INNOVATIONS THAT DELIVER

ANNUAL AND SUSTAINABILITY REPORT 2021

Innovation, once considered a "nice to have," is now becoming a "must have" for business, especially in banking. Innovation is at the heart of RCBC. It enables the Bank to seamlessly operate, transform functions, operate efficiently, and develop superior capabilities. Innovation brings to customers products and services tailor-fit to their needs and makes banking with RCBC a compelling experience.

In this 2021 Annual and Sustainability Report, we discuss how RCBC's innovations create value for our customers, for our employees, for society, and for our planet. Our ability to innovate and deliver solutions in relation to our financial, economic, social, and environmental performance is discussed at length in this report.

The Report was designed in accordance with the following guidelines:

- Checklist of Bangko Sentral ng Pilipinas (BSP) Requirements in the Submission of Financial Audit Report (FAR), Annual Audit Report (AAR) and Reports Required Under Section 7 of Circular No. 410;
- BSP Circular 1085 which mandates banks to adopt a Sustainable Finance Framework and BSP Circular 1128 which requires banks to integrate environmental and social risks in the Environmental and Social Risk Management Framework;
- Sustainability Reporting Guidelines for Publicly Listed Companies under the Securities and Exchange Commission Memorandum Circular No. 4 Series of 2019; and
- RCBC's Sustainable Finance Framework, which articulates our strategy to deploy Sustainable Financing Instruments to fund loans and projects that have clear environmental and/or social benefits. Under this framework, RCBC is required to annually report the allocation and the aggregated impact of the net proceeds of our Eligible Green and Social Portfolio. This will enable investors to monitor the use of net proceeds and the positive impact of our sustainable financing activities.

We also disclose in this Report our contributions to the United Nations Sustainable Development Goals (SDGs) wherever applicable. The relationship between the related sections and the SDGs are marked with SDG icons throughout the Report.

Scope of the Report

This report's content and scope are based on our primary business areas and sustainability-related initiatives undertaken in RCBC Plaza in Makati City, A.T. Yuchengco Centre in Taguig City, in our subsidiaries and associate offices, and in our 434 branches nationwide. It covers the reporting period January 1, 2021 to December 31, 2021 and provides comparative data whenever applicable. Figures in the employees' section of the Report include our branch personnel, but not those from our overseas operations, joint ventures, or suppliers. The economic value tables, including audited financial statements, reflect consolidated figures.

Feedback and Access

We welcome your feedback to continually improve our reporting performance. You may reach us at:

Email: investor_relations@rcbc.com
Tel.: (632) 8894-9000

An electronic version of this Report is available at: https://www.rcbc.com/annual-reports. You may scan the QR codes provided on the sections for more information.

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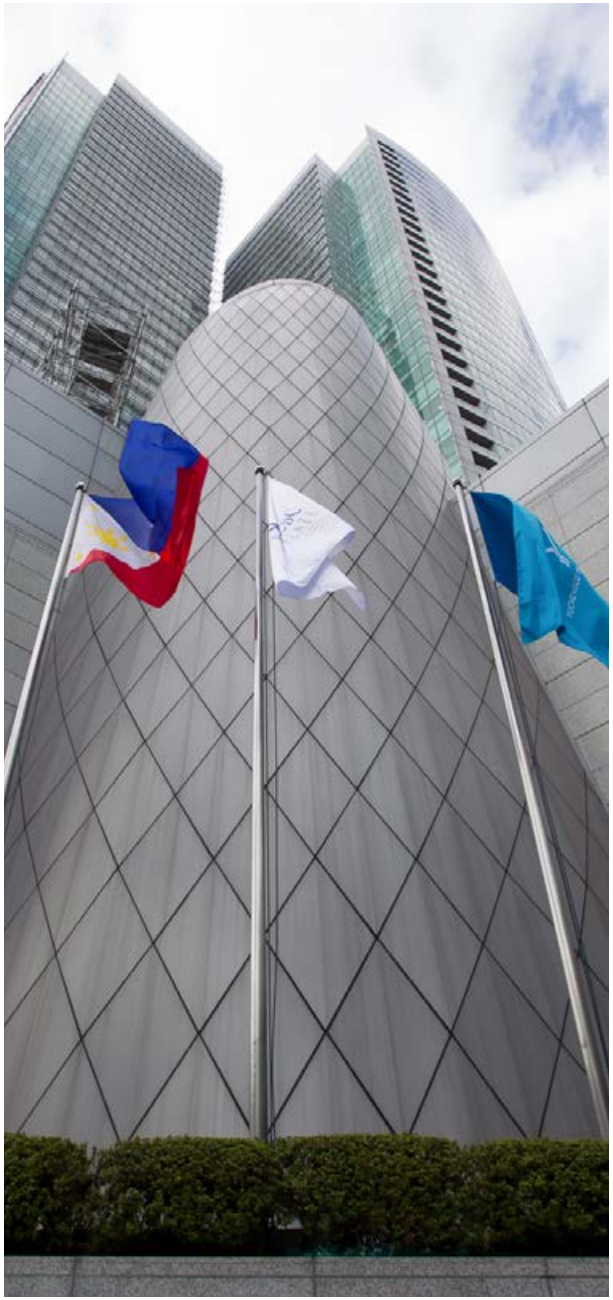


OUR BUSINESS AT A GLANCE

Rizal Commercial Banking Corporation (RCBC) began operations as a private development bank in the province of Rizal in 1960 under the name Rizal Development Bank. It received approval from the Central Bank of the Philippines to operate as a commercial bank and began operations under its present name in 1963. RCBC has been listed on the Philippine Stock Exchange since 1986 under the stock ticker symbol 'RCB' and obtained a universal banking license in 1989.

The Bank provides a wide range of banking and financial products and services. It offers commercial, corporate and consumer lending products, cash management products, treasury products, remittance services, as well as digital and mobile banking services.

The Bank and its nine subsidiaries are engaged in all aspects of traditional banking, investment banking, retail financing (auto, mortgage/housing loans, credit cards and microfinance loans), remittance, leasing, foreign exchange and stock brokering.

INDUSTRY RANKING AS OF END-2021*

6TH
IN ASSETS AMONG PRIVATE LOCAL BANKS
— TOTAL RESOURCES OF PHP959.1 BILLION

7TH
IN REACH
— CONSOLIDATED NETWORK OF 434 BRANCHES, INCLUDING 6 EXTENSION OFFICES

6TH
IN DEPOSITS
— TOTAL DEPOSITS OF PHP672.5 BILLION

6TH
IN LOANS
— TOTAL LOANS AND RECEIVABLES OF PHP538.3 BILLION

*Excludes government-owned and foreign banks

CLIENTELE BASE

As a diversified financial services institution, RCBC serves corporate and individual banking needs, providing a wide range of financial services to its customers through its retail and investment bank, microfinance unit, foreign exchange brokerage house, leasing company and overseas remittance tie-ups. In synergy with SunLife GREPA Financials (SLGFI) and Malayan Insurance Company, Inc. (MICO), RCBC also offers investment-linked life insurance products, auto, fire, personal accident, and other non-life insurance products.

It also serves the country's microenterprise and small business operators, as well as value chain players in the agricultural sector, through its microfinance arm, Rizal MicroBank, which operates in key areas in Luzon, Visayas and Mindanao with a total of 16 branches and two micro-banking offices.

DELIVERY CHANNELS

RCBC has an extensive network of 434 branches and operates from its corporate headquarters in Makati City, Philippines. In addition to its strategic branch locations, its traditional delivery channel, the Bank serves customers via its 1,245 ATMs and 1,589 ATM Go terminals all over the country, through the internet, and mobile banking (IOS and android applications).

BUSINESS MODEL

RCBC derives its funding from customer deposits, which account for 70.1% of its total resources, other borrowings at 18.3%, and capital at 11.6%. Its lending business serves as its main source of revenue, comprising 56.1% of total resources.

Net interest income comprises 79.2% of its total operating income of Php36.39 billion, while other income accounts for 20.8% of the balance. The Bank also earns income from other financial services and activities by charging fees or earning commissions, and trading income from proprietary trading activities.

OWNERSHIP

RCBC is majority-owned by the Yuchengco Group of Companies (YGC), one of the oldest and largest conglomerates in Southeast Asia covering over 60 businesses. Common shares comprising 39.64% of the total are directly and indirectly owned by Pan Malayan Management and Investment Corporation (PMMIC), the holding company of the flagship institutions comprising the Yuchengco Group of Companies (YGC) and other investments.

YGC businesses include Malayan Insurance (non-life insurance), SunLifeGREPA Financial, Inc. (life insurance joint venture with Sun Life Financial Philippines); EEI Corp. (construction); educational institutions, and vehicle dealerships.

In addition to YGC, RCBC's other significant investors are Cathay Life Insurance Co. Ltd., a wholly owned subsidiary of Cathay Financial, one of the largest publicly listed financial holding companies in Taiwan; the World Bank's International Finance Corp. In 2021, Sumitomo Mitsui Banking Corp., one of the largest megabanks in Japan, invested Php4.48 billion in RCBC in exchange for a 4.99% stake.

AWARDS AND RECOGNITIONS IN 2021

Amidst the challenging operating environment that persisted on the second year of the COVID-19 global pandemic in 2021, RCBC managed to reap a total of 58 awards and recognitions from various prestigious regional and global institutions and publications.

CORPORATE CITIZENSHIP

RCBC makes social contributions through its corporate social responsibility (CSR) arm, the AY Foundation. The Bank helps rehabilitate calamity-stricken areas, bankrolls projects on sustainable livelihood, grants educational scholarships for the youth, and undertakes environmental sustainability programs.

VISION

To be the most admired and trusted profitable financial services group providing and adapting to customers' changing needs - for every Filipino worldwide - through innovative products, excellent service and a highly motivated, committed and impassioned team.

MISSION

We are a leading universal bank, providing quality Integrated Financial Services that best meet our clients' needs. We are committed to conducting our business with utmost integrity, excellence, and commitment as responsible corporate citizens; and, providing professional growth opportunities to develop a talented base of officers and employees, and achieving the best returns for our stockholders.

AWARDS AND RECOGNITIONS IN 2021

DIGITAL AWARDS

- Best Digital Bank by International Business Magazine
- Best Digital Bank by Business Tabloid
- Best Digital Bank by Alpha South East Asia
- Digital Banking Brand of the Year by Global Business Review Magazine
- Digital Banking Brand of the Year Philippines 2021 by Global Banking and Finance - Next 100 Global Awards
- Excellence In Digital Banking Service Provider Philippines by Global Business Review Magazine
- Excellence In Digital Bank Philippines 2021 by Global Business Review Magazine
- Best User Experience - Mobile Banking (RCBC Bankard) by The Digital Banker
- Most Innovative Internet Banking Service Provider Philippines by Global Business Review Magazine
- Best Innovation Management Team by Global Business Review Magazine
- Future of Industry Ecosystems by IDC Future Enterprise Awards
- Special Award for Digital Resiliency by IDC Future Enterprise Awards
- Best Innovation Management Team Philippines 2021 - RCBC Diskartech by Global Banking and Finance - Next 100 Global Awards
- Outstanding Personalized 1:1 Marketing Initiative" - Digital Cash Loan project by Digital Banker - Global Retail Banking Innovation Awards
- Mobile Banking & Payment Initiative of the Year by Asian Banking and Finance

PRODUCT AWARDS

- Debit Card Initiative of the Year – Philippines by Asian Banking and Finance
- Best ATM and Kiosk Implementation by Asian Banker Financial Technology Award
- Best Managed Equity Fund (Peso) by CFA Society Philippines
- Best Loyalty/Rewards Strategy by Retail Banker International Trailblazer Awards
- Service & Solution category - RCBC's DiskarTech - The Philippines' First Tagalog and Cebuano Financial Inclusion Super App by Enterprise Asia – IIA
- Service & Solution category - RCBC Mobile - RCBC's Mobile Banking App for the Mass Affluent by Enterprise Asia – IIA
- Best Covid response Initiative - RCBC Diskartech by Bank Marketing Association of the Philippines
- Best Customer Centric Product or Service - Hexagon Club by Bank Marketing Association of the Philippines
- Best Financial Inclusion Program - RCBC Diskartech by Bank Marketing Association of the Philippines
- Covid Response Innovations (Runner up) - RCBC One Account by Infosys Finacle Innovation Awards
- Best Customer Loyalty Program - Hexagon Club by International Finance

CORPORATE AND COMMERCIAL AWARDS

- Best Cash Management Bank in the Philippines by Global Banking & Finance Review Awards
- Renewable Energy Deal of the Year WIND under Vietnam, Best Deals ASEAN by The Asset Infrastructure Awards
- Philippines Domestic COVID Management Initiative of the Year by Asian Banking and Finance
- Most Trusted Brand by Global Brand
- Best Private Domestic Bank Brand by Global Brand
- Best SME Banking Brand – Philippines by Global Brand
- 2021 Outstanding BSP Stakeholders by Bangko Sentral ng Pilipinas
- Corporate Excellence Award by Asia Pacific Enterprise Awards
- 2020 Best Fixed Income House - 3rd place by Fund Managers Association of the Philippines

RETAIL AWARDS

- Mid-sized Domestic Retail Bank of the Year – Philippines by Asian Banking and Finance
- Best Retail Bank in the Philippines by Retail Banker International Trailblazer Awards
- Best in Mass Affluent Banking by Retail Banker International Trailblazer Awards

SUSTAINABILITY AWARDS

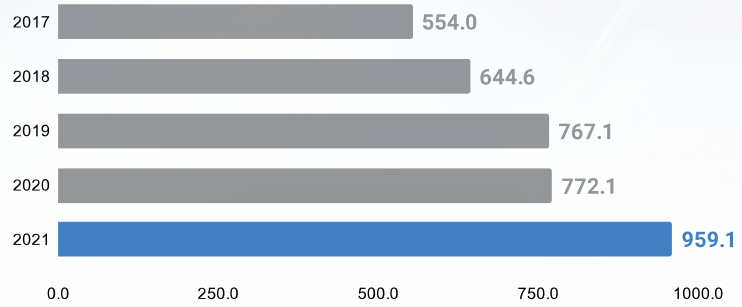
- Top Community Centric Companies in Asia by Asia Corporate Excellence & Sustainability Awards 2021
- The Asset Benchmarking Award for Excellence in Environmental, Social, and Governance (ESG) – Gold Award for 2021" by The Asset ESG Corporate Awards
- Best Sustainability Bond by Asset Publishing and Research Ltd

MARKETING CAMPAIGN AWARDS

- Best Product Program - RCBC One Account by Bank Marketing Association of the Philippines
- Best Program in Social Media - RCBC Christmas in Your Card by Bank Marketing Association of the Philippines
- Inspirational Brand Award by Asia Pacific Enterprise Awards
- Utang ni Tatang Digital Ad Campaign (Gold Anvil) - PR Tool by Anvil Awards
- Madiskarteng Pilipino: Road to #BuhayAsenso Financial Inclusion Caravan Series" (Gold Anvil) by Anvil Awards
- Utang ni Tatang Digital Ad Campaign - PR Program (Silver Anvil) by Anvil Awards
- Madiskarteng Pilipino music video (Silver Anvil) by Anvil Awards
- #Ipon Galing: Road to Achieving #IponGoals" promo series (Silver Anvil) by Anvil Awards
- Christmas In Your Cards - Platinum Award in Digital Marketing by Marcom

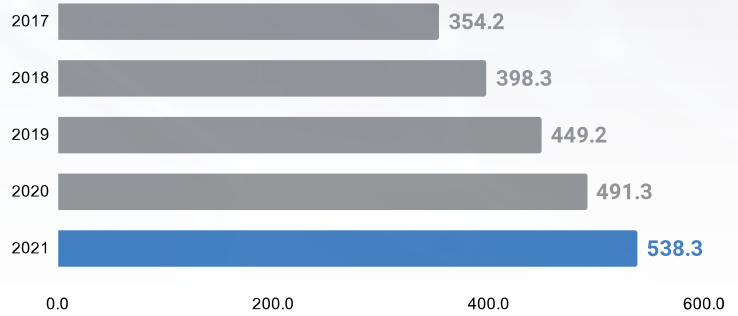
TOTAL RESOURCES

In billion Php



NET LOANS*

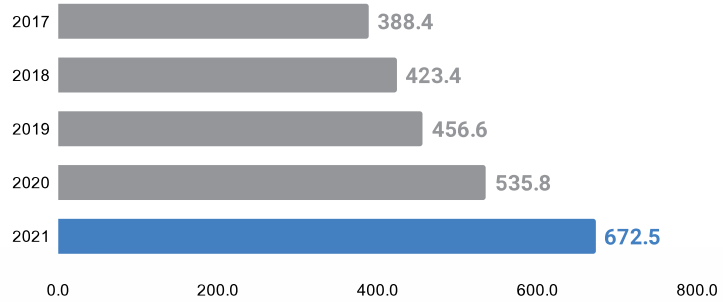
In billion Php



* Includes Receivables, Net of Interbank Loans

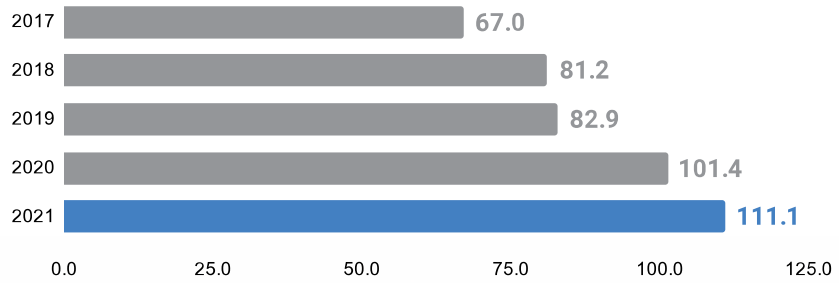
TOTAL DEPOSITS

In billion Php



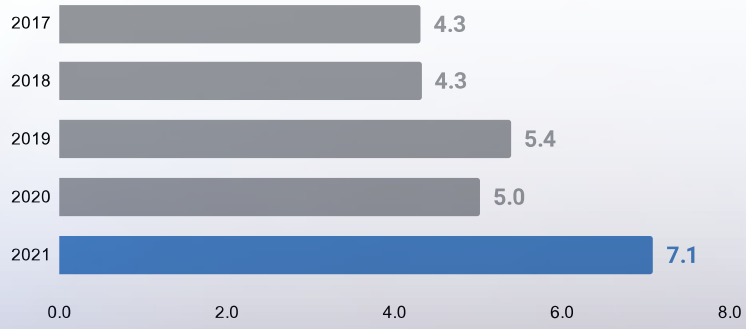
NET WORTH

In billion Php

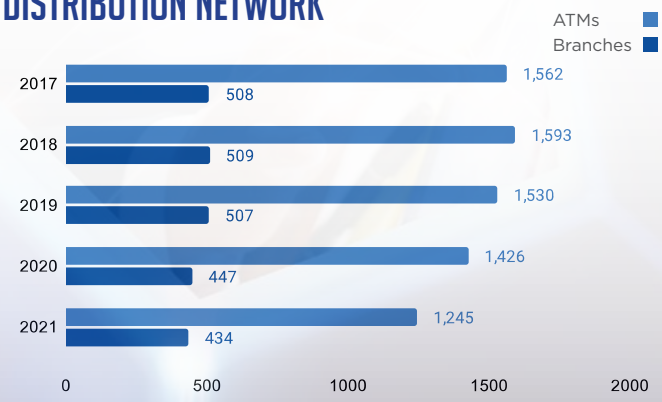


NET INCOME

In billion Php



DISTRIBUTION NETWORK



DEAR SHAREHOLDERS, CUSTOMERS, COLLEAGUES, AND PARTNERS:

2021 was a watershed year for the whole world and for RCBC in many respects.

Defying many predictions of a prolonged recession, the global economy recovered in 2021. This was driven by strong consumer spending and investment, with trade surpassing pre-pandemic levels.

Mirroring this momentum of growth, the Philippines' GDP expanded by 5.7% in 2021 from the previous year's level. Thanks to the ease of restrictions on pandemic protocols, business activity picked up, especially in the fourth quarter. To encourage banks to lend more, the Bangko Sentral ng Pilipinas (BSP) kept its key policy rate unchanged at 2%, ushering record-low interest rates.

While growth remains fragile in many parts of the world, we at RCBC have many reasons to celebrate. Not only did we mark our sixth decade as a financial institution in 2021, but more importantly, we celebrate the remarkable resilience and resourcefulness we have demonstrated in the past two years of the pandemic.

Together as one RCBC family, we have faced unprecedented challenges. We have shifted to new ways of working and quickly embraced digital platforms. And while many of us were working from home for over a year, we still managed to help our colleagues, our customers, and partners navigate their way through the most trying 24 months in our 60-year history.

We always believed in our ability to come together for a common purpose. When the pandemic started in 2020, no one knew the depth or the duration of the COVID-19 economic downturn. During the early days of the pandemic, the outlook seemed bleak for businesses around the world. Our response to these unprecedented challenges has been quick: our Management Team had to make some of the hardest decisions to ensure the health of our people as well as of our business. We made prudent and tough decisions on cost control, which meant enjoining everyone to work harder and make some sacrifices.

This is why seeing the fruits of all our efforts today fills my heart with deep gratitude. In 2021, we breached the Php7-billion mark in net income, climbing by 41% versus year-ago, and making history as our highest ever. Behind these numbers are our pioneering innovations in the digital space, as well as in our various services, that won the hearts of our customers, as well as those of prestigious award-giving bodies. In 2021 alone, RCBC earned a total of 58 awards and recognitions — our best haul ever.

To be a formidable player, we must remain a forward-thinking bank. We should continue to harness technologies that satisfy customer needs for financial health, wealth, trust, and security, with a new level of online, mobile, and omni-channel services.

However, even if we keep on pioneering innovations, a high-tech mindset is not enough on its own.

If we fail to meet real needs, wants, and behaviors, our customers will not reward us with loyalty, trust, and support. This is why RCBC heavily invests in data science to ensure that our innovations remain relevant to every Filipino — helping them adapt to the post-pandemic reality, getting everyone on-boarded into the digital space with ease, performing transactions faster and more seamlessly.

This is why our sustainable future depends on how well we can leverage the latest innovations to provide future-oriented banking services that are seamless, inspired, innovative, and loved.

Looking ahead, there is no doubt that RCBC, like any other business, still faces many uncertainties. The economic and geopolitical environment will remain volatile, especially with the ongoing geopolitical tension in Russia and Ukraine, emerging supply chain bottlenecks, rising commodity prices, and other potential headwinds, both locally and globally.

To steady our hold, we bank on the impressive agility and remarkable ability to adapt with change which we have demonstrated during the past two years. Our strong brand reputation, consistent track record of growth, our capabilities and culture, and our commitment to sustainability allow us to look to the future with confidence.

On behalf of our Board of Directors, our Senior Management team, and our employees, we thank you for the trust and confidence you have given RCBC throughout these years. This emboldens us to continue pursuing innovations that deliver, now and for the succeeding generations.

Helen Yuchengco Dee
Chairperson

MAKE IT COUNT

With the ripple effects of the COVID-19 pandemic still being felt in 2021, RCBC continued to navigate the ever-changing business and economic landscape to deliver on our purpose and create long-term value for our stakeholders.

Even without the pandemic, our business is already being disrupted by rapidly changing customer expectations, increasing regulation, and intensifying competition from banks, as well as other players such as fintechs and telcos.

The unprecedented pandemic, however, brought three things to light:

1. Even the best-laid plans could go awry, as our business is largely and increasingly being shaped by what's happening in the world around us, from economic and political developments, to the changing regulatory environment, global trends and social issues;
2. Even the worst crisis could open up windows of opportunities, more so if we are agile, digital, connected, and entrepreneurial; and
3. Innovation is no longer optional but has become imperative for business to succeed.

While these insights are nothing new, they became crystal clear when our very survival — not just as a bank or a business, but as a people — was put on the line during the pandemic. And because of these insights, we have learned to cope with the new operating environment in 2021 even as we continue to be on the lookout for "black swans" that could set our efforts back.

> Inevitably, grappling with uncertainty around us will now be a way of life. Thus, we should turn every crisis into a chance to serve our customers better with empathy, stay ahead of the game, and seize pockets of opportunities that emerge with the rapid changes in our operating environment.

Stronger

While there was still reluctance to lend due to lingering market uncertainty, RCBC found a way to step up to the plate. We looked at the entire spectrum and saw borrowers from safe-haven sectors that deserve credit assistance during the crisis. Many of these borrowers — from small and medium enterprises to conglomerates — were long-time depositors who have stayed with RCBC through generations, through thick or thin. The pandemic gave us the perfect opportunity to reward their trust and loyalty with our partnership so they can survive and thrive.

We did not go to battle armed with just noble intentions. Our steadfast determination to serve these sectors came from data-driven decisions after identifying the safe havens for growth. This strategy served us in good stead, enabling us to expand our customer base and unlock more business opportunities.

By being there when we were most needed, our clients rewarded us with their continued patronage.

Our consolidated net income rose to an all-time high in 2021 — to Php7.08 billion or by 41.2% from Php5.02 billion in 2020. This was spurred by a 71.6% increase in the fourth quarter of 2021 alone to Php1.745 billion from Php1.017 billion a year earlier, as lockdown restrictions further eased, boosting consumer and business confidence and benefitting our core businesses. Our return on equity improved to 6.7% from 5.5%, while return on assets was at 0.84% from 0.68%, year-on-year.

Customer loans accelerated at a faster pace than the industry, by 12.3% to Php512.7 billion, year-on-year. This led to a 9.7% growth in net interest income to Php28.83 billion, mostly from the corporate segment which rose by 14.6%, and from small- and medium-sized enterprises which grew by 18.6%. Consumer loans also inched up by 4.9%.

By lending to safe-haven sectors, we managed to keep a lid on our nonperforming loans (NPLs) at Php18.32 billion, bringing our NPL ratio to 3.3%. This translated to a 35.5% reduction in the loan loss reserves we needed to set aside in 2021, or to Php6.05 billion from Php9.38 billion, year-on-year.

With the rationalization of our branches, our operating expenses only slightly increased by 2.2% to Php22.54 billion from Php22.05 billion in 2020. We expect our digitization process to contribute to further improvement in our cost-to-income ratio in the coming years.

Mirroring the double-digit growth in our loan portfolio, our deposits rose by an unprecedented 25.5% to Php672.46 billion in 2021, stronger than the industry average. The level of investment securities more than doubled while total earning assets expanded by 30.8%, year-on-year.

RCBC remained well-capitalized with a capital adequacy ratio and common equity Tier 1 ratio of 15.2% and 12.2%, respectively, in 2021. With the Php4.48-billion fresh capital infused in RCBC in June 2021 by Sumitomo Mitsui Banking Corp., one of the largest megabanks in Japan, we plan to ramp up our tech investments, as well as explore opportunities for synergy and collaboration in key business areas.

Bolder
Behind these numbers is a story that needs to be told. It is the story of the Bank's courage and agility in execution.

During the pandemic, we have witnessed how consumers quickly embraced new digital solutions, as shown by the growing demand for online and mobile banking and e-commerce. In a digital society, customers are more engaged, highly empowered, and sometimes meticulous in their choices. Nowadays, the benchmark is a 24/7, frictionless omnichannel experience when accessing products and services. This customer behavior is now driving the digital ambition of banks. Like RCBC, all banks are now in a race to provide the best customer experience.

But harnessing the latest technology to improve customer experience is not enough. We need to build capabilities from within, strengthen our core, and create a new mindset. More than a race to the finish line, it is the persistent pursuit that runs through our DNA.

For RCBC, this means driving innovation across our organization, culture and processes.

People usually associate innovation with a beautiful mobile app. And to some extent, that is true. What lies beneath, however, is the real test. True beauty is in the value that the innovation creates. This was the design thinking when we packed RCBC Digital with the most powerful features. We needed to perform a lot of back-office reengineering to become more efficient and reduce turnaround time. We had to deploy robotic process automation (RPA) to improve both customer and employee experiences. And after all is said and done, we always go back to the customer. We spend time asking the customer, understanding their needs, immersing ourselves in their situation, deepening our understanding of their pain points, and ideating potential solutions. Then we test our solutions and go back to the customer again so they can tell us if it works or not. This approach has become a matter of course for us at RCBC.

It is important that we deliver banking services that make our customers delighted. At each point, whether at the level of the branch (the Branch of the Future) or on the RCBC Digital, RCBC Online Banking for Corporate, or DiskarTech, our commitment is to innovate for the customer. Banking products, such as RCBC Hexagon Club, RCBC OneAccount, and the recently launched Green Time Deposit, were developed to truly deliver for our customers. Our customers' resounding response serves proof of their trust and confidence in our work and the innovative products and services we deliver. The 58 awards and recognition we received from prestigious regional and global publications and organizations in 2021 are badges we wear proudly for our customers and other stakeholders. They inspire us to embrace more novel ways of deepening our insights into the lives and habits of our retail and corporate customers as we make RCBC the best in providing exceptional customer experience.

Trusted
Our ability to win in the battle for hearts and minds relies largely on the trust of all our stakeholders. This is especially true as we become more and more a digital bank.

To be a trusted financial institution, we must also ensure the integrity of customer data and their privacy, be operationally resilient, as well as compliant with regulations.

And at the end of the day, to earn stakeholders' trust is to harness all our innovations for the greater good, in support of solving society's problems.

We have already shown this at the height of the COVID-19 pandemic when, through DiskarTech and ATM Go terminals, we led a private sector coalition to ensure the timely disbursement of Php200 billion in emergency state subsidies to vulnerable households.

In 2021, we stepped up on our national contributions to meet the United Nations' Sustainable Development Goals through our pioneering efforts such as issuing our Php17.87-billion ASEAN Sustainability Bond, the largest issuance in the Bank's 61-year history. This came after setting a milestone in 2019 with our Php8.00-billion peso-denominated ASEAN Sustainability Bond, the first to be issued and listed in the Philippines in compliance with the SEC's guidelines and the ASEAN Sustainability Bond Standard.

We are also determined to lead the charge in sustainable financing in the country and have grown our total eligible sustainable portfolio by 28.5% to Php67.03 billion in 2021 from the year-ago level of Php52.17 billion. Of the total eligible sustainable portfolio, renewable energy and energy efficiency projects accounted for 60.0% from 49.4% in 2020.

Forward
RCBC's journey towards being a sustainable business, a leading innovator, and a strong partner for generations, however, is far from over. While we expect 2022 to be a better year overall for the Philippine economy, there will be headwinds that we will need to overcome. Time and again, we have proven that our success is only made possible because we have steady and true partners in our journey — each and every RCBC Banker working to make things happen, our customers and our shareholders who have trusted us through generations, and our leaders and our Board of Directors for the purposeful collaboration and teamwork.

The challenges we have all experienced in the past two years of the pandemic make our performance in 2021 all the more meaningful. Let us continue to make it count for every Filipino, to whom we have made a commitment to serve, wherever they are in the world.

Eugene S. Acevedo
President and CEO

Digital Acceleration

"Rizal Commercial Banking Corporation's strategy of using its digital prowess to do good in the Philippines is what captures Asiamoney's attention the most this year."

Asiamoney, in hailing RCBC as the "Philippines' Best Digital Bank 2021"

RCBC CONTINUES TO DRIVE DIGITAL TRANSFORMATION BY ROLLING OUT NEW DIGITAL INITIATIVES AND SYSTEM ENHANCEMENTS SO CUSTOMERS CAN MEET THEIR BANKING NEEDS 24/7, WHEREVER THEY ARE.

In 2021, we further upgraded the **RCBC Digital app** by packing it with over 20 digital features, making it among the most comprehensive and powerful banking apps in the market today. These features allow our customers to meet their various financial needs such as building their personal wealth through UITF investments and foreign exchange services, as well as managing their personal finances conveniently through fund transfer, check deposit, bills payment, reloading their cellular phone data, among others.

We also launched a fully digital, onboarding platform that enables our clients to open a deposit account through a secured and straight-through digital onboarding process, an electronic Know Your Customer (KYC) and liveness check, and with real-time capability to capture and validate customer data.

Casting our net wider to reach more unbanked Filipinos, particularly those who live in grassroots communities, we made **DiskarTech**, the first Tagalog-English financial inclusion "super app" in the country, more accessible, seamless, and inclusive in 2021. We increased the number of acceptable IDs for account onboarding, becoming the first big bank to offer this flexibility. We also made significant enhancements to the onboarding experience, for example, allowing users to log back into the app to continue their account verification at their convenience.

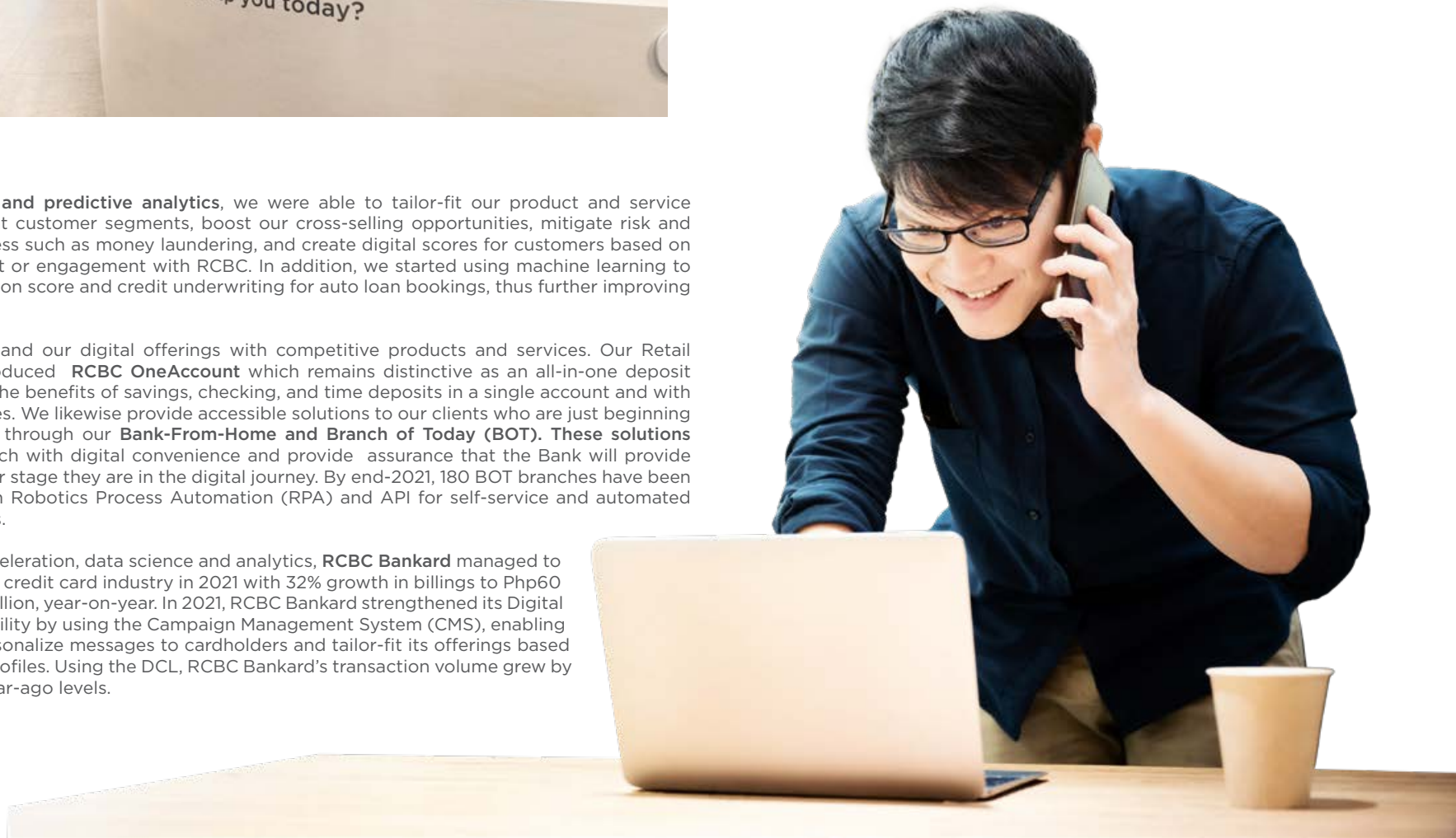
437%

YOY growth in transaction volume of Diskartech

Using **data science and predictive analytics**, we were able to tailor-fit our product and service offerings to the right customer segments, boost our cross-selling opportunities, mitigate risk and threats to the business such as money laundering, and create digital scores for customers based on their digital footprint or engagement with RCBC. In addition, we started using machine learning to develop the acquisition score and credit underwriting for auto loan bookings, thus further improving our credit quality.

We continue to expand our digital offerings with competitive products and services. Our Retail Banking Group introduced **RCBC OneAccount** which remains distinctive as an all-in-one deposit account that offers the benefits of savings, checking, and time deposits in a single account and with customizable features. We likewise provide accessible solutions to our clients who are just beginning their digital journey through our **Bank-From-Home and Branch of Today (BOT). These solutions** combine human touch with digital convenience and provide assurance that the Bank will provide solutions at whatever stage they are in the digital journey. By end-2021, 180 BOT branches have been fully configured with Robotics Process Automation (RPA) and API for self-service and automated banking transactions.

Thanks to digital acceleration, data science and analytics, **RCBC Bankard** managed to outperform the local credit card industry in 2021 with 32% growth in billings to Php60 billion from Php45 billion, year-on-year. In 2021, RCBC Bankard strengthened its Digital Cash Loan (DCL) facility by using the Campaign Management System (CMS), enabling the company to personalize messages to cardholders and tailor-fit its offerings based on customers' risk profiles. Using the DCL, RCBC Bankard's transaction volume grew by 84% in 2021 from year-ago levels.



DIGITAL ACCELERATION BY THE NUMBERS

RCBC DIGITAL

48% YOY growth in digital transactions to 11.1 million from 7.5 million

DATA SCIENCE AND ANALYTICS

80% improvement in new cross-sell bookings through data analytics-driven targeted campaigns

DISKARTECH

8,411% YOY surge in transaction value of Diskartech

437% YOY growth in transaction volume of Diskartech

>45,000 Diskartech touchpoints nationwide for cash-in and deposit transactions

RETAIL BANKING GROUP

50% YOY growth in share of mass affluent segment to RCBC's total deposit base

25% of Hexagon Club members availed an insurance product vs 8% for non-members

63% Availment of RCBC credit cards by Hexagon Club members vs. 14% for non-members

12% of members also took up a loan with the Bank vs 4% for non-members

RCBC BANKARD

PHP60 BILLION Credit card billings posted by RCBC Bankard (32% YOY growth vs. Php45 billion)

Customer Experience

"This bank augmented its mobile banking user experience for its credit cardholders during the pandemic. By adding services such as bills payment and purchase conversion facilities to its mobile app, the bank empowered cardholders to manage their payments and settle their bills 24x7."

Digital CX Awards 2021, "Best User Experience – Mobile Banking" (Highly Acclaimed)

Making our customers happy by providing exceptional customer experience is one of our guiding posts at RCBC. While the pandemic has limited opportunities for customer interaction in branches, we continue to innovate on ways to meet their needs and earn their loyalty.

We harnessed the value of data science and analytics to personalize product offerings, as well as improve the access to our delivery channels. We started using a **self-service analytics tool** that provides real-time and relevant information at scale to our front liners and back-end support staff to manage customer relationships. The tool also offers visualization of areas affected by disasters, enabling us to respond to customers' needs without service disruption.

2021 was also the year we actively promoted **digital account opening** to eliminate the need for customers to visit our physical branches and manually submit printed copies of documents. It also empowers customers to transact immediately. This also enabled recipients of overseas Filipinos' remittances to open an RCBC account online so they can conveniently check the remitted funds in their RCBC account in real-time, as well as have the cash picked up from our branch through the Touch Q platform in our Bank From Home service. Our **QR code withdrawal** also allows customers to access cash even in unforeseen or emergency situations such as lost or stolen wallets.

We also expanded our digital solutions to further elevate the customer experience of our corporate clients banking with RCBC. In 2021, we launched **RCBC Payportal**, an e-commerce payment solutions platform that helps corporate clients conveniently collect from their individual customers using comprehensive electronic payment rails, such as credit card, direct debit, online banking, electronic wallets (e-wallets), and over-the-counter payment partners. We also completed the rollout of **CheckScan**, a digital receivables solution that enables corporate clients to manage checks they receive and deposit these more efficiently utilizing digital imagery from the safety and comfort of their offices. Clients who need to settle customs duties and fees with the Bureau of Customs can now do so 24/7 through RCBC's **PAS5 e-payment service**. The initial rollout of our **Salesforce Customer Relations Management** platform provides us a 360-degree view of our SME customers to better understand and address their needs and to further personalize and level up their experience. These efforts earned RCBC the Best Cash Management Bank - Philippines award from Global Banking and Finance Review for the second year running.

We continued our journey to provide great customer experiences through digital transformation. More credit cardholders now have access to the RCBC Digital app, allowing them to view transactions, analyze spend, pay bills and convert transactions easily into installment. RCBC Bankard also introduced virtual card issuance with the launch of its newest co-brand, the ZALORA Credit Card. The virtual cards can be used immediately for bills payment and online transactions while customers await the delivery of their physical cards.

We enabled investors to further build their wealth more conveniently and safely via RCBC Digital. We launched the **Unit Investment Trust Fund (UITF)** module in the app so clients can invest, redeem, and monitor their investments using their mobile phones. In addition, we successfully launched the country's first digital platform for Investment Management Accounts (IMAs) so clients can open their very own investment account and build a customized investment portfolio – all online.

CUSTOMER EXPERIENCE BY THE NUMBERS

QR CODE WITHDRAWAL

17% YOY growth in online purchase transactions in 2021

REMITTANCES

90% YOY growth in remittance transaction count to 3.6 million vs. 1.9 million due to digital account opening

35% YOY increase in cash pickups in RCBC branches to 48,012 vs. 35,615 due to Touch Q and Bank from Home

DATA SCIENCE AND ANALYTICS

62% of RCBC officers were using self-service tools to provide data-driven support

ATM REFRESH PROJECT

99% Overall availability rate of RCBC ATMs after the replacement of 1,290 ATMs, exceeding the previous year's performance of 97.72%

RCBC BANKARD

32% Percentage of RCBC Bankard cardholders enrolled in RCBC Digital

99% Purchase conversion transactions completed through the app

UITF ON RCBC DIGITAL

59% Percentage of total UITF client base online vs. 54.8% in 2020

59% Percentage of UITF transactions via RCBC Digital

14% YOY increase in the number of UITF clients enrolled online

NET PROMOTER SCORE

65 "Great" rating given by depositors transacting in branches

73 "Excellent" rating given by digital clients

CORPORATE CASH MANAGEMENT

PHP2.5 BILLION Total deposit flows from CheckScan, a digital receivables solution that enables corporate clients to manage checks

Growth Strategy

"We are confident that we can sustain this performance as we step up our efforts to strengthen the Bank's core businesses."

— RCBC President and CEO Eugene S. Acevedo

With risks from COVID-19 remaining, and both consumer and business outlook marred by global market uncertainty in 2021, RCBC sharpened its focus on customer needs, while driving operational efficiency and building resilience.

In the fourth quarter of 2021, consumer loans gradually rose, mainly as demand for real properties grew and construction activity picked up when the Philippine economy started to reopen. This enabled our **Consumer Lending Group** to recover lost ground during the pandemic and account for more than a fifth of RCBC's total loan portfolio. Our non-performing loans (NPL) level also shrank as more clients settled their payments and as we streamlined our end-to-end credit cycle with integrated and tailored solutions.

The **Corporate Banking Group** continued to actively engage and offer a full suite of solutions tailor-fit to their needs. We migrated our clients to RCBC Online Corporate (ROC), our electronic banking platform with a suite of cash management products, which enabled corporates to seamlessly perform their banking transactions while working remotely. Clients from conglomerates and large local corporations, particularly those in sectors that bucked the pandemic-induced downtrend such as power, infrastructure, telecom, logistics, and e-commerce, also boosted our corporate banking business. On a continuing basis, the group focused on expanding its sustainable portfolio as it ceased funding coal projects in late 2020, and concentrated on renewable energy, energy efficiency, education, healthcare, affordable housing, among others.

Our **SME Banking Group** continued to pursue asset buildup and low-cost deposit generation, anchored on digital transformation. Digital initiatives resulted in faster approval and more efficient processes, which paved the way for a record growth in new accounts onboarded in 2021. Deepened customer relationships through robust cross-selling and product bundling campaigns also led to a double-digit increase in the volume of SME CASA deposits.

Offering digital solutions also shored up our **Global Transaction Banking** business, resulting in higher current account/savings account (CASA) deposits generated, electronic fund transfers (EFTs) volumes, and a marked shift from check disbursements to EFTs.

By harnessing data science and digital platforms, we were able to significantly grow our **Retail Cash Management** (RCM) business in 2021. With deeper insights into customer segmentation, our cards business was able to focus on customer engagement and offer relevant e-commerce merchants.

Our **Digital Enterprise and Innovation Group** (DEIG) continues to lead the charge in RCBC's digital transformation since it was created in 2019. In 2021, DEIG rolled out ATM Go, our mobile point-of-sale (mPOS) terminal-based neighborhood ATMs, in 74 out of 81 provinces nationwide, upgraded the mass-affluent digital banking app RCBC Digital, and expanded our financial inclusion super app, DiskarTech, to cast a wider net on the mass market segment.

While it also continues to push digital platforms (e.g., email and online access of statement of accounts, account enrollment in RCBC's online banking platform), **Wealth Management** focused on extending the "human touch" and the personalized service it is known for. Offering products relevant to high net worth clientele, it also expanded its product offerings through the "Access the World with RCBC Wealth" campaign. This enabled RCBC Wealth to offer various Exchange Traded Funds (ETFs) and Feeder Funds, with the goal of introducing our clients to global market opportunities. Mindful that wealth management is not just about investing but also the accumulation and preservation of one's financial legacy through generations, RCBC Wealth partnered with RCBC Trust and Investment Management Group to provide estate planning as a complimentary service to its elite clients.

It was an eventful year for our **Treasury Group**. In 2021, RCBC earned the recognition of 3rd Best Fixed Income House from the Fund Manager Association of the Philippines (FMAP) as we managed to improve our market coverage, primarily for institutional accounts, which resulted in higher income contribution and market share. Our 2021 Peso Bond Issuance of Php17.87 billion was also awarded the Best Sustainability Bond by The Asset Magazine Country Awards, becoming the first ASEAN sustainability bond issuance out of the Philippines in 2021 and the only peso-denominated sustainability bond in 2021. The deal also demonstrates our commitment to sustainable finance.

2021 also proved to be a banner year for our subsidiaries. Our investment banking arm, **RCBC Capital Corporation** (RCBC Capital), actively engaged in debt and capital market transactions, taking leadership roles in the underwriting of various issues such as preferred shares, REITs, corporate bonds and notes offering. It also provided syndication and issue management services on project finance, term loans and commercial paper issuances for clients who took advantage of favorable market conditions exemplified by ample liquidity and borrower-friendly interest rates.

RCBC Securities, our stock brokerage subsidiary, continued to improve its fee-based income as it further solidified its strategy of building its retail business through various initiatives. In January 2021, RCBC Securities launched its ezTrade Mobile App, giving clients the ability to monitor the market and trade anytime, anywhere online. It also plans to launch a fully digital account opening process in 2022.

Our leasing subsidiary, **RCBC Leasing and Finance Corp.,** and its wholly owned subsidiary, **RCBC Rental Corp.,** improved their profitability by repackaging financial assistance to borrowers affected by the pandemic or badly hit by Typhoon Odette in the last quarter of 2021. Reversing a Php62.0-million loss in 2020, RCBC Leasing managed to post a net income of Php146.8 million in 2021.

Our thrift bank arm, **Rizal Microbank Inc. (RMB),** catered to the credit needs of essential businesses such as those engaged in agriculture, food trading and production, and retail commodities. RMB also extended additional capital to micro and small entrepreneurs who managed to thrive during the pandemic so they can expand their business and stimulate local economies. The subsidiary also utilized digital platforms to efficiently address the requirements of a wider market, even joining forces with RCBC's Diskartech for microfinance and the Department of Agriculture's Agricultural Credit Policy Council for agricultural loans to small farmers and fisherfolk.

Our **Asset Management and Remedial Group** contributed to our bottomline through the recovery and resolution of past-due and non-performing loans. This was achieved through effective debt restructuring packages, originating from well-negotiated and innovative repayment schemes.

Offering digital solutions shored up our Global Transaction Banking business, resulting in higher current account/savings account (CASA) deposits generated, electronic fund transfers (EFTs) volumes, and a marked shift from check disbursements to EFTs.

Contributions to RCBC's Revenues*

Business Segment	Revenues** in PhP Billion	% to Total Revenues
Corporate Banking	13.0	35.7%
SME Banking	4.3	11.9%
Retail Banking	8.4	23.2%
Consumer Banking* **	12.6	34.5%
Treasury	4.5	12.2%
Trust and Private Banking	1.5	4.1%

* Gross of eliminating entries which amounted to –Php7.9 billion or -21.6% of the total. The table excludes other subsidiaries.
** The figures represent total net revenues as disclosed in Note 8.2 "Analysis of Primary Segment Information" of the Audited Financial Statements.
*** Refers to consumer loans, including credit cards

GROWTH STRATEGY BY THE NUMBERS

CONSUMER LENDING

28%
Contribution to RCBC's total loan portfolio, with Php145.0 billion in total consumer loans in 2021

5%
YOY increase in total consumer loans in 2021

TREASURY

258%
YOY jump in net revenue to Php3.3 billion

149%
YOY increase in investment securities from to Php219.2 billion

CORPORATE BANKING

22%
YOY increase in assets

31%
YOY growth in Corporate Banking Group deposits

SME BANKING

18%
YOY growth in loans portfolio to Php93.4 billion

233%
Record-high growth in onboarding of new accounts versus 2020

TRUST AND INVESTMENTS

50%
YOY growth in IMA business

26%
YOY increase in AUM

21%
YOY growth in trust fee income

GLOBAL TRANSACTION BANKING

31%
YOY increase in CASA deposits

53%
YOY increase in electronic fund transfer (EFT) payments to Php386.4 billion

21%
YOY growth in overall disbursements to Php778.5 billion

WEALTH MANAGEMENT

2.3x
Growth in new client acquisition

28%
YOY increase in AUM

RCBC CAPITAL

100%
YOY increase in net profit to Php318.5 million

83%
YOY growth in total revenues to Php564.3 million

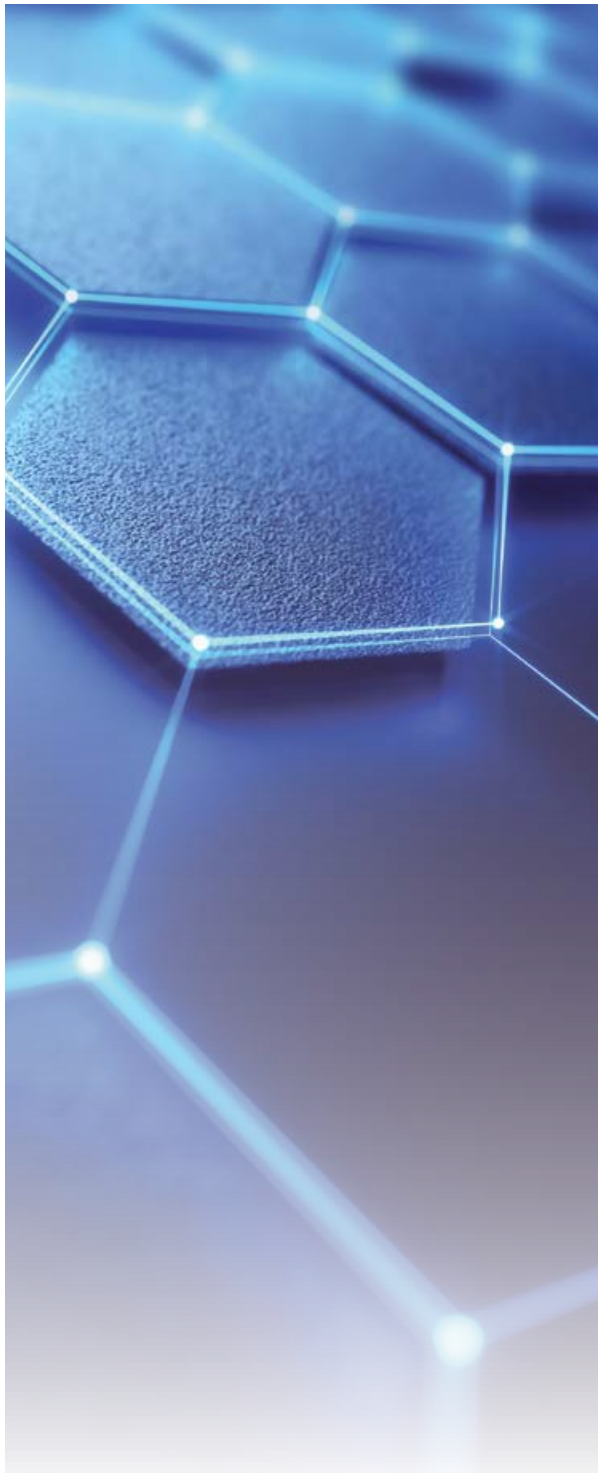
RCBC SECURITIES

175%
YOY growth in net income to Php18.4 million

RIZAL MICROBANK

19%
YOY increase in disbursements to Php1.5 billion

11%
YOY growth in the number of active borrowers to 2,701



SUSTAINABLE INNOVATIONS THAT DELIVER

As part of our commitment to champion sustainable finance in the Philippines, we at RCBC have been aligning our business strategy to support the development needs of society, as articulated in the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement.

To this end, we publicly announced in December 2020 our commitment to cease funding for the construction of new coal power plants. As the first Philippine universal bank to do so, this demonstrated our leadership in shifting financing towards clean energy. We also aim to embed awareness of environmental and social (E&S) issues within our organization, with clients, and in the communities we serve. We believe that good sustainable practices are a key pillar of responsible lending which can have a meaningful impact on the environment and communities.

In recognition of our best practices in the areas of E&S responsibility and corporate governance, the Morgan Stanley Capital International (MSCI) upgraded RCBC's ESG rating to "AA" from "A" in December 2020, indicating sound business organization and risk mitigation. The rating upgrade has placed RCBC in a Leader ESG ranking (MSCI ESG ratings of AA and AAA).

Since we established our Sustainable Finance Framework in 2019, we have garnered eight awards, with the addition of the following in 2021:

- One of the "Top Community Centric Companies in Asia," Asia Corporate Excellence & Sustainability (ACES) Awards 2021
- "The Asset Benchmarking Award for ESG – Gold Award," The Asset 2021 ESG Corporate Awards
- "Best Sustainability Bond" for the Php17.87-billion ASEAN Sustainability Bond RCBC issued in March 2021, The Asset

Material Topics

In this report, topics considered material are those that substantively affect our ability to create value over the short, medium and long term, and influence the assessments and decisions of our stakeholders, including our investors. These are matters related to the:

- Economic results and financial well-being of RCBC;
- Health and safety of our employees and our clients;
- Human resource support and talent pipeline;
- Adaptability of our operations to crisis/changing circumstances, innovations; and
- Supplier actions/immersion in sustainability.

OUR STAKEHOLDERS

Stakeholders are any individual, group, or party that has an interest in an organization and the outcomes of its actions. At RCBC, we regard the following as our stakeholders and identified the issues that influence their assessments and decisions on the Bank.

Aspect	Stakeholders	Component	Issues that Influence Their Assessments and Decisions
Economic	Stockholders	Economic Performance	• Financial performance/health: Revenue, operating costs, remaining value retained in the company for liquidity and future investments • Fiscal and risk management to enhance profitability and bank operations • Regulatory compliance with BSP, SEC and PSE and international best practices • Economic contribution to the country • Dividends given to them • Community investments
		Financial Intermediation	• Credit risk of portfolio • Profitability of portfolio
		Business Ethics	• Capability to fight corruption • Commitment in combatting corruption • Advocacy for transparency and accountability • Timely and transparent disclosures on governance • Enforcement of policies on anti-corruption, AMLA and Fraud
	Management	Financial Intermediation	• Credit / transition risk • Profitability of portfolio
		Procurement Practices	• Local sourcing to help ensure stable supply
	Loan/Fund Providers & Creditors/ Depositors	Economic Performance	• Equitable interest rates and sound financial advice • Value creation: financial contribution and impact to UN SDGs
		Business Ethics	• Capability to fight corruption • Commitment in combatting corruption • Protection of deposits and loans/credits provided
	Customers/Clients	Economic Performance	• Evidence of financial capacity • Reliability of operations, unusual decline in financial results
		Financial Intermediation	• Support for financing
		Business Ethics	• Capability to fight corruption • Commitment in combatting corruption • Protection of deposits
	Employees	Economic Performance	• Equitable wages and benefits
		Business Ethics	• Capability to fight corruption • Commitment in combatting corruption • Protection of employees
	Suppliers	Economic Performance	• Payments made
	Government/Regulators (BSP, SEC, PSE)	Economic Performance	• Taxes paid
		Financial Intermediation	• Credit risk of the portfolio
		Business Ethics	• Bank transparency and accountability • Compliance with rules and regulations set by BSP, SEC and PSE • Regular conduct of internal and external audits • Monitoring of ethics and compliance • Capability to fight corruption • Commitment in combatting corruption

Aspect	Stakeholders	Component	Issues that Influence Their Assessments and Decisions
Economic	Community	Economic Performance	• Corporate Social Responsibility (CSR) programs • Community investments with positive impact • Periodic partnerships and sponsorships • Participation in and support of worthy causes • Support for the economy through local sourcing
		Financial Intermediation	• Reduced environmental and social impact of RCBC clients' operations
		Procurement Practices	• Economic inclusion as positive impact • Local sourcing support for stable local economy and community relations • Encouraging of additional investment to the local economy
	Public, including media	Financial Intermediation	• Reduced environmental and social impact of RCBC clients' operations – potential reputational impact
		Business Ethics	• Capability to fight corruption • Commitment in combatting corruption - potential reputational impact for public legal cases regarding corruption
Environment	Management	Resource Management	• Efficiency of managing resources
		Environmental Compliance	• Monetary fines • Non-monetary sanctions
	Government / Regulators (DENR)	Ecosystems and Biodiversity, Environmental Impact Management, Environmental Compliance	• Compliance with environmental laws and regulations • Reduction of environmental impacts • Concern for environmental protection • Ability to conform to certain performance parameters
	Customers/Clients	Environmental Compliance	• Interruption of business/operations due to breach of environmental laws/ regulations • Reputational impact
	Employees	Environmental Compliance	• Interruption of business/operations due to breach of environmental laws/ regulations • Reputational impact
	Stockholders	Resource Management	• Profitability of the organization • Efficiency of managing resources
		Environmental Impact Management, Environmental Compliance	• Compliance with environmental laws and regulation and potential reputational impact that may lead to divestment
	Suppliers	Resource Management	• Consumption of resources (e.g., electricity, water, materials used) • Actions that can affect the organization's ability to operate, implement its strategies, and achieve its objectives

Aspect	Stakeholders	Component	Issues that Influence Their Assessments and Decisions
Environment	Communities, including environmental NGOs	Resource Management	• Environmental effects of resource consumption alongside scarcity of supply, and practices employed by suppliers
		Ecosystems and Biodiversity, Environmental Impact Management, Environmental Compliance	• Reduction of environmental impacts and concern for environmental protection
	Public, including media	Resource Management	• Potential reputational impact of the extent of resource consumption, alongside scarcity of supply, and practices employed by suppliers
		Ecosystems and Biodiversity, Environmental Impact Management, Environmental Compliance	• Potential reputational impact of environmental impacts and concern for environmental protection
Social	Management	Employee Management	• Direct cost implications of policies on employees • Efficiency and productivity of employees • Quality of service provided by employees
		Workplace Conditions	• Health and safety of employees
	Stockholders	Employee Management	• Direct cost implications of policies on employees • Efficiency and productivity of employees • Quality of service provided by employees • Satisfaction among employees • Talent acquisition and development and organization's investment in training, and the degree to which the investment is made across the entire employee base • Equity in the workplace, elimination of gender bias, and equal opportunity
		Workplace Conditions, Labor Standards, and Human Rights	• Health, safety, and minimal harm – potential reputational impact that may lead to divestment • Abolition of child labor, elimination of forced labor, and upholding human rights – potential reputational impact that may lead to divestment
		Supply Chain Management	• Reduction of negative environmental and social impacts in the supply chain – potential reputational impact that may lead to divestment
		Relationship with Community	• Reduction of negative impacts on local communities and concern for society – potential reputational impact that may lead to divestment
		Customer Management	• Customer satisfaction and upholding the rights of customers – potential reputational impact that may lead to divestment
		Data Security	• Data security and customer privacy – potential reputational impact that may lead to divestment

Aspect	Stakeholders	Component	Issues that Influence Their Assessments and Decisions
Social	Employees	Employee Management	• Satisfaction among employees • Equity in the workplace • Organization's investment in human resources • Quality of benefits • Protection of employees' wellbeing • Employee engagement and retention • Work-life balance • Understanding of Bank's mission, vision, and strategies • Talent acquisition and development and organization's investment in training, and the degree to which the investment is made across the entire employee base • Approach to communicating significant operational changes • Negotiations for determining working conditions and terms of employment or for regulating relations between employers and workers • Equity in the workplace, elimination of gender bias, and equal opportunity
		Workplace Conditions, Labor Standards, and Human Rights	• Health and safety, minimal harm • Abolition of child labor, elimination of forced labor, and upholding human rights
	Customers/Clients	Employee Management	• Efficiency and quality of service provided by employees
		Customer Management	• Customer protection and satisfaction • Integrity and honesty of the Bank and its employees • Professionalism and efficiency of senior management and bank employees • Easy account opening/loan application requirements and processes • Accessibility of ATM and branch network • Continuous service, process and technology improvements • Fast complaints resolution • Upholding the rights of customers
		Data Security	• Data security • Customer privacy • Compliance with laws and regulation • Ability to conform to certain performance parameters
	Suppliers	Supply Chain Management	• Procurement policies • Supplier Accreditation Process
	Government / Regulators (DOLE)	Employee Management	• Protection of employees
		Customer Management	• Customer satisfaction and upholding the rights of customers • Absence of major issues and concerns raised with the BSP-Consumer Affairs Group
		Data Security	• Data security and customer privacy • Compliance with laws and regulation • Ability to conform to certain performance parameters

Aspect	Stakeholders	Component	Issues that Influence Their Assessments and Decisions
Social	Community	Employee Management	• Optimal use of available labor and talent in different regions • Organization's investment in human resources, training, and the quality of benefits • Ability to attract talent / potential employees in the community • Approach to communicating significant operational changes and negotiations for determining working conditions and terms of employment or for regulating relations between employers and workers • Equity in the workplace, elimination of gender bias, and equal opportunity
		Workplace Conditions, Labor Standards, and Human Rights	• Health, safety, and minimal harm – potential reputational impact • Abolition of child labor, elimination of forced labor, and upholding human rights
		Supply Chain Management	• Reduction of negative environmental and social impacts in the supply chain and concern for environment and society
		Relationship with Community	• Reduction of negative impacts on local communities and concern for society • Continuous enhancement of community relations
		Customer Management	• Customer satisfaction and upholding the rights of customers
		Data Security	• Data security and customer privacy
	Public, including media	Employee Management	• Ability to attract diverse, qualified employees • Inclusive recruitment practices • Equity in the workplace, elimination of gender bias, and equal opportunity — potential reputational impact • Satisfaction among employees, organization's investment in human resources, and the quality of benefits – potential reputational impact • Organization's investment in training, and the degree to which the investment is made across the entire employee base – potential reputational impact • Approach to communicating significant operational changes, and negotiations for determining working conditions and terms of employment or for regulating relations between employers and workers – potential reputational impact
		Workplace Conditions, Labor Standards, and Human Rights	• Health, safety, and minimal harm – potential reputational impact • Abolition of child labor, elimination of forced labor, and upholding human rights — potential reputational impact
		Supply Chain Management	• Reduction of negative environmental and social impacts in the supply chain – potential reputational impact
		Relationship with Community	• Reduction of negative impacts on local communities and concern for society – potential reputational impact
		Customer Management	• Customer satisfaction and upholding the rights of customers – potential reputational impact
		Data Security	• Data security and customer privacy – potential reputational impact

ECONOMIC PERFORMANCE

CET1 RATIOS:
11.81% (SOLO) AND 12.16% (CONSOLIDATED), ABOVE THE 10% TOTAL CET1 REQUIREMENT

PHP4.48 BILLION:
CAPITAL INFUSION FROM SUMITOMO MITSUI BANKING CORPORATION (SMBC) AFTER BUYING A 4.99% STAKE IN RCBC IN JULY 2021

We have an inclusive financial business model that benefits our stakeholders in various ways:

- Revenue generation;
- Economic value deployed through employee wages and benefits, payments made to suppliers, dividends for stockholders, taxes paid to the government;
- Investments in local communities, as well as core industries supporting the country's economic growth; and
- Expansion of banking access to the unbanked and underserved parts of the country.

As a Domestic Systemically Important Bank (DSIB), RCBC must demonstrate the capacity to maintain resilience against distress that will affect the financial system as a whole, and the economy at large.

Our ability to make economic contributions may be disrupted by unforeseen changes in circumstances or pronounced crises that influence customer behavior, constrain access to financial services (especially to the unbanked and underserved communities), or adversely affect employee well-being. This was seen during the COVID-19 pandemic when the economic downturn affected customers' ability to repay their loans, prompting banks to help customers through remedial measures and set aside higher provisions that adversely affected their net income and equity position.

Our management approaches:

- **Higher Loss Absorbency (HLA):** This requirement for DSIBs is attained through our Common Equity Tier 1 (CET1), which establishes a maximum degree of effective loss absorbing capacity. In case of any breach in the HLA capital requirement, RCBC has concrete and reasonable recovery plans that improve capital position and restore the Bank's financial condition to viable levels. These are part of RCBC's Internal Capital Adequacy Assessment Process (ICAAP) document.
- **Business Continuity Program (BCP):** A Crisis Management Team (CMT), headed by our President and CEO, oversees the implementation of the comprehensive Crisis Management Framework which equips the Bank in responding to an event-led disruption in operations. We also have a dedicated Business Resiliency Unit under the Risk Management Group (RMG) that ensures our preparedness for any disaster/ crisis by coordinating with all teams in developing and maintaining a bank-wide BCP, identifying critical products/services as well as required operational support to sustain operations.
- **Disaster Preparedness:** We have a Disaster Recovery Plan (DRP) and an Institutional Business Continuity Plan (IBCP) to ensure our organizational preparedness in responding to disasters and natural calamities. In 2020, the DRP was activated to deal with the operational challenges, particularly in our business centers in the South Luzon Region and select Metro Manila areas, due to the Taal Volcano eruption. In the fourth quarter of 2021, the IBCP was activated due to the onslaught of Typhoon Odette (international name: Rai). This called for the provision of relief goods, survival kits and emergency go-bags; activation of the Bank's call tree; identification of key areas for personnel relocation and evacuation; and implementation of the buddy branch system to continue serving customers of branches that were closed. We also established a backup Data Center (DR Site) outside of Metro Manila in preparation for a severe natural calamity such as an earthquake or a cyberattack on our main Data Center. A dashboard for personnel location was developed by our Data Science and Analytics Group to identify employees needing evacuation and facilities that required relocation. Several tabletop exercises on Pandemic Crisis and Cyber Security are held annually to apprise and prepare all concerned parties and promote awareness on measures to be taken in case such threats become real events. Tabletop exercises on E&S risks are scheduled to kick off in 2022.

- **Continuing Response to COVID-19 Impact:** We continued to provide banking services to our customers while ensuring the safety and well-being of our employees and customers even during the second year of the pandemic. Our continuing pandemic response includes the following initiatives:

  - Safety and Well-Being of Employees and Customers
    - Clustering and split-site operations: Employees observe a cycle of working onsite and from home;
    - Health and safety protocols: IATF-prescribed health protocols have been institutionalized in all bank premises;
    - Employee testing and vaccination: Employees' hospitalization benefit includes COVID-19 testing while vaccination for employees and their dependents were covered by the Yuchengco Group of Companies' vaccination program. As of end-2021, 99% of RCBC's employees have been fully vaccinated.
    - RCBC COVID-19 Playbook: Internal reference material issued to all employees to guide them on proper health and safety protocols.

  - Financial Support Initiatives
    - COVID-19 Assistance and Recovery Enhancement (CARE) Program and other financial support initiatives: Assistance to customers, especially to small and medium enterprises, by way of extended repayment plans.
    - Waiver of fees for digital transfers done via RCBC Online Banking, InstaPay done via DiskarTech, and in RCBC ATMs to encourage clients to bank safely from home.
  - Digital Transformation: We continue to use innovative solutions through the use of data science to constantly improve customer experience in our various delivery channels while digitizing our offices and branches with the use of robotic process automation that improve turnaround time and reduce operational cost.
    - Data Science and Digital Marketing: We used data analytics and digital marketing tools and strategies to acquire new customers and boost cross-selling opportunities in 2021. Other digital transformation initiatives launched in 2021 include a fully digital account opening, the first-in-market online investment management account, and unit investment trust fund (UITF).
      - 51% growth in credit card issuances, YOY
      - 233% jump in SME customer accounts, YOY
      - More than 30% of total customer transactions migrated to RCBC's digital platforms in 2021
      - 100% increase in transaction value from 2020 to 2021 on RCBC Digital mobile app and 16% on our website
    - Streamlining Operations: We continue to pursue digital transformation projects that help improve operational efficiency. These include fully automating the KYC process and enhancing credit and control systems. The proceeds of the SMBC investment in RCBC will also be used to further enhance RCBC's digital efforts in creating innovative, inclusive, and inter-operable digital solutions. This transition is aligned with SMBC's strategy to expand its franchise and strengthen digital banking in Asia.
  - Financial Inclusion Products and Services: We serve the needs of the unbanked and underserved in society through the agency banking program of Rizal MicroBank (RMB) and RCBC's digital innovations through DiskarTech and ATM Go. We continued to serve the unbanked and underserved Filipinos with these initiatives:
    - BSP Electronic Payment & Financial Services (EPFS): RMB was given BSP approval to extend EPFS and fully expand the coverage of its "Bangko ng Bayan" (BNB) program to more communities. Launched in 2020, BNB includes account opening, cash-in/deposit, cash-out/ withdraw, bills payment, loan referral and micro insurance availment.
      - More than 80 cash agents partnered with RMB as of 2021
      - More than Php20 million in BNB transactions
    - DiskarTech: As the country's first financial inclusion accelerator virtual bank, DiskarTech enables the unbanked to be part of the local banking ecosystem. In July 2021, DiskarTech launched its Visayan version in addition to having the conversational vernacular Taglish (Tagalog and English) to reach more Filipinos who speak the dialect. DiskarTech also became one of the six financial service providers to digitally disburse the national government's COVID-19 financial aid in the form of the Social Amelioration Program (SAP) in 2020 and 2021.
      - Close to 5 million app downloads as of end-2021
      - 437% growth in volume and 8,411% in value from 2020 to 2021
      - Over Php18 billion in gross transaction value in all 81 provinces in the country
      - Key Partnerships with DiskarTech: Micro and SMEs, rural banks, Department of Education, Department of Trade and Industry, microinsurance beneficiaries, among others, became more resilient and empowered.

- ATM Go: Handheld ATM Go terminals helped facilitate cash withdrawals in geographically isolated and disadvantaged areas, especially for the household beneficiaries of the government's Pantawid Pantawid Pamilyang Pilipino Program (4Ps) in 76 out of 81 provinces nationwide. In 2021, ATM Go started to process cardless withdrawals for mobile point-of-sale terminals (mPOS) — a first in the industry – as part of RCBC's commitment to digital innovation and financial inclusion.
  - 16% increase in transactions in both volume and value from 2020 to 2021
  - More than 2.5 million growth in transaction volume from January to December 2021
  - Total throughput value of almost Php 7 billion as of end-November 2021

- **Sustainable Finance Strategy:** RCBC strongly supports the BSP's call for financial institutions to be enablers of environmentally and socially responsible business decisions. The Bank has positioned itself as one of the earliest adopters of BSP Circular 1085 (Sustainable Finance Framework) mandating Philippine banks to integrate sustainability considerations in their governance frameworks, risk management systems, strategies and operations.
  - RCBC has a Risk Governance Framework (RGF) under which we commit to promote sustainable practices that will minimize the negative environmental, social, and reputational impact of the Bank's financing activities and its clients' operations. RCBC's Risk Oversight Committee (a Board-level Committee) has responsibility over the RGF, with the Bank's RMG (through Portfolio Quality Division) tasked to implement assessments and measures to attain the RGF's objectives. RCBC's subsidiaries have also developed and maintained their own RGFs and E&S policies.
  - In 2019, RCBC created its own Sustainable Finance Framework that articulates our strategy to raise funds and lend to priority sectors, including clean energy. (For a more detailed discussion, you may access the RCBC 2021 Impact Report on our website or scan this QR code.)
    - USD1.1 billion proceeds from green and sustainability bonds raised since the creation of the Framework until March 2021
    - 70:30 asset mix in 2021, with more "green" (environmental) than social in the portfolio versus 60:40 in 2020
    - 12% share of sustainable portfolio to total loan portfolio in 2021 from 10% in 2020
    - 60% of our Php67-billion total sustainable portfolio in 2021 consisted of Renewable Energy and Energy Efficiency projects, increasing from 49% share in 2020
    - Around 3 gigawatts (GW) of renewable energy projects (solar, wind, hydro-power and geothermal) have been supported by the Bank since 2012
    - 12 renewable energy projects with a combined capacity of 1.6 GW to get funding support from RCBC in 2022 and 2023
    - Php42 billion erstwhile investments in coal exposure will taper off and remain in the Bank's books until 2031
    - Php17.87 billion raised (nearly six times greater than its minimum issue size), our largest-ever issuance in March 2021.

- **Climate-Related Initiatives:** As approved by the Bank's Risk Oversight Committee, RCBC has embarked on the following pioneer capacity-building activities in 2021, enabling the Bank to contribute to the Philippine commitment to the Paris Agreement :
  - Advisory engagement with the International Finance Corporation (IFC) and 2 Degree Investing Initiative (2DII) for the use of the Paris Agreement Capital Transition Assessment (PACTA) tool and related methodology developed by 2DII — the first to be conducted by IFC and 2DII in Asia. The results of the PACTA evaluation will be integrated into the Bank's E&S stress testing results that will be reported to the BSP.
  - RCBC became the first Philippine bank to participate in the Partnership for Carbon Accounting Financials (PCAF). As a PCAF participant, RCBC commits to disclose the greenhouse gas (GHG) emissions of its portfolio within three years from joining the organization.

- **Advocacy on Sustainable Finance and Sustainability:** We developed mandatory e-learning materials on Sustainability to raise our employees' understanding of the Bank's role and their individual responsibility toward environmental protection and social responsibility, which will also form part of their performance evaluation. We also promoted sustainability outside the Bank, through various events such as presentations on RCBC's best practices by some members of Senior Management, and our President's participation in related forums.

