



**Touch. Tech.**  
**The RCBC Way**  
2023 Annual Report



**ABOUT THE REPORT**

# Touch. Tech. The RCBC Way

Gone are the days when going to a physical branch is the only option for customers to perform banking transactions. Digital technology has made it possible for customers to bank with a few clicks on their mobile devices or taps on their keyboards as alternative channels.

Yet there are customers who still find value in visiting the branches if they need to personally speak to a relationship manager or get expert advice on the right products or services to avail.

To facilitate seamless customer interactions on both physical and digital levels, RCBC has been using the powerful combination of “high tech” and “high touch” — harnessing the power of technology and driven by data, while providing the human touch through customer service excellence, creating deeper engagement, and nurturing lasting partnerships.

Creating a perfect harmony between tech and touch is what sets RCBC apart.

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# Our Business at a Glance

Rizal Commercial Banking Corporation (RCBC) is one of the largest privately owned universal banks in the Philippines with Php 1.24 trillion in total resources as of December 31, 2023.

From its humble beginnings as a private development bank in the province of Rizal in 1960, RCBC has grown to become a leader in the fields of digital banking and sustainable finance. In 2023, the Bank gained more recognition from several prestigious domestic and international award-giving bodies for its disruptive digital solutions and innovations, and best-in-class customer experience across various segments.

The Bank offers a wide range of banking and financial products and services catering to diverse customer segments. It provides consumer, commercial, and corporate lending products, deposits and cash management solutions, treasury products, remittance services, and mobile banking services.

Together with its ten subsidiaries, RCBC is engaged in traditional banking, investment banking, retail financing (auto, mortgage/ housing loans, credit cards and microfinance loans), remittance, leasing, foreign exchange, stock brokering, and trust.

## Our 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.

## Our 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.

## Core Values

These are core values of all YGC member-companies for behavioral excellence

### Passion for Excellence

striving to be great and not just good; improving our results continuously.

### Sense of Urgency

doing things fast; taking the initiative to respond to the needs of various stakeholders, internal and external clients.

### Professional Discipline

possessing strong work ethic; deserving trust and respect; using bank funds and property (including time) prudently; acting with fairness and objectivity; being accountable for actions.

### Loyalty

being good corporate citizens; pursuing corporate interests as one's own; speaking well of the company & taking pride in its achievements.

### Teamwork

tapping areas of synergy actively; collaborating toward shared goals.

## Customers

To be the most customer-obsessed bank in the country, RCBC continues to serve retail and corporate customers of all sizes.

In addition to loan products, the Bank also has an extensive suite of cash management solutions and other corporate services such as escrow and loan agency to address the requirements of its diverse corporate base, including the Philippines' top 1,000 corporations, emerging conglomerates, Chinese markets, and multinational corporations. RCBC is the first local bank to establish a Japan Desk. It further solidified its hold on the Japanese market through its stronger partnership with Sumitomo Mitsui Banking Corporation (SMBC), which completed its purchase of an additional 15% stake in RCBC in 2023.

Through microfinance arm, RCBC Microbank (RMB), it continues to deliver relevant and disruptive solutions to microenterprises and small business operators, as well as to value-chain players, especially in the agricultural sector. RMB has a total network of 18 branches in key areas throughout the country.

In the retail space, RCBC boasts of some of the most comprehensive product suites to cater to the requirements of its customer base, from the very, very important persons to the affluent and underbanked. To cater to the more digital-savvy generations, the Bank also developed various industry leading digital platforms, including the recently relaunched RCBC Pulz.

## Delivery Channels

To better serve its growing customer base, RCBC maintains various award-winning digital and brick-and-mortar channels. As of December 31, 2023, the Bank has:

- An extensive network of 458 branches
- 1,460 ATMs
- 5,779 ATMGo terminals with presence in all 82 provinces of the country
- Internet and mobile banking (IOS and Android applications)

## Business Model

The Bank derives income primarily from net interest income which accounts for two-thirds of its revenues. It has a strong loan portfolio which makes up over half of its total assets. As of December 31, 2023, corporate loans accounted for 47% of the Bank's loans while its SME and Consumer portfolios made up 20% and 33%, respectively. Investment securities had a solid 27% of total assets, most of which are in the Bank's accrual portfolio.

Funding wise, RCBC's growing depositor base funded over 75% of its assets while capital accounted for another 12%.

## Ownership

RCBC is owned by the Yuchengco Group of Companies (YGC), with Pan Malayan Management and Investment Corp. (PMMIC) holding 33.9%. PMMIC is the holding company of the flagship institutions comprising YGC and other investments.

YGC businesses include Malayan Insurance (non-life insurance), SunLife GREPA 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 include Sumitomo Mitsui Banking Corporation (SMBC), Cathay Life Insurance Co. Ltd. (Cathay), and the World Bank's International Finance Corporation (IFC).

In July 2023, SMBC increased its shareholdings in RCBC to 20% from 4.999% as part of the Bank's capital-raising plan to support long-term sustainable asset growth. SMBC is one of the largest banks in Japan and the commercial banking arm of Sumitomo Mitsui Financial Group (SMFG).

Cathay, a wholly owned subsidiary of Cathay Financial, one of the largest publicly listed financial holding companies in Taiwan, holds an 18.7% stake in the Bank.



## MESSAGE FROM THE CHAIRPERSON

# Our Way into a Changing World

The global economy showed modest growth and unexpected resilience in 2023, setting aside earlier fears of higher inflation leading to more economic pain. But the continued high interest rates, persistent geopolitical tensions, and their potential to disrupt trade, are making global economic recovery elusive.

Amidst this challenging landscape, the Philippines ended 2023 with a GDP growth of 5.6%. While a tad shy of the government's target of 6.0% to 7.0%, it was enough to make the Philippines Southeast Asia's fastest-growing economy. The resumption in commercial activities after the COVID-19 pandemic, public infrastructure spending, and the boom in digital financial services fueled the growth.

In addition, the Philippines' digital economy is projected to hit US\$24 billion in 2023 in terms of value of goods sold, climbing double-digits to US\$35 billion by 2025, making the country one of the fastest-growing digital economies in Southeast Asia<sup>1</sup>.

### The Touch that Makes Us

While economic anxiety still grips most parts of the world three years since the pandemic started, there is one certainty keeping us grounded at RCBC: that what we do matters.

Everyday, a diverse group of hardworking, skilled, and motivated people from all walks of life brave the traffic and the elements to make their way to RCBC to serve a common purpose: to serve our customers to the best of their ability. They do this simply because working in a bank like ours means being in a collaborative, innovative, fascinating, and modern environment which opens the door to a meaningful career that can have a positive impact on society.

Our people are the secret to how RCBC is able to transcend the transactional, gaining trust, and earning the loyalty of generations of customers.

I have always believed that banking is a people business — and it will remain so even with the growing public acceptance of digital channels. Some

clients would still prefer to talk face-to-face and visit the branch because wealth, like health, remains a very personal matter. Technology may change how we interact with each other, but it will not replace the power of the human connection.

How we transform that connection into a delightful customer experience starts with the way we look after our employees. This is why we invest heavily in their education, training and development. We have programs for all roles and all levels, with the goal of helping our staff be always on their toes, and adapt quickly. Customer behavior nowadays is rapidly evolving, so we need to keep pace, even be a step ahead, continually develop, continuously learn, and adapt to whatever new needs arise.

### The Tech that Drives Us

When I started my career, I remember using telex machines to execute some bank transactions. Today, nearly all of the transactions we do at RCBC are completely automated, some even with the use of robotics.

Still, there is no denying human touch alone will not cut it, especially in today's ever-more technologically driven banking industry. New digital technologies, such as big data and artificial intelligence, are reshaping the way we work and live. Never has investing heavily in technology become a most compelling reason for a bank than now, and not just for competition's sake, but to create a positive impact.

Technology helps RCBC become a bank with a heart. With technology, we are able to extend our customer reach, even to the unbanked and the underserved, to ensure no one is left behind. Proof is the success of our DiskarTech super mobile application, which saw a 115% surge in transaction volumes in 2023 from year ago. Technology also enabled us to bridge the digital divide with the deployment of RCBC Moneybela Barangayan Banking, RCBC Pulz, and RCBC ATM Go, with hyperfocus on rural and remote areas.

### The RCBC Way

Whether it is through Touch or Tech, I believe humanity and technology share the same mission: to make the world a better place.

We must do things "The RCBC Way" — our ability to create a perfect marriage of "Touch" and "Tech" — without losing sight of our responsibility to society and to the planet. In everything, we must be guided by environmental, social, and governance (ESG) principles and contribute towards the attainment of the United Nations Sustainable Development Goals (SDGs). It is only by being a responsible company can we hold our chin up and truly say we are successful because we are paying it forward "The RCBC Way" — a trait that is distinctively ours.

In the past year, as this report would show, RCBC not only paid it forward, but also made great progress towards ensuring our readiness for the future: making significant strides in human capital development, sharpening our customer focus, and deploying smart innovations. We also welcome our strategic partnership with Sumitomo Mitsui Banking Corp. (SMBC), one of Japan's largest banks, which will support our long-term asset growth and digital push. These strategic investments will play a vital role, especially given the growing technological disruptions and market shifts.

Even as the headwinds gain greater speed in the coming years, I am confident that the level of adaptability, creativity, and dedication of our leadership team and our RCBC Family will continue to bring us to safer harbor. We have learned to cleverly and successfully adjust our sails in over six decades, and there is no reason we will not prevail again and again.

On behalf of the Board of Directors, thank you for your passionate and remarkable commitment to RCBC.

**"Whether it is through Touch or Tech, I believe humanity and technology share the same mission: to make the world a better place."**

**HELEN YUCHENGCO-DEE**  
Chairperson



<sup>1</sup> Annual e-Conomy Southeast Asia report, which combined Google Trends, Temasek insights and Bain & Company analysis of five other countries in the region including Indonesia, Malaysia, Singapore, Thailand, and Vietnam.



## PRESIDENT'S REPORT

# The Race to Become the Primary Bank

Global economic recovery may have remained elusive in 2023, but we can all agree we are in a much better shape than we were years ago during the COVID-19 pandemic.

Thanks to a stronger U.S. economy, inflationary pressures and the risk of a global recession have receded. However, rising geopolitical tensions in the Middle East, and the continuing conflict between Russia and Ukraine, and between Israel and Hamas, still darken the horizon. With potential disruptions in the global supply chain and trade, as well as in monetary policy, a sword of Damocles may continue to hang over our heads.

Uncertain times like this make it harder to anticipate what the future holds, how it will shape people's lives, or even how the needs of our customers will evolve. To avoid the guesswork, we turn to science and technology to future-proof our business, and this has led us to unleash a plethora of tools — from automation, data analytics, and cybersecurity, to artificial intelligence (AI) and machine learning.

Tech helps us achieve greater operational efficiency, scalability, and deeper insights into customer behavior, but we cannot thrive with tech alone. To create amazing customer experiences, we must also know how to forge human connections.

### Finding the right balance

Finding the perfect balance between touch and tech is what has been driving our growth at RCBC — and we are continuously striving to get there.

In 2023, we solidified our position as the fifth largest private bank in the country, with total assets of over Php 1.2 trillion.

Our consolidated net income reached Php 12.22 billion in 2023. This was boosted by a 15% year-on-year growth in customer loans which reached Php 622 billion, faster than the industry average.

Our performance reflected the main driver of the Philippine economic engine: personal consumption. Our consumer loans grew by 29%, as credit cards consistently outperformed industry in both balances and billings, while housing loans recorded its highest bookings to date.

Our total deposits reached Php 957 billion, spurred by the 19% increase in CASA deposits across all segments. Our cash management and payroll solutions, alongside extensive business relationships, provided the double-digit lift in our low-cost deposits.

Supporting our balance sheet expansion, our capital rose 31% on the back of the capital infusion from Sumitomo Mitsui

Banking Corporation in July 2023. Both our capital adequacy ratio (CAR) and Common Equity Tier 1 (CET1) ratios remained well above regulatory requirements at 17.37% and 14.69%, respectively. On the asset quality side, tighter credit policies and prudent remedial management kept our nonperforming loans low at 3.34% from 3.75% in 2022.

### When touch meets tech

Tech plays a huge supporting role in producing these numbers. At RCBC, we turn to tech to know our customers better, and learn how best to serve them.

To make sense of the wealth of customer data we accumulate, we leverage data analytics and machine learning to turn data into actionable solutions.

Our elite team of data scientists delves deeper into the intricacies of customer sentiments, behaviors, preferences, and responses, and provides insights and solutions. We have implemented 51 machine learning models to provide us with comprehensive and tailored customer experience. This helps us to identify potential areas of innovation that would lead to exceptional service delivery.

Using Robotic Process Automation (RPA), we developed and deployed 45 business intelligence dashboards across the organization so our people can understand and serve our customers better.

Seizing the incredible opportunity from AI, we have developed AI models to come up with curated products that address the needs of our customers, as well as to further improve our workforce productivity. As a result, we were able to increase our throughput without increasing headcount.

We treat our tagline, "Partners Through Generations," as a serious commitment to keep our relationship with our clients and their families strong and enduring. For the Bank to cater to and anticipate the needs of different generations, we must continuously innovate and future-proof our organization. Thus, we made innovation as a main key performance metric in many of our business groups, on top of nurturing a "test and learn" environment.

### The customer in our hearts and minds

At the heart of every interaction at RCBC is a human emotion.

It's the joy and exuberance of Frietzer Perales, our youngest vice president at 30 years old, whose customer obsession helped fuel the fivefold growth of our corporate banking loan portfolio in just three years.

It's the thrill of the teams who developed

empowering financial solutions such as the RCBC Boz app for local entrepreneurs and PayDay Now for payroll employees.

It's the sincere desire of the ATMGo team to reach out to Filipinos living in the remotest parts of the archipelago.

These are just some of the people who go the extra mile to provide excellent service to our customers. There are more in our midst.

The majority of our RCBC Bankers are first-generation graduates in their families and come from modest economic backgrounds. They are mostly graduates of state-owned colleges and universities in the provinces or schools in their local government units. A majority have parents who make a living as drivers, farmers, overseas contract workers, construction workers, or sari-sari store owners. Many have taken over the role of a breadwinner in the family, either voluntarily or by force of circumstance.

All this means only two things — first, being breadwinners, our people's motivation to work hard and succeed is higher, and second, so is ours. We bear the significant responsibility to do well in our business so we can uplift the lives of our employees and their families.

Banking is all about people. And the better we serve our own, the more they deliver exceptional customer experience. AI-driven chatbots can guide customers through their journey, but they can't replace our branch tellers' welcoming smile over the counter, the human-written thank-you notes, and the friendly voice on the other end of the customer hotline.

To make this a part of consistent performance, we embedded customer-centricity within our culture through extensive training. In 2023, we required all employees to undergo CX training while 30 senior officers became certified as a CX Professional by the CX Academy. We identified CX Champions whose singular task is to identify areas of improvement in the Bank. We convene monthly CX Council meetings to ensure all customer pain points are discussed and addressed. Customer feedback is promptly shared across branches, and guides our policy adjustments to enhance customer satisfaction.

### Behind our success

Proof that we are doing things right, we turned 2023 as another "award-sweeping" year. We garnered a total of 50 awards and recognitions from various prestigious international award giving bodies in 2023, including "Best in Customer Service" in the 2023 survey of the Philippine Daily Inquirer and Statista, the world's leading data and business

# "With skill and science, we can navigate our way to being the primary bank of our customers."

**EUGENE S. ACEVEDO**  
President and CEO

intelligence portal; "Best Bank for Digital" from AsiaMoney for the fourth consecutive year; "Digital Bank of the Year" from The Asset; and "Credit Card of the Year," "Best Cash Management Bank," "Best SME Bank," and "Best Retail Bank."

These accolades may lull us into complacency, but this is not the time to rest easy. Instead, it is high time to go after our ambition to be the primary bank of our customers.

To be the No. 1 bank for every single customer relationship, we must be superior on all these: product bundles, reliable systems, and customer service ratings. The capital infusion, knowledge and technology transfer from SMBC give us greater confidence in the strength of our franchise.

In our relentless pursuit to become the primary bank, we must never lose sight of our true north: our customers, as well as our people. At the core of every algorithm, data point, and tech solution is human connection. At the end of the day, authenticity and personal touch are what will endear us to our customers and set us apart.

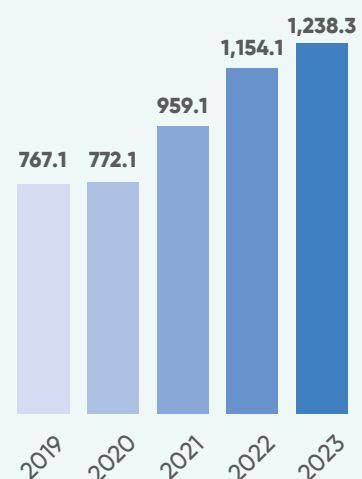
As the world around us rapidly evolves, we must always anticipate change, and brace ourselves for the headwinds. Even if the wind keeps blowing against where we want to go, it should not deter us from moving forward. Instead, it should steel our nerves, sharpen our focus, and embolden us to realize our ambition. With skill and science, we can navigate our way to being the primary bank of our customers.

We must never be afraid to sail against the wind.

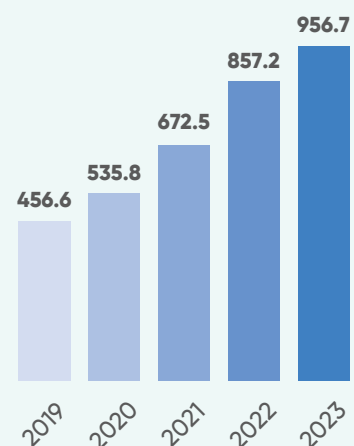


# Financial Highlights

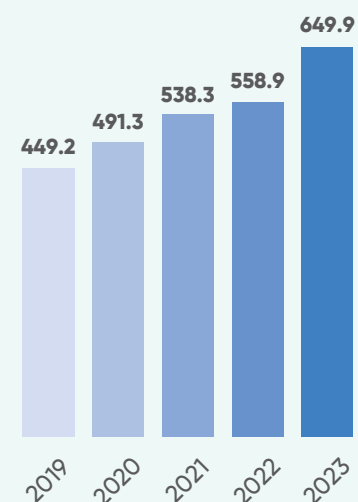
## Total Resources in PhP Billions



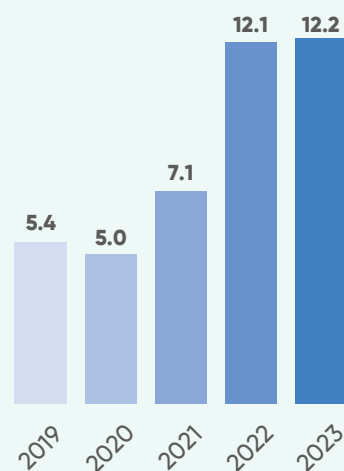
## Total Deposits in PhP Billions



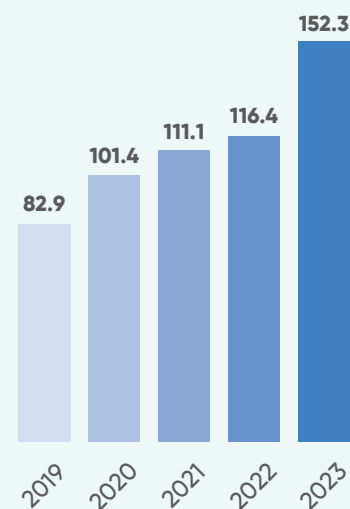
## Loans and Receivables, Net in PhP Billions



## Net Income in PhP Billions



## Net Worth in PhP Billions



## RIZAL COMMERCIAL BANKING CORPORATION & SUBSIDIARIES Financial Highlights

In Php millions (except for ratios and headcount)

Selected Income Statement Data	Consolidated		Parent	
	2023	2022	2023	2022
Total Net Interest Income	33,629	31,216	32,982	30,899
Total Non-interest Income	16,368	13,238	15,307	12,255
Total Non-interest Expenses	29,594	25,100	28,714	24,067
Pre-provision Profit	20,403	19,354	19,575	19,087
Impairment Losses	6,888	5,706	6,074	5,489
Net Income	12,217	12,080	12,218	12,080
Selected Balance Sheet Data				
Liquid Assets*	344,323	330,306	340,652	326,724
Gross Loans and Receivables	667,324	574,899	659,702	566,302
Total Resources	1,238,332	1,154,108	1,230,890	1,144,749
Deposits	956,712	857,244	957,369	857,639
Net Worth	152,275	116,361	152,266	116,284
Selected Ratios				
Return on Equity	9.53%	11.24%	9.52%	11.24%
Return on Assets	1.06%	1.20%	1.07%	1.21%
CET1 Capital Ratio	14.69%	12.33%	14.47%	11.96%
Tier 1	16.53%	14.42%	16.34%	14.09%
CAR	17.37%	15.29%	17.19%	14.97%
Per common share data				
Net Income per Share:				
Basic	5.07	5.42	5.07	5.42
Diluted	5.07	5.42	5.07	5.42
Book Value per Share	56.86	50.01	56.95	50.49
Others				
Cash Dividends Declared (in Php million)	2,454	2,201	2,454	2,201
Headcount	7,026	6,494	6,178	5,717
Officers	4,843	4,360	4,250	3,805
Staff	2,183	2,134	1,928	1,912

\*COCI, Due BSP, Due from other banks, Loan and receivables arising from reverse repurchase agreement, FVPL, FVOCI, Interbank loans



## BUSINESS REVIEW

# Tech and Touch: The Perfect Balance

2023 saw RCBC going farther in its digital journey, emerging rapidly as a challenger bank when it comes to harnessing the power of technology. Solidifying its standing is the human touch that employees provide through customer service excellence.

This powerful combination of tech and touch not only enabled the Bank to raise the bar when it comes to profitability, operational efficiency, and competitiveness, but also consistently earn accolades. In 2023, Japan's Sumitomo Mitsui Banking Corporation (SMBC) increased its stake to 20%, reflecting its confidence in RCBC's strategic direction and long-term potential.

### Corporate Banking

RCBC leveraged on its extensive experience and skills in financing projects that deliver an environmental and social impact particularly in the areas of Renewable Energy, Energy Efficiency, Healthcare, Education, among others. Its ability to provide customized solutions to complex transactions allowed its corporate banking business to grow 8% year-on-year. Amid the high interest rate environment and intense competition in 2023, the business posted a 9% growth in total deposits, with low-cost deposits rising 27%, outpacing the industry. This earned RCBC the title "Best Corporate Bank – Philippines" for the fourth consecutive year from the Global Banking & Finance Awards.

**8%**  
growth  
in assets

**9%**  
jump in  
total deposits

**27%**  
in low-cost  
deposits



### Global Transaction Banking

RCBC posted a 75% year-on-year (YOY) revenue growth in Global Transaction Banking (GTB) as it rode on the back of higher benchmark interest rates in 2023.

Deploying "**Bridgital**" (**Bridging traditional & digital**) cash management solutions led to a **25% deposit growth and a 33% increase in disbursement volumes in the Bank's Corporate Cash Management (CCM) business**. Collection services rose by **15% YOY due to innovative solutions such as Cash Cube and Check Scan**. This led to a more balanced coverage of the Bank's traditional clients while addressing the needs of more digital-savvy customers.

RCBC also embarked on a **Provincial Tycoon program**, catering to top businesses outside Metro Manila, and providing industry-leading cash management services tailor-fit to this customers segment's unique banking and working capital requirements. This led to a **112% YOY rise in CCM revenues in 2023**.

The strategic deployment of ATMs in high-usage traffic nationwide enabled the **Retail Cash Management (RCM)** business to grow its revenues by 15% YOY, with international transaction counts increasing by 46%.

One of the major growth drivers is the Debit Cards business, as transaction count rose by 26%, resulting in a 22% YOY fee income growth. The continued resurgence of point-of-sale (POS) and e-commerce transactions since the 2020 pandemic fueled the expansion. The Bank's remittance business realized a 40% YOY revenue growth as remittance transactions rose by 24%, boosted by a 19% jump in transaction fees.

**15%**  
revenue growth  
in Retail Cash  
Management

**22%**  
revenue growth  
in Debit Cards

Despite the elevated interest rate environment which resulted in compressed interest margins, the **Trade Product Management (TPM)** business experienced a 44% YOY growth in fee revenue from trade services from 2022. The Bank continued to leverage its digital TPM solutions for trade clients' Letters of Credit applications and payment of customs duties and taxes.

**44%**  
revenue growth in  
Trade Product Management



### Superhumans of RCBC In the service of humanity

At 30, Friez Perales is the youngest vice president at RCBC and a Relationship Manager in the Bank's Corporate Banking Group (CBG).

His uncanny ability to connect with clients helped the Bank grow its CBG loan portfolio by nearly fivefold, to Php34 billion in 2023 from Php7 billion in 2020, after Friez bagged the accounts of several big conglomerates.

For his contribution to RCBC's business, Friez has been recognized as "Cash Management Champion" for 2022, and "Loan Champion 2023" (Conglomerates and Large Corporates category). The Bank also invested in his training in the Green Energy Finance Specialist (GEFS) Program of IFC, The Renewables Academy, and the International Climate Initiative of Germany. He is also undertaking a middle management development program in the Bank.

"RCBC's customer-centric culture taught me to really get to know our customers' pain points, set expectations, and be reliable in delivering their requirements. It is more on building a good relationship. At the end of the day, what makes the difference is how we connect with our clients," he said.

Of his admirable traits, the sincere desire to serve others is what sets him apart. But ask Friez, and he would say, "I'm just paying it forward."

His father died of cancer when he was only six. The youngest of six siblings, he had to do jobs to fund his own education. He sold viands in grade school and helped in farms. He worked as a canteen assistant for Php20 a day and got a priest to pay for his exam papers in high school with the money collected from the offertory mass.

His hard work and perseverance started paying off in college, when he received two scholarship grants that helped him earn a Business Administration degree from UP Visayas. He graduated cum laude, became the most outstanding graduate in his batch, and was awarded one of the Ten Outstanding Students of the Philippines.

After surmounting the odds himself, Friez wanted to help pave the way for others' success. Since he started working in 2014, he supported 16 high school scholars who all graduated with honors, and a criminology student now preparing for his licensure exam. He also serves as a lay minister at the Megamall Chapel for over eight years now.

"What really inspires me at work is knowing that if I do well in my job, I will have more resources to continue the scholarship program and other passion projects, I can touch more lives, and help my scholars succeed so they, too, can get to send their siblings to school someday," Friez said.

He attributes his success to RCBC's leaders (Chairperson Helen Y. Dee and President Eugene S. Acevedo), "our Group Head Ms. Beth Coronel, my segment head Sir JR Sarmiento, and my good friend, Mel Sioson, my professional mentors. Ms. Joy Gatdula, from my first job, also mentored me. They are an epitome of a multi-faceted banker with great work ethic, and who taught me the value of integrity and hard work. I feel RCBC's care through them and I'm thankful for the learning opportunities I gained," he said. "Of course, my personal mentor is my mother who valued education and inspired me to succeed in spite of everything."



# Business Review



## Superhumans of RCBC RCBC Boz makes customers better bosses

It's not easy to be your own boss. The team behind the development of the RCBC Boz app understood how hard it is for entrepreneurs to run a business.

It's not just about having enough capital, earning income, and seeing cash in your bank accounts. Carissa Diomampo-Calderon, Business Development Division Head of the SME Banking Group (SMEBG), could see common struggles among business owners, including her friends who juggle side hustles with their regular day jobs.

The team decided to turn the pain points of being an entrepreneur into a source of inspiration for RCBC to empower its customers who run micro, small, and medium enterprises (MSMEs), startups, and freelance businesses.

"In a market study we conducted, we found out that entrepreneurs have a hard time separating their personal money from their business funds. They had difficulty tracking their earnings and where the money goes. They also couldn't focus on long-term savings or setting aside funds for business expansion," Carissa said. "We wanted to provide them a solution that will transition them from writing everything on their notepads or typing in their Excel sheets, to something that gives them a real-time view of their business in a few taps," Carissa added.

This customer obsession drove Carissa and her colleagues at RCBC to develop the RCBC Boz, the first mobile app in the market that empowers MSMEs with digital tools such as e-invoicing, payroll, business goals, expense tracker, and real-time reports, without any payments or subscription fees.

Each unique feature addressed customer needs. With the RCBC Boz app, business owners can create and send invoices to their customers and easily monitor receivables. The app can even automatically follow-up overdue payments by sending SMS reminders to customers. The app also generates reports with a real-time view of collections, expenses, budgets, earnings, and cash flow. It even takes care of payroll and fund transfers to employees and suppliers.

"Being a customer-centric organization, we put a premium on the ease and convenience of our clients. For RCBC Boz to benefit more clients, we are adding more features that will enable more clients to open an account through their phones, apply for a loan, and view reports of their various businesses in one dashboard," SMEBG Business Control and Administration Division Head Nerissa Toledo said.

To encourage more Filipinos to fire up their entrepreneurial spirit, Boz Sessions on Facebook and YouTube will be launched so even microentrepreneurs without a business background can learn tips on how to address cash flow problems, kick-start, or scale up their business, among other things.

"As our customers grow, we also hope to grow with them," Carissa said. It may not be easy to be your own boss, but the people at RCBC will create solutions that will level up your boss moves.

## SME Banking

2023 was a banner year for the SME Banking business of RCBC, recognized by the Global Banking & Finance, The Digital Banker, and Asian Banking & Finance as the "Best SME Bank in the Philippines."

A holistic approach to helping clients grow their businesses led to the double-digit growth in its loans and deposits portfolio. **Loans accelerated by 18%, while total deposits rose 19%. Net revenues after operating expenses rose by 14% driven by higher net interest income from loans and deposits, and reduced provision for bad loans.**

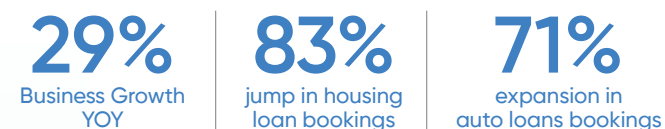
The steady performance is attributable to several factors:

- intensified efforts to attract specific market segments
- leveraged synergy with other groups within RCBC or affiliate companies within the YGC to offer bundled products and services
- significant growth in new accounts onboarding
- relentless efforts to bring in new names in the commercial middle market space

To continue to deliver the best customer experience, RCBC launched the RCBC Boz app, designed to empower SMEs and address their pain points. By encouraging innovation through this app, RCBC helps SME clients accelerate digital adoption in their businesses.

## Consumer Lending

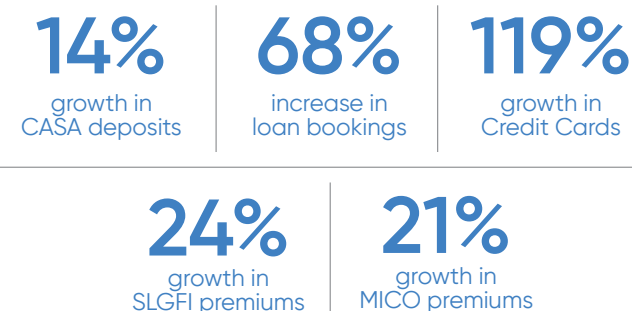
RCBC's Consumer Lending business grew by 29% YOY, the highest growth among RCBC's business units. Mirroring the strong momentum in household consumption, the main driver of the Philippine economy in recent years, the business expansion came on the back of an 83% jump in housing loan bookings, and a 71% expansion in auto loans bookings.



Behind these growth numbers were the following factors:

- Utilizing data analytics for targeted sales campaigns, analytics-driven selling, new products
- Ensuring a steady fee income stream with enhanced product models
- Deepening customer engagement and relationships through branches and other business groups

## Retail Banking



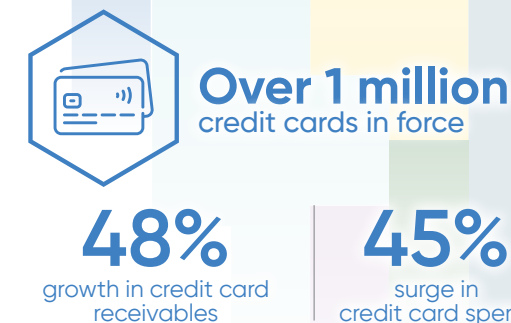
The Bank achieved remarkable growth in its Retail Banking business in 2023 — from its low-cost CASA and time deposit portfolios to the record-breaking performance in consumer loan bookings and credit card approvals. A slew of factors, including strengthened sales firepower, the successful implementation of the Hexagon Club (HC) bundling program, and utilization of data science to pre-qualify affluent customers, made these results possible. Focus on acquiring SME clients with cash management requirements also helped significantly boost other key areas of RCBC's business.

CASA deposits grew by Php36 billion or 14% YOY with the implementation of strategic initiatives such as the launch of the following:

- Hexagon Club Priority: personalized service, expert and tailored advice, exclusive perks and privileges especially reserved for highly valued customers with at least Php1 million in average minimum daily balance in CASA deposits
- Access Payroll Program: offers seamless employee payroll solutions (specialized bundles were also offered based on payroll credits, and introduced to online banking service clients for easy fund management)
- Businesseries: a knowledge and networking platform for existing and potential business owners and SME clients to gain valuable insights on financial management and industry trends



## Credit Cards



**Credit cards** scored significant milestones in 2023. Cards in force reached 1 million, thanks to the acquisition of new customers using data science.

Credit card receivables grew 48% YOY to Php74.7 billion from Php50.4 billion, outpacing the growth of the credit card industry. This was driven by a 45% surge in credit card spend, to Php139.4 billion from Php96.3 billion, also surpassing the industry's growth. Past due rate stood at 3.5%, lower than the industry's.

2023 saw the launch of the RCBC Pulz app which enables customers to stay in control of their personal finances, and manage their cards in a smarter, safer, easier, and more secure way. Its growing popularity among customers helped boost the Bank's credit card transactions and reduced the cost-to-serve of the growing credit card customer base.

The strong performance of RCBC Credit Cards earned for the Bank several accolades: **"Credit Card of the Year – ASEAN" at the Global Retail Banking Innovation Awards 2023 by The Digital Banker, "Credit Card Initiative of the Year – Philippines" at the Asian Banking & Finance Awards 2023, "Outstanding Digital CX" at the Digital CX Awards 2023 by The Digital Banker, and "Best Credit Card Initiative, Highly Commended" at the Retail Banker International Asia Trailblazer Awards 2023.**

In step with robust consumer spending, the Bank saw its **Personal Loans** business skyrocketing by 90% YOY in 2023, driven by a 245% surge in disbursed loans. To achieve these numbers, the business forged external partnerships and applied process re-engineering. The business also benefited from the launch of RCBC PayDay NOW, an all-digital salary advance facility that enables RCBC payroll account holders to borrow a portion of their salaries in advance.

In **Payment Solutions**, credit card acquiring billings rose 21% to Php34.4 billion from Php28.3 billion, with the number of merchant outlets increasing to 15,153. The Bank also began to roll out QRPH acceptance to 2,563 outlets and launched a new installment product that allows RCBC-acquired merchants to accept installment payments from credit cardholders of other banks.



