companies.

Non-Executive Directors

Non-Executive Directors (NEDs) may convene separate periodic meetings with the external auditor and heads of governance units—namely Internal Audit, Compliance, and Risk Management—without the presence of any executive director or senior management, as deemed

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necessary to ensure the establishment of effective checks and balances within the Bank. These meetings will be spearheaded by the Lead Independent Director who initiated the session.

Last June 20, 2023, the meeting among NEDs without the presence of management was presided over by Lead Independent Director Gregorio U. Kilayko.

As a Non-Executive Director (NED), Chairman Jonathan T. Gotianun refrains from any involvement in the Bank's daily operations, instead offering counsel to Senior Management on strategic and policy-related issues. In his capacity as chairman of the BOD, he chairs both Board and stockholders' meetings, ensuring that the BOD makes well-informed decisions concerning the Bank and its shareholders.

Executive Directors
Jacqueline Fernandez is responsible for ensuring the attainment of the strategic objectives established by the BOD. Holding direct and immediate oversight, she manages both the long-term and daily operations of EastWest, implementing administrative and operational policies sanctioned by the Board.

Directors	Type of Directorship	Shares Held by Directors			
			% of total I/O Shares	Percentage of Shares Held	Number of Shares
Jonathan T. Gotianun	Non-Executive	Direct	0.00%		19
		Indirect	1.01%		22,792,341
Jacqueline S. Fernandez	Executive	Direct	0.02%		359,455
		Indirect	0.00%		0
Lourdes Josephine G. Yap	Non-Executive	Direct	0.02%		539,629
		Indirect	0.97%		21,768,951
Isabelle Therese G. Yap	Executive	Direct	0.00%		10,005
		Indirect	0.01%		199,200
Gregorio U. Kilayko	Independent	Direct	0.00%		5
		Indirect	0.00%		0
Jose Maria G. Hofileña	Independent	Direct	0.00%		5
		Indirect	0.00%		0
Armando L. Suratos	Independent	Direct	0.00%		5
		Indirect	0.00%		0
Cristina Q. Orbeta	Independent	Direct	0.00%		5
		Indirect	0.00%		0
Imelda B. Capistrano	Independent	Direct	0.00%		5
		Indirect	0.00%		0
Joseph M. Yap*	Non-Executive	Direct	0.00%		5
		Indirect	0.00%		0
Rhoda A. Huang**	Non-Executive	Direct	0.00%		5
		Indirect	0.00%		0

** joined the Bank as of April 24, 2023*
***joined the Bank as of September 28, 2023*

Isabelle Gotianun Yap serves as a Special Projects Officer within the Executive Management Office (EMO), collaborating with the Bank's Senior Management team to formulate and assess high-level strategies. She also provides support to the President and CEO in managing the Bank's diverse projects.

Board Self-Evaluation
Every director undergoes regular self-evaluation to assess their performance in alignment with the responsibilities and mandate as a member of the BOD and its respective committees. This practice ensures the ongoing effectiveness of the Board in contributing to our long-term sustainability and success.

For comprehensive self-evaluation, each director is required to complete a minimum of three assessment sheets: one for individual assessment, the second for the overall performance of the Board, and the third for evaluation as a committee member. These sheets delve into specific details such as the clarity and relevance of the functions of the Board and committees, the effectiveness of meetings, and the constructive utilization of available reports to discuss concerns that may impact their roles as directors or committee members.

Board Remuneration
Our model for compensating directors and executives follows best practices for good governance. This model establishes formal and transparent procedures for the development of a policy on executive remuneration or determination of remuneration levels for individual directors, depending on the Bank's specific needs.

No director is allowed to participate in deciding his remuneration. Each director receives a monthly professional fee for attending Board and committee meetings. This is also in consideration of their valuable contributions in the formulation and continuing review of our overall strategy and performance. Remunerations given to directors which were approved by the Board Remuneration Committee amounted to Php 26.3 million in 2023. Directors and Filinvest Development Corporation-affiliated Directors continue to waive their professional fees.

Board Training
Directors must possess sufficient qualifications (both individually and collectively) and a comprehensive understanding of both the business landscape and regulatory frameworks. To ensure optimal contribution to the BOD, new directors undergo thorough induction training, and all directors participate in an annual Corporate Governance training session.

Furthermore, directors receive periodic updates on regulatory shifts and market advancements, with encouragement to attend pertinent training programs aimed at enhancing and updating their expertise.

The Annual Corporate Governance Seminar took place virtually on December 6, 2023, organized by the Institute of Corporate Directors. This event is a vital component of our ongoing efforts to ensure a competent BOD and Senior Management team, committed to implementing a clear strategy that safeguards the rights of our stakeholders while ensuring profitable business operations.

The seminar covered a range of topics pertinent to corporate governance, including updates on regulatory standards, the consequences of non-compliance with laws and regulations, fundamentals of money laundering and terrorist financing, preventive measures, obligations of covered entities, targeted financial sanctions, and the latest regulatory issuances from the Anti-Money Laundering Council (AMLC).

Additionally, the seminar addressed best practices for effective boards, focusing on key roles and core practices rooted in timeless governance principles. It explored how boards can enhance effectiveness through collaborative leadership and emphasized the importance of mindfulness in the workplace for Senior Management.

Retirement and Succession
Directors are elected by the shareholders and their tenure on the BOD is not solely dependent on age.

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The key criterion for their continuation is their ability to effectively fulfill their duties. Our retirement policy for the BOD is based on the capability of directors to carry out their functions rather than their age.

The Corporate Governance and Compliance Committee assesses the suitability of BOD nominees. Upon election, directors serve a one-year term, eligible for re-election the following year. Independent directors have a maximum cumulative term of nine years, after which they cannot be re-elected as independents but remain eligible for nomination and election as regular directors. However, there is no fixed term limit for regular directors.

Shareholder Communication

The BOD and Senior Management keep shareholders abreast of developments in the Bank through its annual shareholders' meeting, annual report, general information sheet, quarterly financial reports, news releases, and corporate disclosures. Our website provides extensive information about the BOD, its mandate, the BOD committees and their charters, and its directors.

Board Meetings

The BOD holds a meeting for organizational purposes every calendar year immediately after election and holds its regular meetings once a month. Special meetings of the BOD may be called at any time by the Chairman or upon written request of at least a majority of the directors.

There are seven Board-level committees which were created to assist the BOD in performing its duties and responsibilities—ensuring efficiency and focus.

Directors continue to exercise their role and responsibilities to the Bank by virtually attending and voting in BOD meetings. The BOD utilizes video conferencing as an alternative mode of communication, which was allowed under the Securities and Exchange Commission's Memorandum Circular No. 6.

Board Attendance

We held 17 Board meetings in 2023, broken down as 12 regular Board meetings, 4 special Board meetings, and 1 organizational meeting.

Directors	Meetings Attended	% Present
Jonathan T. Gotianun	17	100%
Antonio C. Moncupa, Jr.*	7	100%
Jacqueline S. Fernandez	16	94%
Lourdes Josephine G. Yap	17	100%
Isabelle Therese G. Yap	17	100%
Wilson L. Sy*	6	86%
Gregorio U. Kilayko	16	94%
Jose Maria G. Hofileña	15	88%
Armando L. Suratos	17	100%
Cristina Q. Orbeta	17	100%
Imelda B. Capistrano	17	100%
Joseph M. Yap**	10	100%
Francis Nathaniel C. Gotianun**/***	5	100%
Rhoda A. Huang****	3	75%

** resigned as of April 24, 2023*
*** joined the Bank as of April 24, 2023*
****resigned as of September 1, 2023*
***** joined the Bank as of September 28, 2023*

The Board of Directors has the flexibility to conduct meetings using modern technologies, including teleconferencing and video conferencing. This approach ensures active participation from the directors regardless of their physical location. Each Board member attends at least fifty percent (50%) of all meetings and physically attends a minimum of twenty-five percent (25%) annually.

Board Committees

Pursuant to our Corporate Governance Manual, our BOD created the following committees and appointed Board members. Each member of the respective committees has been holding office as of the last Annual Stockholders' Meeting which was on April 24, 2023, and will serve until their successor shall have been elected and qualified.

Executive Committee

The Executive Committee is empowered to direct the business of the Bank vested by law in the BOD insofar as such powers and authority may be lawfully delegated to the Executive Committee, including the power to review and approve proposals and transactions related to credit in amounts within the limits of its delegated authority.

The Executive Committee is composed of five members who meet weekly or as often as it may be necessary to address all matters referred to it. In 2023, it held 28 Regular Executive Committee Meetings.

Corporate Governance and Compliance Committee (CGCC)

The CGCC leads the Bank and assists the BOD in defining and fulfilling the corporate governance policies and attaining best practices while overseeing the implementation of compliance programs, money laundering prevention programs, and ensuring that regulatory compliance issues are resolved expeditiously.

In addition to its governance role, the CGCC also assumes the nomination function whereby it reviews and evaluates the qualifications of all persons nominated to the BOD, all direct reports of the CEO and the President, heads of Governance Units and other positions requiring appointment by the BOD.

The Committee oversees the annual performance evaluation of the BOD, its committees, and individual directors and conducts an annual self-evaluation of its performance as prescribed under and in accordance with the Corporate Governance

Executive Committee

Directors	Role	Meetings Attended	% Present
Jonathan T. Gotianun	Chairman	27	96%
Lourdes Josephine G. Yap	Member	26	93%
Jacqueline S. Fernandez	Member	27	96%
Isabelle G. Yap	Member	26	93%
Jerry G. Ngo	Member	23	82%
Total Meetings Held: 28			

Corporate Governance and Compliance Committee

Directors	Role	Meetings Attended	% Present
Cristina Que-Orbeta	Chairman	13	100%
Armando L. Suratos	Member	13	100%
Jose Maria Hofileña	Member	13	100%
Jonathan T. Gotianun	Member	12	92%
Total Meetings Held: 13			

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Manual and the SEC Code of Corporate Governance for Publicly Listed Companies and BSP Manual of Regulations for Banks (MORB).

The Committee, composed of four members, three of whom are independent directors, meets every month or when necessary. In 2023, 13 meetings were conducted and attended by Committee members.

Related Party Transactions (RPT) Committee
The RPT Committee assists the BOD in ensuring that transactions with related parties of the Bank are handled in a sound and prudent manner, with integrity and in compliance with the applicable laws and regulations to protect the interest of depositors, creditors, and other stakeholders. It also ensures that related party transactions are conducted on an arm's length basis and that no stakeholder is unduly disadvantaged by such transactions.

The RPT Committee is composed of three members, two of whom are independent directors. It meets every other month or whenever necessary to discuss and agree on matters to be endorsed to the BOD for approval or confirmation.

Related Party Transactions Committee

Directors	Role	Meetings Attended	% Present
Jose Maria G. Hofileña	Chairman	8	100%
Jonathan T. Gotianun	Member	8	100%
Imelda B. Capistrano	Member	8	100%
Total Meetings Held: 8			

Audit Committee

Directors	Role	Meetings Attended	% Present
Gregorio U. Kilayko	Chairman	12	100%
Jose Maria G. Hofileña	Member	12	100%
Lourdes Josephine G. Yap	Member	12	100%
Armando L. Suratos	Member	12	100%
Cristina Q. Orbeta	Member	12	100%
Total Meetings Held: 12			

In 2023, eight meetings were conducted and attended by Committee members.

Audit Committee
The Audit Committee assists the BOD in overseeing our financial reporting process, system of internal controls and the process for monitoring compliance with laws and regulations, and the code of conduct. It also provides reasonable assurance to the Board on our overall management of risks. It is responsible for setting up the Internal Audit Division, and for appointing the Chief Audit Executive and an independent external auditor who both report to the Audit Committee. It monitors and evaluates the effectiveness and accuracy of our internal control system through the Internal Audit Division.

The Internal Audit Division provides independent, objective assurance and consulting services designed to add value and improve our operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach in evaluating and improving the effectiveness of risk management, internal control, and governance processes. It functionally reports to the Audit Committee and administratively to the CEO. The Internal Audit Division is independent of our other organizational units as well as of the personnel subject of the audit.

The Audit Committee has evaluated and confirmed the adequacy of our internal controls/risk management. The Audit Committee, composed of five members, four of whom are independent directors, meets once a month. In 2023, 12 regular meetings were conducted and attended by Committee members.

Risk Management Committee (RMC)
The RMC assists the BOD in fulfilling its responsibilities in managing our risk-taking activities. The RMC reviews and approves principles, policies, strategies, processes, and controls all frameworks pertaining to risk management. It also recommends to the BOD any necessary modification or amendment to strategies and policies relative to risk management. Its functions include identifying and evaluating our risk exposures, estimating its impact to the organization and assessing the magnitude, direction and distribution of risks across the Bank, which it uses as basis in determining risk tolerances. RMC reports to the Board the overall risk exposures as well as the effectiveness of its risk management practices and processes while recommending further policy revisions when necessary.

The RMC is composed of three independent directors. Members of the Committee possess adequate knowledge and understanding of the institution's risk exposures and expertise in developing appropriate risk policies and strategies. In 2023, 12 regular meetings were conducted and attended by all the Committee members.

Risk Management Committee

Directors	Role	Meetings Attended	% Present
Armando L. Suratos	Committee Chairman	12	100%
Gregorio U. Kilayko	Committee Member	12	100%
Cristina Q. Orbeta	Committee Member	12	100%
Total Meetings Held: 12			

Rewards & Talent Management Committee (formerly Compensation Committee)

Directors	Role	Meetings Attended	% Present
Lourdes Josephine G. Yap	Chairperson	2	100%
Jonathan T. Gotianun	Member	2	100%
Jerry G. Ngo	Member	2	100%
Gregorio U. Kilayko	Member	2	100%
Imelda B. Capistrano	Member	2	100%
Total Meetings Held: 2			

Rewards & Talent Management Committee
The Rewards & Talent Management Committee is composed of five members, including our Chairman, CEO, one director and two independent directors. It ensures that the compensation policies and practices are consistent with the corporate culture, strategy, and the business environment under which it operates. It evaluates and recommends to the BOD incentives and other equity-based plans designed to attract and retain qualified

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and competent individuals.

The Committee meets at least once a year and provides overall direction on our compensation and benefits strategy. In 2023, one meeting was conducted and attended by Committee members.

Trust Committee
The Trust Committee assists the Board in fulfilling its responsibilities to oversee the proper management and administration of our trust and other fiduciary businesses. Duly constituted and authorized by the BOD, the Committee acts within the sphere of authority as provided in our By-laws and/or as may be delegated by the BOD. It undertakes such responsibilities but not limited to the following:

- Acceptance and closing of trust and other fiduciary accounts;
- Initial review of assets placed under the trustee's fiduciary custody;
- Investment, reinvestment and disposition of funds or property;
- Review and approval of transactions between trust and/or fiduciary accounts; and
- Review of trust and other fiduciary accounts to determine the advisability of retaining or disposing of the trust or fiduciary assets and/or whether the account is being managed in accordance with the instrument creating the trust or other fiduciary relationship.

The Trust Committee also presides over the proper conduct of our Trust business, periodically reviewing the business development initiatives such as staffing and delineation of responsibility/accountability, proactive development and implementation of strategies for the cultivation of revenue streams and cost management, and application and monitoring of the proper performance benchmarks.

The Trust Committee is composed of five members: a Trust Officer, 3 directors and one independent director.

Trust Committee

Directors	Role	Meetings Attended	% Present
Wilson L. Sy*	Chairman	1	100%
Joseph M. Yap**	Chairman	3	100%
Jonathan T. Gotianun	Member	4	80%
Imelda B. Capistrano	Member	5	100%
Jerry G. Ngo	Member	5	100%
Raul Victor M. De Guzman	Member	5	100%

**resigned as of April 24, 2023*
***joined April 24, 2023*

It meets once every quarter or more frequently as circumstances may warrant. In 2023, 5 regular meetings were conducted and attended by Committee members.

Independent Audit
Audit is an essential part of our governance framework and internal control system. Our Internal Audit, which performs year-round audits to check operational efficiency, and our external audit firm, which annually validates the accuracy of financial statements, work independently and collaboratively to examine and evaluate the controls in place and determine if they are working as intended.

Internal Audit (IA)
Internal Audit, which provides functional support to the Audit Committee, is mandated to evaluate the effectiveness of systems and controls as well as recommend appropriate courses of action to Senior Management and the BOD to improve our risk management, compliance, internal controls, and corporate governance processes.

Cascading Compliance
Compliance with corporate governance standards and regulatory guidelines and directives is a shared responsibility of everyone in the organization. Each employee is expected to have a working knowledge of all relevant laws, rules, and regulations applicable to his assignment and must fulfill his tasks in compliance with our policies, code of conduct, and standards of good governance.

The Compliance Office, headed by the Chief Compliance Officer, is vested with the role of designing our Compliance Program and overseeing and coordinating its effective implementation towards the sound management of compliance risks. It is also responsible for promoting the right compliance culture across the organization.

The Bank appointed Business Compliance Officers (BCO) in every unit who are responsible for ensuring the consistent implementation in his unit of the Compliance Program and cascaded regulatory issuances. As designated by the CEO, the heads of business units are automatically assigned to perform this role, having the sole responsibility for efficiently running the day-to-day operations in his unit. The BCOs are each tasked to appoint a Deputy Business Compliance Officer (DBCO) to serve as their eyes on the ground and facilitate faster and easier coordination with our Compliance Division. In addition, the governance units, namely Compliance, Risk Management, and Internal Audit, coordinate and work together in meeting our common governance, risk management, and internal control goals.

Selection and Remuneration Policy for Senior Management
The selection of our Senior Management goes through a thorough process of evaluation. Candidates go through assessment by the Talent Management and Acquisition Head, Hiring Manager and Business or Functional Group Head concerned, and the Group Head of HR based on set standards and parameters such as but not limited to knowledge, expertise and competencies required for the role, integrity and probity, experience and training. The candidates' values are also appraised against those espoused by the Bank.

Board of Directors

Jonathan T. Gotianun
Chairman of the Board (since April 2007)
70 years old, Filipino

Committees: Chairman of the Executive Committee; member of the Trust Committee, Corporate Governance & Compliance Committee, Related Party Transaction Committee, and Rewards & Talent Management Committee

Concurrent Positions: Chairman of Filinvest Development Corporation; Filinvest Land, Inc.; East West Rural Bank, Inc.; East West Leasing and Finance Corporation; Chairman and President of Cotabato Sugar Central Co., Inc.; Davao Sugar Central Co., Inc.; Director of FDC Utilities, Inc.; FDC Misamis Power Corporation; Filinvest Alabang, Inc.; East West Ageas Life Insurance Corporation; Director and President of Pacific Sugar Holdings Corporation; Filinvest Asia Corporation; Filinvest Hospitality Corporation; Countrywide Water Services, Inc.

Past Position: Vice Chairman and Director of EastWest Bank from 1994 to 2007

Education: Management Engineering - Ateneo de Manila University, Quezon City, Philippines; Bachelor of Science in Commerce - Sta. Clara University, Sta. Clara, California, USA; Master's in Management - Kellogg School Of Management, Northwestern University, Evanston, Illinois, USA

Lourdes Josephine Gotianun-Yap
Director (since August 2000)
Vice Chairman (since April 2023)
68 years old, Filipino

Committees: Chairman of the Rewards & Talent Management Committee; member of the Executive Committee and Audit Committee

Concurrent Positions: President and Director of Filinvest Land, Inc., Filinvest Alabang, Inc., Filinvest Development Corp., Mimosa Cityscapes, Inc., Festival Supermall, Inc., and a Director of Chroma Hospitality, Inc., High Yield Sugar Farm Corp., Cotabato Sugar Central Company Inc., Davao Sugar Central Corp., Pacific Sugar Holdings Corp.

Education: Business Management degree from the Ateneo de Manila University and Master's in Business Administration, Major in Finance degree from the University of Chicago

Jacqueline S. Fernandez
Director (since July 2022)
61 years old, Filipino

Committee: Member of the Executive Committee

Concurrent Position: President and Director of EastWest Bank

Past Positions: Under EastWest Bank, SEVP and Chief Lending Officer; SEVP and Consumer Lending Head; Senior Vice President and Consumer Lending Head; FVP/Credit Cards Business Head; VP/Credit Cards Business Head; President and CEO of East West Leasing and Finance Corporation; Part-Time Professor at De La Salle University, VP/Consumer Credit Head of Standard Chartered Bank, Phil. AVP/Remedial Head of Far East Bank and Trust Company, Full-Time Professor at the University of the Philippines

Education: AB Economics and Master's in Business Administration at the University of the Philippines, Diliman

Joseph M. Yap
Director (since April 2023)
73 years old, Filipino

Committee: Chairman of the Trust Committee

Concurrent Positions: Chairman of the Board FMREIT; Philippine DCS Corporation; PROMEI; FDC Green Energy Corp., FDC CASESNAN Hydro Power Corp., FDC Renewables Corp., Member of The Board LIPAD Corp; Chroma Hospitality Inc., Entrata Hotel Services, Inc., Filinvest Hospitality Corp., Quest Restaurants, Inc., PROPLUS, Inc., Filinvest Corporate City Foundation

Past Positions: Filinvest Land Inc. as President and CEO; Cyberzone Properties Inc. as President and CEO; Filinvest Asia Corporation as President and CEO; Filinvest-BCDA Clark Inc. as President and CEO; Filinvest DCS Development Corp. as President and CEO; Dept. Of Foreign Affairs Ambassador and Dept. Of Foreign Affairs Special Envoy

Education: Business Management Engineering at Ateneo de Manila University; MS Industrial Engineering (CAND) at University of the Philippines and Harvard Business School

Board of Directors

Isabelle Gotianun Yap
Director (since 2019)
35 years old, Filipino

Committee: Member of the Executive Committee

Concurrent Positions: VP Special Projects Officer and Director of EastWest Bank; Treasurer-In-Trust of INVESTREE Philippines; Chairman of F(Dev) Digital Innovations and Ventures, Inc; Director of AL Gotianun Inc. and ANDREMERC Holdings Inc

Past Positions: Previously worked in multinational companies like McKinsey & Company, Razorfish, SingTel, Credit Suisse, and HSBC

Education: Business Management, Double Major Finance and Marketing degree from Singapore Management University, with a Master's degree in Business Administration from Harvard Business School

Rhoda A. Huang
Director (since September 2023)
61 years old, Filipino

Concurrent Position: President and CEO of Filinvest Development Corporation

Past Positions: BPI Capital Corporation President, Managing Director, Chairman; Credit Suisse Hong Kong Limited (Philippines). Director and Head Investment Banking; JPMorgan Chase (Philippines). Branch Vice President - Investment Banking, Consultant Investment Banking; The Chase Manhattan Bank (merged institution with Chemical Bank and Manufacturers Hanover Trust Company, subsequently merged into JPMorgan Chase). Vice President Global Client Management; REANGCO Corporation Director, Stockholder and Treasurer; New Lora Holdings Corporation Director, Stockholder and Treasurer; Fort Integrated Ventures Enterprise Inc. Director, Stockholder and Treasurer; RCC Pd Options Inc., Stockholder and Treasurer

Education: Bachelor of Science in Business Administration and Accountancy from the University of the Philippines

Gregorio U. Kilayko
Independent Director (April 2019)
68 years old, Filipino

Committees: Chairman of the Audit Committee; member of the Risk Management Committee and Rewards & Talent Management Committee

Concurrent Position: Independent Director of Philequity Funds; East West Ageas Life Insurance Corporation

Past Positions: Country Representative of James Capel Securities (Philippines), President of ING Baring Securities (Philippines) and ABN-Amro Securities (Philippines), Chairman and CEO of ABN-Amro Bank (Philippines), Manager of NCRD, Bureau of Energy Development, Treasury, Philippine National Oil Company and Independent Director Belle Corporation, SM Prime Holdings, Inc.,

Education: B.S. Industrial Management Engineering degree at De La Salle University, with a Master's Degree in Energy Management and Business Administration from the University of Pennyslvania

Atty. Jose Maria G. Hofileña
Independent Director (since 2019)
62 years old, Filipino

Committees: Chairman of the Related Party Transaction Committee; Member of the Audit Committee and the Corporate Governance & Compliance Committee

Concurrent Position: Dean at the Ateneo de Manila School of Law, Board of Trustees Philippine Association of Law Schools

Education: Bachelor of Arts degree with Honors from Ateneo de Manila University, and Bachelor of Laws at Ateneo de Manila School of Law; Master of Laws from Harvard University Law School

Board of Directors

Atty. Armando L. Suratos
Independent Director (since April 2021)
78 years old, Filipino

Committees: Chairman of the Risk Management Committee; Member of the Audit Committee and the Corporate Governance & Compliance Committee

Concurrent Positions: Independent Director of Philippine Life Financial Assurance Corp.; Chairman of Supervisory Committee, ABF Philippine Bond Index Fund; Vice Chairman of Kapatiran Kaunlaran Foundation, Inc., Resources for the Blind, Inc.; Mary Johnston College of Nursing Scholarship Foundation, Inc.; and Director of Maestro Holdings

Past Positions: Independent Director, Philippine Payments Management, Inc., Manila Bulletin Publishing Corporation and Philippine Trust Company; General Counsel, Deputy Governor and Monetary Board Member, Bangko Sentral ng Pilipinas; Vice Chairman, Philippine International Convention Center; Alternate Director, Trade and Investment Development Corporation; and Director, International Association of Currency Affairs

Education: BSBA at the Univeristy of the Philippines; Ll. B. (8th Placer in the 1971 bar examinations) Ateneo de Manila Law School and Investment Negotiation Course Georgetown University

Cristina Q. Orbeta
Independent Director
(since January 2022)
72 years old, Filipino

Committees: Chairman of the Corporate Governance and Compliance Committee, Member of the Risk Management Committee and Audit Committee

Concurrent Position: Consultant at World Bank

Past Positions: Adviser and Member of The Board - UCPB and UCPB Savings Bank; Member of The Board - UCPB Leasing; Deputy General Manager - Credit Lyonnais/Calyon, Manila Offshore Branch; President/ Vice Chairperson of The Board - PDIC; Executive Vice-President- PDIC; Director - Central Bank; Executive Director - Central Bank Board of Liquidators

Education: Bachelor of Arts in Mathematics - University of the East; Masters in Economics (Academic Units)- University of the East; Masters in Public Administration- Harvard University

Imelda B. Capistrano
Independent Director
(since January 2022)
68 years old, Filipino

Committees: Member of the Related Party Transaction Committee; member of the Rewards & Talent Management Committee and the Trust Committee

Past Positions: Director and Country Manager of Wells Fargo Bank, N.A. Manila Representative Office, Senior Vice President and Country Manager of Wachovia Bank, N.A., Manila Representative Office, Vice President and General Manager of Standard Chartered Bank Australia Ltd, Manila Offshore Branch, Assistant Vice President, Credit & Marketing Officer of First Interstate Bank of California, Manila Offshore Branch, Manager, Corporate Banking of Union Bank of The Philippines, Credit Associate / Project Finance Officer of Bancom Development Corporation

Education: Bachelor of Science in Business Economics and Master's in Business Administration at the University of the Philippines, Diliman

Atty. Benedicto M. Valerio, Jr.
Corporate Secretary (since April 2007)
65 years old, Filipino

Concurrent Positions: Corporate Secretary of EastWest Ageas Life Insurance Corp., Ardent Development Corp., Hospitality Int'l., Inc., Lodging Concepts, Inc., Tribal DDB, Inc., Monserrat Holdings, Inc., Hospitality Innovations, Inc.

Past Positions: Assistant Corporate Secretary and General Counsel of International Exchange Bank

Education: Commerce degree from the De La Salle University, Bachelor of Laws degree from the Ateneo de Manila University, and Masters in Business Administration degree from the Ateneo Graduate School of Business

Board Snapshot

Gender

Male: 5
●●●●●○
○○○○○○

Female: 6
●●●●●●
○○○○○○

Age

below 60: 1
●○○○○○○○○○○○

60-69: 6
●●●●●●○○○○○○

above 70: 4
●●●●○○○○○○○○

This snapshot excludes Corporate Secretary Atty. Benedicto M. Valerio, Jr.

Skills, Experience & Background

Business Administration: 4
●●●●○○
○○○○○○

Law: 2
●●○○○○
○○○○○○

Business Management: 4
●●●●○○
○○○○○○

Mathematics: 1
●○○○○○
○○○○○○

Senior Management

JERRY G. NGO
Age: 54
Nationality: Singaporean

Position:
Chief Executive Officer

Years of Experience:
Over 30 years of regional experience in banking and finance

Past Positions:
Group Chief Financial Officer & Board Director at PT Saratoga Investama Sedaya Tbk in Indonesia

Education:
Advanced Management Program from Harvard Business School, MBA (with Honors) from University of Chicago – Booth School of Business, Master's in Management (Distinction) from the University of San Jose - Recoletos, B.S. Medical Technology (*cum laude*) from Velez College, Philippines

JACQUELINE S. FERNANDEZ
Age: 61
Nationality: Filipino

Position:
President

Years of Experience:
Over 35 years of banking experience

Past Positions:
Chief Lending Officer of EastWest and former Head of Consumer Credit of Standard Chartered Bank Philippines

Education:
Graduate of the University of the Philippines Diliman, A.B. Economics, (*cum laude*) and Master's in Business Administration

RAFAEL S. ALGARRA JR.
Age: 54
Nationality: Filipino

Position:
SEVP & Head - Financial Markets and Wealth Management

Years of Experience:
Over 30 years of banking experience

Past Position:
EVP & Head of Financial Markets at Security Bank

Education:
Graduate of the Ateneo de Manila University, Bachelor of Science in Management Engineering and Asian Institute of Management, Master's in Business Management

GERARDO SUSMERANO
Age: 59
Nationality: Filipino

Position:
SEVP & Head – Retail Banking

Years of Experience:
Over 25 years of banking experience

Past Position:
Center Head of International Exchange Bank

Education:
Graduate of the University of Sto. Tomas, Bachelor of Science in Accounting, and Asian Institute of Management, Master's in Business Administration

Senior Management

LAWRENCE L. LEE
Age: 53
Nationality: Singaporean

Position:
EVP & Head - Consumer Lending

Years of Experience:
Over 30 years of experience in banking and finance

Past Position:
Director of Regional Credit Operations for Asia, Australia, Europe at Citibank

Education:
Graduate of the University of the Philippines, Bachelor of Science in Business Economics; Master's in Applied Business Economics from University of Asia and the Pacific

ZENAIDA A. ONG
Age: 50
Nationality: Filipino

Position:
EVP & Head - Corporate Banking

Years of Experience:
Over 20 years of professional experience in the banking industry

Past Positions:
Region Head for Metro Manila Lending for Security Bank; Senior Assistant Vice President, Team Head for Commercial Banking at BDO

Education:
Graduate of the De La Salle University, Bachelor of Science in Accountancy

Professional Title:
Certified Public Accountant

ATTY. JUAN ALFONSO D. SUAREZ
Age: 52
Nationality: Filipino

Position:
EVP & Head - Human Resources

Years of Experience:
Over 20 years of experience in Human Resources from various industries such as Telecommunications, Insurance, Technology, Consumer and Power

Past Positions:
Senior Vice President & Group Chief Human Resources Officer at Aboitiz Equity Ventures (AEV), First Vice President & Chief Human Resources Officer at Aboitiz Power (AP); and Head of HR Business Partnering and Centers of Expertise at PLDT and Smart Communications

Education:
Graduate of the De La Salle University, B.S. in Behavioral Science and Bachelor of Science in Commerce, and Master's in Business Administration, Obtained Bachelor of Laws at Arellano University Law School – Executive Program

Professional Title:
Lawyer

RICK M. PUSAG
Age: 55
Nationality: Filipino

Position:
EVP & Head - Technology & Productivity

Years of Experience:
Over 25 years of evolving experience in Information Technology with specialty in software development modeling and implementation, infrastructure analysis and architecture, risk mitigation, and digital transformation

Past Position:
SVP and Chief Information Officer at Security Bank

Education:
Graduate of the California Polytechnic University Pomona, Bachelor of Science in Business Administration/Computer Information Systems Management

Senior Management

IVY B. UY
Age: 51
Nationality: Filipino

Position:
EVP & Head - Branch Banking Group

Years of Experience:
Over 25 years of banking experience

Past Position:
Center Head - Manila Area at International Exchange Bank

Education:
Graduate of the University of Sto. Tomas, Hotel and Restaurant Management, and Asian Institute of Management, Management Development Program

GRACE N. ANG
Age: 48
Nationality: Filipino

Position:
SVP & Chief Risk Officer

Years of Experience:
Over 20 years of banking experience

Past Position:
Senior Manager at International Exchange Bank

Education:
Graduate of the De La Salle University, Bachelor of Science in Accountancy

Professional Title:
Certified Public Accountant

JOSEPH GERARD D. TIAMSON
Age: 57
Nationality: Filipino

Position:
SVP & Head - Bank Operations Group

Years of Experience:
More than 36 years of banking experience

Past Position:
SVP and Group Head of Central Operations Group at Banco de Oro

Education:
Graduate of the Ateneo de Manila University, Bachelor of Science in Business Management

NORMAN MARTIN C. REYES
Age: 58
Nationality: Filipino

Position:
SVP & Head - Marketing and Cash Management Group

Years of Experience:
Over 20 years of experience in the Banking and Health industries handling several positions in Product Development, Sales, Digital Innovation, and Marketing

Past Positions:
Digital Transformation Advisor at Medicard Philippines; Chief Marketing Officer and Digital Innovations Head at Philippine National Bank

Education:
Graduate of the University of the Philippines, Bachelor of Arts; Master's Degree in Business Management at Asian Institute of Management (AIM)

Senior Management

RENATO P. PERALTA
Age: 64
Nationality: Filipino

Position:
SVP & Chief Corporate Credit Officer

Years of Experience:
Over 30 years experience in credit, account management, FX trading, and stock brokerage

Past Position:
Securities Head at United Coconut Planters Bank

Education:
Graduate of the Ateneo de Manila University, A.B. Economics

DANIEL L. ANG TAN CHAI
Age: 65
Nationality: Filipino

Position:
SVP & Chief Finance Officer

Years of Experience:
Over 30 years of experience in finance and banking

Past Positions:
Chief Financial Officer at PBCom; Metrobank Credit Cards; FDC Utilities; Philippine Airlines

Education:
Graduate of the University of the Philippines, BS Industrial Engineering and Master's in Business Administration

SALVADOR R. SERRANO
Age: 57
Nationality: Filipino

Position:
SVP & Head - Central Branch Operations

Years of Experience:
Over 30 years of banking experience, specifically on audit and bank operations

Past Position:
SVP & Head of Operations in One Network Bank

Education:
Graduate of the University of Sto. Tomas, Bachelor of Science in Commerce, Major in Accounting, Master's in Business Administration from De La Salle University

Professional Title:
Certified Public Accountant

RICHARD CHESTER C. TAMAYO
Age: 46
Nationality: Filipino

Position:
SVP & Head - Wealth Management

Years of Experience:
Over 25 years of banking experience

Past Positions:
Former Vice President and Head of Ortigas Branch at Standard Chartered Bank

Education:
Graduate of the Ateneo de Manila University, Bachelor of Arts, Major in Economics

Senior Management

MYLENE C. SUBIDO
Age: 53
Nationality: Filipino

Position:
SVP & Head - Securities, Derivatives, Foreign Exchange Distribution

Years of Experience:
Over 20 years of experience in banking and finance

Past Positions:
Former Executive Director at Accion Capital Management; former Senior Vice President and Head of Institutional Accounts and Wealth Management at Hongkong & Shanghai Banking Corp (HSBC)

Education:
Graduate of the De La Salle University, B.S. Commerce Major in Accounting, Master's degree in Business Administration and Master of Early Childhood Education

Professional Title:
Certified Public Accountant

AYLWIN HERMINIA P. TAMAYO
Age: 57
Nationality: Filipino

Position:
SVP & Head - Credit Cards and Business Governance

Years of Experience:
Over 30 years of experience

Past Positions:
Consumer Credit Business Head and Consumer Collections Head at EastWest; Unsecured Collections Head at Standard Chartered Bank and Citibank

Education:
Graduate of the University of the Philippines, Bachelor of Arts in Mass Communications, Major in Journalism

ATTY. EMMA B. CO
Age: 61
Nationality: Filipino

Position:
FVP & Chief Audit Executive

Years of Experience:
Over 30 years of audit experience

Past Position:
Chief Audit Executive at the Philippine Savings Bank

Education:
Graduate of the University of Sto. Tomas, Bachelor's Degree in Accounting; Lyceum University of the Philippines, Bachelor of Laws and MS in Information Management at the Ateneo de Manila University

Professional Title:
Lawyer; Certified Public Accountant

ATTY. AMY BELEN R. DIO
Age: 62
Nationality: Filipino

Position:
FVP & Chief Compliance Officer

Years of Experience:
Over 40 years of banking experience

Past Position:
CCO at BPI Family Savings Bank

Education:
Graduate of the Ateneo de Manila University, AB Economics, Honors Program. Post college: University of the Philippines (Diliman), Bachelor of Laws (LLB)

Professional Title:
Lawyer

Senior Management

VINCENT DEXTER D. GO
Age: 49
Nationality: Filipino

Position:
FVP & Chief Digital Officer

Years of Experience:
Over 20 years of digital banking & telco experience

Past Position:
Head of Virtual Banking at Maybank

Education:
Diploma in Digital Marketing at Shaw Academy UK; BS in Business Administration, Major in Marketing at Baliuag University

MARK JHON J. FROGOSO
Age: 39
Nationality: Filipino

Position:
FVP & Chief Information Security Officer and Data Protection Officer

Years of Experience:
Over 17 years of work experience in fintech and banking

Past Positions:
Group CISO at Mynt & GCash, Global & Regional Information Security Officer at Citigroup, Security Architect & Engineer and Technology Risk at JPMorgan & Chase

Education:
BS in Computer Engineering at the Polytechnic University of the Philippines

Professional Titles:
Certified Ethical Hacker, Certified Information Systems Security Professional, Certified Information Security Manager

ATTY. LOURDES A. ONA
Age: 64
Nationality: Filipino

Position:
FVP & Head – Legal Services

Years of Experience:
Over 25 years experience in the law practice, the last 16 years of which is with the banking industry

Past Position:
Legal Counsel of UnionBank of the Philippines

Education:
Bachelor of Laws, Manuel L. Quezon College of Law

Professional Title:
Lawyer; Certified Public Accountant

MINDA L. CAYABYAB
Age: 51
Nationality: Filipino

Position:
FVP & Financial Controller

Years of Experience:
Over 25 years of accounting and banking experience

Past Positions:
Head, Philippine Savings Bank – Financial Accounting Services Division; Senior Auditor, Isla Lipana & Co., Philippine Member Firm at Pricewaterhouse Coopers

Education:
Bachelor of Science in Business Administration, Major in Accounting (with honors) at Pamantasan ng Lungsod ng Maynila

Professional Title:
Certified Public Accountant

Senior Management

HAROLD BENJAMIN G. LIBARNES
Age: 50
Nationality: Filipino

Position:
FVP & Head - Digital Bank (Komo)

Years of Experience:
Over 28 years of experience in transforming legacy businesses by building and digitizing products and services in the Telecommunications, IT, and financial industries

Past Positions:
FVP Digital Products Business Head at UnionBank, VP Financial Services and VP Digital Products/Partnerships at Smart Communications, Incubation and OTT Communications of Voyager Innovations, VP Product Development at Smart Money, GM/CEO for Hand Interactive and TravelBook Philippines at Summit Media, Head GlobeLabs and Head for Marketing/Product for GlobeSolutions at Globe Telecom, Head of Product Development and Management at ePLDT

Education:
Graduate of the Asian Institute of Management, Master of Business Management
Graduate of The Ateneo de Manila University, A.B. Communications

ARNOLD STEPHEN H. SANIANO
Age: 53
Nationality: Filipino

Position:
VP & Head - Customer Service

Years of Experience:
Over 25 years of banking experience

Past Position:
AVP and Card Sales Department Head at Equitable Cardnetwork, Inc

Education:
Bachelor of Science in Economics (*cum laude*) at the University of the Philippines, Los Banos; Master in Economics at the University of the Philippines, Diliman

PAUL JOHN B. LOPEZ
Age: 53
Nationality: Filipino

Position:
VP & Head - Corporate Planning

Years of Experience:
Over 15 years of experience in finance

Past Positions:
Head of Business Finance (Banking) at EastWest; Financial Analyst at UnionBank

Education:
Bachelor of Science Major in Industrial Management Engineering and Minor in Mechanical Engineering at the De La Salle University, Manila

ALVIN S. DIMLA
Age: 52
Nationality: Filipino

Position:
VP & Head - Safety and Security

Years of Experience:
Over 10 years of experience in bank security and intelligence and over 10 years of military experience

Past Positions:
FVP and Head of Security and Investigation Division at BDO

Education:
Bachelor of Science in Management at the Philippine Military Academy; Ateneo Graduate School of Business, Undergraduate Masters in Business Administration – Regis Program

Senior Management

WARREN M. ILUSTRE
Age: 52
Nationality: Filipino

Position:
VP & Head - Customer Experience

Years of Experience:
Over 20 years of experience in Transformative Customer Experience and Service Quality

Past Positions:
Vice President for Client Management Team in Governance and Controls at Citibank Singapore

Education:
Bachelor of Science in Management (with high honors) at the Ateneo de Manila University

Senior Management Snapshot

Gender

Male: 21

Female: 11

Age:

below 50: 6

50-59: 19

60-69: 7

Skills, Experiences, and Background:

Accountancy: 5

Business Administration: 8

Business Management: 6

Journalism: 1

Computer Engineering: 1

Economics: 4

Hotel and Restaurant Management: 1

Industrial Management: 1

Law: 3

Insurance:2

Senior Management

Subsidiaries and Affiliate

SHEILA M. BAJADO
Age: 47
Nationality: Filipino

Position:
President – EastWest Rural Bank Inc.

Years of Experience:
Over 25 years of experience specifically concentrated on rural banking with demonstrated exposure to Accounting, Risk Management, Corporate Planning, Policy Development, and other Bank and Branch Support Operations

Past Positions:
Bank Support Head at Green Bank (A Rural Bank) Inc., Accounting and Risk Management Head at One Network Bank Inc. (currently known as BDO Network Bank), Policy Development & Supervision Head (Branch Operations) at One Network Bank Inc., Accounting Head at Provident Rural Bank of Cotabato, Inc.

Education:
Graduate from the Ateneo de Davao University, Bachelor of Science in Accountancy

Professional Title:
Certified Public Accountant

SJOERD SMEETS
Age: 42
Nationality: Dutch

Position:
President & CEO – EastWest Ageas Insurance

Years of Experience:
Over 20 years experience in the insurance sector in various geographies

Past Position:
Chief Risk Officer and member of the Board of Ageas Portugal

Education:
Master of Econometrics at University of Groningen, The Netherlands
Actuarial Institute The Netherlands

Professional Title:
Certified Actuary

PETER ROY R. LOCSIN
Age: 67
Nationality: Filipino

Position:
President & CEO – EastWest Insurance Brokerage, Inc.

Years of Experience:
45 years of experience

Past Positions:
General Manager and SVP – BDO Insurance Brokers Inc.; SVP – Ayala Bain Insurance Brokers Inc.; VP – Citytrust Insurance Brokers Inc.; Manager – San Miguel Corp. – Risk And Insurance Dept.

Education:
Master of Business Administration – De La Salle University

Senior Officers

Chairman
Gotianun, Jonathan T.

CEO
Ngo, Jerry G.

President
Fernandez, Jacqueline S.

Senior Executive Vice President
Algarra, Rafael Jr. S.
Susmerano, Gerardo

Executive Vice President
Lee, Lawrence L.
Ong, Zenaida A.
Suarez, Juan Alfonso D.
Uy, Ivy B.
Pusag, Cecilio Frederick M.

Senior Vice President
Ang Tan Chai, Daniel L.
Ang, Grace N.
Peralta, Renato P.
Reyes, Norman Martin C.
Serrano, Salvador R.
Subido, Ma. Mylene C.
Tamayo, Aylwin Herminia P.
Tamayo, Richard Chester C.
Tiamson, Joseph Gerard D.

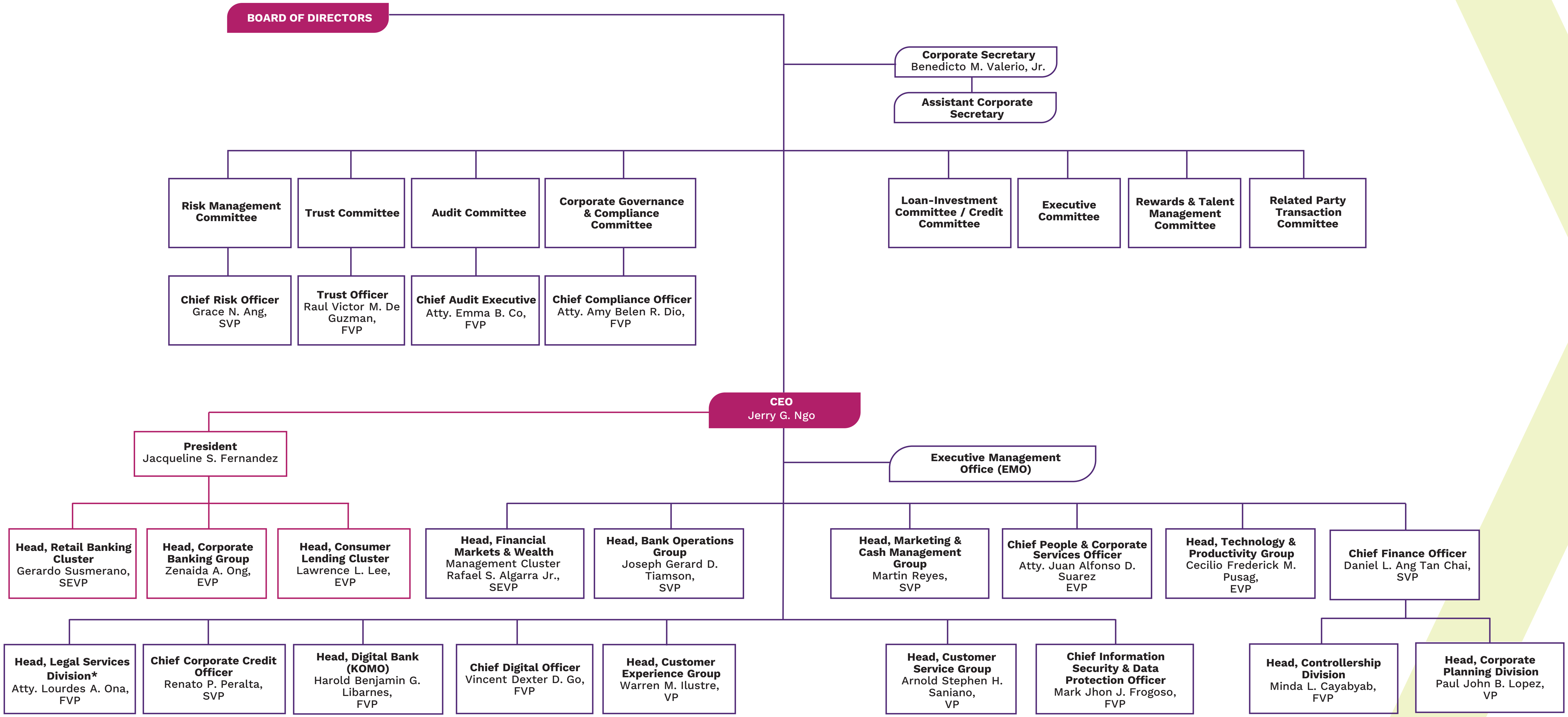
First Vice President
Abad, Josephine Vilma A.
Abrogar, Gerald K.
Aquitania, Elmer Anthony S.
Bersamina, Julius P.
Caliwan, Mary Jane D.
Cayabyab, Minda L.
Ching, Adrian S.
Co, Emma B.
Co, Ruth G.
Cruz, Joseph T.
De Guzman, Raul Victor M.
De Lara, Alastair S.
Dela Cruz, Efren Jr. O.
Delarmente, Monina J.
Dio, Amy Belen R.
Frogoso, Mark Jhon J.
Gabasa, Jennifer P.
Go, Vincent Dexter D.
Jao, Glenn Conrad N.
Legaspi, Jocelyn C.
Libarnes, Harold Benjamin G.
Ona, Lourdes A.
Timajo, Renante T.

Vice President
Almazan, Jose Ernest A.
Alviar, Jennifer E.
Atienza, Jason Anthony V.
Bautista-Perez, Claribelle S.
Beltran, Maria Margarita C.
Buban, Marino Jr. M.
Buendia, Angelica S.

Bundalian, Mary Anne A.
Buzon, Ma. Imelda S.
Cabahug, Doli D.
Castañeda, Marie Perpetua Socorre H.
Castro, Ma. Sheryll S.
Chan, Angelica G.
Charvet, Rosalie D.
Chua, Rosellen S.
Coloma, Ma. Teresa A.
Crisologo, Alexander Phillippe D.
Cruz, Gracezel G.
Cruz, Jose Giovanni T.
Cruz-Macavinta, Anne Rachelle R.
Cunanan, Maria Theresa S.
De Leon, Maria Cecilia B.
Dimla, Alvin S.
Garcia, Eduardo S.
Gomez, Bede Lovell S.
Guangco, Albert J.
Guzman, Ires C.
Ilustre, Warren M.
Isidro, Rod Louie Jefferson C.
Kan, Ricky K.
Kenny, Darius C.
Lacambra, Gemma C.
Ladores, John Andrew C.
Landrito, Ivah Marizol D.
Laqueo, Maela D.
Lardizabal, Monica H.
Latonio, Patrick Gerard G.
Laurilla, Marilou S.
Locsin, Raul Raymund Jr. C.
Lopez, Paul John B.
Lorenzana, Stephanie Belina F.
Lozon, Renato D.
Lucio, Eva Joyce B.
Macalintal, Anna Lynn E.
Manuel, Carmichael M.
Marzan, Christine B.
Mulimbayan, Maria Cecilia A.
Navallo, Ella May E.
Nonato, Herman D.
Ocampo, Francis Edsel P.
Ode, Frances Jane L.
Pamfilo, Ma. Anna Lourdes D.
Patel, Dharmesh
Purugganan, Francesco Michael D.
Quilala, Emelita A.
Raval, Assissi C.
Reboredo, Raymond T.
Regondola, Paul Richard P.
Reynaldo, Guillian Lance D.
Rodriguez, Paulo Jose L.
Ruiz, Ian Jericho Nazareth E.
San Pedro, Christoper M.
Saniano, Arnold Stephen H.
Santos, Broderick C.
Sharma, Sanjeev Kumar
Siy, Jimmy C.
Soriano, Maria Marilon C.
Sy, Bunny L.
Torres, Mylene D.
Ubaldo, Carmencita P.
Velez, Rodrigo Thelmo S.
Villanueva, Michele L.
Yabut, Socorro R.
Yap, Isabelle Therese G.
Zamora, Jovito N.

EastWest Organizational Chart

As of November 2023



*Concurrently the Assistant Corporate Secretary reporting to the Corporate Secretary

EastWest Rural Bank (EWRB)

Building Dreams, Making Heroes

Originally known as Finman Rural Bank, EWRB's roots trace back to its service to Caniogan, Pasig, over twenty-five years ago. In 2012, it came under EastWest Bank's ownership, fully acquiring it on May 21, 2013, and renaming it EastWest Rural Bank, Inc. (EWRB). Shortly after, EWRB expanded through an asset purchase agreement with Green Bank (of Caraga) in 2013, relocating its headquarters to Davao City on May 13, 2017.

EWRB specializes in catering to the financial needs of teachers and pensioners, offering specialized ATM accounts like ATM Teachers' Savings and ATM Pensioners' Savings, requiring minimal balances and earning competitive interest rates. Additionally, it provides regular savings options, including passbook accounts and EastWest Special Savings Accounts with flexible terms and competitive interest rates.

Moreover, EWRB serves as a convenient platform for various bill payments, including EastWest credit card bills and SSS contributions, without any service fees.

Performance and Metrics

EWRB Based On Audited Financial Balances

Selected BS/PL data

Php 1.4B
Net Income After Tax

Php 30.2B
Loan Portfolio, gross

Php 28.6B
Loan Portfolio, net

Php 22.9B
Deposit

Php 33B
Total Assets

Php 7.6B
Total Equity

Selected Ratios

20.1%
Return on Average Equity

4.9%
Return on Average Assets

19.4%
Capital Adequacy Ratio

Others

Headcount
Total Employees
1,051

351 Officers
700 Staff

Channels
Total Offices
99

77 Store
22 Store-lite

Commitment to Education

In October 2023, EWRB utilized its Facebook presence by running the "My Teacher, My Hero!" Campaign. The campaign recognized outstanding teachers nominated by students across the country.

EWRB participated and sponsored the Department of Education (DepEd) celebration of National Teachers' Month in October 2023. It ran the "I Respond Award" campaign utilizing its Facebook presence. The "I Respond Award" is an annual recognition given to exemplary teachers who have been very responsive and selfless, making significant contributions to the community. During the "Together4Teachers" culmination celebration, the Bank also provided various prize items which included an E-tricycle for the grand prize as well as motorcycles and tablets as minor prizes for teacher awardees.

These initiatives were to recognize the hardwork and perseverance of the Department of Education and its teachers in pursuing the provision of quality education to the Filipino people.

Increasing Recognition

EWRB, committed to supporting the teaching population and enhancing public awareness of its offerings, launched its official Facebook Page in March 2023. This platform serves as a vital channel for disseminating bank information, promotions, and announcements, as well as receiving feedback.

Celebrating a decade of outstanding customer service on November 1, 2023, EWRB received special recognition from the DepEd's Learners' Rights Protection Office (LRPO) at the Manila Hotel on November 27, 2023. The award honored EWRB's dedication to improving the learning environment through initiatives such as donating 280 used computer units.

Furthermore, EWRB collaborated with LRPO during the 2023 Palarong Pambansa, continuing its support for Filipino children's rights and education. The bank's ongoing involvement in initiatives like the annual Brigada Eskwela highlights its commitment to education. Contributions including educational materials, school supplies, construction supplies, and health essentials have been featured in the August 2023 issue of the Palawan Times.

EastWest Ageas Insurance (EWA)

Creating Distinctive Enhancements

EastWest Ageas (EWA), previously known as Troo, is a joint venture established by EastWest and Ageas. Ageas, with a rich 200-year heritage, is the foremost player in the Life insurance sector in Belgium and operates across multiple countries, cementing its dominant position in the global insurance industry. Since its establishment in 2015, it has operated as a versatile insurance company with multiple channels, catering to various needs of the Bank and the Group.

EWA offers variable and traditional life insurance products that cater to individual and group client needs such as protection against death, sickness, accident, savings for retirement and education, investment, and business funding.

Stable Growth

EWA managed quite well in 2023 despite the difficult economic backdrop. Before the year ended, EWA already ranked 12th in terms of Annualized Premium Equivalent (APE) across all 32 life insurance companies in the Philippines.

Assets under management (AUM) closed at Php 12 billion, higher by 22% from the previous year, due to the increase in customer subscriptions. EWA also insured 7% more lives this year. Its overall contribution from commission fees to EastWest's income reached Php 526 million, slightly higher than 2022 figures.

It ended the year with total premiums amounting to Php 5.2 billion, reflective of overall industry performance. Net result, in addition, improved by 33% from the previous year as the company was able to successfully implement an expense management program.

Stepping Up

In 2023, EWA undertook strategic programs that aim to give its customers more comprehensive insurance options, improve customer experience, and increase its profits in the long run. First, it launched Life Essentials, the newest traditional life and critical illness insurance product that provides coverage up to age 100. Life Essentials was made for individuals who are looking for protection against death and critical illness until age 100 on top of their HMO coverages.

The year also saw the launching of a systems improvement program called Project Discovery, aimed at improving profitability and speed-to-market, boosting employee productivity and effectiveness, and most importantly, giving a better customer experience. This new system has significantly reduced the duration of the application process to 30 minutes while expediting issuance of a policy to one day from the usual three days. Customers now have the ease and advantage of obtaining real-time account information.

Retail Banking Support

EWA has also provided invaluable support to the Sales Team of EastWest Retail Banking Group. The use of its Leads Management System for encoding cross-sell referral within the bank system has significantly helped in consistent monitoring as data is readily available.

The Bancassurance products are also receiving much-needed awareness and appreciation as they are being marketed to existing Mass Affluent Customers as well as the New-To-Priority Customers who are given personal accident insurance without cost.

Motivated People

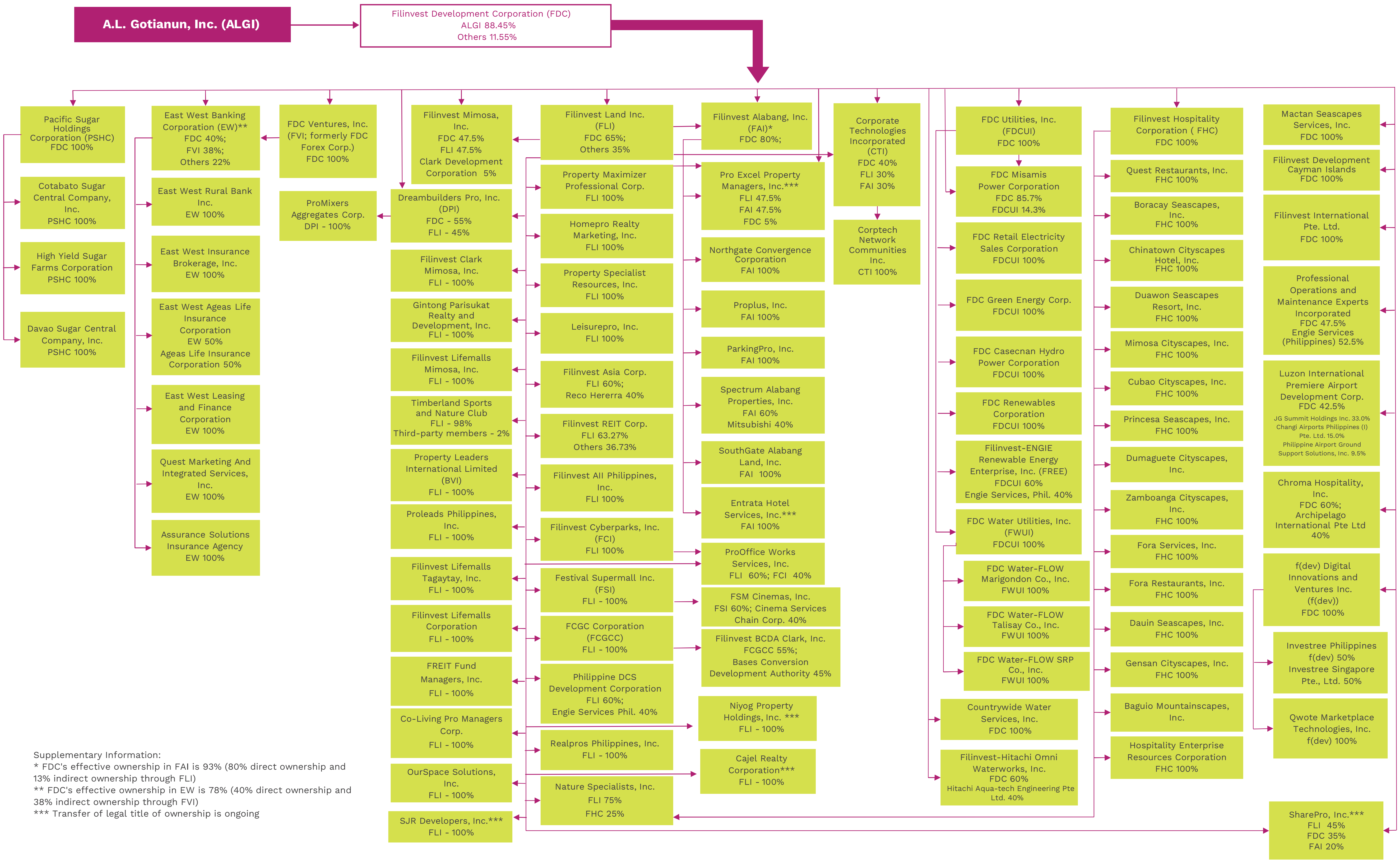
EWA sales team regularly attend 3P and Persona Workshops to sharpen skills in providing relevant solutions to its customers. The Bancassurance performers who stood out among their peers were treated to an all-expense paid trip to Hong Kong and Paris.

Looking ahead, EastWest Ageas stands firm in its commitment to delivering unrivaled service and pioneering solutions to its valued policyholders. Embracing a steadfast dedication to excellence, the company remains fueled by the unwavering support of its stakeholders, propelling its resolve to thrive and evolve within the dynamic landscape of the insurance industry. With a keen focus on innovation and customer-centricity, EastWest Ageas continually strives to anticipate and meet the evolving needs of its clients, ensuring their peace of mind and financial security for years to come.

A.L. GOTIANUN, INC.

Map showing the relationship between and among the companies in the group, its ultimate parent, co-subsidiaries, joint ventures, and associates.

(As of December 2023)



Supplementary Information:
* FDC's effective ownership in FAI is 93% (80% direct ownership and 13% indirect ownership through FLI)
** FDC's effective ownership in EW is 78% (40% direct ownership and 38% indirect ownership through FVI)
*** Transfer of legal title of ownership is ongoing

Products and Services

DEPOSIT PRODUCTS AND RELATED SERVICES

Savings Account
- Passbook Savings Account
- Passbook Savings Account with Debit Card
- Basic Savings
- Cool Savers Kiddie Account
- ATM Savings Account
- ATM Savings Account for SSS Pensioners
- Super Saver

Checking Accounts
- Regular Checking Account
- ChequeMax
- ChequeMax Rewards
- ChequeMax Plus
- Basic Checking

Time Deposit Accounts
- Peso Time Deposit
- 5-year Floating Rate Time Deposit
- Online Peso Time Deposit

USD and 3rd Currency Accounts
- US Dollar Savings Account
- US Dollar Time Deposit
- Online Dollar Time Deposit
- Chinese Yuan Savings and Time Deposit Account
- Euro Savings and Time Deposit Account
- Japanese Yen Savings and Time Deposit Account
- Singapore Dollar Savings and Time Deposit Account
- Australian Dollar Savings and Time Deposit Account
- British Pound Savings Account
- Hong Kong Dollar Savings Account
- New Zealand Dollar Savings Account

Debit and Prepaid Cards
- Classic Debit Card
- Priority Platinum Debit Card
- General Purpose Prepaid Card
- Personal Loan Prepaid Card
- Gift Card
- Travel Money Card

INVESTMENT PRODUCTS

Fixed Income
- Peso Government and Corporate Securities
- USD-denominated Government and Corporate Securities

CONSUMER LOANS AND RELATED SERVICES

Auto Loan
- Auto Loan
- Fleet Financing
- Refinancing

Home Loan
- Top-Up Loan
- Home Equity
- Home Construct
- Reimbursement
- Home Acquire/ Condo Acquire
- Lot Acquire

Personal Loan
Salary Loan

CREDIT CARDS

Elite Credit Cards
- Priority: Visa Infinite
- Platinum Mastercard
- JCB Platinum
- Visa Platinum
- EveryDay Titanium Mastercard
- Dolce Vita Titanium Mastercard

Credit Cards
- Gold and Classic Mastercard
- Gold and Classic Visa
- JCB Gold
- Practical Mastercard

Co-brand and Affinity Cards
- Singapore Airlines KrisFlyer Platinum and World Mastercard

INVESTMENT BANKING

Securities Underwriting
Financial Advisory

HEDGING PRODUCTS

Foreign Exchange
- Spot
- Forwards
- FX Swaps

CORPORATE CREDIT FACILITIES

Working Capital Loans and Facilities
- Short Term Loan
- Revolving Promissory Note Facility
- Revolving Credit Facility
- Trade Check Discounting Facility

Inventory Financing
- Floor Stock Facility

Trade Finance
- Import and Domestic Letters of Credit
- Document Against Payment
- Documents Against Acceptance and Open Account
- Trust Receipt Loan
- Export Advance Facility
- Export Bills Purchase

Guarantees
- Standby Letters of Credit (SLBC)
- Domestic SLBC
- Foreign SLBC
- Bank Guarantees
- Committed Credit Line

Bills Purchase Line
- Domestic Bills Purchase Line
- Foreign Bills Purchase Line

Term Financing
- Term Loans
- Project Financing

SMALL AND MEDIUM ENTERPRISE BANKING

Revolving Credit Facility Term Loan
Omnibus Line
Promissory Note Line (PNL)
Trade Checks Discounting Line (TCDL)/Receivables Purchase Line
Export Advance Loan Line
Letters of Credit (Import/Domestic) Standby
Letter of Credit (Foreign/Domestic)

TRUST PRODUCTS

Corporate Solutions
- Employee Benefit Trust Retirement Account
- Fund Management

Wealth Management
- Personal Management Trust
- Investment Management Account

Investment Funds
- Peso Money Market Fund
- Peso Short Term Fund
- Peso Intermediate Term Bond Fund
- Peso Long Term Bond Fund
- Dollar Intermediate Term Bond Fund
- PSEi Tracker Fund
- PhilEquity Feeder Fund
- S&P 500 Index Equity Feeder Fund

Other Fiduciary
- Escrow Agency

CASH MANAGEMENT SERVICES

Collection Services
- Automatic Debit Arrangement
- Bills Collect
- Check Deposit Pick-up
- Check Pick-up
- Check Warehousing
- Payment Gateway

Disbursement Services
- Check-writing
- Electronic Invoice Payment and Presentment
- Bulk Intra Bank and Inter Bank Funds Transfer
- Corporate Bills Payment

Liquidity Management Services
- Account Sweeping
- Reverse Account Sweeping

Payroll Services
- Payroll Crediting
- Payroll System with HRIS (Human Resource Information System)
- Payroll Timekeeping

Other Services
- Government Payments
- Electronic Invoice Presentment and Payment (EIPP)
- Inventory Management System (IMS)

EastWest Bank Store Network

METRO MANILA

168 Mall
4/F, Unit 4H 09-11, 168 Mall Bldg. 5
Soler St., Binondo, Manila
Tel: (02) 8708-4488; 8708-4595
8708-4596

999 Shopping Mall
3/F, Unit 10 & 3C-2
999 Shopping Mall 2,
C.M. Recto St., Tondo, Manila
Tel: (02) 8516-7194; 8516-7182
8516-2120

A. Mabini - R. Salas
G/F & 2/F, Jesselton Tower 1453
A. Mabini cor. R. Salas Sts.
Brgy. 668, Zone 72, Ermita, Manila
Tel: (02) 3450-1083; 3450-1257

Acropolis
Unit 1B, G/F, Richmond Centre Bldg.
Lot 46, Block 11, E. Rodriguez Jr. Ave.
Brgy. Bagumbayan, Acropolis
Quezon City
Tel: (02) 8696-5995; 8696-5997

Alabang - Commerce Ave.
Spectrum Center, Block 28
Commerce Ave. cor. Filinvest Ave.
Filinvest City Alabang, Muntinlupa City
Tel: (02) 8524-0875; 8524-0879

Alabang Entrata
Units G3 & G4
Entrata Filinvest Corporate City
Alabang, Muntinlupa City
Tel: (02) 8856-0685; 8519-6407
8553-4295

Alabang - Frabelle
Frabelle Alabang Bldg.
1100 Madrigal Business Park
Alabang Zapote Rd., Alabang, Muntinlupa City
Tel: (02) 8850-8483; 8807-4481

Alabang Hills
Don Gesu Bldg., Don Jesus Blvd.
Brgy. Cupang, Muntinlupa City
Tel: (02) 8551-0983; 8551-0980

Alabang Madrigal
G/F, CTP Alpha Bldg., Investment Drive
Madrigal Business Park
Ayala Alabang, Muntinlupa City
Tel: (02) 8850-8092; 8850-8094 to 95

Alabang - Westgate
Westgate, Filinvest Corporate City
Alabang, Muntinlupa City
Tel: (02) 8771-0813 to 14; 8771-0816

Amorsolo - Queensway
G/F, Queensway Bldg.,
118 Amorsolo St.
Legaspi Village, Makati City
Tel: (02) 8511-1933; 8511-7107
8511-7006

Annapolis
G/F, The Meridien Condominium Bldg.
Unit 1A, Annapolis St.,
North East Greenhills, San Juan City
Tel: (02) 8705-1517; 8722-6830

Anonas
94 Anonas St. cor. K-6th
East Kamias, Quezon City
Tel: (02) 8244-3369; 8924-3402

Aurora Blvd. - Anonas
Rosario Bldg., 999 Aurora Blvd.
near cor. Lauan and Anonas Sts.
Brgy. Duyan-duyan, Project 3
Quezon City
Tel: (02) 8291-3376; 8294-6402

Ayala Ave. - Herrera
G/F, PBCom Tower, 6795 Ayala Ave.
cor. V. Rufino St. (formerly Herrera St.)
Salcedo Village, Makati City
Tel: (02) 8784-5642 to 46; 8815-1685

Ayala Ave. - Makati Sky Plaza
G/F, Makati Sky Plaza Bldg.
6788 Ayala Ave., Makati City
Tel: (02) 8887-6223; 8886-7019

Ayala Ave. - Rufino
G/F, Unit 1, Rufino Bldg.,
6784 Ayala Ave. cor. V.A. Rufino St.,
Makati City
Tel: (02) 8845-0096; 8511-8274

Ayala Ave. - SGV
SGV 1 Bldg., 6760 Ayala Ave.
Makati City
Tel: (02) 7621-9811; 8550-2538;
8550-2539

Baclaran
2/F, New Galleria Baclaran Shopping Mall
LRT South Terminal, Taft Ave. Ext.
Pasay City
Tel: (02) 8851-3429; 8851-3488
8851-3584

Baesa Town Center
Baesa Town Center Retail Store #4
232 Quirino Highway, Baesa, Quezon City
Tel: (02) 8990-4537 to 39

Bagumbayan
184-B, E. Rodriguez, Jr. Ave.
Bagumbayan, Libis, Quezon City
Tel: (02) 8709-1729; 8709-1730
8911-3601

Balintawak - A.Bonifacio
659 A. Bonifacio Ave.
Balintawak, Quezon City
Tel: (02) 8442-1802; 8442-1728
8442-1634

Banawe - Kaliraya
Titan 168 Bldg., 126 Banawe St.
near cor. Kaliraya Sts., Brgy. Tatalon
Quezon City
Tel: (02) 8711-0925; 8521-4749

Banawe - N. Roxas
42 Banawe Ave. cor. Nicanor Roxas
Quezon City
Tel: (02) 8354-4980; 8354-5024

Banawe - Sct. Alcaraz
Unit ABC, G/F, # 740 Banawe Ave.
near cor. Scout Alcaraz, Quezon City
Tel: (02) 8354-5042; 8354-5043
8354-5044

Benavidez
Unit 103, One Corporate Plaza
Benavidez St., Legaspi Village,
San Lorenzo, Makati City
Tel: (02) 8812-0263; 8812-0230
8812-0019

Better Living - Doña Soledad
100 Doña Soledad Ave.
Betterliving Subd., Brgy. Don Bosco
Parañaque City
Tel: (02) 8823-4284; 8823-4280

Better Living - Peru
Blk 9, Lot 3, Doña Soledad Ave.
cor. Peru St., BetterLiving, Parañaque City
Tel: (02) 8511-1213; 8511-1224

BF Homes - Aguirre
327 Aguirre Ave., BF Homes
Parañaque City
Tel: (02) 8808-7066; 8808-4963

Bicutan - East Service Rd.
G/F, Waltermart Bicutan
East Service Rd. cor. Mañalac Ave.
Brgy. San Martin de Porres, Parañaque City
Tel: (02) 8556-2690

Binondo
G/F, A. CBK Bldg.
493 Quintin Paredes St.
Binondo, Manila
Tel: (02) 8247-3708; 8247-3615
8247-3652; 8243-7110

Blumentritt - Rizal Avenue
2412 Rizal Ave., Sta. Cruz, Manila
Tel: (02) 8230-4276; 8230-4366

Boni Avenue
G/F, Lourdes Bldg. II, 667 Boni Ave.
Brgy. PlainView, Mandaluyong City
Tel: (02) 8655-9409; 8655-9412
8654-6106

Boni Serrano Avenue
107 Boni Serrano Ave.
Brgy. Lipunan ng Crame, Quezon City
Tel: (02) 8532-1478; 8532-1475

C. Raymundo Avenue
JG Bldg., C. Raymundo Ave.
Brgy. Rosario, Pasig City
Tel: (02) 8640-5690; 8640-4206
8640-3422

Caloocan - A. Mabini
G/F, Gee Bee Bldg., 428 A. Mabini St.
Brgy. 15, Zone 2, Caloocan City
Tel: (02) 8294-8403; 8294-8404

Chinese General Hospital Store-Lite
G/F Chinese General Hospital Medical Arts
Building, 286 Blumentritt Street,
Sta. Cruz Manila
Tel: (02) 8711-4141 local 5888

Chino Roces - Bagtikan
G/F, High Pointe Bldg.
1184 Chino Roces Ave. near cor. Bagtikan
Brgy. San Antonio, Makati City
Tel: (02) 8478-7783; 8478-7781

Chino Roces - Dela Rosa
G/F, King's Court II Bldg.
2129 Don Chino Roces Ave.
cor. Dela Rosa St., Makati City
Tel: (02) 8864-0632 to 33

Chino Roces - La Fuerza
Units 10 & 11, La Fuerza Plaza 1
2241 Don Chino Roces Ave., Makati City
Tel: (02) 8478-9705; 8519-7142