Financial Intermediation

As part of its Sustainable Finance Strategy, RCBC has adhered to an Environmental and Social Management System (ESMS) Policy since 2011. The Policy requires a comprehensive and regular vetting of all lending or credit relationships, both pipeline and portfolio, from an E&S risk perspective. The Policy was updated in April 2021 to facilitate the E&S assessment process and consolidate reference materials.

The ESMS Policy ensures the Bank's alignment with relevant BSP Circulars and E&S regulations, as well as with the guidelines of the Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR). Policy implementation is handled by the Environmental and Social Risk Officers who are equipped with the expertise to conduct appropriate E&S assessments.

All credit proposals are screened using the applicable requirements: the IFC Exclusion List (for environmentally and socially sensitive sectors), applicable national (DENR-EMB guidelines) and international laws/ IFC Performance Standards on environment, biodiversity, deforestation, marine environment, water risk (Philippine Clean Water Act), pollution prevention (Philippine Clean Air Act), indigenous peoples (The Indigenous Peoples Rights Act) and protection of cultural heritage, health, human and labor rights, safety and social issues and any standards established therein and the IFC Performance Standards. Environmental Risk Categories (ERC) are assigned to accounts, and credit approvals obtained in accordance with requirements depending on the ERC. The ERC assessment takes place before a lending decision is made and continues annually during the life cycle of the loan agreement with the client.

The ESMS Policy subscribes to IFC's 8 Performance Standards to benchmark projects or business activities. These are applied in the assessment of medium- and high-risk accounts as measures of enhanced due diligence:

1. Assessment and Management of Environmental and Social Risks and Impacts
2. Labor and Working Conditions
3. Resource Efficiency and Pollution Prevention
4. Community Health, Safety, and Security
5. Land Acquisition and Involuntary Resettlement
6. Biodiversity Conservation and Sustainable Management of Living Natural Resources
7. Indigenous Peoples
8. Cultural Heritage

Procurement Practices

RCBC contributes to the local economy and community through the selection and economic inclusion of local suppliers. Indirect benefits include additional investments to the local economy, making their prices lower and supply readily available. In addition, it also leads to job generation with the creation of new businesses that could be potential clients for the Bank.

96.45%

PERCENTAGE OF PROCUREMENT SPENDING (ACTUAL PAYMENTS) USED FOR SIGNIFICANT LOCATIONS OF OPERATIONS THAT IS SPENT ON LOCAL SUPPLIERS

Business Ethics

Our corporate culture is strongly founded on honesty and integrity. As such, we strictly implement anti-corruption policies to prevent any corruption incident. We conduct regular and compulsory training and examinations to ensure that all employees (from senior management to rank and file) and those with direct contracts with RCBC are familiar and reminded of our anti-corruption policies and procedures.

Training programs on anti-corruption policies and procedures as well as disclosures on the Bank's response to incidents of corruption resulted in increased capacity to prevent and combat corruption, and raised awareness on the organization's seriousness in combating corruption.

To promote and strengthen checks and balances in the bank, RCBC promotes sound internal controls and give due recognition to the importance of the internal audit function. On the basis of the Audit and Compliance Committee's approved audit plans, internal audit examinations of the business units are conducted between one to three years based on the derived level of risk using a systematic, risk-based approach to evaluate and improve the adequacy and effectiveness of governance, risk management and control systems and processes through which the Board, senior management, and stockholders shall be provided with reasonable assurance that its key organizational and procedural controls are appropriate, adequate, effective and complied with. This approach generally includes an assessment of significant risk exposures and adequacy of the risk management process, adequacy and effectiveness of controls encompassing the organization's governance, operations, information systems, safeguarding of assets and compliance with Bank's Code of Conduct, policies and documented procedures, contracts, laws, rules and regulations.

A detailed discussion on our Anti-Corruption practices under the Bank's Code of Conduct, Whistleblowing Policy, Money Laundering and Terrorist Financing Prevention Program, and Related Party Transaction Policy can be found in the Corporate Governance section of this report.

ENVIRONMENTAL PERFORMANCE

Resource Management

We continue to implement initiatives on resource management which could lead to our operational efficiency. These include efficient consumption of energy, water, and the materials we use.

Efficient energy consumption can contribute to the possible reduction in the country's significant reliance on fossil fuel-based energy and its impact on global warming. This objective is also ingrained in a larger scale within RCBC's Sustainable Finance Framework which supports investments in Renewable Energy and is aligned with our declaration to cease funding for the construction of new coal power plants in the Philippines.

The Framework also advocates responsible water consumption through investments in Sustainable Water Management for clean water, wastewater treatment, consumption, sustainable urban drainage systems, and other forms of flooding mitigation.

Being in a LEED-certified gold building (RCBC Plaza in Makati City), we uphold efficient energy and water consumption and apply conservation measures in our day-to-day operations. These include switching to LED lighting systems and the application of energy-saving mechanisms in the office elevators, and the proper use of faucets and responsible consumption of drinking water. These practices are also part of our cost-control measures.

To ensure our efficient use of materials, we deal only with suppliers that adhere to sustainability standards and practices, including compliance with Philippine laws. We are able to influence suppliers to be sustainable through the supplier accreditation processes. We continue to improve our existing supply chain management through policies on procurement practices, performance expectations, capacity building, training, process changes, and supplier relationships.

- 281 RCBC branches converted into Branch of Today design in 2021 (for operational efficiency and online banking convenience within a physical branch).
- Mandated all employees to take up Sustainability e-learning course in annual Bank-wide learning programs beginning 2021. This is considered instrumental in promoting deeper understanding on energy and water consumption.
- Informative Sustainability leaflets distributed to RCBC's corporate clients and suppliers, aimed at promoting awareness of environmental protection, including reduction of GHG emissions/carbon footprint, water conservation, and the integration of environmental responsibility into their operations.
- Sustainability-related questionnaires are included in the accreditation/vetting process of suppliers and vendors.

Ecosystems and Biodiversity

We do not operate in sites that are in or adjacent to protected areas, areas of high biodiversity value, protected or restored habitats, or areas where IUCN Red List species and national conservation list species have habitats. The operational sites of our clients, however, may be in these areas, and may have negative environmental impacts. As such, we apply our ESMS Policy which subscribes to the IFC Performance Standards covering the evaluation of the impact of a borrower's business on ecosystems and biodiversity (IFC Performance Standard number 6). (For a detailed discussion on our ESMS Policy, please go to page 86.)

Environmental Impact Management

Our ability to properly manage our environmental impacts affects the communities within the proximity of our operations, and the overall environmental welfare of the society. We have various approaches to environment impact management:

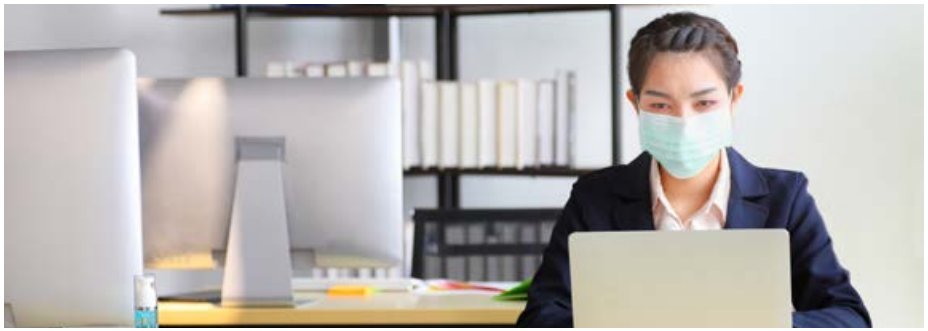
- Initiatives for operational efficiency and digitization: Waste reduction (e.g., paperless processes), reduction of carbon footprint/GHG, energy efficiency, and other environmental initiatives
- ESMS Policy: This subscribes to the IFC Performance Standards covering the evaluation of the borrower's practices to promote resource efficiency and pollution protection (Performance Standard number 3). (For a detailed discussion on our ESMS Policy, please go to page 86.)
- RCBC Sustainable Finance Framework: Includes support to initiatives on waste management (excluding landfills) such as waste prevention, waste reduction, waste recycling, and energy/emission-efficient waste to energy (municipal waste to energy to include emission abatement technology) under the Eligible Green Categories.
- Sustainability e-learning course: Part of the annual Bank-wide learning programs beginning 2021 to promote deeper understanding on environmental issues.

- Informative Sustainability leaflets: Distributed to RCBC's corporate clients and suppliers to raise awareness on various environmental issues and promote environmental responsibility.
- RCBC Plaza's Solid Waste Management Plan includes reducing material costs and environmental impacts thus educating and encouraging tenants to reduce, reuse, and recycle for long-term purposes to minimize ecological impacts. Solid wastes are hauled by a third party; total amounts are then recorded and tabulated.
- The Bank's customer banking experience has promoted ZERO forms to fill out and sign if client applies for a Hexagon Club Membership, hence significantly decreasing paper usage.

Environmental Compliance

RCBC is committed to comply with all environmental laws and regulations, and conform to performance standards.

SOCIAL PERFORMANCE



EMPLOYEE MANAGEMENT

Employee Hiring and Benefits
In support of our growth strategy and plans, the Human Resources Group (HRG) is committed to organizational capability building and continues to lead programs and initiatives on talent management and development, leadership continuity, retention programs, employee well-being as well as corporate social responsibility.

- Compensation and Rewards Program: We commit to pay salaries/compensation consistent with job performance and the requirements of the law and one that is competitive with the banking industry. We give importance to equitable pay differentials for different types of work and hence pay within an established salary structure for the different job levels. We likewise provide officers with incentives and rewards for contribution to the business objectives of the Bank. 17th-month pay is given to rank-and-file employees, a benefit that is superior to other peer banks.
- Employee Benefits: We constantly improve our employee benefit packages to keep them competitive in order to retain employees and attract new applicants.
- Job Evaluation: The current salary structure is based on the existing job grading system for Officer levels ranging from First Officer up to Senior Executive Vice President. HRG is responsible for ensuring that jobs are rated properly and continuously as they change over time due to reconfiguration of functions or reorganizations.
- Career Promotion: This is based on full-year performance and accomplishments and are measured through predefined Key Results Areas (KRAs).
- Employee Retention: Recognizing the continuing competition for talent, HRG's retention programs have helped keep the Bank's attrition rate at 11.09% which is below industry level.
- Collective Bargaining Agreement (CBA): While not all non-officer employees are members of the RCBC Employees Association, they are covered by the CBA. In November 2021, the Bank (excluding its subsidiaries) and the RCBC Employees Association peacefully agreed on the 3-year economic provisions and the 5-year non-economic terms of the CBA for the period 01 October 2021 to 30 September 2026.
- Employee Engagement: Certain RCBC units provide employee satisfaction survey to the teams that they are servicing. The survey reflects the employee's assessment of the unit's delivery of service and the areas for improvement.
- Human Resource Information System: HRG maintains and manages the Bank's Human Resource Information System (HRIS) where all employee data (from hiring to separation) are inputted and stored. Even prior to the pandemic, the HRIS had already been set up and available for employees to access offsite. Using the HRIS, HRG was able to record employees' COVID-19 vaccination details and was able to generate real-time data for analysis anytime.

Employee Training and Development
In pursuit of our commitment to organizational capability building, our HRG continues to lead programs and initiatives on talent management and development, leadership continuity, retention programs, employee well-being as well as corporate social responsibility.

HRG, in collaboration with management, continues to subscribe to the Bank's Succession Planning Program. This is to ensure that the organization has a deep bench of internal candidates ready to assume higher leadership responsibilities.

We invest in training and developing employees, and upgrading employee skills. Fully committed to providing learning and development opportunities across all job levels, Management has introduced and offered various training programs and seminars.

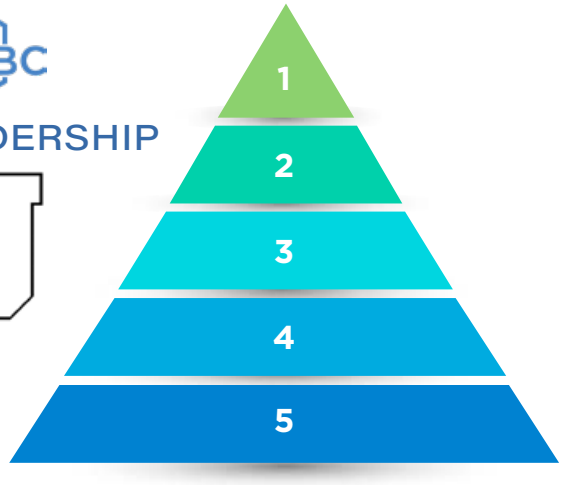
In 2021, we launched a major initiative called the Digital and Customer Centricity Culture Transformation (DC3T). This aimed to enable our business units to adopt, embrace, and practice a digital mindset and customer centricity, with the ultimate goal of improving its service delivery to its customers. The three initial groups identified to participate in the DC3T are the Corporate Banking Group, Global Transaction Banking, and Trust and Investments Group. Major programs to support them in this transformation are Virtual Consultative Selling and Design Thinking.

- 194 participants attended the 8 runs of and 112 participants attended the 5 runs of Design Thinking
- Other courses conducted to support the DC3T: Customer Journey Mapping Workshop and Customer Value Proposition Workshop (45 participants), and individual High Velocity Coaching and Feedback sessions and Team Learning on Coaching and Feedback.

Other Training Programs

Training Program	Attendees	Program Objectives
RBG Booster Program (3 sessions in 2021)	81 Sales Officers of the Retail Banking Group	To gain knowledge on product certification and equip branch sales officers to be more adept in their role and to support them in the digital environment
AWS (Amazon Web Services) Executive Briefings	99 Senior Leaders	To better understand the digital landscape. Topics covered: Culture, Innovation and Transformation; Innovation and Transformation in Banking, Financial Services and Insurance; Engineering, Construction and Energy; and People Transformation
Agile Scrum Project Management Workshop	1st run: Offered to senior officers who are project leads - 31 attendees with 7 senior officers from the other YGC (Yuchengco Group of Companies) 2nd run: For heads of the Operations Group (24 attendees)	To further equip the Bank in our transformation journey
Branch Operations Orientation Training Camp (BOOT Camp)	394 attendees	Launched in 2018 but became a 7-day program for all new branch officer hires or branch officer transferees in 2021. Modules include: Risks and Controls, Supervisory Development Program, Effective Business Communication and Effective Leadership in Customer Service
Core Credit Course	91 participants from the Corporate Banking Group	10-day program for Relationship Managers aimed at standardizing and improving knowledge on Financial Analysis and Projections, and Credit Fundamentals. Apart from CBG and SMEBG Relationship Managers, the program was offered to Credit Officers and Auditors.
10th run of the Corporate Banking Learning Academy, (Marketing Assistant Track)	10 marketing assistants	8-day training program which aims to develop capable and credible marketing assistants
RBG BRM Masterclass	23 participants	19–day intensive training program aimed at improving product knowledge, as well as selling skills
5 review sessions to prepare those who will take the TOAP accreditation	153 employees attended the review sessions, 150 were registered with TOAP for the accreditation exam	In compliance with the BSP Directive to have all UITF Selling Personnel accredited

RCBC LEADERSHIP U



1 EXECUTIVE DEVELOPMENT PROGRAM

2 LEADERSHIP DEVELOPMENT PROGRAM

3 MIDDLE MANAGEMENT DEVELOPMENT PROGRAM
RETAIL BANKING ACADEMY
BRANCH OPERATIONS DEVELOPMENT PROGRAM
CORPORATE BANKING LEARNING ACADEMY
TREASURY ACADEMY

4 SUPERVISORY DEVELOPMENT PROGRAM
BASIC AND ADVANCED

5 OFFICERS DEVELOPMENT PROGRAM
GENERAL OPERATIONS LEARNING & DEVELOPMENT PROGRAM

- More than 10,000 attendees attended both internal and external learning sessions (mostly online)
- 49,800 eLearning courses taken by employees
- 10,168 attended internal virtual training on Leadership, Customer Service, Sales Planning and Management, Product and Technical Knowledge, Risk Management, AML/Compliance
- 79 employees enrolled in a number of specialized/IT external training programs
- 741 employees sent to various external training programs
- HRG conducted Coaching workshops, specifically on the shift to Digital Selling
- 10 e-Learning programs on Security Awareness, Stress Management, Effective Time Management, Business English, RCBC Online Retail (RCBC ROR), Data Privacy, Sustainability, Unit Investment Trust Fund 2021 (UITF), Fixed Income, and Code of Conduct

Under our Corporate Governance Framework, the Board of Directors are required to undergo the Annual Continuing Training Program to be continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Bank. It involves courses on corporate governance, matters relevant to the company, including audit, internal controls, risk management, sustainability (e.g. e-learning course launched in 2021), and strategy. The annual continuing training shall be at least for four hours. In addition, all employees (from senior management to rank and file) and those with direct contracts with RCBC attend regular trainings and examinations on the Bank's anti-corruption policies.

Labor-Management Relations
RCBC has a union comprised of 29% of our rank-and-file employees in 2021. The union negotiates with Management for a Collective Bargaining Agreement (CBA) every 5 years. This shows that, hand-in-hand, Management and the union regularly evaluate and update the salaries and benefits of employees. Every negotiation (in at least the past 15 years) has been peaceful and fruitful.

Diversity and Equal Opportunity
RCBC is an equal-opportunity employer. In 2021, women comprised 64% of our workforce and 36% were men. This shows the equal opportunity we give to all as RCBC actively promotes diversity and equality at work, not only in hiring, but also in advancement and attaining positions of senior leadership. Promotion is based on performance, as accomplishments are measured through predefined KRAs.

WORKPLACE CONDITIONS, LABOR STANDARDS, AND HUMAN RIGHTS

Occupational Health and Safety

We commit to upholding occupational health and safety in the workplace through worker training and incident investigations. We have safety officers, certified Basic Occupational, Safety and Health (BOSH) personnel, and first-aiders trained by the Philippine Red Cross.

Various health and safety policies, as well as inspection and search procedures, are in place to protect all employees from generally recognized workplace hazards such as fire, earthquake, robberies and other natural and man-made calamities, as well as from substance abuse.

In 2021, the HRG conducted the following activities to sustain the promotion of health, safety and welfare of RCBC employees:

- Maintained partnership with Maxicare, the Bank's HMO provider, in giving health and medical services in accordance to the benefits being enjoyed by employees. In 2021:
  - 2,629 employees and 1,584 dependents availed of hospitalization, emergency care and other medical services;
  - Php15.1 million worth of Executive Check-Up for employees invested by RCBC;
  - 7,742 employees availed of outpatient consultation services;
- Partnered with Sunlife Grepa Financial Inc. in utilizing the clinic located at the RCBC Plaza (more than 176 availments in 2021). There is also a clinic set up at the A. T. Yuchengco Centre in BGC to give free check-up and consultation services (more than 1,039 employees availed).
- The Bank also provided the following benefits to employees:
  - YGC Vaccination Program: 70,000 doses of Moderna vaccines for employees and dependents. Through the Bank's relentless effort, 99% of our employees were fully vaccinated by 31 December 2021.
  - COVID-19 related undertakings: Activities performed by the Bank to support employees during the pandemic in compliance with the laws and regulations enacted during this period:
    - Robust information drive via release of critical/necessary advisories in line with the pandemic;
    - Implementation of policies on self-quarantine and travel bans;
    - Released procedures on how to avail COVID-19 testing as part of employees' hospitalization benefit;
    - Implemented COVID-19 testing to symptomatic employees and those who were deemed as close contacts
    - Organized bankwide webinars on the following:
      - Science behind and importance of vaccination
      - Mental Well-being
      - Anxiety and Coping Skills
      - Resiliency and Self Care
      - Beating Burn-out and Practical Mindfulness
    - Developed and implemented an eLearning module on Stress Management
    - Other related trainings:
      - Department of Labor and Employment (DOLE) certified Basic Occupational Safety and Health Seminar;
      - Philippine Red Cross certified first aid training;
      - Basic training course for Pollution Control;
      - Pollution Control training course for Managing Heads;
      - Safety and life support trainings, fire and earthquake seminars and drills for employees;
      - Pre-employment physical and medical examination for new hires;
      - Random drug testing;
      - Flu vaccination;
      - Maintenance of operational breastfeeding stations for nursing employees;
      - Sports and wellness to promote physical fitness
      - Precautionary measures – Since Management recognizes the precarious situation of employees in areas affected by natural calamities and man-made adversities, it has always been keen on immediately issuing work suspension orders in such perilous areas during fortuitous events; and
      - Life insurance coverage, inclusive of accidental death, total and permanent disability and burial assistance benefits.

Labor Laws and Human Rights

RCBC gives importance to and upholds labor standards and human rights in the workplace. Employees can be certain that RCBC follows existing labor laws and standards and protects human rights at all times.

We comply with all four principles of the International Labour Organization (ILO):

i) freedom of association and the effective recognition of the right to collective bargaining

ii) the elimination of forced or compulsory labor

iii) the abolition of child labor

iv) the elimination of discrimination in respect of employment and occupation

Supply Chain Management

RCBC ensures that suppliers uphold sustainability standards and practices, including compliance with relevant Philippine laws. The supplier's environmental performance is observed during site visits. RCBC influences suppliers to be sustainable through supplier accreditation processes, among other approaches.

In 2021, Sustainability Leaflets incorporating RCBC's sustainability practices were distributed to the YGC Procurement Shared Services to encourage suppliers to continually uphold sustainability standards and practices. (For details on our Supplier Policy, you may access the RCBC Sustainability Report 2021 Annexes on our website or https://www.rcbc.com/uploads/media/RCBC-Sustainability-Report-2021_-final.pdf)

Relationship with Community

RCBC empowers communities and families towards financial inclusion. Our presence in communities facilitates access to capital in the local economy, spurring economic growth and employment generation.

In 2021, RCBC joined the Credit Risk Database (CRD) Project of the BSP and Japan International Cooperation Agency (JICA) for SMEs. This aims to improve the access of SMEs to bank financing and support a post-COVID recovery scenario, especially since more than 70% of MSMEs in the Philippines were forced to close a month after the outbreak. The CRD project will improve access to SME financing by promoting risk-based lending through the use of a statistical scoring model that assesses the capacity of SMEs to repay their loan. This effectively gives long-term support to SMEs to reduce the dependence of financial institutions on collateral when granting loans.

For details on how the various operations of RMB and RCBC's DiskarTech and ATM Go products bring about significant impact to local communities, please go to Performance Metrics, page 48.

CUSTOMER MANAGEMENT

Customer Satisfaction

RCBC is committed to fully enforce the BSP's policy on Financial Consumer Protection (FCP) through a regular assessment of our compliance with the regulatory standards of conduct. This is to achieve a service culture of fair dealings and responsible business practices embedded in our primary business operations. Mechanisms to receive and investigate complaints and implement corrective action are incorporated in the FCP Framework.

- Regular monitoring of feedback from traditional and social media to identify customer concerns. This includes monthly social listening reports and real-time alerts, and monthly traditional media reports.
- Customer research for major initiatives (e.g., brand refresh, new website design, and new application design)
- Review and approval of communication materials, including clearing initiatives with Consumer Protection, Legal, and Compliance Groups
- Assessment of RCBC's reputation risk also reported regularly to the Risk Oversight Committee of the Board of Directors
- Financial customers given means to resolve complaints with their financial transactions. Consumer Assistance Officers (CAOs) are designated to handle customer complaints in various units, offices and business centers.
- Further strengthening of our Consumer Assistance Mechanism with the creation of a well-trained and dedicated team where customers can conveniently lodge complaints, inquiries and requests (i.e. Customer Care Dept-General Concerns, Customer Care-Loans, Customer Care-DiskarTech App)
- All Bank personnel with direct engagements with customers are equipped with the knowledge on the structure and implementation of the Bank's complaints handling mechanism. All CAOs submit a complaints report to the Bank's Consumer Protection Unit (CPU) on a monthly basis. CPU ensures that customer complaints received from various channels are consolidated and analyzed to ensure that material risks are subjected to root cause analysis, especially systematic complaints requiring immediate resolution by the 1st line business centers and/or business units. A management report on customer complaints is submitted to the Risk Oversight Committee on a regular basis.

Customer Health & Safety
As they are financial in nature, our banking products and services do not pose a risk to health and safety. Those of our clients, however, may have such negative impacts on their customers. As such, we remain committed to employing appropriate due diligence on our borrowers to ensure that appropriate health and safety programs and measures are embedded in their operations. This is one of the fundamentals of the Bank's ESMS Policy which subscribes to the IFC Performance Standards covering the evaluation of the borrower's practices to promote health and safety (Performance Standard number 2). (For a detailed discussion on our ESMS Policy please go to page 86)

Marketing and Labelling
Our ability to uphold the rights of our customers to the security of our products and services results to customer protection and customer satisfaction.

Fair and responsible marketing communications, as well as access to information about the composition of products, and their proper use and disposal, help our customers make informed choices. This is supported by our Consumer Protection Framework which details effective internal controls on product and service labelling and marketing communications.

Our units that develop and provide products and services to customers as well as those who prepare advertising materials for external distribution ensure that advertising and promotional/ marketing materials comply with the following requirements:

- No false, misleading or deceptive statements
- Visible, easily readable and understandable
- Disclosure of clear, accurate, updated and relevant information about the product or service
- Balanced and proportional (reflecting both advantages and risks of the product or service)
- Key information is prominent and not obscured
- Print is of sufficient size and clearly legible
- Targeted according to the specific groups of clients or customers to whom products are marketed

Business units that develop products and provide services coordinate with our Learning and Development Department on the design and execution of product/service programs. Bank staff, specifically those who interact directly with customers, receive adequate training suitable for the complexity of the products or services they sell. All Bank personnel that interact with customers are equipped with the knowledge on the structure and implementation of our complaints handling mechanism.

Customer Privacy
RCBC upholds the rights of customers to privacy. We respect consumer privacy and take reasonable measures to ensure the security of personal data that we collect, store, process or disseminate.

To protect customer privacy, we limit collection of personal data, collects data only by lawful means, and is transparent about how data is gathered, used, and secured. We do not disclose or use personal customer information for any purposes other than those agreed upon, and communicate any changes in data protection policies or measures to customers directly.

Under the supervision of the Chief Compliance Officer (CCO), our Data Protection Officer (DPO) is accountable for ensuring compliance with applicable laws and regulations for personal data protection. The DPO develops, maintains, and promotes the effective implementation of the Bank's Data Privacy Policy. The DPO regularly reports to the Audit and Compliance Committee (ACC) of the Board of Directors. The ACC performs oversight functions over the Compliance Office, and consequently, over the DPO. The Data Privacy Policy approved by the ACC and confirmed by the Board, was most recently revised in September 2021.

Data Security
We place the highest importance on keeping data secure, aiming to reduce disruptions to operations as a consequence of information security incidents.

RCBC may store personal data physically or electronically with third-party data storage providers. When the Bank does this, we use contractual arrangements to ensure those providers take appropriate measures to protect that information and restrict the uses to which they can put that information.

The data privacy and security policy are considered and applied in 100% of the Bank's operations.

We have zero tolerance for information security/cyber security breaches. RCBC shall protect its information assets to ensure that breaches do not cause material damage to its liquidity and capital position, and reputation.

Our information security objectives are achieved through both a technical and process-based defensive strategy:

- Multi-layer IT defenses, including threat intelligence/assessment, prevention, detection and remediation;
- Identification of information assets including both hardware and software that are considered essential to the Bank;
- Assistance to business units in identifying risks in information assets being handled; and
- Implementation of risk assessment to determine current information security risks and threats present in the information assets, determine acceptable risk levels, and implement preventive measures to mitigate potential high risks.

UN SUSTAINABLE DEVELOPMENT GOALS

Key Products and Services and Societal Value / Contribution to the UN SDGs

Our financial inclusion programs and services, taken together with RCBC's Sustainable Finance Framework, address 16 of the 17 UN SDGs

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Delivering in the New Normal Through Digital Acceleration: **[Refer to details under the Economic and Social portions]** **- DiskarTech** **- ATM Go**	 **No Poverty.** Both DiskarTech and ATM Go were instrumental in the government's distribution of the SAP pay-outs. The government has partnered with RCBC to help distribute cash assistance to families greatly affected by the ECQ in provinces and remote locations where there are no bank branches. **Gender Equality.** The digital innovations improve the economic lives of poor women, working class women and members of female-headed households. **Decent Work and Economic Growth.** Digital acceleration provides and expands access to banking and financial services for all. **Industry, Innovation and Infrastructure.** The banking products increase access to financial services. **Reduced Inequalities.** The pandemic highlighted the challenges of financial inclusion. RCBC responded swiftly through digitization which provided access to unbanked and underserved Filipinos. Diskartech has partnered with more than 21,500 cash agents and has processed more than Php18 Billion in transactions as of year-end 2021. **Partnerships for the Goals** (refer to details under Economic portion). • **For DiskarTech**, key partnerships with the following: DSWD, PASCO and Hapinoy, DOLE, Blas Ople Policy Center, Overseas Workers Welfare Administration and Philippine Overseas Employment Administration, SSS, DTI, Digipay, and RBAP. • **For ATM Go**, RCBC partnered with the DSWD.	Engaging the unbanked and underserved towards financial inclusion may expose us to credit risk and other types of risk which traditional risk tools may ordinarily not be able to adequately manage.	The risk of default and other risks are mitigated by performing additional Know Your Customer (KYC) and credit risk assessment procedures on clients.
Delivering in the New Normal through Compassionate Customer Service: **- CARE Program or the COVID-19 Assistance and Recovery Enhancement Program**	 **Decent Work and Economic Growth.** CARE promotes economic growth, full and productive employment, decent work for all. **Industry, Innovation and Infrastructure.** CARE helps maintain employment, increases the access of small and medium enterprises to financial services and affordable credit. **Reduced Inequalities.** CARE empowers and promotes economic inclusion. Ensures equal opportunities and reduces inequalities of outcome by providing immediate relief to customers through payment holidays.	Business lockdowns and quarantines have caused financial stress to the bank customers as these may lead to potential loan default and deterioration in overall loan portfolio quality.	The CARE Program entails supplementary training to the relationship managers for intensive credit assessment and collection. The objective of the CARE Program is to provide immediate relief to customers through payment holidays while giving the bank time to assess the impact through various sensitivity analyses and restructuring options.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Deposits • Savings Accounts ○ FlexiSavers ○ iSave ○ Basic Savings ○ GoSavers ○ SSS Pensioner ○ Regular Savings ATM/Passbook ○ eWoman Savings ○ Dragon Peso/ Dollar Savings ○ Foreign Currency • Checking Accounts ○ Regular Checking ○ Dragon Checking ○ eWoman Checking ○ CheckLite • Time Deposit • Foreign Currency	 **No Poverty.** RCBC offers inexpensive, easy to open, and customizable deposit accounts. **Good Health and Well Being.** RCBC offers account types that come with free personal accident insurance, free hospitalization benefit, and free life insurance. **Gender Equality.** RCBC offers eWoman Savings and eWoman Checking accounts especially designed for women. These come with free life insurance coverage. **Reduced Inequalities.** GoSaver is a savings account for kids and teens. SSS Pensioner is a savings account for those looking for a convenient way to access their pension.	Banks are custodians of public money. Given the banking sector's systemic importance, it is critical that credit risk, market risk, and other bank risks are properly managed to prevent bank failure.	The Bank identifies, measures, controls, and monitors the risk inherent to its business activities or embedded in products and portfolios. RCBC continually develops an efficient and effective risk management infrastructure, and complies with regulations on risk and capital management.
Loans • Corporate Loans • Home Loans • Auto Loans • Personal Loans	 **Decent Work and Economic Growth.** RCBC provides and expands access to banking and financial services for all. The Bank lends to corporations and SME, promoting inclusive, and sustainable economic growth, full and productive employment, and decent work for all. **Industry, Innovation and Infrastructure.** RCBC's loan products increase access to financial services. **Reduced Inequalities.** RCBC's loan products empower and promote economic inclusion. RCBC lends to the underserved and low-income individuals, promoting socioeconomic advancement and empowerment. **Sustainable Cities and Communities.** RCBC's personal loan products increase access to safe and affordable housing and transport.	Banks are custodians of public money. Given the banking sector's systemic importance, it is critical that credit risk, market risk, and other bank risks are properly managed to prevent bank failure.	The Bank identifies, measures, controls, and monitors the risk inherent to its business activities or embedded in its products and portfolios. RCBC continually develops an efficient and effective risk management infrastructure, and complies with regulations on risk and capital management.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Credit Cards	 **Zero hunger and Gender Equality.** RCBC Bankard Diamond Mastercard has a built-in program, the Diamond Cares Program, where for every Php100 charged to the card, RCBC Bankard automatically donates Php0.10 to support Gawad Kalinga's (GK) Kusina ng Kalinga (KnK) or Zonta Foundation for Women. **Good Health and Well Being and Life on Land.** The Philippine Red Cross, World Vision Philippines, and WWF-Philippines are RCBC Bankard Rewards Program beneficiaries. Cardholders earn rewards points for their qualified purchases, and can donate the peso value of their rewards points to the Bank's partner non-government organization. **Quality Education.** AY Foundation and SOS Children's Village are RCBC Bankard Rewards Program beneficiaries. Cardholders earn rewards points for their qualified purchases, and can donate the peso value of their rewards points to the Bank's partner non-government organizations.	Engaging in the credit card business exposes us to credit risk and other types of risk which traditional risk tools may ordinarily not be able to adequately manage.	RCBC mitigates the risk of default and other risks by performing additional KYC and credit risk assessment procedures on clients.
Micro & Small Business Loans & Savings Products	 **No Poverty.** RMB's loan and savings products cater to the underserved & small businesses in the country. RMB studies each business carefully to make certain that the additional working capital has a positive effect on cash flow, potentially reducing or eliminating poverty. **Decent Work and Economic Growth.** Correlated to helping reduce poverty, RMB's loans products provide additional funds to small businesses which in return further employs underserved individuals, thus, increasing employment. **Industry, Innovation and Infrastructure.** RMB's products increase access to financial services, including affordable credit. **Reduced Inequalities.** Regardless of financial status, RMB's loan and savings products cater to underserved individuals not covered by commercial banks.	Engaging the unbanked and underserved towards financial inclusion may expose us to credit risk and other types of risk which traditional risk tools may ordinarily not be able to adequately manage.	RCBC mitigates the risk of default and other risks by performing additional KYC and credit risk assessment procedures on clients.
Sustainable Finance Framework **The Sustainable Finance Framework strategy is to deploy Sustainable Financing instruments to fund all types of Loans that have clear environmental and/or social benefits which are classified as Eligible Green and Social Assets.**	 *Download RCBC's Impact Report from www.rcbc.com/sustainability. This report presents the Bank's Sustainable Finance Framework's impact and contribution to the UN SDGs.*	Banks are custodians of public money. Given the banking sector's systemic importance, it is critical that credit risk, market risk, and other bank risks are properly managed to prevent bank failure.	The Sustainable Finance Framework has a clear project selection and evaluation process.

ECONOMIC PERFORMANCE

Disclosure: January 1 to December 31, 2021
Amount (Consolidated) in Php billions

DIRECT ECONOMIC VALUE GENERATED		
Revenue Generation	2021	36.39
	2020	37.91
	2019	35.86

DIRECT ECONOMIC VALUE DISTRIBUTED		
Total Operating Costs	2021	24.98
	2020	27.72
	2019	24.29
Employee Wages and Benefits	2021	6.37
	2020	6.63
	2019	6.83
Payments to Suppliers, Other Operating Costs	2021	12.27
	2020	14.36
	2019	12.09
Dividends Given to Stockholders	2021	1.90
	2020	1.08
	2019	.86

DIRECT ECONOMIC VALUE DISTRIBUTED		
Taxes Paid to Government	2021	4.37
	2020	5.56
	2019	4.44
Investments to Community (e.g., donations, CSR	2021	79
	2020	93
	2019	68

Loan Concentration as to Industry	Amount (Php M)	%
Consumer	145,557	29%
Real estate, renting and other related activities	83,231	16%
Electricity, gas and water	69,258	14%
Wholesale and retail trade	56,866	11%
Manufacturing (various industries)	55,618	11%
Transportation and communication	41,080	8%
Financial intermediaries	33,772	7%
Agriculture, fishing, and forestry	4,309	1%
Hotels and restaurants	4,207	1%
Other community, social and personal activities	2,439	-
Mining and quarrying	1,022	-
Others	7,574	2%
Total	**504,933**	**100%**

Proportion of Spending on Local Suppliers	Quantity
Percentage of procurement spending (actual payments) used for significant locations of operations that is spent on local suppliers	96.45%

Training on Anti-Corruption Policies and Procedures	Quantity
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100%
Percentage of business partners[1] to whom the organization's anti-corruption policies and procedures have been communicated to	100%
Percentage of management that have received anti-corruption training	100%[2]
Percentage of employees that have received anti-corruption training	100%

Training on Anti-Corruption Policies and Procedures	Quantity
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100%
Percentage of management that have received anti-corruption training	100%
Percentage of employees that have received anti-corruption training	100%

Energy Consumption	Quantity
Energy consumption (renewable sources) in GJ	0 GJ
Energy consumption (gasoline) in GJ	0 GJ
Energy consumption (LPG) in GJ	0
Energy consumption (diesel) in GJ	1,385[3]
Energy consumption (electricity) in kWh	RCBC Plaza: 7,096,877 A.T. Yuchengco Centre: 1,215,484 Branches: 10,228,754

[1] *In the context of this Sustainability Report, the term 'business partners' includes suppliers and customers/clients.*
[2] *Via regular and compulsory "eLearning" courses and examinations for all employees and those with direct contracts with RCBC.*
[3] *This pertains to generator sets which make use of diesel.*

Reduction of Energy Consumption	Quantity
Energy reduction (renewable sources) in GJ	0
Energy reduction (gasoline) in GJ	0
Energy reduction (LPG) in GJ	0
Energy reduction (diesel) in GJ	148.78
Energy reduction (electricity)	-2,339,716[4]

Water Consumption	Quantity
Water withdrawal in cubic meters	0
Water consumption in cubic meters	RCBC Plaza: 31,380 A.T. Yuchengco Centre: 6,647 Branches: 133,667
Water recycled and reused in cubic meters	0

Materials Used	Quantity
Materials used by weight or volume[5]	
• Renewable in kg/liters	145,584
• Non-renewable in kg/liters	4,550
Percentage of recycled input materials used to manufacture the organization's primary products and services[6]	96.87%

Ecosystems and Biodiversity (Whether in Upland/Watershed or Coastal/Marine)	Quantity[6]
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None
Habitats protected or restored in hectares	-
IUCN Red List species and national conservation list species with habitats in areas affected by operations	None

[4] No energy reduction instead higher energy consumption in 2021 at 18,541,115 kWh vs. 2020 at 16,201,400 kWh driven by looser COVID-19 restrictions from the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF). However, compared with pre-pandemic energy consumption from 2019 at 22,000,121 kWh, 2021 consumption is lower by 3,459,005 kWh.

[5] This includes printed forms, check books, check vouchers, envelopes, and tempus calendars procured from suppliers.

[6] Refer to discussion of impact.

ENVIRONMENTAL IMPACT MANAGEMENT

Air Emissions

GHG	Quantity
Direct (Scope 1) GHG Emissions in Tonnes CO_2e	0
Energy indirect (Scope 2) GHG Emissions in Tonnes CO_2e	13,307.60[7]
Emissions of ozone-depleting substances (ODS) Tonnes	0

Air Pollutants	Quantity[8]
NOx in kg	-
SOx in kg	-
Persistent organic pollutants (POPs) in kg	-
Volatile organic compounds (VOCs) in kg	-
Hazardous air pollutants (HAPs) in kg	-
Particulate matter (PM) in kg	-

Solid Waste	Quantity
Total solid waste generated in kg	RCBC Plaza: 440,273[9] A.T. Yuchengco Centre: 27,432
Reusable	0
Recyclable	RCBC Plaza: 128,585
Composted	0
Incinerated	0
Residuals/Landfilled	RCBC Plaza: 311,688 A.T. Yuchengco Centre: 27,432

Hazardous Waste	Quantity[10]
Total weight of hazardous waste generated in kg	-
Total weight of hazardous waste transported in kg	-

Effluents	Quantity[11]
Total volume of water discharges in cubic meters	-
Percent of wastewater recycled in %	-

Environmental Compliance

Non-Compliance with Environmental Laws and Regulations	Quantity
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	Php10,00[12]
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0
No. of cases resolved through dispute resolution mechanism	2

7 *RCBC Plaza, A.T. Yuchengco Centre, and Branches; emission factor for electricity at 0.7122 kgCO2e/kWh from DOE (https://www.doe.gov.ph/electric-power/2015-2017-national-grid-emission-factor-ngef); emission factor for diesel at 0.0741 tonnes CO2e/GJ from ADB (https://www.adb.org/sites/default/files/institutional-document/296466/guidelines-estimating-ghg.pdf)*

8 *Refer to discussion of impact.*

9 *Solid waste data pertains to the entire premise of the RCBC Plaza not just the RCBC occupied floors. This is comparable with previous years' solid waste disclosures for RCBC Plaza.*

10 *As RCBC is engaged in traditional banking, it does not generate hazardous waste in its operations. The Bank's clients, however, may be generating hazardous waste that is harmful to the environment.*

11 *RCBC's operational sites are not in, or adjacent to, protected areas, areas of high biodiversity value, protected or restored habitats, or areas where IUCN Red List species and national conservation list species have habitats. The operational sites of the Bank's clients, however, may be such, and the clients' operations may have negative environmental impacts.*

12 *This is a one-time fine imposed on one branch that failed to register as hazardous waste generator under R.A. 6969. The fine has already been paid and requirement has been complied with.*

EMPLOYEE MANAGEMENT

Employee Hiring and Benefits

Employee Data	Quantity
Total number of employees	5,650
a. Number of female employees	3,610
b. Number of male employees	2,040
Attrition rate[13]	11.09%
Ratio of lowest paid employee against minimum wage	1.018 : 1

Employee Benefits	Y/N	% of female employees who availed in 2021	% of male employees who availed in 2021
SSS	Y		
Maternity/Paternity	Y	0.14	0.00
Sickness	Y	0.10	0.11
Salary Loan	Y	0.17	0.13
PhilHealth	Y	0.10	0.05
Pag-IBIG Loan	Y	0.12	0.07
Parental Leaves	Y	0.07	0.09
Vacation Leaves	Y	0.93	0.93
Sick Leaves	Y	0.69	0.60
Medical Benefits (aside from PhilHealth)	Y	0.70	0.56
Housing Assistance (excl. Pag-IBIG)	Y	0.0000083	0.00147
Retirement Fund (excl. SSS)	Y	0.03	0.02
Further Education Support	N		
Company Stock Options	N		
Telecommuting	N		
Flexible Working Hours	N		

[13] *Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)*

Employee Training and Development	Quantity
Total training hours provided to employees	169,332
a. Female employees	90,968
b. Male employees	78,364
Average training hours (hours/employee)	30
a. Female employees	25.19
b. Male employees	38.41

Labor-Management Relations	Quantity
% of employees covered with Collective Bargaining Agreements	29
Number of consultations conducted with employees concerning employee-related policies	~2,000 estimate

Labor-Management Relations	Quantity
% of female workers in the workforce	64%
% of male workers in the workforce	36%
Number of employees from indigenous communities and/or vulnerable sector*	0

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety	Quantity
Safe Man-Hours	11,932,800[14]
No. of work-related injuries	0
No. of work-related fatalities	0
No. of work related ill-health	0
No. of safety drills	3

Labor Laws and Human Rights	Quantity
No. of legal actions or employee grievances involving forced or child labor	0

Do you have policies that explicitly disallow violations of labor laws and human rights (e.g., harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	All newly hired employees sign a contract stating that they agree to the terms and conditions of their employment. The Bank does not employ forced labor.
Child labor	Y	RCBC's Recruitment Policy requires that we hire college graduates, at the minimum. The Bank does not employ child labor.
Human rights	Y	Existing Philippine laws set expectations and standards that disallow violations of and promote human rights. RCBC abides by these laws.

Supply Chain Management

Topic	Y/N	If Yes, cite reference in the company policy
Environmental performance	N	
Forced labor	N	
Child labor	N	
Human rights	N	
Bribery and corruption	Y	Supplier Management: Policies on Supplier Blacklisting 2. If supplier commits a violation against YGC Procurement Shared Services (PSS) policies on Code of Ethics, supplier will be blacklisted, regardless if supplier has more than one product or service used by YGC.
Health and safety	Y	Supplier Management: Policies on Supplier Blacklisting 3. Supplier shall also be blacklisted if the following offenses are committed: e. Failure to meet safety policies leading to loss of life, injury or damage to property

[14] *Estimated at 6,344 employees working 8 hours per day over 243 working days*

RELATIONSHIP WITH COMMUNITY

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people?	Mitigating measures (if negative) or enhancement measures (if positive)
RMB Micro & Small Business Loans & Savings Products	Available in key areas in Luzon, Visayas and Mindanao with a 18 branches and 5 micro-banking offices, or a total of 23 RMB branches	RMB is RCBC's thrift bank.	Yes. RMB serves the unbanked and underserved markets in the Philippines.	- RMB offers the Basic Deposit Account (BDA)[17] deposit product called "Pangarap Savings." With RMB's cloud-based core-banking system, financial services such cash-in (deposit), cash-out (withdrawal), bills payment, and opening of BDA can be done real time through a secured electronic platform provided to the accredited agents. *Refer to details under Economic Performance.*
DiskarTech – a Financial inclusion mobile-based application	Mobile-based	An inclusion application that mainly targets class C, D, and the unbanked sector	Yes. DiskarTech is an inclusion application that targets the unbanked and underserved Filipinos nationwide, especially those who live in grassroot communities.	DiskarTech also offers the BDA deposit product. *Refer to details under Economic Performance.*
ATM Go	Handheld ATM terminals	An inclusion application that mainly targets class C, D, and the unbanked sector This was instrumental to the government's distribution of the SAP.	Yes. ATM Go is an inclusion application that targets the unbanked and underserved sector.	*Refer to details under Economic Performance.*
Credit Risk Database (CRD) project of the BSP for SMEs.	Created out of a collaboration between the BSP and Japan International Cooperation Agency (JICA)	The CRD project aims to improve the access of SMEs to bank financing and support a post-COVID recovery scenario, especially since more than 70% of MSMEs in the Philippines were forced to close a month after the outbreak.	Yes, the CRD project is an inclusion application for the underserved sector. The CRD project gives long-term support to MSMEs to reduce their dependence of financial institutions on collateral when granting loans.	The CRD project aims to improve access to SME financing by promoting risk-based lending through the use of a statistical scoring model that assesses the capacity of SMEs to repay their loan.

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

[17] *The Basic Deposit Account is a financial inclusion deposit product of the BSP which meets the need of the unbanked and low-income sector for an affordable and easy-to-open account. It has a low-opening amount of Php100.00 or less, no maintaining balance, no dormancy charges and simple identification requirements.*

For operations affecting indigenous peoples (IPs), the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational:

Certificates	Quantity[18]
FPIC process is still undergoing	-
CP secured	-

Customer Management

Customer Satisfaction	Quantity	Did a third party conduct the customer satisfaction study?
Customer satisfaction	None[19]	N/A

Health and Safety	Quantity
No. of substantiated complaints on product or service health and safety*	0
No. of complaints addressed	N/A[20]

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Marketing and Labelling	Quantity
No. of substantiated complaints on marketing and labelling*	0
No. of complaints addressed	N/A[21]

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Customer Privacy	Quantity
No. of substantiated complaints on customer privacy*	1
No. of complaints addressed	1
No. of customers, users and account holders whose information is used for secondary purposes	431,829

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Data Security	Quantity
No. of data breaches, including leaks, thefts and losses of data	2[22]

[18] *The operations of RMB and the mobile-based DiskarTech do not affect IPs*
[19] *The Customer Care Ticketing System – Sales Force was implemented on September 28, 2020 and is actively being used enterprise-wide. This is monitored and enhancements are continuously being done to improve the process.*
[20] *No recorded complaints attributed to Health and Safety for the year 2020.*
[21] *No recorded complaints attributed to Marketing and Labelling for the year 2021*
[22] *Both incidents involved unauthorized disclosure of information due to an operational oversight. The root causes have been immediately identified and rectified to prevent recurrence.*

RISK GOVERNANCE FRAMEWORK

The RCBC Group (the Group) recognizes that risk is an inherent part of its activities, and that banking is essentially a business of managing risks. The Group views risk management as a value proposition imbued with the mission of achieving sustainable growth in profitability and shareholder value through an optimum balance of risk and return.

This corporate risk philosophy further translates to the following policy precepts:

- Prudential risk-taking and proactive exposure management as cornerstones for sustainable growth, capital adequacy, and profitability;
- Standards aligned with internationally accepted practices and regulations in day to day conduct of risk and performance management; and
- Commitment to developing risk awareness across the Group, promoting the highest standards of professional ethics and integrity, establishing a culture that emphasizes the importance of the risk process, sound internal control, and advocating the efficient use of capital.

The RCBC Group's Risk Governance Framework aims to:

- Identify, measure, control, and monitor the risk inherent to the Group's business activities or embedded in its products and portfolios;
- Formulate, disseminate, and observe the corporate risk philosophy, policies, procedures and guidelines;
- Guide risk-taking units in understanding and measuring risk-return profiles in their business transactions;
- Continually develop an efficient and effective risk management infrastructure; and
- Comply with regulations on risk and capital management.

RISK MANAGEMENT PRINCIPLES[1]

Risk management is a dynamic activity. For risk management to be effective, it needs to be practiced within all layers of the organization. The BOD expects the management of risk to be guided by the following principles:

Principle 1: Risk management creates and protects value.
Risk management creates and protects value by increasing the likelihood of achieving the organization's objectives. It also creates and protects value as it results in improving governance and control process, compliance with regulations and effectiveness and efficiency in the allocation of scarce capital and resources.

Principle 2: Risk management is an integral part of all organizational processes.
Risk management is not a standalone activity that is separate from the main activities and processes of the organization. Aside from ensuring profitability and delivering shareholder value, risk management should form part of the responsibilities of management.

Principle 3: Risk management is part of decision making.
To be effective, risk management should be part of the decision-making process. Risk management should help decision makers make informed choices, prioritize actions and distinguish among alternative courses of action.

Principle 4: Risk management explicitly addresses uncertainty.
In risk management, risk should not be viewed in a deterministic manner. Rather, it should explicitly take into account uncertainty, the nature of the uncertainty, and how this uncertainty can be addressed.

Principle 5: Risk management is systematic, structured, and timely.
Risk management is a systematic, structured, and timely process that contributes to efficient, consistent, comparable, and reliable results. It is a rigorous process that encourages everyone in an organization to assess uncertainty in a structured and systematic manner, and design mitigation strategies methodically.

Principle 6: Risk management is based on best available information.
While risk management aims to assess and manage risk in a forward-looking manner, it has to rely on the best available information as of a specified predetermined date. Examples of information sources that can be used as inputs to the risk management process are:

- Historical data
- Past experience
- Stakeholder feedback

[1] ISO 31000 enumerates 11 principles

- Observation
- Forecasts
- Expert judgment

Principle 7: Risk management is tailored.
Risk management is not a one-size-fits-all exercise. Each banking organization has unique circumstances that must be considered in designing the organization's risk governance framework and process. Risk management should be aligned with the organization's external and internal context and risk profile.

Principle 8: Risk management takes human and cultural factors into account.
The effectiveness of risk management processes, no matter how sophisticated the designs are, still depends on the commitment and capabilities of everyone in the organization. Risk management considers the capabilities, perceptions and intentions of external and internal people that can facilitate or hinder achievement of the organization's objectives.

Principle 9: Risk management is transparent and inclusive.
To be effective, risk management should not be an isolated activity. Everyone in an organization should be involved. Risk management is relevant and up-to-date if stakeholders and decision makers at all levels are involved in an appropriate and timely manner.

Principle 10: Risk management is dynamic, iterative and responsive to change.
Risk management should continually evolve and recognize the dynamic environment in which the banking organization operates in. As external and internal events occur, context and knowledge change, monitoring and review of risks take place. New risks emerge, some evolve, some change, and some disappear. Risk management should be able to capture and calibrate its responses to the changing nature of uncertainty.

Principle 11: Risk management facilitates continual improvement of the organization.
Risk management should develop and implement strategies to improve their risk management maturity alongside all aspects of the organization.

RISK CULTURE[2]

There are four elements of a sound risk culture: tone from the top, accountability, effective communication and challenge, and incentives.

Tone from the Top

The BOD and senior management are expected to establish a risk culture that represents an expectation of values and conduct from all staff. This expectation outlines what is expected from each individual in terms of behavior and actions. The BOD expects all staff to demonstrate exemplary conduct, act responsibly, fairly, and with integrity towards clients, staff, and in the communities in which we live and work.

The BOD expects all staff to:

Lead by Example	• Establish, monitor, and adhere to an effective risk appetite statement; • Have a clear view of the risk culture; • Systematically monitor and assess the prevailing risk culture and proactively address any identified areas of weakness or concern; • Promote through action and words, a risk culture that expects integrity and a sound approach to risk; • Promote an open exchange of views, challenge, and debate; and • Have mechanisms in place which help lessen the influence of dominant personalities and behaviors.
Adopt Corporate Values	• Systematically monitor and assess whether the espoused values are communicated and adhered to by management and staff at all levels; • Ensure that the risk appetite statement, risk management strategy, and overall business strategy are clearly understood and embraced by management and staff at all levels and effectively embedded in the decision-making and operations of the business; and • Establish a compensation structure that supports the institution's espoused values and promotes prudent risk-taking behavior.
Develop Common Understanding and Awareness of Risk	• Demonstrate a clear understanding of the quality and consistency of decision-making throughout the business, including how decision-making is consistent with the Group's risk appetite and risk strategy; • Have a clear view on the business lines considered to pose the greatest challenges to risk management and these are subject to constructive and credible challenge about the risk-return balance; and • Systematically monitor how quickly issues raised by the BOD, supervisors, internal audit, and other control functions are addressed by management.
Learn from Risk Culture Failures/ Mistakes	• Establish processes to ensure that failures or near failures in risk culture are reviewed at all levels of the Group and are seen as opportunities to strengthen the Group's risk culture and make it more robust.

[2] Financial Stability Board (FSB), 2014. "Guidance on Supervisory Interaction with Financial Institutions on Risk Culture: A Framework for Assessing Risk Culture"

Accountability

The BOD and senior management should ensure that employees are held accountable for their actions and are aware of the consequences of not adhering to the desired behavior toward risk. There should be a clear delineation of responsibilities with regard to monitoring, identification, management, and mitigation of risk. Employees at all levels should understand the core values of the Group's risk culture and its approach to risk, be capable of performing their prescribed roles, and be aware that they are held accountable for their actions in relation to the Group's risk-taking behavior.

Risk Ownership	• Clear expectations should be set with respect to monitoring, reporting, and responding to current and emerging risk information across the institution, including from the lines of business and risk management to the BOD and senior management. Mechanisms should be in place for the lines of business to share information on emerging and unexpected risks. • Employees are held accountable for their actions and are aware of the consequences for not adhering to the desired risk management behavior.
Escalation Process	• Escalation processes should be established and used with clear consequence for non-compliance with risk policies and escalation procedures. • Employees should be aware of the process and believe that the environment is open to critical challenge and dissent. These mechanisms should be established for employees to raise concerns when they feel discomfort about products or practices. • Whistleblowing should be proactively encouraged and supported by the BOD and senior management.
Enforcement	• Consequences should be clearly established, articulated, and applied for the business lines or individuals who engaged in excessive risk-taking relative to the risk appetite statement. Breaches in internal policies, procedures, and risk limits and non-adherence to internal codes of conduct should impact an individual's compensation and responsibilities or affect career progression, including termination.

Effective Communication and Challenge

A sound risk culture promotes an environment of effective communication and challenge in which decision-making processes promote a range of views, allow for testing of current practices and stimulate a positive, critical attitude among employees and an environment of open and constructive engagement.

A sound risk culture must encourage transparency and open dialogue in order to promote the identification and escalation of risk issues.

Open to Alternative View	• Alternative views or questions from individuals and groups are encouraged, valued and respected, and occur in practice. Senior management should have mechanisms in place to ensure that alternate views can be expressed in practice, and should request regular assessments of the openness to dissent at all layers of management involved in the decision-making process.
Stature of Risk Management	• The Chief Risk Officer and risk management function (RMG and CMG) share the same stature as the lines of businesses, actively participating in the Senior Management Committee, and proactively involved in all the relevant risk decisions and activities. They should have appropriate access to the BOD and senior management. • Compliance, legal, and other control functions should have sufficient stature, not only to act as advisors, but also to effectively exert control tasks with respect to the institution's risk culture.

Incentives

Financial and non-financial incentives should support the core values and risk culture at all levels of the Group. Performance and talent management should encourage and reinforce maintenance of the institution's desired risk management behavior. Remuneration systems should reward servicing the greater, long-term interest of the Group and its clients. Risk management and compliance considerations should have sufficient status in driving compensation, promotion, hiring, and performance evaluation.

Remuneration and Performance	• Remuneration and performance metrics should consistently support and drive the Group's desired risk-taking behavior, risk appetite, and risk culture. Annual performance reviews and objective-setting processes include steps taken by the individual to promote the Group's desired core values, compliance with policies and procedures, internal audit results, and supervisory findings. • Incentive compensation programs systematically include individual and group adherence to the Group's core values and risk culture, including: » Treatment of clients; » Cooperation with internal control functions and regulators; » Respect for risk exposure limits; and » Alignment between performance and risk.
Talent Development and Succession Planning	• Understanding key risks and essential elements of risk management and the culture of the organization is a critical skill for senior employees. These should be reflected in the development plans for employees. Succession planning processes for key management positions include risk management experience and not only revenue-based accomplishments. Training programs are available for all staff to develop risk management competencies.

RISK APPETITE FRAMEWORK[3]

The Risk Appetite Framework (RAF) is the overall approach, including policies, processes, controls and systems, through which risk appetite is established, communicated and monitored. It includes a risk appetite statement, risk limits and an outline of the roles and responsibilities of those overseeing the implementation and monitoring of the RAF.

A fully functioning risk appetite framework establishes a firm-specific quality and style of internal communication that enables risk messages to feed up the organization from the people who take or manage risk.

Conscious Risk-Taking

No business can thrive without taking on risks. A key benefit of deploying a risk appetite framework is that these risks are identified and quantified in a structured way that relates them to the firm's business objectives and strategy.

The trade-offs between risk and reward in a risk appetite framework are made upfront, in a conscious attempt to decide the right calibration, and at a firm-wide level.

A risk appetite framework ensures that risk-taking is specific, measured, and consistent within established limits.

Joined-Up Risk Management

Beyond the benefits of breadth, a risk appetite framework also provides depth to risk management activities. It is the collective impact of risk-taking across a firm that needs to be managed. This will always require the coordination among various parts of a firm, alignment between broader objectives and the more specific objectives of business units or individuals, and a translation between technical language of the risk or product specialist and the more general firm-specific risk appetite language.

This is where risk appetite frameworks come to the fore. First, they facilitate top-down direction from the BOD via the cascading of risk appetite statements and their ongoing monitoring and control – in a risk appetite language that is meaningful to everyone. Second, they rely on bottom-up information and insight from the businesses and control functions through the calibration of risk appetite limits and triggers, as well as the reporting of risks and the risk profile versus risk appetite.

Drive Quality Risk Management

To have an effective risk appetite framework, the following must be present:

- A **strong, independent risk function** that has the confidence of its convictions and the internal clout to design, build, launch and embed risk language and concepts across the firm; the risk personnel need to be good at reaching out to their colleagues in the business lines and advocating the risk appetite perspective.
- A **sponsor at the executive level** who has enough authority to make risk appetite the way the firm approaches risk. Without senior buy-in from a President/Chief Executive Officer or Chief Risk Officer, risk appetite will wither on the vine.
- A **robust process to aggregate risk** – Risk definitions are uniformly understood across the firm. The people and processes that identify and aggregate risk need to be of high caliber to support completeness of coverage and this should cover financial and non-financial risks;
- A **well-established methodology to produce risk adjusted metrics** (with the active buy-in of both the finance and risk departments) so that the risk appetite perspective takes root outside of the risk department.
- A **good capacity for change management**, since embedding risk appetite requires some deep-seated changes to be made to the way a lot of people go about their jobs;
- A **culture within a firm that enables free flow of information** up and down the hierarchy. The bosses are not afraid to hear bad news, nor do the business units water down messages for fear of giving offense.
- A **culture that weaves risk considerations into the rest of the firm** in such things as business strategy, capital planning, day-to-day risk-taking by the business, governance and the design of remuneration plans.

[3] Deloitte, 2014. "Risk Appetite Frameworks: How to Spot the Genuine Article"

Risk Appetite Statement

Risk appetite is the amount of risk the RCBC Group is willing to take in pursuit of its strategic objectives, reflecting its capacity to sustain losses and continue to meet its obligations under normal as well as adverse circumstances.

The Group's risk appetite statement is approved by the BOD and forms the basis for establishing the risk parameters within which the businesses must operate, including risk management policies, and limits.

The Group defines its risk appetite in terms of volatility of earnings, the maintenance of adequate capital buffers, and the assessment by the regulator.

The Group recognizes that risk is an inherent part of its activities, and that banking is essentially a business of managing risks. It aims to achieve sustainable growth in profitability and shareholder value through an optimum balance of risk and return.

The Group shall take on risk prudently and manage exposures proactively for the purpose of sustainable growth, capital adequacy, and profitability. It shall be aligned with internationally accepted standards, practices, and regulations in the day to day conduct of risk and performance management.

The BOD and senior management are committed to developing risk awareness across the Group, promoting the highest standards of professional ethics and integrity, establishing a culture that emphasizes the importance of the risk process, sound internal control, and advocating the efficient use of capital.

The Group sets risk limits to constrain risk-taking within its risk appetite, taking into account the interest of customers and shareholders as well as capital and other regulatory requirements.

The Group will not compromise adherence to its risk appetite to pursue revenue growth or higher returns.

The Risk Oversight Committee shall oversee compliance to the established risk appetite, risk management policies, and limits.

Furthermore, the Group articulates its appetite for specific risk types.

RISK APPETITE FOR SPECIFIC RISK TYPES

Risk Type	Definition	Risk Appetite
Credit Risk	Risk of loss arising from a counterparty's failure to meet the terms of any contract with the bank or otherwise perform as agreed. Credit risk is found in all activities where success depends on counterparty, issuer, or borrower performance. It arises anytime funds are extended, committed invested, or otherwise exposed through actual or implied contractual agreements, whether reflected on or off the balance sheet. Credit risk is not limited to the loan portfolio.	The Group shall only engage with counterparties that are foreseen to be able to meet the terms of the contract or perform as agreed. The Group shall manage credit risk in its portfolio and activities to ensure that credit risk losses do not cause material damage to the Group's liquidity and capital position.
Credit Concentration Risk	Risk of loss arising from excessive credit exposures to individual borrower, groups of connected counterparties and groups of counterparties with similar characteristics (e.g., counterparties in specific geographical locations, economic or industry sectors) or entities in foreign country or a group of countries with strong interrelated economies.	The Group shall not be overexposed to specific industries, borrowers, counterparties, or groups, where the risk of loss has not been considered and/or mitigated. It shall manage credit concentration risk in its portfolio to ensure that credit risk losses do not cause material damage to its liquidity and capital position.
Market Risk	Risk to earnings or capital arising from adverse movements in market factors that affect the value of instruments, products, and transactions in the Bank's trading book portfolio, both on- and off-balance sheet.	The Group shall manage market risk in its trading portfolio and activities to ensure that losses arising from adverse movements in market prices do not cause material damage to its net income and capital position.
Interest Rate Risk in the Banking Book	Current and prospective risk to earnings and capital arising from adverse movements in the interest rates that affect the Bank's banking book positions.	The Group shall manage interest rate risk in its banking book portfolio and activities to ensure that losses arising from movements in interest rates do not cause material damage to its net income and capital position.

Risk Type	Definition	Risk Appetite
Liquidity Risk	Current and prospective risk to earnings or capital arising from a bank's inability to meet its obligations when they come due without incurring unacceptable losses or cost. Also includes the inability to manage unplanned decreases or changes in funding sources.	The Group shall be able to meet its obligations when they come due, under normal as well as adverse circumstances, while ensuring compliance with regulatory requirements. It shall manage its liquidity position under extreme but plausible liquidity stress scenarios without recourse to extraordinary central bank support.
Operational Risk	Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.	The RCBC Group shall control operational risks to promote sustainable safe and sound operations and ensure that operational losses are mitigated and do not cause material damage to the Group's liquidity, income, capital position and reputation.
IT Risk	Risk of loss resulting from adverse outcome, damage, loss, violation, failure or disruption associated with the use of or reliance on computer hardware, software, devices, systems, applications and networks.	The Group shall manage its computer hardware, software, devices, systems, applications, and networks to ensure that losses resulting from their failure do not cause material damage to its liquidity and capital position, and reputation.
Information Security Risk	Risk of loss resulting from information security/cyber security breaches.	The Group has zero tolerance for information security/cyber security breaches. It shall protect its information assets to ensure that breaches do not cause material damage to its liquidity and capital position, and reputation.
Business Continuity Risk	Risk of loss resulting from a prolonged interruption in business operations.	The RCBC Group shall be able to resume critical operations that are adversely affected by disruption due to internal and external threats, which may be natural, man-made or technical in origin in a timely manner.
Regulatory Risk	Risk of loss arising from probable mid-stream changes in the regulatory regime affecting current position and/or strategy.	The Group shall be prepared for any changes in regulations affecting its current position and/or strategy.

Risk Type	Definition	Risk Appetite
Compliance Risk	Current and prospective risk to earnings or capital arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices, internal policies and procedures, or ethical standards.	The Group shall comply with laws, regulations, rules, related self-regulatory organization standards, and codes of conduct applicable to its banking activities. It has no appetite for deliberately or knowingly incurring a breach of the letter or spirit of regulatory requirements.
Money Laundering/ Terrorist Financing (ML/TF) Risk	Risk of loss arising from a covered person's failure to prevent itself from being used as a money laundering site and conduit for the proceeds of unlawful activities as well as financing the act of terrorism.	The Group has zero tolerance for any involvement in money laundering and terrorist financing activities. It shall manage ML/TF risk to avoid any involvement in money laundering and terrorist financing activities.
Fraud Risk (Internal & External)	Risk of loss resulting from falling victim to activities involving internal and/or external fraud.	The Group shall manage fraud risk to ensure that losses resulting from activities involving internal and/or external fraud do not cause material damage to its liquidity and capital position, and reputation. It has zero tolerance for any incident involving internal fraud, or any inappropriate conduct by a member of staff or by any Group business.
Legal Risk	Risk of loss resulting from uncertainty of legal proceedings that the Bank is currently or expected to be involved in.	The Group shall manage legal risk to ensure that losses arising from legal proceedings do not cause material damage to its liquidity and capital position, and reputation.
Human Resource Risk	Risk of loss arising from non-compliance with the Human Resources policies including Code of Conduct.	The RCBC Group has adequately disseminated its Human Resources policies and Code of Conduct to all its employees. As such, it has very low tolerance for non-compliance to ensure that ensuing losses do not cause material damage to the Group's operations, business, strategy and reputation.
Strategic Risk	Current and prospective impact on earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes and other external developments.	The Group shall only pursue strategies whose foreseeable risks have been considered and/or mitigated. It shall manage strategic risk to ensure that there is no material damage to its liquidity and capital position, and reputation.

Risk Type	Definition	Risk Appetite
Reputational Risk	Risk to earnings, capital, and liquidity arising from negative perception on the Bank of its customers, shareholders, investors, and employees, market analysts, the media, and other stakeholders such as regulators and other government agencies, that can adversely affect the bank's ability to maintain existing business relationships, establish new businesses or partnerships, or continuously access varied sources of funding.	The Group has very low tolerance for engaging in any business activity where foreseeable reputational risk or damage has not been considered and/ or mitigated. It shall protect its reputation to ensure that there is no material damage to the Group.
Environmental and Social (E&S) Risk	Risk of potential financial, legal, and/or reputational negative effect of E&S issues on the bank.	The Group shall promote sustainable practices that will minimize negative environmental, social and reputation impact of the Bank's financing activities and its clients' operation. It shall mitigate negative impact on the environment and affected communities, and enhance positive sustainable development impact.

RISK LIMITS[4]

Risk Limits are quantitative measures based on forward-looking assumptions that allocate the Group's aggregate risk appetite statement to business lines, subsidiaries as relevant, specific risk categories, concentrations, and other levels as deemed appropriate. Some of the Risk Oversight Committee's expectations when Management sets risk limits are as follows:

- Risk limits should be set at a level to constrain risk-taking within the approved risk appetite, taking into account the interest of customers and shareholders as well as capital and other regulatory requirements, in the event that a risk limit is breached and the likelihood that each material risk is realized.
- Risk limits should be established for business lines and subsidiaries, and generally expressed relative to:
  - » Earnings
  - » Capital
  - » Liquidity
  - » Other relevant measures, e.g. growth and liquidity
- Risk limits should include material concentrations at the group-wide, business line and subsidiary levels.
- Risk limits should not be strictly based on comparison to peers or default to regulatory limits.
- Risk limits should not be overly complicated, ambiguous, or subjective.
- Risk limits should be monitored regularly.

[4] Financial Stability Board (FSB), 2013. "Principles for an Effective Risk Appetite Framework"

RISK GOVERNANCE

The Risk Governance Framework of the Group follows a top-down approach: the BOD takes ultimate accountability for the risks taken, setting the tolerance level for these risks, business strategies, operating budget, policies, and overall risk philosophy.

In the interest of promoting efficient corporate governance, the BOD constitutes committees to perform oversight responsibilities. These committees perform oversight functions in the area of risk policy formulation, decision-making, and risk portfolio management.

BOARD OF DIRECTORS			
Executive Committee	**Risk Oversight Committee**	**AML Committee**	**Audit and Compliance Committee**

BOARD OF DIRECTORS (BOD)

The BOD ensures that the Group's corporate objectives are supported by a sound risk strategy and an effective risk governance framework that is appropriate to the nature, scale, and complexity of its activities. It provides effective oversight of senior management's actions to ensure consistency with the risk strategy and policies, including the risk appetite framework.
The BOD:

- Sets policies, strategies and objectives and oversees the executive function
- Sets the risk appetite and ensures that it is reflected in the business strategy and cascaded throughout the organization
- Establishes and oversees an effective risk governance and organizational structure

Board Committees

Overall responsibility for risk management is with the BOD. More specific responsibilities of the board-level and management committees involved, and assisting the BOD, in the risk process are provided below:

THE EXECUTIVE COMMITTEE

The Executive Committee has the authority to act on matters as the BOD may entrust to it for action in between BOD meetings. More specifically, it reviews and approves loans and other credit-related matters, investments, purchase of stocks, bonds, securities and other commercial papers for the Bank.

THE RISK OVERSIGHT COMMITTEE (ROC)

The ROC supports the BOD with respect to oversight and management of risk exposures of the Group. In this regard, the ROC exercises authority over all other risk committees of the Group, mainly to assist the BOD in fulfilling its risk oversight responsibilities. The ROC oversees:

- **The risk governance framework.** The ROC ensures that an appropriate risk governance framework is in place, and adopted (as appropriate) across all entities of the Group.
- **Adherence to risk appetite.** The ROC oversees compliance to established risk management policies and limits. It ensures that the current and emerging risk exposures are consistent with the Group's strategic and overall risk appetite. It assesses the overall status of adherence to the risk appetite based on the quality of compliance with the limit structure, policies, and procedures relating to risk management and control, and performance of management, among others;
- **The risk management function.** The ROC is responsible for the appointment/ selection, remuneration, and dismissal of the Chief Risk Officer (CRO). It also ensures that the risk management function (RMG and CMG) has adequate resources including personnel, systems, and other risk management capabilities necessary for the conduct of sound risk management, and effectively oversees the risk taking activities of the Group.
- **Capital planning and management.** The ROC reviews, evaluates, periodically assesses, and reports to the BOD, the Group's Internal Capital Adequacy Assessment Process (ICAAP), especially relating to:
  - » Current and projected capital and risk-weighted asset levels and requirements;
  - » Capital allocation among risk-taking units of the Group; and
  - » Perceived threats to capital adequacy arising from both identified and unexpected risk factors
- **Recovery plans.** The ROC ensures periodic review of the effectiveness of the risk management systems and recovery plans. It ensures that implementation is carried out on an enterprise-wide basis, and that corrective actions are promptly implemented to address risk management concerns.

THE ANTI-MONEY LAUNDERING BOARD COMMITTEE

The Anti-Money Laundering Committee is constituted by the BOD to carry out its mandate to fully comply with the Anti-Money Laundering Act (AMLA), as amended, its Revised Implementing Rules and Regulations, and the Anti-Money Laundering Regulations under the MORB; and to ensure that oversight on the Bank's AML compliance management is adequate. The AML Board Committee has oversight on all AML-related matters such as the bank's Money Laundering and Terrorist Financing Prevention Program (MLPP), AML findings, PCA commitments, alerts management, and CTRs & STRs.

THE AUDIT AND COMPLIANCE COMMITTEE

The Audit and Compliance Committee is a board-level committee constituted to perform the following core functions:

- Oversight of the Bank's financial reporting and control, and of internal and external audit functions. This includes responsibility for the setting up of internal audit and for the appointment of the internal auditor as well as the independent external auditor who both report directly to the Audit and Compliance Committee.
- Investigation of any matter within its terms of reference, with full access to and cooperation by management and full discretion to invite any director or executive officer to attend its meetings and adequate resources to enable it to effectively discharge its functions.
- The review of the effectiveness of the institution's internal controls, including financial, operational and compliance controls, and risk management, to be conducted at least annually.
- Oversight of regulatory/compliance aspects.

Role of Parent Bank and Subsidiaries

The BOD and senior management of subsidiaries are held responsible for effective risk management processes at the subsidiary level and have appropriate influence in the design and implementation of risk management in the subsidiary. Conversely, the BOD and management of the parent bank is responsible for the risk management of the Group and must exercise oversight over its subsidiaries with appropriate processes established to monitor the subsidiaries' compliance to the Group's risk management practices.

Three Lines of Defense Model

Notwithstanding its defined specific risk management functions, the Group recognizes that the core banking activity of managing risks is not the sole province of RMG and CMG. It is rather a function that cuts across the entire organization.

In the Three Lines of Defense model, management control is the first line of defense in risk management, the various risk control and compliance oversight functions established by management are the second line of defense, and independent assurance [or audit] is the third. Each of these three lines plays a distinct role within the organization's wider governance framework[5].