## Business Review

### Wealth Management

16%

increase in Assets Under Management

14%

income growth

Tailored succession planning and advisory services are offered to clients through RCBC Wealth Management, in collaboration with the Bank's Trust Investments Group, and subsidiary SunLife Grepa Financial, Inc. This synergy resulted in the growth of Assets Under Management (AUM) by 16% and a 14% income rise, with higher trust fees and spreads in 2023.

The business also saw a 9% expansion in new client base, thanks to a "Member-Get-Member" program and closer collaboration with the Bank's Retail Banking Group that opened opportunities to tap the affluent and high net worth clients of the retail branches.

### Treasury Group

36%

increase in interest income

24%

growth in online foreign exchange value

The Bank's Treasury business posted a 36% YOY increase in interest income from trading and investment securities.

With the launch of the RCBC Pulz app, customers were able to enjoy its powerful features, including buying and selling up to six foreign currencies (US Dollars, Hong Kong Dollars, Euro, British Pounds, Japanese Yen, and Singapore Dollars) in real time. This feature helped boost the Bank's online foreign exchange sales by 24% YOY.

Treasury initiatives also led to the following results:

- Completion of a US\$278-million 3-year syndicated loan deal
- Php320 million in income from money market and swap deals
- Increased remittance volume due to better rapport with RCBC Telemoney partners

It was a banner year for the business as RCBC won as 2nd Best Fixed Income House in the Fund Managers Association of the Philippines (FMAP).

### Trust and Investments

9%

growth in AUM

2023 was a landmark year for RCBC's Trust and Investments business as Assets Under Management (AUM) rose by 9% YOY to Php156 billion in 2023. This was due to the growth of the Investment Management Accounts (IMA) and Retirement Fund Accounts, the top two best-selling products of the business in recent years. Both added more than 10% to the AUM volume in 2023.

Added boost came from the IMA Digital Platform, which significantly enhanced customer experience due to its seamless functionality. The platform earned for RCBC the "Best Digital Solutions Award" in Southeast Asia from the Corporate Treasury Awards.

The Bank is in the process of spinning off its Trust and Investments business into a stand-alone corporation. This strategic move is expected to broaden RCBC's client reach and offer more investment options, among others.



### Digital Enterprise and Innovations



Over Php780 million cost savings from RCBC Pulz



138% CASA growth from RCBC DiskarTech



731% Increase in ATM Go newly deployed terminals

In a bold leap into the future of banking, RCBC has placed digital innovation at the very heart of its customer experience ethos. Its **Digital Enterprise and Innovations** business has significantly widened its scope in 2023, ensuring a more expansive reach across the Filipino populace.

The year marked the dynamic launch of RCBC Pulz, a transformed RCBC Digital App, featuring trailblazing services including the nation's inaugural digital, in-app unit investment trust fund, foreign exchange options in eight key currencies, highly tailored services, and fortified security measures for safe financial engagements. This innovation has been met with enthusiastic reception, evidenced by a 27% upsurge in transaction volume and a 34% elevation in transaction value, alongside a substantial Php 780 million in cost efficiencies as customers migrated from branch-based to digital interactions.

RCBC DiskarTech, lauded as a leading financial inclusion super app, showcased significant growth with a 138% rise in CASA accounts and an impressive 159% boost in bills payment transactions, complemented by a 115% increase in transaction volume. Pioneering change, RCBC ATM Go, the nation's premier grassroots-oriented and bank-neutral mobile-point-of-service ATM, broke new ground with a 731% increase in terminal deployments, a 62% rise in merchant partnerships, a 46% growth in gross transaction volume, and a 44% upswing in transaction value, year-over-year.

Proudly, RCBC ATM Go now offers unparalleled coverage, **reaching 100% of provinces and cities and 80% of municipalities nationwide**, redefining accessibility in the digital banking landscape.



### Superhumans of RCBC Going the extra mile with RCBC ATM Go

In the remotest parts of the country, people travel for hours to reach the nearest bank, often spending a significant amount to withdraw remittances from their loved ones overseas or receive a government subsidy. This reality affects many Filipinos, with nearly 36 million, or more than a third of the country's population, remaining unbanked and underserved.

Heeding the call of many Filipinos, RCBC introduced a solution: ATM Go.

"We wanted to be there for Filipinos in isolated parts of the country. We deployed point-of-sale (POS) terminals in neighborhood establishments with cash available to disburse to customers. This way, they feel that RCBC is just like a neighbor who's nearby and easy to go to," said ATM Go Head Aaron Giberson. ATM Go offers basic ATM services such as cash withdrawals, fund transfers, bills payment, and e-load for mobile phones through POS terminals in local businesses.

Reaching out to the many unbanked Filipinos was a herculean task. RCBC has continuously deployed these ATM Go devices to geographically isolated and disadvantaged areas, including conflict-prone regions such as Lake Sebu in South Cotabato, Busuanga, Marawi in Lanao del Sur, and as far as Turtle Island in Tawi-Tawi, a 30-minute boat ride from Sabah, Malaysia.

ATM Go was launched in 2019, months before the COVID-19 pandemic. However, it was only during the lockdowns that people began flocking to the nearest sari-sari (mom-and-pop) store with an ATM Go terminal. With people unable to leave their barangays (communities), it became the best option to access their money.

ATM Go also played a vital role in disbursing the government's conditional cash transfers known as the Pantawid Pamilyang Pilipino Program (CCT/4Ps), which account for over 65% of ATM Go's transactions. The majority of transactions, 70%, are conducted by women, and over 90% occur in rural areas. "Beneficiaries don't have to travel for up to three hours one way and spend Php600 (US\$10) on transportation just to get their Php3,000 (US\$52) subsidy," said Mr. Giberson.

Thanks to partners who shared RCBC's vision, ATM Go has grown exponentially, from 300 terminals to 6,000. It has 100% nationwide coverage. RCBC aims to deploy 10,000 terminals across the archipelago by the end of 2024 from 6,000 the previous year.

The ubiquitous ATM Go has become an agent of economic and social mobility, thanks to the combined power of technology and the human touch. "It was truly an effective way of scaling inclusive finance through physical-digital or 'phygital' blended banking experience," Mr. Giberson added.

# Business Review



## Superhumans of RCBC No more waiting for payday

Workers who lived paycheck to paycheck had it bad. They would succumb to loan sharks or to pawning off their ATM cards, teetering precariously on the edge of financial despair.

What if there's a facility to get a salary advance, and with a minimal processing fee to help them tide over in between paydays? This necessity led to RCBC PayDay Now.

"The customer is at the core of everything we do. We always look at it from their perspective, so instead of payroll customers going to loan sharks, we thought of offering them a bridge funding facility that serves as a very convenient digital salary advance," RCBC Bankard Loans Business Group Head Mellrose Pesigan said.

As its name suggests, RCBC PayDay Now means payroll employees no longer must wait for the 15th and 30th of the month to get their salary. "The facility is available any time they need it: available 24/7, all digital, with funds received in under two minutes, and needing only a few taps on your mobile app," Mellrose said.

Not only was RCBC PayDay Now warmly received by client employees, but even corporate payroll clients heaved a sigh of relief when it was formally launched in February 2023, after three years of development.

"The companies were very receptive because it relieved them of the financial burden of extending salary advance to their employees," Mellrose said.

RCBC PayDay Now clients, mostly low to mid-income earners, use it for basic needs such as paying electricity bills or medicines during emergencies. The product also serves as an added perk to improving job performance. Pre-qualified customers can avail a minimum of P3,000 to a maximum of 40% of their net salary credit.

"We've had feedback from a company that employees' attendance improved when RCBC PayDay Now was offered as they now have money for transportation. That gave us chills when we heard it. It's not often that you get feedback that your product works exactly like how you designed it," Mellrose said.

Since its launch, RCBC PayDay Now has contributed Php250 million in monthly loan volume to the Bank. "This is likely to increase in the next months to Php300 million. The next milestone we want to reach is Php750 million," she added.

What started as a gem of an idea has now turned into a catalyst. "We never imagined that RCBC PayDay Now would have this kind of impact on the lives of our payroll clients. We started working on this during the pandemic, a very challenging time for our team which belongs to a subsidiary while all the payroll data and the other team members are with the Bank: RCBC's IT Group, Data Science Group and Digital Group. But because our Senior Management team believed so much in the product, we felt their support. Thanks to PayDay Now, we were able to build a relationship that sparked our spirit of innovation and collaboration," Mellrose said.

## SUBSIDIARIES

### RCBC Capital

**34%**  
net income  
growth

**29%**  
growth in  
interest income

Amid the elevated interest rate environment that dampened the domestic investment banking sector, RCBC Capital rose above the challenges as it saw a 34% increase in net income to Php 200 million from the previous year. Professional fees reached Php 192 million despite the decreased issuances in both the debt and equity capital markets. Interest Income jumped 29% to Php 97 million as the company continued to maximize its cash reserves.

Realized trading gains more than tripled to Php6.6 million YOY, while unrealized losses for the period amounted to just Php8.4 million from Php69.4 million in 2022.

### RCBC Securities

**125%**  
growth in value turnover

Stock market investors' anxiety level remained high in 2023 but this did not deter RCBC Securities Corp. (RSEC) from recording a 125% YOY increase in turnover to Php53.4 billion. Commission income generated stood at Php56.6 million from the previous year's Php47.7 million. Its net income was at Php2.2 million.

In July 2023, RSEC officially launched and updated its trading platform to ezTrade Gold, providing more features to online trading clients. In collaboration with RCBC's Data Science team, RSEC also conducted roadshows in Pampanga, Bulacan, and Cebu, which helped increase new online accounts and commissions by 21% and 9%, respectively.



### RCBC Leasing and Finance Corporation

**36%**  
growth in gross profit margin

**147%**  
rise in operating income

Higher yield on lending activities, coupled by lower depreciation of operating lease assets, enabled RLFC to post a 36% increase in gross profit margin, better than the 25% it registered in 2022. Consequently, operating income grew by 147%, improving cost-to-income ratio to 35% from 128%, previously.

### Rizal Microbank, Inc. – A Thrift Bank of RCBC

**16%**  
growth in interest income

RMB continued to serve as RCBC's microfinancing arm, catering to the financial needs of micro and small enterprises (MSEs). While interest rates remained high in 2023, RMB managed to post a net income of Php3.1 million and a 16% growth in interest income. Loan disbursements rose by 3% as clients took a conservative stance to borrowing. Loans and receivables accounted for 73% of RMB's Php1.7 billion total resources in 2023.

### Contributions to RCBC's Revenues\*

Business Segment	Revenues in PhP billion	% to Total Revenues
Retail Banking (including consumer loans)	35.8	71.7%
Corporate Banking	27.4	54.8%
Treasury and Trust	5.4	10.8%
SME Banking	5.3	10.5%
Others	1.2	2.5%

\* The figures represent total net revenues as disclosed in Note 8.2 "Analysis of Primary Segment Information" of the Audited Financial Statements, gross of eliminating entries which amounted to -Php25.1 billion or -50.2% of the total.





### Operations

RCBC scored a significant milestone in 2023 after being recognized for “Best in Customer Service in 2023” by the Philippine Daily Inquirer and global data portal Statista.

Branch service and backroom operations played a vital role in winning the award, ensuring that the Bank continues to offer superior customer experience. Among the major accomplishments in 2023 were the following:

- **Effective completion of the Branch of Today (BOT) model conversion for all 440 branches.** The BOT model enables branch staff to serve valued customers more quickly and effectively. Through procedural simplification and the integration of cutting-edge technology, this creative project revolutionized the typical banking experience. Building on the BOT infrastructure, the Customer Experience Framework Training program was introduced by the Branch Services Support Segment for all branch service employees. After completing the extensive training program in August 2023, staff members acquired the skills and knowledge needed to provide outstanding customer service.
- **Introduction of Service Officers (SO) Lite features.** Empowered Service Officers gained more freedom to assist branch clients as the SO Lite features enabled them to have more effective and individualized customer interactions. In addition, the introduction of Customer Experience training also paved the way for a culture of actively listening to customer feedback, enabling branch service professionals to take a proactive approach when addressing customer complaints.

- **Introduction of QR code-based tools for client feedback.** This user-friendly system enables customers to directly share their experiences transacting with the Bank. This daily feedback is then disseminated throughout the branch network, highlighting areas in need of improvement and raising awareness on positive experiences. Branch employees reach out to those who left unfavorable reviews to proactively address the customer issues raised.
- **Implementation of the Cash-In-Vault (CIV) Dashboard.** This is a centralized tool used to maintain reasonable cash levels across all branches to better serve clients’ demand.
- **Introduction of the Dynamic Router for telegraphic transfers.** This was rolled out to 12 pilot branches to expand the branches’ capability to facilitate bulk outward telegraphic transactions by routing them to the Middle Office, shortening client waiting time.
- **Digitalization of account opening.** Through automation, the Bank made the traditional account opening process easier and more efficient, leading to a significant increase in customer approval rating to 75% from 38%.
- **Launch of Account Review Portal (ARP).** This serves as a central repository for storing and viewing all event-based reviews by the branches and other business units for a more risk-based approach on Anti-Money Laundering/Know Your Customer (AML/KYC) policy implementation.

These initiatives enabled the Bank to enhance controls, automate tasks, and continuously streamline processes to deliver effective backroom assistance to various clients and business units. These also led to Php24 million in cost savings, shorter turnaround times, improved service level targets, and a 90% first contact resolution rate for customer requests and concerns while still obtaining favorable audit reviews from both internal and external auditing bodies.

In addition, the Bank gained recognition from the BSP for its outstanding support for its ISO20022, Digicur, and Cash Service Alliance activities. The Bank’s various Regional Service Centers (RSC) were also recognized: Cebu RSC as the “Cash Service Alliance Client Bank of the Year” (top 2) for being proactive in the BSP’s advocacy for the circulation of FIT notes in Cebu, Carmen RSC for having the “Most Number of Unfit Notes Deposit Award,” and Iloilo RSC for “Best in Deposits 2023” and “Most Prompt and Responsive Bank Officers.”

### IT Support Services

RCBC’s resilient infrastructure network, robust system design, scalable capacity, as well as “zero downtime” deployment strategy resulted in a 98.30% uptime — a measure of the percentage of time a bank is available to users for its e-payments and digital banking services. The Bank ranked No. 1 among Philippine banks included in the 2023 ASEAN Bank Stability Report, which informs businesses, partners, and end users on the infrastructure reliability of the banks they trust.

In addition to its excellent uptime performance, RCBC also accomplished the following IT support initiatives in 2023:

- **Completion of Network Infrastructure Upgrade project.** This provided for a more robust and modern network infrastructure to support the exponential growth in digital channels, enabling faster and more reliable digital services.
- **Expanded and secured API Ecosystem.** The Bank developed and deployed APIs for more secure and easier onboarding of third-party partners, introducing new billers and merchants to RCBC customers.
- **Automated back-office processes using robotics.** RCBC applied Robotic Process Automation to its back-office and automated manual tasks, contributing to operational efficiency, allowing for quicker service times to customers, and freeing up time for RCBC Bankers to perform higher-value tasks such as customer servicing.

### Data Science and Analytics

The Bank focuses on leveraging data science and analytics to deeply understand its various customer segments and personalize Bank communications. To promote a culture of continuous innovation, it treats innovation as a key performance indicator of each of its units. This fosters the development of cutting-edge solutions to address customer pain points and improve operational efficiency.

In addition, the Bank also implemented and accomplished the following in 2023:

- **Automated artificial intelligence (AI)/machine learning credit scoring model.** The implementation of an automated credit scoring model to directly address a key customer pain point of lengthy processing times resulted in a more seamless and efficient experience for applicants and improved turnaround time for auto loan applications by 70% versus the previous year.
- **Enhanced personalization and email open rates.** By deploying machine learning models for personalization, the Bank was able to increase the rate of emails opened to double the industry benchmark. This improved engagement metrics demonstrates the effectiveness of targeted communication strategies in reaching and resonating with Bank customers.
- **Innovative AIDE (Automated Intelligence Daily Email) Tool.** The RPA-powered initiative enables frontline staff to make informed decisions and take agile actions to improve performance, complementing traditional business intelligence dashboards. Since AIDE was implemented, the Bank was able to deliver timely and personalized insights to over 900 business front liners via email on a daily basis.

### Asset Management and Remedial

Utilizing online auction and other innovative marketing initiatives enabled the Bank to post higher sales from the disposition of Real and Other Properties Acquired (ROPA). In 2023, the income from ROPA sales increased by 10% year-on-year while the sale of real estate properties considerably grew by 9%.

The Bank’s Asset Management and Remedial Group was also able to exceed its 2022 performance in terms of recovery and resolution of past due loans (PDL) and non-performing loans (NPL) being handled by it, posting a 20% growth in 2023. Income generated increased by 207% in 2023. These were achieved through cash collections and effective debt restructuring packages originating from well-negotiated and innovative repayment schemes.





# Sustainability Impacts at a Glance

RCBC helped fund projects that have made environmental and social impacts.

**Php98.1 billion**  
Eligible Green, Blue, and Social Assets

**Over 18,000 projects**  
in RCBC's 2023 Sustainable Finance (SF) Portfolio

**Over 40%**  
of SF portfolio in renewable energy and energy efficiency projects



**944 MW**  
Total renewable energy capacity  
**1,819,968 MWh**  
Total renewable energy generated per year  
**977,211 tCO2e**  
Total emissions avoided per year

**27%**  
Energy Use Reduced/Avoided  
**56%**  
Water Use Reduced/Avoided  
**1,984 tCO2e**  
Total emissions avoided per year

**120**  
Total light rail vehicles  
**9,471,761 km**  
Total passenger rail track travelled  
**107,845,240**  
Total passengers per year

**242,214 MWh**  
Total energy saved per year

**98 MT**  
Plastics recycled  
**11,893 MT**  
Waste recycled/composted

**17,178,452 cubic meters**  
Total water supplied per year  
**34,211 cubic meters**  
Total wastewater treated per year  
**8,729 cubic meters**  
Total sewage sludge treated and disposed per year

**5,371**  
Total hospital beds  
**7,262**  
Total children vaccinated per year  
**4,989,100**  
Total patients treated

**112,543**  
Total students per year  
**558**  
Total vulnerable students per year provided with scholarship/subsidies

**572,279**  
Total members served by cooperatives per year  
**52,905**  
Total clients served by rural banks per year  
**Php41.3 billion**  
Total approved loans to women per year via financing project and rural banks  
**Php2.8 billion**  
Total approved loans to low-income borrowers per year via financing project and rural banks  
**Php1.2 billion**  
Total approved loans to MSMEs via rural banks

**730**  
Total loans extended to qualified SMEs  
**152**  
Total loans extended to SMEs led by women  
**103**  
Total loans extended to SMEs with majority women in workforce

**17,870**  
Total affordable houses financed  
**4,108**  
Total affordable / economic housing units constructed



# Risk Management

## 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.

<sup>1</sup> ISO 31000 enumerates 11 principles

## RISK MANAGEMENT PRINCIPLES<sup>1</sup>

Risk management is a dynamic activity. For risk management to be effective, it needs to be practiced within all layers of the organization. The Board of Directors (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
- 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.

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

## RISK CULTURE<sup>2</sup>

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	<ul style="list-style-type: none"> <li>• Establish, monitor, and adhere to an effective risk appetite statement</li> <li>• Have a clear view of the risk culture</li> <li>• Systematically monitor and assess the prevailing risk culture and proactively address any identified areas of weakness or concern</li> <li>• Promote through action and words, a risk culture that expects integrity and a sound approach to risk</li> <li>• Promote an open exchange of views, challenge, and debate</li> <li>• Have mechanisms in place which help lessen the influence of dominant personalities and behaviors</li> </ul>
Adopt Corporate Values	<ul style="list-style-type: none"> <li>• Systematically monitor and assess whether the espoused values are communicated and adhered to by management and staff at all levels</li> <li>• 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</li> <li>• Establish a compensation structure that supports the institution's espoused values and promotes prudent risk-taking behavior</li> </ul>
Develop Common Understanding and Awareness of Risk	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• Systematically monitor how quickly issues raised by the Board, supervisors, internal audit, and other control functions are addressed by management</li> </ul>
Learn from Risk Culture Failures/Mistakes	<ul style="list-style-type: none"> <li>• 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</li> </ul>



# Risk Management

## 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.

<b>Risk Ownership</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Employees are held accountable for their actions and are aware of the consequences for not adhering to the desired risk management behavior.</li> </ul>
<b>Escalation Process</b>	<ul style="list-style-type: none"> <li>Escalation processes should be established and used with clear consequence for non-compliance with risk policies and escalation procedures.</li> <li>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.</li> <li>Whistleblowing should be proactively encouraged and supported by the BOD and senior management.</li> </ul>
<b>Enforcement</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>

## 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.

<b>Open to Alternative View</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Stature of Risk Management</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>

## 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.

<b>Remuneration and Performance</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Incentive compensation programs systematically include individual and group adherence to the Group's core values and risk culture, including:             <ul style="list-style-type: none"> <li>Treatment of clients;</li> <li>Cooperation with internal control functions and regulators;</li> <li>Respect for risk exposure limits; and</li> <li>Alignment between performance and risk.</li> </ul> </li> </ul>
<b>Talent Development and Succession Planning</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>

## RISK APPETITE FRAMEWORK<sup>3</sup>

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.

At the highest level, Executive Management and the Board need to have a solid understanding of the risks the firm as a whole is taking. A key weakness that has disastrous effects, as evidenced by financial crises, is a disparity between the risks that a firm takes and those that its Board perceives the firm to be taking<sup>4</sup>. Supervisors see insufficient evidence of active Board involvement in setting the risk appetite for firms in a way that recognizes the implications of that risk-taking<sup>5</sup>. It is critical that the Chief Executive and Board members understand and consider the risk appetite and the risks being taken for the potential returns in evaluating major business decisions.

Management and the Board must know beforehand the firm's capacity for risk-taking, the previously specified amount of different risks they want the firm to take and the current and targeted risk profile relative to the desired level and capacity – to be able to evaluate and take action. This is – in essence – what a risk appetite framework does for an organization. Information needs to flow up to the Board and be presented in a timely way that drives decision making.

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 rewards 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 Board 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.

### Drivers of Quality Risk Management

To have an effective risk appetite framework<sup>6</sup>, 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.

<sup>3</sup> Deloitte, 2014. "Risk Appetite Frameworks: How to Spot the Genuine Article"

<sup>4</sup> Senior Supervisors Group (SSG), 2009. "Risk Management Lessons from the Global Banking Crisis of 2008"

<sup>5</sup> As noted of some firms during the 2008 financial crisis, by the Senior Supervisors Group (SSG)

<sup>6</sup> Financial Stability Board (FSB), 2013. "Principles for an Effective Risk Appetite Framework"



# Risk Management

## 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 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.
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. Liquidity risk 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. The Group has a Medium residual risk tolerance to losses arising from operational incidents or business as usual activities.

Risk Type	Definition	Risk Appetite
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 midstream 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.
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 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 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.
Third Party Risk	Any risk associated with engaging a third party in the context of providing a service or product to a client (the second party). It is an umbrella term covering several potential risk types depending on the product or service, the third party and the nature of the engagement / relationship	The Group will manage third party risk within the respective appetite of the ensuing risk/s brought about by engaging a third party and by regular evaluation and monitoring of the risk profiles of third parties.
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.
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 Management

## Risk Limits

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.

## 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 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 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 Board for the purpose of carrying out 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 MORB; and to ensure that Money Laundering/Terrorist Financing risks are effectively managed. The AML Board Committee has oversight on all AML-related matters such as the implementation of the Bank's Anti Money Laundering and Terrorist Financing Prevention Program (MTPP), AML findings, PCA commitments, alerts management, and CTRs & STRs. This Committee also ensures that infractions are immediately corrected, issues are addressed and AML training of directors, officers, and staff are regularly conducted.

## 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.<sup>7</sup>

<sup>7</sup> Institute of Internal Auditors, 2013. "The Three Lines of Defense in Effective Risk Management and Control"

Responsibilities	
<b>1<sup>st</sup> Line: Business Lines &amp; Support Units</b>	<ul style="list-style-type: none"> <li>• Every employee is a risk officer; the day-to-day management of all material risks is the responsibility of all bank personnel.</li> <li>• Business lines and support units:                             <ul style="list-style-type: none"> <li>◦ know our customers well and are best placed to act in both customers' and RCBC's best interests;</li> <li>◦ own the risks and are responsible for identifying, monitoring, and controlling them to stay within appetite; and</li> <li>◦ are responsible for promoting a culture of compliance and control.</li> </ul> </li> </ul>
<b>2<sup>nd</sup> Line: Risk &amp; Control Units</b>	<ul style="list-style-type: none"> <li>• Risk control owners for their respective specialized risk types:                             <ul style="list-style-type: none"> <li>◦ monitor and facilitate the implementation of effective risk management practices by the 1<sup>st</sup> line;</li> <li>◦ set standards by which the 1<sup>st</sup> line is expected to manage risk, including compliance with applicable laws, regulatory requirements, policies, and other relevant standards;</li> <li>◦ develop and maintain policies, standards and guidelines, set risk appetite and limits;</li> <li>◦ challenge the 1<sup>st</sup> line on effective risk management, their inputs to, and outputs from, the Bank's risk management tools; and</li> <li>◦ oversee the optimization of risk-reward trade-off.</li> </ul> </li> <li>• Scope of responsibilities is defined by risk type, and not constrained by functional/business/organizational boundaries</li> </ul>
<b>3<sup>rd</sup> Line: Audit</b>	<ul style="list-style-type: none"> <li>• Auditors:                             <ul style="list-style-type: none"> <li>◦ evaluate the effectiveness of the risk governance framework (design and implementation); and</li> <li>◦ provide an independent, objective assessment to improve the effectiveness of the first two lines of defense.</li> </ul> </li> </ul>

## 1<sup>ST</sup> 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.



# Risk Management

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.

## 2<sup>ND</sup> 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	2 <sup>nd</sup> 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	Risk Management 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 2<sup>nd</sup> 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	2 <sup>nd</sup> 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 Resources Group
10. Third Party Risk	Risk Management Group

## 3<sup>RD</sup> 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				
Sustainable Finance	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 ROC 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.

CHIEF SUSTAINABILITY OFFICER AND SUSTAINABLE FINANCE DIVISION HEAD		
Portfolio Analytics	Sustainable Asset Management	Sustainable Lending

**Sustainable Finance Division:** The Chief Sustainability Officer (CSO) is tasked to lead and oversee the Bank's sustainability efforts and harmonize such with different groups and subsidiaries of the Bank. The CSO also serves as the Head of Sustainable Finance Division (SFD) which primarily handles credit risk mitigation, capital adequacy measurement, regulatory compliance, and E&S risk mitigation functions. Credit risk mitigation falls under Independent Credit Review which was created in line with the requirements of BSP Circular 855 on credit review process. This is complemented by activities involving measurement and monitoring of BSP requirements on lending, capital adequacy, back testing, model performance review, and stress testing, all of which are handled by the Portfolio Analytics Department.

E&S risk mitigation is handled by the Sustainable Asset Management and Sustainable Lending Departments which are tasked to implement RCBC's Sustainable Finance Framework and Environmental and Social Management System (ESMS) Policy, respectively. This is in support of MORB Section 153 and of the Bank's commitment to uphold E&S responsibility in all its business activities. Regular SFD updates are submitted to the ROC. SFD contributes to risk portfolio management and attainment of financial sustainability through the assessment of the Bank's overall portfolio quality in terms of credit risk, capital adequacy, regulatory compliance, and E&S impact.

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 DIVISION HEAD			
Business Operational Risk	Reputational Risk	Business Resiliency	Trust & Insurance Risk

**Operational Risk Management Division:** The Operational Risk Management Division (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 Framework (ORMF) 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 also ensures the timely and quality renewal of institutional-wide insurance policies to protect the Bank against unexpected and substantial unforeseeable losses.

ORMD, through the Business Resiliency Department (BRD) is 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.

ORMD, through the Reputational Risk Department (RRD), provides the processes and methodologies designed to protect the clients via the Bank's Financial Consumer Protection Assistance Mechanism (FCPAM), Consumer Protection Framework and Reputational Risk Framework.

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), Consumer

# Risk Management

Assistance Officers (CAO) and Business Continuity Planning (BCP) Leaders. A DORO, CAO or BCP Leader functions as ORMD's liaison to and implementation arm in the various business units for Operational Risk, Reputational Risk and Business Resiliency, respectively.

ENTERPRISE FRAUD RISK DIVISION HEAD		
Investigation and Resolution	Special Cases Investigation	Detection and Monitoring

**Enterprise Fraud Risk Division:** 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 DIVISION HEAD		
Information Security Risk	Risk Management Systems	IT Security Governance

**Information Security Governance Division:** 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. ISGD also performs oversight on data governance.

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, technology risk, and data governance 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 providing operational and front-end aspect of the credit cycle.

CHIEF CREDIT OFFICER		
<b>Commercial Loan Evaluation</b> (Corporate & Middle Market Credit Review)	<b>Consumer Loan Evaluation</b> (Credit Acceptance, Credit Investigation, Credit Appraisal)	<b>Credit Policy &amp; Asset Quality Management</b> (Asset Quality, Credit Policy, Credit Process & Reengineering)

As the 2nd line of defense, CMG achieves its mandate through:

- Setting up of credit policies and guidelines that standardize lending principles across units (consumer and business lending)
  - Consumer Loans. Credit analysts continue to be involved in the execution of required policy and procedures defined for credit checks done on each customer. This will eventually evolve into exception handling for accounts that cannot be processed via STP.
  - Business Loans. Credit analysts corroborate with relationship managers (RMs) in setting-up credit proposals for customers, ensuring all aspects of credit as required by policy are included. CMG is expected to articulate unresolved issues (with the RM) that final approvers can decide on.
- Providing reasonable assurance to stakeholders on the quality of the Bank's loan books through:
  - Monitoring and reporting of the Bank's asset quality with adoption of an early warning framework
  - Calibration of existing policies, guidelines and procedures as necessary
  - Supporting the RMs in developing strategies to effectively minimize delinquency flows
- Ensuring that the Bank is adequately provisioned across its lending portfolio.

## CREDIT RISK

### Risk Assessment

Credit risk is the risk of loss arising from 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.

Relative to the COVID-19 pandemic, RCBC Unibank has implemented modifiers that impact the final risk rating of borrowers focusing on customer's cash flow together with behavior indicators, such as payments and deposit pattern.

The Scorecards are designed to be used for: 1) the whole of corporate lending by RCBC Parent and RCBC Leasing, 2) relevant portfolios assessed by Treasury and Trust for investment purposes, and 3) the SME portfolio of RCBC.

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 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 for Credit Cards, Housing, Auto and Personal Loans. The UniBank has adopted the use of TransUnion credit scores alongside with the existing application scorecards.

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

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.



# Risk Management

## 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  $ECL = PD \times LGD \times EAD$ . 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.

As the borrowers are settling into the 'new normal' following changes brought about by the COVID-19 pandemic, the UniBank has revisited their underwriting processes and successfully managed to bring down its delinquency rates. Following this, model validation and redevelopment of the ECL Framework was performed using updated default rates. The refreshed ECL Frameworks shall be used by the UniBank from January 2024 onwards.

## 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
Stress Testing of Credit Risk	BSP's Uniform Stress Testing Program for Banks
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 show actual performance of the rating system over time
QUARTERLY REPORTS	DESCRIPTION
NPL Sectorial Analysis	NPL by industry
Portfolio Stress Testing	Assessing the loan portfolio's vulnerability to adverse events

MONTHLY REPORTS	DESCRIPTION
Expected Credit Loss	Computation of the required allowance for credit losses and monitoring adequacy of booked reserves
Credit Exposure Report (CRE-DEX)	Credex and BSP code assignment based on the specific reserves and rating of account
Past Due Report	Consolidated Status Reporting of Past Due Accounts as updated by RMs
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 50 Borrowers Top 50 Past Due Loans Top 50 NPLs Top 50 Exposures (Group/Individual)	Monitoring of concentration risks
Consolidated Industry Exposure Report	Monitoring concentration risk per industry of consolidated RCBC, RSB and RLFC Portfolios
Consolidated Top Borrowers Report	Monitoring concentration risks

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 Independent Credit Review (ICR) function within the RMG. 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. Major credit risk issues or high priority observations as defined in the ICR Manual are reported periodically to the ROC, following discussions with accountable groups in line with the requirements of BSP Circular 855.

In 2023, two (2) ICR reports covering at least 75% of the UniBank's total loan portfolio were submitted to the ROC. The over-all quality of the portfolio reviewed has remained acceptable, although certain accounts were identified as having vulnerability to recent adverse news, credit risk, and facility risk as highlighted in the second report for the year. This kind of assessment of the Bank's portfolio quality will continually be implemented under the ICR. Monitoring of the implementation of the revised credit risk rating and more frequent reviews using Key Risk Indicators (KRIs) under the Credit Management Group's new credit monitoring and underwriting policy are also being covered in the ICR.

## COVID ADJUSTMENT – WHOLESALE BORROWING CUSTOMERS

### 2020 Approach

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. The Covid Assistance and Recovery (CARE) Program was also 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 UniBank has put into play various mitigating activities to manage its loan portfolio, focused on: (1) identification of negatively impacted classes of customers given the quarantine restrictions, and, (2) 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 who may not have been severely impacted by the crisis, has sufficient liquidity to pay off loans, and not too dependent on bank financing to continue operating.
- **Yellow.** An account that may not have been severely impacted by the crisis, continues to pay off any amounts due, but has a pronounced need for continued credit support.
- **Amber Accounts.** Account that may have been moderately impacted by the crisis, and would need refinancing support of > 1 year up to 2 years.
- **Orange Accounts.** Accounts that may have been moderately impacted by the crisis, and would need refinancing support of > 2 years.
- **Red Accounts.** 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 amount(s) they can afford.

### 2021 Approach

With more than a year of implementation of the assessment tools and guidelines of the CARE Program, the indicators for the 5 colors were calibrated in focused on assessing the customer's cash flow together with behavior indicators, such as, payment and deposit patterns.

The has 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.

### 2022 Approach

The country has transitioned to a "new normal", with the government gradually lifting border restrictions. This helped the businesses slowly returning to pre-pandemic levels in terms of production and sales operations.

As the recovery continues, the Bank remains committed to its customers through its COVID-19 Assistance and Recovery (CARE) Program and learning from its 2-year implementation: differentiated monitoring, quick review, and revised approval strategy.

The Bank has also started integrating the 5-color rating into the S&P scorecard, as part of the efforts to shift back to the standard process of credit monitoring and underwriting.

CARE RATING	DESCRIPTION/KEY RISK INDICATORS	S&P RATING
GREEN	Net Funds Provider (NFP) <sup>8</sup>	BB+
	No refinancing, and <70% line utilization, and >=30% Deposit-to-loan (DL) ratio	BB
	No refinancing, and <70% line utilization, and >=30% Deposit-to-loan (DL) ratio	BB-
	No refinancing, and <70% line utilization, and Minimal deposit	B+
YELLOW	No refinancing, and >=70% utilization rate, and Minimal deposit	B
	No refinancing, and >=70% utilization rate, and Minimal deposit No means to validate indicators	B-

<sup>8</sup> Accounts with deposits higher than loan outstanding balance.