City Place Square
3/F, C-P2-3, Cityplace Square
Reina Regente near cor. Felipe II St.
Binondo, Manila
Tel: (02) 7621-1292; 7621-1293

Commonwealth
G/F, Crissant Plaza Bldg.
272 Commonwealth Ave.
Brgy. Old Balara, Quezon City
Tel: (02) 8355-7736; 8355-7596

Congressional Avenue
Blk 7 Lot 4 A Congressional Ave.
Brgy. Bahay Toro, Project 8, Quezon City
Tel: (02) 8926-6609; 8926-5934
8928-6047

Cubao - Araneta Center
G/F, Philamlife Bldg., Aurora Blvd.
cor. General Araneta St., Cubao, Quezon City
Tel: (02) 8709-7697; 8709-7702
8709-7709

Cubao - P. Tuazon
G/F, Prince John Condominium
291 P. Tuazon Ave. cor. 18th Ave.
Cubao, Quezon City
Tel: (02) 8913-4730; 8913-5266
8912-1816

Del Monte
271 Del Monte Biak na Bato
Brgy. Manresa, Quezon City
Tel: (02) 8367-1813; 8367-1822; 8367-1939;
8637-3392

Del Monte - D. Tuazon
155 Del Monte Ave., Brgy. Manresa,
Quezon City
Tel: (02) 8291-8031; 8292-1480

Divisoria
802 Ilaya St., Binondo, Manila
Tel: (02) 8244-9928

Don Antonio Heights
Lot 24, Block 7, Holy Spirit Drive
Don Antonio Heights, Brgy. Holy Spirit,
Quezon City
Tel: (02) 8376-0820; 8376-0647

E. Rodriguez Avenue
G/F, MC Rillo Bldg.
1168 E. Rodriguez Ave.
Brgy. Mariana, Quezon City
Tel: (02) 8695-3520; 8695-3519
8695-3521

E. Rodriguez Ave. - Cubao
1731 E. Rodriguez Sr. Ave.
Brgy. Pinagkaisahan, Cubao, Quezon City
Tel: (02) 8477-0285; 8477-3979

E. Rodriguez - Welcome Rotonda
G/F, AEK Bldg., 40 E. Rodriguez Sr. Ave.
Brgy. Don Manuel, Quezon City
Tel: (02) 8255-3865; 8255-3997

Eastwood City
Unit D, Technoplaza One Bldg.
Eastwood City Cyberpark
188 E. Rodriguez Jr. Ave.
Bagumbayan, Quezon City
Tel: (02) 8234-1389; 8234-1392
8234-1390

EDSA - Howmart
1264 EDSA near cor. Howmart Rd.
Brgy. A. Samson, Quezon City
Tel: (02) 8990-9588 to 89; 8990-9811

EDSA - Kalookan
490 EDSA, Kalookan City
Tel: (02) 8364-1858 to 60

EDSA - Muñoz
G/F, Lemon Square Bldg.
1199 EDSA Muñoz, Bgry. Katipunan
Quezon City
Tel: (02) 8376-5168; 8376-5087
8441-2354

Elcano
G/F, Elcano Plaza Bldg., 622 Elcano St.
Binondo, Manila
Tel: (02) 8242-0254; 8242-0256
8242-0259

Escolta
Unit 3, G/F, First United Bldg.
413 Escolta cor. Banquero Sts.
Binondo, Manila
Tel: (02) 8245-3983; 8245-3984

Evangelista
1806 Evangelista cor. Hen. Mojica Street,
Brgy. Bangkal, Makati City
Tel: (02) 8846-8516 to 17

F. Ortigas Jr.
Unit G103, G/F AIC GoldTower Condominium
F. Ortigas, Jr. Rd. cor. Garnet
and Sapphire Sts., Ortigas Center, Pasig City
Tel: (02) 8687-0028; 8687-0036; 8687-0037;
8687-0039

Fairview
72 Commonwealth Ave. cor. Camaro St.
East Fairview, Quezon City
Tel: (02) 8332-8598; 8709-2583

Festival Mall - Expansion Wing
Space No. 2219.1
FSM Expansion Mall Inc., FCC
Alabang-Zapote Rd., Muntinlupa City
Tel: (02) 8838-2260; 8845-2649

Festival Mall Level 1
X-cite Area, Level 1, Festival Supermall
Filinvest Corp. City, Alabang, Muntinlupa City
Tel: (02) 8842-5981

Festival Mall Level 2
2/F, Unit 2115-2118, Festival Supermall
Filinvest Corporate City,
Alabang, Muntinlupa City
Tel: (02) 8850-3722 to 23

G. Araneta Avenue
Units A & B, Ilo Bldg., 195 G. Araneta Ave.
Brgy. Santol, Quezon City
Tel: (02) 8715-9671

EastWest Bank Store Network

General Luis - Kaybiga
4 Gen. Luis St., Brgy. Kaybiga, Caloocan City
Tel: (02) 8922-5346; 8921-8167

Gil Puyat - Dian
G/F, Wisma Cyberhub Bldg.
45 Sen. Gil Puyat Ave., Makati City
Tel: (02) 8845-0493; 8845-0479

Gil Puyat - F.B. Harrison
131 Gil Puyat Ave. Ext.
Brgy. 24, Zone 4, Pasay City
Tel: (02) 8831-7636; 8831-7637

Gil Puyat - Metro House
G/F, Metro House Bldg.
345 Sen. Gil Puyat Ave., Makati City
Tel: (02) 8890-8102; 8890-8625;
8890-8591; 8890-8323;
8890-8420

Gil Puyat - Pacific Star
G/F, Pacific Star Bldg.
Sen. Gil Puyat Ave., Makati City
Tel: (02) 8403-3368; 8403-7657

Gil Puyat - Salcedo Village
G/F, Unit 1C, Country Space 1 Bldg.
Gil Puyat Ave., Makati City
Tel: (02) 8823-2685; 8823-5220

Gil Puyat - Washington
100 Sen. Gil Puyat Ave. cor. Washington St.
Brgy. Pio Del Pilar, Makati City
Tel: (02) 8659-8625; 8659-8626

Grace Park - 3rd Avenue
215 Rizal Ave. Ext., Brgy. 45
Grace Park West, Caloocan City
Tel: (02) 5310-5081; 5310-3394

Grace Park - 7th Avenue
G/F, Units 1, 2, & 3, 330 Rizal Ave. Ext.
near cor. 7th Ave., East Grace Park
Caloocan City
Tel: (02) 8709-5560; 8709-5548

Grace Park - 8th Avenue
896 8th Ave. cor. J. Teodoro
Grace Park, Caloocan City
Tel: (02) 8361-7545; 8364-9576; 8364-9596

Grace Park - 11th Avenue
463 Rizal Ave. Ext., East Grace Park,
Caloocan City
Tel: (02) 8376-5825; 8361-0107

Greenhills Shopping Center
Units G-102B, Greenlanes Arcade
Greenhills Shopping Center
San Juan City
Tel: (02) 8721-8292; 8721-3674

Greenhills - Connecticut
Unit B, G/F, Fox Square Bldg.
53 Connecticut St., Northeast,
Greenhills, San Juan City
Tel: (02) 8705-1413; 8705-1428

Greenhills - North
G/F, BTTC Bldg., Ortigas Ave.
cor. Roosevelt St., Greenhills, San Juan City
Tel: (02) 8477-3741; 8477-3499
8477-3365

Greenhills - Promenade
Unit 3, G/F & 2/F, Promenade Bldg.
Missouri St., Greenhills, San Juan City
Tel: (02) 8571-7737; 8571-5985

Greenhills - West
G/F, ALCCO Bldg., Ortigas Ave.
Greenhills-West, San Juan City
Tel: (02) 8721-9605; 8727-7629

H.V. Dela Costa
Unit GFC-2, Classica 1
112 H.V. Dela Costa St.
Salcedo Village, Makati City
Tel: (02) 8550-2289; 8550-2268
8550-2261

Intramuros
G/F, BF Condominium
104 A. Soriano Ave. cor. Solana St.
Intramuros, Manila
Tel: (02) 8527-2631; 8527-2627
8527-2604; 8523-4921

J.P. Rizal
805 J.P. Rizal cor. F. Zobel St.
San Miguel Village, Makati City
Tel: (02) 8511-0789; 8511-0791

Jose Abad Santos - Tayuman
G/F & 2/F, Cada Bldg., 1200 Tayuman St.
cor. Jose Abad Santos Ave., Tondo, Manila
Tel: (02) 8230-2339; 8230-2336

Juan Luna - Binondo
580 Juan Luna St., Binondo, Manila
Tel: (02) 8523-0275; 8523-0282

Juan Luna - Pritil
G/F, 1953-1955 Juan Luna St.
Tondo, Manila
Tel: (02) 8230-2143; 8230-2217
8354-4969

Julia Vargas
G/F, Unit 101
One Corporate Centre Office Condominium
Doña Julia Vargas Ave. cor. Meralco Ave.
Ortigas Center, Pasig City
Tel: (02) 8655-1597; 8655-1312

Jupiter - Paseo de Roxas
30 Jupiter cor. Paseo de Roxas Sts.
Brgy. Bel-Air, Makati City
Tel: (02) 8823-1989; 8823-1952

Kalayaan - Matalino
123 Kalayaan Ave. near cor. Matalino St.
Brgy. Central, Diliman, Quezon City
Tel: (02) 8293-9601; 8293-9495

Kalentong
G/F Unit 1A Basic Land Venture Bldg.,
214 Romualdez St. cor. Kalentong Ave.,
Mandaluyong City
Tel: (02) 8534-0668; 8534-0669

Kamias
10 Kamias Rd. cor. Col Salgado St.
Brgy. West, Kamias, Quezon City
Tel: (02) 8376-2979; 8376-6136

Kamuning
JPY Bldg., 52 Kamuning Rd.
Brgy. Kamuning, Quezon City
Tel: (02) 3412-0573; 7004-7080

Katipunan - St. Ignatius
132 Katipunan Ave.
St. Ignatius Village, Quezon City
Tel: (02) 8913-2370; 8913-2398

Lagro
Lot 2-B-6 Quirino Highway
Lagro, Novaliches, Quezon City
Tel: (02) 8709-1997; 8352-4948

Las Piñas - Almanza
Aurora Arcade Bldg., Alabang Zapote Road,
Almanza Uno, Las Piñas City
Tel: (02) 8551-0597; 8551-0612

Las Piñas - BF Resort
B.F. Resort Drive, Phase IV
BF Resort Village, Las Piñas City
Tel: (02) 8822-2802; 8822-2699

Las Piñas - J. Aguilar Avenue
J. Aguilar Ave. cor. Casimiro Drive
Brgy. BF International, Las Piñas City
Tel: (02) 8478-7276; 8478-7361

Las Piñas - Marcos Alvarez
575 Marcos Alvarez Ave.
Talon V, Las Piñas
Tel: (02) 8550-2163; 8550-2165

Las Piñas - Pamplona
Lot 16B PSD 208390
Alabang-Zapote Rd., Las Piñas City
Tel: (02) 8872-4883; 8873-5090

Legaspi - Aguirre
G/F, Unit 1-B, The Biltmore
102 Aguirre St., Legaspi Village
Makati City
Tel: (02) 8807-1593; 8807-1539

Legaspi - Dela Rosa
G/F, I - Care Bldg.,
167 Legaspi cor. Dela Rosa Sts.,
Legaspi Village, Makati City
Tel: (02) 8844-5810; 8845-0006

Legaspi - Rufino
G/F - Libran Bldg., Legaspi St.
corner V.A. Rufino Ave., Legaspi Village,
Makati City
Tel: (02) 8519-7398; 8519-8125

Leviste
Unit Ground B, LPL Mansions Bldg.
122 L.P. Leviste St., Salcedo Village,
Makati City
Tel: (02) 8828-9858; 8828-9897

Loyola Heights - Katipunan
Unit 13, Elizabeth Hall Bldg.
Lot 1 Blk. 41, Katipunan Avenue
Loyola Heights, Quezon City
Tel: (02) 8426-0420; 8426-0403

Makati Ave. - Juno
Unit No. 2, A and W Bldg., 1 Juno St.
cor. Makati Ave., Brgy. Bel-air, Makati City
Tel: (02) 8880-0529; 8880-0526

Malabon - Gov. Pascual
Gov. Pascual Ave. cor. Maria Clara St.
Acacia, Malabon City
Tel: (02) 8351-7619; 8332-9441
8332-9606

Malabon - Potrero
Units 1 & 2, Mary Grace Bldg.
142 MacArthur Highway
Potrero, Malabon
Tel: (02) 8352-5490; 8352-7682
8442-7583

Malabon - Rizal Avenue
726 Rizal Ave., Brgy. Tanong,
Malabon City
Tel: (02) 8441-4446; 8441-4738

Mandaluyong - Libertad
G/F, Units A, B & C, Dr. Aguilar Bldg.
46 D.M. Guevarra cor. Esteban Sts.
Highway Hills, Mandaluyong City
Tel: (02) 8534-5507; 8535-3091
8534-7617

Mandaluyong - Shaw Blvd.
G/F, Unit No. 7
Sunshine Square Liberty Center
Shaw Blvd., Mandaluyong City
Tel: (02) 8534-3942; 8534-7958

Mandaluyong - Wack-Wack
G/F, Unit JI-E, Jovan Condominium
Shaw Blvd. cor. Samat St.
Mandaluyong City
Tel: (02) 8570-4017; 8570-4031

Marikina - Concepcion
Bayan-Bayanan Ave.,
Concepcion, Marikina City
Tel: (02) 8625-2092

Marikina - Gil Fernando
Gil Fernando Ave. cor. Estrador St.
Midtown Phase 1, San Roque, Marikina City
Tel: (02) 8681-7143; 8681-7384

Marikina - J.P. Rizal
367 J.P. Rizal St., Sta. Elena, Marikina City
Tel: (02) 8645-2890; 8645-0655
8645-7241

Marikina - Parang
JNJ Bldg., 108 BG Molina St.
Parang, Marikina
Tel: (02) 7625-5541; 8625-6230

Masambong
L.G. Atkimson Bldg., 627 Del Monte Ave.
Brgy. Masambong Quezon City
Tel: (02) 8709-7701; 8376-6108
8376-6952

Masangkay
1411-1413 Masangkay St.,
Tondo, Manila
Tel: (02) 8230-2363; 8230-2364
8230-2332

Mayon
170 Mayon Ave., Quezon City
Tel: (02) 8354-4695; 8354-4717 to 18

Mayon - Dapitan
181 Mayon St. near cor. Dapitan St.
Brgy. Sta. Teresita, Quezon City
Tel: (02) 8230-4750; 8230-4751

Metropolitan Avenue
Savana Bldg. 3, Metropolitan Ave.
cor. Venezia St., Brgy. Sta Cruz, Makati City
Tel: (02) 8556-8947; 8556-8948

MIA Road
Salud-Dizon Bldg. 1, 5 MIA Road
Tambo, Parañaque City
Tel: (02) 8808-1825; 8556-9266

Muntinlupa
G/F, Remenes Center Bldg.
22 National Highway, Putatan,
Muntinlupa City
Tel: (02) 8846-9311; 8659-1008

Navotas - M. Naval
895 M. Naval St., Brgy. Sipac-Almasen
Navotas City
Tel: (02) 8283-9403; 8283-9536

Navotas - North Bay
G/F, Unit 2, Melandria III Bldg.
1090 Northbay Blvd., Navotas City
Tel: (02) 8922-1173; 8922-1163

New Manila
G/F, AAP Bldg., 683 Aurora Blvd.
New Manila, Quezon City
Tel: (02) 8722-6239; 8725-1700
8725-7340; 8726-3202

North EDSA
UGF, Units 4, 5, 6 & 7
EDSA Grand Residences,
EDSA cor. Corregidor St., Quezon City
Tel: (02) 8376-1176; 8376-3059

Novaliches - Gulod
Lot 489-B2, Quirino Highway
Brgy. Gulod, Novaliches, Quezon City
Tel: (02) 8355-2741; 8355-2630

Novaliches - Talipapa
G/F, Units C, D, E, F & G
526 Quirino Highway, Brgy. Talipapa
Novaliches, Quezon City
Tel: (02) 8332-3592; 8709-6909

Ongpin
G/F, Unit G1
Strata Gold Condominium Bldg.
738 Ongpin St., Binondo, Manila
Tel: (02) 8353-4414; 8241-0451

Ortigas - ADB Avenue
G/F, Units G1 & G2, ADB Avenue Tower
ADB Ave., Ortigas Center, Pasig City
Tel: (02) 8532-0292; 8532-0313

Ortigas - Emerald
G/F, Unit 103, Hanston Bldg.
Don F. Ortigas Jr. Road
Ortigas Center, Pasig City
Tel: (02) 8477-4975; 8477-5371
8477-5368

Ortigas - Garnet
Unit 102, Prestige Tower, Emerald Ave.
Ortigas Center, Pasig City
Tel: (02) 8631-0079; 8234-1272

Ortigas - Orient Square
G/F, Orient Square Bldg., Emerald Ave.
Ortigas Center, Pasig City
Tel: (02) 8910-5621

Ortigas - Rockwell
Unit No. W-01, Tower 1
The Rockwell Business Center
Ortigas Ave., Pasig City
Tel: (02) 8633-6909; 8633-6766

P. Ocampo Avenue
245 P. Ocampo Ave. cor. Flordeliz St.
Brgy. La Paz, Makati City
Tel: (02) 8887-2321; 8893-3601

Paco
1050 Pedro Gil St., Paco, Manila
Tel: (02) 8527-3609; 8527-3298

EastWest Bank Store Network

Padre Faura
G/F, Units A-D, Metrosquare Bldg. 2
1241 M.H. Del Pilar cor. Padre Faura Sts.
Ermita, Manila
Tel: (02) 8404-0536; 8404-0537

Pasay - D. Macapagal Boulevard
G/F, The Biopolis, Macapagal Blvd.
Pasay City
Tel: (02) 8511-8351; 8511-8353

Pasay - Libertad
Unit 265-E, Nemar Bldg.
Libertad St., Pasay City
Tel: (02) 8550-2427; 8550-1328

Pasay - Oceanaire
G/F, Units. 108 & 109
Podium Commercial Area Oceanaire
Condominium Sunrise Drive cor. Rd. 23
SM Mall of Asia Complex, Pasay City
Tel: (02) 8886-9014; 8886-8809

Paseo de Magallanes
G/F, Unit 102, Tritan Plaza Bldg.
San Antonio St., Paseo de Magallanes
Makati City
Tel: (02) 8478-4856 to 57

Paseo de Roxas - Legaspi
G/F, 111 Paseo de Roxas Bldg.
111 Paseo de Roxas cor. Legaspi Sts.
Legaspi Village, Makati City
Tel: (02) 8840-5442

Paseo - PhilamTower
G/F, AIA Tower, 8767 Paseo de Roxas St.,
Makati City 1226

Pasig Boulevard
cor. Pasig Blvd. and Lakeview Drive
Brgy. Bagong Ilog, Pasig City
Tel: (02) 8661-8790; 8661-8785 to 86

Pasig Rosario
Unit 3, 1866 Ortigas Ave., Ext.
Rosario, Pasig City
Tel: (02) 8628-4390; 8628-4300
8234-1992

Pasig - Caruncho
SG Bldg., Caruncho Ave.
cor. Market Ave., San Nicolas, Pasig City
Tel: (02) 8643-8729; 8642-8559

Pasig - Santolan
G/F, Santolan Bldg. 344 A. Rodriguez Ave.
Santolan, Pasig City
Tel: (02) 8654-0196; 8654-0246; 8646-0951

Pasig - Shaw Boulevard
Units A & B, Karina Bldg., 33 Shaw Blvd.
Brgy. San Antonio, Dist. 1, Pasig City
Tel: (02) 8570-9356; 8401-3740

Paso De Blas
191 Paso de Blas, Valenzuela City
Tel: (02) 8332-2246; 8332-2061
8332-2620

Pasong Tamo Extension
G/F, Dacon Bldg.
2281 Pasong Tamo Ext., Makati City
Tel: (02) 8892-2825; 8867-2756;
8867-2755; 8575-3888 loc 8324

Pateros
M. Almeda cor. G. De Borja Street,
San Roque, Pateros
Tel: (02) 8941-5366

Paz M. Guazon
Units 5 & 6, Topmark Bldg.
1763 Paz M. Guazon St., Paco, Manila
Tel: 8516-2263; 8562-0206

Pedro Gil
574 Pedro Gil St., Malate, Manila
Tel: (02) 8256-2018; 8256-2019

Perea
G/F, Greenbelt Mansion, 106 Perea St.
Legaspi Village, Makati City
Tel: (02) 8511-0317; 8511-0998

Pioneer
UG-09, Pioneer Pointe Condominium
Pioneer St., Highway Hills
Mandaluyong City
Tel: (02) 8584-3392; 8571-2970

President's Avenue
Ground Flr., Johver Bldg.,
#35 President's Avenue,
BF Homes, Parañaque City
Tel: (02) 8807-5549; 8519-7146

Project 8 - Shorthorn
G/F, West Star Business Center Bldg.
31 Shorthorn St., Brgy. Bahay Toro
Project 8, Quezon City
Tel: (02) 8952-4526; 8332-4339

Quezon Ave. - Banawe
G/F, PPSTA 1 Bldg., Quezon Ave.
cor. Banawe St., Quezon City
Tel: (02) 8743-0775; 8743-4715

Quezon Ave. - Dr. Garcia
G/F, Kayumanggi Press Bldg.
940 Quezon Ave. near cor. Dr. Garcia St.
Brgy. Paligsahan, Quezon City
Tel: (02) 8709-7805; 8709-7807 to 08

Quezon Ave. - Scout Santiago
Units 2 G-7 and 2G-8
Sunshine Blvd. Plaza, 1328 Quezon Ave.
cor. Scout Santiago St.
Brgy. South Triangle, Quezon City
Tel: (02) 8372-8214 to 15

Quiapo
Raon Commercial Center
611 Quezon Blvd. near cor. Raon St.
Quiapo, Manila
Tel: (02) 8353-0053; 8353-0037

Rada
G/F, Unit No. 102
La Maision Rada Condominium Bldg.
Rada St., Legaspi Village, Makati City
Tel: (02) 8804-2865; 8804-2866
8804-2869

Regalado
Regalado Ave. cor. Archer St.
North Fairview Subd., Quezon City
Tel: (02) 8939-5459; 8551-5799

Roosevelt - Frisco
184 Roosevelt Ave.
San Francisco del Monte, Quezon City
Tel: (02) 8372-9480; 8372-1090

Roosevelt - Sto. Niño
282 Roosevelt Ave., Brgy. Sto. Niño
San Francisco del Monte, Quezon City
Tel: (02) 8922-1723; 8709-1354

Roxas Boulevard
1437 GF Sunny Bay Suites,
Roxas Blvd., Ermita, Manila
Tel: (02) 8525-3605; 8526-0533

Salcedo
G/F, First Life Center, 174 Salcedo St.
Legaspi Village, Makati City
Tel: (02) 8815-8747; 8815-8810
8815-8490

Sampaloc - J. Figueras
427-433 J.Figueras St.,
Sampaloc, Manila
Tel: (02) 8735-0082; 8735-0083

San Juan
EastWest Bank Bldg., F. Blumentritt
cor. M. Salvador, Brgy. San Perfecto
San Juan City
Tel: (02) 8723-8991; 8725-5442;
8727-8522

San Lorenzo - A. Arnaiz
The E-Hotels Makati Bldg.
906 A. Arnaiz Ave. (formerly Pasay Rd.)
San Lorenzo Village, Makati City
Tel: (02) 8812-0211; 8845-0295; 8845-0263
8845-0295

San Miguel Avenue
G/F, Medical Plaza Bldg., San Miguel Ave.
Ortigas Center, Pasig City
Tel: (02) 8637-5121; 8637-5649
8637-5251

Silver City
Unit SC-112 Silver City 1 Bldg.
Ortigas East, Barangay Ugong, Pasig City
Tel: (02) 8655-3337; 8640-0033

Soler
G/F, R & S Tower, 941 Soler St.
Binondo, Manila
Tel: (02) 8244-0169; 8243-5872
8243-6406

Sto. Cristo
Unit 108, Sto. Cristo Condominium
Sto Cristo cor. Ilang-Ilang Sts.
San Nicolas, Binondo, Manila
Tel: (02) 8247-7110; 8247-7112

Sucat - Evacom
8208 Dr. A. Santos Ave.
Brgy. San Isidro, Parañaque City
Tel: (02) 8822-4249; 8822-7217

Sucat - Kabihasnan
G/F, Unit 3 & 4
Perry Logistics Center Bldg.
Ninoy Aquino Ave., Parañaque City
Tel: (02) 8553-5064; 8553-5400

Sucat - Kingsland
G/F and 2/F, No. 5 & 6, Kingsland Bldg.
Dr. A. Santos Ave., Sucat
Parañaque City
Tel: (02) 8553-5108; 8553-5110

Sucat - NAIA
Unit 707-6, Columbia Air Freight Complex
Miescor Drive, Ninoy Aquino Ave.
Brgy. Sto. Niño, Parañaque City
Tel: (02) 8852-2949; 8852-2846

T. Alonzo
623 T. Alonzo St., Brgy. 300
Zone 029, Sta. Cruz, Manila
Tel: (02) 8733-7627; 8733-7645
8733-9387

T.M. Kalaw
430 T.M. Kalaw Avenue, Barangay 666
Zone 072, Ermita, Manila.
Tel: (02) 8353-9756; 8353-9739

Taft Avenue
Philippine Academy of Family Physicians
(PAFP) Bldg., 2244 Taft Ave., Manila
Tel: (02) 8708-5241; 8708-5973;
8708-5902

Taft - Nakpil
RLR Bldg., 1820 Taft Ave.
near cor. Nakpil St., Malate, Manila
Tel: (02) 8525-0495; 8525-0428

Tandang Sora
Lot 80-A Kalaw Hills Subd.
Brgy. Culiat, Tandang Sora, Quezon City
Tel: (02) 8951-2550; 8951-0813;
3456-6989

Tektite
G/F, East Tower, PSE Center
Exchange Drive, Ortigas Center, Pasig City
Tel: (02) 8667-3211; 8637-4164;
8637-4165

The Fort - Active Fun
G/F, Active Fun Bldg., 9th Ave.
cor. 28th St., City Center
Bonifacio Global City, Taguig City
Tel: (02) 8856-7490; 8856-7423

The Fort - B3 Bonifacio High Street
G/F, Quadrant 3 Wumaco Bldg. 2
7th Ave. B3, Bonifacio High St.,
Bonifacio Global City, Taguig
Tel: (02) 8403-7132; 8403-7130

The Fort - BGC Corporate Center
G/F, Unit 2, BGC Corporate Center 3030
11th Ave. cor. 30th St., City Center Bonifacio
Global City, Taguig City
Tel: (02) 8800-8671; 8800-8546

The Fort - Beaufort
G/F, The Beaufort, 5th Ave. cor. 23rd St.
Bonifacio Global City, Taguig City
Tel: (02) 8808-2236; 8575-3888 loc. 3882,
3894 - 3896

The Fort - Brilliance Center
Unit 102, The Brilliance Center
11th Ave. cor. 40th St., BGC, Taguig City
Tel: (02) 8563-0335; 8561-9940

The Fort - Burgos Circle
G/F, Units H & I, Crescent Park Residences
30th St. cor. 2nd Ave., Bonifacio Global City,
Taguig City
Tel: (02) 8478-5481; 8478-5482;
8478-5483

The Fort- F1 Center
G/F, Unit D, F1 City Center, 32nd St.
near cor. 5th Ave., Bonifacio Global City,
Taguig City
Tel: (02) 8478-3834; 8478-4326;
8478-5213

The Fort - Marajo Tower
G/F, The Marajo Tower, 26th St.
cor. 4th Ave., Fort Bonifacio Global City,
Taguig City
Tel: (02) 8856-0201; 8856-2722;
8856-4275

The Fort - PSE Tower
5/F, One Bonifacio High St.
Philippine Stock Exchange Tower
(One BHS–PSE Tower), 5th Ave. cor. 28th St.,
Bonifacio Global City, Taguig City
Tel: (02) 8851-4649; 8851-4723

The Fort - Seven Neo
G/F, Shop C2 Seven Neo Building, 5th Avenue,
Bonifacio Global City, Taguig City
Tel: (02) 8403- 7132; 8403-7130

The Fort - South of Market
G/F, Units 25 & 26, North Tower South of
Market (SOMA) Bldg., 26th St. cor. 11th Ave.,
Bonifacio Global City, Taguig City
Tel: (02) 8551-4072; 8831-6759

Timog Avenue
G/F, Timog Arcade, Timog Ave.
cor. Sct. Torillo, Quezon City
Tel: (02) 8376-7884; 8376-7886

Timog - Mother Ignacia
21 Timog Ave., Brgy. South Triangle
Quezon City
Tel: (02) 8374-3619; 8374-2358

Tomas Mapua - Lope de Vega
G/F & 2/F, Valqua Bldg.
1003 Tomas Mapua cor. Lope de Vega Street,
Sta. Cruz, Manila
Tel: (02) 8711-0423; 8711-0412
8711-0411

Tomas Morato
257 Tomas Morato St.
near cor. Sct. Fuentabella, Quezon City
Tel: (02) 8929-5313; 8928-6286
8928-2163

Tordesillas
Unit 105, Le Metropole Condominium
H.V. Dela Costa cor. and Tordesillas Sts.
& Sen. Gil Puyat Ave., Salcedo Village
Makati City
Tel: (02) 8828-8407; 8828-8586

UN Avenue
MAGCOOP Bldg., UN Ave.
near cor. A. Mabini Sts., Ermita, Manila
Tel: (02) 8354-5082; 8524-7753

UP Village
65 Maginhawa St., U.P. Village
Diliman, Quezon City
Tel: (02) 8376-0215; 8376-1452

Valenzuela - Dalandanan
Malanday Machinery's Commercial Bldg.
212 KM. 15 McArthur Highway
Brgy. Dalandanan, Valenzuela City
Tel: (02) 8277-0246; 8277-0251

Valenzuela - Gen. T. DeLeon
G/F, Units 4 & 5, Liu Shuang Yu Bldg.
3026 Gen. T. De Leon St.
Brgy. Gen. T. De Leon, Valenzuela City
Tel: (02) 7118-5635; 7344-7921

EastWest Bank Store Network

Valenzuela - Marulas
JLB Enterprises Bldg.,
KM. 12 McArthur Highway,
Marulas Valenzuela City
Tel: (02) 8445-0670; 8291-8961;
8291-0053

Valero
G/F, Retail 1 B, Paseo Park View Tower 1
140 Valero St., Salcedo Village, Makati City
Tel: (02) 7751-0002 to 03; 8817-3733

Visayas Avenue
G/F, K.L. Group Bldg., Units B, C, & D
15 Visayas Ave., Brgy. Vasra, Quezon City
Tel: (02) 8441-6604; 8441-6621

West Avenue
108 West Ave. cor. West Lawin St.
West Triangle, Quezon City
Tel: (02) 8927-1185; 8927-1597

West Service Road
West Service Rd. cor. Sampaguita Ave.
UPSIV Subd., Parañaque City
Tel: (02) 8822-3910 to 11

Wilson
220–B Wilson St., San Juan City
Tel: (02) 8696-7366; 8661-9330

Xavierville
60 Xavierville Ave., Xavierville Subd.
Brgy. Loyola Heights, Quezon City
Tel: (02) 8364-5379; 8363-9498

Ylaya - Padre Rada
G/F, Josefa Bldg., 981 Ylaya
cor. Padre Rada Sts., Tondo, Manila
Tel: (02) 8243-9006; 8243-9005

LUZON

Angeles - Balibago
Saver's Mall Bldg., MacArthur Highway
Balibago, Angeles City
Tel: (045) 458-0613

Antipolo - Marcos Hi-way
Ciannat Complex, Marcos Highway
Brgy. Mayamot, Antipolo City
Tel: (02) 8682-2250; 8682-2251

Antipolo - ML Quezon
146 M.L. Quezon Ave. cor. F. Dimanlig St.
San Roque, Antipolo City
Tel: (02) 8661-9677; 8661-9676

Bacoor - Aguinaldo Hi-way
General E. Aguinaldo Highway
Talaba, Bacoor City, Cavite
Tel: (046) 417-0395

Bacoor - Molino
G/F, Units 101, 102 & 103
VCENTRAL Mall Molino Bldg. Molino Blvd.,
Bacoor City, Cavite
Tel: (046) 424-2518; 424-1965

Baguio - Legarda
G/F, Lindi Hotel, 12 Legarda Rd.
Baguio City
Tel: (075) 442-5288; 442-4404

Baguio City - Session Road
Unit B, 101 Lopez Bldg., Session Rd.
Baguio City
Tel: (074) 424-8507; 424-8524

Baguio - Rizal Monument
One VF Tower, Benjamin Salvosa Drive
Brgy. Rizal Monument, Baguio City
Tel: (074) 448-0513 to 0514

Baliuag
Doña Remedios Trinidad Highway
cor. Benigno S. Aquino Ave., Baliuag, Bulacan
Tel: (044) 766-4878; 766-5308

Bataan - Balanga
Don Manuel Banzon Ave.
cor. Cuaderno St., Doña Fransica
Balanga City, Bataan
Tel: (047) 237-0350 to 51

Bataan - Dinalupihan
Bgy. San Ramon, Dinalupihan, Bataan
Tel: (047) 636-0040

Bataan - Mariveles
8th Ave., Freeport Area of Bataan (FAB)
Mariveles, Bataan
Tel: (047) 633-1782; 633-1783

Batangas City
54-A D. Silang cor. Pastor Sts.
Brgy. 14 Poblacion, Batangas City
Tel: (043) 723-7665; 300-6143

Batangas City - Pallocan
Units 6, 7, & 8, Mayvel Center Bldg.
Manuela Pastor Ave., Brgy. Pallocan West
Batangas City
Tel: (043) 740-6559; 740-6560

Batangas - Balayan
cor. Paz and Union Sts., Poblacion
Balayan, Batangas
Tel: (043) 740-3618; 740-3619

Batangas - Bauan
J.P. Rizal cor. San Agustin Street,
Bauan, Batangas
Tel: (043) 702-4970 to 71

Batangas - Lemery
G/F, LDMC Bldg., Ilustre Ave.
Brgy. Rizal, Lemery, Batangas
Tel: (043) 740-2602; 409-3009

Batangas - Nasugbu
J.P. Laurel St., Poblacion
Nasugbu, Batangas
Tel: (043) 740-1103

Batangas - Rosario
Rosario-Padre Garcia-Lipa Rd.
Poblacion Rosario, Batangas
Tel: (043) 740-2554; 417-1349

Batangas - Sto. Tomas
KM 67 Maharlika Highway, Poblacion
Sto. Tomas, Batangas
Tel: (043) 702-8636

Batangas - Tanauan
98 J.P. Laurel Highway
Brgy. Darasa, Tanauan City
Tel: (043) 702-3943

Benguet - La Trinidad
KM 5, Central Pico, La Trinidad
Benguet
Tel: (074) 422-1544; 422-1629

Bulacan - Balagtas
Burol 1st, McArthur Highway
Balagtas, Bulacan
Tel: (044) 308-2072

Bulacan - Plaridel
Lot 1071- A, Daang Maharlika Rd.
(Prev. Cagayan Valley Rd.), Banga First
Plaridel, Bulacan
Tel: (044) 794-9947; 794-1140
794-3500

Bulacan - San Jose Del Monte
Dalisay Resort, Gov. F. Halili Ave.
Tungkong Mangga, San Jose del Monte
Bulacan
Tel: (044) 815-6128

Bulacan - Sta. Maria
115 M. De Leon St., Brgy., Poblacion
Sta. Maria, Bulacan
Tel: (044) 769-2426; 769-2499

Cabanatuan - Maharlika
Maharlika Highway, Brgy. Dicarma
Tel: (044) 958-8847; 958-8846

Cabanatuan - Melencio
Melencio cor. Gen. Luna Street,
Cabanatuan City
Tel: (044) 464-1634; 464-1635

Calamba
G/F, SQA Bldg., Brgy. Uno, Crossing
Calamba City, Laguna
Tel: (049) 545-9018

Calamba - National Road
1425 National Rd., Brgy. Uno Crossing,
Calamba, Laguna
Tel: (049) 508-7476 to 77

Candelaria
National Highway cor. Ona St.
Brgy. Poblacion, Candelaria, Quezon
Tel: (042) 717-5528; 717-5529

Carmona
Lot 1947-B, Paseo de Carmona Compound
Governor's Drive, Brgy. Maduya
Carmona, Cavite
Tel: (046) 482-0410; 482-0411

Cavite City
P. Burgos Ave., Brgy. Caridad, Cavite City
Tel: (046) 431-0510

Cavite - Naic
Ibayo Silangan cor. Sabang Rd.
Naic, Cavite City
Tel: (046) 412-0144; 412-0143

Cavite - Rosario
Lot 616 F1, Gen. Trias Drive
Tejeros Convention, Rosario, Cavite
Tel: (046) 435-1107; 435-1174

Cavite - Silang
132 J.P Rizal cor. E. Montoya Sts.
Brgy. San Vicente I, Silang, Cavite
Tel: (046) 413-2600

Cavite - Tanza
Antero Soriano Highway, Daang Amaya 2
Tanza, Cavite
Tel: (046) 431-2097

Cavite - Trece Martires
G/F, Dionets Commercial Place Bldg.
Trece Martires-Indang Rd., Brgy. San Agustin
Trece Martires City, Cavite
Tel: (046) 514-0071

Dagupan - A.B. Fernandez
New Star Bldg., A.B Fernandez Avenue,
Dagupan City
Tel: (075) 529-1903; 529-2162

Dagupan - Perez
Lot 194 D1-A & Lot 194 D1-B
Brgy. Pogo Chico, Perez Blvd. Dagupan City
Tel: (075) 522-2284; 522-9221

Dasmariñas
KM. 31, Gen. Emilio Aguinaldo Highway
Brgy. Zone 4, Dasmariñas City, Cavite
Tel: (046) 424-1589

General Trias
G/F, Unit 102, V Central Gentri Bldg.
Governor's Drive, Manggahan
General Trias, Cavite
Tel: (046) 476-0596

Ilocos Norte - San Nicolas
Brgy. 2, San Nicolas, Ilocos Norte
Tel: (077) 670-6465; 677-1084

Ilocos Sur - Candon
G/F, KAMSU Bldg., Brgy. San Jose
Candon City, Ilocos Sur
Tel: (077) 674-0253; 674-0255

Imus
G/F, LDB Bldg., 552 Gen. Aguinaldo Highway
Imus City, Cavite
Tel: (046) 471-5188

Isabela - Cauayan
Maharlika Highway, Cauayan City
Isabela
Tel: (078) 652-3945; 652-3946

Isabela - Ilagan
Maharlika Highway
cor. Florencio Apostol St.
Calamagui 1, Ilagan, Isabela
Tel: (078) 624-0193; 624-0098

Isabela - Santiago
Midori Bldg., National Highway Villasis,
Santiago City, Isabela
Tel: (078) 305-0344

Isabela - Roxas
Maharlika Highway, Brgy. Bantug
Roxas, Isabela
Tel: (078) 624-0450; 624-0449

Kawit - Centennial
Centennial Rd., Tabon, Kawit, Cavite
Tel: (046) 484-9756; 484-9775

La Union - Agoo
MacArthur Highway, Brgy. San Antonio
Agoo, La Union
Tel: (072) 687-0016 to 17

La Union - San Fernando
KennyPlaza, Brgy. Catbangen
Quezon Ave., San Fernando La Union
Tel: (072) 700-0008; 888-2638

Laguna - Biñan
G/F, Units 1, 2, 3 & 4
Simrey's Commercial Bldg.
National Highway cor. Alma Manzo Rd.
Brgy. San Antonio, Biñan City, Laguna
Tel: (049) 511-7408

Laguna - Cabuyao
26 J.P. Rizal St., Poblacion
Cabuyao City, Laguna
Tel: (049) 534-0979; 534-0980

Laguna - Sta. Cruz
Sun Moon Arcade Bldg.
129 P. Guevara Ave., Poblacion 2
Sta Cruz, Laguna
Tel: (049) 523-4336; 523-4318

Laoag City
G/F, Puregolds Bldg.
Commercial Units 3 & 4, Nolasco St.
cor. Castro Ave. and J.P. Rizal, Laoag City
Tel: (077) 770-5196; 770-5195

Legazpi City
Block 2 Lot 3-B, Landco Business Park
Legaspi City, Albay
Tel: 480-8237; 480-6659

Lipa City
Brgy. Balintawak, Lipa Ayala Hi-way
Lipa City, Batangas
Tel: (043) 784-1336; 784-1396; 784-1377

Lucena City
Quezon Ave. cor. Rosas St.,
Brgy. 8 Lucena City, Quezon
Tel: (042) 373-7623; 373-7626

Malolos
G/F, BUFECO Bldg., No. 1197
Brgy. Sumapang Matanda
MacArthur Highway, Malolos, Bulacan
Tel: (044) 794-4534

Meycauayan - Malhacan
Meycauayan Tollgate
Meycauayan City, Bulacan
Tel: (044) 769-9394; 769-9382

Mindoro - Calapan
G/F, Paras Bldg., J.P. Rizal St.
Brgy. San Vicente South, Calapan
Oriental Mindoro
Tel: (043) 288-1809; 288-1871

Montalban - Rizal
240 E. Rodriguez Highway
Manggahan, Rodriguez, Rizal
Tel: (02) 7368-4051; 7368-4050

Naga City
G/F, LAM Bldg., 19 Peñafrancia Ave.
Zone 1, Brgy. San Francisco
Naga City, Camarines Sur
Tel: (054) 472-6502

Nueva Ecija - Gapan
TSI Bldg., Jose Abad Santos Ave.
Sto. Niño, Gapan, Nueva Ecija
Tel: (044) 486-2258; 486-2248

Nueva Ecija - San Jose
Paulino Bldg., Brgy. Abar 1st
Maharlika Rd., San Jose, Nueva Ecija
Tel: (044) 958-1563; 958-1580; 958-1556

Nueva Ecija - Talavera
Lot No. 269–A Maharlika Rd., Poblacion,
Talavera, Nueva Ecija
Tel: (044) 958-3849; 958-3865

Nueva Vizcaya - Solano
Maharlika Rd., Poblacion
Solano, Nueva Vizcaya
Tel: (078) 392-0112; 392-0938

EastWest Bank Store Network

Olongapo City
1215 Rizal Ave., West Tapinac
Olongapo City
Tel: (047) 222-8592 to 94

Palawan
Rizal Ave., Brgy. Manggahan
Puerto Princesa City, Palawan
Tel: (048) 433-0186; 433-0179

Pampanga - AngelesCity
Unit 4-7, AYA Bldg., Sto. Rosario St.
Brgy. San Jose, Angeles City, Pampanga
Tel: (045) 879-1637; 879-1837

Pampanga - Apalit
Brgy. San Vicente, Apalit, Pampanga
Tel: (045) 652-0037

Pampanga - Clark
Pavilion 16, Berthaphil Clark Center
Jose Abad Santos Ave., TFZ Clark
SPCL Ecozone, Angeles City, Pampanga
Tel: (045) 499-4382; 499-4381

Pampanga - Guagua
Goodluck Bldg., 303 Guagua-Sta. Rita
Arterial Rd., Brgy. San Roque
Guagua, Pampanga
Tel: (045) 458-0567

Pangasinan - Mangaldan
Cadastral Lot No. 335 Rizal Ave.
Brgy. Poblacion, Mangaldan, Pangasinan
Tel: (075) 540-5023; 540-5024

Pangasinan - Alaminos
BHF Blue Horizon Bldg., Quezon Ave.
Poblacion, Alaminos City, Pangasinan
Tel: (075) 633-4026; 633-4028

Pangasinan - Lingayen
Avenida Rizal East Rd.,
Lingayen, Pangasinan
Tel: (075) 511-1832

Pangasinan - Rosales
Estrella Cmpd., Carmen East, Rosales
MacArthur Highway, Pangasinan
Tel: (075) 632-1017; 632-0976

Pangasinan - San Carlos
207 Rizal Avenue San Carlos City
Pangasinan 2420
Tel: (075) 632-3095; 632-3096

San Fernando - Dolores
Felix S. David Bdg., MacArthur Highway
Dolores, San Fernando City, Pampanga
Tel: (045) 961-7936 and 38

San Fernando - JASA
G/F, Units 1A & 1B
Kingsborough Commercial Center Bldg.
Jose Abad Santos Ave., San Fernando
Pampanga
Tel: (045) 435-0379; 435-4738

San Fernando - Sindalan
T & M Bldg., MacArthur Highway
Brgy. Sindalan, San Fernando, Pampanga
Tel: (045) 455-1192; 455-1382

San Mateo
Lot 551-A-8, Gen. Luna St.
Brgy. Ampid, San Mateo, Rizal
Tel: 7997-1911; 8997-1913

San Pablo
Lots 2365 & 3152, J.P. Rizal Ave.
Poblacion, San Pablo City, Laguna
Tel: (049) 503-2834 to 36

San Pedro
National Highway, Brgy. Nueva
San Pedro, Laguna
Tel: (049) 478-9552 to 53

Sorsogon City
Ma. Bensuat T. Dogillo Bldg.
Magsaysay St., Poblacion, Sorsogon City
Tel: (056) 421-5778; 421-5081

Sta. Rosa
Unit 6, Paseo 5-Paseo de Sta Rosa
Greenfield City, Don Jose
Santa Rosa City, Laguna
Tel: (049) 508-2112; 508-2106

Subic Bay
1109 Rizal Highway
Subic Bay Freeport Zone, Olongapo City
Tel: (047) 250-2775; 250-2776

Tabaco City
Manuel Cea Bldg. I, Santillan St.
Poblacion, Tabaco City, Albay
Tel: (052) 487-4132; 487-6202

Tagaytay
G/F, Unit 1001.1, Fora Mall
Emilio Aguinaldo Highway
Brgy. Crossing East, Rotunda
Tagaytay City, Cavite
Tel: (046) 423-3929; 423-3928

Tarlac - Concepcion
Lot No. 1889, B1, B2, B3, L. Cortez St.
San Nicolas, Concepcion, Tarlac City
Tel: (045) 628-2908; 628-2670

Tarlac - McArthur Highway
Lot No. 27 Block 17, McArthur Highway
cor. Calle Manuel, San Sebastian Village
Tarlac City
Tel: (045) 628-3293; 628-3292

Tarlac - F. Tañedo
Mariposa Bldg., F. Tañedo St., Tarlac City
Tel: (045) 982-1937; 982-1691

Tarlac - Paniqui
130 M.H. Del Pilar St.
cor. MacArthur Highway
Paniqui, Tarlac City
Tel: (045) 491-3846; 491-3847

Taytay - Manila East
Manila East Rd., Brgy. San Juan
Taytay, Rizal
Tel: 8570-4128; 8570-4711

Taytay - Ortigas Extension
Valley Fair Town Center, Ortigas Ave.,
Extension, Taytay, Rizal
Tel: (02) 8660-9227; 8660-1828; 8660-1826

Tuguegarao City
College Ave. cor. Rizal and Bonifacio St.
Brgy. 08, Poblacion, Tuguegarao City
Tel: (078) 844-0958

Urdaneta City
S&P Bldg., McArthur Highway
Nancayasan, Urdaneta City
Tel: (075) 656-2825; 656-2838

Vigan
Quezon Ave., Vigan City, Ilocos Sur
Tel: (077) 674-0066; 674-0373; 674-0370

Zambales - Iba
Lot No. 1-A, Zambales-Pangasinan
Provincial Rd., Brgy. Sagapan Iba, Zambales
Tel: (047) 603-0374; 602-1433

VISAYAS

Antique - San Jose
St. Nicolas Bldg., T. A. Fornier St.
San Jose, Antique
Tel: (036) 540-7398; 540-7385

Bacolod - Araneta
Units 1A & 1B, Metrodome Bldg.
Araneta-Alunan St., Sincang
Brgy. 39, Bacolod City
Tel: (034) 435-2887; 435-1546

Bacolod - East
East Two Corporate Center Bldg.
Circumferential Rd., Brgy. Villamonte
Bacolod City
Tel: (034) 432-0830

Bacolod - Hilado
Hilado St., Bacolod City
Tel: (034) 435-1722

Bacolod - Lacson
Lacson cor. Luzuriaga Sts., Bacolod City
Tel: (034) 433-8320 to 21

Bacolod - Mandalagan
Lopues Mandalagan Corp. Bldg.
Brgy. Mandalagan, Bacolod City
Tel: (034) 441-1141; 441-0844; 441-1145

Boracay
Alexandrea Bdlg., Main Rd., Brgy. Balabag
Boracay Island, Malay, Aklan
Tel: (036) 288-2677; 288-2688

Catbalogan City
Curry Ave. cor. San Bartolome St.
Catbalogan City, Samar
Tel: (055) 543-8041

Cebu IT Park
G/F, Calyx Center, W. Ginonzon
cor. Abad Sts., Asia Town
IT Park, Cebu City
Tel: (032) 236-0675; 236-2278

Cebu Mactan
G/F, Bldg. II, M.L. Quezon National Highway
Pusok, Lapu-lapu City
Tel: (032) 238-4958; 236-6517

Cebu - A.C. Cortes
Carlos Perez Bldg., A.C. Cortes Ave.
Brgy. Ibabao, Mandaue City, Cebu
Tel: (032) 236-1458; 253-7741

Cebu - A.S. Fortuna
AYS Bldg., A.S. Fortuna St.
Brgy. Banilad, Mandaue City, Cebu
Tel: (032) 236-4792; 236-4794

Cebu - Banilad
G/F, Unit 101 of PDI Condominium
Gov. M. Cuenco Ave. cor. J. Panis St.
Banilad, Cebu City
Tel: (032) 232-5582; 232-5588

Cebu - Basak Pardo
South Point Place Bldg., N. Balasco Ave.
South Rd., Basak Pardo, Cebu City
Tel: (032) 236-6954; 236-6980

Cebu - Colon
G/F, Iconique Center, Colon St.
Brgy Kalubihan, Cebu City
(Across Colonnade Mall)
Tel: (032) 236-7528; 236-7536

Cebu - Freedom Park
CLC Bldg., 280 Magallanes St.
near cor. Noli Me Tangere, Cebu City
Tel: (032) 236-9280; 236-9285

Cebu - Fuente Osmeña
G/F, Cebu Women's Club Bldg.
Fuente Osmeña, Cebu City
Tel: (032) 236-9371; 236-9368

Cebu - Grand Cenia
Grand Cenia Bldg.
Archbishop Reyes Ave., Cebu City
Tel: (032) 417-1709; 233-5643

Cebu - M. Velez
151, M. Velez St., Guadalupe, Cebu City
Tel: (032) 236-0152; 236-0131

Cebu - Magallanes
Go Quiaco Bldg., Magallanes
cor. Gonzales Sts., Cebu City
Tel: (032) 253-1989; 254-1005

Cebu - Mandaue North Road
G/F, ALDO Bldg., North Rd.
Basak, Mandaue City, Cebu
Tel: (032) 236-5582; 520-3599

Cebu - Mandaue Subangdaku
Kina Bldg., National Highway
Subangdaku, Mandaue City, Cebu
Tel: (032) 346-5268; 420-5779

Cebu - Minglanilla
G/F, La Nueva-Minglanilla Center Ward 2,
Poblacion, Minglanilla, Cebu
Tel: (032) 236-9314; 236-9324

Cebu - N. Escario
Cebu Capitol Commercial Complex Bldg.
N. Escario St., Cebu City
Tel: (032) 253-9226; 255-8250

Cebu- Park Mall
Alfresco 4, Units 39, 40 & 40A
Parkmall, Mandaue City
Tel: (032) 505-4057; 505-3755

Cebu - Srp II Corso
Units R 160 & 161, IL Corso Retail Bldg.
SRP, Cebu City
Tel: (032) 236-0774; 236-0735

Cebu - Talisay
Paul Sy Bldg., Highway Tabunok
Talisay City, Cebu
Tel: (032) 236-9434; 236-9433

Dumaguete City
Don Joaquin T. Villegas Bldg.
Colon St., Dumaguete City
Tel: (035) 226-3797 to 98

Iloilo - Diversion
The 21 Ave. Bldg., Benigno Aquino Ave.
Mandurriao, Iloilo City
Tel: (033) 323-1107; 323-1108

Iloilo - Iznart
G/F, B&C Square Bldg.,
Iznart St. cor. Solis St., Iloilo City
Tel: (033) 338-1207; 338-1961

Iloilo - Jaro
Jaro Townsquare, Mandaue Foam Bldg.
Quintin Salas, Jaro, Iloilo City
Tel: (033) 320-0241

Iloilo - Ledesma
Sta. Cruz Arancillo Bldg.,
Ledesma cor. Fuentes Sts., Iloilo City
Tel: (033) 336-0441; 336-0443

Iloilo - Molo
GT Plaza Mall, MH del Pilar St.
Molo, Iloilo City
Tel: (033) 330-2003; 330-2004

Kalibo
Roxas Ave. Ext., Kalibo, Aklan
Tel: (036) 268-3461; 268-3462

Ormoc City
G/F, Hotel Don Felipe Annex Bldg.
Bonifacio St., Ormoc City
Tel: (053) 255-8693; 561-0150

Roxas City
cor. Roxas Ave. and Osmeña St.
(formerly Pavia St.), Roxas City, Capiz
Tel: (036) 620-0652; 620-0134

Silay
Rizal St., Silay City, Negros Occidental
Tel: (034) 441-3863; 441-3866

Tacloban City - Marasbaras
G/F, JGC Bldg., Brgy. 77
Marasbaras, Tacloban City
Tel: (053) 523 6556; 560-1734

Tacloban - J. Romualdez
RUL Bldg., Justice Romualdez St.
Brgy. 15, Tacloban City
Tel: (053) 832-2717; 832-2534

Tagbilaran City
0160 Gov. C. Gallares Street,
Pob. 2, Tagbilaran City
Tel: (038) 411-0903; 411-0904

MINDANAO

Bukidnon - Valencia
Tamay Lang Lang Park Lane Bldg.
G. La Viña Ave., Poblacion
Valencia City, Bukidnon
Tel: (088) 828-4068; 828-4078

Butuan City
G/F, Deofevente Bldg.,
Lot No.7 Governor J. Rosales Ave.
Brgy. Imadejas, Butuan City
Tel: (085) 225-9620; 342-7757

Butuan - P. Burgos
Units 1, 2 & 3, G/F, FSUU Bldg.
P. Burgos cor. San Francisco Sts.
Brgy. Sikatuna, Butuan City
Tel: (085) 225-0432; 225-0429

Cagayan de Oro - Carmen
RTS Bldg., Vamenta Blvd.
Carmen, Cagayan de Oro City
Tel: (088) 880-0265; 880-1342

Cagayan de Oro - Cogon
De Oro Construction Supply, Inc. Bldg.
Don Sergio Osmeña St.
cor. Limketkai Drive, Cagayan de Oro City
Tel: (088) 850-0336; 850-0371

EastWest Bank Store Network

Cagayan de Oro - Lapasan
Lapasan Highway, Cagayan de Oro City
Tel: (088) 850-1870; 850-1869

Cagayan de Oro - Pueblo de Oro
VLC Tower One, B1 L1, Gran Via St.
Pueblo de Oro, Cagayan de Oro City
Tel: (088) 881-5148; 881-5149

Cagayan de Oro - Velez
Juan Sia Bldg., 50 Don Apolinar Velez St.,
Cagayan de Oro City
Tel: (088) 857-8801 to 02

Cotabato City
31 Quezon Ave., Poblacion 5
Cotabato City
Tel: (064) 421-5961; 421-5962

Davao - Agdao
Doors 2 & 3, Cabaguio Plaza
Cabaguio Ave., Agdao, Davao City
Tel: (082) 222-2029; 222-0072

Davao - Bajada
Carolina Uy kimpang Bldg. cor. Iñigo St.
J.P. Laurel Ave., Davao City
Tel: (082) 285-2701; 285-2700

Davao - Buhangin
G/F, D3G Bldg., KM. 5 Buhangin Rd.
cor. Gladiola St., Buhangin, Davao City
Tel: (082) 221-7420; 221-6596

Davao - C.M. Recto
P&E Bldg., Poblacion, Brgy. 035
C.M. Recto Ave., Davao City
Tel: (082) 285-0376; 228-6016

Davao - Digos
Commercial Space-4, Davao RJ and
Sons Realty & Trading Corp. Bldg.
V. Sotto St., Brgy. Zone-1,
Digos City, Davao del Sur
Tel: (082) 272-1896; 272-1897

Davao - Diversion Road
G/F, Units 4 & 5, D3GY10 Bldg.
C.P. Garcia National Highway
Brgy. Cabantian, Davao City
Tel: (082) 296-2047; 296-1648

Davao - J.P. Laurel
J.P. Laurel Ave., Davao City
Tel: (082) 222-0137; 222-0138

Davao - Lanang
Blk. 5 Lot 6, Insular Village
Pampanga, Lanang, Davao City
Tel: (082) 234-0867; 234-0726

Davao - Ma-a
G/F, Rosario Bldg.
Don Julian Rodriguez Ave.
Ma-a Rd., Davao City
Tel: (082) 221-7573; 287-0907

Davao - Magsaysay
EWB Bldg., Lot 100-C, Brgy. 030
Poblacion, R. Magsaysay Ave., Davao City
Tel: (082) 222-1279; 221-4712

Davao - Matina
G/F Fredric Building Matina,
McArthur Highway, Davao City
Tel: (082) 299-0893; 297-0012

Davao - McArthur Matina
BGP Commercial Complex II Bldg.
McArthur Highway, Matina, Davao City
Tel: (082) 285-8086; 285-8089

Davao - Panabo City
Quezon St. Sto. Niño
Panabo City, Davao del Norte
Tel: (084) 628-4022; 628-4024

Davao - Quirino
Centron Bldg., Quirino Ave.
cor. General Luna St., Davao City
Tel: (082) 224-0582; 224-0696

Davao - Sta. Ana
G/F, GH Depot Bldg., Gov. Sales St.
Sta. Ana, Davao City
Tel: (082) 221-4021; 221-0436

Davao - Toril
Saavedra St., Toril, Davao City
Tel: (082) 295-6623; 295-6621

Dipolog City
G/F, Felicidad II Bldg., Quezon Ave.
Miputak, Dipolog City
Tel: (065) 908-361; 908-0360

General Santos City - Calumpang
Calumpang Medical Specialist Bldg.
National Highway, Calumpang
General Santos City
Tel: (083) 552-4739; 552-4742

General Santos - Pioneer
Pioneer Ave. cor. Magsaysay Ave.
General Santos City
Tel: (083) 552-2472; 552-2514

General Santos - Santiago
Ireneo Santiago Blvd.
General Santos City
Tel: (083) 552-0530; 552-0537

Iligan City
G/F, Party Plaza Bldg.,
Quezon Ave. Ext., Rabago, Iligan City
Tel: (063) 222-1681; 221-1682

Kidapawan
Doña Leonila Complex, National Highway
Poblacion, Kidapawan City, North Cotabato
Tel: (064) 577-3989; 577-3988

Koronadal City
G/F, RCA Bldg., Gen. Santos Drive
Koronadal City, South Cotabato
Tel: (083) 520-0021; 520-0013

Ozamiz City
G/F, Casa Esperanza
Don Anselmo Bernard Ave.,
Ozamiz City
Tel: (088) 564-0153; 564-0158

Pagadian City
BMD Estate Bldg., F. Pajares
cor. Sanson Sts., Pagadian City
Zamboanga del Sur
Tel: (062) 925-0037; 215-4681

Surigao City
G/F, EGC Bldg., Rizal St.
Washington, Surigao City
Tel: (086) 231-5155 to 56

Tacurong
Tacurong City-Lambayong
National Highway, Tacurong
Sultan Kudarat
Tel: (064) 562-0473; 562-0475

Tagum City
Gaisano Grand Arcade, Apokon Rd.
cor. Lapu-Lapu Ext., Brgy. Visayan Village
Tagum City
Tel: (084) 216-4325; 216-4323

Zamboanga L'Arcada
Anchor Block 2-A, L'Arcada Complex,
MCLL Highway, Tetuan, Zamboanga City
Tel: (062) 990-1110; 990-1102

Zamboanga - NS Valderrosa
N.S. Valderrosa cor. Corcuerra Sts.
Zamboanga City
Tel: (062) 992-6571; 992-6574

EastWest Rural Bank Store Network

LUZON

Baguio Store
2F, Jose Miguel Bldg. ll,
Yandoc St. cor. Naguilian Rd.,
Brgy. Kayang Ext., Baguio City

Baler Store-Lite
Quezon Highway, Brgy. Suclayin,
Baler, Aurora, 3200

Batangas Store
G/F, Epicenter National Highway
Brgy. Balagtas, Batangas City, Batangas
Tel: (043) 781-0526

Cabanatuan Store
Bulanadi Bldg., Maharlika Highway
Brgy. H. Concepcion, Cabanatuan City
Nueva Ecija
Tel: (044) 463-0275

Cainta Store
Km. 19, Ortigas Ave. Ext.
Don Mariano Subd., Brgy. San Juan
Cainta, Rizal
Tel: (02) 647-1267

Daet Store
Blk. 8, Lot-11, FMDC Bldg.
Central Plaza Complex, Brgy. Lag-on
Daet, Camarines Norte

Dagupan Store
Units L1L & L1M, G/F, Eastgate Plaza Bldg.
A.B. Fernandez East Ave., Brgy. Mayombo
Dagupan City, Pangasinan
Tel: (075) 529-0925

Dasmariñas Store
Lot-4, Aguinaldo Highway
Brgy. Salitran, Dasmariñas City, Cavite
Tel: (046) 424-0149

Gumaca Store
MAJT Bldg., Brgy. Pipisik
Gumaca, Quezon
Tel: (042) 717-5306

Iriga Store-Lite
Cheema Bldg., Alfelor St.
San Roque (Poblacion), Iriga City
Camarines Sur, Bicol Region
Tel: (054) 811-7447

Irosin Store
M.H. Del Pilar St., Brgy. San Julian
Irosin, Sorsogon

Legazpi Store
Door 2 & 3
Bicol Wei Due Fraternity Bldg.
Quezon Ave., Oro Site
Legazpi City, Albay
Tel: (052) 820-0697

Lucena Store
Land Co Bldg., ML Tagarao St.
Brgy. 3, Lucena City, Quezon
Tel: (042) 373-0976

Masbate Store
Doors 1 & 2, Sanchez Bldg., Sitio Cagba
Brgy. Tugbo, Masbate City

Meycauayan Store
Manila North Rd., McArthur Highway
Brgy. Calvario, Meycauayan City, Bulacan

Naga Store
Door 48 & 49, Crescini Bldg.
CBD 2 Triangulo, Naga City, Camarines Sur
Tel: (054) 472-0447; 811-7447

Narra Store
National Highway, Brgy. Panacan 2
Narra, Palawan
Tel: (048) 434-1105

Pasig Store
360 Dr. Sixto Antonio Ave.
cor. Beverly Hills St., Brgy. Caniogan
Pasig City
Tel: (02) 8916-1023

Puerto Princesa Store
201 Whitelines Bldg., National Highway
Brgy. San Pedro, Puerto Princesa City
Palawan
Tel: (048) 434-1105

San Fernando, Pampanga Store
McArthur Highway, Suburbia North Subd.
Brgy. Maimpis, San Fernando City
Pampanga

San Fernando, La Union Store
Diversion Rd., Brgy. Pagdaraoan
San Fernando City, La Union
Tel: (072) 607-8554

San Ildefonso Store Lite
1/F, 1st Stall, Cagayan Valley Rd.
Brgy. Sapang Putol,
San Ildefonso, Bulacan

Sta. Rosa Store
FLC Business Center, National Highway, Brgy.
Macabling, Sta. Rosa City, Laguna, 4026
Tel: (049) 837-0549

Tanay Store
M. H. Del Pilar, Brgy. Plaza Aldea
Tanay, Rizal Province

Tarlac Store
Silayan Business Center Bldg.
Brgy. Santo Cristo, Tarlac City, Tarlac
Tel: (045) 628-1131

Tuguegarao Store
Don Domingo St., Brgy. Centro 11
Tuguegarao City, Cagayan Valley
Tel: (078) 396-2133

Virac Store-Lite
Virac Town Center, Gogon Sirangan
Virac, Catanduanes
Tel: (052) 820-0697

VISAYAS

Bacolod Store
R.S. Bldg. cor. Hilado Ext. & 6th Sts.
Capitol Shopping Center, Lacson Bacolod City,
Negros Occidental
Tel: (034) 709-1294

Bantayan Store-Lite
Nemont Bldg., Pres. S. Osmeña
corner Escario Streets, Brgy. Binaoba
Bantayan, Cebu, 6052

Bayawan Store-Lite
FLC Bldg., National Highway cor. Bollos St.,
Poblacion Bayawan City, Negros Oriental

Baybay Store
Oppura Bldg., M.L. Quezon
cor. D. Veloso St., Brgy. Poblacion
Zone 9, Baybay, Leyte
Tel: (053) 563-8019

Bogo Store
CPN Bldg., M.H. del Pilar St.
Brgy. Lourdes, Bogo City, Cebu
Tel: (032) 340-0109

Borongan Store
Doctora Sabate Bldg., Real St.
Brgy. Songco, Borongan City
Eastern Samar

Cadiz Store-Lite
Unit III, Gustillo Boulevard, Zone II
Cadiz City, Negros Occidental

Calbayog Store
Cor. Orquin St. & Magsaysay Blvd.
Brgy. Balud, Calbayog City
Tel: (055) 533-9767

Carcar Store
Ramos Bldg., P. Nellas St. Poblacion III,
Carcar City, Cebu

Catarman Store
Benpres Bldg., South Diversion Rd.
Brgy. Macagtas, Catarman, Samar

Cebu City Store
36, JET House Bldg., Osmeña Blvd.
Brgy. Sambag II, Cebu City
Tel: (032) 253-3760

EastWest Rural Bank Store Network

Culasi Store-Lite
Alpas Bldg., Centro Sur, Poblacion
Culasi, Antique

Danao Store-Lite
FMJ Bldg., National Rd.
Brgy. Looc, Danao City

Guimaras Store Lite
Unit 19, Finerock Bldg.
Old Site San Miguel Jordan, Guimaras

Iloilo Store
National Rd., Brgy. Tagbak,
Jaro, Iloilo City

Jagna Store-Lite
DQ Lodge Bldg., Brgy. Looc
Jagna, Bohol

Kabankalan Store
The Crossing, Guazon St., Brgy. 2
Kabankalan City, Negros Occidental
Tel: (034) 471-0083

La Carlota Store-Lite
Gurrea St., Brgy. 3, La Carlota City

Larena Store
GDM Bldg., Bonifacio St.
North Poblacion, Larena, Siquijor
Tel: (035) 377-2344

Maasin Store
R. Kangleon cor. Rafols Sts.
Brgy. Tunga-tunga
Maasin City, Southern Leyte
Tel: (053) 570-8513

Mandaue Store
Northside Business Hub
G. Lopez-Jaena cor. A.P. Cortes St.
Brgy. Tipolo, Mandaue City, Cebu
Tel: (032) 520-8548

Naval Store-Lite
Tacung St., Brgy. P.I. Garcia Naval, Biliran

Ormoc Store
Real St. cor. San Vidal, Brgy. District 21
Ormoc City, Leyte
Tel: (053) 255-3074

Passi Store-Lite
Simeon Aguilar St., Poblacion Ilawod
Passi City, Iloilo

Roxas Store
Unit II, Cler Grand Hotel, Brgy. Lawaan
Roxas City, Capiz
Tel: (036) 522-8094

San Carlos Store
Center Mall, F. C. Ledesma Ave.
Brgy. Palampas, San Carlos City
Negros Occidental

Sogod Store
L. Regis St., Brgy. Zone 5
Sogod, Southern Leyte

Tacloban Store
G/F, Insular Life Bldg.
Avenida-Veteranos Ave., Brgy. 34
Tacloban City, Leyte
Tel: (053) 523-9189

Tagbilaran Store
G/F, Sum Bldg., #29 San Jose St.
Brgy. Bogu, Cogon Dist.
Tagbilaran City, Bohol
Tel: (038) 235-6747

Talibon Store
G/F, Edificio Luciano - Aurorita Bldg.
CPG Ave., Brgy. Poblacion Talibon, Bohol
Tel: (038) 515-5860

Tanjay Store
Magallanes St., cor. Basa St.
Pob. 2, Tanjay City, Negros Oriental
Tel: (032) 420-9115

Toledo Store
Door No. 5 and 6 Commercial Bldg. No. 2 of
Maxi J Space Rental Barangay Dumlog, Toledo
City, Philippines
Tel: (032) 467-8696

Tubigon Store Lite
G/F, GCA Bldg., Jose Dual St.
Brgy. Tinangnan, Tubigon, Bohol

MINDANAO

Alabel Store Lite
Talingting Bldg., Magsaysay St.
Purok 3, Brgy. Poblacion, Alabel
Sarangani Province

Bayugan Store
Libres St., Brgy. Taglatawan
Bayugan, Agusan del Sur
Tel: (085) 343-6018

Butuan Store
Parenas Bldg., South Montilla Blvd.
Brgy. Golden Ribbon, Butuan City
Agusan del Norte
Tel: (085) 342-2911

Cabadbaran Store
Rara cor. A. Curato Sts., Brgy. 8 Poblacion
Cabadbaran City, Agusan del Norte
Tel: (085) 343-1042

Cagayan de Oro Store
Silverdale Bldg., Capistrano cor. Mabini St.
Brgy. 14, Cagayan de Oro City
Misamis Oriental
Tel: (088) 856-6401

Camiguin Store-Lite
Plaridel St., Brgy. Poblacion
Mambajao, Camiguin Province

Dapa Store
Mabini St., Brgy. 11 Poblacion
Dapa, Surigao del Norte
Tel: (086) 365-1637

Davao City Store
Uyanguren St., Ramon Magsaysay Ave.
Brgy. 29-C, Davao City, Davao del Sur
Tel: (082) 305-5890

Digos Store Lite
Dasubarco Bldg., Ramon Magsaysay St.
corner Jacinto St., Brgy. Zone 3
Digos City
Tel: (082) 305-5890

Dipolog Store
General Luna cor. Calibo Sts.
Dipolog City, Zamboanga del Norte
Tel: (065) 908-1879

General Santos Store
RD-V Unit #06, RD Building, Santiago
Boulevard, General Santos City
Tel: (083) 301-8823

Gingoog Store
Dupoint Arcade, National Highway, Brgy. 17,
Gingoog City, Misamis Oriental, 9014
Tel: (088) 861-1028

Ipil Store
Gethsemane St., Purok Malipayon
Poblacion Ipil, Zamboanga Sibugay
Tel: (062) 955-7411

Isulan Store
Valdez Bldg. Arcade, National Highway
Brgy. Kalawag II, Isulan, Sultan Kudarat
Tel: (064) 471-0359

Kabacan Store
National Rd., Rizal St., Brgy. Poblacion
Kabacan, North Cotabato
Tel: (064) 557-1418

Kitcharao Store
National Highway, Brgy. Songkoy Kitcharao,
Agusan del Norte
Tel: (086) 826-7542

Koronadal Store
Purok Mabuhay,Brgy. Zone IV
Koronadal City, South Cotabato
Tel: (083) 520-0863

Madrid Store
Arpilleda cor. Buniel Sts., Brgy. Quirino Madrid,
Surigao del Sur
Tel: (086) 213-4014

Malita Store Lite
Castro Bldg., Maruya St., Poblacion Malita,
Davao Occidental

Mangagoy Store
EWRB Bldg., Espiritu St., Mangagoy
Bislig City, Surigao del Sur
Tel: (086) 853-2435

Maramag Store
G/F, Abao Bldg., Bonifacio St.
P-1A South Poblacion,
Maramag, Bukidnon

Mati Store
Magricom Bldg. 2, Limatoc St.
Central Mati City, Davao Oriental
Tel: (087) 811-4093

Midsayap Store
Crossing Poblacion 8, Midsayap
North Cotabato
Tel: (064) 229-9735

Molave Store
Cinema Bldg., Zamora St.
Purok Waling-waling, Brgy. Maloloy-on
Molave, Zamboanga del Sur

Nabunturan Store
Amatong Bldg., Purok 11, Poblacion
Nabunturan, Compostela Valley

Nasipit Store
Roxas St., Brgy. 4, Nasipit
Agusan del Norte
Tel: (085) 343-2078

Ozamiz Store Lite
G/F, Clarita L. Yu Bldg.
Don Anselmo Bernad Ave.
Brgy. Aguada, Ozamiz City
Misamis Occidental
Tel: (088) 545-2207

Pagadian Store
Vicente Araneta Tolibas Bldg.
Jamisola cor. Ariosa Sts., Santiago Dist.
Pagadian City, Zamboanga del Sur
Tel: (062) 215-4263

Panabo Store Lite
National Highway
P-3A Brgy. San Francisco
Panabo City, Davao del Norte

San Francisco Store
Quezon St., Brgy. 2, San Francisco
Agusan del Sur
Tel: (085) 343-9469

San Jose Store Lite
P-1, San Jose, Dinagat Island

Support Center
3rd and 4th Floors, East West Bank Bldg., JP
Laurel Ave. cor. Inigo St., Bajada, Brgy. 18-B,
Davao City

Surigao City Store
Parkway, Km.2, Brgy. Luna
Surigao City, Surigao del Norte
Tel: (086) 826-6238