[5] Institute of Internal Auditors, 2013. "The Three Lines of Defense in Effective Risk Management and Control"

Responsibilities	
1st Line: Business Lines & Support Units	• Every employee is a risk officer; the day-to-day management of all material risks is the responsibility of all bank personnel. • Business lines and support units: » know our customers well and are best placed to act in both customers' and RCBC's best interests; » own the risks and are responsible for identifying, monitoring, and controlling them to stay within appetite; and » are responsible for promoting a culture of compliance and control.
2nd Line: Risk & Control Units	• Risk control owners for their respective specialized risk types: » monitor and facilitate the implementation of effective risk management practices by the 1st line; » set standards by which the 1st line is expected to manage risk, including compliance with applicable laws, regulatory requirements, policies, and other relevant standards; » develop and maintain policies, standards and guidelines, set risk appetite and limits; » challenge the 1st line on effective risk management, their inputs to, and outputs from, the Bank's risk management tools; and » oversee the optimization of risk-reward trade-off. • Scope of responsibilities is defined by risk type, and not constrained by functional/business/organizational boundaries
3rd Line: Audit	• Auditors: » evaluate the effectiveness of the risk governance framework (design and implementation); and » provide an independent, objective assessment to improve the effectiveness of the first two lines of defense.

1ST LINE OF DEFENSE: BUSINESS LINES & SUPPORT UNITS

The first line of defense is the risk-originating units of the Bank, which are the business lines and support units. They originate products and activities which are the sources of risks. They are, therefore, in the best position to address risk issues at the onset. Business lines are expected to embed the risk governance framework and sound risk management practices into their respective standard operating procedures. It is the responsibility of every level of management, in every business or functional unit, under the oversight of the BOD, to ensure that the risk management process is performed. The establishment of a bank-wide "independent risk management function" to assist the BOD does not take away the responsibility for risk management from the line business/functional units. They must, therefore, adhere to all applicable policies, procedures, and processes established by the risk management function.

The management of credit risk, for instance, encompasses the Group's various units involved in the credit or lending cycle spanning origination, evaluation, approval, implementation/account management, and collection/remedial management. Each stage of the cycle is governed by a specific set of policies and procedures.

The same is true with the management of market, interest rate, and liquidity risks. As a general principle, risk-taking units (e.g., Trading, Investment, and Liquidity desks) are themselves risk managers, and are therefore expected to recognize and identify the risks attributed to various traded instruments, investment outlets, and counterparties. Moreover, they are expected to exercise risk control via observance of trading and/or investment rules, and compliance to risk limits set by regulation and those internally approved and set by the BOD. Risk control units (e.g., Treasury back office, Settlements) on the other hand are reposed with the responsibility of being the second line of defense.

The management of operational risk, too, is the responsibility of all Group personnel, with all units of the Group effectively becoming stakeholders in the ORM Framework. In addition to the ORM tools employed by the Group, operating manuals and policies relating to people, process, and systems management are in place and are supplemented by the Group's risk-based internal audit process.

2ND LINE OF DEFENSE: RISK & CONTROL UNITS

The second line of defense are the control functions; independent of the first line. The second line is responsible for developing and implementing a policy framework that reduces or eliminates preventable risks, and reduces the likelihood and impact of strategic and external risks. The second line of defense must:

- Identify, monitor, and escalate risk issues to the Chief Risk Officer;
- Oversee and challenge first line risk-taking activities and review first line risk proposals; and
- Set risk data aggregation, risk reporting, and data quality requirements.

RISK TYPES

Risk types are risks that are inherent in our strategy and business model. These risks are managed by distinct risk type frameworks.

Risk Type	2nd Line Ownership
1. Credit Risk	Credit Management Group
2. Credit Concentration Risk	Credit Management Group
3. Market Risk	Risk Management Group
4. Interest Rate Risk in the Banking Book	Risk Management Group
5. Liquidity Risk	Risk Management Group
6. Operational Risk	Risk Management Group
7. Strategic Risk	Corporate Planning Group
8. Reputational Risk	Marketing Group
9. Environmental and Social (E&S) Risk	Risk Management Group

Operational Risk Subtypes

At the enterprise level, the Operational Risk Management function under RMG has overall responsibility for Operational Risk as Risk Control Owner in the 2nd line of defense. However, the broad scope of operational risk requires subject matter expertise and specialization in areas such as IT, Compliance, ML/TF, Fraud, Legal, among others. These specialized areas are categorized as Operational Risk subtypes. The Risk Control Owners responsible for these subtypes have the same level of authority and responsibility for setting risk management standards as all other Risk Control Owners. They are not subordinated to the Operational Risk Management function. The Operational Risk Management function collaborates with all Risk Control Owners to ensure Risk Management standards are applied consistently.

Operational Risk Subtype	2nd Line Ownership
1. IT Risk	Risk Management Group
2. Information Security Risk	Risk Management Group
3. Business Continuity Risk	Risk Management Group
4. Regulatory Risk	Regulatory Affairs Group
5. Compliance Risk	Regulatory Affairs Group
6. ML/TF Risk	Regulatory Affairs Group
7. Fraud Risk	Risk Management Group
8. Legal Risk	Legal Affairs Group
9. Human Resource Risk	Human Resource Group

3RD LINE OF DEFENSE: AUDIT

The third line of defense is internal audit. Internal audit reviews the effectiveness of risk management practices. It confirms the level of compliance, recommends improvements, and enforces corrective actions when necessary.

Risk Management Function

The following functions support the above-mentioned committees and are an integral part of the risk organization of the Bank:

RISK MANAGEMENT GROUPS

Supporting the ROC in carrying out its mandate are the Risk Management Group (RMG) and the Credit Management Group (CMG).

Administratively and functionally, enterprise risk management follows the "centralized risk monitoring – decentralized risk management" approach. The risk units in the subsidiaries implement the risk management process individually, and report to their respective risk committees.

The Parent Bank's risk management groups implement the risk management process in the parent and consolidate the risk MIS from the various subsidiary risk units for a unified risk profile that is presented to the ROC.

The risk management groups are responsible for overseeing the risk-taking activities across the Group, as well as in evaluating whether these remain consistent with the Bank's risk appetite and strategic direction. It ensures that the Risk Governance Framework remains appropriate relative to the complexity of the Bank's risk-taking activities. The risk management groups are responsible for identifying, measuring, monitoring, and reporting risk on an enterprise-wide basis. They directly report to the ROC. Personnel in the risk management groups have knowledge and technical skills commensurate with the Bank's business activities and risk exposures.

The Risk Management Group (RMG)

CHIEF RISK OFFICER					
Enterprise Risk	Portfolio Quality	Market and Liquidity Risk Management	Operational Risk Management	Enterprise Fraud Risk	Information Security Governance

Chief Risk Officer

The Chief Risk Officer (CRO) has sufficient stature, authority, and seniority within the Bank. He is independent from executive functions and business line responsibilities, operations and revenue-generating functions, and has access to such information as he deems necessary to form his judgment. The CRO has direct access to the BOD and the Risk Oversight Committee without any impediment. He serves on a full-time basis and functionally reports to the ROC.

Responsibilities of the CRO: The CRO has the broad and exclusive responsibility for all risk issues. The CRO performs the critical executive function relating to risk management. The CRO adequately communicates the risk assessment to the BOD and facilitates sound board-level risk decisions. The CRO is responsible for overseeing the risk management function and supporting the BOD in the development of the risk appetite and risk appetite statement of the Bank and for translating the risk appetite into a risk limits structure. The CRO likewise proposes enhancements to risk management policies, processes, and systems to ensure that the Bank's risk management capabilities are sufficiently robust and effective to fully support strategic objectives and risk-taking activities.

The following are the major risk management divisions and departments under RMG.

ENTERPRISE RISK DIVISION HEAD		
Portfolio Monitoring	Enterprise Risk	Quantitative Risk

Enterprise Risk Division: The Enterprise Risk Division (ERD) is responsible for the Internal Capital Adequacy Assessment Process (ICAAP), Basel compliance, credit risk analytics, and the credit portfolio risk function. A quantitative risk unit is responsible for quantitative analysis, back-testing and validation of risk models, and the building of other risk metrics.

PORTFOLIO QUALITY DIVISION HEAD		
Independent Credit Review	Sustainable Finance	Environmental and Social Management Systems (ESMS)

Portfolio Quality Division. The Portfolio Quality Division (PQD) handles credit risk and E&S risk mitigation functions. Credit risk mitigation falls under Independent Credit Review (ICR) which was created in line with the requirements of BSP Circular 855 on credit review process. The ICR function covers an evaluation of credit review procedures, policy formulation, and action plan monitoring. Observations are reported periodically to the ROC, following discussions with accountable groups in line with the requirements of BSP Circular 855. E&S risk mitigation is handled by the Sustainable Finance and ESMS functions which provide oversight on the implementation of RCBC's Sustainable Finance Framework and ESMS policy. This is in support of BSP Circular 1085 and BSP Circular 1128 prescribing Frameworks for Sustainable Finance and Environmental and Social Risk Management (ESRM), respectively, and of the Bank's commitment to uphold social and environmental responsibility in all its business activities. Regular environmental and social risk updates are reported to the ROC.

PQD contributes to risk portfolio management as governed by the ROC through the assessment of the overall portfolio quality of the Bank in terms of credit risk mitigation, environmental and social impact, and adherence to environmental and social risk due diligence.

MARKET AND LIQUIDITY RISK MANAGEMENT DIVISION HEAD	
Market Risk	Liquidity Risk

Market and Liquidity Risk Management Division: The Market and Liquidity Risk Management Division (MLRMD) is primarily tasked with the development and implementation of market risk, liquidity risk, and IRRBB policies and measurement methodologies, recommending and monitoring compliance to risk limits, and reporting the same to the appropriate bodies. It regularly reports to the ROC and the Asset & Liability Committee (ALCO) activities relevant to market risk, liquidity risk, and IRRBB management of the Group.

OPERATIONAL RISK MANAGEMENT DEPARTMENT HEAD			
Business Operational Risk	Consumer Protection	Business Resiliency	Trust Risk

Operational Risk Management Department: The Operational Risk Management Department (ORMD) was created to ensure that operational risks are managed at an enterprise level, the systems and processes used to manage these risks are effectively implemented, and that management of these risks is embedded in the Group's processes.

ORMD is tasked to ensure implementation of the Operational Risk Management (ORM) Framework across the Group; and to develop an appropriate operational risk management environment where operational risks are identified, assessed, reported, monitored, and controlled/mitigated. It is also expected to identify and recommend mitigants for emerging risk types, and to promote and maintain quality operational risk programs and infrastructure. ORMD is also responsible for ensuring the Bank's capability to plan and respond to incidents and business disruptions and enable the continuity of key business operations at predefined acceptable levels. The department also provides the processes and methodologies designed to protect the clients by implementation of the Consumer Protection Program.

To facilitate implementation of ORM tools in the various business lines of both the parent bank and its subsidiaries, various officers are deputized and serve as embedded Deputy Operational Risk Officers (DORO) and Consumer Assistance Officers (CAO).

A DORO or CAO functions as ORMD's liaison to and implementation arm in the various business units for Operational Risk and Consumer Protection, respectively.

ENTERPRISE FRAUD RISK DEPARTMENT HEAD	
Investigations and Resolution	Detection and Monitoring

Enterprise Fraud Risk Department: The Enterprise Fraud Risk Department (EFRD) is tasked to ensure proper observance of the fraud management program (i.e., prevention, detection, investigation and escalation, containment and recovery, analysis and recommendation), and provide a high-level Enterprise-wide Fraud Risk Management Framework and its corresponding policies and standards. This serves as the basis upon which the Business, Operations and Support units will develop their own specific procedures and guidelines that will operationalize the controls to mitigate fraud risks that are inherent in their day-to-day activities.

EFRD also conducts periodic analysis of all fraud incidents and losses, creates rules/parameters for monitoring, investigates fraud cases, and determines current and emerging fraud risk trends which are reported to the BOD, through the ROC, and to the Management, thereby assisting them to make well-informed fraud risk management decisions.

INFORMATION SECURITY GOVERNANCE DEPARTMENT HEAD		
Information Security Risk	Risk Management Systems	IT Security Governance

Information Security Governance Department: The Information Security Governance Department (ISGD) deals with all aspects of information whether spoken, written, printed, electronic, or relegated to any other medium regardless of whether it is being created, viewed, transported, stored, or destroyed. This covers all business units, branches/offices, and subsidiaries, both domestic and overseas, third party institutions, and individuals.

The ISGD is tasked to ensure compliance with regulatory requirements set forth by the regulating bodies and laws in the areas of information security and electronic banking services. The department monitors and ensures that policies, procedures, and standards in managing information security and technology risk are observed across the Group. It also oversees and is part of the process for detecting, analyzing, and responding to any information security incident. ISGD also keeps the senior management and BOD apprised on information security risks.

ISGD executes an Information Security Strategic Plan (ISSP) and Information Security Program (ISPr) aligned with the business objectives of the Group. The department also establishes governance-specific policies, standards, and procedures for information security risk management, conducts trainings and issues advisories to increase information security awareness, and performs the Information Security Risk Assessment (ISRA) and Information Security Annual Certification (ISAC) for the whole Group to manage, identify, and address information security risks.

The Credit Management Group (CMG)

The Credit Management Group (CMG) focuses on the operational and front-end aspect of the credit cycle.

CHIEF CREDIT OFFICER			
Commercial Loan Evaluation (Corporate, Commercial, Programs/SME)	**Consumer Loan Evaluation** (Credit Acceptance, Credit Services, Vendor Management)	**Scorecard Analytics** (Asset Quality, Credit Policy, Ops Risk Process/ Reengineer)	**Consumer Collection** (Early Delinquency)

Major responsibilities of CMG include:

- Provides inputs on the credit quality of accounts to ascertain that all credit issues are disclosed and discussed thoroughly, so that approving authorities can render decisions based on adequate information for all types of accounts, i.e., corporate and retail accounts.
  - » Prepares financial analysis and spreadsheets to provide input for credit risk assessment and credit packaging; issues and reviews credit risk ratings
  - » Strengthens loan portfolio quality; guides business units and determines which accounts are weak or are potential problem loans
  - » Subjects the portfolio to stress testing to determine the potential effect on the loan portfolio of possible stress scenarios, in order to assist management in formulating contingency plans for the portion of the portfolio that is vulnerable
  - » Provides property valuation to ensure adequate collateral security as a second way out of the bank's lending activities
- Formulating and amending credit policies through benchmarking, industry research, keeping updated with regulatory requirements and international risk standards, and ensuring compliance with all BSP requirements
  - » Prepares policies to enable Bank's risk appetite and overall lending strategy and address dynamic business and operational requirements

- » Reviews policies formulated by various business units/groups within the Bank, and of subsidiaries to ensure that their policies are generally aligned with the Parent Bank's policies
- » Reviews/revises annually credit concentration limits such as industry, country and counterparty limits for CBG and Treasury by consulting the Corporate Planning Group, CBG, and Treasury on business requirements and risks

- Centralized portfolio Monitoring across the Group and providing early warning signals
- Prepares various regulatory and management reports to provide the needed inputs for audited financial reporting, compliance with regulatory requirements, and as a tool for managing the loan portfolio and for credit decision-making

CREDIT RISK

RISK ASSESSMENT

Credit risk is the risk of loss arising from a counterparty's failure to meet the terms of any contract with the bank or otherwise perform as agreed. Credit risk stems from the probability that the borrower, issuer or counterparty in a transaction may default and cause potential loss to the Group, as it is exposed to risk as a trading counterparty to dealers and customers, as direct lender, and as a holder of securities.

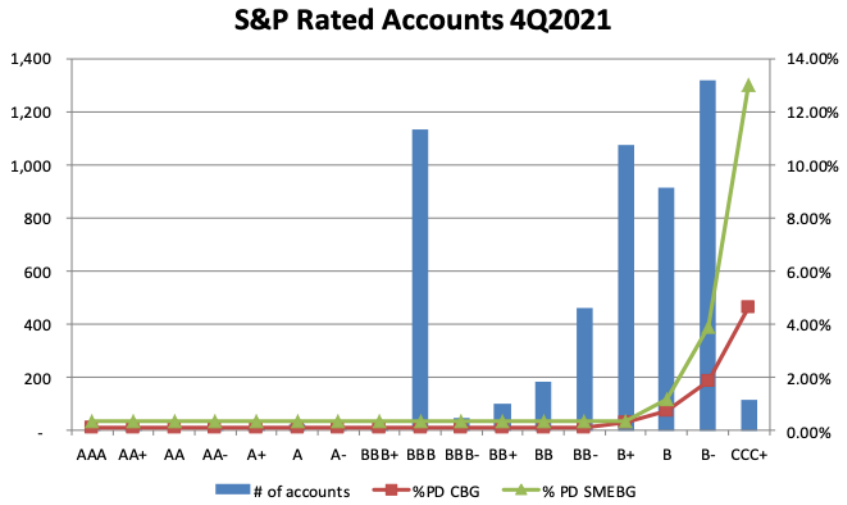
The assessment of this risk, in relation to its impact on capital adequacy, is governed by the Standardized Approach, as prescribed under Basel II and by BSP Circular 855.

The Bank uses a credit risk rating system that permits credit analytics and qualitative features that accommodate expert judgment when assessing credit worthiness. Following the Group's efforts to align with international best practice, the Bank, since 2013, has been using the following Standard and Poor's (S&P) Scorecards:

- **Generic Corporate Scorecard:** General framework for corporate borrowers regardless of industry
- **Utilities Suite:** Scorecards covering Power (Electricity, Gas, Power), Generation, Transmission, Distribution
- **Real Estate Developer:** Scorecards covering Real Estate entities engaged in Diversified Development and Sale, and Buying and Selling of a portfolio of Real Estate assets
- **Small & Medium Enterprise:** Scorecard for borrowers classified as Small or Medium
- **Overlays:** Parent-Subsidiary and Multi-Activity and Holding Company
- **Financial Institutions:** Scorecard for banks

The S&P scorecards are a formalization of the S&P rating methodology. By applying the same principles of assessing credit-worthiness, the scorecards leverage on S&P's extensive rating experience and over 30 years of available default data, thus serving a need specific to low default portfolios and institutions that may have issues with the existence (or non-existence) of clean historical credit and default data.

The Scorecards are designed to be used for: 1) the whole of corporate lending by RCBC and Malayan Leasing, 2) relevant portfolio assessed by Treasury and Trust for investment purposes, and 3) the SME portfolio of RCBC. The resulting ratings mirror the international S&P rating scale.



RATING	# of accounts	%PD CBG	% PD SMEBG
AAA	2	0.12%	0.36%
AA+	1	0.12%	0.36%
AA	-	0.12%	0.36%
AA-	2	0.12%	0.36%
A+	15	0.12%	0.36%
A	23	0.12%	0.36%
A-	5	0.12%	0.36%
BBB+	6	0.12%	0.36%
BBB	1,135	0.12%	0.36%
BBB-	47	0.12%	0.36%
BB+	102	0.12%	0.36%
BB	184	0.12%	0.36%
BB-	463	0.12%	0.36%
B+	1,074	0.30%	0.36%
B	914	0.75%	1.18%
B-	1,319	1.86%	3.92%
CCC+	117	4.62%	12.99%
TOTAL	5,409		

** Inclusive of CCC, CCC+, Lower than CCC*

The general description of each rating grade is as follows:

S&P Letter Grade	Description
AAA	Extremely strong capacity to meet financial commitments
AA+	Very strong capacity to meet financial commitments
AA	
AA-	
A+	Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances
A	
A-	
BBB+	Adequate capacity to meet financial commitments, but more subject to adverse economic conditions
BBB	
BBB-	
BB+	Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions
BB	
BB-	
B+	More vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments
B	
B-	
CCC+	Currently vulnerable and dependent on favorable business, financial and economic conditions to meet financial commitments
CCC	
Lower than CCC	Currently highly vulnerable

Following BSP Circular 855, the Group has set out to subject all accounts to risk rating either on an individual or collective basis.

Investment securities likewise undergo credit evaluation. The latter is initiated by the Treasury group, and later validated by the Credit Management Group (CMG). International ratings play a major role in the determination of a security's acceptability.

For the Group's consumer loans portfolio, risk assessment is performed on an individual borrower through the use of credit application scorecards for Credit Cards, Housing, Auto and Personal Loans. The UniBank has adopted the use of TransUnion credit scores alongside with the application and behavioral scorecards.

For Corporate Salary Loans, however, a rule-based set of credit criteria on company accreditation and borrower evaluation is used.

The credit application scorecard developed with FICO makes use of customer, loan and collateral characteristics which have been assigned weights based on their predictive power in determining the propensity of an account to default or maintain a satisfactory credit performance.

Due to COVID-19 pandemic, credit risk assessment for identified vulnerable segments was tightened.

The assessment of the Group's exposure to credit risk is also manifested in its loan loss/ impairment provisioning process. The total credit risk exposure of the Group, net of provisioning, is detailed in Note 4.4.7 of the accompanying Notes to Financial Statements. The details of the Group's impairment testing exercise are found in Note 16 of the NFS.

Expected Credit Loss

The ECL framework is approached on a Group-wide basis, with peculiarities depending on the portfolio and asset classes being assessed.

The ECL is computed in line with the standard Basel formulation of ECL = PD LGD EAD. Both the PD and LGD parameters are based on the Group's credit experience, while EAD is the outstanding loan balance including contingent accounts at any given cut-off. At least for the Parent Bank, the PDs are default probabilities arising from its use of the S&P Scorecards, whose performance is reviewed periodically. LGD on the other hand is based on an analysis of 5-yrs worth of recovery experience, taking into account both the facility and collateral position at time of default, and the recovery method employed.

In addition to the standard ECL formulation, an Overlay methodology is likewise employed. Essentially, an Overlay represents a forward-looking view of credit that may be based on macroeconomic studies or other bottom-up approaches that serve to modify any or all of the variables used in ECL calculation. For the UniBank's ECL framework, the overlay results in an adjusted set of adjusted PDs, estimated via an analysis of macroeconomic scenarios.

With the COVID-19 pandemic and the UniBank's expectation of economic impacts, the key assumptions utilized in the calculation of ECL was revisited. The account classification from the CARE program was utilized to adjust the ECL based on the COVID-19 impact on the customers.

The Bank has also reviewed and revised the existing ECL Framework for implementation in CY 2022. The new framework has integrated the impact of the COVID-19 pandemic to the portfolio provisioning including the following major changes:

- Reorganized exposure from CBG / SMEBG into market segments
  - » Corporate - Low PD, close to zero %
  - » Middle Market / SME - Higher PD, elevated at Chinese and Emerging Corporate Segments
- Loss rates on delinquent auto loans were adjusted outright to 50% versus impairment happening at ROPA side.
- Aggressive provisioning for both unsecured remedial loans and on Wholesale Lending ORANGE accounts.

RISK MONITORING AND REPORTING

The following table summarizes the various reports produced by the Group to monitor its credit risk exposures are summarized below:

ANNUAL REPORTS	DESCRIPTION
Industry Exposure Report (IER) - FCDU	FDCU exposure breakdown as to industry
SEMI ANNUAL REPORTS	**DESCRIPTION**
S&P Rating Model Performance Review	Internal credit risk rating model validation and backtesting of probability of default
Risk Rating Transition/Migration and Analysis	Matrices that shows actual performance of the rating system over time
QUARTERLY REPORTS	**DESCRIPTION**
Bad Debts	Report on accounts considered bad debts or accounts with more than 6 months unpaid principal and/or interest and has no specific allowance.
Stress Testing of Credit Risk	BSP's Uniform Stress Testing Program for Banks
NPL Sectoral Analysis	Non-performing loans by industry
MONTHLY REPORTS	**DESCRIPTION**
Expected Credit Loss	Computation of the required allowance for credit losses and monitoring adequacy of booked reserves
Credit Exposure Report (CREDEX)	CREDEX and BSP code assignment based on the specific reserves and rating of account
Past Due Report	Consolidated report on past due accounts with collateral information and latest status as from the handling unit
Non-Performing Loans (NPL)	Report on past due, NPL and Net NPL level and ratio of the bank
NPL Movement	Reason for movement of NPL
Industry Exposure Report (IER)	Monitoring of exposures per industry against the internal limit
Alcohol, Tobacco and Gaming Exposures	Monitoring of exposures to alcohol, tobacco and gaming industries against internal limit
Top Borrowers (single & group) Top Past Due Loans Top NPLs Consolidated IER Consolidated Top Borrowers	Concentration risk monitoring reports
Portfolio Stress Testing	Assessing the loan portfolio's vulnerability to adverse events

These reports are disseminated to both the Group's risk-taking units for guidance; and more importantly to senior management and the ROC.

INDEPENDENT CREDIT REVIEW

Compliance with the credit review requirements of BSP Circular 855 was strengthened through the creation of the Portfolio Quality Division (PQD) of Risk Management Group (RMG). PQD has a dedicated team handling the Independent Credit Review function in accordance with BSP Circular 855. The ICR covers the evaluation of credit procedures, policy formation, and action plan monitoring. The ICR's assessment of the overall portfolio quality of the Bank seeks to contribute to Risk Portfolio Management as governed by the ROC. Observations are reported periodically to the ROC, following discussions with accountable groups in line with the requirements of BSP Circular 855.

In 2021, two ICR reports were completed covering at least 75% of the Bank's total loan portfolio. Although the overall quality of the portfolio reviewed has remained acceptable, necessary improvements on account management were highlighted in order to promote timely and regular credit evaluation of accounts alongside the Bank's continued implementation of the CARE program.

COVID ADJUSTMENT – WHOLESALE BORROWING CUSTOMERS

The Bank at the height of the crisis postponed the use of the internal credit risk rating in favor of a 5 color rating of accounts.

COVID-19 Assistance and Recovery (CARE) Program was launched as a means to provide refinancing support to customers in good standing prior to the crisis without affecting the customer's credit standing.

The Group adopted various mitigating activities to manage its loan portfolio, focused on the identification of negatively impacted classes of customers given the quarantine restrictions, and, launched the CARE Program.

In identifying negatively impacted wholesale customers, customers in good standing as of March 2020 were bucketed into five color categories:

- **Green.** Accounts that may not have been severely impacted by the crisis, have sufficient liquidity to pay off loans, and not too dependent on bank financing to continue operating.
- **Yellow.** Accounts that may not have been severely impacted by the crisis and, continue to pay off any amounts due, but have a pronounced need for continued credit support.
- **Amber.** Account that may have been moderately impacted by the crisis, and would need refinancing support of more than 1 year up to 2 years.
- **Orange.** Accounts that may have been moderately impacted by the crisis, and would need refinancing support of more than 2 years.

- **Red.** Accounts that may have been moderately impacted by the crisis, and would have to resort to foreclosure or sale of assets to settle its debt obligations.

Supporting the account classification is the CARE Program, primarily designed to: (1) extend financial assistance to customers by way of extended repayment plans given cash flow tightness, and, (2) immediately get the customer back into the habit of paying based on the amount(s) they can afford.

With more than a year of implementation of the assessment tools and guidelines of the CARE Program in CY 2020, the indicators for the 5 colors were calibrated in CY 2021 focused on assessing the customer's cash flow together with behavior indicators, such as, payment and deposit patterns. Also, the criteria changed from determination of color category / rating based on tenor of refinancing package, to determination of color category / rating based on payment traction of the customer. Also, customers who continue to service interest from operations shall have a maximum color category of Amber, and customers who have started paying off principal amortization based on CARE on top of paying interest from operations shall have a maximum color category of Yellow.

CREDIT CONCENTRATION RISK

Credit concentration risk is the risk of loss arising from excessive credit exposures to individual borrower, groups of connected counterparties and groups of counterparties with similar characteristics (e.g., counterparties in specific geographical locations, economic or industry sectors) or entities in foreign country or a group of countries with strong interrelated economies. The Group assesses credit concentration by regularly reviewing the composition of its portfolio. Management of this particular risk is evident throughout the credit process, especially during credit analysis and approval. An analysis of concentrations of credit risk of the loan portfolio at the end of the reporting period is shown in Note 34 of the NFS.

RISK ASSESSMENT

Other than the various measures of risk concentration, the Group measures credit concentration risk using the Herfindahl-Hirschman Index (HHI), Risk-Adjusted Herfindahl-Hirschman Index (RA-HHI) and the Comprehensive Concentration Index (CCI).

HHI is one of the most basic measures of concentration. It was traditionally used as an economic analysis tool to determine the degree of market competition. Mathematically, the HHI is the sum of the squares of the relative portfolio shares, divided by the squared portfolio shares sum. If percentages were to represent the relative portfolio shares, the HHI formula is simply the sum of the squares of these percentages, as the square of 100% (the percentage sum) is one (1).

The RA is an extended measure based on HHI. While the HHI assumes perfect diversification as equal exposure to every sector, the RA-HHI takes into consideration the systemic risk of different sectors. From the HHI formula, sector betas (ß) are introduced in RA-HHI as weights of relative exposures. ß reflects systemic risk of each sector defined as the covariance between market return and sector return, divided by the variance of market return.

While the HHI and RA-HHI find usefulness in indicating industry concentration, the same may not be said for borrower concentration, as the index does not take into account a possible skewed lending behavior towards individual borrowers, which itself is an indication of credit concentration. The Parent Bank therefore supplements the HHI by adopting a Comprehensive Concentration Index (CCI). Mathematically, the CCI is the sum of the proportional share of the leading borrower (or borrowers) and the summation of the squares of the proportional sizes of each borrower, weighted by a multiplier reflecting the proportional size of the rest of the portfolio. The CCI therefore provides a view of the dispersion of the portfolio.

The Group works with correlations to further its analysis of concentration risk and stress testing. Using latest national accounts data, the Group regularly tracks correlations among industries to see which of its exposures are likely to move in similar directions.

RISK MONITORING AND REPORTING

RMG monitors portfolio credit concentration on a regular basis, with information relayed to frontline and support units. It is likewise reported monthly to the ROC, and eventually to the BOD. RMG likewise includes in its monitoring and reporting activity the information on compliance to set individual credit risk limits, particularly SBL. The daily monitoring of availments vs. limits approved per borrower (including SBL) however rests with the implementing/operations units.

MARKET RISK

Market risk is the risk to earnings or capital arising from adverse movements in factors that affect the market value of instruments, products, and transactions in the Bank's trading book portfolio, both on- and off-balance sheet. The Group assumes market risk in trading activities by taking positions in various financial instruments, such as foreign exchange, fixed income, equities, and derivative contracts. Its understanding of what constitutes market risk is guided by relevant local regulatory issuances, notably BSP Circular 544, as well as by the BIS Basel Committee on Bank Supervision, notably the "Principles for the Management and Supervision of Interest Rate Risk."

As of end December 2021, the following tables reflect the balances of the Bank's portfolios exposed to market risk:

FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)

Fixed Income Portfolio (Php Million)

FVTPL	Face Value	Coupon	Weighted Average Years	Weighted Average Book Yield	Modified Duration	Book Value	Market Value	Market Yield
Peso Denominated Holdings								
CORP BOND	1	4.94	2.35	6.92	2.11	0	1	5.21
FXTN	474	4.23	5.57	3.78	4.72	480	473	4.19
ROP GPN	3	6.25	14.24	6.48	9.32	3	3	5.12
RTB	774	4.57	5.43	4.31	4.71	784	780	4.42
T BILL	1,644	0.00	0.45	1.69	0.43	1,632	1,634	1.23
TOTAL PESO FVTPL	**2,895**	**1.92**	**2.63**	**2.74**	**2.29**	**2,899**	**2,890**	**2.57**
Foreign Currency Denominated Holdings (in Php Equivalent)								
FGN SOV BOND	24	8.60	5.53	4.43	4.57	31	33	1.91
FGN CORP BOND	31	5.20	2.82	4.31	2.54	31	34	1.82
FGN GOCC	9	8.69	5.00	3.28	4.07	12	12	1.92
FGN T BILL	0	0.00	0.00	0.00	0.00	0	0	0.00
ROP	446	2.42	9.59	2.13	8.12	455	459	2.01
TOTAL FCDU FVTPL	**510**	**2.99**	**8.90**	**2.39**	**7.54**	**530**	**538**	**2.00**
Total FVTPL	**3,405**	**2.08**	**3.57**	**2.69**	**3.07**	**3,429**	**3,428**	**2.49**

Foreign Exchange Portfolio (Php Million)

Foreign Exchange Risk Exposures		
Currency Code	Currency Name	Amount in PHP equivalent
USD	United States Dollar	126
JPY	Japanese Yen	(169)
CHF	Swiss Franc	155
GBP	British Pound	51
EUR	Euro	(227)
CAD	Canadian Dollar	50
AUD	Australian Dollar	(159)
SGD	Singaporean Dollar	93
Foreign Exchange Risk Exposures		
Other	All Other Currencies	(228)
Sum of net long positions		624
Sum of net short positions		(932)
Overall net open position[6]		932
Total Risk Weighted FX Exposures		2,191

The overall net open position reported in the above table is aligned with the Part IV.3 of the Capital Adequacy Ratio report wherein it states that the "Overall net open position shall be the greater of the absolute value of the sum of the net long position or the sum of net short position".

[6] The overall net open position reported in the above table is aligned with the Part IV.3 of the Capital Adequacy Ratio report wherein it states that the "Overall net open position shall be the greater of the absolute value of the sum of the net long position or the sum of net short position".

Derivatives Portfolio Year-End Profile

FX Swaps	Notional Amount (USD millions)	Notional Amount (Php millions)
Trading		
Sell/Buy USD (Borrow Php)	512	26,098
Buy/Sell USD (Lend Php)	609	31,307
GROSS POSITION	1,120	57,135
NET POSITION	(97)	(4,940)

Interest Rate Swaps	Peso IRS (Php millions)	USD IRS (USD Millions)	EUR IRS (EUR Millions)
Trading			
Received Fixed - Pay Float	4,380	25	12
Pay Fixed - Receive Float	3,000	87	12

Cross Currency Swaps	USD-PhP Cross Currency/Asset Swaps (USD Millions)
Trading	
Receiving USD	133
Paying USD	78

Credit Default Swaps	South Africa (USD Millions)	Indonesia (USD Millions)
Receiving USD	2	-
Paying USD	2	5

Equities Portfolio

Equities	Number of Shares	Book Value	Market Value
(In Php Millions)			
RCR PM	16.38	118.73	124.64
MREIT PM	5.45	95.67	107.36

During 2021, the Bank expanded its equities portfolio with three other REITs purchasing shares in the newly formed MREIT, FILRT and RL Commercial REIT. Towards the end of the year, the Bank closed its position in AREIT and FILRT and decreased its holdings in RCR and MREIT.

FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

Fixed Income Portfolio (Php Million)

FVOCI	Face Value	Coupon	Weighted Average Years	Weighted Average Book Yield	Modified Duration	Book Value	Market Value	Market Yield
Peso Denominated Holdings								
CORP BOND	302	4.90	3.64	4.90	3.20	302	304	4.57
FXTN	24,765	4.21	7.47	3.76	6.14	25,653	24,422	4.53
ROP GPN	0	0.00	0.00	0.00	0.00	0	0	0.00
RTB	0	0.00	0.00	0.00	0.00	0	0	0.00
T BILL	0	0.00	0.00	0.00	0.00	0	0	0.00
TOTAL PESO FVOCI	**25,067**	**4.22**	**7.42**	**3.77**	**6.10**	**25,955**	**24,726**	**4.53**
Foreign Currency Denominated Holdings (in Php Equivalent)								
FGN SOV BOND	1,669	3.06	4.03	2.69	3.11	1,701	1,701	2.52
FGN CORP BOND	15,083	3.60	7.34	3.48	6.15	15,171	15,385	3.20
FGN GOCC	0	0.00	0.00	0.00	0.00	0	0	0.00
FGN T BILL	0	0.00	0.00	0.00	0.00	0	0	0.00
ROP	1,663	3.39	15.49	2.46	10.94	1,890	1,797	2.80
TOTAL FCDU FVOCI	**18,415**	**3.53**	**7.78**	**3.31**	**6.30**	**18,762**	**18,882**	**3.10**
Total FVOCI	**43,482**	**3.93**	**7.57**	**3.58**	**6.19**	**44,717**	**43,608**	**3.93**

The Group's exposures are generally sensitive to market factors such as yield curves, foreign exchange rates, security prices, as well as the implied volatilities of the corresponding options instruments of these factors. Market risk generally emanates from the Bank's proprietary trading portfolios. Non-traded market risk may also arise from the distribution activities covering traditional treasury products as well as selected derivatives instruments.

RISK ASSESSMENT

The assessment of market risk, as it relates to capital adequacy, follows the Standardized Approach.

The market risk metrics in use, each of which has a corresponding limit, include the following:

- **Nominal Position:** An open risk position that is held as of any point in time expressed in terms of the nominal amount of the exposure
- **Modified Duration (MD)**: A measure of the sensitivity of the position to market interest rate changes. MD is the approximate percentage change in price or market value due to a 1% (100 basis points) change in yield-to-maturity (henceforth "yield"). Modified Duration (MD) is also used to estimate the price impact of any magnitude of yield change by simply applying a scaling factor. For example, to estimate the price effect of a 10-basis point yield change, the scaling factor 10/100 is used. A particular application of this is the so-called "Dollar Value of a 01" (DV01), which is also referred to as the Price Value of a Basis Point (PVBP). In the case of DV01 (the term used by the Bank), which refers to the price change due to a 1-basis point change in yield, the scaling factor would be 1/100.
- **Dollar Value of 01 (DV01):** DV01 is used by the Bank as a unit of measure for expressing limits established for fixed-income portfolios. It effectively captures both the nominal size of the portfolio as well as its duration. A given DV01 limit accommodates various combinations of portfolio nominal size and duration, thus providing a degree of flexibility to the trading / risk-taking function, at the same time represents a ceiling to the rate sensitivity of the exposure according to the Bank's risk appetite.
- **Value-at-Risk (VaR):** Value-at-Risk (VaR) is defined as the estimated maximum potential loss on a position, during a given time period, at a specified statistical probability level. The probability level at which the Bank estimates VaR is 99%. The Bank has uses historical simulation to calculate VaR for all products.

  A summary of the VaR position of the trading portfolio as of December 31, 2021 of both the Group and the Parent Bank are found in Note 4.3 of the accompanying NFS.
- **Stress Testing (ST):** ST is performed to measure the Bank's vulnerability to loss due to stressful market conditions. The Bank has the option to conduct different types of stress testing, such as:
  - Sensitivity Analyses - provide an assessment of the Bank's sensitivity to changes in certain risk factors. This includes uniform stress testing (e.g., applying a parallel rate shift to relevant rates);
  - Historical Scenario Analyses - measure the overall change in portfolio value by simulating extreme historical scenarios; and
  - Reverse Stress Testing - simulates stress scenarios that adversely affect the liquidity/solvency of a bank, e.g., an interest rate increase which would result to the CAR ratio falling below 10%.

    In addition, the BSP requires banks to conduct a Uniform Stress Testing (UST) covering market and credit risk exposures semi-annually. Foreign exchange and debt securities under the trading book as well as the interest rate repricing mismatches of the banking book are subjected to varied magnitude of interest rate and FX shocks. The Bank's ability to absorb the corresponding losses is measured by way of their impact to the regulatory capital ratios. The BSP stress test results are periodically presented to the ROC for information.

Model Back-Testing

Recognizing that VaR modeling is not perfect, the UniBank employs appropriate back-testing methodology to perform a "reality check" on the VaR models used. More specifically, the current VaR back-test procedure employs the "hypothetical P&L" method (where the daily position from which the VaR was computed is marked-to-market using the closing price of that day and the closing price of the next trading day) and, as of September 2021, the "actual P&L" method (where the daily change in the market value of the book is compared against VaR). Any change in value in excess of the day's VaR is treated as an exception.

Based on the number of exceptions, and using guidelines provided by the BIS document "Supervisory Framework for the Use of 'Back-testing' in Conjunction with the Internal Models Approach to Market Risk Capital Requirements" on the number of acceptable exceptions, a determination is made as to the acceptability of model accuracy. An unacceptable number of exceptions will cause an investigation of the root causes of the problem and ultimate resolution. Back-testing results are reported to the Risk Oversight Committee (ROC) at least annually.

RISK MONITORING AND REPORTING

Market Risk monitoring includes the following:

Report	Description	Frequency	User
Limits Monitoring	Report showing the following limits vs. levels: position, P&L, MAT-Loss, DV01, MAT-VaR	Daily	CRO, Treasurer, Portfolio Managers
HSVaR and Stress VaR	Report showing the maximum potential loss for each portfolio during business-as-usual and stress scenarios	Daily	CRO, Treasurer, Portfolio Managers
ALCO Market Risk Report	Report showing latest exposures vs. approved market risk limits	Weekly	ALCO
ROC Market Risk Report	Report showing latest exposures vs. approved market risk limits	Monthly	ROC

On a monthly basis, the daily and weekly information above are reported to the ROC, along with month-on-month movement, averages, noted exceptions and limit breaches.

Management Action Triggers

A Management Action Trigger (MAT) defines a limit which, if breached, should activate a process whereby the risk-taking function is to seek senior management guidance and approval on appropriate action to take concerning the position in question. There are two management action triggers (MAT-Loss and MAT- VaR):

- MAT-Loss limit is 50% of the Loss Limit for the FVTPL portfolio.
- MAT-Loss limit is 80% of the Loss Limit for the FVOCI portfolio
- The MAT-VaR is the limit on the maximum potential loss of value as measured by VaR. When the potential loss of value inherent in the actual position taken exceeds the MAT-VAR, ALCO guidance and approval of further action is sought by Treasury. For clarity, further action may or may not allow additional exposure.

Limit Breaches

In cases of limit breaches, the responsible risk-taking function (Treasury Group) seeks guidance from the ALCO members in regard to the position. Considering ALCO meets weekly, the unit immediately contacts, the following ALCO members: the President and Chief Executive Officer (P/CEO), the Chief Risk Officer (CRO), any director who sits in the ROC, and the concerned risk-taking unit Group Head, to discuss and decide on how the exposure shall be handled. The decision can be defined in terms of the following three alternatives:

- Unwind the position, wholly or in part (and if the latter, to what extent); and stop trading for the month. In this case no transactions will take place other than sell the position (if long) or buy (if short).
- Hold the position, and (1) Stop trading for the month or (2) Sell or buy but only if this reduces the loss, i.e., for a long position, sell on price up-tick at the discretion of trader subject to approval by the Deputy Treasurer or Treasurer.
- Continue normal trading activity and establish a temporary loss limit for the month in question.

INTEREST RATE RISK IN THE BANKING BOOK

Interest Rate Risk in the Banking Book (IRRBB) is the current and prospective negative impact to earnings and capital arising from shifts in interest rates. Whereas market risk is primarily associated with trading income, IRRBB is more concerned with balance sheet positions that have more permanence — primarily for accrual income.

In general, IRRBB encompasses the following:

- **Repricing Risk -** risks related to the timing mismatch in the maturity and re-pricing of assets and liabilities and off-balance sheet short and long term positions;
- **Yield Curve Risk** - risks arising from changes in the slope and the shape of the yield curve;
- **Basis Risk** - risks arising from hedging exposure to one interest rate with exposure to a rate which re-prices under slightly different conditions; and
- **Option Risk** - risks arising from options, including embedded options (e.g. consumers redeeming fixed rate products when market rates change).

2021 DEVELOPMENTS

The Bangko Sentral ng Pilipinas (BSP) issued Circular 1044, "Guidelines on the Management of Interest Rate Risk in the Banking Book and Amendment of the Guidelines on Market Risk Management" last August 2019. The document formalized the separation of Interest Rate Risk in the Banking Book from Market Interest Rate Risk. It emphasized the importance of (1) a dynamic approach to earnings management and balance sheet forecasting, (2) integrating behavioral models to IRRBB measures and (3) developing a comprehensive stress testing/scenario analysis methodology. Banks and quasi-banks (QBs) are expected to implement the guidelines set forth in this Circular beginning January 01, 2022.[7]

In addition to this, financial institutions began active discussion on the Libor-SOFR transition. As of the end of 2021, market participants have begun to transition away from LIBOR. Secured Overnight Financing Rate (SOFR), which measures the cost of borrowing of cash overnight by collateralizing U.S Treasuries in the repo market, better reflects funding of financial institutions today. Compared to LIBOR which is partially based on market-data "expert judgment", SOFR is purely based on transaction data. In addition, other countries are also introducing their risk-free overnight borrowing reference rates for short-term lending, but SOFR is expected to supersede USD LIBOR as the leading global benchmark rate. The transition to SOFR began in earnest during 2021 and as of the start of 2022, new transactions are expected to reference SOFR rather than LIBOR. Legacy LIBOR deals however will still be supported as certain benchmark tenors will continue to be published until mid-2023 to allow banks more time to transition their existing LIBOR trades to SOFR.

[7] TBSP Circular 1101: Extension of Transition Period for the Implementation of the Guidelines on the Management of Interest Rate Risk in the Banking Book, published on October 19, 2020.

RISK ASSESSMENT

The impact of interest rate changes in the Banks' financial situation is usually assessed from two perspectives. The first, known as the earnings perspective, consists in the simulation of interest flow changes in a short-term horizon, typically less than one year, bearing in mind repricing moments in that horizon. The second, known as the economic value perspective, consists in the simulation of changes in net worth, assuming that all assets and liabilities equalized to debt are assessed at market prices. RCBC subscribes to both approaches when assessing IRRBB.

The IRRBB metrics used by the Bank are as follows:

- **Repricing Gap:** The repricing gap – the foundation of IRRBB metrics – measures market interest rate exposures arising from mismatches in the repricing profile. The gap is prepared by distributing interest-rate-sensitive on-balance and off-balance sheet positions into a number of pre-defined time bands according to their residual maturity (for fixed rate) or time remaining to their next repricing (for floating rate). For each time band, the level of IRRBB is measured by the size of the gap, calculated as the difference between repricing assets and repricing liabilities, plus off-balance sheet items. The repricing gap is prepared on a monthly basis for all significant currencies.

  For other positions that lack definitive repricing intervals or actual maturities that could vary from contractual maturities, time bands are assigned to these according to the behavioral assumptions derived from the past experience of the Bank; e.g. CASA, generally described as non-rate sensitive, is bucketed based on the results of the quarterly core/non-core deposit model review. In 2022, the Bank will implement new models for the accurate slotting of non-maturity deposits (NMD), early redemption of time deposits and prepayment of fixed loans, in compliance to the guidelines set in BSP Circular 1044.

  Major assumptions employed in the preparation of repricing gap are as follows:

  » Loans and time deposits are subject to re-pricing on their contractual maturity dates. Non-performing loans, however, are not re-priced;

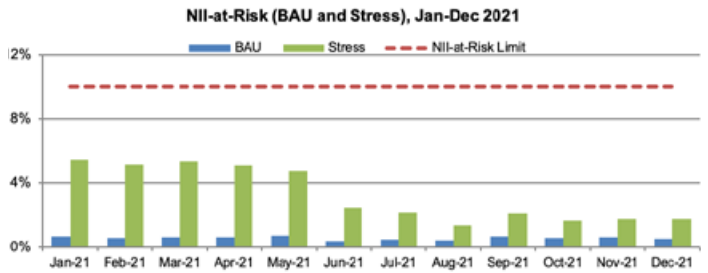
  » Debt securities classified under FVOCI and HTC are bucketed based on their repricing profile. Held-for-trading securities are considered non-rate sensitive; and

  » For assets and liabilities with no definite repricing schedule or maturity, slotting is based on the Group's empirical assumptions.

  The Group's December 31, 2021 IR Gap is as presented in Note 4.3.2 of the NFS.

- **Net Interest Income (NII)-at-Risk:** Estimates the potential sensitivity of pre-tax earnings arising from the adverse effect of interest rate movements, given the structure of its assets and liabilities. The calculation of NII-at-Risk[8] uses various assumptions in interest rate changes. For calculating baseline NII-at-Risk, the daily volatility across short-term tenors – from 1-Mo, 3-Mo, 6-Mo, and 1-Yr tenor buckets – is used as rate shock. The 99th percentile of the computed standard deviation, calculated from a 260-day look-back period, is multiplied to the current rate to estimate the potential change in rates. The resulting maximum estimated rate is used as the baseline rate shock.

- The historical NII-at-Risk for 2021 is as follows:

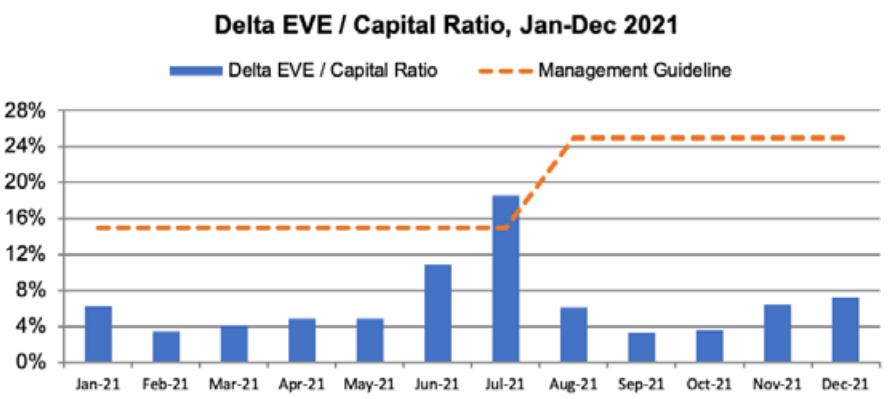


Earnings-at-Risk (EaR): Adds the FVTPL VaR to the resulting NII-at-Risk to include both the change in short-term repricing gap and the impact of interest changes to trading positions.

Capital-at-Risk (CaR): Adds FVTPL and FVOCI VaR to the resulting NII-at-Risk to include both the change in short-term repricing gap and the impact of interest changes to securities measured at fair value.

Economic Value of Equity: EVE measures the sensitivity of economic value of rate-sensitive assets, liabilities and off-balance sheet items to changes in the interest rates over a longer term horizon. Similar to NII-at-Risk, EVE is also estimated using the repricing gap as a baseline. The numerator, referred to as the Impact to Economic Value (IEV), is computed by multiplying the balances per tenor bucket by the present value factor, derived from BVAL for Peso and LIBOR for USD. The sum of these will result in the baseline market value (MV) of the balance sheet. This will be retested using various stress assumptions suggested by Basel. For the details of the different scenarios, refer to the Bank's IRRBB Management Framework. The scenario with the largest negative change from Baseline MV is identified as the worst scenario for the Bank. The change in IEV is then divided by the Total Qualifying Capital, which includes both Tier 1 and Tier 2 Capital items. The resulting ratio is called the Delta EVE.

Shown below are the monthly changes in EVE for 2021.



[8] Some instruments such as CASA deposits are excluded from the calculation of NII-at-Risk despite being interest bearing. The reason for this is that CASA deposits are non-repriceable and therefore, not sensitive to changes in interest rates. When interest rates change, CASA deposit rates do not move accordingly, but rather mainly dictated by competition. Furthermore, the RCBC has made a study on the correlation between the bank's deposit rates and market interest rates. The results of the study show no relationship.

The Delta EVE exceeded the Management Guideline on July 2021, caused by the increased purchase of long-term securities. After discussions by Treasury and RMG with the ROC, the Bank's deposit assumptions were updated to match the maturities of these assets. In addition, the EVE management guideline was increased from 15% to 25%, approved by the ROC last August 2021.

RISK CONTROL

IRRBB is managed by the following controls:

1. **Limits Setting:** Limits are quantitative measures based on forward-looking assumptions that form the risk appetite statement of the Bank. These are set to manage both the impact of IRRBB to earnings (Net Interest Income-at-Risk) and to capital (Economic Value of Equity).
2. **Model Validation:** The models to measure IRRBB are validated (regularly or as needed) by a third-party – either internal or external, to assess the conceptual soundness and mathematical calculations of the models used.
3. **Back-Testing:** This involves statistical methods to determine whether a model's risk estimate is consistent with the assumptions on which the estimate is based on.
4. **Independent Assessment:** This involves auditing exercise across the whole risk management process. Internal Audit, as a third line of defense, performs regular and independent assessment of the IRRBB process and practices to ensure consistency and compliance with established practices.

RISK MONITORING AND REPORTING

The NII-at-Risk and EVE is regularly monitored by RMG, and reported monthly to the ROC.

LIQUIDITY RISK

Liquidity risk is the risk of loss arising from a bank's inability to meet its obligations when they come due without incurring unacceptable losses. A potential or probable loss to earnings and capital arising from the Group's inability to meet its obligations when they fall due may be due to either the Group's inability to liquidate assets or obtain adequate funding, or the inability to unwind large exposures without significantly lowering market prices. BSP Circular 981 is the Group's principal guide for its liquidity risk management activities.

As a general policy, the Group holds that managing liquidity risk is among the most critical components of bank management and operations. This is carried out by an ongoing analysis of the liquidity position and risk profile, and by regular examination of how funding requirements are likely to evolve under various scenarios, including adverse conditions. At all times, the Group must hold enough liquidity to survive a liquidity crisis.

The ROC has the main responsibility for establishing a robust liquidity risk management framework adhered to by all business units. Treasury oversees the implementation of the relevant liquidity guidelines, including the deployment and maintenance of liquid assets, as well as business initiatives ensuring that they remain consistent with the framework. The outcome of such activities is ultimately monitored by RMG using tools for liquidity risk management such as the Maximum Cumulative Outflow (MCO) Report, Liquidity Stress Testing (LST), the BSP prescribed Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). Policies relating to the management of liquidity risk are approved by the ROC.

2021 DEVELOPMENTS

In 2021, the Bank experienced continuous growth in deposits driven by CASA and short term Time Deposits. New BSP regulations were introduced, necessitating improvements in the Bank's methodology for liquidity risk assessment. Listed below is the highlight of these changes:

Implementation of BSP Circulars 1064 and 1123

Circular 1064[9] provide guidelines to banks in reporting their intraday liquidity position, sources of intraday liquidity and their ability to meet payment and settlement obligations on a timely basis under both normal and stressed condition. The objective of this Circular is to facilitate sound management of intraday liquidity risk, as well as provide sufficient understanding and allocation of resources. The submission of the report is expected to encourage banks to adopt a systematic and disciplined approach in managing intraday liquidity. As per BSP Circular 1123[10], covered banks are required to submit this report by end-January 2022 from the original start date of July 2021.

RISK ASSESSMENT

Liquidity risk is managed by maintaining adequate liquid buffers and funding to meet expected and unexpected cash flows and collateral needs without adversely affecting daily operations and the financial condition of the Bank.

The risk metrics used by the Bank to measure liquidity risk are as follows:

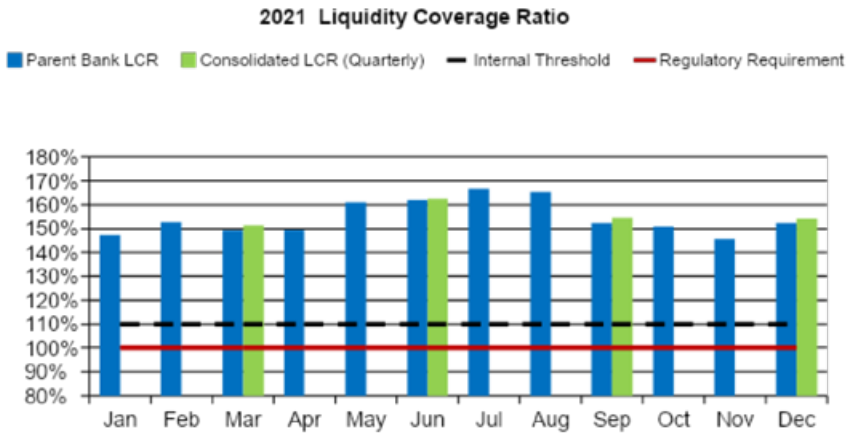
- **Liquidity Gap:** The liquidity gap measures the mismatch of cash inflows and outflows over various time buckets via the Maximum Cumulative Outflow (MCO) approach. The purpose of liquidity gap is to anticipate periods when a portfolio will have large cash outflows (i.e. large negative liquidity gap). In identifying the Bank's risk exposure, the balance sheet is divided into time buckets, and the liquidity gap for each (time bucket) is computed. The tabular presentation of the computed liquidity gap per time bucket is known as the Liquidity Gap Report. It provides a snapshot of the Bank's current net liquidity position over specified time-frames.

  The Group's December 31, 2021 Liquidity Gap is as presented in Note 4.2 of the NFS.

[9] BSP Circular 1064: Report on Intraday Liquidity of Universal and Commercial Banks (UBS/KBs) and their Subsidiary Banks/Quasi-Banks(QBs), issued on November 2019
[11] BSP Circular 1123: Amendments to Guidelines on Report on Intraday Liquidity of Universal and Commercial Banks (UBs/KBs) and their Subsidiary Banks/Quasi-Banks (QBs), Issued on July 13, 2021

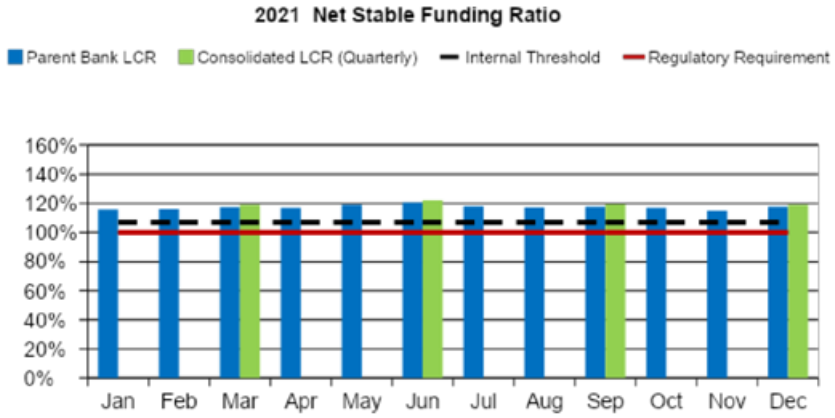
- **Liquidity Stress Testing (LST):** Liquidity Stress Test assesses the vulnerability of cash flows and ability of the Bank to survive stress conditions. It involves identifying possible events in the financial and economic conditions, called stress scenarios that could have unfavorable effects on the liquidity position of the bank and assessment of its ability to withstand such changes.
- **Liquidity Coverage Ratio (LCR):** BSP issued Circular 905 on the implementation of the Liquidity Coverage Ratio (LCR) which requires banks to have an adequate stock of high quality liquid assets (HQLA) that can be easily and immediately converted into cash to absorb shocks arising from significant stress scenario lasting 30 calendar days.

  To ensure compliance to the minimum regulatory requirement of 100%, the Bank implemented an Internal LCR Threshold as the Bank's risk appetite for LCR compliance. For FY2021, no breach was reported in the internal 110% LCR and regulatory 100% LCR limit. The summary of LCR position of the Bank and the RCBC Group for 2021 is as follows:



- **Net Stable Funding Ratio (NSFR):** NSFR measures the availability of medium and long term stable funding to support illiquid assets and business activities on an on-going basis. It is an assessment of the level of sustainable funding required to reduce funding risk over a one year time horizon.

  Similar to LCR, an internal threshold of 107% is set up for NSFR. For FY2021, no breach was reported in the internal 107% NSFR and regulatory 100% NSFR limit. The historical NSFR balances reported by RCBC and RCBC Group are as follows:



- **Contingency Funding Plan (CFP):** In addition to the quantitative assessment of the Bank's over-all liquidity profile, the Bank has a Contingency Funding Plan, which outlines the operational requirement to be taken in the event of a crisis. The plan strives to define the liquidity stress levels from the standpoint of different types of crisis - including the identification of early warning indicators and the step-by-step crisis management process once the plan is activated.

RISK CONTROL

Liquidity Risk is managed by the following controls:

1. **Limits Setting:** Limits are quantitative measures based on forward-looking assumptions that form the risk appetite statement of the Bank. These are set to manage the Bank's level of HQLA, dependency on stable deposits, allowed negative liquidity gap per tenor, etc.
2. **Back-Testing:** This involves statistical methods to determine whether a model's risk estimate is consistent with the assumptions on which the estimate is based on.
3. **Independent Assessment:** This involves auditing exercises across the whole risk management process. Internal Audit, as a third line of defense, performs regular and independent assessment of the Liquidity Risk process and practices to ensure consistency and compliance with established practices.

RISK MONITORING AND REPORTING

Results of the liquidity risk metrics are regularly monitored by RMG, and reported monthly to ALCO and ROC.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or external events. Operational risks include the risk of loss arising from various types of human or technical error, settlement or payments failures, business interruption, administrative and legal risks, and the risk arising from systems not performing adequately. The definition includes legal risk, but excludes strategic and reputational risk.

MANAGING OPERATIONAL RISK (ORM TOOLS)

For purposes of identification, monitoring and reporting and analysis, Group categorizes operational risk events as follows:

1. **Internal Fraud:** Losses due to acts of a type intended to defraud, misappropriate funds/property or circumvent regulations, the law or company policy, excluding diversity/ discrimination events, which involves at least one internal party. Example is theft of bank property by staff.
2. **External Fraud:** Losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party. Example includes forgery of the drawer's signature on checks drawn on the bank.
3. **Employment Practices and Workplace Safety (EPWF):** Losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims, or from diversity/discrimination events. This includes events arising from organized labor activity.
4. **Clients, Products and Business Practices (CPDP):** Losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements), or from the nature or design of a product. Example is legal liability that may arise from the sale of products to customers deemed without proper risk disclosure.
5. **Damage to Physical Assets:** Losses arising from loss or damage to physical assets from natural disaster or other events such as those caused by natural calamities as well as those caused by terrorism.
6. **Business Disruption and System Failures (BDSF):** Losses arising from disruption of business or system failures such as information systems or telecommunications failure which disables the bank's ability to conduct its business with customers.
7. **Execution, Delivery and Process Management (EDPM):** Losses or events caused due to failure of transaction processing, process management from relations with trade counter parties and vendors/alliance partners/service providers. Example is incomplete legal documentation of credit exposures.

To aid in the management of operational risk and the analysis of the Group operational risk profile, the following tools are used:

Incident and Loss Reporting (LR)

Internal operational loss information provides data for assessing exposure to operational risk and the effectiveness of internal controls.

Each business and operating units are required to report their loss events via Operational Risk Management System (ORMS).

Key Risk Indicator (KRI)

KRIs are used to monitor the operational risk profile and alert the Group to impending problems in a timely fashion. KRIs facilitate the forward looking management of operational risk and provides information on the level of exposure to a given operational risk at a particular point in time. These indicators allow the monitoring of the Group's control culture and trigger risk mitigating actions.

KRIs include measurable thresholds that reflect risk appetite. These are monitored to serve as alerts when risk levels exceed acceptable ranges and drive timely decision making and actions.

Control Sample Test (CST)

CSTs are self-assurance checks used to monitor compliance of controls in key processes. CSTs are evidence that operational controls are working effectively, specifically for critical processes and controls that cannot be reliably tracked through automation. Exceptions in CSTs alert the Group to potential lapses in design of the controls and poor execution or documented procedures. The frequency and sample size will depend on the scale of the underlying inherent risk and the importance of the control mitigating it. Processes with high gross operational risk will warrant more frequent assessment than those with lower risk exposure.

Risk and Control Self-Assessment (RCSA)

The Group identifies and assesses all risks within each business and evaluates the controls in place to mitigate those risks. Business and support units use self-assessment techniques to identify risks, evaluate the effectiveness of controls in place, and assess whether the risks are effectively managed within the business.

In this annual self-assessment process, areas with high risk potential are highlighted and risk mitigating measures to resolve them are identified. Risk assessment results are then reviewed and discussed with the heads and senior officers of business and support units. These discussions of assessment results enable the Operational Risk Management Division (ORMD) to detect changes to risk profiles, and consequently take corrective actions. Business Continuity utilizes the results to provide guidance where to strengthen business continuity areas.

The Internal Audit Group and Compliance Office use the self-assessment results as a necessary component in aligning their activities to business priorities to determine where key risks lie within the Group.

RISK ASSESSMENT

The Group uses the Basic Indicator Approach in its assessment of this risk, as it relates to capital adequacy determination. It however uses an Operational Risk Management System (ORMS) to monitor operational risks, compile and analyze operational risk data and to facilitate timely reporting mechanisms for the Group's ROC, Senior Management, and business line levels that support proactive management of operational risk. The ORMS covers the Parent Bank and its subsidiaries.

The following are the current methodologies used in assessing the Group's operational risk profile:

Probability and Severity Analysis

This tool is used to quantify the likelihood (or frequency) and impact (or consequence) of identified risks in order to prioritize risk response activities. The probability addresses: a) the likelihood of the risk event occurring (the uncertainty dimension) based on current status of mitigation actions, and b) the impact detailing the extent of what would happen if the risk were to materialize (the effect dimension).

Probability assessment uses a 5-scale likelihood factor matrix ranging from "least likely" to "almost certain". Impact Assessment on the other hand employs a 5-scale severity factor matrix ranging from "least severe" to "very severe".

Control Rating

Existing controls are assessed likewise using a 5-scale control adequacy matrix ranging from "substantially under control" to "no controls in place".

Risk Rating

The Probability and Severity Analysis described above, along with the control rating, result in a Risk Rating. It is a quantitative measure of the risk level of each event, and helps to focus on those determined to be high risk. For each risk event identified, a risk score is calculated and later classified as: Very High (Black), High (Red), Medium (Yellow) and Low (Green). The scale is as follows:

Classification	Risk Score	Remarks
LOW	1 – 4	Indicates normal operating condition
MEDIUM	5 – 9	Requires management attention; must take specific actions and document such
HIGH	10 – 19	Requires immediate management attention; further action required
VERY HIGH	20-25	Requires immediate management attention; further action required

RISK MONITORING AND REPORTING

The continuous monitoring and reporting of operational risk is a key component of an effective Operational Risk Management Framework. It is imperative therefore that reports on operational risks are submitted on a timely basis, and information generated both for external and internal parties are reported internally to Senior Management and the BOD where appropriate.

In accordance with its monitoring and reporting functions, ORMD prepares reports on operational risks as follows:

Particulars	Responsibility	Frequency of Reporting	Reported to
Loss Events Reporting	RMG-ORMD	Monthly	ROC
Key Risk Indicators	RMG-ORMD	Quarterly	ROC
Control Sample Tests	RMG-ORMD	Quarterly/ Semi-Annually/ Annually	ROC
Risk and Control Self-Assessment (RCSA)	RMG-ORMD	Annually	ROC

The Deputy Operational Risk Officers (DOROs)

Each major business line has an embedded operational risk management officer, headed by the designated Deputy Operational Risk Officer (DORO). The DOROs serve as a point-person on the implementation of various operational risk management tools on a per business unit level. Among others, the DOROs are responsible for assisting the respective business units in the timely, correct and complete submission of operational risk reports. The DOROs report to the ORMD for all its operational risk-related activities initiated by ORMD.

RISK MITIGATION

The Group operates within a strong control environment focused on the protection of its capital and earnings, but allows the business to operate such that the risks are taken without exposure to unacceptable potential losses through the utilization of approved policies, sound processes, and reliable information technology systems. These controls include: segregation of duties, dual controls, approvals and authorization, exception reporting, sound technology infrastructure, product manuals, and circulars review.

Insurance

One of the tools to compliment sound controls and risk management is through insurance policies maintained by the Group. Securing insurance protects the Group against unexpected and substantial unforeseeable losses.

ORMD handles the Group's institutional-wide insurance needs such as the Comprehensive Crime Insurance (CCI) formerly Bankers Blanket Bond (BBB). CCI insurance premiums are allocated to business groups and subsidiaries based on an approved allocation method.

Outsourcing

Outsourcing is an arrangement to contract out a business function to another party (i.e. the service provider) which undertakes to provide the services instead of the financial institution performing the function itself. The Controllership Group maintains an outsourcing policy to guide business units in outsourcing agreements, and to ensure the effective management of operational risks that may arise from such arrangements. Policy requires the business units to perform a risk assessment before engaging the service provider which are noted by ORMD.

Business Continuity Plan (BCP)

The Group has a separate functional unit wholly dedicated to the conduct and management of its BCP and Disaster Recovery Plan. These plans aim to establish a planned process, procedure or strategy that can assure and provide for the continuity of major and critical services and operations during any critical event which may prevent or diminish the Group's capacity to perform normal business operations.

The Group's BCP is currently being managed by RMG-ORMD.

Product Manual, Policies, Procedures and Circulars (PM and PPC)

The Product Manual is the key document which provides a comprehensive description about a particular product. It includes among others, the identification of risks and appropriate measures on the risks identified through controls, procedures and limits, as well as compliance with the consumer protection standards of conduct.

Policies, Procedures and Circulars represent the Group's basic and primary set of principles and essential guidelines formulated and enforced across the organization. To ensure that potential risk areas are covered in manuals, policies and circulars, ORMD reviews, as part of the Bank's Clearing House, these documents.

Exception Reporting

Exception reporting provides the ability to monitor transactions and events that fall outside norms and deemed as an exception. It documents what is abnormal and therefore deserves attention.

Risk Awareness

The Group recognizes the importance of raising risk awareness and instilling an operational risk culture to be able to understand the operational risk management business benefits as well as the responsibilities attached to it. Operational risk eLearning is in place and was launched in December 2021 while Consumer Protection and Business Continuity are also in the Group's standard training module for new employees, as well as continuing learning for existing associates.

Business Continuity Risk

Risk of loss resulting from a prolonged interruption in business operations.
The Bank has a separate functional unit, Business Resiliency Unit (BRU), dedicated in implementing the Bank's Business Continuity Management Program (BCMP) that aims to:

- Provide strategic and tactical capability to plan for and respond to incidents and business disruptions
- Enable the continuity of key business operations at acceptable predefined levels
- Comply with the BSP Circular 951 on Business Continuity and BCM standards such as ISO 22301 and BS25999

Framework

The Bank has embarked on a BCMP framework that identifies risks, threats and vulnerabilities which could impact the Bank's continued operations. It includes the following basic components of Business Continuity Management:

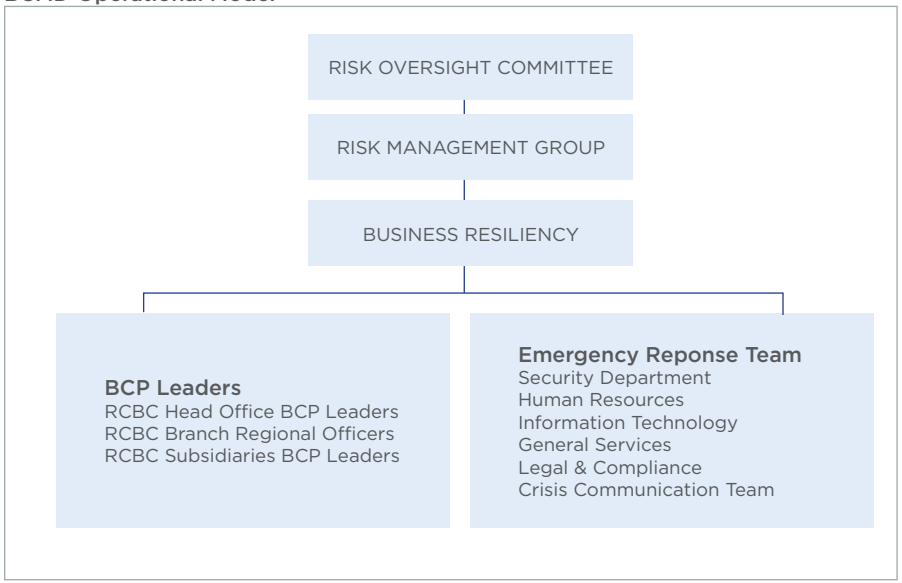
- Risk Evaluation and Control
- Business Impact Analysis
- Business Continuity Strategies
- Emergency Response
- Plan Implementation and Documentation
- Awareness and Training and BCP Testing Exercise
- Audit and Maintenance

Central to the BCMP are the Institutional Business Continuity Plan (IBCP) and the Crisis Management Plan (CMP). The IBCP describes the organizational structure and governance, scope, business recovery strategies, and plan activation while the Crisis Management Plan (CMP) outlines the processes the Bank will use to respond to a critical situation that would have a negative effect on the Bank's financial status, reputation, and business continuity.

Incorporated in the program are several BCM plans that address specific scenarios or events that require varying responders and mitigating strategies: Disaster Recovery Plan, Pandemic Plan, Liquidity Plan, Incident Management, Communication Plan, Cyber Attack Plan, and Earthquake Resilience Plan.

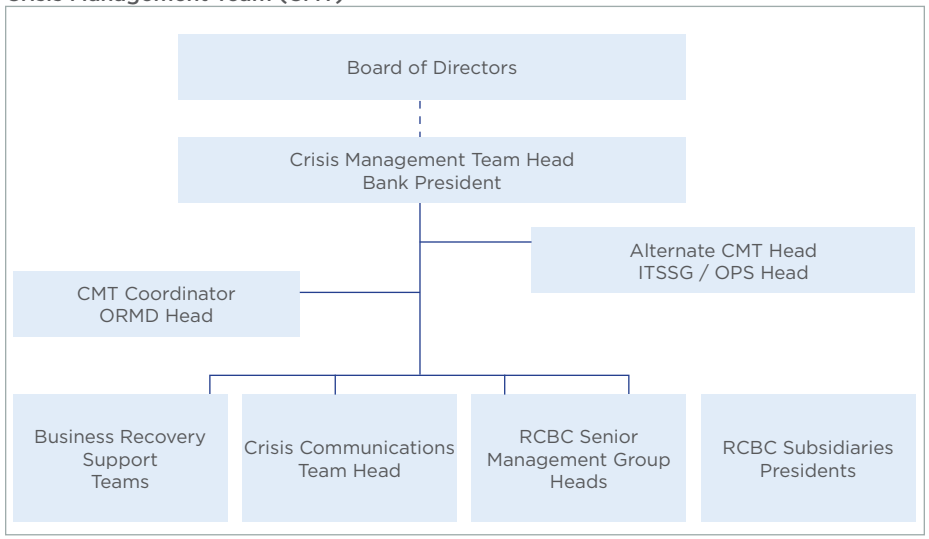
Governance

BCMD Operational Model



- The ROC represents the BOD in setting the overall strategy, direction and control for all business continuity, crisis management and emergency response initiatives.
- The Chief Risk Officer (CRO) leads the Risk Management Group (RMG) and provides executive oversight in the implementation of business continuity, crisis management and emergency response initiatives as approved by the ROC.
- Operational Risk Management Department – Business Resiliency Unit (BRU) has oversight function over BCP Leaders of Head Office Units, Branches and Subsidiaries with regards to the development, maintenance and implementation of their respective BCPs.
  - » BRU ensures that the Emergency Response Teams have developed the Emergency Response Plan to ensure the protection of life and properties during an emergency situation.
  - » BRU ensures that the Recovery Teams have been formed to support the business units in assessing the situation and recovering their business and returning to normal operations.
  - » BRU assists the CRO in coordinating activities between the Crisis Management Team and Response and Recovery Teams during crisis scenarios.

Crisis Management Team (CMT)



The CMT makes policy decisions and holds ultimate responsibility for decisions involving communications, evacuation, business logistics and normalization activities. The CMT is directed by the President and chaired by the alternate CMT Head and is comprised of high-ranking officials of the Bank. It is convened when the highest level of emergency (level 1) impacts the entire organization or a significant portion of the Bank, requiring coordinated operational and policy responses. The main objective of the CMT is to protect life and property during and immediately following a major crisis or disturbance. It is placed into operation whenever an emergency affecting the RCBC Group cannot be controlled through routine, daily and normal channels and procedures.