<sup>9</sup> Initial rating for LPRP - May be upgraded to CCC after 6 months payment traction with LPRP terms.

# Risk Management

AMBER	<ul style="list-style-type: none"> <li>Full interest payment and updated principal payment (based on CARE terms), and</li> <li>Provided source of repayment are from operations</li> </ul>	B-
	<ul style="list-style-type: none"> <li>Fully updated interest payments</li> <li>Provided source of repayment are from operations</li> </ul>	CCC+
ORANGE	Fully updated interest payments but not from operations	CCC
	Accounts under Loan Portfolio Rationalization Program (LPRP) – with payment traction based on LPRP terms, 6 months after enrollment	
	Partial interest payments Accounts under LPRP – current status (initial rating upon enrolment) <sup>9</sup> Going concern accounts under remedial handling (AMRG)	Special Mention (SM)
RED	Accounts under LPRP – past due (31-90 days past due upon enrolment)	Substandard
	Going concern accounts under remedial handling (AMRG) – past due	
	Non-going concern accounts under remedial handling (AMRG) - Secured	Doubtful to Loss
	Accounts under Loan Portfolio Rationalization Program (LPRP) – non-performing loan (>90 days past due upon enrolment)	
Non-going concern accounts under remedial handling (AMRG) - Unsecured		

## 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 ( $\beta$ ) are introduced in RA-HHI as weights of relative exposures.  $\beta$  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 these indexes do 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

CMG 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. CMG 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 2023, the following tables reflect the balances of the Bank's portfolios exposed to market risk:

## FIXED INCOME

### Fair Value through Profit and Loss (FVTPL) – (Php Million)

Fair Value Through Profit and Loss	Face Value	Coupon %	Weighted Average Years	Weighted Average Book Yield %	Modified Duration	Book Value	Market Value	Market Yield %
<b>Peso Denominated Holdings</b>								
CORP BOND	0.36	4.35	0.50	6.70	0.45	0.35	0.35	7.73
FXTN	3,211	6.87	7.76	6.10	5.69	3,392	3,412	5.99
ROP GPN	3	6.25	12.22	6.48	7.99	3	3	6.96
RTB	215	4.59	2.73	6.12	2.44	207	209	5.85
T BILL	1,816	0.00	0.38	5.92	0.35	1,776	1,780	4.83
<b>TOTAL PESO FVTPL</b>	<b>5,245</b>	<b>4.40</b>	<b>5.00</b>	<b>6.03</b>	<b>3.71</b>	<b>5,378</b>	<b>5,405</b>	<b>5.58</b>
<b>Foreign Currency Denominated Holdings (in PHP Equivalent)</b>								
FGN SOV BOND	26	8.60	3.51	4.43	2.99	34	29	5.69
FGN CORP BOND	19	5.88	1.74	5.88	1.59	19	19	5.73
FGN GOCC	13	8.38	2.50	(0.33)	2.08	16	14	5.69
FGN T BILL	2,253	-	0.16	5.27	0.14	2,236	2,236	5.48
ROP	809	5.15	11.43	4.79	7.87	820	823	4.78
<b>TOTAL FCDU FVTPL</b>	<b>3,120</b>	<b>1.48</b>	<b>3.13</b>	<b>5.12</b>	<b>2.18</b>	<b>3,126</b>	<b>3,121</b>	<b>5.31</b>
<b>TOTAL FVTPL</b>	<b>8,365</b>	<b>3.31</b>	<b>4.30</b>	<b>5.69</b>	<b>3.14</b>	<b>8,504</b>	<b>8,526</b>	<b>5.48</b>

### Fair Value through Other Comprehensive Income (FVOCI) – (Php Million)

Fair Value Through Profit and Loss	Face Value	Coupon %	Weighted Average Years	Weighted Average Book Yield %	Modified Duration	Book Value	Market Value	Market Yield %
<b>Peso Denominated Holdings</b>								
CORP BOND	302	4.90	1.62	4.90	1.47	302	293	6.94
FXTN	62,116	5.75	6.82	5.19	5.29	64,252	62,090	5.97
<b>TOTAL PESO FVOCI</b>	<b>62,418</b>	<b>5.74</b>	<b>6.79</b>	<b>5.19</b>	<b>5.27</b>	<b>64,554</b>	<b>62,383</b>	<b>5.97</b>
<b>Foreign Currency Denominated Holdings (in PHP Equivalent)</b>								
FGN SOV BOND	1,635	4.54	7.43	4.36	5.99	1,647	1,628	4.52
FGN CORP BOND	14,498	3.46	5.48	3.37	4.61	14,564	12,693	8.76
ROP	1,440	3.80	17.28	2.64	11.85	1,665	1,263	4.86
<b>TOTAL FCDU FVOCI</b>	<b>17,573</b>	<b>3.59</b>	<b>6.63</b>	<b>3.40</b>	<b>5.33</b>	<b>17,876</b>	<b>15,584</b>	<b>8.05</b>
<b>TOTAL FVOCI</b>	<b>79,991</b>	<b>5.27</b>	<b>6.75</b>	<b>4.79</b>	<b>5.28</b>	<b>82,430</b>	<b>77,967</b>	<b>6.43</b>



# Risk Management

## FOREIGN EXCHANGE

Foreign Exchange Portfolio (Php Million)

Foreign Exchange Risk Exposures		
Currency Code	Currency Name	Amount in PhP M equivalent
USD	United States Dollar	(371)
JPY	Japanese Yen	722
CHF	Swiss Franc	10
GBP	British Pound	208
EUR	Euro	(434)
CAD	Canadian Dollar	8
AUD	Australian Dollar	196
SGD	Singaporean Dollar	0
Other	All Other Currencies (Net)	(238)
Sum of net long positions		1,323
Sum of net short positions		(1,223)
Overall net open position <sup>10</sup>		1,323
Total Risk Weighted FX Exposures		10,675

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

### Derivatives Portfolio

FX Swaps/Forwards	Notional Amount (USD Millions)	Notional Amount (PhP Millions)
<b>Trading</b>		
Sell/Buy USD (Borrow PhP)	1,150	63,667
Buy/Sell USD (Lend PhP)	1,180	65,315
GROSS POSITION	2,329	128,982
NET POSITION	(30)	(1,648)

Interest Rate Swaps	Peso IRS (PhP Millions)	USD IRS (USD Millions)	EUR IRS (EUR Millions)
<b>Trading</b>			
Received Fixed - Pay Float	450	25	12
Pay Fixed - Receive Float	750	13	12

Credit Default Swaps	General Motors (USD Millions)	AT&T (USD Millions)	Disney (USD Millions)
Receiving	-	-	-
Paying	23	5	5

Cross Currency Swaps	USDPhP CCS/CCAS (USD Mio)
<b>Trading</b>	
Receiving USD	40
Paying USD	25

<sup>10</sup> 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".

FX Options	USDJPY (USD Millions)
Buying	-
Selling	5

## 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 uses historical simulation to calculate VaR for all products.

A summary of the VaR position of the trading portfolio as of December 31, 2023 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 - provides 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 - measures the overall change in portfolio value by simulating extreme historical scenarios.

In addition to this, 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 Bank 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 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 ROC monthly.

## 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/Monthly	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 Senior Management, ALCO and 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.
- The FVOCI portfolios only have a MAT-Loss Limit. At 80% of MAT, losses are reported to the appropriate committees.
- 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

Limit excesses of up to 10% can be temporarily approved by the CRO and Treasurer with the intent that the excess will be reduced to below the limit or that a higher limit is to be requested by Treasury by the next ROC meeting. Only limits approved by the ROC will be subject to this change and the ROC will still be informed of such excesses.

In cases of further excess, the responsible risk-taking function (Treasury Group) should seek guidance from the ALCO members in regard to the position. Considering ALCO meets weekly, the unit should immediately contact individually even after office hours the following ALCO members namely, the President, 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).

# Risk Management

## 2023 DEVELOPMENTS

Market participants have fully transitioned from LIBOR to SOFR. The 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. The transition to SOFR began at the start of 2022; new transactions are now referenced to SOFR rather than LIBOR. As of June 30, 2023, USD LIBOR ceased to be published with existing contracts referencing LIBOR rates now referencing LIBOR fallback rates which are based on corresponding SOFR rates.

## 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 (if fixed rate) or time remaining until their next repricing (if 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. The Bank has implemented 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.

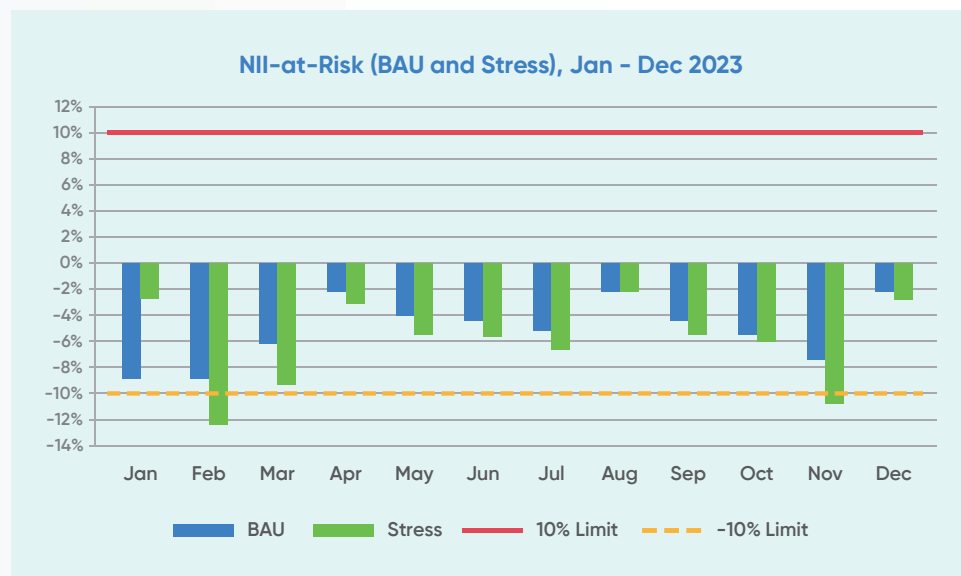
Major assumptions employed in the preparation of repricing gap are as follows:

- 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, 2023 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 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.

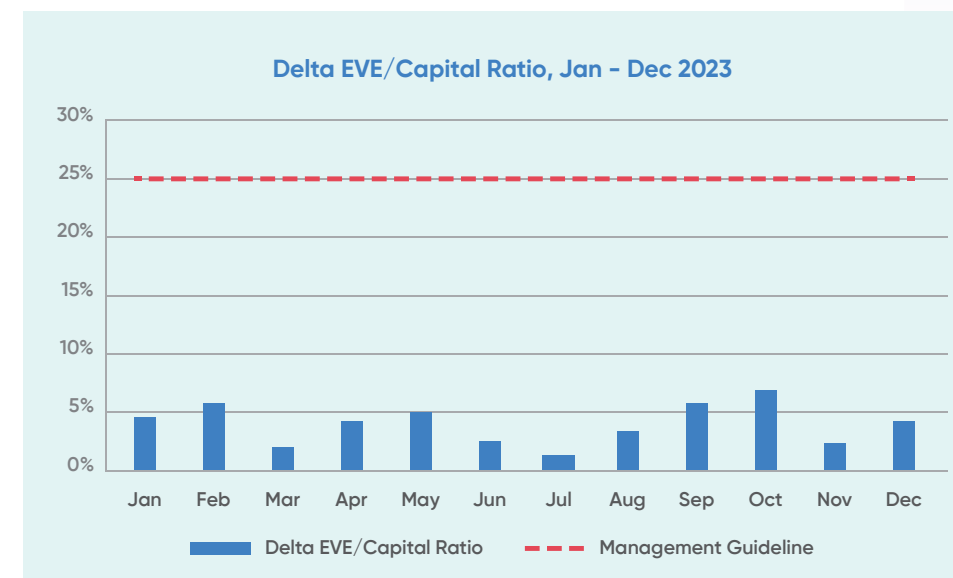
The historical NII-at-Risk for 2023 is as follows:



- **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 (January to June) & Term SOFR (July onwards) 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 2023.



There were no recorded breaches for Delta EVE as they are all within the Management Guideline of 25% and ranged from 1.56% to 7.15% which are below the approved limit.

## 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 are regularly monitored by RMG, and reported monthly to the ROC.



# Risk Management

## 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.

## 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:

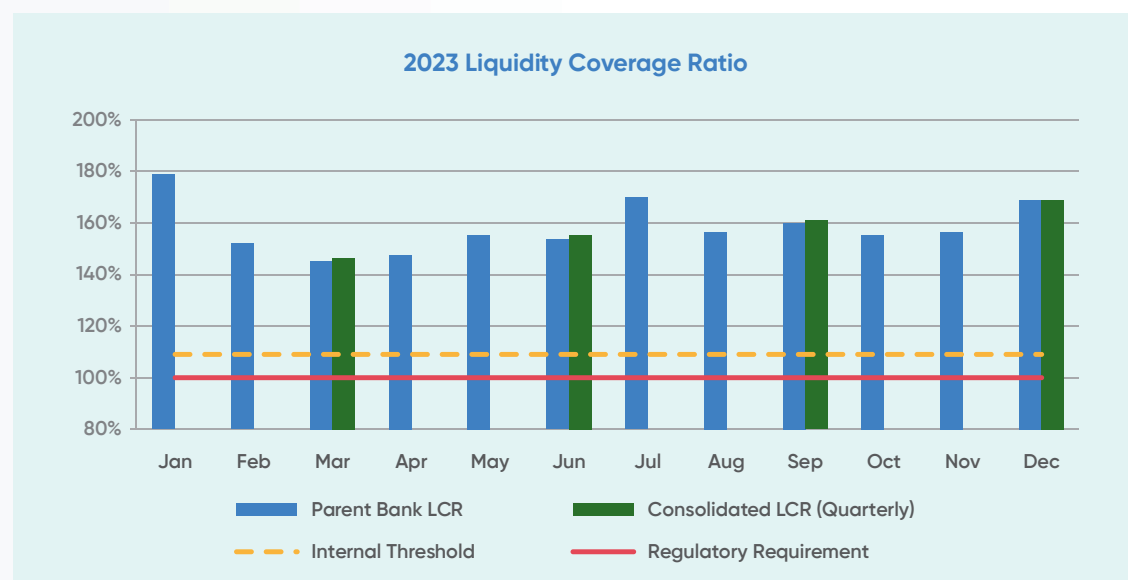
- Liquidity Gap:** The liquidity gap measures the mismatch of cash inflows and outflows over various time buckets via the Maximum Cumulative Outflow (MCO) approach. The purpose of liquidity gap is to anticipate periods when a portfolio will have large cash outflows (i.e. large negative liquidity gap). 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, 2023 Liquidity Gap is as presented in Note 4.2 of the NFS.

- 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.

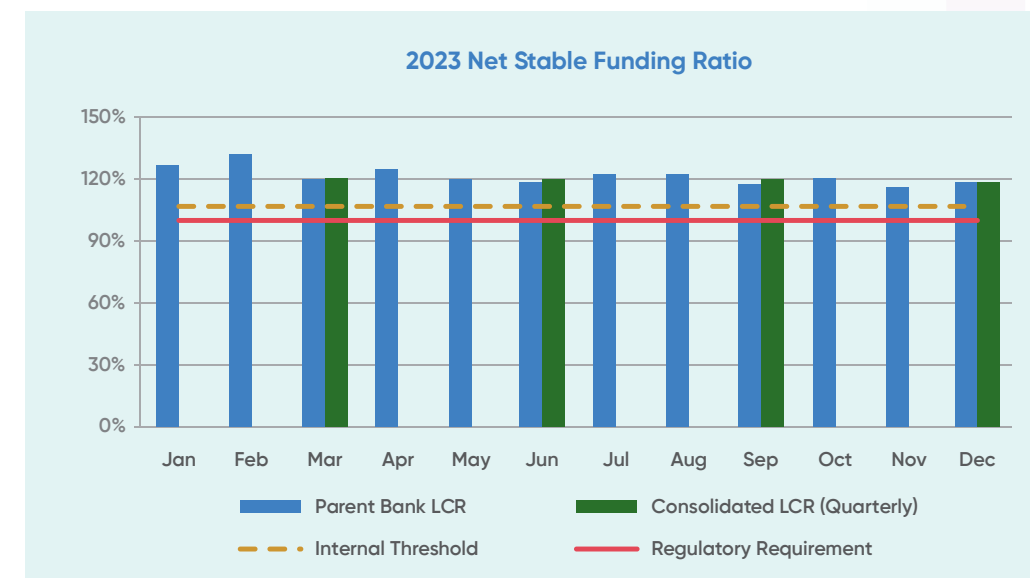
- Liquidity Coverage Ratio (LCR):** BSP issued Circular 905 on the implementation of the Liquidity Coverage Ratio (LCR) which requires banks to have an adequate stock of high quality liquid assets (HQLA) that can be easily and immediately converted into cash to absorb shocks arising from significant 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 FY2023, 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 2023 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 FY2023, 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:

- 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.
- 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.
- 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.

# Risk Management

## 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 involve 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, public health or safety laws or agreements, human rights violations that may result in payment of personal injury claims, or claims relating to 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, climate change mitigation and adaptation strategies or initiatives or other events.
- 6. Business Disruption and System Failures (BDSF):** Losses arising from disruption of business or system failures including Environmental and Social causes.
- 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 unit is 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.

The Internal Audit Group and Regulatory Affairs Group 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 material controls are assessed based on control effectiveness, taking into account design and objective evidence of control execution.

### 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	Acceptable operating conditions
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

### Deputy Operational Risk Officers (DOROs)

Each 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 Controllershship 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 department 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 Business Resiliency Department is managed by RMG-ORMD.



# Risk Management

## 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, ORM 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 and Business Continuity mandatory eLearnings are in place while Financial Consumer Protection is part of the Bank'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 Department (BRD), 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

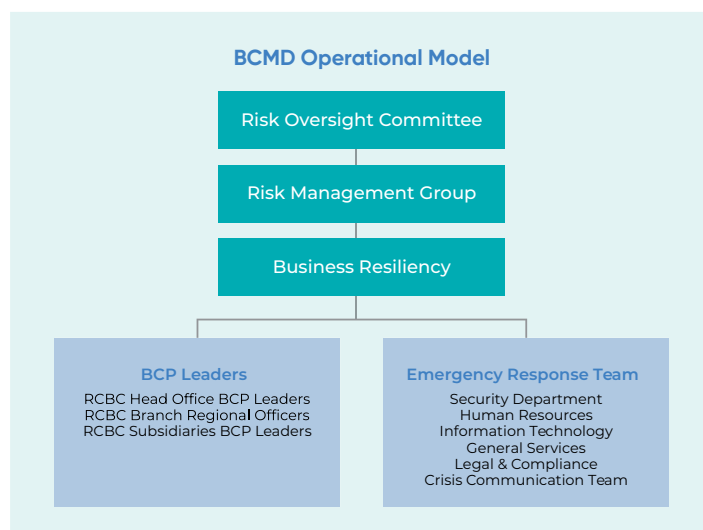
The Bank has embarked on an Institutional BCMP framework that identifies risks, threats and vulnerabilities which could impact the Bank's continued operations. It includes the following basic components of Business Continuity Management:

- 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

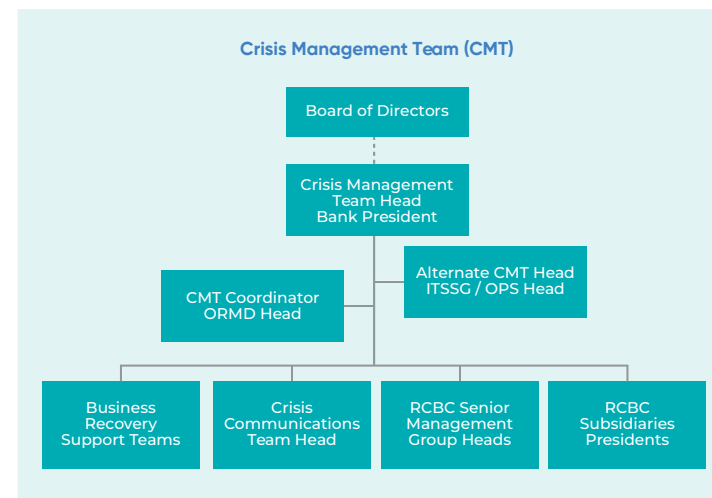
Central to the BCMP are the Institutional Business Continuity Plan (IBCP) and the Crisis Management Plan (CMP). The IBCP describes the organizational structure and governance, scope, business recovery strategies, and plan activation while the Crisis Management Plan (CMP) outlines the processes the Bank 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



- The ROC represents the BOD in setting the overall strategy, direction and control for all business continuity, crisis management and emergency response initiatives.
- The CRO leads the 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 Division – Business Resiliency Department (BRD) has an oversight function over BCP Leaders of Head Office Units, Branches and Subsidiaries with regards to the development, maintenance and implementation of their respective BCPs.
  - BRD ensures that the Emergency Response Teams have developed the Emergency Response Plan to ensure the protection of life and properties during an emergency situation.
  - BRD 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.
  - BRD assists the CRO in coordinating activities between the Crisis Management Team and Response and Recovery Teams during crisis scenarios.



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 composed 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., Angeles Pampanga, Timog Quezon City and Pacific Place Ortigas Quezon City)
- Satellite phones and UHF base radios assigned to select officers to improve the communication system especially during a disaster scenario such as the "Big One"

### Continuing Impact of COVID-19

As early as January 22, 2020, the Bank activated its Pandemic and Infectious Disease Plan, part of the 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.

The Bank's Spread Prevention and Safety Policy which outlines the guidelines regarding COVID-19 pandemic protocols has been updated and released in August 2023. This is in light of the issuance of Proclamation No. 297, declaring the lifting of the State of Public Health Emergency throughout the Philippines due to COVID-19. The update includes the discontinuance of the following COVID-19 protocols:

- Body temperature scan
- Daily reporting on confirmed COVID-19 cases
- Designation of BCP Leaders as Flu Manager
- COVID-19 Emergency Response Team (CERT) at the Business Centers

## INFORMATION SECURITY RISK

Information security risk is the risk of loss resulting from information security/cybersecurity 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.

# Risk Management

## 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 Bank's Compliance Program, the implementation of which is overseen and coordinated by the Regulatory Affairs Group (Compliance Officer), is the primary control process for regulatory risk issues, including money laundering and terrorist financing risks. The Compliance Office is responsible for communicating and disseminating applicable new rules and regulations to all affected units, analyzing and addressing compliance issues, monitoring embedding procedures, performing periodic compliance testing on business centers and Head Office units through the use of the Hub & Spoke operating model and reporting compliance findings to the Audit and Compliance Committee (ACC) and the Board of Directors.

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

## COMPLIANCE ASSURANCE FRAMEWORK

The Compliance Assurance Framework aligns itself with the Bank's Operational Risk Management Framework and best practices in embedding the Three Lines of Defense model. As Second Line of Defense, the Compliance Office will focus its assurance resources in providing an independent quality assessment of key controls by building on the testing activities within the First Line of Defense, Risk Management Group and Internal Audit Group.

The framework comprises two types of reviews - Continuous Monitoring Plan ("control-driven") and the Specialized Assurance Review ("risk prioritization-driven")

### Continuous Monitoring Plan (CMP)

The Continuous Monitoring Plan (CMP) is a set of quality assurance reviews on key control areas and will focus on giving risk and control owners the assurance that controls are operating effectively on an on-going basis.

## Specialized Assurance Review (SAR)

Specialized Assurance Review (SAR) is a thematic review and is driven by risk prioritization based on senior management discretion, current and emerging risks, and other regulatory focus. This also addresses specific lines of products / services and businesses that are offered by more complex business units, thus, present elevated challenges (i.e., Treasury, Trust & Investment, Wealth Management, etc.).

## COMPLIANCE RISK MONITORING AND REPORTING

The Compliance Office mainly reports to the 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-Related Issues Management: The Compliance Office has existing procedures on reporting, monitoring and closure of compliance related issues in order to minimize regulatory penalties and sanction against the Bank.
- Report of Examination Commitments: progress of corrective actions relating to Report of Examination (ROE) findings are monitored and reported to the ACC.
- Monitoring and Reporting of BSP Conditions: Compliance Office ensures the proper assurance, embedding, monitoring, and reporting of the Bank's action plans to satisfy such conditions through its partnerships with various units.

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

In the implementation of the ML/TF Risk Management Framework, RCBC 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 Bank'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 - Board of Directors, 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.



# Risk Management

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.

- a. 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.
- b. 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
- c. Residual Risk is the risk that remains after controls (mitigating factors) are applied against the inherent ML/TF risks. The residual risk rating can be used to determine whether the controls are effective and the risk is being adequately managed. This assessment can be used to determine if additional and/or different types of controls are needed for the business.

In this process, residual risk is determined by considering the summary of the risk mitigation factors and their strength in managing the identified inherent risks.

## 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 TFP

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 watch list 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

The Bank is committed to complying with the sanctions laws and regulations of the Republic of the Philippines and the United Nations (UN). It also recognizes the sanctions program of the European Union (EU) and the Office of the Foreign Asset Control (OFAC) of the United States (US) Department of Treasury.

To meet the abovementioned obligations, the Bank and its subsidiaries observe and comply with the minimum standards set by relevant regulations which include:

- Screening customers and transactions against the sanctions list issued by the UN, the EU, the OFAC and the Philippines;
- Prohibiting or restricting business activities, personal transactions, customer relationships or transactions that the Bank believes:
  - May violate applicable sanction rules, whether directly or indirectly;
  - Involve individuals, entities or vessels listed on an official sanction list by the UN, EU, OFAC or local regulatory sanctions list, whether directly or indirectly;
  - Are residing in, or operating from a sanctioned country or location;
  - May potentially circumvent applicable sanctions rules or the spirit thereof;
- Blocking or rejecting transactions where the Bank is obligated to do under applicable laws or regulations including the Terrorism Financing Prevention and Suppression Act of 2012 and Anti-Terrorism Act of 2020.

### 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 (MORB) 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 931 of the MORB.



# Risk Management

## 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 BOD 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.

Reports pertinent to the election/appointment of the directors and officers, including interlocking positions, are monitored to ensure timely submission to regulators and to avoid the imposition of penalties.

All directors and key officers of the Bank are also required to undergo at least four hours of relevant training which includes training in Anti-Money Laundering.

The Bank's BOD 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 Bank's Risk Governance Framework. The Corporate Governance Committee assists the Board 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 Board 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 MORB.

## RELATED PARTY TRANSACTIONS

Compliance risk pertaining to related party transactions is monitored through the following reports submitted to BSP pursuant to Section 136 (Related Party Transactions) of the MORB:

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 (RPTs) - 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 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

## 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 would take the place of the old Annual Corporate Governance Report. The I-ACGR would 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, Series of 2016 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.

In October 2023, the new revision of ACGS was endorsed by the ASEAN Capital Market Forum (ACMF) Chairs in response to the updated G20/OECD Principles of Corporate Governance and considers the recent developments in capital markets and corporate governance policies and practices. It includes new and updated criteria on shareholder rights and equitable treatment, transparency and disclosure, board responsibility, and the new area of sustainability and resilience.

## OTHERS

### Outsourced and Insourced Banking Activities

New proposals for outsourcing/insourcing of banking functions are first evaluated/assessed taking into consideration both the risks and benefits of outsourcing the said activity, to determine whether the arrangement is material or non-material to the Bank's business. It is then further reviewed by relevant banking units to ensure that legal, regulatory and operational risks are identified and adequately mitigated. The Bank also maintains and regularly updates its database of outsourcing agreements to ensure consistent and regular KYC and due diligence checks are observed. The Bank's outsourcing policy sets the guidelines for outsourcing of banking functions, services or activities to all the business units

## FATCA

The Bank has taken great strides to become globally compliant with the Foreign Account Tax Compliance Act (FATCA) and remains steadfast in this direction. It continues to comply with the US-Philippines FATCA Intergovernmental Agreement (IGA).

In line with the Compliance Office's compliance risk stewardship function, it 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 Wholesale Banking Compliance 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 has 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 first rolled out in May 2018. New employees are also trained on data privacy upon onboarding and branch induction programs. The Data Privacy e-learning module is regularly updated to incorporate new NPC issuances. The most recent e-Learning module was updated and released in December 2022.

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 by drafting its Comprehensive Data Privacy Policy and Privacy Notices through the cooperation and assistance of representatives from concerned business units. The policy sets the guidelines for all Business Units as they update 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

The Bank defines Reputational Risk as 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.



# Risk Management

## RISK IDENTIFICATION AND ASSESSMENT

The management of reputational risk in the Bank is guided by its Reputational Risk Management Framework in accordance with BSP Circular 1114. While growth is projected to emanate from these drivers, the Bank recognizes that potential failure in the same ushers in a potential damage to reputation. Without the public needing to know exactly what the Bank 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 Bank is vis-à-vis financial targets, what to expect in the coming months, and what can go wrong, the Bank 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 Bank 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 Bank 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 Bank 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 Bank. Benchmarking of recruitment, compensation, benefits, and even organizational development practice is a tool used by the Bank 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 continuous monitoring and reporting of reputational risk is a key component of an effective Reputational Risk Management Framework. It is imperative therefore that reports on reputational 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.

Report	Frequency	Reported To
Reputational Risk Report	Quarterly	ROC CX Council, as applicable Business Unit Level Forums
Customer Complaints Register (consolidated report)	Monthly	

## RISK MITIGATION

Implementation of an effective internal control system to mitigate reputational risk such as but not limited to the following:

- Reputational Risk Identification and Assessment
- Reputational Risk Control and Mitigation
- Reputational Risk Monitoring and Reporting
- Communication and Disclosure
- Crisis Preparedness and Resolution
- Employee Education and Awareness

It is envisioned that the positive stories released to the media will help frame initial public perception in a beneficial light in the event a negative story hits the media. At the same time, the good relationship built with the media over time may be seen as a risk mitigation tool and will be an advantage for the Bank in the event of a crisis.

## FINANCIAL CONSUMER PROTECTION

Implementation of an effective internal control system to mitigate reputational risk such as but not limited to the following:

### 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, the Bank 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*), BSP Circular 1160 (*Regulations on Financial Consumer Protection to Implement Republic Act No. 11765, otherwise known as the “Financial Products and Services Consumer Protection Act”*) and SEC Rules and Regulations of the Financial Products and Services Consumer Protection Act of 2022, 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 revolves around the core principles of consumer protection, namely:

- Disclosure and transparency;
- Protection of client information;
- Fair treatment;
- Effective recourse; and
- Protection of Consumer Assets Against Fraud and Misuse

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 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 Reputational Risk Department (RRD) formerly Consumer Protection Unit (CPU) under Operational Risk Management Division (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](mailto:customercare@rcbc.com); [loan\\_customercare@rcbc.com](mailto:loan_customercare@rcbc.com)
- By Website: [www.rcbc.com](http://www.rcbc.com)
- By Social Media: [@askRCBC](https://www.facebook.com/RCBCGroup)

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.

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.

## CONSUMER ASSISTANCE MANAGEMENT SYSTEM (CAMS)

The Bank keeps an open communication line with customers in sustaining and nurturing the banking relationship. The Bank welcomes suggestions, complaints and feedback; as it considers customers’ inputs in improving its products and services. Our customers may bring to the Bank’s attention inquiries, complaints and feedback about its products, services and other relevant concerns through the Customers Assistance Mechanism.

- Consumers may log their concerns through any reasonable means, such as personal visit, letter, e-mail, telephone, SMS and social media.
- All complaints received are duly acknowledged, responded and acted upon within the established time frame.
- Pertinent information is obtained from the customer.
- The concerned unit provides resolution in order to achieve settlement of issues within the Bank’s level.
- Result of assessment and investigation is communicated to the complainant and the possible remedies available including escalation to BSP Consumer Empowerment Group should the action taken by the Bank remain unsatisfactory to the customer’s expectations.

The Bank in its continuous efforts to improve its Consumer Assistance Mechanism (CAM), the tracking and ticketing system is in place to ensure classification of cases (i.e. tagging of cases per main category and sub-category) and rationalization of Service Level Agreement (SLA) per classification embedded therein. Further to this, the initiative aims to provide management and regulators a more in depth and comprehensive data analytics to include nature/trend of complaints received to include its Business Impact Analysis (BIA) on a month on month basis.

To further ensure effective management of customer complaints, the Bank continues to implement the overall CAMS 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.

For Y2023, the Bank received a total of 55,391 customer complaint cases, a 10% increase against the previous year:

Total Customer Complaints Year on Year	
No. of Customer Complaints – YR 2022:	50,207
No. of Customer Complaints – YR 2023:	55,391
Ratio Year on Year (Increase)	10%



# Risk Management

As the Bank moves towards the digital approach of doing business with our customers, most of the complaint cases received in Y2023 are related to ATM, Diskartech and Online Banking. As a percentage of transaction volume, ATM, Diskartech and Online Banking, recorded customer complaints with low impact at 0.013%, 0.08% and 0.015% of the total transactions, respectively.

ATM and Online Banking Customer Complaints			
	ATM	DISKARTECH	ONLINE BANKING
No. of Customer Complaints	13,182	4,865	34,357
No of Transactions	104.4 M	5.8 M	229.2 M
Complaints to Transactions to Ratio	0.013%	0.08%	0.015%

## 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
- Customers 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, the Bank 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 United Nations Office for the Coordination of Humanitarian Affairs reports that over 13.7 million in the Philippines have been affected by natural hazards and conflict in 2023<sup>11</sup>. Such hazards include super typhoon Egay displacing over 620,000 people in Northern Luzon and a 7.4-magnitude offshore earthquake damaging over 9,000 houses in Surigao del Sur and nearby areas.

Disaster risks also include floods, droughts, landslides, and volcanic eruptions which significantly affect the country's main economic sectors such as agriculture and industry. Climate change also impacts the magnitude and interval of such natural disasters which could make recovery more challenging, especially in the aftermath of the global coronavirus disease (COVID-19) pandemic.

In accordance with the Paris Agreement, the Philippines has submitted its Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) last April 15, 2021. This commitment echoes the government's awareness and actions towards climate change mitigation by employing appropriate policies and frameworks. The country's NDC includes a projected greenhouse gas (GHG) emissions reduction of 75% (2.71% using the nation's resources and 72.29% through means of implementation support under the Paris Agreement). These commitments and actions are documented through the National Framework Strategy on Climate Change (2010-2022) and the National Climate Change Action Plan (2011-2028).

RCBC affirms that the awareness of climate change and taking actions to address its impact are prudent risk management strategies in the Bank's role in national development. As a leading domestic financial institution and a responsible corporate entity, the Bank is committed to doing its part to reduce global warming, embark on climate and disaster-resilient policies, and support the government in its commitment to the UN Sustainable Development Goals (SDGs).

## RCBC Sustainable Finance Strategy

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

This is evidenced by RCBC being 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 (with the latest amendments published in February 2024).

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

Banks and financial institutions have a vital role in climate change mitigation, supporting the government in meeting its sustainability objectives, and effectively contributing to the UN SDGs and the Paris Agreement.