Tagoloan Store
National Highway, Brgy. Poblacion
Tagoloan, Misamis Oriental

Tagum Store
KORE Bldg., Purok Doctolero
Brgy. Magugpo East, Tagum City
Davao del Norte

Tandag Store
Pimentel Bldg., Donasco St.
Brgy. Bag-ong Lungsod, Tandag City
Surigao del Sur
Tel: (086) 211-3513

Trento Store
P-7, Juan Luna St., Brgy. Poblacion
Trento, Agusan del Sur
Tel: (085) 255-2565

Valencia Store
LCC Bldg., Purok 2, Sayre Highway
Poblacion, Valencia City, Bukidnon
Tel: (088) 828-4108

Zamboanga City Store
Mayor Vitaliano Agan Ave., Nunez Ext.
Brgy. Camino, Nuevo, Zamboanga City
Tel: (062) 310-3509

Offsite ATM Network

LUZON

Aces Agri - Echague
Kilometer 342, Maharlika Highway Barangay Garit Norte, Magnolia Chicken Plant, Echague, Isabela

Amosup - Mariners Home
1765 Vasquez cor. Julio Nakpil St.
Malate, Manila

Ayala Fairview Terraces
Ayala Fairview Terraces, Quirino Highway cor. Maligaya Drive, Novaliches Quezon City

Ayala Mall - Circuit
Ayala Mall Circuit Makati Hippodromo St., Brgy. Carmona Makati City

Ayala Mall - Feliz
4/F, Ayala Mall Feliz, Marcos Highway cor. Amang Rodriguez, Brgy. Dela Paz Pasig City

Ayala Mall Cloverleaf
3/F, near food court Ayala Mall Cloverleaf Balintawak, Quezon City

Bataan 2020
Roman Superhighway, Samal, Bataan Philippines 2113

Castro Maternity Hospital
M. Ponce St., Subic, Baliuag, Bulacan

Centro Mall Cabuyao
Brgy. Pulo, National Highway Road, Cabuyao, Laguna

Century Mall
Century City Mall, Kalayaan Ave. cor. Salamanca St., Brgy.
Poblacion Makati City

District Imus
Aguinaldo Highway corner Daang Hari Road, Brgy. Anabu II-D, Imus, Cavite

DMCI Calaca
Gate 4 DMCI,
San Rafael Calaca Batangas

DMCI Homes
132 Apolinario St., Bangkal, Makati City

Eastwood 1800
1 Eastwood Ave, Bagumbayan
Quezon City

Eastwood Mall
3/F, Eastwood Mall
E. Rodriguez, Jr. Ave. (C5)
Bagumbayan Libis, Quezon City

EWRB - Baguio
2F Jose Miguel Bldg., II,Yandoc St.
Corner Naguilian Road, Barangay. Kayang Extension, Baguio City, 2600

EWRB - Cabanatuan
Bulanadi Bldg. Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija, 3100

EWRB - Daet
Blk. 8, Lot-11, FMDC Bldg.,
Central Plaza Complex, Brgy., Lag-on, Daet, Camarines Norte

EWRB - Irosin
M.H. Del Pilar Street, Brgy. San Julian, Irosin, Sorsogon

EWRB - Masbate
Door 1 & 2, Sanchez Bldg.,
Sitio Cagba, Brgy.Tugbo, Masbate City

EWRB - Narra
National Highway, Brgy. Panacan II, Narra, Palawan, 5303

EWRB Batangas
Ground Floor Epicenter, National Highway Brgy. Balagtas, Batangas

EWRB Cainta
Unit 101 East 1900 Building Gate 3, Vista Verde Executive Village,
Felix Ave., Cainta Rizal

EWRB Dagupan
Units L1L & L1M, Ground Floor, Eastgate Plaza Bldg., A.B. Fernandez East Avenue, Brgy. Mayombo,
Dagupan City, Pangasinan

EWRB Dasmariñas
Lot-4 Aguinaldo Highway,
Brgy. Salitran, Dasmarinas City, Cavite

EWRB Gumaca
MAJT Bldg.,Brgy. Pipisik, Gumaca, Quezon, 4307

EWRB Legazpi
Door 2&3, Bicol Wei Due,
Fraternity Bldg., Quezon Ave., Oro Site,
Legazpi City 4500

EWRB Lucena
Benco Bldg.Enriquez cor Juarez St.Lucena City 4301

EWRB Meycauyan
#2602 Malhacan National Road, Brgy. Malhacan, Meycauayan City 3020, Bulacan

EWRB Nabunturan
Purok 11, Brgy. Poblacion, Nabunturan, Compostela Valley

EWRB Naga
Door 43 Central Business District 2
Terminal Naga City 4400

EWRB Palawan
National Highway, Brgy.San Pedro, Puerto Princesa city, Palawan 5300

EWRB San Fernando La Union
Brgy. Pagdurawan, Diversion Road, San Fernando, La Union

EWRB San Fernando Pampanga
Suburbia North Subdivision
Mc Arthur Hi-way, San Fernando Pampanga

EWRB Sta. Rosa
LC Business Center National Highway Brgy. Macabling, Sta. Rosa, Laguna

EWRB Tanay
MH Del Pilar Street, Plaza Aldea Tanay Rizal

EWRB Tarlac
Silayan Business Center
Brgy. Santo Cristo,Tarlac City

EWRB Tuguegarao
Don Domingo Street, Tuguegarao City

FastByte - North Cyberzone
FastByte, North Cyberzone
Northgate, Filinvest Corporate City Alabang, Muntinlupa City

FDC Cyber Sigma BGC
ATM Area beside new Bistro Deli G/F, Cyber Sigma Bldg., Lawton Ave. Mckinley West, Fort Bonifacio Taguig City

FEU - NRMF Fairview
Regalado Ave. cor. Dahlia West Fairview, Quezon City

Filinvest - Mandaluyong
79 EDSA, Mandaluyong City

Filinvest - Mandaluyong 2
7/F, Filinvest Bldg., 79 EDSA
Mandaluyong City

Finman Pasig
360 Dr. Sixto Antonio Ave. Caniogan, Pasig City

FPF Manufacturing Corp.
11th Ave. Phase II FAB, Mariveles Bataan

Glorietta Makati
2/F, Glorietta l, South Drive Ayala Center, Makati Cityw

Goldwing
61 F. Balagtas St., Parang, Marikina City

Harbor Point
Rizal Highway, Subic Bay Freeport Zone 2222

Hilton Hotel
Newport Blvd., Newport City, Pasay City
(Across Resorts World Manila)

Jollibee Mabalacat
Lot 301, McArthur Highway
Barangay San Francisco, Mabalacat City

La Suerte
Maharlika Highway, Brgy. Alupaye Pagbilao, Quezon

Landmark Alabang
ATM #05, G/F, Landmark Alabang Festival Mall, Civic Drive, Alabang Muntinlupa City

Landmark Makati
Ayala Center Makati, Makati City

Landmark Trinoma
EDSA cor. Mindanao Ave. Ext. Quezon City

Luckygold Plaza
2/F, Luckygold Plaza Bldg.
58 Ortigas Ave. Ext., Pasig City

Market Market
4/F, ATM Center, Market Market Taguig City

Marquee Mall
3rd Floor Marquee Mall Francisco G., Nepo Ave. Angeles City, Pampanga

Mimosa CitiScape Inc. - Quest Hotel
M.A. Roxas Highway
Clark Freeport Zone Philippines Mimosa Hotel (Quest Hotel)

Mitsubishi Laguna
Mitsubishi Motors Philippine Corp. No. 1 Auto Park Ave. Greenfield Automotive Park, Sta. Rosa, Laguna

New Rosario Arcade
New Rosario, Ortigas Arcade Pasig City

One Oasis Ortigas
Building M, Oasis Hub Ortigas Ave.,
Pasig City

Pasong Tamo
Head Office 2264 Pasong Tamo Ext.
Brgy. Magallanes, Makati City

Philstar
202 Oca Rail Rd. St., Port Area, Manila

Powerplant Mall
3/F, R3, Power Plant Mall Rockwell Center, Makati City

RBC Sheridan
9/F, Rockwell Business Center Sheridan, Sheridan St.
Mandaluyong City

Robinsons Forum Pioneer
30 EDSA cor. Pioneer
St. Mandaluyong City

Robinsons Magnolia
Aurora Blvd. cor. Doña Hemady St.
Quezon City

Robinsons Metro East
Marcos Highway, Brgy. Dela Paz Santolan, Pasig City

Robinsons Place Cainta
2nd floor, ATM center,
Ortigas Avenue Extension, Brgy. Sto. Domingo Cainta Rizal

Robinsons Place Dasmariñas
Level 1, Aguinaldo Highway cor. Gov's Drive, Sitio Palapala Dasmarinas, Cavite

Robinsons Place Imus
G/F E. Aguinaldo Highway
Tanzang Luma V, Imus, Cavite

Robinsons Place Manila
M. Adriatico cor. Pedro Gil Malate, Manila

Robinsons Sta. Rosa Market
Level 1, Old National Highway Brgy.Tagapo, Sta. Rosa, Laguna

Shangri-La Plaza
LG/F, East Wing, EDSA Mandaluyong City

Simbayanan
115 M.L Quezon St., Purok 02 New Lower Bicutan,Taguig City

SLU Hospital Baguio
Saint Louis University Hospital Assumption Rd., Baguio City

SM Aura Premiere
LG/F, Parking Entrance near DHL SM Aura Premier, 26th St.
cor. McKinley Parkway,Taguig City

SM Center Sangandaan
3/F near Cinemas, Samson Rd.
Sangandaan, Caloocan City

SM Fairview
SM City Fairview Complex Quirino Highway, Fairview Quezon City

SM Mall of Asia
J.W. Diokno Blvd., Mall of Asia Complex CBPIA, Pasay City

SM Megamall
SM Megamall Bldg., Julia Vargas cor. EDSA, Wack Wack Village Mandaluyong City

SM Megamall Wing B
2/F, ATM Center, Megamall Wing B
SM Megamall, EDSA cor. J.Vargas Ave.
Mandaluyong City

SM North EDSA
Parking Lot, SM North EDSA Complex
EDSA, Pag Asa 1, Quezon City

SM Novaliches
Quirino Highway, San Bartolome
Novaliches, Quezon City

SM San Lazaro
UG/F, Felix Huertas
cor. AH Lacson St., Manila

SM Sta. Mesa Supermarket
Ramon Magsaysay cor. Araneta Ave.
Quezon City

SM Taytay
Manila East Rd., Dolores Taytay Rizal

Sogo Hotel
G/F, Sogo Corporate Office 629 EDSA, Cubao, Quezon City

St. Clare's Medical Center
1838 Dian St., Brgy. Palanan Makati City

St. Paul - Pasig
St. Paul Rd., Brgy. Ugong, Pasig City

Super 8 Cogeo
SPI Bldg., Manuel L. Quezon Ave.
Brgy. San Roque, Antipolo, Rizal

The Palms Country Club
1410 Laguna Heights Drive
Filinvest City, Alabang, Muntinlupa City

Theatre Mall
Ortigas Ave., Greenhills, San Juan

Toyota Dagupan
Service Reception Area,
Toyota Dagupan, Mc Arthur Hiway Calasiao City, Pangasinan

Twenty Oaks Mariveles Bataan
Twenty Oaks Duty Free Hypermarket
Mariveles Bataan

U.P. Town Center
2/F beside China Bank ATM
UP Town Center, Katipunan Ave.
Quezon City

Uptown Mall (BGC)
G/F beside National Bookstore 9th Ave. cor. 36th St.
Bonifacio Global City,Taguig City

Vector - Alabang
G/F,Vector One Bldg. Northgate Cyberzone Alabang, Muntinlupa City

Vector 2 - Alabang
8/F, Chroma Hospitality Vector 2, Alabang

VISAYAS

Ayala Center Cebu
2/F beside Sanuk
Ayala Center Cebu Expansion Cebu Business Park, Cebu City

Boracay Villa Lourdes
D' Mall Station 2, Brgy. Balabag Boracay Island, Malay, Aklan

Offsite ATM Network

BQ Luitton
Luitton Bldg., Gallares St. Tagbilaran City

Crimson Bay Hotel
Seascape Resort Town, Sitio Dapdap Lapu-Lapu City, Mactan, Cebu

Crimson Hotel Boracay
Crimson Resort and Spa Boracay Punta Bunga Cove, Brgy.Yapak Boracay Island, Malay, Aklan

EWRB - Carcar
Ramos Bldg., P. Nellas St. Poblacion III, Carcar City, Cebu

EWRB - Catarman
Benpres Bldg., South Diversion Rd. Brgy. Macagtas, Catarman, Samar

EWRB - Kabankalan
The Crossing, Guazon St., Brgy. 2 Kabankalan City, Negros Occidental

EWRB - Larena
GDM Bldg., North Poblacion Bonifacio St., Larena, Siquijor

EWRB - Narra
National Highway, Brgy. Panacan II Narra, Palawan

EWRB - San Carlos
Center Mall, F. C. Ledesma Ave. Brgy. Palampas, San Carlos City Negros Occidental

EWRB - Sogod
L. Regis St., Brgy. Zone 5 Sogod, Southern Leyte

EWRB Bacolod
RS Bldg. cor. Hilado & 6th Sts. Capitol Shopping Center, Bacolod City

EWRB Baybay
D.Veloso cor. M. L. Quezon St. Baybay City, Leyte

EWRB Bogo
CPN Bldg., M. H. Del Pilar St. Carbon, Bogo City, Cebu

EWRB Calbayog
Irigon Bldg., Pajarito St. Calbayog City, Western Samar

EWRB F. Ramos
V.Yap Bldg., 29 F. Ramos St. Cebu City

EWRB Iloilo
Bonifacio Drive infront of Metro Iloilo Water Dist., Iloilo City

EWRB Maasin
R. Kangleon St.,Tunga-Tunga Maasin City, Southern Leyte

EWRB Mandaue Subangdaku
Dayzon Bldg., Lopez Jaena St. Subangdaku, Mandaue City

EWRB Ormoc
Juan Luna St., Sabang, Ormoc City

EWRB Palawan
National Highway, Brgy. San Pedro Puerto Princesa City, Palawan

EWRB Roxas
Unit 2, CLER Grand Hotel Brgy. Lawaan, Roxas City

EWRB Tacloban
G/F, Insular Life Bldg. Avenida Veterans St., Brgy. 34 Tacloban City

EWRB Tagbilaran
G/F, Sum Bldg., 29 San Jose St. Brgy. Cogon,Tagbilaran City, Bohol

EWRB Talibon
G/F, Edificio Luciano Aurorita Bldg. CPG Ave., Poblacion,Talibon, Bohol

EWRB Tanjay
Magallanes cor. Basa Sts. Pob. 2,Tanjay City, Negros Oriental

EWRB Toledo
Peñalosa St., Luray I,Toledo City, Cebu

Gaisano Casuntingan
M.L. Quezon Ave., Casuntingan Mandaue City

Gaisano Country Mall
G/F, Banilad, Cebu City

Gaisano Grand Fiesta Mall
Highway Tabunok,Talisay City

Gaisano Grand Mall Mactan
Brgy. Basak, Agus Rd., Lapu-lapu, Cebu

Gaisano Mall Tagum
Apokon Road cor. Lapu Lapu Ext. Brgy. Visayan Vill.,Tagum City

Gaisano Metro Store Lapu-Lapu
M.L. Quezon Highway, Pajo Lapu-lapu City, Cebu

Gaisano SRP
South Reclamation Project,Talisay City

Hotel Del Rio
Hotel Del Rio – Iloilo, M.H. Del Pilar St. Molo, Iloilo City

J Center Mall
AS Fortuna St., Bakilid Mandaue City, Cebu

La Nueva Supermart
G.Y. Dela Serna St., Lapu-Lapu City

Lifebank Roxas
Km. 2 Brgy. Lawa-an Roxas City

Lifebank Sta. Barbara
Lifebank Sta. Barbara, Bypass Rd. Brgy. Duyan Duyan, Sta. Barbara, Iloilo

Lovefeeds - Iloilo
Love Feeds New Panay Agri Venture Brgy. Cabugao Sur, Pavia, Ilollo

Marina Mall (Cebu)
G/F, Bk. Cl08 Mactan Lapu-Lapu, Cebu

Robinsons Galleria Cebu
2/F, ATM 202, Robinsons Galleria Cebu Maxilom - Osmeña Blvd., l3th Ave. and Benedicto St., North Cebu City

SM City - Consolacion
Cebu North Rd., Brgy. Lamac Consolacion, Cebu

SM City Cebu
North Reclamation Area, Cebu City

SM City Cebu 2
LG/F, North Reclamation Area Cebu City

SM Seaside Cebu
l024B, SM Seaside City Cebu SRP-Mambaling Rd., Cebu City

MINDANAO

Abreeza Corporate Center
J.P. Laurel Ave., Bajada, Davao City

Abreeza Mall
J.P. Laurel Ave., Bajada Lanang, Davao City

Apo View Hotel
l50 J. Camus St., Davao City

Cagayan de Oro Liceo University
RN Pelaez Blvd., Causwagan Cagayan de Oro City

Davao Doctors Hospital
Davao Doctors Hospital Dumoy Satellite Out Patient Facility McArthur Highway,Talomo, Davao City

EWRB - Maramag
G/F, Abao Bldg., Bonifacio St. P-lA South, Poblacion, Maramag Bukidnon

EWRB - Zamboanga
Nunez Ext., Brgy. Camino Nuevo Mayor Vitaliano Agan Ave. Zamboanga City

EWRB Bayugan
Libres St.,Taglatawan, Bayugan Agusan del Sur

EWRB Butuan GBI
Montilla Blvd., Butuan City

EWRB Cabadbaran
Garame St., Cabadbaran, Agusan del Norte

EWRB Cagayan de Oro
Capistrano cor. Mabini St. Cagayan de Oro City

EWRB Dapa
Mabini St., Brgy. ll, Poblacion Dapa Surigao del Norte

EWRB Davao Tagum
Magugpo East,Tagum City

EWRB Davao Uyangurin
Uyangurin St., Ramon Magsaysay Ave. Davao City

EWRB Dipolog
General Luna cor. Calibo Sts. Zamboanga del Norte

EWRB GenSan
Doors 2 & 3, Grace Commercial Bldg. Jose Catolico Sr. Ave., Gen. Santos City

EWRB Gingoog
DESMARK Arcade, Brgy. l7 National Highway, Gingoog City

EWRB Ipil
Eastwest Rural Bank, Inc. - Ipil Zamboanga Ipil, Sibugay Zamboanga

EWRB Kabacan Cotabato
National Rd., Rizal St., Poblacion Kabacan, Cotabato

EWRB Kitcharao
Brgy. Songkoy, National Highway Kitcharao, Agusan del Norte

EWRB Koronadal
UGA Bldg., Gensan Drive, Purok Mabuhay, Zone IV, Koronadal City

EWRB Madrid
Arpilleda cor. Buniel St., Brgy. Quirino Madrid, Surigao del Sur

EWRB Mangagoy
Espiritu St., Mangagoy Bislig City, Surigao del Sur

EWRB Mati
Door 5, Magricom Bldg. II National Highway, Mati, Davao Oriental

EWRB Midsayap Cotabato
Crossing Poblacion 8 Midsayap, Cotabato

EWRB Molave
Goles Bldg., Mabini St. Brgy. Madasigon, Molave, Zamboanga del Sur

EWRB Nabunturan
Purok ll, Brgy. Poblacion Nabunturan, Compostela Valley

EWRB Pagadian
Jamisola cor. Ariosa Sts. Santiago Dist., Pagadian City

EWRB San Francisco
Quezon St. Brgy. 2, San Francisco Agusan del Sur

EWRB Surigao
Parkway, Km. 3, Brgy. Luna Surigao City, Surigao del Norte

EWRB Tagoloan
National Highway, Poblacion Tagoloan, Misamis Oriental

EWRB Tandag
Pimentel Bldg., Donasco St. Bagong Lungsod,Tandag Surigao del Sur

EWRB Trento
P-7 Juan Luna St., Poblacion Trento Agusan del Sur

EWRB Valencia
Alkuino Bldg., Sayre Highway Poblacion, Valencia City, Bukidnon

Gaisano Grand Tagum
National Highway,Tagum City Davao del Norte

Gaisano Mall of Davao
UG/F, ATM Center JP Laurel Ave., Davao City

Gaisano Mall Toril
Gaisano Mall Toril,Toril, Davao City

Nasipit
Roxas St., Nasipit, Agusan del Norte

Robinsons Cagayan de Oro
Rosario Crescent cor. Florentino Sts. Limketkai Center, Cagayan de Oro City

SM City Davao
SM City Davao - Annex Quimpo Blvd., Ecoland, Davao City

SM Lanang
J.P. Laurel Ave., Bajada, Lanang Davao City

Veranza Mall
J. Catolico Ave., General Santos City

Annex

Sustainability Performance Index

EastWest Bank's sustainability performance for the period 1 January to 31 December 2023 is reported in this Sustainability Performance Matrix with reference to the Global Reporting Initiative (GRI) Standards.

GRI Standard	Disclosure	Section in the Report
GRI 2: General Disclosures 2022 (The organization and its reporting practices)	2-1 Organizational Details	Our Identity
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency, and contact point	About the Report
	2-4 Restatements information	About the Report
	2-5 External assurance	About the Report
GRI 2: General Disclosures 2022 (Activities and workers)	2-6 Activities, value chain, and other business relationship	About EastWest
	2-7 Employees	2023 HR Initiatives / Sustainability
GRI 2: General Disclosures 2022 (Governance)	2-9 Governance structure and composition	Corporate Governance
	2-10 Nomination and selection of the highest governance body	Corporate Governance
	2-11 Chair of the highest governance body	Corporate Governance
	2-12 Role of the highest governance body in the management impact	Corporate Governance
	2-13 Delegation of responsibility for managing impacts	Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance
	2-15 Conflicts of Interest	Corporate Governance
	2-16 Communication of critical concerns	Corporate Governance
	2-17 Collective knowledge of the highest governance body	Corporate Governance
	2-18 Evalutaion of the performance of the highest governance body	Corporate Governance
	2-19 Remurration policies	Corporate Governance
	2-20 Process to determine remuneration	Corporate Governance
GRI 2: General Disclosures 2022 W(Strategy, policies and practices)	2-22 Statement of sustainable development strategy	Message from the Chairman
	2-23 Policy commitments	Chairman's Message, CEO and President's Reports
	2-24 Embedding policy commitments	Chairman's Message, CEO and President's Reports
	2-27 Compliance with laws and regulations	Corporate Governance

GRI Standard	Disclosure	Section in the Report
GRI 2: General Disclosures 2022 (Stakeholder Engagement)	2-29 Approach to stakeholder engagement	About EastWest
	2-30 Collective bargaining agreements	Sustainability
GRI 3: Material Topics 2022 (Disclosures on Material Topics)	3-1 List of material topics	About the Report
	3-3 Management of material topics	About the Report
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Highlights, Sustainability
	201-2 Financial implications and other risks and opportunities due to climate change	No data
	201-3 Defined benefit plan obligations and other retirement plans	No data
	201-4 Financial assistance received from government	There is no financial assistance received from the government
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	No data
	202-2 Proportion of senior management hired from the local community	No data
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainability
	203-2 Significant indirect economic impact	Sustainability
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	No data
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Being a financial services company, EastWest does not use a large amount of materials in its ordinary course of business
	301-2 Recycled input materials used	Sustainability
	301-3 Reclaimed products and their packaging	Sustainability
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainability
	302-2 Energy consumption outside of the organization	Sustainability
	302-3 Energy intensity	Sustainability
	302-4 Reduction of energy consumption	Sustainability
	302-5 Reduction in energy requirements of products and services	Sustainability
GRI 308: Supplier Environmental Assessment 2016	308-1 New Suppliers that were screened using environmental criteria	
	308-2 Negative environmental impact in the supply chain and actions taken	

Annex

Sustainability Performance Index

GRI Standard	Disclosure	Section in the Report
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability
	401-3 Parental leave	Sustainability
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	No data
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability
	403-2 Hazard identification, rixk assessment, and incident investigation	Sustainability
	403-3 Occupational health services	Sustainability
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability
	403-5 Worker training on occupational health and safety	Sustainability
	403-6 Promotion of worker health	Sustainability
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relations	Sustainability
	403-8 Workers covered by an occupational health and safety management system	Sustainability
	403-9 Work-related injuries	Sustainability
	403-10 Work-related ill health	Sustainability
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability
	404-3 Percentage of employees receving regular performance and career development reviews	Sustainability
GRI 405: Diversity and Equal oppurtunity 2016	405-1 Diversity of governance bodies and employees	Sustainability
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No data
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of assiociation and collective bargaining may be at risk	No data
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability
GRI 400: Forced or Compulsory Laber 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability

GRI Standard	Disclosure	Section in the Report
GR 410: Security Practices 2016	410-1 Security personnel trained in human rights policies and procedures	N/A
GR 413: Local Communities 2016	413-1 Operations with local community engagement, impact, assessments, and developing program	Performance Review, Sustainability
	413-2 Operations with significant actual and potential negative impacts on local communities	N/A
GR 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	No data
	414-2 Negative social impacts in the supply chain and actions taken	No data
GR 415: Public Policy 2016	415-1 Political contributions	N/A
GR 416: Customer Health and Safety 2016	416-2 incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability
GR 417: Marketing and Labeling 2016	417-1 Requirements for products and services information and labeling	Sustainability
	417-2 Incidents of non-compliance concerning products and services information and labeling	Sustainability
	417-3 Incindents of non-compliance concerning marketing communications	Sustainability
GR 418: Customer Privacy 2016	418-1 Substained complaints concerning breaches of customer privacy and losses of customer data	Sustainability

Annex

EESG DATA SETS

A. ECONOMIC DISCLOSURES

Direct Economic Value Generated and Distributed in 2023 (Amounts are presented in millions of Philippine Pesos)	
Direct economic value generated (revenue)	35,660
Direct economic value distributed:	
Operating costs	20,293
Employee wages and benefits	7,349
Dividends given to stockholders and interest payments to fund providers (does not include principal debt payments)	6,921
Taxes paid to government	1,444

	2022	2023
Procurement Practices		
Proportion of Spending on Local Suppliers (GRI 204-1)		
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	98.11%	99.16%

	2022	2023
Anti-Corruption		
Trainings on Anti-Corruption Policies and Procedures (GRI 205-2)		
Percentage of employees who have received written communication about corporate anti-corruption policies and procedures	100%	100%
Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures	100%	100%
Percentage of directors and management who have received anti-corruption training	100%	100%
Percentage of employees who have received anti-corruption training	100%	100%

	2022	2023
Incidents of corruption (GRI 205-3)		
Number of incidents in which directors were removed or disciplined for corruption	0	0
Number of incidents in which employees were dismissed or disciplined for corruption	0	1
Number of incidents when contracts with business partners were terminated due to corruption	0	0

B. ENVIRONMENT DISCLOSURES

	Unit	2022	2023
Resource Management			
Energy Consumption (GRI 302-1)			
Gasoline	L	146,885	92,907
Diesel	L	55,953	41,907
Electricity (renewable)	KWH	N/A	N/A
Electricity (non-renewable)	KWH	N/A	N/A
Electricity (total)	KWH	3,434,410	6,099,547
Coal	Tonnes	N/A	N/A

	Unit	2022	2023
Energy Consumption (GRI 302-1)			
Gasoline	GJ	4,294,876.16	2,716,578.95
Diesel	GJ	1,449,562.71	1,085,673.58
Electricity (renewable)	GJ	N/A	N/A
Electricity (non-renewable)	GJ	N/A	N/A
Electricity (total)	GJ	954,002,647.22	1,694,318,611.11
Coal	GJ	N/A	N/A

Conversion to GJ (Wikipedia energy density):
- *Gasoline – 0.0342 GJ/L*
- *Diesel –0.0386 GJ/L*
- *Electricity – 0.0036 GJ per KWH*

	Unit	2022	2023
Water Consumption (GRI 303-5)			
Water used	m3	9,959	27, 516
Water recycled and reused	Kg	N/A	N/A
Materials Used (GRI 301-1)			
Materials Used – steel	Kg	N/A	N/A
Materials Used – cement	Kg	N/A	N/A
Percentage of recycled input materials used to manufacture the organization's primary products and services	%	0	0

EastWest Bank is not involved in the manufacture of consumer goods.

	2023	2022	2021
Ecosystems and Biodiversity (GRI 304-1 & 304-3)			
Operational sites owned, leased in or adjacent to, protected areas, and areas of high biodiversity value outside protected areas.		N/A	
Habitats protected or restored		N/A	
IUCN Red List species and national conservation list species with habitats in areas affected by operations		N/A	

Annex

	Unit	2022	2023
Environmental Impact Management			
Greenhouse Gas Emissions (GRI 305-1, 305-2, 305-3, 305-6)			
Direct Emissions (Scope 1) – gasoline, diesel	Tonnes CO2-e	493	329.69
Indirect Emissions (Scope 2) – purchased electricity	Tonnes CO2-e	2,011	5,794.57
Indirect Emissions (Scope 3)	Tonnes CO2-e	N/A	N/A
Emissions of ozone-depleting substances (ODS)	Tonnes	N/A	N/A

	Unit	2022	2023
Air Pollutant Emissions (GRI 305-7)			
Nitrogen oxides (NOx)	Kg	N/A	N/A
Sulfur oxides (SOx)	Kg	N/A	N/A
Persistent Organic Pollutants (POP)	Kg	N/A	N/A
Volatile Organic Compounds (VOC)	Kg	N/A	N/A
Hazardous Air Pollutants (HAP)	Kg	N/A	N/A
Particulate Matter (PM)	Kg	N/A	N/A

	Unit	2022	2023
Solid Waste Generation (GRI 306-3, 306-4, 306-5)			
Reusable	Tonnes	N/A	N/A
Reusable (mud press)	Tonnes	N/A	N/A
Recyclable	Tonnes	N/A	N/A
Composted	Tonnes	N/A	N/A
Residuals (Landfilled)	Tonnes	N/A	N/A
Total	Tonnes	N/A	N/A

	Unit	2022	2023
Hazardous Wastes (GRI 306-4, 306-5)			
Hazardous wastes generated	Tonnes	N/A	N/A
Hazardous wastes transported and treated	Tonnes	N/A	N/A

	Unit	2022	2023
Effluents (GRI 303-4)			
Total volume of effluent discharge	m3	N/A	N/A
Percent of effluent recycled	m3	N/A	N/A

	Unit	2022	2023
Environmental Compliance (GRI 30)			
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	PHP	0	0

C. SOCIAL PERFORMANCE

Employee Management

	2023		
Employee Hiring and Benefits	Total	M	F
Total number of regular employees	8,165	2,598	5,219
Voluntary attrition rate	19%		
Ratio of lowest paid employee against minimum wage	EastWest Bank's lowest paid employee's wage is 2% higher than minimum wage		

Notes:
Employment figures as of Dec 31, 2023
Excluding Quest Integrated Marketing Services

Employee Training and Development

	2023		
Employee Training and Development	Female	Male	Total
Total training hours provided to employees	134,161.86	54,847.63	189,009.49
Average training hours provided to employees	62.66	63.98	94.47

**Covers EastWest, EastWest Insurance Brokerage, EastWest Rural Bank, and EastWest Ageas; Excludes Quest Integrated Marketing Services*

Total Hours of Training by Rank and Gender

Tiering	Ranks	Female	Male	Total
Executive	AVP and Up	10,514.22	8,957.58	19,471.80
Manager	SM	11,016.69	8,654.28	19,670.97
	M	84,669.61	16,403.15	101,072.75
Supervisor	SAM	41,250.88	22,197.37	63,448.26
	AM	23,427.79	18,029.93	41,457.72
	JO	59,999.29	22,978.05	82,977.34
Rank and File	R&F	296,144.47	94,104.64	390,249.11
Contractual	-	0.00	0.00	0.00
Consultants	-	0.00	0.00	0.00
TOTAL		527,022.95	191,325.00	718,347.95

** Covers EastWest, EastWest Insurance Brokerage, EastWest Rural Bank, and EastWest Ageas; Excludes Quest Integrated Marketing Services*

Annex

Average Hours of Training by Rank and Gender

Tiering	Ranks	Female	Male	Total
Executive	AVP and Up	31.13	22.05	23.79
Manager	SM	27.52	27.62	28.31
	M	117.75	37.32	85.48
Supervisor	SAM	34.10	33.68	37.22
	AM	31.43	32.68	37.88
	JO	54.46	33.44	49.32
Rank and File	R&F	47.71	50.64	60.25
Contractual	-	0.00	0.00	0.00
Consultants	-	0.00	0.00	0.00
AVERAGE		49.16	33.92	46.04

*Covers EastWest, EastWest Insurance Brokerage, EastWest Rural Bank, and EastWest Ageas; Excludes Quest Integrated Marketing Services

People Centered Leadership Programs and LinkedIn Learning

Category	Title/Topic
Leadership Competencies	· Complete Staff Work (CSW) for R&F and Office Assistants · Problem-Solving & Decision-Making (PSDM) for JOs · Project Management Fundamentals (PMF) for AMs and SAMs · Coaching for Peak Performance (CFPP) for Managers & Sr. Managers · Management Development Program (MDP) · Corporate Banking Group - Development Program (Formerly AODP) · Retail Banking Group – Development Program · Service Managers Development Program · C-Signor Training Program · Business Development Sales Officer Development Program – Abridged · Business Development Sales Officer Development Program – Regular · Sales Associate Management Training Program
Core Competencies	· EastWest Customer-Centric Champion (ECCC) for Frontliners · I'm An EastWest Believer: A Product and Service Caravan
Functional Competencies	· Unit Investment Trust Fund Certified Personnel (UITF) · Data Science Bootcamp Using Python · Basic Store Operations · Start-Up Training for Service Manager · Start-Up Training for Store Sales: Phase 1 · STSS Phase 2: New Hire Carbon Training · Certified SME Program · Sales Revolution Focus: Foreign Exchange Course for Operations and Sales · Upskilling for New Accounts · Upskilling for Service Associates

Key Stakeholder	Concerns
Compliance Trainings	· Anti-Money Laundering & Regulatory Compliance Refresher Course · Business Continuity Management (BCM) Course · Information Security & Data Privacy Course · New Employee Orientation Program (NEOP) · Safety Officer 1 Training · Occupational First-Aid Training · Basic Course on ID Cards and Check Fraud Detection · Counterfeit Money Detection · Counterfeit Money Detection on 3rd Currencies · Signature Verification and Forgery Detection
Culture Building Program	· One Filinvest Cascade with Executives · One Filinvest Cascade and Train the Trainers

Labor Management Relations

	2023		
Labor Management Relations	Total	M	F
% of employees covered by Collective Bargaining Agreements	EastWest does not have collective bargaining agreements.		
Number of consultations conducted with employees concerning employee related policies	1,000		

Diversity and Equal Opportunity

	2023		
Diversity and Equal Opportunity	Total	M	F
% of workers in the workforce by gender	100%	36%	64%
Voluntary attrition rate	19%		
Number of employees from indigenous communities and/or vulnerable sector	Not available		

Workplace Conditions and Occupational Health and Safety	EWB & EWIB	EWRB	EWA
Safe manhours	11,931,120	1,898,686	977,680.00
Number of work-related injuries	4	1	0
Number of work-related fatalities	0	0	0
Number of work-related ill-health	0	0	0
Number of safety drills	405	99	3

Annex

Labor Standards and Human Rights

Labor Laws and Human Rights	2023
Policies that explicitly disallow violations of labor laws and human rights	5
Number of legal actions or employee grievances involving forced or child labor	0

Relationship with Community

Significant Impacts on Local Communities	2023
For operations affecting IPs, total number of Free and Informed Prior Consent (FPIC) consultations and Certification Preconditions (CPs) secured	N/A

Customer Management

Customer Satisfaction	2023
Customer Satisfaction Score	93%
NPS	57

The CSAT, or Customer Satisfaction Score is a metric used to measure the level of customer satisfaction, allowing us to identify areas for improvement and track changes in customer sentiment over time. We typically ask customers to rate their satisfaction over a specific interaction or transaction, often using a scale (e.g., from “very dissatisfied” to “very satisfied”). The CSAT score is then calculated based on the average or percentage of positive responses received from customers.

On the other hand, the NPS, or Net Promoter Score, is a valuable measure of customer loyalty, reflecting the positive relationships we have built with our customers. We obtain our NPS by conducting customer surveys asking a single question: “On a scale of 0 to 10, how likely are you to recommend our bank to a friend or colleague?” Higher scores indicate a higher level of customer satisfaction and loyalty. This metric helps us understand how likely our customers are to recommend our services, which is often seen as a key indicator of business growth and success.

Product/Service Health and Safety	2023
Number of substantiated complaints on product or service health and safety	N/A
Number of complaints addressed	N/A

Marketing and Labeling	2023
Number of substantiated complaints on product or service health and safety	0
Number of complaints addressed	0

Customer Privacy	2023
Number of substantiated complaints on customer privacy	0
Number of complaints addressed	0
Number of customers, users, and account holders whose information is used for secondary purposes	0

Data Security

Data Security	2023
Number of data breaches, including leaks, thefts, and loss of data	0

Capital Reconciliation (Risk Exposure)

CAPITAL ADEQUACY RECONCILIATION (2022)
(Php in millions, except percentages)

CONSOLIDATED

	Tier 1 Capital	Audited Financial Statement	Reconciling Item
Tier I Capital			
Paid up common stock	22,499.75	22,499.75	-
Additional paid-in capital	5,065.06	5,065.06	-
Retained earnings	30,466.46	30,466.46	-
Undivided profits	4,781.15	4,781.15	-
Other Comprehensive Income:			-
Net unrealized gains or losses on AFS Securities	(2,032.16)	(2,032.16)	-
Actuarial Gains (Losses) on Retirement Benefits Plan	(441.66)	(441.66)	-
Cumulative foreign currency translation	(210.65)	(210.65)	-
Total	**60,127.95**	**60,127.95**	**-**

CAPITAL ADEQUACY RECONCILIATION (2022)
(Php in millions, except percentages)

SOLO

	Tier 1 Capital	Audited Financial Statement	Reconciling Item
Tier I Capital			
Paid up common stock	22,499.75	22,499.75	-
Additional paid-in capital	5,065.06	5,065.06	-
Retained earnings	30,466.53	30,466.53	-
Undivided profits	4,781.15	4,781.15	-
Other Comprehensive Income:			-
Net unrealized gains or losses on AFS Securities	(2,032.16)	(2,032.16)	-
Actuarial Gains (Losses) on Retirement Benefits Plan	(441.66)	(441.66)	-
Cumulative foreign currency translation	(210.65)	(210.65)	-
Total	**60,128.02**	**60,128.02**	**-**

CAPITAL ADEQUACY RECONCILIATION (2023)
(Php in millions, except percentages)

CONSOLIDATED

	Tier 1 Capital	Audited Financial Statement	Reconciling Item
Tier I Capital			
Paid up common stock	22,499.75	22,499.75	-
Additional paid-in capital	5,065.06	5,065.06	-
Retained earnings	34,063.94	34,063.94	-
Undivided profits	6,029.96	6,029.96	-
Other Comprehensive Income:			-
Net unrealized gains or losses on AFS Securities	(1,058.95)	(1,058.95)	-
Actuarial Gains (Losses) on Retirement Benefits Plan	(436.65)	(436.65)	-
Cumulative foreign currency translation	(173.13)	(173.13)	-
Total	**65,989.97**	**65,989.97**	**-**

CAPITAL ADEQUACY RECONCILIATION (2023)
(Php in millions, except percentages)

SOLO

	Tier 1 Capital	Audited Financial Statement	Reconciling Item
Tier I Capital			
Paid up common stock	22,499.75	22,499.75	-
Additional paid-in capital	5,065.06	5,065.06	-
Retained earnings	34,064.00	34,064.00	-
Undivided profits	6,029.96	6,029.96	-
Other Comprehensive Income:			-
Net unrealized gains or losses on AFS Securities	(1,058.95)	(1,058.95)	-
Actuarial Gains (Losses) on Retirement Benefits Plan	(436.65)	(436.65)	-
Cumulative foreign currency translation	(173.13)	(173.13)	-
Total	**65,990.04**	**65,990.04**	**-**

Related Party Transactions

	2023		
	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Category			
Significant investors:			
Loans receivable	₱ -	₱ 4,842,800	Loans granted with a term of five years, interest of 4.75%, secured with deposit holdout, current and not impaired
Releases			Earns interest at the respective bank deposit rates
Collection			
Deposit liabilities		3,301,196	Earns interest at the respective bank deposit rates
Deposits	26,414,689	-	
Withdrawals	25,459,540	-	
Accrued interest receivable		64,28	Interest income accrued on outstanding loans receivable
Accrued expenses	131,428,220	50,376	Payable for management and professional fees paid by FDC (reimbursement for expenses)
Guarantees and commitments	131,322,036	4,842,800	Unused credit line (omnibus facility) with term of 10 months
Interest income	230,033	-	Interest income on loans receivable
Interest expense	14,628	-	Interest expense on deposit liabilities

	2023		
	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Category			
Significant investors:			
Loans receivable	₱–	₱7,431,386	Loans granted with terms ranging from four days to thirteen and a half years, interest ranging from 5.01% to 17.07%, secured by real estate mortgage,chattel mortgage & deposit hold-out , current and not impaired
Releases	1,740,872	–	
Collection	2,948,289	–	
Receivables purchased (booked under 'Loans Receivable')	–	107,598	Receivables purchased by the Parent Company from FLI (Note 9), current and not impaired
Releases	107,598	–	
Collections	501,041	–	
Accounts receivable	–	38,376	Receivables from EW Ageas Life which represent expenses shouldered by the Parent Company
Deposit liabilities	–	14,038,878	Earns interest at the respective bank deposit rates
Deposits	206,580,187	–	
Withdrawals	208,323,109	–	
Accounts payable	-	-	Collection of loan insurance on behalf of EW Ageas, Life that remained unremitted
Guarantees and commitments		7,323,712	Unused credit lines
Accrued interest receivable	–	67,366	Interest income accrued on outstanding loans receivable
Interest income	413,048	–	Interest income on loans receivable
Interest expense	206,496	–	Interest expense on deposit liabilities
Commission fees	–	–	Commission fees received from EW Ageas Life
Service fee expense	–	–	Service fees paid to FLI for account servicing equivalent to 1.12% of loan amounts collected by FLI on behalf of the Parent Company (Note 9)
Rent expense	122,537	–	Rent expenses paid for lease transactions with other related parties such as Filinvest Asia Corporation

Related Party Transactions

	2022		
Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Significant investors:			
Loans receivable	₱ –	₱4,842,800	Loans granted with a term of five years, interest of 4.75%, secured with deposit holdout, current and not impaired
Releases	–	–	
Collection	–	–	
Deposit liabilities	–	2,346,047	Earns interest at the respective bank deposit rates
Deposits	11,920,865	–	
Withdrawals	12,426,558	–	
Accrued interest receivable	–	61,132	Interest income accrued on outstanding loans receivable
Accrued expenses	–	28,120	Payable for management and professional fees paid by FDC (reimbursement for expenses)
Guarantees and commitments	–	4,842,800	Unused credit line (omnibus facility) with term of 10 months
Interest income	230,033	–	Interest income on loans receivable
Interest expense	13,021	–	Interest expense on deposit liabilities
Key management personnel:			
Deposit liabilities	–	333,641	Earns interest at the respective bank deposit rates

	2022		
Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Deposits	₱1,677,646	₱–	
Withdrawals	1,782,101	–	
Interest income	–	–	Interest income on loans receivable
Interest expense	1,039	–	Interest expense on deposit liabilities
Other related parties:			
Loans receivable	–	8,638,803	Loans granted with terms ranging from four days to thirteen and a half years, interest ranging from 5.01% to 17.07%, secured by real estate mortgage,chattel mortgage & deposit hold-out , current and not impaired
Releases	4,858,591	–	
Collection	3,151,081	–	
Receivables purchased (booked under 'Loans Receivable')	–	501,041	Receivables purchased by the Parent Company from FLI (Note 9), current and not impaired
Releases	501,041	–	
Collections	2,283,451	–	
Accounts receivable	–	30,836	Receivables from EW Ageas Life which represent expenses shouldered by the Parent Company
Deposit liabilities	–	15,781,800	Earns interest at the respective bank deposit rates
Deposits	171,885,730	–	
Withdrawals	174,220,017	–	
Accounts payable	–	53,151	Collection of loan insurance on behalf of EW Ageas, Life that remained unremitted
Guarantees and commitments	–	8,137,550	Unused credit lines
Accrued interest receivable	–	55,578	Interest income accrued on outstanding loans receivable
Interest income	–	765,248	Interest income on loans receivable
Interest expense	206,151	–	Interest expense on deposit liabilities
Commission fees	–	–	Commission fees received from EW Ageas Life
Service fee expense	–	–	Service fees paid to FLI for account servicing equivalent to 1.12% of loan amounts collected by FLI on behalf of the Parent Company (Note 9)
Rent expense	81,553		Rent expenses paid for lease transactions with other related parties such as Filinvest Asia Corporation,

Parent Company Related Party Transactions

2023

Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Subsidiaries:			
Receivables purchased	₱-	₱6,279,326	Receivables purchased by the Parent Company from EWRB (Note 9)
Acquisitions	44,246,601	–	
Collections	37,967,275	–	
Receivable sold		284,054	Employee loans sold by the Parent Company to EWRB (Note 9)
Accounts receivable		718,412	Amount collected by EWRB from borrowers on behalf of the Parent Company that remained unremitted and other related expenses shouldered by the Parent Company on behalf of the Subsidiaries
Accounts receivable		150,679	Receivables from subsidiaries which represent expenses shouldered by Parent Company
Deposit liabilities		547,434	Earns interest at the respective bank deposit rates
Deposits	131,428,220		
Withdrawals	131,322,036		
Accounts payable		77,591	Cash reloading transactions between EWRB and the Parent Company
Interest expense	726		Interest expense on deposits of EWRB and EWIB
Interest income	115		Interest income on loans receivable
Service fee expense	150,154		Service fees paid to EWRB for account servicing equivalent to 0.37% of loan amounts collected by EWRB on behalf of the Parent Company for the receivables purchased (Note 9) and for collection of credit card payments
Service fee income	1,031		Service fees paid by EWRB for account servicing equivalent to 0.37% of loan amounts collected by the Parent Company on behalf of EWRB for the receivables sold (Note 9)
Commission expense		–	Commission expense paid by the Parent Company to QMIS
Rent income	42,212	–	Rent of office space leased to subsidiaries

2022

Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Subsidiaries:			
Receivables purchased	–	₱32,433,426	Receivables purchased by the Parent Company from EWRB (Note 9)
Acquisitions	46,174,920	–	
Collections	13,741,493	–	
Receivable sold	–	255,972	Employee loans sold by the Parent Company to EWRB (Note 9)
Accounts receivable	–	510,091	Amount collected by EWRB from borrowers on behalf of the Parent Company that remained unremitted and other related expenses shouldered by the Parent Company on behalf of the Subsidiaries
Accounts receivable	–	244,637	Receivables from subsidiaries which represent expenses shouldered by Parent Company
Deposit liabilities	–	441,250	Earns interest at the respective bank deposit rates
Deposits	103,935,766	–	
Withdrawals	103,700,130	–	
Accounts payable	–	40,410	Cash reloading transactions between EWRB and the Parent Company

Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Interest expense	956	-	Interest expense on deposits of EWRB and EWIB
Interest income	3,738	-	Interest income on loans receivable
Service fee expense		-	Service fees paid to EWRB for account servicing equivalent to 0.37% of loan amounts collected by EWRB on behalf of the Parent Company for the receivables purchased (Note 9) and for collection of credit card payments
Service fee income	56,159	-	Service fees paid by EWRB for account servicing equivalent to 0.37% of loan amounts collected by the Parent Company on behalf of EWRB for the receivables sold (Note 9)
Commission expense		-	Commission expense paid by the Parent Company to QMIS
Rent income	995	-	Rent of office space leased to subsidiaries

CAR Disclosure (amounts presented in millions of Philippine pesos)

CONSO 2023	0%	20%	50%	75%	100%	150%	TOTAL
Cash on Hand	9,324.19						9,324.19
Checks and Other Cash Items		45.95					45.95
Due from Bangko Sentral ng Pilipinas	16,174.79						16,174.79
Due from Other Banks		6.27	2,321.77		141.25		2,469.29
Financial Assets Designated at Fair Value through Profit or Loss							10.38
Debt Securities							-
Equity Securities					10.38		10.38
Available-for-Sale (AFS) Financial Assets							18,420.57
1. Debt Securities							18,405.50
Sovereign	1,940.65		9,620.61				11,561.26
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks					498.49		498.49
Corporates		824.40			5,521.35		6,345.75
2. Equity Securities					15.07		15.07
Held-to-Maturity (HTM) Financial Assets							77,714.36
1. Non Defaulted Exposures							77,714.32
Sovereign	23,565.19		48,974.20				72,539.39
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates		1,875.71			3,299.22		5,174.93
2. Defaulted Exposures						0.04	0.04
Unquoted Debt Securities Classified as Loans							-
1. Non Defaulted Exposures							-
Sovereign							-
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
2. Defaulted Exposures							-
Loans and Receivables							278,169.16
1. Interbank Loans Receivable		465.11					465.11
2. Loans and Receivables - Others							277,704.05
2.1 Non defaulted exposures							267,221.59
Sovereign							-
LGU and Public Sector Entities					380.45		380.45
Government Corporation					220.15		220.15
Corporates					40,236.91		40,236.91
Microfinance/Small and Medium Enterprises				9,192.17			9,192.17
Loans to individual for housing purposes			13,139.46				13,139.46
Loans to Individuals					204,052.46		204,052.46
2.1 Defaulted exposures							10,482.46
Housing Loans					941.29		941.29
Other than housing loans						9,541.17	9,541.17
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions							15,983.11
Sovereign	15,983.11						15,983.11
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
Sales Contract Receivable							113.41
1. Non Defaulted Exposures					102.11		102.11
2. Defaulted Exposures						11.31	11.31
Real and Other Properties Acquired						2,256.18	2,256.18
Total Exposures Excluding Other Assets							420,681.39
Other Assets					18,373.63		18,373.63
Total Exposures Including Other Assets	66,987.93	3,217.43	74,056.04	9,192.17	273,792.75	11,808.70	439,055.02
Total Risk weighted On-Balance Sheet Assets not covered by CRM	-	643.49	37,028.02	6,894.13	273,792.75	17,713.05	336,071.44
Total Risk weighted On-BaLance Sheet Assets covered by CRM							-
Total Risk weighted On-BaLance Sheet Assets	-	643.49	37,028.02	6,894.13	273,792.75	17,713.05	336,071.44

CAR Disclosure (amounts presented in millions of Philippine pesos)

CONSO 2022

	0%	20%		50%	75%	100%	150%	TOTAL
Cash on Hand	8,622.83							8,622.83
Checks and Other Cash Items		90.32						90.32
Due from Bangko Sentral ng Pilipinas	35,851.23							35,851.23
Due from Other Banks		147.15	3,482.27			259.10		3,888.53
Financial Assets Designated at Fair Value through Profit or Loss								10.34
Debt Securities								-
Equity Securities						10.34		10.34
Available-for-Sale (AFS) Financial Assets								16,582.63
1. Debt Securities								16,567.57
Sovereign	1,707.08			8,241.37				9,948.45
Multilateral Agencies								-
LGU and Public Sector Entities								-
Government Corporation								-
Banks						456.47		456.47
Corporates		769.02				5,393.63		6,162.65
2. Equity Securities						15.07		15.07
Held-to-Maturity (HTM) Financial Assets								65,638.76
1. Non Defaulted Exposures								65,637.86
Sovereign	23,525.93			36,901.98				60,427.91
Multilateral Agencies								-
LGU and Public Sector Entities								-
Government Corporation								-
Banks								-
Corporates		1,896.39				3,313.57		5,209.95
2. Defaulted Exposures							0.90	0.90
Unquoted Debt Securities Classified as Loans								-
1. Non Defaulted Exposures								-
Sovereign								-
Multilateral Agencies								-
LGU and Public Sector Entities								-
Government Corporation								-
Banks								-
Corporates								-
2. Defaulted Exposures								-
Loans and Receivables								249,302.73
1. Interbank Loans Receivable		10,012.88						10,012.88
2. Loans and Receivables - Others								239,289.85
2.1 Non defaulted exposures								227,903.78
Sovereign								-
LGU and Public Sector Entities						377.03		377.03
Government Corporation						906.33		906.33
Corporates						44,973.44		44,973.44
Microfinance/Small and Medium Enterprises					10,977.48			10,977.48
Loans to individual for housing purposes				12,702.42				12,702.42
Loans to Individuals						157,967.08		157,967.08
2.1 Defaulted exposures								11,386.07
Housing Loans						1,322.29		1,322.29
Other than housing loans							10,063.78	10,063.78
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions								-
Sovereign								-
Multilateral Agencies								-
LGU and Public Sector Entities								-
Government Corporation								-
Banks								-
Corporates								-
Sales Contract Receivable								106.59
1. Non Defaulted Exposures						94.68		94.68
2. Defaulted Exposures							11.91	11.91
Real and Other Properties Acquired							1,375.16	1,375.16
Total Exposures Excluding Other Assets								381,469.11
Other Assets						17,411.88		17,411.88
Total Exposures Including Other Assets	69,707.06	12,915.76		61,328.04	10,977.48	232,500.90	11,451.74	398,880.99
Total Risk weighted On-Balance Sheet Assets not covered by CRM	-	2,583.15		30,664.02	8,233.11	232,500.90	17,177.62	291,158.80
Total Risk weighted On-BaLance Sheet Assets covered by CRM								-
Total Risk weighted On-BaLance Sheet Assets	-	2,583.15		30,664.02	8,233.11	232,500.90	17,177.62	291,158.80

CAR Disclosure (amounts presented in millions of Philippine pesos)

			SOLO 2023				
	0%	20%	50%	75%	100%	150%	TOTAL
Cash on Hand	9,238.82						9,238.82
Checks and Other Cash Items		45.93					45.93
Due from Bangko Sentral ng Pilipinas	15,748.25						15,748.25
Due from Other Banks		6.27	2,321.77		10.30		2,338.34
Financial Assets Designated at Fair Value through Profit or Loss							10.38
Debt Securities							-
Equity Securities					10.38		10.38
Available-for-Sale (AFS) Financial Assets							18,420.57
1. Debt Securities							18,405.50
Sovereign	1,940.65		9,620.61				11,561.26
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks					498.49	-	498.49
Corporates		824.40			5,521.35		6,345.75
2. Equity Securities					15.07		15.07
Held-to-Maturity (HTM) Financial Assets							76,083.12
1. Non Defaulted Exposures							76,083.08
Sovereign	21,933.95		48,974.20				70,908.15
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates		1,875.71			3,299.22		5,174.93
2. Defaulted Exposures						0.04	0.04
Unquoted Debt Securities Classified as Loans							-
1. Non Defaulted Exposures							-
Sovereign							-
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
2. Defaulted Exposures							-
Loans and Receivables							254,390.78
1. Interbank Loans Receivable		465.11					465.11
2. Loans and Receivables - Others							253,925.67
2.1 Non defaulted exposures							245,190.05
Sovereign							-
LGU and Public Sector Entities					380.45		380.45
Government Corporation					220.15		220.15
Corporates					40,236.91		40,236.91
Microfinance/Small and Medium Enterprises				9,192.17			9,192.17
Loans to individual for housing purposes			13,139.46				13,139.46
Loans to Individuals					182,020.91		182,020.91
2.1 Defaulted exposures							8,735.62
Housing Loans					941.29		941.29
Other than housing loans						7,794.34	7,794.34
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions							15,983.11
Sovereign	15,983.11						15,983.11
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
Sales Contract Receivable							113.41
1. Non Defaulted Exposures					102.11		102.11
2. Defaulted Exposures						11.31	11.31
Real and Other Properties Acquired						2,255.49	2,255.49
Total Exposures Excluding Other Assets							394,628.20
Other Assets					13,445.39		13,445.39
Total Exposures Including Other Assets	64,844.79	3,217.41	74,056.04	9,192.17	246,702.01	10,061.17	408,073.58
Total Risk weighted On-Balance Sheet Assets not covered by CRM	-	643.48	37,028.02	6,894.13	246,702.01	15,091.76	306,359.39
Total Risk weighted On-BaLance Sheet Assets covered by CRM							-
Total Risk weighted On-BaLance Sheet Assets	-	643.48	37,028.02	6,894.13	246,702.01	15,091.76	306,359.39

CAR Disclosure (amounts presented in millions of Philippine pesos)

			SOLO 2022				
	0%	20%	50%	75%	100%	150%	TOTAL
Cash on Hand	8,545.87						8,545.87
Checks and Other Cash Items		90.14					90.14
Due from Bangko Sentral ng Pilipinas	35,460.41						35,460.41
Due from Other Banks		147.15	3,482.27		75.23		3,704.65
Financial Assets Designated at Fair Value through Profit or Loss							10.34
Debt Securities							-
Equity Securities					10.34		10.34
Available-for-Sale (AFS) Financial Assets							16,582.63
1. Debt Securities							16,567.57
Sovereign	1,707.08		8,241.37				9,948.45
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks					456.47	-	456.47
Corporates		769.02			5,393.63		6,162.65
2. Equity Securities					15.07		15.07
Held-to-Maturity (HTM) Financial Assets							63,966.39
1. Non Defaulted Exposures							63,966.30
Sovereign	21,854.37		36,901.98				58,756.35
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates		1,896.39			3,313.57		5,209.95
2. Defaulted Exposures						0.09	0.09
Unquoted Debt Securities Classified as Loans							-
1. Non Defaulted Exposures							-
Sovereign							-
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
2. Defaulted Exposures							-
Loans and Receivables							234,925.07
1. Interbank Loans Receivable		10,012.88					10,012.88
2. Loans and Receivables - Others							224,912.19
2.1 Non defaulted exposures							215,215.39
Sovereign							-
LGU and Public Sector Entities					377.03		377.03
Government Corporation					906.33		906.33
Corporates					44,973.44		44,973.44
Microfinance/Small and Medium Enterprises				10,977.48			10,977.48
Loans to individual for housing purposes			12,702.42				12,702.42
Loans to Individuals					145,278.69		145,278.69
2.1 Defaulted exposures							9,696.80
Housing Loans					1,322.29		1,322.29
Other than housing loans						8,374.51	8,374.51
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions							-
Sovereign							-
Multilateral Agencies							-
LGU and Public Sector Entities							-
Government Corporation							-
Banks							-
Corporates							-
Sales Contract Receivable							106.59
1. Non Defaulted Exposures					94.68		94.68
2. Defaulted Exposures						11.91	11.91
Real and Other Properties Acquired						1,374.46	1,374.46
Total Exposures Excluding Other Assets							364,766.57
Other Assets					11,538.62		11,538.62
Total Exposures Including Other Assets	67,567.73	12,915.58	61,328.04	10,977.48	213,755.39	9,760.97	376,305.19
Total Risk weighted On-Balance Sheet Assets not covered by CRM	-	2,583.12	30,664.02	8,233.11	213,755.39	14,641.46	269,877.09
Total Risk weighted On-BaLance Sheet Assets covered by CRM							-
Total Risk weighted On-BaLance Sheet Assets	-	2,583.12	30,664.02	8,233.11	213,755.39	14,641.46	269,877.09

Capital Adequacy

(Php in millions, except percentages)
For the year ended December 31, 2023

	SOLO	CONSO
Tier 1 capital		
Paid up common stock	22,499.75	22,499.75
Additional paid-in capital	5,065.06	5,065.06
Retained earnings	34,064.00	34,063.94
Undivided profits	6,029.96	6,029.96
Other Comprehensive Income:		
NUGL on AFS Securities	(1,058.95)	(1,058.95)
Actual gains/losses	(436.65)	(436.65)
Cumulative foreign currency translation	(173.13)	(173.13)
	65,990.0	65,990.0
Deduction from Tier 1 capital		
Total outstanding unsecured credit accommodation to a DOSRI	4.82	4.82
Investments in equity securities	7,864.38	1,290.49
Defined benefit asset	-	-
Deferred income tax	3,786.54	4,145.42
Goodwill and other intangible assets	6,893.99	6,943.47
CET1 capital	47,440.3	53,605.8
Total Tier 1 capital	47,440.3	53,605.8
Tier 2 capital		
General loan loss provision	3,097.84	3,296.49
Unsecured subordinated debt / Instruments eligible as Tier 2 capital	-	-
Total Tier 2 capital	3,097.8	3,296.5
Total qualifying capital	50,538.1	56,902.3
Capital ratios:		
CET1 capital adequacy ratio	12.65%	13.04%
Tier 1 capital adequacy ratio	12.65%	13.04%
Capital conservation buffer	6.65%	7.04%
Total capital adequacy ratio	13.48%	13.84%
Risk-weighted Assets		
On balance sheet accounts		
20%	643.48	643.49
50%	37,028.02	37,028.02
75%	6,894.13	6,894.13
100%	246,702.01	273,792.75
150%	15,091.76	17,713.05
Off balance sheet exposures		
20%	-	-
50%	-	-
100%	2,074.88	2,074.88
Counter party risk weighted assets in banking books	1,349.43	1,349.43
Counter party risk weighted assets in trading books	-	-
Deduction: General loan loss provision [in excess of the amount permitted to be included in Tier 2]	14.31	-
Total credit risk-weighted assets	309,769	339,496
Total market risk-weighted assets	9,838.75	9,838.75
Total operational risk-weighted assets	55,336.92	61,760.57
Total risk-weighted assets	374,945	411,095

(Php in millions, except percentages)
For the year ended December 31, 2022

	SOLO	CONSO
Tier 1 capital		
Paid up common stock	22,499.75	22,499.75
Additional paid-in capital	5,065.06	5,065.06
Retained earnings	30,466.53	30,466.46
Undivided profits	4,781.15	4,781.15
Other Comprehensive Income:		
NUGL on AFS Securities	(2,032.16)	(2,032.16)
Actual gains/losses	(441.66)	(441.66)
Cumulative foreign currency translation	(210.65)	(210.65)
	60,128.0	60,128.0
Deduction from Tier 1 capital		
Total outstanding unsecured credit accommodation to a DOSRI	5.06	5.06
Investments in equity securities	6,528.50	1,166.35
Defined benefit asset	-	-
Deferred income tax	3,575.39	3,966.53
Goodwill and other intangible assets	6,862.67	6,896.32
CET1 capital	43,156.4	48,093.7
Total Tier 1 capital	43,156.4	48,093.7
Tier 2 capital		
General loan loss provision	2,434.93	2,820.98
Unsecured subordinated debt / Instruments eligible as Tier 2 capital	-	-
Total Tier 2 capital	2,434.9	2,821.0
Total qualifying capital	45,591.3	50,914.7
Capital ratios:		
CET1 capital adequacy ratio	12.60%	13.02%
Tier 1 capital adequacy ratio	12.60%	13.02%
Capital conservation buffer	6.60%	7.02%
Total capital adequacy ratio	13.31%	13.78%
Risk-weighted Assets		
On balance sheet accounts		
20%	2,583.12	2,583.15
50%	30,664.02	30,664.02
75%	8,233.11	8,233.11
100%	213,755.39	232,500.90
150%	14,641.46	17,177.62
Off balance sheet exposures		
20%	-	-
50%	-	-
100%	2,162.18	2,162.18
Counter party risk weighted assets in banking books	628.75	628.75
Counter party risk weighted assets in trading books	-	-
Deduction: General loan loss provision [in excess of the amount permitted to be included in Tier 2]	-	-
Total credit risk-weighted assets	272,668	293,950
Total market risk-weighted assets	4,778.14	4,778.14
Total operational risk-weighted assets	65,101.90	70,780.94
Total risk-weighted assets	342,548	369,509

Audited Financial Statements

Statement of Management's Responsibility for Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group's financial reporting process.

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

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

JONATHAN T. GOTIANUN
Chairman

JERRY G. NGO
Chief Exexcutive Officer

DANIEL L. ANG TAN CHAI
Chief Finance Officer

SUBSCRIBED AND SWORN to before me on this MAR 26 2024 at Makati City City, affiant exhibited to me his/her ID ______ issued at ______ on ______

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BOOK NO.: XI
SERIES NO.: 2024

ATTY. MA. ANNA LOURDES DIMAANO-PAMFILO
NOTARY PUBLIC FOR MAKATI CITY
Appointment No. M-124 until December 31, 2024
MCLE Compliance No. VII-0023162 valid until April 14, 2025
Office Address: 42nd flr., PBCOM Tower, 6795 Ayala Ave. cor. V.A. Rufino St., Makati City

Independent Auditor's Report

The Stockholders and the Board of Directors
East West Banking Corporation
East West Corporate Center
The Beaufort, 5th Avenue corner 23rd Street
Fort Bonifacio Global City
Taguig City

Report on the Audit of the Consolidated and Parent Company Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the 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 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 financial statements.

Adequacy of allowance for credit losses on loans and receivables

The 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 Bank's credit risk exposures; determining the method to estimate ECL; defining default; identifying exposures with significant deterioration in credit quality; determining assumptions to be used in the ECL model such as the counterparty credit risk rating, the expected life of the financial asset and expected recoveries from defaulted accounts, and impact of any financial support and credit enhancements extended by any party; and incorporating forward-looking information (called overlays) in calculating ECL.

Allowance for credit losses on loans and receivables of the Group and the Parent Company as of December 31, 2023 amounted to ₱11.92 billion and ₱11.29 billion, respectively. Provision for credit losses on loans and receivables of the Group and the Parent Company in 2023 amounted to ₱6.54 billion and ₱6.22 billion, respectively.

The disclosures related to the allowance for credit losses on loans and receivables are included in Note 15 to the financial statements.

Audit response

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

We (a) assessed the 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 and credit risk management policies and practices in place; (c) tested the Bank's application of internal credit risk rating system by reviewing the ratings of sample credit exposures; (d) assessed whether expected life is different from the contractual life by testing the maturity dates reflected in the Bank's records and considering management's assumptions regarding future collections, advances, extensions, renewals and modifications; (e) tested loss given default by inspecting historical recoveries including the timing, related direct costs, write-offs and collateral valuations, and the effects of any financial support and credit enhancements provided by any party; (f) tested exposure at default considering outstanding commitments and repayment scheme; (g) evaluated the forward-looking information used for overlay through statistical test and corroboration using publicly available information and our understanding of the Bank's lending portfolios and broader industry knowledge; and (h) tested the effective interest rate used in discounting the expected loss.

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

We recalculated impairment provisions on a sample basis. We involved our internal specialists in the performance of the above procedures. We reviewed the completeness of the disclosures made in the financial statements.

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

Other Information

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

Our opinion on the 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 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 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 the Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Parent Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and

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

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

Reports on the Supplementary Information Required Under Section 174 of the Manual of Regulations for Banks (MORB) and Revenue Regulations No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Section 174 of the Manual of Regulations for Banks (MORB) in Notes 36 and Revenue Regulations No. 15-2010 in Note 37 to the financial statements is presented for purposes of filing with the BSP and Bureau of Internal Revenue, respectively, and is not a required part of the basic financial statements. Such information is the responsibility of the management of the Parent Company. 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 Veronica Mae A. Arce.

SYCIP GORRES VELAYO & CO.

Veronica Arce

Veronica Mae A. Arce
Partner
CPA Certificate No. 0117208
Tax Identification No. 234-282-413
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
BIR Accreditation No. 08-001998-135-2021, November 10, 2021, valid until November 9, 2024
PTR No. 10079902, January 5, 2024, Makati City

March 21, 2024

Statements of Financial Position

(Amounts are presented in thousands of Philippine Pesos)

	Consolidated		Parent Company	
	As of December 31			
	2023	2022	**2023**	2022
ASSETS				
Cash and Other Cash Items	**₱9,370,138**	₱8,713,151	**₱9,284,751**	₱8,636,012
Due from Bangko Sentral ng Pilipinas (Notes 7 and 16)	**16,171,987**	36,114,397	**15,745,451**	35,723,579
Due from Other Banks (Note 7)	**2,469,290**	4,529,635	**2,338,337**	4,345,763
Interbank Loans Receivables and Securities Purchased Under Resale Agreements (Note 7)	**16,441,418**	10,009,266	**16,441,418**	10,009,266
Financial Assets at Fair Value Through Profit or Loss (FVTPL) (Notes 8 and 17)	**4,112,322**	1,958,310	**4,112,322**	1,958,310
Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI) (Notes 8 and 17)	**18,483,960**	16,746,386	**18,483,960**	16,746,386
Investment Securities at Amortized Cost (Notes 8 and 17)	**75,401,019**	63,546,191	**73,802,254**	61,907,103
Loans and Receivables (Notes 9, 15 and 28)	**296,615,470**	258,089,075	**268,428,909**	238,438,474
Investment in Subsidiaries (Note 10)	**–**	–	**6,851,951**	5,753,689
Investment in a Joint Venture (Note 10)	**993,166**	928,977	**993,166**	928,977
Property, Equipment and Right-of-Use Assets (Note 11)	**7,164,358**	5,599,958	**6,818,018**	5,220,333
Investment Properties (Notes 12 and 15)	**975,600**	840,242	**974,903**	839,545
Deferred Tax Assets (Note 25)	**4,098,880**	3,906,672	**3,735,365**	3,515,512
Goodwill and Other Intangible Assets (Note 13)	**6,943,484**	6,896,471	**6,893,992**	6,862,669
Other Assets (Notes 14 and 15)	**4,964,230**	3,492,802	**4,828,737**	3,351,106
TOTAL ASSETS	**₱464,205,322**	₱421,371,533	**₱439,733,534**	₱404,236,724
LIABILITIES AND EQUITY				
LIABILITIES				
Deposit Liabilities (Notes 16 and 28)				
Demand	**₱139,767,483**	₱124,767,617	**₱140,651,219**	₱125,486,700
Savings	**152,641,165**	136,126,924	**129,773,260**	120,275,702
Time	**64,126,014**	65,824,377	**64,126,014**	65,824,377
Long-Term Negotiable Certificates of Deposits	**–**	2,447,204	**–**	2,447,204
	356,534,662	329,166,122	**334,550,493**	314,033,983
Bills and Acceptances Payable and Securities Sold Under Repurchase Agreements (Note 17)	**15,403,706**	6,761,456	**15,403,706**	6,761,456
Accrued Taxes, Interest and Other Expenses (Note 18)	**4,637,744**	3,478,980	**4,016,984**	3,011,883
Cashier’s Checks and Demand Draft Payable	**984,224**	1,381,537	**984,224**	1,381,537
Bonds Payable (Note 19)	**–**	3,698,439	**–**	3,698,439
Income Tax Payable	**297,166**	126,208	**220,189**	62,113
Lease Liability (Note 27)	**6,073,341**	4,378,945	**5,845,165**	4,107,058
Other Liabilities (Note 21)	**13,099,317**	11,345,276	**11,537,611**	10,145,685
TOTAL LIABILITIES	**397,030,160**	360,336,963	**372,558,372**	343,202,154
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
Common Stock (Note 23)	**22,499,754**	22,499,754	**22,499,754**	22,499,754
Additional Paid-in Capital (Note 23)	**5,065,059**	5,065,059	**5,065,059**	5,065,059
Surplus Reserves (Note 29)	**971,414**	958,741	**971,414**	958,741
Surplus (Note 29)	**40,447,010**	35,298,878	**40,447,010**	35,298,878
Fair Value Reserves on Financial Assets at Fair Value Through Other Comprehensive Income (Note 8)	**(1,155,498)**	(2,139,544)	**(1,155,498)**	(2,139,544)
Remeasurement Losses on Retirement Plans (Note 26)	**(479,447)**	(437,667)	**(479,447)**	(437,667)
Cumulative Translation Adjustment	**(173,130)**	(210,651)	**(173,130)**	(210,651)
TOTAL EQUITY	**67,175,162**	61,034,570	**67,175,162**	61,034,570
TOTAL LIABILITIES AND EQUITY	**₱464,205,322**	₱421,371,533	**₱439,733,534**	₱404,236,724

See accompanying Notes to Financial Statements.