Controls and Risk Mitigation

The Bank had taken steps to become a resilient organization through the following control measures:

DISASTER RECOVERY

- Installation of hot backup with real-time data mirroring solutions (both software and hardware) to ensure recovery of mission critical systems with RTO of 4 to 24 hours
- Implementation of the virtualization and consolidation of servers to provide high availability and promote resilience to failure
- Wider scope and coverage (processing of live transactions in the DR environment for one week) and frequency (annual to quarterly) for DR tests

BUSINESS RECOVERY

- Additional business recovery alternate sites are in place (e.g., Timog and Pacific Place, Ortigas)

- Acquisition of satellite phones and UHF base radios to improve the communication system especially during a disaster scenario such as the "Big One"

COVID-19 PANDEMIC

- As early as January 22, 2020, the Bank activated its Pandemic and Infectious Disease Plan, part of the Institutional Business Continuity Plan, which was prepared in anticipation of another SARS. The Plan defines control operations and precautionary measures that were implemented by the Bank for every stage of the pandemic.
- Health and safety protocols: washable face masks, and face shields, sanitizers, hand gloves and vitamin C were immediately distributed to the employees; alcohols were available in all of the entrances and near the elevators; hand soap were made available in all of the toilets and pantries for use in hand washing. There are also signages in all entrances, elevators, pantries and toilets to remind employees of hygiene and safety protocols at the office. Part of the safety protocols are – body temperature checks in all entry points, foot bath/shoe basins, online daily health checklist, physical distancing protocols in elevators, common areas, and work areas and unidirectional markings. Virtual meetings were observed in lieu of physical gatherings and limited physical movement in the Bank premises. Assigned staging areas to receive documents are in place. Non-essential visitors are not allowed. For branches, the bank provided them with acrylic panels, masks, face shields, transportation as well. The branches also implement the same strict health and safety protocols such as health checklist and temperature screening for employees and clients. Washable face masks were distributed to onsite and auxiliary employees. All branches, provincial lending centers, head office and alternate sites nationwide were provided by thermal scanners.
- Protocols for employees who are experiencing COVID-19 symptoms or those who had close contact with a COVID-19 positive or suspected COVID-19 positive were defined, cascaded and strictly implemented. The Bank in partnership with its health insurance company provided hotlines for employees to have access to teleconsulting especially on COVID-19 related medical inquiries.

INFORMATION SECURITY RISK

Information security risk is the risk of loss resulting from information security/ cyber security breaches. Information Security Risk Management aims to reduce the disruptions to the Group's operations as a consequence of information security incidents. Concretely, this aim expands to the following objectives:

- Safeguard the IT systems needed to store, process or transmit the Group's data and correspondences;
- Enable management's ability to make informed decisions by giving them an accurate view of current and potential information security related risks and assisting them in making informed decisions concerning scope of risk, risk appetite, and risk tolerance;
- Provide an end-to-end guidance on how to manage information security related risks (from technical control measures, security, etc.);
- Establish a risk profile to further understand the Group full exposure, and better utilize its resources; and
- Implement (and continuously improve) a sound framework for the identification, measurement, control, monitoring, and reporting of the risks experienced by the Group.

The foregoing objectives are achieved through the following exercises of Information Security Risk Management:

- Identification of the bank's information assets (covering both IT and non-IT);
- Assistance to IT, business, operational and support units in identifying the risks affecting information assets (that includes system/data) being handled;
- Assist in aligning information security and information risk management to industry best practices and standards; and
- Implementation of risk assessment to determine current information security risks that identifies the threats in the present systems, determine acceptable risk levels, and implement preventive measures to mitigate potential high risks.

ASSET IDENTIFICATION AND VALUATION

Asset Identification and Valuation aim to identify and provide an inventory of all information assets relating to processes and sub-processes. The identified information assets are valued based on its criticality to the process being supported. At the end of the exercise, the following should be produced:

- Inventory of all information assets pertaining to each identified business process assessed;
- Currently identified container/s for each information asset;
- Overall asset (criticality) value of each information asset; and
- Sensitivity or non-sensitivity of each business process based on its assessed information asset/s.

RISK IDENTIFICATION AND ASSESSMENT

This activity aims to identify the risk factors, i.e. threats, vulnerabilities, impact and probability/ frequency of occurrence present in the process and assess the identified risks in order to determine measures to mitigate them. Further, this will assist the process owner in determining the risks to be prioritized and monitored.

To assess risk likelihood and impact, the current threat environment and controls are considered. At the end of the exercise, the following are the expected outputs:

- List of potential threats with medium or high risks, and prioritization of those that need immediate mitigation; and
- Risk treatment plan for those threat and vulnerability combinations resulting in moderate to high risks, and determination of the owner/responsible personnel to mitigate the risk.

RISK TREATMENT

This stage intends to determine the overall Risk Owner, who shall be responsible for managing the risks identified and who shall be directly responsible for the strategy, activity or functions that relates to the risk. Additionally, this is where the required actions to respond to identified risks shall be determined to reduce the residual risk to the asset to acceptable level.

RISK MONITORING AND REPORTING

Upon receipt of the approved Risk Treatment Plan, the ISGD incorporates in the Information Security Risk Register the verified list of risks which were rated "High," while all other identified risks will be monitored by the respective Risk Owner.

The overall Risk Owner for the process assessed is responsible for monitoring the necessary action plans agreed to mitigate all High risks. Also, the Risk Owner is responsible for providing ISGD with regular updates of status of action plans. Likewise, the identified Risk Response Owners is responsible for planning and implementing mitigation strategies and for reporting breaches in the risk thresholds to the Risk Owners. Thereafter, ISGD is responsible for tracking, monitoring, and providing management a regular report on the status of all IS Risk items registered in the IS Risk register.

COMPLIANCE RISK / REGULATORY RISK / ML/TF RISK

The Bank differentiates compliance risk as the current and prospective risk to earnings or capital arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices, internal policies and procedures, or ethical standards from regulatory risk which refers to risk of loss arising from probable mid-stream changes in the regulatory regime affecting current position and/or strategy. ML/TF Risk represents the Bank's risk of loss arising from a covered person's failure to prevent itself from being used as a money laundering site and conduit for the proceeds of unlawful activities as well as financing the act of terrorism.

The Compliance Risk Assessment Framework is the tool used by the Regulatory Affairs Group (Compliance Office) to manage compliance risk. This framework operates within the context of the Bank's Enterprise Risk Management Framework. The Compliance Risk Assessment Framework is embodied in the Group's Compliance Manual (CM).

COMPLIANCE RISK ASSESSMENT

Risks, including their impact to the Group are evolving; thus, the risk identification and assessment process is performed on a continuing basis. Risks currently identified as material to the Group may be treated differently in succeeding assessments. Any significant change in either the actual risk profile, or the perception of threats, must therefore trigger corresponding action in terms of the management of such threats. The Compliance Office continuously identifies and assesses potential and existing compliance risks to ensure that these are immediately addressed. The Group assesses compliance risk based on impact and likelihood.

COMPLIANCE RISK MONITORING AND REPORTING

The Compliance Office mainly reports to the Audit and Compliance Committee (ACC). Compliance risk is also regularly reported to the ROC via Key Risk Indicators (KRI) monitoring under Operational Risk by RMG.

Compliance Risk is monitored in a number of ways. These include the following:

- Compliance Certification from Deputy Compliance Officers (DCO): This is a quarterly Certification signed by the designated DCOs indicating a unit's compliance (or non-compliance) to regulations.
- Compliance risk is also monitored via the progress of corrective actions relating to ROE findings.
- Regulatory ratios are also monitored at least on a quarterly basis to ensure compliance.
- Submission of regulatory reports is also monitored to avoid penalties.

MONEY LAUNDERING (ML) / TERRORIST FINANCING RISK MANAGEMENT (TF)

In the implementation of the ML/TF Risk Management Framework, the Group adheres to the highest standards of corporate governance and ML/TF prevention as embodied in the laws and regulations with due consideration of other industry leading practices. The Group's ML/TF risk management is a holistic, continuous, proactive and systematic process to identify, assess, manage, monitor and report ML/TF risks from a Bank-wide perspective.

The process covers all levels of the Bank: BOD, senior management, and all personnel. AML/CFT risk management involves assessing the risk attributed to money laundering and financing of terrorism and then implementing an appropriate response to mitigate the risk. RCBC's AML/CFT risk management structure, well-defined roles and responsibilities and transparent escalation process support the commitment to implement an effective AML/CFT risk management.

ML/TF Risk Assessment

Institutional Risk Assessment. The Bank is committed towards implementing a risk-based approach to combat Money Laundering and Terrorism Financing ("ML/TF"), which is fundamentally built on the assessment of the ML/TF risks as part of its Anti-Money Laundering & Counter Financing of Terrorism ("AML/CFT) program. In support of the said risk-based approach, the Regulatory Affairs Group assesses RCBC's key exposures to ML/TF risks by performing an Institutional ML/TF risk assessment ("IRA") focusing on evaluating the inherent ML/TF risks presented by RCBC's business activities and the controls in place to mitigate said inherent ML/TF risks so as to determine the overall residual risks.

The IRA evaluates potential risks at two levels, i.e., (a) at the level of the Assessed Unit and (b) at the aggregated Institutional Level.

The results of the Assessed Units will be aggregated to give an overall result at the Institutional Level. The overall risk assessment should be reflective of the ML/TF risks identified during the assessment of each business unit.

Risks are dynamic and must be continuously managed. As the environment in which the Bank operates is subject to continual change, the Bank's IRA must be subject to regular review. An effective risk assessment should be an on-going process and is not a one-time exercise. The IRA shall be conducted at least once every two (2) years, or as often as the Board or senior management may direct, depending on the level of risks identified in the previous risk assessment, or other relevant AML/CFT developments that may have an impact in the Bank's operations.

a. Periodic Exercise - At a minimum, the Bank commits to refresh its IRA once every two years. The period of assessment for a periodic exercise shall cover a two-year period ending 31 December preceding the commencement of the IRA exercise provided there are no trigger events/scenarios detailed below;

b. Triggered Exercise - The following events might also trigger the review of the IRA even prior to the scheduled IRA exercise:

   1. Significant changes in business activities (e.g. when new products/services that carry a high ML/TF risk are introduced, significant changes to existing products/services that may pose a heightened risk of ML/TF, and business expands through mergers and acquisitions);
   2. The introduction of a significant new AML/CFT control or major enhancement to an existing AML/CFT control;
   3. Key amendments in Anti-Money Laundering Council ("AMLC") AML/CFT laws, regulations, and/or guidance issued by the regulatory authorities in the Philippines; and
   4. The issuance of significant new global AML/CFT standards.

The assessment triggered by the events mentioned above shall cover a period of six to twelve months preceding the commencement of the IRA exercise.

Risk Assessment Components. In the development of a robust risk assessment process, the Bank has identified components of inherent risks and components of mitigating controls that shall be used in the analysis of its ML/TF risks. These components are set forth below. Analysis of inherent risks and the corresponding mitigating controls shall determine the overall residual risks for each Assessed Unit and for RCBC, as an institution.

In the circumstance that no data/information is maintained by the Bank to provide responses to the inherent risk questionnaire, the respective questions will fall into the high risk category automatically.

- Inherent Risk is a measure of "uncontrolled risk". The level of inherent risk shall be measured using several key factors or components: customer segments, products/services, geographic locations, delivery/distribution channels, and other risk factors such as staffing level, regulatory risk, historical issues, technology changes, law enforcement requests. Each component of inherent risk shall be evaluated based on the likelihood and impact of a given risk.
- Mitigating Controls is an assessment of ability and strength of the existing internal control environment from a design and operating effectiveness standpoint to mitigate the inherent risks. There are controls that, if properly implemented and maintained on an ongoing basis, can effectively mitigate some of the inherent ML/TF risks. Furthermore, the Bank takes into consideration whether the control categories are present and functioning individually and at the same time operates together in an integrated manner. The following are the mitigating factors used in the assessment:
   1. AML/CFT Policies and Procedures;
   2. Customer Due Diligence;
   3. Name Screening, Transaction Monitoring and Regulatory Reporting;
   4. Governance and Oversight;
   5. Internal Testing;
   6. Staff Training;
   7. Staffing Level;
   8. Record Keeping and Management Information Reporting

ML/TF Key Risk Indicators

KRI data may be sourced from the various business units performing activities with ML/TF risk exposures and/or operations and support units, e.g. Settlements, Centralized Account Opening, etc. The standard of measurement to be used for KRIs is Metric Based Indicators which include: currency, numeric, percentage. Thresholds will be set to provide a qualitative measurement of the ML/TF risk exposure. To capture ML/TF risk exposure to a given point in time, frequency/periodicity (e.g. monthly, weekly, semi- annual, etc.) of KRIs will be set.

ML/TF Risk Monitoring

1. BOARD OF DIRECTORS

It is the ultimate responsibility of the Board of Directors to ensure the Bank's full compliance with the provisions of the AMLA, as amended, the TFPSA and their RIRR. It shall ensure that ML/TF risks are effectively managed and that this forms part of the Bank's risk management system.

The AML Board Com is constituted for the purpose of carrying out the Board of Directors' mandate to fully comply with the Anti-Money Laundering Act, as amended, its Revised Implementing Rules and Regulations (ML/TF) and all related Anti-Money Laundering and Counter Terrorist Financing Regulations; and to ensure that oversight on the Bank's compliance management is adequate.

The AML Board Com has oversight over the Bank's ML/TF risk management including the implementation of the processes in the AML Risk Management Framework including the conduct of an institutional risk assessment (IRA), execution, implementation, and reporting.

The results of the IRA are reported to the AML Board Com by the Compliance Office. The AML Board Com's directives to mitigate critical ML/TF risks that are identified and assessed shall be effectively communicated to all affected stakeholders.

2. SENIOR MANAGEMENT

Anti-Money Laundering Management Committee (AMLManCom)
The AMLManCom is mainly responsible for approving/disapproving the filing of a suspicious transaction report escalated by the Regulatory Affairs Group and is guided by its internal policy on handling of accounts with previous STRs filed and shall take into account the deliberations and disposition on the same as well as the alerts generated by the AML System, among others.

3. MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION PROGRAM (MTPP)

The Bank's MTPP aligns with the provisions of the Philippines' Anti-Money Laundering Act (AMLA), as amended, the Terrorism Financing Prevention and Suppression Act (TFPSA), their Implementing Rules and Regulations (IRR), and all Anti-Money Laundering council (AMLC) and Bangko Sentral issuances. It follows a risk-based approach in accordance with the recommendation of the Financial Action Task Force.

- The Bank's MTPP covers the basic pillars of an AML/CFT Program, to wit:
- A system of internal policies, procedures, and controls (first line of defense);
- A designated compliance function with a compliance officer (second line of defense);
- An on-going employee training program; and
- An independent audit function to test the overall effectiveness of the MTPP (third line of defense).

The MTPP manual is maintained by the Compliance Office. It is updated at least once every two (2) years or as needed to properly adhere to new rules and regulations of regulatory agencies, laws of the Republic of the Philippines and other countries, and policies and procedures of the Bank. The Bank's Board of Directors approves the MTPP.

4. SYSTEMS

The Board and Management heavily invested in the purchase of and/or subscription to systems or applications that can help mitigate the Bank's ML/TF risks:

- **Base60 AML System (Base60**), a system that extracts reportable Covered Transactions (CTR) and creates alerts and flags for possible reportable Suspicious Transactions (STR).
- **Predator**, a real-time fraud and ML/TF transaction monitoring system. There are existing parameters for transactional behavioral analyses in Predator.
- **Accuity,** a global watchlist screening online solution that can assist in preventing the onboarding of a client who is connected to any individual or entity who is included in the sanction list of the United Nations and Office of Foreign Assets Control (OFAC) of the U.S. Department of Treasury, as well as identify Politically Exposed Persons; and,
- **Electronic Document Management System (EDMS)** digitizing the Bank's KYC and transactional forms and documents for easy retrieval.

5. AML SANCTIONS POLICY

As a matter of policy, the Bank has created a more robust sanctioning system by providing more detailed and specific guidelines in handling employee violations of AML/CTF policies. The Bank's AML Sanction Policy addresses both the preventive and penal nature of the sanctioning system, promotes a culture of compliance, and duly recognizes employees that continuously exhibit a high level of compliance with existing AML-related laws and policies.

The Compliance Office, through the Bank's AML Sanctions Policy, also ensures that infractions, discovered through the Consolidated Exception Reporting System Report (Branch Operations Control Segment), AML Issues Management (Compliance Office), DCO Exception Tracking Report (Compliance Office), BSP AML Findings, Exceptions Monitoring & Issues Tracking (Internal Audit Group), Compliance Exception Reports and Suspended CIFs Report (Operations Group), are immediately corrected.

6. ML/TF-RELATED INVESTIGATIONS

The Compliance Office conducts investigations on: 1. clients and/or transactions flagged for investigation in AML systems; 2. clients who are the subject of regulatory findings; 3. referrals from other bank units for potentially suspicious activity; 4. clients who are the subject of negative media information; and 5. clients who are the subject of inquiries and court orders. The investigations are conducted to determine if filing of Suspicious Transaction Report is warranted and if there are required actions to take to mitigate money laundering and terrorist financing risks.

7. AML/CFT TRAINING

In order to minimize compliance risk and eliminate deviation from regulatory requirements, the Compliance Office conducts classroom training and created an e-learning module for the employees of the Bank. The AML Training Programs are designed specifically for the different Bank employees depending on their areas of responsibility and exposure to risk. These training programs are consistent and in accordance with the pertinent provisions of the BSP Manual of Regulations for Banks and related BSP and SEC circulars, as well as, the Anti-Money Laundering Act of the Philippines. All responsible officers and employees are informed of all resolutions, circulars and other issuances by the BSP and the AMLC in relation to matters aimed at preventing money laundering and terrorist financing.

ML/TF RISK REPORTING

The Compliance Office regularly reports to the AML Management Committee, Senior Management Committee, AML Board Committee, Audit & Compliance Committee and the Board of Directors to ensure that monitoring of AML activities is regularly disclosed allowing management to perform its oversight function on AML and TF matters.

The Operational Risk Management Division (ORMD) reports the progress and results of AML KRIs and issues to the Risk Oversight Committee and the AML Board Committee.

The Internal Audit Group reports the results of independent review and their AML rating are reported to the Audit and Compliance Committee.

When in the conduct of AML risk assessment, the institution is found to be not adequately managing its ML/TF risks, such shall be reported to the AML Board Com and high ML/TF risks are monitored in accordance with the set risk appetite by the AML Board Com. The ML/TF risk-related directives of the AML Board Com are effectively communicated to concerned stakeholders.

The Compliance Office, in coordination with the Human Resources Group also organizes the timing and content of AML training of officers and employees, including regular refresher trainings, as required under Section X809 of the MORB.

CORPORATE GOVERNANCE

On Corporate Governance, compliance risk is monitored via reports submitted to the BSP, and through the implementation of a corporate governance framework that adheres to the principles set out in BSP Circular No. 969 or the "Enhanced Corporate Governance Guidelines for BSP Supervised Financial Institutions" and SEC Memorandum No. 19, series of 2016 or the "Code of Corporate Governance for Publicly-Listed Companies", and the Revised Corporation Code of the Philippines.

To promote independent oversight of management, the Bank's Board of Directors is composed of majority of non-executive directors, which by definition includes independent directors. Out of the fifteen-member board, fourteen are non-executive, five being independent.

The Board of Directors is headed by a Chairperson who is a non-executive director. To ensure a system of check and balance, the Bank's Corporate Governance Manual requires that the positions of Chairperson and Chief Executive Officer ("CEO") shall not be held by one person.

The Bank's Board of Directors sets the tone at the top. The Board approves and oversees the implementation of strategies to achieve corporate objectives, risk governance framework, and systems of check and balances. The Board is also responsible for the establishment of a sound corporate governance framework.

The Board delegates some of its functions to board-level committees. Presently, the Bank has eight committees, five of which are control committees. These are: (1) the Audit and Compliance Committee; (2) the Risk Oversight Committee; (3) the Corporate Governance Committee; (4) the Related Party Transactions Committee; and (5) the AML Committee. The Audit and Compliance Committee has oversight over the internal audit and compliance functions. The Risk Oversight Committee oversees the Group's risk governance framework. The Corporate Governance Committee assists the BOD in fulfilling its corporate governance responsibilities. The Related Party Transactions Committee evaluates all material related party transactions of the Bank to ensure that these are undertaken on arm's length terms. Finally, the AML Committee carries out the mandate of the BOD to fully comply with the Anti-Money Laundering Act, as amended, its Revised Implementing Rules and Regulations and the Anti-Money Laundering Regulations under the Manual of Regulations for Banks (MORB).

RELATED PARTY TRANSACTIONS

Compliance risk pertaining to related party transactions is monitored through the following reports submitted to BSP pursuant to Section 4 BSP Circular No. 895 dated 14 December 2015, replacing the reports required under Section 6 of BSP Circular No. 749 dated 27 February 2012 as amended by BSP Circular No. 757 dated 08 May 2012:

1. Report on Conglomerate Structure - This is a report that is required of Banks that are part of conglomerates and submitted to the BSP within 30 calendar days after the end of every calendar year. The conglomerate structure shall disclose the beneficial owners of shareholdings that are in the name of PCD Nominee Corporation.
2. Report on Material Related Party Transactions - This is a report submitted within twenty (20) calendar days after the end of the reference quarter including the material RPTs not only of the Bank but also including the material RPTs of its non-Bank financial subsidiaries and affiliates.

   The foregoing reports required under BSP Circular No. 895 are pursuant to the duty and responsibility of the Board of Directors to exercise effective oversight over entities in the group and to ensure the consistent adoption of corporate governance policies and systems across the group.

   The Bank has further enhanced its Policy on Related Party Transactions which include, among others:

   - Coverage of RPTs;
   - Coverage of the Bank's Related Parties;
   - Definition of control;
   - Database of Related Parties;
   - Identification, review, approval and reporting of material and non-material RPTs;
   - Guidelines in determining arm's length terms, with provision on when requirement of a fairness of opinion issued by an independent adviser is warranted;
   - Materiality Threshold and Excluded Transactions;
   - Individual and Aggregate Exposures;
   - Conflict of Interest;
   - Controls and Audit, with provision on the periodic review of the Bank's system and internal controls governing RPTs;
   - Whistleblowing Mechanism;
   - Restitution of Losses and Remedies for Abusive RPTs
   - Training of employees on RPT; and
   - Policy review

OTHERS

ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) AND THE INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORTS (I-ACGR)

In September 2012, the ASEAN CG Scorecard was adopted by the Philippines, replacing the national CG Scorecard for Publicly Listed Companies (PLCs). Under this initiative, the Bank's corporate governance standards and practices shall be evaluated and assessed through publicly available information and/or disclosures posted in its website (e.g., annual report, GIS, structured reports, etc.). In lieu of the submission of the accomplished questionnaire, external evaluators will review and access information directly from the Bank's website. Thus, regular review and monitoring shall be conducted and coordinated with the unit responsible for the website maintenance to ensure that updated information are uploaded and/or easily accessible to interested 3rd parties (e.g., financial analysts, rating agencies, regulators, etc.) and the public in general.

On 15 December 2017, SEC issued Memorandum Circular No. 15, Series of 2017, requiring all listed companies to submit an Integrated Annual Corporate Governance Report (I-ACGR). The I-ACGR replaces the old Annual Corporate Governance Report. The I-ACGR will also be used in place of the PSE Corporate Governance Guidelines Disclosure Survey.

The I-ACGR lists the recommendations under SEC Memorandum Circular No. 19 or the Code of Corporate Governance for Publicly-Listed Companies. Covered companies are then required to disclose compliance with the recommendations, or to explain non-compliance or alternative compliance thereto. The I-ACGR is required to be submitted on May 30 of the following year for every year that the company remains listed in the PSE. The I-ACGR is required to be signed by (1) the Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.

Outsourced and Insourced Banking Activities

The Controllership maintains a Bank-wide master list to effectively monitor the outsourced activities / functions of the Bank and Compliance Office renders advice as to whether a particular contract or service level agreement is covered by the Revised Outsourcing Framework for Banks in compliance with all applicable rules and regulations and that no inherent banking function is outsourced.

FATCA

The Group has taken great strides to become globally compliant with the Foreign Account Tax Compliance Act (FATCA) and remains steadfast in this direction. In 2012, the Bank created the FATCA Project Implementation Team that would spearhead the implementation of FATCA while the FATCA Compliance Division (FCOMD) under the Compliance Office was created in 2014 to support the FATCA Project Integration Team (FATCA PIT) and ensure continuity in FATCA compliance. The FATCA PIT coordinated and assisted the Bank's subsidiaries in their respective FATCA compliance requirements.

FCOMD (which had evolved into one of the Regulatory Affairs Divisions) has and continues to render various opinions, answers and give frequent assistance to the various Bank units regarding client concerns and FATCA implementation.

To ease FATCA compliance for clients, the Bank rolled out a self-certification form for non-U.S. entity clients. This form replaced the U.S. IRS Form (W-8BEN-E) to give its clients a more comprehensible form that covers all mandatory information required under FATCA. The FATCA status tags are likewise updated to comply with the reporting requirements of the IGA.

The Bank's Regulatory Affairs Division (RAD) II Head is also its FATCA Responsible Officer.

COMMON REPORTING STANDARD

The Common Reporting Standard (CRS) was first introduced by the Organization for Economic Cooperation and Development (OECD) in February 2014.

When the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published, it introduced the CRS framework, a FATCA-like reporting system, which aims to provide for the annual automatic exchange of financial account information between Governments on July 21, 2014. As of date, the Philippine Government has not signed, and has also not committed to sign the CRS.

DATA PRIVACY

Republic Act No. 10173 or The Data Privacy Act of 2012 (DPA) was approved into law on August 15, 2012. Subsequently, the DPA's Implementing Rules and Regulations (IRR) were promulgated on August 24, 2016, and took effect fifteen (15) days after its publication.

The Bank completed its registration with the National Privacy Commission (NPC) in 2017 and has an appointed Data Protection Officer, under the Regulatory Affairs Group.

The Bank has conducted a bank-wide Privacy Impact Assessment (PIA) to determine the DPA's impact to its operations, possible threats, vulnerabilities and risks. These were made basis of the Bank's Data Privacy Policy. To educate the Bank's employees, the Data Privacy e-learning module was rolled in May 2018. New employees are also trained on data privacy upon onboarding and branch induction programs. The Data Privacy e-learning module was recently updated to incorporate new NPC issuances.

The Bank completed its Phase II registration with the NPC in March 2018. The Bank ensures that its DPO has obtained a DPO Ace Level 1 Certification from the NPC.

The Bank has crafted its Data Privacy Framework, initially by drafting its Comprehensive Data Privacy Manual and Privacy Notices through the cooperation and assistance of representatives from concerned business units. The Comprehensive Manual sets the guidelines for all Business Units as they updated their own Operating Manuals to align with the Bank's general directives. The Bank ensures that its Data Privacy Policy is timely updated in accordance with the subsequent issuances of the NPC.

REPUTATIONAL RISK

Reputational risk is the risk to earnings, capital, and liquidity arising from negative perception on the Bank of its customers, shareholders, investors, and employees, market analysts, the media, and other stakeholders such as regulators and other government agencies, that can adversely affect the Bank's ability to maintain existing business relationships, establish new businesses or partnerships, or continuously access varied sources of funding. Moreover, the Group subscribes to the view that reputational risk is a consequence of other risks. Its management therefore is tied closely to the manner by which the Group manages its other risks. By ensuring effective identification, assessment, control, monitoring, and reporting of the other material risks, reputation risk is implicitly managed.

RISK ASSESSMENT

The management of reputational risk in the Group is guided by its Reputational Risk Management Framework in accordance with BSP Circular 1114. While growth is projected to emanate from these drivers, the UniBank recognizes that potential failure in the same ushers in a potential damage to reputation. Without the public needing to know exactly what the Group plans to achieve, reputation is impaired when, for example, profitability dips, a rebranding scheme backfires, incidence of fraud becomes significant and public, or when employee attrition is high.

Financial Performance

Other than doing a self-assessment (via quarterly business reviews) of where the Group is vis-à-vis financial targets, what to expect in the coming months, and what can go wrong, the Group relies on assessments rendered by external rating agencies and by its regulators. The potential deterioration of these assessments, independent of sovereign rating, constitutes a major reputation event.

Customer

The Group recognizes that campaigns aimed at deepening customer relations and building brand equity can potentially backfire due to bad execution. The more visible and embedded it becomes, the bigger the potential loss.

Other than the business quarterly review, another tool used by the Group in identifying customer reputational risk is a feedback process employed for all products and services before they are launched, during soft launches, and throughout the life of a product or service.

Internal Processes

While the Group aims to strengthen its internal processes, it also recognizes that failure of these processes is a likely scenario. It turns to its own operational risk identification tools to carry out the identification of possible risk areas in relation to processes.

People

Failure on the "people" component may lead to publicly visible manifestations such as strikes, an exodus of talent and even customers, and the inability to attract good talent to work for the Group. Benchmarking of recruitment, compensation, benefits, and even organizational development practice is a tool used by the Group in identifying gaps in its people management process.

RISK CONTROL

Consistent with the view that reputation risk is a product of other material risks, controlling the magnitude of reputation risk is attained by controlling those of the others'.

RISK MONITORING AND REPORTING

The RCBC Marketing Council consolidates the reputational risk management efforts of the Group. The Chief Marketing Officer is the designated Chair of the Council.

The Marketing Council has the following objectives in relation to Reputational Risk:

- To serve as venue for surfacing and managing issues that affect, or tend to affect the public's perception principally of the Group, and by extension, the members of the Yuchengco Group of Companies (YGC); and
- To design, recommend and, once approved, implement public relation strategies and/or marketing campaigns that are designed to enhance the Group's positive public image, avert any potential negative perception arising from looming reputation issues, and contain or minimize any incurred or continuing damage to the Group's image arising from subsisting negative public information.

RISK MITIGATION

On the public relations front, the Group's Public and Media Relations Department sets an annual target of at least PhP7.2M free media/publicity via the release of positively slanted stories.

FINANCIAL CONSUMER PROTECTION

THE FRAMEWORK

In light of growing diversity of products and services with varying complexity and risks as well as the trust and confidence of our customers, RCBC for the past years has been continuously enhancing its corporate governance system in compliance with BSP Circular Nos. 857 and 1048 (BSP Regulations on Financial Consumer Protection), to ensure that consumer protection standards and practices as defined in its Financial Consumer Protection (FCP) Framework are duly observed and embedded in the conduct of its business operations, thereby creating a stronger corporate culture and working towards upholding fair treatment of customers at all stages of their business relationship with the Bank.

The framework is generally composed of FCP Policies and Procedures, FCP Code of Conduct, Consumer Assistance and Risk Assessment Mechanism, FCP Training Program, FCP Compliance Program, FCP Audit Program, and Financial Consumer Education and Awareness Program. The framework revolves around the core principles of consumer protection, namely:

1. Disclosure and transparency;
2. Protection of client information;
3. Fair treatment;
4. Effective recourse; and
5. Financial education and awareness.

The BOD, jointly with the senior management, is ultimately responsible in establishing an effective oversight over our consumer protection programs as well as in ensuring that consumer protection practices are embedded in our business operations.

As part of the RCBC's corporate-wide risk management system spearheaded by its Risk Management Group (RMG), the FCP Consumer Assistance and Risk Assessment Mechanism is instituted to identify, measure, monitor, and control consumer protection risks (both risks to the financial consumers and the Bank) inherent in its operations. In coordination with the select Consumer Assistance Officers (CAOs) of different client-facing Business Units, all customer complaints received from all channels (i.e., social media, branches, business units, Customer Care Department, and BSP Consumer Affairs Group) are recorded and monitored regardless of nature or type and are reported to the Consumer Protection Unit (CPU) under Operational Risk Management Department (ORMD), as part of its oversight functions, to ensure that the consumer assistance management processes are effectively performed within the Bank's FCP Framework.

CUSTOMER CARE DEPARTMENT

The Bank, through Customer Care, is committed to providing consistent quality service to every customer. RCBC Customer Care handles complaints received through the following channels:

By Phone: (+632) 8877-7222; 1-800-10000-7222; (Int'l Access Code)+800-8888-7222
By Email: customercare@rcbc.com; loan_customercare@rcbc.com
By Website: www.rcbc.com
By Facebook: www.facebook.com/RCBCGroup
By Twitter: @askRCBC

Details of the complaints such as account number, complete name, transaction or incident date, amount and resolution requested should be completely provided by the complainant to Customer Care. Investigation commences upon receipt of the complete details from the complainant. To ensure that complaints are promptly investigated and resolved, all complaints are logged in a ticketing system and forwarded to the fulfillment unit for resolution.

The turnaround time of a particular complaint depends on the Service Level Agreement with the fulfillment units. Generally, complaints particularly simple in nature are aimed to be resolved within seven calendar days from receipt, whereas complaints that are complex in nature are expected to be resolved within 42-47 calendar days from receipt. Throughout the complaint investigation process, Customer Care keeps customers informed of the progress until the complaint's resolution. For critical or unusual transactions, Customer Care follows the escalation procedure wherein complaints are raised and reported to the department head and/or division and as needed, to the segment head and/or group head, should any of these scenarios are to occur (but are not limited to):

1) Received in succession of five within a span of 30 minutes;
2) The amount is Php 50,000.00 and above;
3) The same card/account number was used successively within a span of one hour.

If, for whatever reason, the customer is not satisfied with the outcome of the complaint, the Bank will further discuss with the customer to find a satisfactory outcome.

COMPLAINTS HANDLING MECHANISM

CPU-ORMD is responsible for the overall implementation of the Bank's FCP Framework and liaises with BSP Consumer Affairs Group. It is likewise the mandate of the department to keep track, identify and analyze trends of the complaints, and, when needed, recommend solutions to avoid recurrence and to further improve customer experience. Further to this, the core function of the department is to provide high-level reporting of all customer complaints and concerns to the senior management and ROC on a regular basis.

In October 2020, the Bank acquired and implemented a new and more sophisticated complaints tracking system where complaint cases received from clients are lodged, monitored and effectively managed based on a defined turnaround time in resolving them including documentation of actions taken for analytics purposes. This process is implemented in four steps, namely: (1) Acknowledgement, (2) Investigation/Analysis by designated Customer Care Representative, CAO or Senior Officer, (3) Decision/ disposition and communicating of resolution/feedback to the customer, and (4) Closing of complaint.

The Customer Care Representatives and CAOs' core responsibility is to ensure customer complaints resolution is conducted within the prescribed turn-around-time:

- To receive and acknowledge customer complaints/concerns from all applicable channels;
- To perform verification on the validity of a complaint and conduct initial investigation;
- To monitor the progress of investigation or action taken;
- To communicate the resolution to the customer;
- To receive and document feedback from client (subject to the willingness of the customer); and
- To submit a consolidated report to CPU on a regular basis, for risk assessment and evaluation of cases in terms of disposition and resolution.

Ultimately, RCBC aims to differentiate itself from other banks by providing excellent customer experience. While positive feedback is welcome, it is more vigilant about negative feedback as this covers areas for improvement on how it conducts business.

For 2021, the Bank received a total of 50,874 customer complaint cases, a 45% increase against the previous year:

Total Customer Complaints Year on Year	
No. of Customer Complaints – YR 2020:	34,973
No. of Customer Complaints – YR 2021:	50,874
Ratio Year on Year (Increase)	45%

As the UniBank further move towards the digital approach of doing business with customers, most of the complaint cases received in Y2021 are related to ATM, Mobile App (Diskartech) and Online Banking. As a percentage of transaction volume, ATM, Diskartech and Online Banking complaints were accounted with low impact at 0.016%, 0.51% and 0.012% of the total transactions, respectively.

ATM and Online Banking Customer Complaints			
	ATM	DISKARTECH	Online Banking
No. of Customer Complaints	15,189	12,963	16,193
No of Transactions	92.6 M	2.5 M	134.4 M
Complaints to Transactions to Ratio	0.016%	0.51%	0.012%

Data Privacy

Managing the risks of data privacy is a significant undertaking for any organization. The Bank, in compliance with the Data Privacy Act of 2012 (DPA) is cognizant of the customers' fundamental rights to privacy. Under the direct supervision of the Bank's Data Protection Officer (DPO) of the Regulatory Affairs Group, compliance with the DPA is effectively monitored and implemented as follows:

- Updated privacy policies are kept updated at all times;
- Data privacy notices are posted in the Bank's website;
- Data privacy agreements are in place to ensure personal data of customers are used in legitimate purposes
- Customer are provided with Consent Forms on how to manage their personal information maintained by the Bank; and
- Only information necessary and as mandated by the law and regulation, will required from customers

Commitment

Ultimately, RCBC is committed to fully enforce the Financial Consumer Protection Framework and the Data Privacy Policy through continuous assessment of compliance with the regulatory standards of conduct in order to achieve a culture of fair dealings and responsible business practices as embedded in the Bank's overall operations.

ENVIRONMENTAL AND SOCIAL (E&S) RISK

Environmental and Social (E&S) Risk refers to the potential financial, legal, and/or reputational negative effect of E&S issues on the bank. E&S issues include environmental pollution, climate risk (both physical and transition risks), hazards to human health, safety and security, and threats to community, biodiversity and cultural heritage, among others.

The Philippines ranks fourth among the 10 countries most affected by extreme weather events over the last two decades (2000-2019), according to the 2021 Global Climate Risk Index. Due to its geographic location, the country is regularly exposed to tropical cyclones such as Bopha in 2012, Haiyan in 2013, and Mangkhut in 2018. Given this inherent vulnerability, the Philippines was included among countries still recovering from the previous years' impacts

Under the Paris Agreement on Climate Change, the Philippines committed to reduce 70% of its greenhouse gas emissions by 2030 to reduce global warming to 1.5 degrees. RCBC believes that the financial services sector has the opportunity to participate in achieving the targets set under Paris Agreement, and support the UN Sustainable Development Goals to fight against climate change.

The Bank believes that understanding the effects of and managing climate change is prudent risk management. As a leading domestic financial institution and a responsible corporate entity, the Bank is committed to doing its part to reduce global warming, engage its clients toward this direction, and support the government in meeting its sustainability objectives and effectively contribute to the SDGs and the Paris Agreement.

RCBC Sustainable Finance Strategy

RCBC strongly supports the BSP's call for financial institutions to be enablers of environmentally and socially responsible business decisions.

RCBC is one of the earliest adopters of BSP Circular 1085 which mandates Philippine banks to integrate sustainability considerations in their governance frameworks, risk management systems, strategies and operations. The Bank has been implementing its Environmental and Social Management System (ESMS) since 2011 and its own Sustainable Finance Framework since April 2019.

The Bank's ESMS Policy and Sustainable Finance Framework are both aligned with the salient provisions of BSP Circular 1085 and BSP Circular 1128 (ESRM, issued in October 2021). Both Circulars promote the need for periodic assessment of the Policy / Framework to ensure its relevance with developments in the business environment.

Banks and financial institutions have a vital role in reducing global warming, supporting the government in meeting its sustainability objectives, and effectively contributing to the UN Sustainable Development Goals (SDGs) and the Paris Agreement.

In December 2020, RCBC President Eugene S. Acevedo publicly committed to cease funding of the construction of new coal power plants, the first Philippine universal bank to do so. This is a clear demonstration of RCBC's leadership in shifting financing toward clean energy, supporting the government's moratorium on endorsements for greenfield coal power plants, and building a more sustainable power supply mix.

Since December 2020, RCBC has maintained an "AA" ESG rating by Morgan Stanley Capital International (MSCI) ESG Ratings, indicating sound business organization and risk mitigation. It has the highest ESG rating of AA in the peer benchmarking published by MSCI. MSCI's research work and due diligence depends on publicly available information such as RCBC's Sustainability Bonds Allocation Report and Impact Report, as well as the Annual and Sustainability Report.

Environmental and Social Management System (ESMS)

The ESMS of RCBC requires that all lending relationships/credits, both pipeline and portfolio, are vetted from an E&S risk perspective. The ESMS is implemented to safeguard lending operations from exposure to activities with identified E&S risks.

The ESMS Policy is a declaration of RCBC's commitment to sustainable development and management of E&S issues. The ESMS Policy is published on the Bank's Online Library and is accessible to all employees (from senior management to rank and file) and those with direct contacts with RCBC are familiar with the environmental, social and risk management policies of the Bank.

In accordance with the ESMS Policy, all credit proposals for loans and other credit accommodations from RCBC need to go through E&S risk and impact assessment. Only activities or projects which pass the E&S risk and impact assessment shall be eligible for financing and are screened using E&S risk assessment tools – the IFC Exclusion List, applicable national and international laws on environment, biodiversity, deforestation, marine environment, water risk, pollution prevention, indigenous peoples and protection of cultural heritage, health, human and labor rights, safety and social issues and any standards established therein, and the IFC Performance Standards. Environmental Risk Categories (ERC) are assigned to accounts, and credit approvals obtained in accordance with requirements depending on the ERC. Based on the initial assessment of relationship managers (first line of defense), an account is risk-classified as ERC A (high), B (medium), or C (low). The ERC classification is validated by the Environmental and Social Risk Officer (ESRO), the second line of defense, who has the authority to override first line E&S risk assessment, if warranted. Validated ERC assessments are eventually included in the regular review of Internal Audit (third line of defense). The ERC assessment takes place before a lending decision is made, and continues during the life cycle of the loan agreement with the client. Applicable environmental covenants are also incorporated in the loan/credit agreement and these are periodically evaluated and monitored to ensure compliance.

The ESMS Policy subscribes to IFC's 8 Performance Standards, as follows, to benchmark projects or business activities on. These are applied in the assessment of medium and high risk accounts as measures of enhanced due diligence:

1. Assessment and Management of Environmental and Social Risks and Impacts
2. Labor and Working Conditions
3. Resource Efficiency and Pollution Prevention
4. Community Health, Safety, and Security
5. Land Acquisition and Involuntary Resettlement
6. Biodiversity Conservation and Sustainable Management of Living Natural Resources
7. Indigenous Peoples
8. Cultural Heritage

Environmental and social due diligence (ESDD) conducted through site visits or desktop reviews by the ESRO is integral to the assessment of high risk accounts. RCBC explains the importance of the ESDD process to clients and other stakeholders, and require them to engage in activities that meet our sustainability standards. By means of RCBC's follow-through ESDD with its clients (18-24 month cycle), the Bank is able to validate the closure of previous ESDD findings by the next cycle of RCBC's evaluation, hence providing a proper monitoring mechanism for addressing potential E&S concerns. The actions taken by the clients affirm the development of the clients' shared commitment with RCBC toward sustainable practices.

The implementation of the Bank's ESMS helps create long-term solutions to E&S issues – mitigating negative effects on the environment and affected communities, and enhancing positive sustainable development impacts.

RCBC Sustainable Finance Framework

The RCBC Sustainable Finance Framework articulates the Bank's strategy to prioritize fund raising and lending to priority sectors. Under this framework, RCBC can issue Sustainable Financing Instruments ("SFI") to fund loans and projects that have clear environmental and/or social benefits. SFIs include Green Bonds, Social Bonds, Sustainability Bonds, Green Loans, and other debt financing instruments which fund Eligible Green and Social Assets that conform to Sustainable Finance principles:

- International Capital Market Association ("ICMA") Green Bond Principles 2018 ("GBP"), Social Bond Principles 2018 ("SBP"), Sustainability Bond Guidelines 2018;
- ASEAN Capital Markets Forum ("ACMF") ASEAN Green Bond Standards 2018, ASEAN Social Bond Standards 2018, ASEAN Sustainability Bond Standards 2018;
- Loan Market Association ("LMA"), Asia Pacific Loan Market Association ("APLMA") and Loan Syndications and Trading Association ("LSTA") Green Loan Principles 2018

This Sustainable Finance Framework was reviewed by Sustainalytics, who issued a Second Party Opinion, citing RCBC's Framework as "credible and impactful." Both documents are published in RCBC's website (www.rcbc.com/sustainability).

Since the creation of the Framework in 2019, RCBC has raised around USD1.1B in green and sustainability bonds, with the largest issuance completed in March 2021, amidst the pandemic. RCBC closed the March 2021 sustainability bond issuance at PhP17.87B (~USD350M) – nearly six times greater than its minimum issue size.

RCBC's bond issuances aim to increase awareness among peer banks and promote a concerted effort in preventing further damage to the environment and communities while moving toward sustainable economic development. This is aligned with the BSP's definition of Sustainable Finance in BSP Circular No. 1085: "...any form of financial product or service which integrates environmental, social and governance criteria into business decisions that supports economic growth and provides lasting benefit for both clients and society while reducing the pressures on the environment..."

Eligible Project Categories

In accordance with RCBC's Sustainable Finance Framework, RCBC shall allocate the proceeds of any SFI to finance and refinance RCBC's loans to customers or its own operating activities in Eligible Green Categories and/or Eligible Social Categories where:

- The proceeds of RCBC's Green Bond or Green Loan will be allocated to Eligible Green Categories;
- The proceeds of RCBC's Social Bond or Social Loan will be allocated to Eligible Social Categories;
- The proceeds of RCBC's Sustainability Bond will be allocated to Eligible Green Categories and Eligible Social Eligible Categories

Reporting

Under the Sustainable Finance Framework, RCBC shall report:

- The allocation of the net proceeds to the Eligible Green and Social Portfolio;
- The aggregated impact of the Eligible Green and Social Portfolio

RCBC's annual Allocation and Impact Reports are published in the Bank's website (www.rcbc.com/sustainability). RCBC's Allocation Reports are issued together with the Limited Assurance Reports of Punongbayan & Araullo (P&A) Grant Thornton.

RCBC COMPLIANCE WITH BSP CIR. NO. 1085 AND BSP CIR NO. 1128

With the ESMS and its own Sustainable Finance Framework in place, RCBC can be considered as one of the earliest adopters of the salient provisions of BSP Circular No. 1085. In order to be fully compliant with this Circular and equip the Bank with tools relevant to the additional ESRM requirements of BSP Circular 1128, RCBC has embarked on the following training programs and sustainability initiatives:

- Jan 2021: As approved by the ROC in September 2020, RCBC entered into an advisory engagement with IFC and 2 Degree Investing Initiative (2DII) for the use of the Paris Agreement Capital Transition Assessment (PACTA) tool and related methodology developed by 2DII. When the IFC/PACTA training workshops are completed, the results of the PACTA evaluation will be integrated into the Bank's stress testing results in compliance with BSP Circular Nos. 1085 and 1128.
- Sept 2021: Approval from the ROC was obtained for RCBC to become the first Philippine bank to participate in the Partnership for Carbon Accounting Financials (PCAF), an initiative among financial institutions worldwide to enable harmonized assessments and disclosures of greenhouse gas (GHG) emissions financed by loans and investments. RCBC's participation in PCAF is a decisive step in understanding the climate impact of the businesses that the Bank supports. As a PCAF participant, RCBC commits to disclose the GHG emissions of its portfolio within three years from joining the organization. RCBC completed the PCAF on-boarding training program in early October 2021.
- Oct – Nov 2021: RCBC rolled-out a Bank-wide Sustainability E-Learning to serve as a preparatory training tool in integrating the sustainability agenda in the Bank's performance appraisal system, as required by BSP Circular Nos. 1085 and 1128. The E-learning was submitted for notation by the ROC in August 2021. Approval for the establishment of sustainability-related performance evaluation metrics was obtained from the Bank's Corporate Governance Committee and Board of Directors in November 2021.

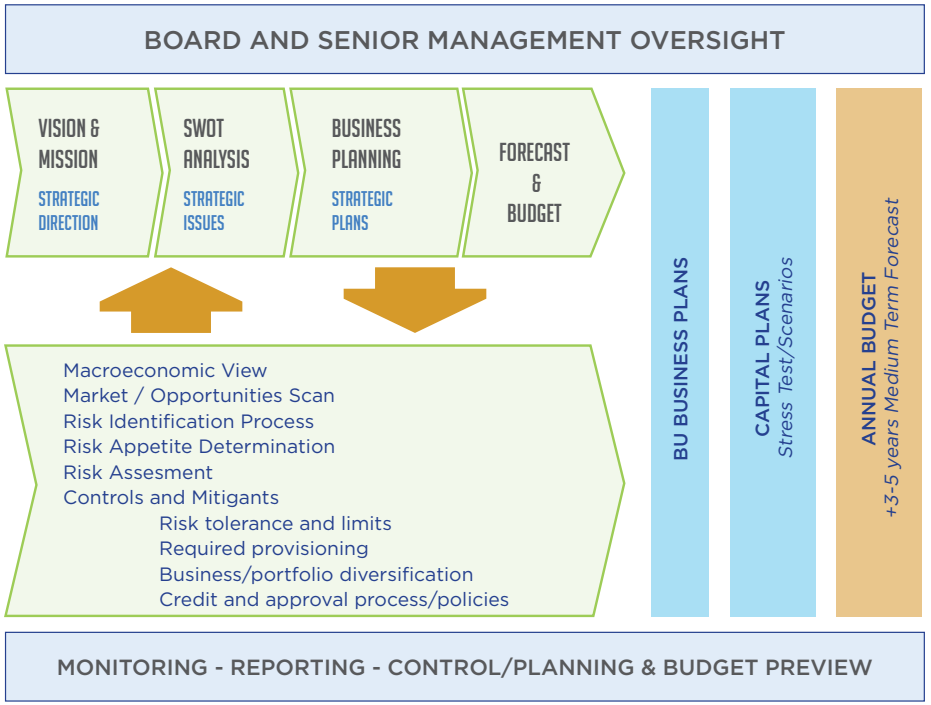
ROC approvals mentioned in the above paragraphs were all reported to the Board during the next Board Meeting.

CAPITAL MANAGEMENT FRAMEWORK

The Capital Management Framework of the Group incorporates the planning process, the Capital Plan, and the continuing review and reporting of results.

STRATEGIC AND BUSINESS PLANNING

The Group's Strategic and Business Planning process may be summarized by the following illustration:



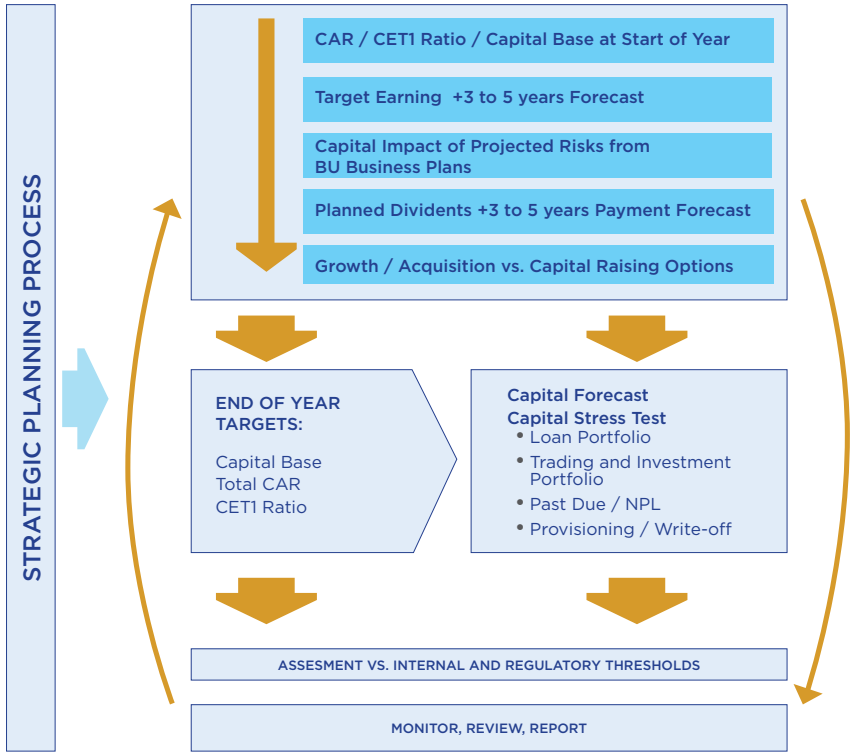
In the Strategic & Business Planning Process of the Group, the overall risk appetite is developed as part of the business plans.

The process involves the development of strategic and business objectives, anchored on the Mission & Vision, as interpreted and articulated by Senior Management. This is an iterative process involving both internal and external analyses and risk assessment.

The planning process then results in a business plan, the annual budget, medium-term forecast/projections, which all incorporate identified risks. It includes a regular review of the business plan (monthly, quarterly) based on key performance indicators.

CAPITAL PLANNING

The other component of the Framework is the development of the Capital Plan that incorporates the current business plan and additional projections and stress testing.



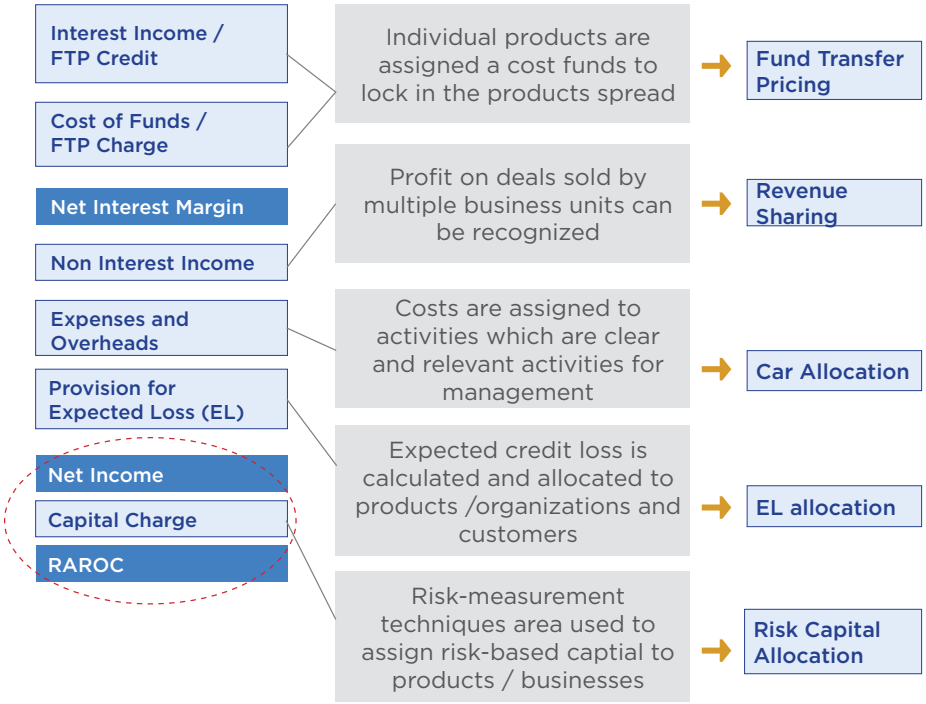
This component highlights the use of medium to long-term forecasts and stress scenarios in the management of capital. The results of the forecasts are always reviewed against the internal minimum capital ratios, inclusive of Pillar 2 charges, and the regulatory minimum.

RISK-ADJUSTED PROFITABILITY MEASUREMENT (RAPM)

The Risk-Adjusted Profitability Measurement (RAPM) framework allows for the active monitoring and management of risk exposures and allocation of economic capital proportionate to the amount of risk each business unit takes. The end-product is a dashboard for RAPM that results in a measure of Risk-adjusted Return on Capital (RAROC) that may then be used both for performance measurement and capital and strategic planning. Capital allocation as a result of RAROC is also a goal.

The RAPM dashboard is the Group's way of firmly linking risk and capital. The RAPM allows Senior Management to assess the contribution of each business – after considering the related risks – and its return on the capital used. It also allows for capital planning at the business segment and/or subsidiary level, allocating capital based on the identified risks and strategic intent. A view of performance, tempered with the risks and capital requirements, clarifies the components of the risk appetite for each strategy.

The RAPM Framework is illustrated as follows.



RAROC is computed as risk-adjusted net income over the allocated economic capital. Risk-adjusted net income is the financial income of business units after adjustments for FTP, revenue sharing, cost allocation and EL allocation.

A well-designed RAPM Framework shows integrated risk and finance views of the Group's business units and provides for a sound and balanced understanding of business units' performance. It also helps Management in strategic planning activities. As an integrated risk-finance measure, RAPM drives business units to optimize risk/return profile and shareholder value. It encourages risk-based pricing which takes into account expected losses.

RAPM serves as a tool in improving and enhancing the process of linking risk with the strategy and performance of the Bank's business units, and RAROC is a strategic management tool used to measure how the business groups use capital. The current RAPM Framework and the resulting RAROC numbers will be used to have a better assessment of the bank-wide strategies, capital allocation and utilization, and business unit performance.

Moving forward, RAPM will serve as a management tool for decision-making especially in terms of capital allocation and strategizing. RAPM will also be adopted as one of the KPIs of the Parent bank and the Subsidiaries. The use of RAPM will continue to run in parallel to the existing capital allocation and performance measure frameworks in order for the process and resulting values to attain a certain level of stability and acceptability. Considering that the process is performed manually, producing results only after a significant amount of time, RAPM may not yet be applied as the primary tool for making decisions and measuring performance, hence results shall only supplement existing frameworks for now. For the near future, the Bank will be focusing on the refinement of the RAPM framework.

Starting YR2021, the assessment of each business unit of the Bank - its contribution, the risks, the returns - is now through 1) Return on Risk-weighted Asset (RORA) after Expected Credit Loss (ECL) and Direct OPEX and 2) RORA after ECL, Direct OPEX, & Allocated Expenses. These metrics can serve as tools in enhancing the process of linking risk with the strategy and performance of the Bank's Business Units and in decision-making. These will help the business unit balance its goal of earning higher returns through higher risk assets vis-a-vis the drawback of getting hit with the Expected Credit Loss commensurate to the riskiness of the assets that the business unit is taking in.

IMPLEMENTATION OF BASEL STANDARDS

Capital Adequacy

The Group manages its capital in line with the overall growth strategy and regulatory requirements, balanced with optimizing value for the stockholder and the Group as a whole. Regulatory developments, primarily the implementation of Basel III components in 2015 were a main consideration for the Group to actively strengthen its capital base.

The Group began its capital build-up as early as 2006 to make room for organic growth and/or acquisition plans. By 2009, the Group raised a total of Php22.6 billion of capital (including Basel II eligible capital).

The implementation of Basel III however required additional Common Equity Tier 1 capital. Starting 2010, the Group conducted a series of capital raising activities to prepare for this and to further support its long-term growth plans. In May 2010, the BOD approved the amendment of the Articles of Incorporation to increase the authorized capital from 1.1 billion common shares to 1.4 billion to allow room and flexibility in raising capital.

In March 2011, the International Finance Corp (IFC) invested Php2.1 billion for 73 million shares resulting in 6.4% ownership share, by the end of 2011. In May of the same year, the Group raised Php3.7 billion in common equity, through the investment of Hexagon Investment Holdings Limited (HIHL) for a 15% ownership and two board seats.

In 2013, the Group raised a total of Php8.2 billion in common equity capital from two different capital raising activities. In March 2013, a total of Php4.1 billion raised coming from various investors through a top-up placement and in April 2013, IFC investmed another of Php4.1 billion for an additional 5.6% ownership share in the Group.

The Group again raised capital in 2014. In June, the Group issued Php7.0 billion of 5.375% Unsecured Subordinated Notes due 2024 which qualify as Tier 2 Capital pursuant to BSP circular 781 (Series of 2013) and are Basel III-compliant. In September of the same year, the Group issued another Php3.0 billion Tier 2 Capital Notes as part of the BSP approval on May 9, 2014 authorizing the issuance of up to Php10.0 billion of Tier 2 Notes.

On December 17, 2014, the Group and Cathay Life Insurance Co., Ltd., a wholly owned subsidiary of Cathay Financial Holding Co., Ltd. signed definitive agreements to acquire approximately 20% stake in RCBC on a pro-forma, post-transaction basis comprising 124,242,272 newly subscribed shares and 155,757,728 existing shares. This transaction effectively cancelled the planned Stock Rights Offering which was earlier approved by the PSE on September 24, 2014.

The strategic investment in April 2015 by Cathay Life, Php7.9 billion of new Core Equity Tier 1 (CET 1) capital for the Group, is part of RCBC's capital raising strategy to comply with the more stringent capital adequacy rules under the new Basel III framework and is expected to enable RCBC to be comfortably above the minimum CET1 requirements of the BSP. In addition, the proceeds from the investment is expected to continue to support the continued growth of RCBC's loan book and increased expansion into the SME and Consumer segments to improve margins and risk diversification/ actuarialization. The transaction is also in-line with Cathay's strategy to expand its business in ASEAN region.

On July 24, 2015 the Group redeemed its USD100 Million 9.875% Non-Cumulative Step-up Perpetual Securities (Hybrid Tier 1 Notes) as approved by the BOD and by the BSP on March 30, 2015 and May 27, 2015, respectively. The Hybrid Tier 1 Notes were redeemed for a total price of USD113.9 million. Hybrid Tier 1 Notes were redeemed earlier than expected as they were classified as not eligible for Basel III requirement.

RCBC and Cathay Life Insurance Corp, a wholly owned subsidiary of Cathay Financial Holding Co., Ltd. closed the equity investment deal for a 20% stake in the former on April 20, 2015. The key terms of the transaction involved the subscription of primary shares (124,242,272) and the purchase of shares from CVC (119,033,590 shares) and IFC (36,724,138 shares) all at Php64.0 per share.

In January 2018, the BOD approved the amendment of the Articles of Incorporation to further increase the authorized capital from 1.4 billion common shares to 2.6 billion, ahead of the Bank's stock rights offering (SRO) that was successfully completed in July 2018. The additional capital from the SRO amounted to Php15.0 billion which is aimed to strengthen the Bank's capital ratios and fund its business expansion.

In March 2018, the Bank recognized a one-time capital charge amounting to Php66.3 million representing the transition adjustments as of January 1, 2018 to cover provisioning requirements of Expected Credit Losses under BSP Circular 855 and PFRS 9. This adjustment includes the appropriation of retained earnings amounting to Php1.7 billion representing the additional general allowance set by the BSP to meet the minimum 1% floor on top of the actual ECL.

On August 27, 2020, RCBC issued USD 300.0 million 6.5% non-cumulative subordinated Hybrid Perpetual Securities, eligible as Additional Tier 1 (AT1) Capital under Basel 3. The issuance was approved by the BOD on June 29, 2020 and by the Monetary Board on August 13, 2020 per its letter dated August 17, 2020.

On June 28, 2021, the Board of Directors approved the sale of 101,850,000 common shares held by the Bank in treasury to Sumitomo Mitsui Banking Corporation (SMBC) at a price of Php44.00 per share or for a total amount of P4.481 billion. On July 28, 2021, the Bank received the P4,481 billion capital infusion representing a 4.99% stake of the Bank.

The foregoing capital raising activities are summarized below:

	2008	2009	2011	2013	2014	2015	2016	2017	2018	2020	2021
Capital raised	**Php7.0B** Unsecured Subordinated Debt Qualifying as Tier II Capital	**Php4.0B** Unsecured Subordinated Debt Qualifying as Tier II Capital	**Php5.8B** Tier 1 Common Stock— **Php2.1B** from IFC and **Php3.7B** from CVC Capital Partners	**Php4.1B** Common Stock from a "top-up offering" and **Php4.1B** Common Stock from additional investment of IFC **Php5.1B** freed-up capital from sale of RCBC Realty/Land & Bankard	Basel 3 Compliant **Php10.0B** Unsecured Subordinated Debt Qualifying as Tier II Capital	Php7.9B Equity Investment	-	-	**Php15.0B** Common Stock from Stock Rights Offering	**Php15.0B** Additional Tier 1 Capital	**PhP4.481B** Re-issuance of Treasury Shares – sale of 101,850,000 common shares held by the Bank in treasury to Sumitomo Mitsui Banking Corporation (SMBC) at a price of Php44.00 per share
Stockholder's Equity (P)	27.6 billion	30.5 billion	37.8 billion	44.8 billion	52.6 billion	58.1 billion	62.1 billion	67.0 billion	81.2 billion	101.5 billion	111.1 billion
CAR (%)	17.30%	18.50%	18.50%	16.5%	15.37%	15.72%	16.16%	15.46%	15.34%	16.14%	15.23%
Tier 1 Ratio (%)	13.20%	12.60%	13.70%	16.0%	11.83%	12.55%	12.89%	12.45%	13.09%	12.64%	12.16%

RECOVERY PLANNING PROCESS

Recovery planning has been designed to be integrated with the Bank's existing risk and capital management processes and functions. The Recovery Planning Framework emphasizes that the Framework should allow for proper development, approval and implementation of the planning process in the Bank's ongoing business (normal times), and on the other hand, for a timely decision on and implementation of recovery options during a crisis situation.

The Bank has established a robust Recovery Planning Governance Framework to ensure that all aspects of recovery planning—including the development, review and approval, and maintenance of the Plan—receive appropriate attention by both Senior Management and the BOD.

The Recovery Planning Framework leverages established roles and responsibilities and committee charters, directs the personnel that the Bank dedicates to recovery planning, and incorporates enhancements specifically designed to address recovery planning. As a result, the recovery plan development, review, approval and maintenance activities are fully integrated into the Bank's existing corporate governance structure.

Risk and Capital Disclosures

The following are the pertinent risk and capital disclosures for the Group. The figures for the Group and the Parent are calculated based on accounting methodologies prescribed by the BSP for prudential reporting, and therefore may not necessarily tally with the figures stated in the Group's Audited Financial Statements.

The capital adequacy ratio of the Group and the Parent as reported to the BSP as of December 31, 2021 and 2020 under Basel 3 framework are shown in the table below.

	Group		Parent	
	2021	2020	2021	2020
CET 1 Capital	79,409	70,326	75,449	66,421
Tier 1 Capital	93,875	84,791	89,914	80,886
Tier 2 Capital	5,591	5,017	5,522	4,895
Total Qualifying Capital	**99,466**	**89,809**	**95,437**	**85,781**
Credit Risk Weighted Assets	595,014	501,735	583,462	488,990
Market Risk Weighted Assets	4,149	6,019	4,120	5,806
Operational Risk Weighted Assets	53,945	48,831	51,359	46,101
Risk Weighted Assets	**653,108**	**556,585**	**638,940**	**540,897**
Total Capital Adequacy Ratio	**15.23%**	**16.14%**	**14.94%**	**15.86%**
Tier 1 Capital Adequacy Ratio	**14.37%**	**15.23%**	**14.07%**	**14.95%**
Common Equity Tier 1 Ratio	**12.16%**	**12.64%**	**11.81%**	**12.28%**
Capital Conservation Buffer	**6.16%**	**6.64%**	**5.81%**	**6.28%**
Capital Conservation Buffer after DSIB	**4.66%**	**5.14%**	**4.31%**	**4.78%**

The regulatory qualifying capital of the Group and the Parent consists of Tier 1 (Common Equity Tier 1 plus Additional Tier 1) Capital less regulatory deductions. The components of qualifying capital as of December 31, 2021 and 2020 are as follows:

	Group		Parent	
	2021	2020	2021	2020
Tier 1 (Common Equity Tier 1 plus Additional Tier 1) Capital				
Paid up common stock	22,509	22,509	22,509	22,509
Additional paid in capital	42,505	42,568	42,505	42,568
Retained Earnings	35,641	32,520	35,641	32,520
Undivided profits	7,095	4,955	7,095	4,955
Other Comprehensive Income				
Net unrealized gains or losses on AFS securities	76	615	76	615
Cumulative foreign currency translation	54	54	54	54
Remeasurement of Net Defined Benefit Liability/ (Asset)	(2,410)	(2,684)	(2,410)	(2,684)
Minority interest in subsidiary financial allied undertaking which are less than wholly owned	18	18		
Common Equity Tier 1 (CET1) Capital	**105,488**	**100,555**	**105,470**	**100,537**

	Group		Parent	
	2021	2020	2021	2020
Less: Regulatory Adjustments to CET1 Capital				
Common Treasury Stock	9,287	13,719	9,287	13,719
Retained Earnings Appropriated for General Provision (included as part of Retained Earnings)	3,617	3,442	3,616	3,440
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)	1	1	1	1
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates	559	637	559	637
Deferred tax assets	3,265	3,118	2,898	2,771
Goodwill	269	269	269	269
Other Intangible Assets	2,337	2,182	2,332	2,175
Defined benefit pension fund assets (liabilities)	-	-	-	-
Investments in equity of unconsolidated subsidiary banks and quasi-banks, and other financial allied undertakings (excluding subsidiary securities dealers brokers and insurance companies), after deducting related goodwill, if any			6,123	6,082
Other equity investments in non-financial allied undertakings and non-allied undertakings	6,730	6,847	4,922	5,007
Reciprocal investments in common stock of other banks/quasi-banks and financial allied undertakings including securities dealers/brokers and insurance companies, after deducting related goodwill, if any (for both solo and consolidated bases)	15	15	15	15
Total Regulatory Adjustments to CET1 Capital	**26,079**	**30,229**	**30,021**	**34,116**
Total Common Equity Tier 1 Capital	**79,409**	**70,326**	**75,449**	**66,421**
Additional Tier 1 (AT1) Capital				
Instruments issued by the bank that are eligible as AT1 Capital	14,465	14,465	14,465	14,465
Less: Regulatory Adjustments to AT1 Capital				
Total Additional Tier 1 (AT1) Capital	**14,465**	**14,465**	**14,465**	**14,465**
Total Tier 1 (Common Equity Tier 1 plus Additional Tier 1) Capital	**93,875**	**84,791**	**89,914**	**80,886**
Tier 2 Capital				
Instruments issued by the bank that are eligible as Tier 2 capital				
General loan loss provision	**5,591**	**5,017**	**5,522**	**4,895**
Total Tier 2 capital	**5,591**	**5,017**	**5,522**	**4,895**
Less: Regulatory Adjustments to Tier 2 Capital				
Total Tier 2 Capital	**5,591**	**5,017**	**5,522**	**4,895**
Total Qualifying Capital	**99,466**	**89,809**	**95,437**	**85,781**

Full Reconciliation of all Regulatory Capital Elements and Regulatory Adjustments/Deductions (In Millions)

	Group									
	2021					2020				
		BASEL III					BASEL III			
FRP Equity Accounts	**FRP**	**CET1 Capital**	**Additional Tier 1**	**Tier 2 Capital**	**Total Basel III Capital**	**FRP**	**CET1 Capital**	**Additional Tier 1**	**Tier 2 Capital**	**Total Basel III Capital**
Paid in Capital Stock	22,512	22,509	3		22,512	22,512	22,509	3		22,512
Common Stock	22,509	22,509			22,509	22,509	22,509			22,509
Perpetual and Non-Cumulative Preferred Stock	3		3		3	3		3		3
Additional Paid-in Capital	42,505	42,505			42,505	42,568	42,568			42,568
Hybrid Perpetual Securities	14,463		14,463		14,463	14,463		14,463		14,463
Retained Earnings	35,641	35,641			35,641	32,520	32,520			32,520
Undivided Profits	7,095	7,095			7,095	4,955	4,955			4,955
Other Comprehensive Income	(2,280)	(2,280)			(2,279)	(2,015)	(2,015)			(2,015)
Treasury Stock	(9,287)					(13,719)				
Minority Interest in Subsidiaries (for consolidated report only)	18	18			18	18	18			18
Total Equity Accounts	**110,666**	**105,488**	**14,465**		**119,954**	**101,302**	**100,555**	**14,465**		**115,021**
Other Accounts Eligible as Regulatory Capital										
General Loan Loss Reserves/Retained Earnings Appropriated for General Reserves				5,591	5,591				5,017	5,017
Regulatory Adjustments/Deductions to CET1 Capital										
Common stock treasury shares		(9,287)			(9,287)		(13,719)			(13,719)
Retained Earnings Appropriated for General Provision		(3,617)			(3,617)		(3,442)			(3,442)
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)		(1)			(1)		(1)			(1)
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates		(559)			(559)		(637)			(637)
Deferred tax assets		(3,265)			(3,265)		(3,118)			(3,118)
Goodwill		(269)			(269)		(269)			(269)
Other Intangible Assets		(2,332)			(2,332)		(2,182)			(2,182)
Defined benefit pension fund assets (liabilities)		-			-		-			-
Other equity investments in non-financial allied undertakings and non-allied undertaking		(6,730)			(6,730)		(6,847)			(6,847)
Reciprocal investments in common stock of other banks/ quasi-banks and financial allied undertakings including securities dealers/brokers and insurance companies, after deducting related goodwill, if any (for both solo and consolidated bases)		(15)			(15)		(15)			(15)
Total Regulatory Capital	**110,666**	**79,409**	**14,465**	**5,591**	**99,466**	**101,302**	**70,326**	**14,465**	**5,017**	**89,809**

Full Reconciliation of all Regulatory Capital Elements and Regulatory Adjustments/Deductions (In Millions)

	Parent									
	2021					2020				
		BASEL III					BASEL III			
FRP Equity Accounts	**FRP**	**CET1 Capital**	**Additional Tier 1**	**Tier 2 Capital**	**Total Basel III Capital**	**FRP**	**CET1 Capital**	**Additional Tier 1**	**Tier 2 Capital**	**Total Basel III Capital**
Paid in Capital Stock	22,512	22,509	3		22,512	22,512	22,509	3		22,512
Common Stock	22,509	22,509			22,509	22,509	22,509			22,509
Perpetual and Non-Cumulative Preferred Stock	3		3		3	3		3		3
Additional Paid-in Capital	42,505	42,505			42,505	42,568	42,568			42,568
Other Equity Instruments (Additional Tier 1)	14,463		14,463		14,463	14,463		14,463		14,463
Retained Earnings	35,641	35,641			35,641	32,520	32,520			32,520
Undivided Profits	7,095	7,095			7,095	4,955	4,955			4,955
Other Comprehensive Income	(2,280)	(2,280)			(2,280)	(2,015)	(2,015)			(2,015)
Treasury Stock	(9,287)					(13,719)				
Total Equity Accounts	**110,648**	**105,470**	**14,465**		**119,935**	**101,283**	**100,537**	**14,465**		**115,002**
Other Accounts Eligible as Regulatory Capital										
General Loan Loss Reserves/Retained Earnings Appropriated for General Reserves				5,522	5,522				4,895	4,895
Regulatory Adjustments/Deductions to CET1 Capital										
Common stock treasury shares		(9,287)			(9,287)		(13,719)			(13,719)
Retained Earnings Appropriated for General Provision		(3,616)			(3,616)		(3,440)			(3,440)
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)		(1)			(1)		(1)			(1)
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates		(559)			(559)		(637)			(637)
Deferred tax assets		(2,898)			(2,898)		(2,771)			(2,771)
Goodwill		(269)			(269)		(269)			(269)
Other Intangible Assets		(2,332)			(2,332)		(2,175)			(2,175)
Defined benefit pension fund assets (liabilities)										
Investments in equity of unconsolidated subsidiary banks and quasi- banks, and other financial allied undertakings (excluding subsidiary securities dealers brokers and insurance companies), after deducting related goodwill, if any		(6,123)			(6,123)		(6,082)			(6,082)
Other equity investments in non-financial allied undertakings and non-allied undertaking		(4,922)			(4,922)		(5,007)			(5,007)
Reciprocal investments in common stock of other banks/ quasi-banks and financial allied undertakings including securities dealers/brokers and insurance companies, after deducting related goodwill, if any (for both solo and consolidated bases)		(15)			(15)		(15)			(15)
Total Regulatory Capital	**110,648**	**75,449**	**14,465**	**5,522**	**95,437**	**101,283**	**66,421**	**14,465**	**4,895**	**85,781**

Components of Regulatory Capital

Regulatory Capital consist of the sum of the following accounts as reported in the BSP Financial Reporting Package (FRP) which are eligible as Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1) capital guided by Circular No. 781 - Basel III Implementing Guidelines on Minimum Capital Requirements

a. Paid-in Capital Stock
b. Additional Paid-in Capital Stock
c. Other Equity Instruments - Instruments issued by the bank that are eligible as AT1 Capital
d. Retained Earnings
e. Undivided Profits
f. Other Comprehensive Income
   Net Unrealized Gains or Losses on AFS Securities
   Cumulative foreign currency translation
   Remeasurement of Net Defined Benefit Liability/(Asset) pertains to Reserves on remeasurements of post-employment defined benefit plan comprise of net accumulated actuarial gains or losses arising from experience adjustments and other changes in actuarial assumptions and actual return on plan assets
g. Treasury Stock
h. Minority Interest in Subsidiaries (for consolidated report only)

Tier 2 Capital General Loan Loss Reserves, limited to a maximum of 1.00% of credit risk-weighted assets.