In December 2020, RCBC committed to cease funding of the construction of new coal power plants in the country or anywhere else in the world as reinforced in the RCBC Sustainability Forum conducted in October 2023. The Bank's remaining exposure to coal-fired power projects will be zeroed out by 2031. These are clear demonstrations 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. As approved by the Bank's ROC in March 2023, RCBC is targeting to increase its RE portfolio by 10% to 15% per annum (p.a.) in the next 12 to 24 months. As of January 2024, the bank's RE portfolio already grew by 37% versus the December 2023 level.

## Environmental and Social Management System (ESMS)

The Bank's ESMS requires that all lending relationships/credits, both pipeline and portfolio, are vetted from an E&S risk perspective. The ESMS is aligned with the International Finance Corporation's (IFC's) eight Performance Standards (PS) and 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 screening for risk and impact assessment. Only activities or projects which pass the E&S risk and impact assessment shall be eligible for financing. Initial E&S risk assessment tools include 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 PS. Environmental Risk Categories (ERC) are assigned to accounts based on the level of E&S risk, and credit approvals obtained in accordance with requirements depending on the ERC.

Relationship managers conduct the preliminary evaluation of an account's E&S risk level and may be assigned as ERCA (high-level risks), ERCB (medium-level risks) or ERC C (low-level risks). The ERC classification is then reviewed and validated by the Environmental and Social Risk Officer (ESRO), the second line of defense, who has the authority to override initial 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.

Enhanced due diligence and vetting are applied in the assessment of medium- and high-level risk accounts based on the following IFC PS:

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

The Bank's ESMS principles, along with the IFC PS, are applied in the conduct of the Environmental and Social Due Diligence (ESDD) through site visits or desktop reviews by the ESRO which follows a cycle of 18-24 months. This is an integral monitoring requirement commensurate to the risks involved in selected high risk accounts. RCBC emphasizes the importance of the ESDD process to clients and other stakeholders, and require them to engage in activities that meet the Bank's sustainability standards. Through the ESDD, the Bank is able to assess, review and validate the client's management of E&S risks on a regular basis, 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 towards sustainable practices.

The implementation of the Bank's ESMS helps identify and 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

To keep within market developments, RCBC has just published the amended Sustainable Finance Framework this February 2024 (updated from its initial publication in April 2019). The RCBC Sustainable Finance Framework still 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 (and its subset of Blue Bonds), Social Bonds, Sustainability Bonds, Green Loans (and its subset of Blue Loans), and other debt financing instruments. These SFIs conform to global sustainable finance principles, primarily those of the International Capital Market Association (ICMA) and ASEAN Capital Markets Forum. The amended framework also follows the Securities and Exchange Commission (SEC) Guidelines on Eligible Blue Projects and the International Finance Corporation (IFC) Guidelines for Blue Finance.

RCBC's updated Sustainable Finance Framework was reviewed by Sustainalytics, who issued a Second Party Opinion (similar to the maiden version), citing RCBC's Framework as "credible and impactful." Both documents are published in RCBC's website ([www.rcbc.com/sustainability](http://www.rcbc.com/sustainability)).

As of end 2023, RCBC has financed over 18,000 projects under its eligible green and eligible social portfolio amounting to almost Php 100 billion. RCBC's SFIs 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..."

<sup>11</sup> Philippines: 2023 Significant Natural Hazards and Conflicts Snapshots (As of 12 January 2024) <https://reliefweb.int/report/philippines/philippines-2023-significant-natural-hazards-and-conflicts-snapshot-12-january-2024#:~:text=In%202023%2C%20natural%20hazards%20and,number%20of%2012%20since%201948>



# Risk Management

## 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 with an identified subset of Eligible Blue 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 Blue Bond or Blue Loan will be allocated to Eligible Blue Categories (a subset of Eligible Green);
- 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 (with subset of Eligible Blue Categories) and Eligible Social Eligible Categories

## Reporting

Under the Sustainable Finance Framework, RCBC shall report:

- breakdown of proceeds according to eligible assets
- the balance of unallocated proceeds
- examples of projects being financed (subject to confidentiality considerations)

RCBC's annual Allocation and Impact Reports are published in the Bank's website ([www.rcbc.com/sustainability](http://www.rcbc.com/sustainability)).

## RCBC COMPLIANCE WITH MORB SECTION 153<sup>12</sup>

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 MORB Section 153. In order to equip the Bank with tools relevant to the additional E&S risk management requirements of MORB Section 153, RCBC has embarked on the following training programs and sustainability initiatives:

## E&S Risk Management Culture

Starting 2022, RCBC has integrated a mandatory Sustainability Key Result Area (KRA) into the annual employee performance evaluation as advocated by MORB Section 153. The objective is to promote E&S responsibility among all employees, with the internally developed Sustainability e-learning materials (launched in 2021 and expanded in 2022 and 2023) serving as primary tools in applying the KRA.

- In 4Q2021, 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 MORB Section 153. The E-learning serves as the immersion tool that helps RCBC employees, senior management, and Board of Directors understand the Bank's role and the individual's responsibility toward his/her community and environment. Climate change and the three pillars of Sustainability were the central theme in the pilot Sustainability e-learning, with concepts such as GHG emissions, carbon footprint, and low-carbon economy introduced throughout the material.

<sup>12</sup> MORB Section 153 (as introduced by BSP Circular 1085, April 2020) has the following amendments: BSP Circular 1128, Environmental and Social Risk Management Framework, Oct 2021; BSP Circular 1149, Guidelines on the Integration of Sustainability Principles in Investment Activities of Banks, August 2022

<sup>13</sup> GHG emission assessment is advocated under BSP Circular 1149.

- A follow-through Sustainability E-Learning was created and disseminated in 4Q2022, with materials focused on the evolution of the UN SDGs, their relevance to the three pillars of Sustainability, and the Bank's contributions to such. To further develop awareness and understanding of individual contributions to the UN SDGs, the UN SDG Daily Handbook was published internally and made accessible to all RCBC employees beginning in 4Q2023

## E&S Stress Testing

As approved by the ROC, RCBC entered into an advisory engagement with IFC and 2 Degrees Investing Initiative (2DII) in January 2021 for the use of the Paris Agreement Capital Transition Assessment (PACTA) tool and the climate stress testing modules developed by 2DII. This was the first advisory engagement to be conducted by IFC and 2DII in Asia. The tools enable RCBC to:

- Generate a comparison of the Bank's power generation portfolio versus globally-accepted climate reference scenarios covering short-to-long term time horizons (up to year 2040).
- Perform climate scenario analysis and stress testing to determine the impact of transition risk on the power generation borrowers' probability of default (PD) and the corresponding ECL for the Bank.

RCBC also has a Credit Framework for Physical Risks and Calamity Response which is the basis for account monitoring in terms of physical risks and natural calamities. The Bank identifies the most affected areas (e.g. typhoon, earthquake, etc.) and the potentially impacted clients who are located in the identified areas.

The analyses of both transition and physical risks results have been included in RCBC's annual ICAAP submission beginning 2023.

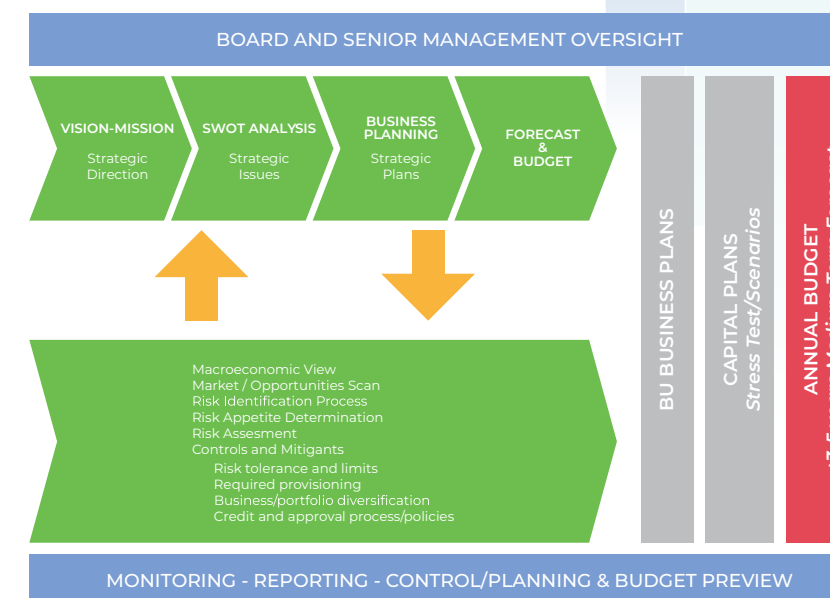
## E&S Risk Monitoring Through Greenhouse Gas (GHG) Emission Reporting

Following the ROC approval in September 2021, RCBC became 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 GHG emissions financed by loans and investments<sup>13</sup>. RCBC completed the PCAF on-boarding training program in early October 2021.

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 committed to disclose the GHG emissions of its portfolio within three years from joining the organization. RCBC was able to fulfill this commitment more than a year ahead of its deadline through its publication of its Scope 3 financed GHG emissions as part of the 2022 Sustainability and Impact Report. The contents of these reports are aligned with the annual E&S disclosures acknowledged under MORB Section 153.

# 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.



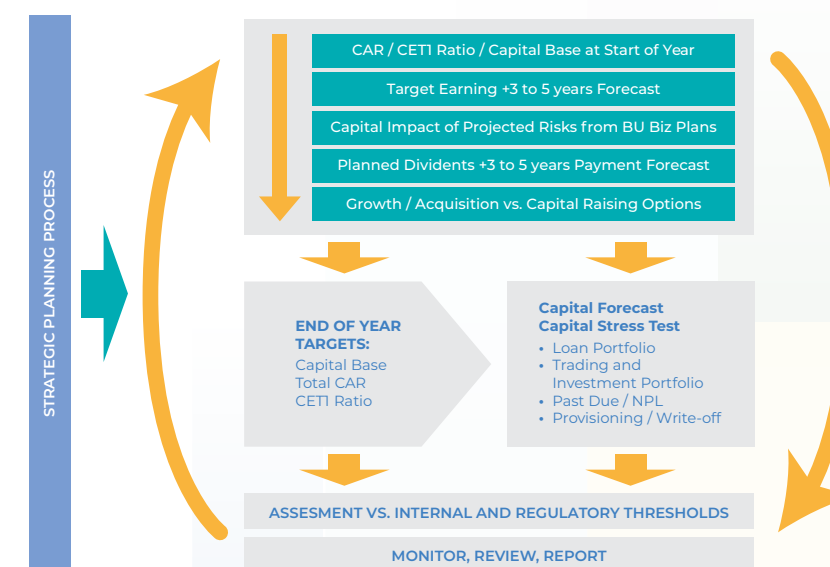
In the Strategic & Business Planning Process of the Group, the overall risk appetite is developed as part of the business plans.

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, and 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.

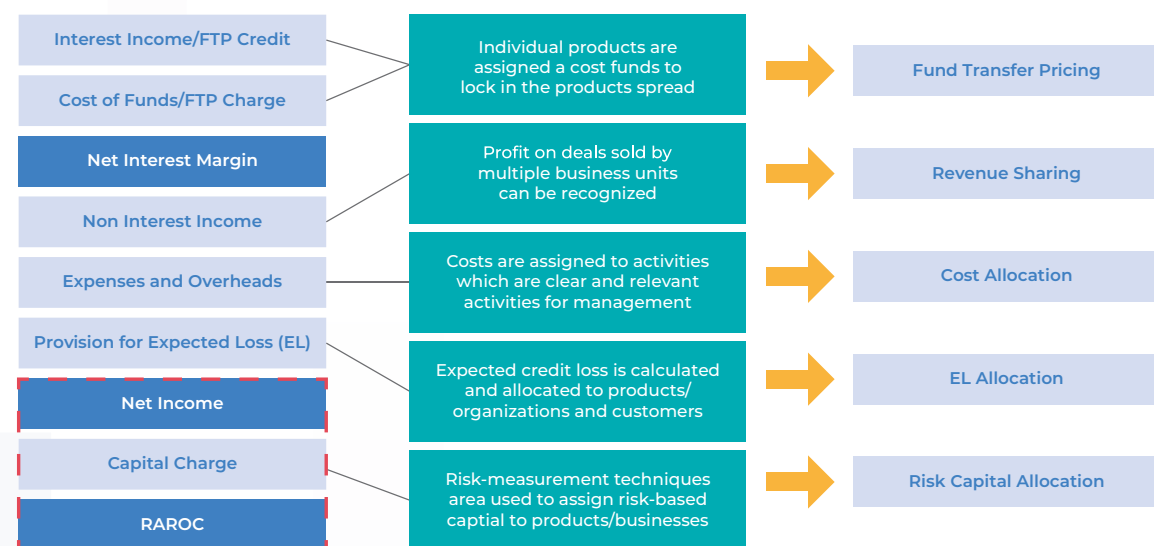
# Risk Management

## 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.

The current measurement or assessment of each business unit of the Bank - its contribution, the risks, and the returns - is 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 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 Board of Directors (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 from various investors through a top-up placement and in April 2013, IFC invested 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. ("Cathay Life"), 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.

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, 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)

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.

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 BOD 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.

On July 31, 2023, SMBC infused additional Php27.1B capital through the purchase of 168,619,976 Common Shares and 213,437,248 common stock held as treasury shares for a 20% share in the Bank.

### 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 Management

## 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, 2023 and 2022 under Basel 3 framework are shown in the table below.

	Group		Parent	
	2023	2022	2023	2022
CET1 Capital	115,046	85,637	111,616	81,242
Tier 1 Capital	129,512	100,103	126,082	95,708
Tier 2 Capital	6,586	6,081	6,522	6,025
<b>Total Qualifying Capital</b>	<b>136,098</b>	<b>106,184</b>	<b>132,604</b>	<b>101,733</b>
Credit Risk Weighted Assets	700,329	630,570	691,103	618,306
Market Risk Weighted Assets	16,219	3,940	16,211	3,925
Operational Risk Weighted Assets	66,752	59,912	64,165	57,131
<b>Risk Weighted Assets</b>	<b>783,301</b>	<b>694,421</b>	<b>771,479</b>	<b>679,361</b>
<b>Total Capital Adequacy Ratio</b>	<b>17.37%</b>	<b>15.29%</b>	<b>17.19%</b>	<b>14.97%</b>
<b>Tier 1 Capital Adequacy Ratio</b>	<b>16.53%</b>	<b>14.42%</b>	<b>16.34%</b>	<b>14.09%</b>
<b>Common Equity Tier 1 Ratio</b>	<b>14.69%</b>	<b>12.33%</b>	<b>14.47%</b>	<b>11.96%</b>
<b>Capital Conservation Buffer</b>	<b>8.69%</b>	<b>6.33%</b>	<b>8.47%</b>	<b>5.96%</b>
<b>Capital Conservation Buffer after DSIB</b>	<b>7.19%</b>	<b>4.83%</b>	<b>6.97%</b>	<b>4.46%</b>

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, 2023 and 2022 are as follows:

	Group		Parent	
	2023	2022	2023	2022
<b>Tier 1 (Common Equity Tier 1 plus Additional Tier 1) Capital</b>				
Paid up common stock	24,195	22,509	24,195	22,509
Additional paid in capital	58,228	42,493	58,228	42,493
Retained Earnings	44,614	36,591	44,624	36,592
Undivided profits	12,218	11,619	12,218	11,619
Other Comprehensive Income				
Net unrealized gains or losses on FVOCI Securities	(3,195)	(3,488)	(3,195)	(3,488)
Cumulative foreign currency translation	54	54	54	54
Remeasurement of Net Defined Benefit Liability/(Asset)	(2,906)	(1,592)	(2,906)	(1,592)
Minority interest in subsidiary financial allied undertaking which are less than wholly owned	7	9		
<b>Common Equity Tier 1 (CET1) Capital</b>	<b>133,215</b>	<b>108,195</b>	<b>133,218</b>	<b>108,187</b>

	Group		Parent	
	2023	2022	2023	2022
<b>Less: Regulatory Adjustments to CET1 Capital</b>				
Common Treasury Stock	-	9,287	-	9,287
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)				
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates	257	633	257	633
Deferred tax assets	5,999	3,420	5,507	2,994
Goodwill	269	269	269	269
Other Intangible Assets	2,237	2,362	2,235	2,359
Defined benefit pension fund assets (liabilities)	2,665		2,665	
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			5,828	6,251
Other equity investments in non-financial allied undertakings and non-allied undertakings	6,728	6,572	4,826	5,137
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
<b>Total Regulatory Adjustments to CET1 Capital</b>	<b>18,169</b>	<b>22,558</b>	<b>21,602</b>	<b>26,994</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>115,046</b>	<b>85,637</b>	<b>111,616</b>	<b>81,242</b>
<b>Additional Tier 1 (AT1) Capital</b>				
Instruments issued by the bank that are eligible as AT1 Capital	14,465	14,465	14,465	14,465
<b>Less: Regulatory Adjustments to AT1 Capital</b>				
<b>Total Additional Tier 1 (AT1) Capital</b>	<b>14,465</b>	<b>14,465</b>	<b>14,465</b>	<b>14,465</b>
<b>Total Tier 1 (Common Equity Tier 1 plus Additional Tier 1) Capital</b>	<b>129,512</b>	<b>100,103</b>	<b>126,082</b>	<b>95,708</b>
<b>Tier 2 Capital</b>				
Instruments issued by the bank that are eligible as Tier 2 capital				
General loan loss provision	6,586	6,081	6,522	6,025
<b>Total Tier 2 capital</b>	<b>6,586</b>	<b>6,081</b>	<b>6,522</b>	<b>6,025</b>
<b>Less: Regulatory Adjustments to Tier 2 Capital</b>				
<b>Total Tier 2 Capital</b>	<b>6,586</b>	<b>6,081</b>	<b>6,522</b>	<b>6,025</b>
<b>Total Qualifying Capital</b>	<b>136,098</b>	<b>106,184</b>	<b>132,604</b>	<b>101,733</b>

# Risk Management

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

FRP Equity Accounts	Group									
	2023					2022				
	FRP	BASEL III				FRP	BASEL III			
CET1 Capital		Additional Tier 1	Tier 2 Capital	Total Basel III Capital	CET1 Capital		Additional Tier 1	Tier 2 Capital	Total Basel III Capital	
Paid in Capital Stock	24,198	24,195	3		24,198	22,512	22,509	3		22,512
Common Stock	24,195	24,195			24,195	22,509	22,509			22,509
Perpetual and Non-Cumulative Preferred Stock	3		3		3	3		3		3
Additional Paid-in Capital	58,228	58,228			58,228	42,493	42,493			42,493
Other Equity Instruments (Additional Tier 1)	14,463		14,463		14,463			14,463		14,463
Retained Earnings (excluding RE-GLLP)	44,614	44,614			44,614	36,591	36,591			36,591
Retained Earnings Appropriated for General Provision	4,588			4,588	4,588	3,824			3,824	3,824
Undivided Profits	12,218	12,218			12,218	11,619	11,619			11,619
Other Comprehensive Income	(6,047)	(6,047)			(6,047)	(5,026)	(5,026)			(5,026)
Minority Interest in Subsidiaries (for consolidated report only)	7	7			7	9	9			9
<b>Total Equity Accounts</b>	<b>152,269</b>	<b>133,215</b>	<b>14,465</b>	<b>4,588</b>	<b>152,269</b>	<b>126,484</b>	<b>108,195</b>	<b>14,465</b>	<b>3,824</b>	<b>117,197</b>
<b>Other Accounts Eligible as Regulatory Capital</b>										
General Loan Loss Reserves				1,998	1,998				2,257	2,257
<b>Regulatory Adjustments/Deductions to CET1 Capital</b>										
Common Treasury Stock						9,287	9,287			9,287
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)										
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates		257			257		633			633
Deferred tax assets		5,999			5,999		3,420			3,420
Defined benefit pension fund assets (liabilities)		2,665			2,665					
Goodwill		269			269		269			269
Other Intangible Assets		2,237			2,237		2,362			2,362
Other equity investments in non-financial allied undertakings and non-allied undertakings		6,728			6,728		6,572			6,572
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
<b>Total Regulatory Capital</b>	<b>152,269</b>	<b>115,046</b>	<b>14,465</b>	<b>6,586</b>	<b>136,098</b>	<b>117,197</b>	<b>85,637</b>	<b>14,465</b>	<b>6,081</b>	<b>106,184</b>

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

FRP Equity Accounts	Parent									
	2023					2022				
	FRP	BASEL III				FRP	BASEL III			
CET1 Capital		Additional Tier 1	Tier 2 Capital	Total Basel III Capital	CET1 Capital		Additional Tier 1	Tier 2 Capital	Total Basel III Capital	
Paid in Capital Stock	24,198	24,195	3		24,198	22,512	22,509	3		22,512
Common Stock	24,195	24,195			24,195	22,509	22,509			22,509
Perpetual and Non-Cumulative Preferred Stock	3		3		3	3		3		3
Additional Paid-in Capital	58,228	58,228			58,228	42,493	42,493			42,493
Other Equity Instruments (Additional Tier 1)	14,463		14,463		14,463			14,463		14,463
Retained Earnings (excluding RE-GLLP)	44,624	44,624			44,624	36,591	36,591			36,591
Retained Earnings Appropriated for General Provision	4,579			4,579	4,579	3,824			3,824	3,824
Undivided Profits	12,218	12,218			12,218	11,619	11,619			11,619
Other Comprehensive Income	(6,047)	(6,047)			(6,047)	(5,026)	(5,026)			(5,026)
Minority Interest in Subsidiaries (for consolidated report only)										
<b>Total Equity Accounts</b>	<b>152,262</b>	<b>133,218</b>	<b>14,465</b>	<b>4,579</b>	<b>152,262</b>	<b>126,475</b>	<b>108,166</b>	<b>14,465</b>	<b>3,824</b>	<b>126,475</b>
<b>Other Accounts Eligible as Regulatory Capital</b>										
General Loan Loss Reserves				1,943	1,943				2,201	2,201
<b>Regulatory Adjustments/Deductions to CET1 Capital</b>										
Common Treasury Stock						9,287	9,287			9,287
Total outstanding unsecured credit accommodations, both direct and indirect, to directors, officers, stockholders and their related interests (DOSRI)										
Total outstanding unsecured loans, other credit accommodations and guarantees granted to subsidiaries and affiliates		257			257		633			633
Deferred tax assets		5,507			5,507		2,994			2,994
Defined benefit pension fund assets (liabilities)		269			269		269			269
Goodwill		2,665			2,665		2,665			2,665
Other Intangible Assets		2,235			2,235		2,359			2,359
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		5,828			5,828		6,251			6,251
Other equity investments in non-financial allied undertakings and non-allied undertakings		4,826			4,826		5,137			5,137
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
<b>Total Regulatory Capital</b>	<b>152,262</b>	<b>111,616</b>	<b>14,465</b>	<b>6,522</b>	<b>132,604</b>	<b>117,188</b>	<b>81,242</b>	<b>14,465</b>	<b>6,025</b>	<b>101,733</b>



# Risk Management

## 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 FVOCI 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 accommodations
- d. Unsecured loans, other credit credit accommodations 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

Treasury shares are stated at the cost of reacquiring such shares and are deducted from equity attributable to the Parent Company's equity holder until the shares are cancelled, reissued or disposed of.

On July 31, 2023, as a result of the capital infusion of SMBC, the Bank reissued 213,437,248 treasury shares at cost of P43.51 per share or P9,287.

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. In 2021, 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. In 2022, the Parent Company incurred additional expenses amounting to P12 in relation to this treasury shares reissuance and this was charged against the 2022 Capital Paid in Excess of Par account.

In 2019, subsequent 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 additional 120,730,177 common stock (with total par value of P1,207 from unissued portion of the increase in authorized capital stock on September 23, 2011 to Hexagon Investments B.V. that is equivalent to approximately 15.00% of the outstanding common shares. The issuance resulted in the recognition of addition Capital Paid in Excess of Par amounting to P2,264.

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.

## 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, 2023 and 2022, 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 securities and 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 to pay any distribution on the applicable payment date.
- e. The proceeds of the hybrid perpetual securities are used to support and finance medium-term 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.

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

### RCBC Parent

Equity Accounts	December 31, 2023				
	Audited FS	BSP FRP	Change	Details	Amount
Common Stock	24,195	24,195	-		
Preferred Stock	3	3	-		
Capital Paid in Excess of Par	58,228	58,228	-		
Other Equity Instruments	14,463	14,463	-		
Revaluation Reserves	(6,042)	(6,047)	5	To adjust fair value of Bancnet shares	3
				To adjust OCI retirement plan based on FS of subsidiaries	(2)
					5
Reserve for Trust Business	551	551	-		
General Loan Loss Reserves	3,823	3,823	-		
Surplus	57,047	57,047			
<b>Total Capital</b>	<b>152,267</b>	<b>152,262</b>	<b>5</b>		<b>5</b>

Equity Accounts	December 31, 2022				
	Audited FS	BSP FRP	Change	Details	Amount
Common Stock	22,509	22,509	-		
Preferred Stock	3	3	-		
Capital Paid in Excess of Par	42,493	42,493	-		
Other Equity Instruments	14,463	14,463	-		
Revaluation Reserves	(6,352)	(5,026)	(1,326)	Marked to market adjustment of Equity Securities	82
				Adjustment on retirement plan benefits	6
				AT1 revaluation adjustment	(1,414)
					(1,326)
Reserve for Trust Business	532	532	-		
General Loan Loss Reserves	3,823	3,823	-		
Surplus	49,166	47,679	1,487	AT1 revaluation adjustment	1,414
				Profit and Loss and prior year adjustment	73
					1,487
Treasury Stock	9,287	9,287	-		
<b>Total Capital</b>	<b>117,349</b>	<b>117,188</b>	<b>161</b>		<b>161</b>

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

# Risk Management

Total Credit Risk Exposures by Type, Risk Buckets and Risk Weighted Assets as of December 31, 2023 and 2022 are as follows :

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

Type of Exposures	December 31, 2023									
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
<b>On-Balance Sheet Exposures</b>										
Sovereigns	465,030		465,030	411,461		49,472		4,097		28,833
Banks	42,671		42,671		19,382	22,110		1,178		16,110
Government corporations	2,378		2,378			275		2,104		2,241
Corporates	440,439	8,159	432,280		3,224	3,482		425,345	229	428,074
Housing Loans	75,007	19,423	55,583			54,992		591		28,087
MSME Qualified portfolio	8,823		8,823			8,823				4,411
Defaulted exposures	16,027		16,027					5,864	10,163	21,109
Housing Loans	5,864		5,864					5,864		5,864
Others	10,163		10,163						10,163	15,245
ROPA	3,112		3,112						3,112	4,668
All other assets, net of deductions	158,240		158,240	19,831	84			138,156	168	138,426
Total on-balance sheet exposures	1,211,727	27,582	1,184,145	431,292	22,691	139,154		577,335	13,673	671,959
<b>Off-balance sheet exposures</b>										
Direct credit substitutes	9,005		9,005					9,005		9,005
Transaction-related contingencies	10,281		10,281					10,281		10,281
Trade-related contingencies	1,072		1,072					1,072		1,072
Others	394,085		394,085	394,085						
Total off-balance sheet exposures	414,443		414,443	394,085				20,358		20,358
<b>Counterparty Risk-Weighted Assets in the Banking Book</b>	43,284		43,284	29,797	5,794	5,503		2,189		6,100
<b>Counterparty Risk-Weighted Assets in the Trading Book</b>										
Derivatives-interest rate contracts	79		79			79				39
Derivatives - exchange rate contracts	2,257		2,257			859		1,398		1,827
Credit Derivatives	91		91			91				46
Total counterparty RWA in trading book	2,427		2,427			1,029		1,398		1,912
<b>Risk-Weighted Amount of Credit Linked Notes in the Banking Book</b>										
<b>Risk-Weighted Securitization Exposures</b>										
<b>Total</b>	<b>1,671,881</b>	<b>27,582</b>	<b>1,644,298</b>	<b>855,174</b>	<b>28,485</b>	<b>145,687</b>		<b>601,280</b>	<b>13,673</b>	<b>700,329</b>
<b>Deductions from Capital</b>										
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										
<b>Total, net of deductions</b>	<b>1,671,881</b>	<b>27,582</b>	<b>1,644,298</b>	<b>855,174</b>	<b>28,485</b>	<b>145,687</b>		<b>601,280</b>	<b>13,673</b>	<b>700,329</b>

\* 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, 2023									
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights						Total Risk Weighted Assets
				0%	20%	50%	75%	100%	150%	
<b>On-Balance Sheet Exposures</b>										
Sovereigns	463,004		463,004	409,434		49,472		4,097		28,833
Banks	46,558		46,558		19,382	24,897		2,279		15,895
Government corporations	2,378		2,378			275		2,104		2,241
Corporates	431,466	8,159	423,307		3,002	696		419,381	229	420,673
Housing Loans	74,477	19,423	55,054			54,984		70		27,562
MSME Qualified portfolio	8,256		8,256			8,256				4,128
Defaulted exposures	15,660		15,660					5,864	9,797	20,559
Housing Loans	5,864		5,864					5,864		5,864
Others	9,797		9,797						9,797	14,695
ROPA	2,728		2,728						2,728	4,092
All other assets, net of deductions	155,885		155,885	19,812	40			136,033		136,041
Total on-balance sheet exposures	1,200,414	27,582	1,172,831	429,246	22,424	138,579		569,828	12,754	662,733
<b>Off-balance sheet exposures</b>										
Direct credit substitutes	9,005		9,005					9,005		9,005
Transaction-related contingencies	10,281		10,281					10,281		10,281
Trade-related contingencies	1,072		1,072					1,072		1,072
Others	394,085		394,085	394,085						
Total off-balance sheet exposures	414,443		414,443	394,085				20,358		20,358
<b>Counterparty Risk-Weighted Assets in the Banking Book</b>	43,284		43,284	29,797	5,794	5,503		2,189		6,100
<b>Counterparty Risk-Weighted Assets in the Trading Book</b>										
Derivatives-interest rate contracts	79		79			79				39
Derivatives - exchange rate contracts	2,257		2,257			859		1,398		1,827
Credit Derivatives	91		91			91				46
Total counterparty RWA in trading book	2,427		2,427			1,029		1,398		1,912
<b>Risk-Weighted Amount of Credit Linked Notes in the Banking Book</b>										
<b>Risk-Weighted Securitization Exposures</b>										
<b>Total</b>	<b>1,660,567</b>	<b>27,582</b>	<b>1,632,985</b>	<b>853,128</b>	<b>28,218</b>	<b>145,112</b>		<b>593,772</b>	<b>12,754</b>	<b>691,103</b>
<b>Deductions from Capital</b>										
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										
<b>Total, net of deductions</b>	<b>1,660,567</b>	<b>27,582</b>	<b>1,632,985</b>	<b>853,128</b>	<b>28,218</b>	<b>145,112</b>		<b>593,772</b>	<b>12,754</b>	<b>691,103</b>

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



# Risk Management

## RCBC Group

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

Type of Exposures	December 31, 2022								
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights					Total Risk Weighted Assets
				0%	20%	50%	75%	100%	
<b>On-Balance Sheet Exposures</b>									
Sovereigns	490,379	1,396	488,984	391,205		93,648		4,131	50,955
Banks	28,925		28,925		18,769	7,592		2,564	10,114
Government corporations	2,399		2,399			276		2,123	2,261
Corporates	402,804	9,748	393,056		1,485	704		390,639	229
Housing Loans	60,740	23,746	36,995			34,067		2,928	19,961
MSME Qualified portfolio	9,086		9,086			9,086			4,543
Defaulted exposures	15,543		15,543					2,238	13,306
Housing Loans	2,238		2,238					2,238	2,238
Others	13,306		13,306						13,306
ROPA	3,404		3,404					3,404	5,105
All other assets, net of deductions	124,855		124,855	18,039	119			106,600	96
Total on-balance sheet exposures	1,138,135	34,889	1,103,246	409,244	20,373	145,373		511,222	17,035
<b>Off-balance sheet exposures</b>									
Direct credit substitutes	4,051		4,051					4,051	4,051
Transaction-related contingencies	4,726		4,726					4,726	4,726
Trade-related contingencies	1,669		1,669					1,669	1,669
Others	297,887		297,887	297,887					
Total off-balance sheet exposures	308,332		308,332	297,887				10,446	10,446
<b>Counterparty Risk-Weighted Assets in the Banking Book</b>	<b>65,159</b>		<b>65,159</b>	<b>58,391</b>	<b>2,502</b>	<b>2,845</b>		<b>1,421</b>	<b>3,344</b>
<b>Counterparty Risk-Weighted Assets in the Trading Book</b>									
Derivatives-interest rate contracts	215		215		18	186		11	108
Derivatives - exchange rate contracts	3,561		3,561			878		2,683	3,122
Credit Derivatives	31		31			31			15
Total counterparty RWA in trading book	3,807		3,807		18	1,095		2,694	3,245
<b>Risk-Weighted Amount of Credit Linked Notes in the Banking Book</b>									
<b>Risk-Weighted Securitization Exposures</b>									
<b>Total</b>	<b>1,515,434</b>	<b>34,889</b>	<b>1,480,545</b>	<b>765,522</b>	<b>22,892</b>	<b>149,314</b>		<b>525,782</b>	<b>17,035</b>
<b>Deductions from Capital</b>									
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									
<b>Total, net of deductions</b>	<b>1,515,434</b>	<b>34,889</b>	<b>1,480,545</b>	<b>765,522</b>	<b>22,892</b>	<b>149,314</b>		<b>525,782</b>	<b>17,035</b>

\* 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, 2022								
	Total Exposures*	Credit Risk Mitigants (CRM)	Total Credit Risk Exposure after CRM	Risk Weights					Total Risk Weighted Assets
				0%	20%	50%	75%	100%	
<b>On-Balance Sheet Exposures</b>									
Sovereigns	488,653	1,396	487,258	389,479		93,648		4,131	50,955
Banks	28,474		28,474		18,769	7,592		2,113	6,915
Government corporations	2,399		2,399			276		2,123	2,261
Corporates	396,550	9,748	386,802		1,086	703		384,784	229
Housing Loans	60,176	23,746	36,430			34,061		2,369	19,399
MSME Qualified portfolio	8,551		8,551			8,551			4,275
Defaulted exposures	14,760		14,760					2,238	12,522
Housing Loans	2,238		2,238					2,238	2,238
Others	12,522		12,522						12,522
ROPA	2,984		2,984					2,984	4,476
All other assets, net of deductions	121,613		121,613	18,024	81			103,508	
Total on-balance sheet exposures	1,124,159	34,889	1,089,270	407,503	19,936	144,831		501,265	15,735
<b>Off-balance sheet exposures</b>									
Direct credit substitutes	4,051		4,051					4,051	4,051
Transaction-related contingencies	4,726		4,726					4,726	4,726
Trade-related contingencies	1,669		1,669					1,669	1,669
Others	297,887		297,887	297,887					
Total off-balance sheet exposures	308,332		308,332	297,887				10,446	10,446
<b>Counterparty Risk-Weighted Assets in the Banking Book</b>	<b>65,159</b>		<b>65,159</b>	<b>58,391</b>	<b>2,502</b>	<b>2,845</b>		<b>1,421</b>	<b>3,344</b>
<b>Counterparty Risk-Weighted Assets in the Trading Book</b>									
Derivatives-interest rate contracts	215		215		18	186		11	108
Derivatives - exchange rate contracts	3,561		3,561			878		2,683	3,122
Credit Derivatives	31		31			31			15
Total counterparty RWA in trading book	3,807		3,807		18	1,095		2,694	3,245
<b>Risk-Weighted Amount of Credit Linked Notes in the Banking Book</b>									
<b>Risk-Weighted Securitization Exposures</b>									
<b>Total</b>	<b>1,501,458</b>	<b>34,889</b>	<b>1,466,569</b>	<b>763,780</b>	<b>22,455</b>	<b>148,772</b>		<b>515,826</b>	<b>15,735</b>
<b>Deductions from Capital</b>									
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									
<b>Total, net of deductions</b>	<b>1,501,458</b>	<b>34,889</b>	<b>1,466,569</b>	<b>763,780</b>	<b>22,455</b>	<b>148,772</b>		<b>515,826</b>	<b>15,735</b>