Statements of Income

(Amounts are presented in thousands of Philippine Pesos)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	**2023**	2022	2021
INTEREST INCOME						
Loans and receivables (Notes 9 and 28)	**₱29,840,680**	₱22,410,380	₱21,101,535	**₱25,899,327**	₱18,662,563	₱18,256,166
Financial assets at fair value through other comprehensive income and investment securities at amortized cost (Note 8)	**4,109,779**	3,018,589	1,213,865	**4,058,731**	2,966,337	1,163,139
Financial assets at fair value through profit or loss (Note 8)	**220,277**	163,904	345,017	**220,277**	163,904	345,017
Due from BSP and other banks and interbank loans receivables and securities purchased under resale agreement (Note 7)	**390,453**	527,239	591,800	**390,361**	528,097	589,816
	34,561,189	26,120,112	23,252,217	**30,568,696**	22,320,901	20,354,138
INTEREST EXPENSE						
Deposit liabilities (Note 16)	**5,230,691**	2,261,514	1,767,942	**4,253,515**	1,928,060	1,542,017
Bills and acceptances payable and SSURA, bonds payable, subordinated debt and other borrowings (Notes 17, 19 and 20)	**768,279**	293,185	238,072	**768,279**	248,474	168,143
Lease liability (Note 27)	**337,695**	240,354	219,636	**321,123**	220,357	191,562
	6,336,665	2,795,053	2,225,650	**5,342,917**	2,396,891	1,901,722
NET INTEREST INCOME	**28,224,524**	23,325,059	21,026,567	**25,225,779**	19,924,010	18,452,416
OTHER INCOME (LOSSES)						
Service charges, fees and commissions (Note 24)	**4,769,438**	3,780,805	3,725,738	**4,039,789**	3,141,503	3,317,183
Foreign exchange gain	**655,790**	571,168	929,741	**655,790**	571,169	929,741
Trust income (Note 29)	**126,733**	121,233	99,828	**126,733**	121,233	99,828
Gain (loss) on sale of assets (Notes 9, 11,12 and 14)	**183,080**	105,349	(223,613)	**182,813**	111,073	(226,724)
Gain on sale of investment securities at amortized cost (Note 8)	–	–	1,850,425	**–**	–	1,850,425
Gain (loss) on asset foreclosure and dacion transactions	**614,532**	(9,446)	(524,816)	**614,532**	(9,446)	(524,816)
Trading and securities gain (loss) (Note 8)	**337,827**	(395,638)	(841,415)	**337,827**	(395,638)	(841,415)
Miscellaneous income (Note 24)	**748,567**	745,696	967,961	**687,485**	708,806	934,290
TOTAL OPERATING INCOME	**35,660,491**	28,244,226	27,010,416	**31,870,748**	24,172,710	23,990,928
OPERATING EXPENSES						
Compensation and fringe benefits (Notes 26 and 28)	**7,348,809**	5,960,407	5,671,448	**6,755,174**	5,455,848	5,204,372
Provision for impairment and credit losses (Notes 9, 12, 14 and 15)	**7,688,252**	4,950,614	4,149,431	**7,091,798**	4,718,914	4,099,408
Depreciation and amortization (Notes 11, 12 and 14)	**1,639,948**	1,985,179	2,228,766	**1,504,728**	1,857,453	2,081,750
Taxes and licenses	**2,492,079**	1,888,695	1,903,738	**2,073,785**	1,574,635	1,596,088
Rent (Note 27)	**368,424**	258,413	259,723	**361,688**	256,425	271,857
Amortization of intangible assets (Note 13)	**199,647**	181,433	168,298	**195,138**	176,585	157,745
Miscellaneous (Note 24)	**8,243,931**	6,732,261	6,287,660	**7,809,599**	6,293,643	5,882,686
TOTAL OPERATING EXPENSES	**27,981,090**	21,957,002	20,669,064	**25,791,910**	20,333,503	19,293,906
INCOME BEFORE SHARE IN NET INCOME OF SUBSIDIARIES AND JOINT VENTURE	**7,679,401**	6,287,224	6,341,352	**6,078,838**	3,839,207	4,697,022
SHARE IN NET INCOME OF SUBSIDIARIES (Note 10)	–	–	–	**1,112,238**	1,819,713	1,160,738
SHARE IN NET LOSS OF A JOINT VENTURE (Note 10)	**(152,335)**	(228,619)	(236,077)	**(152,335)**	(228,619)	(236,077)
INCOME BEFORE INCOME TAX	**7,527,066**	6,058,605	6,105,275	**7,038,741**	5,430,301	5,621,683
PROVISION FOR INCOME TAX (Note 25)	**1,443,770**	1,433,280	1,590,239	**955,445**	804,976	1,106,647
NET INCOME	**₱6,083,296**	₱4,625,325	₱4,515,036	**₱6,083,296**	₱4,625,325	₱4,515,036
Basic and Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company (Note 31)	**₱2.70**	₱2.06	₱2.01	**₱2.70**	₱2.06	₱2.01

See accompanying Notes to Financial Statements.

Statements of Comprehensive Income

(Amounts are presented in thousands of Philippine Pesos)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	**2023**	2022	2021
NET INCOME FOR THE YEAR	**₱6,083,296**	₱4,625,325	₱4,515,036	**₱6,083,296**	₱4,625,325	₱4,515,036
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX						
Items that will not be reclassified to profit or loss in subsequent periods:						
Change in remeasurement losses of retirement liability (Note 26)	**(41,780)**	(226,171)	191,166	**(27,805)**	(232,518)	170,214
Change in fair value reserves on equity securities at FVTOCI (Note 10)	**525**	(30,092)	(16,548)	**–**	–	–
Share in changes in remeasurement loss of retirement liabilities of subsidiaries and joint venture (Notes 10 and 26)	–	–	–	**(13,975)**	6,347	20,952
Share in changes in fair value reserves on equity securities at FVTOCI of a joint venture (Note 10)	–	–	–	**525**	(30,092)	(16,548)
Items that may be reclassified to profit or loss in subsequent periods:						
Change in fair value reserves on debt securities at FVTOCI (Note 8)	**983,521**	(1,970,632)	(312,209)	**983,521**	(1,970,632)	(312,209)
Cumulative translation adjustment	**37,521**	186,497	(510,354)	**37,521**	186,497	(510,354)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	**979,787**	(2,040,398)	(647,945)	**979,787**	(2,040,398)	(647,945)
TOTAL COMPREHENSIVE INCOME, NET OF TAX	**₱7,063,083**	₱2,584,927	₱3,867,091	**₱7,063,083**	₱2,584,927	₱3,867,091

See accompanying Notes to Financial Statements.

Statements of Changes in Equity

(Amounts are presented in thousands of Philippine Pesos)

Consolidated

Year Ended December 31, 2023

Equity Attributable to Equity Holders of the Parent Company

	Common Stock (Note 23)	Additional Paid in Capital (Note 23)	Surplus Reserves (Note 29)	Surplus (Note 29)	Fair Value Reserves on Financial Assets at FVTOCI (Note 8)	Remeasurement Losses on Retirement Plan (Note 26)	Cumulative Translation Adjustment	Total Equity
Balance at January 1, 2023	**₱22,499,754**	**₱5,065,059**	**₱958,741**	**₱35,298,878**	**(₱2,139,544)**	**(₱437,667)**	**(₱210,651)**	**₱61,034,570**
Net income	–	–	–	**6,083,296**	–	–	–	**6,083,296**
Other comprehensive income	–	–	–	–	**984,046**	**(41,780)**	**37,521**	**979,787**
Total comprehensive income	–	–	–	**6,083,296**	**984,046**	**(41,780)**	**37,521**	**7,063,083**
Transfer to surplus reserves (Note 29)			**12,673**	**(12,673)**	–	–	–	–
Appropriations during the year (Note 23)	–	–	–	–	–	–	–	–
Dividends declaration (Note 23)	–	–	–	**(922,491)**	–	–	–	**(922,491)**
Balance at December 31, 2023	**₱22,499,754**	**₱5,065,059**	**₱971,414**	**₱40,447,010**	**(₱1,155,498)**	**(₱479,447)**	**(₱173,130)**	**₱67,175,162**
Balance as at January 1, 2022	₱22,499,754	₱5,065,059	₱946,618	₱31,585,667	(₱138,821)	(₱211,495)	(₱397,148)	₱59,349,634
Net income	–	–	–	4,625,325	–	–	–	4,625,325
Other comprehensive income	–	–	–	–	(2,000,723)	(226,172)	186,497	(2,040,398)
Total comprehensive income	–	–	–	4,625,325	(2,000,723)	(226,172)	186,497	2,584,927
Transfer to surplus reserves (Note 29)	–	–	12,123	(12,123)	–	–	–	–
Appropriations during the year (Note 23)	–	–	–	–	–	–	–	–
Dividends declaration (Note 23)	–	–	–	(899,991)	–	–	–	(899,991)
Balance at December 31, 2022	₱22,499,754	₱5,065,059	₱958,741	₱35,298,878	(₱2,139,544)	(₱437,667)	(₱210,651)	₱61,034,570
Balance as at January 1, 2021	₱22,499,754	₱5,065,059	₱936,635	₱27,080,614	₱189,936	(₱402,661)	₱113,206	₱55,482,543
Net income	–	–	–	4,515,036	–	–	–	4,515,036
Other comprehensive income	–	–	–	–	(328,757)	191,166	(510,354)	(647,945)
Total comprehensive income	–	–	–	4,515,036	(328,757)	191,166	(510,354)	3,867,091
Transfer to surplus reserves (Note 29)	–	–	9,983	(9,983)	–	–	–	–
Appropriations during the year (Note 23)	–	–	–	–	–	–	–	–
Dividends declaration (Note 23)	–	–	–	–	–	–	–	–
Balance at December 31, 2021	₱22,499,754	₱5,065,059	₱946,618	₱31,585,667	(₱138,821)	(₱211,495)	(₱397,148)	₱59,349,634

See accompanying Notes to Financial Statements.

Statements of Changes in Equity

(Amounts are presented in thousands of Philippine Pesos)

Parent Company

Year Ended December 31, 2023

	Common Stock (Note 23)	Additional Paid in Capital (Note 23)	Surplus Reserves (Note 29)	Surplus (Note 29)	Fair Value Reserves on Financial Assets at FVTOCI (Note 8)	Remeasurement Losses on Retirement Plan (Note 26)	Cumulative Translation Adjustment	Total Equity
Balance at January 1, 2023	**₱22,499,754**	**₱5,065,059**	**₱958,741**	**₱35,298,878**	**(₱2,139,544)**	**(₱437,667)**	**(₱210,651)**	**₱61,034,570**
Net income	–	–	–	**6,083,296**	–	–	–	**6,083,296**
Other comprehensive income	–	–	–	–	**984,046**	**(41,780)**	**37,521**	**979,787**
Total comprehensive income	–	–		**6,083,296**	**984,046**	**(41,780)**	**37,521**	**7,063,083**
Transfer to surplus reserves (Note 29)	–	–	**12,673**	**(12,673)**	–	–	–	–
Appropriations during the year (Note 23)	–	–			–	–	–	–
Dividends declaration (Note 23)	–	–		**(922,491)**	–	–	–	**(922,491)**
Balance at December 31, 2023	**₱22,499,754**	**₱5,065,059**	**₱971,414**	**₱40,447,010**	**(₱1,155,498)**	**(₱479,447)**	**(₱173,130)**	**₱67,175,162**
Balance at January 1, 2022	₱22,499,754	₱5,065,059	₱946,618	₱31,585,667	(₱138,821)	(₱211,495)	(₱397,148)	₱59,349,634
Net income	–	–	–	4,625,325	–	–	–	4,625,325
Other comprehensive income	–	–	–	–	(2,000,723)	(226,172)	186,497	(2,040,398)
Total comprehensive income	–	–	-	4,625,325	(2,000,723)	(226,172)	186,497	2,584,927
Transfer to surplus reserves (Note 29)	–	–	12,123	(12,123)	–	–	–	–
Appropriations during the year (Note 23)	–	–	–	–	–	–	–	–
Dividends declaration (Note 23)	–	–	–	(899,991)	–	–	–	(899,991)
Balance at December 31, 2022	₱22,499,754	₱5,065,059	₱958,741	₱35,298,878	(₱2,139,544)	(₱437,667)	(₱210,651)	₱61,034,570
Balance at January 1, 2021	₱22,499,754	₱5,065,059	₱936,635	₱27,080,614	₱189,936	(₱402,661)	₱113,206	₱55,482,543
Net income	–	–	–	4,515,036	–	–	–	4,515,036
Other comprehensive income	–	–	–	–	(328,757)	191,166	(510,354)	(647,945)
Total comprehensive income	–	–	–	4,515,036	(328,757)	191,166	(510,354)	3,867,091
Transfer to surplus reserves (Note 29)	–	–	9,983	(9,983)	–	–	–	–
Appropriations during the year (Note 23)	–	–	–	–	–	–	–	–
Dividends declaration (Note 23)	–	–	–	–	–	–	–	–
Balance at December 31, 2021	₱22,499,754	₱5,065,059	₱946,618	₱31,585,667	(₱138,821)	(₱211,495)	(₱397,148)	₱59,349,634

See accompanying Notes to Financial Statements.

Statements of Cash Flows

(Amounts are presented in thousands of Philippine Pesos)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	**2023**	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES						
Income before income tax	**₱7,527,066**	₱6,058,605	₱6,105,275	**₱7,038,741**	₱5,430,301	₱5,621,683
Adjustments for:						
Provision for impairment and credit losses (Note 15)	**7,688,252**	4,950,614	4,149,431	**7,091,798**	4,718,914	4,099,408
Depreciation and amortization (Notes 11, 12 and 14)	**1,639,948**	1,985,179	2,228,766	**1,504,728**	1,857,453	2,081,750
Share in net loss of a joint venture (Note 10)	**152,335**	228,619	236,077	**152,335**	228,619	236,077
Amortization of intangible assets (Note 13)	**199,647**	181,433	168,298	**195,138**	176,585	157,745
Loss (gain) on asset foreclosure and dacion transactions (Note 33)	**(614,532)**	9,446	524,816	**(614,532)**	9,446	524,816
Loss (gain) on sale of assets (Notes 11, 12 and 14)	**(183,080)**	(105,349)	223,613	**(182,813)**	(111,073)	226,724
Gain on remeasurement of previoulsy held interest	**(41,780)**	–	–	**(27,805)**	–	–
Net amortization of debt issuance cost and discount from subordinated debt	–	–	1,179	–	–	–
Amortization of bond issuance cost	–	10,753	10,252	–	10,753	10,252
Amortization of premium on financial assets at fair value through other comprehensive income and investment securities at amortized cost	**532,150**	(5,435,965)	(1,340,345)	**491,827**	(5,475,086)	(1,378,292)
Accretion of lease liabilities (Note 27)	**337,695**	240,354	219,636	**321,123**	220,357	191,562
Share in net income of subsidiaries (Note 10)	–	–	–	**(1,112,237)**	(1,819,713)	(1,160,738)
Gain on sale of investment securities at amortized cost (Note 8)	–	–	(1,850,425)	–	–	(1,850,425)
Gain on modification of loans (Note 24)	–	–	(346,769)	–	–	(346,769)
Changes in operating assets and liabilities:						
Decrease (increase) in the amounts of:						
Loans and receivables	**(49,549,958)**	(54,170,528)	18,723,310	**(40,419,592)**	(59,053,325)	19,731,051
Financial assets at FVTPL	**(2,154,012)**	2,098,541	3,466,741	**(2,154,012)**	2,098,541	3,466,741
Other assets	**(464,555)**	(1,049,293)	(673,601)	**(552,983)**	1,014,044	(702,497)
Increase (decrease) in the amounts of:						
Deposit liabilities	**27,368,540**	2,321,217	(2,211,045)	**20,516,510**	6,664,363	(1,811,619)
Cashier's checks and demand draft payable	**(397,313)**	650,835	51,907	**(397,313)**	650,835	51,907
Accrued taxes, interest and other expenses	**1,158,764**	503,715	28,015	**1,005,101**	388,843	(19,558)
Other liabilities	**1,754,041**	4,521,616	(822,726)	**1,391,926**	3,828,353	(892,215)
Net cash generated from (used in) operations	**(5,046,792)**	(37,000,208)	28,892,405	**(5,752,060)**	(39,161,790)	28,237,603
Income taxes paid	**(1,544,926)**	(1,227,531)	(951,059)	**(1,007,954)**	(600,067)	(519,096)
Net cash provided by (used in) operating activities	**(6,591,718)**	(38,227,739)	27,941,346	**(6,760,014)**	(39,761,857)	27,718,507
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of:						
Investment properties and other repossessed assets (Notes 12 and 14)	**2,743,162**	6,375,723	4,310,145	**2,743,163**	6,375,723	4,307,144
Financial assets at FVOCI (Note 8)	**4,442,304**	235,817,583	189,123,604	**4,442,304**	235,817,584	189,123,603
Property and equipment (Note 11)	**19,247**	38,743	23,656	**14,413**	35,416	22,304
Proceeds from maturity of investment securities at amortized cost	–	111,672	601,788	–	111,672	601,788
Proceeds from sale of investment securities at amortized cost	–	–	13,879,335	–	–	13,879,335
Acquisitions of:						
Investment securities at amortized cost	**(12,039,512)**	(38,371,279)	(12,246,156)	**(12,039,512)**	(38,371,279)	(12,146,811)
Financial assets at FVOCI	**(5,543,251)**	(211,908,930)	(200,565,241)	**(5,543,251)**	(211,908,930)	(200,565,241)
Property and equipment (Note 11)	**(436,239)**	(440,645)	(268,576)	**(392,389)**	(386,943)	(253,795)
Capitalized software (Note 13)	**(246,660)**	(283,646)	(170,780)	**(226,461)**	(283,042)	(171,727)
Additional capital infusion in a joint venture (Note 10)	**(216,000)**	(575,000)	(200,000)	**(216,000)**	(575,000)	(200,000)
Net cash provided by (used in) investing activities	**(11,276,949)**	(9,235,779)	(5,512,225)	**(11,217,733)**	(9,184,799)	(5,403,400)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from bills and acceptances payable	**190,319,825**	26,346,204	–	**190,319,825**	26,346,204	–
Payments of bills and acceptances payable	**(181,677,575)**	(19,682,898)	(3,470,653)	**(181,677,575)**	(19,682,898)	(3,470,653)
Settlement of bonds payable	**(3,698,439)**	–	–	**(3,698,439)**	–	–
Payment of lease liability (Note 27)	**(1,066,269)**	(1,093,643)	(1,100,975)	**(948,236)**	(980,866)	(975,971)
Payment of subordinated debt (Note 20)	–	(1,241,964)	–	–	–	–
Dividends paid (Note 23)	**(922,491)**	(899,991)	–	**(922,491)**	(899,991)	–
Net cash provided by (used in) financing activities	**2,955,051**	3,427,708	(4,571,628)	**3,073,084**	4,782,449	(4,446,624)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(₱14,913,616)**	(₱44,035,810)	₱17,857,493	**(₱14,904,663)**	(₱44,164,207)	₱17,868,483

(Forward)

Statements of Cash Flows

(Amounts are presented in thousands of Philippine Pesos)

	Consolidated			Parent Company		
	Years Ended December 31					
	2023	2022	2021	**2023**	2022	2021
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR						
Cash and other cash items	**₱8,713,151**	₱7,705,729	₱8,148,882	**₱8,636,012**	₱7,641,626	₱8,076,124
Due from Bangko Sentral ng Pilipinas	**36,114,397**	58,842,366	48,892,706	**35,723,579**	58,425,477	48,469,521
Due from other banks	**4,529,635**	19,335,182	11,392,088	**4,345,763**	19,292,742	11,353,609
Interbank loans receivables and securities purchased under resale agreement	**10,009,266**	17,518,984	17,111,092	**10,009,266**	17,518,984	17,111,092
	59,366,449	103,402,261	85,544,768	**₱58,714,620**	102,878,829	85,010,346
CASH AND CASH EQUIVALENTS AT END OF YEAR						
Cash and other cash items	**9,370,138**	8,713,151	7,705,729	**9,284,751**	8,636,012	7,641,626
Due from Bangko Sentral ng Pilipinas	**16,171,987**	36,114,397	58,842,366	**15,745,451**	35,723,579	58,425,477
Due from other banks	**2,469,290**	4,529,635	19,335,182	**2,338,337**	4,345,763	19,292,742
Interbank loans receivables and securities purchased under resale agreement	**16,441,418**	10,009,266	17,518,984	**16,441,418**	10,009,266	17,518,984
	₱44,452,833	₱59,366,449	₱103,402,261	**₱43,809,957**	₱58,714,620	₱102,878,829

	Consolidated			Parent Company		
NET OPERATIONAL CASH FLOWS FROM INTEREST AND DIVIDENDS						
Interest received	**₱35,806,523**	₱26,534,264	₱24,666,193	**₱31,793,197**	₱22,693,961	₱21,590,294
Interest paid	**5,790,731**	2,388,795	2,047,380	**4,853,642**	2,018,710	1,743,564
Dividend received	**2,629**	736	663	**2,629**	736	663

See accompanying Notes to Financial Statements.

Notes to Financial Statements

1. **Corporate Information**

East West Banking Corporation (EW or the Bank or the Parent Company) is a domestic universal bank which was registered with the SEC on March 22, 1994. The Bank was granted authority by the Bangko Sentral ng Pilipinas (BSP) to operate as a commercial bank and operate an expanded foreign currency deposit unit in 1994. Subsequently in 2012, the Parent Company was authorized by the BSP to operate as a universal bank. The Parent Company's common shares were listed and commenced trading in the Philippine Stock Exchange (PSE) on May 7, 2012 (Note 23).

As of December 31, 2023 and 2022, the Parent Company is effectively 77.85%, owned by Filinvest Development Corporation (FDC). The Parent Company's ultimate parent company is A.L. Gotianun, Inc. The Parent Company's head office is located at East West Corporate Center, The Beaufort, 5th Avenue corner 23rd Street, Fort Bonifacio Global City, Taguig City.

Through its network of 468 branches as of December 31, 2023 and 2022, the Bank and its subsidiaries (the Group) provide a wide range of financial services to consumer and corporate clients, which includes deposit-taking, loan and trade finance, treasury, trust services, credit cards, cash management, custodial services, insurance services and leasing and finance.

2. **Material Accounting Policy Information**

Basis of Presentation
The accompanying financial statements have been prepared on a historical cost basis except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVTOCI) and derivative financial instruments that have been measured at fair value. The financial statements are presented in Philippine peso (₱) and all values are rounded to the nearest thousand except when otherwise indicated.

The financial statements of the Parent Company include the accounts maintained in the Regular Banking Unit (RBU) and Foreign Currency Deposit Unit (FCDU). The functional currency of the RBU and the FCDU is the Philippine peso 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 Philippine peso, which is the Parent Company's presentation currency (accounting policy on Foreign Currency Transactions and Translation). The financial statements individually prepared for these units are combined after eliminating inter-unit accounts.

The functional currency of all subsidiaries and the joint venture is the Philippine peso.

Statement of Compliance
The accompanying financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS).

Presentation of Financial Statements
The Group presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within 12 months after the statement of financial position date (current) and more than 12 months after the statement of financial position date (non-current) is presented in Note 22.

Basis of Consolidation
The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies. The following are the wholly-owned subsidiaries of the Parent Company as of December 31, 2023 and 2022:

	Principal Activities
East West Rural Bank, Inc. (EWRB)	Consumer banking
East West Insurance Brokerage, Inc. (EWIB)	Non-life insurance brokerage
Quest Marketing and Integrated Services, Inc. (Q iMIS)	Sales and marketing
Assurance Solutions Insurance Agency (ASIA)*	General insurance and marketing
East West Leasing and Finance Corporation (EWLFC)*	Finance and leasing

** Non-operational since 2017*

All significant intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in the consolidated financial statements.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control and continues to be consolidated until the date when control ceases. Control is achieved when the Parent Company is exposed, or has rights, to variable return from its involvement with an entity and has the ability to affect those returns through its power over the entity. The Parent Company has power over the entity when it has existing rights that give it the current ability to direct relevant activities (i.e., activities that significantly affect the entity's returns). Consolidation of subsidiaries ceases when control is transferred out of the Parent Company. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income from the date of acquisition or up to the date of disposal, as appropriate.

Changes in Accounting Policies and Procedures
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new pronouncements effective as at January 1, 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements.

- Amendments to Philippine Accounting Standards (PAS) 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Disclosure Initiative – Accounting Policies*
  The amendments provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:
  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

  The amendments to the Practice Statement provide non-mandatory guidance. The amendments have had an impact on the Group's disclosure of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The amendments also clarify that the effects on an accounting estimate of a change in an

input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction*
  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented.

- Amendments to PAS 12, *Income Taxes – International Tax Reform – Pillar Two Model Rules*
  The amendments have been introduced in response to the Base Eroson and Profit Sharing Pillar Two model rules of the Organization for Economic Cooperation and Development and include:
  - A mandatory temporary exemption to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
  - Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

  The mandatory temporary exemption – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023 but not for any interim periods ending on or before December 31, 2023.

  The amendments had no impact on the Group's financial statements as the Group is not in the scope of the Pillar Two model rules as its revenue is less than EUR750 million per year.

Cash and Cash Equivalents
For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, amounts due from Bangko Sentral ng Pilipinas (BSP) and other banks, and interbank loans receivables and SPURA with original maturities of three months or less from dates of placements and that are subject to insignificant risks of changes in value. Due from BSP includes the statutory reserves required by the BSP which the Group considers as cash equivalents wherein withdrawals can be made to meet the Group's cash requirements as allowed by the BSP.

Foreign Currency Transactions and Translation
The financial statements are presented in PHP, which is the Group's functional and presentation currency. The book of accounts of RBU are maintained in PHP, while those of the FCDU are maintained in USD.

RBU
For financial reporting purposes, the foreign currency-denominated monetary assets and liabilities in the RBU are translated in Philippine peso based on the Philippine Dealing System (PDS) closing rate prevailing at the statement of financial position date and foreign currency-denominated income and expenses, at the prevailing exchange rate at the date of transaction. Foreign exchange differences arising from revaluation and translation of foreign currency-denominated assets and liabilities of the RBU are credited to or charged against operations in the period in which the rates change.

Non-monetary items that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

FCDU
As at the reporting date, the assets and liabilities of the FCDU of the Parent Company are translated into the Parent Company's presentation currency (the Philippine Peso) at PDS closing rate prevailing at the statement of financial position date, and their income and expenses are translated at Bankers Association of the Philippines (BAP) weighted average rate for the year. Exchange differences arising on translation are taken to the statement of comprehensive income under 'Cumulative translation adjustment'. Upon actual remittance of FCDU profits to RBU, the deferred cumulative amount recognized in the statement of comprehensive income is recognized in the statement of income in the RBU books.

Fair Value Measurement
The Group measures certain financial instruments such as financial assets at FVTPL, financial assets at FVTOCI and derivative financial instruments at fair value at each statement of financial position date. Also, fair values of financial instruments carried at amortized cost and investment properties carried at cost are measured for disclosure purposes.

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.

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

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

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

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

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

External appraisers are involved for valuation of significant non-financial assets, such as investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are adhered to.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy (Note 5).

SPURA
Securities purchased under agreements to resell at a specified future date ('reverse repos') are not recognized in the balance sheet. The corresponding cash paid including accrued interest is recognized in the balance sheet as SPURA. 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.

Financial Instruments - Initial Recognition and Subsequent Measurement
Date of recognition
The Group recognizes financial instruments when, and only when, the Group becomes a party to the contractual terms of the financial instruments.

Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date, i.e., the date that an asset is delivered to or by the Group. Settlement date accounting refers to (a) the recognition of an asset on the day it is received by the Group, and (b) the derecognition of an asset and recognition of any gain or loss on disposal on the day that it is delivered by the Group. Securities transactions and related commission income and expense are recorded also on a settlement date basis. Deposits, amounts due to banks and customers, and loans and receivables are recognized when cash is received by the Group or advanced to the borrowers.

Derivatives are recognized on trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Trade date accounting refers to (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Initial recognition of financial instruments
The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing 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 cost are added in, or subtracted from this amount. When the fair value of financial instrument at initial recognition differs from the transaction price, the Group accounts for 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 from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a 'Day 1' difference) in the statement of income. In cases where the transaction price used is made of data which is not observable, the difference between the transaction price and model value is only recognized in the statement of income when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the 'Day 1' difference amount.

Financial Instruments - Classification, Reclassification and Subsequent Measurement
Financial assets are measured at FVTPL unless these are measured at FVOCI or at amortized cost. Financial liabilities are classified as either financial liabilities at FVTPL or financial liabilities at amortized cost. The classification of financial assets depends on the contractual terms and the business model for managing the financial assets. Subsequent to initial recognition, the Bank may reclassify its financial assets only when there is a change in its business model for managing these financial assets. Reclassification of financial liabilities is not allowed.

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios. As a second step of its classification process, the Bank assesses the contractual terms of financial assets to identify whether they pass the contractual cash flows test (SPPI test).

Contractual cash flow characteristics test
The Group assesses the contractual terms of financial assets to identify whether they meet the 'solely payments of principal and interest' (SPPI) test. Principal, for the purpose of this test, is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basis 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.

Business model assessment
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-on-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
- 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.

Financial assets at amortized cost
Financial assets are measured at amortized cost if both of the following conditions are met:
- the contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding; and
- the asset is held within the Group's business model whose objective is to hold assets in order to collect contractual cash flows.

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 allowance for credit losses, with the calculated interest recognized as 'Interest income in the statement of income.

The Group's financial assets at amortized cost are presented in the statement of financial positions as 'Due from BSP', 'Due from other banks', 'Interbank loans receivables and SPURA', 'Investment securities at amortized cost', 'Loans and receivables' and other financial assets (i.e., security deposits, deposit to suppliers and returned cash and other cash items) under 'Other assets'.

The Group may irrevocably elect at initial recognition to classify a financial asset that meets the amortized cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch that would arise had the financial asset been measured at amortized cost. As of December 31, 2023 and 2022, the Group has not made such designation.

Financial assets at FVTOCI
Financial assets at FVTOCI include debt and equity securities.

Debt securities at FVTOCI
Debt securities at FVTOCI are those that meet both of the following conditions:
- the contractual terms of the financial asset give rise to cash flows that are SPPI on the outstanding principal amount;
- the asset is held within a business model whose objective is both to sell or hold the financial asset in order to both collect contractual cash flows.

Debt securities at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for sale or disposal costs. Gains and losses arising from changes in fair value are recognized in other comprehensive income as 'Change in net unrealized gains (losses) on debt securities at FVTOCI'. The effective yield component and foreign exchange gains (losses) of debt securities at FVTOCI are reported on the statement of income. The ECL arising from impairment of such investments are recognized in OCI with a corresponding charge to 'Provision on credit and impairment losses' in the statement of income.

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

Financial assets at FVTPL
Debt instruments that do not meet the amortized cost or FVTOCI criteria, or that meet the criteria but the Group has chosen to designate as at FVTPL at initial recognition, are measured at fair value through profit or loss. Equity investments are classified as at FVTPL, unless the Group designates an investment that is not held for trading as at FVTOCI at initial recognition. Derivative assets classified as at FVTPL are those that are not designated under hedge accounting treatment.

The Group's financial assets at FVTPL include government securities, private bonds, equity securities held for trading purposes and derivative assets.

Financial assets at FVTPL are initially measured at fair value without considering transaction costs. Subsequently, financial assets at FVTPL are re-measured fair value, and fair value gains and losses on these instruments are recognized as 'Trading and securities gain' in the statement of income. Interest earned on these investments is reported in the statement of income under 'Interest income' while dividend income is reported in the statement of income under 'Miscellaneous income' when the right of payment has been established. Quoted market prices, when available, are used to determine the fair value of these financial instruments. If quoted market prices are not available, their fair values are estimated based on inputs provided by the BSP, Bureau of Treasury and investment bankers. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques.

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the PDS closing rate at the statement of financial position date. The foreign exchange component forms part of its fair value gain or loss. For financial assets classified as at FVTPL, the foreign exchange component is recognized in the statement of income. For equity financial assets designated as at FVTOCI, any foreign exchange component is recognized in OCI. For foreign currency-denominated debt instruments classified as at amortized cost and as at FVTOCI, the foreign exchange gains and losses are determined based on the amortized cost of the asset and are recognized in the statement of income.

Reclassification of financial assets
Subsequent to initial recognition, the Group may reclassify financial assets only if the objective of its business model for managing those financial assets changes.

The Group is required to reclassify the following financial assets:
- from amortized cost or FVTOCI to FVTPL, if the objective of the business model changes so that the amortized cost or FVTOCI criteria are no longer met
- from FVTPL to amortized cost or FVTOCI, if the objective of the business model changes so that the amortized cost or FVTOCI criteria start to be met and the characteristics of the instruments contractual cash flows are SPPI
- from amortized cost to FVTOCI if the business model changes so that the objective becomes both to collect contractual cash flows and to sell or from FVTOCI to amortized cost if the business model becomes solely for the collection of contractual cash flows.

Reclassification of financial assets designated as at FVTPL or equity financial assets at FVTOCI at initial recognition is not permitted.

A change in the Group's business model must be effected before the reclassification date. The reclassification date is the beginning of the reporting period following the change in the business model.

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or is designated as at FVTPL.

A financial liability is held for trading if:
- it has been incurred principally for the purpose of repurchasing it in the near term; or
- 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 a financial guarantee.

Management may designate a financial liability at FVTPL upon initial recognition when the following criteria are met, and designation is determined on an instrument by instrument basis:
- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognizing gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities which are managed, and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows, or it is clear, with little or no analysis, that it would not be separately recorded.

Financial liabilities at FVTPL are initially measured at fair value without considering transaction costs. Subsequently, financial liabilities at FVTPL are re-measured fair value, and fair value gains and losses on these instruments are recognized as 'Trading and securities gain' in the statement of income. Interest earned on these investments is reported in the statement of income under 'Interest income' while dividend income is reported in the statement of income under 'Miscellaneous income' when the right of payment has been established. Quoted market prices, when available, are used to determine the fair value of these financial instruments. If quoted market prices are not available, their fair values are estimated based on inputs provided by the BSP, Bureau of Treasury and investment bankers. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques.

As of December 31, 2023 and 2022, the Group's financial liabilities at FVTPL include derivative liabilities.

Financial liabilities at amortized cost
Issued financial instruments or their components, which are not designated as at FVTPL, are classified as financial liabilities at amortized cost under deposit liabilities, bills and acceptances payable, subordinated debt or other appropriate financial liability accounts, where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

After initial measurement, financial liabilities not qualified and not designated as FVTPL are subsequently measured at amortized cost using the effective interest amortization method. Amortized cost is calculated by taking into account any discount or premium on the issuance and fees that are an integral part of the effective interest rate (EIR).

Impairment of Financial Assets
PFRS 9 requires the Group to record ECL for all loans and other debt financial assets not classified as at FVTPL, together with irrevocable loan commitments and financial guarantee contracts.

Expected credit loss methodology
ECL represent credit losses that reflect an unbiased and probability-weighted amount which is based on reasonable and supportable information about past events, current conditions and forecasts of future economic conditions, and the time value of money. The objective of the new impairment model is to record lifetime losses on all financial instruments which have experienced a significant increase in credit risk (SICR) since their initial recognition. As a result, ECL allowances are now measured at amounts equal to either (i) 12-month ECL or (ii) lifetime ECL for those financial instruments which have experienced a 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 next 12 months after the reporting date. Lifetime ECLs are credit losses that result from all possible default events over the expected life of a financial instrument.

Staging assessment
For non-credit-impaired financial instruments:
- Stage 1 is comprised of all non-impaired financial instruments which have not experienced SICR since initial recognition. The Group recognizes a 12-month ECL for Stage 1 financial instruments.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced SICR since initial recognition, evidenced by missed payments (for monthly amortizing exposures) and/or the significant increase in the likelihood of default. The Group 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 the financial asset. The ECL model requires that lifetime ECL be recognized for credit-impaired financial instruments.

For the movement of accounts to better stages (i.e. from Stage 2 or 3 to Stage 1 or 2):
- Financial instruments are moved to better stages when there is significant improvement to the credit risk such that the criteria for assessment of the better stage are met and there is consistent evidence of good credit behavior by the borrower.

Financial assets that are credit-impaired on initial recognition are classified as purchased or originated credit-impaired (POCI) assets. These are recorded at fair value at initial recognition and interest income is subsequently recognized based on a credit-adjusted EIR. ECL is only recognized or released to the extent that there is a subsequent change in the ECLs.

Definition of "default" and "cure"
For the calculation of ECL, 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: 1) 91 days past due for amortizing exposures; or 2) non-collection of full amounts at maturity date for non-amortizing loans or bullet-payment loans. As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate likelihood of non-payment when an account is under litigation. 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., cured) when it no longer meets any of the default criteria and there is sufficient evidence to support full collection thru payments received for at least 6 months.

Credit risk at initial recognition
The Group has an internal credit assessment process to determine the credit risk of exposures at initial recognition. The Group has separate models for its key portfolios in which the customers are rated using internal credit rating grades. The models incorporate both qualitative and quantitative information.

Significant increase in credit risk (SICR)
The Group monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12-month ECL or lifetime ECL, the Group assesses whether there has been a SICR since initial recognition. A set of defined empirical-based rules and expert judgment that discriminate good and bad credit make up the SICR model. For corporate loans and investments to debt-type instruments, accounts are considered to have a SICR if the equivalent Probability of default (PD) exceeds the Group's set threshold. The Group also considers an account to have a SICR if contractual payments are more than thirty (30) days past due or the account is considered "watchlist".

To capture the impact of the pandemic to the credit portfolios, the Bank performed the following: 1) updated the macroeconomic forecasts to reflect the downturn caused by the pandemic and the outlook on the recovery; and 2) identified borrower segments that are likely to experience income disruption due to the community quarantine restrictions and factor adjustments are applied to the expected loss parameters based on the estimated potential increase to defaults and/or difficulty in recoveries as determined through expert credit judgment.

Restructuring
In certain circumstances, the Group modifies the original terms and conditions of a credit exposure to create 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. Accounts subjected to distressed restructuring with indications of unlikeliness to pay are categorized as impaired accounts and are initially moved to Stage 3.

Assessment of ECL on a collective basis
The Group calculates ECL either on an individual or collective basis. The Group performs collective impairment by grouping exposures into smaller homogenous portfolios based on a combination of borrower and account characteristics. Accounts with similar attributes (i.e., type of facility) are pooled together for calculating provisions based on the ECL models.

ECL parameters and methodologies
ECL is a function of the PD, Exposure at default (EAD) and Loss given default (LGD), with consideration for the expected timing of the loss, and is estimated by incorporating forward-looking economic information through the use of statistical techniques and/or 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 within the remaining life of the exposure for Stage 2. The PD for each individual instrument is modelled based on historical data and is adjusted for current market conditions and reasonable and supportable information about future economic conditions. The Group segmented its credit exposures based on homogenous risk characteristics and developed a corresponding PD methodology for each portfolio. The PD methodology for each relevant portfolio is determined based on the underlying nature or characteristics of the portfolio, behavior of the accounts and materiality of the portfolio as compared to the total portfolio.

EAD is modelled on historical 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 from irrevocable committed credit lines, EAD includes an estimate of any further amounts to be drawn at the time of default (i.e., credit conversion factor). LGD is the amount that may not be recovered in the event of default and is modelled based on historical net cash flow recoveries from collections and the sale of foreclosed assets.

Economic overlays
The Group incorporates economic overlays into its assessment of SICR and its measurement of ECL. A broad range of economic overlays are considered as economic inputs, such as GDP growth, inflation rates, unemployment rates and interest rates. The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect these, quantitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The Group's loans and receivables consists of different portfolios, such as auto, corporate, credit card receivables, mortgage loans, as well as other receivables (e.g., personal, branch, emerging enterprise lending, and Department of Education (DepEd) loans). In compliance with PFRS 9, the Group has developed ECL parameters and methodologies for each portfolio, using historical data as well as forward-looking inputs and assumptions.

Undrawn Loan Commitments
Undrawn loan commitments and letters of credit are commitments under which over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position. Starting January 1, 2019, these contracts are in the scope of the ECL requirements where the Group estimates the expected portion of the undrawn loan commitments that will be drawn over their expected life. The ECL related to financial guarantees and undrawn amounts of irrevocable loan commitments is recognized in 'Other liabilities'.

Financial guarantees
Financial guarantees are initially recognized at fair value. Subsequent to initial recognition, the Group's liability under each financial guarantee is measured at the higher of the amount initially recognized less cumulative amortization recognized in the income statement and the amount of related ECL.

Restructured loans
Loan restructuring may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews restructured loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subjected to an individual or collective impairment assessment, calculated using the loan's original EIR. The difference between the recorded value of the original loan and the present value of the restructured cash flows, discounted at the original EIR, is recognized in 'Provision for impairment and credit losses' in the statement of income.

<u>Derecognition of Financial Assets and Financial Liabilities</u>
Financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

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

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control over the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial assets are written off either partially or fully only when the Group has stopped pursuing the recovery. If a write-off is later recovered, any amounts formerly charged are credited to 'Recovery on charged-off assets' under 'Miscellaneous income' in the statements of income.

Modification of financial assets
In certain circumstances, the Group modifies the original terms and condition of a credit exposure to form a new loan agreement on payment schedule. The modification can be given on the borrower's or counterparty's current or expected financial difficulty. The modification may include, but are not limited to, change in interest rate and terms, principal amount, maturity date, date and amount of period 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 Bank considers both qualitative and quantitative factors in assessing whether a modification of financial asset is substantial or not. When assessing whether a modification is substantial, the Bank considers the following factors, among others:

- Change in currency
- Introduction of an equity feature
- Change in counterparty
- If the modification results in the asset no longer considered "solely payment for principal and interest"

The Bank also performs a quantitative assessment similar to that being performed for modification of financial liabilities. In performing the quantitative assessment, the Bank 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).

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 Bank 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.

If the modification does not result in cash flows that are substantially different, as set out above, then it does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

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

<u>SSURA</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 as SSURA included in 'Bills and acceptances payable and SSURA' and is considered as a loan to the Group, reflecting the economic substance of such transaction.

<u>Offsetting Financial Instruments</u>
Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

<u>Property and Equipment</u>
Land is stated at cost less any impairment in value and depreciable properties including buildings, leasehold improvements and furniture, fixtures and equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the assets to their working condition and location for their intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs, and maintenance are normally charged against operations in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of the assets. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization and any accumulated impairment in value are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives (EUL) of the property, equipment and ROU assets.

	Group	Parent
Buildings	25-40 years	30-40 years
Major furniture, fixtures and equipment	3-5 years	3-5 years
ROU asset	6-10 years	6-10 years

The EUL of the vaults of EWRB is 20 years. The cost of the leasehold improvements is amortized over the shorter of the covering lease term or the EUL of the improvements of 10 years.

The estimated useful life and the depreciation and amortization method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of income in the period the asset is derecognized.

Investment Properties
Investment properties are measured initially at cost, including transaction costs. An investment property acquired through an exchange transaction is measured at the 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 recorded as 'Investment properties' upon: (a) entry of judgment in case of judicial foreclosure; (b) execution of the Sheriff's Certificate of Sale in case of extra-judicial foreclosure; or (c) notarization of the Deed of Dacion in case of dation in payment (dacion en pago). Subsequent to initial recognition, depreciable investment properties are carried at cost less accumulated depreciation and any impairment in value. Investment properties comprise completed property and property under construction or re-development (land, buildings and malls) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties also include right-of-use assets involving real properties that are subleased to other entities.

For those right-of-use assets that qualify as investment properties, i.e., those land and buildings that are subleased by the Group, these are classified under investment properties in accordance with paragraph 48 of PFRS 16. Consistent with the Group's policy regarding the measurement of investment properties, these assets are subsequently measured at cost less amortization and impairment in value.

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

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

Depreciation is calculated on a straight-line basis using the remaining useful lives from the time of acquisition of the investment properties but not to exceed 10 years for both buildings and condominium units.

Foreclosed properties of land or building are classified under Investment properties from foreclosure date.

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.

Other repossessed assets
Other repossessed assets comprise of repossessed vehicles which are measured at cost less accumulated depreciation and impairment. Depreciation is calculated on a straight-line basis using the remaining useful life from the time of acquisition of the asset. The useful life of other repossessed assets is estimated to be five (5) years.

The carrying values of other properties acquired are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amounts (see accounting policy on Impairment of Nonfinancial Assets).

Investments in Subsidiaries
Investments in subsidiaries in the Parent Company's separate financial statements are accounted for under the equity method.

Under the equity method, an investment in subsidiary is carried in the statement of financial position at cost plus post-acquisition changes in the Parent Company's share of the net assets of the subsidiary. Post-acquisition changes in the share of net assets of the subsidiaries include the share in the: (a) income or losses; and (b) remeasurement of retirement plans. Dividends received are treated as a reduction in the carrying amount of the investments. The statement of income reflects the share of the results of operations of the subsidiary. Where there has been a change recognized directly in the equity of the subsidiary, the Parent Company recognizes its share of any changes and thus, when applicable, discloses in the statement of changes in equity. If the Parent Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Parent Company discontinues recognizing its share in further losses.

Investment in a Joint Venture
A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investment in a joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. The statement of income reflects the Group's share of the results of operations of the joint venture. Any change in OCI of the investee is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture. The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of income and represents profit or loss after tax.

On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in a joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in a joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognizes the loss as 'Share in net income (loss) of joint venture' in the statement of income.

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

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value at the date of acquisition. Following initial recognition, intangible assets, excluding goodwill and branch licenses, are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each statement of financial position date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of income.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually or more frequently, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Intangible assets include goodwill, branch licenses, customer relationship, core deposits and capitalized software (Note 13).

Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Branch licenses

Branch licenses are determined to have indefinite useful lives. These are tested for impairment annually either individually or at the CGU level. Such intangible assets are not amortized. The useful life is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Customer relationship and core deposits

Customer relationship and core deposits are the intangible assets acquired by the Group through business combination. These intangible assets are initially measured at their fair value at the date of acquisition. The fair value of these intangible assets reflects expectations about the probability that the expected future economic benefits embodied in the asset will flow to the Group.

Following initial recognition, customer relationship and core deposits are measured at cost less accumulated amortization and any accumulated impairment losses. Customer relationship related to the credit cards business is amortized on a straight-line basis over its useful life of 40 years while the customer relationship related to the auto loans business and core deposits are amortized on a straight-line basis over its useful life of 13 and 10 years, respectively (Note 13).

Capitalized software

Capitalized software acquired separately is measured at cost on initial recognition. Following initial recognition, capitalized software is carried at cost less accumulated amortization and any accumulated impairment losses. The capitalized software is amortized on a straight-line basis over its estimated useful life of 5-10 years.

Impairment of Nonfinancial Assets

An assessment is made at each statement of financial position date whether there is any indication of impairment of property and equipment, investment properties, other repossessed assets and intangible assets, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated at the higher of the asset's value in use or its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged against the statement of income in the period in which it arises, unless the asset is carried at a revalued amount in which case the impairment loss is charged against the revaluation increment of the said asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is credited to current operations, unless the asset is carried at a revalued amount in which case the reversal of the impairment loss is credited to the revaluation increment of the said asset.

The following criteria are also applied in assessing impairment of specific assets:

Property and equipment, investment properties and other repossessed assets
The carrying values of the property and equipment and investment properties are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or CGUs are written down to their recoverable amounts.

Goodwill
Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount of the CGU (or group of CGUs) to which goodwill has been allocated, an impairment loss is recognized immediately in the statement of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods.

Branch licenses
Branch licenses are tested for impairment annually at the statement of financial position date either individually or at the CGU level, as appropriate.

Other intangible assets
Other intangible assets such as customer relationship, core deposits and capitalized software are assessed for impairment whenever there is an indication that they may be impaired.

Revenue Recognition
Revenue is recognized to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. Revenue from contracts with customers is recognized upon transfer of services to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The following specific recognition criteria must also be met before revenue is recognized:

Service charges and penalties
Service charges and penalties earned over a period of time are accrued over that period as the customer simultaneously receives and consumes the benefits provided by the Group. Service charges and penalties are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer and excludes amounts collected on behalf of third parties.

Interest income
Under PFRS 9, interest income is recorded using the EIR method for all financial assets measured at amortised cost, interest rate derivatives for which hedge accounting is applied and the related amortisation/recycling effect of hedge accounting. Interest income on interest bearing financial assets at FVOCI under PFRS 9 is also recorded using the EIR method. Interest expense is also calculated using the EIR method for all financial liabilities held at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or liability or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of the EIR. The Group recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, the EIR calculation also takes into account the effect of potentially different interest rates that may be charged at various stages of the financial asset's expected life, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations of fixed rate financial assets' or liabilities' cash flows are revised for reasons other than credit risk, then changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference from the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset or liability on the balance sheet with a corresponding increase or decrease in Interest revenue/expense calculated using the effective interest method.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognized at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.
The IBOR reform Phase 2 amendments allow as a practical expedient for changes to the basis for determining contractual cash flows to be treated as changes to a floating rate of interest, provided certain conditions are met. The conditions include that the change is necessary as a direct consequence of IBOR reform and that thetransition takes place on an economically equivalent basis.

Commissions earned on credit cards
Commissions earned on credit cards are taken up 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.

Purchases by credit cardholders, collectible on an installment basis, are recorded at the cost of the items purchased plus certain percentage of cost. The excess over cost is credited to Unearned discount and is shown as a deduction from Loans and receivables in the statement of financial position.

The unearned discount is taken to income over the installment terms and is computed using the effective interest method.

Gain on sale of assets
Income from sale of assets include any gains or losses on the retirement or disposal of property and equipment, investment properties, and other repossessed assets. The gain or loss arising from the derecognition is recognized in the statement of income in the year of retirement or disposal.

Other income
Income from sale of services or properties is recognized when control of such services or properties 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.

<u>Expense Recognition</u>
Expenses are recognized in the statement of income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Expenses are recognized in the statement of income:
- on the basis of a direct association between the costs incurred and the earning of specific items of income;
- on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- immediately when the expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the statement of financial position as an asset.

Expenses in the statement of income are presented using the nature of expense method. General and administrative expenses are cost attributable to administrative and other business activities of the Group.

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

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

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

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of Nonfinancial Assets.

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

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of ATM sites (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of ATM sites that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

<u>Retirement Cost</u>
Defined benefit plan
The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

Defined benefit costs comprise the following:
- Service cost;
- Net interest on the net defined benefit liability or asset; and
- Remeasurements of net defined benefit liability or asset

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

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

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

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

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefit
Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes the related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement
Employee entitlement to annual leave is recognized as a liability when the employees render the services that increase their annual leave entitlement. The cost of accumulating annual leave is measured as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

<u>Provisions and Contingencies</u>
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and where, appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as Interest expense in the statement of income.

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

<u>Debt Issue Costs</u>
Issuance, underwriting and other related expenses incurred in connection with the issuance of debt instruments (other than debt instruments designated at FVTPL) are deferred and amortized over the terms of the instruments using the effective interest method. Unamortized debt issuance costs are included in the measurement of the related carrying value of the debt instruments in the statement of financial position.

<u>Income Taxes</u>
Current taxes
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date.

Deferred taxes
Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from the excess of Minimum Corporate Income Tax (MCIT) over the regular income tax and unused Net Operating Loss Carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Current tax and deferred tax relating to items recognized directly in equity is recognized in other comprehensive income and not in the statement of income.

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

<u>Equity</u>
Capital stock is measured at par value for all shares issued. When the Group issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

When the shares are sold at a premium, the difference between the proceeds and the par value is credited to Additional paid in capital account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Group, the shares shall be measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Direct cost incurred related to the equity issuance, such as underwriting, accounting and legal fees, printing costs and taxes are charged to 'Additional paid in capital' account. If additional paid-in capital is not sufficient, the excess is charged against 'Surplus'.

Surplus represents accumulated earnings of the Group less dividends declared.

Dividends on Common Shares
Dividends on common shares are recognized as a liability and deducted from equity when declared and approved by the Board of Directors (the Board or BOD) of the Parent Company and approved by the BSP. Dividends for the year that are declared and approved after the statement of financial position date, if any, are dealt with as an event after the financial reporting date and disclosed accordingly.

Earnings Per Share (EPS)
Basic EPS is determined by dividing the net income for the year attributable to common shares by the weighted average number of common shares outstanding during the year while diluted EPS is computed by dividing net income for the year attributable to common shares by the weighted average number of outstanding and dilutive potential common shares. Basic and diluted EPS are given retroactive adjustments for any stock dividends declared and stock rights exercised in the current year, if any. The Group does not have dilutive potential common shares.

Segment Reporting
A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is one that provides products or services within a particular economic environment that is subject to risks and returns that are different from those segments operating in other economic environments.

The Group's operations are organized according to the nature of products and services provided. Financial information on business segments is presented in Note 6.

Events after the Financial Reporting Date
Post year-end events that provide additional information about the Group's position at the statement of financial position date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes when material to the financial statements.

Fiduciary Activities
Assets and income arising from fiduciary activities together with related undertakings to return such assets to customers are excluded from the financial statements where the Parent Company acts in a fiduciary capacity such as nominee, trustee or agent.

Standards Issued but Not Yet Effective
Listed below are accounting standards and interpretations issued but not yet effective up to the date of issuance of the Group's consolidated financial statements. The Group intends to adopt these standards when they become effective. Except as otherwise indicated, the Group does not expect the adoption of these new and amended standards and interpretations to have significant impact on the financial statements.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before the 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; and
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on its current practice and whether existing loan agreements may require renegotiation.

- Amendments to PAS 7, *Statement of Cash Flows*, and PFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*
  The amendments clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted, but will need to be disclosed.

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

  The amendments to the Practice Statement provide non-mandatory guidance. Early adoption of the amendments is permitted as long as this fact is disclosed.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right-of-use retained. The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

Effective beginning on or after January 1, 2025

- PFRS 17*, Insurance Contracts*
  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

  On December 15, 2021, the Philippine Financial and Sustainability Reporting Standards Council (FSRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two years after its effective date as decided by the International Accounting Standards Board (IASB).

  PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

Deferred effectivity

- PFRS 10, *Consolidated Financial Statements*, and PAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments)
  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the FSRSC postponed the original effective date of January 1, 2016 of the said amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

3. **Significant Accounting Judgments and Estimates**

The preparation of the Group's financial statements in compliance with PFRS requires the management to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as these become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

Unless otherwise stated, below significant judgements and estimates apply as of and for the years ended December 31, 2023, 2022 and 2021:

Judgments

a) *Determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates*
Upon adoption of the Interpretation, the Group has assessed whether it has any uncertain tax position. The Group applies significant judgement in identifying uncertainties over its income tax treatments. The Group determined, based on its tax compliance review, that it is probable that its income tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. Accordingly, the interpretation did not have an impact on the consolidated financial statements of the Group.

b) *Evaluation of business model in managing financial assets and sale of investment securities at amortized cost*
The Group manages its financial assets based on business models that maintain adequate level of financial assets to match expected cash outflows and maintain adequate level of high-quality liquid assets while maintaining a strategic portfolio of financial assets for investment and trading activities consistent with its risk appetite.

The Group's business model allows for financial assets to be held to collect contractual cash flows even when sales of certain financial assets occur. PFRS 9, however, emphasizes that if more than infrequent and more than insignificant sales are made out of a portfolio of financial assets carried at amortized cost, the 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 the following 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 reason for those sales and why those sales do not reflect a change in the Group's objective for the business model:

- sales or derecognition of debt instrument under any of the circumstances spelled out under the relevant BSP Circulars on PFRS 9;
- sales in preparation for funding a potential aberrant behavior in the depositors' withdrawal pattern triggered by news of massive withdrawals or massive withdrawal already experienced by other systemically important banks in the industry;
- sales attributable to an anticipated or in reaction to major events in the local and/or international arena that may adversely affect the collectability of the debt instrument and seen to prospectively affect adversely the behavior of deposits or creditors; and
- sales that the Asset-Liability Management Committee (ALCO) deems appropriate to be consistent with managing the Group's balance sheet based upon but are not limited to the set risk limits and target ratios that have been approved by the BOD.

In 2021, the Parent Company sold investment securities at amortized cost and assessed that the disposal was not inconsistent with the hold-to-collect (HTC) business model (see Note 8).

c) *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 these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest 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.

d) *Determination of joint control over EW Ageas Life*
Control is presumed to exist when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. On the other hand, joint control is presumed to exist when the investors contractually agree on the sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Based on the provisions of the joint venture arrangement between the Parent Company and Ageas (Note 10), both parties have to agree in order for any resolution to be passed relating to the joint venture entity's relevant activities. This joint arrangement is classified as a joint venture since the parties have rights to the net assets of the joint venture entity.

e) *Contingencies*
The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsels handling the Group's defense in these matters and is based upon an analysis of potential results. The Group currently does not believe that these proceedings will have a material adverse effect on its financial position.

It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings (Note 30).

<u>Estimates</u>
a) *Fair values of derivatives*
Management applies valuation techniques to determine the fair value of derivatives that are not quoted in active market. Valuation techniques are used to determine fair values which are validated and periodically reviewed by qualified independent personnel. All models are reviewed before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practicable, the models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to develop estimates and assumptions. Changes in assumptions about these factors could affect reported fair values of derivatives. The Group uses judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Fair value measurements of financial instruments (including derivatives) as of December 31, 2023 and 2022 are disclosed in Note 5.

b) *Estimation of expected credit losses on financial assets*
The ongoing recovery from the COVID-19 pandemic, the war in Ukraine and the Middle East (i.e. Israel and Palestine), and the global cost of living crisis are the prevailing events that continue to contribute to the uncertainty in the global economy. In response to these external events, the Group made changes and updates in the methodology used in calculating for the expected credit losses.

In 2023, the Group made some enhancements and updates to the ECL model of the Group as follows:

- updating of the coverage data for the historical components of the model, thus, incorporating the impact of the post-pandemic recovery;
- refinements to the segmentation that further granularizes and therefore, differentiates between borrower behavior; and
- refinements to the framework for the selection of the base, best and worst economic outlook to be applied to ECL and their corresponding weights or likelihood of occurrence.

The updated data coverage is the basis for establishing the relationship between economic conditions and default through the macroeconomic overlay model tas well as the through the cycle (i.e. historical) default and recovery experience of the Group. The framework for the selection of economic outlook is used in the generation of economic forecasts that serve as input for estimating the forward-looking expected loss.

The measurement of credit losses under PFRS 9 across all categories of financial assets requires significant 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 SICR. 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 interdependencies. Significant elements of the models include, among others:

- segmenting the Group's credit risk exposures;
- the Group's definition of default;
- determining the method to estimate ECL;
- identifying exposures with significant deterioration in credit quality;
- determining assumptions to be used in the ECL model such as the counterparty credit risk rating;
- the expected life of the financial asset and expected recoveries from defaulted accounts; and
- incorporating forward-looking information (called overlays) in calculating ECL.

The carrying values of loans and receivables and the related allowance are disclosed in Notes 9 and 15, while the carrying values of debt financial assets at FVTOCI and amortized cost and their related allowances are disclosed in Notes 8 and 15.

c) *Impairment of non-financial assets (excluding goodwill and branch licenses)*
The Group assesses impairment on non-financial assets and considers the following impairment indicators:

- significant underperformance relative to historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

The Group recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. Except for investment properties where recoverable amount is determined based on fair value less cost to sell, the recoverable amount of all other non-financial assets is determined based on the assets' value in use computation which considers the present value of estimated future cash flows expected to be generated from the continued use of the asset. The Group is required to make estimates and assumptions that can materially affect the carrying amount of the asset being assessed.

The carrying values of the investment in subsidiaries and joint venture, property and equipment, investment properties, intangible assets (excluding goodwill and branch licenses), and other non-financial assets recorded in 'Other Assets' of the Group and the Parent Company are disclosed in Notes 10, 11, 12, 13, and 14.

d) *Impairment of goodwill and branch licenses*
The Group determines whether goodwill and branch licenses are impaired at least on an annual basis. Goodwill and branch licenses are written down for impairment where the net present value of the forecasted future cash flows from the CGUs is insufficient to support its carrying value. The Group has used the cost of equity as the discount rate for the value in use (VIU) computation. The Group determined the cost of equity using the capital asset pricing model.

The recoverable amount of the CGU has been determined based on a VIU calculation using cash flow projections from financial budgets approved by the BOD covering a five-year period. Future cash flows from the CGU are estimated based on the theoretical annual income of the CGU. Average growth rate was derived from the average increase in annual income during the last 5 years. The discount rate applied reflects the current market assessment of the risk specific to each CGU. Key assumptions in VIU calculation of CGUs are most sensitive to the following assumptions: a) interest margin; b) discount rates; c) market share during the budget period; and d) projected growth rates used to extrapolate cash flows beyond the budget period.

The carrying values of goodwill and branch licenses of the Group and the Parent Company are disclosed in Note 13.

e) *Recognition of deferred tax assets*
Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable income 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 profits together with future tax planning strategies.

Key assumptions used in forecast of future taxable income include loan portfolio and deposit growth rates.

The Group believes it will be able to generate sufficient taxable income in the future to utilize its deferred tax assets. Taxable income is sourced mainly from interest income, and earnings from service charges, fess, commissions and trust activities.

The recognized and unrecognized net deferred tax assets of the Group and of the Parent Company are disclosed in Note 25.

4. Financial Risk Management Objectives and Policies

Risk Management
To ensure that corporate goals and objectives, and business and risk strategies are achieved, the Parent Company utilizes a risk management process that is applied throughout the organization in executing all business activities. Employees' functions and roles fall into one of the three categories where risk must be managed: business units, operating units and governance units.

The Parent Company's activities are principally related to the use of financial instruments and are exposed to credit risk, operational risk and market risk, the latter being subdivided into trading and banking book risks such as liquidity and interest rate risk. Forming part of a coherent risk management system that the Parent Company employs are the risk concepts, control tools, analytical models, statistical methodologies, historical research, and market analysis. These tools support the key risk processes that involve identifying, measuring, controlling, and monitoring risks.

Risk Management Structure

a. *Board of Directors (BOD)*
The Parent Company's risk culture is practiced and observed across the Group, putting the prime responsibility on the BOD. It establishes the risk culture and the risk management organization and incorporates the risk process as an essential part of the strategic plan of the Group. The BOD approves the Parent Company's articulation of risk appetite which is used internally to help management understand the tolerance for risk in each of the major risk categories, its measurement and key controls available that influence the Parent Company's level of risk taking. All risk management policies and policy amendments, risk-taking limits such as but not limited to credit and trade transactions, market risk limits, counterparty limits, trader's limits and activities are based on the Parent Company's established approving authorities which are approved by the Parent Company's BOD. At a high level, the BOD also approves the Parent Company's framework for managing risk.

b. *Executive Committee*
This is a BOD level committee, which leads the bank-wide strategic planning and the execution thereof, and reviews the bankwide credit strategy, profile and performance. It approves the credit risk-taking activities based on the Parent Company's established approving authorities and likewise reviews and endorses credit-granting activities, including the Internal Credit Risk Rating System.

c. *Loan and Investments Committee*
This committee is headed by the Chairman of the Parent Company and whose primary responsibility is to: oversee the Parent Company's credit risk-taking activities and overall adherence to the credit risk management framework; review business/credit risk strategies, quality and profitability of the Parent Company's credit portfolio; and recommend changes to the credit evaluation process, credit risk acceptance criteria and the minimum and target return per credit or investment transaction. All credit risk-taking activities based on the Parent Company's established approving authorities are evaluated and approved by this committee. It establishes infrastructure by ensuring business units have the right systems, and adequate and competent manpower support to effectively manage its credit risk.

d. *Asset-Liability Management Committee (ALCO)*
ALCO, a management level committee, meets on a weekly basis and is responsible for the overall management of the Parent Company's market, liquidity, and financial position related risks. It monitors the Parent Company's liquidity position and reviews the impact of strategic decisions on liquidity. It is responsible for managing liquidity risks and ensuring exposures remain within established tolerance levels. The ALCO's primary responsibilities include, among others, (a) ensuring that the Parent Company and each business unit holds sufficient liquid assets of appropriate quality and in appropriate currencies to meet short-term funding and regulatory requirements, (b) managing financial position and ensuring that business strategies are consistent with its liquidity, capital and funding strategies, (c) establishing asset and/or liability transfer pricing policies that are consistent with the financial position objectives, (d) recommending market and liquidity risk limits to the Risk Management Committee and BOD, and (e) approving the assumptions used in contingency and funding plans. It also reviews cash flow forecasts, stress testing scenarios and results, and implements liquidity limits and guidelines.

e. *Risk Management Committee (RMC)*
RMC is a BOD level committee that convenes monthly and is primarily responsible in assisting the BOD in managing the Parent Company's risk-taking activities. This is performed by the Committee by institutionalizing risk policies and overseeing the Parent Company's risk management system. It recommends risk appetite and tolerances for the Parent Company's major risk exposures to the BOD. Risk management principles, strategies, framework, policies, processes, and initiatives and any modifications and amendments thereto are reviewed and endorsed by the RMC to the BOD for approval. It oversees and reports to the BOD the effectiveness of the risk management system, overall risk profile, and compliance with the risk appetite and tolerances that the BOD approved.

f. *Audit Committee (Audit Com)*
The Audit Com is a BOD level committee that assists the BOD in fulfilling its responsibilities for overseeing senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It ensures that systems and processes are designed to provide reasonable assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets. It is tasked to discuss with management the Parent Company's major risk exposures and ensures accountability on the part of management to monitor and control such exposures including the Parent Company's risk assessment and risk management policies. The Audit Com oversees the internal audit function and is responsible for monitoring and reviewing its effectiveness while ensuring its independence.

g. *Corporate Governance and Compliance Committee (CGCC)*
The CGCC is a BOD level committee that leads the Parent Company in defining and fulfilling the corporate governance policies and attaining best practices while overseeing the implementation of the Parent Company's compliance program, money laundering and terrorist financing prevention program and ensuring that regulatory compliance issues are resolved expeditiously. In addition to its governance role, the CGCC also assumes the nomination function whereby it reviews and evaluates the qualifications of all persons nominated to the BOD, all direct reports of the President and Chief Executive Officer (CEO), Heads of Governance Units regardless of rank, and other positions of the Parent Company requiring appointment by the BOD. The committee oversees the annual performance evaluation of the BOD, its committees, and individual directors and conducts an annual self-evaluation of its performance as prescribed under and in accordance with the Corporate Governance Manual and Securities and Exchange Commission (SEC) Code of Corporate Governance for Publicly Listed Companies.

h. *Related Party Transactions (RPT) Committee*
The RPT Committee is a BOD level committee that assists the BOD in ensuring that the transactions with related parties of the Parent Company are handled in a sound and prudent manner, with integrity and in compliance with the applicable laws and regulations to protect the interest of depositors, creditors and other stakeholders. It also ensures that related party transactions are conducted on an arm's length basis and that no stakeholder is unduly disadvantaged by such transactions.

i. *Asset Impairment Committee (AIC)*
AIC is a management level committee that convenes monthly in a year and shall officially represent the Parent Company's source of experienced credit judgement insofar as the asset impairment exercise is concerned. This experienced credit judgment is tapped to provide guidance under the conditions that include, but are not limited to the following: 1) The result of the calculation is assessed to be unreasonable such that it is considered as not fairly representative of the Parent Company's historical experience, current, and prospective credit condition or other conditions deemed relevant in reasonably determining the recoverable value of the Parent Company's assets; 2) There is an adverse change in the prevailing or foreseen prospective economic condition relative to the embedded presumption in the existing impairment framework; and 3) The data set in the calculation parameters is not available or insufficient to complete the calculation.

j. *Risk Management Division (RMD)*
RMD performs an independent risk governance function within the Parent Company. RMD is tasked with identifying, measuring, controlling, and monitoring existing and emerging risks inherent in the Parent Company's overall portfolio (on- or off-balance sheet). RMD develops and employs risk assessment tools to facilitate risk identification, assessment and measurement. It is responsible for developing and implementing the framework for policies and practices to assess and manage enterprise-wide market, credit, operational, and all other risks of the Parent Company.

It also develops risk tolerance limits for BOD approval, as endorsed by the RMC, and monitors compliance with approved risk tolerance limits. Finally, it regularly apprises the BOD, through the RMC, the results of its risk monitoring.

k. *Internal Audit (IA)*
IA provides an independent assessment of the adequacy of the Parent Company's internal controls, risk management, governance framework and execution/operational practices. Internal audit activities are conducted in accordance with the International Standards for the Professional Practice of Internal Auditing (ISPPIA) and the Code of Ethics. IA has adopted a risk assessment methodology, which provides a sound basis in the selection of areas of coverage and frequency of audit for the preparation of the annual audit plan. IA employs a risk-based audit approach that examines both the adequacy of the policies and the Parent Company's compliance with the procedures while assuring audit coverage of the areas identified as representing the greatest current risk. It discusses the results of assessments with management, and reports its findings and recommendations to the Audit Com. IA's activities are suitably designed to provide the BOD with reasonable assurance that significant financial and operating information is materially complete, reliable and accurate; internal resources are adequately protected; and employee performance is in compliance with the Parent Company's policies, standards, procedures and applicable laws and regulations.

l. Compliance Division
Compliance Division is vested with the responsibility of overseeing the design of the Parent Company's Compliance Program and coordinating its effective implementation towards the sound management of Business and Compliance Risks. It also manages the implementation of the Money Laundering and Terrorist Financing Program. Its mandate is to ensure that the Parent Company is compliant with relevant and applicable laws, rules, regulations, codes of conduct and standards of good practice while avoiding an overly risk-averse environment that inhibits business growth. It serves as the Parent Company's central point of contact with banking regulators.

The major risk types identified by the Group are disclosed in the following section:

Credit Risk
Credit risk refers to the potential loss of earnings or capital arising from an obligor/s, customer/s or counterparty's failure to perform and/or to meet the terms of any contract with the Group. Credit risk may last for the entire tenor of the exposure, may be set at the full amount of the transaction and in some cases, may exceed the original principal exposure. The risk may arise from lending, trade financing, trading, investments and other activities undertaken by the Group. To identify and assess this risk, the Group has: 1) approval process per borrower, business and/or product segment; and 2) structured and standardized internal credit risk rating system for corporate borrowers and score models for consumer products such as credit cards, auto, mortgage and personal loans. For large corporate credit transactions, the Parent Company has a comprehensive procedure for credit evaluation, risk assessment, and well-defined concentration limits that are established for each borrower. The Group's credit risk is managed at the portfolio level, which may be on an overall perspective or according to product type.

Credit Concentration
Excessive concentration of lending plays a significant role in the weakening of asset quality. The Group reduces this risk by diversifying its loan portfolios across various sectors and borrowers. The Group believes that good diversification across economic sectors and geographic areas, among others, will enable it to ride through business cycles without causing undue harm to its asset quality.

The Group's loan portfolio is in line with the Group's policy of not having significant concentrations of exposure to specific industries or group of borrowers. Management of risk concentration is by client/counterparty, by industry sector, and by geographical location. For risk concentration monitoring purposes, the financial assets are broadly categorized into loans and receivables, loans and advances to banks, and investment securities. The Group ensures compliance with BSP's limit on exposure to any single person or group of connected persons by closely monitoring large exposures and top 20 borrowers for both single and group accounts.

Aside from ensuring compliance with BSP's limit on exposures to any single person or group of connected persons and to large exposures, it is the Parent Company's policy to keep the expected loss (determined based on the credit risk rating of the account) of the latter to, at most, one percent (1.00%) of their aggregate outstanding balance. This is to maintain the quality of the large exposures within the Group's risk appetite. With this, accounts with better risk grades are given priority in terms of being granted a bigger share in the Group's loan facilities.

Aligned with the Manual of Regulations for Banks definition, the Group considers its loan portfolio concentrated if it has exposures of more than thirty percent (30.00%) to an industry.

Credit Concentration Profile as of December 31, 2023 and 2022
Maximum exposure to credit risk
The tables below provide the analysis of the maximum exposure to credit risk of the Group and the Parent Company's financial instruments, excluding those where the carrying values are reflected in the statement of financial position and related notes already represent the financial instrument's maximum exposure to credit risk, before and after taking into account collateral held or other credit enhancement:

Consolidated

	2023				2022			
	Maximum Exposure to Credit Risk [A]	**Fair Value of Collateral [B]**	**Financial Effect of Collateral [C]**	**Net Exposure [D] = [A] – [C]**	Maximum Exposure to Credit Risk [A]	Fair Value of Collateral [B]	Financial Effect of Collateral [C]	Net Exposure [D] = [A] – [C]
Securities purchased under resell agreement (SPURA)	**₱15,976,310**	**₱15,976,310**	**₱15,976,310**	**₱–**	₱–	₱–	₱–	₱–
Loans and receivables:								
Receivables from customers								
Corporate lending	**59,632,224**	**26,694,071**	**8,851,633**	**50,780,591**	68,811,837	29,960,135	8,279,263	60,532,574
Consumer lending	**237,245,146**	**92,740,786**	**71,702,992**	**165,542,154**	189,920,377	77,529,015	64,563,550	125,356,827
	₱312,853,680	**₱135,411,167**	**₱96,530,935**	**₱216,322,745**	₱258,732,214	₱107,489,150	₱72,842,813	₱185,889,401

Parent Company

	2023				2022			
	Maximum Exposure to Credit Risk [A]	**Fair Value of Collateral [B]**	**Financial Effect of Collateral [C]**	**Net Exposure [D] = [A] – [C]**	Maximum Exposure to Credit Risk [A]	Fair Value of Collateral [B]	Financial Effect of Collateral [C]	Net Exposure [D] = [A] – [C]
Securities purchased under resell agreement (SPURA)	**₱15,976,310**	**₱15,976,310**	**₱15,976,310**	**₱–**	₱–	₱–	₱–	₱–
Loans and receivables:								
Receivables from customers								
Corporate lending	**59,557,798**	**26,561,069**	**8,806,878**	**50,750,921**	68,745,390	29,824,688	8,230,933	60,514,457
Consumer lending	**208,899,438**	**92,740,786**	**71,703,227**	**137,196,210**	169,930,472	77,518,761	64,558,998	105,371,474
	₱284,433,546	**₱135,278,165**	**₱96,486,415**	**₱187,947,131**	₱238,675,862	₱107,343,449	₱72,789,931	₱165,885,931

Credit risk, in respect of derivative financial products, is limited to those with positive fair values which are included under financial assets at FVTPL (Note 5). As a result, the maximum credit risk is limited to the amounts on the statements of financial position plus commitments to customers such as unused commercial letters of credit, outstanding guarantees and others as disclosed in Note 36 to the financial statements.