Regulatory Adjustments to Capital consists of the sum of the following accounts:
a. Common Treasury Stock
b. Unbooked valuation reserves and other capital adjustment based on latest examination of monetary board
c. Unsecured credit accomodations
d. Unsecured loans, other credit credit accomodations and guarantees granted to subsidiaries and affiliates
e. Deferred Tax Assets pertains to the tax impact of deductible temporary differences such as but not limited to provisions for impairment,minimum corporate income tax and retirement benefits
f. Goodwill
g. Other Intangible Assets consist of computer software and branch licenses
h. Defined benefit pension fund assets pertains to the excess of the fair value of the plan assets over the present value of the defined benefit obligation
i. Investments in equity of unconsolidated subsidiary banks for the solo reporting represents carrying amount as reported in the FRP, net of related goodwill
   RCBC Capital Corporation
   RCBC Forex Brokers Corp.
   RCBC Leasing and Finance Corp.
   Merchant Savings & Loan Association inc.
   RCBC Telemoney Europe
   RCBC International Finance Ltd.
j. Other equity investments in non-financial allied undertakings and non-allied undertakings represents investments in various companies such as Niyog Properties, YGC Corporate Services, Honda Cars, GPL Holdings, MICO Equities, Roxas Holdings, Pilipinas Shell, Isuzu Phils. among others

Treasury Shares
In 2019, subsequrent to the effective date of the merger , the Parent Company acquired the 315,287,248 common shares issued in exchange of the net assets of RSB equal to the Parent Company's investment in RSB as at December 31, 2018.

On September 23, 2011, the Parent Company issued 5,821,548 common shares (equivalent of 18,082,311 preferred shares and with total par values of P 58) from the treasury account reissuance (with total cost of P182(and an additioanl 120,730,177 common stock (with total par value of P 1,207_ from unissued portion of the increase in authorized capital stock on September 23, 2011 ot Hexagon Investments B.V. that is equivalent to approximately 15.00% of the oustanding common shares. The issuance resulted in the recognition of addition Capital Paid in Ecess of Par amounting to P 2,264.

On March 17, 2011, the Parent Company issued 73,448,275 common shares, comprising of 50,427,931 treasury shares reissuance (with total cost of P771) and 23,020,344 unissued stock (with total par value of P230), to IFC Capitalization Fund for a total consideration of P2,130 representing 7.20% ownership interest. The issuance resulted in the recognition of additional Capital Paid in Excess of Par amounting to P1,078.

On July 23, 2021, the Parent Company sold 101,850,000 shares to SMBC at P44.00 per share. This came from the treasury shares resulting from the merger of Parent Company and RSB. The sale of shares held by the Parent Company in treasury is equivalent to 4.999% of the total outstanding Common Stock. The issuance resulted in a recognition of additional Capital Paid in Excess of Par amounting to P50. The Parent Company incurred expenses related to the issuance amounting to P113 which was charged to equity resulting in a P63 net decrease in the Capital Paid in Excess of Par.

Main Features of AT1 capital under BASEL III
In August 27, 2020, the Parent Company issued US$300 non-cumulative, unsecured subordinated capital securities which qualify as AT1 capital under BASEL III standards. As of December 31, 2020. the hybrid perpetual securities amounted to P 14,463, net of issuance costs.

a) The capital securities are perpetual in respect of which there is no fixed redemption date.
b) The Parent Company may redeem the capital securities only in certain circumstances as described in the conditions of the securitiesand with prior written consent of BSP.
c) Distributions are non-cumulative and payable semi-annually in arrear at a rate of 6.5%.
d) Certain conditions provide for circumstances under which the Parent Company will not be obliged topay any distribution on the applicable payment date.
e) The proceeds of the hybrid perpetual securities are used to support and finance medium-tem to long-term asset growth, loans to customers, other general corporate purposes and to maintain sufficient buffers above the minimum capital thresholds required by BSP.

For the features of the other capital instruments please refer to Note 23.1 of the Audited FS for the Preferred Shares.

Full Reconciliation of Regulatory Capital Elements back to the FRP Balance Sheet in the Audited Financial Statements

(In Millions)
RCBC Parent

December 31, 2021					
Equity Accounts	Audited FS	BSP FRP	Change	Details	Amount
Common Stock	22,509	22,509	-		
Preferred Stock	3	3	-		
Capital Paid in Excess of Par	42,505	42,505	-		
Other Equity Instruments	14,463	14,463	-		
Revaluation Reserves	(1,923)	(2,280)	357	Marked to market adjustment of Equity Securities	314
				Adjustment on retirement plan benefits	43
					357
Reserve for Trust Business	508	513	(5)	Additional provision on Reserves for Trust Business	(5)
General Loan Loss Reserves	3,616	3,616	-		
Surplus	38,598	38,607	(9)		
				Additional provision on Reserves for Trust Business	5
				Profit and Loss and prior year adjustment	(14)
					(9)
Treasury Stock	9,287	9,287	-		
Total Capital	**110,991**	**110,648**	**343**		**343**

Full Reconciliation of Regulatory Capital Elements back to the FRP Balance Sheet in the Audited Financial Statements

(In Millions)
RCBC Parent

December 31, 2020					
Equity Accounts	Audited FS	BSP FRP	Change	Details	Amount
Common Stock	22,509	22,509	-		
Preferred Stock	3	3	-		
Capital Paid in Excess of Par	42,568	42,568	-		
Other Equity Instruments	14,463	14,463	-		
Revaluation Reserves	(2,070)	(2,015)	(55)	Marked to market adjustment of Equity Securities	49
				Adjustment on retirement plan benefits	(104)
					(55)
Reserve for Trust Business	499	504	(5)	Additional provision on Reserves for Trust Business	(5)
General Loan Loss Reserves	3,440	3,440	-		
Surplus	33,600	33,530	70	Additional provision on Reserves for Trust Business	5
				Profit and Loss and prior year adjustment	65
					70
Treasury Stock	(13,719)	(13,719)			
Total Capital	**101,294**	**101,283**	**10**		**10**

Reconciliation for the Group Regulatory Elements are the same as that of the Parent Bank.

Capital Requirements by type of exposure as of December 31, 2021 and 2020 are as follows:

	December 31, 2021					
	Credit Risk		Market Risk		Operational Risk	
	Group	Parent	Group	Parent	Group	Parent
			(in Millions)			
On-Balance Sheet Assets	578,687	567,135				
Off-Balance Sheet Assets	9,377	9,377				
Counterparty Risk-Weighted Assets in the Banking & Trading Book	6,951	6,951				
Credit Linked Notes in the Banking Book						
Securitization Exposures						
Market Risk-Weighted Assets			4,149	4,120		
Operational Risk using Basic Indicator Approach					53,945	51,359
Total	**595,014**	**583,462**	**4,149**	**4,120**	**53,945**	**51,359**
Capital Requirements	**59,501**	**58,346**	**415**	**412**	**5,395**	**5,136**

	December 31, 2020					
	Credit Risk		Market Risk		Operational Risk	
	Group	Parent	Group	Parent	Group	Parent
			(in Millions)			
On-Balance Sheet Assets	487,286	474,541				
Off-Balance Sheet Assets	12,033	12,033				
Counterparty Risk-Weighted Assets in the Banking & Trading Book	2,416	2,416				
Credit Linked Notes in the Banking Book						
Securitization Exposures						
Market Risk-Weighted Assets			6,019	5,806		
Operational Risk using Basic Indicator Approach					48,831	46,101
Total	**501,735**	**488,990**	**6,019**	**5,806**	**48,831**	**46,101**
Capital Requirements	**50,173**	**48,899**	**602**	**581**	**4,883**	**4,610**

Risk weighted on-balance sheet assets covered by credit risk mitigants were based on collateralized transactions as well as guarantees by the Philippine National Government (NG) and those guarantors and exposures with the highest credit rating.

Standardized credit risk weights were used in the credit assessment of asset exposures. Third party credit assessments were based on the rating by Standard & Poor's, Moody's, Fitch and Philratings on exposures to Sovereigns, Multilateral Development Banks, Banks, Local Government Units, Government Corporation and Corporates.

Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets as of December 31, 2021 and 2020 are as follows :

RCBC Group
Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets

	December 31, 2021									
Type of Exposures	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
On-Balance Sheet Exposures										
Sovereigns	312,252	1,383	310,869	260,241		46,254		4,374		27,501
Banks	46,706		46,706		12,686	31,964		2,055		20,575
Government corporations	2,198		2,198			252		1,945		2,071
Corporates	386,115	7,457	378,657		1,497	646		376,177	337	377,305
Housing Loans	51,515	24,818	26,697			25,448		1,249		13,973
MSME Qualified portfolio	8,584		8,584			8,584				4,292
Defaulted exposures	22,283		22,283					3,346	18,937	31,752
Housing Loans	3,346		3,346					3,346		3,346
Others	18,937		18,937						18,937	28,406
ROPA	4,247		4,247						4,247	6,371
All other assets, net of deductions	109,403		109,403	14,683	36			94,372	312	94,847
Total on-balance sheet exposures	**943,303**	**33,659**	**909,644**	**274,924**	**14,219**	**113,148**		**483,519**	**23,833**	**578,687**
Off-balance sheet exposures										
Direct credit substitutes	3,682		3,682					3,682		3,682
Transaction-related contingencies	4,005		4,005					4,005		4,005
Trade-related contingencies	1,690		1,690					1,690		1,690
Others	235,819		235,819	235,819						
Total off-balance sheet exposures	245,196		245,196	235,819				9,377		9,377
Counterparty Risk-Weighted Assets in the Banking Book	57,786		57,786	45,378	5,505	6,307		596		4,850
Counterparty Risk-Weighted Assets in the Trading Book										
Derivatives - interest rate contracts	306		306		148	130		28		122
Derivatives - exchange rate contracts	2,307		2,307		139	504		1,664		1,943
Credit Derivatives	35		35					35		35
Total counterparty RWA in trading book	2,647		2,647		287	634		1,726		2,100
Risk-Weighted Amount of Credit Linked Notes in the Banking Book										
Risk-Weighted Securitization Exposures										
Total	**1,248,932**	**33,659**	**1,215,273**	**556,121**	**20,012**	**120,090**		**495,217**	**23,833**	**595,014**
Deductions from Capital										
General loan loss provision (in excess of the amount permitted to be included in Tier 2)										
Unbooked valuation reserves and other capital adjustments affecting asset accounts based on the latest report of examination										
Total, net of deductions	**1,248,932**	**33,659**	**1,215,273**	**556,121**	**20,012**	**120,090**		**495,217**	**23,833**	**595,014**

*** Principal amount for on-balance sheet and credit equivalent amount for off-balance sheet, net of specific provision**

RCBC Parent

Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets

Type of Exposures	December 31, 2021									
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
On-Balance Sheet Exposures										
Sovereigns	310,978	1,383	309,595	258,967		46,254		4,374		27,501
Banks	46,406		46,406		12,686	31,964		1,755		17,603
Government corporations	2,198		2,198			252		1,945		2,071
Corporates	379,272	7,457	371,815		1,088	646		369,743	337	370,790
Housing Loans	51,509	24,818	26,691			25,442		1,249		13,970
MSME Qualified portfolio	8,170		8,170			8,170				4,085
Defaulted exposures	21,969		21,969					3,346	18,622	31,280
Housing Loans	3,346		3,346					3,346		3,346
Others	18,622		18,622						18,622	27,934
ROPA	4,065		4,065						4,065	6,098
All other assets, net of deductions	105,750		105,750	14,663	28			91,059		91,065
Total on-balance sheet exposures	**930,317**	**33,659**	**896,659**	**273,630**	**13,802**	**112,729**		**473,473**	**23,025**	**567,135**
Off-balance sheet exposures										
Direct credit substitutes	3,682		3,682					3,682		3,682
Transaction-related contingencies	4,005		4,005					4,005		4,005
Trade-related contingencies	1,690		1,690					1,690		1,690
Others	235,819		235,819	235,819						
Total off-balance sheet exposures	245,196		245,196	235,819				9,377		9,377
Counterparty Risk-Weighted Assets in the Banking Book	57,786		57,786	45,378	5,505	6,307		596		4,850.24
Counterparty Risk-Weighted Assets in the Trading Book										
Derivatives - interest rate contracts	306		306		148	130		28		122
Derivatives - exchange rate contracts	2,307		2,307		139	504		1,664		1,943
Credit Derivatives	35		35					35		35
Total counterparty RWA in trading book	2,647		2,647		287	634		1,726		2,100
Risk-Weighted Amount of Credit Linked Notes in the Banking Book										
Risk-Weighted Securitization Exposures										
Total	**1,235,947**	**33,659**	**1,202,288**	**554,827**	**19,595**	**119,670**		**485,171**	**23,025**	**583,462**
Deductions from Capital										
General loan loss provision (in excess of the amount permitted to be included in Tier 2)										
Unbooked valuation reserves and other capital adjustments affecting asset accounts based on the latest report of examination										
Total, net of deductions	**1,235,947**	**33,659**	**1,202,288**	**554,827**	**19,595**	**119,670**		**485,171**	**23,025**	**583,462**

*** Principal amount for on-balance sheet and credit equivalent amount for off-balance sheet, net of specific provision**

RCBC Group

Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets

Type of Exposures	December 31, 2020									
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
On-Balance Sheet Exposures										
Sovereigns	187,554	1,363	186,190	163,485		20,580		2,125		12,415
Banks	61,779		61,779		10,105	50,108		1,566		28,641
Government corporations	2,055	1,323	732			732				366
Corporates	318,330	7,082	311,247		1,009	5,382		304,118	739	308,118
Housing Loans	49,791	23,870	25,922			25,345		576		13,249
MSME Qualified portfolio	9,123		9,123			9,123				4,561
Defaulted exposures	16,811		16,811					2,453	14,358	23,990
Housing Loans	2,453		2,453					2,453		2,453
Others	14,358		14,358						14,358	21,537
ROPA	3,578		3,578						3,578	5,367
All other assets, net of deductions	106,945		106,945	16,500	58			90,024	362	90,579
Total on-balance sheet exposures	755,964	33,639	722,326	179,985	11,172	111,269		400,862	19,037	487,286
Off-balance sheet exposures										
Direct credit substitutes	2,562		2,562					2,562		2,562
Transaction-related contingencies	7,924		7,924					7,924		7,924
Trade-related contingencies	1,548		1,548					1,548		1,548
Others	198,109		198,109	198,109						
Total off-balance sheet exposures	210,141		210,141	198,109				12,033		12,033
Counterparty Risk-Weighted Assets in the Banking Book	5,315		5,315	4,199		302		814		965
Counterparty Risk-Weighted Assets in the Trading Book										
Derivatives - interest rate contracts	493		493	41	204	82		166		248
Derivatives - exchange rate contracts	1,516		1,516	168	150	91		1,107		1,183
Credit Derivatives	19		19					19		19
Total counterparty RWA in trading book	2,029		2,029	208	354	174		1,293		1,450
Risk-Weighted Amount of Credit Linked Notes in the Banking Book										
Risk-Weighted Securitization Exposures										
Total	**973,450**	**33,639**	**939,811**	**382,501**	**11,527**	**111,745**		**415,002**	**19,037**	**501,735**
Deductions from Capital										
General loan loss provision (in excess of the amount permitted to be included in Tier 2)										
Unbooked valuation reserves and other capital adjustments affecting asset accounts based on the latest report of examination										
Total, net of deductions	**973,450**	**33,639**	**939,811**	**382,501**	**11,527**	**111,745**		**415,002**	**19,037**	**501,735**

*** Principal amount for on-balance sheet and credit equivalent amount for off-balance sheet, net of specific provision**

RCBC Parent
Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets

Type of Exposures	December 31, 2020									
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposures after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
On-Balance Sheet Exposures										
Sovereigns	185,872	1,363	184,509	161,804		20,580		2,125		12,415
Banks	61,290		61,290		10,105	50,108		1,077		26,219
Government corporations	2,055	1,323	732			732		0		366
Corporates	311,770	7,082	304,688		588	5,382		297,979	739	301,895
Housing Loans	49,783	23,870	25,913			25,337		576		13,245
MSME Qualified portfolio	8,654		8,654			8,654				4,327
Defaulted exposures	16,385		16,385					2,453	13,933	23,352
Housing Loans	2,453		2,453					2,453		2,453
Others	13,933		13,933						13,933	20,899
ROPA	3,443		3,443						3,443	5,165
All other assets, net of deductions	102,119		102,119	16,464	39			85,617		85,625
Total on-balance sheet exposures	741,371	33,639	707,733	178,267	10,732	110,792		389,827	18,115	474,541
Off-balance sheet exposures										
Direct credit substitutes	2,562		2,562					2,562		2,562
Transaction-related contingencies	7,924		7,924					7,924		7,924
Trade-related contingencies	1,548		1,548					1,548		1,548
Others	198,109		198,109	198,109						
Total off-balance sheet exposures	210,141		210,141	198,109				12,033		12,033
Counterparty Risk-Weighted Assets in the Banking Book	5,315		5,315	4,199		302		814		965
Counterparty Risk-Weighted Assets in the Trading Book										
Derivatives - interest rate contracts	493		493	41	204	82		166		248
Derivatives - exchange rate contracts	1,516		1,516	168	150	91		1,107		1,183
Credit Derivatives	19		19					19		19
Total counterparty RWA in trading book	2,029		2,029	208	354	174		1,293		1,450
Risk-Weighted Amount of Credit Linked Notes in the Banking Book										
Risk-Weighted Securitization Exposures										
Total	**958,857**	**33,639**	**925,218**	**380,783**	**11,086**	**111,268**		**403,967**	**18,115**	**488,990**
Deductions from Capital										
General loan loss provision (in excess of the amount permitted to be included in Tier 2)										
Unbooked valuation reserves and other capital adjustments affecting asset accounts based on the latest report of examination										
Total, net of deductions	**958,857**	**33,639**	**925,218**	**380,783**	**11,086**	**111,268**		**403,967**	**18,115**	**488,990**

** Principal amount for on-balance sheet and credit equivalent amount for off-balance sheet, net of specific provision*

RCBC Group

Total Credit Risk Exposures by Asset Type, Risk Buckets and Risk Weighted Assets

	December 31, 2021									
On-Balance Sheet Assets	Pincipal Amount	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
Cash on Hand	14,683		14,683	14,683						
Checks and Other Cash Items	36		36		36					7
Due from Bangko Sentral ng Pilipinas (BSP)	130,181		130,181	130,181						
Due from Other Banks	12,160		12,160		1,084	10,383		694		6,102
Financial Assets Designated at Fair Value through Profit or Loss										
Available-for-Sale (AFS) Financial Assets	46,601		46,601	24,768	983	7,924		12,927		17,085
Held-to-Maturity (HTM) Financial Assets	165,378	1,383	163,995	93,600	514	41,849		27,695	337	49,228
Loans and Receivables	534,641	32,276	502,365		11,603	52,993		418,833	18,937	476,055
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	11,692		11,692	11,692						
Sales Contract Receivable (SCR)	671		671					359	312	827
Real and Other Properties Acquired	4,247		4,247						4,247	6,371
Other Assets	23,012		23,012					23,012		23,012
Total Risk-weighted On-Balance Sheet Assets	**943,303**	**33,659**	**909,644**	**274,924**	**14,219**	**113,148**		**483,519**	**23,833**	**578,687**

RCBC Parent

Total Credit Risk Exposures by Asset Type, Risk Buckets and Risk Weighted Assets

	December 31, 2021									
On-Balance Sheet Assets	Pincipal Amount	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
Cash on Hand	14,663		14,663	14,663						
Checks and Other Cash Items	28		28		28					6
Due from Bangko Sentral ng Pilipinas (BSP)	128,943		128,943	128,943						
Due from Other Banks	11,860		11,860		1,084	10,383		394		5,802
Financial Assets Designated at Fair Value through Profit or Loss										
Available-for-Sale (AFS) Financial Assets	46,196		46,196	24,768	573	7,924		12,931		17,007
Held-to-Maturity (HTM) Financial Assets	164,660	1,383	163,277	93,600	514	41,849		26,976	337	48,510
Loans and Receivables	527,367	32,276	495,092		11,603	52,573		412,605	18,310	468,678
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	11,657		11,657	11,657						
Sales Contract Receivable (SCR)	658		658					346	312	814
Real and Other Properties Acquired	4,065		4,065						4,065	6,098
Other Assets	20,221		20,221					20,221		20,221
Total Risk-weighted On-Balance Sheet Assets	**930,317**	**33,659**	**896,659**	**273,630**	**13,802**	**112,729**		**473,473**	**23,025**	**567,135**

RCBC Group

Total Credit Risk Exposures by Asset Type, Risk Buckets and Risk Weighted Assets

	December 31, 2020									
On-Balance Sheet Assets	Pincipal Amount	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
Cash on Hand	16,500		16,500	16,500						
Checks and Other Cash Items	58		58		58					12
Due from Bangko Sentral ng Pilipinas (BSP)	115,483		115,483	115,483						
Due from Other Banks	15,704		15,704		2,901	11,676		1,127		7,545
Financial Assets Designated at Fair Value through Profit or Loss										
Available-for-Sale (AFS) Financial Assets	36,988		36,988	14,837	1,009	14,059		7,083		14,314
Held-to-Maturity (HTM) Financial Assets	44,038	1,363	42,675	19,773		15,622		6,541	739	15,460
Unquoted Debt Securities Classified as Loans										
Loans and Receivables	488,878	32,275	456,603		7,204	69,912		365,128	14,358	423,062
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	13,392		13,392	13,392						
Sales Contract Receivable (SCR)	774		774					411	362	955
Real and Other Properties Acquired	3,578		3,578						3,578	5,367
Other Assets	20,571		20,571					20,571		20,571
Total Risk-weighted On-Balance Sheet Assets	**755,964**	**33,639**	**722,326**	**179,985**	**11,172**	**111,269**		**400,862**	**19,037**	**487,286**

RCBC Parent

Total Credit Risk Exposures by Asset Type, Risk Buckets and Risk Weighted Assets

	December 31, 2020									
On-Balance Sheet Assets	Pincipal Amount	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
Cash on Hand	16,464		16,464	16,464						
Checks and Other Cash Items	39		39		39					8
Due from Bangko Sentral ng Pilipinas (BSP)	113,966		113,966	113,966						
Due from Other Banks	15,214		15,214		2,901	11,676		638		7,056
Financial Assets Designated at Fair Value through Profit or Loss										
Available-for-Sale (AFS) Financial Assets	36,574		36,574	14,837	588	14,059		7,091		14,238
Held-to-Maturity (HTM) Financial Assets	43,521	1,363	42,158	19,773		15,622		6,024	739	14,943
Unquoted Debt Securities Classified as Loans										
Loans and Receivables	480,973	32,275	448,698		7,204	69,435		358,488	13,570	415,002
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	13,228		13,228	13,228						
Sales Contract Receivable (SCR)	761		761					398	362	942
Real and Other Properties Acquired	3,443		3,443						3,443	5,165
Other Assets	17,188		17,188					17,188		17,188
Total Risk-weighted On-Balance Sheet Assets	**741,371**	**33,639**	**707,733**	**178,267**	**10,732**	**110,792**		**389,827**	**18,115**	**474,541**

Market Risk Weighted Assets

	Group				Parent			
	2021		2020		2021		2020	
Using Standardized Approach	Notional Amount	Market Risk Weighted Assets (MRWA)	Notional Amount	Market Risk Weighted Assets (MRWA)	Notional Amount	Market Risk Weighted Assets (MRWA)	Notional Amount	Market Risk Weighted Assets (MRWA)
Interest Rate Exposures	115,180	1,958	87,279	4,391	114,123	1,929	86,207	4,178
Equity Exposures								
Foreign Exposures	5,586	2,191	3,414	1,629	5,586	2,191	3,416	1,629
Options								
Total	**120,766**	**4,149**	**90,693**	**6,019**	**119,709**	**4,120**	**89,622**	**5,806**

Operational Risk-Weighted Assets under Basic Indicator Approach
(Based on 3 year Average Gross Income)

Nature of Item	GROUP		PARENT	
	2021	2020	2021	2020
Net interest income	22,967	20,270	22,503	19,827
Other non-interest income	5,804	5,774	4,889	4,760
Gross Income	28,771	26,043	27,391	24,587
Capital Requirements	**53,945**	**48,831**	**51,359**	**46,101**

Use of Third Party Assessment for Credit Risk

Following the standardized approach for credit risk, the determination of capital requirement is based on an approach that links predefined risk weights to predefined asset classes. Standardized credit risk weights following BSP Circular 538 were used in the credit assessment of these asset exposures. Third party credit assessments in turn were based on the rating by Standard & Poor's, Moody's, Fitch and Philratings on exposures to Sovereigns, Multilateral Development Banks, Banks, Local Government Units, Government Corporation and Corporates.

CORPORATE GOVERNANCE

The RCBC Group (the Group) recognizes that risk is RCBC affirms its commitment to good corporate governance. With an empowered Board leading the way, RCBC continues to work towards a solid control environment, high levels of transparency and disclosure, and well-defined shareholders' rights.

The corporate governance framework of RCBC combines global best practices such as the G20/OECD Principles of Good Governance and the general principles of the ASEAN Corporate Governance Scorecard, and the regulatory requirements of SEC Memorandum Circular No. 19, series of 2016 or the Code of Corporate Governance for Publicly-listed Companies and BSP Circular No. 969, series of 2017 or the Enhanced Corporate Governance Guidelines for BSP Supervised Financial Institutions. RCBC's corporate governance framework is embodied in its Corporate Governance Manual, the latest version of which was approved by the Board in March 2021.

BOARD GOVERNANCE

Key Roles and Responsibilities

RCBC is headed by a competent and working board that oversees the implementation of the Bank's strategic objectives, governance framework and corporate values.

The Board of Directors is primarily responsible for establishing a sound corporate governance framework not only for the Bank but for the whole RCBC Group. It has the fiduciary responsibility to the Bank and all its shareholders, including minority shareholders. Among its many functions include the approval and oversight on the implementation of RCBC's strategies to achieve corporate objectives, risk governance framework, and systems of checks and balances. The Board also approves the selection of the CEO and key members of senior management and heads of control functions.

Board Composition

In accordance with RCBC's By-Laws and Corporate Governance Manual, its Board of Directors is comprised of fifteen (15) members, all of whom are known for their integrity, experience, education, training and competence. The Corporate Governance Committee ensures that majority of the Board are non-executive directors who possess the necessary qualifications to effectively participate and help secure objective and independent judgment on corporate affairs and to substantiate proper check and balances. Out of the 15 board members, 14 are non-executive directors including the 5 independent directors, and 1 executive director.

The Board of Directors promotes diversity in its membership. It is the policy of RCBC that no person shall be disqualified to sit as member of its Board on the basis of gender, age, religion or political affiliation. The representation of women in the Board remains at 26.67% with 4 female directors out of the 15-member board. Among the women in the Board are Atty. Adelita A. Vergel De Dios, an independent director and Mrs. Helen Y. Dee, the Chairperson.

Nomination and Election

Directors of RCBC are elected at the Annual Stockholders' Meeting, each of whom shall hold office for a term of one year or until his successor shall have been duly chosen and qualified. The first fifteen candidates receiving the highest number of votes shall be declared as elected.

All nomination for election of directors by the stockholders shall be submitted in writing to the President and the Corporate Secretary at RCBC's principal place of business at least thirty (30) working days before the regular or special meeting of the stockholders for the purpose of electing directors. The Corporate Governance Committee reviews the qualifications of persons nominated to the Board, and applies the fit and proper standards in its evaluation. The Committee considers the nominee's educational background, professional experience, nature and business of the corporations of which he/she is a director, age, number of directorships/active memberships and officerships in other corporations/organizations, and possible conflict of interest in determining his/her suitability to be nominated to the Board. The Committee ensures that each nominee possesses all of the minimum qualifications and none of the disqualifications as prescribed under existing laws and regulations. It is provided in the By-Laws that no person shall be qualified or be eligible for nomination or election to the Board of Directors if he is engaged in any business that competes with or is antagonistic to that of RCBC, its subsidiaries and affiliates, as may be determined by the Board of Directors, in the exercise of its judgment in good faith, by at least a majority vote.

Maximum Board Seats

Being a director of the Bank necessitates commitment. Thus, under the Bank's Corporate Governance Manual, a non-executive director may concurrently serve as a director in a maximum of five (5) publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.

In applying this policy to concurrent directorships in entities within a conglomerate, each entity where the non-executive director is concurrently serving as director shall be separately considered in assessing compliance with this requirement.

Independent Directors

The Bank adopts the definition of independent directors under SEC's Code of Corporate Governance for Publicly Listed Companies and BSP's Enhanced Guidelines on Corporate Governance for BSP Supervised Financial Institutions. The attributes of an independent director include independence from management or from any business or relationship which could, or could reasonably be perceived to materially interfere with the exercise of independent judgment, and the lack of relationship to the Bank, its related companies or substantial shareholders as a regular director or officer or relative of said director or officer, as an executive or professional adviser within the past three (3) years, or business relations other than arm's length, immaterial or insignificant transactions.

The Bank's independent directors are active in board-level committees. It is the policy of the Bank, however, that an independent director who is a member of any committee that exercises executive or management functions that can potentially impair such director's independence cannot accept membership in committees that perform independent oversight or control functions such as the Audit and Compliance Committee, Risk Oversight Committee, Corporate Governance Committee, Related Party Transactions Committee, and the Anti-Money Laundering Committee.

In 2021, RCBC has 5 independent directors, including one female independent director, Atty. Adelita A. Vergel de Dios. The 5 other independent directors are Mr. Gabriel S. Claudio, Mr. Vaughn F. Montes, Ph.D., Mr. Juan B. Santos and Mr. Laurito E. Serrano. Mr. Santos is the Lead Independent Director.

An independent director of RCBC is only allowed to serve for a maximum cumulative term of nine (9) years. After which the independent director shall be perpetually barred from serving as independent director in the Bank, but may continue to serve as a regular director. The maximum cumulative term of nine (9) years shall be reckoned from 2012. In adherence to the foregoing policy, Mr. Armando A. Medina, who has already served the Bank as an independent director for a maximum cumulative term of 9 years, reckoned from 2012, has ceased to be an independent director by December 31, 2020 and has been appointed as a regular director effective January 1, 2021.

The Chairperson

The Chairperson of the Board of Directors, Mrs. Helen Y. Dee, provides leadership in the Board of Directors. She ensures the effective functioning of the Board of Directors, including maintaining a relationship of trust with members of the Board of Directors.

To promote checks and balances, it is provided under the Bank's Corporate Governance Manual that the Chairperson of the Board of Directors shall be a non-executive director or an independent director, and must not have served as CEO of the Bank within the past three (3) years. Moreover, the Chairperson should not concurrently serve as CEO.

The Corporate Vice Chairman

The By-laws of the Bank provides that the Corporate Vice Chairman shall have such powers and perform such duties as the Board of Directors may from time to time prescribe. In the absence or inability of the Chairperson to act, the Corporate Vice Chairman will act in her stead, and will exercise any and all such powers and perform any and all duties pertaining to the office of the Chairperson conferred upon it by the By-laws. Mr. Cesar E.A. Virata is the Bank's Corporate Vice Chairman.

Lead Independent Director

The Bank's Corporate Governance Manual provides that the Board should designate a lead independent director among the independent directors if the Chairman of the Board is not an independent director, including if the positions of the Chairman of the Board and Chief Executive Officer are held by one person. Mr. Juan B. Santos has been appointed by the Board as the Bank's Lead Independent Director effective March 24, 2021.

The Lead Independent Director shall perform a more enhanced function over the other Independent Directors and shall: a) Lead the independent directors at BOD meetings in raising queries and pursuing matters; b) Convene and chair meetings of the non-executive directors without the presence of the executive directors; c) Serve as an intermediary between the Chairperson and the other directors when necessary; and d) Contribute to the performance evaluation of the Chairperson, as required.

Meetings and Quorum Requirement

The regular meeting of the Board of Directors is every last Monday of the month at the principal office of RCBC. Should the meeting date fall on a holiday, the meeting shall be held at the same hour on the next succeeding business day. A majority of the incumbent Directors shall constitute a quorum at any meeting, and a majority of the members in attendance at any Board meeting shall decide its action.

The meetings of the Board of Directors may be conducted through modern technologies such as, but not limited to, teleconferencing and video conferencing as long as the director who is taking part in said meetings can actively participate in the deliberations on matters taken up therein. It is further required that every member shall physically attend at least twenty-five percent (25%) of all meetings of the Board of Directors every year. The absence of a director in more than fifty percent (50%) of all regular and special meetings of the board of directors during his/her incumbency is a ground for disqualification in the succeeding election. Due to the Covid-19 pandemic, the Board Meetings in 2021 were held via remote communications and/or video conferencing as allowed by the BSP and SEC.

Meetings of board committees are prescribed in their respective charters. Participation of committee members may likewise be in person or through modern technologies. A director's attendance in committee meetings is considered by the Corporate Governance Committee in the assessment of the director's continuing fitness and propriety as a member of the said board-level committee and of the Board of Directors. Due to the Covid-19 pandemic, the meetings of the Board in 2021 were also held via remote communications and/or video conferencing as allowed by the BSP and SEC.

From the period January to December 2021, the members' attendance at Board and Committee meetings are as follows:

DIRECTORS	BOARD		EXCOM		TRUST		TECH		ACC		ROC		CG		RPT		AML		TOTAL		% ATTENDANCE
	M	A	M	A	M	A	M	A	M	A	M	A	M	A	M	A	M	A	M	A	
HELEN Y. DEE	13	13	49	49			12	12											74	74	100
CESAR E.A. VIRATA	13	13	49	49	11	11	12	12											85	85	100
GIL A. BUENAVENTURA	13	13	49	49													11	11	73	73	100
EUGENE S. ACEVEDO	13	13	49	49	11	11	12	12											85	85	100
JOHN LAW	13	13																	13	13	100
LILIA B. DE LIMA	13	13			11	11							10	10					34	34	100
LAURITO E. SERRANO	13	13							12	12	14	14							39	39	100
ARNOLD KAI YUEN KAN	13	13																	13	13	100
ARMANDO M. MEDINA	13	13	49	49															62	62	100
SHIH-CHIAO (JOE) LIN	13	13											10	8	11	8			34	29	85.29
VAUGHN F. MONTES	13	13							12	12	14	14	10	10			11	11	60	60	100
JUAN B. SANTOS	13	13			11	10													24	23	95.83
ADELITA A. VERGEL DE DIOS	13	13							12	12			10	10	11	11			46	46	100
GABRIEL S. CLAUDIO	13	13											10	10	11	11	11	11	45	45	100
GAYATRI P. BERY	13	12									14	12							27	24	88.88

Notes:
M = Numbers of Meetings
A = Meetings Attended

Separate Meeting of the Non-Executive Directors (NEDs)

Non-executive directors (NEDs) are required to have separate periodic meetings with the heads of the internal audit, compliance and risk functions and external auditor without any executive directors present to ensure that proper checks and balances are in place within the Bank. For Y2020, the NEDS held a separate meeting with the heads of internal audit, compliance and risk functions and external auditor on December 13, 2021 to discuss the control units' assessment of the business units and the Bank as a whole. The meeting was chaired by the Lead Independent Director, Mr. Santos.

Board Performance

The Corporate Governance Committee oversees the periodic evaluation of contribution and performance of the Board of Directors, board-level committees, and senior management. This exercise covers the assessment of the ongoing suitability of each member, taking into account his or her performance in the board of directors and board-level committees.

The Corporate Governance Committee decides the manner by which the Board's performance may be evaluated, and propose an objective performance criteria approved by the Board. The performance indicators determine how the Board has enhanced long-term shareholder value.

Board of Directors Training Program

The Corporate Governance Committee oversees the continuing education program for the Board of Directors. The Training Program for the members of the Board has been adopted in the Bank's Corporate Governance Manual.

Under the Bank's Corporate Governance Manual, all new directors must undergo proper orientation upon joining the Board. This ensures that new members are appropriately apprised of their duties and responsibilities before beginning their directorships. The orientation program covers SEC-mandated topics on corporate governance and an introduction to the Bank's business, Articles of Incorporation, and Code of Conduct. The Orientation Program is designed to meet the specific needs of the individual directors and aid any new director in effectively performing his or her functions.

In addition to the Orientation Program, first-time directors are required to attend a seminar on corporate governance following the BSP-prescribed syllabus. The directors are required to submit a certification of compliance of this requirement to BSP.

The members of the Board also undergo the Annual Continuing Training Program. The program covers courses on corporate governance, matters relevant to the company, including audit, internal controls, risk management, sustainability and strategy. The Board of Directors, through the Corporate Governance Committee, assesses its members' training and development needs in determining the coverage of the Annual Continuing Training Program. The directors are required to complete at least four hours of the Annual Continuing Training Program.

Remuneration of the Board

Remuneration of directors is commensurate with their contributions and scope of their responsibilities.

Executive directors do not receive any per diem for attendance in board and board committee meetings. They are entitled to remuneration and benefits by virtue of their being officers of the Bank.

Non-executive directors are entitled to reasonable per diem for attendance in board and board committee meetings. Non-executive directors receive a per diem of P35,000.00 for attendance in board meetings. The Chairpersons of Audit and Risk Oversight Committees receive P20,000.00 while members of the said committees receive P15,000.00 per diem for attendance in meetings. The per diem in other board committees is at no greater than P15,000.00 for the chairperson and P10,000.00 for members.

The members of the Board of Directors, the Advisory Board, the Executive Committee and the Officers of the Bank are entitled to profit sharing bonus in accordance with the By-Laws of the Bank.

Remuneration Item	2021
(a) Per Diem allowance	Php13,100,000.00 (aggregate amount of Directors' per diem for the meetings of the BOD and Board committees for the year 2021)
(b) Directors' Bonuses Directors' bonuses are given to executive, non-executive and independent directors based on the formula provided for in the Bank's By-Laws	N/A
TOTAL	**Php13,100,000.00**

Board Committees

The Board of Directors has delegated some of its functions to the following board-level committees:

1. EXECUTIVE COMMITTEE

Composition:
Chairman and at least four (4) members of the Board of Directors

Members:
Helen Y. Dee - Chairperson
Eugene S. Acevedo – Vice Chairperson
Cesar E.A. Virata (NED)
Armando M. Medina (NED)
Gil A. Buenaventura (NED)

The Executive Committee has the power to act and pass upon such matters as the Board of Directors may entrust to it for action. However, matters affecting general policy are always referred to the Board of Directors for decision. The Executive Committee has the power to review an asset or loan to ensure timely recognition and resolution of impaired assets. In 2020, the Executive Committee:

- Discussed various issuances by regulatory agencies;
- Approved non-DOSRI loans that reach the Single Borrower's Limit (SBL);
- Evaluated and approved various operations/product manuals;
- Reviewed and endorsed for Board approval various management matters;
- Deliberated upon and approved various management matters within its approving authority.

2. AUDIT AND COMPLIANCE COMMITTEE

Composition:
The Audit and Compliance Committee shall be composed of at least three (3) members of the board of directors, majority of whom shall be independent including the Chairperson. The Chairperson should not be the Chairperson of the Board or of any other board-level committees. Members of the committee should have the knowledge of the industry in which the bank operates, the ability to read and understand fundamental financial statements, and the ability to understand key business and financial risks and related controls and control processes.

Members:
Laurito E. Serrano (ID) – Chairman
Vaughn F. Montes (ID)
Adelita A. Vergel de Dios (ID)

Observer:
Shih-Chiao (Joe) Lin

The Audit and Compliance Committee, a board-level committee, shall be responsible for overseeing senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It is constituted to perform the following core functions:

- Oversight of the institution's financial reporting policies, practices and controls, as well as of the internal and external audit functions. This includes responsibility for the setting up of an internal audit unit and for the appointment of the internal auditor as well as the independent external auditor who shall both report directly to the Audit and Compliance Committee. Based on its mandated assurance activities, in accordance with its authority coming from the Board of Directors through the Audit and Compliance Committee, Internal Audit provides reasonable assurance to Senior Management, the Audit and Compliance Committee and the Board of Directors that the Bank's internal control, corporate governance, and risk management systems and processes are adequate and generally effective. It collaborates with and complements the activities of the Risk Management Group, Regulatory Affairs Group, and other assurance and oversight units, as well as the Bank's external auditors.
- Investigation of any matter within its terms of reference, with full access to and cooperation by management and full discretion to invite any director or executive officer to attend its meetings and adequate resources to enable it to effectively discharge its functions.
- Ensuring that a review of the effectiveness of the institution's internal controls, including financial, operational and compliance controls, information technology security and controls, and risk management, is conducted at least annually. Through this comprehensive system of monitoring and review of risks, controls and compliance in the institution, the Board ensures that the Bank and all business units proactively manage the risk and compliance exposures impacting their respective businesses.

The Audit and Compliance Committee reports its evaluation of the effectiveness of the internal controls, financial reporting processes, information technology security and controls, risk management systems and governance process of the Bank based on the report and unqualified opinion obtained from the External Auditor, the overall assurance provided by the Chief Audit Executive and additional reports and information requested from Senior Management, and found that these are generally adequate across RCBC.

In 2021, the highlights of the Audit and Compliance Committee's actions pertaining to Internal Audit, External Audit and Compliance functions are as follows:

A. For External Audit Function

- Review of Results and Endorsement for Board Approval of Punongbayan & Araullo's (P&A) Quarterly Review of the Financial Information of RCBC and selected Subsidiaries
- Review of Results and Endorsement for Board Approval of P&A's Audit of the Financial Statements of RCBC and Subsidiaries for the year ended December 31, 2020.
- Reappointment and approval of fees of P&A as External Financial Auditor and corresponding Review and Approval of P&A's Plan for the Audit of the Financial Statements of RCBC and Subsidiaries for the year ending December 31, 2021.
- Approval of the External Auditors' (P&A) Fees for the (1) Quarterly Review of the Financial Statements (FS) of RCBC and selected Subsidiaries and (2) for the Review of RCBC's 2021 Sustainability Bonds Allocation Report.

B. For Internal Audit Function

- Engaging in discussions on the results of internal audits managed and executed by the Internal Audit Group (IAG) and those outsourced to External Service Providers (ESPs) during the monthly Audit and Compliance Committee meetings to evaluate the adequacy and effectiveness of the Bank's internal control and risk management systems including financial reporting and information technology security.
- Assessing and resolving to refer to the immediate attention of the responsible business units, Board-level Committees and Bank personnel matters arising from the internal audits.
- Monthly review and notation of the status of audit plans, IAG manpower complement and vacancies, and outstanding/unresolved audit issues.
- Approval of contract extension until April 15, 2021 of the external service provider, R.G. Manabat & Co. in order to complete the outsourced engagements under the 2020 Audit Plan.
- Approval of Revisions in the Internal Audit Charter to add specific provisions on retention requirements for Audit Working Papers.
- Approval of IAG's New Policy on the Use of Computer Assisted Audit Techniques (CAATs) and New Policy on Confirmation of Balances.
- Approval of Revised Annual Audit Planning Policy effective January 19, 2021 and effective December 14, 2021.
- Approval to Conduct Special Audits in accordance with IAG's Special Audit and Consulting Policy.
- Approval of factors for the evaluation of the performance of the Chief Audit Executive (CAE) and corresponding performance evaluation for the year 2020 in a separate meeting session with the CAE.
- Approval of revisions in the 2021 Annual Audit Plan
- Approval of 2021 HOAS and BCLCAS Audit Plan and the Internal Audit Group's 2022 Audit Plan (HOAS, BCLCAS and IT)
- Approval to include the outsourcing of the audit of certain units and/or processes as part of the strategies of IAG to manage the completion of the 2022 audit plan vis-à-vis IAG's capacity and existing competencies.
- Notation of 2020 External Quality Assessment Report on the RCBC Internal Audit Activity conducted by Reyes, Tacandong & Co or RTC.
- Notation of 2021 Internal Audit Group's Annual Report for the 2020 Internal Audit Activities and approval to release such to Stockholder Cathay Life Insurance Co. Ltd.
- Notation of the Agreement to Provide Direct Assistance to External Auditors, Punongbayan & Araullo (P&A), for the 2021 Financial Statements Audit.

C. For Compliance Function

- Review of the extent and scope, activities, staffing, resources and organizational structure of the Compliance Function.
- Review of the compliance reports of the Compliance Officer to assess compliance with laws, rules and regulations. This also included the review of findings of any examinations by regulatory agencies (e.g., BSP, National Privacy Commission, etc.).
- Approval on the revisions of Data Privacy Policy
- Notation of updates on the Regulatory Affairs Group's New Operating Model
- Notation of updates on the Compliance Testing of Subsidiaries
- Notation of updates on the Compliance Assurance Testing
- Notation of BSP Evaluation on RCBC's Reply to the Advance Findings Report of Examination Findings

3. RISK OVERSIGHT COMMITTEE

Composition:

The Risk Oversight Committee (ROC) shall be composed of at least three (3) non-executive members of the Board of Directors, none of whom is also a member of a management committee. Majority of the members shall be independent directors, including the Chairperson. The ROC's Chairperson shall not be the Chairperson of the Board of Directors, or any other board-level committee. The Risk Oversight Committee shall possess a range of expertise and adequate knowledge on risk management issues and practices.

Members:

Vaughn F. Montes (ID) – Chairperson

Laurito E. Serrano (ID) – Vice Chairperson

Gayatri P. Bery - Member

Observers:

Eugene S. Acevedo

John Law

The ROC supports the Board with respect to oversight and management of risk exposures of the RCBC parent bank and subsidiaries (the Group). In this regard, the ROC exercises authority over all other risk committees of the Group, with the principal purpose of assisting the Board in fulfilling its risk oversight responsibilities. The ROC oversees the following: 1) The Risk Governance Framework; 2) The Risk Management Function; 3) Adherence to Risk Appetite; 4). Capital Planning and Management; and 5) Recovery Plans.

2021 ROC Actions:

The highlights of the Risk Oversight Committee's actions in 2021 are as follows:

ROC Charter

- Approved the updated ROC Charter

Risk Governance Framework (RGF)

- Approved the revisions on the RGF

ROC Self-Assessment

- Noted the 2021 ROC Self-Assessment Results

Enterprise Risk and ICAAP

- Approved:
  - 2021 ICAAP and Recovery Plan including updates on BSP Audit Findings on the 2021 ICAAP-RP Document
  - 2022 ICAAP and RP Workplan/Updates
  - Advanced Internal Rating-Based Approach and Validation Results
  - 4Q2020-3Q2021 Risk Materiality Assessment
- Noted:
  - Enterprise Risk Reports including RCBC Group Risk Profile, Risk Dashboards, Risk Heat Maps, Reports on Asset Quality and Capital Adequacy
  - Results of Uniform Stress Testing on Credit Risk
  - S&P Scorecard Performance Review and Transition Matrix Analysis
  - Capital Equity Tier 1 (CET1) Projections
  - 2022 ICAAP and RP Workplan/Updates

Credit Management

- Noted:
  - Credit Management reports including Updates on Asset Quality, Key Accounts, Flagged Accounts, Problem Loan Committee, COVID-19 Assessment and Stress Testing, NPL and ECL Forecast, , Updates on CARE Program, Ratings Migration, Industry Exposure Limits, Consumer Loan Portfolio, Treasury Bond Portfolio, Portfolio Quality of Subsidiaries and Moody's Rating Downgrade

Market and Liquidity Risk

- Approved:
  - Market and Liquidity Risk Models and Assumptions
  - 2021 Treasury Limits including 2021 FVOCI YTD Loss Limit
  - Policy on Investments of Subsidiaries
  - Market and Liquidity Risk Backtesting
  - Intraday Liquidity Trigger
  - Amended Minimum Amount for Large Fund Providers
  - Post BSP Audit Changes
  - Trading Limits for Filinvest, RLC and Megaworld REITs
  - PSR factors (that will be used from August 2021 to July 2022)
  - Review of the Bank's Economic Value of Equity (EVE)
  - Off-Market Tolerance Factors

- Noted:
  - 2021 and 2022 Treasury Funding Plan
  - Market and Liquidity Risk Reports including Regulatory Ratios, Liquidity and Repricing Gaps, IRRBB Metrics, and other measures
  - Deposit Level Update
  - Results of Uniform Stress Testing on Market Risk
  - Interest Rate Risk in the Banking Book (IRRBB) Model Development Update and Model Validation Report
  - Peso IRG Forecast and Review of Peso IRG Limit Increase
  - Updates on MLRMD's Post BSP Audit Changes
  - RCBC Investment Book

Portfolio Quality

- Approved:
  - 2020 Sustainability Report
  - RCBC Commitment to Partnership for Carbon Accounting Financials (PCAF)
- Noted:
  - Credit Portfolio Quality Report
  - Independent Credit Review Updates
  - Sustainability Bonds Allocation Report (monthly and annual)
  - Environmental and Social Risk Report
  - 2020 Impact Report
  - Bank's Sustainability Initiatives, including update on compliance with BSP Circular 1085 (Sustainable Finance Framework)

Operational Risk

- Noted:
  - Operational Risk Reports including RCSA, KRI, and CST Library
  - KRI and CST Results
  - Business Resiliency Reports
  - Trust Risk Reports
  - Consumer Protection Reports
  - RCBC's Cyber Risk Insurance including Cyber Insurance Policy Limit
  - Update on Bankwide Document Deficiency Monitoring

Enterprise Fraud Risk

- Noted:
  - Enterprise Fraud Risk Reports
  - Update on Fraud Incidents involving New Merchants

Information Security Governance

- Approved:
  - Ransomware Business Continuity Plan
  - Update on Vendor Security Assessment Questionnaire (VSAQ)
- Noted:
  - Information Security and Systems Reports
  - Updated Email Policies and Minimum Standards
  - Report on the Bank's Readiness and Security Plan against Cyber Threats
  - Update on the use of McAfee as a tool for monitoring unauthorized applications
  - Update on migration of the RCBC email addresses of the ROC members to G-Suite
  - 2020 Information Security Annual Certification (ISAC)
  - Updates on Measures against Social Engineering
  - Information Security Strategy on Use of Personal Email for Corporate Purposes
  - 2020 RCBC Information Security Risk Assessment (ISRA)

Reputational Risk

- Noted:
  - Reputational Risk Reports

Others

- Noted:
  - Subsidiary Reports
  - Consumer Loans report including Consumer Portfolio Analytics and Consumer Loans Clean-up Update
  - Update on the ECL Methodology of RCBC Leasing and Finance Corporation (RLFC)
  - RCBC International Finance Limited (IFL): Establishment of a Facility
  - Update on DiskarTech Fraudulent IDs
  - Assessment of MORB Regulations on Single Borrower's Limit

- Report on Bank's Response to BSP Circular 1111 (Amendments to the Rules and Regulations on the Mandatory Credit Allocation for Agriculture and Agrarian Reform Credit)
- BSP Circular 1113 - Amendments to the Guidelines on Recovery Plan of a Domestic Systematically Important Bank (D-SIB)
- Update on the Creation of e-Library for ROC-Related Information
- DiskarTech's New Onboarding Process
- Update on RCBC Capital Corporation's (RCAP) strategy on its non-moving equities
- Launch of RCBC Peso Green Time Deposit

4. THE CORPORATE GOVERNANCE COMMITTEE

Composition:

The Corporate Governance Committee shall be composed of at least five (5) members of the board of directors who shall all be non-executive directors, majority of whom shall be independent directors, including the chairperson, with (1) one member representing the minority shareholders.

Members:

Adelita A. Vergel de Dios (ID) – Chairperson

Vaughn F. Montes (ID)

Gabriel S. Claudio (ID)

Shih-Chiao (Joe) Lin (NED)

Lilia B. de Lima (NED)

The Corporate Governance Committee assists the Board of Directors in fulfilling its corporate governance responsibilities. The highlights of the actions of the Corporate Governance Committee in 2021 are as follows:

- Exercised oversight on the nomination process for members of the Board of Directors and for positions requiring board approval;
- Reviewed and recommended to the Board the assignment to Board Committees;
- Reviewed and endorsed for Board approval the interlocking positions of directors and officers;
- Reviewed and endorsed for Board approval the appointments of senior officers;
- Reviewed and endorsed for Board approval the secondment of senior officers to Subsidiary Companies;
- Exercised oversight on the continuing education program for the Board of Directors;
- Reviewed and endorsed for Board approval the revisions to the Corporate Governance Manual;
- Reviewed and approved the 2020 Integrated Annual Corporate Governance Report (iACGR)
- Reviewed and endorsed for Board approval the Amendment to the Performance Management System to integrate sustainability agenda
- Reviewed and endorsed for Board approval the 2022 Annual Board Plan;
- Discussed and Noted the following:
  a. Quarterly Report on New Hires and Separated Employees, and Attrition Report
  b. Quarterly Whistleblowing Report
  c. MORB Sec. 137, particularly on Interlocking Officerships
  d. Recommendations In The 3rd Party Board Evaluation Report
  e. Result of the 3rd Party Board Evaluation
  f. ASEAN Corp. Governance Scorecard (ACGS) – 2019 Results and 2020 preliminary Results
  g. RMG updates on the Bank's compliance with BSP Cir. 1085 – Sustainable Finance Framework vis-à-vis Duties and Responsibilities of the BOD
  h. Roadmap to ASEAN Corporate Governance Scorecard (ACGS) 5 Golden Arrows

5. THE RELATED PARTY TRANSACTIONS COMMITTEE

Composition:

The Related Party Transactions (RPT) Committee shall be composed of at least three (3) members of the board of directors, two (2) of whom shall be independent directors, including the chairperson. The Committee shall at all times be entirely composed of independent directors and non-executive directors, with independent directors comprising majority of the members.

Members:

Adelita A. Vergel de Dios (ID) – chairperson

Gabriel S. Claudio (ID)

Shih-Chiao (Joe) Lin (NED)

The RPT Committee assists the Board in ensuring that transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations to protect the interest of depositors, creditors and other stakeholders. In 2021, the RPT Committee fulfilled its mandate under its charter particularly on the review and disclosure of material related party transactions. Work done by the Committee in 2021 includes the following:

- Reviewed and evaluated all material related party transactions, those within the threshold amount of Php10,000.00 and above and those that require Board approval regardless of amount (i.e., DOSRI loans, outsourcing, cross-selling, etc.) to ensure that such transactions are conducted on an arm's length basis and that no stakeholder is unduly disadvantaged;
- All vetted material RPTs were endorsed to the Board for approval;
- Reviewed and reported to the Board on a quarterly basis the status and aggregate exposures to each related party as well as the total amount of exposures to all related parties;
- Exercised oversight on the filing of the required reports to BSP under BSP Circular No. 895, as amended:
  - Report on Conglomerate Structure; and
  - Report on Material Related Party Transactions.

6. THE ANTI-MONEY LAUNDERING COMMITTEE

Composition:

The Anti-Money Laundering Committee shall be composed of at least three (3) directors, majority of whom are independent directors, including the chairperson.

Members:

Gabriel S. Claudio (ID) – Chairperson

Vaughn F. Montes (ID)

Gil A. Buenaventura (NED)

Observer:

Eugene S. Acevedo

Hiroki Nakatsuka

The AML Committee assists the Board of Directors in its mandate to fully comply with the Anti-Money Laundering Act, as amended, its Revised Implementing Rules and Regulations and the Anti-Money Laundering Regulations under the Manual of Regulations for Banks (MORB); and to ensure that oversight on the Bank's compliance management is adequate.

In 2021, some of the crucial actions of the Committee include:

- Approved
  - Information Sharing Protocol (ISP) Agreement with AMLC
  - Changes to Transaction Monitoring Department's' On-going Customer Monitoring Operating Manual
  - Changes to the policy on Politically Exposed Persons.
  - Changes to the Bank's Financial Crime Country Risk Rating Model
  - 2020 Annual Review of GFBS Tie Ups
  - Changes to the MTPP on on-going monitoring of customers, accounts, and transactions
  - Changes to the MSB Due Diligence Recommendation Criteria
  - Changes in the Rationalized MSB Offline Alert Parameter
  - Changes to Transaction Monitoring Department's MSB Operations Manual
- The AML Committee closely monitored the remediation plan of the Bank on its covered transaction reporting to ensure that all regulatory issues are addressed in a manner acceptable to the Anti-Money Laundering Council.
- The AML Committee continues to monitor the review of Money Service Business (MSB) clients, which includes the review of online and offline alerts and periodic reviews.

7. THE TRUST COMMITTEE

Composition:

At least five (5) members including (i) the president or any senior officer of the bank and (ii) the trust officer. The remaining committee members, including the chairman, may be any of the following: (i) non-executive directors or independent directors who are not part of the Audit Committee or (ii) those considered as qualified independent professionals, provided that in case there are more than five (5) Trust Committee members, the majority shall be composed of qualified non-executive members

Members:

Juan B. Santos (ID) – Chairperson

Lilia B. De Lima (NED)

Cesar E.A. Virata (NED)

Eugene Acevedo (President & CEO)

Robert B. Ramos – Trust Officer

The Trust Committee is a special committee which reports directly to the Board of Directors and is primarily responsible for overseeing the fiduciary activities of the Bank. Its activities in 2021 include the following:

- Formulation of policies and guidelines
- Oversight of trust business including
  a. Review of Trust performance and approval business plans
  b. Discussions on the monthly market updates and investment strategies of Trust
  c. Approval of creation and amendments of new UITF products, and
  d. Review of organization structure, succession plan for Trust and other HR matters, among others

In 2021, The Trust Committee recommended for Board approval the launching of the new RCBC US Equity Index Fund, a dollar-denominated fund that feeds into the BlackRock iShares IVV ETF that is invested in the S&P500.

The Committee likewise approved and monitored the launching of the first online Investment Management Account in the Philippines with the IMA ROR Project.

- Evaluation and approval of management recommendations on the investment and disposition of funds or properties held in trust
- Management of risks in the conduct of the trust business including
  a. Monthly discussions and review of various risk management reports (market risk, credit risk, operational risk, reputation risk, strategic risk, legal risk)
  b. Discussions on incident reports and issues affecting Trust
  c. Monitoring of the proper implementation of approved policies and guidelines
     - Monitored resolution of various audit and compliance issues in BSP examination, internal audit and compliance reviews

8. THE TECHNOLOGY COMMITTEE

Composition:

At least three (3) members of the Board of Directors.

Members:

Helen Y. Dee (NED) – Chairperson

Cesar E.A. Virata (NED)

Eugene S. Acevedo (Executive)

The Technology Committee exercises authority over all IT Project Steering Committees of the various RCBC Business Groups and subsidiaries (The Group), with the principal purpose of assisting the Board in fulfilling the following oversight responsibilities:

- Approves major IT investments.
- Manages and aligns IT initiatives across the Group.
- Reviews status of major projects.
- Prioritizes IT initiatives, when warranted.
- Evaluates emerging IT solutions for use of the Group.
- Reviews, evaluates and resolves Cyber Security Issues, Disruptions and Disaster Recovery activities raised in the TechCom.
- Reviews and resolves IT risks and other IT related issues raised in the TechCom.
- Ensures compliance to BSP rules and regulations relating to Information Technology.

In 2021, highlights of the actions of the Technology Committee are as follows:

- Launch Digital Payroll for Payroll Account Onboarding
- Offer an RCBC eCommerce Payment Platform to clients by partnering with a payment gateway service provider
- Acquire new Wealth Management System
- Implement SOFR in Guava as well as to pursue the Equity Trading module.
- Auto ROPA Automation
- Acquire Cash Deposit Machine and QR Withdrawal and outsource the services
- SME Salesforce Upgrade
- Various DiskarTech Enhancements
- Various RCBC Online Retail (ROR) and RCBC Online Corporate (ROC) Enhancement
- Acquire Okta platform as MFA solution for RCBC Group
- Acquire Google GSuite Collaboration Solution
- Replace current Security Information and Event Management (SIEM)
- Infrastructure Refresh
- Launch RCBC Bankard P2M as an RFI (merchant acquirer)
- Enhance RCBC Bankard Mobile App Features
- Enhance the RCBC Bankard's Call Center IVR capabilities and features.
- RCBC Bankard's Collections Management System Refresh
- RCBC Bankard's Operational Data Source Infrastructure Upgrade
- Launch RCBC Bankard Payroll Advance & Loan

Advisory Board

The Bank has an Advisory Board that provides informed guidance to the Board of Directors. Members of the Advisory Board are appointed by the Board of Directors. They do not have any voting rights but contribute by way of providing non-binding but relevant advice during board meetings. While the By-Laws allow for up to 10 members in the Advisory Board, the Bank has 3 appointed Advisory Board members. Each of these members is considered as business leaders and is of known probity and integrity. The members of the Advisory Board are Mr. Francis C. Laurel, Ms. Yvonne S. Yuchengco and Mr. Hiroki Nakatsuka.

SHAREHOLDINGS IN THE COMPANY

As of December 31, 2021, only the following stockholders own more than 5% of RCBC's common stock:

Title of Class	Name, Address of record owner and relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	Percent (%)
Common	**Pan Malayan Management & Investment Corporation** Address: 48/F Yuchengco Tower, RCBC Plaza 6819 Ayala Avenue Makati City Relationship with issuer: RCBC is a subsidiary of PMMIC	Pan Malayan Management & Investment Corporation *The records in the possession of the Bank show that the beneficial ownership of this company belongs to the shareholders of record of said company. The Bank has not been advised otherwise.*	Filipino	807,582,173*	39.64%
Common	**Cathay Life Insurance Corporation** Address: 296 Ren Al Road Sec4 Taipei 10633 Taiwan R.O.C. Relationship with Issuer: Stockholder		Non-Filipino	452,018,582	22.19%
Common	**International Finance Corporation (IFC) & IFC Capitalization (Equity) Fund, L.P. (IFC)**** Address:2121 Pennsylvania Avenue, NW Washington, DC 20433 USA Relationship with Issuer: Stockholder HSBC's Karina del Rosario and Paul Arthur O. Austria are authorized to vote 71,151,505 shares of IFC under PCD Nominee. Citibank's Rachel Oliveros, and Ginger Aguirre-Reyes are authorized to vote 36,724,137 shares of IFC under PCD Nominee	International Finance Corporation (IFC) The records in the possession of the Bank show that the beneficial ownership of this company belongs to the shareholders of record of said company. The Bank has not been advised otherwise.	Non-Filipino	107,875,642	5.29% (Shares are under PCD Nominee)

**Combined Direct and Indirect Shares of PMMIC*
***based on information provided as of March 31, 2021*

The following directors and officers directly and indirectly own shares in RCBC:

Title of Class	Name of Beneficial Owner	Amount and nature of record / beneficial ownership		Citizenship	Percent of Class (%)
		Par Amount	Nature		
Common	Helen Y. Dee	14,923,060	R / B	Filipino	0.07
Common	Gil A. Buenaventura	50	R / B	Filipino	0.00
Common	Cesar E.A. Virata	1,384,340	R / B	Filipino	0.01
Common	Lilia B. De Lima	10	R	Filipino	0.00
Common	Vaughn F. Montes	50	R	Filipino	0.00
Common	Eugene S. Acevedo	3,441,000	R / B	Filipino	0.02
Common	Gayatri P. Bery	10	R	American	0.00
Common	Shih-Chiao Lin	10	R	R.O.C. Taiwan	0.00
Common	Arnold Kai Yuen Kan	10	R	Canadian	0.00
Common	Armando M. Medina	1,950	R	Filipino	0.00
Common	John Law	10	R	French	0.00
Common	Gabriel S. Claudio	10	R	Filipino	0.00
Common	Laurito E. Serrano	10	R	Filipino	0.00
Common	Adelita A. Vergel de Dios	10	R	Filipino	0.00
Common	Juan B. Santos	50	R	Filipino	0.00
	Subtotal	***19,750,580***			
Executive Officers					
Common	Evelyn Nolasco	27,000	B	Filipino	0.00
	Subtotal	*27,000*			
	TOTAL	***19,777,580***			

CONGLOMERATE STRUCTURE

The Bank is a member of the Pan Malayan Management and Investment Corporation (PMMIC)/Yuchengco Group of Companies (YGC) conglomerate, and the parent of the RCBC Group. The Board of Directors of the Bank ensures the RCBC Group's compliance with corporate governance policies, practices and requirements under existing regulations.

PAN MALAYAN MANAGEMENT AND INVESTMENT CORPORATION (PMMIC)

- **MICO EQUITIES, INC.** 77.19%
- **Malayan Insurance Company, Inc.** 80.63%
- **Malayan International Insurance Corp. Ltd Reinsurance** 100%

- **GPL HOLDINGS, INC.** 60.91% PMMIC, 15.623% A.T. Yuchengco, Inc., 10.024% RCBC
  - **Sunlife Grepa Financial, Inc. Life Insurance** 51%
    - **Grepalife Asset Management Corporation** 100%
    - **Grepa Realty Holdings Corp.** 51% Sun Life Grepa, 49% GPL Holdings, Inc.
  - **Grepaland, Inc. Realty Company** 41% GPL Holdings, 32% PMMIC, 27% Albert S. Yuchengco

- **HOUSE OF INVESTMENTS** 51.15% PMMIC (total of direct and indirect shareholdings of common shares), 31.65% PCD Nominee Corporation (Fil), 11.61% Estate of Alfonso T. Yuchengco
  - **EEI Corporation** 44.32%
    - **Equipment Engineers, Inc.; Gulf Asia International Corporation; EEI Construction and Marine, Inc., EEI Realty Corporation; EEI Ltd,** 100%
    - **EEI Power Corporation** 88.97% EEI, 11.03% Equipment Engineers, Inc.
      - **PetroSolar Corporation** 55.97% PetroGreen Energy Corporation, 43.98% EEI Power
  - **Landev Corporation** 100%
    - **Greyhounds Security and Investigation Corporation** 99.99%
    - **Hexagon Lounge, Inc.** 100%
- **Zambowood Realty and Development Corp.** 100%
- **Manila Memorial Park Cemetery, Inc.** 25.98% HOI, 13.53% GPL Holdings, Inc.
- **La Funeraria Paz Sucat, Inc.** 50% HOI
- **Honda Cars Kalookan Inc.** 55%
- **Zamboanga Ind'l Finance Corp.** 50%
- **Xamdu Motors, Inc.** 99.2%
- **Zamboanga Carriers** 100%
- **Hi-Esai Pharmaceuticals, Inc.** 50%
- **Investment Managers, Inc.** 100%
- **iPeople, Inc.** 48.07%
  - **Pan Pacific Computer Center, Inc.** 100%
  - **People eServe Corporation** 100%
  - **Malayan Education System, Inc.** 93%
    - **Mapua Information Technology Center** 100%
    - **Malayan High School of Science, Inc.** 100%
    - **Malayan Colleges Laguna, Inc.** 100%
    - **Malayan Colleges Mindanao, Inc.** 100%
    - **Mapua Techserv, Inc.** 100%
    - **San Lorenzo Ruiz Institute of Health Sciences, Inc.** 100%

- **RIZAL COMMERCIAL BANKING CORPORATION** 39.64%
- **RCBC Capital Corporation Investment Banking** 99.96%
- **RCBC Securities, Inc.** 100%
- **PetroEnergy Resources Corporation** 92.70% PCD Nominee Corp. 51.323% RCBC Securities: 9.709% GPL Holdings, Inc. 24.531% HI, 10.686% RCAP, 6.397%
- **RCBC Bankard Services Corp.** 100%
- **RCBC Forex Brokers Corp. Forex Brokers** 100%
- **Rizal Microbank** 98.03%
- **Cajel Realty Corporation** 100%
- **RCBC Leasing and Finance Corporation** 99.67%
- **RCBC Rental Corp.** 100%
- **RCBC-JPL Holding Company, Inc.** 99.41%

- **RCBC Int'l. Finance, Ltd. Hong Kong Financing Company** 100%
  - **RCBC Investments, Ltd.** 100%
- **Niyog Property Holdings, Inc.** 100%
- **YGC Corporate Services, Inc.** 40% RCBC, 30.7% MICO, 10.7% Sun Life, 11.9% EEI, 5.4% HOI
- **Isuzu Philippines Corporation** 15%
- **Honda Cars Philippines** 12.87%

- **PMMIC** (Others)
- **Luisita Industrial Park Corp. Real Estate Developer** 56% PMMIC, 35% RCBC
- **Y Realty Corporation Realty Company** 100%
- **RCBC Land, Inc. Land Development Company** 100%
  - **RCBC Realty, Corporation** 27.34% RCBC Land, 22.66% PMMIC
- **Enrique T Yuchengco, Inc. Realty Company** 45.89%, PMMIC, 12.76% AS Yuchengco III
  - **Mona Lisa Development Corp. Realty Company** 56.25%
- **Seafront Resources Corp. Holding Company** 18.69%
- **Philippine Integrated Advertising Agency, Inc.** 100%
- **Pan Malayan Express, Inc. Travel Agency** 100%
- **Pan Malayan Realty, Inc.** 24.09%

MANAGEMENT

Chief Executive Officer

The Bank's CEO is Mr. Eugene S. Acevedo. He is responsible for the management of the business and affairs of the Bank, guided by the strategic direction and risk appetite approved by the Board of Directors. He is primarily accountable to the Board of Directors in championing the desired conduct and behavior, implementing strategies, and promoting the long-term interest of the Bank. He ensures that the business and affairs of the Bank are managed in a sound and prudent manner, and that operational, financial and internal controls are adequate and effective.

The CEO is also in charge of public relations and advertising relations with the BSP and other offices, agencies and instrumentalities of the Philippine government, the Bankers' Association of the Philippines and other industry associations. He is a member of the Executive Committee and of all major management committees, and exercises such other powers and performs such other duties as the Board of Directors may prescribe from time to time.

The CEO provides leadership for Management in developing and implementing business strategies, plans and budgets to the extent approved by the Board. He provides the Board with a balanced and understandable account of the Bank's performance, financial condition, results of operations prospects on a regular basis.

The Bank's Corporate Governance Manual prescribes that the positions of Chairperson and CEO shall not be held by one person.

Duties and Responsibilities of Management

Under the direction of the Board, Management shall ensure that the Bank's activities are consistent with the business strategy, risk tolerance and appetite, and policies approved by the Board. Senior Management is responsible and held accountable for overseeing the day-to-day management of the Bank. Thus, it is required that members of Senior Management shall have the necessary experience, competencies and integrity to manage the businesses under their supervision as well as have appropriate control over the key individuals in these areas.

Management Committees

The Bank has four senior management committees that provide a regular forum, at a lower level, to take up risk issues:

The **Credit and Collection Committee (CRECOLCOM)**, an intermediary credit approving body chaired by the President & Chief Executive Officer (CEO) and composed of the heads of the Asset Management and Remedial Group, the Treasury Group, the Corporate Banking Group, the Small and Medium Enterprises Banking Group, and the Retail Banking Group, meets weekly to review and approve credit/credit-related proposals with the specific authority delegated to it by the Board. It also reviews the plans and progress on the resolution of problem loan accounts. Lastly the committee reports and recommends to the Executive Committee (EXCOM) immediate measures to reduce the level of past due accounts.

The **Asset-Liability Management Committee (ALCO)** is chaired by the Treasurer and joined by the President and CEO together with the heads of various business and support groups. The ALCO coordinates the management of assets and liabilities of the bank with the objective of earning acceptable returns and assure adequate liquidity and capital to meet regulatory and banking needs.

The **Related Party Transactions Management Committee (RPT ManCom)**, is composed of select Group Heads of the business units as specified in the charter or their respective designates. The RPT ManCom meets monthly to review and approve proposed RPTs below the materiality threshold for the purpose of determining whether or not the transaction is on terms no less favorable to the Bank than terms available to any unconnected third party under the same or similar circumstances unless the transaction requires board approval. On highly meritorious cases, e.g., for time sensitive or urgent transactions, the Committee allows the routing of transactions via email for review and approval, provided that all routed RPTs are approved by a majority of the members of the Committee. The RPT ManCom submits a monthly report of all the RPTs it has approved to the Board of Directors for confirmation.

The **Anti-Money Laundering Management Committee (AML ManCom)**, chaired by the Chief Compliance Officer, meets weekly to decide on whether the unusual or suspicious transactions flagged by the Compliance Office or by other bank units would merit the filing of Suspicious Transaction Reports (STRs) to the Anti-Money Laundering Council. The Committee also issues directives on what to do with the account or the business relationship as well as require other actions like the issuance of typologies as deemed necessary.

Long-Term Bonus Plan for Key Employees and Material Risk Takers

The Bank has set a performance period of 5 years in establishing a long-term bonus plan for key employees and material risk takers as this is seen as necessary to ensure that they do not take a short-sighted view, and will be driven to work for the long-term financial success of the organization. The performance-driven approach aligns the interests of key employees with the shareholders' interests and links the long-term bonus plan to the achievement of business and performance objectives by key employees which is deemed to have a major influence on the long-term performance of the Bank and to the market value of the shares of the Bank. In determining the bonus pool, consideration is given to the Bank's financial performance, market benchmarks and market conditions, as well as to individual performance of the employees. Consideration is given to audit findings and a general evaluation of the risks taken.

The right long-term bonus plan for an organization is one that meets the following objectives:

1. Alignment with shareholder interests. The long-term bonus plan must be one that drives high performance and contributes to overall business goals, including sustainable long-term growth, thereby increasing shareholder value.
2. Key employees' retention. It must attract, retain and reward the key employees that are able to successfully execute the organization's strategic objectives.
3. Alignment of the bonus plan with prudent risk-taking. The bonus plan must be one that is designed to provide incentives to build sustainable sources of income and enterprise value. Long term bonuses awarded are earned over a 5 year period and are directly correlated to changes in profitability and enterprise value.