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

# Risk Management

## RCBC Group

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

Type of Exposures	December 31, 2023									
	Total Exposures	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	19,831		19,831	19,831						
Checks and Other Cash Items	84		84		84					17
Due from Bangko Sentral ng Pilipinas (BSP)	151,853		151,853	151,853						
Due from Other Banks	14,877		14,877		2,487	11,253		1,138		7,262
Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)	80,016		80,016	64,589	962	4,512		9,953		12,401
Debt Securities at Amortized Cost	238,794		238,794	159,202	2,262	48,717		28,384	229	53,538
Loans and Receivables	641,365	27,582	613,783		16,896	74,672		512,052	10,163	568,012
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	35,818		35,818	35,818						
Sales Contract Receivable (SCR)	2,627		2,627					2,459	168	2,711
Real and Other Properties Acquired	3,112		3,112						3,112	4,668
Other Assets	23,350		23,350					23,350		23,350
<b>Total Risk-weighted On-Balance Sheet Assets</b>	<b>1,211,727</b>	<b>27,582</b>	<b>1,184,145</b>	<b>431,292</b>	<b>22,691</b>	<b>139,154</b>		<b>577,335</b>	<b>13,673</b>	<b>671,959</b>

## RCBC Parent

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

Type of Exposures	December 31, 2023									
	Total Exposures	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	19,812		19,812	19,812						
Checks and Other Cash Items	40		40		40					8
Due from Bangko Sentral ng Pilipinas (BSP)	150,862		150,862	150,862						
Due from Other Banks	14,662		14,662		2,487	11,253		923		7,047
Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)	79,899		79,899	64,589	845	4,512		9,953		12,378
Debt Securities at Amortized Cost	237,992		237,992	159,017	2,157	48,717		27,872	229	53,005
Loans and Receivables	635,553	27,582	607,971		16,896	74,097		507,349	9,628	562,220
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	34,967		34,967	34,967						
Sales Contract Receivable (SCR)	2,608		2,608					2,440	168	2,692
Real and Other Properties Acquired	2,728		2,728						2,728	4,092
Other Assets	21,290		21,290					21,290		21,290
<b>Total Risk-weighted On-Balance Sheet Assets</b>	<b>1,200,414</b>	<b>27,582</b>	<b>1,172,831</b>	<b>429,246</b>	<b>22,424</b>	<b>138,579</b>		<b>569,828</b>	<b>12,754</b>	<b>662,733</b>

## RCBC Group

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

Type of Exposures	December 31, 2022									
	Total Exposures	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	18,039		18,039	18,039						
Checks and Other Cash Items	119		119		119					24
Due from Bangko Sentral ng Pilipinas (BSP)	156,743		156,743	156,743						
Due from Other Banks	5,834		5,834		1,967	2,742		1,124		2,889
Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)	111,914		111,914	51,038	650	50,378		9,848		35,166
Debt Securities at Amortized Cost	254,497	1,396	253,101	174,695	835	46,865		30,478	229	54,420
Loans and Receivables	555,555	33,493	522,061		16,801	45,388		446,566	13,306	492,579
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	8,728		8,728	8,728						
Sales Contract Receivable (SCR)	556		556					460	96	604
Real and Other Properties Acquired	3,404		3,404						3,404	5,105
Other Assets	22,747		22,747					22,747		22,747
<b>Total Risk-weighted On-Balance Sheet Assets</b>	<b>1,138,135</b>	<b>34,889</b>	<b>1,103,246</b>	<b>409,244</b>	<b>20,373</b>	<b>145,373</b>		<b>511,222</b>	<b>17,035</b>	<b>613,535</b>

## RCBC Parent

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

Type of Exposures	December 31, 2022									
	Total Exposures	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	18,024		18,024	18,024						
Checks and Other Cash Items	81		81		81					16
Due from Bangko Sentral ng Pilipinas (BSP)	155,419		155,419	155,419						
Due from Other Banks	5,383		5,383		1,967	2,742		673		2,438
Financial Assets Designated at Fair Value through Profit or Loss										
Available-for-Sale (AFS) Financial Assets	111,787		111,787	51,038	524	50,378		9,848		35,141
Held-to-Maturity (HTM) Financial Assets	253,436	1,396	252,040	174,465	562	46,865		29,920	229	53,808
Unquoted Debt Securities Classified as Loans										-
Loans and Receivables	548,242	33,493	514,749		16,801	44,847				485,098
Loans and Receivables Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions	8,556		8,556	8,556						
Sales Contract Receivable (SCR)	535		535					439	96	583
Real and Other Properties Acquired	2,984		2,984						2,984	4,476
Other Assets	19,712		19,712					19,712		19,712
<b>Total Risk-weighted On-Balance Sheet Assets</b>	<b>1,124,159</b>	<b>34,889</b>	<b>1,089,270</b>		<b>19,936</b>			<b>501,265</b>		<b>601,271</b>



# Risk Management

Capital Requirements by type of exposures as of December 31, 2023 and 2022 are as follows:

Type of Exposures	December 31, 2023					
	Credit Risk		Market Risk		Operational Risk	
	Group	Parent	Group	Parent	Group	Parent
On- Balance Sheet Assets	671,959	662,733				
Off- Balance Sheet Assets	20,358	20,358				
Counterparty Risk-Weighted Assets in the Banking & Trading Book	8,012	8,012				
Credit Linked Notes in the Banking Book						
Securitization Exposures						
Market Risk-Weighted Assets			16,219	16,211		
Operational Risk using Basic Indicator Approach					66,752	64,165
<b>Total</b>	<b>700,329</b>	<b>691,103</b>	<b>16,219</b>	<b>16,211</b>	<b>66,752</b>	<b>64,165</b>
<b>Capital Requirements</b>	<b>70,033</b>	<b>69,110</b>	<b>1,622</b>	<b>1,621</b>	<b>6,675</b>	<b>6,417</b>

Type of Exposures	December 31, 2022					
	Credit Risk		Market Risk		Operational Risk	
	Group	Parent	Group	Parent	Group	Parent
On- Balance Sheet Assets	613,535	601,271				
Off- Balance Sheet Assets	10,446	10,446				
Counterparty Risk-Weighted Assets in the Banking & Trading Book	6,589	6,589				
Credit Linked Notes in the Banking Book						
Securitization Exposures						
Market Risk-Weighted Assets			3,940	3,925		
Operational Risk using Basic Indicator Approach					59,912	57,131
<b>Total</b>	<b>630,570</b>	<b>618,306</b>	<b>3,940</b>	<b>3,925</b>	<b>59,912</b>	<b>57,131</b>
<b>Capital Requirements</b>	<b>63,057</b>	<b>61,831</b>	<b>394</b>	<b>392</b>	<b>5,991</b>	<b>5,713</b>

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.

## Market Risk Weighted Assets

Using Standardized Approach	Group				Parent			
	2023		2022		2023		2022	
	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	308,657	5,526	181,096	2,093	307,833	5,517	180,198	2,078
Equity Exposures								
Foreign Exposures	20,514	10,675	4,627	1,807	21,472	10,675	4,630	1,807
Options	277	18	686	40	277	18	686	40
<b>Total</b>	<b>329,448</b>	<b>16,219</b>	<b>186,409</b>	<b>3,940</b>	<b>329,583</b>	<b>16,211</b>	<b>185,514</b>	<b>3,925</b>

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

Nature of Item	Group		Parent	
	2023	2022	2023	2022
Net interest income	28,866	25,876	28,411	25,416
Other non-interest income	6,735	6,077	5,811	5,054
Gross Income	35,601	31,953	34,222	30,470
<b>Capital Requirements</b>	<b>66,752</b>	<b>59,912</b>	<b>64,165</b>	<b>57,131</b>

## 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

RCBC affirms its commitment to good corporate governance. With an empowered Board of Directors 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, as well as 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. This Framework is embodied in the Bank's Corporate Governance Manual, the latest version of which was approved by the Board in July 31, 2023.

## Board Governance

### Key Roles and Responsibilities

RCBC is headed by a competent and working Board that oversees the implementation of its strategic objectives, governance framework, and corporate values.

The Board is primarily responsible for establishing a sound corporate governance framework, not only for the Bank, but for the entire RCBC Group. It has the fiduciary responsibility to the Bank and all its shareholders, including minority shareholders. Among its many functions are 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 Erika Fille T. Legara, PhD., 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 2023, RCBC had 5 independent directors, including one female independent director, Erika Fille T. Legara, PhD. The 4 other independent directors are Mr. Gabriel S. Claudio, Mr. Vaughn F. Montes, Ph.D., Mr. Laurito E. Serrano, and Mr. Juan B. Santos who 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.

### 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. With the perceived ease in the ongoing Covid-19 pandemic, the Board Meetings reverted to face-to-face meetings in 2023 with simultaneous provisions for video conferencing for directors unable to attend in person, 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.



# Corporate Governance

From January to December 2023, the members' attendance in Board and Committee meetings are as follows:

## 2023 Board Attendance in Committee Meetings

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	11	48	48			11	9											72	68	94%
Cesar E.A. Virata	13	13	48	48	11	11	11	11											83	83	100%
Eugene S. Acevedo	13	13	48	48	11	11	11	11											83	83	100%
Gil A. Buenaventura <sup>1</sup>	13	13	48	48													7	7	68	68	100%
Armando M. Medina	13	13	48	48															61	61	100%
John Law <sup>2</sup>	13	12			4	2											4	3	21	17	81%
Shih-Chiao (Joe) Lin	13	12											12	12	13	12			38	36	95%
Gayatri P. Bery	13	12									15	11							28	23	82%
Hiroki Nakatsuka <sup>3</sup>	5	5	20	20	4	4													29	29	100%
Katsufumi Uchida <sup>4</sup>	5	5									6	4							11	9	82%
Juan B. Santos	13	12			11	11							12	12					36	35	97%
Gabriel S. Claudio	13	13											12	12	13	13	11	11	49	49	100%
Vaughn F. Montes	13	13							16	16	15	15					11	11	42	42	100%
Laurito E. Serrano	13	13							16	16	15	14							31	30	97%
Erika Fille T. Legara <sup>5</sup>	13	13							16	14			7	7	13	13			49	47	96%
Lilia B. de Lima <sup>6</sup>	8	8			7	7							7	7					22	22	100%
Arnold Kai Yuen Kan <sup>7</sup>	8	8																	8	8	100%

M = Number 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 Y2023, the NEDs held a separate meeting with the heads of internal audit, compliance and risk functions and external auditor on December 11, 2023 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, Board-level committees, and senior management. This exercise covers the assessment of the ongoing suitability of each member, taking into account their performance in the Board and Board-level committees.

\* Board meetings include Regular, Special and Organizational meetings  
<sup>1</sup> Member of AML until July 2023  
<sup>2</sup> Member of AML and Trust starting August 2023  
<sup>3</sup> Member of the Board and Excom starting August 2023  
<sup>4</sup> Member of the Board and ROC starting August 2023  
<sup>5</sup> Member of CGC until July 2023; Member of ROC starting August 2023  
<sup>6</sup> Member of the Board and CGC until July 2023  
<sup>7</sup> Member of the Board until July 2023

The Corporate Governance Committee decides the manner by which the Board's performance may be evaluated and propose 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. The Training Program for Board members has been adopted in the Bank's Corporate Governance Manual.

Under the 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 their 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 the BSP.

Board members also undergo the Annual Continuing Training Program which covers courses on corporate governance, matters relevant to the Bank, including audit, internal controls, risk management, sustainability, and strategy. The Board, 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 Php35,000.00 for attendance in Board meetings. The Chairpersons of Audit and Risk Oversight Committees receive Php20,000.00 while members of the committees receive Php15,000.00 per diem for attendance in meetings. The per diem in other Board committees is capped at Php15,000.00 for the Chairperson and Php10,000.00 for Board members.

The members of the Board, 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 RCBC.

Remuneration Item	2023
(a) Per diem allowance	Php14,255,000.00 (total amount of Directors' per diem for the meetings of the Board and Board Committees)
(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.	Php140,863,000.00
<b>TOTAL</b>	<b>Php155,118,000.00</b>

## Board Committees

The Board has delegated some of its functions to these Board-level committees:

### 1. Executive Committee

#### Composition:

Chairman and at least four Board members

#### Members:

Helen Y. Dee, NED, Chairperson  
Eugene S. Acevedo, Vice Chairperson  
Cesar E.A. Virata, NED  
Armando M. Medina, NED  
Gil A. Buenaventura, NED  
Hiroki Nakatsuka, 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 2023, 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; and
- 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. 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  
Erika Fille T. Legara, ID

#### Observers:

Shih-Chiao (Joe) Lin  
Masayuki Kawakami

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

# Corporate Governance

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.

- Provides authority to investigate 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 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's evaluation of the effectiveness of the internal controls in the areas of financial reporting processes, information technology security and controls, risk management systems and governance process of the Bank is mainly based on the annual financial statements audit report showing an unqualified opinion from the External Auditor, the overall assurance provided by the Chief Audit Executive from the audits and related activities performed during the period and additional reports and information requested from Senior Management, and found that these systems and processes are generally adequate across RCBC.

In 2023, 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, 2022
- 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, 2023
- Approval of the External Auditors' (P&A) Fees for the Quarterly Review of the Financial Statements (FS) of RCBC and selected Subsidiaries
- Review of P&A's Interim Report for the audit of 2023 RCBC Group year-end financial statements

## B. For Internal Audit Function

- Engaging in discussions on the results of internal audits managed and executed by the Internal Audit Group (IAG) 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 or quarterly reviews and notation of the status of audit plans, IAG manpower including movements, outstanding/unresolved audit issues and analysis common audit issues
- Approval of revision in the Internal Audit Policies and notation of change in Audit Report format
- Approval of the change in approach for the audit of Branch - Sales Function
- Approval to Conduct Special Audits in accordance with IAG's Special Audit and Consulting Policy
- Approval of revisions in the 2023 Annual Audit Plan
- Approval of the Internal Audit Group's 2024 Audit Plan
- Notation of 2023 Internal Audit Group's Annual Report for the 2022 Internal Audit Activities
- Notation of the Agreement to Provide Direct Assistance to External Auditors, Punongbayan & Araullo (P&A), for the 2023 Financial Statements Audit
- Notation and Approval of Internal Audit's Digital Transformation Plan
- Monthly updates and notation in the updates of IAG Transformation Project by DIT
- Notation on the secondment of IAG Division Head Nener G. Concepcion to RCBC Leasing and Finance Corporation as Chief Audit Executive
- Notation of the audit results and the action plans for the latest BSP Audit
- Approval of the External Service Provider (ESP) for the Cybersecurity Audit

## C. For Compliance Function

- Reviewed and approved the Regularization approval of the 2021 and 2022 Compliance Assurance Framework;
- Reviewed and approved the BSP Commitment: Updates to the Compliance Manual;
- Reviewed and approved the RAG Transformation Roadmap;
- Reviewed and approved the Update on the 2023 Specialized Assurance Review (SAR) Plan;
- Reviewed and approved the Updated Data Privacy Policy;
- Reviewed and approved the 2024 Compliance Assurance Plan
- Discussed and noted the Updates to BSP Circular No. 1160 otherwise known as Financial Products and Services Consumer Protection Act (FCPA);
- Discussed and noted the Amendments to the Regulations on Credit Exposure Limits to a Single Borrower and Definition of Capital;
- Discussed and noted the Compliance Assurance, Operations, & Oversight Division's Action Plans relative to BSP Exam & Hub-Spoke Compliance Model;

- Discussed and noted the Discussion on the Philippine Supreme Court Decision G.R. No. 213860;
- Discussed and noted the Regulatory Update and Clearance on the Spin-off of the Trust & Investment Group;
- Discussed and noted the New Regulation: Liquidity and Capital Requirements on E-Money Issuers - Impact on RCBC;
- Noted on the BSP Report Baseline Assessment on Data Governance and Ethical Use of Data;
- Noted on the Update on the Continuous Monitoring Plan (CMP) of RCBC (Revised CMP Report);
- Noted on the BSP 2022 AREF Commitments (Compliance);
- Discussed and noted on the RCBC IFL's Money Service Operator (MSO) Competence Assessment and Hong Kong Customs and Excise Department's (C&ED) Notice of Intention to revoke RCBC IFL's MSO License;
- Discussed and noted on the BSP Commitment on Updates to the Compliance Manual;
- Noted on the Sale of FX for investments in Fixed Income Securities (2020 ROE BSP Commitment);
- Noted on the Regularization of the 2021 and 2022 Compliance Assurance Framework;
- Noted on the Thematic Review on the Implementation of Customer Due Diligence (CDD) on Designated Non-Financial Business (DNFBP);
- Noted on the Results of Specialized Assurance Review – LIBOR Transition;
- Noted on the BSP Circular No. 1175 – Reduction of Reserve Requirements against Deposits and Deposit Substitute liabilities;
- Noted on the CAD Advance Reporting on Digital Investment Management Account (IMA) and Adoption of SBLAF;
- Noted on the Risk Steward Embedding Report;
- Noted on the Final Report on the FIST Implementation

## 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, NED  
Erika Fille T. Legara, ID  
Katsufumi Uchida, NED

### 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.

### 2023 ROC Actions:

The highlights of the Risk Oversight Committee's actions in 2023 are as follows:

#### [ROC Charter](#)

- Approved the updated ROC Charter

#### [ROC Self-Assessment](#)

- Noted the 2023 ROC Self-Assessment Results

#### [Enterprise Risk and ICAAP](#)

- Approved:
  - 2023 ICAAP Risk Materiality Assessment
  - 2023 ICAAP: Updated Macroeconomic Variables Estimates and Financial Projections (BAU, Stress, Post-MMA)
  - 2023 Internal Capital Adequacy Assessment Process (ICAAP)
  - 2023 Risk Governance Framework Review
  - Work Plan for 2023 Recovery Plan & Gap Analysis with BSP Circular 1158
  - 2023 Recovery Plan
- Noted:
  - Enterprise Risk Reports including RCBC Group Risk Profile, Risk Dashboards, Risk Heat Maps, Reports on Asset Quality and Capital Adequacy
  - Results of BSP Uniform Stress Testing on Credit Risk

#### [Credit Management](#)

- Noted:
  - Credit Management reports including Updates on Asset Quality, Key Accounts, Flagged Accounts, Problem Loan Committee, NPL and ECL Forecast, Updates on CARE Program, Ratings Migration, Industry Exposure Limits, Consumer Loan Portfolio, Treasury Bond Portfolio, and Portfolio Quality of Subsidiaries

#### [Market and Liquidity Risk](#)

- Approved:
  - 2023 Treasury Limits
- Noted:
  - Market and Liquidity Risk Reports including Regulatory Ratios, Liquidity and Repricing Gaps, IRRBB Metrics, and other measures
  - Deposit Level Update
  - Results of BSP Uniform Stress Testing on Market Risk



# Corporate Governance

## Treasury

- Approved:
  - 2023 Funding Plan
  - FVOCI Limit Increase (RLMS - Reserve and Liquidity Management Segment)
  - Increase the Aggregate Limit for USD/Php Forwards Swaps
  - Php Maximum Cumulative Outflow (MCO) Limit Request
- Noted:
  - Hedge Transaction Notification
  - Silicon Valley Bank (SVB) Overview

## Sustainable Finance

- Approved:
  - 2022 Sustainability Report
- Noted:
  - Credit Portfolio Quality Report
  - Independent Credit Review Report
  - Environmental and Social Risk Report
  - Sustainability Updates
  - 2022 Allocation Report
  - 2022 Sustainability and Impact Report
  - Update on the Implementation of the IFC Management Action Plan
  - Compliance Advisor Ombudsman (CAO) Nov 2023 Visit

## Operational Risk

- Approved:
  - Updates on Financial Consumer Protection Framework
- Noted:
  - Operational Risk Reports including RCSA, KRI, and CST Library
  - KRI and CST Results
  - Business Resiliency Reports
  - Trust Risk Reports
  - Consumer Protection Reports
  - Update on Document Deficiency Monitoring (Quarterly), Update on Bankwide Document Deficiency Monitoring
  - 2023 Risk Control Self-Assessment (RCSA) Reassessment Results
  - Physical Security Updates
  - Compliance with BSP c1160 - Regulations on Financial Consumer Protection to Implement Republic Act No. 11765 (Financial Products and Services Consumer Protection Act)
  - Product Program Guide

## Enterprise Fraud Risk

- Approved:
  - Updated Enterprise Fraud Management Framework (EFMF)
- Noted:
  - Enterprise Fraud Risk Reports
  - Fraud Risk Assessment Activity

## Information Security Governance

- Noted:
  - Reorganization of Risk Management Group (as approved by the Executive Committee)
  - BSP Report of Examination (ROE)

## Office of the Group Head

- Approved:
  - Reorganization of Portfolio Quality Division (renamed to Sustainable Finance Division)
- Noted:
  - Reorganization of Risk Management Group (as approved by the Executive Committee)
  - BSP Report of Examination (ROE)

## Others

- Approved:
  - Risk Acceptance - Audit issue on long outstanding document deficiency for a Wealth Client
- Noted:
  - Subsidiary Reports
  - Collateralized Consumer Loans report including Consumer Portfolio Analytics and Consumer Loans Clean-up Update (Quarterly for Consumer Portfolio Analytics)
  - Reputational Risk Reports
  - Report on Bank's Material Cases (Quarterly)

## 4. The Corporate Governance Committee

### Composition:

The Corporate Governance Committee shall be composed of at least three (3) 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:

Juan B. Santos, Lead Independent Director and Chairperson  
Gabriel S. Claudio, ID  
Shih-Chiao (Joe) Lin, NED

### Observer:

Masayuki Kawakami

The Corporate Governance Committee assists the Board in fulfilling its corporate governance responsibilities. The highlights of the actions of the Committee in 2023 are as follows:

- Exercised oversight on the nomination process for members of the Board and for positions requiring Board approval;
- Reviewed and recommended to the Board the assignment of its members 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;
- Reviewed and endorsed for Board approval the revisions to the Corporate Governance Manual and Charter;
- Reviewed and approved the 2022 Integrated Annual Corporate Governance Report (iACGR);
- Reviewed and endorsed for Board approval the 2024 Annual Board Plan;
- Discussed and noted the following:
  - Quarterly Report on New Hires and Separated Employees, and Attrition Report
  - Quarterly Whistleblowing Report
  - Results of the 2022 Annual Board Evaluation

## 5. The Related Party Transactions Committee

### Composition:

The Related Party Transactions (RPT) Committee shall be composed of at least three members of the Board, two 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:

Gabriel S. Claudio, ID, Chairperson  
Erika Fille T. Legara, ID  
Shih-Chiao (Joe) Lin, NED

### Observer:

Masayuki Kawakami

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 2023, 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 2023 includes the following:

- Reviewed and evaluated all material RPTs, those within the threshold amount of Php10,000.00 and above, and those that require Board approval regardless of amount (e.g., DOSRI loans, outsourcing, cross-selling) 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;
- Reviewed and endorsed for Board approval the revisions to the Related Party Transactions Policy;
- Exercised oversight on the filing of the required reports to BSP under BSP Circular No. 895, as amended:
  - Report on Conglomerate Structure
  - 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 directors, majority of whom are independent directors, including the Chairperson.

### Members:

Gabriel S. Claudio, ID, Chairperson  
Vaughn F. Montes, ID  
John Law, NED

### Observers:

Eugene S. Acevedo  
Masayuki Kawakami

The AML Committee assists the Board 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 2023, some of the crucial actions of the Committee include:

- Approved:
  - RAG commitment to AMLC on Filing of Accurate and Timely Covered Transaction Reports
  - DiskarTech Basic Deposit Account (BDA) Enhancement
  - Amendment of the MTPP's Prohibited Accounts
  - Accuity Name Screening System Enterprise License for RCBC and System Health Check & Tuning Workshop
  - RCBC's Action Plans to Address Late CTR Reporting Incident last November 2022
  - Proposed Amendments to the MTPP on Appendix 15 – RCBC Sanctions Policy and Appendix 19 – Guidance on Trade Based Money Laundering and Financial Crime Risk
  - Procurement of the TBML Module of Compliance Link for STMA Compliance
  - Addition of Appendix 20 in DNFBP Policy
  - Discussed and noted the following:
    - RAG commitment to AMLC on Filing of Accurate and Timely Covered Transaction Reports
    - DiskarTech Basic Deposit Account (BDA) Enhancement
    - Amendment of the MTPP's Prohibited Accounts
    - Accuity Name Screening System Enterprise License for RCBC and System Health Check & Tuning Workshop
    - RCBC's Action Plans to Address Late CTR Reporting Incident last November 2022
    - Proposed Amendments to the MTPP on Appendix 15 – RCBC Sanctions Policy and Appendix 19 – Guidance on Trade Based Money Laundering and Financial Crime Risk
    - Procurement of the TBML Module of Compliance Link for STMA Compliance
    - Addition of Appendix 20 in DNFBP Policy

# Corporate Governance

> Discussed and noted the following:

- Regulatory Requirements in relation to Designated Non-Financial Businesses and Professions (DNFBP)
- Draft Report of 2022 AML Institutional Report Assessment (IRA)
- Speak Up Feature for STR Filing
- Final/Detailed Report of 2022 AML Institutional Report Assessment (IRA)
- Updates on the Bank's initiatives with respect to customers of African descent
- Updates to the Wolfsberg Correspondent Banking Due Diligence Questionnaire (CBDDQ)
- Update on Online Gaming Clients
- AMLC Typologies Report on Money Mules
- BSP 2022 AREF Commitments (AML/CFT)
- RCBC IFL's Money Service Operator (MSO) Competence Assessment and Hong Kong Customs and Excise Department's (C&ED) Notice of Intention to revoke RCBC IFL's MSO License
- Update on the Enhancements to the Product Risk Assessment (PRA) and Institutional Risk Assessment (IRA)
- Results of the AMLC Thematic Review of the Bank's Effectiveness of Customer and Transaction Screening Systems
- Thematic Review on the Implementation of Customer Due Diligence (CDD) on Designated Non-Financial Business (DNFBP)
- Money Mules-related STRs filed by the Bank (Adaptation of the AMLC Money Mules Case Study)
- RCBC IFL vs. RCBC Parent MTPP Gap Analysis
- Fraud Case of DiskarTech accounts Used as Mule or Drop accounts
- AML ManCom Charter Changes
- Accuity Health Check and False Positive Reduction Exercise updates
- Landmark AML Case - People of the Phils vs. Girlie Lingad

## 7. The Trust Committee

### Composition:

At least five 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) NEDs or IDs 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 Trust Committee members, the majority shall be composed of qualified non-executive members.

### Members:

Juan B. Santos, ID and Chairperson  
Cesar E.A. Virata, NED  
John Law, NED  
Eugene Acevedo, President & CEO  
Robert B. Ramos, Trust Officer

### Observer:

Hiroki Nakatsuka

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.

In 2023, the Trust Committee oversaw the spin-off of the RCBC Trust and Investments Group (RCBC-TIG) into a separate juridical entity. The RCBC Trust Corporation was formally incorporated in June 29, 2023. On October 10, 2023, it received its Certificate of Authority from the Monetary Board of the Bangko Sentral ng Pilipinas to engage in Trust and Other Fiduciary Business as a non-bank financial institution.

In August 2023, Director Lilia B. De Lima resigned from the Trust Committee and was replaced by Director John Law.

The last quarter of 2023 saw the Trust Committee supervising the senior management team of the RCBC Trust and Investments Group as they prepared to transfer all of its assets and liabilities to the newly-formed RCBC Trust Corporation by January 1, 2024.

The landmark transition, which covered not just the assets under management of RCBC-TIG, but all of its management team, officers and staff as well, took place in just a little over one-year. In November 28, 2023, the RCBC Trust Committee met for the last time, with the oversight and supervision of the trust business of the RCBC Trust Corporation being passed on to its own Board of Directors.

Despite these changes, RCBC Trust aims to maintain its synergetic relationship with RCBC to ensure business continuity, foster seamless collaboration and harnesses shared expertise for a sustained legacy of trust and financial excellence.

## 8. The Technology Committee

### Composition:

At least three members of the Board

### Members:

Helen Y. Dee, NED and Chairperson  
Cesar E.A. Virata, NED  
Eugene S. Acevedo, Executive

### Observer:

Hiroki Nakatsuka

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 the 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 with BSP rules and regulations relating to Information Technology.

In 2023, highlights of the actions of the Technology Committee are as follows:

Month	Item
January	Subscribe Bankard to the Salesforce archiving solution
	Upgrade Bankard Host Security Module
	Upgrade Outward Clearing System
February	No Items Presented for Approval
March	Renew Maintenance Support for Automated Collection System
April	Enhance Bills Collection Service in Finacle
May	Embark on Offering Negotiable Order of Withdrawals for Rural Banks
	Provision Technology Requirements for Standalone Trust Corporation
June	Provision Web-based HR System for RCBC Leasing and Finance Corporation
July	Provision Oracle Cloud services for Frame Properties, Inc.
	Subscribe to Next-generation SWIFT Cross-Border Payment Services
August	Embark on Developing Deposit Pickup System
	Upgrade Capacity for Virtual Server Infrastructure
September	Acquire Automated Reconciliation System
	Acquire Identity Protection Capability to Support Zero-Trust Network Security
	Acquire a New Asset Liability Management System
	Embark on Developing APIs to Support Boz App Mobile Banking Platform for SMEs (Small and Midsize Enterprises)
	Embark on Migrating and Modernizing Loans Management System
	Enable Straight-Through Processing between Treasury and Fixed Income Trading Systems
	Enhance Wealth Management System to Support Standalone Trust Corporation
	Enhance RCBC Online Corporate to Support Electronic Fund Transfer via New ISO 20022 Format
	Upgrade Capacity for Storage Backup
October	Acquire Unified Governance, Risk, and Compliance Solution
	Implement New-To-Bank features in Boz App
	Offer Cost-Effective POS Solutions in Bankard
	Upgrade API Management System
November	Acquire a New RCBC Online Corporate System
	Acquire a New Loan Origination System
	Enable Branch Printing of Personalized ATM Cards
	Implement Endpoint Protection for CCTV Security System Computers
	Renew RCBC Subscription to the Salesforce archiving solution
December	Embark on AI-powered Sales Tools for Retail Clients
	Renew Bankard Subscription to the Salesforce archiving solution
Others	Various Digital Enhancements
	Various DiskarTech Enhancements
	Various Infrastructure Refresh and Upgrades



# Corporate Governance

## Advisory Board

The Bank has an Advisory Board that provides informed guidance to the Board. Members of the Advisory Board are appointed by the Board and do not have any voting rights but contribute by way of providing non-binding but relevant advice during Board meetings. While the Bank's By-Laws allow for up to 10 members in the Advisory Board, the Bank has four appointed Advisory Board members. They are considered as business leaders and are of known probity and integrity. The members of the Advisory Board are Mr. Francis C. Laurel, Ms. Yvonne S. Yuchengco, Atty. Lilia B. de Lima, and Mr. Masayuki Kawakami.

## SHAREHOLDINGS IN RCBC

As of December 31, 2023, RCBC knows of no one who beneficially owns in excess of 5% of RCBC's common stock except as set forth in the table below:

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	<b>Pan Malayan Management &amp; Investment Corporation</b> Address: 48/F Yuchengco Tower, RCBC Plaza, 6819 Ayala Ave., Makati City Relationship with Issuer: RCBC is a subsidiary of PMMIC	Pan Malayan Management & Investment Corporation	Filipino	820,634,773*	33.92%
Common	<b>Sumitomo Mitsui Banking Corporation</b> Address: 1-1-2 Marunouchi, Chiyoda-Ku, Tokyo, Japan 100-0005 Relationship with Issuer: Stockholder	Sumitomo Mitsui Banking Corporation	Non-Filipino	483,907,222	20.00%
Common	<b>Cathay Life Insurance Corp.</b> Address: 296 Ren Ai Road Sec4 Taipei 10633 Taiwan R.O.C. Relationship with Issuer: Stockholder	Cathay Life Insurance Corp.	Non-Filipino	452,018,582	18.68%

The following directors and officers directly and indirectly own shares in RCBC:

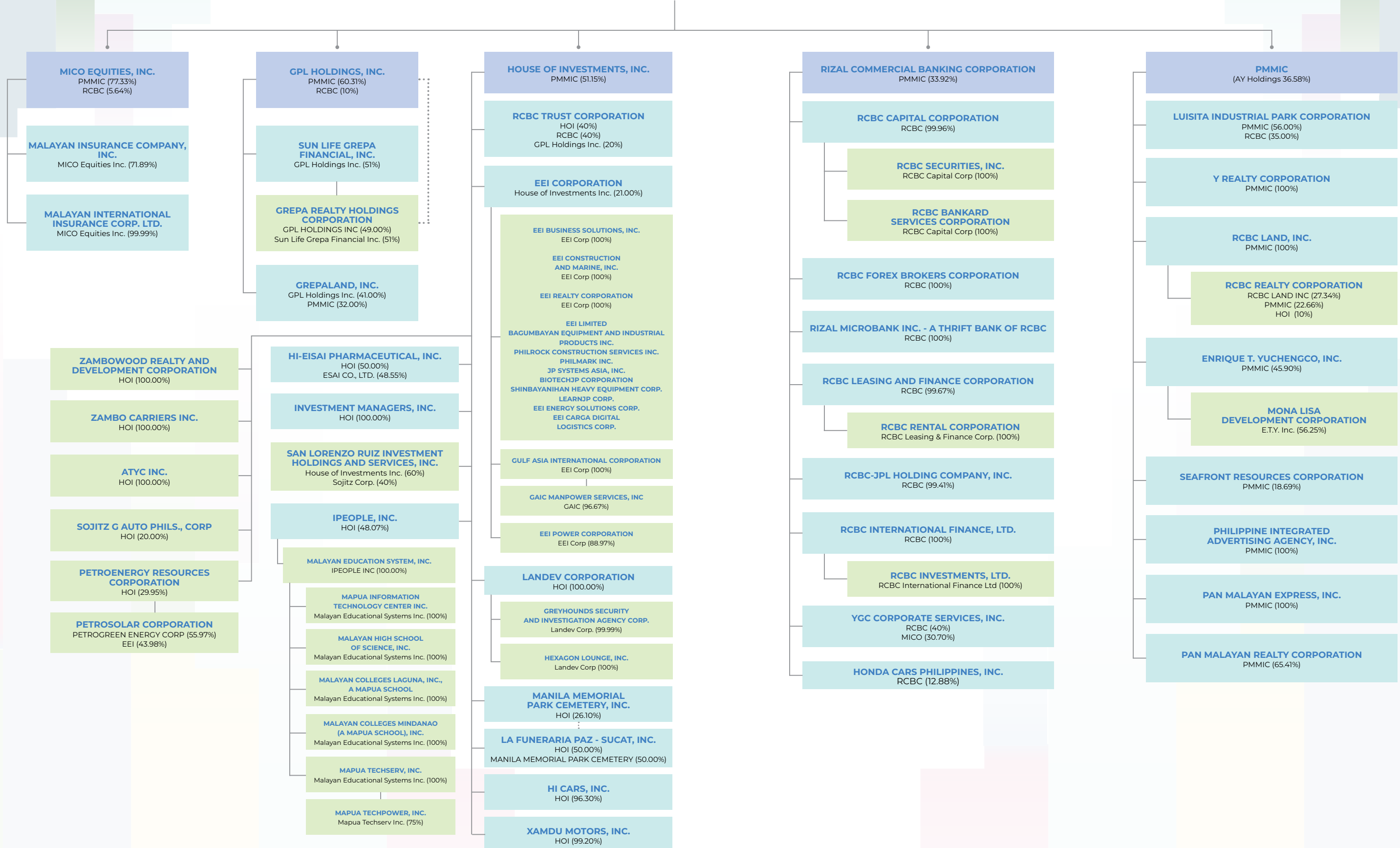
Title of Class	Name of Beneficial Owner	Amount and nature of Registered (R) / Beneficial (B) ownership		Citizenship	Percent of Class (%)
		Par Amount	Nature		
<b>Directors</b>					
Common	Helen Y. Dee	14,923,060	R / B	Filipino	0.06
Common	Gil A. Buenaventura	50	R / B	Filipino	0.00
Common	Cesar E.A. Virata	1,384,340	R / B	Filipino	0.01
Common	Hiroki Nakatsuka	10	R	Japanese	0.00
Common	Vaughn F. Montes	50	R	Filipino	0.00
Common	Eugene S. Acevedo	3,441,000	R / B	Filipino	0.01
Common	Gayatri P. Bery	10	R	American	0.00
Common	Shih-Chiao Lin	10	R	R.O.C. Taiwan	0.00
Common	Katsufumi Uchida	10	R	Japanese	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	Erika Fille T. Legara	50,010	R/B	Filipino	0.00
Common	Juan B. Santos	50	R	Filipino	0.00
	Subtotal	<b>19,800,580</b>			
<b>Executive Officers</b>					
Common	Xavier Y. Zialcita	244,880	R/B	Filipino	0
	Subtotal	244,880			
	<b>TOTAL</b>	<b>20,045,460</b>			

# Corporate Governance

## 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 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)





# Corporate Governance

## Management

### Chief Executive Officer (CEO)

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. He is primarily accountable to the Board 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 may prescribe from time to time.