For off-balance sheet items, the figures presented below summarize the Group's and the Parent Company's maximum exposure to credit risk:

	2023					2022				
	Notional Principal Amount	**Credit Conversion Factor**	**Credit Equivalent Amount**	**Credit Risk Mitigation**	**Net Credit Exposure**	Notional Principal Amount	Credit Conversion Factor	Credit Equivalent Amount	Credit Risk Mitigation	Net Credit Exposure
Off-balance sheet items*										
Direct credit substitutes	**₱434,151**	**100%**	**₱434,151**	**₱–**	**₱434,151**	₱618,749	100%	₱618,749	–	₱618,749
Transaction-related contingencies	**3,087,808**	**50%**	**1,543,904**	**–**	**1,543,904**	2,843,341	50%	1,421,671	–	1,421,671
Guarantees	**91,216**	**20%**	**18,243**	**–**	**18,243**	–	20%	–	–	–
Letters of credit	**392,906**	**20%**	**78,581**	**–**	**78,581**	608,805	20%	121,761	–	121,761
	₱4,006,081		**₱2,074,879**	**₱–**	**₱2,074,879**	₱4,070,895		₱2,162,181	₱–	₱2,162,181

*For all other off-balance sheet exposures (see Note 30), credit conversion factor is 0.00%.

Collateral and other credit enhancements
Collaterals are taken into consideration during the loan application process as they offer an alternative way of collecting from the client should a default occur. The percentage of loan value attached to the collateral offered is part of the Group's lending guidelines. Such percentages take into account safety margins for foreign exchange rate exposure/fluctuations, interest rate exposure, and price volatility.

Collaterals are valued according to existing credit policy standards and following the latest appraisal report, serve as the basis for the secured amount of the loan facility. Premium security items are collaterals that have the effect of reducing the estimated credit risk for a facility. The primary consideration for enhancements falling under such category is the ease of converting them to cash.

The Group is not permitted to sell or re-pledge the collateral in the absence of default by the owner of the collateral. It is the Group's policy to dispose foreclosed assets in an orderly fashion. The proceeds of the sale of the foreclosed assets, included under 'Investment Properties', are used to reduce or repay the outstanding claim. In general, the Group does not occupy repossessed properties for business use.

As part of the Group's risk control on security/collateral documentation, standard documents are made for each security type and deviation from the pro-forma documents are subject to legal review prior to implementation.

Credit collaterals profile
The table below provides the collateral profile of the outstanding loan portfolio of the Group and the Parent Company:

	Consolidated				Parent Company			
	2023		2022		2023		2022	
	Gross Amount	%	Gross Amount	%	Gross Amount	%	Gross Amount	%
Loans secured by:								
Chattel	**₱81,558,366**	**27.47**	₱66,580,479	25.73	**₱81,289,791**	**30.28**	₱66,318,606	27.78
Real estate	**22,569,967**	**7.60**	25,113,211	9.71	**22,496,871**	**8.38**	25,058,827	10.50
Others*	**15,516,687**	**5.23**	15,972,417	6.17	**15,515,194**	**5.78**	15,966,016	6.68
	119,645,020	**40.30**	107,666,107	41.61	**119,301,856**	**44.44**	107,343,449	44.97
Unsecured	**177,232,351**	**59.70**	151,066,106	58.39	**149,155,380**	**55.56**	131,332,413	55.03
	₱296,877,371	**100.00**	₱258,732,213	100.00	**₱268,457,236**	**100.00**	₱238,675,862	100.00

**Consists of government securities, corporate bonds, shares of stock, hold-out on deposits, assignment of receivables etc.*

The credit exposures, after due consideration of the allowed credit enhancements, are considered the maximum credit exposure to any client or counterparty.

As for the computation of credit risk weights, hold-out on deposits with the Parent Company, Home Guaranty cover, and Philippine sovereign guarantees are the only credit risk mitigants considered as eligible.

Large exposures and top 20 borrowers
The table below summarizes the top 20 borrowers and large exposures of the Group and the Parent Company: (There was change in the regulatory definition of large exposures that was adopted by the Bank in 2023. Refer to the note for each table that captures the respective definition for the covered period.)

	2023			
	Top 20 Borrowers		Large Exposures*	
	Single Borrowers	Group Borrowers	Single Borrowers	Group Borrowers
Aggregate Exposure	**₱27,604,739**	**₱29,125,122**	**₱11,543,024**	**₱12,286,823**
Composite Risk Rating	**3.24**	**3.39**	**1.00**	**1.00**
Total Credit Loss/Aggregate Exposure	**1.38%**	**1.69%**	**0.01%**	**0.02%**

**Large exposures refer to exposures to a counterparty or a group of related counterparties equal to or greater than 10.00% of the Parent Company's qualifying capital.*

	2022			
	Top 20 Borrowers		Large Exposures*	
	Single Borrowers	Group Borrowers	Single Borrowers	Group Borrowers
Aggregate Exposure	₱27,788,038	₱33,087,135	₱12,350,277	₱19,167,735
Composite Risk Rating	2.89	3.12	1	2.01
Total Credit Loss/Aggregate Exposure	2.21%	2.05%	0.01%	0.39%

**Large exposures refer to exposures to a counterparty or a group of related counterparties equal to or greater than 5.00% of the Parent Company's qualifying capital.*

Concentration by industry
The tables below show the distribution of the Group and the Parent Company's financial assets before taking into account any collateral or other credit enhancements analyzed by industry sector as of December 31, 2023 and 2022:

	Consolidated 2023					
	Loans and Receivables		Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
	Amount	%				
Activities of households as employers and undifferentiated goods-and-services-producing activities of households for own use	**₱212,499,312**	**68.87**	**₱–**	**₱–**	**₱–**	**₱212,499,312**
Real estate, renting and business activity	**24,703,996**	**8.01**	–	**15,068**	–	**24,719,064**
Wholesale and retail trade, repair of motor vehicles	**22,786,921**	**7.39**	–	–	–	**22,786,921**
Financial intermediaries	**10,022,249**	**3.25**	**35,083,516**	**2,411,398**	–	**47,517,163**
Education	**9,803,173**	**3.18**	–	–	–	**9,803,173**
Manufacturing	**7,449,135**	**2.41**	–	**166**	–	**7,449,301**
Electricity, gas, steam and air-conditioning supply	**7,128,870**	**2.31**	–	**2,399,382**	–	**9,528,252**
Other service activities	**3,736,544**	**1.21**	–	**1,071,840**	–	**4,808,384**
Accommodation and food service activities	**2,466,181**	**0.80**	–	**519,648**	–	**2,985,829**
Transportation and storage	**2,136,776**	**0.69**	–	–	–	**2,136,776**
Government and foreign sovereign	**1,535,700**	**0.50**	–	**87,626,099**	–	**89,161,799**
Construction	**1,509,341**	**0.49**	–	–	–	**1,509,341**
Agriculture, fisheries and forestry	**829,046**	**0.27**	–	–	–	**829,046**
Administrative and support service activities	**550,605**	**0.18**	–	–	–	**550,605**
Holding	**72,204**	**0.02**	–	**3,964,409**	–	**4,036,613**
Others****	**1,309,133**	**0.42**	–	–	**643,853**	**1,952,986**
	308,539,186	**100.00**	**35,083,516**	**98,008,010**	**643,853**	**442,274,565**
Allowance for credit losses (Note 15)	**11,923,717**		**821**	**10,708**	–	**11,935,246**
Total	**₱296,615,470**		**₱35,082,695**	**₱97,997,302**	**₱643,853**	**₱430,339,319**

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*
***** Includes Arts and recreation activities, mining and quarrying, human health and social activities, and information and communication.*

	Consolidated 2022					
	Loans and Receivables		Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
	Amount	%				
Activities of households as employers and undifferentiated goods-and-services-producing activities of households for own use	₱170,124,373	62.93	₱–	₱–	₱–	₱170,124,373
Real estate, renting and business activity	26,645,121	9.86	–	15,068	–	26,660,189
Wholesale and retail trade, repair of motor vehicles	22,551,473	8.34	–	–	–	22,551,473
Financial intermediaries	10,465,267	3.87	50,654,495	2,390,243	–	63,510,005
Manufacturing	9,714,244	3.59	–	130	–	9,714,374
Electricity, gas, steam and air-conditioning supply	8,504,601	3.15	–	2,416,589	–	10,921,190
Education	7,293,006	2.70	–	–	–	7,293,006
Other service activities	3,106,516	1.15	–	1,007,572	–	4,114,088
Transportation and storage	2,514,589	0.93	–	–	–	2,514,589
Accommodation and food service activities	2,468,071	0.91	–	501,711	–	2,969,782
Construction	2,223,701	0.82	–	–	–	2,223,701
Government and foreign sovereign	1,161,282	0.43	–	72,077,196	–	73,238,478
Agriculture, fisheries and forestry	814,372	0.30	–	–	–	814,372
Administrative and support service activities	422,712	0.16	–	–	–	422,712
Holding	72,706	0.03	–	3,853,659	–	3,926,365
Others****	2,237,591	0.83	–	–	505,621	2,743,212
	270,319,625	100.00	50,654,495	82,262,168	505,621	403,741,909
Allowance for credit losses (Note 15)	12,230,550		1,197	11,280	–	12,243,027
Total	₱258,089,075		₱50,653,298	₱82,250,888	₱505,621	₱391,498,882

* *Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
** *Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
*** *Includes other financial assets presented under 'Other assets' (Note 14)*
**** *Includes Arts and recreation activities, mining and quarrying, human health and social activities, and information and communication.*

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	Parent Company 2023					
	Loans and Receivables		Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
	Amount	%				
Activities of households as employers and undifferentiated goods-and-services-producing activities of households for own use	₱193,641,808	69.23	₱–	₱–	₱–	193,641,808
Real estate, renting and business activity	24,673,321	8.82	–	15,068	–	24,688,389
Wholesale and retail trade, repair of motor vehicles	22,778,412	8.14	–	–	–	22,778,412
Financial intermediaries	9,931,261	3.55	34,526,027	2,411,398	–	46,868,686
Manufacturing	7,440,705	2.66	–	166	–	7,440,871
Electricity, gas, steam and air-conditioning supply	7,128,254	2.55	–	2,399,382	–	9,527,636
Other service activities	3,683,352	1.32	–	1,071,840	–	4,755,192
Accommodation and food service activities	2,464,580	0.88	–	519,648	–	2,984,228
Transportation and storage	2,136,776	0.76	–	–	–	2,136,776
Construction	1,504,852	0.54	–	–	–	1,504,852
Government and foreign sovereign	1,483,752	0.53	–	86,027,334	–	87,511,086
Agriculture, fisheries and forestry	813,386	0.29	–	–	–	813,386
Administrative and support service activities	550,605	0.20	–	–	–	550,605
Education	146,845	0.05	–	–	–	146,845
Holding	72,204	0.03	–	3,964,409	–	4,036,613
Others****	1,272,738	0.45	–	1,007,572	619,150	2,899,460
	279,722,851	100.00	34,526,027	97,416,817	619,150	412,284,845
Allowance for credit losses (Note 15)	11,293,943		821	10,708	–	11,305,472
Total	₱268,428,908		₱34,525,206	₱97,406,109	₱619,150	₱400,979,373

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*
***** Includes Arts and recreation activities, mining and quarrying, human health and social activities, and information and communication.*

	Parent Company 2022					
	Loans and Receivables*		Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
	Amount	%				
Activities of households as employers and undifferentiated goods-and-services-producing activities of households for own use	₱157,079,482	62.83	₱–	₱–	₱–	₱157,079,482
Real estate, renting and business activity	26,610,686	10.64	–	15,068	–	26,625,754
Wholesale and retail trade, repair of motor vehicles	22,542,818	9.02	–	–	–	22,542,818
Financial intermediaries	10,507,965	4.20	50,079,806	2,390,243	–	62,978,014
Manufacturing	9,705,828	3.88	–	130	–	9,705,958
Electricity, gas, steam and air-conditioning supply	8,503,985	3.40	–	2,416,589	–	10,920,574
Other service activities	3,041,973	1.22	–	–	–	3,041,973
Transportation and storage	2,514,589	1.01	–	–	–	2,514,589
Accommodation and food service activities	2,466,471	0.99	–	501711	–	2,968,182
Construction	2,220,848	0.89	–	–	–	2,220,848
Government and foreign sovereign	1,108,003	0.44	–	70,438,107	–	71,546,110
Agriculture, fisheries and forestry	797,314	0.32	–	–	–	797,314
Administrative and support service activities	422,712	0.17	–	–	–	422,712
Education	202,823	0.08	–	–	–	202,823
Holding	72,706	0.03	–	3,853,659	–	3,926,365
Others****	2,215,681	0.89	–	1,007,572	480,533	3,703,786
	250,013,884	100.00	50,079,806	80,623,079	480,533	381,197,302
Allowance for credit losses (Note 15)	11,575,411		1,197	11,280	–	11,587,888
Total	₱238,438,473		₱50,078,609	₱80,611,799	₱480,533	₱369,609,414

* *Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
** *Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
*** *Includes other financial assets presented under 'Other assets' (Note 14)*
**** *Includes Arts and recreation activities, mining and quarrying, human health and social activities, and information and communication*

Geographic Segmentation

The distribution of the Group's and Parent Company's financial assets by geographic region as of December 31, 2023 and 2022 follows:

	Consolidated 2023				
	Loans and Receivables	Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
Philippines	₱308,190,548	₱33,405,685	₱81,520,409	₱639,562	₱423,756,204
Asia (excluding Philippines)	279,347	661,626	13,198,807	–	14,139,780
Australia	–	73,293	–	–	73,293
Europe	21,534	164,522	2,022,107	4,272	2,212,435
North America	47,757	–	1,266,686	–	1,314,443
USA	–	778,390	–	19	778,409
	308,539,186	35,083,516	98,008,009	643,853	442,274,564
Allowance for credit losses (Note 15)	11,923,717	821	10,708	–	11,935,246
	₱296,615,470	₱35,082,695	₱97,997,301	₱643,853	₱430,339,319

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*

	Consolidated 2022				
	Loans and Receivables	Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
Philippines	₱269,993,182	₱47,699,301	₱66,558,599	₱505,426	₱384,756,508
Asia (excluding Philippines)	256,671	331,094	12,446,222	57	13,034,044
Australia	–	401,322	–	–	401,322
Europe	21,683	500,408	2,005,361	138	2,527,590
North America	48,089	–	1,251,986	–	1,300,075
USA	–	1,722,370	–	–	1,722,370
	270,319,625	50,654,495	82,262,168	505,621	403,741,909
Allowance for credit losses (Note 15)	12,230,550	1,197	11,280	–	12,243,027
	₱258,089,075	₱50,653,298	₱82,250,888	₱505,621	₱391,498,882

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*

	Parent Company 2023				
	Loans and Receivables	Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
Philippines	₱279,374,213	₱32,848,196	₱79,921,644	₱614,859	₱392,758,912
Asia (excluding Philippines)	279,347	661,626	13,198,807	–	14,139,780
Australia	–	73,293	–	–	73,293
Europe	21,534	164,522	2,022,107	4,272	2,212,435
North America	47,757	–	1,266,686	–	1,314,443
USA	–	778,390	–	19	778,409
	279,722,851	34,526,027	96,409,243	619,150	411,277,271
Allowance for credit losses (Note 15)	11,293,943	821	10,708	–	11,305,472
	₱268,428,908	₱34,525,206	₱96,398,536	₱619,150	₱399,971,800

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*

	Parent Company 2022				
	Loans and Receivables	Loans and Advances to Banks*	Investment Securities**	Other Financial Assets***	Total
Philippines	₱249,687,441	₱47,124,611	₱64,919,511	₱480,338	₱362,211,901
Asia (excluding Philippines)	256,671	331,094	12,446,222	57	13,034,044
Australia	–	401,322	–	–	401,322
Europe	21,684	500,408	2,005,361	138	2,527,591
North America	48,088	–	1,251,985	–	1,300,073
USA	–	1,722,371	–	–	1,722,371
	250,013,884	50,079,806	80,623,079	480,533	381,197,302
Allowance for credit losses (Note 15)	11,575,411	1,197	11,280	–	11,587,888
	₱238,438,473	₱50,078,609	₱80,611,799	₱480,533	₱369,609,414

** Includes Due from BSP, Due from Other Banks and Interbank loans receivables and SPURA*
*** Includes financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost.*
**** Includes other financial assets presented under 'Other assets' (Note 14)*

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

Internal Credit Risk Rating System
The Parent Company employs a credit scoring system for borrowers to assess risks relating to the borrower and the loan exposure. Borrower risk is evaluated by considering (a) quantitative factors, such as financial condition and (b) qualitative factors, such as management quality and industry outlook.

For corporate loans, the financial condition assessment focuses on profitability, liquidity, working capital management, and leverage. Management quality determination is based on the borrower's strategies, management competence and skills, and management of banking relationship while industry outlook is evaluated based on its importance to the economy, growth, industry structure and relevant government policies. Based on these factors, each borrower is assigned a Borrower Risk Rating (BRR), that ranges from 1 to 6. A borrower may be downgraded when it exhibits the characteristics of a classified account described below, in which case it will be assigned a risk rating ranging from 7 to 10.

The BRR for each borrower is reviewed annually. A more frequent review is warranted in cases where the borrower has a higher risk profile or when there are extraordinary or adverse developments affecting the borrower, the industry and/or the Philippine economy.

The following is a brief explanation of the Parent Company's risk grades:

Rating	Description	Account/Borrower Characteristics
1	Excellent	• low probability of going into default within the coming year; very high debt service capacity and balance sheets show no sign of any weakness • has ready access to adequate funding sources • high degree of stability, substance and diversity • of the highest quality under virtual economic conditions
2	Strong	• low probability of going into default in the coming year • access to money markets is relatively good • business remains viable under normal market conditions • strong market position with a history of successful financial performance • financials show adequate cash flows for debt servicing and generally conservative balance sheets
3	Good	• sound but may be susceptible, to a limited extent, to cyclical changes in the markets in which they operate • financial performance is good and capacity to service debt remains comfortable • cash flows remain healthy and critical balance sheet ratios are at par with industry norms • reported profits in the past three years and expected to sustain profitability in the coming year
4	Satisfactory	• clear risk elements exist and probability of going into default is somewhat greater, as reflected in the volatility of earnings and overall performance • normally have limited access to public financial markets • able to withstand normal business cycles, but expected to deteriorate beyond acceptable levels under prolonged unfavorable economic period • combination of reasonably sound asset and cash flow protection
5	Acceptable	• risk elements for the Parent Company are sufficiently pronounced, but would still be able to withstand normal business cycles • immediate deterioration beyond acceptable levels is expected given prolonged unfavorable economic period • there is sufficient cash flow either historically or expected in the future in spite of economic downturn combined with asset protection
5B	Acceptable	• financial condition hard to ascertain due to weak validation of financial statements coupled by funding leakages to other business interests whose financial condition is generally unknown • continuous decline in revenues and margins due to competition • substantial or unexplained build-up in borrowings with banks financing bulk of working capital and capex requirements coupled by substantial dividends pay-outs • chronically tight cash flows with operating income negative or barely enough for debt servicing • with past record of past due loans with other banks, cancelled credit cards and court cases
6	Watchlist	• with identified disruptions that may negatively affect performance but are likely to be resolved within the year • deteriorating revenue, net income, margins, and sustained increase in debt levels despite a slowdown in business activity • diversion of fund to non-core or start-up businesses and other investments that are known to be unprofitable or high risk • past due on interest and/or principal for ≤30 days and the delinquency is deemed temporary in nature • account is still in current status but already restructured but no payment experience yet or requesting for payment deferments or loan restructuring • with temporary cashflow pressures arising from unexpected circumstances but are likely to be resolved once these adverse events are mitigated or resolved.

Rating	Description	Account/Borrower Characteristics
7	Special Mention	• past due on interest and/or principal payments up to 90 days and the delinquency is not temporary in nature • intermittent delays or inadequate repayment of principal, interest or amortizations • past due account that is already requesting for payment deferments or loan restructuring • restructured account that has yet to meet the required track record of sustained payments • continuous renewal/extension without reduction in principal and lines with all creditors maxed-out and no clear source of repayment due to chronic tightness in cashflows • prolonged contraction in the business brought by adverse economic or market conditions resulting in net losses and affecting its capacity to pay • deficiency in documentation which have not been rectified within an agreed period of time unless for justifiable reasons
8	Substandard	• NPL or with chronic delays in payment because of unstable cashflow or with no definite commitment to pay or restructure • loans have already been restructured but conditions have not been fully met or tenor has been renegotiated • net loss for the last 2 years that have wiped out capital and business sustainability is a concern unless a major turnaround in business occurs. • due to difficulty in generating cashflows to service debt, repayment of the loans depends on non-operating sources such as collateral, personal funds or other assets • breach of key financial covenants that will have a significant effect on the borrower's capacity to pay
9	Doubtful	• business heavily affected by environmental, economic, health, regulatory issues to the point that closure or bankruptcy is becoming imminent • business is almost bankrupt and the only possible solution are either merger, acquisition, capital infusion or refinancing plans which are still being worked-out • business closure is imminent due to challenging business conditions such as substantial loss of market share, unsalable products due to obsolescence, tight competition and influx of cheap substitutes • with uncertainty if the Parent Company could find leviable assets or if there are other assets that can be liquidated, full recovery of principal remains uncertain due to marketability and other outstanding claims • client is difficult to coordinate with and is non-responsive to demand letters sent • Legal cases filed

Rating	Description	Account/Borrower Characteristics
10	Loss	• business is non-operational and loans are considered absolutely uncollectible due to presence of fraud and major build-up of claims and litigation • borrower's whereabouts unknown or insolvent or earning power-impaired and guarantors are insolvent or guarantee not financially supported

It is the Parent Company's policy to maintain accurate and consistent risk ratings across the corporate credit portfolio. This facilitates a focused management of the applicable risk and the comparison of credit exposures across all lines of businesses, geographic regions, and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the Parent Company's rating policy. The risk ratings are assessed and updated regularly.

The consumer loan portfolio of the Group is composed of the following product lines: credit cards, auto, mortgage, salary, personal and branch loans. Each of these products have established credit risk guidelines and systems for managing credit risk across all businesses. For credit cards, auto, mortgage and personal loans, application and behavioral scoring models are in place that primarily consider demographic variables and/or payment behavior, for the assessment of the likelihood of default by the borrower. For the other consumer loans, minimum risk acceptance criteria were set for each portfolio according to the nature of the product and the target market and is used for the evaluation of the credit quality of borrowers at origination.

For purposes of comparison of different exposure types, the credit portfolios (corporate and consumer) of the Parent Company are benchmarked against marketable corporate debt securities (using the Standard & Poor's (S&P) global study on corporate exposures) based on credit risk rating and corresponding PDs (i.e., Investment Grade – BRR 1 to 4, Standard Grade – BRR 5, Substandard Grade – BRR 5B to 6, Nonperforming – BRR 7 to10).

The Parent Company assigns credit risk using the following credit score master scale:

Credit quality	**Description**	**Credit rating**
Investment Grade	These accounts are of the highest quality and are likely to meet financial obligations.	AAA to AA+ AA AA- A+ A A- BBB+ BBB
Standard Grade	These accounts may be vulnerable to adverse business, financial and economic conditions but are expected to meet financial obligations.	BBB- BB+ BB BB- B+ B B-
Substandard Grade	These accounts are vulnerable to non-payment but for which default has not yet occurred.	CCC+ to C-

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

External Ratings
The Group also uses external ratings, such as S&P's, Moody's, and Fitch, to evaluate its counterparties and in its assignment of credit risk weights to its banking book exposures. Transactions falling under this category are normally of the following nature: placements with other banks, money market lending, debt security investments, and to some extent, equity security investments.

Credit rating grades of gross carrying amounts of financial assets
The credit quality by class of the Group's loans and receivables (gross of allowance for credit losses and unamortized premium) as of December 31, 2023 and 2022 are as follows:

	2023			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Investment Grade	**₱13,138,763**	**₱–**	**₱–**	**₱13,138,763**
Standard Grade	**39,691,941**	**2,675,587**	–	**42,367,528**
Substandard Grade	–	**1,252,173**	–	**1,252,173**
Non-Performing	–	**-**	**2,873,673**	**2,873,673**
	52,830,704	**3,927,760**	**2,873,673**	**59,632,137**
Auto loans				
Investment Grade				
Standard Grade	**63,254,410**	**8,230,182**	–	**71,484,592**
Substandard Grade	–	**111,930**	–	**111,930**
Non-Performing	–	–	**6,460,330**	**6,460,330**
	63,254,410	**8,342,112**	**6,460,330**	**78,056,853**
Credit cards				
Investment Grade	**5,561**	–	–	**5,561**
Standard Grade	**44,346,509**	**4,581,719**	–	**48,928,228**
Substandard Grade	**259,076**	**2,586,912**	–	**2,845,988**
Non-Performing	–	–	**2,133,105**	**2,133,105**
	44,611,147	**7,168,631**	**2,133,105**	**53,912,882**
Mortgage loans				
Investment Grade				
Standard Grade	**16,590,136**	**3,977**	–	**16,594,113**
Substandard Grade	–	**2,197,154**	–	**2,197,154**
Non-Performing	–	–	**1,250,576**	**1,250,576**
	16,590,136	**2,201,131**	**1,250,576**	**20,041,843**
Other consumer loans**				
Investment Grade				
Standard Grade	**71,113,855**	**44,705**	–	**71,158,560**
Substandard Grade	–	**3,865,551**	–	**3,865,551**
Non-Performing	–	–	**3,673,003**	**3,673,003**
	71,113,855	**3,910,256**	**3,673,003**	**78,697,113**
Other receivables***				
Investment Grade	**1,737,956**	–	–	**1,737,956**
Standard Grade	**5,812,495**	**757,769**	–	**6,570,264**
Substandard Grade	**3,695**	**647,636**	–	**651,332**
Non-Performing	–	–	**2,643,685**	**2,643,685**
	7,554,146	**1,405,406**	**2,643,685**	**11,603,237**
Total	**₱255,954,397**	**₱26,955,295**	**₱19,034,373**	**₱301,944,066**

**Include Corporate loans, Emerging Enterprise Loaans and Branch Loans*
***Include DepEd loans, Employee loans, Salary loans, Personal loans,*
**** Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

	2022			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Investment Grade	₱28,670,120	₱197,000	₱–	₱28,867,120
Standard Grade	2,428,006	34,707,284	–	37,135,290
Substandard Grade	1	76,144	–	76,145
Non-Performing	–	–	2,723,335	2,723,335
	31,098,127	34,980,428	2,723,335	68,801,890
Auto loans				
Investment Grade				
Standard Grade	46,171,339	7,618,244	–	53,789,583
Substandard Grade	–	2,200,461	–	2,200,461
Non-Performing	–	–	8,204,735	8,204,735
	46,171,339	9,818,705	8,204,735	64,194,779
Credit cards				
Investment Grade				
Standard Grade	32,648,161	3,629,241	–	36,277,402
Substandard Grade	877,157	1,623,553	–	2,500,710
Non-Performing	–	–	2,271,862	2,271,862
	33,525,318	5,252,794	2,271,862	41,049,974
Mortgage loans				
Investment Grade				
Standard Grade	16,028,733	1,090,230	–	17,118,963
Substandard Grade	–	718,820	–	718,820
Non-Performing	–	–	1,724,913	1,724,913
	16,028,733	1,809,050	1,724,913	19,562,696
Other consumer loans**				
Investment Grade	–	5	–	5
Standard Grade	56,517,878	52,082	–	56,569,960
Substandard Grade	66,881	2,362,086	–	2,428,967
Non-Performing	–	–	2,777,939	2,777,939
	56,584,759	2,414,173	2,777,939	61,776,871
Other receivables***				
Investment Grade	1,358,618	318	–	1,358,936
Standard Grade	5,952,419	1,132,745	–	7,085,164
Substandard Grade	27,442	648,744	–	676,186
Non-Performing	–	–	2,467,125	2,467,125
	7,338,479	1,781,807	2,467,125	11,587,411
Total	₱190,746,755	₱56,056,957	₱20,169,909	₱266,973,621

**Include Corporate loans and emerging enterprise loans*
***Include Branch loans, DepEd loans, Employee loans, Salary loans, Personal loans,*
**** Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

The credit quality by class of the Parent Company's loans and receivables (gross of allowance for credit losses and unamortized premium) as of December 31, 2023 and 2022 are as follows:

	2023			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Investment Grade	**₱13,138,763**	**₱-**	**₱ -**	**₱13,138,763**
Standard Grade	**39,663,586**	**2,675,587**	**-**	**42,339,173**
Substandard Grade	**-**	**1,252,173**	**-**	**1,252,173**
Non-Performing	**-**	**-**	**2,827,227**	**2,827,227**
	52,802,349	**3,927,760**	**2,827,227**	**59,557,336**
Auto loans				
Investment Grade				
Standard Grade	**63,254,410**	**8,230,182**	**-**	**71,484,592**
Substandard Grade	**-**	**111,930**	**-**	**111,930**
Non-Performing	**-**	**-**	**6,460,330**	**6,460,330**
	63,254,410	**8,342,112**	**6,460,330**	**78,056,852**

(Forward)

	2023 Gross carrying amount			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Credit cards				
Investment Grade	**₱5,561**	**₱-**	**₱-**	**₱5,561**
Standard Grade	**44,346,509**	**4,581,719**	**-**	**48,928,228**
Substandard Grade	**259,076**	**2,586,912**	**-**	**2,845,988**
Non-Performing	**-**	**-**	**2,133,105**	**2,133,105**
	44,611,146	**7,168,631**	**2,133,105**	**53,912,882**
Mortgage loans				
Investment Grade				
Standard Grade	**16,590,136**	**3,977**	**-**	**16,594,113**
Substandard Grade	**-**	**2,197,154**	**-**	**2,197,154**
Non-Performing	**-**	**-**	**1,250,576**	**1,250,576**
	16,590,136	**2,201,131**	**1,250,576**	**20,041,843**
Other Consumer Loans**				
Investment Grade				
Standard Grade	**44,973,994**	**44,705**	**-**	**45,018,699**
Substandard Grade	**-**	**1,775,756**	**-**	**1,775,756**
Non-Performing	**-**	**-**	**1,746,554**	**1,746,554**
	44,973,994	**1,820,461**	**1,746,554**	**48,541,009**
Other receivables***				
Investment Grade	**1,705,418**	**-**	**-**	**1,705,418**
Standard Grade	**5,500,672**	**757,769**	**-**	**6,258,441**
Substandard Grade	**3,695**	**569,956**	**-**	**573,651**
Non-Performing	**-**	**-**	**2,669,525**	**2,669,525**
	7,209,785	**1,327,725**	**2,669,525**	**11,207,035**
Total	**₱229,441,821**	**₱24,787,820**	**₱17,087,317**	**₱271,316,958**

**Include Corporate loans, Emerging Enterprise Loaans and Branch Loans*
***Include DepEd loans, Employee loans, Salary loans, Personal loans,*
**** Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

	2022 Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Investment Grade	₱28,670,120	₱197,000	₱–	28,867,120
Standard Grade	2,411,213	34,707,284	–	37,118,497
Substandard Grade	1	76,144	–	76,145
Non-Performing	–	–	2,673,449	2,673,449
	31,081,334	34,980,428	2,673,449	68,735,211
Auto loans				
Investment Grade	–	–	–	–
Standard Grade	46,171,339	7,618,244	–	53,789,584
Substandard Grade	–	2,200,461	–	2,200,461
Non-Performing	–	–	8,204,735	8,204,735
	46,171,339	9,818,705	8,204,735	64,194,780
Credit cards				
Investment Grade	–	–	–	–
Standard Grade	32,648,161	3,629,241	–	36,277,402
Substandard Grade	877,157	1,623,553	–	2,500,710
Non-Performing	–	–	2,271,862	2,271,862
	33,525,318	5,252,794	2,271,862	41,049,973
Mortgage loans				
Investment Grade	–	–	–	–
Standard Grade	16,028,733	1,090,230	–	17,118,963
Substandard Grade	–	718,820	–	718,820
Non-Performing	–	–	1,724,913	1,724,913
	16,028,733	1,809,050	1,724,913	19,562,696
Other Consumer Loans**				
Investment Grade	–	5	–	5
Standard Grade	39,431,938	51,944	–	39,483,881
Substandard Grade	66,881	55,186	–	122,066
Non-Performing	–	–	969,761	969,761
	39,498,819	107,134	969,761	40,575,714

(Forward)

	2022 Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Other receivables***				
Investment Grade	₱1,326,054	₱318	₱–	₱1,326,372
Standard Grade	5,752,873	1,132,745	–	6,885,618
Substandard Grade	27,442	628,139	–	655,582
Non-Performing	–	–	2,470,450	2,470,450
	7,106,369	1,761,202	2,470,450	11,338,022
Total	₱173,411,912	₱53,729,315	₱18,315,171	₱245,456,397

**Include Corporate loans, Emerging Enterprise Loaans and Branch Loans*
***Include DepEd loans, Employee loans, Salary loans, Personal loans,*
**** Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

The credit quality by class of the Group's financial assets other than loans and receivables (gross of allowance for credit losses) as of December 31, 2023 and 2022 are as follows:

	2023 Gross carrying amount			
Credit Score	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Due from BSP				
Investment Grade	**₱16,171,987**	**₱–**	**₱–**	**₱16,171,987**
	16,171,987	–	–	**16,171,987**
Due from other banks				
Investment Grade	**2,469,290**	–	–	**2,469,290**
	2,469,290	–	–	**2,469,290**
Interbank loans receivables and SPURA				
Investment Grade	**16,441,418**	–	–	**16,441,418**
	16,441,418	–	–	**16,441,418**
Financial assets at FVTPL				
Investment Grade	**4,112,322**	–	–	**4,112,322**
	4,112,322	–	–	**4,112,322**
Financial assets at FVTOCI				
Investment Grade	**16,668,957**	–	–	**16,668,957**
Standard Grade	**263,722**	**1,551,281**	–	**1,815,003**
	16,932,680	**1,551,281**	–	**18,483,960**
Investment securities at amortized cost				
Investment Grade	**74,857,384**	–	–	**74,857,384**
Standard Grade	–	**554,343**	–	**554,343**
	74,857,384	**554,343**	–	**75,411,727**
Other financial assets (Note 14)				
Standard Grade	**21,812**	–	–	**21,812**
Non-Performing	–	–	**622,041**	**622,041**
	21,812	–	**622,041**	**643,852**
Total	**₱131,006,893**	**₱2,105,624**	**₱622,041**	**₱133,734,557**

**Includes security deposits, derivative assets, deposit to suppliers, returned cash and other cash items (RCOCI)*

	2022 Gross carrying amount			
Credit Score	Stage 1	Stage 2	Stage 3	Total
Due from BSP				
Investment Grade	₱36,114,397	–	–	₱36,114,397
	36,114,397	–	–	36,114,397
Due from other banks				
Investment Grade	4,529,635	–	–	4,529,635
	4,529,635	–	–	4,529,635
Interbank loans receivables and SPURA				
Investment Grade	10,009,266	–	–	10,009,266
	10,009,266	–	–	10,009,266
Financial assets at FVTPL				
Investment Grade	1,958,310	–	–	1,958,310
	1,958,310	–	–	1,958,310

(Forward)

	2022			
	Gross carrying amount			
Credit Score	Stage 1	Stage 2	Stage 3	Total
Financial assets at FVTOCI				
Investment Grade	₱14,430,399	₱–	₱–	₱14,430,399
Standard Grade	823,962	1,492,025	–	2,315,987
	15,254,361	1,492,025	–	16,746,386
Investment securities at amortized cost				
Investment Grade	62,004,503	–	–	62,004,503
Standard Grade	–	1,552,968	–	1,552,968
	62,004,503	1,552,968	–	63,557,471
Other financial assets (Note 14)				
Standard Grade	18,750	–	–	18,750
Non-Performing	–	–	486,871	486,871
	18,750	–	486,871	505,621
Total	₱129,889,221	₱3,044,993	₱486,871	₱133,421,086

The credit quality by class of the Parent Company's financial assets other than loans and receivables (gross of allowance for credit losses) as of December 31, 2023 and 2022 are as follows:

	2023			
	Gross carrying amount			
Credit Score	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Due from BSP				
Investment Grade	**₱15,745,451**	**₱–**	**₱–**	**₱15,745,451**
	15,745,451	**–**	**–**	**15,745,451**
Due from other banks				
Investment Grade	**2,338,337**	**–**	**–**	**2,338,337**
	2,338,337	**–**	**–**	**2,338,337**
Interbank loans receivables and SPURA				
Investment Grade	**16,441,418**	**–**	**–**	**16,441,418**
	16,441,418	**–**	**–**	**16,441,418**
Financial assets at FVTPL				
Investment Grade	**4,112,322**	**–**	**–**	**4,112,322**
	4,112,322	**–**	**–**	**4,112,322**
Financial assets at FVTOCI				
Investment Grade	**16,668,957**	**–**	**–**	**16,668,957**
Standard Grade	**263,722**	**1,551,281**	**–**	**1,815,003**
	16,932,679	**1,551,281**	**–**	**18,483,960**
Investment securities at amortized cost				
Investment Grade	**73,258,619**	**–**	**–**	**73,258,619**
Standard Grade	**–**	**554,343**	**–**	**554,343**
	73,258,619	**554,343**	**–**	**73,812,962**
Other financial assets (Note 14)				
Standard Grade	**21,812**	**–**	**–**	**21,812**
Non-Performing	**–**	**–**	**597,337**	**597,337**
	21,812	**–**	**597,337**	**619,149**
Total	**₱128,850,638**	**₱2,105,624**	**₱597,337**	**₱131,553,599**

	2022			
	Gross carrying amount			
Credit Score	Stage 1	Stage 2	Stage 3	Total
Due from BSP				
Investment Grade	₱35,723,579	₱–	₱–	₱35,723,579
	35,723,579	–	–	35,723,579
Due from other banks				
Investment Grade	4,345,763	–	–	4,345,763
	4,345,763	–	–	4,345,763
Interbank loans receivables and SPURA				
Investment Grade	₱10,009,266	₱–	₱–	₱10,009,266
	10,009,266	–	–	10,009,266
Financial assets at FVTPL				
Investment Grade	1,958,310	–	–	1,958,310
	1,958,310	–	–	1,958,310
Financial assets at FVTOCI				
Investment Grade	14,430,399	–	–	14,430,399
Standard Grade	823,962	1,492,025	–	2,315,987
	15,254,361	1,492,025	–	16,746,386
Investment securities at amortized cost				
Investment Grade	60,365,415	–	–	60,365,415
Standard Grade	–	1,552,968	–	1,552,968
	60,365,415	1,552,968	–	61,918,383
Other financial assets (Note 14)				
Standard Grade	18,750	–	–	18,750
Non-Performing	–	–	461,783	461,783
	18,750	–	461,783	480,533
Total	₱127,675,444	₱3,044,993	₱461,783	₱131,182,220

(Forward)

Total credit risk exposure after risk mitigation

The table below shows the different credit risk exposures of the Group and of the Parent Company after credit risk mitigation, by risk weight applied in accordance with BSP Circular No. 538:

	Consolidated							
	2023							
	Capital	**Risk Buckets**						
	Deduction	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Total**
Credit risk exposure after risk mitigation								
On-balance sheet assets	**₱–**	**₱66,987,927**	**₱3,217,431**	**₱74,056,036**	**₱9,192,168**	**₱273,792,753**	**₱11,808,702**	**₱439,055,017**
Off-balance sheet assets	**–**	**–**	**484,122**	**3,087,808**	**–**	**434,151**	**–**	**4,006,081**
Counterparty in the banking book (derivatives and repo-style transactions)	**–**	**14,918,358**	**2,284,109**	**1,487,099**	**191,094**	**55,834**		**18,936,495**
Counterparty in the trading book (derivatives and repo-style transactions)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Credit-linked notes in the banking book	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Securitization exposures	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	₱–	**₱81,906,284**	**₱5,985,663**	**₱78,630,943**	**₱9,383,262**	**₱274,282,739**	**₱11,808,702**	**₱461,997,593**
Credit Risk Weighted Assets	**₱–**	**₱–**	**₱1,197,133**	**₱39,315,472**	**₱7,037,447**	**₱274,282,739**	**₱17,713,053**	**₱339,545,843**

	Consolidated							
	2022							
	Capital	Risk Buckets						
	Deduction	0%	20%	50%	75%	100%	150%	Total
Credit risk exposure after risk mitigation								
On-balance sheet assets	₱12,034,253	₱69,707,065	₱12,915,763	₱61,328,039	₱10,977,483	₱232,500,896	₱11,451,744	₱398,880,990
Off-balance sheet assets	–	–	–	–	–	2,162,181	–	2,162,181
Counterparty in the banking book (derivatives and repo-style transactions)	–	–	443,113	–	–	–	–	443,113
Counterparty in the trading book (derivatives and repo-style transactions)	–	–	–	–	–	–	–	–
Credit-linked notes in the banking book	–	–	–	–	–	–	–	–
Securitization exposures	–	–	–	–	–	–	–	–
	₱12,034,253	₱69,707,065	₱13,358,876	₱61,328,039	₱10,977,483	₱234,663,077	₱11,451,744	₱401,486,284
Credit Risk Weighted Assets	₱–	₱–	₱2,671,775	₱30,664,020	₱8,233,113	₱234,663,077	₱17,177,617	₱293,409,601

	Parent Company							
	2023							
	Capital	Risk Buckets						
	Deduction	0%	20%	50%	75%	100%	150%	Total
Credit risk exposure after risk mitigation								
On-balance sheet assets	₱14,306	₱64,844,786	₱3,217,410	₱74,056,036	₱9,192,168	₱246,702,010	₱10,061,172	₱408,073,583
Off-balance sheet assets	–		484,122	3,087,808	–	434,151	–	4,006,081
Counterparty in the banking book (derivatives and repo-style transactions)	–	14,918,358	2,284,109	1,487,099	191,094	55,834	–	18,936,495
Counterparty in the trading book (derivatives and repo-style transactions)	–	–	–	–	–	–	–	–
Credit-linked notes in the banking book	–	–	–	–	–	–	–	–
Securitization exposures	–	–	–	–	–	–	–	–
	₱14,306	₱79,763,144	₱5,985,641	₱78,630,943	₱9,383,262	₱247,191,996	₱10,061,172	₱431,016,159
Credit Risk Weighted Assets	₱–	₱–	₱1,197,128	₱39,315,472	₱7,037,447	₱247,191,996	₱15,091,758	₱309,833,801

	Parent Company							
	2022							
	Capital	Risk Buckets						
	Deduction	0%	20%	50%	75%	100%	150%	Total
Credit risk exposure after risk mitigation								
On-balance sheet assets	₱16,971,627	₱67,567,731	₱12,915,578	₱61,328,039	₱10,977,483	₱213,755,386	₱9,760,973	₱376,305,190
Off-balance sheet assets	–	–	–	–	–	2,162,181	–	2,162,181
Counterparty in the banking book (derivatives and repo-style transactions)	–	–	443,113	–	–	–	–	443,113
Counterparty in the trading book (derivatives and repo-style transactions)	–	–	–	–	–	–	–	–
Credit-linked notes in the banking book	–	–	–	–	–	–	–	–
Securitization exposures	–	–	–	–	–	–	–	–
	₱16,971,627	₱67,567,731	₱13,358,691	₱61,328,039	₱10,977,483	₱215,917,567	₱9,760,973	₱378,910,484
Credit Risk Weighted Assets	₱–	₱–	₱2,671,738	₱30,664,020	₱8,233,113	₱215,917,567	₱14,641,460	₱272,127,897

Liquidity Risk

Liquidity risk is the risk that sufficient funds are unavailable to adequately meet all maturing liabilities, including demand deposits and off-balance sheet commitments. The main responsibility of daily asset liability management lies with the Parent Company's Treasury Group, specifically the Liquidity Desk, which are tasked to manage the balance sheet and have thorough understanding of the risk elements involved in the respective businesses. Only the Parent Company and EWRB are potentially exposed to liquidity risk exposures, where their liquidity risk management are monitored by their respective ALCOs. Resulting analysis of the balance sheet along with the recommendation is presented during the weekly ALCO meeting where deliberations, formulation of actions and decisions are made to minimize risk and maximize returns. Discussions include actions taken in the previous ALCO meeting, economic and market status and outlook, liquidity risk, pricing and interest rate structure, limit status and utilization. To ensure that both the Parent Company and EWRB have sufficient liquidity at all times, the respective ALCO formulates a contingency funding plan which sets out the amount and the sources of funds (such as unutilized credit facilities) available to both entities and the circumstances under which such funds will be used.

By way of the Maximum Cumulative Outflow (MCO) limit, the Group is able to manage its long-term liquidity risks by placing a cap on the outflow of cash on a cumulative basis. The Group takes a multi-tiered approach to maintaining liquid assets. The Group's principal source of liquidity is comprised of Cash and other cash items, Due from BSP, Due from other banks and Interbank loans receivables and SPURA with maturities of less than one year. In addition to regulatory reserves, the Parent Company maintains a sufficient level of secondary reserves in the form of liquid assets such as short-term trading and investment securities that can be realized quickly.

Analysis of financial assets and liabilities by remaining contractual maturities

The tables below present the maturity profile of the financial assets and liabilities of the Group and of the Parent Company (reflected in thousands) which it uses to manage its liquidity risk. It is based on its internal methodology to determine the expected date the financial asset will be realized, or the financial liability will be settled. This is done through cash flow measurement and projections using contractual undiscounted cash flows or derived from the behavioral assumptions for the assets or liabilities. This approach is used to properly estimate future cash flows and enable the Group to proactively manage its liquidity requirement.

	Consolidated						
	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 cash equivalents*	₱28,012,236	₱16,441,418	₱ –	₱ –	₱–	₱–	₱44,453,654
Investments and trading securities**	–	9,052	13,320	25,911	43,262	173,037,828	173,129,374
Loans and receivables***	35,718,917	41,098,650	16,941,533	15,662,752	19,021,973	281,627,675	410,071,500
Other assets	–	78,452	–	–	–	397,405	475,857
	₱63,731,153	₱57,627,573	₱16,954,853	₱15,688,663	₱19,065,235	₱455,062,908	₱628,130,385
Financial Liabilities							
Deposit liabilities****	₱266,002,711	₱39,091,366	₱15,511,122	₱2,356,588	₱1,205,077	₱6,069,224	₱330,236,087
Bills and acceptances payable	-	85,732	140,496	216,698	438,158	15,423,440	16,304,523
Bonds payable	–	–	–	–	–	–	–
Subordinated debt	–	–	–	–	–	–	–
Lease liability	4,755,603	105,769	179,063	262,397	633,359	6,811,013	12,747,204
Other liabilities	–	–	–	–	10,723,873	36,017	10,759,890
Contingent liabilities*****	–	8,221	13,402	14,482	19,274	–	55,379
	₱270,758,314	₱39,291,088	₱15,844,083	₱2,850,165	₱13,019,740	₱28,339,694	₱370,103,084

*Consists of cash and cash other items, due from BSP, due from other banks and Interbank loans receivables and SPURA
**Consists of financial assets at FVTPL, investment securities at amortized cost, financial assets at FVTOCI and interest receivables from investment securities at amortized cost
***Consists of loans and receivables, sales contract receivables, bills purchased, accrued interest receivables, accounts receivables, unearned discounts and other assets classified as financial assets
****Consist of demand and savings deposit, time certificate of deposit, long term negotiable certificates of deposit and interest payable for these deposit liabilities
***** Consists of forecasted utilization from credit cards lines, and forecasted utilization from CBG credit lines

	Consolidated						
	2022						
	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 cash equivalents*	₱49,358,380	₱10,009,266	₱–	₱–	₱–	₱–	₱59,367,646
Investments and trading securities**	–	332,066	4,979,350	1,265,331	1,758,488	126,707,211	135,042,446
Loans and receivables***	28,009,889	38,546,227	18,168,450	16,754,291	19,426,924	230,939,244	351,845,025
Other assets	4,203	59,460	–	–	–	354,275	417,938
	₱77,372,472	₱48,947,019	₱23,147,800	₱18,019,622	₱21,185,412	₱358,000,730	₱546,673,055
Financial Liabilities							
Deposit liabilities****	261,334,116	39,745,420	13,894,855	3,201,122	5,516,825	6,223,742	329,916,080
Bills and acceptances payable	–	6,761,805	–	10,694	–	–	6,772,499
Bonds payable	–	14,135	3,708,014	–	–	–	3,722,149
Subordinated debt	–	–	–	–	–	–	–
Lease liability	3,807,407	183,186	149,499	217,106	414,478	4,425,223	9,196,899
Other liabilities	–	–	–	–	9,569,763	3,613,110	13,182,873
Contingent liabilities*****	–	6,208,867	11,511,382	8,068,226	4,521,734	–	30,310,209
	265,141,523	52,913,413	29,263,750	11,497,148	20,022,800	14,262,075	393,100,709

*Consists of cash and cash other items, due from BSP, due from other banks and Interbank loans receivables and SPURA
**Consists of financial assets at FVTPL, investment securities at amortized cost, financial assets at FVTOCI and interest receivables from investment securities at amortized cost
***Consists of loans and receivables, sales contract receivables, bills purchased, accrued interest receivables, accounts receivables, unearned discounts and other assets classified as financial assets
**** Consist of demand and savings deposit, time certificate of deposit, long term negotiable certificates of deposit and interest payable for these deposit liabilities
***** Consists of forecasted utilization from credit cards lines, and forecasted utilization from CBG credit lines

	Parent Company						
	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 cash equivalents*	**₱27,369,360**	**₱16,441,418**	**₱–**	**₱–**	**₱–**	**₱–**	**₱43,810,779**
Investments and trading securities**	**–**	**8,867**	**12,967**	**25,366**	**42,161**	**170,885,010**	**170,974,371**
Loans and receivables***	**35,483,970**	**41,712,034**	**16,547,398**	**15,043,635**	**17,694,291**	**244,904,989**	**371,386,317**
Other assets	**–**	**77,727**	**–**	**–**	**–**	**373,427**	**451,154**
	62,853,330	**58,240,046**	**16,560,365**	**15,069,001**	**17,736,452**	**416,163,426**	**586,622,621**
Financial Liabilities							
Deposit liabilities****	**270,838,284**	**39,091,366**	**15,511,122**	**2,356,588**	**1,205,077**	**6,069,224**	**335,071,660**
Bills and acceptances payable	**–**	**85,732**	**140,496**	**216,698**	**438,158**	**15,423,440**	**16,304,523**
Bonds Payable	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Subordinated debt	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Lease liability	**4,755,603**	**105,711**	**178,874**	**260,246**	**618,963**	**6,624,118**	**12,543,515**
Other liabilities	**–**	**–**	**–**	**–**	**9,253,745**	**36,017**	**9,289,762**
Contingent liabilities*****	**–**	**8,221**	**13,402**	**14,482**	**19,274**	**–**	**55,379**
	₱275,593,887	**₱39,291,030**	**₱15,843,894**	**₱2,848,014**	**₱11,535,217**	**₱28,152,798**	**₱373,264,841**

*Consists of cash and cash other items, due from BSP, due from other banks and Interbank loans receivables and SPURA
**Consists of financial assets at FVTPL, investment securities at amortized cost, financial assets at FVTOCI and interest receivables from investment securities at amortized cost
***Consists of loans and receivables, sales contract receivables, bills purchased, accrued interest receivables, accounts receivables, unearned discounts and other assets classified as financial assets
**** Consist of demand and savings deposit, time certificate of deposit, long term negotiable certificates of deposit and interest payable for these deposit liabilities
***** Consists of forecasted utilization from credit cards lines, and forecasted utilization from CBG credit lines

	Parent Company						
	2022						
	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 cash equivalents*	₱48,706,552	₱10,009,266	₱–	₱–	₱–	₱–	₱58,715,818
Investments and trading securities**	–	322,815	4,961,743	1,238,175	1,703,578	124,498,327	132,724,638
Loans and receivables***	27,408,511	38,915,929	17,819,290	16,115,485	17,884,622	206,880,630	325,024,467
Other assets	3,388	59,460	–	–	–	330,001	392,849
	₱76,118,451	₱49,307,470	₱22,781,033	₱17,353,660	₱19,588,200	₱331,708,958	₱516,857,772
Financial Liabilities							
Deposit liabilities****	₱246,201,977	₱39,745,420	₱13,894,855	₱3,201,122	₱5,516,825	₱6,223,742	₱314,783,941
Bills and acceptances payable	–	6,761,805	–	10,694	–	–	6,772,499
Bonds Payable	–	14,135	3,708,014	–	–	–	3,722,149
Subordinated debt	–	–	–	–	–	–	-
Lease liability	3,807,407	183,186	149,499	217,106	414,478	4,425,223	9,196,899
Other liabilities	–	–	–	–	8,364,829	3,421,497	11,786,326
Contingent liabilities*****	–	6,208,867	11,511,382	8,068,226	4,521,734	–	30,310,209
	250,009,384	52,913,413	29,263,750	11,497,148	18,817,866	14,070,462	376,572,023

* Consists of cash and cash other items, due from BSP, due from other banks and Interbank loans receivables and SPURA
** Consists of financial assets at FVTPL, investment securities at amortized cost, financial assets at FVTOCI and interest receivables from investment securities at amortized cost
*** Consists of loans and receivables, sales contract receivables, bills purchased, accrued interest receivables, accounts receivables, unearned discounts and other assets classified as financial assets
**** Consists of demand and savings deposit, time certificate of deposit, long term negotiable certificates of deposit and interest payable for these deposit liabilities
****** Consists of forecasted utilization from credit cards lines, and forecasted utilization from CBG credit lines

The Parent Company manages liquidity by maintaining sufficient liquid assets in the form of cash and cash equivalents, investment securities and loan receivables. As of December 31, 2023, and 2022, ₱118.14 billion (36.35%) and ₱100.62 billion (38.64%) respectively, of the Parent Company's loans and receivables (including interest) had remaining maturities of less than one (1) year. The total portfolio of trading and investment securities is comprised mostly of sovereign-issued securities that have high market liquidity. With the above presented liquidity profile, the Group remains to be inhibited from liquidity risk that it cannot adequately manage.

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 rates, foreign exchange rates, and equity prices. The Parent Company treats exposures to market risk as either trading or accrual or balance sheet exposure. The market risk for the trading and investment portfolio is measured using Value at Risk (VaR). Interest rate risk of accrual portfolios in the Banking Book are measured using Earnings at Risk (EaR).

Market Risk in the Trading Book
The BOD has set limits on the level of market risk that may be accepted. VaR limits are applied at the instrument level and approved by the BOD based on, among other things, a business unit's capacity to manage price risks, the size and distribution of the aggregate exposure to price risks and the expected return relative to price risks. The Parent Company has a Management Action Trigger (MAT) to control actual losses (composed of realized and unrealized losses) for its Trading Book.

The Parent Company applies the VaR methodology to assess the market sensitive positions held for trading and to estimate the potential economic loss based on parameters and assumptions. VaR is a method used in measuring market 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.

Objectives and limitations of the VaR Methodology
The Parent Company utilizes the VaR model of Bloomberg Portfolio Analytics using one-year historical data set to assess possible changes in the market value of the fixed income trading portfolio. VaR for the US treasury futures is measured using Historical Simulation, while VaR for Foreign Exchange are calculated through the Parametric methodology- both instruments utilize an internally developed Excel spreadsheet.

The VaR models are designed to measure market risk in a normal market environment. The use of VaR has limitations because correlations and volatilities in market prices are based on historical data and VaR assumes that future price movements will follow a statistical distribution. Due to the fact that VaR relies heavily on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated.

VaR may also be under or overestimated due to assumptions placed on risk factors and the relationship between such factors for specific instruments. Even though positions may change throughout the day, VaR only represents the risk of the portfolio at the close of each business day, and it does not account for any losses that may occur beyond the specified confidence level.

In practice, actual trading results will differ from the VaR calculation and the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR model, actual outcomes are monitored through hypothetical backtesting to test the accuracy of the VaR model.

Stress testing provides a means of complementing VaR by simulating the potential loss impact on market risk positions from extreme market conditions, such as risk factor movements based on historical financial market stress conditions and scenarios adopted from the uniform stress testing framework of the BSP.

VaR assumptions
The VaR that the Parent Company uses for majority of its trading exposures is at 99% confidence level, while FX uses a confidence level of 90% with a premise that this potential loss estimate is not expected to be exceeded if the current market risk positions were to be held unchanged for a given holding period. Foreign exchange and US Treasury Futures VaR is measured using one (1) day holding period while fixed income VaR has a holding period of five (5) days. The use of a 99% confidence level means that within the set time horizon, losses exceeding the VaR figure should occur, on average, not more than once every hundred days.

VaR is an integral part of the Parent Company's market risk management and encompasses investment positions held for trading. VaR exposures form part of the market risk monitoring which is reviewed daily against the limit approved by the BOD. The trading activities are controlled through the Market Risk Limit (MRL). RMD reports compliance to the MRL and trader's VaR limits daily. If the MRL or individual trader's limit is exceeded, any occurrence is promptly reported to the appropriate authorities such as the Treasurer, Chief Risk Officer and the Chief Executive Officer, and further to the BOD through the RMC.

The table below pertains to interest rate risk of the Parent Company's fixed income trading portfolio:

	2023	2022
Year-end VaR	**₱137,158**	₱60,302
Average VaR	**125,374**	81,430
Highest VaR	**237,091**	168,303
Lowest VaR	**15,639**	48,199

The year-end VaR for 2023 was based on the Parent Company's fixed income trading book valued at ₱4.06 billion with average yields of 6.22% and 7.16% for the peso and foreign currency denominated bonds, respectively. Its average maturities are 10 years for the peso portfolio and 26 years for the foreign currency portfolio.

The year-end VaR for 2022 was based on the Parent Company's fixed income trading book valued at P1.17 billion with average yields of 5.01% and 7.16% for the peso and foreign currency denominated bonds, respectively. Its average maturities are 7 years and 10 months for the peso portfolio and 27 years and 1 month for the foreign currency portfolio.

The market risk in the Parent Company's US treasury futures trading positions is shown in the table below:

	2023	2022
Year-end VaR	**₱–**	₱–
Average VaR	**2,674**	2,938
Highest VaR	**109,397**	27,691
Lowest VaR	**–**	–

The interest rate risk in the Parent Company's FX forwards positions is shown in the table below:

	2023	2022
Year-end VaR	**₱–**	₱3,064
Average VaR	**–**	7,403
Highest VaR	**–**	17,698
Lowest VaR	**–**	–

Foreign Currency Risk

The Parent Company holds foreign currency denominated assets and liabilities, thus, foreign exchange rate fluctuations can affect the financials and cash flows of the Parent Company. Managing the foreign exchange exposure is important for banks with exposures in foreign currencies. For the Parent Company, this includes purchase or sell of foreign currency to control the impact of changes in exchange rates on its financial position.

The table below pertains to the foreign exchange risk of the Parent Company:

	2023	2022
Year-end VaR	**₱27,318**	₱11,832
Average VaR	**23,885**	21,991
Highest VaR	**40,369**	56,921
Lowest VaR	**8,516**	4,504

The Parent Company's foreign currency exposures emanate from its net open spot and forward FX purchase and sell transactions and net foreign currency income accumulated over the years of its operations. Foreign currency-denominated deposits are generally used to fund the Parent Company's foreign currency-denominated loan and investment portfolios in the FCDU.

In the FCDU books, BSP requires banks to match the foreign currency assets with the foreign currency liabilities. Thus, banks are required to maintain at all times a 100.00% cover for their foreign currency liabilities held through FCDU.

Total foreign currency position is monitored through the daily BSP FX position reports, which are subject to the overbought and oversold limits set by the BSP at 25.00% of qualifying capital or US$150.00 million, whichever is lower.

The tables below summarize the material exposures to foreign currencies of the Parent Company as of December 31, 2023 and 2022:

	2023					
	USD	**CNY**	**HKD**	**JPY**	**Other Currencies***	**Total**
Assets						
Gross FX assets	**$1,421,604**	**$3,225**	**$2,173**	**$17,117**	**$84,396**	**$1,528,515**
Contingent FX assets	**121,750**	**24,853**	**-**	**532**	**11,653**	**$ 158,789**
	1,543,354	**28,078**	**2,173**	**17,649**	**96,049**	**1,687,304**
Liabilities						
Gross FX liabilities	**1,336,366**	**26,606**	**3,025**	**16,239**	**40,319**	**$ 1,422,556**
Contingent FX liabilities	**299,769**	**96**	**222**	**409**	**56,386**	**$ 356,882**
	1,636,135	**26,702**	**3,247**	**16,649**	**96,705**	**1,779,438**
Net exposure	**($92,781)**	**$ 1,376**	**($1,074)**	**$1,000**	**($657)**	**($92,135)**

**Other currencies include GBP, EUR, AUD, NZD and SGD.*

	2022					
	USD	CNY	EUR	JPY	Other Currencies*	Total
Assets						
Gross FX assets	$1,050,415	$26,377	$150,028	$8,390	$16,206	$1,251,416
Contingent FX assets	216,232	2,899	-	-	-	$219,131
	1,266,647	29,276	150,028	8,390	16,206	1,470,547
Liabilities						
Gross FX liabilities	1,071,118	26,827	12,624	9,219	16,764	1,136,552
Contingent FX liabilities	249,569	706	138,669	-	-	388,944
	1,320,687	27,532	151,293	9,219	16,764	1,525,496
Net exposure	($54,040)	$1,743	($1,265)	($829)	($558)	($54,949)

**Other currencies include GBP, HKD, AUD, NZD and SGD.*

The Parent Company's positions in other currencies are not individually significant.

The tables below indicate the sensitivity of the currencies which the Parent Company had significant exposures as of December 31, 2023 and 2022:

Foreign currency appreciates (depreciates)	2023 USD	CNY	HKD	JPY
10.00%	**(₱513,727)**	**₱7,618**	**(₱5,945)**	**₱5,539**
-10.00%	**₱513,727**	**(₱7,618)**	**₱5,945**	**(₱5,539)**

Foreign currency appreciates (depreciates)	2022 USD	CNY	EUR	JPY
10.00%	(₱301,298)	₱9,720	(₱7,050)	(₱4,622)
-10.00%	₱301,298	(₱9,720)	₱7,050	₱4,622

The analysis calculates the effect of a reasonably possible movement of the foreign currency rate against Peso, with all other variables held constant, on the statements of income and equity. A negative amount reflects a potential net reduction in statements of income and equity while a positive amount reflects a net potential increase. The Parent Company manages FX exposures that both impact the statements of income and equity.

Market Risk in the Banking Book

Interest rate risk
Interest rate risk in the banking book (IRRBB) is inherent in the Groups' traditional banking activities that include taking deposits to invest or grant loans. The future cash flows from these activities are exposed to variations in interest rates, largely from mismatch in tenors and prices. The Bank employs two perspectives in measuring IRRBB a) through economic perspective with Change in Economic Value of Equity (EVE) and b) through earnings perspective with Earnings-at-Risk (EaR) and VaR specifically for fixed income instruments categorized as fair value through other comprehensive income (FVOCI). EVE is an economic measure or indicator of net cash flow calculated by taking the present value of all asset cash flows and subtracts the present value of all liability cash flows. It is the net present value (NPV) or prevailing value of the Bank's balance sheet cash flows. With the use of EVE, impact to equity may be determined by subjecting the Bank's balance sheet cashflows to shocked rates. Such measure can be used for asset-liability management and in determining the impact of interest rate risk relative to equity. Respectively, EaR measures the net interest income movement due to changes in prevailing interest rates and the balance sheet re-pricing profile of the Group. The EaR limit is set as a function of the Group's net interest margin (NIM). The EaR limit preserves the Group's capital and competitive position by restricting the impact of interest rate sensitivities to NIM within the corridor of above average and within the first quartile of its peer banks. In measuring EaR, the Group's interest re-pricing assets and liabilities are matched by re-pricing (or maturity if non-repricing) buckets covering tenors within a one-year horizon, and corresponding gaps determined. If positive gap is noted, it implies that an increase in interest rates will positively affect the net interest income. Conversely, a negative gap implies that an increase in interest rates will negatively affect the net interest income. The estimated nominal impact to the Bank's earnings is derived by multiplying the volatility of benchmark yields for each tenor bucket to the repricing gap profile. The result is compared vs EaR limit to monitor the compliance with the limit and is reported to the RMC on a monthly basis. Additionally, EaR limit is reviewed and updated annually to ensure its continued relevance and alignment with the Group's financial targets, strategies, and overall risk appetite.

To complement EaR and provide Management a more holistic view of market risk in the Banking Book, the Group performs forward looking scenario, sensitivity analysis as well as stress testing activities to identify any vulnerabilities. The Bank employs three (3) methodologies in the conduct of stress testing a) economic/historical stress test which assumes a parallel shift in interest yield curves of 660basis points for PhP-denominated assets and liabilities and 270basis points for USD-denominated, b) uniform stress test, a regulatory-prescribed stress test, has three (3) scenarios with assumed parallel shift in interest rates for both PhP (from 300bps to 500bps) and USD (from 100bps to 300bps), c) reverse stress test, which primarily measures the highest swing in interest rates that can potentially wipe out the Parent Company's target net income and net interest income.

The Parent Company employs the Value-at-Risk (VaR) measurement for debt instruments categorized as fair value through other comprehensive income (FVOCI) to manage the potential threat of market fluctuations to its earnings and capital. Fixed income instruments at FVOCI are assets whose objective falls under both to collect contractual cash flows and/or sell the assets. Since fair value changes from items booked at FVOCI directly impact the equity, it is prudent to monitor and manage said risk where capital stability is sustained. The VaR assumptions and methodologies for FVOCI exposures are same as those used for the Trading Book. Similar to the Trading Book, the Parent Company has a MAT to control actual losses (composed of realized and unrealized losses) for its Banking Book.

The table below pertains to interest rate risk of the Parent Company's FVOCI portfolio:

	2023	2022
Year-end VaR	**₱527,505**	₱420,478
Average VaR	**441,174**	427,907
Highest VaR	**536,886**	493,589
Lowest VaR	**334,770**	373,706

The year-end VaR for 2023 was based on the Parent Company's FVOCI fixed income portfolios valued at ₱18.47 billion with average yields of 5.00% and 3.82% for the peso and foreign currency denominated bonds, respectively. Its average maturities are 15 years and 3 months for the peso portfolio and 12 years and 9 months for the foreign currency portfolio.

The year-end VaR for 2022 was based on the Parent Company's FVOCI fixed income portfolios valued at P16.70 billion with average yields of 5.00% and 2.09% for the peso and foreign currency denominated bonds, respectively. Its average maturities are 16 years and 2 months for the peso portfolio and 5 years and 7 months for the foreign currency portfolio.

The IRRBB risk profile is also reported to the ALCO. The ALCO deliberates on matters pertaining to the management of the Bank's assets and liabilities, such as achieving optimum asset and liability mix, pricing, liquidity levels, repricing gap positions, and asset quality. The Bank's ALCO meets on a weekly basis.

The Bank manages its IRRBB through effective diversification of funding sources. By offering various deposit, investment and loan products with differing maturities, the Bank is able to meet its short, medium and long-term obligations, optimize returns, and provide options that cater to differing preferences of its target market. The Bank's target funding mix is aligned with the Bank's overall growth plans. While the Bank mainly manages IRRBB through careful planning of its cashflows, it also has access to various derivative products that provide flexibility in responding to more abrupt market developments.

The following tables provide the average interest rates by period of re-pricing (or by period of maturity if there is no re-pricing) of the Group as of December 31, 2023 and 2022:

	2023				
	Up to 1 month	>1 month to 3 months	>3 months to 6 months	>6 months to 12 months	>12 months
RBU					
Financial assets:					
Cash and cash equivalents*	**6.27%**	**-**	**-**	**-**	**-**
Investment securities**	**-**	**5.13%**	**4.88%**	**4.85%**	**4.95%**
Loans and receivables	**7.24%**	**7.86%**	**8.36%**	**12.47%**	**11.48%**
Financial liabilities:					
Deposit liabilities	**4.79%**	**4.42%**	**3.71%**	**3.58%**	**3.97%**
Bills payable and SSURA	**-**	**-**	**-**	**-**	**-**
Bonds payable	**-**	**-**	**-**	**-**	**-**
Subordinated debt	**-**	**-**	**-**	**-**	**-**
FCDU					
Financial assets:					
Cash and cash equivalents*	**3.40%**	**-**	**-**	**-**	**-**
Investment securities**	**0.50%**	**-**	**4.88%**	**-**	**4.69%**
Loans and receivables	**4.97%**	**6.56%**	**7.28%**	**-**	**-**
Financial liabilities:					
Deposit liabilities	**4.24%**	**3.98%**	**3.91%**	**3.41%**	**2.70%**
Bills payable and SSURA	**5.62%**	**5.76%**	**-**	**-**	**-**

**Pertain to Due from BSP, Due from other banks, Interbank loans receivables and SPURA*
***Pertain to financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost*

	2022				
	Up to 1 month	>1 month to 3 months	>3 months to 6 months	>6 months to 12 months	>12 months
RBU					
Financial assets:					
Cash and cash equivalents*	4.51%	-	-	-	-
Investment securities**	4.90%	-	-	-	4.96%
Loans and receivables	6.12%	6.60%	10.87%	11.51%	10.69%
Financial liabilities:					
Deposit liabilities	3.45%	3.98%	4.35%	3.20%	2.79%
Bills payable and SSURA	-	-	-	-	-
Bonds payable	-	-	-	-	4.50%
Subordinated debt	-	-	-	-	-
FCDU					
Financial assets:					
Cash and cash equivalents*	0.81%	-	-	-	-
Investment securities**	5.67%	0.51%	-	-	4.11%
Loans and receivables	4.78%	4.06%	5.37%	4.86%	7.52%
Financial liabilities:					
Deposit liabilities	2.78%	2.92%	2.84%	2.04%	2.70%
Bills payable and SSURA	4.84%	-	-	-	-

**Pertain to Due from BSP, Due from other banks, Interbank loans receivables and SPURA*
***Pertain to financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost*

The following tables provide the average interest rates by period of re-pricing (or by period of maturity if there is no re-pricing) of the Parent Company as of December 31, 2023 and 2022:

	2023				
	Up to 1 month	>1 month to 3 months	>3 months to 6 months	>6 months to 12 months	>12 months
RBU					
Financial assets:					
Cash and cash equivalents*	**6.27%**	**-**	**-**	**-**	**-**
Investment securities**	**-**	**5.13%**	**4.88%**	**4.85%**	**4.95%**
Loans and receivables	**7.24%**	**7.87%**	**8.37%**	**12.63%**	**12.26%**
Financial liabilities:					
Deposit liabilities	**4.68%**	**4.17%**	**3.71%**	**3.58%**	**3.97%**
Bills payable and SSURA	**-**	**-**	**-**	**-**	**-**
Bonds payable	**-**	**-**	**-**	**-**	**-**
Subordinated debt	**-**	**-**	**-**	**-**	**-**
FCDU					
Financial assets:					
Cash and cash equivalents*	**3.40%**	**-**	**-**	**-**	**-**
Investment securities**	**0.50%**	**-**	**4.88%**	**-**	**4.69%**
Loans and receivables	**4.97%**	**6.56%**	**7.28%**	**-**	**-**
Financial liabilities:					
Deposit liabilities	**4.24%**	**3.98%**	**3.91%**	**3.41%**	**2.70%**
Bills payable and SSURA	**5.62%**	**5.76%**	**-**	**-**	**-**

**Pertain to Due from BSP, Due from other banks, Interbank loans receivables and SPURA*
***Pertain to financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost*

	2022				
	Up to 1 month	>1 month to 3 months	>3 months to 6 months	>6 months to 12 months	>12 months
RBU					
Financial assets:					
Cash and cash equivalents*	5.50%	-	-	-	-
Investment securities**	4.90%	-	-	-	4.96%
Loans and receivables	6.12%	6.59%	11.31%	12.46%	12.19%
Financial liabilities:					
Deposit liabilities	3.83%	3.92%	4.35%	3.20%	1.14%
Bills payable and SSURA	-	-	-	-	-
Bonds payable	-	-	-	-	4.50%
Subordinated debt	-	-	-	-	-
FCDU					
Financial assets:					
Cash and cash equivalents*	0.81%	-	-	-	-
Investment securities**	5.67%	0.51%	-	-	4.11%
Loans and receivables	4.78%	4.06%	5.37%	4.86%	7.52%
Financial liabilities:					
Deposit liabilities	2.78%	2.92%	2.84%	2.04%	2.70%
Bills payable and SSURA	4.84%	-	-	-	-

**Pertain to Due from BSP, Due from other banks, Interbank loans receivables and SPURA*
***Pertain to financial assets at FVTPL, financial assets at FVOCI and investment securities at amortized cost*

The following tables set forth the interest rate re-pricing gap of the Group as of December 31, 2023 and 2022:

	2023					
	Up to 1 month	**> 1 to 3 months**	**> 3 to 6 months**	**>6 to 12 months**	**>12 months**	**Total**
Financial assets:						
Cash and cash equivalents	**₱23,441,418**	**-**	**-**	**-**	**-**	**₱23,441,418**
Investment securities	**3,726,053**	**420,946**	**1,242,592**	**204,924**	**88,278,564**	**93,873,079**
Loans and receivables	**25,979,730**	**19,028,841**	**16,043,044**	**24,440,951**	**131,550,191**	**217,042,757**
Contingent assets*	**85,236**	**-**	**-**	**-**	**-**	**85,236**
Total financial assets	**53,232,437**	**19,449,787**	**17,285,636**	**24,645,875**	**219,828,755**	**334,442,490**
Financial liabilities:						
Deposit liabilities	**103,959,463**	**18,970,205**	**2,190,854**	**80,195,307**	**5,927,246**	**211,243,075**
Bills payable and SSURA	**12,766,190**	**2,625,604**	**-**	**-**	**-**	**15,391,794**
Bonds Payable	**-**	**-**	**-**	**-**	**-**	**-**
Subordinated debt	**-**	**-**	**-**	**-**	**-**	**-**
Other Liabilities	**-**	**-**	**-**	**-**	**-**	**-**
Contingent liabilities**	**-**	**2,514**	**-**	**-**	**-**	**2,514**
Total financial liabilities	**116,725,653**	**21,598,323**	**2,190,854**	**80,195,307**	**5,927,246**	**226,637,382**
Asset-liability gap	**(₱63,493,216)**	**(₱2,148,536)**	**₱15,094,782**	**(₱55,549,432)**	**₱213,901,509**	**₱107,805,108**

**** Consist of Foreign Currency Swap and Forward Exchange*
*****Consist of Foreign Currency Swap and Forward Exchange*

	2022					
	Up to 1 month	> 1 to 3 months	> 3 to 6 months	>6 to 12 months	>12 months	Total
Financial assets:						
Cash and cash equivalents	₱10,009,266	–	–	–	–	₱10,009,266
Investment securities	18,396,545	476,417	–	–	63,312,243	82,185,205
Loans and receivables	28,491,083	20,872,326	16,133,321	23,233,963	109,484,059	198,214,752
Contingent assets*	40,822	24,025	-	-	-	64,847
Total financial assets	56,937,716	21,372,768	16,133,321	23,233,963	172,796,302	290,474,070
Financial liabilities:						
Deposit liabilities	88,756,021	8,628,164	4,847,751	85,205,679	5,642,033	193,079,648
Bills payable and SSURA	6,705,236	–	–	–	–	6,705,236
Bonds Payable	–	3,698,439	–	–	–	3,698,439
Subordinated debt	–	-	–	–	–	-
Other Liabilities	–	14,602	–	–	–	14,602
Contingent liabilities**	–	-	–	–	–	-
Total financial liabilities	95,461,257	12,341,205	4,847,751	85,205,679	5,642,033	203,497,925
Asset-liability gap	(₱38,523,541)	₱9,031,563	₱11,285,570	(₱61,971,716)	₱167,154,269	₱86,976,145

** Consist of Foreign Currency Swap and Forward Exchange*
***Consist of Foreign Currency Swap and Forward Exchange*

The following tables set forth the interest rate re-pricing gap of the Parent Company as of December 31, 2023 and 2022:

	2023					
	Up to 1 month	**> 1 to 3 months**	**> 3 to 6 months**	**>6 to 12 months**	**>12 months**	**Total**
Financial assets:						
Cash and cash equivalents	**₱23,441,418**	**-**	**-**	**-**	**-**	**₱23,441,418**
Investment securities	**3,726,053**	**420,946**	**1,242,592**	**204,924**	**86,679,799**	**92,274,314**
Loans and receivables	**25,501,969**	**18,073,780**	**14,607,325**	**21,563,146**	**110,059,159**	**189,805,379**
Contingent assets*	**85,237**	**-**	**-**	**-**	**-**	**85,237**
Total financial assets	**52,754,677**	**18,494,726**	**15,849,917**	**21,768,070**	**196,738,958**	**305,606,348**
Financial liabilities:						
Deposit liabilities	**85,452,323**	**18,190,159**	**2,190,854**	**80,195,307**	**5,927,246**	**191,955,889**
Bills payable and SSURA	**12,766,190**	**2,625,604**	**-**	**-**	**-**	**15,391,794**
Bonds payable	**-**	**-**	**-**	**-**	**-**	**-**
Subordinated debt	**-**	**-**	**-**	**-**	**-**	**-**
Other Liabilities	**-**	**-**	**-**	**-**	**-**	**-**
Contingent liabilities**	**-**	**2,514**	**-**	**-**	**-**	**2,514**
Total financial liabilities	**98,218,513**	**20,818,277**	**2,190,854**	**80,195,307**	**5,927,246**	**207,350,197**
Asset-liability gap	**(₱45,463,836)**	**(₱2,323,551)**	**₱13,659,063**	**(₱58,427,237)**	**₱190,811,712**	**₱98,256,151**

** Consist of Foreign Currency Swap*
*** Consist of Foreign Currency Swap*

	2022					
	Up to 1 month	> 1 to 3 months	> 3 to 6 months	>6 to 12 months	>12 months	Total
Financial assets:						
Cash and cash equivalents	₱10,009,266	-	-	-	-	₱10,009,266
Investment securities	18,396,545	476,417	-	-	61,673,155	80,546,117
Loans and receivables	28,015,175	19,984,313	14,884,659	21,046,052	95,234,507	179,164,706
Contingent assets*	40,822	24,025	-	-	-	64,847
Total financial assets	56,461,808	20,484,755	14,884,659	21,046,052	156,907,662	269,784,936
Financial liabilities:						
Deposit liabilities	88,756,021	8,628,164	4,847,751	85,205,679	5,642,033	193,079,648
Bills payable and SSURA	6,705,236	-	-	-	-	6,705,236
Bonds payable	-	3,698,439	-	-	-	3,698,439
Subordinated debt	-	-	-	-	-	-
Other Liabilities	-	14,602	-	-	-	14,602
Contingent liabilities**	-	-	-	-	-	-
Total financial liabilities	95,461,257	12,341,205	4,847,751	85,205,679	5,642,033	203,497,925
Asset-liability gap	(₱38,999,449)	₱8,143,550	₱10,036,908	(₱64,159,627)	₱151,265,629	₱66,287,011

** Consist of Foreign Currency Swap*
*** Consist of Foreign Currency Swap*

The Group also monitors its exposure to fluctuations in interest rates by using scenario analysis to estimate the impact of interest rate movements on its interest income. This is done by modeling the impact to the Group's interest income and interest expenses of different parallel changes in the interest rate curve, assuming the parallel change only occurs once and the interest rate curve after the parallel change does not change again for the next twelve months.