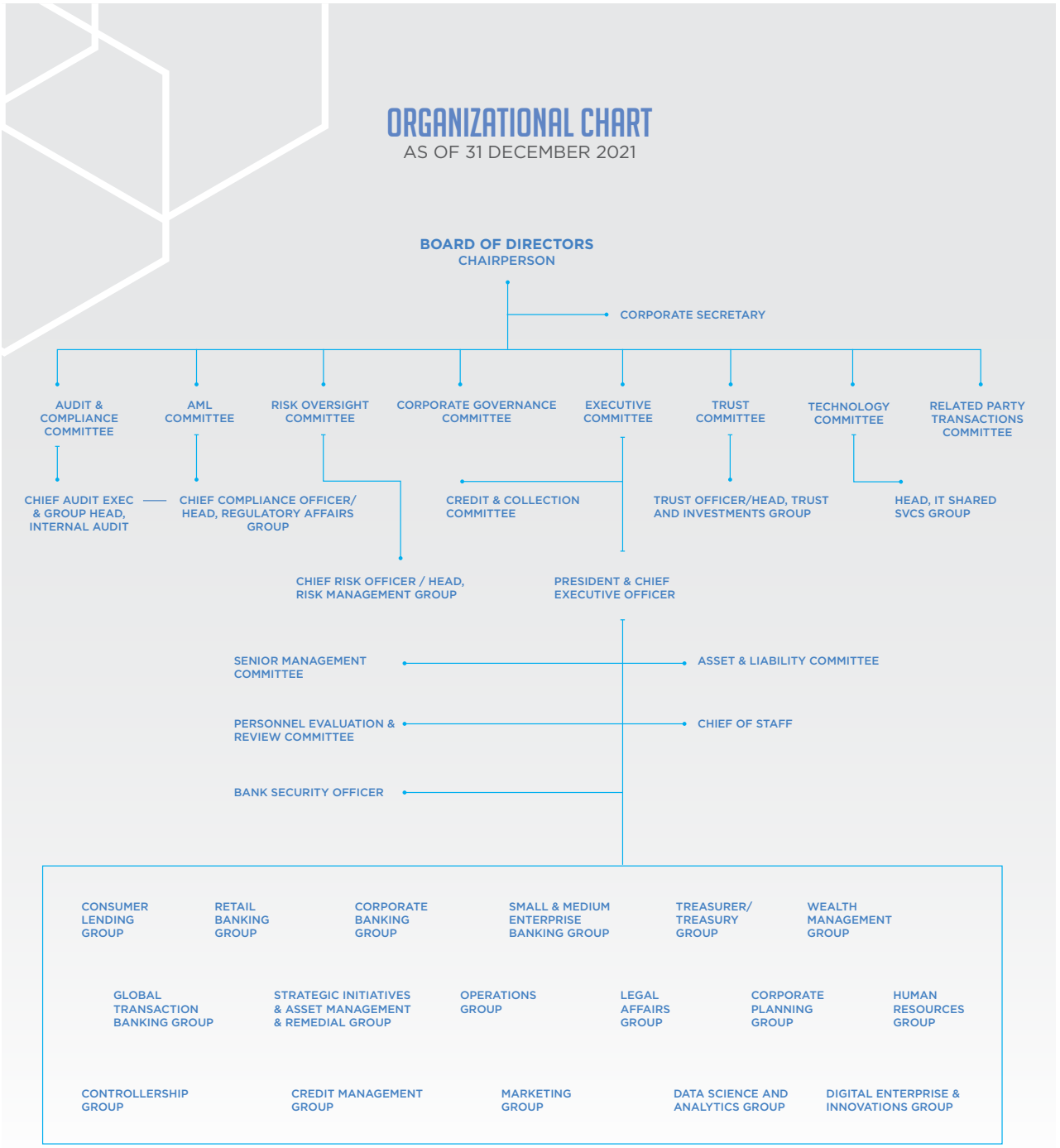
Senior Executive Compensation

The executive director of the Bank (President and CEO) does not receive any per diem for attendance in board and board committee meetings. He is entitled to remuneration and benefits by virtue of him being an officer of the Bank.

The process used in determining the remuneration of the President and Chief Executive Officer and the four (4) most highly compensated management officers of the Bank is disclosed in the Employee Hiring and Benefits policy which can be found under the Social Performance section.

The aggregate compensation paid or accrued to the Bank's Chief Executive Officer and four other most highly compensated executive officers are as follows (in thousand pesos):

Names	Principal Position	Aggregate Compensation (net of bonuses)	Bonuses
Eugene S. Acevedo	President and CEO	92,550	39,072
Redentor C. Bancod	Senior Exec. Vice President		
Horacio E. Cebrero III	Senior Exec. Vice President		
John Thomas G. Deveras	Senior Exec. Vice President		
Angelito M. Villanueva	Executive Vice President		



SHAREHOLDERS

Shareholders' Rights and Protection of Minority Stockholders' Interest

The Bank respects the rights of the stockholders as provided for in the Revised Corporation Code; namely:

1. Right to vote on all matters that require their consent or approval;
2. Right to inspect the books and records of the Bank;
3. Right to information;
4. Right to dividends; and
5. Appraisal right.

It is the duty of the Board to promote the rights of the stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights, i.e., any shareholder or group of shareholders with at least five percent (5%) share of the total outstanding shares of the company shall be allowed to propose any relevant item for inclusion in the agenda for the meeting.

Right to Nominate Candidates for Board of Directors

The By-Laws of the Bank allows all shareholders, including minority stockholders, the right to nominate candidates for the Board of Directors.

Voting Right

The Board shall be transparent and fair in the conduct of the annual and special stockholders' meetings of the Bank. The stockholders shall be encouraged to personally attend such meetings.

In case the stockholders cannot attend the annual and special stockholders' meetings, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the by-laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholders' favor.

The Board shall take the appropriate steps to remove excessive costs and other administrative impediments to the stockholders' participation in meetings, whether in person or by proxy. Accurate and timely information shall be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.

Stockholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.

A director shall not be removed without cause if it shall deny minority stockholders representation in the Board.

Conduct of Shareholders' Meeting

Stockholders are encouraged to personally attend shareholders' meetings. In case the stockholders cannot attend the annual and special stockholders' meetings, they are apprised ahead of time of their right to appoint a proxy. Accurate and timely information is made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. Stockholders are allowed to pose questions and/or raise matters in person during the meeting and are addressed by the Chairperson, members of the Board and/or management.

In view of the Covid-19 pandemic, the Annual Stockholders' Meeting which was held on June 28, 2021 was conducted virtually via videoconferencing as allowed by the BSP and SEC. The Bank hired an independent party, Punongbayan & Araullo, to count and validate votes cast at the said meeting. Proper and timely disclosures were made immediately after the ASM. Results of the meeting as well as minutes thereof are available in the Bank's website.

Right to Inspection

All stockholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions.

Right to Information

The stockholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Bank's shares, dealing with the Bank, relationships among directors and key officers, and the aggregate compensation of directors and officers.

The minority stockholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
The minority stockholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority stockholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

Dividend Policy

Article XI, Section 1 of the By-Laws of the Bank, provides that dividends shall be declared and paid out of the surplus profits of the Bank as often and at such times as the Board of Directors may determine after making provisions for the necessary reserves in accordance with law and the regulations of the Bangko Sentral ng Pilipinas (BSP).

As a policy, management shall determine the amount of dividends to be declared and present the recommendation for the declaration of the same to the Board of Directors

for approval. If it has stipulated dividend payment obligations, the Bank shall declare dividends in accordance with its commitment.

The Bank ensures compliance with the pre-requisites set by the BSP for the declaration of dividends. Likewise, the Bank shall not declare dividends greater than its accumulated net profits then on hand, deducting therefrom its losses and bad debts.

In accordance with Section 124 of the 2018 Manual of Regulations for Banks, the net amount available for dividends shall be the amount of unrestricted or free retained earnings and undivided profits reported in the Financial Reporting Package (FRP) as of the calendar/fiscal year-end immediately preceding the date of dividend declaration.

The derivation of the dividend amount from the unrestricted/free retained earnings shall be based on sound accounting system and loss provisioning processes under existing regulations which takes into account relevant capital adjustments including losses, bad debts and unearned profits or income.

Unearned profits or income refers to unrealized items which are considered not available for dividend declaration such as accumulated share/equity in net income of its subsidiaries, associates or joint venture accounted for under the equity method, recognized deferred tax asset, foreign exchange profit arising from revaluation of foreign exchange denominated accounts and others.

Record date of the disclosure of dividend declaration shall be set in accordance with the Rules of the Securities and Exchange Commission (SEC) and when appropriate, the Rules of BSP. The disclosure of the record date must not be less than 10 trading days from the said date.

Details of the **2021 cash dividend** distribution are as follows:

Nature of Securities	Date Declared	Dividend		Record Date	Date Approved	Date Paid / Payable
		Per Share	Total Amount		By BOD	
Convertible Preferred	Feb. 24, 2020	0.0993	0.03	Mar. 21, 2020	Feb. 24, 2020	Apr. 1, 2020
Convertible Preferred	May 26, 2020	0.0808	0.02	Jun. 21, 2020	May 26, 2020	June 24, 2020
Common Stock	May 26, 2020	0.5560	1,076.21	Jun. 9, 2020	May 26, 2020	June 24, 2020
Preferred Stock	May 26, 2020	0.5560	0.15	Jun. 9, 2020	May 26, 2020	June 24, 2020
Convertible Preferred	Sept. 1, 2020	0.0589	0.02	Sept. 21, 2020	Sept. 1, 2020	Sept. 24, 2020
Convertible Preferred	Dec. 1, 2020	0.0563	0.02	Dec. 21, 2020	Dec. 1, 2020	Jan. 7, 2021
Convertible Preferred	Feb. 22, 2021	0.0560	0.01	Mar. 21, 2021	Feb. 22, 2021	Mar. 31, 2021
Hybrid Perpetual Securities	Feb. 22, 2021	-	472.40	Feb. 26, 2021	Feb. 22, 2021	Feb. 26, 2021
Common Stock	Apr. 26, 2021	0.4850	938.78	May 10, 2021	Apr. 26, 2021	May 25, 2021
Preferred Stock	Apr. 26, 2021	0.4850	0.13	May 10, 2021	Apr. 26, 2021	May 25, 2021
Convertible Preferred	May 31, 2021	0.0559	0.01	Jun. 21, 2021	May 31, 2021	Jun. 25, 2021
Hybrid Perpetual Securities	Jul. 26, 2021	-	486.04	Aug. 26, 2021	Jul. 26, 2021	Aug. 26, 2021
Convertible Preferred	Aug. 31, 2021	0.0545	0.01	Sep. 21, 2021	Aug. 31, 2021	Sep. 24, 2021
Convertible Preferred	Nov. 29, 2021	0.0537	0.01	Dec. 21, 2021	Nov. 29, 2021	Dec. 24, 2021

Appraisal Right

The stockholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Revised Corporation Code of the Philippines.

Investor Relations

RCBC is committed to high standards of transparency, accountability, and fairness through its Investor Relations (IR) program. The IR program adopts a comprehensive communication and engagement framework to ensure the timely and accurate disclosure of material and relevant information, including its operating and financial results, and significant business developments, to provide the basis for the sound investment decisions of shareholders and investors. Company disclosures, investor and briefing presentations, and press releases are prepared and submitted in accordance to the requirements of the applicable regulatory institution. These are posted on RCBC's website at www.rcbc.com.

The IR program is developed, implemented, and managed by the Corporate Planning Group, in coordination with the Senior Management and related groups. The Corporate Planning Group works with the Marketing Communication Division to conduct regular briefings with the media, institutional investors, and analysts. Further, the Bank actively participates in investor conferences, roadshows and one-on-one meetings with analysts and credit rating agencies. Some members of the Senior Management team also join the briefings and conference calls to impart more insights on RCBC's performance and strategic direction. The Bank continues to engage investors, shareholders, analysts and other parties through the email address investor_relations@rcbc.com posted on the website.

Material Information / Transactions

The Bank is committed to disclose material information to its stakeholders as part of its adherence to transparency, accountability, and fairness. The following are the material information / transactions were approved by the Board of Directors for 2021:

01-11-2021 Legal Proceedings (Amended the disclosure on 05-29-20)

The original disclosure was amended based on the Notice from the Regional Trial Court of Makati containing the Summons and the Complaint filed by Bangladesh Bank against the Bank and other persons received by RCBC.

01-25-2021 Other Events
01-25-2021 Change in Directors/Officers

During the January 25, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Election of Mr. Armando M. Medina as regular director, effective January 1, 2021 (subject to BSP/other regulatory approvals, as may be required).
2. Appointment of SVP Juan Gabriel R. Tomas, IV as Chief Risk Officer and Head of Risk Management Group, effective February 1, 2021 (subject to BSP/other regulatory approvals, as may be required).

02-22-2021 Other Events

During the February 22, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. The Audited Financial Statements of Rizal Commercial Banking Corporation and RCBC—Trust and Investments Group as of year ended December 31, 2020, as audited by Punongbayan & Araullo, for final approval of the stockholders.
2. Declaration of cash dividends on convertible preferred shares amounting to P0.05597 (US$0.00116) per share or a total of P14,965.80 (US$311.27 @ P48.080), payable to holders of convertible preferred shares as of March 21, 2021 and payable within 5 trading days from record date.
3. Issuance of foreign currency denominated Senior Notes out of the bank's Medium Term Note Programme (subject to market conditions).

03-29-2021 Other Events
03-29-2021 Change in Directors/Officers

During the March 29, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the appointment of SVP Ramil M. De Villa as Head of Consumer Lending Group, effective May 15, 2021 was approved (subject to BSP/other regulatory approvals, as may be required).

04-26-2021 Other Events
04-26-2021 Declaration of Cash Dividends

During the April 26, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Annual Cash Dividend Declaration on Common and Convertible Preferred Shares amounting to P0.485 per share, or a total of approximately P938.91 Million to holders of Preferred and Common Class shares as of the close of the 10th trading day from Board approval ("record date") and payable within ten (10) trading days from record date.
2. Interlocking positions of Ms. Ma. Theresa Jennifer A. Fernando in Niyog Property Holdings, Inc. and Cajel Realty Corporation as Vice President and Director, subject to BSP/other regulatory approvals as may be required.

05-11-2021 Notice of Annual or Special Stockholders' Meeting

Notice, Procedure, Proxy Form, Ballot Form, Agenda and Rationale/Explanation for Agenda Items for the 2021 Annual Stockholders' Meeting of the Bank.

05-31-2021 Other Events

During the May 31, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the declaration of cash dividends on convertible preferred shares amounting to P0.05588 (US$0.00116) per share or a total of P14,943.02 (US$310.67 @ P48.010), payable to holders of convertible preferred shares as of June 21, 2021 and payable within 5 trading days from record date was approved.

05-31-2021 Other Events (Amended disclosure on 05-31-2021)

The amendment of the original disclosure on the declaration of dividends on common and preferred shares was made to reflect that the cash dividend is for unlisted preferred shares.

06-28-2021 Other Events
06-28-2021 Change in Directors/Officers
06-28-2021 Results of Annual Stockholders' Meeting
06-28-2021 Results of Organizational Meeting

Items approved by Stockholders at their Annual meeting and Board of Directors at their regular and organizational meetings respectively held on June 28, 2021.

<u>Regular Meeting of the Board of Directors</u>

1. Sale of 101,850,000 Shares held by the Bank in treasury ("Sale Shares") which is equivalent to four point nine-nine-nine percent (4.999%) of the total outstanding Common Stock of the Bank (after the sale of the Sale Shares) to Sumitomo Mitsui Banking Corporation ("SMBC") at a price per Sale Share of PhP44.00 subject to the terms and conditions of the definitive agreement to be executed between the Bank and SMBC.

2. Promotion/appointment of Officers effective July 1, 2021 (subject to BSP/other regulatory approvals, as may be required):

   From Senior Vice President to First Senior Vice President
   Jane N. Manago

   From First Vice President to Senior Vice President
   Jose Rene Y. Sarmiento
   Zenaida S. Soto
   Lea B. Torres
   Anna Christina M. Vicente

Annual Stockholders' Meeting

1. Election of the following Directors to hold office for a term of one year:

   As Regular Directors
   Ms. Helen Y. Dee
   Mr. Cesar E. A. Virata
   Mr. Eugene S. Acevedo
   Mr. Gil A. Buenaventura
   Mr. Armando M. Medina
   Mr. John Law
   Mr. Shih-Chiao (Joe) Lin
   Mr. Arnold Kai Yuen Kan
   Atty. Lilia B. de Lima
   Ms. Gayatri P. Bery

   As Independent Directors
   Mr. Juan B. Santos
   Atty. Adelita A. Vergel De Dios
   Mr. Gabriel S. Claudio
   Mr. Vaughn F. Montes
   Mr. Laurito E. Serrano

2. Approval of the Minutes of the Annual Meeting of the Stockholders held on July 27, 2020;
3. Approval of the Annual Report and Audited Financial Statements for 2020;
4. Ratification of actions of the Board of Directors, different Committees and Management;
5. Confirmation of Significant Transactions with DOSRI and Related Parties; and
6. Appointment of Punongbayan & Araullo as the Bank's external auditor for the fiscal year 2021.

Organizational Board of Directors Meeting:

1. Appointment of Corporate Officers:

   Mr. Eugene S. Acevedo - President and Chief Executive Officer
   Mr. Horacio E. Cebrero III – Treasurer
   Atty. George Gilbert G. dela Cuesta – Corporate Secretary
   Atty. Joyce Corine O. Lacson – Assistant Corporate Secretary
   Atty. Maria Cecilia V. Chaneco-Lonzon - Assistant Corporate Secretary
   Various Officers - SVPs and up

2. Appointment the following as Members of the Advisory Board:

   Ms. Yvonne S. Yuchengco
   Mr. Francis C. Laurel

3. Appointment of Ms. Helen Y. Dee as Chairperson, and Mr. Cesar E. A. Virata as Corporate Vice-Chairperson.
4. Appointment of Mr. Juan B. Santos as Lead Independent Director
5. Appointment of the following as Chairpersons and Members of the Various Committees:

Committee	Names	Position
Executive Committee	Helen Y. Dee Eugene S. Acevedo Cesar E.A. Virata Armando M. Medina Gil A. Buenaventura	Chairperson Vice Chairperson Member Member Member
Audit and Compliance Committee	Laurito E. Serrano Vaughn F. Montes, Ph.D. Atty. Adelita A. Vergel de Dios	Chairperson Member Member
Risk Oversight Committee	Vaughn F. Montes, Ph.D. Laurito E. Serrano Gayatri P. Bery John Law Eugene S. Acevedo	Chairperson Vice Chairperson Member Observer Observer
Corporate Governance Committee	Atty. Adelita A. Vergel de Dios Gabriel S. Claudio Shih-Chiao (Joe) Lin Vaughn F. Montes, Ph.D. Atty. Lilia B. de Lima	Chairperson Member Member Member Member
AML Committee	Gabriel S. Claudio Gil A. Buenaventura Vaughn F. Montes, Ph.D. Eugene S. Acevedo	Chairperson Member Member Observer
Related Party Transactions Committee	Atty. Adelita A. Vergel De Dios Shih-Chiao (Joe) Lin Gabriel S. Claudio	Chairperson Member Member
Trust Committee	Juan B. Santos Cesar E.A. Virata Eugene S. Acevedo (President) Atty. Lilia B. de Lima Trust Officer	Chairperson Member Member Member Member
Technology Committee	Helen Y. Dee Cesar E.A. Virata Eugene S. Acevedo	Chairperson Member Member

07-08-2021 Change in Directors/Officers (Amended the disclosure on 06-28-21)

The amendment is to reflect the additional information on the position of Ms. Manago and Ms. Torres (to indicate that Ms. Manago is a Group Head and Ms. Torres is a Division Head).

07-26-2021 Other Events
07-26-2021 Change in Directors/Officers

During the July 26, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Appointment of Mr. Hiroki Nakatsuka as (a) Advisory Board Member and (b) Observer in the AML Committee (subject to BSP/other regulatory approvals, as may be required)
2. Interlocking officerships of Claribelle S. Bautista-Perez as Head of Consumer Banking Compliance & Financial Crime Risk Stewardship Division of RCBC Regulatory Affairs Group and as Chief Compliance Officer of Rizal Microbank, Inc. – A Thrift Bank of RCBC (subject to BSP/other regulatory approvals, as may be required)

08-31-2021 Other Events

During the August 31, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the declaration of cash dividends on convertible preferred shares amounting to P0.05455 (US$0.00109) per share or a total of P14,586.77 (US$291.91 @ P49.970), payable to holders of convertible preferred shares as of September 21, 2021 and payable within 5 trading days from record date was approved.

09-09-2021 Legal Proceedings (Amended the disclosure on 07-28-2020)

The disclosure regarding the Bangko Sentral ng Pilipinas (BSP) case docketed as IPG A.C. No. 2020-005, entitled "Inang Nag-Aaruga sa Anak Foundation, represented by Ma. Asuncion L. Yu, et al. vs. Eugene S. Acevedo, et al." was amended based on the Resolution dated 20 August 2021 of the Office of the General Counsel and Legal Services - Investigation and Prosecution Group of the BSP. In the said Resolution, the Investigation and Prosecution Group of the Office of the General Counsel and Legal Services of the BSP dismissed the administrative complaint filed by Inang Nag-aaruga sa Anak Foundation and several complainants against former and current directors of the Bank for lack of basis, both in fact and in law.

09-24-2021 Legal Proceedings (Amended the disclosure on 09-09-21)

The disclosure regarding the Bangko Sentral ng Pilipinas (BSP) case docketed as IPG A.C. No. 2020-005, entitled "Inang Nag-Aaruga sa Anak Foundation, represented by Ma. Asuncion L. Yu, et al. vs. Eugene S. Acevedo, et al." was amended based on the Motion for Partial Reconsideration of the Resolution (dated 20 August 2021) of the Office of Special Investigation of the Bangko Sentral ng Pilipinas, which dismissed the complaint filed by Inang Nag-aaruga sa Anak Foundation and other individual complainants against current and past directors of the Bank.

09-27-2021 Other Events

During the September 27, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the interlocking positions of Atty. Angeluz T. Guerzon, Vice President as Head of Asset Management Support Division of RCBC and as member of the Board of Directors and Officer of RCBC JPL Holding Company, Inc. was approved (subject to BSP/other regulatory approvals, as may be required).

10-25-2021 Other Events

During the October 25, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the interlocking officerships of Atty. Harold Christian S. Talledo as the Head of Corporate and Institutional Banking Compliance Division of RCBC and as Chief Compliance Officer of RCBC Leasing and Finance Corporation was approved (subject to BSP/other regulatory approvals, as may be required).

11-04-2021 Legal Proceedings (Amended the disclosure on 09-24-21)

The disclosure regarding the Bangko Sentral ng Pilipinas (BSP) case docketed as IPG A.C. No. 2020-005, entitled "Inang Nag-Aaruga sa Anak Foundation, represented by Ma. Asuncion L. Yu, et al. vs. Eugene S. Acevedo, et al." was amended based on the Resolution dated 22 October 2021, wherein the Investigation and Prosecution Group of the Office of the General Counsel and Legal Services of the BSP denied with finality the Motion for Partial Reconsideration of the Complainants for lack of merit.

11-29-2021 Other Events

During the November 29, 2021 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Declaration of cash dividends on convertible preferred shares amounting to P0.05369 (US$0.00106) per share or a total of P14,356.43 (US$284.77 @ P50.415), payable to holders of convertible preferred shares as of December 21, 2021 and payable within 5 trading days from record date.
2. Secondment of Ms. Mona Lisa A. Garces – RAG Department Head, to Rizal Microbank Inc., - A Thrift Bank of RCBC, as its Chief Compliance Officer (subject to BSP/other regulatory approvals, as may be required)

12-01-2021 Clarification of News Reports

Clarification of the Bank on the news articles entitled "Gina De Venecia's foundation raises P290M RCBC fund scam to CA, slams BSP for coddling execs of Yuchengco-owned bank" posted in Bilyonaryo.com on November 28, 2021.

RCBC and its former and present directors have not yet received the Petition for Review allegedly filed by Inang Nag-Aaruga Foundation with the Court of Appeals. Nonetheless, the Bank and its former and present directors stand by the correctness of the two (2) decisions of the Bangko Sentral ng Pilipinas in dismissing the meritless case filed against them and they shall, once they receive a copy of the said Petition for Review, prepare and file the appropriate pleading.

12-02-2021 Legal Proceedings

On December 2, 2021, counsel for the former and present directors of RCBC who were impleaded as respondents in the dismissed case docketed as IPG A.C. 2020-005, entitled "Inang Nag-Aaruga sa Anak Foundation et al. vs. Eugene S. Acevedo, et al." which, prior to its dismissal, was pending before the Office of the General Counsel and Legal Services, Investigation and Prosecution Group of the BSP (specifically, Eugene S. Acevedo, Arnold Kau Yuen Kan, Lorenzo V. Tan, Helen Y. Dee, Cesar E. A. Virata, Wilfrido E. Sanchez, Maria Ceclia H. Fernandez-Estavillo, Florentino M. Herrera, Yvonne S. Yuchengco, Minki Brian Hong, Roberto F. De Ocampo, Tim-Chiu R. Leung, Medel T. Nera, Tze Ching I. Chan, Richard G. A. Westlake, John Law, Yuh Shing Peng, Armando M. Medina, Francisco C. Eizmendi, Jr., Antonio L. Alindogan Jr., Francis G. Estrada, Gil Buenaventura, Juan B. Santos, Adelita A. Vergel De Dios, Lilia R. Bautista, Gabriael S. Claudio, Vaughn F. Montes, Shih-Chiao Lin and Laurito E. Serrano) received a copy of the Petition for Review dated 20 November 2021 of the complainants in the said case, appealing the BSP's judicious dismissal thereof to the Court of Appeals. The said former and present directors of RCBC are now preparing their Opposition to the said petition to refute the baseless allegations of the Complainants therein and to emphasize the propriety of the dismissal of the said case by the BSP. They are awaiting the action of the Court of Appeals on the said petition.

12-13-2021 Other Events

During the meeting held on December 13, 2021 Special Meeting of the Board of Directors of the Bank where a quorum was present and acting throughout, the proposed 2022 budget was approved.

OTHER STAKEHOLDERS

Creditors' Rights

It is the policy of the Bank to conduct its business in an efficient and fair manner in order for it to meet its contractual obligations to its depositors, subordinated debt noteholders, and service providers. In the event of any liquidation or bankruptcy proceeding, such creditors have preference over the assets of the Bank in accordance with Philippine laws on preference of credits.

As a listed company, the Bank discloses, either through its website or the required stock exchanges, the relevant terms and conditions of their investment and fund-raising activities.

Supplier/Contractor Selection and Criteria

The Bank has a board-approved Policy on Outsourcing in accordance with BSP Circular No. 765 re: "Revised Outsourcing Framework for Banks." The Bank's policy provides for guidelines, processes, and controls in managing outsourcing risks. The Bank is required under the policy and in accordance with the BSP Circular to conduct due diligence on service providers to ensure their integrity, technical expertise, operational capability, financial capacity, and suitability to perform the outsourced activity.

In certain cases as permitted by law and regulations, the supplier/contractor selection process is being handled by House of Investments, Inc. (HOI), an affiliate of the Bank.

HOI's Procurement Shared Services has the following policies:

a. Code of Ethics for Procurement
b. Code of Ethics for Suppliers
c. Supplier Management
d. Policies in Choosing a Supplier
e. Procurement Process
f. Contract Management
g. Manual Structure, Use, Revisions/Amendments
h. Early Involvement in Procurement

Suppliers are evaluated based on compliance with user requirements, quality, performance record in the industry, technical competence, customer service, design, delivery, dependability. Accreditation of new suppliers is based on recommendations of procurement heads or officers and is evaluated and approved by the HOI's PSS Manager and General Manager. Accredited suppliers are likewise subject to performance evaluation.

Towards Sustainable Value Chains

RCBC's sustainable strategy started more than ten years ago through the implementation of the Environmental and Social Management System (ESMS) in 2011. This was followed by the adoption of a Sustainable Finance Framework in April 2019, making the Bank the earliest adopter of the BSP Circular 1085 on Sustainable Finance Framework that was issued in April 2020. The Bank is committed in building partnerships within the organization and the people it serves by creating long-term sustainable value chains through its lending strategies and operations and supporting the needs of the society.

The Bank's ESMS requires that all lending relationships/credits, both pipeline and portfolio, are vetted from an environmental and social (E&S) risk perspective. The ESMS is implemented to safeguard lending operations from exposure to activities with identified E&S risks. RCBC's ESMS Policy is a declaration of its commitment to sustainable development and management of E&S issues.

RCBC's Sustainable Finance Framework subscribes to global bond standards, primarily the International Capital Market Association (ICMA) bond principles. Under the Bank's Sustainable Finance Framework, RCBC has supported a sustainable portfolio consisting of roughly 9,000 projects as of the end of 2021, with about 70% attributable to eligible green projects and 30% to eligible social projects. By the end of 2021, the sustainable asset portfolio comprised 12% of the Bank's total loan portfolio, up from 10% in 2020.

RCBC's ESMS Policy and Sustainable Finance Framework are both aligned with the salient provisions of BSP Circular 1085 and BSP Circular 1128 (Environmental and Social Risk Management, issued in October 2021). Both Circulars promote the need for periodic assessment of the Policy / Framework to ensure its relevance with developments in the business environment. ESMS Policy updates were implemented in April 2021 to facilitate the E&S assessment process and consolidate reference materials into one of the Policy's supporting schedules. Updates on global bond guidelines, on the other hand, are regularly followed / monitored by RCBC for the application of the eligibility criteria under its Sustainable Finance Framework. The most recent examples of these are the Green/ Social/ Sustainability Bond Guidelines released by ICMA in June 2021.

INTERNAL CONTROL

Effective internal control is the foundation of safe and sound banking. It reduces the possibility of significant errors and irregularities, and in the event of occurrence, said internal control assists in timely detection. A properly designed and consistently enforced system of operational and financial internal controls helps the Bank's Board of Directors and Management to safeguard the Bank's resources, produce reliable financial reports and comply with applicable laws and regulations.

The Bank has established an effective internal control system to ensure that the Bank is managed and controlled in a sound and prudent manner. It includes the following critical components:

- Control Environment

Control environment is the framework under which internal controls are developed, implemented and monitored. It consists of the mechanisms and arrangements that ensure internal and external risks to which the company is exposed are identified, and appropriate and effective internal controls are developed and implemented to manage said risks soundly.

The control environment emanates from the Board of Directors and reflects Management's commitment to internal controls. In line with this, the Management has ensured the strategic implementation of internal controls that provide for an organizational structure that establishes clear lines of authority and responsibility for monitoring adherence to prescribed policies, effective risk assessment, timely and accurate financial and regulatory reports, and adequate procedures to safeguard and manage the Bank's assets.

- Risk Assessment

RCBC's risk assessment is a systematic process of identifying and analyzing relevant inherent and residual risks and the corresponding control mechanisms that can adversely affect the achievement of the Bank's objectives. The assessment helps determine the adequacy and effectiveness of control mechanisms in mitigating risks and the corresponding strengths and weaknesses of the Bank vis-à-vis the risk environment.

RCBC's Risk Oversight Committee (ROC, a Board-level Committee) has responsibility over the Risk Governance Framework (RGF) which provides a detailed discussion on each type of risk including the identification, measurement and management of these risks. The ROC shall oversee compliance to the established risk appetite, risk management policies, and limits. The assessment of control mechanisms in managing inherent and residual risks by the business units is an effective risk engine in the risk management process. By determining and assessing the risks involved in banking operations, the Bank can decide what types of controls are needed and how they should be managed.

Supporting the ROC in carrying out its mandate are the Risk Management Group (RMG) and Credit Management Group (CMG). These groups are responsible for overseeing the risk-taking activities across the Group, as well as in evaluating whether these remain consistent with the Bank's risk appetite and strategic direction.

The RMG is headed by the Bank's Chief Risk Officer (CRO). The CRO serves on a full-time basis and functionally reports to the ROC. The CRO is responsible for overseeing the risk management function and supporting the Board of Directors (BOD) in the development of the risk appetite of the Bank. The CRO leads a team of six different risk areas: i) Enterprise Risk, ii) Portfolio Quality, iii) Market and Liquidity Risk Management, iv) Operational Risk Management v) Enterprise Fraud Risk and vi) Information Security Governance.

The CMG, headed by the Chief Credit Officer, manages the Bank's credit risk portfolio covering both business and consumer lending exposures, by way of formulating relevant credit risk policies as well as providing independent credit risk assessment on all exposure types. The CCO provides regular reports and insights on the Bank's portfolio credit quality to stakeholders including the Risk Oversight Committee, and the Senior Management Committee and regulators like the BSP.

- Control Activities

Control activities refer to the policies and procedures designed to help ensure that all bank personnel are properly guided by the control measures established by the Bank. Control activities form an integral part of the daily activities of the Bank. An effective internal control system requires that appropriate control mechanisms are set up, with control activities defined at every business level. In this regard, the Bank has ensured that control activities, which are directed through policies and procedures, are designed and implemented to address the risks involved in banking operations.

The control activities implemented by the Bank include, but are not limited to, the following:

a. Establishing approvals and authorization for transactions and activities;

b. Reconciliation;
c. Review of operating performance and exception reports;
d. Establishing safeguards or physical controls for use of assets and records;
e. Segregation of duties to reduce a person's opportunity to commit and conceal fraud or errors;
f. Requirement on mandatory leaves;
g. Rotation of duties; and
h. Number control

- Management Reporting System

Another element in an effective internal control program involves accurate accounting and comprehensive information and communication systems that are relevant to decision-making. These systems not only capture information and generate necessary reports, but also enable all personnel to understand their roles in the overall control system, how their activities relate to others, and their accountability for the activities they conduct.

- Monitoring Activities and Correcting Deficiencies

Monitoring activities entails assessing the quality of performance over time and making any necessary modifications to correct any deficiencies.

The overall effectiveness of the Bank's internal controls is monitored on an ongoing basis. In view of changing internal and external conditions, Management continually monitors and evaluates the Bank's internal control system to ensure that these are adequate and continue to function properly. Periodic assessment and evaluation of control mechanisms used in managing risks are conducted by the business units in coordination with internal audit, risk management and other support units. Internal control deficiencies, whether identified by business units, internal audit or other control personnel, are reported in a timely manner to the appropriate management level so that the same can be addressed immediately.

Internal control is the responsibility of all employees of the Bank. Everyone in the organization is responsible for ensuring that the internal control measures being adopted by the organization are properly and strictly enforced and are effectively operational. The channels of communication ensure that all employees fully understand and adhere to policies and procedures affecting their work, and that other relevant information is properly communicated to the appropriate personnel. Likewise, the Bank's internal audit, risk management unit and external audit provide an objective, independent review of bank activities, internal controls and management information systems to help the Board of Directors and the Management monitor and evaluate internal control adequacy and effectiveness.

Compliance Function

The compliance function of the Bank facilitates the effective management of compliance risks or risks of legal or regulatory sanctions, material financial loss, or loss to reputation that a bank may suffer as a result of its failure to comply with laws, rules, related self-regulatory organization standards, and codes of conduct applicable to its activities.

The Compliance Function is discharged by the Regulatory Affairs Group (RAG) headed by the Chief Compliance Officer (CCO). The RAG is a separate and independent unit with no business function. It reports to the Board of Directors through the Audit and Compliance Committee and the AML Committee.

The Regulatory Affairs Group shall facilitate the effective management of compliance risks by:

a. Advising the board of directors and senior management on relevant laws, rules and standards, including keeping them informed on developments in the area;
b. Apprising Bank personnel on compliance issues, and acting as a contact point within the Bank for compliance queries from its personnel;
c. Establishing written guidance to staff on the appropriate implementation of laws, rules and standards through policies and procedures and other documents such as compliance manuals, internal codes of conduct and practice guidelines;
d. Identifying, documenting and assessing the compliance risks associated with the Bank's business activities, including new products and business units;
e. Assessing the appropriateness of the Bank's compliance procedures and guidelines, promptly following up any identified deficiencies, and where necessary, formulating proposals for amendments;
f. Monitoring and testing compliance by performing sufficient and representative compliance testing; and
g. Maintaining a constructive working relationship with the BSP and other regulators.

The functions of the RAG are discharged by the following divisions which are under the direct supervision of the CCO:

a. The Regulatory Affairs Divisions (RADs) performs horizon scanning and impact assessment of new regulations and market trends, and the embedding of rules and regulations to the Bank's policies, procedures, and controls. It is also responsible for the identification, assessment and monitoring of compliance risks and level of compliance of the different business lines, products and services with the relevant regulations governing banks. It also supports the overall operations of RAG which includes project management for key compliance projects, dissemination and reporting of regulatory issuances; planning, and administrative matters.
b. The Anti-Money Laundering Monitoring and Reporting Division (AMRD) is responsible for the monitoring, analysis, disposition and investigation of AML alerts; reporting of possible suspicious transactions; filing of reports on crimes and losses; monitoring and filing of covered transactions reports and suspicious transactions reports; recommending new or updating AML alert rules; and updating AML watchlists for name screening.

Internal Audit

The Bank has in place an independent internal audit function headed by the Chief Audit Executive (CAE) who functionally and administratively reports to the Audit and Compliance Committee.

The scope of work of Internal Audit encompasses, but is not limited to, the examination and evaluation of all business systems, processes, operations, functions and activities within the Bank including functions that are outsourced, its subsidiaries and branches. Such scope of work determines the adequacy and effectiveness of the Bank's risk management, control and governance process to provide reasonable assurance that:

- Risks are appropriately identified and managed in the context of current and potential risks;
- Interaction with various governance groups and control units occurs as needed;
- Programs, plans and objectives are achieved;
- Resources are acquired economically, used efficiently and protected adequately;
- Quality and continuous improvement are fostered in the Bank's control process;
- Significant financial, managerial and operating information is accurate, reliable and timely;
- Employees' actions including performance of trading activities are in compliance with policies, standards, procedures and applicable laws and regulations;
- Significant legislative or regulatory issues impacting the Bank are appropriately recognized and addressed including areas of interest to regulators such as, among others, monitoring of compliance with relevant laws, rules and regulations, including but not limited to the assessment of the adequacy of capital and provisions; liquidity level; regulatory and internal reporting;
- Management and financial information system including the electronic information system and electronic banking services are reliable and effective and resulting data has integrity.

Internal Audit adheres to the applicable professional standards and code of ethics, including the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (ISPPIA), Information Systems Audit and Control Association standards and guidelines and the relevant requirements of the Bangko Sentral ng Pilipinas and other bank regulators.

An independent assessment of the internal audit function is conducted every five (5) years by an external auditor through a quality assurance review. In 2020, the internal audit function underwent a full external quality assessment review by an independent assessor and the latest Quality Assessment Report was released on May 11, 2021.

The External Auditor

External Audit Fees and Services. The Audit and Compliance Committee is empowered to appoint the external auditor of the Bank and approve all auditing and non-audit services. It recommends to the Board the selection of the external auditor considering independence and effectiveness and recommends the fees to be paid.

The following are audit and non-audit fees paid to the bank's external auditor, Punongbayan and Araullo, in 2020:

2020	Audit Fee (in Million Pesos)	Non-Audit Fee (in Million Pesos)	Total (in Million Pesos)
Parent	7.61	2.52	10.13
Group	12.35	3.54	15.89

Non-audit fees include engagements for the quarterly review and agreed upon procedures in connection with the Bank's Offering Circulars.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure. In connection with the audits of the Bank's financial statements for the two (2) most recent years ended December 31, 2021 and 2020, there were no disagreements with Punongbayan and Araullo on any matter of accounting principles or practices, financial statement disclosures, audit scope or procedures.

POLICIES

Code of Conduct

All directors and employees are governed by the Bank's Code of Conduct, which revolves around the Core Values of the company. It is designed to serve as a guide to all directors and employees on how they should conduct themselves within and outside the Bank premises and in dealing with clients/customers and co-associates.

Adherence to this Code is the responsibility of each and every associate. It is administered uniformly throughout the Bank and is independent of the practices of other banks. It is a condition for continuous employment. Any breach of this Code may result in disciplinary action ranging from reprimand to termination of employment, depending on the gravity of the offense, after the observance of due process.

The Code of Conduct is divided into five parts as follows:

A. Treatment of Clients
B. Treatment of Bank Assets
C. Treatment of Others
D. Conflict of Interests
E. Knowledge, Understanding & Compliance

Anti-Corruption Policies

Under Part D of the Code of Conduct on Conflict of Interests, to avoid conflict of interest, employees are to conduct business transactions for the Bank in accordance with Bank policy and avoid direct or indirect use of the Bank's goodwill, reputation, funds and property or other resources for personal gain. This involves, among other things, accepting gifts, entertainment or favors from customers or suppliers; outside

employment; outside directorship; and receiving commissions or benefits from customers or suppliers.

Gifts and Entertainment. The Bank does not allow solicitation of gifts, directly or indirectly, from customers or suppliers. Under no circumstance do employees accept, directly or indirectly, payments, loans, kickbacks, special privileges or services in exchange for favors.

Favors. The Bank does not buy business. This is obtained on the merits of the Bank's products, services and people. It does not bend rules nor offer money, illegal or inappropriate favors of unusual value to obtain or retain business. In this regard, any and all significant donations or contributions to or through a customer for whatever purpose using Bank property or funds should be with the prior authorization of the concerned Group Head. Should said donation or contribution be through the purchase of a raffle or lottery ticket, any prize or winnings therefrom, regardless of whether the ticket is in the employee's possession or in the employee's name, must be turned over to the Bank.

Receiving Commissions or Benefits. Employees must avoid situations which may unduly influence the relationships with customers or suppliers in a position to transact business with the Bank. Employees must make sure that the procedures laid down in providing customer services or in purchasing goods and services are strictly followed. Employees who have a direct hand in choosing companies from which purchases of the Bank's business requirements are to be made, are discouraged to use said authority to obtain commissions or leverage to purchase the same item/s for personal interests at terms not otherwise available to his/her colleagues or the public. Suppliers and customers are chosen based on merit and not on what can be gained from them.

The Code of Conduct is a main topic included in the Bank's Employee Orientation Program which is held on a regular basis.

The Code of Discipline provides for penalties for violations of the Code of Conduct. Administrative cases are handled in accordance with the Bank's Administrative Cases Procedure and existing laws. The Personnel Evaluation and Review Committee, as mentioned, acts as an independent body in the evaluation and review of cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee and ensures that the appropriate preventive, corrective and disciplinary measures are imposed on cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee.

Use of Insider Information

There are laws that prohibit the use of inside information when buying, selling or trading publicly traded securities, including RCBC securities. Inside information can take many forms, but always includes information which is not available to the public and which might influence an investor's decision to buy, sell or hold securities in a company.

Under the Code of Conduct, employees are prohibited from buying, selling or trading RCBC securities or the securities of other companies about which employees have inside information, until that information becomes public. In addition, this information should not be shared with anyone else, including family members or friends or anyone about trading in any securities based on this information.

Whistleblowing Policy

The Bank's Whistleblowing Policy is a key element in safeguarding the Bank's integrity. It aims to enhance the Bank's transparency and system for combating practices that might damage its activities and reputation. Protecting the integrity and reputation of the Bank requires the active support of its stakeholders, particularly its employees.

The following are the basic principles of the Bank's Whistleblowing Policy:

1. Employees and other stakeholders must be provided with alternative and sufficient channels for whistleblowing and communication. In certain instances, they must be able to bypass the main channels for whistleblowing if these prove inappropriate;
2. Employees and other stakeholders making the report in good faith should at all times be protected against reprisals;
3. Identity of the whistleblower making the report in good faith should remain confidential;
4. Reported incidents shall be verified in an appropriate manner, and if confirmed, the Bank must take the necessary actions;
5. The rights of any person implicated in any report must be respected.

Reports of any actual or suspected criminal activities, unlawful acts or omissions, fraud, violations of the Code of Conduct and other bank policies, danger to health and safety, improprieties or malpractice in the workplace, including those relative to matters of financial reporting, internal control and/or auditing may be sent through YGC's Open Communication system at www.rcbc.com/TalktoUs.

AMLA

RCBC is committed in embedding a culture of compliance in the overall structure of Bank as this is critical in the development and ongoing administration of an effective AML/CFT Program. The Board of Directors commitment to this objective is set forth in this Money Laundering and Terrorist Financing Prevention Program (MTPP). In combating money laundering, terrorist financing, and proliferation financing, the Bank shall apply the following principles:

1. Conduct business in conformity with high ethical standards in order to protect its safety and soundness as well as the integrity of the national banking and financial system;
2. Know sufficiently your customer at all times and ensure that the financially or socially disadvantaged are not denied access to financial services while at the same time prevent suspicious individuals or entities from opening or maintaining an account or transacting with the covered person by himself or otherwise;
3. Adopt and effectively implement a sound money laundering, terrorist financing, and proliferation financing prevention risk management system that identifies, assesses, monitors and controls risks associated with money laundering and terrorist financing;

4. Comply fully with Part Nine of the MORB, existing laws, and implementing rules and regulations aimed at combating money laundering and terrorist financing by making sure that officers and employees are aware of their respective responsibilities and carry them out in accordance with superior and principled culture of compliance; and
5. Fully cooperate with the Anti-Money Laundering Council for the effective implementation and enforcement of the Anti-Money Laundering Act (AMLA), as amended, the Terrorist Financing Suppression and Prevention Act (TFSPA) and the Anti-Terrorism Act (ATA) and their respective IRRs.

The MTPP is strategically aligned with the results of the National Risk Assessment (NRA) on Money Laundering (ML) and Terrorist Financing (TF) of the Philippines, a government-wide assessment of the overall exposure of the country to money laundering and its related predicate offenses, terrorism and terrorist financing. It is a comprehensive process of identifying and analyzing the money laundering and terrorist financing (ML/TF) risks within the realm of the supervised sectors, financial institutions, and covered persons and entities under the AMLA, as amended.

The MTPP shall be updated at least once every two (2) years or as needed to properly adhere to the new rules and regulations of regulatory agencies, laws of the Republic of the Philippines and other countries, and policies and procedures of the Bank.

Related Party Transactions

In May 31 2021, the Board approved the revised Policy on Related Party Transactions (RPT) following SEC Memorandum Circular No. 10, series of 2019 or the "Rules on Material Related Party Transactions for Publicly-listed Companies" issued on April 27, 2019. The said policy defines "related party transactions" as transactions or dealings with related parties of the Bank, including its trust department, regardless of whether or not a price is charged. These shall include, but not limited, to the following:

- On- and off-balance sheet credit exposures and claims and write-offs;
- Investments and/or subscriptions for debt/equity issuances;
- Consulting, professional, agency and other service arrangements/contracts;
- Purchases and sales of assets, including transfer of technology and intangible items (e.g. research and development, trademarks and license agreements)
- Construction arrangements/contracts;
- Lease arrangements/contracts;
- Trading and derivative transactions;
- Borrowings, commitments, fund transfers and guarantees;
- Sale, purchase or supply of any goods or materials; and
- Establishment of joint venture entities.

RPTs shall be interpreted broadly to include not only transactions that are entered into with related parties but also outstanding transactions that were entered into with an unrelated party that subsequently becomes a related party.

The term "related parties" under the Bank's updated RPT Policy has been expanded in scope as it broadens the definition of "close family members" to include relatives of the Bank's Directors, Officers and Stockholders within the 4th degree of consanguinity or affinity, legitimate or common-law. Related parties also include corresponding persons in affiliated companies, those with direct or indirect linkages with the Bank, members of the Bank's Advisory Board and subsidiaries of related parties.

The Bank constituted the Related Party Transactions Committee and RPT Management Committee to review and approve, as the case may be, related party transactions.

The RPT Committee reviews material RPTs to ensure that they are conducted in the regular course of business and not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, and collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances. On favorable review, the RPT Committee endorses material RPTs to the Board for approval.

All material RPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the material RPT. In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Material RPTs approved by the Board shall be submitted to the Stockholders for confirmation during the Annual Stockholders Meeting.

On the other hand, the RPT Management Committee reviews and approves proposed RPTs below the materiality threshold or those that do not require Board approval to ensure that said RPTs are conducted in the regular course of business and not undertaken on more favorable economic terms to such related parties than similar transactions with non-related parties under similar circumstances. On favorable review, the RPT Management Committee approves the non-material RPT and submits the same to the BOD for confirmation.

Transactions with related parties involving amounts of at least Pesos: Ten Million (Php10,000,000.00) are considered as material RPTs. The said threshold shall not apply to DOSRI loans and other credit accommodations and guarantees, and other transactions requiring Board approval under the regulations, i.e., cross-selling, outsourcing, etc., which are always considered "material" regardless of amount. Where the amount involved in the transaction is at least 10% of the combined assets of the RCBC Group, the transaction shall be accompanied by a fairness opinion issued by an external independent party to be appointed by the Board of Directors.

The Bank observes the following limits on exposures to related parties:

	INDIVIDUAL	AGGREGATE
LOANS / CREDIT	SBL	50% of Capital
OTHER CONTRACT	NONE*	10% of Capital

**Not to exceed the aggregate limit for Other Contracts*

The Bank submits a quarterly report to the BSP on material exposures to related parties, which include the material RPTs of non-bank financial subsidiaries and affiliates. A summary of material RPTs entered into during the reporting year is also disclosed in the Bank's Integrated Annual Corporate Governance Report (IACGR).

Details of the Bank's major related party transactions in 2021 are described below:

- Sale and Purchase of Securities - The Parent Company and certain subsidiaries engage in the trading of investment securities as counterparties to the transaction. These transactions are priced similar to transactions with other counterparties outside the Group and there are no unsettled transactions as of the end of each reporting period.
- Retirement Fund - The Parent Company and certain subsidiaries' retirement funds covered under their defined benefit post-employment plan maintained for qualified employees are administered and managed by the Parent Company's Trust Department in accordance with the respective trust agreements covering the plan.

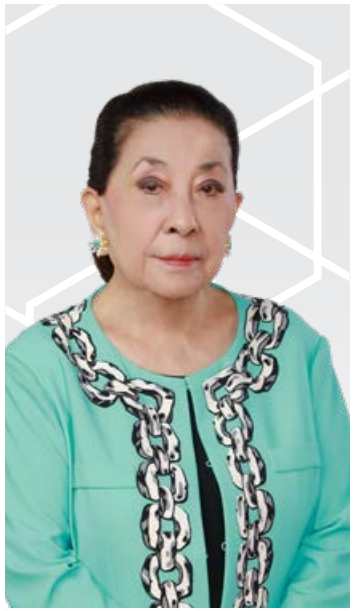
The Group's significant transactions with its related parties as of end December 2021 include loans and receivables and deposit liabilities. The total amount of loans outstanding was at Php19.4 Billion while total deposit liabilities was at Php9.2 Billion as of December 31, 2021. The total amount of Parent Company DOSRI loans was Php304 Million by end of December 2021.

Other related party transactions include:

- Lease contract with RRC and Sublease Agreements with Subsidiaries - The Parent Company and certain subsidiaries occupy several floors of RCBC Plaza as leaseholders of RRC. The occupancy of some of subsidiaries in RCBC Plaza is covered by sublease agreements with RCBC. RCBC's lease contract with RRC is effective until December 31, 2025;
- Service Agreement with RBSC - The Parent Company has Service Agreement with RBSC, wherein RBSC shall provide the Parent Company with marketing, distribution, technical, collection and selling assistance and processing services in connection with the operation of the Parent Company's credit card business.

`The Bank's other transactions with affiliates include service agreements, leasing office premises to subsidiaries which is eliminated during consolidation, accreditation of RCBC Trust agent and of insurance companies, and regular banking transactions (including purchases and sales of trading account securities, securing insurance coverage on loans and property risks and intercompany advances), all of which are at arms' length and conducted in the ordinary course of business.

The Bank does not have any transactions with promoters within the past five (5) years. The Bank does not have transactions with parties that fall outside the definition of related parties under regulations, but with whom the registrants or its related parties have a relationship that enables the parties to negotiate terms of material transactions that may not be available from other, more clearly independent parties on an arm's length basis.



HELEN Y. DEE
Chairperson

CESAR E. A. VIRATA
Corporate VIce Chairman

EUGENE S. ACEVEDO
President and CEO

GAYATRI P. BERY
Director

GIL A. BUENAVENTURA
Director

ATTY. LILIA B. DE LIMA
Director

JOHN LAW
Director

SHIH-CHIAO (JOE) LIN
Director

ARNOLD KAI YUEN KAN
Director

ARMANDO M. MEDINA
Director

GABRIEL S. CLAUDIO
Independent Director

ATTY. ADELITA A. VERGEL DE DIOS
Independent Director

VAUGHN F. MONTES, PH.D.
Independent Director

JUAN B. SANTOS
Independent Director

LAURITO E. SERRANO
Independent Director

FRANCIS C. LAUREL
Advisory Board Member

HIROKI NAKATSUKA
Advisory Board Member

YVONNE S. YUCHENGCO
Advisory Board Member

Helen Y. Dee
Chairperson
Filipino, 78

Ms. Dee is the Bank's Chairperson. She is also the Chairperson of House of Investments, Inc, EEI Corporation, Petroenergy Resources Corp, all of which are PSE-listed companies. She is also the Chairperson of Pan Malayan Management and Investment Corporation, Malayan Insurance Co. Inc. Landev Corporation, Hi-Eisai Pharmaceutical Inc., Malayan Educational Systems, Inc. and Manila Memorial Park Cemetery. Among the top companies where she holds a directorship position are Philippine Long Distance Telephone Company and Sun Life Grepa Financial, Inc. She holds a Master's degree in Business Administration at De La Salle University and graduated from Assumption College with a Bachelor of Science degree in Commerce.

Recent training/continuing education (2018 to present): Corporate Governance and Financial Technology (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and Baiphil); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and Baiphil), How to Lead Courageously During a Crisis (PLDT); Lessons from a Pandemic: the MPIC Hospital Group COVID-19 Experience and Best Practices (PLDT); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Becoming Obsessed with the Customer - 2021 Annual Corporate Governance Session (PLDT), Sunlife Advanced Corporate Governance and AML Refresher Course (Sunlife Philippines) Annual Corporate Governance Enhancement Session - Agile Leadership : A Conversation with Ms Anna Wintour (PLDT).

Cesar E.A. Virata
Corporate Vice Chairman
Filipino, 91

Mr. Virata has been a Director since 1995, Corporate Vice Chairman since June 2000, and Senior Adviser from 2007. Mr. Virata's roster of companies where he is also a Director and/or Chairman includes RCBC Realty Corp.; RCBC Land, Inc.; Malayan Insurance Co., Inc.; Business World Publishing Corporation; Luisita Industrial Park Corporation; RCBC Bankard Services Corporation; and AY Foundation, Inc., among others. He has held important/key positions in the Philippine government, including Prime Minister, Secretary/Minister of Finance, Chairman of the Committee on Finance of the Batasang Pambansa (National Assembly), and member of the Monetary Board. He was also Chairman of the Land Bank of the Philippines. He has served as Governor for the Philippines to the World Bank (WB), the Asian Development Bank (ADB), and the International Fund for Agriculture Development. He was Chairman of the Development Committee of the WB and International Monetary Fund from 1976 to 1980 and Chairman of the Board of Governors of the ADB. Prior to his government positions, he was a Professor and Dean of the College of Business Administration of the University of the Philippines and Principal, SyCip Gorres Velayo and Company, Management Services Division. Mr. Virata was also a member of various international committees/fora, including: Bretton Woods Committee, Group of 30, Institute of International Finance, Rockefeller Tripartite Commission for Asia, Davos Forum, and ADB Forum.

He completed his Master's in Business Administration from the Wharton Graduate School, University of Pennsylvania and graduated from the University of the Philippines with degrees in Mechanical Engineering and Business Administration (cum laude).

Training/continuing education include: Advanced Corporate Governance Training Program (Institute of Corporate Directors or ICD); Corporate Governance and Financial Technology (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP).

Eugene S. Acevedo
President and Chief Executive Officer
Filipino, 58

Mr. Acevedo is the Bank's President and Chief Executive Officer. He has over 30 years of banking experience gained from local and multinational banks including Union Bank of the Philippines, CitySavings Bank, Philippine National Bank, and Citibank Philippines, N.A. He has a Master's degree in Business Administration from the Asian Institute of Management and completed an Advanced Management Program at the Harvard Business School. He also holds a Professional Certificate in Clean Power from the Imperial College London. He is a magna cum laude graduate from the University of San Carlos where he earned a degree in Bachelor of Science in Physics.

Training/continuing education include: Corporate Governance Orientation Program (ICD); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP).

Gayatri P. Bery
Director
American, 56

Ms. Bery gained experience from Drexel Burnham & Lambert (New York), Ranieri & Company (New York), Morgan Stanley & Co. Incorporated (New York), being an investment advisor in Hong Kong, and being a member of the Steering Committee of Morgan Stanley's HK Women's Business Alliance Team. She also served as Chief Operating Officer, Global Capital Markets, of Morgan Stanley (Hong Kong). She obtained a Master's degree in Business Administration (with concentrations in finance and international business) from the Columbia Business School, New York, USA; and graduated with a Bachelor of Science degree in Applied Mathematics/Computer Science from Carnegie Mellon University.

Training/continuing education include: Financial Times Non-Executive Director Diploma (Hong Kong); Corporate Governance Orientation Program (ICD); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs; Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); 2021 GRI Cross Country Learning Session for Business (GRI-SEC)

Gil A. Buenaventura
Director
Filipino, 69

Mr. Buenaventura has been a Director of the Bank since July 2016 and has since been sitting as a member of the Bank's Executive Committee. He was also President and Chief and Executive Officer of the Bank until June 30, 2019. He holds directorship and officership positions in De La Salle Philippines School System; Malayan Insurance Company, Inc.; House of Investments, Inc.; and Manila Memorial Park Cemetery, Inc. He has a Master's degree in Business Administration in Finance from the University of Wisconsin and graduated with a Bachelor of Arts degree, major in Economics from the University of San Francisco, California, USA.

Training/continuing education include: Corporate Governance and Financial Technology (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP).

Atty. Lilia B. De Lima
Director
Filipino, 81

Atty. De Lima has been a Director of the Bank since June 24, 2019. She was an Independent Member of the Bank's Advisory Board from July 3, 2017 to June 24, 2019. She served as the Director General of the Philippine Export Processing Zone Authority (PEZA) from 1995 to 2016. Other positions she held include: Board Member, Cagayan and Zamboanga Economic Zones; Commissioner, National Amnesty Commission; Executive Director, Department of Trade and Industry-Price Stabilization and Director, Bureau of Trade; and Chief Operating Officer of the World Trade Center Manila. She was an Elected Delegate to the 1971 Constitutional Convention representing the 2nd District of Camarines Sur. She is the recipient of numerous local and international awards, including the 2017 Ramon Magsaysay Award, The Order of the Rising Sun-Gold and Silver Star (Japan), The Outstanding Women in the Nation's Service (TOWNS) in the field of law, and the 2010 Management Man of the Year. Atty. De Lima has a Doctor of Laws degree (honoris causa) from Manuel L. Quezon University where she also obtained a Bachelor of Laws degree. She was also a Fellow of the Academy of American and International Law at The Center of American and International Law at the SMU Campus in Piano, Dallas Texas, USA. She graduated with an Associate in Arts degree from Centro Escolar University.

Training/continuing education include: Briefing on Best Practices in Board Risk Oversight (PHINMA); Corporate Governance Orientation Program (ICD); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Business Continuity Planning: Executive Briefing for Board Directors and Management (PHINMA); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Investment, Trust and Estate Management (Wealth Management Center for Communication and Research, Inc.); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); Industry Block 1: Banking, Financial Services, and Insurance (AWS-YGC).

John Law
Director
French & Taiwanese, 71

Mr. Law has been a Director of the Bank since April 2015. He is currently a Director of Far East Horizon Ltd. in Hong Kong and Khan Bank in Mongolia. He served as Senior Advisor for Greater China for Oliver Wyman until his retirement on December 31, 2020. He holds a Master's degree in Business Administration from Indiana University, a Master's degree in Arts degree, major in Poetry, from the University of Paris, France; and a Bachelor of Science degree major in Psychology from Chung Yuan University in Taiwan.

Training/continuing education include: Corporate Governance and Financial Technology (RCBC); Customer Due Diligence and Trade-Based Money Laundering (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP).

Shih-Chiao (Joe) Lin
Director
Taiwanese, 50

Mr. Lin has been a Director of the Bank since March 25, 2019. He has been with Cathay Life Insurance for over 20 years and is currently its Executive Vice President. He holds a Master's degree in Business Administration from the National Taiwan University and graduated with a Bachelor's degree in Business Administration from the National Chengchi University.

Training/continuing education include: Corporate Governance Orientation Program (ICD); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ARCCO-Phil.); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Better KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); 2021 Cathay Sustainable Finance and Climate Change Summit.

Arnold Kai Yuen Kan
Director
Canadian, 61

Mr. Kai Yuen Kan gained experience from Citibank, the First National Bank of Chicago, the National Westminster Bank, JP Morgan Chase Bank, Credit Agricole Corporate & Investment Bank, and Krea Capital Limited. He is currently the Chief Executive of Cathay United Bank's Hong Kong Branch and Co-Head of the International Banking Group. He graduated with a Bachelor of Social Sciences degree from the University of Hong Kong and obtained a Master's degree in Business Administration from the York University in Canada.

Training/continuing education include: Corporate Governance Orientation Program (ICD). Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); From Green Finance to Social and Sustainable Bonds: Principles, Standards, Developments and Social-Economic Implications (HKQAA); Climate Risk from the Regulatory Perspective (HKMA); Reporting and Monitoring (KPMG); Due Diligence (KPMG) Legal Documentation for Transition away from LIBOR (HKAB); FATCA/CRS Refresher Training (KPMG).

Armando M. Medina
Director
Filipino, 72

Mr. Medina was an Independent Director of the Bank from 2003 to 2020. He became a regular director of the Bank starting January 1, 2021. He is a member of the Bank's Executive Committee. He is also an Independent Director of Malayan Insurance and served as an Independent Director of RCBC Capital Corporation until December 31, 2021. He graduated from De La Salle University with a Bachelor of Arts degree in Economics and a Bachelor of Science degree in Commerce, major in Accounting.

Training/continuing education include: Corporate Governance and Financial Technology (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); Executive Briefing Center: Plenary- Culture, Innovation, & Transformation (AWS-YGC); Executive Briefing Center: Industry Block 1: Banking, Financial Services, and Insurance (AWS-YGC); Understanding Climate Risks: Launch of The ASEAN Climate Governance Network (CGM)

Gabriel S. Claudio
Independent Director
Filipino, 67

Mr. Claudio has been an Independent Director of the Bank since July 2016. He has directorships in Ginebra San Miguel, Incorporated; Risk & Opportunities Assessment Management; Conflict Resolution Group Foundation (CORE); Toby's Youth Sports Foundation; and the Philippine Amusement and Gaming Corporation (PAGCOR). He served as political adviser to former presidents Fidel V. Ramos and Gloria Macapagal-Arroyo and held various positions in the Cabinet and government, including Presidential Political and Legislative Adviser, Chief of the Presidential Legislative Liaison Office, Cabinet Officer for Regional Development for Eastern Visayas, and Acting Executive Secretary. He also previously served as Chairman of the Board of Trustees of the Metropolitan Water and Sewerage System, Director of the Development Bank of the Philippines, and Director of the Philippine Charity Sweepstakes Office. He has a Bachelor of Arts in Communication Arts degree from the Ateneo de Manila University.

Training/continuing education include: Corporate Governance and Financial Technology (RCBC); Corporate Governance and Crisis Management (Ginebra San Miguel, Inc.- GSMI); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Better KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP)

Atty. Adelita A. Vergel De Dios
Independent Director
Filipino, 75

Atty. Vergel De Dios has been an Independent Director of the Bank since June 2016. She was also an Independent Director of RCBC Savings Bank before its merger with RCBC. She served as Commissioner of the Insurance Commission and held directorship and officership positions in various companies. She is a Certified Public Accountant and a Member of the Integrated Bar of the Philippines. She obtained her Bachelor of Business Administration and Accounting degrees and Bachelor of Laws (magna cum laude) from the University of the East.

Training/continuing education include): Sustainability, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Investment, Trust and Estate Management (Wealth Management Center for Communication and Research, Inc.); Building Better Bankers: Fostering a Better KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP)

Vaughn F. Montes, Ph.D.
Independent Director
Filipino, 71

Mr. Montes has been an Independent Director of the Bank since September 2016. He is a Teaching Fellow on Corporate Governance courses at the Institute of Corporate Directors (ICD). He is a Director of the Center for Excellence in Governance, and President of the Center for Family Advancement. He is a national consultant for Risk Management to the National Economic and Development Authority's Public-Private Partnership (PPP) Center under an ADB technical assistance grant. He is a Trustee and Founding Fellow of the Foundation for Economic Freedom. He is also currently a Trustee at Parents for Education Foundation (PAREF), and Chairman and President at PAREF Southridge School for Boys. He worked in Citibank for over a period of 25 years in various capacities including: Senior Economist in the Philippine Debt Restructuring Committee; Head of the International Corporate Finance Unit; and Director and Head of Public Sector. He worked as an Associate Economist at the Wharton Econometric Forecasting Associates in Philadelphia, USA. He has a PhD in Business Economics from the Wharton Doctoral Programs, University of Pennsylvania, USA; a Master of Science in Industrial Economics degree from the Center for Research and Communications (now University of Asia and the Pacific), and a Bachelor of Arts in Economics degree from the Ateneo de Manila University.

Training/continuing education include: Corporate Governance and Financial Technology (RCBC); Sustainability Reporting, and Customer Due Diligence and Trade-Based Money Laundering (RCBC); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Better KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP)

Juan B. Santos
Independent Director
Filipino, 83

Mr. Santos has been an Independent Director of the Bank since November 2016. He serves as Lead Independent Director of the Bank. He holds director, trustee, and advisory positions in various companies as detailed below. Prior to joining the Bank, he was the Chairman of the Social Security Commission. He served briefly as Secretary of Trade and Industry and was CEO and Chairman of Nestle Philippines, Singapore, and Thailand. He also served as Director of various publicly listed companies, including PLDT, Philex Mining Corporation, San Miguel Corporation, Equitable Savings Bank, Inc., and PCI Leasing and Finance, Inc. He has a degree in Foreign Trade from the Thunderbird School of Management in Arizona, USA and has completed an Advanced Management Course at the International Institute for Management Development in Lausanne, Switzerland. He holds a Bachelor of Science in Business Administration degree from the Ateneo de Manila University.

Training/continuing education include: Advanced Corporate Governance Training (ICD); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ABCOMP and BAIPHIL); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Building Better Bankers: Fostering a Stronger KYE Program (ABCOMP); Executive Briefing Center: Industry Block 1: Banking, Financial Services, and Insurance (AWS-YGC)

Laurito E. Serrano
Independent Director
Filipino, 61

Mr. Serrano has been an Independent Director of the Bank since March 2019. He was part of the Audit & Business Advisory Group and a partner of SGV & Co. - Corporate Finance Consulting Group before joining companies in general finance and special project functions. He is currently in the financial advisory practice with clients mostly in the private sector and has over 30 years of experience in the management and execution of engagements involving fund raising, business/asset acquisitions, public offerings, securitization, and project development works. His past experience also includes, among others, directorships in Metro Global Holdings Group; Metro Rail Transit Group; Travellers Hotels Philippines, Inc. (Resorts World); MJCI Investments, Inc.; United Paragon Mining Corp.; Sagittarius Mining Corporation; APC Group, Inc.; and Philippine Veterans Bank. Mr. Serrano has a Master's degree in Business Administration from the Harvard Graduate School of Business and holds a Bachelor of Science degree in Commerce, major in Accounting, from the Polytechnic University of the Philippines.

Training/continuing education include: Corporate Governance Orientation Program (Institute of Corporate Directors); Best Practices to Manage ML/TF Risks from Online Sexual Exploitation of Children Coursed through Banks and MSBs, and ML/TF Typologies (ARCCO-Phil.); BSP Supervisory Assessment Framework to replace CAMELS and ROCA Rating Systems for BSFIs (ABCOMP and BAIPHIL); Crypto Assets for Corporates (Center for Global Best Practices); Revised Corporation Code of the Philippines (Center for Global Best Practices); Building Better Bankers: Fostering a Better KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP)

Advisory Board Members

FRANCIS C. LAUREL

Mr. Laurel holds the following concurrent positions: President and Chief Executive Officer of the following Toyota Dealerships, Toyota Batangas City Inc., Toyota Camarines Sur Inc., Toyota Albay; Member of the Board of Regents, University of the Philippines (UP); Member of the Board of Trustees, UP Los Baños College of Economics and Management Foundation Inc.; President and Member of the Board of Trustees, Philippine-Japan Society, Inc.; and Senior Adviser, Philippines-Japan Economic Cooperation Committee, Inc. Mr. Laurel holds a Bachelor of Science degree in Agriculture, major in Agribusiness Management (magna cum laude) from the University of the Philippines and a Master's degree in Business Administration from the Kellogg School of Management at Northwestern University.

HIROKI NAKATSUKA

Mr. Nakatsuka is currently the General Manager of Asia Growing Markets Department, Tokyo of Sumitomo Mitsui Banking Corporation(SMBC). He used to be the General Manager of the Manila branch and the Chief Representative of the Manila Representative Office of SMBC. During his stay in Manila, he was also the Director of the Bankers Association of the Philippines.

YVONNE S. YUCHENGCO

Ms. Yuchengco is also Chairperson and Director of RCBC Capital Corporation; Chairperson/ President and Director of the Philippine Integrated Advertising Agency, Inc.; Vice Chairperson and Director of Malayan Insurance Company, Inc.; President and Director of MICO Equities, Inc., Member of the Board of Trustees of AY Foundation, Inc.; and Chairperson/Director, Yuchengco Museum, Inc.

REDENTOR C. BANCOD
Senior Executive Vice President

HORACIO E. CEBRERO III
Senior Executive Vice President

JOHN THOMAS G. DEVERAS
Senior Executive Vice President

RICHARD C. LIM
Executive Vice President

EMMANUEL T. NARCISO
Executive Vice President

ANGELITO M. VILLANUEVA
Executive Vice President

MA. CHRISTINA P. ALVAREZ
First Senior Vice President

MARITA E. BUENO
First Senior Vice President

ELIZABETH E. CORONEL
First Senior Vice President

ATTY. GEORGE GILBERT G. DELA CUESTA
First Senior Vice President

BRENT C. ESTRELLA
First Senior Vice President

FLORENTINO M. MADONZA
First Senior Vice President

JANE N. MAÑAGO
First Senior Vice President

ALBERTO MAGNO N. PEDROSA
First Senior Vice President

DR. ROBERT B. RAMOS
First Senior Vice President

BENNETT CLARENCE D. SANTIAGO
First Senior Vice President

ROWENA F. SUBIDO
First Senior Vice President

MARIA ANGELA V. TINIO
First Senior Vice President

ATTY. RAMIL M. DE VILLA
Senior Vice President

MARIA CECILIA F. NATIVIDAD
Senior Vice President

ALINE A. NOVILLA
Senior Vice President

JUAN GABRIEL R. TOMAS IV
Senior Vice President

Redentor C. Bancod
Senior Executive Vice President
Chief of Staff, Head of the Information Technology Shared Services and Operations Groups

Previous Positions: Vice President and General Manager, Central Systems Asia of Sun Life Financial, Asia and Senior Vice President and Chief Technology Officer of Sun Life of Canada (Philippines) Inc. • **Education:** Master's in Business Administration degree, Northwestern University, Kellogg School of Business, and Hong Kong University of Science and Technology; Bachelor of Arts degree in Philosophy, University of the Philippines; candidate for a Master of Science degree in Information Management, Ateneo de Manila University; and post-graduate studies, Asian Institute of Management

Horacio E. Cebrero III
Senior Executive Vice President
Head of Treasury Group
Until March 4, 2022

Previous Positions: Treasury Sector Head in-charge of the Treasury, Wealth Management and Credit Management Groups, Philippine National Bank; Treasurer, East West Banking Corporation; Chief Dealer, Citibank N.A.; Vice President for Treasury Group, Asian Bank Corporation; Manager for Financial Markets, AB Capital and Investment House; Manager for Financial Markets, Anscor Capital and Investment House; Manager for Trust and Investments Division, Asian Savings Bank; Account Officer, Asia Trust Development Bank; Account Supervisor for Branch Treasury Marketing and Loans & Credit Analyst for Loans and Credit at the branch, Far East Bank & Trust Company; Director and Chairman, PNB Europe and PNB Capital and Investment; Director, PNB Forex Corporation and AIG Philam Savings Bank • **Education:** Bachelor of Science in Commerce degree major in Marketing Management and earned units for a Master's in Business Administration degree, Graduate School of Business Economics, De La Salle University; attended and finished the Stanford Senior Executive Leadership Program (SSELP), Stanford University's Arthur and Toni Rembe Rock Center in Hong Kong

John Thomas G. Deveras
Senior Executive Vice President
Head of Strategic Initiatives and Asset Management & Remedial Group

Previous Positions: FIG Investment Officer, International Finance Corporation (IFC); Senior Vice President and Head of the Remedial Management Group, Philippine National Bank, and President, PNB Capital; key member of the SE Asian Mergers & Acquisitions (M&A) Team, Tokyo-Mitsubishi International (Singapore); started his formal banking career with Citibank in 1989 • **Education:** Bachelor of Science in Management Engineering degree, Ateneo de Manila University; Master's in Business Administration, University of Chicago

Richard C. Lim
Executive Vice President
Head of Retail Banking Group

Previous Positions: Chief Operating Officer, RCBC Savings; Head of Retail Banking, Executive Vice President, Head of Retail Marketing Management, Assistant Vice President for Cash Management Services, Head of Consumer Sales Department, and Cluster Head for Binondo Manila area, Maybank, Inc.; Manager for Binondo Branch, Philam Bank-AIG; Assistant Manager/Sales Officer, International Exchange Bank; Marketing Officer, Banco De Oro; Marketing Associate, Urban Bank; Officer's Assistant at Cash Department, China Bank • Education: Bachelor of Science degree major in Biology, University of Santo Tomas

Emmanuel T. Narciso
Executive Vice President
Head of Global Transaction Banking Group

Previous Positions: Group Head for Transaction Banking, BDO Unibank, Inc.; Head of Business Banking Division (Philippines), and Head of Payments and Cash Management for Vietnam and Philippines, Hongkong and Shanghai Banking Corporation; Head of the Corporate Transaction Banking Division, Security Bank Corporation; and Business Development Head for Global Transaction Services, Citibank N.A. Philippines; started his career in banking as an Analyst/Programmer, Bank of the Philippine Islands in 1984 • **Education:** Bachelor of Arts in Economics degree (Honors Program), Ateneo de Manila University; and Master's degree in Business Management, Asian Institute of Management (Citibank scholar)

Angelito M. Villanueva
Executive Vice President
Chief Innovation and Inclusion Officer and Group Head of Digital Enterprises and Innovation Group

Previous Positions: Known financial technologies (fintech) industry leader, with over 20 years of combined experience and expertise on telecommunications, payments, money transfer, consumer banking, digital transformation, strategy, and marketing; award-winner, with over 50 local and global accolades on digital transformation, including digital innovations; named as the first and only Filipino in the Top 100 Asian FinTech Leaders; Previous Positions: started the PLDT Group's FinTech's business; among the founding executives of PayMaya wallet; Managing Director, FINTQnologies Corp.; Member of the Board of Directors, FINTQnologies and FINTQSurelite Insurance Agency; KasamaKa Financial Inclusion Movement; Head, Customer Strategy and Market Activation, Visa; Consultant on Mobile Money Transfer in Mongolia, IFC World Bank Group; Monitoring and Evaluation (M&E) Consultant, Department of Social Welfare and Development-World Bank; Head, Mobile Financial Services-Smart Communications, Inc.; Regional Manager for Marketing and Special Projects, APAC and EMEA at BCD Travel; Executive Director and Vice President, Luntiang Pilipinas (Green PH) Foundation, Inc.; Chief of Division, Overseas Correspondent Banking Department, Global Banking Group, Land Bank of the Philippines; Senior Research Associate and Associate Editor, Economist Intelligence Unit (EIU) Phils; Chairman and Trustee, Fintech Alliance Philippines; President and Trustee, Gov Nestor A. Espenilla Jr. Institute for Growth towards National Inclusion, Transformation and Empowerment (IGNITE); Director, Asia Board of Directors, Mobile Ecosystem Forum • **Education:** Bachelor of Arts in Political Science degree, University of Santo Tomas; Master's in National Security Administration, National Defense College of the Philippines; Master's in Public Administration (Magna Cum Laude), University of Santo Tomas

Ma. Christina P. Alvarez
First Senior Vice President
Head of Corporate Planning Group

Previous Positions: more than 25 years of experience in the financial services industry, from credit to corporate and financial planning (over 14 years with the Corporate Planning Group of RCBC) • **Education:** Management Economics degree, Ateneo de Manila University; Master's in Business Management degree, Asian Institute of Management

Marita E. Bueno
First Senior Vice President
Chief Data Scientist and Head of Data Science and Analytics Group
Until June 1, 2022

Previous Positions: Group Head for the Data Science and Analytics Group, Union Bank of the Philippines; held various positions in the credit card business and risk management, Citibank in New York; Chief of Staff to the Chief Risk Officer for Asia Pacific, Citibank in Hong Kong; Vice President for Decision Management and Regional Director for Decision Management, Citibank in Singapore; and managed the scored underwriting policy for Small Business Financial Services and account management credit policy for the retail business, JP Morgan Chase in New York • **Education:** Bachelor of Science degree in Computer Science (Magna Cum Laude), and Master's in Business Administration in Quantitative Analysis, St. John's University in New York

Elizabeth E. Coronel
First Senior Vice President
Head of Corporate Banking Group

Previous Positions: Head of the Conglomerates and Strategic Corporates Segment, RCBC; Senior Vice-President and Officer-in-Charge, Equicom Savings Bank; Vice President and Co-Head of Corporate Finance Department, Mizuho Corporate Bank-Manila Branch; Vice-President and Head of Corporate Banking Division IV, Equitable PCIBank; Corporate Relationship Manager in the Global Consumer Bank, Citibank • **Education:** Bachelor of Arts degree in Behavioral Science (Cum Laude), University of Santo Tomas; earned MBA units, Ateneo Graduate School of Business; a Certificant in Sustainable Finance, Cambridge Institute for Sustainable Leadership, a Certificant in Circular Economy and Sustainability Strategies, University of Cambridge; a Certificant in Principles of Sustainable Finance, Erasmus University - Rotterdam

Atty. George Gilbert G. dela Cuesta
First Senior Vice President
Corporate Secretary and Head of the Legal Affairs Group

Previous Positions: General Counsel of various companies such as Asian Terminals, Inc., Mirant Phils. Corporation (now, TeaM Energy), and Hanjin Heavy Industries & Construction Co. Ltd.; lawyer, Department of Environmental and Natural Resources; started his career at Baker & McKenzie/Quisumbing and Torres • **Education**: Bachelor of Law and Bachelor of Arts in Political Science, University of the Philippines

Brent C. Estrella
First Senior Vice President
Chief Compliance Officer and Head of the Regulatory Affairs Group

Board member of the Association of Bank Compliance Officers (ABCOMP); Co-Chair of the ACAMs PH Chapter **Previous Positions:** 16 years of compliance and risk management experience gained from the Hong Kong and Shanghai Banking Corporation across Southeast Asia (Philippines), the Middle East (UAE), and Sub Saharan Africa (Mauritius); areas of expertise focus on financial crime risk stewardship, regulatory compliance risk stewardship, compliance monitoring, testing and reviews, risk strategy, oversight and governance, operational risk management, compliance operations technology and data analytics, cross-functional and multi-jurisdictional project management, organizational development, talent management and transformation; Certified Anti-Money Laundering Specialist • **Education:** Bachelor of Science in Legal Management degree, Ateneo De Manila University

Florentino M. Madonza
First Senior Vice President
Head of Controllership Group

Previous Positions: External Auditor, Sycip, Gorres, Velayo & Co.; held various positions in Accounting and Controllership for over 25 years • **Education:** Bachelor of Science in Commerce major in Accounting (Cum Laude), Araullo University; a Certified Public Accountant.