The CEO provides leadership to 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, Operations Group, Strategic Initiatives 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 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 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 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 five 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 shortsighted 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 five-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 being an officer of the Bank.

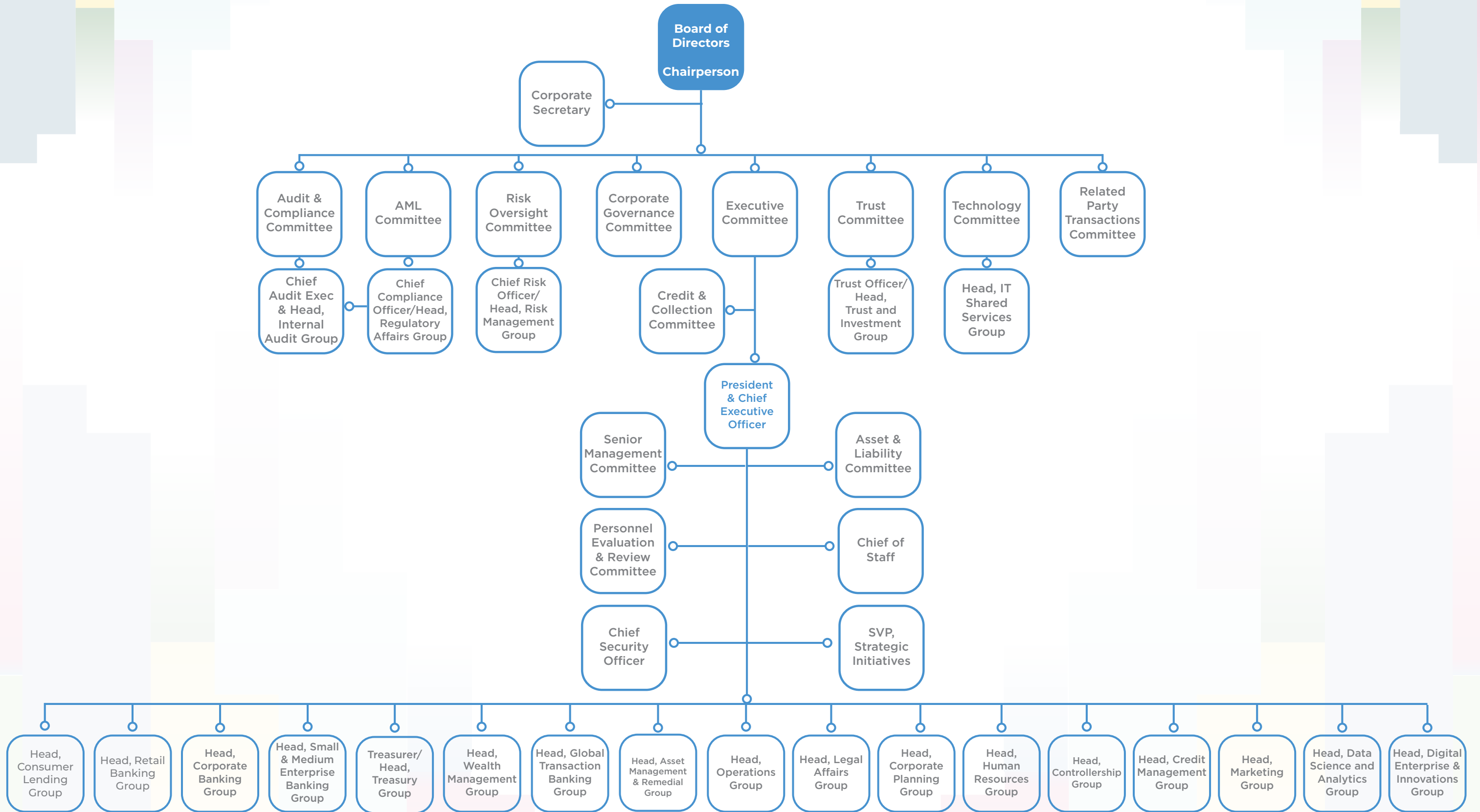
The aggregate compensation paid or accrued to the Bank's CEO and four other most highly compensated executive officers are as follows (in thousand Philippine pesos):

Names	Principal Position	Aggregate Compensation (net of bonuses)	Bonuses
Eugene S. Acevedo	President and CEO		
Redentor C. Bancod	Senior Executive Vice President		
Richard C. Lim	Executive Vice President	98,146	33,829
Alberto Magno N. Pedrosa	Executive Vice President		
Angelito M. Villanueva	Executive Vice President		

# Corporate Governance

## Table of Organization

The following is an overview of the Bank's Table of Organization as of December 31, 2023:





# Corporate Governance

## 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 the Board

The By-Laws of the Bank allows all shareholders, including minority stockholders, the right to nominate candidates for the Board.

### Voting Right

The Board shall be transparent and fair in the conduct of the annual and special stockholders' meetings of the Bank. Stockholders shall be encouraged to personally attend these meetings.

In case 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 Bank's 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 July 3, 2023 was conducted virtually 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 the minutes of Board meetings and stock registries, in accordance with the Corporation Code. They shall also be furnished with annual reports, including financial statements, without cost or restrictions.

### Right to Information

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. They 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 2020 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 ten (10) trading days from the said date.

Details of the 2023 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	
Hybrid Perpetual Securities	January 30, 2023	-	534.98	February 27, 2023	January 30, 2023	February 27, 2023
Convertible Preferred Stock	February 27, 2023	0.1685	0.05	March 21, 2023	February 27, 2023	March 23, 2023
Common Stock	March 27, 2023	1.0800	2,200.48	April 13, 2023	March 27, 2023	April 27, 2023
Preferred Stock	March 27, 2023	1.0800	0.29	April 13, 2023	March 27, 2023	April 27, 2023
Convertible Preferred Stock	May 29, 2023	0.1789	0.05	June 21, 2023	May 29, 2023	June 26, 2023
Hybrid Perpetual Securities	July 31, 2023	-	553.41	August 27, 2023	July 31, 2023	August 27, 2023
Convertible Preferred Stock	August 29, 2023	0.1920	0.05	September 21, 2023	August 29, 2023	September 25, 2023
Convertible Preferred Stock	November 29, 2023	0.1870	0.05	December 21, 2023	November 29, 2023	December 29, 2023

# Corporate Governance

## 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](http://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](mailto: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 2023:

### 01-14-2023 Legal Proceedings (Amendment)

The disclosure on the legal case filed by Bangladesh Bank against RCBC and other persons before the Supreme Court of the State of New York, County of New York was amended to provide an update on the decision of the New York court on the Motion to Dismiss filed by RCBC and its current previous employee defendants.

### 01-20-2023 Legal Proceedings (Amendment)

The disclosure on the legal case filed by Bangladesh Bank against RCBC and other persons before the Supreme Court of the State of New York, County of New York was amended to update the information regarding the Notice of Appeal filed by RCBC from the denial of its Motion to Dismiss.

### 01-30-2023 Other Events

### 01-30-2023 Change in Directors/Officers

### 01-30-2023 Postponement of Annual Stockholders' Meeting (PSE Disclosure Form 7-2)

### 01-30-2023 Notice of Annual or Special Stockholders' Meeting (PSE Disclosure Form 7-1)

During the January 30, 2023 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Senior Note Issuance Out of Medium Term Note Programme (subject to market conditions).
2. Postponement/Resetting of the June 2023 Board and Organizational Meetings, and 2023 Annual Stockholders' Meeting to July 3, 2023.
3. Appointment of FVP Atty. Angeluz B. Torres-Guerzon as Head of Asset Management and Remedial Group, replacing SEVP Mr. John Tomas G. Deveras, who is retiring, effective February 15, 2023, subject to BSP and other regulatory approvals, as may be required.

### 02-27-2023 Other Events

During the February 27, 2023 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, 2022, as audited by Punongbayan & Araullo, for final approval of the stockholders.
2. Declaration of cash dividends on convertible preferred shares amounting to P0.16846 (US\$0.00308) per share or a total of P45,047.15 (US\$824.44 @ P54.640). The cash dividend is payable to holders of convertible preferred shares as of March 21, 2023 (record date) and payable within 5 trading days from record date. The cash dividend is for unlisted preferred shares.
3. Interlocking Directorship / Officership of RCBC Officers to Frame Properties, Inc. (subject to BSP/ other regulatory approvals, as may be required).

Name	Rank & Current Position in RCBC	Position in Frame Properties, Inc.
Eugene S. Acevedo	President and CEO	President and CEO/Incorporator
Ma. Christina P. Alvarez	FSVP and Head, Corporate Planning Group	Incorporator/ Director
Florentino M. Madonza	FSVP and Head of Controllership Group	Incorporator/ Director
Alberto Magno N. Pedrosa	FSVP and Treasurer/ Head of Treasury Group	Incorporator/ Director
Rowena F. Subido	FSVP and Head of Human Resources Group	Incorporator/ Director
Robert Rol Richard Raymond B. Ramos	FSVP and Trust Officer/ Head of Trust and Investments Group	Treasurer

4. Interlocking Directorship/Officership roles of SVP Xavier Y. Zialcita, Strategic Initiatives, in subsidiaries (subject to BSP/other regulatory approvals, as may be required).

Position in Other YGC Companies	Name of Institution/Company
Director	Rizal Microbank, Inc. – A Thrift Bank of RCBC
Director	RCBC Leasing and Finance Corporation
Director	RCBC Rental Corporation
Director – Chairman of the Board Officer - President	Cajel Realty Corporation
Director - Chairman of the Board Officer - President	Niyog Property Holdings, Inc.

### 03-15-2023 Legal Proceedings (Amendment)

The disclosure on the legal proceeding filed by Inang Nag-Aaruga sa Anak Foundation before the Court of Appeals was amended to update the information regarding the Decision dated February 28, 2023 of the Court of Appeals.

### 03-27-2023 Other Events

### 03-27-2023 Declaration of Cash Dividends (PSE Disclosure Form 6-1)

### 03-27-2023 Acquisition/Disposition of Shares of Another Corporation (PSE Disclosure Form 4-2)

During the March 27, 2023 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 P1.08 per share, or a total of approximately P2.20 Billion 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 officerships of Ms. Janice B. Aguiluz, Vice President/Head of Consumer Banking Compliance Division of the Regulatory Affairs Group of RCBC as Chief Compliance Officer of Rizal Microbank, Inc. (A Thrift Bank of RCBC) (subject to BSP/other regulatory approvals, as may be required).
3. The proposed sale and transfer to Filinvest Land, Inc. ("FLI") of shares held in Niyog Property Holdings, Inc. and Cajel Realty Corporation, wholly owned subsidiaries of the Bank, subject to completion of FLI's due diligence and compliance with conditions to be agreed by the parties.

### 04-24-2023 Other Events

### 04-24-2023 Notice of Annual or Special Stockholders' Meeting (PSE Disclosure Form 7-1) (Amendment)

During the April 24, 2023 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

1. Interlocking Directorship/Officership of RCBC Officers in RCBC Trust Corporation (subject to BSP/ other regulatory approvals, as may be required).

Name	Rank & Current Position in RCBC	Position in RCBC Trust Corporation
Eugene S. Acevedo	President and CEO	Incorporator and Director
Robert Rol Richard Raymond B. Ramos	FSVP and Trust Officer/ Head of Trust and Investments Group	Incorporator and Director
Raoul V. Santos	SVP / Segment Head, Trust Investment and concurrent Division Head, Institutional Portfolio Management	Treasurer -in-Trust

2. The 2023 Annual Stockholders' Meeting be conducted virtually, and that the stockholders be allowed to participate and to vote through remote communication or in absentia. The meeting is scheduled to be held on July 3, 2023 at 4:00 p.m.

### 04-25-2023 Legal Proceedings (Amendment)

The disclosure on the legal proceeding filed by Inang Nag-Aaruga sa Anak Foundation before the Court of Appeals was amended to update the information regarding the complainants' Motion for Partial Reconsideration dated April 5, 2023.

### 05-11-2023 Notice of Annual Special Stockholders' Meeting (PSE Disclosure Form 7-1) (Amendment)

The disclosure on the Notice of Annual Stockholders' Meeting was amended to provide the Record Date and other details pertaining to the Annual Stockholders' Meeting and to provide the Notice, Procedure, Proxy Form, Ballot Form, Agenda and Rationale/ Explanation for the Agenda Items.

### 05-29-2023 Other Events

During the May 29, 2023 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 P0.17885 (US\$0.00323) per share or a total of P47,825.95 (US\$863.60 @ P55.380). The cash dividend is payable to holders of convertible preferred shares as of June 21, 2023 (record date) and payable within 5 trading days from record date was approved. The cash dividend is for unlisted preferred shares.



# Corporate Governance

## 07-03-2023 Other Events

### 07-03-2023 Change in Directors/Officers

### 07-03-2023 Results of Annual Stockholders' Meeting

### 07-03-2023 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 July 3, 2023.

### Regular Meeting of the Board of Directors

- Promotion/appointment of Officers effective July 1, 2023 (subject to BSP/other regulatory approvals, as may be required):

#### From First Senior Vice President to Executive Vice President

Alberto Magno N. Pedrosa  
Bennett Clarence D. Santiago

#### From Senior Vice President 1 to Senior Vice President 2

Juan Gabriel R. Tomas IV  
Arniel Vincent B. Ong

#### From First Vice President to Senior Vice President 1

Crispina D. Del Rosario  
Simplicio B. Dela Cruz, Jr.  
Alma D. Reyes  
Yvonne A. Roque

### Annual Stockholders' Meeting

- 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  
Mr. Gabriel S. Claudio  
Mr. Vaughn F. Montes  
Mr. Laurito E. Serrano  
Ms. Erika Fille T. Legara

- Approval of the 2022 Annual Report and 2022 Audited Financial Statements
- Appointment of Punongbayan & Araullo as the Bank's external auditor for the fiscal year 2023

### Organizational Board of Directors Meeting:

- Appointment of Corporate Officers:  
Mr. Eugene S. Acevedo - President and Chief Executive Officer  
Mr. Alberto Magno N. Pedrosa – 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
- Appointment the following as Members of the Advisory Board:  
Ms. Yvonne S. Yuchengco  
Mr. Francis C. Laurel  
Mr. Hiroki Nakatsuka
- Appointment of Ms. Helen Y. Dee as Chairperson, and Mr. Cesar E. A. Virata as Corporate Vice-Chairperson.
- Appointment of Mr. Juan B. Santos as Lead Independent Director
- Appointment of the following as Chairpersons and Members of the Various Committees:

Committee	Names	Position
<b>Executive Committee</b>	Helen Y. Dee Eugene S. Acevedo Cesar E.A. Virata Armando M. Medina Gil A. Buenaventura	Chairperson Vice Chairperson Member Member Member
<b>Audit and Compliance Committee</b>	Laurito E. Serrano Vaughn F. Montes, Ph.D. Erika Fille T. Legara, Ph.D.  Shih-Chiao (Joe) Lin Hiroki Nakatsuka	Chairperson Member Member  Observer Observer
<b>Risk Oversight Committee</b>	Vaughn F. Montes, Ph.D. Laurito E. Serrano Gayatri P. Bery  John Law Eugene S. Acevedo Arnold Kai Yuen Kan Hiroki Nakatsuka	Chairperson Vice Chairperson Member  Observer Observer Observer Observer
<b>Corporate Governance Committee</b>	Juan B. Santos Gabriel S. Claudio Shih-Chiao (Joe) Lin Atty. Lilia B. de Lima Erika Fille T. Legara, Ph.D.  Hiroki Nakatsuka	Chairperson Member Member Member Member  Observer
<b>AML Committee</b>	Gabriel S. Claudio Gil A. Buenaventura Vaughn F. Montes, Ph.D.  Eugene S. Acevedo Hiroki Nakatsuka	Chairperson Member Member  Observer Observer
<b>Related Party Transactions Committee</b>	Gabriel S. Claudio Shih-Chiao (Joe) Lin Erika Fille T. Legara, Ph.D.	Chairperson Member Member
<b>Trust Committee</b>	Juan B. Santos Cesar E.A. Virata Eugene S. Acevedo President Atty. Lilia B. de Lima Trust Officer	Chairperson Member Member  Member
<b>Technology Committee</b>	Helen Y. Dee Cesar E.A. Virata Eugene S. Acevedo	Chairperson Member Member

## 07-31-2023 Other Events

### 07-31-2023 Change in Directors/Officers

During the July 31, 2023 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 New Board Directors

Appointment/Election of Hiroki Nakatsuka as Director, and Member of the Executive Committee, and of Katsufumi Uchida as Director, and Member of the Risk Oversight Committee, to take effect at the close of business on July 31, 2023, and their interlocking positions (subject to BSP/other regulatory approvals, as may be required)

Mr. Hiroki Nakatsuka and Mr. Katsufumi Uchida are filling the vacancies arising from the resignations of Arnold Kai Yuen Kan and Atty. Lilia B. de Lima as Directors, to take effect at the close of business on July 31, 2023.

#### 2. Appointment of Advisory Board Members

Reappointment of Atty. Lilia B. de Lima and appointment of Masayuki Kawakami as Advisory Board Members, to take effect at the close of business on July 31, 2023 (subject to BSP/other regulatory approvals, as may be required)

#### 3. Revised Board Committee Membership

Appointment of Erika Fille T. Legara, Ph.D. as Member of the Risk Oversight Committee (she will step down as Member of the Corporate Governance Committee), to take effect at the close of business on July 31, 2023

Appointment of John Law as Member of the AML Committee and Trust Committee (Gil A. Buenaventura will step down as Member of the AML Committee), to take effect at the close of business on July 31, 2023

Appointment of Hiroki Nakatsuka as Member of the Executive Committee, to take effect at the close of business on July 31, 2023

Appointment of Katsufumi Uchida as Member of the Risk Oversight Committee, to take effect at the close of business on July 31, 2023

#### 4. Submission to the SEC of the Annual General Information Sheet

#### 5. Appointment of Ms. Mercelu B. Sinlao-Mariano as Head of Division 3 of the Wealth Management Group with rank of Senior Vice President (subject to BSP and other regulatory approvals as may be required).

- Interlocking Directorships of RCBC Officers in RCBC International Finance Limited (IFL) (subject to BSP/other regulatory approvals, as may be required).

Name	Rank & Current Position in RCBC	Position in RCBC IFL
Martin Roberto G. Tirol	FSVP / Deputy Group Head, Global Transaction Banking Group	Director, Chairman
Alvin A. Perez	FVP / Segment Head, Retail Cash Management	Director
Harold Christian S. Talledo	VP / Division Head, Wholesale Banking Compliance	Director
Jay Roy M. Comia	VP / Division Head, Compliance Operations	Director

## 08-29-2023 Other Events

### 08-29-2023 Change in Directors/Officers

During the August 29, 2023 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

- Declaration of cash dividends on convertible preferred shares amounting to P0.19203 (US\$0.00350) per share or a total of P51,351.24 (US\$935.70 @ P54.880). The cash dividend is payable to holders of convertible preferred shares as of September 21, 2023 (record date) and payable within 5 trading days from record date. The cash dividend is for unlisted preferred shares.
- Secondment of SVPI Raoul V. Santos to RCBC Securities, Inc. and appointment as President, effective December 1, 2023 (subject to BSP/other regulatory approvals, as may be required)

## 09-25-2023 Other Events

### 09-25-2023 Change in Directors/Officers

During the September 25, 2023 Regular Meeting of the Board of Directors of the Bank, where a quorum was present and acting throughout, the following were approved:

- Appointment of Ms. Jacqueline Grace B. Wieneke as Group Head Designate of the Wealth Management Group with rank of Senior Vice President 2, effective October 2, 2023 (subject to BSP and other regulatory approvals as may be required).
- Appointment of Mr. Reginaldo Anthony B. Cariaso as Group Head Designate of the Operations Group with rank of Executive Vice President, effective November 6, 2023 (subject to BSP and other regulatory approvals as may be required).

# Corporate Governance

## 11-28-2023 Other Events

### 11-28-2023 Change in Directors/Officers

During the November 28, 2023 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 P0.18698 (US\$0.00330 per share or a total of P50,000.38 (US\$881.37 @ P56.730). The cash dividend is payable to holders of convertible preferred shares as of December 21, 2023 (record date) and payable within 5 trading days from record date. The cash dividend is for unlisted preferred shares.
2. Secondment of FSVP Robert Rol Richard Raymond B. Ramos to RCBC Trust Corporation and appointment as President effective January 1, 2024 (subject to BSP/other regulatory approvals, as may be required).

### 12-04-2023 Legal Proceedings (Amendment)

The disclosure on the legal proceeding filed by Inang Nag-Aaruga sa Anak Foundation before the Court of Appeals was amended to update the information regarding the Court of Appeals' Resolution dated November 20, 2023.

### 12-11-2023 Other Events

During the meeting held on December 11, 2023 Special Meeting of the Board of Directors of the Bank where a quorum was present and acting throughout, the proposed 2024 budget was approved.

## Other Stakeholders

### Creditors' Rights

It is the policy of the Bank to conduct its business in an efficient and fair manner 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 (PSS) has the following policies:

- a. Code of Ethics for Procurement
- b. Code of Ethics for Suppliers
- c. Vendor Accreditation
- d. Waiver Management
- e. Policies in Choosing a Supplier
- f. Procurement Process
- g. Contract Management
- h. Manual Structure, Use, Revisions/Amendments
- i. Early Involvement in Procurement (Amended)
- j. Vendor Performance Evaluation

Suppliers are evaluated based on compliance with user requirements, quality, performance record in the industry, technical competence, customer service, design, delivery, and 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.

Generally, the Bank shall initially reach out to HOI for its need for a prospective supplier/service provider to carry out some banking functions, services or activities (BFSA). For the outsourcing of BFSA that may not be addressed by the accredited vendors/service providers from HOI, the Bank may also solicit Request for Proposals from prospective service providers. Either way, the Bank (outsourcing unit) shall determine if the use of the third party supplier/ service provider will fall within the purview of the BSP's Revised Outsourcing Framework for Banks per Section 112 of the BSP Manual of Regulations for Banks (MORB).

In this regard, the Board-approved policy on Outsourcing of Banking Functions, Services or Activities, which provides for guidelines, processes and controls in managing outsourcing risks, shall direct the outsourcing units in the conduct of outsourcing activities to ensure that at all times, it is aligned with the outsourcing provisions in the MORB and the applicable BSP issuances.

In the selection of prospective suppliers/service providers, the outsourcing units should work within the framework of the outsourcing policy of the Bank in its due diligence to establish the latter's integrity, technical expertise, operational capability, financial capacity, and suitability to perform the outsourced activity. In addition to the due diligence to be conducted, a further evaluation on the compliance of the prospective suppliers/service providers with pertinent rules and regulations shall be undertaken by the outsourcing unit which shall include, but not be limited to, the following:

- a. Money Laundering and Terrorist Financing Prevention Program (MTPPP)
- b. Data Privacy
- c. Department of Labor and Employment (DOLE)
- d. Related Party Transaction (RPT)
- e. Banking Laws

Due diligence on the prospective supplier/service provider shall require, among others, the following:

- a. Vendor Selection Form, which also contains the Competitive Selection Evaluation Sheet and the Competitive Selection Interview Questionnaire - shall document the most qualified prospective supplier/service provider among the prospective applicants; and
- b. Vendor Security Assessment Form Questionnaire - shall document the ability of the prospective supplier/ service provider to comply with the information security requirements of the Bank.

Once the winning supplier/service provider is selected by the outsourcing unit, the same shall undergo further screening once the proposed outsourcing contract is reviewed by the Regulatory Affairs Group, the Legal Affairs Group, and the Operational Risk Management Division under Risk Management Group prior to the presentation to the concerned Board-level Committee for approval and confirmation of the Board of Directors.

### Towards Sustainable Value Chains

RCBC continues to lead in the sustainability front – from as early as 2011 – through the implementation of the Environmental and Social Management System (ESMS). This policy requires all credit relationships (whether portfolio or pipeline) to be vetted on an E&S perspective in a manner that promotes sustainable practices for the Bank and its clients, minimizing any negative environmental, social, and reputational impact of the financing activities. RCBC's ESMS subscribes to IFC's Performance Standards and Exclusion List. The ESMS policy also incorporates the Bank's declaration in 2020 to no longer fund the construction of new coal power plants.

RCBC first developed its Sustainable Finance Framework in April 2019, later on updated and published in February 2024. The Framework articulates the Bank's continued strategy towards deployment of Sustainable Financing Instruments (SFIs) to finance or refinance loans to projects with clear E&S benefits. These SFIs conform to global sustainable finance principles, primarily those of the International Capital Market Association (ICMA) and ASEAN Capital Markets Forum. The updated Framework also incorporates "blue financing" as a subset of eligible green projects. Sustainability issued a Second Party Opinion (SPO) in February 2024 affirming the Framework's credibility and impact.

RCBC's total sustainable portfolio consisted of over 18,000 projects as of 31 December 2023. These projects contribute to 12 of the 17 UN SDGs. Funding for renewable energy and energy efficiency accounted for more than 40% of the Bank's total sustainable portfolio and has surpassed the remaining exposure to coal-fired power projects. In January 2024, RCBC raised USD 400 million from its five-year Sustainability Bonds issuance (5.9x oversubscribed), reflecting the trust in RCBC's sustainability efforts and credit outlook.

Both the ESMS and the Sustainable Finance Framework conform to the BSP's directives under BSP Circulars 1085 and 1128.

In October 2023, RCBC hosted its second Sustainability Forum (in-person and via videoconferencing) with the Bank's stakeholders, aimed at fostering possibilities in transitioning toward sustainable businesses. More information on the Bank's sustainable efforts (including copies of the Sustainable Finance Framework and Sustainability SPO) are available at [www.rcbc.com/sustainability](http://www.rcbc.com/sustainability).

## 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.



# Corporate Governance

## • Risk Assessment

Risk Assessment addresses how the organization assesses risk and identifies threats in the organization. It involves analyzing risks' likelihood and impact, developing strategies to minimize harm, and monitoring measures' effectiveness.

This control helps the Board of Directors and Management to identify potential problems before they occur, or in the case of opportunities, to try to leverage them to occur.

## • Control Activities

Control activities consist of policies and procedures aimed at ensuring that all bank personnel comply and adhere to the established control measures. These activities are fundamental to the daily operations of the Bank especially where risks are significant. An effective internal control system requires the establishment of appropriate control mechanisms, with control activities defined at each business level. In this context, the Bank has meticulously designed and implemented control activities, guided by policies and procedures, to mitigate the risks inherent in the banking operations. These are not just ancillary tasks but rather, indispensable components that safeguard the integrity and reliability of the Bank's operations on a daily basis.

The Bank's control activities include, but are not limited to, the following:

- a. Approval and authorization process for transactions and activities;
- b. Reconciliation procedures;
- c. Review of operational performance and exception reports;
- d. Implementation of safeguards or physical controls for use of assets and records;
- e. Segregation of duties to minimize the opportunity to commit and conceal fraud or errors;
- f. Mandatory leave requirement for bank employees and officers;
- g. Rotation of duties; and
- h. Number controls.

## • 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 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 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 risk stewardship, governance, and control ownership functions of the RAG are discharged by six (6) divisions under the direct supervision of the CCO.

- a. Under risk stewardship:
  - Centralized Support Compliance Division (CSC)
  - Wholesale Banking Compliance Division (WBC)
  - Consumer Banking Compliance Division (CBC)

The risk steward function provides regulatory and compliance advice, guidance, opinions, direction, and training to the business. It also ensures that business complies with the letter and spirit of regulations, which will consequently deliver fair outcomes for customers and embed robust risk management culture in the Bank's processes.

Each business units and subsidiaries of the Bank have designated risk steward division assisting them to ensure compliance with applicable regulatory requirements.

### CSC

- Digital Enterprise & Innovations Group
- IT Shared Services Group
- Operations Group (excluding Branch, Treasury, and Trust Operations)
- Data Science and Analytics Group
- Marketing Group
- Controllership Group
- Risk Management Group (excluding Market & Liquidity Risk Department)
- Security

### WBC

- Treasury
- CBG
- SME
- CTB
- CMG – Commercial
- Market & Liquidity Risk
- Asset and Remedial Mgt.
- Corporate Planning
- Trust & Investments
- Subsidiaries: RCAP, RSEC, RLFC, RCBC Forex, RCBC

### CBC

- Retail Banking Group
- Wealth Management Group
- Branch Services Support Segment
- Branch Operations & Control Segment
- Consumer Lending Group
- CMG – Consumer
- Financial Crime Policy
- Subsidiaries: RCBC Bankard and Rizal Microbank

b. Under governance:

- Compliance Oversight Division
- Compliance Assurance Division

In collaboration with the other RAG divisions, Compliance Oversight Division creates an information system that provides a top-down view of the governance and status of compliance, regulatory, and AML/CTF risk monitoring. It also communicates and tracks the obligations from regulations, frameworks, policies, and controls identified by the risk stewardship function that require oversight, provides the first line of defense reporting templates to record compliance and areas of concern, and monitors the individual and overall compliance of business units and subsidiaries.

The Compliance Assurance Division is responsible for the effective conduct of periodic, independent and objective assessment of compliance-related processes and/or controls. The aim of compliance assurance is to assess whether the elements, processes and controls of the compliance program are designed appropriately and are operating effectively.

c. Under control ownership:

- Compliance Operations Division

The Compliance Operations Division 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.

# Corporate Governance

## 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 (ISPPA), Information Systems Audit and Control Association's standards and guidelines and the relevant requirements of the Bangko Sentral ng Pilipinas (BSP) and other bank regulators. Internal Audit and the Bank received the highest rating of "strong" as a result of the 2023 examination of BSP in relation to the extent and effectiveness of the compliance and internal audit function.

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 (EQAR) by an independent assessor and the latest Quality Assessment Report was released on May 11, 2021. The next EQAR is scheduled in 2025.

## The External Auditor

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 2023

2023	Audit Fee (in Million Php)	Non-Audit Fee (in Million Php)	Total (in Million Php)
Parent	5.53	4.43	9.96
Group	10.85	5.58	16.43

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 most recent years ended December 31, 2023 and 2022, 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 RCBC. 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:

- 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.

In 2022, the Regulatory Affairs Group lifted certain sections from the Bank's Code of Conduct and expanded its provisions to establish the Anti-Bribery and Corruption (ABC) Policy that aligns the Bank's framework to key principles of the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA).

The ABC Policy prescribes the standards of professional and ethical conduct for all directors, officers, employees, as well as consultants and agents indirectly representing the Bank, and establishes reasonable thresholds for giving and receiving gifts, entertainment or other personal benefits or privilege in any form which are customary and reasonable under the circumstances.

**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. Insider information can take many forms, but always includes information 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; and
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](http://www.rcbc.com/TalktoUs).



# Corporate Governance

## Anti-Money Laundering Act (AMLA)

RCBC is committed to embedding a culture of compliance in its overall structure as this is critical to the development and ongoing administration of an effective Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Program. The Board 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 to protect the safety and soundness of RCBC, as well as the integrity of the Philippine banking and financial system;
2. Know the customer sufficiently 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 Manual of Regulations for Banks (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 AMLA, as amended, the Terrorist Financing Suppression and Prevention Act (TFSPA), and the Anti-Terrorism Act (ATA) and their respective Implementing Rules and Regulations (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 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

On September 26, 2022, 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 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 fourth 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 RPT Committee and RPT Management Committee to review and approve, as the case may be, RPTs.

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 vote of the Board, 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 of the outstanding capital stock. Material RPTs approved by the Board shall be submitted to the Stockholders for confirmation during the Annual Stockholders Meeting.

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 Php10 million are considered as material RPTs. This threshold shall not apply to DOSRI loans and other credit accommodations and guarantees, and other transactions requiring Board approval under the regulations (e.g., cross-selling, outsourcing) 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.

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 2023 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 (Note 27.4, Notes to Financial Statements).
- **Retirement Fund** - The Parent Company and certain subsidiaries' retirement funds covered under their post-employment plan maintained for qualified employees are administered and managed by the Parent Company's Trust & Investments Group (TIG) in accordance with the respective trust agreements covering the plan (Note 27.5, Notes to Financial Statements).