The following table sets forth, for the period indicated, the impact of changes in interest rates on the Group's non-trading net interest income. There is no other impact on the Group's equity other than those already affecting the statements of income.

Change in basis points	**2023**	2022
+100.00 bps	**(₱670,912)**	(₱378,315)
-100.00 bps	**670,912**	378,315

The following table sets forth, for the period indicated, the impact of changes in interest rates on the Parent Company's non-trading net interest income. There is no other impact on the Parent Company's equity other than those already affecting the statements of income.

Change in basis points	**2023**	2022
+100.00 bps	**(₱515,757)**	(₱403,550)
-100.00 bps	**515,757**	403,550

Change in Economic Value of Equity (Δ EVE)

The Bank employs change in EVE Model to measure the net present value (NPV) or prevailing value of the Bank's balance sheet cash flows at different interest rate shocks and stress scenarios. Δ EVE is calculated by deducting the Base EVE which is the NPV of the Bank's balance sheet cashflows using the effective yield per contract from Shock EVE which is calculated using the BSP prescribed parallel shift in interest rates and the existing economic stress scenario as well as scenarios internally developed by the Parent Company.

The ΔEVE of the Group ranges from ₱2 billion to ₱27 billion and ₱4 billion to ₱22 billion in 2023 and 2022, respectively. The Group's ΔEVE stood at ₱27 billion or 40% of total capital and ₱16 billion or 24% of total capital as of December 31, 2023 and 2022, respectively.

Operational Risk

Operational risk is the loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal, compliance and reputational risks but excludes strategic risk.

Adopting the Basic Indicator Approach below, where computation is based on a percentage (in accordance with BSP-prescribed capital charge) of the average gross income for the past three years, it shows the total operational risk-weighted assets of the Group and Parent Company.

	2023	2022
Group	**₱61,760,574**	₱70,780,936
Parent Company	**55,336,923**	65,101,904

Other Risk Exposures

Group risk exposures other than credit, market, operational, and interest rate risk in the banking book, while existent, are deemed insignificant relative to the mentioned risks and if taken in isolation. Hence, management of these risks are instead collectively performed and made an integral part of the Group's internal capital adequacy assessment process (ICAAP) and enterprise risk management initiatives.

5. **Fair Value Measurement**

The Group has assets and liabilities in the consolidated and Parent Company statements of financial position that are measured at fair value on a recurring and non-recurring basis after initial recognition. Recurring fair value measurements are those that another PFRS requires or permits to be recognized on the statements of financial position at the end of the year. These include financial assets and liabilities at FVTPL and Financial assets at FVTOCI.

The methods and assumptions used by the Group in estimating the fair values of the financial instruments are:

Cash and other cash items, due from BSP and other banks, Interbank loans receivables and SPURA and accrued interest receivables – The carrying amounts approximate their fair values in view of the relatively short-term maturities of these instruments.

Debt securities - Fair values are generally based on quoted market prices. If the market prices are not readily available, fair values are estimated using the discounted cash flow methodology.

Equity securities - Fair values of quoted equity securities are based on quoted market prices.

Derivative instruments (presented as other financial assets and liabilities in 'Other assets' and 'Other liabilities') - Fair values of derivative instruments, mainly currency forwards and swaps and interest rate swaps, are valued using a valuation technique using market observable inputs. The valuation technique applied includes forward pricing and swap models using present value calculations. The models incorporate various inputs including foreign exchange spot and forward rates, yield curves of the respective currencies and interest rate curves prevailing at the statement of financial position date. For futures, these are valued considering the prevailing futures prices on the exchange as of the statement of financial position date.

Receivable from customers and unquoted debt securities classified as loans - Fair values of loans and receivables are estimated using the discounted cash flow methodology, using the Group's current incremental lending rates for similar types of loans and receivables.

Accounts receivable, sales contract receivable and other financial assets included in other assets – quoted market prices are not readily available for these assets. These are reported at cost and are not significant in relation to the Group's total portfolio of securities

Investment properties – Fair value of investment properties are determined by independent or in-house appraisers using the market data approach. Valuations were derived on the basis of recent sales of similar properties in the same area as the investment properties and taking into account the economic conditions prevailing at the time the valuations were made, and comparability of similar properties sold with the property being valued. Significant unobservable inputs in determining fair values include the following:

- **Location**: Location of comparative properties whether on a main road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a main road are superior to properties located along a secondary road.
- **Size**: Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of the lot size differences on land value.
- **Time element**: An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investor's perceptions of the market over time, in which case, the current data is superior to historic data.
- **Discount**: Generally, asking prices in advertisements posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.

Deposit liabilities (demand, savings and time) – For demand and savings deposit, carrying amounts approximate fair values considering that these are due and demandable. Fair value of time deposit liabilities is estimated using the discounted cash flow methodology using the Group's incremental borrowing rates for similar borrowing with maturities consistent with those for the liabilities being valued.

LTNCDs and subordinated debt - Fair values of LTNCD and subordinated debt are estimated using adjusted quoted market prices of comparable investments. The adjustments on market quoted prices are unobservable inputs.

Bonds Payable – Fair value of Bonds Payable are measured using the Present Value (PV) of the computed cash flows by the PV factor.

Lease Liabilities – Fair value of lease liabilities are measured using the Bloomberg valuation (Bval) rate as of the reporting period plus the spread which is the derived difference between the actual market rate and the Bval rate.

Bills and acceptances payable, cashier's checks and demand draft payable – Carrying amounts approximate fair values due to the short-term nature of the accounts.

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

The following tables provide the fair value hierarchy of the Group's and of the Parent Company's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

	Consolidated				
	2023				
		Fair Value			
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Financial assets					
Financial assets at FVTPL:					
Government securities	₱4,058,236	₱4,058,236	₱1,783,636	₱2,274,600	₱ –
Private bonds	43,707	43,707	43,707	–	–
Equity securities	10,379	10,379	10,379	–	–
	4,112,322	4,112,322	1,837,722	2,274,600	-
Derivative assets*	21,812	21,812	–	21,812	-
Financial assets at FVTOCI:					
Government securities	11,731,842	11,731,842	10,517,695	1,214,147	-
Private bonds	6,737,050	6,737,050	6,737,050		
Equity Securties	15,068	15,068	15,068	-	-
	18,483,960	18,483,960	17,269,813	1,214,147	-
	22,618,094	22,618,094	19,107,535	3,510,559	-

(Forward)

Consolidated 2023			Fair Value		
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost:					
Government securities	₱71,825,991	₱69,271,962	₱69,271,962	₱-	₱-
Private bonds	3,575,028	3,710,044	3,710,044		
	75,401,019	72,982,006	72,982,006		
Loans and receivables					
Receivable from customers:					
Corporate lending	57,456,170	59,896,026	–	–	59,896,026
Consumer lending	229,181,402	259,884,923	–	–	259,884,923
Other receivables	9,977,898	11,661,816	-	-	11,661,816
	296,615,470	331,442,765	-	-	331,442,765
Other financial assets*	622,041	622,041	-	-	622,041
Non-financial assets					
Investment properties	975,600	2,500,037	-	-	2,500,037
	₱396,232,224	₱430,164,943	₱92,089,541	₱3,510,559	₱334,564,843
Financial liabilities					
Derivative liabilities**	₱103,083	₱103,083	₱-	₱103,083	₱-
Liabilities for which fair values are disclosed					
Financial liabilities					
Deposit liabilities					
Demand	139,767,483	139,767,483	-	-	139,767,483
Savings	152,641,165	152,641,165	-	-	152,641,165
Time	64,126,014	64,452,562	-	-	64,452,562
	356,534,662	356,861,210	-	-	356,861,210
Lease liability	6,073,341	6,278,492	-	-	6,278,492
Accrued interest payable	500,421	500,421	-	-	500,421
Other financial liabilities	10,656,557	10,656,557	-	-	10,656,557
Bills and acceptances payable and SSURA	15,403,706	15,403,706	-	-	15,403,706
	₱389,271,770	₱389,803,469	₱-	₱103,083	₱389,700,386

**Presented under 'Other Assets'*
***Presented under 'Other Liabilities'*

Consolidated 2022			Fair Value		
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Financial assets					
Financial assets at FVTPL:					
Government securities	₱1,903,956	₱1,903,956	₱612,149	₱1,291,807	₱–
Private bonds	44,011	44,011	44,011	–	–
Equity securities	10,343	10,343	10,343	–	–
	1,958,310	1,958,310	666,503	1,291,807	–
Derivative assets*	18,750	18,750	–	18,750	-
Financial assets at FVTOCI:					
Government securities	10,220,132	10,220,132	9,163,310	1,056,822	–
Private bonds	6,511,186	6,511,186	6,511,186	–	–
Equity Securties	15,068	15,068	15,068	–	–
	16,746,386	16,746,386	15,689,564	1,056,822	–
	18,723,446	18,723,446	16,356,067	2,367,379	–

(Forward)

Consolidated 2022			Fair Value		
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost:					
Government securities	₱59,942,557	₱53,794,820	₱53,794,820	₱–	₱–
Private bonds	3,603,634	3,524,690	3,524,690	–	–
	63,546,191	57,319,510	57,319,510	–	–
Loans and receivables					
Receivable from customers:					
Corporate lending	66,545,827	67,875,565	–	–	67,875,565
Consumer lending	181,408,629	199,950,590	–	–	199,950,590
Other receivables	10,134,620	11,587,411	–	–	11,587,411
	258,089,076	279,413,566	–	–	279,413,566
Other financial assets	486,871	486,871	–	–	486,871
Non-financial assets					
Investment properties	840,242	2,221,628	–	–	2,221,628
	₱341,685,826	₱358,165,021	₱73,675,577	₱2,367,379	₱282,122,065
(Forward)					
Financial liabilities					
Derivative liabilities**	₱107,835	₱107,835	₱–	₱107,835	₱–
Liabilities for which fair values are disclosed					
Financial liabilities					
Deposit liabilities					
Demand	124,767,617	124,767,617	–	–	124,767,617
Savings	136,126,924	136,126,924	–	–	136,126,924
Time	65,824,377	65,750,292	–	–	65,750,292
LTNCD	2,447,204	4,888,686	–	–	4,888,686
	329,166,122	331,533,519	–	–	331,533,519
Lease liability	4,376,310	4,163,693	–	–	4,163,693
Accrued interest payable	293,743	293,743	–	–	293,743
Other financial liabilities	8,696,093	8,696,093	–	–	8,696,093
Bills and acceptances payable and SSURA	6,761,456	6,761,456	–	–	6,761,456
Bonds payable	3,698,439	3,698,439	–	–	3,698,439
	₱353,099,998	₱355,254,778	₱–	₱107,835	₱355,146,943

**Presented under 'Other Assets'*
***Presented under 'Other Liabilities'*

Parent Company 2023			Fair Value		
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Financial assets					
Financial assets at FVTPL:					
Government securities	₱4,058,236	₱4,058,236	₱1,783,636	₱2,274,600	₱–
Private bonds	43,707	43,707	43,707	–	–
Equity securities	10,379	10,379	10,379	–	–
	4,112,322	4,112,322	1,837,722	2,274,600	-
Derivative assets*	21,812	21,812	-	21,812	-
Financial assets at FVTOCI:					
Government securities	11,731,842	11,731,842	10,517,695	1,214,147	–
Private bonds	6,737,050	6,737,050	6,737,050	–	–
Equity securities	15,068	15,068	15,068	–	–
	18,483,960	18,483,960	17,269,813	1,214,147	–
	22,618,094	22,618,094	19,107,535	3,510,559	–

(Forward)

	Parent Company				
	2023				
		Fair Value			
	Carrying Value	**Total Fair Value**	**Quoted Prices in active market (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost:					
Government securities	**₱70,227,226**	**₱67,673,197**	**₱67,673,197**	**₱–**	**₱–**
Private bonds	**3,575,028**	**3,710,044**	**3,710,044**	–	–
	73,802,254	**71,383,241**	**71,383,241**	–	–
Loans and receivables					
Receivable from customers:					
Corporate lending	**57,428,483**	**59,784,353**	–	–	**59,784,353**
Consumer lending	**201,393,262**	**231,147,471**	–	–	**231,147,471**
Other receivables	**9,607,164**	**11,265,615**	–	–	**11,265,615**
	268,428,909	**302,197,439**	–	–	**302,197,439**
Other financial assets*	**597,337**	**597,337**	–	–	**597,337**
Non-financial assets					
Investment properties	**974,903**	**2,499,046**	–	–	**2,499,046**
	₱366,421,497	**₱399,295,158**	**₱90,490,776**	**₱3,510,559**	**₱305,293,822**
Financial liabilities					
Derivative liabilities**	**103,083**	**103,083**	–	**103,083**	–
Liabilities for which fair values are disclosed					
Financial liabilities					
Deposit liabilities					
Demand	**140,651,219**	**140,651,219**	–	–	**140,651,219**
Savings	**129,773,260**	**129,773,260**	–	–	**129,773,260**
Time	**64,126,014**	**64,452,562**	–	–	**64,452,562**
LTNCD	–	–	–	–	–
	334,550,493	**334,877,041**	–	–	**334,877,041**
Lease liability	**5,845,165**	**6,052,915**	–	–	**6,052,915**
Accrued interest payable	**440,341**	**440,341**	–	–	**440,341**
Other financial liabilities	**9,186,430**	**9,186,430**	–	–	**9,186,430**
Bills and acceptances payable and SSURA	**15,403,706**	**15,403,706**	–	–	**15,403,706**
Bonds payable	–	–	–	–	–
	₱365,529,218	**₱366,063,516**	**₱–**	**₱103,083**	**₱365,960,433**

Presented under 'Other Assets'
***Presented under 'Other Liabilities'*

	Parent Company				
	2022				
		Fair Value			
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets at FVTPL:					
Government securities	₱1,903,956	₱1,903,956	₱612,149	₱1,291,807	₱–
Private bonds	44,011	44,011	44,011	–	–
Equity securities	10,343	10,343	10,343	–	–
	1,958,310	1,958,310	666,503	1,291,807	–
Derivative assets*	18,750	18,750	–	18,750	–
Financial assets at FVTOCI:					
Government securities	10,220,132	10,220,132	9,163,310	1,056,822	–
Private bonds	6,511,186	6,511,186	6,511,186	–	–
Equity securities	15,068	15,068	15,068	–	–
	16,746,386	16,746,386	15,689,564	1,056,822	–
	18,723,446	18,723,446	16,356,067	2,367,379	–
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost:					
Government securities	58,303,469	52,155,731	52,155,731	–	–
Private bonds	3,603,634	3,524,690	3,524,690	–	–
	61,907,103	55,680,421	55,680,421	–	–

(Forward)

	Parent Company				
	2022				
		Fair Value			
	Carrying Value	Total Fair Value	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Loans and receivables					
Receivable from customers:					
Corporate lending	₱66,529,470	₱67,808,852	₱–	₱–	₱67,808,852
Consumer lending	161,982,636	180,099,001	–	–	180,099,001
Other receivables	9,926,368	11,338,022	–	–	11,338,022
	238,438,474	259,245,875	-	-	259,245,875
Other financial assets	461,783	461,783	–	–	461,783
Non-financial assets					
Investment properties	839,545	2,220,637	–	–	2,220,637
	₱320,370,351	₱336,332,162	₱72,036,488	₱2,367,379	₱261,928,295
Liabilities measured at fair value					
Financial liabilities					
Derivative liabilities**	₱107,835	₱107,835	₱–	₱107,835	₱–
Liabilities for which fair values are disclosed					
Financial liabilities					
Deposit liabilities					
Demand	125,486,700	125,486,700	–	–	125,486,700
Savings	120,275,702	120,275,702	–	–	120,275,702
Time	65,824,377	65,750,292	–	–	65,750,292
LTNCD	2,447,204	4,888,686	–	–	4,888,686
	314,033,983	316,401,380	–	–	316,401,380
Lease liability	4,107,058	3,897,427	–	–	3,897,427
Accrued interest payable	273,750	273,750	–	–	273,750
Other financial liabilities	7,571,433	7,571,433	–	–	7,571,433
Bills and acceptances payable and SSURA	6,761,456	6,761,456	–	–	6,761,456
Bonds payable	3,698,439	3,698,439	–	–	3,698,439
	₱336,553,954	₱338,711,720	₱–	₱107,835	₱338,603,885

**Presented under 'Other Assets'*
***Presented under 'Other Liabilities'*

In 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Derivative Financial Instruments

The Parent Company's freestanding derivative financial instruments, which mainly consist of foreign currency forwards, foreign currency swaps, US Treasury futures and interest rate swaps, are transactions not designated as accounting hedges. The tables below set out information about the Parent Company's derivative financial instruments and their related fair values as of December 31, 2023 and 2022:

Foreign Currency Forwards and Swaps	**2023**	2022
Notional amount	**\$410,853**	\$470,282
Derivative assets	**\$21,812**	₱18,750
Derivative liabilities	**103,083**	107,835

The net movements in fair values of all derivative instruments are as follows:

	2023	2022
Derivative liabilities - net at beginning of year	**(₱89,085)**	(₱197,284)
Net change in fair value and settlements for the year	**7,814**	108,199
Derivative liabilities - net at end of year	**(₱81,271)**	(₱89,085)

Fair value changes of foreign currency forwards and swaps are recognized as 'foreign exchange gain' in the statements of income while fair value changes of interest rate swaps and futures are recognized as part of 'trading and securities gain (loss)' in the statements of income (Note 8).

In 2023 and 2022, the Parent Company recognized total foreign exchange gain from foreign currency forwards and swaps amounting to ₱63.26 million and ₱187.64 million, respectively, with corresponding notional amounts of US$20.85 billion and US$13.77 billion, respectively.

In 2023 and 2022, the Parent Company recognized total realized trading gain amounting to ₱70.84 million and 23.45 million, respectively, with no outstanding balance as of year end.

6. Segment Reporting

The Group's main operating businesses are organized and managed primarily according to the current organizational structure. Each segment represents a strategic business unit that caters to the Group's identified markets. The Group's business segments are:

(a) *Retail banking* - this segment mainly covers traditional branch banking products and services such as deposits, back-to-back/emerging market loans and other over-the-counter (OTC) transactions. It likewise caters to the needs of high net-worth clients for alternative investment channels. It includes entire transaction processing, service delivery and infrastructure consisting of the Group's network of branches, automated teller machines as well as its internet banking platform;

(b) *Corporate banking* - this segment handles lending and trade financing for both large corporations and middle market clients;

(c) *Consumer banking* - this segment primarily caters to loans for individuals; and

(d) *Treasury and Trust* - this segment consists of Treasury and Trust operations of the Group. Treasury focuses on providing money market, trading and treasury services, as well as the management of the Group's funding operations through debt securities, placements and acceptances with other banks. Trust includes fund management, investment management services, custodianship, administration and collateral agency services, and stock and transfer agency services. In addition, the Parent Company through Trust, provides retail customers with alternative investment opportunities through its unit investment fund products.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment assets are those operating assets employed by a segment in its operating activities and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment liabilities are those operating liabilities that result from the operating activities of a segment and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Interest income is reported net, as management primarily relies on the net interest income as performance measure, not the gross income and expense.

The Group's revenue-producing assets are located in the Philippines (i.e., one geographical location); therefore, geographical segment information is no longer presented. The Group has no significant customers which contribute 10.00% or more of the consolidated revenue, net of interest expense.

The segment results include internal transfer pricing adjustments across business units as deemed appropriate by management. Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to the business units based on a pool rate which approximates the marginal cost of funds.

Segment information of the Group as of and for the years ended December 31, 2023, 2022 and 2021 follow:

	2023					
	Retail Banking	**Corporate Banking**	**Consumer Banking**	**Treasury and Trust**	**Elimination Items**	**Total**
Statement of Income						
Net Interest Income:						
Third Party	**₱10,063**	**₱630**	**₱14,763**	**(₱601)**	**₱3,370**	**₱28,225**
Intersegment	**–**	**2,332**	**–**	**776**	**(3,108)**	**–**
	10,063	**2,962**	**14,763**	**175**	**262**	**28,225**
Non-interest Income	**1,699**	**159**	**4,926**	**925**	**(425)**	**7,284**
Revenue - Net of Interest Expense	**11,762**	**3,120**	**19,689**	**1,100**	**(163)**	**35,508**
Non-interest Expense	**(8,482)**	**(620)**	**(16,510)**	**(772)**	**(1,597)**	**(27,981)**
Income Before Income Tax	**3,280**	**2,500**	**3,179**	**328**	**(1,760)**	**7,527**
Provision for Income Tax	**(1,117)**	**(625)**	**44**	**(69)**	**323**	**(1,444)**
Net Income for the Year	**₱2,163**	**₱1,875**	**₱3,223**	**₱259**	**(₱1,437)**	**₱6,083**
Statement of Financial Position						
Total Assets	**47,176**	**21,711**	**254,119**	**34,005**	**107,194**	**464,205**
Total Liabilities	**337,154**	**920**	**59,563**	**47,377**	**(47,984)**	**397,030**
Statement of Income						
Depreciation and Amortization	**1,054**	**30**	**549**	**46**	**161**	**1,840**
Provision for Impairment and Credit Losses	**178**	**19**	**6,894**	**(10)**	**607**	**7,688**

	2022					
	Retail Banking	Corporate Banking	Consumer Banking	Treasury and Trust	Elimination Items	Total
Statement of Income						
Net Interest Income:						
Third Party	₱8,033	₱713	₱14,330	(₱425)	₱623	₱23,274
Intersegment	–	4	(96)	444	(300)	52
	8,033	717	14,234	19	323	23,326
Non-interest Income	1,491	256	3,179	239	(475)	4,690
Revenue - Net of Interest Expense	9,524	973	17,413	258	(152)	28,016
Non-interest Expense	(7,284)	(365)	(12,717)	(779)	(813)	(21,958)
Income Before Income Tax	2,240	608	4,696	(521)	(965)	6,058
Provision for Income Tax	(704)	(62)	(546)	142	(264)	(1,434)
Net Income for the Year	₱1,536	₱546	₱4,150	(₱379)	(₱1,229)	₱4,624
Statement of Financial Position						
Total Assets	47,170	20,987	224,279	42,531	86,405	421,372
Total Liabilities	316,544	994	59,905	36,632	(53,738)	360,337
Statement of Income						
Depreciation and Amortization	1,071	72	821	44	158	2,166
Provision for Impairment and Credit Losses	7	(52)	4,766	(0)	230	4,951

	2021					
	Retail Banking	Corporate Banking	Consumer Banking	Treasury and Trust	Elimination Items	Total
Statement of Income						
Net Interest Income:						
Third Party	₱6,663	₱1,451	₱11,363	₱5	₱1,544	₱21,026
Intersegment	–	745	–	355	(1,100)	–
	6,663	2,196	11,363	360	444	21,026
Non-interest Income	1,180	190	2,700	153	1,526	5,749
Revenue - Net of Interest Expense	7,843	2,386	14,063	513	1,970	26,775
Non-interest Expense	(6,796)	(1,264)	(11,173)	(740)	(697)	(20,670)
Income Before Income Tax	1,047	1,122	2,890	(227)	1,273	6,105
Provision for Income Tax	(436)	(281)	(113)	71	(832)	(1,591)
Net Income for the Year	₱611	₱841	₱2,777	(₱156)	₱441	₱4,514
Statement of Financial Position						
Total Assets	₱41,396	₱65,353	₱134,788	₱115,233	₱47,992	₱404,762
Total Liabilities	297,689	53,306	5,028	36,257	(46,869)	345,411
Statement of Income						
Depreciation and Amortization	1,046	22	1,090	52	187	2,397
Provision for Impairment and Credit Losses	31	655	3,411	14	39	4,150

The 'Elimination Items' includes the Group's executive office and elimination items related to the Group's segment reporting framework.

Non-interest income consists of service charges, fees and commissions, gain on sale of assets, gain (loss) on asset foreclosure and dacion transactions, trading and securities gain (loss), gain on sale of investment securities at amortized cost, foreign exchange gain, trust income, share in net loss of a joint venture and miscellaneous income. The share in net loss of a joint venture has been presented as part of the elimination items in the Group's segment reporting framework. Non-interest expense consists of compensation and fringe benefits, taxes and licenses, depreciation and amortization, rent, amortization of intangible assets, provision for impairment and credit losses, and miscellaneous expenses.

7. Due from BSP, Due from Other Banks and Interbank Loans Receivables and SPURA

Due from BSP

This account consists of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Demand deposit account	**₱8,056,638**	₱35,762,265	**₱7,630,102**	₱35,371,447
Overnight Deposit Faciity Account	**7,000,000**	–	**7,000,000**	–
Special deposit account	**1,115,349**	352,132	**1,115,349**	352,132
	₱16,171,987	₱36,114,397	**₱15,745,451**	₱35,723,579

The annual interest rates of due from BSP range from 5.00% to 6.70% in 2023, 1.50% to 6.35% in 2022, from 1.50% to 2.05% in 2021.

Due from Other Banks

This comprises of deposit accounts with:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Foreign banks	**₱1,809,812**	₱3,798,713	**₱1,809,813**	₱3,798,713
Local banks	**660,299**	732,119	**529,345**	548,247
	2,470,111	4,530,832	**2,339,158**	4,346,960
Allowance for credit losses (Note 15)	**(821)**	(1,197)	**(821)**	(1,197)
	₱2,469,290	₱4,529,635	**₱2,338,337**	₱4,345,763

The annual interest rates of due from other banks range from 0.01% to 3.40% in 2023, 0.01% to 2.60% in 2022, 0.01% to 0.75% % in 2021.

Interbank Loans Receivables and SPURA

This accounts consist of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
SPURA	**₱15,976,310**	**₱–**	**₱15,976,310**	**₱–**
Interbank loans receivables	**465,108**	10,009,266	**465,108**	10,009,266
	₱16,441,418	₱10,009,266	**₱16,441,418**	₱10,009,266

SPURA are lending to counterparties collateralized by government securities ranging from one to six days. These government securities, with fair value amounting to ₱15.98 billion as of December 31, 2023 were pledged in favor of the Bank as collateral for SPURA equivalent to the fair value of government securities. The Bank is not permitted to sell or repledge the related collateral in the absence of default by counterparty.

SPURA of the Bank bears annual interest rate of 5.5% to 6.39% in 2023, nil for 2022 and 2.00% in 2021. The annual interest rates of interbank call loans receivables range from 4.10% to 6.50% in 2023, 1.81% to 5.50% in 2022, 1.00% to 2.00% in 2021.

Interest Income on Due from BSP, Due from Other Banks, Interbank Loans Receivables and SPURA

This account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Interbank Loans receivables and SPURA	**₱229,035**	₱269,135	₱287,432	**₱229,149**	₱272,872	₱287,466
Due from BSP	**98,862**	235,342	293,426	**98,862**	235,342	293,426
Due from other banks	**62,556**	22,762	10,942	**62,350**	19,883	8,924
	₱390,453	₱527,239	₱591,800	**₱390,361**	₱528,097	₱589,816

8. **Trading and Investment Securities**

The Group and the Parent Company have the following trading and investment securities:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Financial assets at FVTPL	**₱4,112,322**	₱1,958,310	**₱4,112,322**	₱1,958,310
Financial assets at FVTOCI	**18,483,960**	16,746,386	**18,483,960**	16,746,386
Investment securities at amortized cost	**75,401,019**	63,546,191	**73,802,254**	61,907,103
	₱97,997,301	₱82,250,887	**₱96,398,536**	₱80,611,799

Financial assets at FVTPL
Financial assets at FVTPL of the Group and of the Parent Company consist of:

	2023	2022
Government securities	**₱4,058,236**	₱1,903,956
Private bonds	**43,707**	44,011
Equity securities	**10,379**	10,343
	₱4,112,322	₱1,958,310

As of December 31, 2023, 2022 and 2021, financial assets at FVTPL include net unrealized losses of ₱249.39 million, ₱294.18 million and ₱174.57 million, respectively.

In 2023, 2022 and 2021, the yield rates ranges from 3.86% to 7.99%, 3.04% to 7.77%, 0.55% to 7.16% respectively.

Financial assets at FVTOCI
Financial assets at FVTOCI of the Group and of the Parent Company consists of:

	2023	2022
Government debt securities	**₱11,731,842**	₱10,220,132
Private bonds	**6,737,050**	6,511,186
Private equity securities	**15,068**	15,068
	₱18,483,960	₱16,746,386

In 2023, 2022 and 2021, the interest rates of financial assets at FVTOCI range from 0.13% to 8.32%, 0.13% to 8.32%, and 0.03% to 8.32%, respectively.

As of December 31, 2023 and 2022, the ECL on financial assets at FVTOCI of the Group and the Parent Company (included in 'Fair value reserves on financial assets at FVTOCI') amounted to ₱16.97 million and ₱37.80 million (Note 15), respectively.

Movements in the fair value reserves on financial assets at FVTOCI investments of the Group and the Parent Company follow:

	2023	2022
Balance at beginning of year	**(₱2,139,544)**	(₱138,821)
Loss from sale of financial assets at FVTOCI realized in profit or loss	**–**	104,576
Changes in allowance for ECL (Note 15)	**(20,824)**	3,982
Changes in fair values of debt securities	**1,004,345**	(2,079,189)
Share in changes in fair value reserves on equity securities at FVTOCI of a joint venture (Note 10)	**525**	(30,092)
Balance at end of year	**(₱1,155,498)**	(₱2,139,544)

The private equity securities were designated as at FVTOCI on the basis that these are not held for trading. These include shares in a real estate company and a golf club. No dividend income was recognized in 2023 and 2022 for these securities.

As of December 31, 2023, the Group and Parent Company's change in fair value reserves on financial assets at FVTOCI debt and equity securities amounted to (₱1.00 billion) and (₱0.53 million), respectively.

As of December 31, 2022, the Group and Parent Company's change in fair value reserves on financial assets at FVTOCI debt and equity securities amounted to (₱2.08 billion) and (₱30.09 million), respectively.

Investment securities at amortized cost
Investment securities at amortized cost of the Group and of the Parent Company consist of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Government securities	**₱71,836,021**	₱59,953,107	**₱70,237,256**	₱58,314,019
Private bonds	**3,575,706**	3,604,364	**3,575,706**	3,604,364
Carrying value, gross of allowance for impairment losses	**75,411,727**	63,557,471	**73,812,962**	61,918,383
Allowance for impairment losses (Note 15)	**(10,708)**	(11,280)	**(10,708)**	(11,280)
	₱75,401,019	₱63,546,191	**₱73,802,254**	₱61,907,103

Peso-denominated government bonds have effective interest rates ranging from 4.96% to 7.98% in 2023, 4.96% to 7.07% in 2022, and 4.96% to 8.11% in 2021. Foreign currency-denominated government bonds have effective interest rates ranging from 2.76% to 6.66% in 2023, 2.76% to 6.22% in 2022, and 2.76% to 6.66% in 2021.

The fair value of the remaining investments at amortized cost is disclosed in Note 5.

Interest Income on Trading and Investment Securities

This account consists of:

	Consolidated			Parent		
	2023	2022	2021	**2023**	2022	2021
Financial assets at FVTPL	**₱220,277**	₱163,904	₱345,017	**220,277**	₱163,904	₱345,017
Financial assets at FVTOCI	**585,893**	861,359	589,980	**585,893**	861,359	589,980
Investment securities at amortized cost	**3,523,886**	2,157,230	623,885	**3,472,838**	2,104,978	573,159
	₱4,330,056	₱3,182,493	₱1,558,882	**₱4,279,008**	₱3,130,241	₱1,508,156

Trading and Securities Gains (Losses)

Trading and securities gains (losses) of the Group and of the Parent Company consists of:

	2023	2022	2021
Financial assets at FVTPL	**₱266,982**	(₱314,511)	(₱665,014)
Financial assets at FVTOCI	–	(104,575)	(100,098)
US Treasury futures (Note 5)	**70,845**	23,448	(88,618)
Interest rate swaps (Note 5)	–	–	12,315
	₱337,827	(₱395,638)	(₱841,415)

9. **Loans and Receivables**

Loans and receivables consist of:

	Consolidated		**Parent Company**	
	2023	2022	**2023**	2022
Receivables from customers*:				
Corporate lending				
Corporate loans	**₱57,673,329**	₱67,074,894	**₱57,598,527**	₱67,008,215
Other corporate loans**	**1,958,022**	1,725,616	**1,958,022**	1,725,616
	59,631,351	68,800,510	**59,556,549**	68,733,831
Consumer lending				
Auto loans	**77,815,881**	63,683,783	**77,815,881**	63,683,783
Credit cards	**53,912,882**	41,049,973	**53,912,882**	41,049,973
Mortgage loans	**19,947,825**	19,452,881	**19,947,825**	19,452,881
Other consumer loans***	**78,696,428**	61,739,560	**48,540,323**	40,538,432
	230,373,016	185,926,197	**200,216,911**	164,725,069
Receivable from customers – gross	**290,004,367**	254,726,707	**259,773,460**	233,458,900
Unamortized premium	**6,873,004**	4,005,507	**8,683,775**	5,216,962
	296,877,371	258,732,214	**268,457,235**	238,675,862
Other receivables:				
Accrued interest receivable	**6,189,094**	6,902,278	**5,972,328**	6,705,002
Other loans and receivable	**5,347,179**	4,558,732	**5,167,744**	4,506,620
Sales contracts receivable	**125,544**	126,401	**125,544**	126,401
	11,661,817	11,587,411	**11,265,616**	11,338,023
	308,539,188	270,319,625	**279,722,851**	250,013,885
Allowance for credit and impairment losses (Note 15)	**(11,923,717)**	(12,230,550)	**(11,293,943)**	(11,575,411)
	₱296,615,471	₱258,089,075	**₱268,428,908**	₱238,438,474

* **Conso -** Net of unamortized modification loss of ₱336,462 and ₱659,503 as of December 31, 2023 and 2022 respectively
* **Parent -** Net of unamortized modification loss of ₱336,462 and ₱659,474 as of December 31, 2023 and 2022 respectively
***Include emerging enterprise loans and branch loans*
****Include DepEd loans, employee loans, salary loans and personal loans*

Receivable from customers consists of:

	Consolidated		**Parent Company**	
	2023	**2022**	**2023**	**2022**
Loans and discounts	**₱283,777,257**	₱247,464,666	**₱253,546,351**	₱226,196,860
Unamortized premium	**6,873,004**	4,005,507	**8,683,775**	5,216,962
	290,650,261	251,470,173	**262,230,126**	231,413,822
Customer liabilities under acceptances and trust receipts	**4,989,399**	6,195,084	**4,989,399**	6,195,084
Bills purchased (Note 21)	**1,237,711**	1,066,956	**1,237,711**	1,066,956
	₱296,877,371	₱258,732,213	**₱268,457,236**	₱238,675,862

In 2016, the Parent Company entered into a sale of receivables agreement with EWRB, whereby the Parent Company will sell to EWRB, on a without recourse basis, certain employee loans of the Parent Company. In 2023 and 2022, the total employee loans sold by the Parent Company have an aggregate carrying amount of ₱284.05 million and ₱255.97 million, respectively. The selling price of the employee loans approximates the fair value at the date of sale. As of December 31, 2023 and 2022, outstanding principal balance of employee loans purchased from the Parent Company, included in 'Other consumer loans' of EWRB, amounted to ₱475.87 million and ₱448.24 million, respectively. In connection with the sale of receivables agreement, the Parent Company and EWRB also entered into an account servicing and collection agreement whereby EWRB agreed to pay equivalent to 0.37% of the loan amounts collected by the Parent Company on behalf of EWRB. The service fees received by the Parent Company (included under 'Service charges, fees and commission income' in the statements of income) amounted to ₱1.03 million, ₱0.99 million, and ₱0.88 million in 2023, 2022, and 2021 respectively (Note 28).

In 2013, the Parent Company entered into a purchase of receivables agreement with EWRB, whereby the Parent Company will purchase, on a without recourse basis, certain salary loans of EWRB. In 2023 and 2022, the total salary loans purchased by the Parent Company have an aggregate amount of ₱44.25 billion and ₱46.05 billion, respectively. The Parent Company's acquisition cost of the salary loans approximates the fair value at the acquisition date. As of December 31, 2023 and 2022, outstanding principal balance of salary loans purchased from EWRB, included in 'Other consumer loans' of the Parent Company, amounted to ₱41.67 billion and ₱35.40 billion, respectively. In connection with the purchase of receivables agreement, the Parent Company and EWRB also entered into an account servicing and collection agreement whereby the Parent Company agreed to pay service fees equivalent to 0.37% of the loan amounts collected by EWRB on behalf of the Parent Company. The service fees paid by the Parent Company to EWRB (included under 'Miscellaneous expense' in the statements of income) amounted to ₱150.53 million, ₱56.16 million, and ₱17.33 million in 2023, 2022 and 2021, respectively (Note 28).

The Group took possession of various properties previously held as collateral with carrying amounts of ₱4.27 billion, ₱4.68 billion, and ₱7.19 billion in 2023, 2022 and 2021, respectively (Notes 12 and 14).

Interest income on loans and receivables consist of:

	Consolidated			**Parent Company**		
	2023	2022	2021	**2023**	2022	2021
Receivables from customers	**₱29,840,680**	₱22,410,380	₱21,101,535	**₱25,899,327**	₱18,662,563	₱18,256,166

As of December 31, 2023 and 2022, 9.04% and 13.78% respectively of the total receivables from customers of the Group and the Parent Company were subject to interest repricing.

Remaining receivables carry annual fixed interest rates ranging from 16.08% to 40.70% in 2023, 16.08% to 45.00% in 2022, 9.00% to 45.00% in 2021 for peso-denominated receivables and from 1.00% to 10.00% in 2023, 1.25% to 10.00% in 2022, 2.00% to 10.00% % in 2021 for foreign currency-denominated receivables.

Provision for credit losses on loans and receivables of the Group amounted to ₱6.54 billion, ₱4.81 billion, ₱4.40 billion in 2023, 2022 and 2021, respectively. Provision for credit losses on loans and receivables of the Parent Company amounted to ₱6.22 billion, ₱4.57 billion, ₱4.35 billion in 2023, 2022 and 2021, respectively.

10. Investments in Subsidiaries and Joint Venture

The movements in the investments in subsidiaries of the Parent Company and investment in a joint venture of the Group and the Parent Company follow:

	Investment in Subsidiaries		Investment in a Joint Venture	
	2023	2022	**2023**	2022
Acquisition Cost				
Subsidiaries				
EWRB	**₱521,000**	₱521,000	–	–
EWLFC	**100,000**	100,000	–	–
EWIB	**30,000**	30,000	–	–
QMIS	**19,927**	19,927	–	–
ASIA	**10,305**	10,305	–	–
	681,232	681,232	–	–
Joint Venture				
EWAL				
Cost at beginning of the year	–	–	**3,295,000**	2,720,000
Additional investments made during the year	–	–	**216,000**	575,000
Balance at end of year	**681,232**	681,232	**3,511,000**	3,295,000
Accumulated share in net income (loss)				
Balance at beginning of year	**5,060,273**	5,233,831	**(2,335,335)**	(2,106,715)
Share in net income (loss)	**1,112,236**	1,819,713	**(152,335)**	(228,619)
Dividends	–	(1,993,271)	–	–
Balance at end of year	**6,172,509**	5,060,273	**(2,487,670)**	(2,335,334)
Accumulated share in other comprehensive income				
Balance at beginning of year	**12,184**	4,031	**(30,689)**	1,209
Share in changes in remeasurement gain (loss) of retirement liabilities of subsidiaries and joint venture	**(13,974)**	8,153	–	(1,806)
Share in changes in fair value reserves on equity securities of a joint venture	–	–	**525**	(30,092)
Balance at end of year	**(1,790)**	12,184	**(30,164)**	(30,689)
	₱6,851,951	₱5,753,689	**₱993,166**	₱928,977

Investments in Subsidiaries

EWRB
The Parent Company's investment cost in EWRB amounted to ₱521.00 million as of December 31, 2022 and 2021. EWRB was incorporated and registered with Philippine SEC on November 5, 1997. It was granted authority by the BSP to operate as a rural bank and commenced operations in March 1998. As a subsidiary of EWBC, its primary mandate is to grant loans to its chosen market –Teacher, SSS Pensioners and Small-scale Entrepreneurs. It also offers a limited list of deposit products with competitive interest rates. Its principal office is located at 3rd and 4th Floors, East West Bank Building, J.P. Laurel Avenue corner Iñigo Street, Bajada, Davao City.

As approved by the Board of Directors in its meeting on June 3, 2022, ₱40.00 per share dividend was declared to stockholders on record as of June 14, 2022 and paid on July 8, 2022. As of December 31, 2022, cash dividends declared was ₱2.00 billion. There were no cash dividends declared nor paid in 2023. There were no issuance of capital stocks in 2023 and 2022.

EWIB
In 2015, the BSP approved the Parent Company's initial equity investment in EWIB of ₱30.00 million. EWIB was incorporated and registered with the SEC on July 6, 2015 primarily to act as an insurance broker in soliciting, negotiating, and forwarding applications for fire insurance, motor car insurance, engineering insurance, personal accident insurance, travel insurance, bonds & surety, directors and officer's liability insurance, aviation insurance, marine cargo insurance and other non-life insurance services. On September 23, 2015, EWIB received its license to act as an insurance broker from the Insurance Commission ("IC"). It started its commercial operations in September 24, 2015. Its principal place of business is located at The Beaufort, 5th avenue corner 23rd Street, Bonifacio Global City, Taguig City.

EWLFC
In 2016, the BSP approved and confirmed the initial equity investment in EWLFC of ₱100.00 million. It was registered with the SEC in October 2016 with secondary license to operate as a financing company in accordance with the Financing Company Act of 1998 and its implementing rules and regulations. The principal place of business of EWLFC is at East West Corporate Center, The Beaufort, 5th Avenue corner 23rd Street, Fort Bonifacio Global City, Taguig City.

QMIS
In 2016, the Parent Company acquired 100.00% voting shares of QMIS as part of the asset and share transfer agreement for a consideration amounting to ₱19.93 million. On November 25, 2016, SCMB Overseas Ltd., a wholly-owned subsidiary of Standard Chartered Bank (SCB), completed the transfer of its 100.00% ownership of the Company's capital stock to the Parent Company. Consequently, the Group obtained control and ownership of the QMIS on that date.

The principal place of business of the Company is at 7th Floor, Global Trade Center, 1024 EDSA, Quezon City.

ASIA
In 2016, the Parent Company acquired 100.00% voting shares of ASIA as part of the asset and share transfer agreement for a consideration amounting to ₱10.31 million. ASIA was registered with the SEC in 2012 primarily to engage in general insurance agency business. The principal place of business is at 5th Floor, 6788 Sky Plaza Building, Ayala Avenue, Makati City.

Investment in a Joint Venture
On May 28, 2015, the Parent Company and Ageas Insurance International N.V. ("Ageas") entered into a joint venture agreement to form EW Ageas Life. EW Ageas Life, which is primarily engaged in the life insurance business, was incorporated with a capitalization of ₱2.01 billion and with ultimate ownership interest of the Parent Company of 50.00% less 1 share. The Parent Company's initial investment amounted to ₱500.00 million. The joint venture agreement provided certain conditions that should be satisfied for the consummation of the agreement, which include among others, obtaining all the required regulatory approvals. EW Ageas Life was incorporated and registered with the SEC on October 20, 2015. Its primary purpose is to undertake and write insurance upon the life of individuals, and every insurance appertaining thereto or connected therewith; to make contracts of insurance providing for all risks, hazards, guarantees and contingencies to which life, accident, or health insurance is applicable; to indemnify against legal liability; to compute endowments and grant, purchase or dispose of annuities; to procure re-insurance of its risks; to issue

policies stipulated to be with or without participation in profits; and to purchase for its own benefit any policy of insurance or other obligation as well as claims of policyholders.

On December 22, 2015, EW Ageas Life obtained from the Insurance Commission (IC) a license to operate as a life insurance business. The Certificate of Authority was granted effective from January 1, 2016 to December 31, 2018 and renewed every two years. The latest renewal happened on December 16, 2021 with certificate No. 22/19-R effective from January 1, 2022 to December 31, 2024.

EW Ageas Life started its commercial operations on February 1, 2016. On March 28, 2016, the Parent Company and Ageas entered into a Deed of Sale for the transfer of 1,666,655 shares from Parent Company to Ageas. The resulting shareholder structure became 50% less one share for Parent Company and 50% plus one share for Ageas. The Parent Company and Ageas control EW Ageas Life through a Joint Venture Agreement. Its registered office is at One World Place, 32nd Street, Bonifacio Global City, Taguig City.

In 2017, additional capital aggregating to ₱1.33 billion was solely contributed by Ageas to EW Ageas Life. This increased the Parent Company's investment in the joint venture by ₱665.00 million in 2017 which was recognized as gain on capital transaction. Under the joint venture agreement, within a period of seven (7) years from consummation, the joint venture entity may at any time request for additional funding from the Parent Company and Ageas. Parent Company and Ageas each infused additional capital to EW Ageas Life amounting to ₱216.00 million in 2023 and ₱575.00 million in 2022.

In 2023 and 2022, no dividends was received from EW Ageas Life. As of December 31, 2023 and 2022, the joint venture has no contingent liabilities or capital commitments.

11. Property, Equipment and Right-of-Use Assets

The composition of and movements in the Group's property, equipment and ROU assets follow:

	2023					
	Land	**Buildings**	**Furniture, Fixtures and Equipment**	**Leasehold Improvements**	**ROU Asset**	**Total**
Cost						
Balance at beginning of year	**₱54,635**	**₱1,051,316**	**₱3,187,791**	**₱4,037,812**	**₱5,921,542**	**₱14,253,096**
Additions	–	**3,775**	**232,544**	**199,920**	**2,422,969**	**2,859,208**
Disposals/terminations and other adjustments	–	–	**(117,129)**	–	**(529,803)**	**(646,932)**
Balance at end of year	**54,635**	**1,055,091**	**3,303,206**	**4,237,732**	**7,814,708**	**16,465,372**
Accumulated Depreciation and Amortization						
Balance at beginning of year	–	**314,894**	**2,814,130**	**3,447,369**	**2,076,745**	**8,653,138**
Depreciation and amortization	–	**30,063**	**175,863**	**191,268**	**881,089**	**1,278,283**
Disposals/terminations and other adjustments	–	–	**(100,250)**	–	**(530,158)**	**(630,408)**
Balance at end of year	–	**344,957**	**2,889,743**	**3,638,637**	**2,427,676**	**9,301,013**
Net Book Value	**₱54,635**	**₱710,134**	**₱413,463**	**₱599,095**	**₱5,387,032**	**₱7,164,358**

	2022					
	Land	Buildings	Furniture, Fixtures and Equipment	Leasehold Improvements	ROU Asset	Total
Cost						
Balance at beginning of year	₱54,635	₱1,071,765	₱2,987,439	₱3,915,225	₱4,933,249	₱12,962,313
Additions	–	5,100	310,417	122,587	2,125,913	2,564,017
Disposals/terminations and other adjustments	–	(25,549)	(110,065)	–	(1,137,620)	(1,273,234)
Balance at end of year	54,635	1,051,316	3,187,791	4,037,812	5,921,542	14,253,096
Accumulated Depreciation and Amortization						
Balance at beginning of year	–	291,621	2,765,069	3,202,090	2,281,178	8,539,958
Depreciation and amortization	–	23,273	156,331	245,279	929,336	1,354,219
Disposals/terminations and other adjustments	–	–	(107,270)	–	(1,133,769)	(1,241,039)
Balance at end of year	–	314,894	2,814,130	3,447,369	2,076,745	8,653,138
Net Book Value	₱54,635	₱736,422	₱373,661	₱590,443	₱3,844,797	₱5,599,958

The composition of and movements in the Parent Company's property, equipment and ROU assets follow:

	2023					
	Land	**Buildings**	**Furniture, Fixtures and Equipment**	**Leasehold Improvements**	**ROU Asset**	**Total**
Cost						
Balance at beginning of year	**₱33,298**	**₱973,287**	**₱2,761,252**	**₱3,869,991**	**₱5,423,403**	**₱13,061,231**
Additions	–	**2,593**	**199,282**	**190,514**	**2,365,221**	**2,757,610**
Disposals/terminations and other adjustments	–	–	**(105,057)**	–	**(509,740)**	**(614,796)**
Balance at end of year	**33,298**	**975,880**	**2,855,477**	**4,060,505**	**7,278,884**	**15,204,044**
Accumulated Depreciation and Amortization						
Balance at beginning of year	–	**284,185**	**2,443,141**	**3,300,640**	**1,812,932**	**7,840,898**
Depreciation and amortization	–	**26,611**	**149,753**	**184,836**	**781,863**	**1,143,063**
Disposals/terminations and other adjustments	–	–	**(88,179)**	–	**(509,756)**	**(597,935)**
Balance at end of year	–	**310,796**	**2,504,715**	**3,485,476**	**2,085,039**	**8,386,026**
Net Book Value	**₱33,298**	**₱665,084**	**₱350,762**	**₱575,029**	**₱5,193,845**	**₱6,818,018**

	2022					
	Land	Buildings	Furniture, Fixtures and Equipment	Leasehold Improvements	ROU Asset	Total
Cost						
Balance at beginning of year	₱33,298	₱997,832	₱2,523,124	₱3,749,252	₱4,457,062	₱11,760,568
Additions	–	1,004	265,022	120,739	2,076,488	2,463,253
Disposals/terminations and other adjustments	–	(25,549)	(26,894)	–	(1,110,147)	(1,162,590)
Balance at end of year	33,298	973,287	2,761,252	3,869,991	5,423,403	13,061,231
Accumulated Depreciation and Amortization						
Balance at beginning of year	–	264,446	2,332,026	3,062,596	2,085,171	7,744,239
Depreciation and amortization	–	19,739	135,207	238,044	833,503	1,226,493
Disposals/terminations and other adjustments	–	–	(24,092)	–	(1,105,742)	(1,129,834)
Balance at end of year	–	284,185	2,443,141	3,300,640	1,812,932	7,840,898
Net Book Value	₱33,298	₱689,102	₱318,111	₱569,351	₱3,610,471	₱5,220,333

The Group has lease contracts for office branches, warehouses, spaces for Automated Teller Machines (ATMs) and office equipment. With the exception of short-term leases of low-value underlying assets, each lease is reflected on the statement of financial position as ROU asset and a lease liability.

The net gain on sale recognized by the Group for the disposal of certain property and equipment amounted to ₱2.72 million, ₱5.00 million, ₱3.64 million in 2023, 2022 and 2021, respectively. The net gain on sale recognized by the Parent Company for the disposal of certain property and equipment amounted to ₱2.46 million, ₱2.48 million, and ₱2.87 million in 2023, 2022, and 2021 respectively.

As of December 31, 2023 and 2022, the cost of fully depreciated property and equipment still in use by the Group amounted to ₱2.76 billion and ₱2.73 billion, respectively.

As of December 31, 2023 and 2022, the cost of fully depreciated property and equipment still in use by the Parent Company amounted to ₱2.21 billion and ₱2.21 billion, respectively.

12. Investment Properties

The composition of and movements in the Group's investment properties follow:

	2023		
	Land	**Buildings and Improvements**	**Total**
Cost			
Balance at beginning of year	**₱605,365**	**₱729,292**	**₱1,334,657**
Additions	**169,967**	**104,554**	**274,521**
Disposals	**(46,769)**	**(75,849)**	**(122,618)**
Balance at end of year	**728,563**	**757,997**	**1,486,560**
Accumulated Depreciation and Amortization			
Balance at beginning of year	–	**423,869**	**423,869**
Depreciation and amortization	–	**63,987**	**63,987**
Disposals	–	**(50,483)**	**(50,483)**
Balance at end of year	–	**437,373**	**437,373**
Accumulated Impairment Losses (Note 15)			
Balance at beginning of year	**57,592**	**12,954**	**70,546**
Provision during the year	**14,261**	**1,724**	**15,985**
Disposals	**(8,448)**	**(4,496)**	**(12,944)**
Balance at end of year	**63,405**	**10,182**	**73,587**
Net Book Value	**₱665,158**	**₱310,442**	**₱975,600**

	2022		
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱664,866	₱743,093	₱1,407,959
Additions	28,623	72,813	101,436
Disposals	(88,124)	(86,614)	(174,738)
Balance at end of year	605,365	729,292	1,334,657
Accumulated Depreciation and Amortization			
Balance at beginning of year	₱–	₱397,741	₱397,741
Depreciation and amortization	–	60,401	60,401
Disposals	–	(34,273)	(34,273)
Balance at end of year	–	423,869	423,869
Accumulated Impairment Losses (Note 15)			
Balance at beginning of year	69,581	12,649	82,230
Provision during the year	6,616	6,787	13,403
Disposals	(18,605)	(6,482)	(25,087)
Balance at end of year	57,592	12,954	70,546
Net Book Value	₱547,773	₱292,469	₱840,242

The composition of and movements in the Parent Company's investment properties follow:

	2023		
	Land	**Buildings and Improvements**	**Total**
Cost			
Balance at beginning of year	**₱604,597**	**₱729,357**	**₱1,333,954**
Additions	**169,967**	**104,554**	**274,521**
Disposals	**(46,769)**	**(75,849)**	**(122,618)**
Balance at end of year	**727,795**	**758,062**	**1,485,857**
Accumulated Depreciation and Amortization			
Balance at beginning of year	–	**423,863**	**423,863**
Depreciation and amortization	–	**63,987**	**63,987**
Disposals	–	**(50,484)**	**(50,484)**
Balance at end of year	–	**437,366**	**437,366**
Accumulated Impairment Losses (Note 15)			
Balance at beginning of year	**57,592**	**12,954**	**70,546**
Provision during the year	**14,261**	**1,725**	**15,986**
Disposals	**(8,448)**	**(4,496)**	**(12,944)**
Balance at end of year	**63,405**	**10,183**	**73,588**
Net Book Value	**₱664,390**	**₱310,513**	**₱974,903**

	2022		
	Land	Buildings and Improvements	Total
Cost			
Balance at beginning of year	₱664,098	₱743,158	₱1,407,256
Additions	28,623	72,813	101,436
Disposals	(88,124)	(86,614)	(174,738)
Balance at end of year	604,597	729,357	1,333,954
Accumulated Depreciation and Amortization			
Balance at beginning of year	–	397,735	397,735
Depreciation and amortization	–	60,401	60,401
Disposals	–	(34,273)	(34,273)
Balance at end of year	–	423,863	423,863
Accumulated Impairment Losses (Note 15)			
Balance at beginning of year	69,581	12,649	82,230
Provision during the year	6,616	6,787	13,403
Disposals	(18,605)	(6,482)	(25,087)
Balance at end of year	57,592	12,954	70,546
Net Book Value	₱547,005	₱292,540	₱839,545

The Group's and the Parent Company's investment properties consist entirely of real estate properties and land improvements acquired in settlement of loans and receivables.

The aggregate fair value of the investment properties of the Group and the Parent Company amounted to ₱2.32 billion as of December 31, 2023, and ₱2.07 billion as of December 31, 2022. Fair value has been determined based on valuations made by independent and/or in-house appraisers. Valuations were derived on the basis of recent sales of similar properties in the same area as the investment properties taking into account the economic conditions prevailing at the time the valuations were made.

As of December 31, 2023 and 2022, the carrying values of foreclosed investment properties of the Group and of the Parent Company still subject to redemption period by the borrower amounted to ₱166.15 million and ₱31.87 million, respectively.

Gain on sale recognized by the Group for the disposal of its foreclosed assets amounted to ₱111.36 million, ₱66.39 million, ₱58.50 million in 2023, 2022 and 2021, respectively.

Gain on sale recognized by the Parent Company for the disposal of its foreclosed assets amounted to ₱111.36 million, ₱66.39 million, ₱56.17 million in 2023, 2022 and 2021, respectively.

Direct operating expenses from investment properties that did not generate rent income amounted to ₱95.32 million, ₱95.57 million, ₱88.97 million for the Group and the Parent Company in 2023, 2022 and 2021, respectively. The Group and the Parent Company have no investment properties that generated rent income in 2023, 2022 and 2021.

13. Goodwill and Other Intangible Assets

As of December 31, 2023 and 2022, the intangible assets of the Group consist of:

	2023					
	Goodwill	**Branch Licenses**	**Customer Relationship**	**Core Deposits**	**Capitalized Software**	**Total**
Cost						
Balance at beginning of year	**₱3,877,241**	**₱2,167,600**	**₱154,626**	**₱105,128**	**₱2,351,436**	**₱8,656,031**
Additions	–	–	–	–	**246,660**	**246,660**
Balance at end of year	**3,877,241**	**2,167,600**	**154,626**	**105,128**	**2,598,096**	**8,902,691**
Accumulated Amortization						
Balance at beginning of year	–	–	**63,400**	**79,787**	**1,616,373**	**1,759,560**
Amortization	–	–	**3,651**	**6,469**	**189,527**	**199,647**
Balance at end of year	–	–	**67,051**	**86,256**	**1,805,900**	**1,959,207**
Net Book Value	**₱3,877,241**	**₱2,167,600**	**₱87,575**	**₱18,872**	**₱792,196**	**₱6,943,484**

	2022					
	Goodwill	Branch Licenses	Customer Relationship	Core Deposits	Capitalized Software	Total
Cost						
Balance at beginning of year	₱3,877,241	₱2,167,600	₱154,626	₱105,128	₱2,138,799	₱8,443,394
Additions	–	–	–	–	283,646	283,646
Others/Disposals	–	–	–	–	(71,009)	(71,009)
Balance at end of year	3,877,241	2,167,600	154,626	105,128	2,351,436	8,656,031
Accumulated Amortization						
Balance at beginning of year	–	–	59,639	73,317	1,515,064	1,648,020
Others/Disposals	–	–	3,761	6,470	172,318	182,549
Amortization	–	–	–	–	(71,009)	(71,009)
Balance at end of year	–	–	63,400	79,787	1,616,373	1,759,560
Net Book Value	₱3,877,241	₱2,167,600	₱91,226	₱25,341	₱735,063	₱6,896,471

As of December 31, 2023 and 2022, the intangible assets of the Parent Company consist of:

	2023					
	Goodwill	**Branch Licenses**	**Customer Relationship**	**Core Deposits**	**Capitalized Software**	**Total**
Cost						
Balance at beginning of year	**₱3,853,763**	**₱2,167,600**	**₱154,626**	**₱105,128**	**₱2,312,582**	**₱8,593,699**
Additions	–	–	–	–	**226,461**	**226,461**
Balance at end of year	**3,853,763**	**2,167,600**	**154,626**	**105,128**	**2,539,043**	**8,820,160**
Accumulated Amortization						
Balance at beginning of year	–	–	**63,400**	**79,787**	**1,587,844**	**1,731,031**
Amortization	–	–	**3,651**	**6,470**	**185,016**	**195,137**
Balance at end of year	–	–	**67,051**	**86,257**	**1,772,860**	**1,926,168**
Net Book Value	**₱3,853,763**	**₱2,167,600**	**₱87,575**	**₱18,871**	**₱766,183**	**₱6,893,992**

	2022					
	Goodwill	Branch Licenses	Customer Relationship	Core Deposits	Capitalized Software	Total
Cost						
Balance at beginning of year	₱3,853,763	₱2,167,600	₱154,626	₱105,128	₱2,029,925	₱8,311,042
Additions	–	–	–	–	283,042	283,042
Others/Disposals	–	–	–	–	(385)	(385)
Balance at end of year	3,853,763	2,167,600	154,626	105,128	2,312,582	8,593,699
Accumulated Amortization						
Balance at beginning of year	–	–	59,639	73,317	1,421,875	1,554,831
Amortization	–	–	3,761	6,470	166,354	176,585
Others/Disposals	–	–	–	–	(386)	(386)
Balance at end of year	–	–	63,400	79,787	1,587,843	1,731,030
Net Book Value	₱3,853,763	₱2,167,600	₱91,226	₱25,341	₱724,739	₱6,862,669

Goodwill

Goodwill represents the excess of the acquisitions cost over the fair value arising from acquisition of (a) Ecology Savings Bank, Inc. ("ESBI") in 2002; (b) American International Group, Inc. Philam Savings Bank (AIGPASB) Group in 2009; (c) EWRB in 2012; (d) Green Bank, Inc. ("GBI") in 2014; and (e) Standard Chartered Bank ("SCB") in 2016.

The business combination resulted in the recognition of goodwill allocated to the three (3) CGUs which are also reportable segments. As of December 31, 2023 and 2022, goodwill for each CGU in the books of the Parent Company are as follows:

CGU	**Consolidated**	**Parent Company**
Consumer Banking	₱2,060,312	₱2,060,312
Treasury and Trust	1,643,239	1,643,239
Retail Banking	173,690	150,212
	₱3,877,241	₱3,853,763

Key assumptions used in VIU calculations

The recoverable amount of the CGUs has been determined based on VIU calculations using cash flow projections based on financial budgets approved by the management covering a five-year period. The VIU calculation for the CGUs is most sensitive to the following assumptions: a) interest margin; b) discount rates; c) market share during the budget period; and d) projected growth rates used to extrapolate cash flows beyond the budget period. Future cash flows were based on historical experience, strategies developed and prospects. The discount rate used for the computation of the net present value is the cost of equity and was determined by reference to comparable entities.

Discount rate and growth rate

The following discount rates were applied to the cash flow projections:

	2023			2022			2021		
	Retail banking	**Consumer Banking**	**Treasury and Trust**	Retail banking	Consumer Banking	Treasury and Trust	Retail banking	Consumer Banking	Treasury and Trust
Pre-tax discount rate	**12.30%**	**12.30%**	**12.30%**	12.30%	12.30%	12.30%	12.30%	12.30%	12.30%
Projected growth rate	**6.00%**	**6.00%**	**6.00%**	6.00%	6.00%	6.00%	6.25%	6.25%	6.25%

Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the units to exceed their recoverable amount.

Branch Licenses
Branch licenses of the Group and the Parent Company amounting to ₱2.17 billion represents: one branch license acquired by the Parent Company from the BSP amounting to ₱0.20 million in 2015, 25 branch licenses acquired by the Parent Company from the BSP amounting to ₱505.20 million in 2014, 10 branch licenses acquired by the Parent Company from the BSP amounting to ₱214.80 million in 2013, 42 branch licenses acquired by the Parent Company from the BSP amounting to ₱822.00 million in 2012, and 46 branch licenses acquired by the Parent Company from the acquisition of GBI amounting to ₱625.40 million in 2011.

Customer Relationship and Core Deposits
The business combination between the Parent Company and AIGPASB Group in 2009 resulted in the acquisition of customer relationship and core deposits amounting to₱154.63 million and ₱40.43 million, respectively.

The business combination between the Parent Company and SCB in 2016 resulted in the acquisition of core deposits amounting to ₱64.70 million.

Capitalized Software
Capitalized software pertains to computer software licenses and programs acquired by the Group and the Parent Company for its banking operations. Included in the 2023 and 2022 acquisitions are software licenses acquired by the Group and the Parent Company for the upgrade of its core banking systems amounting to ₱246.66 million and ₱226.46 million in 2023 and ₱283.65 million and ₱283.04 million, respectively in 2022.

14. Other Assets

This account consists of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Financial assets				
Security deposits	**₱397,405**	₱354,274	**₱373,427**	₱330,001
Margin account	**167,996**	87,683	**167,996**	87,683
Deposit to suppliers	**49,030**	40,711	**49,030**	40,711
Derivative assets (Note 5)	**21,812**	18,750	**21,812**	18,750
Returned cash and other cash items	**4,879**	1,438	**4,879**	1,438
Other asset - petty cash fund	**2,731**	2,765	**2,006**	1,950
	643,853	505,621	**619,150**	480,533
Non-financial assets				
Other repossessed assets	**2,025,206**	967,370	**2,025,206**	967,370
Prepaid expenses	**695,500**	837,748	**614,904**	753,215
Card acquisition costs	**409,531**	219,955	**409,531**	219,955
Outward clearing	**303,795**	58,460	**303,795**	58,460
Outward settlements	**206,837**	61,384	**206,837**	61,384
Deferred charges	**184,893**	5,239	**184,893**	5,239
Documentary stamps	**192,146**	115,683	**192,146**	115,683
Equity on car plan	**162,659**	154,406	**162,458**	154,146
Stationery and supplies on hand	**78,517**	86,541	**68,923**	75,173
Interoffice items	**2,460**	322,695	**2,460**	322,695
Other miscellaneous asset	**180,107**	237,327	**129,620**	188,839
	4,441,651	3,066,808	**4,300,773**	2,922,159
	5,085,504	3,572,429	**4,919,923**	3,402,692
Allowance for impairment losses (Note 15)	**(121,274)**	(79,627)	**(91,186)**	(51,586)
	₱4,964,230	₱3,492,802	**₱4,828,737**	₱3,351,106

The allowance for impairment losses on other assets pertains to the allowances for impairment losses of other repossessed assets and of the Bank's long outstanding floats.

The movements in the allowance for impairment losses on other assets excluding other repossessed assets of the Group and the Parent Company follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Balance at beginning of year	**₱78,335**	₱124,593	**₱50,295**	₱98,461
Provisions during the year	**40,126**	16,666	**38,078**	13,554
Write-off and others	**(83)**	(62,924)	**(83)**	(61,720)
Balance at end of year	**₱118,378**	₱78,335	**₱88,290**	₱50,295

The movements in other repossessed assets of the Group and the Parent Company follow:

	2023	2022
Cost		
Balance at beginning of year	**₱1,222,755**	₱3,084,853
Additions	**3,993,505**	4,608,142
Disposals	**(2,899,681)**	(6,470,240)
Balance at the end of year	**2,316,579**	1,222,755
Accumulated Depreciation		
Balance at the beginning of year	**255,385**	478,402
Depreciation	**297,679**	570,558
Disposals	**(261,691)**	(793,575)
Balance at the end of year	**291,373**	255,385
Net book value, gross of allowance for impairment losses	**2,025,206**	967,370
Allowance for Impairment Losses		
Balance at beginning of year	**1,291**	–
Provision during the year	**4,561**	5,396
Disposals	**(2,956)**	(4,105)
Balance at the end of year	**2,896**	1,291
Net book value, net of allowance for impairment losses	**₱2,022,310**	₱966,079

The Group and Parent Company recognized net gain (loss) from the disposal of its repossessed assets amounting to (₱425.22 million), (₱266.28 million), (₱285.77 million) in 2023, 2022 and 2021, respectively.

15. Allowance for Credit and Impairment Losses

Details of and changes in the allowance for impairment and credit losses follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Balances at the beginning of year:				
Loans and receivables (Note 9)	**₱12,230,550**	₱12,675,324	**₱11,575,411**	₱12,039,245
Investment securities at amortized cost (Note 8)	**11,280**	11,619	**11,280**	11,619
Financial assets at FVTOCI (Note 8)	**37,795**	33,813	**37,795**	33,813
Due from other banks	**1,197**	4,549	**1,197**	4,549
Investment properties (Note 12)	**70,`546**	82,230	**70,546**	82,230
Other assets (Note 14)	**79,627**	124,594	**51,586**	98,461
Provision for unused credit lines (Note 21)	**318,594**	124,705	**318,594**	124,705
	12,749,589	13,056,834	**12,066,409**	12,394,622
Provisions charged to current operations – loans and receivables (Note 9)	**6,535,978**	4,807,184	**6,220,189**	4,572,866
Provisions charged to (recoveries credited to) current operations – due from other banks and investment securities at amortized cost	**(907)**	(4,809)	**(907)**	(4,809)
Provisions charged to current operations – financial assets at FVTOCI (Notes 8)	**(20,824)**	3,982	**(20,824)**	3,982
Provisions charged to current operations – investment properties and other assets (Notes 12 and 14)	**60,673**	(21,320)	**58,625**	(23,227)
Provisions charged to (recoveries credited to) current operations – unused credit lines (Note 20)	**145,277**	193,888	**145,277**	193,888
Write-off and others (Notes 9 and 14)	**(6,842,585)**	(5,276,005)	**(6,501,433)**	(5,060,747)
Revaluation due to change in foreign currency rates	**(358)**	4,304	**(358)**	4,304
Reversal of allowance on disposals of investment properties and other repossessed assets (Notes 12 and 14)	**(15,900)**	(14,471)	**(15,900)**	(14,853)
Balances at the end of year:				
Loans and receivables (Note 9)	**11,923,718**	12,230,550	**11,293,943**	11,575,411
Investment securities at amortized cost (Note 8)	**10,708**	11,280	**10,708**	11,280
Financial assets at FVTOCI (Note 8)	**16,971**	37,795	**16,971**	37,795
Due from other banks	**821**	1,197	**821**	1,197
Investment properties (Note 12)	**73,588**	70,546	**73,588**	70,546
Other assets (Note 14)	**121,274**	79,627	**91,186**	51,586
Provision for unused credit lines	**463,860**	318,594	**463,860**	318,594
	₱12,610,943	₱12,749,587	**₱11,951,078**	₱12,066,026

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 non-realization of its receivables and other risk assets.