Jane N. Mañago, RFC
First Senior Vice President
Head of Wealth Management Group

Previous Positions: Extensive exposure in treasury, marketing, product management, account management, and private banking from her work in Citibank, Equitable Bank, and YGC CSI • **Education:** Bachelor of Arts in Behavioral Science and Bachelor of Science in Commerce, major in Business Administration degrees (Cum Laude), University of Santo Tomas

Alberto Magno N. Pedrosa
First Senior Vice President
Treasurer and Head of Treasury Group
Starting March 4, 2022

Previous Positions: Head of Asset Liability Management (RCBC), Head of Asset Portfolio Management (RCBC); Head of Investment & Markets Trading; Chairman Treasury Investment Committee; Head of Global Liquid Products Trading, JGSummit Capital Markets,. Head of FCDU Asset Liability Management, PCIBank. Junior Trader, Bank of Philippine Islands • **Education:** Bachelor of Science - Philosophy, London School of Economics

Dr. Robert B. Ramos, CFA, CIPM, CAIA
First Senior Vice President
Trust Officer and Head of the Trust and Investments Group

Previous positions: Chief Trust Officer and Chief Investment Officer, East West Banking Corporation • **Education:** Bachelor of Science degree in Management Engineering, Ateneo de Manila University; Master's degree in Business Management, Asian Institute of Management, and in Business Economics, University of Asia and the Pacific; doctorate degree in Business, De La Salle University; a Chartered Financial Analyst, a Chartered Alternative Investment Analyst, a Certificant for Investment Performance Measurement, a Registered Financial Consultant, a Certificant in ESG Investing (CFA Institute) and a Certified Treasury Professional

Bennett Clarence D. Santiago
First Senior Vice President
Chief Credit Officer and Head of Credit Management Group

Previous Positions: Head for Small Business Loans under the Consumer Banking Group and Head of Credit Risk Control for Commercial Banking, BDO; held various senior risk roles at Citi Commercial Bank Unit of Citibank Manila, Union Bank of the Philippines, and International Exchange Bank • **Education:** Bachelor of Science in Business Administration degree, University of the Philippines; units for Masters in Business Administration, Ateneo Graduate School of Business

Rowena F. Subido
First Senior Vice President
Head of Human Resources Group

Previous Positions: Senior Vice President and Lead Human Resources Generalist and Senior Vice President and Head of Human Resources for the Institutional Clients Group, Citibank, N.A.; Vice President and Human Resources Head, Citifinancial Corporation; and Human Resources Head for various retail and manufacturing companies • **Education:** Bachelor of Science major in Psychology, University of Santo Tomas with; earned units for Master's in Psychology degree major in Organizational/Industrial Psychology, De La Salle University

Maria Angela V. Tinio
First Senior Vice President
Head of Small and Medium Enterprises Banking Group

Previous Positions: Held various positions in RCBC, initially handling Metro Manila and Luzon as Region Head for Corporate Banking and later on Visayas and Mindanao; Head of the Commercial and SME Banking segment, and Department Head of Special Account Management Division, RCBC; Corporate Banking Account officer, Traders Royal Bank; various positions in PDB Leasing and Finance Corporation, Far East Bank and Trust Company, and the Bank of the Philippine Islands where she headed one of its remedial management teams • **Education:** Bachelor of Arts degree in Economics, University of the Philippines; and completed MBA units, De La Salle University

Atty. Ramil M. de Villa
Senior Vice President
Head of Consumer Lending Group

Previous Positions: Head of Asset Quality Management in Community Financial Services, Maybank Phils., Inc, Head of Asset Quality Management in Group Finance, Maybank, Phils., Inc, Head of Asset Recovery & Litigation in Group Finance, Maybank Phils., Inc; Head of the Documentation Unit of Legal Services Department, Premiere Development Bank, Litigation Lawyer of Legal Department, Premiere Development Bank, Legal Assistant/Officer, Premiere Development Bank, Senior Associate, Demetria Escondo Maloloyon Law Offices • **Education:** Bachelor of Laws (LLB) , University of Santo Tomas, Bachelor of Arts major in Philosophy, University of Santo Tomas

Maria Cecilia F. Natividad
Senior Vice President
Chief Marketing Officer and Head, Marketing Group

Previous Positions: Head of Marketing for the Philippine and Indochina markets, The Western Union Company; Assistant Vice President and Consumer Marketing Manager, Nestle Philippines, Inc.; over 20 years of professional experience in global and cross border marketing, strategic planning, brand building, and digital marketing • **Education:** Bachelor of Science in Management, major in Legal Management degree, Ateneo de Manila University

Aline A. Novilla
Senior Vice President
Chief Audit Executive and Head, Internal Audit Group

Previous Positions: Audit Partner for Financial Services in R.G. Manabat & Co., with more than 15 years of experience in audit, assurance and delivery of other professional services to a variety of business lines including banking and insurance, mutual funds and fund management, real estate and asset financing, business process outsourcing and consumer products; Senior Manager for Assurance Services in the Financial Services Industry Practice, Isla Lipana & Co.; Assistant Manager, KPMG Hong Kong; started as Associate Auditor, progressing to the role of audit engagement manager, Manabat San Agustin & Co., CPAs • **Education:** Bachelor of Science in Business Administration and Accountancy degree (Cum Laude), University of the Philippines; passed the CPA Licensure Examination in October 2003

Juan Gabriel R. Tomas IV
Senior Vice President
Chief Risk Officer and Head, Risk Management Group

Previous Positions: Head of the Customer Service Support Segment, Operations Group covering all Head Office and nationwide Cash Center Operations, RCBC; worked for 15 years with Citibank N.A. Philippines eventually heading its Capital Markets and Custody Operations; worked for five years with Accenture (formerly Andersen Consulting) under its Process Competency group; • **Education:** Bachelor of Science degree in Management, Ateneo de Manila University; and Master's in Business Management major in Finance, Asian Institute of Management

JOSE LUIS F. GOMEZ
President and
Chief Executive Officer
RCBC Capital Corporation

Previous Positions: with extensive experience in investment banking, fund management, and corporate banking working in reputable local and foreign institutions such as Bank of America N.A., AIG Investments Corporation, and Peregrine Capital Philippines, Inc.; Past President for 2017 & 2018, Investment Houses Association of the Philippines; Director, Financial Executives Institute of the Philippines (FINEX); Board of Trustees, FINEX Academy • **Education:** Master's in Business Administration degree (graduated with distinction), Katholieke Universiteit Leuven in Belgium; Bachelor of Science degree in Management Engineering, Ateneo de Manila University

ARNIEL VINCENT B. ONG
Senior Vice President
President, RCBC Bankard Services Corporation
(seconded from RCBC)

Previous Positions: Chief Customer Experience and Risk Officer, RCBC Bankard • Senior Vice President, Contact Center Management and Digital for HSBC Philippines • Various other consumer credit leadership roles in HSBC including a stint in HSBC Vietnam • Certified Financial Risk Manager by the Global Association of Risk Professionals, and former Credit Committee Chairman of the Credit Card Association of the Philippines • Instrumental in the launch of the country's first comprehensive private credit bureau • **Education:** Double degrees in Management Engineering and Economics, Ateneo de Manila University

RAYMUNDO C. ROXAS
President
Rizal Microbank

Previous Positions: Started as a Microfinance Consultant and became Head of Lending and Branch Operations, Rizal Microbank; Regional Manager, United States Agency for International Development (USAID) Microenterprise Access to Banking Services (MABS) Project; Chief Commercial Officer, ACCION International Inner Mongolia Microfinance Company; Microfinance Department Head, First Isabela Cooperative Bank, Inc. • **Education:** Bachelor of Science degree in Psychology (Cum Laude), Lyceum of the Philippines University; completed a Bank Management Development Course sponsored by the People's Credit and Finance Corporation, University of the Asia & Pacific; RCBC's Middle Management Development Program by De La Salle University, and Leadership Development Program by John Clements Consultancy

RAUL P. RUIZ
President
RCBC Securities, Inc.

Previous Positions: Head of Research of RCBC Securities for 9 years; cumulative 11 years of experience heading research in 3 foreign-based stock brokerage houses in the Philippines;. investment analyst in the Trust Banking Group of the former Far East Bank and Trust Co. Head of Business Development for Africa-Israel Investments Phils. Inc. . • **Education:** BA Economics, magna cum laude, from UP Diliman, and obtained his MBA from the same university; Chartered Financial Analyst, and attended the Trust and investment Management course of the American Bankers Association in Northwestern University, Illinois, USA.

ANNA CHRISTINA M. VICENTE
Senior Vice President
President and CEO of RCBC Leasing and Finance Corporation
(seconded from RCBC)

Previous Positions: Head of the North Metro Manila Division, Small and Medium Enterprises Banking Group, RCBC; has vast experience in corporate and commercial banking focusing on marketing, account solicitation, credit management and collection as well as acquired skills and competencies for managing and leading teams in achieving loan volume, deposit, fee income and net income targets • **Education:** Bachelor of Arts degree in Interdisciplinary Studies, Ateneo De Manila University

Chairperson
HELEN Y. DEE

Corporate Vice Chairman
CESAR E. A. VIRATA

President and Chief Executive Officer
EUGENE S. ACEVEDO

Corporate Secretary
GEORGE GILBERT G. DELA CUESTA
First Senior Vice President
Head, Legal Affairs Group

Assistant Corporate Secretary
JOYCE CORINE O. LACSON
Vice President

Senior Executive Vice Presidents

REDENTOR C. BANCOD
Chief of Staff, Head of Information Technology
Shared Services and Operations Groups

JOHN THOMAS G. DEVERAS
Head of Strategic Initiatives and Asset Management and Remedial Group

HORACIO E. CEBRERO III
Head, Treasury Group
Until March 4, 2022

Executive Vice Presidents

RICHARD C. LIM
Head, Retail Banking Group

EMMANUEL T. NARCISO
Head, Global Transaction Banking Group

ANGELITO M. VILLANUEVA
Chief Innovation and Inclusion Officer and Head,
Digital Enterprise and Innovation Group

First Senior Vice Presidents

MA. CHRISTINA P. ALVAREZ
Head, Corporate Planning Group

MARITA E. BUENO
Head, Data Science and Analytics Group
Until June 1, 2022

ELIZABETH E. CORONEL
Head, Corporate Banking Group

BRENT C. ESTRELLA
Chief Compliance Officer and Head,
Compliance Office / Regulatory Affairs Group

FLORENTINO M. MADONZA
Head, Controllership Group

JANE N. MAÑAGO
Head, Wealth Management Group

YASUHIRO MATSUMOTO
Head, Global and Ecozone Segment

ALBERTO N. PEDROSA
Head, Treasury Group

ROBERT ROL RICHARD RAYMOND B. RAMOS
Head Trust & Investments Group

JOSEPH COLIN B. RODRIGUEZ
Head, Subsidiaries Treasury Risk Positions Segment

BENNETT CLARENCE D. SANTIAGO
Chief Credit Officer and
Head of Credit Management Group

ROWENA F. SUBIDO
Head, Human Resources Group

MARIA ANGELA V. TINIO
Head, Small and Medium Enterprise Banking Group

Senior Vice Presidents

JOSE MARIA P. BORROMEO
Head, Central Funding Division

ENRIQUE C. BUENAFLOR
Head, Corporate Cash Management Segment

KAREN K. CANLAS
Head, Wealth Management Division 2

ANTONIO MANUEL E. CRUZ, JR.
Head, Chinese Banking Segment

RAMIL M. DE VILLA
Head, Consumer Lending Group

EDWIN R. ERMITA
Chief Security Officer

BENJAMIN E. ESTACIO
Regional Service Head, Mindanao

BERNICE U. GASPAR
Head, Chinese Banking Segment Division 3

MARY GRACE P. MACATANGAY
Head, Consumer Services & Collection Segment

JOSE JAYSON L. MENDOZA
Head, Metro Manila Division

GERARDO G. MIRAL
Head, Global and Ecozone Segment, Division 2

MARIA CECILIA F. NATIVIDAD
Chief Marketing Officer and Head, Marketing Group

ALINE A. NOVILLA
Chief Audit Executive and Head, Internal Audit

NANCY J. QUIOGUE
Regional Service Head, North Metro Manila

ELSIE S. RAMOS
Head, Litigation / Labor Division

ISMAEL S. REYES
Head, Retail Banking - Support Segment

RAOUL V. SANTOS
Head, Investment Services

JOSE RENE Y. SARMIENTO
Head, Conglomerates & Strategic Corporate Segment

LIBERTINE R. SELIRIO
Head, Global and Ecozone Segment, Division 1

JOHAN C. SO
Head, Local Corporate Banking Segment

ELVIRA D. SORIANO
Head, Business Center and Lending Center, Audit Segment 1

CECILIA E. TABUENA
Head, Local Corporate Banking Segment

GIANNI FRANCO D. TIRADO
Regional Sales Director, West Mindanao

JUAN GABRIEL R. TOMAS IV
Chief Risk Officer and Head, Risk Management

LEA B. TORRES
Head, Remedial Management

RAUL MARTIN J. USON
Head, Branch Services Support Segment

EMMANUEL MARI K. VALDES
Head, Metro East Regional Office

PAULA FRITZIE C. ZAMORA
Head, Financial Institutions and Support Segment

NILO C. ZANTUA
Chief Technology Officer

First Vice Presidents

STEPHANIE S. ABENDANO
Head, Wealth Management Division 3

JOY PURIFICACION T. ALCANTARA
Regional Sales Director, Metro Cebu

CHARLITO T. ALONSO
Special Projects Director, Small & Medium Enterprise Banking

CONRADO B. ALUNAN
Region Head, Office of Visayas Region

CLINT STANLEY D. ANG
Head, Employee Relations Division

SHEILAH R. APOSTOL
Head, Regulatory Affairs Division 4

ALVIN F. ASUNCION
Head, Applications Development Division 6 - Digital Systems Division

YVONNE LOU O. BADA
Head, Trade Product Management Department

MA. LYLAH CRISPENA S. BALLARAN
Head, Service Delivery Management

ROSELYN P. BARRETTO
Regional Sales Director, Quezon City

ROLAND R. BAY
Regional Sales Director, Cavite Region

GUILBERTO K. BENEDICTO
Head, CL Internal Sales Auto

MANUEL R. BENGSON, JR.
Head, Derivatives Trading Department

LUIS GONZAGA S. BONOAN
Project Manager, Business Development Division

MARY CATHERINE T. BUNTUA
Assistant Regional Sales Director, Rockwell

CHRISTINE ROSELLE O. CABACUNGAN
Head, Makati Lending Center

JOSE MANUEL E. CANIZA
Head, Trading Division

MA. CARMINA P. CARPIO
Head, Trust Services Division

MARIA CARMEN M. CASACLANG
Head, Trust Credit Management Division

RHODORA L. CASTRO
Regional Service Head, South Luzon

NATHAN FRANCIS C. CHINCUANCO
Head, Business Development Division

D'ANGELO T. CO
Head, FX Spot and Swap Department

SHIRLEY S. CO
Head, Wealth Management Division 1

VIVIAN Y. CO
Relationship Manager, Wealth Management Division 1

ROMEO R. COMABIG
Regional Sales Director, Central/East Visayas

NENER G. CONCEPCION
Head, Head Office Audit Segment

RAFAEL N. CRUCILLO
Head, Compliance and Risk Management Department

ARIEL J. CRUZ
Head, North and Central Luzon Region

LILIAN B. CRUZ
IT Head, Applications Development Division 1 - Core Banking Systems

ROSE ANNE M. CRUZ
Business Relationship Manager, Sucat

ANNA MYCHELLE C. CRUZADO
Head, Global & Ecozone Segment Division I

FRANCISCO J. DE SILVA
IT Head, Applications Development
Division 7 - Back Office Application Systems

CRISPINA S. DEL ROSARIO
Regional Sales Director, North East Luzon

SIMPLICIO B. DELA CRUZ, JR.
Head, CEVA Division

JO ANNE R. DESALES
Assistant Regional Sales Director, Pacific Place

MARIELLA RHEA P. DIZON
Assistant Regional Sales Director,
Metro Central/BGC Region

EVANGELINE M. DY
Regional Sales Director, Makati

JOEL RIZALDY G. FLOR
IT Head, Applications Development Division 5 -
Workflow Systems and Office Productivity

KENNETH MARK F. GARCIA
Head, Account Management Department 3

MARIA VILMA U. GARGANERA
Business Relationship Manager, The Fort-JY Campos

HELEN GRACE D. GAVICA
Project Director, Applications Development Division 8 -
Retail Loans Systems

SOPHIE B. GO
Business Relationship Manager, Tomas Mapua

RAYMUND C. GOLEZ
Regional Service Head, Visayas

RICARDO B. GONZAGA
Head, Mindanao Division

FRANCISCO VICENTE O. HILARIO
Head, IT Management Services

TRISTAN JOHN A. KABIGTING
Head, General Accounting and Services Division

ARMI M. LAMBERTE
Head, Portfolio Quality Division

JOSE ROY G. LAPORNO
Head, Western Visayas Division

MARIA ARLENE L. LEYCO
Head, Luzon Division

EDWARD NIÑO S. LIM
Head, Consumer Loans Evaluation Segment

JOY T. LIM
Head, Financial Planning and Credit Support Division

ROEL L. LUSTADO
Head, Cross Sell Division

MA. TERESA R. MANOTOK
Head, CL Internal Sales Division

ALMA TERESA I. MENDALLA
Regional Service Head, North Luzon

CESARIA AILEEN R. MERCADO
Regional Sales Director, Laguna & South Luzon Ecozone

MA ROMINA C. MERESEN
Head, Product Management Division

MARIE RORECEJACK R. MESINA
Relationship Manager,
Local Corporate Banking Segment Division 1

LINDA D. MINA
Regional Sales Director, Pasig

MARIETA O. MIRANDA
Head, Financial Accounting and Management Division

ROBERTO L. MORADA
Head, South Luzon Division

SUZETTE Y. NG
Head, Chinese Banking Segment Division 2

HELEN G. OLETA
Head, Trust Trading Division

GWENDOLYNN S. PADILLA
Head, Legal Documentation Department

CRISELDA Y. PASTORAL
Head, Trust Retail Marketing Division

ROSITA T. PECSON
Regional Sales Director, Northwest Luzon

MARICEL ELENA M. PERALEJO
Head, Institutional Distribution Department

RICHARD M. PERALTA
Head, Branch Operations & Control Segment

CLARO A. PINEDA III
Head, Wealth Management Support Division

MICHAEL ANGELO C. RAMOS
IT Head, Applications Development Division 8 -
Retail Loans Systems

JENNIE R. REIFSNYDER
Head, Standard Quality Assurance
and CX Division

ALMA D. REYES
Regional Sales Director, Central Luzon

FRANCIS NICOLAS G. REYES
Head, Business Site Management Division

YVONNE A. ROQUE
Head, Capital Market Services Division

RACELIS S. SAMSON
IT Head, Shared Technology Services

GUIA MARGARITA Y. SANTOS
Head, Wealth Management Division

RENAN L. SANTOS
Head, Liquidity Management Division

CARREN T. SARIA
Regional Sales Director, Metro North

ATSUSHI SEGAWA
Relationship Manager,
Japanese Business Relationship Office

ANNA LISSA L. SELVA
Relationship Manager,
Local Corporate Banking Segment

RAYMOND JOEL B. SIASAT, JR.
Region Head, Mindanao Region

FRANCISCO G. SINGIAN, JR.
Deputy Head, Funding Management Division

PAULINE S. SUA
Business Relationship Manager, Otis

RAMON JAIME R. TABUENA, JR.
Relationship Manager, Global & Ecozone
Segment Division 2

TED EDWARD R. TOLENTINO
Head, Small Enterprise Division 1

BENJAMIN C. TOM WONG
OIC - Segment Head, Emerging Corporate

RANDY B. TORRES
Head, Mortgage Product Management Division

MARIA RHODANA E. VALERIO
Regional Sales Director, Metro South Region

DENNIS R. VERGARA
Head, Business Intelligence and
Campaign Management Division

MA. VICTORIA P. VICTORIA
Head, Cross Sell Division

GRACE R. VILLAHERMOSA
Business Relationship Manager, MEPZ 2

ABELARDO B. VILLAROSA, JR.
Head, Metro Manila Division

ABIGAIL SUZETTE F. VIROLA
Head, Commercial Distribution Department

RAMON FORTUNATO S. YBIERNAS III
Head, Market and Liquidity Risk Management Division

Vice Presidents

FRANCES RUTH P. ABELLA
Relationship Manager, Wealth Management Division 2

TRINITY MARIE T. ADOLFO
Head, Credit Policy & Asset Quality
Management Segment

ROSALIND U. AGUILA
Operations Head, Customer Care Department

MA. NINA T. ALBA
Regional Sales Director, Rizal

ENRICO A. ALBANO
Assistant Regional Sales Director, Quezon Avenue

YNA S. ALBERTO
Head, Remittance & Payments Services Division

TERESA M. AMBROSIO
Project Manager, Business Development Division

RONUALDO U. AMBROSIO
Infrastructure Architect, Shared Technology Services

MARIBETH D. AMORIN
District Service Head, South Luzon Region

VIRGILIO M. AMORIN, JR.
District Service Head, Mindanao Region

MARIA CRISTINA T. AMPIL
Head, Credit Services Management Division

JOSEPH C. ANCHETA
Business Relationship Manager, Baguio

EDWIN R. ANDERSON
Operations Head, Treasury Operations Department

MARICAR C. ANGELES
Head, Human Resource Services Division

CHRISLYN C. ARCILLA
Head, Project Development & Joint Venture

LETICIA ARMADA
Program Manager, Smart Customer Acquisition
Department

MANUEL E. AVILES
Regional Sales Director, East Mindanao

OMAR L. AYALIN
Head, Implementation Department

JOCELYN SYLVIA E. BADURIA
Head, Talent Management and Analytics Division

JERIK T. BALISI
Operations Head, Trust Operations Department

JENNYLYN R. BARCELONA
Head, Housing Loans,
Developer Generated Department

CLARIBELLE S. BAUTISTA-PEREZ
Head, Regulatory Affairs Division 3

LALAINE ISABEL D. BEGONIA
District Service Head, South Luzon Region

SHIRLEY K. BENEDICTO
Assistant Regional Sales Director, Connecticut

ANTHONY B. BERJAMIN
IT Director, Network and Communications Department

JOE MARCH S. BERNABE
District Service Head, Central Metro Manila and Rizal Region

CELESTE G. BONGON
Regional Sales Director, Makati ARSD 1

NICK M. BONITA
Assistant Regional Sales Director, Limketkai

JOSE ZERNAN T. BULDA
Assistant Regional Sales Director, Imus-Nueno Ave.

MA. RHEA P. CABANERO
Independent Credit Review Officer, Portfolio Quality Division

MICHAEL JOHN B. CALUSTRE
District Service Head, Mindanao Region

ROBERT ALEXANDER O. CAMPOS
Head, Ecosystem Build & Market Activation

CHARLIE J. CARABEO
IT Director, Technical Support Department

ELI GRACE B. CARABEO
IT Director, Operations Command Center

GINA P. CAROLINO
Head, Know Your Client Department

CARLO ANTONIO M. CARPIO
Head, Regional Support Division

CLEMENTE A. CARPIO, JR.
Relationship Manager, Global and Ecozone Segment, Division 1

KATHRINA S. CARRANZA
Head, Business Intelligence and Campaign Management. Division

JESUS MANUEL M. CASTRO
Unit Head, Marketing-Cabanatuan PLC

PASCUAL L. CEFRE
Head, Business Site Expansion & Branch Maintenance Department

DORIS A. CHAVEZ
Relationship Manager, Local Corporate Banking Segment

ANGELITO C. CHUPECO
Operations Head, Regional Support Center Department 4

MICHELLE B. CHY
Business Relationship Manager, A. Mabini

JOHN PHILIP V. CINCO
Head, Operational Risk Management Department

RHENEE T. COLLAMAR
District Service Head, Visayas Region

IAN B. CORBILLA
Audit Reviewer & Strategic Projects Officer, Internal Audit

JESSICA B. CRISTOBAL
Head, CL Customer Management & Records Division

ERBITO C. CRUZ
Assistant Regional Sales Director, Sta. Maria, Bulacan

MERCI F. CUARESMA
Operations Head, Trade Services Department

MELITA R. DARLINGTON
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Head, Leyte Samar Lending Center

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District Service Head, South Metro Manila Region

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Trader, Commercial Distribute Department

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Head, Facilities and Records Management Department

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ATTY. GWENDOLYNN S. PADILLA

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Accountant and Company Secretary
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Vice President
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Treasurer
VICENTA BALARBAR

Corporate Secretary
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ISUZU PHILIPPINES CORPORATION

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HAJIME KOSO

Executive Vice President and Treasurer
SHOJIRO SAKODA

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Unit 4H-01 4F, 168 Shopping Mall
Soler St., Binondo, Manila
Tel. No.: 8708-2290

7TH AVE. BGC
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7th Avenue corner 30th St., Bonifacio
Global City, Taguig, Metro Manila
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1353 Tesoro Bldg., A. Mabini St.
Ermita, Manila
Tel. Nos.: 8526-0424; 8526-0444 to 45;
8526-0468

ABAD SANTOS
1628 Jose Abad Santos Ave.
Tondo, Manila
Tel. No.: 8251-7369

ACROPOLIS
191 Triquetra Bldg., E. Rodriguez Jr.
Ave. Bagumbayan, Quezon City
Tel. Nos.: 8638-0550 to 53

ACROPOLIS - EASTWOOD AVE.
Unit G8A-B, G/F MDC 100 Bldg.
188 E. Rodriquez Jr. Ave.
corner Eastwood Ave.
Bo. Bagumbayan Quezon City
Tel. Nos.: 8364-8651; 8366-7265

ADB AVENUE - GARNET
Unit 110 AIC Burgundy Empire Tower
ADB Ave. corner Garnet Rd.
Ortigas Center, Pasig City
Tel. Nos.: 8941-9938

ADRIATICO
Hostel 1632 G/F Unit 1632
M. Adriatico St., Malate, Manila
Tel. Nos.: 8252-9403; 8252-9424 to 25;
8252-9515

AGUIRRE- BF HOMES
G/F Fitness & Beauty Mall Bldg.
290 Aguirre Ave. corner Gov. Santos St.
BF Homes, Parañaque City
Tel. No.: 8824-5164; 8824-5162

ALABANG
RCBC Bldg., Tierra Nueva Subd.
Alabang-Zapote Rd., Alabang
Muntinlupa City
Tel. No.: 8807-2246

ALABANG - FILINVEST CORPORATE CITY
Units G04 & G05 Vivere Hotel
5102 Brigeway Ave.
Filinvest Corporate City
Alabang, Muntinlupa City
Tel. Nos.: 8556-3419; 8856-3416

ALABANG - MADRIGAL BUSINESS PARK
Unit 5 & 6, G/F CTP Alpha Bldg.
Investment Drive
Madrigal Business Park
Ayala Alabang, Muntinlupa City
Tel. Nos.: 8802-2916 to 17

AMANG RODRIGUEZ
1249 Amang Rodriguez Ave.
Dela Paz, Pasig
Tel. No.: 8635-5115

AMORANTO
422 N.S. Amoranto corner D. Tuazon
Sta. Mesa Heights, Quezon City
Tel. No.: 8253-2097

ANNAPOLIS - MISSOURI
Unit 102 Victoria Plaza Condo
Minium 41 Annapolis St,
Greenhills San Juan
Tel. No.: 8641-0783

ANONAS
69 Anonas St. corner Chico St.
Project 2, Quezon City
Tel. No.: 8928-9762

ARANETA CENTER
G/F Unit 111, Sampaguita Theatre Bldg.
Gen. Araneta St., corner Gen. Roxas St.
Cubao, Quezon City
Tel. No.: 8912-6049

ARNAIZ
843 G/F Prudential Life Bldg.
Arnaiz Ave. Legaspi Vill., Makati City
Tel. Nos.: 8869-0430; 8869-0314;
8869-0306

ARRANQUE
1001 Orient Star Bldg., Masangkay St.
corner Soler St., Binondo, Manila
Tel. No.: 8244-7055

AURORA BOULEVARD - MADISON
Madison 101, Aurora Blvd.
corner Madison St., Quezon City
Tel. No.: 8531-9360

ATY CENTRE
RCBC Savings Bank Corporate Center
G/F, 26th & 25th Sts., Fort Bonifacio
Taguig City
Tel. Nos.: 8843-3035; 8843-3049;
8843-3051; 8843-3054 to 55;
8843-3043

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Unit 709 & 710, Tower One
Ayala Triangle, Ayala Ave., Makati City
Tel. Nos.: 8848-6985; 8848 -6984

AYALA PASEO
G/F 8767 Philamlife Tower
Paseo De Roxas, Makati City
Tel. Nos.: 8523-5817; 8812-4066

AYALA VICENTE MADRIGAL
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6793 Ayala Ave., Makati City
Tel. No.: 8801-0962; 8275-5971;
8727-6953

BACLARAN
21 Taft Ave., Baclaran
Parañaque City
Tel. Nos.: 8832-3938; 8852-8147

BACLARAN - QUIRINO
3916 Qurino Ave. corner Aragon St.
Baclaran, Parañaque City
Tel. Nos.: 853-9692; 8551-1593

BANAWE
Unit I-K CTK Bldg., 385 Banawe St.
corner N. Roxas St., Quezon City
Tel. Nos.: 8742-3578; 8743-0210

BAYANI ROAD
#37 Bayani Road, AFPOVAI Subd.
Fort Bonifacio, Taguig City
Tel. Nos.: 8808-7436; 8808-7469

BEL-AIR
Unit 101 Doña Consolacion Bldg.
122 Jupiter St., Bel-air, Makati City
Tel. No.: 8519-7711

BETTER LIVING
14 Doña Soledad, Better Living Subd.
Parañaque City
Tel. Nos.: 8525-0429; 8828-9795;
8828-3095

BETTER LIVING - BICUTAN
133 Doña Soledad Ave.
Brgy. Don Bosco, Better Living Subd.
Parañaque City
Tel. Nos.: 8824-0175; 8823-9232;
8659-6204

BF HOMES
Unit 101 Centermall Bldg.
President's Ave., BF Homes
Parañaque City
Tel. No.: 8807-8763

BINONDO
ETY Bldg., 484 Quintin Paredes St.
Binondo, Manila
Tel. No.: 8878-3456 local 3612

BLUMENTRITT
1876 Blumentritt St. corner Andrade St.
Santa Cruz, Manila
Tel. No.: 8743-1316

BONI AVENUE
617 Boni Ave., Mandaluyong City
Tel. Nos.: 8533-0280; 8532-5532;
8533-6335 to 37; 8894-9000 loc. 5223

BUENDIA
Grepalife Bldg.
219 Sen. Gil J. Puyat Ave., Makati City
Tel. No.: 8844-1896

C. RAYMUNDO
261 Unit C, C. Raymundo Ave.
Brgy. Maybunga, Pasig City
Tel. Nos.: 8532-0304 to 05;
8532-0294

CAMARIN
Susano Road cor. Palmera Spring,
Camarin, Caloocan City
Tel. No.: 8961-7239

CARLOS PALANCA
G/F BSA Suites, Carlos Palanca St.
Legaspi Vill., Makati City
Tel. No.: 8888-6939

CARUNCHO
Prima 3 Commercial Center
7 Caruncho Ave., Pasig City
Tel. Nos.: 8894-9000 loc 5623

COMMONWEALTH
G/F Verde Oro Bldg.
535 Commonwealth Ave.
Diliman, Quezon City
Tel. No.: 8931-5251

COMMONWEALTH - BALARA
Block 3 Lot 43 Commonwealth Ave.
Old Balara, Quezon City
Tel. No.: 8931-0718

CONCEPCION, MARIKINA
#21 Bayan Bayanan Ave Concepcion
Uno, Marikina City
Tel. No.: 8661-7568

CONGRESSIONAL AVENUE
188 Congressional Ave. cor. Sinagtala
St., Quezon City
Tel. No.: 8288-5015

CONNECTICUT
51 Connecticut St.
Northeast Greenhills, San Juan City
Tel. Nos.: 7744-6348; 8726-9793;
8894-9000 loc. 5882

CUBAO
Ali Mall Bldg. 2 Gen. Romulo Ave.
Cor. P. Tuazon Blvd. Araneta Center
Cubao, Quezon City
Tel. No.: 8911-0870

D. TUAZON
G/F Academe Foundation Bldg.
47 D. Tuazon St., Sta. Mesa Heights
Quezon City
Tel. No.: 8731-5806

DEL MONTE
180 Del Monte Ave., Quezon City
Tel. Nos.: 8712-7570

DELA ROSA
G/F Sterling Center, Ormaza St.
corner Dela Rosa St., Legaspi Vill.
Makati City
Tel. No.: 8893-9050

DELA ROSA - PASONG TAMO
G/F King's Court 2 Bldg.
2129 Chino Roces Ave., Makati City
Tel. Nos.: 8824-6248; 8824-6238;
8824-6241

DILIMAN
Matalino St. corner Kalayaan Ave.
Diliman, Quezon City
Tel. No.: 8925-2148

DIVISORIA
New Divisoria Condo., 628 Sta. Elena
Divisoria, Manila
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444 E. Rodriguez Sr., Doña Aurora
Quezon City
Tel. Nos.: 8740-4954; 8734-1920

EAST CAPITOL DRIVE
G/F Tinity Bldg., 26 East Capitol Drive
Brgy. Kapitolyo, Pasig City
Tel. No.: 8721-8971

EASTWOOD MALL
G/F Unit A - 102B, Eastwood Mall
Bagumbayan, Quezon City
Tel. No.: 8470-6275

EDSA CALOOCAN
520 E. Delos Santos Ave.
Kalookan City
Tel. No.: 8990-3651

EDSA TAFT
Giselle's Park Plaza, EDSA
corner Taft Ave., Pasay City
Tel. No.: 8779-8626

ELCANO
676 Elcano corner Lavezares St.
Binondo, Manila
Tel. No.: 8242-8684

ERMITA
550 United Nations Ave., Ermita
Manila
Tel. Nos.: 8525-5238; 8523-2948;
8523-2983; 8523-7640; 8525-5219

EVANGELISTA
Hernandez Bldg., Evangelista St.
corner Gen. Alejandrino St.
Brgy. Bangkal, Makati City
Tel. No.: 8845-1843

FAIRVIEW
Medical Arts Bldg., Dahlia St.
North Fairview, Quezon City
Tel. No.: 8930-2052

FORT BONIFACIO BURGOS CIRCLE
Unit 1-D Crescent Park Residences
2nd Ave. Burgos Circle,
Fort Bonifacio, Taguig City
Tel. Nos.: 8816-3930; 8816-3938

FRONTERA VERDE
G/F Transcom Bldg., E. Rodriguez Ave.
Frontera Verde Compound, Pasig City
Tel. Nos.: 8706-4721

GARNET
Unit No. 106 Parc Chateau Cond.
Garnet corner Onyx St.,
Ortigas Center, Pasig City
Tel. Nos.: 8570-9141; 8570-6317;
8570-6319

GILMORE
100 Granada St., Valencia
Quezon City
Tel. No.: 8726-2404

GREENBELT
BSA Tower, Legaspi St.
Legaspi Vill., Makati Ctiy
Tel. No.: 8845-4051

GREENHILLS
Unit MA-103 McKinley Arcade
Greenhills Shopping Center
San Juan City
Tel. No.: 8721-2121

GREENHILLS - P. GUEVARRA
G/F Ongapauco Bldg., P. Guevarra St.
Wilson, Greenhills, San Juan City
Tel. Nos.: 8725-1121; 8724-9368

H. V. DELA COSTA
Shop 1 G/F, Alpha Salcedo Cond.
124 H.V. Dela Costa St.
Salcedo Village, Makati City
Tel. No.: 8731-0722; 8890-0578;
8726-4467

HERMOSA - LIMAY
Hermosa St. corner Limay St.
Tondo, Manila
Tel. No.: 8251-2414

J.P RIZAL-POBLACION
773 J.P. Rizal Ave., Brgy. Poblacion
Makati City
Tel. No.: 8815-2493

KALENTONG
49 C & D Bldg., New Panaderos St.
Kalentong, Sta. Ana, Manila
Tel. No.: 8533-6590

KALOOKAN
259 Rizal Avenue Ext., Caloocan City
Metro Manila
Tel. No.: 8365-6701

KAPITOLYO - SHAW BOULEVARD
615 Shaw Blvd., Brgy. Kapitolyo
Pasig City
Tel. No.: 8631-8178

KATIPUNAN
321 G/F Torres Bldg., Katipunan Ave.
Loyola Heights, Quezon City
Tel. No.: 8929-8869

LA HUERTA
G/F Delos Santos Bldg.
1003 Quirino Ave., Lahuerta
Parañaque City
Tel. Nos.: 8829-6022; 8829-6023;
8820-7606

LAGRO
Km 22 Quirino Highway
Greater Lagro, Quezon City
Tel. No.: 8936-0158

LAS PIÑAS
Veraville Bldg., Alabang-Zapote Rd.
Las Piñas City
Tel. Nos.: 8874-1659; 8874-8365;
8894-9000 loc. 5582

LAS PIÑAS - PAMPLONA
G/F Elena Bldg., Alabang-Zapote Rd.
Pamplona 3, Las Piñas City
Tel. Nos.: 8872-6822; 8874-5341;
8478-4421

LEE - SHAW BOULEVARD
Lee Gardens Cond., Shaw Blvd.
corner Lee St., Mandaluyong City
Tel. Nos.: 8634-1497; 8635-5769

LEGASPI VILLAGE
122 First Global Bldg. Gamboa
corner Salcedo St., Makati City
Tel. No.: 8812-4893

LEVISTE - SALCEDO
LP Leviste St. corner San Agustin St.
Salcedo Vill., Makati City
Tel. No.: 8802-0376

LINDEN SUITES
G/F The Linden Suites Tower II
37 San Miguel Ave., Ortigas Center
Pasig City
Tel. Nos.: 8477-7267; 8477-7269;
8477-7274; 8477-7271

LOYOLA HEIGHTS
G/F MQI Centre, 42 E. Abada St.
corner Rosa Alvero St., Loyola Heights
Quezon City
Tel. No.: 8426-6528

MACAPAGAL AVENUE - EDSA
G/F Double Dragon Plaza, EDSA
corner Macapagal Ave., Pasay City
Tel. Nos.: 8824-0314; 8824-0322;
7216-9004

MACAPAGAL AVE. - PEARL DRIVE
Scape Bldg., Macapagal Ave.
corner Pearl Drive, Business Park 1
Brgy. 76, San Rafael, Pasay City
Tel. Nos.: 8824-5790

MAGALLANES
G/F BMG Centre, Paseo de Magallanes
Makati City
Tel. Nos.: 8808-7604 ; 8808-7787;
8815-7636

MAGINHAWA
129 Maginhawa St., Brgy. Teachers Vill.
Quezon City
Tel. Nos.: 8426-4152 ; 8640 0450;
8426 4063; 8894-9000 loc 5295

MAKATI AVENUE
369 Executive Bldg. Center
Sen. Gil Puyat Ave., Makati City
Tel. No.: 8897-9384

MAKATI RADA
One Legaspi Park, 121 Rada St.
Legaspi Vill., Makati City
Tel. No.: 8915-2046

MALABON
685 J.P. Rizal Ave., San Agustin
Malabon
Tel. No.: 8281-2709

MALATE
470 Maria Daniel Bldg., San Andres St.
corner M.H. del Pilar Malate, Manila
Tel. Nos.: 8516-4686 to 87; 8516-4690;
8516-4695

MALAYAN PLAZA
GF Ortigas Malayan ADB Ave.
corner Opal Road, Ortigas Center
Pasig City
Tel No.: 8635-5164

MANDALUYONG
Unit 102, G/F, EDSA Central Square
Greenfield Dist., Mandaluyong City
Tel. Nos.: 8633-9585; 8637-5381;
8631-5804; 8894-9000 loc. 5275

MARIKINA
36 Gil Fernando Ave.
corner Sta. Ana Extn.
San Roque, Marikina City
Tel. No.: 8681-6270

MARULAS
McArthur Highway, Marulas
Valenzuela City
Tel. No.: 8291-6634

MCKINLEY HILLS
G/F Two World Hill Bldg.
Upper McKinley Rd.
McKinley Town Center
Fort Bonifacio, Taguig City
Tel. Nos.: 8403-1516 ; 8401-6137

MENDIOLA
163 E. Mendiola St.
corner Concepcion Aguila St.
San Miguel, Manila
Tel. No.: 8734-0452

MERALCO AVENUE
G/F Regency Bldg., Meralco Ave.
corner Exchange Rd., Ortigas
Pasig City
Tel. No.: 8710-1030

MINDANAO AVE. - TANDANG SORA
G/F 003 MC Square Bldg.
Mindanao Ave. corner Tandang Sora
Quezon City
Tel. No.: 8277-3656

MOONWALK - PARAÑAQUE
2 Armstrong St., Moonwalk Vill.
Parañaque City
Tel. Nos.: 8865-6612; 8894-9000
loc 5269

MORAYTA
828 Nicanor Reyes Sr. St.
Sampaloc, Manila
Tel. Nos.: 8736-2478

MUNTINLUPA
National Rd., Putatan
Muntinlupa City
Tel. Nos.: 8862-0034; 8862-0737;
8403-7137

NAVOTAS - EAST
Estrella corner Yangco St.
Navotas East, Navotas City
Tel. No.: 8282-4392

NEW MANILA
U/G Hemady Square Bldg.
86 Doña Hemady
corner E. Rodriguez Sr. Ave.
Brgy. Kristong Hari, Diliman
Quezon City
Tel. No.: 3414-3683

NEWPORT CITY
Plaza 66 Newport City,
Villamor Airbase, Pasay City
Tel. Nos.: 8556-7647 to 48

NOVALICHES
882 Quirino Highway and Nitang St.
Novaliches, Quezon City
Tel. No.: 8930-6191

NOVALICHES - GULOD
917 Bo. Gulod, Quirino Highway
Quezon City
Tel. No.: 8936-8811

OLD STA. MESA
4463 Old Sta. Mesa, Brgy. 587
Zone 58, Sta. Mesa
Tel. No.: 8716-0631

ONE BONIFACIO HIGH STREET
5/F PSE Bldg.
One Bonifacio High Street
28th St. corner 5th Ave.
Bonifacio Global City, Taguig
Tel. Nos.: 8851-6908

ORTIGAS AVENUE - SAN JUAN
Medecor Bldg., 222 Ortigas Ave.
Greenhills, San Juan City
Tel. Nos.: 8635-7874 to 75; 8635-7860;
8635-7871; 8635-7873

ORTIGAS AVENUE
Unit 104 Grace Bldg., Ortigas Ave.
Greenhills, San Juan City
Tel. Nos.: 8941-2473; 8941-2247;
8894-9000 loc. 5510

ORTIGAS EXTENSION
G/F Prudentialife Bldg., Riverside Vill.
corner Ortigas Ave. Extn.
Brgy. Sta. Lucia, Pasig City
Tel. No.: 8635-2134

OTIS
Isuzu Manila, 1502 Paz M. Guanzon St.
Paco, Manila
Tel. No.: 8561-7272

P. OCAMPO - FB HARRISON
G/F Unit Sunrise Center Bldg.
488 Pablo Ocampo Sr. Ave.
Malate, Manila
Tel. Nos.: 8251-7569 to 70; 8251-7576
to 77; 8251-7573

P. TUAZON
12th Ave. corner P. Tuazon
Quezon City
Tel. No.: 8913-3118

PABLO OCAMPO - VENECIA
G/F Savanna Commercial Center Bldg.
1201 Pablo Ocampo-Venecia
Brgy. Sta. Cruz, Makati City
Tel. No.: 8802-4749

PACIFIC PLACE
Unit 105, G/F Pacific Place Cond.
Pearl Drive St. corner Amethyst St.
Ortigas Center, Pasig City
Tel. No.: 8636-6617

PADRE RADA
649 Padre Rada St., Tondo, Manila
Tel. No.: 8245-0250

PALANAN - BAUTISTA
G/F Shalimar Bldg., 3696 Bautista St.
Palanan, Makati City
Tel. No.: 8846-4468

PASAY
2015 Gil Puyat Ave., Pasay City
Tel. No.: 8846-6285

PASAY - LIBERTAD
2350 Taft Ave. corner Libertad St.
Pasay City
Tel. No.: 8833-8925

PASEO DE ROXAS
8747 G/F Lepanto Bldg.
Paseo De Roxas, Makati City
Tel. No.: 8403-7153

PASIG
92 Dr. Sixto Ave. corner C. Raymundo
St. Pasig City
Tel. No.: 8641-6259

PASIG KAPITOLYO
G/F D'Ace Water Spa Plaza
United St. corner Brixton St.
Brgy. Kapitolyo, Pasig City
Tel. No.: 8654-4423

PASIG TOBY'S - C. RAYMUNDO AVE.
Lot 1 & 2, Good Harvest Complex C. Raymundo Ave., Brgy. Caniogan
Pasig City
Tel. No.: 8637-5651

PASIG WESTLAKE
Unit A, G/F 168 Westlake Bldg.
Pasig Blvd., Brgy. Bagong Ilog
Pasig City
Tel. No.: 8706-4616

PASONG TAMO
G/F Manila Memorial Park Bldg.
Lumbang Pasong Tamo
Makati City
Tel. No.: 8813-3369

PASONG TAMO - BAGTIKAN
1173 Don Chino Roces Ave.
Brgy. San Antonio, Makati City
Tel. No.: 8802-1629

PASONG TAMO - EDSA
Wilcon IT Hub, 2251 Chino Roces Ave.
Makati City
Tel. No.: 8802-4297

PASONG TAMO - PIO DEL PILAR
G/F Matrinco Bldg.
2178 Pasong Tamo, Makati City
Tel. Nos.: 8840-5224; 8840-5226

PATEROS
54 M. Almeda St.
Bo. San Roque, Pateros
Tel. No.: 8641-6201

PEREA
G/F Sunrise Terrace Bldg,
100 Perea Street, Legaspi Vill.
Makati City
Tel. No.: 8731-9876; 8731-5441

PIONEER
2B Pioneer St., Brgy. Highway Hills
Mandaluyong City
Tel. Nos.: 8251-8205; 8280-9313

PRESIDENT'S AVE. - PARAÑAQUE
Block 9 Lot 22, President's Ave.
Sucat, Parañaque City
Tel. No.: 8398-1740

QUEZON AVENUE
1405 Quezon Ave., Quezon City
Tel. No.: 8371-8184

QUIRINO AVENUE
555 Quirino Ave., Tambo
Parañaque City
Tel. Nos.: 8851-4694

RAON SALES
653 Gonzalo Puyat St.
Sta. Cruz, Manila
Tel. No.: 8733-1661

RCBC PLAZA
6819 RCBC Plaza, Ayala Ave.
Makati City
Tel. No.: 8878-3307

RELIANCE
TV 5 Media Center, Reliance St.
corner Sheridan St.
Mandaluyong City
Tel. No.: 8637-6673

ROCKWELL
G/F, Phinma Plaza Hidalgo St.
Rockwell Center, Makati City
Tel. No.: 8898-1505

ROOSEVELT
300 Roosevelt Ave.
San Francisco Del Monte
Quezon City
Tel. No.: 8372-2413

ROXAS BOULEVARD
Unit 1, Russel St. Mall, Russel St.
corner Roxas Blvd., Pasay City
Tel. No.: 8851-7986

ROXAS BLVD. - SERVICE ROAD
Roxas Blvd. corner Arquiza St.
Ermita, Manila
Tel. No.: 8526-7990

ROXAS BOULEVARD - LIBERTAD
Unit 103 Coko Bldg. 1
2550 Roxas Blvd., Pasay City
Tel. No.: 8821-1226

SALCEDO VILLAGE
G/F, Y. Tower II Bldg., Leviste St.
corner Gallardo St., Salcedo Vill.
Makati City
Tel. Nos.: 8894-2288

SAN JOAQUIN
227 M Concepcion St., San Joaquin
Pasig City
Tel. Nos.: 8640-0154 to 55; 8570-7563

SAN LORENZO
1018 G/F L&Rag Bldg.
A. S. Arnaiz Ave., Makati City
Tel. Nos.: 8844-7822;8843-1342;
8894-9000 loc 5260

SAN ROQUE
319 J. P. Rizal St., San Roque
Marikina City
Tel. No.: 8682-6453

SANGANDAAN
A. Mabini St. corner Plaridel St.
Caloocan City
Tel. Nos.: 8288-8238; 8288-7723

SHAW BOULEVARD - LAWSON
G/F SCT Bldg., 143 Shaw Blvd.
Mandaluyong City
Tel. No.: 8535-1641

SOUTH HARBOR
Harbor Centre I, Chicago St.
corner 23rd St., Port Area, Manila
Tel. No.: 8527-7312

ST. IGNATIUS
Katipunan Ave., St. Ignatius
Quezon City
Tel. No.: 8714-0523; 8731-5108

STA. MESA
1-B G. Araneta Ave.
Brgy. Doña Imelda, Quezon City
Tel. No.: 8715-8939

STARMALL EDSA - SHAW
444 EDSA corner Shaw Blvd.
Mandaluyong City
Tel. Nos.: 8718-2491; 8724-3547

SUCAT
2/F Santana Grove, Dr. A. Santos Ave.
corner Soreena St., Sucat
Parañaque City
Tel. Nos.: 8828-6719; 8828-5615;
8894-9000 loc 5081

SUCAT - DR. A. SANTOS AVENUE
8223 Dr. A. Santos Ave.
Brgy. San Isidro, Sucat
Parañaque City
Tel. Nos.: 8828-8236; 8828-8238;
8659-7130

T. ALONZO
1461-1463 Soler St., Sta Cruz, Manila
Tel. No.: 8733-7865

TAFT REMEDIOS
1932 Taft Ave., Malate, Manila
Tel. No.: 8536-6511

TEKTITE
1904-A East Tower
Philippine Stock Exchange Center
Ortigas Center, Pasig City
Tel. No.: 8638-7305

THE BEACON MAKATI
G/F The Beacon Roces Tower
Chino Roces Ave. corner Arnaiz Ave.
Makati City
Tel. No.: 8893-4293

THE FIRM
CVC Law Center, 11th Ave.
corner 39th St., Fort Bonifacio Taguig
Tel. Nos.: 8519-6880 ; 8519-7690;
8519-7090

THE FORT JY CAMPOS
JY Campos Center, 9th Ave.
Bonifacio Global Center, Taguig City
Tel. No.: 8815-0003

THE FORT SUNLIFE
G/F Sunlife Bldg., 5th Ave.
corner Rizal Drive
Bonifacio Global City, Taguig City
Tel. No.: 8553-6310

TIMOG
RCBC Bldg., 36 Timog Ave.
Quezon City
Tel. No.: 8373-7218

TIMOG - PICTURE CITY CENTER
88 Picture City Center, Timog Ave.
Quezon City
Tel. No.: 3410-7126; 3929-1260

TOMAS MAPUA
630 Park Tower Condominium
Tomas Mapua St., Brgy 305
Sta. Cruz, Manila
Tel. No.: 8734-1207

TOMAS MORATO
169 Tomas Morato St.
corner Scout Castor
Quezon City
Tel. Nos.: 8355-7066; 8374-0744

TORDESILLAS
G/F Metropole Bldg., Tordesillas St.
corner Gil Puyat Ave., Makati City
Tel. Nos.: 8808-2080; 8808-2378;
8808-1059

TRINOMA
Space P015B Level 1, Trinoma
EDSA corner North Ave.
Quezon City
Tel. No.: 8915-2048

TUTUBAN
G/F Center Mall I, Tutuban Center
C. M. Recto Ave., Manila
Tel. No.: 8361-7080

VALENZUELA
231 McArthur Highway, Karuhatan
Valenzuela City
Tel. No.: 8291-6593

VISAYAS AVENUE
6 Visayas Ave., Brgy. Bahay Toro
Quezon City
Tel. No.: 8374-9319

WACK-WACK
Unit K Facilities Center Bldg.
548 Shaw Blvd., Mandaluyong City
Tel. Nos.: 8534-4305; 8534-4416

WEST AVENUE
Unit 101 West Insula Condominium
135 West Ave. Brgy. Bungad
Dist. 5, Quezon City
Tel. No.: 8294-4594

LUZON

ALAMINOS
Marcos Ave. corner Montemayor St.
Poblacion, Alaminos City, Pangasinan
Tel. No.: (075) 654-1138; 522-6583

AMPID
122 Gen Luna St., Ampid 1
San Mateo, Rizal
Tel. No.: (02) 8941-7788

ANGELES
RCBC Bldg., Sto. Rosario St.
corner Teresa Ave., Angeles City
Tel. Nos.: (045) 887-2811; 888-8633

ANGELES - STO. CRISTO
243 Sto. Entierro St.
Brgy. Sto. Cristo, Angeles City
Pampanga
Tel. Nos.: (045) 626-2061; 626-2060

ANGONO
Quezon Ave., San Pedro
Angono, Rizal
Tel. No.: (02) 8451-0456

ANTIPOLO
Antipolo Triangle Mall
Sen. Lorenzo Sumulong Memorial Circle
Brgy. San Jose, Antipolo City
Tel. Nos.: (02) 8696-9130;
8696-9133 to 34

APALIT
McArthur Highway, San Vicente
Apalit, Pampanga
Tel. No.: (045) 457-8221

APARRI
108 J.P. Rizal St., Brgy. Centro 14
Aparri, Cagayan
Tel. No.: (078) 888-0348

BACAO
Yokota Commercial Bldg., Bacao Rd.
Brgy. Bacao 2, Gen. Trias, Cavite
Tel. Nos.: (046)-437-6125-67;
(02) 8894-9000 local 5384

BACOOR
Maraudi Bldg., Gen. E. Aguinaldo
Highway Brgy. Niog, Bacoor, Cavite
Tel. Nos.: (046) 458-4073; 477-2830

BACOOR - SALINAS
333 Gen. Emilio Aguinaldo Highway
Salinas IV, Bacoor City
Tel. Nos.: (02) 8894-9000 loc. 5025
(046) 471-7131; 471-3670; 529-8965

BAGUIO
RCBC Bldg., 20 Session Rd.
Baguio City
Tel. Nos.: (074) 442-5345 to 46;
442-2077; 422-0069

BAGUIO - MABINI STREET
Rm 104, GP Shopping Arcade
Upper Mabini St., Baguio City
Tel. Nos.: (074) 444-2368; 444-2362

BALAGTAS
McArthur Highway, Borol 1st
Balagtas, Bulacan
Tel. Nos.: (044) 693-1350 to 51

BALANGA
Don Manuel Banzon Ave.
corner Cuaderno St.
Balanga City, Bataan
Tel. Nos.: (047) 237-9693; 237-9695

BALER
Quezon St. corner Bonifacio St.
Poblacion, Baler, Aurora
Tel. Nos.: (042) 722-0001; 722-0003

BALIBAGO
McArthur Highway, Balibago
Angeles City
Tel Nos.: (045) 625-5587; 625-5736

BALIUAG
01 JP Rizal St. corner Tagle St.
Baliwag, Bulacan
Tel. Nos.: (044) 766-3530; 766-2642;
766-2643

BATAC
Marcos Blvd., Batac, Ilocos Norte
Tel. No.: (077) 792-3126

BATANGAS
JP Rizal Ave. corner P. Gomez St.
Batangas City
Tel. Nos.: (043) 723-7870; 723-3105;
(02) 894-9000 loc. 5357

BAUAN
J. P. Rizal St., Poblacion
Bauan, Batangas
Tel. Nos.: (043) 727-2715;
(02) 8894-9000 local 5377

BEPZ - BATAAN
Corner Luzon and 8th Ave.
Afab, Mariveles, Bataan
Tel. Nos.: (047) 935-4021 to 23

BINAKAYAN
Tirona Highway, Binakayan
Kawit, Cavite
Tel. Nos.: (046) 434-3060; 434-3382;
(02) 8894-9000 loc. 5037

BIÑAN
126 A. Bonifacio St., Canlalay
Biñan City, Laguna
Tel. Nos.: (049) 511-9826; 511-9826;
(02) 8894-9000 loc. 5091

BIÑAN - LIIP
G/F Admin Bldg.
Laguna International Industrial Park
Mamplasan, Biñan, Laguna
Tel. Nos.: (049) 5390167; 5390177;
(02) 8894-9000 loc 5324

BINANGONAN
ML Quezon corner P. Zamora St.
Libid, Binangonan, Rizal
Tel. Nos.: (02) 8652-1177; 8570-7518;
8652-0082

BOAC
D. Reyes St., Brgy. San Miguel
Boac, Marinduque
Tel. Nos.: (042) 332-0319;
(02)-8894-9000 local 5385

BOCAUE
249 Binang 2nd, Bocaue, Bulacan
Tel. Nos.: (044) 692-0053;
769-5028; 769-5027;
(02) 8273-7511

CABANATUAN
1051 Burgos Ave.
Cabanatuan City, Nueva Ecija
Tel. Nos.: (044) 463-5359; 463-8420;
464-7473
Fax No.: (044) 463-5359

CABANATUAN - MAHARLIKA HIGHWAY
Maharlika Highway
corner Paco Roman Extn.
Cabanatuan City, Nueva Ecija
Tel. Nos.: (044) 463-8640; 463-8641

CABUYAO - J.P. RIZAL AVENUE
J.P. Rizal Ave. corner Del Pilar St.
Cabuyao City, Laguna
Tel. Nos.: (02) 8520-8920;
(049) 531-2021

CAINTA
Multicon Bldg., FP Felix Ave.
Cainta, Rizal
Tel. Nos.: (02) 8645-6716

CALAMBA
National Highway corner Dolor St.
Crossing, Calamba City, Laguna
Tel. Nos.: (049) 545-1720; 545-1930;
545-9174; 545-6166

CALAPAN
Homemark Bldg., J.P. Rizal St.
Camilmil, Calapan City
Oriental Mindoro
Tel. Nos.: (043) 441-0602; 441-0603;
(02) 8894-9000 local 5154

CANDON
National Highway, San Jose
Candon City, Ilocos Sur
Tel. Nos.: (077) 742-5575; 644-0102

CARMELRAY
Adm. Bldg., Carmelray Industrial Park 1
Canlubang, Calamba, Laguna
Tel. Nos.: (049) 549-2898;
549-1372 to 73

CARMELRAY 2
Adm. Bldg., Carmelray Industrial Park 2
Bgy. Tulo, Calamba, Laguna
Tel. Nos.: (049) 545-1295 ; 545-0964;
502-6877; 545-0040

CARMEN - ROSALES
McArthur Highway, Carmen Rosales
Pangasinan
Tel. Nos.: (075) 564-4228; 582-2657;
582-7369
Fax No.: (075) 564-3912

CARMONA
People's Technology Complex (SEZ)
National Highway Bo. Maduya,
Carmona, Cavite
Tel. Nos.: (046) 430-1402; 4331384;
(02) 8894-9000 loc. 5356

CAUAYAN
Calahi Bldg., FN Dy Blvd.
Cauayan City
Tel. Nos.: (078) 652-1157; 897-1509

CAVITE CITY
Big 5 Bldg., 633 P. Burgos Ave.
Caridad, Cavite City
Tel. Nos.: (046) 431-2242; 431-2318;
(02) 8529-8503; 8894-9000 loc. 5353

CLARK
Berthaphil 8, Mercedez Benz Bldg.
MA Roxas Highway, Clarkfield
Pampanga
Tel. Nos.: (045) 599-3057; 599-3058:
499-3029

CLARK 2
Pavillion XV Clark Center
Jose Abad Santos Ave., Bertaphil
III, Clark Freeport Economic Zone
Mabalacat
Tel. Nos.: (045) 499-2162; 499-1168

COGEO
Cogeo Trade Hall Bldg., Sitio Kasapi
Brgy. Bagong Nayon, Antipolo City
Tel. Nos.: 8654-1654; 8654-1656

CPIP - BATINO
Citigold J.B., Block 1 Lots 5 & 6
Calamba Premiere Industrial Park
Batino, Calamba, Laguna
Tel. Nos.: (049) 545-0015; 545-0016;
545-0018; 545-0019

DAANG HARI-VERDANA
L & R Bldg., Verdana Village Center
Molino 4 Daang Hari, Bacoor, Cavite
Tel. No.: (046) 2386514

DAGUPAN
RCBC Bldg., A.B. Fernandez Ave.
Dagupan City
Tel. Nos.: (075) 653-3440 ; 522-0828

DAGUPAN - TAPUAC
Units 101 & 102, RVR Bldg.
Tapuac Dist., Dagupan City
Tel. Nos.: (075) 632-3162; 523-6599

DASMARIÑAS
FCIE Cmpd., Governor's Drive
Langkaan, Dasmariñas, Cavite
Tel. Nos.: (046) 402-0031 to 33;
(02) 8894-9000 loc. 5358

DASMARIÑAS - SAN AGUSTIN
E. Aguinaldo Highway, San Agustin
Dasmariñas, Cavite
Tel. Nos.: (046) 683-5869;
(02) 8529-8119; 8894-9000 loc. 5029

DMIA BRANCH LITE
Diosdado Macapagal International
Airport Clarkfield Special Economic
Zone Clark Air Base,
Mabalacat, Pampanga
Tel. No.: (02) 8894-9000 loc. 5375

FELIX AVENUE
Phase 2, De La Paz, Pasig City, Rizal
Tel. No.: (02) 8681-7565

FIRST PHILIPPINE INDUSTRIAL PARK (FPIP)
Unit 1 & 2, G/F Oasis Commercial
Center R.S. Diaz Ave., FPIP
Brgy. Sta. Anastacia
Sto. Tomas, Batangas
Tel. Nos.: (043) 706-9206; 706-9407;
(02) 8894-9000 loc. 5301

GAPAN
Maharlika Highway, Sto. Niño, Gapan
City, Nueva Ecija
Tel. Nos.: (044) 486-0375; 958-9279

GATEWAY
6RCBC Bldg., Gateway Business Park
Brgy. Javalera, General Trias, Cavite
Tel. Nos.: (046) 433-0289;
(02) 8894-9000 loc. 5349

GENERAL TRIAS
61 Gov. Luis Ferrer Ave.
Gen. Trias, Cavite
Tel. Nos.: (046) 437-7348; 437-1508;
(02) 8894-9000 loc. 5030

GENERAL TRIAS
G/F Samantha's Place Commercial Bldg.
Gov. Drive, Manggahan
Gen. Trias, Cavite
Tel. Nos.: (046) 402-3008- 09;
(02) 8894-9000 loc. 5379

GMA
Blk 2 Lot 10, San Gabriel,
Gen. Mariano Alvarez, Cavite
Tel. Nos.: (046) 520-8710; 890-2672;
(02) 8894-9000 loc. 5028; 852-08710

GMA - CAVITE
Citi Appliance Bldg., Brgy. San Gabriel
Governor's Drive, GMA, Cavite
Tel. Nos.: (046) 890-2365; 972-0317;
(02) 8894-9000 loc. 5348

GUIMBA
Afan Salvador St., Guimba
Nueva Ecija
Tel. No.: (044) 958-3020

HACIENDA LUISITA
Plaza Luisita., San Miguel, Tarlac
Tel. Nos.: (045) 985-1546; 985-1544

ILAGAN - ISABELA
RCK Building, Calamagui 2nd
Maharlika Rd., Ilagan Isabela
Tel. No.: (078) 624-1158

IMUS
Esguerra Bldg., Palico IV
Aguinaldo Highway, Imus, Cavite
Tel. No.: (046) 417-3784

IMUS - NUENO AVENUE
Nuevo Ave., Tansang Luma
Imus City, Cavite
Tel. Nos.: (046) 471-3989; 471-4097;
(02) 8894-9000 loc. 5038

LA TRINIDAD
Peliz Loy Centrum Bldg., Km. 5
La Trinidad, Benguet
Tel. Nos.: (074) 424-3344;
424-3346 to 48

LA UNION
Quezon Ave. corner P. Burgos St.
San Fernando City, La Union
Tel. Nos.: (072) 242-5575 to 76

LAGUNA TECHNOPARK
LTI Administration Bldg. II
Laguna Technopark, Brgy. Malamig
Biñan, Laguna
Tel. Nos.: (049) 541-2756; 541-3271;
544-0719; 502-7159

LAOAG
Jackie's Commercial Bldg. II
J. Rizal St., Laoag City
Tel. Nos.: (077) 772-0616; 772-1765

LEGAZPI CITY
G/ Tyler Bldg., Rizal St. Legazpi City
Tel. Nos.: (052) 480-6416; 480-6053;
(02) 8429-1812; 8429-1819

LEGAZPI - LANDCO BUSINESS PARK
G/F Delos Santos Commercial Bldg.
Landco Business Park, Legazpi City
Tel. Nos.: (02) 8555-8700;
(052) 742-4697 to 98; 742-4695;

LEMERY
Ilustre Ave., Dist. II, Lemery, Batangas
Tel. Nos.: (043) 411-0901;
(02) 8894-9000 loc. 5140

LIMA
Lima Technology Center
Malvar, Batangas
Tel. No.: (043) 981-1849

LINGAYEN
G/F Columban Plaza, Avenida Rizal
East Poblacion, Lingayen, Pangasinan
Tel. Nos.: (075) 542-3840; 632-8238

LIPA
C.M. Recto corner E. Mayo St.
Lipa City
Tel. Nos.: (043) 756-0220; 756-2565;
(02) 8894-9000 loc 5325

LIPA EXTENSION OFFICE
Mezzanine, Southern Twin Bldg.
V. Malabanan corner P. Torres
Brgy. 5, Lipa City, Batangas
Tel. Nos.: (043) 7566357 to 59;
723-6959; 404-8067;
(02) 8894-9000 loc. 5074

LIPA - AYALA HIGHWAY
G/F Trinity Business Center
Ayala Highway, Lipa City
Tel. Nos.: (043) 756-6357 to 59;
723-6959

LISP III
Science Park III, Admin Bldg.
Millenium Drive, Sto. Tomas
Batangas City
Tel. Nos.: (049) 530-9604; 530-9619;
(02) 8894-9000 loc. 5393

LUCENA
Quezon Ave. corner M. L. Tagarao St.
Lucena City
Tel. Nos.: (042) 710-4086; 710-6461;
710-4458;
(02) 8250-8208;

LUCENA - EVANGELISTA
Quezon Ave. cor. Evangelista St.
Lucena City, Quezon
Tel. Nos.: (042) 710-5788; 710-8068;
(02) 8250-8325; 8894-9000 loc. 5369

MAGSAYSAY - NAGA
G/F Sarap Realty Bldg.
Magsaysay Ave., Balatas, Naga City
Tel. Nos.: (054) 884-9904; 884-9147;
(02) 8894-9000 loc. 5869

MALOLOS
FC Bldg., McArthur Highway
Bo. Sumapang Matanda
Malolos Bulacan
Tel. Nos.: (044) 794-3524; 813-3820

MALOLOS - PASEO DEL CONGRESO
Paseo Del Congreso, Catmon
Malolos City
Tel. Nos.: (044) 791-5989; 798-2093

MARINDUQUE
EDG Bldg., Brgy. Lapu-Lapu
Sta. Cruz, Marinduque
Tel. Nos.: (042) 332-0046;
(02) 8894-9000 loc. 5373

MASBATE
460 Quezon St., Brgy. F. Magallanes
Masbate City
Tel. Nos.: (02) 8894-9000 loc. 5389
(056) 578-1088; 578-1089; 578-1090;

MASINAG
259 Sumulong Highway
Mayamot, Antipolo City
Tel. Nos.: (02) 8570-7514

MEXICO BRANCH LITE
CLK Bldg., Jose Abad Santos Ave.
Brgy. Lagundi, Mexico, Pampanga
Tel. Nos.: (045) 455-1195; 455-2568

MEYCAUAYAN - MALHACAN
Sterling Square
Sterling Industrial Cmpd.
Iba Malhacan National Highway
Meycauayan City, Bulacan
Tel. Nos.: (044) 766-3374

MEYCAUAYAN - REQUINO STREET
831 McArthur Highway
Meycauayan City, Bulacan
Tel. Nos.: (044) 228-2241; 796-0530

MOLINO
G/F RFC Molino Mall, Molino 2
Bacoor, Cavite
Tel. Nos.: (046) 477-2278;
(02) 825-98967; 8894-9000 loc. 5137

MONTALBAN
J. Rizal St. corner Linco St., Balite
Montalban, Rizal
Tel. No.: (02) 8948-1385

MORONG
T. Claudio St., Brgy. San Juan
Morong, Rizal
Tel. Nos.: (02) 8653-0289; 8691-5245

MUZON - SJDM
Diaz Bldg., Carriedo St., Brgy. Muzon
San Jose Del Monte, Bulacan
Tel. No.: (044) 893-4928

NAGA
G/F Crown Hotel Bldg.
Peñafrancia Ave., Naga City
Tel. Nos.: (054) 473-9114; 811-9115 to 16;
(02) 8894-9000 loc. 5390

NAIC
Capt. C. Nazareno St., Poblacion
Naic, Cavite
Tel. Nos.: (046) 507-0183; 412-0391;
(02) 8894-9000 loc. 5031

NOVELETA
Magdiwang Highway, Noveleta, Cavite
Tel. Nos.: (046)-438-2571; 438-8411;
438-1056;
(02) 8894-9000 loc. 5026

OLONGAPO
1055 Rizal Ave. Extn.
West Tapinac, Olongapo City
Tel. Nos.: (047) 611-0205 to 06;
611-0179

PADRE GARCIA
45 A. Mabini, Poblacion
Padre Garcia, Batangas
Tel. Nos.: (043) 436-0215 to 16;
515-7177;
(02) 8894-9000 loc. 5148

PALAWAN
RCBC Bldg., Junction 1, Rizal Ave.
corner National Highway
Puerto Princesa City
Tel. Nos.: (048) 433-2091; 433-2693;
(02) 8894-9000 loc. 5858

PALAWAN NATIONAL HIGHWAY
Lustre Arcade, National Highway
Brgy. Tiniguiban,
Puerto Princesa Palawan
Tel. Nos.: (048) 717-0172;
(02) 8894-9000 loc. 5368

PLARIDEL
Cagayan Valley Rd., Banga I
Plaridel, Bulacan
Tel. Nos.: (044) 795-0688; 670-2289

PUERTO PRINCESA
175 Rizal Ave., Pacific Plaza Bldg.
Puerto Princesa City, Palawan
Tel. Nos.: (048) 433-0365;
(048) 433-0367

RIZAL AVE. GOGON SIRANGAN
Stall 21 VTC Riverside Bldg.
Virac Town Center, Rizal Ave.
Gogon Sirangan, Virac, Catanduanes
Tel. No.: (052) 741-3221; 741-3224