- **Sale and leaseback of properties to Frame Properties, Inc.** - The Parent Company transferred and leased back certain real estate properties to Frame Properties, Inc. for a 100% ownership in the latter, which was subsequently transferred to post-employment defined benefit plan as contribution to the plan assets (Note 27.4, Notes to Financial Statements).
- **Sale of ATYC to ATYCI** - The Parent Company sold a portion of its ATYC bank premises and investment properties to ATYCI and immediately leased back from the latter. In October 2022, the Parent Company entered into a five-year lease agreement with ATYCI. The Parent Company's lease contract is effective until September 30, 2027 (Notes 27.7(a) and 27.7b), Notes to Financial Statements).
- **Lease contracts with RCBC Realty Corp. (RRC) and Sub-lease 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. (Note 27.7(b), Notes to Financial Statements).
- **Increase in shareholding of SMBC** - On November 2, 2022, the Bank's BOD approved the increase in shareholding of SMBC, an existing shareholder of 4.99% of the total outstanding common stock of the Bank, to 20% through the combined sale of subscription of an aggregate of 382 common stock to SMBC, partly coming from the reissuance of treasury shares and issuance of new common stock, at the price of P71 per share. The additional capital infusion was made on July 31, 2023. (Notes 27.7(d), Notes to Financial Statements).
- **Donation of Properties from NPHI to RCBC.** On July 7, 2023, NPHI executed a deed of donation transferring to the Parent Bank certain real estate properties with a carrying amount of P2. On November 6, 2023, these properties were subsequently sold by the Parent Bank to PMMIC for a total consideration amounting to P57. (Notes 27.7(e), Notes to Financial Statements).
- **Sale of Tarlac Property to Tarlac Terra Ventures, Inc.** On December 29, 2023, the Parent Company sold a property located in Tarlac with a selling price of P2,673 and a carrying amount of P385 resulting to a P2,288 gain, presented as part of Gain on assets sold - net under Other Operating Income in the 2023 statement of profit or loss. (Notes 27.7(f), Notes to Financial Statements).

## Corporate Governance

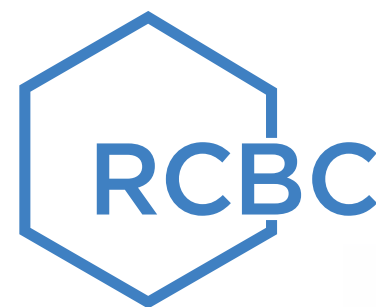
The Group's significant transactions with its related parties as of end December 2023 include loans and receivables and deposit liabilities. The total amount of loans outstanding was at P26.7 billion (Note 27.2, Notes to Financial Statements) while total deposit liabilities was at P31.9 billion (Note 27.3, Note to Financial Statements) as of December 31, 2023.

Other RPTs include:

- Service Agreement with RCBC Bankard Services Corp. (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, and personal and salary loans business. (Note 27.7(c), Notes to Financial Statements).
- The Bank has service agreements with RBSC for the in-sourced internal audit services. The Bank provides limited audit services to RBSC, specifically IT audit, operations audit and financial statements review. Also, the Bank has formalized the service agreements for the internal audit services being provided to subsidiaries namely: RCBC Capital Corp., RCBC Securities, Inc., RCBC Forex Brokers Corp., Rizal Microbank, Inc., RCBC Leasing and Finance Corporation and Niyog Property Holdings, Inc.
- The Bank has a service agreement with RCBC Forex Brokers Corporation (RCBC Forex) for in-sourced services, rendered by the following business units: 1) business and operational risk, 2) compliance, 3) internal audit, 4) information technology, and 5) human resources. The services shall be limited to: compliance with relevant laws, rules and regulations, market, liquidity, and operational risk management, internal audit, information technology, review of salary and processing of payroll on a bi-monthly basis, and implementation of exclusive succession planning, human resources information system and database administration and organization of training programs.
- The Bank has a service agreement with RCBC Forex for the referral of money service business customers to RCBC Forex, to facilitate the purchase and/or sale of foreign currencies. The services to be rendered are relative to account opening and compliance with customer identification regulatory requirements.

- The Bank has a service agreement with RCBC International Finance Limited (RIFL) to facilitate the remittance tie-up and account solicitation arrangement agreement with RIFL which is based in Hongkong.
- The Bank has an agreement with RCBC Rental Corporation for the financing of the lease of 1,600 new ATMs with a term of 60 months.
- 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.



## Board of Directors and Senior Officers



# Board of Directors



**Helen Yuchengco-Dee**  
Chairperson



**Cesar E.A. Virata**  
Corporate Vice Chairman



**Eugene S. Acevedo**  
President and  
Chief Executive Officer



**Gil A. Buenaventura**  
Director



**Armando M. Medina**  
Director



**John Law**  
Director

# Board of Directors



**Shih-Chiao (Joe) Lin**  
Director



**Gayatri P. Bery**  
Director



**Hiroki Nakatsuka**  
Director



**Katsufumi Uchida**  
Director



**Juan B. Santos**  
Lead Independent Director



**Gabriel S. Claudio**  
Independent Director



# Board of Directors

# Advisory Board



**Vaughn F. Montes Ph.D**  
Independent Director



**Laurito E. Serrano**  
Independent Director



**Erika Fille T. Legara Ph.D**  
Independent Director



**Yvonne S. Yuchengco**  
Advisory Board Member



**Francis C. Laurel**  
Advisory Board Member



**Atty. Lilia B. de Lima**  
Advisory Board Member



**Masayuki Kawakami**  
Advisory Board Member

# Directors' Profiles

## Helen Yuchengco-Dee

### Chairperson

Ms. Dee, 80, Filipino, is the Bank's Chairperson. Ms. Dee is also the Chairperson of House of Investments, Inc., Petroenergy Resources Corporation 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 Crepa Financial, Inc. She graduated from Assumption College with a Bachelor of Science degree in Commerce and completed her Master's in Business Administration at De La Salle University.

#### *Recent training/continuing education (2020 to present):*

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

## Cesar E.A. Virata

### Corporate Vice Chairman

Mr. Virata, 93, Filipino, 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 Corporation, RCBC Land, Inc., Malayan Insurance Co., Inc., Business World Publishing Corporation, Luisita Industrial Park Corporation, RCBC Bankard Services Corporation, AY Foundation, Inc., City and Land Developer Corporation, UCM Philippines Foundation, Inc., and Cavite Holdings Corporation, among others. He is an adviser of Lopez Holdings and ICCP, Inc., among others.

Mr. Virata 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 Chairman of the Board of Investments, Undersecretary for Industry. He was also Chairman of the Land Bank of the Philippines and Philippine National Bank. He has served as Governor for the Philippines to the World Bank, the Asian Development Bank and the International Fund for Agriculture Development. He was Chairman of the Development Committee of the World Bank and International Monetary Fund from 1976 to 1980 and Chairman of the Board of Governors of the Asian Development Bank. 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 has also held membership in various international committees/fora in

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); BSP Awareness - Raising Session on Institutional Risk Assessment and Results of the 2022 Thematic Review on Targeted Financial Sanctions (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); 2022 Targeted Financial Sanctions Training; Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

the past, including: Bretton Woods Committee, Group of 30, Institute of International Finance, Rockefeller Tripartite Commission for Asia, Davos Forum, World Development Committee of the World Bank and IMF, ADB Forum.

Mr. Virata graduated from the University of the Philippines with degrees in Mechanical Engineering and Business Administration (Cum Laude). He completed his Master in Business Administration (Industrial Management) from the Wharton Graduate School University of Pennsylvania.

#### *Recent training/continuing education (2020 to present):*

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Corporate Governance Training: Cybersecurity and Supply Chain Disruption (Lopez Holdings Corporation); Economic & Political Briefing (Lopez Holdings Corporation); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

## Eugene S. Acevedo

### President and Chief Executive Officer

Mr. Acevedo, 60, Filipino, is the Bank's President and Chief Executive Officer. He has over thirty years (35) years of banking experience gained from local and multinational banks including Union Bank of the Philippines, CitySavings Bank, Philippine National Bank, and Citibank Philippines, Singapore and Hong Kong.

He is a Magna Cum Laude graduate from the University of San Carlos where he earned a degree in Bachelor of Science in Physics in 1984. He has a Master's degree in Business Administration from the Asian Institute of Management where he now serves in the Board of Trustees. He completed the Advanced Management Program at the Harvard Business School. He holds Professional Certificates in Clean Power from Imperial College London, Digital Marketing from The Wharton School, and Customer Experience from The CX Academy (Ireland).

## Gil A. Buenaventura

### Director

Mr. Buenaventura, 71, Filipino, 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 trusteeship positions in De La Salle Philippines School System, Malayan Insurance Company, Inc., House of Investments, Inc., and Manila Memorial Park Cemetery, Inc. He is also an Independent Director of Basic Energy Corporation. He graduated with a Bachelor of Arts degree, major in Economics, from the University of San Francisco, California, and with a Master's of Business Administration in Finance from the University of Wisconsin.

#### *Recent training/continuing education (2020 to present):*

Best Practices to Manage ML/TF Risks from Online Sexual

## Armando M. Medina

### Director

Mr. Medina, 74, Filipino, 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 was an Independent Director of Malayan Insurance, Co. Inc. until September 28, 2023. He 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 with a major in Accounting.

#### *Recent training/continuing education (2020 to present):*

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);

#### *Recent training/continuing education (2020 to present):*

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); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); BSP Awareness - Raising Session on Institutional Risk Assessment and Results of the 2022 Thematic Review on Targeted Financial Sanctions (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); BSP Awareness - Raising Session on Institutional Risk Assessment and Results of the 2022 Thematic Review on Targeted Financial Sanctions (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.



# Directors' Profiles

## John Law

### Director

Mr. Law, 73, a dual citizen of France and Taiwan, has been a Director of the Bank since April 2015. He is also 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 from Jan 2013 through December 31, 2020. He holds a Bachelor of Science degree, major in Psychology, from Chung Yuan University in Taiwan; a Master's of Business Administration degree from Indiana University; and a Master's of Arts degree, major in Poetry, from the University of Paris, France.

*Recent training/continuing education (2018 to present):*

Best Practices to Manage ML/TF Risks from Online Sexual

## Shih-Chiao (Joe) Lin

### Director

Mr. Lin, 52, Taiwanese, 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 an Executive Vice President there. He graduated with a Bachelor's degree in Business Administration from the National Chengchi University and holds an MBA from the National Taiwan University.

*Recent training/continuing education (2020 to present):*

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

## Gayatri P. Bery

### Director

Ms. Bery, 58, American, has been a Director of the Bank and Risk Oversight Committee member since July 2020. She most recently served as Chief Operating Officer, Asia Pacific Global Capital Markets at Morgan Stanley (Hong Kong) where she was also a member of the Steering Committee of Morgan Stanley's HK Women's Business Alliance Team. Her past work experiences include being an investment advisor in Hong Kong and roles at Morgan Stanley & Co. Incorporated (New York), Ranieri & Company (New York), and Drexel Burnham Lambert (New York). Ms. Bery graduated with a Bachelor of Science degree in Applied Mathematics/Computer Science from Carnegie Mellon University (Pennsylvania, USA), and obtained a Master of Business Administration (Beta Gamma Sigma) from Columbia Business School (New York, USA). In 2023, she was conferred as a Qualified Risk Director® after being awarded a Certificate in Risk Governance® from the DCRO Institute.

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); BSP Awareness - Raising Session on Institutional Risk Assessment and Results of the 2022 Thematic Review on Targeted Financial Sanctions (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

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); 2021 Cathay Sustainable Finance and Climate Change Summit; 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); 2022 Cathay Sustainable Finance and Climate Change Summit; Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); 2023 CommonWealth Economic Forum; Speed of Trust (Franklin Convey); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

*Recent training/continuing education (2020 to present):*

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 (Baiphil); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); 2021 GRI Cross Country Learning Session for Business (GRI-SEC); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); Certificate in Risk Governance (DCRO Institute); 2023 Webinar: BSP Guidelines on the Implementation of the Environment and Social Risk Management System (Baiphil).

## Hiroki Nakatsuka

### Director

Mr. Nakatsuka, 54, Japanese, was an Advisory Board Member of the Bank from 2021 until July 2023 and, after that, became a Director and a Member of the Executive Committee of the Bank. He has been with Sumitomo Mitsui Banking Corporation (SMBC) for over 30 years and is currently the Managing Director of Asia Growing Markets Department of 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 at the time, he was also a director of the Bankers Association of the Philippines. He was a guest professor of Kindai University from 2010

## Katsufumi Uchida

### Director

Mr. Uchida, 56, Japanese has been a Director of the Bank since the close of business on July 31, 2023. He currently holds positions in SMBC as Managing Executive Officer, and Co-Head of APAC Division. He also serves as Managing Executive Officer of SMFG. He joined SMBC in 1990 and has spent over 19 of his more than 30 years with the company outside Japan, including Brussels, Hong Kong, Singapore and London, assuming various

## Juan B. Santos

### Lead Independent Director

Mr. Santos, 85, Filipino, 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 the Philippine Long Distance Telephone Company, Philex Mining Corporation, San Miguel Corporation, Equitable Savings Bank, Inc., and PCI Leasing and Finance, Inc. He holds a Bachelor of Science in Business Administration degree from the Ateneo de Manila University and a degree in Foreign Trade from the Thunderbird School of Management in Arizona, USA. He completed his Advanced Management Course at the International Institute for Management Development in Lausanne, Switzerland.

## Gabriel S. Claudio

### Independent Director

Mr. Claudio, 69, Filipino, 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), and Toby's Youth Sports Foundation. 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 Director of the Philippine Amusement and Gaming Corporation (PAGCOR), 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 holds an AB Communication Arts degree from the Ateneo de Manila University.

until 2012. He graduated with a Bachelor of English degree from Kansai Gaidai University. He finished the BIPA Program (Indonesian Language Program) at Universitas Indonesia.

*Recent training/continuing education (2023 to present):*

The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 Executive Learning Series: ESG Best Practices for Business Innovations (YGC-RCBC); Corporate Governance Orientation Program (Institute of Corporate Directors); 2023 YGC Annual Corporate Governance Seminar.

leadership roles. He graduated from the Waseda University of Japan, majoring in Political Science and Economics.

*Recent training/continuing education (2023 to present):*

Corporate Governance Orientation Program (Institute of Corporate Directors)

*Recent training/continuing education (2020 to present):*

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); AMLA Compliance Overview, Targeted Financial Sanctions, and Updates (ICD); 2022 Advanced Corporate Governance Training (ICD); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); Regulations on the Disclosure of Beneficial Ownership Information (SEC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

*Recent training/continuing education (2020 to present):*

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); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

# Directors' Profiles

## Vaughn F. Montes, Ph.D.

### Independent Director

Mr. Montes, 73, Filipino, has been an Independent Director of the Bank since September 2016. He is a former Trustee at the Institute of Corporate Directors (ICD) as well as a current Teaching Fellow on Corporate Governance courses of the ICD. He is a Director of the Center for Excellence in Governance, and President of the Center for Family Advancement. He was a national consultant for Risk Management to the NEDA PPP Center under an ADB technical assistance grant from December 2011 to October 2022. He is a Trustee and Founding Fellow of the Foundation for Economic Freedom. He is an Adjunct Faculty member at the Asian Institute of Management. 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 over a period of 25 years in various capacities including: Senior Economist in 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 holds an AB (Bachelor of Arts) Economics degree from the Ateneo de Manila University, an MS (Master of Science) Industrial Economics degree from the Center for Research and Communications

## Laurito E. Serrano

### Independent Director

Mr. Serrano, 63, Filipino, has been an independent director of the Bank since March 2019. Mr. Serrano was part of the Audit & Business Advisory Group and a partner of SGV & Co - Corporate Finance Consulting Group. He is currently in the financial advisory practice with clients mostly in the private sector. He likewise serves as an independent director of Axelum Resources Corp., Pacific Online Systems Inc., Anglo Philippine Holdings Inc, Premium Leisure Corporation, and as a director in MRT Development Corporation.

Mr. Serrano's past experience includes, among others, directorships in 2Go Group, Inc., Atlas Mining & Development Corporation, Metro Global Holdings Group, Travellers Hotels Philippines, Inc. (Resorts World), MJCI Investments, Inc., United Paragon Mining Corp., Sagittarius Mining Corporation, and Philippine Veterans Bank.

Mr. Serrano holds a Bachelor of Science degree in Commerce (Major in Accounting) from the Polytechnic University of the

## Erika Fille T. Legara, PhD.

### Independent Director

Ms. Legara, 40, Filipino, has been an independent director of the Bank since July 2022. She is a scientist, educator, and an advisor on data science and artificial intelligence (AI), data and AI strategy and governance, infrastructure, and education. She holds the following positions at the Asian Institute of Management (AIM): Associate Professor of Data Science; Founding Director of the Master of Science in Data Science Program; Deputy Director and Senior Scientist of the Analytics, Computing, and Complex Systems Laboratory; and Aboitiz Chair in Data Science. Prior to joining AIM in 2017, Ms. Legara was a scientist at A\*STAR, Singapore, where she worked closely with government institutions and the industry sector on different R&D initiatives. She is a TOYM and TOWNS awardee and received the National Academy of Science and Technology Outstanding Young Scientist award in 2020. She is an Asia 21 Young Leader (Class of 2022). Ms. Legara graduated cum laude from the University of the Philippines, Diliman with the degree of BS in Physics. She obtained her MS and PhD in Physics also

(now University of Asia and the Pacific), and a PhD in Business Economics from the Wharton Doctoral Programs, University of Pennsylvania, USA.

#### *Recent training/continuing education (2020 to present):*

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); RCBC Digital Academy Executive Learning Series (YGC-Deloitte); 2021 ICD Distinguished Corporate Governance Speaker Series - Becoming a Board Room Star; BSP Awareness - Raising Session on Institutional Risk Assessment and Results of the 2022 Thematic Review on Targeted Financial Sanctions (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); 2022 9th SEC-PSE Corporate Governance Forum; The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

Philippines and has a Master's in Business Administration degree from the Harvard Graduate School of Business.

#### *Recent training/continuing education (2020 to present):*

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 Stronger KYE Program (ABCOMP); Leveraging on FinTech: Financial Services Under the New Economy Arrangement (ABCOMP); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); ESG Best Practices for Business Innovations (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

from the same university. She took up Leading Smart Policy Design at JF Kennedy School of Government, Harvard University, Executive Education in 2021 and completed the London School of Economics and Political Science's program on Ethics for AI in March 2023. She was also a resource person in the Asian Dialogues on AI Accountability Workshop (Singapore Management University-Microsoft) in April 2023. She is one of the Asian Scientist 100 top scientists for 2023, and the First Filipino to be Awarded the DCRO Institute Certificate in Cyber Risk Governance.

#### *Recent training/continuing education (2022 to present):*

Professional Directors Program, including the Corporate Governance Orientation Program (ICD); 2022 YGC Annual Corporate Governance Seminar (YGC-RCBC); Keeping Ahead of Cyber Risk's New Normal (YGC-RCBC); The Future of AI: Microsoft on Generative AI (YGC-RCBC); 2023 YGC Annual Corporate Governance Seminar.

# Advisory Board's Profiles

## Yvonne S. Yuchengco

### Advisory Board Member

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.

## Francis C. Laurel

### Advisory Board Member

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 Trustees, UP Los Baños College of Economics and Management Foundation Inc.; President and Member of the Board of Trustees, Philippine-Japan Society, Inc.; Senior Adviser, Philippines-Japan Economic Cooperation Committee, Inc.; and Member of the Board of Trustees of the UP Foundation 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.

## Atty. Lilia B. de Lima

### Advisory Board Member

Atty. de Lima was a Director of the Bank from June 24, 2019 to July 31, 2023. She was an Independent Member of the Bank's Advisory Board from July 3, 2017 to June 24, 2019. Prior thereto, she served as the Director General of PEZA from 1995 to 2016. Other positions she has held include being Board Member of the Cagayan and Zamboanga Economic Zones, Commissioner of the National Amnesty Commission, Executive Director of the Department of Trade and Industry Price Stabilization Council and Director of the 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.

## Masayuki Kawakami

### Advisory Board Member

Mr. Kawakami has been an Advisory Board Member of the Bank since July 31, 2023. He has been with SMBC for over 35 years and currently holds positions in SMBC as General Manager of Strategic Planning Department, Global Banking Unit, concurrently servicing as General Manager of Asia Growing Markets Department. He is a Financial Risk Manager® as certified by the Global Association of Risk Professionals, a Chartered Financial Analyst® as certified by the CFA Institute, a Certified International Investment Analyst as certified by the Association of Certified International Investment Analysts, and a Certified Member Analyst of the Securities Analysts Association of Japan. He obtained Master's degree of Finance from University of Michigan, Dearborn. He graduated from Keio University of Japan, majoring in Business and Commerce.



# Senior Management



**Redentor C. Bancod**  
Senior Executive Vice President



**Reginaldo Anthony B. Cariaso**  
Executive Vice President



**Elizabeth E. Coronel**  
Executive Vice President



**Richard C. Lim**  
Executive Vice President



**Emmanuel T. Narciso**  
Executive Vice President



**Alberto Magno N. Pedrosa**  
Executive Vice President

# Senior Management



**Bennett Clarence D. Santiago**  
Executive Vice President



**Angelito M. Villanueva**  
Executive Vice President



**Maria Christina P. Alvarez**  
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



# Senior Management



**Jane N. Mañago**  
First Senior Vice President



**Robert Rol Richard Raymond B. Ramos**  
First Senior Vice President



**Rowena F. Subido**  
First Senior Vice President



**Martin Roberto G. Tirol**  
First Senior Vice President



**Juan Gabriel R. Tomas IV**  
Senior Vice President 2



**Ma. Pamela Katrina M. Cabudoy**  
Senior Vice President 1

# Senior Management



**Sheila Ricca G. Dioso**  
Senior Vice President 1



**Maria Cecilia F. Natividad**  
Senior Vice President 1



**Anna Christina M. Vicente**  
Senior Vice President 1



**Atty. Ramil M. De Villa**  
Senior Vice President 1



**Nilo C. Zantua**  
Senior Vice President 1



**Xavier Y. Zialcita**  
Senior Vice President 1



**Atty. Angeluz T. Guerzon**  
First Vice President



# Heads of Subsidiaries



**Arsenio Kenneth M. Ona**  
President and CEO  
RCBC Capital Corporation



**Arniel Vincent B. Ong**  
President and CEO  
RCBC Bankard Services Corporation\*



**Jose Jayson L. Mendoza**  
President  
RCBC Leasing and Finance Corporation\*



**Raoul V. Santos**  
President  
RCBC Securities, Inc.



**Raymundo C. Roxas**  
President  
Rizal Microbank

\*Seconded from RCBC

# Senior Management's Profiles

## Redentor C. Bancod

### Senior Executive Vice President

Chief of Staff, Head of the Information Technology Shared Services and Operations Groups (Retired: February 4, 2024)

*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, 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

## Reginaldo Anthony B. Cariaso

### Executive Vice President

Head of Operations Group

*Previous Positions:* Senior Vice President & Head of Institutional Banking Strategy, Products and Support Group, Bank of the Philippine Islands; President, BPI Capital Corporation; Executive Director, J.P. Morgan, Hong Kong; Lieutenant, U.S. Navy Submarine Force

*Education:* Bachelor of Arts degree in Chemistry, University of Pennsylvania

## Elizabeth E. Coronel

### Executive 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

## 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 Banking, 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 major in Biology, University of Santo Tomas

## Emmanuel T. Narciso

### Executive Vice President

Head of Global Transaction Banking Group (Resigned: November 18, 2023)

*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 (Honors Program), Ateneo de Manila University; and Master's degree in Business Administration, Asian Institute of Management (Citibank scholar)

## Alberto Magno N. Pedrosa

### Executive Vice President

Treasurer and Head of Treasury Group

*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

## Bennett Clarence D. Santiago

### Executive 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, University of the Philippines; units for Masters in Business Administration, Ateneo Graduate School of Business

## Angelito M. Villanueva

### Executive Vice President

Chief Innovation and Inclusion Officer and Head of Digital Enterprise and Innovations Group

Founding Chairman, Fintech Alliance Philippines; Founding Chairman, South Africa-based Alliance of Digital Finance and FinTech Associations; Trustee, Blockchain Council of the Philippines; Advisory Member, ASEAN Innovations Platform, Co-Founder and Co-Convenor, Asia FinTech Alliance; President and Trustee, Gov Nestor A. Espenilla Jr. Institute for Growth towards National Inclusion, Transformation and Empowerment (IGNITE)

*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; Director, Asia Board of Directors, Mobile Ecosystem Forum

*Education:* Bachelor of Arts in Political Science, University of Santo Tomas; Master's in National Security Administration, National Defense College of the Philippines (state scholar); Master's in Public Administration (Magna Cum Laude), University of Santo Tomas, Digital Transformation by Design, Judge Business School, University of Cambridge, United Kingdom

## Maria 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 15 years with the Corporate Planning Group of RCBC)

*Education:* Bachelor of Arts in Management Economics, Ateneo de Manila University; Master's in Business Administration, Asian Institute of Management

## Atty. George Gilbert G. dela Cuesta

### First Senior Vice President

Head of Legal Affairs and Corporate Secretariat Group

*Previous Positions:* General Counsel of various companies such as Asian Terminals, Inc., Mirant Phils. Corporation (now, TeM Energy), and Hanjin Heavy Industries & Construction Co. Ltd.; legal officer at the 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 (cum laude), both obtained from the University of the Philippines

## Brent C. Estrella

### First Senior Vice President

Chief Compliance Officer and Head of the Regulatory Affairs Group

Certified Anti-Money Laundering Specialist (CAMS) by ACAMS, Co-Chair of ACAMS Philippine Chapter since 2020. Member of the Board of Trustees of the Association of Bank Compliance Officers Inc. since 2021, an Associate Member of the Institute of Corporate Directors (ICD) and an Ordinary Member of the Singapore Institute of Directors (SID). Initiated in RCBC a multi-year Compliance Transformation Program to pivot the Compliance function into a Hub & Spoke model and achieve enterprise wide consistency and control in compliance risk management.

*Previous Positions:* In the last twenty years has been championing Compliance thought leadership in the areas of financial crime, regulatory compliance, operational management and corporate governance. He has been a consistent proponent of strategic compliance, business development and cultural transformation in his various stints in the Hong Kong and Shanghai Banking Corporation across Southeast Asia (Philippines), the Middle East (UAE), and Sub Saharan Africa (Mauritius).

*Education:* Bachelor of Science degree in Legal Management, 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 (Retired: May 21, 2024)

Registered Financial Consultant, a member of the International Association of Registered Financial Consultants and a Certified Wealth Manager.

*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

## Dr. Robert B. Ramos, CFA, CIPM, CAIA

### First Senior Vice President

President of RCBC Trust Corporation (seconded from RCBC)

*Previous Positions:* Trust Officer and Head of the Trust and Investments Group, RCBC; 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 Administration, 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

## 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

## Martin Roberto G. Tirol

### First Senior Vice President

Head of Global Transaction Banking Group

*Previous Positions:* Director and Head Global Transaction Banking Group, Deutsche Bank (Manila Branch); Senior Vice President and Head Transaction Banking Group, Maybank Philippines; Vice President and Head Cash Management Group, PNB; Vice President and Head Trade Finance Group, Australia New Zealand Banking; Vice President, Global Transaction Banking Group, Citibank N.A. Philippines ; Assistant Vice



# Senior Management's Profiles

President, Cash Management and Trade & Supplychain Group, Standard Chartered Bank; Management Associate in Citi's Management Trainee Program, Citibank N.A. Philippines; began career in banking as a graduate of RCBC's Marketing Assistant Training Program in 1994

**Education:** Master of Science, Management - Arthur D. Little School of Management, Boston, MA, USA; Bachelor of Arts in Economics - Ateneo de Manila University

## Juan Gabriel R. Tomas IV

### Senior Vice President 2

Chief Risk Officer and Head of 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

## Ma. Pamela Katrina M. Cabudoy

### Senior Vice President 1

Chief Data Scientist and Head of Data Science and Analytics Group

Trustee, Analytics & AI Association of the Philippines

**Previous Positions:** Director for Advanced Analytics of the Enterprise Data Office, Globe Telecom; Director for Solutions and Practices (Presales), SAS Philippines, Inc. covering Financial Services, Telecommunications and Retail; Customer Intelligence Practice Lead of SAS Philippines Inc (First Filipino CEO Excellence Awardee, 2008).

**Education:** Bachelor of Science major in Statistics (Class Valedictorian), University of the Philippines

## Sheila Ricca G. Dioso

### Senior Vice President 1

Chief Audit Executive and Head of Internal Audit Group

Current Chief Audit Executive of RCBC Trust Corporation, and Audit Committee Chairperson for Bankers Institute of the Philippines

**Previous Positions:** Audit and Assurance Partner, Lead for Virtual Resource Hub and Financial Service Sector Lead for R.G. Manabat and Co (KPMG Philippines); Director for Risk Consulting Advisory Services for R.G. Manabat And Co (KPMG Philippines); Finance Controller for Suyen Corporation; Audit Manager in Ernst & Young Singapore and SGV & Co.

**Education:** Bachelor of Science in Business Administration and Accountancy, University of the Philippines. She passed the CPA Licensure Examination in November 2005.

## Maria Cecilia F. Natividad

### Senior Vice President 1

Chief Marketing Officer and Head of Marketing Group (Resigned effective October 14, 2023)

**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, Ateneo de Manila University

## Anna Christina M. Vicente

### Senior Vice President 1

Head of Small and Medium Enterprises Banking Group

**Previous Positions:** President and CEO, RCBC Leasing and Finance Corporation; Head of the North Metro Manila Division, Small and Medium Enterprises Banking Group, RCBC

**Education:** Bachelor of Arts degree in Interdisciplinary Studies, Ateneo De Manila University

## Atty. Ramil M. de Villa

### Senior Vice President 1

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

## Nilo C. Zantua

### Senior Vice President 1

Head of Information Technology Shared Services Group

**Previous Positions:** Senior Vice President and Chief Technology Officer of PhilamLife Group of Companies (AIA Philippines); Vice President and Head for IT Infrastructure & Operations of Sun Life Financial Asia.

**Education:** Management Diploma. Asian Institute of Management; BS Electronics and Communications Engineering, University of Santo Tomas

## Xavier Y. Zialcita

### Senior Vice President 1

Head of Strategic Initiatives

**Previous Positions:** Senior Vice President, RCBC Capital Corporation; Assistant Vice President, YGC Corporate Services Inc; Senior Associate, SGV & Co; Associate, Joaquin Cunanan and Co;

**Education:** Post Graduate Diploma in Strategy and Innovation, University of Oxford, Bachelor of Science Management of Information Systems, Ateneo de Manila University

## Atty. Angeluz T. Guerzon

### First Vice President

Head of Asset Management and Remedial Group

**Previous Positions:** Asset Management Support Division Head in RCBC, specializing in property and asset management, ROPA disposal, documentation, legal and risk management with more than 20 years of experience in legal, compliance, remedial management, data protection, collection and foreclosure, litigation and various aspects of risk management; Legal and Compliance Group Head in RCBC Bankard Services Corporation and functioned as corporate legal counsel, compliance officer and data protection officer; Remedial Legal Officer in Unionbank; Foreclosure lawyer in Philippine National Bank, progressing to Supervising Lawyer for Branch Lawyers Litigation Division in PNB.

**Education:** Bachelor of Laws, San Beda College of Law, admitted to the Philippine Bar on May 2004; Bachelor of Arts in Public Administration (Cum Laude), University of the Philippines - Diliman

# Head of Subsidiaries' Profiles

## Raoul V. Santos

### Senior Vice President 1

President, RCBC Securities, Inc. (seconded from RCBC)

**Previous Positions:** Senior Vice President and Investment Segment Head of RCBC Trust and Investments Group for 5 years. Head of Institutional Relationship Management Division over 10 years and over 30 years of experience in Fund Management. Trust Investment Management Team of Metrobank and Solidbank 1999-2001. Phinma Treasury Manager from 1992-1999 and Analyst of SGV Consulting from 1988-1992.

**Education:** BS Management of Financial Institutions and AB Asian Studies major in Japan Studies from De La Salle 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

## Arsenio Kenneth M. Ona

### President and Chief Executive Officer

RCBC Capital Corporation

**Previous Positions:** An investment banking professional with over 25 years of experience in the industry, both locally and abroad. Past affiliations include: First Vice President for Coverage & Origination at First Metro Investment Corporation, Assistant Vice President for Corporate Finance at All Asia Capital & Trust Corporation, Investment Banking Associate at JP Morgan Chase & Co. (New York and Singapore) and Analyst at Jardine Fleming Exchange Capital Corporation.