The reconciliation of allowance for the receivables from customers follows:

Total Loans and Receivables - Consolidated

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱2,347,255**	**₱1,450,413**	**₱8,432,881**	**₱12,230,550**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**3,109,413**	–	–	**3,109,413**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**1,311,245**	**2,114,744**	**3,425,989**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(955,263)**	**(508,942)**	**(1,199,455)**	**(2,663,660)**
Write-offs (Note 9)	**(768,776)**	**(1,128,029)**	**(4,926,005)**	**(6,822,810)**
Transfers from Stage 1	**(294,202)**	**174,937**	**119,265**	–
Transfers from Stage 2	**257,367**	**(421,154)**	**163,788**	–
Transfers from Stage 3	**127,705**	**23,120**	**(150,825)**	–
Impact on ECL of exposures transferred between stages of exposures transferred between stages	**(598,565)**	**900,137**	**2,342,664**	**2,644,236**
Balance at end of year	**₱3,224,933**	**₱1,801,727**	**₱6,897,057**	**₱11,923,717**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱1,701,918	₱1,851,692	₱9,121,715	₱12,675,325
Newly originated assets that remained in Stage 1 as at December 31, 2022	3,175,060	–	–	3,175,060
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	615,881	1,383,552	1,999,433
Effect of collections and other movements in receivable balance (excluding write-offs)	(671,444)	(612,691)	(1,618,597)	(2,902,732)
Write-offs (Note 9)	(221,903)	(706,630)	(3,679,047)	(4,607,580)
Transfers from Stage 1	(171,889)	88,096	83,793	–
Transfers from Stage 2	353,883	(660,029)	306,146	–
Transfers from Stage 3	196,124	120,969	(317,093)	–
Impact on ECL of exposures transferred between stages of exposures transferred between stages	(2,014,494)	753,126	3,152,412	1,891,044
Balance at end of year	₱2,347,255	₱1,450,414	₱8,432,881	₱12,230,550

Reconciliation of the allowance for impairment and credit losses by class in 2023 and 2022 follows:

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Corporate loans*				
Balance at beginning of year	**₱6,291**	**₱416,250**	**₱1,843,469**	**₱2,266,010**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**246,530**	–	–	**246,530**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**53,190**	**60,012**	**113,202**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(4,005)**	**(360,936)**	**(52,635)**	**(417,576)**
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	**48,999**	**(65,064)**	**16,065**	–
Transfers from Stage 3	–	**5,812**	**(5,812)**	–
Impact on ECL of exposures transferred between stages	**(15,798)**	**13,003**	**(29,317)**	**(32,112)**
Balance at end of year	**₱282,017**	**₱62,255**	**₱1,831,782**	**₱2,176,054**
Auto loans				
Balance at beginning of year	**₱295,007**	**₱91,106**	**₱2,308,610**	**₱2,694,723**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**668,218**	–	–	**668,218**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**90,321**	**532,465**	**622,786**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(62,658)**	**(33,031)**	**(683,387)**	**(779,076)**
Write-offs (Note 9)	–	–	**(1,231,909)**	**(1,231,909)**
Transfers from Stage 1	**(55,748)**	**45,884**	**9,864**	–
Transfers from Stage 2	**21,772**	**(44,841)**	**23,069**	–

(Forward)

	2023			
	Stage 1	Stage 2	Stage 3	Total
Transfers from Stage 3	₱13,589	₱4,563	(₱18,152)	₱–
Impact on ECL of exposures transferred between stages	(139,071)	14,579	763,171	638,680
Balance at end of year	₱741,109	₱168,581	₱1,703,731	₱2,613,421
Credit cards				
Balance at beginning of year	₱747,942	₱766,521	₱1,944,181	₱3,458,644
Newly originated assets that remained in Stage 1 as at December 31, 2023	833,195	–	–	833,195
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	955,949	460,720	1,416,669
Effect of collections and other movements in receivable balance (excluding write-offs)	97,997	(12,912)	(23,971)	61,114
Write-offs (Note 9)	(577,285)	(1,039,678)	(2,134,198)	(3,751,161)
Transfers from Stage 1	(175,217)	102,940	72,277	–
Transfers from Stage 2	174,345	(271,093)	96,748	–
Transfers from Stage 3	76,654	5,428	(82,082)	–
Impact on ECL of exposures transferred between stages	(268,076)	882,962	1,163,438	1,778,324
Balance at end of year	₱909,555	₱1,390,117	₱1,497,113	₱3,796,784
Mortgage loans				
Balance at beginning of year	₱4,141	₱4,823	₱90,876	₱99,840
Newly originated assets that remained in Stage 1 as at December 31, 2023	46	–	–	46
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	–	15	15
Effect of collections and other movements in receivable balance (excluding write-offs)	(531)	(519)	(5,160)	(6,210)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	(566)	529	37	–
Transfers from Stage 2	1,507	(1,962)	455	–
Transfers from Stage 3	3,420	568	(3,988)	–
Impact on ECL of exposures transferred between stages	(7,882)	(3,439)	10,749	(572)
Balance at end of year	₱135	₱–	₱92,984	₱93,119
Other consumer loans**				
Balance at beginning of year	₱720,138	₱118,873	₱1,419,530	₱2,258,541
Newly originated assets that remained in Stage 1 as at December 31, 2023	663,967	–	–	663,967
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	131,289	950,129	1,081,418
Effect of collections and other movements in receivable balance (excluding write-offs)	(435,630)	(72,753)	(388,596)	(896,979)
Write-offs (Note 9)	(191,491)	(88,351)	(1,524,912)	(1,804,754)
Transfers from Stage 1	(43,713)	14,353	29,360	–
Transfers from Stage 2	10,023	(25,306)	15,283	–
Transfers from Stage 3	33,929	6,739	(40,668)	–
Impact on ECL of exposures transferred between stages	(176,161)	(1,297)	435,686	258,228
Balance at end of year	₱581,062	₱83,547	₱895,812	₱1,560,421
Other receivables***				
Balance at beginning of year	₱573,736	₱52,840	₱826,215	₱1,452,792
Newly originated assets that remained in Stage 1 as at December 31, 2023	697,457	–	–	697,457
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	80,496	111,403	191,899
Effect of collections and other movements in receivable balance (excluding write-offs)	(550,436)	(28,791)	(45,706)	(624,932)
Write-offs (Note 9)	–	–	(34,986)	(34,986)
Transfers from Stage 1	(18,958)	11,231	7,727	–
Transfers from Stage 2	720	(12,888)	12,167	–
Transfers from Stage 3	113	10	(123)	–
Impact on ECL of exposures transferred between stages	8,422	(5,671)	(1,063)	1,688
Balance at end of year	₱711,055	₱97,227	₱875,635	₱1,683,918
Total	₱3,224,933	₱1,801,727	₱6,897,057	₱11,923,717

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables and unquoted debt securities classified as loans*

	2022			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Balance at beginning of year	₱4,998	₱471,112	₱1,335,533	₱1,811,643
Newly originated assets that remained in Stage 1 as at December 31, 2022	4,103	–	–	4,103
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	333,873	633,523	967,396
Effect of collections and other movements in receivable balance (excluding write-offs)	(3,013)	(446,726)	(251,915)	(701,654)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	(5)	2	3	–
Transfers from Stage 2	338	(1,246)	908	–
Transfers from Stage 3	230	87,122	(87,352)	–
Impact on ECL of exposures transferred between stages	(360)	(27,887)	212,768	184,522
Balance at end of year	₱6,291	₱416,250	₱1,843,469	₱2,266,010
Auto loans				
Balance at beginning of year	₱89,650	₱84,974	₱2,334,475	₱2,509,099
Newly originated assets that remained in Stage 1 as at December 31, 2022	253,736	–	–	253,736
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	30,806	71,274	102,080
Effect of collections and other movements in receivable balance (excluding write-offs)	(45,593)	(31,269)	(585,278)	(662,141)
Write-offs (Note 9)	-	-	(201,057)	(201,057)
Transfers from Stage 1	(17,066)	15,240	1,825	–
Transfers from Stage 2	23,997	(36,515)	12,517	–
Transfers from Stage 3	55,354	26,755	(82,109)	–
Impact on ECL of exposures transferred between stages	(65,071)	1,114	756,962	693,005
Balance at end of year	₱295,007	₱91,106	₱2,308,610	₱2,694,723
Credit cards				
Balance at beginning of year	₱655,912	₱1,066,475	₱2,852,022	₱4,574,409
Newly originated assets that remained in Stage 1 as at December 31, 2022	1,710,674	–	–	1,710,674
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	110,533	37,976	148,509
Effect of collections and other movements in receivable balance (excluding write-offs)	(155,452)	(24,373)	(200,514)	(380,338)
Write-offs (Note 9)	(156,779)	(679,111)	(2,651,361)	(3,487,251)
Transfers from Stage 1	(114,409)	62,060	52,348	–
Transfers from Stage 2	283,094	(519,760)	236,666	–
Transfers from Stage 3	42,710	1,820	(44,530)	–
Impact on ECL of exposures transferred between stages	(1,517,809)	748,877	1,661,574	892,642
Balance at end of year	₱747,942	₱766,521	₱1,944,181	₱3,458,644
Mortgage loans				
Balance at beginning of year	₱14,348	₱27,229	₱127,880	₱169,457
Newly originated assets that remained in Stage 1 as at December 31, 2022	524	–	–	524
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	30	57	87
Effect of collections and other movements in receivable balance (excluding write-offs)	(4,579)	(2,343)	(10,951)	(17,873)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	(875)	762	112	–
Transfers from Stage 2	14,971	(17,002)	2,032	–
Transfers from Stage 3	12,145	2,062	(14,207)	–
Impact on ECL of exposures transferred between stages	(32,395)	(5,915)	(14,046)	(52,356)
Balance at end of year	₱4,140	₱4,823	₱90,876	₱99,840
Other consumer loans**				
Balance at beginning of year	₱539,096	₱69,286	₱1,422,119	₱2,030,501
Newly originated assets that remained in Stage 1 as at December 31, 2022	665,073	-	-	665,073
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	-	115,296	470,915	586,211
Effect of collections and other movements in receivable balance (excluding write-offs)	(97,737)	(11,553)	(179,575)	(288,866)

(Forward)

	2022			
	Stage 1	Stage 2	Stage 3	Total
Write-offs (Note 9)	(₱65,124)	(₱27,519)	(₱794,077)	(₱886,720)
Transfers from Stage 1	(24,304)	6,310	17,994	–
Transfers from Stage 2	21,321	(56,825)	35,504	–
Transfers from Stage 3	69,805	2,315	(72,120)	–
Impact on ECL of exposures transferred between stages	(387,992)	21,563	518,770	152,341
Balance at end of year	₱720,138	₱118,873	₱1,419,530	₱2,258,541
Other receivables* **				
Balance at beginning of year	₱397,914	₱132,616	₱1,049,686	₱1,580,216
Newly originated assets that remained in Stage 1 as at December 31, 2022	540,949	–	–	540,949
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	25,343	169,808	195,150
Effect of collections and other movements in receivable balance (excluding write-offs)	(365,069)	(96,427)	(390,364)	(851,860)
Write-offs (Note 9)	–	–	(32,553)	(32,553)
Transfers from Stage 1	(15,231)	3,722	11,509	–
Transfers from Stage 2	10,161	(28,681)	18,520	–
Transfers from Stage 3	15,881	894	(16,775)	–
Impact on ECL of exposures transferred between stages	(10,868)	15,373	16,384	20,889
Balance at end of year	₱573,736	₱52,840	₱826,215	₱1,452,792
Total	₱2,347,255	₱1,450,414	₱8,432,881	₱12,230,550

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables and unquoted debt securities classified as loans*

Total Allowance on Credit Losses– Parent Company

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱2,104,762**	**₱1,418,683**	**₱8,051,967**	**₱11,575,412**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**2,850,098**	–	–	**2,850,098**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	**-**	**1,302,287**	**1,690,402**	**2,992,689**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(728,018)**	**(482,400)**	**(920,848)**	**(2,131,266)**
Write-offs (Note 9)	**(768,776)**	**(1,128,029)**	**(4,584,853)**	**(6,481,658)**
Transfers from Stage 1	**(285,537)**	**171,215**	**114,322**	**-**
Transfers from Stage 2	**255,643**	**(415,082)**	**159,439**	**-**
Transfers from Stage 3	**126,429**	**22,055**	**(148,484)**	**-**
Impact on ECL of exposures transferred between stages	**(603,889)**	**902,348**	**2,190,209**	**2,488,668**
Balance at end of year	**₱2,950,712**	**₱1,791,077**	**₱6,552,154**	**₱11,293,943**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱1,253,299	₱1,848,348	₱8,937,597	₱12,039,245
Newly originated assets that remained in Stage 1 as at December 31, 2022	2,884,590	–	–	2,884,590
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	562,213	1,130,503	1,692,715
Effect of collections and other movements in receivable balance (excluding write-offs)	(612,161)	(610,075)	(1,555,821)	(2,778,057)
Write-offs (Note 9)	(161,160)	(683,234)	(3,547,928)	(4,392,322)
Transfers from Stage 1	(166,696)	87,691	79,005	–
Transfers from Stage 2	353,700	(658,981)	305,281	–
Transfers from Stage 3	195,602	120,316	(315,918)	–
Impact on ECL of exposures transferred between stages	(1,642,414)	752,406	3,019,249	2,129,240
Balance at end of year	₱2,104,761	₱1,418,683	₱8,051,967	₱11,575,411

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Corporate loans*				
Balance at beginning of year	**₱6,160**	**₱416,178**	**₱1,793,583**	**₱2,215,921**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**246,360**	–	–	**246,360**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**53,190**	**60,012**	**113,202**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(4,011)**	**(360,864)**	**(49,196)**	**(414,071)**
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	**48,999**	**(65,064)**	**16,065**	–
Transfers from Stage 3	**-**	**5,812**	**(5,812)**	–
Impact on ECL of exposures transferred between stages	**(15,782)**	**13,003**	**(29,317)**	**(32,096)**
Balance at end of year	**₱281,725**	**₱62,255**	**₱1,785,335**	**₱2,129,316**
Auto loans				
Balance at beginning of year	**₱295,007**	**₱91,106**	**₱2,308,610**	**₱2,694,723**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**668,218**	–	–	**668,218**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**90,321**	**532,465**	**622,786**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(62,658)**	**(33,031)**	**(683,387)**	**(779,076)**
Write-offs (Note 9)	**-**	**-**	**(1,231,909)**	**(1,231,909)**
Transfers from Stage 1	**(55,748)**	**45,884**	**9,864**	–
Transfers from Stage 2	**21,772**	**(44,841)**	**23,069**	–
Transfers from Stage 3	**13,589**	**4,563**	**(18,152)**	–
Impact on ECL of exposures transferred between stages	**(139,071)**	**14,579**	**763,171**	**638,680**
Balance at end of year	**₱741,109**	**₱168,581**	**₱1,703,731**	**₱2,613,421**
Credit cards				
Balance at beginning of year	**₱747,942**	**₱766,521**	**₱1,944,181**	**₱3,458,644**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**833,195**	–	–	**833,195**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**955,949**	**460,720**	**1,416,669**
Effect of collections and other movements in receivable balance (excluding write-offs)	**97,997**	**(12,912)**	**(23,971)**	**61,114**
Write-offs (Note 9)	**(577,285)**	**(1,039,678)**	**(2,134,198)**	**(3,751,161)**
Transfers from Stage 1	**(175,217)**	**102,940**	**72,277**	–
Transfers from Stage 2	**174,345**	**(271,093)**	**96,748**	–
Transfers from Stage 3	**76,654**	**5,428**	**(82,082)**	–
Impact on ECL of exposures transferred between stages	**(268,076)**	**882,962**	**1,163,438**	**1,778,324**
Balance at end of year	**₱909,555**	**₱1,390,117**	**₱1,497,113**	**₱3,796,784**
Mortgage loans				
Balance at beginning of year	**₱4,141**	**₱4,823**	**₱90,876**	**₱99,840**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**46**	–	–	**46**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	–	**15**	**15**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(531)**	**(519)**	**(5,160)**	**(6,210)**
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	**(566)**	**529**	**37**	–
Transfers from Stage 2	**1,507**	**(1,962)**	**455**	–
Transfers from Stage 3	**3,420**	**568**	**(3,988)**	–
Impact on ECL of exposures transferred between stages	**(7,882)**	**(3,439)**	**10,749**	**(572)**
Balance at end of year	**₱135**	**₱–**	**₱92,984**	**₱93,119**
Other consumer loans**				
Balance at beginning of year	**₱518,745**	**₱85,406**	**₱1,090,478**	**₱1,694,629**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**494,668**	–	–	**494,668**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	**-**	**115,594**	**516,193**	**631,787**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(249,903)**	**(44,794)**	**(138,252)**	**(432,949)**
Write-offs (Note 9)	**(191,491)**	**(88,351)**	**(1,209,646)**	**(1,489,488)**
Transfers from Stage 1	**(35,004)**	**10,637**	**24,367**	–

(Forward)

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Transfers from Stage 2	**₱8,300**	**(₱19,144)**	**₱10,844**	**₱–**
Transfers from Stage 3	**32,653**	**5,674**	**(38,327)**	**-**
Impact on ECL of exposures transferred between stages	**(180,964)**	**1,147**	**284,022**	**104,205**
Balance at end of year	**₱397,004**	**₱66,169**	**₱539,679**	**₱1,002,852**
Other receivables* **				
Balance at beginning of year	**₱532,767**	**₱54,649**	**₱824,239**	**₱1,411,654**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**607,611**	**-**	**-**	**607,611**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	**-**	**87,233**	**120,997**	**208,230**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(508,912)**	**(30,280)**	**(20,882)**	**(560,074)**
Write-offs (Note 9)	**-**	**-**	**(9,100)**	**(9,100)**
Transfers from Stage 1	**(19,002)**	**11,225**	**7,777**	**-**
Transfers from Stage 2	**720**	**(12,978)**	**12,258**	**-**
Transfers from Stage 3	**113**	**10**	**(123)**	**-**
Impact on ECL of exposures transferred between stages	**7,887**	**(5,904)**	**(1,854)**	**130**
Balance at end of year	**₱621,183**	**₱103,954**	**₱933,314**	**₱1,658,451**
Total	**₱2,950,711**	**₱1,791,076**	**₱6,552,156**	**₱11,293,943**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Balance at beginning of year	₱4,804	₱471,044	₱1,283,084	₱1,758,932
Newly originated assets that remained in Stage 1 as at December 31, 2022	4,074	–	–	4,074
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	333,873	633,523	967,396
Effect of collections and other movements in receivable balance (excluding write-offs)	(2,912)	(446,726)	(249,352)	(698,989)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	(5)	2	3	–
Transfers from Stage 2	270	(1,179)	908	–
Transfers from Stage 3	230	87,122	(87,352)	–
Impact on ECL of exposures transferred between stages	(301)	(27,959)	212,768	184,508
Balance at end of year	₱6,159	₱416,178	₱1,793,583	₱2,215,921
Auto loans				
Balance at beginning of year	₱89,650	₱84,974	₱2,334,475	₱2,509,100
Newly originated assets that remained in Stage 1 as at December 31, 2022	253,736	–	–	253,736
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	30,806	71,274	102,080
Effect of collections and other movements in receivable balance (excluding write-offs)	(45,593)	(31,269)	(585,279)	(662,141)
Write-offs (Note 9)	–	–	(201,057)	(201,057)
Transfers from Stage 1	(17,066)	15,240	1,825	–
Transfers from Stage 2	23,997	(36,515)	12,517	–
Transfers from Stage 3	55,354	26,755	(82,109)	–
Impact on ECL of exposures transferred between stages	(65,071)	1,114	756,962	693,005
Balance at end of year	₱295,007	₱91,106	₱2,308,610	₱2,694,723
Credit cards				
Balance at beginning of year	₱655,912	₱1,066,475	₱2,852,022	₱4,574,409
Newly originated assets that remained in Stage 1 as at December 31, 2022	1,710,674	–	–	1,710,674
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	110,533	37,976	148,509

(Forward)

	2022			
	Stage 1	Stage 2	Stage 3	Total
Effect of collections and other movements in receivable balance (excluding write-offs)	(₱155,452)	(₱24,373)	(₱200,514)	(₱380,338)
Write-offs (Note 9)	(156,779)	(679,111)	(2,651,361)	(3,487,251)
Transfers from Stage 1	(114,409)	62,060	52,348	–
Transfers from Stage 2	283,094	(519,760)	236,666	–
Transfers from Stage 3	42,710	1,820	(44,530)	–
Impact on ECL of exposures transferred between stages	(1,517,809)	748,877	1,661,574	892,642
Balance at end of year	₱747,942	₱766,521	₱1,944,181	₱3,458,644
Mortgage loans				
Balance at beginning of year	₱14,348	₱27,229	₱127,880	₱169,457
Newly originated assets that remained in Stage 1 as at December 31, 2022	524	–	–	524
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	30	57	87
Effect of collections and other movements in receivable balance (excluding write-offs)	(4,579)	(2,344)	(10,951)	(17,873)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	(875)	762	112	–
Transfers from Stage 2	14,971	(17,002)	2,032	–
Transfers from Stage 3	12,145	2,062	(14,207)	–
Impact on ECL of exposures transferred between stages	(32,395)	(5,915)	(14,046)	(52,356)
Balance at end of year	₱4,140	₱4,823	₱90,876	₱99,840
Other consumer loans**				
Balance at beginning of year	₱131,602	₱63,692	₱1,297,523	₱1,492,817
Newly originated assets that remained in Stage 1 as at December 31, 2022	414,760	–	–	414,760
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	59,808	201,027	260,835
Effect of collections and other movements in receivable balance (excluding write-offs)	(74,438)	(6,541)	(104,688)	(185,666)
Write-offs (Note 9)	(4,381)	(4,123)	(671,148)	(679,652)
Transfers from Stage 1	(23,317)	5,914	17,403	–
Transfers from Stage 2	21,210	(55,927)	34,717	–
Transfers from Stage 3	69,285	1,672	(70,958)	–
Impact on ECL of exposures transferred between stages	(15,977)	20,910	386,603	391,536
Balance at end of year	₱518,745	₱85,406	₱1,090,478	₱1,694,629
Other receivables* **				
Balance at beginning of year	₱356,984	₱134,933	₱1,042,613	₱1,534,530
Newly originated assets that remained in Stage 1 as at December 31, 2022	500,822	–	–	500,822
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	27,162	186,647	213,809
Effect of collections and other movements in receivable balance (excluding write-offs)	(329,188)	(98,823)	(405,037)	(833,049)
Write-offs (Note 9)	–	–	(24,363)	(24,363)
Transfers from Stage 1	(11,025)	3,713	7,313	–
Transfers from Stage 2	10,157	(28,598)	18,441	–
Transfers from Stage 3	15,879	884	(16,762)	–
Impact on ECL of exposures transferred between stages	(10,861)	15,378	15,388	19,906
Balance at end of year	₱532,767	₱54,649	₱824,239	₱1,411,654
Total	₱2,104,761	₱1,418,683	₱8,051,967	₱11,575,411

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

Investments and placements – Group and Parent Company

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Investment securities at amortized cost				
Balance at beginning of year	**₱730**	**₱10,550**	**₱ –**	**₱11,280**
Newly originated assets that remained in Stage 1 as at December 31, 2023	–	–	–	–
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	–	–	–
Effect of collections and other movements in receivable balance (excluding write-offs)	**(4)**	**(66)**	–	**(70)**
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	–	–	–	–
Transfers from Stage 3	–	–	–	–
Impact on ECL of exposures transferred between stages	**(48)**	**(454)**	–	**(502)**
Balance at end of year	**₱678**	**₱10,030**	**₱–**	**₱10,708**
Due from other banks				
Balance at beginning of year	**₱1,095**	**₱102**	**₱–**	**₱1,197**
Newly originated assets that remained in Stage 1 as at December 31, 2023	–	–	–	–
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**174**	–	**174**
Effect of collections and other movements in receivable balance (excluding write-offs)	**(46)**	**-**	**-**	**(46)**
Write-offs (Note 9)	**(424)**	**(80)**	**-**	**(504)**
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	–	–	–	–
Transfers from Stage 3	–	–	–	–
Impact on ECL of exposures transferred between stages	–	–	–	–
Balance at end of year	**₱626**	**₱196**	**₱–**	**₱821**
Total	**₱1,304**	**₱10,226**	**₱–**	**₱11,529**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Investment securities at amortized cost				
Balance at beginning of year	₱93	₱11,526	₱–	₱11,619
Newly originated assets that remained in Stage 1 as at December 31, 2022	681	–	–	681
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	506	–	506
Effect of collections and other movements in receivable balance (excluding write-offs)	–	(6,141)	–	(6,141)
Write-offs (Note 9)				
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	–	–	–	–
Transfers from Stage 3	–	–	–	–
Impact on ECL of exposures transferred between stages	(45)	4,660	–	4,615
Balance at end of year	₱730	₱10,550	₱–	₱11,280
Due from other banks				
Balance at beginning of year	₱4,435	₱115	₱–	₱4,549
Newly originated assets that remained in Stage 1 as at December 31, 2022	173	–	–	173
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	34	–	34
Effect of collections and other movements in receivable balance (excluding write-offs)	(3,513)	(47)	–	(3,560)
Write-offs (Note 9)	–	–	–	–
Transfers from Stage 1	–	–	–	–
Transfers from Stage 2	–	–	–	–
Transfers from Stage 3	–	–	–	–
Impact on ECL of exposures transferred between stages	–	–	–	–
Balance at end of year	₱1,095	₱102	₱–	₱1,197
Total	₱1,825	₱10,602	₱–	₱12,477

Provision for unused credit lines – Group and Parent Company

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱266,099**	**₱52,495**	**₱–**	**₱318,594**
New credit lines that remained in Stage 1 as at December 31, 2023	**197,174**	–	–	**197,174**
Newly credit lines that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**5,353**	**47**	**5,400**
Effect of collections and other movements	**22,914**	**(9,423)**	–	**13,490**
Write-offs	–	–	–	–
Transfers from Stage 1	**(70,283)**	**70,283**	–	–
Transfers from Stage 2	**4,839**	**(4,839)**	–	–
Transfers from Stage 3	**-**	**-**	–	–
Impact on ECL of exposures transferred between stages	**(41,177)**	**(29,620)**	–	**(70,797)**
Balance at end of year	**₱379,565**	**₱84,248**	**₱47**	**₱463,860**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱100,298	₱24,408	₱–	₱124,705
New credit lines that remained in Stage 1 as at December 31, 2022	272,596	–	–	272,596
Newly credit lines that moved to Stage 2 and Stage 3 as at December 31, 2022	–	31,333	–	31,333
Effect of collections and other movements	(33,078)	(5,350)	–	(38,427)
Write-offs	–	–	–	–
Transfers from Stage 1	(4,638)	4,638	–	–
Transfers from Stage 2	14,683	(14,683)	–	–
Transfers from Stage 3			–	
Impact on ECL of exposures transferred between stages	(83,763)	12,149	–	(71,613)
Balance at end of year	₱266,099	₱52,495	₱–	₱318,594

Analysis of Movements of Gross Carrying Amounts

The movements in the Group's total loans and receivables (excluding unamortized premium and allowance for credit and impairment losses) in 2023 and 2022 follow:

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱184,310,392**	**₱60,381,570**	**₱21,622,157**	**₱266,314,119**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**143,212,293**	–	–	**143,212,293**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**8,738,090**	**3,637,960**	**12,376,050**
Movements in receivable balance	**(66,206,669)**	**(40,420,538)**	**(6,786,264)**	**(113,413,471)**
Write-offs	**(768,776)**	**(1,128,026)**	**(4,926,005)**	**(6,822,807)**
Transfers from Stage 1	**(15,560,268)**	**12,068,311**	**3,491,957**	–
Transfers from Stage 2	**9,744,460**	**(13,265,559)**	**3,521,099**	–
Transfers from Stage 3	**781,187**	**302,061**	**(1,083,248)**	–
Balance at end of year	**₱255,512,619**	**₱26,675,909**	**₱19,477,656**	**₱301,666,184**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱134,559,422	₱63,603,042	₱25,400,344	₱223,562,808
Newly originated assets that remained in Stage 1 as at December 31, 2022	109,878,697	–	–	109,878,697
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	39,240,574	3,904,025	43,144,598
Movements in receivable balance	(62,569,839)	(35,386,307)	(7,708,259)	(105,664,404)
Write-offs	(221,903)	(706,630)	(3,679,047)	(4,607,580)
Transfers from Stage 1	(10,915,597)	8,684,751	2,230,846	–
Transfers from Stage 2	12,187,209	(16,230,288)	4,043,079	–
Transfers from Stage 3	1,392,404	1,176,428	(2,568,832)	–
Balance at end of year	₱184,310,393	₱60,381,569	₱21,622,156	₱266,314,118

The breakdown of the total gross carrying amounts of the Group's loans and receivables (before taking into account any allowance for credit and impairment losses, and unamortized premium) in 2023 and 2022 is as follows:

	2023			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Balance at beginning of year	**₱30,226,610**	**₱35,545,224**	**₱3,028,676**	**₱68,800,510**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**35,182,953**	–	–	**35,182,953**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**3,440,459**	**165,502**	**3,605,961**
Movements in receivable balance	**(16,772,816)**	**(30,864,176)**	**(321,081)**	**(47,958,073)**
Write-offs	–	–	–	–
Transfers from Stage 1	**(3,004)**	**2,741**	**263**	–
Transfers from Stage 2	**4,205,766**	**(4,284,684)**	**78,918**	–
Transfers from Stage 3	–	**78,630**	**(78,630)**	–
	₱52,839,509	**₱3,918,194**	**₱2,873,648**	**₱59,631,351**
Auto loans				
Balance at beginning of year	**₱45,859,274**	**₱9,686,640**	**₱8,137,870**	**₱63,683,783**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**36,725,878**	–	–	**36,725,878**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**1,648,556**	**842,018**	**2,490,574**
Movements in receivable balance	**(15,369,255)**	**(4,609,609)**	**(3,873,581)**	**(23,852,445)**
Write-offs	–	–	**(1,231,909)**	**(1,231,909)**
Transfers from Stage 1	**(7,268,585)**	**6,121,079**	**1,147,506**	–
Transfers from Stage 2	**2,891,391**	**(4,688,914)**	**1,797,523**	–
Transfers from Stage 3	**282,075**	**135,127**	**(417,202)**	–
	₱63,120,777	**₱8,292,879**	**₱6,402,223**	**₱77,815,881**
Credit cards				
Balance at beginning of year	**₱33,517,309**	**₱5,267,211**	**₱2,265,453**	**₱41,049,973**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**8,923,409**	–	–	**8,923,409**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**471,472**	**246,962**	**718,434**
Movements in receivable balance	**5,660,374**	**1,156,071**	**155,779**	**6,972,224**
Write-offs	**(577,285)**	**(1,039,675)**	**(2,134,198)**	**(3,751,158)**
Transfers from Stage 1	**(4,513,317)**	**3,448,878**	**1,064,439**	–
Transfers from Stage 2	**1,488,554**	**(2,143,301)**	**654,747**	–
Transfers from Stage 3	**112,102**	**7,975**	**(120,077)**	–
	₱44,611,146	**₱7,168,631**	**₱2,133,105**	**₱53,912,882**
Mortgage loans				
Balance at beginning of year	**₱15,943,147**	**₱1,795,345**	**₱1,714,389**	**₱19,452,881**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**3,082,742**	–	–	**3,082,742**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**30,505**	**20,731**	**51,236**
Movements in receivable balance	**(2,054,512)**	**(278,057)**	**(306,465)**	**(2,639,034)**
Write-offs	–	–	–	–
Transfers from Stage 1	**(1,352,973)**	**1,282,848**	**70,125**	–
Transfers from Stage 2	**584,020**	**(706,382)**	**122,362**	–
Transfers from Stage 3	**318,124**	**60,038**	**(378,162)**	–
	₱16,520,548	**₱2,184,297**	**₱1,242,980**	**₱19,947,825**
Other consumer loans**				
Balance at beginning of year	**₱51,462,976**	**₱6,265,761**	**₱4,010,822**	**₱61,739,559**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**55,474,967**	–	–	**55,474,967**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**2,689,483**	**1,930,439**	**4,619,922**
Movements in receivable balance	**(33,981,861)**	**(4,902,200)**	**(2,449,205)**	**(41,333,266)**
Write-offs	**(191,491)**	**(88,351)**	**(1,524,912)**	**(1,804,754)**
Transfers from Stage 1	**(1,994,552)**	**860,385**	**1,134,167**	–
Transfers from Stage 2	**282,083**	**(933,474)**	**651,391**	–
Transfers from Stage 3	**61,531**	**18,630**	**(80,161)**	–
	₱71,113,653	**₱3,910,234**	**₱3,672,541**	**₱78,696,428**

(Forward)

	2023			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Other receivables***				
Balance at beginning of year	**₱7,301,076**	**₱1,821,389**	**₱2,464,947**	**₱11,587,412**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**3,822,344**	–	–	**3,822,344**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**457,615**	**432,308**	**889,923**
Movements in receivable balance	**(3,688,598)**	**(922,567)**	**8,289**	**(4,602,877)**
Write-offs	–	–	**(34,986)**	**(34,986)**
Transfers from Stage 1	**(427,837)**	**352,380**	**75,457**	–
Transfers from Stage 2	**292,645**	**(508,804)**	**216,158**	–
Transfers from Stage 3	**7,355**	**1,661**	**(9,016)**	–
	₱7,306,985	**₱1,201,673**	**₱3,153,158**	**₱11,661,816**
	₱255,512,620	**₱26,675,908**	**₱19,477,654**	**₱301,666,183**

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

	2022			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Balance at beginning of year	₱27,699,839	₱30,908,269	₱2,148,172	₱60,756,280
Newly originated assets that remained in Stage 1 as at December 31, 2022	17,967,221	–	–	17,967,221
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	30,329,497	802,823	31,132,320
Movements in receivable balance	(15,459,301)	(26,309,201)	713,191	(41,055,311)
Write-offs	–	–	–	–
Transfers from Stage 1	(24,154)	14,424	9,730	–
Transfers from Stage 2	30,994	(100,968)	69,974	–
Transfers from Stage 3	12,011	703,202	(715,213)	–
	₱30,226,610	₱35,545,224	₱3,028,676	₱68,800,510
Auto loans				
Balance at beginning of year	₱36,807,928	₱16,798,913	₱11,619,771	₱65,226,612
Newly originated assets that remained in Stage 1 as at December 31, 2022	23,032,516	–	–	23,032,516
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	1,382,957	327,053	1,710,010
Movements in receivable balance	(15,000,173)	(5,926,563)	(5,157,563)	(26,084,299)
Write-offs	–	–	(201,057)	(201,057)
Transfers from Stage 1	(5,902,804)	5,174,927	727,877	–
Transfers from Stage 2	6,225,121	(8,114,939)	1,889,819	–
Transfers from Stage 3	696,685	371,345	(1,068,030)	–
	₱45,859,274	₱9,686,640	₱8,137,870	₱63,683,783
Credit cards				
Balance at beginning of year	₱23,231,660	₱6,600,489	₱3,373,878	₱33,206,027
Newly originated assets that remained in Stage 1 as at December 31, 2022	14,784,308	–	–	14,784,308
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	1,190,741	188,420	1,379,162
Movements in receivable balance	(4,142,233)	(422,361)	(267,678)	(4,832,272)
Write-offs	(156,779)	(679,111)	(2,651,361)	(3,487,251)
Transfers from Stage 1	(2,559,922)	1,904,202	655,720	–
Transfers from Stage 2	2,286,680	(3,331,259)	1,044,578	–
Transfers from Stage 3	73,596	4,509	(78,105)	–
	₱33,517,310	₱5,267,211	₱2,265,453	₱41,049,973
Mortgage loans				
Balance at beginning of year	₱13,321,206	₱4,252,642	₱2,325,687	₱19,899,535
Newly originated assets that remained in Stage 1 as at December 31, 2022	2,354,168	–	–	2,354,168
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	16,971	7,210	24,181
Movements in receivable balance	(2,045,297)	(391,803)	(387,904)	(2,825,004)
Write-offs	–	–	–	–
Transfers from Stage 1	(680,640)	616,295	64,345	–
Transfers from Stage 2	2,511,682	(2,769,555)	257,873	–
Transfers from Stage 3	482,028	70,796	(552,823)	–
	₱15,943,147	₱1,795,345	₱1,714,389	₱19,452,881

(Forward)

	2022			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Other consumer loans**	₱27,907,110	₱2,524,207	₱3,671,193	₱34,102,510
Balance at beginning of year	48,385,224	–	–	48,385,224
Newly originated assets that remained in Stage 1 as at December 31, 2022	–	5,934,399	1,886,191	7,820,591
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	(24,201,309)	(1,976,583)	(1,504,154)	(27,682,046)
Movements in receivable balance	(65,124)	(27,519)	(794,077)	(886,720)
Write-offs				
Transfers from Stage 1	(970,717)	442,994	527,723	–
Transfers from Stage 2	309,806	(651,356)	341,550	–
Transfers from Stage 3	97,986	19,619	(117,605)	–
	₱51,462,977	₱6,265,761	₱4,010,822	₱61,739,559
Other receivables***				
Balance at beginning of year	₱5,591,679	₱2,518,522	₱2,261,643	₱10,371,844
Newly originated assets that remained in Stage 1 as at December 31, 2022	3,355,259	–	–	3,355,259
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	386,008	692,327	1,078,335
Movements in receivable balance	(1,721,527)	(359,795)	(1,104,151)	(3,185,473)
Write-offs	–	–	(32,553)	(32,553)
Transfers from Stage 1	(777,360)	531,909	245,451	–
Transfers from Stage 2	822,926	(1,262,211)	439,286	–
Transfers from Stage 3	30,099	6,957	(37,055)	–
	₱7,301,076	₱1,821,389	₱2,464,947	₱11,587,412
	₱184,310,393	₱60,381,569	₱21,622,156	₱266,314,118

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

The movements in the Parent Company's total loans and receivables (excluding unamortized premium and allowance for credit and impairment losses) in 2023 and 2022 follow:

	2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of year	**₱166,974,586**	**₱58,054,912**	**₱19,767,426**	**₱244,796,924**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**122,307,864**	–	–	**122,307,864**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**7,151,172**	**2,510,896**	**9,662,068**
Movements in receivable balance	**(55,406,423)**	**(38,608,607)**	**(5,231,095)**	**(99,246,125)**
Write-offs	**(768,776)**	**(1,128,026)**	**(4,584,853)**	**(6,481,655)**
Transfers from Stage 1	**(14,626,980)**	**11,672,837**	**2,954,143**	–
Transfers from Stage 2	**9,636,136**	**(12,865,341)**	**3,229,205**	–
Transfers from Stage 3	**773,456**	**295,580**	**(1,069,036)**	–
Balance at end of year	**₱228,889,863**	**₱24,572,527**	**₱17,576,686**	**₱271,039,076**

	2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	₱111,786,724	₱61,628,988	₱23,371,262	₱196,786,974
Newly originated assets that remained in Stage 1 as at December 31, 2022	93,908,862	–	–	93,908,862
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	37,138,801	3,079,420	40,218,221
Movements in receivable balance	(41,668,751)	(33,617,339)	(6,438,722)	(81,724,813)
Write-offs	(161,160)	(683,234)	(3,547,928)	(4,392,322)
Transfers from Stage 1	(10,370,772)	8,395,204	1,975,569	–
Transfers from Stage 2	12,095,563	(15,966,880)	3,871,317	–
Transfers from Stage 3	1,384,119	1,159,373	(2,543,492)	–
Balance at end of year	₱166,974,586	₱58,054,912	₱19,767,425	₱244,796,923

The breakdown of the total gross carrying amounts of the Parent Company's loans and receivables (before taking into account any allowance for credit and impairment losses, and unamortized premium) in 2023 and 2022 is as follows:

	2023			
	Gross carrying amount			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Corporate loans*				
Balance at beginning of year	**₱30,209,818**	**₱35,545,224**	**₱2,978,790**	**₱68,733,831**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**35,165,855**	–	–	**35,165,855**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	**-**	**3,440,459**	**165,502**	**3,605,961**
Movements in receivable balance	**(16,767,281)**	**(30,864,176)**	**(317,641)**	**(47,949,098)**
Write-offs	–	–	–	–
Transfers from Stage 1	**(3,004)**	**2,741**	**263**	–
Transfers from Stage 2	**4,205,766**	**(4,284,684)**	**78,918**	–
Transfers from Stage 3	–	**78,630**	**(78,630)**	–
	₱52,811,154	**₱3,918,194**	**₱2,827,202**	**₱59,556,549**
Auto loans				
Balance at beginning of year	**₱45,859,274**	**₱9,686,640**	**₱8,137,870**	**₱63,683,783**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**36,725,878**	–	–	**36,725,878**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**1,648,556**	**842,018**	**2,490,574**
Movements in receivable balance	**(15,369,254)**	**(4,609,609)**	**(3,873,581)**	**(23,852,444)**
Write-offs	–	–	**(1,231,909)**	**(1,231,909)**
Transfers from Stage 1	**(7,268,585)**	**6,121,079**	**1,147,506**	–
Transfers from Stage 2	**2,891,391**	**(4,688,914)**	**1,797,523**	–
Transfers from Stage 3	**282,075**	**135,127**	**(417,202)**	–
	₱63,120,779	**₱8,292,879**	**₱6,402,223**	**₱77,815,881**
Credit cards				
Balance at beginning of year	**₱33,517,309**	**₱5,267,211**	**₱2,265,453**	**₱41,049,973**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**8,923,409**	–	–	**8,923,409**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**471,472**	**246,962**	**718,434**
Movements in receivable balance	**5,660,374**	**1,156,071**	**155,779**	**6,972,224**
Write-offs	**(577,285)**	**(1,039,675)**	**(2,134,198)**	**(3,751,158)**
Transfers from Stage 1	**(4,513,317)**	**3,448,878**	**1,064,439**	–
Transfers from Stage 2	**1,488,554**	**(2,143,301)**	**654,747**	–
Transfers from Stage 3	**112,102**	**7,975**	**(120,077)**	–
	₱44,611,146	**₱7,168,631**	**₱2,133,105**	**₱53,912,882**
Mortgage loans				
Balance at beginning of year	**₱15,943,147**	**₱1,795,345**	**₱1,714,389**	**₱19,452,881**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**3,082,742**	–	–	**3,082,742**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**30,505**	**20,731**	**51,236**
Movements in receivable balance	**(2,054,512)**	**(278,057)**	**(306,465)**	**(2,639,034)**
Write-offs	–	–	–	–
Transfers from Stage 1	**(1,352,973)**	**1,282,848**	**70,125**	–
Transfers from Stage 2	**584,020**	**(706,382)**	**122,362**	–
Transfers from Stage 3	**318,124**	**60,038**	**(378,162)**	–
	₱16,520,548	**₱2,184,297**	**₱1,242,980**	**₱19,947,825**
Other consumer loans**				
Balance at beginning of year	**₱34,376,074**	**₱3,959,707**	**₱2,202,651**	**₱40,538,432**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**35,034,837**	–	–	**35,034,837**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**1,113,659**	**798,894**	**1,912,553**
Movements in receivable balance	**(23,410,372)**	**(3,108,664)**	**(936,975)**	**(27,456,011)**
Write-offs	**(191,491)**	**(88,351)**	**(1,209,646)**	**(1,489,488)**
Transfers from Stage 1	**(1,063,591)**	**466,582**	**597,009**	–
Transfers from Stage 2	**174,069**	**(534,554)**	**360,485**	–
Transfers from Stage 3	**53,817**	**12,157**	**(65,974)**	–
	₱44,973,343	**₱1,820,536**	**₱1,746,444**	**₱48,540,323**

(Forward)

	2023			
	Gross carrying amount			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Other Receivables				
Balance at beginning of year	**₱7,068,964**	**₱1,800,785**	**₱2,468,273**	**₱11,338,022**
Newly originated assets that remained in Stage 1 as at December 31, 2023	**3,375,143**	–	–	**3,375,143**
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2023	–	**446,521**	**436,789**	**883,310**
Movements in receivable balance	**(3,465,376)**	**(904,172)**	**47,788**	**(4,321,761)**
Write-offs	**-**	**-**	**(9,100)**	**(9,100)**
Transfers from Stage 1	**(425,510)**	**350,709**	**74,801**	**-**
Transfers from Stage 2	**292,336**	**(507,506)**	**215,170**	**-**
Transfers from Stage 3	**7,338**	**1,653**	**(8,991)**	**-**
	₱6,852,896	**₱1,187,989**	**₱3,224,731**	**₱11,265,615**
Balance at end of year	**₱228,889,867**	**₱24,572,526**	**₱17,576,683**	**₱271,039,076**

	2022			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Corporate loans*				
Balance at beginning of year	₱27,680,431	₱30,907,998	₱2,095,723	₱60,684,152
Newly originated assets that remained in Stage 1 as at December 31, 2022	17,964,235	–	–	17,964,235
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	-	30,329,497	802,823	31,132,320
Movements in receivable balance	(15,453,429)	(26,309,200)	715,754	(41,046,875)
Write-offs	–	–	–	–
Transfers from Stage 1	(24,154)	14,424	9,730	–
Transfers from Stage 2	30,724	(100,698)	69,974	–
Transfers from Stage 3	12,011	703,202	(715,213)	–
	₱30,209,818	₱35,545,224	₱2,978,790	₱68,733,831
Auto loans				
Balance at beginning of year	₱36,807,928	₱16,798,913	₱11,619,771	₱65,226,612
Newly originated assets that remained in Stage 1 as at December 31, 2022	23,032,516	–	–	23,032,516
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	1,382,957	327,053	1,710,010
Movements in receivable balance	(15,000,173)	(5,926,563)	(5,157,563)	(26,084,299)
Write-offs	–	–	(201,057)	(201,057)
Transfers from Stage 1	(5,902,804)	5,174,927	727,877	–
Transfers from Stage 2	6,225,121	(8,114,939)	1,889,819	–
Transfers from Stage 3	696,685	371,345	(1,068,030)	–
	₱45,859,274	₱9,686,640	₱8,137,870	₱63,683,783
Credit cards				
Balance at beginning of year	₱23,231,772	₱6,600,489	₱3,373,766	₱33,206,027
Newly originated assets that remained in Stage 1 as at December 31, 2022	14,784,308	-	-	14,784,308
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	-	1,190,741	188,420	1,379,162
Movements in receivable balance	(4,142,345)	(422,361)	(267,566)	(4,832,272)
Write-offs	(156,779)	(679,111)	(2,651,361)	(3,487,251)
Transfers from Stage 1	(2,559,922)	1,904,202	655,720	-
Transfers from Stage 2	2,286,680	(3,331,259)	1,044,578	-
Transfers from Stage 3	73,596	4,509	(78,105)	-
	₱33,517,310	₱5,267,211	₱2,265,453	₱41,049,973
Mortgage loans				
Balance at beginning of year	₱13,321,206	₱4,252,642	₱2,325,687	₱19,899,535
Newly originated assets that remained in Stage 1 as at December 31, 2022	2,354,168	–	–	2,354,168
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	16,971	7,210	24,181
Movements in receivable balance	(2,045,297)	(391,803)	(387,904)	(2,825,004)
Write-offs	–	–	–	–
Transfers from Stage 1	(680,640)	616,295	64,345	–
Transfers from Stage 2	2,511,682	(2,769,555)	257,873	–
Transfers from Stage 3	482,028	70,796	(552,823)	–
	₱15,943,147	₱1,795,345	₱1,714,389	₱19,452,881

(Forward)

	2022			
	Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total
Other consumer loans**	₱5,460,441	₱571,642	₱1,740,001	₱7,772,084
Balance at beginning of year	32,610,963	–	–	32,610,963
Newly originated assets that remained in Stage 1 as at December 31, 2022	–	3,851,822	1,029,431	4,881,253
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	(3,560,330)	(226,364)	(259,521)	(4,046,215)
Movements in receivable balance	(4,381)	(4,123)	(671,148)	(679,652)
Write-offs				
Transfers from Stage 1	(439,329)	155,367	283,962	–
Transfers from Stage 2	218,992	(391,261)	172,269	–
Transfers from Stage 3	89,718	2,624	(92,342)	–
	₱34,376,074	₱3,959,707	₱2,202,651	₱40,538,432
Other receivables***				
Balance at beginning of year	₱5,284,946	₱2,497,304	₱2,216,315	₱9,998,565
Newly originated assets that remained in Stage 1 as at December 31, 2022	3,162,672	–	–	3,162,672
Newly originated assets that moved to Stage 2 and Stage 3 as at December 31, 2022	–	366,812	724,483	1,091,295
Movements in receivable balance	(1,467,178)	(341,048)	(1,081,922)	(2,890,148)
Write-offs	–	–	(24,363)	(24,363)
Transfers from Stage 1	(763,923)	529,989	233,935	–
Transfers from Stage 2	822,364	(1,259,169)	436,804	–
Transfers from Stage 3	30,082	6,897	(36,979)	–
	₱7,068,964	₱1,800,785	₱2,468,273	₱11,338,022
	₱166,974,586	₱58,054,912	₱19,767,425	₱244,796,923

**Include corporate loans,emerging enterprise loans and branch loans*
***Include DepEd loans, employee loans, salary loans and personal loans*
****Include Accrued interest receivables, Accounts receivables and Sales contract receivables.*

16. Deposit Liabilities

Under existing BSP regulations, non-FCDU deposit liabilities of the Parent Company are subject to unified reserve requirements equivalent to 9.5% (under BSP Circulars 1082 and 1092) as at December 31, 2023.

LTNCDs are subject to required reserves of 4.00% if issued under BSP Circular No. 304, and 7.00% if issued under BSP Circular No. 842.

On the other hand, EWRB is required to maintain regular reserves equivalent to 1.00% and 2.00% demand and savings deposits in 2023 and 2022, respectively.

As of December 31, 2023 and 2022, the Parent Company and EWRB are in compliance with such regulations. As of December 31, 2023 and 2022, Due from BSP of the Parent Company and EWRB below has been set aside as reserves for deposit liabilities, as reported to the BSP:

	2023	2022
Parent Company	**₱8,744,745**	₱35,695,539
EWRB	**426,536**	390,817
Total reserves for deposit liabilities	**₱9,171,281**	₱36,086,356

As of December 31, 2023 and 2022, 17.93% and 19.70% respectively, of the total liabilities of the Group and 19.11% and 20.65% respectively of the Parent Company are subject to periodic interest repricing.

The remaining deposit liabilities earn annual fixed interest rates ranging from 0.01% to 2.5% in 2023, 0.01% to 2.5% in 2022 and 2021.

Long-Term Negotiable Certificate of Deposits (LTNCDs)
LTNCDs issued by the Parent Company include the following (amounts in millions):

Series	Issue Date	Maturity Date	Face Value	Coupon Rate	Average Effective Interest Rate	Repayment Terms	Carrying Value 2023	Carrying Value 2022
5	6/7/2019	12/7/2023	2,451	4.63%	4.78%	Quarterly	₱–	2,447,204
Total							₱–	2,447,204

Long-Term Negotiable Certificates of Deposits due 2021 (LTNCD Series 3)
In 2014, the Parent Company issued unsecured LTNCD maturing on April 24, 2021. The first tranche of the LTNCD Series 3 amounting to ₱0.93 billion was issued in October 2014. The discount related to the issuance of the LTNCD Series 3 in 2014 amounted to ₱4.63 million. The LTNCD Series 3 matured on April 24, 2021.

Long-Term Negotiable Certificates of Deposits due 2022 (LTNCD Series 4)
In 2017, the Parent Company issued unsecured LTNCD maturing on September 21, 2022. The first tranche of the LTNCD amounting to ₱2.70 billion was issued in March 2017. The second to fifth tranches of the LTNCD aggregating to ₱7.30 billion were issued in April to August 2017. The debt issue costs related to the issuance of the LTNCD in 2017 amounted to ₱49.94 million.

Long-Term Negotiable Certificates of Deposits due 2023 (LTNCD Series 5)
In 2018, the Parent Company issued unsecured LTNCD maturing on December 7, 2023. The first tranche of the LTNCD amounting to ₱2.45 billion was issued in June 7, 2018. The debt issue costs related to the issuance of the LTNCD in 2018 amounted to ₱18.38 million. As of December 31, 2023 and 2022, the outstanding unamortized debt issue cost amounted to nil and ₱3.47 million, respectively.

The movements in unamortized net discount of LTNCDs of the Group and Parent Company as of December 31, 2023 and 2022 are as follows:

	2023	2022
Beginning balance	**₱3,466**	₱14,432
Amortization during the year	**(3,466)**	(10,966)
Ending balance	**₱-**	₱3,466

The Group and the Parent Company's interest expense on deposit liabilities consists:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Savings deposits	**₱2,534,175**	₱842,965	₱508,746	**₱1,549,654**	₱508,969	₱282,277
Time deposits	**2,432,915**	859,430	595,654	**2,432,915**	859,430	595,654
Demand deposits	**157,500**	155,776	150,199	**164,845**	156,318	150,743
LTNCDs	**106,101**	403,343	513,343	**106,101**	403,343	513,343
Total	**₱5,230,691**	₱2,261,514	₱1,767,942	**₱4,253,515**	₱1,928,060	₱1,542,017

17. **Bills and Acceptances Payable and SSURA**

This account of the Group and of the Parent Company consists of:

	2023	2022
SSURA	**₱14,663,678**	₱6,705,236
Interbank call loans	**728,116**	
Outstanding acceptances	**11,912**	56,220
	₱15,403,706	₱6,761,456

The following are the fair value of government debt securities (Note 8) pledged and transferred under SSURA transactions of the Group and the Parent Company:

	2023		2022	
	Face value	**Fair value**	Face value	Fair value
Investment securities at amortized cost	**₱17,687,183**	**₱17,202,332**	₱18,230,212	₱15,195,386

The Group's and the Parent Company's borrowings are subject to annual interest rates ranging from 4.63% to 5.85% in 2023 and 2.72% to 4.95% in 2022.

The Group's and the Parent Company's interest expense on bills and acceptances payable amounted to ₱45.54 million in 2023, ₱0.37 million in 2022, and nil in 2021. The Bank entered into repurchase agreements to fund its operation amounting to ₱332.80 million and ₱160.00 million in 2023 and 2022, respectively. This excess liquidity is currently deployed in very liquid short term assets. The Group's and the Parent Company's interest expense on SSURA amounted to ₱674.08 million in 2023, ₱74.71 million in 2022, and nil in 2021.

18. **Accrued Taxes, Interest and Other Expenses**

This account consists of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Accrued other expenses	**₱3,595,134**	₱2,801,914	**₱3,102,149**	₱2,404,303
Accrued taxes	**542,189**	383,323	**474,494**	333,830
Accrued interest payable	**500,421**	293,743	**440,341**	273,750
	₱4,637,744	₱3,478,980	**₱4,016,984**	₱3,011,883

Accrued other expenses pertain to accruals of various operating expenses such as rent, utilities, management and professional fees, employee bonus and other expenses.

19. **Bonds Payable**

This account consists of bonds payable due in 2023 with a face value of ₱3.70 billion and carrying value of nil and ₱3.70 billion as of December 31, 2023 and 2022, respectively.

On February 10, 2020, the Parent Company issued 4.50% fixed-rate bonds with issue price at 100.00% face value. The bonds will bear interest at the rate of 4.50% per annum from and including February 21, 2020 to but excluding: (a) February 21, 2023, such date being the maturity date (if the pre-termination option is not exercised); or (b) the pre-termination date (if the pre-termination option is exercised), and the interest will be payable quarterly in arrears at the end of each interest period on February 21, August 21 and November 21 of each year commencing on 2020.

Unless the 2023 Bonds are previously redeemed, the Bonds are repayable to the Bond Holders at 100.00% of their face value on the maturity date or February 21, 2023.

As of December 31, 2023 and 2022, bonds issuance cost amounted to nil and ₱1.56 million, respectively. For the period ended December 31, 2023 and 2022, the Group and the Parent Company recognized interest expense on bonds payable amounting to ₱23.29 million and ₱167.62 million, respectively.

Reserve requirement

Peso-denominated bonds are subject to reserves equivalent to 3.00% in 2023 and 2022. The Parent Company was in compliance with such requirements as of December 31, 2022.

20. Subordinated Debt

Interest expense on subordinated debt

The Group's interest expense on the subordinated debt amounted to nil, ₱44.71 million ₱69.93 million in 2023, 2022 and 2021, respectively.

21. Other Liabilities

This account consists of:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Financial liabilities				
Accounts payable	**₱10,133,817**	₱8,342,518	**₱8,663,690**	₱7,217,858
Provision on unused credit lines (Notes 15 and 30)	**463,860**	318,594	**463,860**	318,594
Derivative liabilities (Note 5)	**103,083**	107,835	**103,083**	107,835
Retention payable	**36,017**	18,181	**36,017**	18,181
Payment orders payable	**12,232**	16,800	**12,232**	16,800
Marginal deposits and letters of credit	**10,631**	–	**10,631**	–
	10,759,640	₱8,803,928	**9,289,513**	₱7,679,268
Non-financial liabilities				
Deferred revenue	**₱1,375,772**	₱1,675,350	**₱1,379,437**	₱1,675,113
Net retirement obligation (Note 26)	**582,930**	525,859	**562,290**	525,217
Withholding tax payable	**159,988**	130,927	**134,670**	116,344
Miscellaneous	**220,987**	209,212	**171,701**	149,743
	2,339,677	2,541,348	**2,248,098**	₱2,466,417
	₱13,099,317	₱11,345,276	**₱11,537,611**	₱10,145,685

Deferred revenue of the Group and the Parent Company includes deferred credit card loyalty points, membership fees and dues as well as the deferred exclusive bancassurance access fee. (Note 10).

22. Maturity Analysis 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:

	Consolidated					
	2023			2022		
	Less than 12 months	**Over 12 months**	**Total**	Less than 12 months	Over 12 months	Total
Financial assets:						
Cash and other cash items	**₱9,370,138**	**₱–**	**₱9,370,138**	₱8,713,151	₱–	₱8,713,151
Due from BSP (Note 7)	**16,171,987**	–	**16,171,987**	36,114,397	–	36,114,397
Due from other banks - gross (Note 7)	**2,470,112**	–	**2,470,112**	4,530,832	–	4,530,832
Interbank loans receivables and SPURA (Note 7)	**16,441,418**	–	**16,441,418**	10,009,266	–	10,009,266
Financial assets at FVTPL (Note 8)	**4,112,322**	–	**4,112,322**	1,958,310	–	1,958,310
Financial assets at FVTOCI (Note 8)	**18,483,960**	–	**18,483,960**	16,746,386	–	16,746,386
Investment securities at amortized cost - gross (Notes 8 and 15)	**1,977,816**	**74,880,953**	**76,858,769**	–	66,022,053	66,022,053
Loans and receivables - gross (Notes 9 and 15)	**162,657,943**	**139,008,240**	**301,666,183**	110,850,787	155,463,331	266,314,118
Other assets - gross (Notes 14 and 15)	**78,452**	**397,405**	**475,856**	63,663	354,275	417,938
	231,764,148	**214,286,597**	**446,050,745**	188,986,792	221,839,659	410,826,451
Nonfinancial assets:						
Investment in a joint venture (Note 10)	**–**	**993,166**	**993,166**	–	928,977	928,977
Property and equipment – gross (Note 11)	**–**	**12,826,743**	**12,826,743**	–	10,805,737	10,805,737
Investment properties - gross (Notes 12 and 15)	**–**	**1,486,561**	**1,486,561**	–	1,334,657	1,334,657
Deferred tax assets (Note 25)	**–**	**4,098,880**	**4,098,880**	–	3,906,672	3,906,672
Goodwill and other intangible assets - gross (Note 13)	**–**	**8,896,153**	**8,896,153**	–	8,651,723	8,651,723
Other assets - gross (Notes 14 and 15)	**1,916,598**	**2,739,391**	**4,655,989**	1,699,621	1,499,024	3,198,645
	1,916,598	**31,040,895**	**32,957,492**	1,699,621	27,126,790	28,826,411
	233,680,745	**245,327,492**	**479,008,237**	190,686,413	248,966,449	439,652,862
Allowances for impairment and credit losses (Note 15)	**(877)**	**(12,175,573)**	**(12,176,450)**	(1,197)	(12,436,156)	(12,437,353)
Unamortized premium/discount (Note 9)	**(1,138,655)**	**6,564,617**	**5,425,962**	(1,032,114)	2,573,039	1,540,925
Accumulated depreciation and amortization (Notes 11, 12, 13 and 14)	–	**(8,052,426)**	**(8,052,426)**	–	(7,384,901)	(7,384,901)
	₱232,541,214	**₱231,664,109**	**₱464,205,323**	₱189,653,102	₱231,718,431	₱421,371,533
Financial liabilities:						
Deposit liabilities (Note 16)	**₱355,938,698**	**₱595,963**	**₱356,534,662**	₱326,098,650	₱3,067,472	₱329,166,122
Bills and acceptances payable (Note 17)	**15,403,706**	–	**15,403,706**	6,761,456	–	6,761,456
Cashiers' checks and demand drafts payable	**984,224**	–	**984,224**	1,381,537	–	1,381,537
Subordinated debt (Note 20)	–	–	–	–	–	–
Bonds Payable (Note 19)	–	–	–	3,698,439	–	3,698,439
Accrued interest, taxes and other expenses (Note 18)	**3,577,193**	–	**3,577,193**	2,645,107	–	2,645,107
Lease liability (Note 27)	**873,630**	**5,199,711**	**6,073,341**	784,016	3,594,929	4,378,945
Other liabilities (Note 21)	**10,723,623**	**36,017**	**10,759,640**	8,785,747	18,181	8,803,928
	387,501,075	**5,831,691**	**393,332,767**	350,154,952	6,680,582	356,835,534
Nonfinancial liabilities:						
Income tax payable	**297,166**	**–**	**297,166**	126,208	–	126,208
Accrued interest, taxes and other expenses (Note 18)	**542,189**	**518,362**	**1,060,551**	383,323	450,549	833,872
Other liabilities (Note 21)	**1,191,604**	**1,148,073**	**2,339,677**	1,304,888	1,236,461	2,541,349
	2,030,959	**1,666,435**	**3,697,394**	1,814,419	1,687,010	3,501,429
	₱389,532,035	**₱7,498,126**	**₱397,030,161**	₱351,969,371	₱8,367,592	₱360,336,963

	Parent Company					
	2023			2022		
	Less than 12 months	**Over 12 months**	**Total**	Less than 12 months	Over 12 months	Total
Financial assets:						
Cash and other cash items	**₱9,284,751**	**₱–**	**₱ 9,284,751**	₱8,636,012	₱–	₱8,636,012
Due from BSP (Note 7)	**15,745,451**	–	**15,745,451**	35,723,579	–	35,723,579
Due from other banks - gross (Note 7)	**2,339,158**	–	**2,339,158**	4,346,960	–	4,346,960
Interbank loans receivables and SPURA (Note 7)	**16,441,418**	–	**16,441,418**	10,009,266	–	10,009,266
Financial assets at FVTPL (Note 8)	**4,112,322**	–	**4,112,322**	1,958,310	–	1,958,310
Financial assets at FVTOCI (Note 8)	**18,483,960**	–	**18,483,960**	16,746,386	–	16,746,386
Investment securities at amortized cost - gross (Notes 8 and 15)	**1,977,816**	**73,499,307**	**75,477,123**	–	64,640,408	64,640,408
Loans and receivables - gross (Notes 9 and 15)	**161,699,886**	**109,339,190**	**271,039,076**	108,933,303	135,863,620	244,796,923
Other assets - gross (Notes 14 and 15)	**77,727**	**373,427**	**451,153**	62,848	330,001	392,849
	230,162,490	**183,211,923**	**413,374,413**	186,416,664	200,834,029	387,250,693
Nonfinancial assets:						
Investment in subsidiaries (Note 10)	–	**6,851,951**	**6,851,951**	–	5,753,689	5,753,689
Investment in a joint venture (Note 10)	–	**993,166**	**993,166**	–	928,977	928,977
Property and equipment - gross (Note 11)	–	**11,718,577**	**11,718,577**	–	9,760,592	9,760,592
Investment properties - gross (Notes 12 and 15)	–	**1,485,857**	**1,485,857**	–	1,333,954	1,333,954
Deferred tax assets (Note 25)	–	**3,735,365**	**3,735,365**	–	3,515,512	3,515,512
Goodwill and other intangible assets - gross (Note 13)	–	**8,818,521**	**8,818,521**	–	8,592,060	8,592,060
Other assets - gross (Notes 14 and 15)	**1,806,200**	**2,708,912**	**4,515,112**	1,585,452	1,468,544	3,053,996
	1,806,200	**36,312,349**	**38,118,549**	1,585,452	31,353,328	32,938,780
	231,968,690	**219,524,272**	**451,492,963**	188,002,116	232,187,357	420,189,473
Allowances for impairment and credit losses (Note 15)	**(877)**	**(11,515,711)**	**((11,516,587)**	(1,197)	(11,752,977)	(11,754,174)
Unamortized premium/discount (Note 9)	**(256,289)**	**7,275,904**	**7,019,614**	(376,386)	2,871,323	2,494,937
Accumulated depreciation and amortization (Notes 11, 12, 13 and 14)	**-**	**(7,262,454)**	**(7,262,454)**	–	(6,693,513)	(6,693,513)
	₱231,711,524	**₱208,022,012**	**₱439,733,536**	₱187,624,533	₱216,612,190	₱404,236,723
Financial liabilities:						
Deposit liabilities (Note 16)	**333,954,530**	**595,963**	**334,550,494**	₱310,966,511	₱3,067,472	₱314,033,983
Bills and acceptances payable (Note 17)	**15,403,706**	–	**15,403,706**	6,761,456	–	6,761,456
Cashiers' checks and demand drafts payable	**984,224**	–	**984,224**	1,381,537	–	1,381,537
Subordinated debt (Note 20)	–	–	–	–	–	–
Bonds payable (Note 19)	–	–	–	3,698,439	–	3,698,439
Accrued interest, taxes and other expenses (Note 18)	**3,026,418**	–	**3,026,418**	2,229,430	–	2,229,430
Lease liability (Note 27)	**790,624**	**5,054,541**	**5,845,165**	703,742	3,403,316	4,107,058
Other liabilities (Note 21)	**9,253,496**	**36,017**	**9,289,513**	7,661,087	18,181	7,679,268
	363,412,998	**5,686,522**	**369,099,520**	333,402,202	6,488,969	339,891,171
Nonfinancial liabilities:						
Income tax payable	**220,189**	–	**220,189**	62,113	–	62,113
Accrued interest, taxes and other expenses (Note 18)	**474,494**	**516,072**	**990,566**	333,830	448,623	782,453
Other liabilities (Note 21)	**1,100,561**	**1,147,538**	**2,248,099**	1,234,272	1,232,145	2,466,417
	1,795,243	**1,663,610**	**3,458,854**	1,630,215	1,680,768	3,310,983
	₱365,208,241	**₱7,350,132**	**₱372,558,374**	₱335,032,417	₱8,169,737	₱343,202,154

23. Equity

Capital Management

The Parent Company actively manages its capital to comply with regulatory requirements, enable growth targets, withstand plausible stress events and be at par with the Parent Company's peers. The primary objective of the Parent Company's capital management is to ensure that it maintains adequate capital to cover risks inherent to its banking activities without prejudice to optimizing shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital structure, or issue capital securities. No changes were made in the objectives, policies and processes from the previous year.

Regulatory Qualifying Capital

Under existing BSP regulations, the determination of the Parent Company's compliance with regulatory requirements and ratios is based on the amount of the Parent Company's 'unimpaired capital' (regulatory net worth) reported to the BSP, which is determined on the basis of regulatory policies. In addition, the risk-based Capital Adequacy Ratio (CAR) of a bank, expressed as a percentage of qualifying capital to risk-weighted assets, should not be less than 10.00% for both solo basis (head office and branches) and consolidated basis (Parent Company and subsidiaries engaged in financial allied undertakings). Qualifying capital and risk-weighted assets are computed based on BSP regulations.

Effective January 1, 2014, the Group complied with BSP issued Circular No. 781, *Basel III Implementing Guidelines on Minimum Capital Requirements*, which provides the implementing guidelines on the revised risk-based capital adequacy framework particularly on the minimum capital and disclosure requirements for universal banks and commercial banks, as well as their subsidiary banks and quasi-banks, in accordance with the Basel III standards. The Circular sets out a minimum Common Equity Tier 1 (CET1) ratio of 6.00% and Tier 1 capital ratio of 7.50%. It also introduces a capital conservation buffer of 2.50% comprised of CET1 capital. The BSP's existing requirement for total CAR remains unchanged at 10.00% and these ratios shall be maintained at all times.

On June 27, 2014, the BSP issued Circular No. 839, *REST Limit for Real Estate Exposures* which provides the implementing guidelines on the prudential REST limit for universal, commercial, and thrift banks on their aggregate real estate exposures. The Group should maintain CET1 and CAR levels at the regulatory prescribed minimums, on a solo and consolidated basis, even after the simulated results of a 25.00% write-off to the Group's real estate exposures. These shall be complied with at all times.

The capital-to-risk assets ratio reported to the BSP as of December 31, 2023 and 2022 are shown in the table below:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
CET1 capital ratio	**13.04%**	13.02%	**12.65%**	12.60%
Tier 1 capital ratio	**13.04%**	13.02%	**12.65%**	12.60%
Total capital ratio	**13.84%**	13.78%	**13.48%**	13.31%

The composition of the qualifying capital is shown below:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Qualifying capital:				
Tier 1 capital	**₱65,989,973**	₱60,127,953	**₱65,990,041**	₱60,128,021
CET1 capital	**65,989,973**	60,127,953	**65,990,041**	60,128,021
Less: Required deductions	**12,384,206**	12,034,253	**18,549,733**	16,971,627
Net Tier 1 capital	**53,605,767**	48,093,700	**47,440,308**	43,156,394
Tier 2 capital	**3,296,493**	2,820,983	**3,097,837**	2,434,930
Total qualifying capital	**₱56,902,260**	₱50,914,683	**₱50,538,145**	₱45,591,324

The capital requirements as of December 31, 2023 and 2022 are shown below:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Capital requirements:				
Credit risk	**₱339,495,744**	₱293,949,728	**₱309,769,396**	₱272,668,024
Market risk	**9,838,748**	4,778,140	**9,838,748**	4,778,140
Operational risk	**61,760,574**	70,780,936	**55,336,923**	65,101,904
Total capital requirements	**₱411,095,066**	₱369,508,804	**₱374,945,067**	₱342,548,068

Qualifying capital and risk-weighted assets are computed based on BSP regulations.

Under Basel III, the regulatory Gross Qualifying Capital of the Parent Company consists of Tier 1 (core) and Tier 2 (supplementary) capital. Tier 1 comprises share capital, surplus (including current year profit), and other comprehensive income (cumulative foreign currency translation and net unrealized gains on financial assets at FVTOCI). Required deductions include goodwill, intangible assets, investments in equity, deferred tax assets, defined benefit pension assets and unsecured credit accommodations to DOSRI and subsidiaries.

Tier 2 capital comprise of unsecured subordinated debts and general loan loss provision.

Risk-weighted assets are determined by assigning defined risk weights to the statement of financial position exposure and to the credit equivalent amounts of off-balance sheet exposures. Certain items are deducted from risk-weighted assets, such as the excess of general loan loss provision over the amount permitted to be included in Tier 2 capital. The risk weights vary from 0.00% to 150.00% depending on the type of exposure, with the risk weights of off-balance sheet exposures being subjected further to credit conversion factors. Below is a summary of risk weights and selected exposure types:

Risk weight	Exposure/Asset type
0.00%	Cash on hand; claims collateralized by securities issued by the national government, BSP; loans covered by the Trade and Investment Development Corporation of the Philippines; real estate mortgages covered by the Home Guarantee Corporation
20.00%	Cash and other cash items, claims guaranteed by Philippine incorporated banks/quasi-banks with the highest credit quality; claims guaranteed by foreign incorporated banks with the highest credit quality; loans to exporters to the extent guaranteed by Small Business Guarantee and Finance Corporation
50.00%	Housing loans fully secured by first mortgage on residential property; Local Government Unit (LGU) bonds which are covered by Deed of Assignment of Internal Revenue allotment of the LGU and guaranteed by the LGU Guarantee Corporation
75.00%	Direct loans of defined Small Medium Enterprise (SME) and microfinance loans portfolio; non-performing housing loans fully secured by first mortgage
100.00%	All other assets (e.g., real estate assets) excluding those deducted from capital (e.g., deferred income tax)
150.00%	All non-performing loans (except non-performing housing loans fully secured by first mortgage) and all non-performing debt securities

** Not all inclusive*

With respect to off-balance sheet exposures, the exposure amount is multiplied by a credit conversion factor (CCF), ranging from 0.00% to 100.00%, to arrive at the credit equivalent amount, before the risk weight factor is multiplied to arrive at the risk-weighted exposure. Direct credit substitutes (e.g., guarantees) have a CCF of 100.00%, while items not involving credit risk has a CCF of 0.00%.