RIZAL ST.- TALISAY
LKY Property Holdings Bldg.
Rizal St., Talisay, Sorsogon City
Tel. No.: (056) 211-0969; 211-0973;
211-4036

ROSARIO EPZA
Cavite Export Processing Zone
Rosario, Cavite
Tel. Nos.: (046) 437-6260; 417-1367

SAN FERNANDO JASA
Unit 3 & 4, G/F
Kingsborough Commercial Center
Jose Abad Santos Ave.
San Fernando City
Tel. Nos.: (045) 961-5147; 961-5143

SAN FERNANDO PAMPANGA
G/F Emerald Bldg., Dolores
San Fernando, Pampanga
Tel. Nos.: (045) 961-7614 to 15;
961-4505

SAN FERNANDO SINDALAN
SBC Bldg., McArthur Highway
San Fernando, Pampanga
Tel. Nos.: (045) 455-0382; 861-3662

SAN ILDEFONSO
Cagayan Valley Rd. Poblacion
San Ildefonso, Bulacan
Tel. Nos.: (044) 797-0521; 797-0523

SAN JOSE BATANGAS
Cameco Bldg., Makalintal Ave.
corner J. A. De Villa St.
San Jose, Batangas
Tel. Nos.: (043) 726-0053;
(02) 8894-9000 loc. 5143

SAN JOSE CITY, NUEVA ECIJA
Abar 1st, Maharlika Highway
San Jose City, Nueva Ecija
Tel. Nos.: (044) 958-5090; 958-5097

SAN MATEO
323 Gen. Luna St., Guitnangbayan II
San Mateo, Rizal
Tel. Nos.: (02) 8948-0199; 8942-6969

SAN PABLO
Ultimart Shopping Plaza
M. Paulino St., San Pablo City
Tel. Nos.: (049) 562-7834; 562-0782
562-0781

SAN PEDRO
EM Arcade 1 Bldg., Brgy. Poblacion
National Highway, San Pedro, Laguna
Tel. Nos.: (02) 8868-9459; 8847-5685;
8868-5724; 8868-9460

SAN PEDRO - NUEVA
National Highway, Brgy. Nueva
San Pedro, Laguna
Tel. Nos.: (02) 8808-4608; 8520-1788;
8894-9000 local 5027

SANTIAGO - CENTRO WEST
29 City Rd., Centro West
Santiago City, Isabela
Tel. Nos.: (078) 305-2056 to 57

SCIENCE PARK
Admin Bldg., LISP 1, Pulo Rd.
Brgy. Diezmo, Cabuyao, Laguna
Tel. Nos.: (049) 543-0105 to 06;
543-0571

SOLANO
211 J. P. Rizal Ave. National Highway
Solano, Nueva Vizcaya
Tel. Nos.: (078) 326-6678; 326-5559

STA. CRUZ
A. Regidor corner Burgos St.
Sta. Cruz, Laguna
Tel. Nos.: (049)-510-2136; 501-4586;
(02) 8894-9000 loc. 5315

STA. CRUZ - NATIONAL ROAD
Teoxon Bldg., Unit 1, Sitio Narra
Brgy. Labuin, Sta. Cruz, Laguna
Tel. Nos.: (049) 502-9938; 500-9408;
(02) 8894-9000 loc 5383

STA. LUCIA EAST
Ground Level, Bldg. 2, Sta. Lucia Mall
Marcos Highway corner Felix Ave.
Cainta, Rizal
Tel. Nos.: 02) 8682-0359; 8645-7911;
8682-7126; 8682-5963; 8645-3685

STA. MARIA - BULACAN
39 J. P. Rizal St., Poblacion
Sta. Maria, Bulacan
Tel. Nos.: (044) 641-0251; 641-5371

STA. ROSA-BALIBAGO
Carvajal Bldg Old National Highway
Balibago, Sta Rosa, Laguna
Tel. Nos.: (049) 534-5017; 534-5018;
(02) 520-8443; Fax (049) 534-5017

STA. ROSA - BEL AIR
CW Home Depot, Sta.Rosa
Tagaytay Rd., Brgy. Pulong
Sta.Cruz, Santa Rosa City, Laguna
Tel. Nos.: (049) 530-0793; 530-0795

STA. ROSA PASEO
Unit 1 Paseo 5 Paseo De Sta Rosa
Sta. Rosa, Laguna
Tel. Nos.: (049) 541-2751 to 54;
(02) 8420-8020

STA. ROSA - SOLENAD
Unit M 20, Bldg. 2, Nuvali Solenad 2
National Rd., Brgy. Sto. Domingo
Sta. Rosa City, Laguna
Tel. Nos.: (049) 530-1482; 530-1384;
(02) 8894-9000 local 5382

STA. ROSA - TAGAPO
J. Rizal Blvd. corner Tagapo
Santa Rosa City, Laguna
Tel. Nos.: (049) 534-3207;
(02) 8520-8190

STARMALL DAANG HARI
Starmall Prima, Daang Hari
corner Molino Rd., Brgy. Molino 4
Bacoor, Cavite
Tel. Nos.: (02) 8894-9000 loc. 5396
(046) 435-0437; 435-0439; 435-0440

STARMALL - SAN JOSE DEL MONTE
G/F Starmall Bldg., Brgy. Kaypian
San Jose Del Monte, Bulacan
Tel. No.: (044) 797-0275

SUBIC
Precision Tek Bldg., Lot B
Rizal Highway, Subic Bay
Freeport Zone, Olongapo CIty
Tel. Nos.: (047) 252-5023;
252-5025 to 26

TABACO
232 Ziga Ave., Tabaco City, Albay
Tel. Nos.: (02) 8429-1808;
8894-9000 loc. 5367

TAGAYTAY
Unit 1 Olivarez Plaza
E. Aguinaldo Highway, Tagaytay City
Tel. Nos.: (046) 483-0540 to 42;
(02) 8894-9000 loc. 5376

TANAUAN
G/F Reyes Bldg., J P Laurel Highway
Poblacion 4, Tanauan City, Batangas
Tel. Nos.: (043) 778-3700; 778-3600;
(02) 8894-9000 loc. 5138

TANAY
M.H. Del Pilar St. corner J. P. Laurel St.
Brgy. Plaza Aldea, Tanay, Rizal
Tel. No.: (02) 8693-1267

TANZA
A. Soriano Highway, Tanza, Cavite
Tel. Nos.: (046) 437-7715; 437-1507;
(02) 8894-9000 loc. 5032

TARLAC
F. Tañedo St., Tarlac City
Tel. Nos.: (045) 982-0820 to 21;
982-3389

TARLAC - STO. CRISTO
McArthur Highway, Blossomville Subd.
Sto. Cristo, Tarlac City
Tel. No.: (045) 382-9133

TAYTAY
Manila East Rd., Taytay, Rizal
Tel. No.: (02) 8286-0490

TAYUG
A. Bonifacio St., Brgy. A Tayug
Pangasinan
Tel. Nos.: (075) 572-4800;
(075) 572-6515

TERESA
RCF Building, R. Magsaysay Ave.
San Gabriel, Teresa, Rizal
Tel. No.: (02) 8570-9693

TRECE MARTIRES
Brgy. San Agustin, Trece Martires City
Tel. Nos.: (02) 8894-9000 local 5036
(046) 419-2671; 419-3270; 419-2602;

TUGUEGARAO
Bonifacio corner Gomez St.
Centro 7, Tuguegarao City
Tel. No.: (078) 846-2845

URDANETA
E.F. Square Bldg., McArthur Highway
Urdaneta City, Pangasinan
Tel. Nos.: (075) 568-8436;
(075) 656-2289

VIGAN
Plaza Maestro Annex, , Vigan,
Ilocos Sur
Tel. No.: (077) 722-6512

VISAYAS

ANTIQUE
Del Carmen Bldg., Solana St.
corner T. Fornier St., San Jose
Antique
Tel. No.: (036) 540-7025

BACOLOD LACSON
G/F Lourdes C. Bldg. II
14th Lacson St., Bacolod City
Tel. No.: (034) 432-3441

BACOLOD - LIBERTAD
A.U Gomez and Sons Bldg.
Libertad Ext., Bacolod City
Tel. No.: (034) 433-9647

BACOLOD - MAIN
Rizal St. corner Locsin St.
Bacolod City
Tel. No.: (034) 433-7844

BACOLOD - SHOPPING
Hilado Extn., Capitol Shopping Center
Bacolod City
Tel. No.: (034) 709-1708

BACOLOD - MANDALAGAN
Lacson St., Brgy. Mandalagan
Bacolod City
Tel. No.: (034) 434-4691

BALAMBAN
E.S. Binghay St, Balamban, Cebu
Tel. Nos.: (032) 266-9127; 887-6032;
(02) 8894-9000 loc 5436

BANILAD
AS Fortuna St., Banilad, Cebu City
Tel. Nos.: (032) 346-3892; 346-3894;
346-7083;
(02) 8894-9000 loc. 5451

BAYAWAN
National Highway, Bayawan City
Negros Oriental
Tel. Nos.: (035) 228-3322; 531-0554;
(02) 8894-9000 loc. 5420

BORACAY
Station 1, Brgy. Balabag
Boracay, Malay, Aklan
Tel. No.: (036) 288-1906

CADIZ
Abelarde St. corner Mabini St.
Cadiz City
Tel. No.: (034) 493-0751

CALBAYOG
Magsaysay Blvd. corner Rueda St.
Calbayog City
Tel. Nos.: (055) 209-1338; 209-1565;
(02) 8894-9000 loc. 5351

CATARMAN
Ang Ley Bldg., JP Rizal St.
Brgy. Sampaguita Catarman
Northern Samar
Tel. Nos.: (055) 500-9480; 544-9234;
(02) 8894-9000 loc. 5350

CATBALOGAN
Del Rosario St., Catbalogan
Western Samar
Tel. No.: (055) 543-9062

CATICLAN BRANCH LITE
Jetty Port, Caticlan, Malay, Aklan
Tel. No.: (036) 288-7644

CEBU - PASEO ARCENAS
Don Ramon Arcenas St. along
R. Duterte St. Banawa, Cebu City
Tel. Nos.: (032) 236-8012; 236-8017;
(02) 8894-9000 loc. 5452

CEBU BUSINESS PARK
Block 6 Lot 1, Mindanao Ave.
corner Siquijor St.
Cebu Business Park, Cebu City
Tel. Nos.: (032) 233-6229; 233-5450;
238-6923;
(02) 8894-9000 loc. 5437

CEBU IT PARK
Skyrise 4 Building, Lahug, Cebu City
Tel. No.: (032) 260-0515

CEBU MANALILI
Tan Sucheng Bldg., V. Gullas St.
Cebu City
Tel. Nos.: (032) 412-3441; 255-0422;
(02) 8894-9000 loc 5424

CEBU - STO. NIÑO
Belmont Hardware Depot Bldg.
P. Burgos St. corner Legaspi St.
Brgy. San Roque, Cebu City
Tel. Nos.: (032) 256-0173; 412-1828;
(02) 8894-9000 loc. 5453

CONSOLACION
ADM Bldg., Cansaga
Consolacion, Cebu
Tel. Nos.: (032) 423-9335; 564-2014;
564-2052;
(02) 8894-9000 loc. 5742

DUMAGUETE
Dr. V. Locsin St., Dumaguete City
Negros Oriental
Tel. Nos.: (035) 422-8096;
(02) 8894-9000 loc. 5428

ESCARIO
N. Escario St., Capitol Site
Cebu City
Tel. Nos.: (032) 255-6404; 412-6943;
(02) 8894-9000 loc 5067

F CABAHUG
G/F Pacific Square Bldg.
F. Cabahug St., Mabolo, Cebu City
Tel. Nos.: (032) 505-5801; 505-5805

FUENTE OSMEÑA
Grepalife Tower, Fuente Osmeña
Rotonda, Cebu City
Tel. Nos.: (032) 255-4886; 255-9864;
(02) 8894-9000 loc. 5445

GUADALUPE
63 M. Velez & A. Abellana Sts.
Guadalupe, Cebu City
Tel. Nos.: (032) 252-7508; 254-3103;
254-5512; 254-3104;
(02) 8894-9000 loc. 5446

HINIGARAN
Rizal St., National Rd., Hinigaran
Negros Occidental
Tel. No.: (034) 495- 0505

ILOILO
Iloilo Business Center, JM Basa St.
corner Arsenal St., Iloilo City
Tel. No.: (033) 336-9643

ILOILO LEDESMA
MJM Bldg., Ledesma St.
corner Quezon St., Iloilo City
Tel. No.: (033) 388-4370

JALANDONI - ILOILO
Jalandoni St., San Agustin
Iloilo City
Tel. Nos.: (033) 338-0212; 337-4785;
338-2065

JARO
E. Lopez St. corner Seminario St.
Jaro, Iloilo City
Tel. No.: (033) 320-4075

JCENTRE MALL
A.S. Fortuna St., Bakilid
Mandaue City, Cebu
Tel. Nos.: (032) 344-2368; 520-3258;
(02) 8894-9000 loc. 5435

KABANKALAN
Guanzon St., Kabankalan City
Negros Occidental
Tel. Nos.: (034) 471-2316; 746-8177

KALIBO
Roxas Ave., Poblacion, Kalibo, Aklan
Tel. Nos.: (036) 268-5108;
262-3474; 500-8262

LA PAZ - ILOILO
Calle Luna, Bantud, Iloilo City
Tel. No.: (033) 329-1201

LUZURIAGA BACOLOD
G/F Golden Heritage Bldg.
San Juan St. corner Luzuriaga St.
Bacolod City
Tel. No.: (034) 432-1543 to 45

MAASIN LEYTE
Tomas Oppus St., Brgy. Abgao
Maasin City, Southern Leyte
Tel. Nos.: (053) 381-3854; 570-8282;
(02) 8894-9000 loc 5131

MACTAN
MEPZ Bldg., MEPZ 1, Mactan
Lapu-lapu City
Tel. Nos.: (032) 340-1853; 340-1726;
340-1282;
(02) 8894-9000 loc. 5431

MANDAUE
A.C. Cortes St., Ibabao
Mandaue City
Tel. Nos.: (032) 346-0025; 346-0948;
(02) 8894-9000 loc 5432

MANDAUE - M.C. BRIONES
Highway Seno, Mandaue City, Cebu
Tel. Nos.: (032) 345-8065; 345-8063;
(02) 8894-9000 loc. 5086

MEPZ 2
Pueblo Verde, Mactan Economic
Zone II Brgy. Basak, Lapu Lapu City
Tel. Nos.: (032) 340-6895;
341-2738; 340-8637;
(02) 8894-9000 loc. 5439

NORTH RECLAMATION
G/F CIFC Tower, Humabon St.
corner Juan Luna Ave.
North Reclamation Area, Cebu City
Tel. Nos.: (032) 252-9235; 231-7045;
(02) 8894-9000 loc. 5448

ORMOC
G/F MFT Bldg., Real St.
corner Carlos Tans St., Ormoc City
Tel. Nos.: (053) 255-3454; 520-7538;
300-6142;
(02) 8894-9000 loc. 5449

OTON ILOILO
Madr & Sons Arcade, J.C Zulueta
St. Oton, Iloilo
Tel. No.: (033) 336-0306

P. DEL ROSARIO CEBU
G/F RCBC Savings Bank Bldg.
P. Del Rosario St., Kamagayan
Cebu City
Tel. Nos.: (032) 255-6182; 255-6702;
(02) 8894-9000 loc. 5066

PANGLAO - BOHOL
Yap Bldg., Panglao Circumferential
Road, Tawala, Panglao Bohol
Tel. No.: (038) 411-2794; 411-0484;
411-2226

ROXAS CITY
Plaridel St., Roxas City
Tel. No.: (036) 621-1104

SAN CARLOS
S. Carmona St., San Carlos City
Negros Occidental
Tel. No.: (034) 312-5141

SARA
RCBC Bldg., Don Victorino
Salcedo St., Sara, Iloilo
Tel. No.: (033) 392-0172

SILAY
Rizal St. corner Burgos St.
Silay City
Tel. No.: (034) 495-1989

TABOAN
C. Padilla St., Brgy. San Nicolas
Cebu City
Tel. Nos.: (032) 261-6061; 261-6062;
(02) 8894-9000 loc. 5467

TACLOBAN
RSB Bldg., Zamora St.
corner Sto. Niño St., Tacloban City
Tel. Nos.: (053) 888-5276;
523-4167; 832-7725;
(02) 8894-9000 loc. 5466

TAGBILARAN
RCBC Bldg, C.P.G. Ave.
Tagbilaran City
Tel. Nos.: (038) 412-3555; 501-7536;
(02) 8894-9000 loc. 546

TALAMBAN CEBU
G/F Ecotrade Bldg., J. Panos St.,
Talamban, Cebu City
Tel. Nos.: (032) 343-7992; 412-1620

TALISAY
South Central Square, Lawaan III
Talisay City, Cebu
Tel. Nos.: (032) 505-5194; 505-6199;
(02) 8894-9000 loc. 5645

TALISAY - BULACAO
South Rd., Bulacao, Talisay City, Cebu
Tel. Nos.: (032) 272-2701; 272-2833;
(02) 8894-9000 loc. 5127

TOLEDO
G/F Toledo Commercial Vill. Bldg.
Rafols St., Brgy. Poblacion
Toledo City, Cebu
Tel. Nos.: (032) 322-7768; 322-7775;
(02) 8894-9000 loc. 5440

MINDANAO

BOLTON DAVAO
Bolton St., Davao City
Davao Del Sur
Tel. No.: (082) 222-4428

BUHANGIN
2010 Santos Bldg Diversion Rd.
National Highway, Davao City
Davao Del Sur
Tel. No.: (082) 241-0725

BUTUAN
FSUU Bldg. E. Luna St.
corner P Burgos St, Butuan City
Agusan Del Norte
Tel. Nos.: (085) 352-7551; 341-8829

CALINAN
National Highway, Poblacion
Calinan, Davao City
Tel. No.: (082) 284-1443

CARMEN CDO
G/F Macaibay Bldg., Carmen
Cagayan De Oro City
Tel. Nos.: (088) 858-5793; 858-6248;
856-2461; 856-2465

CARRASCAL
National Highway, Brgy. Gamuton
Carrascal, Surigao del Sur
Tel. No.: (086) 212-8031

CDO - LAPASAN
Lapasan Highway, Lapasan
Cagayan de Oro City
Tel. No.: (088) 856-1888

CDO - LIMKETKAI
Gateway Tower 1, Limketkai Center
Cagayan de Oro City
Tel. Nos.: (088) 856-3707; 866-3708;
852-1291

CDO - MASTERSON AVENUE
Xavier Estates, Masterson Ave.
Upper Balulang, Cagayan de Oro City
Tel. Nos.: (088) 856-0528; 856-0530

CDO - VELEZ
Velez-Cruz Taal Sts.
Cagayan de Oro City
Tel. No.: (088) 856-4982

COTABATO
M Bldg., Quezon Ave.
Cotabato City
Tel. No.: (064) 421-3575

DADIANGAS
Pioneer Ave., Gen. Santos City
Tel. Nos.: (083) 552-5470; 552- 3034

DAMOSA GATEWAY MALL
Damosa Gateway Commercial Complex
corner JP Rizal Ave. and Mamay Rd.
Lanang, Davao City
Tel. Nos.: (082) 234-7002; 234-7019

DAVAO
RCBC Bldg., C.M. Recto St.
corner Palma Gil St., Davao City
Tel. Nos.: (082) 222-7901 to 03;
221-7903

DAVAO - BAJADA
J.P. Laurel Ave. corner Villa Abrille St.
Davao City
Tel. Nos.: (082) 305-5231; 225-1112

DAVAO - MATINA
Karpentrade Bldg., McArthur Highway,
Matina, Davao City
Tel. No.: (082) 227-2008

DAVAO - QUIRINO
E. Quirino Ave., Brgy. 3-A
Poblacion, Davao City
Tel. Nos.: (082) 221-4912; 221-4909;
300-4288

DIGOS
RCBC Bldg., J.P. Rizal St.
corner M.L. Roxas St., Digos City
Davao Del Sur
Tel. Nos.: (082) 553-2560; 553-2319

DIPOLOG
General Luna St. corner Lacaya St.
Dipolog City
Tel. Nos.: (065) 212-6479; 212-2542

DOLE
Dole Philippines Pavillion
Cannery Plant Site, Polomolok
South Cotabato
Tel. No.: (083) 500-2643

GEN. SANTOS - NATIONAL HIGHWAY
National Highway, Brgy. City Heights
Gen. Santos City
Tel. No.: (083) 553-8197

GENSAN
RGH Bldg., J. Catholico Ave.
Lagao, Gen. Santos City
Tel. Nos.: (083) 553-8880; 553-8883

ILIGAN
Lanao Fil-Chinese Chamber of
Commerce Inc. Bldg., Quezon Ave.
corner B. Labao St. Iligan City
Tel. No.: (063) 221-5443

IPIL
National Highway, Ipil
Zamboanga Sibugay
Tel. Nos.: (062) 333-2257; 333-2254

ISULAN
National Highway corner Lebak Rd.
Isulan, Sultan Kudarat
Tel. Nos.: (064) 201-3867

J.P. LAUREL
G/F Ana Soccoro Bldg.
J.P. Laurel Ave., Bajada, Davao City
Tel. Nos.: (082) 222-2805; 222-2803

KABACAN
National Highway, Poblacion
Kabacan, Cotabato
Tel. No.: (064) 572-2207

KIDAPAWAN
KMCC Bldg., Dayao St.
Kidapawan City, North Cotabato
Tel. Nos.: (064) 577-1572 to 73

MALAYBALAY
Don Carlos St., Poblacion
Malaybalay City
Tel. No.: (088) 813-3564

MARANDING
National Highway, Maranding
Lala, Lanao Del Norte
Tel. No.: (063) 227-3702

MARBEL
Gen. Santos Drive corner Roxas St.
Koronadal City, South Cotabato
Tel. Nos.: (083) 228-2333; 520-1378

MONTEVERDE DAVAO
Door 5 & 6 Veterans Bldg.
Monteverde, Davao City
Tel. Nos.: (082) 227-0858; 222-0115;
221-9590

NABUNTURAN
SMPTC Bldg, L. Arabejo Ave.
Brgy. Poblacion, Nabunturan
Compostela Valley
Tel. Nos.: (084) 817-0141 to 42

OZAMIS
Don Anselmo Bernard Ave.
corner Mabini St., Ozamis City
Tel. Nos.: (088) 521-1559

PAGADIAN
RCBC Bldg., Rizal Ave., Pagadian City
Tel. Nos.: (062) 925-0397; 214-1773

PANABO
Greatsun Ventures Bldg.
National Highway, Purok Atis
Sto. Niño, Panabo City
Tel. Nos.: (084) 629-0048; 629-0038

POLOMOLOK
B-French St., Polomolok
South Cotabato
Tel. No.: (083) 500-9161

SASA
LTG Y12 Bldg., KM9, Bo. Pampanga
Sasa, Davao City
Tel. Nos.: (082) 284-0262; 291-6963;
291-6949; 291-6936; 291-6973

STA. ANA
Monteverde St. corner Sales St.
Sta. Ana, Davao City
Tel. Nos.: (082) 221-1794 to 95;
221-2160

SURALLAH
National Highway corner Mabini St.
Surallah, South Cotabato
Tel. Nos.: (083) 238-3017 to 18

SURIGAO
San Nicolas St. corner Burgos St.
Surigao City
Tel. Nos.: (086) 826-1288; 826-4034

TACURONG
G/F Acyap Enterprises Inc. Bldg.
Alunan Highway cor. Magsaysay Ave.
Tacurong City, Sultan Kudarat
Tel. Nos.: (064) 200-3189; 200-3440

TAGUM
RCBC Bldg., Pioneer Ave.
corner Quirante II St., Tagum City
Davao del Norte
Tel. Nos.: (084) 655-6341 to 42;
655-9522

TANDAG
Pimentel Bldg., Doñasco St.
Tandag, Surigao del Sur
Tel. Nos.: (086) 211-3066; 211-3063

TORIL
G/F Felcris Supermarket National
Highway, Toril Davao City
Tel. Nos.: (082) 295-1700; 295-1600

VALENCIA
Marchedon Bldg., Sayre Highway
Valencia City, Bukidnon
Tel. Nos.: (088) 828-2167

VICTORIA PLAZA
Victoria Plaza Mall, J.P. Laurel Ave.
Davao City
Tel. Nos.: (082) 221-8581; 221-8583

ZAMBOANGA
SIA Bldg., Tomas Claudio St.
Zone III, Zamboanga City
Tel. Nos.: (062) 991-2048; 991-0753

ZAMBOANGA -VETERANS
YPC Bldg., Veterans Ave.
Zamboanga City
Tel. Nos.: (062) 990-1200 to 01

ZAMBOANGA - GOV. LIM AVENUE
G/F Jesus Wee Bldg., Gov. Lim Ave.
Zamboanga City
Tel. Nos.: (062) 991-0817

LUZON

NASUGBU
J. P. Laurel St., Brgy. 9, Nasugbu
Batangas
Tel. Nos.: (043) 416-0878;
(02) 8894-9000 loc. 5706

ROSARIO
Gualberto Ave., Rosario, Batangas
Tel. Nos.: (043) 321-1463; 414-0038;
(02) 8894-9000 loc. 5715

SAN JOSE
Liboro St., San Jose
Occidental Mindoro
Tel. Nos.: (043) 457-0078;
(02) 8894-9000 loc. 5701

TANAUAN
A. Mabini Ave., Tanauan, Batangas
Tel. Nos.: (043) 405-2074; 784-8193;
(02) 8894-9000 loc. 5700

PUERTO PRINCESA
Unit 3 ARL Bldg., Rizal Ave.
San Miguel, Puerto Princesa, Palawan
Tel. Nos.: (048) 433-0160;
(02) 8894-9000 loc. 5709

ROXAS BRANCH LITE UNIT
Magsaysay St., Bagumbayan
Roxas, Oriental Mindoro
Tel. No.: (02) 8894-9000 loc. 5703

VISAYAS

BALAMBAN
D.C Sanchez St., Sta. Cruz, Sto. Niño
Balamban, Cebu
Tel. No.: (02) 8894-9000 loc. 5743

CONSOLACION
812 National Highway, Brgy. Pitogo
Consolacion, Cebu City
Tel. Nos.: (032) 232-4241;
(02) 8894-9000 loc. 5704

TALISAY
G/F, South Agora, Tabulasan
San Isidro St. Talisay, Cebu
Tel. Nos.: (032) 272-5857;
(02) 8894-9000 loc. 5740

MINDANAO

BUTUAN
Door 1 & 2, CJU Bldg., Langihan Rd.
Purok 12, Brgy. Limaha, Butuan City
Tel. Nos.: (085) 225-0298;
(02) 8894-9000 loc. 5718

CAGAYAN DE ORO
G/F, GRC Bldg., Limketkai Drive
Brgy. 35, Cagayan De Oro City
Tel. Nos.: (088) 880-3115;
(02) 8894-9000 loc. 5712

DAVAO
G/F, AndaRizal Center
corner Anda and Rizal Sts.
Barangay 3-A, Davao City
Tel. Nos.: (082) 222-3947;
(02) 8894-9000 loc. 5716

DIGOS
Roxas Ext., Llanos St., Zone 3
Digos City, Davao del Sur
Tel. Nos.; (082) 272 1658;
(02) 8894-9000 loc. 5710

GENERAL SANTOS
Door A5, ECA Bldg., National Highway
City Heights, General Santos City
Tel. Nos.: (083) 552-2700;
(02) 8894-9000 loc. 5713

KORONADAL
601 GenSan Drive, Brgy. Zone 03
Koronadal City
Tel. Nos.: (083) 228-3198; 228-7693;
(02) 8894-9000 loc. 5711

TAGUM
Door 9, Cacayorin Bldg.
Circumferential Rd.
Tagum City, Davao Del Norte
Tel. Nos.: (084) 216-4465;
(02) 8894-9000 loc. 5714

VALENCIA
G/F, JTAM Bldg., Purok 3A
Poblacion National Highway
Valencia City, Bukidnon
Tel. Nos.: (088) 828-5906;
(02) 8894-9000 loc. 5717

TACURONG BRANCH LITE UNIT
F Daniel Bldg., National Highway
Tacurong City, Sultan Kudarat
Tel. No.: (064) 477-0012

DOMESTIC

CAJEL REALTY CORPORATION
12F Yuchengco Tower, RCBC Plaza
6819 Ayala Ave., Makati City
Tel No.: 8894-9000 loc. 1675
CONTACT PERSON:
JOHN THOMAS G. DEVERAS

RCBC CAPITAL CORPORATION
21F Tower II, RCBC Plaza
6819, Ayala Ave., Makati City
Tel. No.: (632) 8894-9000
Fax No.: (632) 8845-3457
PRESIDENT AND CEO:
JOSE LUIS F. GOMEZ

RCBC BANKARD SERVICES CORPORATION
31F Robinsons Equitable Tower
cor. ADB Ave. and Poveda St.
Ortigas Center, Pasig City
Tel. No.: (632) 8688-1888
PRESIDENT AND CEO:
ARNIEL VINCENT B. ONG

RCBC SECURITIES, INC.
21F Tower II, RCBC Plaza
6819, Ayala Ave., Makati City
Tel. No.: (632) 8894-9000 loc. 1681
Fax No.: (632) 8889-7643
PRESIDENT: RAUL P. RUIZ

RCBC FOREX BROKERS CORPORATION
8F Yuchengco Tower, RCBC Plaza
6819, Ayala Ave., Makati City
Tel. No.: (632) 8894-9012
Fax No.: (632) 8894-9080
PRESIDENT AND CEO:
JOSEPH COLIN B. RODRIGUEZ

RCBC-JPL HOLDING COMPANY, INC.
(Formerly President Jose P. Laurel
Unit-C Bensar Building,
General Malvar Avenue,
Poblacion 3, Sto.Tomas, Batangas
Tel. No.: (043) 430-5204
CHAIRMAN AND PRESIDENT:
KENNETH MARK F. GARCIA

RCBC LEASING AND FINANCE CORPORATION
2nd Floor Grepalife Bldg.
221 Sen. Gil Puyat, Ave.. Makati City
Tel. No. : 8403-9852; 8403-9895;
8403-9762; 8403-9766
PRESIDENT AND CEO:
ANNA CHRISTINA M. VICENTE

RCBC RENTAL CORPORATION
2F Grepalife Bldg., 221 Sen. Gil
Puyat Ave. Makati City
Tel. No.: 8403-9852; 8403-9895;
8403-9762; 8403-9766
PRESIDENT AND CEO:
ANNA CHRISTINA M. VICENTE

RIZAL MICROBANK, INC – A THRIFT BANK OF RCBC
3F AndaRizal Center cor. Rizal
and Anda Sts. Brgy. 3-A, Davao City
Tel. Nos.: (082) 222-3948
PRESIDENT: RAYMUNDO C. ROXAS

NIYOG PROPERTY HOLDINGS, INC.
12F Yuchengco Tower, RCBC Plaza
6819 Ayala Ave., Makati City
Tel Nos.: (632) 8894-9000 loc. 1675
PRESIDENT:
JOHN THOMAS G. DEVERAS

HONDA CARS PHILIPPINES, INC.
105 South Main Ave., Laguna
Technopark Brgy. Don Jose
City of Sta. Rosa, Laguna
Tel. Nos.: (632) 857-7200; 541-1411
PRESIDENT AND GM:
NORIYUKI TAKAKURA

ISUZU PHILIPPINES CORPORATION
114 Technlogy Ave.,
Laguna Technopark, Biñan, Laguna
Tel. No.: (049) 541-0224
PRESIDENT: HAJIME KOSO

LUISITA INDUSTRIAL PARK CORPORATION*
48F Yuchengco Tower, RCBC Plaza
6819, Ayala Ave., Makati City
Tel. No.: (632) 8894 9559
PRESIDENT: MARIO C. PAGUIO

YGC CORPORATE SERVICES, INC.*
5/F Grepalife Bldg.
221 Sen. Gil Puyat Ave., Makati City
Tel. No.: (632) 894-2887
Fax No.: (632) 894-9574
EVP AND COO: LIWAYWAY F. GENER

INTERNATIONAL

RCBC INTERNATIONAL FINANCE LIMITED CENTRAL OFFI CE
Room 701, 7/F, Leeloong Bldg.
4 Queen Victoria St.
Central, Hong Kong
Tel Nos.: (852) 2167-7400; 2167-7471
Fax No.: (852) 2167-7422
Email: feagus@rcbc.com
CONTACT PERSON:
MR. FEDERICO E. AGUS, JR.

WORLDWIDE BRANCH
Shop 129, 1/F, Worldwide Plaza
19 Des Voeux Road,
Central Hong Kong
Tel Nos.: (852) 2501-0703;
2537-8342
Email: feagus@rcbc.com
CONTACT PERSON:
MR. FEDERICO E. AGUS, JR.

LOANS	
Product/Service	**Description**
Commercial Loans (Peso and/or Foreign Currency)	
Short- Term Revolving Facilities	
Non-Trade Facilities	
Credit Line	This is a revolving credit facility made available to a client within the approved limit(s) and tenor(s). This is usually granted to augment a business' short term working capital requirements.
Accounts Receivable Line (ARL)	This is a revolving credit facility that is meant to liquefy a borrower's accounts receivables.
Bills Purchased Line (BPL)	BP is a credit line utilized for the purchase of current-dated local checks.
Second Endorsed Checks Line (SECP)	This is a form of accommodation to eligible clients to allow purchase of checks drawn to individuals / entities other than the borrower – presenter.
Trade Facilities	These are credit facilities used to finance the movement of goods / merchandise and services within or across country borders and self-liquidating in nature.
Import / Domestic Trade Facilities	
Letter of Credit Line	This is a credit facility against which the Bank will issue a written undertaking (i.e., Letter of Credit) given to the seller upon the instruction of the customer / buyer, to pay at sight or at a determinable future date within a prescribed time limit and against stipulated documents.
Trust Receipt (TR) Line	This is a credit facility granted by the Bank to finance bills drawn under domestic or import LCs issued by the Bank. Goods financed by the Bank under LC are released to the customer / buyer under a Trust Receipt (TR) Agreement. Trust Receipt is a security transaction intended to aid in financing importers or domestic buyers. It is the security feature in the LC / TR transaction wherein the Bank extends a loan to a borrower covered by the letter of credit, with the trust receipt as a security for the loan.
Shipping Guarantee	Shipping Guarantee / Shipside Bond is an undertaking issued by the Bank at the request of the importer, addressed to the carrier (shipping company), asking the carrier to accept guarantee in place of the original shipping document (bill of lading), to release the carrier of any legal consequences because it has released the goods without an original shipping document.
Export Financing	
Export Advance Loan / Line	This credit facility is used to finance the production of export sales where the loan is granted for the pre-export requirements of the client.
Export Bills Purchased Line	The Bank purchases drafts or bills of exchange arising from export transactions, drawn on LCs issued by foreign banks.

Product/Service	Description
Others	
Standby LC Facility	A standby LC is established primarily as a payment undertaking issued by the Bank to support an underlying contract. It serves as a security or guarantee for the payment of a loan or the performance of an obligation.
Bank Guarantee	A bank guarantee is an irrevocable commitment of the Bank binding itself to pay a sum of money in the event of non-performance of a contract by a third party.
Long-Term Non-Revolving Facilities	These are non-evolving facilities maturing beyond one year (from date of commitment to date of final payment).
Corporate Finance Loans	
Project Finance Loans	
Microfinance Loans (through Rizal Microbank)	
PITAKA ME	The PITAKA Micro-Enterprise Loan is an individual loan product for micro entrepreneurs who wish to improve their businesses. It aims to make available affordable and easily accessible credit to micro entrepreneurs to help them finance and/or expand their present micro enterprise activities and increase their income. The product primarily targets micro entrepreneurs who generate regular daily, weekly, semi-monthly or monthly income sufficient for the household and to pay their regular loan amortization. The product also aims to provide formal source of credit to micro entrepreneurs who currently depend on loans from informal moneylenders. Loan amount ranges from P20,000 to P150,000 subject to client's capacity to pay.
PITAKA ME Plus	This is a graduation loan product of the PITAKA ME Term Loan. Loan amount ranges from P150,001 to P300,000 subject to client's capacity to pay.
PITAKA ME Pus RCL	PITAKA ME Revolving Credit Line (RCL) is a flexible, standby, microfinance individual loan product of Rizal MicroBank. This loan allows a client to borrow money from the Bank without the hassle of applying for a loan every time the need for funds arises. It is a reusable source of funds that can readily be tapped at the borrower's discretion subject to approved credit line limit and term set by the Bank. The line will be available for one year. During this allotted period of time, the facility will allow the client to take out, repay, and take the loan out again, and allow the borrower to use as much of the credit as is available and only pay interest on what has been used.
SmallBiz Term Loan	The SmallBiz Term Loan is an individual loan product designed to cater the financial needs of businessmen who wish to further improve their business operations. It aims to make available affordable and easily accessible credit to entrepreneurs to help them finance and/or expand their present business operations and increase their incomes. Loan amount ranges from P150,000 to P10,000,000 subject to client's capacity to pay.

Product/Service	Description
SmallBiz Revolving Credit Line	The SmallBiz Revolving Credit Line (RCL) Facility is a flexible, standby, individual loan product of Rizal MicroBank. The SmallBiz RCL allows a borrower to borrow money from the Bank without the hassle of applying for a loan every time the need for funds arises. It is a reusable source of funds that can readily be tapped at the borrower's discretion subject to approved credit line limit and term set by the Bank. The line will be available for one year. During this allotted period of time, the facility will allow the borrower to take out, repay, and take the loan out again, and allow the borrower to use as much of the credit as is available and only pay interest on what has been used. Loan amount ranges from P500,000 to P10,000,000 subject to client's capacity to pay.
AgriBiz Term Loan	The AgriBiz Term Loan is a loan product intended for agri value chain players such as agri producers/growers, traders/ consolidators, processors and input dealers /retailers. Loan amount ranges from P150,000 to P10,000,000 subject to client's capacity to pay.
AgriBiz Production Loan	A loan product for individual borrowers, particularly farmers or fisherfolks who are 18-60 years old and are engaged in the production of crops, livestock, poultry, and fisheries/aquaculture. Borrowers must own a farm or agribusiness that has been operating for at least 5 years. Loans are evaluated based on the farm plan and budget, and is aligned with cropping cycle of the commodities produced by the borrower. All loans are likewise insured under Philippine Crop Insurance Corporation (PCIC). Loan amount should not go beyond P300,000 per borrower, subject to client's capacity to pay.
AgriBiz Revolving Credit Line	The Agri Biz Revolving Credit Line (RCL) Facility is a flexible, standby, individual loan product of Rizal MicroBank intended for agri value chain players such as agri producers/growers, traders/consolidators, processors and input dealers /retailers. The Agri Biz RCL allows a borrower to borrow money from the Bank without the hassle of applying for a loan every time the need for funds arises. It is a reusable source of funds that can readily be tapped at the borrower's discretion subject to approved credit line limit and term set by the Bank. The line will be available for one year. During this allotted period of time, the facility will allow the borrower to take out, repay, and take the loan out again, and allow the borrower to use as much of the credit as is available and only pay interest on what has been used. Loan amount ranges from P500,000 to P10,000,000 subject to client's capacity to pay.
Computer Loan	The RMB Computer Loan is an individual loan product that RMB is offering to its clients at this time of the pandemic where school classes are mostly held online. The product is an incentive loan to deposit and loan clients with good repayment record and who have been with the Bank for at least two years or have availed of at least three loans. Clients may avail of the loan and purchase the unit of their choice or use the official receipt of their recently purchased unit to avail of the loan.

Product/Service	Description
Pangarap Loan	Rizal MicroBank's Pangarap Loan is a product designed to enable its clients to acquire a personal loan guaranteed by placements in their Basic Deposit Account. It is targeted towards Pangarap Savings Account clients on-boarded via Bangko ng Bayan cash agents, although those registered via branches may also avail of the said loan. Clients may avail up to 90% of their available deposit balance at the time of the loan application.
SPECIAL LENDING FACILITIES	
BSP Rediscounting Facility	
CONSUMER LOANS	
Auto Loans	a loan that helps finance a purchase of a brand new or used car
Auto Loan Plus	an auto loan facility that comes with Motor Car Insurance for the entire loan term. Insurance premium is paid monthly along with the loan amortization and in equal amount throughout the duration of the loan.
Housing Loans	a loan that helps finance the purchase of real property, or the construction/renovation of a house.
Home Loan Plus	a home loan facility that comes with Fire Insurance for the entire loan term. Insurance premium is paid monthly along with the loan amortization and in equal amount.
Personal Loans	
Salary Loans	
DEPOSITS	
Peso Deposits	
Checking Accounts	
One Account	A peso deposit account that offers savings, checking, and time deposit features in a single account with zero maintaining balance. Customizable add-on features with equivalent maintaining ADBs may also be opted for.
eWoman Checking	A premier checking account especially designed for women which comes with a transaction journal, debit card, and a free life insurance.
Dragon Checking	An all-in-one account that combines the tiered interest income feature of a savings account and the functionalities of a checking account. It comes with a debit card, transaction journal, and checkbook.
Savings Accounts	
One Account	A peso deposit account that offers savings, checking, and time deposit features in a single account with zero maintaining balance. Customizable add-on features with equivalent maintaining ADBs may also be opted for.
Basic Savings Account	A non-interest earning savings account that caters to all walks of life. With one (1) valid ID or Barangay Certificate and initial deposit of P100, the client can already start his/her financial journey.
iSave	A virtual savings account that provides free personal accident insurance, hospitalization benefit, and tiered interest rates

Product/Service	Description
GoSavers	A start-up savings account that helps kids and teens save money and transact easily with a debit card and/or passbook.
Regular ATM	A deposit product that safe keeps funds while it earns interest. It comes with a debit card for ease in transaction.
Dragon Savings	A premier savings account that lets depositors earn higher interest as their deposits grow with no lock-out period, thereby giving them access to their funds anytime.
eWoman Savings	A premier savings account that is especially designed for women that comes with a debit card, passbook, and free life insurance.
TeleMoney ATM Savings Account	This is a savings account for OFWs and their beneficiaries with no initial deposit and no maintaining balance. They keep the accounts active by remitting at least once a year so they will not be charged any fees for falling below the required maintaining balance.
SSS Pensioner	A savings account for Filipino retirees intended to secure SSS pension funds that earns interest and comes with a debit card.
Time Deposits	
Regular Time Deposit	Short-Term Peso Time Deposit account that rewards clients' patience by giving them a risk-free investment option that gives them more in return the longer they save, with deposit term ranging from 30 days to 1 year.
Time Deposit - 2 Year, 3 Year, 4 Year, 5 Year	Long-Term Peso Time Deposit account available in 2, 3, 4, and 5 year durations • Interest is paid out through a settlement account upon maturity (except for 5-Year Peso Time Deposit which is paid every month)
Peso Green Time Deposit	The first-of-its-kind in the country. This product also helps fund initiatives from the RCBC Portfolio that are tagged as green or sustainable by Sustainalytics.
Foreign Currency Deposits	
Regular Savings	
US Dollar	A foreign currency denominated savings deposit.
Japanese Yen	
Euro	
British Pounds	
Canadian Dollar	
Chinese Yuan	
Australian Dollar	
Swiss Franc	

Product/Service	Description
Dragon Dollar Savings	A premier Dollar savings account that lets depositors earn higher interest as their deposits grow with no lock-in period, thereby giving them access to their funds anytime. It comes with a passbook.
Time Deposits	
US Dollar	Short-Term US Dollar Time Deposit: Short-Term US Dollar Time Deposit account that rewards clients' patience by giving them a risk-free investment option that gives them more in return the longer they save, with deposit term ranging from 30 days to 1 year Long-Term US Dollar Time Deposit: A dollar time deposit account available in 2, 3, 4, and 5 year durations • Interest is paid out through a settlement account upon maturity (except for 5-Year US Dollar Time Deposit which is paid every quarter)
Japanese Yen	Other Foreign Currency Deposit Unit (FCDU) Time Deposits: Foreign Currency Deposit Unit (FCDU) Time Deposit account that rewards clients' patience by giving them a risk-free investment option that gives them more in return the longer they save, with a minimum term of 30 days.
Euro Dollar	
British Pounds	
Canadian Dollar	
Australian Dollar	
Swiss Franc	
Day and Night Depository Services	
Safety Deposit Box	
Premier Banking	
Hexagon Club	
Hexagon Club Privilege	RCBC's Premier Club for retail clients, where members can enjoy premium banking service and special perks for the total RCBC Banking experience.
Hexagon Club Prestige	RCBC's Premier- Club for corporate clients, where members can enjoy premium banking service and special perks for the total RCBC Banking experience.
Branch Channel	
TouchQ	RCBC Touch Q enables customers to pre-stage their branch transactions using Touch Q Kiosk machines, the Touch Q Website, and the Touch Q Mobile Application instead of manually writing on transaction slips.

Product/Service	Description
TREASURY	
Foreign Exchange	
Foreign Exchange Spot	exchange of one currency for another currency (USD/PHP, USD vs Euro, JPY, GBP, SGD, etc.)
RCBC FX Online	
Purchase of Foreign Currency	
Sale of Foreign Currency for Travel and Investment	
Fixed Income	
Peso-denominated government securities and other debt instruments	
Treasury bills	Trading of government and corporate debt papers for various debt issuers.
Fixed rate treasury notes (FXTNs)	
Retail treasury bonds	
Local government units bonds	
Quasi-sovereign bonds or government-owned and controlled corporate bonds	
Short and long-term commercial papers (STCPs/LTCPs)	
Global peso notes	
Corporate bonds	
Foreign currency denominated bonds	
Republic of the Philippines bonds	
United States Treasury bills, notes and bonds	
Other sovereign or quasi-sovereign bonds or government-owned and controlled corporate bonds	
Corporate bonds and other debt instruments	

Product/Service	Description
Derivatives	
Foreign Exchange Forwards	Exchange of one currency for another at a future date (USD/PHP fwd)
Foreign Exchange Swaps	Combination of a FX spot deal and FX forward (USD/PHP up to one year)
Interest rate swaps	Exchange of interest rate cash flows, usually from fixed rate to floating rate (net settlement) (PHP IRS , USD IRS, etc.)
Cross currency swaps	An agreement between two parties to exchange interest payments and principal of two different currencies.
Asset Swaps	A cross currency swap where the source of the cashflow of one of the currency is coming from an underlying asset that is assigned to the Bank.
CREDIT CARDS	
RCBC Bankard World Mastercard	The ideal card for the highly-esteemed clients. • Access to worldwide offers with Priceless™ Specials • Complimentary Priority Pass™ membership • Unlimited free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free International Travel Insurance and Purchase Protection • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, Deposit to an RCBC account, or as Donation • Free-for-life Supplementary Cards (maximum of 9)
RCBC Bankard Black Card Platinum Mastercard	The highly prestigious card for highly career-oriented individuals who seek the finer aspects of life. • Available in Peso and Dollar variants • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, Deposit to an RCBC account, or as Donation • Free International Travel Insurance and Purchase Protection • Free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free-for-life Supplementary Cards (maximum of 5)
RCBC Bankard Diamond Card Platinum Mastercard	An affinity card that allows you to automatically donate to a worthy cause. • For every Php100 charged to your Diamond Card, Php0.20 will be automatically donated to a foundation, advocacy, or charitable institution of your choice through its Diamond Cares Program • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, or Deposit to an RCBC account • Free International Travel Insurance and Purchase Protection • Free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion

Product/Service	Description
RCBC Bankard Visa Infinite	The premium lifestyle card that offers infinite joy in shopping in international destinations. • 5% rebate on straight-charge purchases at any local or international clothing and apparel retail shops • Complimentary Priority Pass™ membership • Unlimited free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free International Travel Insurance and Purchase Protection • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, Deposit to an RCBC account, or as Donation • Free-for-life Supplementary Cards (maximum of 9)
RCBC Bankard JCB Platinum	Prestige & privileges in a single card • Earn flexible, non-expiring Rewards points for local and international spend, plus get higher Rewards points for card usage in Japan. • Access to world-class travel benefits and offers – complimentary access to over 60 airport lounges and JCB Plaza Lounges, up to 20% discount on car rental services, and access to 24/7 Concierge Desk. • Free International Travel Insurance and Purchase Protection
RCBC Bankard Visa Platinum	The VIP Travelers Card • Earn free flights faster with PREFERRED AIRMILES Program • Complimentary Priority Pass™ membership • Unlimited free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free International Travel Insurance up to Php5,000,000 and Purchase Protection
RCBC Bankard UnionPay Diamond Card	The ideal card for frequent travelers to China. • Earn double rewards points for hotel and restaurant spending in many parts of China • Access to worldwide offers with U Collection, international medical, VIP healthcare and international travel assistance, plus concierge services via Aspire Services • Free International Travel Insurance and Purchase Protection • Free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free-for-life Supplementary Cards (maximum of 9)
RCBC Bankard Hexagon Club Platinum Mastercard	Enjoy a life full of rewards. • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, Deposit to an RCBC account, or as Donation • Free International Travel Insurance and Purchase Protection • Free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Waived annual fees for life

Product/Service	Description
YGC Rewards Plus RCBC Bankard	The YGC Rewards Plus Program comes with a YGC Rewards Plus RCBC Bankard which is used to store and earn additional Rewards Points. • Earn Rewards Points from your RCBC and RCBC Savings Bank deposit and Malayan insurance payments • Earn Rewards Points from your all your spending here and abroad • Earn flexible, non-expiring Rewards points from all your purchases which you can exchange for AIRMILES, Shopping Vouchers, or Cash Credit to your RCBC Bankard • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge
RCBC Bankard GOLD and CLASSIC Cards (Mastercard, JCB)	The card for those moving up the ladder of success • Flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Bankard, Deposit to an RCBC account, or as Donation • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge & Club Manila Lounge • Free budget monitoring tools • Convenient and rewarding bills payment
RCBC Bankard Flex Gold Visa	The card for young professionals packed with rewarding benefits • 2X Rewards Points on three preferred categories – choose from Grocery, Gas, Department Store, Household Appliances or Travel • Flexible, non-expiring Rewards points • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge • Free budget monitoring tools • Convenient and rewarding bills payment
RCBC Bankard Flex Visa	The card that will enable millennials to achieve their life goals • 2X Rewards Points on three preferred categories – choose from Dining, Clothing, Travel or Transportation • Flexible, non-expiring Rewards points • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge • Free budget monitoring tools • Convenient and rewarding bills payment
RCBC Bankard Corporate Card	Issued to corporations for use of their select officers and employees primarily for business-related expenses such as travel, representation, and purchase of office equipment and supplies. Available in Philippine Peso and US Dollar
CO-BRAND CARDS	
RCBC Bankard Landmark Anson's Mastercard	The breakthrough card that combines the benefits of a loyalty card, discount card, and credit card ALL-IN-ONE. • 5% Rebate on your Landmark Department Store, Landmark Supermarket and Anson's straight purchases every Mondays to Fridays • Earn Rewards points for all purchases outside Landmark • Redeem your Rewards Points and exchange them for Landmark Gift Certificates • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge

Product/Service	Description
RCBC Bankard Mango Mastercard	Fashion-forward shopping privileges • Exclusive Members-Only Sale • 0% installment at 3 and 6 months • Earn non-expiring Rewards points from all your purchases which you can exchange for Mango Shopping Voucher • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge
RCBC Bankard Sta. Lucia Mall Mastercard	The first mall wide card that lets you earn rewards and rebates, free movie passes and discounts all year round • Earn 1 Rewards point for every Php100 purchase at Sta. Lucia Mall Department Store, Home Gallery and Planet Toys and earn as much as 5X Rewards points for purchases of at least Php10,000 • 0.5% Rebate for all retail transactions • 1% year-round discount and members' only priority lane at Sta. Lucia Supermarket • FREE Movie Pass at Sta. Lucia Mall for a minimum purchase of Php3,000 at any of the participating stores at Sta. Lucia Mall • Exclusive members-only advance sale events • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge
Phoenix RCBC Bankard Mastercard	Enjoy pulse-racing lifestyle privileges • 5% fuel rebate on Phoenix Fuel purchases at participating Phoenix Fuel Stations nationwide. • Php500 worth of Phoenix Fuel as a welcome gift • Free Towing & Roadside Assistance and Accident Insurance through Assist & Assistance Concept (A & A Concept) • 5% discount on Phoenix gasoline and diesel engine oils • Earn flexible, non-expiring Rewards points • International Travel Privileges – Travel Plus Lite Insurance, Purchase Protection and Access to the Skyview Airport Lounge and Club Manila Lounge
AirAsia Credit Card	Your ticket to free flights • Up to 8,000 Welcome BIG Points • 1 BIG Point for as low as Php22 spend • Instant upgrade to AirAsia BIG Platinum Membership Status • Priority Check-in, Boarding and Xpress Baggage
RCBC Bankard Balesin World Mastercard	High-status Card with world-class perks exclusive to members of the prestigious Balesin Island Club • Access to worldwide offers with Priceless™ Specials • Complimentary Priority Pass™ membership • Unlimited free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free International Travel Insurance and Purchase Protection • Flexible, non-expiring Rewards points that can be redeemed as payment for Balesin Club transactions at point-of-sale, as AIRMILES, or as Cash Rebates
RCBC Bankard The City Club World Mastercard	High-status Card with unparalled perks exclusive to members of the prestigious The City Club • Access to worldwide offers with Priceless™ Specials • Complimentary Priority Pass™ membership • Unlimited free access to the Skyview Airport Lounge and Club Manila Lounge for the principal cardholder plus one travel companion • Free International Travel Insurance and Purchase Protection • Flexible, non-expiring Rewards points that can be redeemed as payment for The City Club transactions at point-of-sale, as AIRMILES, or as Cash Rebates

Product/Service	Description
TRUST SERVICES	
Trusteeship	
Retirement Fund Management	An arrangement which provides companies with expert assistance and advice in the setting-up, management and administration of employee benefit plans to provide for retirement, welfare, savings and other benefits to its employees.
Corporate and Institutional Trust	An arrangement established by juridical entities, institutions, foundations, NGOs, agencies, whether government or private, primarily for charitable, religious, educational, athletic, scientific, medical, cultural, specialized lending or developmental project or such other purposes of similar nature for the purpose of seeking assistance in the management of their investible funds.
Pre-Need Trust Fund Management	A trust fund set up by a pre-need company with a duly licensed trust entity for the delivery of benefits to plan holders under their respective plan contracts, which trust funds shall be managed and administered by the trust entity in accordance with the Pre-need Code and the regulations of the Insurance Commission.
Customized Employee Savings Plan	A product which allows companies to augment their retirement or provident funds through a disciplined approach to saving by encouraging its employees to set aside some of their regular pay for investment and savings purposes.
Employee Savings Plan	A savings plan established by a company for its employees for the purpose of pooling together employee contributions for collective investment and reinvestment in RCBC's Rizal Peso Money Market Fund.
Personal Management Trust	A living trust created by an agreement whereby the trustor conveys property of funds to be managed by the trustee, based on the terms and conditions in the agreement.
Estate Planning	An arrangement where the trust institution provides advice and facilitates for an individual the process of accumulating wealth, conserving and growing the family fortune and preparing for the orderly and cost-efficient distribution of assets to the intended beneficiaries.
Mortgage/Collateral Trust	An arrangement wherein the trust institution acts as an intermediary between a borrower and its creditors in the administration of a single property or a pool of properties securing the loans of a borrower.
Bond Trusteeship	An arrangement wherein the trust institution is given the authority and power by a bond issuer to monitor the terms of a bond indenture and protect the interest of the bondholders.
Legal/Quasi-judicial Trust	Trust agreements mandated by law, executive order, a court or other government regulatory agency, such as in cases of but not limited to receivership, receiving/custodianship arrangements for IPOs or rights offering.
Project Accounts Trusteeship	An arrangement wherein a trust entity manages and administers the cash flows and project accounts in relation to project finance arrangements between a borrower and a group of creditors.
Agency	
Safekeeping	Agency agreements where the property owner turns over to the trust institution his valuables or other instruments such as or those similar to transfer certificate of title or certificate of deposits, where the trust institution has no other duty but to keep the property safe and return or deliver the same to the owner upon the latter's order or instruction.
Escrow	An arrangement wherein a trust entity, as escrow agent, acts as a neutral third party to protect the interest of two or more contracting parties while conditions upon which the contract is contingent are being fulfilled, or to protect the parties' interests in case of default.
Investment Management	An agency account wherein the trust institution manages and invests funds delivered by individual or corporate clients in accordance with certain client-prescribed guidelines and parameters.

Product/Service	Description
Loan/Facility and Paying Agency	An arrangement wherein the trust institution acts for and in behalf of a borrower for the purpose of overseeing the timely and organized implementation of the terms and conditions of a loan/facility arrangement with a group of creditors, including the collection of payments on the facility/loan accounts for remittance to the creditors.
Bond Registry and Paying Agency	Agency agreement where the trust institution is appointed as registrar and/or paying agent for various financial transactions such as but not limited to loan paying services to distribute interest payments and prinicpal amortizations, bond paying services to distribute coupon and principal payments to bond investors or simple distribution of funds to numerous investors
Receiving Agency	An agency arrangement where the trust institution provides receiving bank services in connection with initial public offerings, secondary rights offerings, rights offering and other transactions requiring the recording and receipt of funds from various clients.
Sinking Fund Management	An arrangement whereby an individual or corporation sets aside a certain sum of money for a certain period of time, proceeds of which shall be used to pay certain obligations or shall be utilized for the specific purpose for which the sinking fund was intended.
Stock Transfer and Dividend Paying Agency	An agency arrangement where the trust entity is engaged in ascertaining, verifying and recording the ownership and transfer of the shares of stock of a corporation as well as the issuance of cash or stock dividends to the company's shareholders.
Unit Investment Trust Fund	An open-ended pooled trust funds denominated in any acceptable currency operated and administered by trust entities and made available by participation of various clients, both individual and corporate.
Rizal Peso Money Market Fund	A peso-denominated money market UITF which invests and reinvests in a portfolio of short-term peso fixed-income securities with a maximum portfolio duration of one year.
Rizal Peso Cash Management Fund	A peso-denominated money market UITF which invests and reinvests in a portfolio of short-term peso fixed-income securities with a maximum portfolio duration of one year and has a higher minimum initial investment requirement, a shorter minimum holding period and a lower trust fee.
Rizal Peso Bond	A peso-denominated long-term bond UITF which invests and reinvests in a portfolio of short-term and long-term peso fixed-income securities with a minimum portfolio duration of three years.
Rizal Balanced Fund	A peso-denominated balanced UITF which invests and reinvests up to a maximum of 60% of the Fund in equities listed and to be listed in the Philippine Stock Exchange, with the balance invested in fixed income securities.
Rizal Equity Fund	A peso-denominated equity UITF which invests and reinvests up to 100% of the Fund in equities listed and to be listed in the Philippine Stock Exchange, with the balance invested in fixed income securities.
Rizal Dollar Money Market Fund	A dollar-denominated money market UITF which invests and reinvests in a portfolio of short-term dollar fixed-income securities with a maximum portfolio duration of one year.
Rizal Dollar Bond Fund	A dollar-denominated long-term bond UITF which invests and reinvests in a portfolio of short-term and long-term dollar fixed-income securities with a minimum portfolio duration of three years.
RCBC Peso Short Term Fund	A peso-denominated money market UITF which invests and reinvests in a portfolio of short-term deposits and government securities.
RCBC R25 Blue-Chip Equity Fund	RCBC R25 Blue-Chip Equity Fund is an equity fund invested in the 25 largest and most actively-traded companies listed in the PSE.
RCBC R25 Dividend Equity Fund	RCBC R25 Dividend Equity Fund is an equity fund invested in the 25 largest and most actively-traded companies with the highest 3-year historical dividend yield in the PSE. -

Product/Service	Description
RCBC US Equity Index Feeder Fund	A dollar-denominated equity feeder fund which invests at least 90% of its funds in Blackrock Fund Advisors' (BFA) iShares Core S&P500 Exchange Traded Fund (IVV).
ELECTRONIC BANKING CHANNELS	
RCBC Online Banking for Retail	RCBC Online Banking Retail (ROR) allows clients to conveniently perform various banking services, such as fund transfers, bills payment and general account management, anytime, anywhere. Moreover, it also provides an additional security measure for clients because of the lock/unlock card feature which prevents unauthorized transactions with the clients' cards. RCBC Online Banking also provides additional services to the Bank's clients, including purchasing of gaming ePins and mobile load and transfers to other eWallets. These services are both available in web and app versions of the RCBC Online Banking platform. The RCBC Online Banking app may be downloaded from the App Store & Google Play Store for free.
Internet – RCBC Online Corporate (ROC)	The latest internet banking experience for RCBC corporate clients. ROC is equipt with the latest securities, and notifications that will help client feel more secure and experience almost real time updates and notifications. Plus other services such as Fund Transfer, Payroll Creditings, Accounts Inquiry and Transaction History, ACA, ADA, just to name a few.
Mobile Banking	This facility allows customers to access their accounts using their Apple/Android smartphones and tablets once they are registered with RCBC Online Banking Retail. The application may be downloaded from the Apple App Store and Google Play Store for free.
Automated Teller Machines	Provides the customer 24/7 access to his/her account and perform multiple types of transactions such as withdrawal, bills payment, funds transfer, balance inquiry, cash advance, change pin, MyWallet reloading.
ATM GO (MPOS)/ POS	RCBC ATM GO is the first and only mobile ATM enabled by a POS terminal. RCBC designed the ATM GO to be the accessible neighborhood ATM that can reach even far flung areas. RCBC ATM GO provides customers the functionalities of an ATM (account inquiry, bill payments, fund transfers, cash in and cash out). It enables customers to do their banking transactions outside the regular Business Centers (BCs) and Automated Teller Machines (ATMs), conveniently through the Bank's partner merchants right within their very own communities.
DiskarTech Mobile Application	DiskarTech is the first Taglish financial inclusion super app. It is a secure and hassle-free digital bank account for every Filipino, with all the basic financial services Filipinos need, such as savings, transfers, withdrawals & deposits, bills payment, insurance, and telemedicine. Aside from these financial features, DiskarTech will also introduce microloans among other innovative services.
CORPORATE CASH MANAGEMENT SERVICES	
Collection and Receivables Services	
Bills Collection	Billers or merchants can efficiently and conveniently collect payments or sales from their payors/customers/agents/ distributors through the following channels: 1) RCBC's strategically located branches nationwide, 2) RCBC internet banking facilities using RCBC Online Retail (ROR), RCBC Online Corporate (ROC) and RCBC Mobile Banking, 3) Automatic Debit Arrangement (ADA) and 4) Automated Teller Machines. At the end-of-day, all payments or collections will be credited centrally to the biller/merchants account including the consolidated daily collection report summarizing all collections received for the day. Reports shall be transmitted via Secured File Transfer Protocol or SFTP.
Automatic Debit Arrangement (ADA)	A collection channel wherein collection of bills/dues of our client's billers are automatically debited from the payor's RCBC account enrolled in ADA Facility and credited to the collection or settlement account of the corporate client.

Product/Service	Description
Deposit Pick-up	RCBC's fleet of armored cars is dispatched to the client's offices or outlets to pick-up funds and deposit to the client's nominated RCBC account. This service fulfills the client's need of having its sales collections and other funds collected in a secure and safe manner.
CashCube Machine	The machine is an added service to our Deposit Pick-Up arrangement. The machine has the capability to automatically count and validate cash bills/notes and issue an acknowledgement receipt to the user. The cash accepted by the machine is recorded in a system real time which the bank and client can access to view and download the daily transactions. The report will be the basis for the bank to credit a corporate client's account as per agreed time with client. Cash inside the machine will be picked-up by the Service Provider once the threshold limit is reached as set by the corporate client. The service provider is responsible for the following: a. Machine maintenance b. Cash pick up servicing from the machine c. Maintenance of the system where the cash accepted by the machine is recorded.
CashRider	A cash pick-up service for clients whose cash collections, with a maximum amount of Two Hundred Thousand Pesos (P200,000.00), are picked-up by the Bank's accredited service provider's non-armored motorized collector. The motorized collector will then bring the cash to the designated RCBC Business Center for cash processing and account crediting.
PDC Warehousing	Safekeeping or custodianship of post-dated checks are outsourced to RCBC. All checks will be safe kept in vaults and will be deposited to the customer's RCBC account on maturity date. The status of the PDCs in RCBC custody may be viewed or monitored online through the RCBC Online Corporate (ROC) internet banking system.
CheckStream	RCBC's CheckStream software allows such companies, particularly real estate and leasing companies, to automate the printing of details on all blank checks provided by their customers so that all they need to do is sign the checks, resulting in fast and error-free PDC preparation. The PDCs are then submitted to RCBC, who will monitor maturities and deposit checks that fall due into the company's account. Since CheckStream also automatically uploads the details of all checks prepared, the company can monitor its inventory of PDCs warehoused with RCBC. This software is bundle with PDC Warehousing.
CheckScan	Check Scan Service allows corporate clients to send and deposit their checks to the bank by using RCBC –provided check scanner. The check scanner has a software application that will scan and produce checkimages compliant to Philippine Clearing House Corporation (PCHC) Image Quality Assurance (IQA) rules. These check images will be sent to the Bank through secured file transmission for further check processing, validation and clearing. CheckScan service is now expanded to include a mobile app to scan and send the check images to the bank for the deposit.
Pay Portal	An electronic commerce (e-commerce) payment solutions platform aiding businesses in the collection of payments online whether it has an online store or not. The payment platform enables its corporate clients to conveniently collect from its individual customers using comprehensive electronic payment rails, such as credit card, direct debit through their bank accounts, online banking, electronic wallets (e-wallets), and over-the-counter payment partners.
Disbursements	
Auto Credit Arrangement (ACA)	Facility that allows clients to enroll and make regular payments to their suppliers who have RCBC accounts.
Batch Crediting	Facility that allows clients to make adhoc payments to their various partners/agents/suppliers. No payee enrollment required. There are four payment types, as follows: A) Loan Proceeds; B) Dividend; C) Remittance; D) Supplier Payment.
ROC Onsite Corporate Check Printing Facility	This facility allows clients to prepare and print their checks, vouchers, and acknowledgement receipts in their offices via RCBC Online Corporate (ROC).

Product/Service	Description
ROC Outsourced Corporate Check Printing Facility	This facility allows clients to create or upload bulk check requests via ROC. Printing of corporate checks and subsequent releasing to the clients' payees are done by RCBC through its 110 releasing branches nationwide.
Manager's Check Printing Facility	This facility allows clients to create or upload bulk Manager's Check (MC) requests via ROC. Printing of MCs and subsequent releasing to the clients' payees are done by RCBC through its 110 releasing branches nationwide.
Payroll Service	*PAYROLL CREDITING* This facility allows clients to conveniently send payroll instructions via ROC, to credit the RCBC accounts of their employees. *PAYROLL PROCESSING (with software)* This facility automates client's payroll computation and processing.
Outward Remittance (Instapay, Pesonet, RTGS, PDDTS and SWIFT)	Facility to transfer funds from an RCBC account to other bank accounts of clients (Local and International).
Government Payment	
BIR ePayment	BIR ePayment provides clients with a faster and secured way of settling their tax payments via RCBC Online Corporate (ROC).
Third-Party Services	
Bancnet eGov - SSS/PAg-Ibig/Philhealth	BancNet's e-Gov Online Facility is a web-based electronic filing and payment facility administered by BancNet. It acts as a gateway for the electronic processing of loan and contribution payments between employers and government agencies (SSS, PhilHealth, & Pag-IBIG).
RETAIL CASH MANAGEMENT SERVICES	
MyDebit Card	
RCBC MyDebit Mastercard	RCBC MyDebit card is a card linked to a deposit or payroll account capable of cash withdrawal, bills payment, funds transfers, payment for purchases and all other ATM transactions. Powered by Mastercard, it can be used for convenient, secure, cashless transactions at over millions of shops worldwide.
MyWallet Card	
RCBC MyWallet Prepaid Card	The RCBC MyWallet Prepaid Card is a secure reloadable payment tool with no maintaining balance. A client can enjoy cashless shopping in millions of either online or phyisical merchants without overspending by loading the RCBC MyWallet Prepaid Card with just the amount he/she intends to use, making it the perfect budgeting tool. A client can use it in all Visa or Bancnet affiliated merchants, partners, and ATMs.
Electronic Banking Channels	
Automated Teller Machines	Provides the customer 24/7 access to his/her account and perform multiple types of transactions such as withdrawal, bills payment, funds transfer, balance inquiry, cash advance, change pin, MyWallet reloading.

Product/Service	Description
INVESTMENT BANKING	
Underwriting of Debt and Equity Securities for distribution via Public Offering or Private Placement	
Common and Preferred Stock	Guaranteeing and facilitating the distribution and sale of equity and debt securities issued by private institutions via public offering or private placement. This also includes securities of the Government or its instrumentalities.
Convertible Preferred Stock and Bonds	
Long- and Short-Term Commercial Papers and Corporate/Promissory Notes	
Corporate and Local Government Bonds	
Arranging/Packaging of:	
Syndicated Loans (Peso and Dollar)	Facilitates the raising of funds from a lender or a party of lenders which provide credit facilities, either in peso or fcdu. It also includes negotiating the financing structure for project finance loans.
Joint Ventures	
Project Finance	
Financial Advisory and Consultancy	Providing long-term and/or short-term advice to clients, in the areas of mergers and acquisitions, corporate finance strategies, restructurings, company valuation and spin-offs.
Mergers and Acquisitions	
REMITTANCE SERVICES	
RCBC TeleCredit (Credit to a Bank Account)	With RCBC TeleCredit, OFWs can have their remittances credited directly to an RCBC, RCBC Savings account or any account with other local banks. This is the safest and fastest way to remit funds as proceeds are immediately credited to the OFW or beneficiary's account.
RCBC TeleRemit (Cash Pick-Up)	The beneficiary has the option of picking up the cash from any branch of RCBC, RCBC Savings Bank, RMB or branch of domestic tie-up partners. These domestic tie-up partners make it possible for the beneficiary to claim his/her remittance even after banking hours or during weekends and holidays.
RCBC TelePay (International Bills Payment)	TelePay is RCBC's international bills payment service that allows overseas Filipinos to course their payments intended to around forty (40) TelePay-accredited companies in the Philippines. Remitters may pay for their SSS contributions, home amortizations and insurance premiums, among others, with the use of this service.
RCBC TeleDoor2Door (Cash Delivery)	With RCBC TeleMoney Door2Door, cash is delivered via courier directly to the beneficiary's given address, providing ease and convenience to the beneficiary.
ANCILLARY SERVICES	
Day & Night Depository Services	
Deposit Pick-up and Delivery	
Foreign Currency Conversions	
Foreign Trade Information	
Wealth Management	
Safety Deposit Box	

Financial Highlights
Based on BSP Circular 956

	CONSOLIDATED		PARENT BANK (SOLO)	
Minimum Required Data	**2021**	**2020**	**2021**	**2020**
Profitability for the year *in million Php except for ratios and net earnings per share*				
Total Net Interest Income	28,831	26,281	28,336	25,825
Total Non-Interest Income	7,563	11,632	6,714	10,684
Total Non-interest Expenses	22,535	22,045	21,510	21,101
Pre-provision profit	13,131	14,393	13,015	13,971
Impairment Losses	6,048	9,375	5,933	8,951
Net Income	7,083	5,018	7,082	5,020
Selected Balance Sheet Data *in million Php*				
Liquid Assets[1/]	254,901	248,769	250,951	244,128
Gross Loans and Receivables	556,566	510,477	547,803	502,177
Total Resources	959,133	772,106	950,294	762,522
Deposits	672,459	535,788	674,414	536,748
Net Worth	111,080	101,378	110,993	101,292
Selected Ratios				
Return on Equity	6.71%	5.54%	6.72%	5.55%
Return on Assets	0.84%	0.68%	0.85%	0.69%
CET I Capital Ratio	12.16%	12.64%	11.81%	12.28%
Tier 1	14.37%	15.23%	14.07%	14.95%
CAR (Basel 3 starting Jan. 1, 2014)	15.23%	16.14%	14.94%	15.86%
Per common share data				
Earnings per Share:				
Basic	3.09	2.43	3.09	2.43
Diluted	3.09	2.43	3.09	2.43
Book Value	47.41	44.89	47.21	44.86
Others				
Cash Dividends Declared (in Php million)	939	1,076	939	1,076
Headcount	5,884	6,103	5,650	5,887
Officers	3,730	3,743	3,582	3,599
Staff	2,154	2,360	2,068	2,288

[1/] *COCI, Due BSP, Due from other banks, Loan and receivables arising from revise repurchase agreement, FVPL, FVOCI, Interbank loans*

CORPORATE INFORMATION

Rizal Commercial Banking Corporation
Yuchengco Tower, RCBC Plaza Tower 1
Ayala Avenue, Makati City 1226 Philippines
Tel: (+632) 8894-9000
Website: www.rcbc.com

Annual Shareholders' Meeting

Monday, June 27, 2022, 4pm
Virtually through https://www.rcbc.com/ASM2022

Stock Listing

Rizal Commercial Banking Corporation (RCBC) common shares are listed and traded at the Philippine Stock Exchange under the ticker symbol "RCB."

Shareholders

The number of common shareholders of record as of December 31, 2021 was 748.

Major Shareholder

Pan Malayan Management & Investment Corporation
% of Stockholdings: 39.64%
Nationality: Filipino

Market Information

Following are the high and low closing prices of the RCB shares as reported in the PSE for each quarter of the years ending in 2020 and 2021:

YEARS	QUARTERS	HIGHEST	LOWEST
2020	1st	23.50	15.60
	2nd	21.85	14.50
	3rd	17.20	15.30
	4th	19.80	16.40
2021	1st	19.00	16.80
	2nd	28.50	16.50
	3rd	23.55	18.50
	4th	21.90	18.00

Annual Report in SEC Form 17-A

The financial report included in this report follows the information contained in the Bank's SEC Form 17-A as required by and submitted to the Securities and Exchange Commission. Copies of this report may be obtained free of charge by downloading through the Philippine Stock Exchange and RCBC website.

SHAREHOLDER ASSISTANCE AND SERVICES

Investor Relations

Yuchengco Tower, RCBC Plaza Tower 1
Ayala Avenue, Makati City 1226 Philippines
Tel: (+632) 8894-9000
Email: Investor_Relations@rcbc.com

Marketing Group

A. T. Yuchengco Centre, 26th and 25sts.,
Bonifacio Global City, Taguig Philippines
Tel: (+632) 8894-9000

Stockholder Services

For inquiries regarding RCBC cash dividend payments for Common and Preferred Series shares and address updating:
RCBC Stock Transfer
Yuchengco Tower, RCBC Plaza Tower 1
Ayala Avenue, Makati City 1226 Philippines
Tel: (+632) 8894-9000

RCBC 2021 Audited Financial Statements

Scan the QR code to download a complete copy of our 2021 Audited Financial Statements

RCBC 2021 Impact Report

Scan the QR code to download a complete copy of our 2021 Impact Report

RCBC 2021 Sustainability Report

Scan the QR code to download a complete copy of our 2021 Sustainability Report

Partners Through Generations

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