In the case of derivatives, the credit equivalent amount (against which the risk weight factor is multiplied to arrive at the risk-weighted exposure) is generally the sum of the current credit exposure or replacement cost (the positive fair value or zero if the fair value is negative or zero) and an estimate of the potential future credit exposure or add-on. The add-on ranges from 0.00% to 1.50% (interest rate-related) and from 1.00% to 7.50% (exchange rate-related), depending on the residual maturity of the contract. For credit-linked notes and similar instruments, the risk-weighted exposure is the higher of the exposure based on the risk weight of the issuer's collateral or the reference entity or entities.

The risk-weighted CAR is calculated by dividing the sum of its Tier 1 and Tier 2 capital, as defined under BSP regulations, by its risk-weighted assets. The risk-weighted assets, as defined by the BSP regulations, consist of all of the assets on the balance sheet at their respective book values, together with certain other off-balance sheet items, weighted by certain percentages depending on the risks associated with the type of assets. The determination of compliance with regulatory requirements and ratios is based on the amount of the Parent Company's 'unimpaired capital' (regulatory net worth) as reported to the BSP, which is determined on the basis of regulatory accounting practices which differ from PFRS in some respects.

The Group has taken into consideration the impact of the foregoing requirements to ensure that the appropriate level and quality of capital are maintained on an ongoing basis.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year.

Leverage Ratio and Total Exposure Measure

The Basel lll Leverage Ratio is designed to act as a supplementary measure to the risk-based capital requirement. The leverage ratio intends to restrict the buildup of leverage in the Bank and reinforce the risk-based requirements with a simple, non-risk based "backstop" measure. It is defined as a capital measure over its total exposure measure with a minimum requirement of 5.00% on both Group and Parent Company.

	Consolidated		Parent	
	2023	2022	**2023**	2022
Capital Measure	**₱53,605,767**	₱48,093,700	**₱47,440,308**	₱43,156,395
Divided by: Exposure measure	**488,649,026**	440,420,360	**457,667,491**	417,844,497
Leverage ratio	**10.97%**	10.92%	**10.37%**	10.33%

Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR)
The NSFR seeks to limit the overreliance on short-term wholesale funding and promoting enhanced assessment of funding risk across all on- and off-balance sheet accounts. It complements the LCR, which promotes short term resilience of a Bank's liquidity profile. The minimum LCR and NSFR requirement should be no lower than 100% at all times on both Group and Parent Company.

	Consolidated		Parent	
	2023	2022	**2023**	2022
Total Stock of High-Quality Liquid Assets	**₱107,760,229**	₱90,214,211	**₱93,595,088**	₱88,107,352
Divided by: Total Net Cash Flows	**53,367,645**	37,817,543	**54,114,476**	35,821,177
Liquidity Coverage ratio	**201.92%**	238.55%	**172.96%**	245.96%

	Consolidated		Parent	
	2023	2022	**2023**	2022
Available Stable Funding	**₱329,816,321**	₱302,223,589	**₱302,685,171**	₱288,811,215
Divided by: Required Stable Funding	**273,002,655**	236,869,402	**255,111,835**	224,255,123
Net Stable Funding Ratio	**120.81%**	127.59%	**118.65%**	128.79%

Capital Stock
Capital stock consists of (amounts in thousands, except for par value and number of shares):

	Shares			Amount		
	2023	2022	2021	**2023**	2022	2021
Authorized:						
Common stock - 10.00 par value	**4,500,000,000**	4,500,000,000	4,500,000,000			
Preferred stock - 10.00 par value	**500,000,000**	500,000,000	500,000,000			
Common stock issued and outstanding:						
Balance at the beginning of the year	**2,249,975,411**	2,249,975,411	2,249,975,411	**22,499,754**	22,499,754	22,499,754
Issuance of stock dividends	**–**	–	–	**–**	–	–
Balance at the end of the year	**2,249,975,411**	2,249,975,411	2,249,975,411	**22,499,754**	22,499,754	22,499,754

With the approvals by the PSE of the Parent Company's application for listing and by the SEC for the Registration Statement both on March 14, 2012, a total of 245,316,200 common shares, with ₱10.00 par value per share, representing 21.70% of outstanding capital stock, were offered and subscribed through an initial public offering at ₱18.50 per share on April 20 to 26, 2012. The common shares comprise of (a) 141,056,800 new shares issued by the Parent Company by way of a primary offer, and (b) 104,259,400 existing shares offered by FDC, the selling shareholder, pursuant to a secondary offer. Subsequently, on September 5, 2012, 36,715,300 shares under the over-allotment option were exercised at a price of ₱18.50 per share that brought the subscriptions to 25.00% of the outstanding capital stock. The Parent Company's common shares were listed and commenced trading in the PSE on May 7, 2012.

The preferred shares are perpetual non-voting and non-convertible to common shares. The dividends of the preferred shares shall be non-cumulative and to be fixed by the BOD at an annual dividend rate prior to the date of issue.

The total proceeds raised by the Parent Company from the sale of primary offer shares amounted to ₱2.61 billion while the net proceeds (after deduction of direct costs related to equity issuance) amounted to ₱2.39 billion.

On February 1, 2019, the BSP approved the following amendments to the Parent Company's Articles of Incorporation, which were approved and confirmed by the Parent Company's BOD at its special meeting on July 13, 2017, to provide flexibility for future capital requirements:

a. Increase of the Parent Company's authorized capital stock from ₱20.00 billion to ₱50.00 billion consisting of 4.50 billion common shares with par value of ₱10.00 per share or a total par value of ₱45.00 billion and ₱0.50 billion preferred shares with par value of ₱10.00 per share or a total par value of ₱5.00 billion.

b. Declaration of 50.00% stock dividends equivalent to ₱7.50 billion from the Parent Company's unrestricted retained earnings as of December 31, 2016 to meet the required subscribed and paid amount of capital stock per Corporation Code after the increase in the authorized capital of the Parent Company. The increase in the Parent Company's authorized capital stock and stock dividend declaration were subsequently approved by BSP on September 29, 2017 and by SEC on February 28, 2019.

On April 16, 2018, a total of 749,991,801 common shares were listed at the PSE.

The portion of the Parent Company's retained earnings pertaining to the accumulated earnings of the subsidiaries amounting to ₱7.21 billion and ₱5.77 billion as of December 31, 2023 and December 31, 2022, respectively, are not available for dividend declaration until declared as dividends by subsidiaries.

In 2019, upon the full adoption of PFRS 9, the BSP through BSP Circular No. 1011 has required the appropriation for the difference of the 1.00% general loan loss provision over the computed ECL related to Stage 1 accounts. As of December 31, 2022 and 2021, the computed ECL related to Stage 1 accounts is sufficient to cover the 1.00% general loan loss provision required by BSP on Stage 1 accounts.

Cash Dividend
Eastwest Bank declared on April 24, 2023 cash dividends amounting to ₱922.5 million.
This was equivalent to Php 0.41 per share and paid last May 31, 2023 to all stockholders of record as of May 12, 2023.

In 2022, Eastwest Bank declared and paid cash dividends amounting to ₱899.99 million.
This is equivalent to Php 0.40 per share, paid last May 31, 2022 to all stockholders of record as of May 11, 2022.

24. Income and Expenses

Service charges, fees and commissions
Service charges include late payment charges, pre-termination fees on loans and service charges on deposit taking-related transactions. Fees and commissions include credit card membership fees, bancassurance fees, interchange fees, merchant discounts and other commissions.

For the periods ended December 31, 2023, 2022 and 2021, this account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Credit cards	**₱1,821,920**	₱1,429,505	₱1,410,555	**₱1,821,920**	₱1,429,505	₱1,410,555
Loans	**1,223,241**	820,990	997,014	**844,503**	463,357	885,969
Deposits	**752,839**	764,775	639,643	**740,342**	756,199	634,762
Remittances	**197,757**	142,908	77,561	**158,982**	136,860	77,561
Bancassurance fees	**67,220**	73,477	90,682	**67,220**	73,477	90,682
Others	**706,461**	549,150	510,283	**406,822**	282,105	217,654
	₱4,769,438	₱3,780,805	₱3,725,738	**₱4,039,789**	₱3,141,503	₱3,317,183

Others consist of income from securities brokering and certificate fees.

Miscellaneous income (loss)
For the periods ended December 31, 2023, 2022 and 2021, this account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Recoveries and credit adjustments	**₱504,817**	₱469,030	₱506,339	**₱453,823**	₱443,279	₱476,619
Rental income	**48,446**	47,075	47,610	**48,446**	47,075	47,610
Dividend income	**2,629**	736	662	**2,629**	736	662
Gain on modification of loans	–	–	346,769	–	–	346,769
Others	**192,675**	228,855	66,581	**182,587**	217,716	62,630
	₱748,567	₱745,696	₱967,961	**₱687,485**	₱708,806	₱934,290

Others include referral income earned on insurance premiums charged through credit cards and revenue from credit card loyalty rewards.

Miscellaneous expense

For the periods ended December 31, 2023, 2022 and 2021, this account consists of:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Technological fees	**₱1,109,621**	₱834,096	₱557,368	**₱1,108,301**	₱832,543	₱556,827
Brokerage fees	**932,117**	1,070,788	1,411,000	**1,015,769**	1,051,613	1,391,868
Service charges, fees and commissions	**941,749**	622,911	470,116	**941,749**	622,911	470,116
Advertising	**919,956**	430,733	364,464	**883,510**	399,996	349,348
Insurance	**777,671**	756,892	754,199	**729,833**	713,043	709,322
Security, messengerial and janitorial services	**752,578**	666,636	631,701	**682,009**	604,485	573,691
Postage, telephone, cables and telegram	**474,085**	439,073	428,461	**405,469**	385,531	386,266
Repairs and maintenance	**328,441**	282,614	200,005	**294,512**	244,851	161,857
Management and other professional fees	**278,012**	133,589	156,341	**263,260**	127,380	152,140
Power, light and water	**249,126**	229,368	188,993	**217,508**	197,525	163,290
Stationery and supplies	**218,344**	150,749	140,447	**109,646**	98,123	114,374
Transportation and travel	**199,544**	181,645	158,106	**153,362**	136,111	124,434
Fines, penalties and other charges	**191,456**	292,689	304,444	**161,902**	266,959	267,423
Supervision fees	**141,009**	129,760	135,092	**133,649**	123,052	128,063
Litigation expenses	**115,902**	76,450	73,712	**115,902**	76,450	73,712
Entertainment, amusement and recreation	**46,377**	43,863	35,000	**37,181**	34,598	29,075
Others	**567,943**	390,405	278,211	**556,037**	378,472	230,880
	₱8,243,931	₱6,732,261	₱6,287,660	**₱7,809,599**	₱6,293,643	₱5,882,686

Others include payments for subscriptions, membership fees, trainings, donations and contributions, delivery and freight expenses, and clearing fees.

25. Income and Other Taxes

Under Philippine tax laws, the RBU of the Parent Company and its subsidiaries are subject to percentage and other taxes (presented as 'Taxes and licenses' in the statements of income) as well as income taxes. Percentage and other taxes paid consist principally of gross receipts tax and documentary stamp taxes. Income taxes include corporate income tax, as discussed below, and final taxes paid which represents final withholding tax on gross interest income from government securities and other deposit substitutes and income from FCDU transactions. These income taxes, as well as the deferred tax benefits and provisions, are presented as 'Provision for income tax' in the statements of income.

Current tax regulations also provide for the ceiling on the amount of entertainment, amusement and recreation (EAR) expense that can be claimed as a deduction against taxable income. Under the regulations, EAR expense allowed as a deductible expense is limited to the actual EAR paid or incurred but not to exceed 1.00% of the Parent Company's net revenue..

FCDU offshore income (income from non-residents) is tax-exempt while gross onshore income (income from residents) is generally subject to 10.00% gross income tax. In addition, interest income on deposit placements with other FCDUs and offshore banking units is taxed at 15.00%. RA No. 9294, which became effective in May 2004, provides that the income derived by the FCDU from foreign currency transactions with non-residents, Offshore Banking Units (OBUs), local commercial banks including branches of foreign banks is tax-exempt while interest income on foreign currency loans from residents other than OBUs or other depository banks under the expanded system is subject to 10.00% income tax.

The following are the key changes to the Philippine tax law pursuant to the CREATE Bill (which was signed into law on March 26, 2021) which have an impact on the Bank.

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and foreign corporations. For domestic corporations with net taxable income not exceeding Php5 million and with assets not exceeding Php100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- The allowable deduction for interest expense was reduced 20% (previously 33%) of the interest income subjected to final tax.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.
- Imposition of improper accumulated earnings tax (IAET) is repealed.

A Minimum corporate income tax (MCIT) of 1.00% (as amended by CREATE Bill) of modified gross income is computed and compared with the RCIT. Any excess of MCIT over the RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years. In implementation of CREATE In addition, NOLCO is allowed as a deduction from taxable income in the next three years from the period of incurrence. For the taxable years 2022 and 2021, the NOLCO incurred can be carried over as a deduction for the next five (5) consecutive taxable years, pursuant to Revenue Regulations No. 25-2021

Revenue Regulations No. 4-2011
On May 10, 2022, the SC released its decision promulgated on 01 December 2021 on the petition for certiorari of the Department of Finance (DOF) and Bureau of Internal Revenue (BIR) seeking for annulment of an order of the Regional Trial Court (RTC) Branch 57 in Makati City that declared Revenue Regulations No. 4-2011 null and void

Provision for income tax consists of:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Current:						
RCIT /MCIT	**₱1,347,689**	₱751,946	₱386,384	**₱811,618**	₱182,440	₱ (47,047)
Final tax	**368,195**	460,538	303,605	**354,412**	447,995	291,552
	1,715,884	1,212,484	689,989	**1,166,030**	630,435	244,505
Deferred	**(272,114)**	220,796	900,250	**(210,586)**	174,541	862,142
	₱1,443,770	₱1,433,280	₱1,590,239	**₱955,445**	₱804,976	₱ 1,106,647

The components of the Group's and the Parent Company's net deferred tax assets as of December 31, 2023 and 2022 follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Deferred tax asset on:				
Allowance for impairment and credit losses	**₱3,025,555**	₱3,210,791	**₱2,952,177**	₱2,989,585
Effect of modification loss, net of accretion/amortization	**84,899**	164,860	**84,115**	164,853
Accrued expenses and other deferred income	**630,052**	460,085	**399,491**	301,632
Accumulated depreciation of assets foreclosed or dacioned	**182,187**	169,814	**182,185**	169,812
Net retirement obligation	**146,928**	133,270	**140,572**	131,304
Net effect of lease liabilities and ROU assets	**172,015**	134,039	**162,830**	124,420
Unrealized trading loss	-	33,485	-	33,485
Gain on asset foreclosure and dacion transactions	**122,993**	89,377	**123,085**	89,469
	4,364,629	4,395,721	**4,044,455**	4,004,560
Deferred tax liability on:				
Branch licenses acquired from business combination	**₱156,350**	₱156,350	**₱156,350**	₱156,350
Remeasurement of investment in a joint venture	**83,958**	83,958	**83,958**	83,958
Unrealized foreign exchange gains	**2,385**	234,896	**2,385**	234,895
Unrealized trading gains	**14,178**	-	**58,805**	-
Others	**8,878**	13,845	**7,592**	13,844
	265,749	489,049	**309,090**	489,048
	₱4,098,880	₱3,906,672	**₱3,735,365**	₱3,515,512

Group deferred tax asset charged directly to OCI during the year amounted to (₱78.61) million and ₱77.50 million in 2023 and 2022, respectively. And Parent deferred tax asset charged directly to OCI during the year amounted to ₱9.2 million and ₱77.50 million in 2023 and 2022, respectively.

The Group and the Parent Company have nil excess MCIT and NOLCO for the year 2023 and 2022.

The reconciliation of statutory income tax at statutory tax rate to the effective income tax follows:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Statutory income tax	**₱2,242,799**	₱1,981,146	₱1,526,319	**₱1,759,685**	₱1,357,575	₱1,405,421
Tax effects of:						
Nondeductible expenses	**575,884**	1,509,217	271,130	**566,886**	1,509,212	202,759
FCDU income	**(744,264)**	(882,788)	(713,374)	**(744,264)**	(882,788)	(713,374)
Non-taxable and tax-exempt income	**(313,391)**	(570,946)	(351,840)	**(313,391)**	(570,946)	(626,229)
Interest income subjected to final tax net of tax paid	**(69,751)**	(88,065)	(80,933)	**(63,585)**	(88,138)	(73,157)
Change in recognized deferred tax assets and others	**(247,507)**	(515,285)	521,935	**(249,886)**	(519,940)	530,857
Effect of change in tax rate	-	-	417,002	-	-	380,370
Effective income tax	**₱1,443,770**	₱1,433,280	₱1,590,239	**₱955,445**	₱804,976	₱1,106,647

26. Retirement Plan

The existing regulatory framework, RA No. 7641, the *Retirement Pay Law* requires companies with at least ten (10) employees to pay retirement benefits to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Parent Company

The Parent Company has a funded, non-contributory defined benefit retirement plan (the Plan) covering substantially all of its officers and regular employees. Under the Plan, all covered officers and employees are entitled to cash benefits (equivalent to a certain percentage of final salary for every year if service depending on the tenure of the employee) certain age and service requirements. The Parent Company's retirement plan is in the form of a trust administered by the Parent Company's Trust Division under the supervision of the Retirement Committee.

EWRB

The Bank provided a noncontributory defined benefit plan covering substantially all regular and full-time employees, provided he is not more than age sixty (60) at the time of appointment. The retirement plan provides retirement benefits equal to 100.00% of the final monthly salary for every year of service.

In 2018, changes in the terms on how the benefits will be valued were implemented. The Bank introduced a defined benefit plan which provides a lump sum benefit based on final salary and years of service, subject to certain eligibility conditions. For normal retirement and late retirement, eligibility starts at the age of 60 and 65 with benefits amounting to a 100.00% and 150.00% of final monthly salary per year of continuous service, for less than 10 years and 10 years above, respectively. However, for early retirement, eligibility starts at the age of 50 but with at least 10 years of continuous service or more, subject to Bank's approval.

QMIS

QMIS does not have a formal retirement plan. As such, QMIS's retirement liability is based on the requirement of RA No. 7641. For purposes of calculating the retirement liability under RA No. 7641, QMIS obtained an actuarial valuation.

The amounts of net retirement obligation presented under "Other liabilities" in the statements of financial position are presented below:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Present value of the defined benefit obligation	**₱1,867,091**	₱1,644,794	**₱1,780,669**	**₱1,584,236**
Less: Fair value of plan assets	**1,284,161**	1,118,935	**1,218,379**	**1,059,019**
Net retirement obligation (Note 21)	**₱582,930**	₱525,859	**₱562,290**	**₱525,217**

Changes in the present value of the defined benefit obligation as of December 31, 2023 and 2022 recognized in the statements of financial position follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Balance at beginning of year	**₱1,644,794**	₱1,453,451	**₱1,584,236**	₱1,390,185
Current service cost	**166,923**	154,199	**158,099**	143,801
Interest cost	**115,069**	70,389	**110,738**	67,285
Remeasurement (gains) losses:				
Actuarial losses arising from deviations of experience from assumptions	**(53,999)**	153,493	**(58,528)**	143,968
Actuarial losses (gains) arising from changes in financial assumptions	**128,976**	(29,198)	**117,996**	(7,119)
Benefits paid	**(134,672)**	(157,540)	**(131,872)**	(153,884)
Balance at end of year	**₱1,867,091**	₱1,644,794	**₱1,780,669**	₱1,584,236

Changes in the fair value of plan assets are as follows:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Balance at beginning of year	**₱1,118,935**	₱1,230,498	**₱1,059,019**	1,174,992
Contributions	**202,319**	163,341	**194,812**	154,217
Interest income	**78,309**	59,584	**74,025**	56,869
Remeasurements	**19,271**	(176,948)	**22,395**	(173,175)
Benefits paid	**(134,673)**	(157,540)	**(131,872)**	(153,884)
Balance at end of year	**₱1,284,161**	₱1,118,935	**₱1,218,379**	₱1,059,019

The fair value of plan assets by class are as follows:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Cash and cash equivalents	**₱450,059**	₱326,440	**₱449,102**	₱325,510
Equity instruments:				
Financial services	**726,168**	655,930	**661,343**	596,944
Real estate	**5,001**	5,001	**5,001**	5,001
Debt instruments:				
Government securities	**71,524**	68,853	**71,524**	68,853
Private securities	**29,947**	60,994	**29,947**	60,994
Others	**1,462**	1,717	**1,462**	1,717
Fair value of plan assets	**₱1,284,161**	₱1,118,935	**₱1,218,379**	₱1,059,019

The Parent Company's plan assets are carried at fair value. The fair value of investments in equity and debt securities are based on quoted price in the active market. The fair value of other assets and liabilities, which include deposits in banks, accrued interest and other receivables, and trust fee payables, approximate their carrying amounts due to the short-term nature of these accounts.

The plan assets are diversified investments and are not exposed to concentration risk.

Each year, an Asset-Liability Matching Study (ALMS) is performed with the result being analyzed in terms of risk-and-return profiles. As of December 31, 2023 and 2022, the Parent Company's investment strategy consists of 54.00% of equity instruments, 8.00% of debt instruments and 37.00% cash and 59.00% of equity instruments, 11.00% of debt instruments, and 29.00% cash, respectively. The Parent Company expects to contribute ₱234.3 million to the plan in 2024.

The cost of defined benefit retirement plans as well as the present value of the benefit obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used are shown below:

	Parent Company		EWRB		QMIS		Group	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Discount rate								
At January 1	**6.99%**	4.84%	**7.15%**	4.89%	**7.17%**	5.05%	**6.99%-7.17%**	4.84%-5.05%
At December 31	**6.05%**	6.99%	**6.08%**	7.16%	**6.36%**	7.17%	**6.05%-6.36%**	6.99%-7.17%
Future salary increase rate	**5.00%**	5.00%	**4.00%**	4.00%	**5.00%**	5.00%	**4%-5%**	4.00%-5.00%
Average remaining working life (in years)	**16**	12	**20**	17	**18**	18	**12-20**	12-18

The sensitivity analysis below on the defined benefit obligation as of December 31, 2023 and 2022 has been determined based on reasonably possible changes of each significant assumption, assuming all other assumptions were held constant.

	Parent Company		EWRB		QMIS		Group	
Increase (Decrease)	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Discount rate								
1.00%	**(₱125,064)**	(₱96,412)	**(₱9,700)**	(₱6,456)	**(₱807)**	(₱751)	**(₱135,571)**	(₱103,619)
(1.00%)	**142,693**	111,231	**11,659**	7,747	**980**	900	**155,333**	119,879
Turnover rate								
1.00%	**(₱35,177)**	(₱24,181)	**(₱2,495)**	(₱1,573)	**(₱183)**	(₱143)	**(₱37,855)**	(₱25,897)
(1.00%)	**35,177**	24,181	**2,495**	1,573	**183**	143	**37,855**	25,897
Future salary increase rate								
1.00%	**₱142,831**	₱113,025	**₱11,841**	₱7,953	**₱984**	₱912	**₱155,656**	₱121,891
(1.00%)	**(129,934)**	(101,157)	**(10,097)**	(6,763)	**(824)**	(774)	**(140,855)**	(108,695)

Shown below is the maturity analysis of the undiscounted benefit payments for 2022 follow:

	Parent Company		EWRB		QMIS		Group	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Less than one year	₱259,521	₱365,566	₱4,638	₱3,498	₱-	₱–	₱264,159	₱369,064
One to less than five years	823,819	719,976	20,060	16,317	265	263	844,144	736,556
Five to less than 10 years	1,587,462	1,312,640	41,840	33,328	1,675	3,661	1,630,978	1,349,629
10 to less than 15 years	1,421,839	1,292,813	104,746	82,324	10,772	11,506	1,537,358	1,386,642
15 to less than 20 years	1,155,746	1,220,977	109,044	109,501	17,351	21,497	1,282,142	1,351,975
20 years and above	2,140,328	1,915,883	468,958	410,177	65,561	53,111	2,674,847	2,379,171

The amounts included in 'Compensation and fringe benefits' in the statements of income are as follows:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Current service cost	**₱166,923**	₱154,199	₱196,760	**₱158,099**	₱143,801	₱183,459
Net interest expense	**36,760**	10,805	19,630	**36,713**	10,416	18,303
	₱203,683	₱165,004	₱216,390	**₱194,812**	₱154,217	₱201,762

27. Leases

Group as a Lessee

The Group leases several premises occupied by its head office and branches. Some leases are subject to annual escalation of 5.00% to 10.00% and for periods ranging from 5 to 15 years, renewable upon mutual agreement of both parties.

Shown below is the maturity analysis of the undiscounted lease payments as of December 31, 2023 and 2022:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Within one year	**₱1,190,790**	₱976,317	**₱1,163,794**	₱964,269
After one year but not more than five years	**3,639,853**	2,691,738	**3,448,009**	2,484,233
More than five years	**3,184,228**	1,994,072	**3,176,109**	1,940,990
	₱8,014,871	₱5,662,127	**₱7,787,912**	₱5,389,492

As of December 31, 2023 and 2022, the carrying amount of lease liabilities are as follows:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Balance at beginning of the year	**₱4,378,945**	₱3,106,320	**₱4,107,058**	₱2,791,079
Additions	**2,422,969**	2,125,913	**2,365,221**	2,076,488
Payments and terminations	**(1,066,269)**	(1,093,642)	**(948,236)**	(980,866)
Accretion of interest	**337,696**	240,354	**321,122**	220,357
	₱6,073,341	₱4,378,945	**₱5,845,165**	₱4,107,058

In 2023, 2022 and 2021, the interest expense on lease liabilities of the Group (included in 'Interest expense' in the statements of income) amounted to ₱337.70 million, ₱240.35 million, ₱219.64 million, respectively. Rent expense from short-term leases and leases of low-value assets of the Group amounted to ₱368.42 million, ₱258.41 million, ₱259.72 million in 2023, 2022 and 2021, respectively.

In 2023, 2022 and 2021, the interest expense on lease liabilities of the Parent Company (included in 'Interest expense' in the statements of income) amounted to ₱321.12 million, ₱220.36 million, ₱191.56 million, respectively. Rent expense from short-term leases and leases of low-value assets of the Parent Company amounted to ₱361.69 million, ₱256.43 million, ₱271.86 million in 2023, 2022, and 2021 respectively.

Group as a Lessor
The Group property leases consist of the Group's available office space and lease agreements of machinery and equipment which are non-cancelable with lease terms between 5 to 10 years.

Future minimum rentals receivable under non-cancellable operating leases of the Group and the Parent Company follow:

	2023	2022
Within one year	**₱42,120**	₱40,911
After one year but not more than five years	**117,676**	49,555
More than five years	**-**	7,542
	₱159,796	₱98,008

In 2023, 2022 and 2021, the Group and Parent Company rental income amounted to ₱48.45 million, ₱47.08 million, ₱47.61 million, respectively. As of December 31, 2023 and 2022, the Group and Parent Company has no contingent rental income.

28. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Group's related parties include:

- key management personnel, close family members of key management personnel, and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members;
- subsidiaries, joint ventures and associates and their respective subsidiaries; and
- post-employment benefit plans for the benefit of the Group's employees.

The Group has several business relationships with related parties. Transactions with such parties are made in the ordinary course of business.

The amounts and the balances arising from significant related party transactions of the Group and of the Parent Company are as follows:

	2023		
Category	**Amount/ Volume**	**Outstanding Balance**	**Terms and Conditions/Nature**
Significant investors:			
Loans receivable	**₱–**	**₱4,842,800**	Loans granted with a term of five years, interest of 4.75%, secured with deposit holdout, current and not impaired
Releases	–		
Collection	–		
Deposit liabilities		**3,301,196**	Earns interest at the respective bank deposit rates
Deposits	**26,414,689**		
Withdrawals	**25,459,540**		
Accrued interest receivable	–	**64,283**	Interest income accrued on outstanding loans receivable
Accrued expenses	–	**50,376**	Payable for management and professional fees paid by FDC (reimbursement for expenses)
Guarantees and commitments	–	**4,842,800**	Unused credit line (omnibus facility) with term of 10 months
Interest income	**230,033**		Interest income on loans receivable
Interest expense	**14,628**		Interest expense on deposit liabilities
Key management personnel:			
Loans receivable	**₱–**	**₱2,381**	Loans granted with a term of five years, interest of 9.82%, secured withchattel mortgage,current and not impaired
Releases	**2,807**	–	
Collection	**426**	–	
Deposit liabilities	–	**365,196**	Earns interest at the respective bank deposit rates
Deposits	**935,194**	–	
Withdrawals	**903,639**	–	
Interest income	**255**	–	Interest income on loans receivable
Interest expense	**1,943**	–	Interest expense on deposit liabilities

(Forward)

	2023		
Category	**Amount/ Volume**	**Outstanding Balance**	**Terms and Conditions/Nature**
Otaher related parties:			
Loans receivable	**₱–**	**₱7,431,386**	Loans granted with terms ranging from four days to thirteen and a half years, interest ranging from 5.01% to 17.07%, secured by real estate mortgage,chattel mortgage & deposit hold-out , current and not impaired
Releases	**1,740,872**	–	
Collection	**2,948,289**	–	
Receivables purchased (booked under 'Loans Receivable')	–	**107,598**	Receivables purchased by the Parent Company from FLI (Note 9), current and not impaired
Releases	**107,598**	–	
Collections	**501,041**	–	
Accounts receivable	–	**38,376**	Receivables from EW Ageas Life which represent expenses shouldered by the Parent Company
Deposit liabilities	–	**14,038,878**	Earns interest at the respective bank deposit rates
Deposits	**206,580,187**	–	
Withdrawals	**208,323,109**	–	
Accounts payable	–	–	Collection of loan insurance on behalf of EW Ageas Life that remained unremitted
Guarantees and commitments	–	**7,323,712**	Unused credit lines
Accrued interest receivable	–	**67,366**	Interest income accrued on outstanding loans receivable
Interest income	**413,048**	–	Interest income on loans receivable
Interest expense	**206,496**	–	Interest expense on deposit liabilities
Commission fees	–	–	Commission fees received from EW Ageas Life
Service fee expense	–	–	Service fees paid to FLI for account servicing equivalent to 1.12% of loan amounts collected by FLI on behalf of the Parent Company (Note 9)
Rent expense	**122,537**		Rent expenses paid for lease transactions with other related parties such as Filinvest Asia Corporation,

	2022		
Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Significant investors:			
Loans receivable	₱–	₱4,842,800	Loans granted with a term of five years, interest of 4.75%, secured with deposit holdout, current and not impaired
Releases	–	–	
Collection	–	–	
Deposit liabilities	–	2,346,047	Earns interest at the respective bank deposit rates
Deposits	11,920,865	–	
Withdrawals	12,426,558	–	
Accrued interest receivable	–	61,132	Interest income accrued on outstanding loans receivable
Accrued expenses	–	28,120	Payable for management and professional fees paid by FDC (reimbursement for expenses)
Guarantees and commitments	–	4,842,800	Unused credit line (omnibus facility) with term of 10 months
Interest income	230,033	–	Interest income on loans receivable
Interest expense	13,021	–	Interest expense on deposit liabilities
Key management personnel:			
Deposit liabilities	–	333,641	Earns interest at the respective bank deposit rates
(Forward)			
Deposits	₱1,677,646	₱–	
Withdrawals	1,782,101	–	
Interest income	–	–	Interest income on loans receivable
Interest expense	1,039	–	Interest expense on deposit liabilities
Other related parties:			
Loans receivable	–	8,638,803	Loans granted with terms ranging from four days to thirteen and a half years, interest ranging from 5.01% to 17.07%, secured by real estate mortgage,chattel mortgage & deposit hold-out , current and not impaired
Releases	4,858,591	–	
Collection	3,151,081	–	
Receivables purchased (booked under 'Loans Receivable')	–	501,041	Receivables purchased by the Parent Company from FLI (Note 9), current and not impaired
Releases	501,041	–	
Collections	2,283,451	–	
Accounts receivable	–	30,836	Receivables from EW Ageas Life which represent expenses shouldered by the Parent Company
Deposit liabilities	–	15,781,800	Earns interest at the respective bank deposit rates
Deposits	171,885,730	–	
Withdrawals	174,220,017	–	
Accounts payable	–	53,151	Collection of loan insurance on behalf of EW Ageas
	–		Life that remained unremitted
Guarantees and commitments	–	8,137,550	Unused credit lines
Accrued interest receivable	–	55,578	Interest income accrued on outstanding loans receivable
Interest income	–	765,248	Interest income on loans receivable
Interest expense	206,151	–	Interest expense on deposit liabilities
Commission fees	–	–	Commission fees received from EW Ageas Life
Service fee expense	–	–	Service fees paid to FLI for account servicing equivalent to 1.12% of loan amounts collected by FLI on behalf of the Parent Company (Note 9)
Rent expense	81,553		Rent expenses paid for lease transactions with other related parties such as Filinvest Asia Corporation,

The Group's significant investors pertain to FDC, the immediate Parent Company of the Group, and FDC Forex Corporation (a company under common control of FDC).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The Group considers the members of the Management Committee to constitute key management personnel for purposes of PAS 24, *Related Party Disclosures*. The Group provides banking services to its key management personnel.

Other related parties pertain to the Group's affiliates (subsidiaries of FDC).

The Group and the Parent Company had no outright purchases and outright sale of debt securities with significant shareholders and key management personnel in 2023, 2022 and 2021.

The Parent Company's subsidiaries have no transactions with related parties outside of the Group. The transactions disclosed above are the same for the Group and the Parent Company.

Parent Company Related Party Transactions

Transactions between the Parent Company and its subsidiaries meet the definition of related party transactions. Details of the Parent Company's subsidiaries are disclosed in Note 10.

In addition to the transactions discussed above, the following are the transactions between the Parent Company and its subsidiaries that are recognized in the Parent Company's statements of financial position and statements of income and eliminated in the consolidated financial statements:

	2023		
Category	**Amount/ Volume**	**Outstanding Balance**	**Terms and Conditions/Nature**
Subsidiaries:			
Receivables purchased	**₱–**	**₱6,279,326**	Receivables purchased by the Parent Company from EWRB (Note 9)
Acquisitions	**44,246,601**	–	
Collections	**37,967,275**	–	
Receivable sold	–	**284,054**	Employee loans sold by the Parent Company to EWRB (Note 9)
Accounts receivable	–	**718,412**	Amount collected by EWRB from borrowers on behalf of the Parent Company that remained unremitted and other related expenses shouldered by the Parent Company on behalf of the Subsidiaries
Accounts receivable	–	**150,679**	Receivables from subsidiaries which represent expenses shouldered by Parent Company
Deposit liabilities	–	**547,434**	Earns interest at the respective bank deposit rates
Deposits	**131,428,220**	–	
Withdrawals	**131,322,036**	–	
Accounts payable	–	**77,591**	Cash reloading transactions between EWRB and the Parent Company
Interest expense	**726**	–	Interest expense on deposits of EWRB and EWIB
Interest income	**115**	–	Interest income on loans receivable
Service fee expense	**150,154**	–	Service fees paid to EWRB for account servicing equivalent to 0.37% of loan amounts collected by EWRB on behalf of the Parent Company for the receivables purchased (Note 9) and for collection of credit card payments
Service fee income	**1,031**	–	Service fees paid by EWRB for account servicing equivalent to 0.37% of loan amounts collected by the Parent Company on behalf of EWRB for the receivables sold (Note 9)
Commission expense	–	–	Commission expense paid by the Parent Company to QMIS
Rent income	**42,212**	–	Rent of office space leased to subsidiaries

	2022		
Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Subsidiaries:			
Receivables purchased	–	₱32,433,426	Receivables purchased by the Parent Company from EWRB (Note 9)
Acquisitions	46,174,920	–	
Collections	13,741,493	–	
Receivable sold	–	255,972	Employee loans sold by the Parent Company to EWRB (Note 9)
Accounts receivable	–	510,091	Amount collected by EWRB from borrowers on behalf of the Parent Company that remained unremitted and other related expenses shouldered by the Parent Company on behalf of the Subsidiaries
Accounts receivable	–	244,637	Receivables from subsidiaries which represent expenses shouldered by Parent Company
Deposit liabilities	–	441,250	Earns interest at the respective bank deposit rates
Deposits	103,935,766	–	
Withdrawals	103,700,130	–	
Accounts payable	–	40,410	Cash reloading transactions between EWRB and the Parent Company

(Forward)

	2022		
Category	Amount/ Volume	Outstanding Balance	Terms and Conditions/Nature
Interest expense	956	–	Interest expense on deposits of EWRB and EWIB
Interest income	3,738	–	Interest income on loans receivable
Service fee expense	56,159	–	Service fees paid to EWRB for account servicing equivalent to 0.37% of loan amounts collected by EWRB on behalf of the Parent Company for the receivables purchased (Note 9) and for collection of credit card payments
Service fee income	995	–	Service fees paid by EWRB for account servicing equivalent to 0.37% of loan amounts collected by the Parent Company on behalf of EWRB for the receivables sold (Note 9)
Commission expense			Commission expense paid by the Parent Company to QMIS
Rent income	41,153		Rent of office space leased to subsidiaries

Transactions with Retirement Plans

Under PFRS, certain post-employment benefit plans are considered as related party transactions. The Parent Company's retirement plan is in the form of a trust administered by the Parent Company's Trust Division under the supervision of the Retirement Committee.

The values of the assets of the fund are as follows:

	2023	2022
Cash and cash equivalents	**₱450,032**	₱326,440
Equity instruments	**731,196**	660,931
Debt instruments	**101,471**	129,847
Others	**1,462**	1,717
	₱1,284,161	₱1,118,935

The following are the amounts recognized by the retirement plan arising from its transactions with the Parent Company for the years ended December 31, 2023, 2022 and 2021.

	2023	2022	2021
Trust fees	**₱3,524**	₱3,490	₱3,508
Interest income on deposit liabilities	**2,746**	1,213	453
Interest income on debt securities	**6,162**	6,825	7,425
Gain (loss) on investments in equity shares	**87,315**	(104,368)	(53,053)

Remunerations of Directors and other Key Management Personnel

Total remunerations of key management personnel are as follows:

	Consolidated			**Parent Company**		
	2023	2022	2021	**2023**	2022	2021
Short-term employee benefits	**₱334,404**	₱280,924	₱245,576	**₱303,943**	₱221,361	₱224,658
Post-employment benefits	**16,321**	59,120	6,847	**16,321**	59,120	6847
	₱350,725	₱340,044	₱252,423	**₱320,264**	₱280,481	₱231,505

Remunerations given to directors which were approved by the Board Remuneration Committee amounted to ₱26.32 million in 2023, ₱22.94 million in 2022, ₱21.54 million in 2021 for the Group and the Parent Company.

29. **Trust Operations**

Securities and other properties held by the Parent Company in fiduciary or agency capacity for clients and beneficiaries are not included in the accompanying statements of financial position since these are not assets of the Parent Company. The combined trust and managed funds of the Trust Department of the Parent Company amounted to ₱61.53 billion billion and ₱52.42 billion as of December 31, 2023 and 2022, respectively.

Government securities with total face value of ₱610.00 million and ₱540.00 million as of December 31, 2023 and 2022, respectively, are deposited with the BSP in compliance with current banking regulations related to the Parent Company's trust functions. These government securities are recorded as part of investment securities at FVTPL and at amortized cost as of December 31, 2023 and 2022, respectively.

In accordance with BSP regulations, 10.00% of the profits realized by the Parent Company from its trust operations are appropriated to surplus reserves. The yearly appropriation is required until the surplus reserves for trust operations amounts to 20.00% of the Parent Company's authorized capital stock.

The Parent Company's income from its trust operations amounted to ₱126.73 million, ₱121.23 million, ₱99.83 million in 2023, 2022 and 2021, respectively. For the years ended December 31, 2023, 2022 and 2021, the Parent Company appropriated ₱12.67 million, ₱12.12 million, ₱9.98 million, respectively.

30. **Commitments and Contingent Liabilities**

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

The Group has several loan related suits, assessments or notices, and claims that remain unsettled. It is not practicable to estimate the potential financial impact of these contingencies. However, in the opinion of management, the suits and claims, if decided adversely, will not involve sums having a material effect on the Group's financial statements.

Commitments and Contingencies

The following is a summary of commitments and contingencies of the Parent Company at their peso-equivalent contractual amounts arising from off-balance sheet items:

	2023	2022
Unused credit lines	**₱190,658,891**	₱146,356,010
Trust department accounts (Note 29)	**61,529,662**	52,422,147
Broker customer securities	**40,840,802**	36,862,504
Spot exchange sold	**11,991,023**	3,539,459
Forward exchange sold	**7,640,848**	18,762,151
Forward exchange bought	**4,721,303**	8,028,431
Spot exchange bought	**3,978,326**	3,206,847
Unused commercial letters of credit	**3,509,978**	3,452,146
Inward bills for collection	**512,802**	618,142
Outstanding guarantees	**496,103**	618,749
Treasurer/cashier/manager's checks	**461,311**	138,621
Late deposits/payments received	**8,103**	7,358
Outward bills for collection	**4,398**	9,486
Items held for safekeeping	**934**	1,035
Others	**167**	159

31. **Financial Performance**

Earnings per share amounts were computed as follows:

	2023	2022	2021
a. Net income attributable to equity holders of the Parent Company	**₱6,083,296**	₱4,625,325	₱4,515,036
b. Weighted average number of outstanding common shares by the Parent Company, including effect of stock dividends issued in 2019 (Note 23)	**2,249,975**	2,249,975	2,249,975
c. Basic and diluted EPS (a/b)	**2.70**	₱2.06	₱2.01

The Group's basic and diluted earnings per share are equal as there are no potential dilutive shares outstanding.

32. **Offsetting of Financial Assets and Liabilities**

PFRS 7 requires the Group to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments subject to enforceable master netting agreements or similar arrangements. The effects of these arrangements are disclosed in the succeeding tables.

Financial assets

31-Dec-23

Financial assets recognized atend of reporting period by type	Gross carryingamounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial Instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
SPURA (Note 7)	₱15,976,310	₱–	₱15,976,310	₱–	₱15,976,310	₱ -
Derivative assets (Note 5)	21,812	-	21,812	(1)	-	21,811
Total	₱15,998,122	₱–	₱15,998,122	(₱1)	₱15,976,310	₱21,811

31-Dec-22

Financial assets recognized atend of reporting period by type	Gross carryingamounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial Instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
SPURA (Note 7)	₱–	₱–	₱–	₱–	₱–	₱–
Derivative assets (Note 5)	18,750	–	18,750	(1)	–	18,749
Total	₱18,750	₱–	₱18,750	(₱1)	–	₱18,749

Financial liabilities

31-Dec-23

Financial liabilities recognized atend of reporting period by type	Gross carryingamounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial Instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Derivative liabilities (Note 5)	₱103,083	₱–	₱103,083	₱–	₱–	₱103,083
SSURA (Note 17)	14,663,678	–	14,663,678	–	17,202,332	–
Total	₱14,766,761	₱–	₱14,766,761	₱–	₱17,202,332	₱103,083

31-Dec-22

Financial liabilities recognized atend of reporting period by type	Gross carryingamounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial position [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure [c-d]
				Financial Instruments	Fair value of financial collateral	
	[a]	[b]	[c]	[d]		[e]
Derivative liabilities (Note 5)	₱107,835	₱–	₱107,835	–	–	₱107,835
SSURA (Note 17)	6,705,236	–	6,705,236	–	15,195,386	–
Total	₱6,813,071	₱–	₱6,813,071	–	₱15,195,386	₱107,835

The amounts disclosed in column (d) include those rights to set-off amounts that are only enforceable and exercisable in the event of default, insolvency or bankruptcy. These include amounts related to financial collateral both received and pledged, whether cash or non-cash collateral, excluding the extent of over-collateralization.

33. Notes to Statement of Cash Flows

Transfers from loans and receivables to investment properties as a result of foreclosures amounted to ₱274.52 million, ₱101.44 million, ₱61.23 million in 2023, 2022 and 2021 respectively, for the Group and the Parent Company. Transfers from loans and receivables to other repossessed assets as a result of foreclosures amounted to ₱3.99 billion, to ₱4.61 billion, ₱7.11 billion in 2023, 2022 and 2021 respectively, for the Group and the Parent Company. Amounts mentioned are inclusive of loss on asset foreclosure and dacion transactions amounting to ₱614.53 million, ₱9.45 million, ₱524.82 million in 2023, 2022 and 2021, respectively, for the Group and the Parent Company.

The table below provides for the changes in liabilities arising from financing activities:

Consolidated

	Bills and acceptances payable (Note 17)	Subordinated debt (Note 20)	Lease Liability (Note 27)	Bonds Payable (Note 19)	Total liabilities from financing activities
Balances at January 1, 2023	₱6,761,456	₱–	₱4,378,945	₱3,698,439	₱14,838,840
Cash flows	8,642,250	-	(1,066,269)	(3,698,439)	3,877,542
Additional leases	–	–	2,422,969	–	2,422,969
Amortization of discount/ accretion of interest	–	–	337,696	–	337,696
Balances at December 31, 2023	₱15,403,706	₱–	₱6,073,341	₱–	₱21,477,047

Consolidated

	Bills and acceptances payable (Note 17)	Subordinated debt (Note 20)	Lease Liability (Note 27)	Bonds Payable (Note 19)	Total liabilities from financing activities
Balances at January 1, 2022	₱98,150	₱1,241,964	₱3,106,320	₱3,687,686	₱8,134,120
Cash flows	6,663,306	(1,241,964)	(1,093,642)	–	4,327,700
Additional leases	–	–	2,125,913	–	2,125,913
Amortization of discount/ accretion of interest	–	–	240,354	10,753	251,107
Balances at December 31, 2022	₱6,761,456	₱–	₱4,378,945	₱3,698,439	₱14,838,840

Parent Company

	Bills and acceptances payable (Note 17)	Subordinated debt (Note 20)	Lease Liability (Note 27)	Bonds Payable (Note 19)	Total liabilities from financing activities
Balances at Janaury 1, 2023	₱6,761,456	₱–	₱4,107,058	₱3,698,439	₱14,566,953
Cash flows	8,642,250	–	(948,236)	(3,698,439)	3,995,575
Additional leases	–	–	2,365,221	–	2,365,221
Amortization of discount/ accretion of interest	–	–	321,122	–	321,122
Balances at December 31, 2023	₱15,403,706	₱–	₱5,845,165	₱–	₱21,248,871

Parent Company

	Bills and acceptances payable (Note 17)	Subordinated debt (Note 20)	Lease Liability (Note 27)	Bonds Payable (Note 19)	Total liabilities from financing activities
Balances at Janaury 1, 2022	₱98,150	₱–	₱2,791,079	₱3,687,686	₱6,576,915
Cash flows	6,663,306	–	(980,866)	–	5,682,439
Additional leases	–	–	2,076,488	–	2,076,488
Amortization of discount/ accretion of interest	–	–	220,357	10,753	231,110
Balances at December 31, 2022	₱6,761,456	₱–	₱4,107,058	₱3,698,439	₱14,566,953

34. Events Subsequent to the Reporting Period

There have been no events subsequent to December 31, 2023 that the Group and the Parent Company need to report.

35. Approval of the Financial Statements

The accompanying financial statements of the Group and the Parent Company were reviewed by the Audit Committee on March 14, 2024 and were approved and authorized for issue by the Parent Company's BOD on March 21, 2024.

36. Supplementary Information Required Under Section 174 of the Manual of Regulations for Banks (MORB)

Financial Performance Indicators
The following basic ratios measure the financial performance of the Group and the Parent Company:

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Return on average equity	**9.49%**	7.68%	7.86%	**9.49%**	7.68%	7.86%
Return on average assets	**1.37%**	1.12%	1.11%	**1.44%**	1.18%	1.17%
Net interest margin on average earning assets	**7.62%**	7.13%	6.47%	**7.26%**	6.51%	6.14%

Capital Instruments
There are no capital instruments issued by the Group and Parent Company in 2023 and 2022.

Capital Stock
Capital stock consists of (amounts in thousands, except for par value and number of shares):

	Shares			Amount		
	2023	2022	2021	**2023**	2022	2021
Authorized:						
Common stock - 10.00 par value	**4,500,000,000**	4,500,000,000	4,500,000,000			
Preferred stock - 10.00 par value	**500,000,000**	500,000,000	500,000,000			
Common stock issued and outstanding:						
Balance at the beginning of the year	**2,249,975,411**	2,249,975,411	2,249,975,411	**22,499,754**	22,499,754	22,499,754
Issuance of stock dividends	**–**	–	–	**–**	–	–
Balance at the end of the year	**2,249,975,411**	2,249,975,411	2,249,975,411	**22,499,754**	22,499,754	22,499,754

Unsecured subordinated debt

Lower Tier 2 unsecured subordinated notes due 2027

On February 20, 2017, EWRB issued 5.50% coupon rate Lower Tier 2 unsecured subordinated note (the 2027 Notes) with par value of ₱1.25 billion, maturing on August 20, 2027 but callable on August 20, 2022.

Unless the 2027 Notes are previously redeemed, the 2027 Notes are repayable to the Noteholders at 100.00% of their face value or at par on the maturity date of August 20, 2027.

From and including the issue date to, but excluding the optional redemption date of August 20, 2022, the 2027 Notes bear interest at the rate of 5.50% per annum and shall be payable quarterly in arrears on February 20, May 20, August 20, and November 20 of each year, which commenced on February 20, 2017. Unless the 2027 Notes are previously redeemed, the interest rate will be reset at the equivalent of the prevailing 5-year BVAL at reset date plus initial spread (i.e., the difference between the initial interest rate and the prevailing 5-year BVAL at the pricing date of the initial tranche), commencing on August 20, 2022.

The 2027 Notes are redeemable at the option of EWRB, in whole but not in part, on the call option date at 100.00% of the face value plus accrued but unpaid interest, subject to the following conditions:

a) EWRB has obtained prior written approval and complied with the requirements of the BSP prior to redemption of the 2027 Notes;
b) the 2027 Notes are replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of EWRB, or EWRB demonstrates that its capital position is above the minimum capital requirements after redemption is exercised;
c) EWRB is not in breach of (and would not, following such redemption, be in breach) of applicable regulatory capital requirements (including regulatory capital buffers);
d) EWRB is solvent at the time of redemption of the 2027 Notes and immediately thereafter.

Furthermore, upon the occurrence of a Tax Redemption Event or a Regulatory Redemption Event, the EWRB may, subject to compliance with BSP rules and BSP approval, and upon prior approval of the BSP and with prior written notice to the Noteholders on record, redeem all and not less than all of the outstanding 2027 Notes prior to the stated maturity by paying the Noteholder the Redemption Option Amount which, (a) in the case of a Tax Redemption Event is an amount equal to 100.00% of the face value of the 2027 Notes plus accrued interest at the interest rate relating to the then current interest period up to but excluding the date of such redemption, and (b) in the case of a Regulatory Redemption Event is an amount equal to 100.00% of the face value of the 2027 Notes plus accrued interest at the interest rate relating to the then current Interest Period up to but excluding the date of such redemption (the "Redemption Option Date").

The 2027 Notes have a loss absorption feature which means that the 2027 Notes are subject to a Non-Viability Write-Down in case of a Non-Viability Event. Non-viability is defined as a deviation from a certain level of Common Equity Tier 1 (CET1) Ratio or inability of the EWRB to continue business (closure) or any other event as determined by the BSP, whichever comes earlier. A Non-Viability Event is deemed to have occurred when EWRB is considered non-viable as determined by the BSP.

Upon the occurrence of a Non-Viability Event, EWRB shall write-down the principal amount of the 2025 Notes to the extent required by the BSP, which could go to as low as zero. Additional Tier 1 (AT1) capital instruments shall be utilized first before Tier 2 capital instruments are written-down, until the viability of the Issuer is re-established. In the event EWRB does not have AT1 capital instruments, then the write-down shall automatically apply to Tier 2 capital.

Loss absorption feature is subject to the following conditions:

a) the principal amount of all series of Tier 1 Loss Absorbing Instruments outstanding having been Written-Down to zero or converted into common equity of EWRB (where possible) irrevocably, in accordance with, and to the extent possible pursuant to, their terms (the "Tier 1 Write-Down");
b) the Tier 1 Write-Down having been insufficient to cure the Non-Viability Event;
c) EWRB giving the relevant Non-Viability Notice to the Public Trustee and the Registrar and Paying Agent.

Each Noteholder irrevocably agrees and acknowledges that it may not exercise or claim any right of set-off in respect of any amount owed to it by EWRB arising under or in connection with the 2027 Notes and it shall, to the fullest extent permitted by applicable law, waive and be deemed to have waived all such rights of set-off.

On June 24, 2022, the EWRB's Board of Directors unanimously approved under Resolution No. 002-007 EWRB 2022 the exercise of the Call Option for TIER2 on August 22, 2022. Issued principal is 1.25 Billion at 5.5% coupon rate with 385 noteholders. On August 1, 2022, BSP approved the exercise of the call option. Redemption date was on August 20, 2022 and was settled on August 22, 2022.

<u>Significant credit exposures as to industry/economic sector</u>
As of December 31, 2023 and 2022, information on the loan concentration as to industry (after unearned discounts and unamortized modification losses, but before allowance for credit losses) follows:

	Consolidated				Parent Company			
	2023		2022		**2023**		2022	
	Gross Amount	**%**	**Gross Amount**	**%**	**Gross Amount**	**%**	**Gross Amount**	%
Private households with employed persons	**₱212,499,312**	**68.87**	₱170,124,373	62.93	**₱193,641,808**	**69.23**	₱157,079,482	62.83
Real estate, renting and business activity	**24,703,996**	**8.01**	26,645,121	9.86	**24,673,321**	**8.82**	26,610,686	10.64
Wholesale and retail trade, repair of motor vehicles	**22,786,921**	**7.39**	22,551,473	8.34	**22,778,412**	**8.14**	22,542,818	9.02
Financial intermediaries	**10,022,249**	**3.25**	10,465,267	3.87	**9,931,261**	**3.55**	10,507,965	4.20
Education	**9,803,173**	**3.18**	7,293,006	2.70	146,845	0.05	202,823	0.07
Manufacturing	**7,449,135**	**2.41**	9,714,244	3.60	**7,440,705**	**2.66**	9,705,828	3.88
Electricity, gas, steam and air-conditioning supply	**7,128,870**	**2.31**	8,504,601	3.15	**7,128,254**	**2.55**	8,503,985	3.40
Other service activities	**3,736,544**	**1.21**	3,106,516	1.16	**3,683,352**	**1.32**	3,041,973	1.22
Accommodation and food service activities	**2,466,181**	**0.80**	2,468,071	0.91	**2,464,580**	**0.88**	2,466,471	0.99
Transportation and storage	**2,136,776**	**0.69**	2,514,589	0.93	**2,136,776**	**0.76**	2,514,589	1.01
Government and foreign sovereign	**1,535,700**	**0.50**	1,161,282	0.43	**1,483,752**	**0.53**	1,108,003	0.44
Construction	**1,509,341**	**0.49**	2,223,701	0.82	**1,504,852**	**0.54**	2,220,848	0.89
Agriculture, fisheries and forestry	**829,046**	**0.27**	814,372	0.30	**813,386**	**0.29**	797,314	0.32
Administrative and support service activities	**550,605**	**0.18**	422,712	0.16	**550,605**	**0.20**	422,713	0.17
Holding	**72,204**	**0.02**	72,706	0.03	**72,204.00**	**0.03**	72,706	0.03
Others****	**1,309,133**	**0.42**	2,237,591	0.83	**1,272,738**	**0.45**	2,215,681	0.97
	₱308,539,186	**100.00**	₱270,319,625	100.00	**₱279,722,851**	**100.00**	₱250,013,885	100.00

**Includes Arts and recreation activities, mining and quarrying, human health and social activities, and information and communication*

<u>Breakdown of total loans as to security and status</u>
The following table shows the breakdown of receivable from customers (after unearned discounts and unamortized modification losses, but before allowance for credit losses) as to secured and unsecured and the breakdown of secured receivables from customers as to the type of security as of December 31, 2023 and 2022:

	Consolidated				Parent Company			
	2023		2022		**2023**		2022	
	Gross Amount	**%**	Gross Amount	%	**Gross Amount**	**%**	Gross Amount	%
Loans secured by:								
Chattel	**₱81,558,366**	**27.47**	₱66,580,479	25.73	**₱81,289,791**	**30.28**	₱66,318,606	27.79
Real estate	**22,569,967**	**7.60**	25,113,211	9.71	**22,496,871**	**8.38**	25,058,827	10.50
Others*	**15,516,687**	**5.23**	15,972,417	6.17	**15,515,194**	**5.78**	15,966,016	6.69
	119,645,020	**40.30**	107,666,107	41.61	**119,301,856**	**44.44**	107,343,449	44.97
Unsecured	**177,232,351**	**59.70**	151,066,106	58.39	**149,155,380**	**55.56**	131,332,413	55.03
	₱296,877,371	**100.00**	₱258,732,213	100.00	**₱268,457,236**	**100.00**	₱238,675,862	100.00

**Consists of government securities, corporate bonds, shares of stock, hold-out on deposits, assignment of receivables etc.*

<u>Breakdown of total loans as to status</u>
BSP Circular No. 351 allows banks to exclude from non-performing classification receivables classified as 'Loss' in the latest examination of the BSP which are fully covered by allowance for credit losses, provided that interest on said receivables shall not be accrued and that such receivables shall be deducted from the total receivable portfolio for purposes of computing NPLs. Subsequently, the BSP issued BSP Circular No. 772, which requires banks to compute their net NPLs by deducting the specific allowance for credit losses on the total loan portfolio from the gross NPLs. The specific allowance for credit losses shall not be deducted from the total loan portfolio in computing the NPL ratio.

As of December 31, 2023 and 2022, NPLs of the Group and of the Parent Company as reported to the BSP follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Gross NPLs	**₱16,362,581**	₱19,196,209	**₱14,621,911**	₱17,506,941
Less NPLs fully covered by allowance for credit losses	**(6,021,421)**	(7,381,276)	**(5,618,842)**	(7,167,351)
	₱10,341,160	₱11,814,932	**₱9,003,069**	₱10,339,590

As of December 31, 2022 and 2021, secured and unsecured NPLs of the Group and of the Parent Company as reported to the BSP follow:

	Consolidated		Parent Company	
	2023	2022	**2023**	2022
Secured	**₱8,363,742**	₱10,494,625	**₱8,307,621**	₱10,431,213
Unsecured	**7,998,839**	8,701,583	**6,314,290**	7,075,728
	₱16,362,581	₱19,196,209	**₱14,621,911**	₱17,506,941

<u>Information on Related Party Loans</u>
As required by BSP, the Group discloses loan transactions with investees and with certain directors, officers, stockholders and related interests (DOSRI). Existing banking regulations limit the amount of individual loans to DOSRI, 70.00% of which must be secured, to the total of their respective deposits and book value of their respective investments in the lending company within the Group. In the aggregate, loans to DOSRI generally should not exceed total equity or 15.00% of total loan portfolio, whichever is lower.

BSP Circular No. 423 dated March 15, 2004 amended the definition of DOSRI accounts. The following table shows information relating to the loans, other credit accommodations and guarantees classified as DOSRI accounts under regulations existing prior to said Circular, and new DOSRI loans, other credit accommodations granted under said circular:

	Consolidated			Parent Company		
	2023	2022	2022	**2023**	2022	2021
Total outstanding DOSRI loans	**₱12,299,080**	₱13,510,710	₱11,600,943	**₱12,299,080**	₱13,510,710	₱11,600,484
Percent of DOSRI loans to total loans	**4.143%**	5.23%	5.37%	**4.581%**	5.66%	6.08%
Percent of unsecured DOSRI loans to total DOSRI loans	**0.04%**	0.04%	0.20%	**0.04%**	0.04%	0.20%
Percent of past due DOSRI loans to total DOSRI loans	**0.000%**	0.00%	0.00%	**0.000%**	0.00%	0.00%
Percent of nonperforming DOSRI loans to total DOSRI loans	**0.000%**	0.00%	0.00%	**0.000%**	0.00%	0.00%

	Consolidated			Parent Company		
	2023	2022	2021	**2023**	2022	2021
Total outstanding Related Party loans (inclusive of DOSRI loans)	**₱12,440,264**	₱14,137,783	₱11,691,489	**₱12,440,264**	₱14,137,783	₱11,691,489
Percent of Related Party loans to total loans	**4.190%**	5.47%	5.41%	**4.634%**	5.92%	6.12%
Percent of unsecured Related Party loans to total Related Party Loans	**0.650%**	0.48%	0.67%	**0.650%**	0.48%	0.67%
Percent of past due Related Party Loans to total Related Party Loans	**0.000%**	0.00%	0.00%	**0.000%**	0.00%	0.00%
Percent of nonperforming Related Party Loans to total Related Party Loans	**0.000%**	0.00%	0.00%	**0.000%**	0.00%	0.00%

The amounts of loans disclosed for related parties above differ with the amounts disclosed for key management personnel since the composition of DOSRI is more expansive than that of key management personnel.

BSP Circular No. 560 provides that the total outstanding loans, other credit accommodation and guarantees to each of the Parent Company's/quasi-Parent Company's subsidiaries and affiliates shall not exceed 10.00% of the net worth of the lending bank/quasi-bank, provided that the unsecured portion of which shall not exceed 5.00% of such net worth. Further, the total outstanding loans, credit accommodations and guarantees to all subsidiaries and affiliates shall not exceed 20.00% of the net worth of the lending bank/quasi-bank; and the subsidiaries and affiliates of the lending bank/quasi-bank are not related interest of any director, officer and/or stockholder of the lending institution, except where such director, officer or stockholder sits in the BOD or is appointed officer of such corporation as representative of the bank/quasi-bank.

On May 12, 2009, BSP issued Circular No. 654 allowing a separate individual limit of twenty-five (25.00%) of the net worth of the lending bank/quasi-bank to loans of banks/quasi-banks to their subsidiaries and affiliates engaged in energy and power generation.

<u>Aggregate amount of secured liabilities and assets pledged as security</u>
As of December 31, 2023, SSURA amounting to ₱14.66 billion are secured by a pledge investment securities at amortized cost with face value of ₱17.69 billion and fair value of ₱17.20 billion.

As of December 31, 2022, SSURA amounting to ₱6.71 billion are secured by a pledge investment securities at amortized cost with face value of ₱18.23 billion and fair value of ₱15.20 billion.

<u>Commitments and Contingencies</u>
The following is a summary of commitments and contingencies of the Parent Company at their peso-equivalent contractual amounts arising from off-balance sheet items:

	2023	2022
Unused credit lines	**₱190,658,891**	₱146,356,010
Trust department accounts (Note 29)	**61,529,662**	52,422,147
Broker customer securities	**40,840,802**	36,862,504
Spot exchange sold	**11,991,023**	3,539,459
Forward exchange sold	**7,640,848**	18,762,151
Forward exchange bought	**4,721,303**	8,028,431
Spot exchange bought	**3,978,326**	3,206,847
Unused commercial letters of credit	**3,509,978**	3,452,146
Inward bills for collection	**512,802**	618,142
Outstanding guarantees	**496,103**	618,749
Treasurer/cashier/manager's checks	**461,311**	138,621
Outward bills for collection	**4,398**	9,486
Late deposits/payments received	**8,103**	7,358
Items held for safekeeping	**934**	1,035
Others	**167**	159

37. Supplementary Information Required Under Revenue Regulations No. 15-2010

On November 25, 2010, the BIR issued Revenue Regulations No. 15-2010, requiring the inclusion of information on various taxes paid and accrued during the taxable year in the notes to the financial statements.

The Parent Company reported and/or paid the following types of taxes for the year ended December 31, 2023:

<u>Gross Receipts Tax</u>
The Parent Company is subject to gross receipt tax on its gross income from Philippine sources. Gross receipt tax is imposed on interest, commissions, and discounts from lending activities at 5.00% or 1.00%, depending on the remaining maturities of instruments from which such receipts are derived, and at 7.00% on non-lending fees and commissions, net trading and foreign exchange gains and other items constituting gross income.

In FCDU, income classified under 'All Other', which is subject to corporate income tax is also subject gross receipt tax at 7.00%.

Details of the Parent Company's income and gross receipt tax accounts in 2023 are as follows:

	Gross Receipts	Gross Receipts Tax
Income derived from lending activities	₱29,885,213	₱1,358,328
Other income	2,976,995	208,389
	₱32,862,208	₱1,566,717

Other Taxes and Licenses
This includes all other taxes, local and national, incurred in 2023 and presented under in the statement of income, as follows:

Documentary stamps taxes	₱377,399
Local taxes, permits and fees	78,916
Fringe benefit taxes	26,823
Others	23,929
	₱507,067

Withholding Taxes
Details of withholding taxes remitted and balances as of December 31, 2023 follow:

	Total Remittances	Balance
Withholding taxes on compensation and benefits	₱754,522	₱36,999
Expanded withholding taxes	247,001	30,324
Final withholding taxes	741,574	67,347
	₱1,743,097	₱134,670

The Parent Company has no outstanding assessments from the BIR as of December 31, 2023.

Tax Assessments and Cases
As of December 31, 2023, the Parent Company has no deficiency tax assessment and has no tax cases, litigation and/or prosecution in courts or bodies outside the BIR.

Shareholders' Information

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The 2023 Annual and Sustainability Report features forward-looking statements regarding upcoming events and expectations. Such statements may include references to the Bank, its management, or other similar terms. Likewise, any statements detailing the Bank's objectives, plans, or goals are also considered forward-looking.

It's important to note that these statements carry inherent risks and uncertainties, both known and unknown, which could cause actual outcomes to differ significantly from what these forward-looking statements suggest.

These forward-looking statements are based on the current beliefs or expectations of the management, coupled with assumptions and information available to them at present. They are valid only as of the date of this report. Nothing within this report should be interpreted as a guarantee or representation of future outcomes.

This report does not serve as a prospectus or offering memorandum, either in its entirety or partially. Furthermore, it does not present an offer to sell or a solicitation to buy any securities of the Bank. The sale of these securities is prohibited in any state or jurisdiction where such an offer, solicitation, or sale would be considered unlawful without prior qualification under the respective securities laws of that state or jurisdiction.

This report has not been and will not be reviewed by any statutory or regulatory authority, or any stock exchange in the Philippines, or elsewhere. Those who receive this report are urged to conduct their own evaluation with regard to investing in the Bank. They should seek independent advice regarding the appropriateness, risks, and merits of any such investment, as well as any potential tax, legal, and accounting implications it might entail for them.

Additional Disclosures: EastWest Bank Annual and Sustainability Report 2023

Board Composition

Name	Number of Years as Director
Jonathan T. Gotianun	17
Lourdes Josephine Gotianun - Yap	24
Jacqueline Sarmiento Fernandez	2
Isabelle Gotianun Yap	5
Joseph Del Mar Yap	1
Rhoda Angangco Huang	<1
Gregorio U. Kilayko	5
Atty. Jose Maria G. Hofilena	5
Armando Lacson Suratos	3
Imelda B. Capistrano	2
Cristina Que Orbeta	2

Anti-Money Laundering

We view current anti-money laundering (AML) policies as an opportunity to enhance our vigilance and deepen our understanding of our customers. We remain committed to complying with the provisions of the Anti-Money Laundering Act (AMLA), with our Compliance Division overseeing its comprehensive implementation.

Our AML program continues to be strengthened, particularly in transaction monitoring. We kept abreast of news and developments in the market that could create huge reputational risks apart from actual financial damage.

We take pride in having 100% awareness of our AML policy in our ranks, as it is a foundational training course for each member of the organization. Even those not in the frontlines are required to take the course to know the basic rules and protect the business.

At EastWest, specialized AML courses and briefings are conducted in our stores during service and sales clinics. These sessions reinforce proper client identity processes from onboarding to continuous monitoring of account activity, along with all other controls that protect us against unlawful activity.

Selection and Remuneration Policy for Senior Management

The selection of our Senior Management undergoes a rigorous evaluation process. Candidates are assessed by the Talent Management and Acquisition Head, Hiring Manager, relevant Business or Functional Group Head, and the Group Head of HR. This evaluation is based on established standards and parameters including knowledge, expertise, required competencies, integrity, probity, experience, and training. Additionally, the candidate's values are compared with those upheld by the Bank.

Candidates who meet the selection criteria are then endorsed for final assessment and hiring approval by the CEO and the Chairman. While we do not have a separate remuneration policy for Senior Management, we adhere to a Rewards Philosophy applicable to all EastWestbankers. This philosophy supports a high-performing culture that promotes and rewards performance, and recognizes potential through comprehensive rewards programs. These programs include competitive pay policies and essential benefits to meet personal needs and support family requirements.

The EastWest philosophy aims to implement differentiated rewards based on performance, potential, and job criticality. This approach ensures we remain competitive, particularly for talents with high potential, consistent superior performance, and those in critical roles.

Retirement of Senior Officers

The retirement age is generally the same as with all other bonafide EastWestbankers as embodied in the Plan Rules and Regulations of the EastWest Employees' Retirement Plan. The normal retirement date for our employees is attainment of age 60 but there may be cases that call for late retirement, which we approve on a case-by-case basis.

Dividend Policy

Dividends may be declared from the surplus profits arising from the business of the Bank at such time and in such percentage as the BOD may deem proper. No dividends may be declared that will impair our capital. Stock dividends shall be declared in accordance with the law. The BOD has set 20% to 30% of earnings will be declared as dividends.

Related Party Transactions

We have formulated and implemented policies and procedures to ensure the integrity and transparency of related party transactions (RPT) involving the Bank, our parent company, joint ventures, subsidiaries, affiliates, major stockholders, officers, directors, and relevant parties. Recognizing that these transactions may present potential conflicts of interest, we maintain them at arm's length, ensuring they receive no special favor or treatment.

The RPT Committee conducts periodic reviews of RPT policies and procedures, including materiality thresholds and internal limits, and endorses any necessary revisions for Board approval and confirmation by a majority vote of stockholders.

Consumer Protection Program

EastWest's Board of Directors is responsible for approving and overseeing the implementation of the Bank's Consumer Protection Risk Management System (CPRMS) and Customer Assistance Mechanism (CAM), as well as monitoring and overseeing the performance of Senior Management in managing daily consumer protection activities.

To ensure adherence to the standards of conduct on Effective Course, the bank is committed to providing customers with accessible, affordable, independent, fair, accountable, timely, and efficient means of resolving complaints. EastWest has established Consumer Assistance Mechanism (CAM) Policies and Procedures, comprising the following components:

a. Consistent regulatory definitions of "complaint," "request," and "inquiry";

b. Standards and requirements for capturing, handling, and managing complaints, requests, and inquiries, including record-keeping, monitoring, and analysis;

c. Effective categorization of complaints;

d. Reporting complaints to Senior Management, the Board of Directors, and Regulators.

The CAM policy also delineates the corporate structure for handling complaints, specifying distinct roles and responsibilities:

a. Customer Service: Assumes the duties of the Consumer Assistance Group (CAG) alongside the Complaints Management Unit.

b. Complaints Management Unit: Leads the resolution of complaints on a daily basis.

c. Customer Experience: Monitors the handling of consumer concerns and oversees the preparation and submission of related reports.

d. Consumer Assistance Group (CAG) Head – Group Head of Customer Experience

1. Supervises the consumer assistance process.
2. Tracks and identifies trends in complaints, collaborating with internal stakeholders to address major issues using complaints data.
3. Reports to Senior Management on the complaints received, including the causes, recommended solutions to prevent recurrence, and suggestions for process or personnel improvements.

e. Customer Assistance Officer (CAO) – Frontline Personnel who Interfaces with the Customer

1. Complaint Handling and Resolution
2. Assessment and Analysis
3. Reporting and Feedback

Top 20 Shareholders

Name	Nationality	Number of Shares	%
FILINVEST DEVELOPMENT CORPORATION	Filipino	900,136,017	40.01%
FDC FOREX CORPORATION	Filipino	592,411,545	26.33%
PCD NOMINEE CORPORATION (FILIPINO)	Filipino	426,088,571	18.94%
PCD NOMINEE CORPORATION (NON-FILIPINO)	Foreign	257,105,619	11.43%
F. YAP SECURITIES INC.	Filipino	37,062,909	1.65%
LA FILIPINA UY GONGCO CORPORATION	Filipino	18,900,000	00.84%
CO JONATHAN DEE	Filipino	6,057,300	00.27%
BERIT HOLDINGS CORPORATION	Filipino	4,005,600	00.18%
ALBARRACIN TRINIDAD M. OR ALBARRACIN MARIO M.	Filipino	1,200,000	00.05%
ALFREDO B. CATAPANG OR CARMINA P. CATAPANG	Filipino	1,048,410	00.05%
TEH ALFONSO S.	Filipino	1,000,000	00.04%
TEAM GLADIOLA INC.	Filipino	750,000	00.03%
SUSMERANO GERARDO	Filipino	745,930	00.03%
MANUEL A. SANTIAGO &/OR ELLA C. SANTIAGO	Filipino	530,000	00.02%
SYCIP ANNA Y.	American	480,000	00.02%
CHENG JOSHUA	Filipino	470,000	00.02%
MIRIAM CHENG BONA ITF MARK JERICHO C. BONA	Filipino	330,600	00.01%
GOTAUCO QUIRINO CHEONG	Filipino	301,875	00.01%
UY IVY B.	Filipino	150,000	00.01%
TAN CATHERINE L.	Filipino	150,000	00.01%

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