**Education:** Masters in Business Administration, The Wharton School at the University of Pennsylvania; Bachelor of Science in Business Economics, University of the Philippines

## Arniel Vincent B. Ong

### Senior Vice President 2

President and CEO, 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 an assignment in HSBC Vietnam; Instrumental in the launch of the country's first comprehensive private consumer credit bureau; Former Credit Committee Chairman of the Credit Card Association of the Philippines

**Education:** Certified Financial Risk Manager by the Global Association of Risk Professionals; Professional Certificate in Customer Experience by The CX Academy; Bachelor of Science in Management Engineering and Bachelor of Arts in Economics (Honorable Mention), Ateneo de Manila University

## Jose Jayson L. Mendoza

### Senior Vice President 1

President, RCBC Leasing and Finance Corporation

(seconded from RCBC)

**Previous Positions:** Twenty eight (28) years solid experience in banking with particular focus on marketing and account management; Division Head of SME North Metro Manila under RCBC's SME Banking Group (SMEBG) from 2021-2022; SMEBG Division Head for Mindanao (2020-2021); SMEBG Division Head for VisMin (2016-2019); CSME Provincial Division Head (2013-2016); CSME Center Head for South Luzon (2008-2010); Member of SMEBG Credit Committee; Head of Maybank Philippines' Retail Loans Financing (2005-2008); Account Officer, Philippine National Bank; Account Officer (2003-2004); Philippine Savings Bank (1996-2002)

**Education:** Bachelor's degree from De La Salle University, major in Business Management.

# Senior Officers\*

## Chairperson

HELEN Y. DEE

## Corporate Vice Chairman

CESAR E. A. VIRATA

## President and Chief Executive Officer

EUGENE S. ACEVEDO

## Corporate Secretary

ATTY. GEORGE GILBERT G. DELA CUESTA  
First Senior Vice President  
Head, Legal Affairs and Corporate Secretariat Group

## Assistant Corporate Secretary

ATTY. JOYCE CORINE O. LACSON  
First Vice President

## Executive Vice Presidents

REGINALDO ANTHONY B. CARIASO  
Head, Operations Group

ELIZABETH E. CORONEL  
Head, Corporate Banking Group

RICHARD C. LIM  
Head, Retail Banking Group

ALBERTO MAGNO N. PEDROSA  
Head, Treasury Group

BENNETT CLARENCE D. SANTIAGO  
Head, Credit Management Group

ANGELITO M. VILLANUEVA  
Head, Digital Enterprise and Innovation Group

## First Senior Vice Presidents

MARIA CHRISTINA P. ALVAREZ  
Head, Corporate Planning Group

BRENT C. ESTRELLA  
Head, Regulatory Affairs Group

FLORENTINO M. MADONZA  
Head, Controllership Group

JANE N. MANAGO  
Head, Wealth Management Group

JOSEPH COLIN B. RODRIGUEZ  
Head, Subsidiaries Treasury Risk Positions Segment

ROWENA F. SUBIDO  
Head, Human Resources Group

MARTIN ROBERTO G. TIROL  
Head, Global Transaction Banking Group

## Senior Vice President 2

JUAN GABRIEL IV R. TOMAS  
Head, Risk Management

JACQUELINE GRACE B. WIENEKE  
Head, Wealth Management (Effective: May 21, 2024)

## Senior Vice President 1

JOSE MARIA P. BORROMEO  
Reserve & Liquidity Mgt. Segment

ENRIQUE C. BUENAFLORES  
Global Transaction Banking Group

MA. PAMELA KATRINA M. CABUDOY  
Head, Data Science & Analytics Group

JOSE MANUEL E. CANIZA  
Trading Division

KAREN K. CANLAS  
Relationship Management Division 2

ANTONIO MANUEL E. CRUZ, JR.  
Chinese Corporate Banking

RAMIL M. DE VILLA  
Head, Consumer Lending Group

CRISPINA D. DEL ROSARIO  
North East Luzon Regional Office

SIMPLICIO B. DELA CRUZ JR.  
CEVA Division

SHEILA RICCA G. DIOSO  
Head, Internal Audit Group

EVANGELINE M. DY  
Makati North Regional Office

BENJAMIN E. ESTACIO  
Mindanao Service Region

MERCELU S. MARIANO  
Relationship Management Division 3

GERARDO G. MIRAL  
Japanese & Economic Zone Banking - Division 2

RICHARD M. PERALTA  
Branch Services Support Segment

NANCY J. QUIOGUE  
North Metro Manila Service Region

ELSIE S. RAMOS  
Litigation/Labor Division (Retired: April 15, 2024)

ALMA D. REYES  
Central Luzon Regional Office

ISMAEL S. REYES  
RBG Marketing & Strategy Segment

MARIA EVANGELINE T. REYES  
Head Office Operations Segment

YVONNE A. ROQUE  
Branch Operations & Control Segment

CARREN T. SARIA  
Metro North Regional Office

JOSE RENE Y. SARMIENTO  
Conglomerates & Global Corporate Banking

LIBERTINE R. SELIRIO  
CBG Business Development Division

JOHAN C. SO  
National Corporate Banking 1

ELVIRA D. SORIANO  
IAG Div 5 Team 2

LEA B. TORRES  
Corporate Remedial Management Division

EMMANUEL MARI K. VALDES  
Cross Sell Division

ANNA CHRISTINA M. VICENTE  
Head, Small & Medium Enterprise Banking Group

PAULA FRITZIE C. ZAMORA  
Financial Institutions & Support Segment

NILO C. ZANTUA  
Head, Information Technology Shared Services Group

XAVIER Y. ZIALCITA  
Office of the President & CEO

## First Vice Presidents

STEPHANIE S. ABENDANO  
Relationship Management Division 1

TRINITY MARIE T. ADOLFO  
Credit Policy & Asset Quality Mgt. Segment

JOHN EDWARD F. ALABASTRO  
Information Technology Shared Services Group

MA. NINA T. ALBA  
Rizal Regional Office

CONRADO B. ALUNAN  
ALB Visayas Region

CLINT STANLEY D. ANG  
Employee Relations Division

ALVIN F. ASUNCION  
ADD6 - Digital Systems Division

MA AMADEA D. ASUNCION  
South Metro Manila Service Region

MA LYLAH CRISPENA S. BALLARAN  
Service Delivery Management

ROSELYN P. BARRETTO  
Quezon City Regional Office

ROLAND D. BAY  
Cavite Regional Office

GUILBERTO K. BENEDICTO  
CL Customer Care and Marketing Dept.

MANUEL R. BENGSON, JR.  
Derivatives Trading Department

CONCORDIO R. BONGON, JR.  
Batangas-Bicol-MIMAROPA Regional Office

LUIS GONZAGA S. BONOAN  
SMEBG Business Development Division

MARY CATHERINE T. BUNTUA  
Makati North Regional Office

CHRISTINE ROSELLE O. CABACUNGAN  
Makati Lending Center

KATHRINA S. CARRANZA-RODRIGUEZ  
Business Intelligence & Campaign Mgt. Division

RHODORA L. CASTRO  
South Luzon Service Region

NATHAN FRANCIS C. CHINCUANCO  
GTB - Business Development Division

JOHN PHILIP V. CINCO  
Operational Risk Management Division

D ANGELO T. CO  
FX Spot & Swap Department

ROMEO R. COMABIG  
Central/East Visayas Regional Office

\*List of senior officers is as of May 2024



# Senior Officers\*

RAFAEL N. CRUCILLO  
Global Transaction Banking Group

ARIEL J. CRUZ  
ALB North & Central Luzon Region

ROSE ANNE M. CRUZ  
Metro South Regional Office

ANNA MYCHELLE C. CRUZADO  
Japanese & Economic Zone Banking - Division 1

ARNEL G. DE GUZMAN  
Business Intelligence & Campaign Mgt. Division

FRANCISCO J. DE SILVA  
ADD 7 - Back Office Application Systems

JO ANNE R. DESALES  
Pasig Regional Office

MARIELLA RHEA P. DIZON  
Metro Central/BGC Regional Office

JOSE CARLO J. EUFEMIO  
Ecosystem Build & Market Activation

MA THERESA JENNIFER A. FERNANDO  
Asset Disposition Division

KENNETH MARK F. GARCIA  
Account Management Dept. 3

SOPHIE B. GO  
Tomas Mapua

RAYMUND C. GOLEZ  
Visayas Service Region

RICARDO B. GONZAGA  
Mindanao Division

ANGELUZ T. GUERZON  
Head, Asset Management & Remedial Group

FRANCISCO VICENTE O. HILARIO  
IT Management Services

TRISTAN JOHN A. KABIGTING  
Head, General Accounting & Services

TAKAHIRO KATO  
Japanese Business Relationship Office

JOYCE CORINE O. LACSON  
Corporate Secretariat

ARMI M. LAMBERTE  
Sustainable Finance Division

JOSE ROY G. LAPORNO  
Western Visayas Division

ANNA G. LEGASPI  
GTB - Business Solutions Division

MARIA ARLENE L. LEYCO  
North Luzon Division

ROEL D. LUSTADO  
Metro West Regional Office

MARIA PAMELA GRACIA C. MACAPAGAL  
Corporate Distribution Department

LOUCHELLE R. MACARAIG  
Management Services Division

MA. TERESA R. MANOTOK  
Consumer Loans Internal Sales Division

ALMA TERESA O. MENDALLA  
North Luzon Service Region

CESARIA AILEEN R. MERCADO  
Laguna & South Luzon Ecozone Regional Office

MA ROMINA C. MERESEN  
GTB - Product Management Division

LINDA D. MINA  
Pasig Regional Office

MARIETA O. MIRANDA  
Office of the Division Head – FAMD

SUZETTE Y. NG  
Chinese Corporate Banking Division 2

GWENDOLYNN S. PADILLA  
Legal Documentation Division

ROSITA T. PECSON  
Northwest Luzon Regional Office

MARICEL ELENA M. PERALEJO  
Institutional Distribution Dept.

ALVIN A. PEREZ  
Retail Cash Management Segment

CYRIL O. PESAYCO  
Consumer Banking Compliance Division

CLARO A. PINEDA, III  
Project Management Office

JENNIE R. REIFSNYDER  
Standard Quality Assurance and CX

FRANCIS NICOLAS G. REYES  
Business Site Management Division

MARIA ESTHER V. RICALDE  
Conglomerates & Global Corporate Banking Div. 2

RACELIS S. SAMSON  
Head, Shared Technology Services Division

GUIA MARGARITA Y. SANTOS  
WM Business Development Division

RENAN D. SANTOS  
Liquidity Management Division

ATSUSHI SEGAWA  
Japanese Business Relationship Office

ANNA LISSA L. SELVA  
National Corporate Banking 1

RAYMOND JOEL JR. B. SIASAT  
ALB Mindanao Region

FRANCISCO G. SINGIAN, JR.  
Funding Management Division

MELISSA ANN P. SIOSON  
Conglomerates & Global Corporate Banking Div. 1

MYLES JOSEPH G. SOTELO  
Western Visayas Regional Office

PAULINE S. SUA  
Otis

ARVIN C. SY  
Chinese Corporate Banking Division 1

RAMON JAIME R. TABUENA, JR.  
Japanese & Economic Zone Banking - Division 2

TED EDWARD R. TOLENTINO  
Metro Manila Division

BENJAMIN C. TOM WONG  
National Corporate Banking 2

JAY P. TORRES  
Office of the Auto Loans Business Head

RANDY B. TORRES  
Office of Housing Loans Business Head

MARIA RHODANA E. VALERIO  
Metro South Regional Office

DENNIS R. VERGARA  
Business Intelligence & Campaign Mgt. Division

MA VICTORIA P. VICTORIA  
Tradional Cross Sell Channel Department

GRACE R. VILLAHERMOSA  
MEPZ 2

ABELARDO B. VILLAROSA JR.  
Metro Manila Division

RAMON FORTUNATO S. YBIERNAS III  
Market & Liquidity Risk Mgt. Division

## Vice Presidents

FRANCES RUTH P. ABELLA  
Relationship Management Division 2

ROSALIND U. AGUILA  
Customer Care Department

BON VINCENT A. AGUSTIN  
Litigation Department

JOEL M. AJERO  
Security Division

ENRICO A. ALBANO  
Quezon City Regional Office

YNA S. ALBERTO  
Remittance & Payments Services Division

KAINZEL JOICE C. ALCAIDE  
Business Intelligence & Campaign Mgt. Division

RONUALDO U. AMBROSIO  
ADD3 - Head Office Systems

VIRGILIO M. AMORIN, JR.  
Mindanao Service Region

MARIBETH D. AMORIN  
South Luzon Service Region

MARIA CRISTINA T. AMPIL  
Credit Investigation Department

JUAN MARCO B. ANDAYA  
Conglomerates & Global Corporate Banking Div. 2

EDWIN D. ANDERSON  
Capital Market Services Division

MARICAR C. ANGELES  
Human Resources Group

CHRISLYN C. ARCILLA  
Project Development & Joint Venture Dept.

\*List of senior officers is as of May 2024

# Senior Officers\*

LETICIA ARMADA  
Smart Customer Acquisition Department

JULIETA L. ASERDANO  
Middle Office Support Division

RAQUEL R. ASUNCION  
Product Management & Marketing Division

OMAR L. AYALIN  
GTB - Product Management Division

JOCELYN SYLVIA E. BADURIA  
Talent Management & Analytics Division

JENNYLYN R. BARCELONA  
HLB Metro Manila Region

SHIRLEY K. BENEDICTO  
Metro Central/BGC Regional Office

ANTHONY B. BERJAMIN  
Network and Communications Dept.

JOE MARCH S. BERNABE  
Central MM & Rizal Service Region

MARIA THERESA M. BLAZA  
Economics & Industry Research Division

CELESTE G. BONGON  
Makati South Regional Office

NICK M. BONITA  
East Mindanao Regional Office  
*(Retired: May 1, 2024)*

JOSE ZERNAN T. BULDA  
Cavite Regional Office

LISA F. CABANCE  
GTB - Product Management Division

MA RHEA P. CABANERO  
Financial Planning & Credit Support Division

CARLO P. CABILAO  
GTB - Business Development Division

WILSON M. CALDERON  
Japanese & Economic Zone Banking - Division 1

MICHAEL JOHN B. CALUSTRE  
Mindanao Service Region

JEROME B. CAMINA  
Davao City Regional Office

MARCO PAULO A. CAMPOS  
Fixed Income Department

CHARLIE J. CARABEO  
Technical Support Department

ELI GRACE B. CARABEO  
Operations Command Center

NEIL ANDREW G. CARMONA  
Central Visayas Lending Center

GINA P. CAROLINO  
Transactions Monitoring Department  
*(Retired: April 3, 2024)*

CARLO ANTONIO M. CARPIO  
Regional Support Division

CLEMENTE A. CARPIO, JR.  
Japanese & Economic Zone Banking - Division 1

JESUS MANUEL M. CASTRO  
ALB CLC Cabanatuan

PASCUAL L. CEFRE  
Business Site Expansion & Branch  
Maintenance Department

ANGELITO C. CHUPECO  
Regional Support Center Department 4

RHENE T. COLLAMAR  
Visayas Service Region

JESSICA B. CRISTOBAL  
CL Services & Records Mgt. Division

ERBITO C. CRUZ  
North East Luzon Regional Office

MICHAEL CHRISTOPHER C. CRUZ  
Ecosystem Build & Market Activation

MERCI F. CUARESMA  
Trade Services Department

MELITA R. DARLINGTON  
Compliance Assurance Division

MARIA KATRINA G. DATOC  
Relationship Management Division 3

DENNIS I. DE VERA  
Credit Appraisal Department

MA DIVINA GRACIA C. DELA CRUZ  
Trust and Insurance Risk Department

MA DIVINA GRACIA D. DELA CRUZ  
Settlements Department

NORLABEL P. DELA CRUZ  
Compensation & Benefits Division

JUAN L. DELGADO JR.  
West Mindanao Regional Office

JOHN FRANCIS A. DELOS REYES  
CL Internal Sales Auto

PERLA L. DEPUSOY  
Japanese & Economic Zone Banking - Division 2

MARIA BERNADETTE F. DIMAANDAL  
Data and Innovation Division

MARIE ANTHEA VINA D. DIZON  
Central Luzon Regional Office

POMPOSA C. DOTILLOS  
Cebu Manalili

BEVERLY S. DUNGCA  
Management Services Division

SHERWIN A. ESGUERRA  
Sta. Mesa

PAUL P. ESGUERRA  
Office of the Division Head – FAMD

ROY C. ESQUEJO  
Data Center Operations Department

DUANE A. ESTAPIA  
Alabang Lending Center

CECILIA B. EVANGELISTA  
ADD 5 - Workflow Systems

JOEL V. FRANCISCO  
Business Center Accounting and  
Control Department

RODNEY O. GABATAN  
Rizal Regional Office

JOSEPH ERICSON D. GALVEZ  
Commercial Distribution Department

MARITNESS ANTONIA G. GARCIA  
South Luzon Service Region

AIDA C. GATBUNTON  
Office of the Dept Head-AMDS

FERNANDO PASCUALITO R. GENEROSO  
ADD 2 - Loans, Trade & Other Systems Division

JOSEPH G. GENTOLIA  
ATM Services Division  
AARON A. GIBERSON  
Ecosystem Build & Market Activation

ROCHELLE S. GOPEZ  
Relationship Management Division 2

KRIZ JOSETTE A. GOY  
Business Intelligence & Campaign Mgt. Division

CORA M. GOYAL  
Digital Account Onboarding Department

GEORGE NEIL P. GUERRERO  
FX SWAPS & Forward Desk

PAUL KENNETH EDWARD O. HECHANOVA  
Conglomerates & Global Corporate Banking Div 3

THEA MARIE B. JIMENEZ  
Labor Relations

ABRAHAM JOSE  
Technical Support Department

CEZAR B. JUYO  
IT Management Services

JEROME D. LAGUSTAN  
Asset Portfolio Management Segment

JANET D. LAPID  
Metro East Regional Office

ANTONIO C. LIAO, JR.  
IAG Div 2 Team 1

BRYAN K. LIM  
Retail Distribution Department

CAROLYN L. LIM  
Office of the Division Head - Customer Strategy Mgt.

ROSHELLE MARGARET S. LIM-CO  
Relationship Management Division 3

EDISON Y. LIU  
Visayas Service Region

LUIS ALFONSO A. LLAGUNO  
Legal Documentation Division

MYRA LIZA L. LORA  
North Luzon Service Region

\*List of senior officers is as of May 2024



# Senior Officers\*

GERARDO G. MACALINTAL  
North Metro Manila Service Region

EDUARDO L. MAGCAMIT  
IAG Div 1 Team 2

JOY O. MALIG  
CL Operations Division

JESSIE S. MALUBAY  
P. Tuazon

JOHAN S. MANALILI  
Japanese & Economic Zone Banking - Division 1

DENISE AMELIA D. MANANZAN  
Global Macro & Investments Credit Division

KAREN KRISTINE L. MARCELO  
Learning & Development Division

TRICIA R. MARCELO  
Talent Acquisition Division

CRISTINA O. MARCIAL  
North Metro Manila Service Region

LUISA MERCEDES L. MARTINEZ  
General Services Division

MILFRED NONATO M. MARTINEZ  
SMEBC Business Development Division

DULCE CORAZON J. MATIAS  
Financial Planning & Administration Division

CLARISSA P. MENDOZA  
Japanese & Economic Zone Banking - Division 2

ROBERTO N. MENDOZA  
Central Luzon Lending Center

BRIEN ANICETUS S. MERLE  
South Metro Manila Service Region  
*(Retired: April 17, 2024)*

MICHAEL JAMES C. MILLA  
North Luzon Lending Center

LOURDES JOCELYN A. MOJICA  
ADD8 - Retail Loans Systems

JENNIFER L. MOLINA  
Commercial Loan Evaluation Segment

LORNA A. NACAR  
North Luzon Service Region

MA ELISA D. NADURATA  
Makati South Regional Office

JOCELYNN C. NAVAL  
EDSA Kalookan Lending Center

JEMELLI E. NERIA  
ADD 1 - Core Banking Systems

RODOLFO C. NICODEMUS, JR.  
Carlos Palanca

ALESOR R. OLBES  
IAG Div 4 Team 1

MIGUEL B. OLIVAR, JR.  
Leyte Samar Lending Center

JENNIFER M. ONA  
Commercial Distribution Department

ARLENE O. PADILLA  
East Mindanao Regional Office

ECCLESTIAL S. PALAD  
Infrastrasture Security

CARMINA C. PAMILAR  
Kapitolyo-Shaw Blvd.

MARIA PAZ C. PANTOJA  
Wealth Management Division 2

MARLON ROY S. PELAYO  
Business Intelligence & Campaign Mgt. Division

FRIETZ ARBAN D. PERALES  
Conglomerates & Global Corporate Banking Div 3

ERIC S. PESTANO  
Mactan

LLEWELYN RENATO A. PIGUING  
ITAD Team 1

RODANTE G. PINEDA  
ADD9 - ATM & Card Systems

MANUEL JR. R. QUESADA  
Credit and Loans Services Department

ROLANDO I. RAMIREZ, JR.  
Asset Management Support Division

MARK ANDREW N. RAMIREZ  
ADD7 – Interfaces

RAMIL S. RAMOS  
Novaliches

ZENAIDA D. RAMOS  
Central MM & Rizal Service Region

CLAUDETTE S. RAYMUNDO  
Office of the Group Head - Operations

MARY JANE V. REYES  
BF Homes

MICHAEL L. RICAFORT  
Office of the Group Head - Treasury Group

MICHAEL A. RICALDE  
Relationship Management Division 2

HELEN T. RIVERO  
Policy Development & Cost Standards Department

MARIE ANTONEITTE G. RODRIGUEZ  
ADD4 - IT Finance

MIKHAIL G. ROMULO  
Compliance Oversight Division

MERWYN PAUL D. ROSTRATA  
Legal Documentation Division

JENNYLYN S. SAGCAL  
Japanese & Economic Zone Banking - Division 1

DON S. SALDANA  
HLB North & Central Luzon Region

RAYMOND G. SAMPANA  
IAG Div 4 Team 2

MA RUBY B. SAN JOAQUIN  
Management Accounting Department

LESLIE L. SANCHEZ  
Lipa City

REGINALD ANGELO H. SANTIAGO  
Wealth Management Division 3

ANA LIZA M. SANTOS  
North Metro Manila Service Region

DONNA LIZA Y. SEE  
Chinese Corporate Banking Division 2

JINKY B. SOBREMONTTE  
San Lorenzo

MARIA CATHERINE J. SOMOZA  
Management Services Division

JAMEELA D. SUNGLAO  
Ortigas Lending Center

CAESAR O. TAGLE

Remedial Management & Solutions Division

HAROLD CHRISTIAN S. TALLEDO  
Wholesale Banking Compliance Division

CECILIA S. TAMAYO  
Japanese & Economic Zone Banking - Division 1

DEBBIE CANDICE G. TAN  
Metro Cebu Regional Office

CYNTHIA S. TENORIO  
Management Services Division

ARUN THAVAREKERE  
ADD 1 - Core Banking Systems

SHEILA MARIE O. TIN  
Angeles

NERISSA C. TOLEDO  
Business Control & Administration Division

GARY R. TUBERA, JR.  
Makati South Regional Office

IRENE CHRISTI L. URBANOZO  
Western Visayas Regional Office

JERICHO KONRAD K. UY  
Enterprise Fraud Risk Division

LIZZA CORAZON C. VALLENTE  
Wealth Services & Acquisition Division

MARELIN L. VALLES  
Cagayan de Oro – Velez

LIZA MARIE G. VENGCO  
Marketing Communication Division

CRISTINA F. VILLALOBOS  
WM Operations & Control Division

JUDITH S. VISTAN  
South Luzon Service Region

MEI FEN T. VISTAN  
Chinese Corporate Banking Division 2

WINNIE G. YU  
Relationship Management Division 1

MARY JANE F. ZABALO  
Laguna & South Luzon Ecozone Regional Office

JOANNE L. ZHUANG  
Chinese Corporate Banking Division 2

\*List of senior officers is as of May 2024

# RCBC Subsidiaries Senior Officers

## SUBSIDIARIES

### Domestic

#### RCBC Capital Corporation

**President and Chief Executive Officer**  
ARSENIO KENNETH M. ONA

**Senior Vice President**  
CLAUDINE C. DEL ROSARIO  
Senior Account Officer, Investment Banking

**Vice Presidents**  
JAYWIN R. MINA  
Head, Financial Services

ATTY. CHRISTIAN M. CHAVEZ  
Compliance Officer

GWENDALENE T. DOMINGO  
Account Officer, Investment Banking

CLARA INEZO O. RODRIGUEZ  
Account Officer, Investment Banking

DRONNEL A. ESPINA  
Head, Credit and Administration

ATTY. SAMUEL V. TORRES  
Corporate Secretary

#### RCBC Bankard Services Corporation

**Chairman**  
CESAR E. A. VIRATA

**Vice Chairman**  
JOSE LUIS F. GOMEZ

**President and Chief Executive Officer**  
ARNIEL VINCENT B. ONG  
(*Secoded from RCBC*)

**Senior Vice Presidents**  
MYLENE J. BICO  
Chief Commercial Officer

BENJAMIN WILLIAM R. CUMPAS, JR.  
Group Head, Cards and Payments Business

EUGENIO U. FERNANDEZ  
Chief Finance Officer and Treasurer

MA. REGINA Y. MILLARE  
Chief Operating Officer

ANA MARGARITA M. SANTOS  
Chief Credit Officer  
(*Secoded from RCBC*)

**Corporate Secretary**  
ATTY. SAMUEL V. TORRES

#### RCBC Securities, Inc.

**Chairman**  
JOSE LUIS F. GOMEZ

**President**  
RAOUL V. SANTOS  
(*Secoded from RCBC*)

**First Vice Presidents**  
ANTONIO JOSE K. GARCIA  
Head, Traditional Retail Sales

MARILEN C. BAUTISTA  
CFO and Head, Operations

MA. JIDGETTE V. VELASCO  
Head, Research

**Vice President**  
MARIAH FLORENCE CZARAH P. CRUZ  
Head, Institutional Sales

**Corporate Secretary**  
ATTY. SAMUEL V. TORRES

#### RCBC Forex Brokers Corporation

**Chairman**  
HORACIO E. CEBRERO III

**President and Chief Executive Officer**  
JOSEPH COLIN B. RODRIGUEZ

**Corporate Treasurer**  
CRISELDA T. ESPINOSA

**Corporate Secretary**  
ATTY. SAMUEL V. TORRES

**RCBC-JPL Holding Co., Inc.**  
(*Formerly President Jose P. Laurel Rural Bank, Inc.*)

**Chairman and President**  
KENNETH MARK F. GARCIA

**Director/Senior Vice President**  
LEA B. TORRES

**Director/First Vice President-Treasurer**  
MARIANO JOSE R. LAUREL

**Director/First Vice President**  
ATTY. ANGELUZ T. GUERZON

**Director/Vice President**  
ROLANDO I. RAMIREZ, JR.

**Corporate Secretary**  
JEFFREY M. CASTOR

#### RCBC Leasing and Finance Corporation

**Chairperson**  
HELEN Y. DEE

**Vice Chairman**  
EUGENE S. ACEVEDO

**President and Chief Executive Officer**  
JOSE JAYSON L. MENDOZA

**First Vice Presidents**  
AMANDO A. BOLUNIA  
Head, Credit Review and Risk Division  
(*Secoded from RCBC*)

REY JOSE Q. BUMANGLAG  
Head, Treasury Division

NENER G. CONCEPCION  
Head, Internal Audit Division  
(*Secoded from RCBC*)

JOY T. LIM  
Head, Human Resources and Administrative Division

Vice Presidents  
MERCY K. CHUA  
Head, Marketing Division

NORBERTO A. DAWA  
Head, Operations Division

HAROLD CHRISTIAN S. TALLEDO  
Head, Compliance Division  
Chief Compliance Officer  
(*Concurrent RCBC*)

#### RCBC Rental Corporation

**Chairman**  
XAVIER Y. ZIALCITA

**Vice Chairman**  
EUGENE S. ACEVEDO

**President and Chief Executive Officer**  
JOSE JAYSON L. MENDOZA

**First Vice Presidents**  
REY JOSE Q. BUMANGLAG  
Head, Treasury Division

JOY T. LIM  
Head, Human Resources and Administrative Division

**Vice President**  
NORBERTO A. DAWA  
Head, Operations Division



# RCBC Subsidiaries Senior Officers

## RCBC Trust Corporation

**President and Chief Executive Officer**  
DR. ROBERT RAMOS, CFA, CAIA, CIFM  
(Seconded from RCBC)

**First Vice Presidents**  
CRISELDA Y. PASTORAL  
Head, Retail Sales

MARIA CARMEN M. CASACLANG  
Head, Research and Credit Management

ATTY. MARIA CARMINA P. CARPIO  
Head, Retail Relationship Management

RYAN ROY W. SINAON  
Head, Corporate Trust Agency and Services

HELEN G. OLETA  
Head, Trust Trading

**Vice Presidents**  
JERIK T. BALISI, CPA  
Treasurer, Head of Operations

ATTY. KAREN MAE D. HONRADE  
Head, Estate Planning

RAMON MIGUEL D. CERVANTES, MSc, CFA  
Head, Investment Advisory

JOEL FRANCIS B. CRYSTAL  
Head, Institutional Sales

JENNY O. TAN  
Head, Institutional Portfolio Management

## Rizal Microbank, Inc. – A Thrift Bank of RCBC

**Chairman**  
EUGENE S. ACEVEDO

**President**  
RAYMUNDO C. ROXAS

**Senior Vice President**  
EMELITA B. ROCERO  
Group Head, Branch Lending

**First Vice President**  
LIBERTINE B. CUBIO  
Head, Mindanao Area Lending

**Vice Presidents**  
JOSEPH DANIEL N. LUMAIN  
Head, Corporate Planning  
and Strategic Projects Department  
Corporate Secretary

MA. HAZEL F. VELASCO  
Head, Luzon Area Lending

JEAN MELODY N. BESA  
Head, Internal Audit

## International

### RCBC International Finance Ltd.

**Chairman**  
MARTIN ROBERTO G. TIROL

**General Manager**  
FEDERICO E. AGUS, JR.

**Accountant and Company Secretary**  
LIU YUEN SHEUNG

## Associates

### Luisita Industrial Park Corporation

**Chairman**  
HELEN Y. DEE

**President**  
MARIO C. PAGUIO

**Treasurer**  
ELENA F. TRAJANO

**Corporate Secretary**  
ATTY. SAMUEL V. TORRES

### YGC Corporate Services, Inc.

**Chairman & President**  
HELEN Y. DEE

**Executive Vice President and Chief Operating Officer**  
LIWAYWAY F. GENER

**Treasurer**  
REVIE B. QUINIKUITO

**Corporate Secretary**  
ATTY. SAMUEL V. TORRES

# Branch Directory

## METRO MANILA

### 11TH AVE. BGC

Tel. No.: 8801-0561; 8731-9844  
G/F BGC Corporate Center Bldg.,  
11th Avenue corner 30th Street,  
Bonifacio Global City, Taguig

### 25TH ST., BGC

Tel. No.: 8894-9000 loc 5538  
G/F One Mckinley Place  
4th Ave., Cor. 25th St.,  
Bonifacio Global City

### 3RD AVE. BGC

Tel. No.: 8726-1387; 8776-3690  
G/F McKinley Park Residences  
Bldg., 3rd Ave. corner 31st Street,  
Bonifacio Global City, Taguig

### 4TH AVE., BGC

Tel. No.: 8551-5607 ; 8551-5551 ;  
8687-1045 ; 8894-9000 loc 5415  
Picadilly Star Building,  
27th Street cor 4th Avenue,  
Bonifacio Global City, Taguig

### 7TH AVE. BGC

Tel. No.: 8724-5487; 8276-1687;  
8894-9000 loc 5632  
Unit E2 G/F, W City Center Bldg.,  
7th Avenue Corner 30th Street,  
Bonifacio Global City, Taguig,  
Metro Manila 1634

### 9TH AVE. BGC

Tel. No.: 8645-0168 ;  
8640-9113 ; 8640-9096  
Ecoprime Tower Building,  
G/F Units 5&6 Lane R cor.  
9th Avenue, Bonifacio  
Global City, Taguig

### A. MABINI

Tel. No.: 8526-0468  
1353 Tesoro Bldg., A. Mabini St.,  
Ermita, Manila

### ABAD SANTOS

Tel. No.: 8251-7369  
1628 Jose Abad Santos Ave.,  
Tondo, Manila

### ACROPOLIS

Tel. Nos.: 8638-0550 to 53  
90 Triquetra Bldg.,  
E. Rodriguez Jr. Ave.,  
Bagumbayan, Quezon City

### ACROPOLIS-EASTWOOD AVE

Tel. Nos.: 8364-8651 / 8366-7265  
Unit G8A-B, G/F MDC 100 Bldg.,  
188 E. Rodriguez Jr. Ave.  
corner Eastwood Ave.,  
Bo. Bagumbayan, Quezon City

### ADB AVENUE-GARNET

Tel. Nos.: 8941-9938  
Unit 110 AIC Burgundy Empire  
Tower, ADB Ave. corner Garnet  
Rd., Ortigas Center, Pasig City

### ADRIATICO

Tel. Nos.: 8252-9403; 8252-9424  
to 25; 8252-9515  
Hostel 1632 G/F Unit, 1632 M.  
Adriatico St., Malate, Manila

### AGUIRRE- BF HOMES

Tel. No.: 8824-5164; 8824-5162  
290 Aguirre Ave. corner  
Gov. Santos St., BF Homes,  
Parañaque City

### ALABANG

Tel. No.: 8807-2246  
RCBC Bldg., Tierra Nueva Subd.,  
Alabang-Zapote Rd.,  
Alabang, Muntinlupa City

### ALABANG FILINVEST CORPORATE CITY

Tel. Nos.: 8556-3419; 8856-3416  
Units G04 & G05 Vivere Hotel,  
5102 Brigeway Ave.,  
Filinvest Corporate City,  
Alabang, Muntinlupa City

### ALABANG MADRIGAL BUSINESS PARK

Tel. Nos.: 8802-2916 to 17  
Unit 5 & 6, G/F CTP Alpha Bldg.,  
Investment Drive, Madrigal  
Business Park, Ayala Alabang,  
Muntinlupa City

### AMANG RODRIGUEZ

Tel. No.: 8635-5115  
1249 Amang Rodriguez Ave.,  
Dela Paz, Pasig

### AMORANTO

Tel. No.: 8253-2097  
422 N.S. Amoranto corner  
D. Tuazon Sta. Mesa Heights,  
Quezon City

### ANNAPOLIS-MISSOURI

Tel. No.: (02) 8641-0783  
Unit 102 Victoria Plaza  
Condominium 41 Annapolis St.,  
Greenhills San Juan

### ANONAS

Tel. No.: 8928-9762  
69 Anonas St. corner Chico St.,  
Project 2, Quezon City

### ARANETA CENTER

Tel. No.: 8912-6049  
G/F Unit 111, Sampaguita  
Theatre Bldg., Gen. Araneta St.  
corner Gen. Roxas St., Cubao,  
Quezon City

### ARNAIZ

Tel. Nos.: 8869-0430;  
8869-0314; 8869-0306  
843 G/F Prudential Life Bldg.,  
Arnaiz Ave., Legaspi Village,  
Makati City

### ARRANQUE

Tel. No.: 8244-7055  
1001 Orient Star Bldg.  
Masangkay St. corner and  
Soler St., Binondo, Manila

### AURORA BLVD.-MADISON

Tel. No.: 8531-9360  
Madison 101, Aurora Blvd. corner  
Madison St., Quezon City

### A.T. YUCHENGCO CENTRE

Tel. Nos.: 8843-3035; 8843-3049;  
8843-3051; 8843-3043;  
8843-3054 to 55  
G/F RCBC Savings Bank  
Corporate Center, 26th & 25th  
Sts., Fort Bonifacio, Taguig City

### AYALA

Tel. Nos.: 8848-6985; 8848 -6984  
Unit 709 & 710, Tower One, Ayala  
Triangle, Ayala Ave., Makati City

### AYALA PASEO

Tel. Nos.: 8523-5817; 8812-4066  
G/F 8767 Philamlife Tower,  
Paseo De Roxas, Makati City

### AYALA VICENTE MADRIGAL

Tel. No.: 8801-0962;  
8275-5971; 8727-6953  
Unit 100-B G/F Vicente  
Madrigal Bldg., 6793  
Ayala Avenue, Makati City

### BACLARAN

Tel. Nos.: 8832-3938; 8852-8147  
21 Taft Ave., Baclaran,  
Parañaque City

### BACLARAN-QUIRINO AVE.

Tel. Nos.: 8853-9692; 8551-1593  
3916 Quirino Ave. corner Aragon  
St., Baclaran, Parañaque City

### BANAWE

Tel. Nos.: 8742-3578; 8743-0210  
Unit I-K CTK Bldg.,  
385 Banawe St. corner N. Roxas  
St., Quezon City

### BAYANI ROAD

Tel. Nos.: 8808-7436; 8808-7469  
#37 Bayani Road, AFPOVAL  
Subd., Fort Bonifacio,  
Taguig City

### BEL-AIR

Tel. No.: 8519-7711  
Unit 101 Doña Consolacion Bldg.,  
122 Jupiter St., Bel-air,  
Makati city

### BETTER LIVING

Tel. Nos.: 8525-0429;  
8828-9795; 8828-3095  
14 Doña Soledad, Better Living  
Subd. Parañaque City

### BETTERLIVING-BICUTAN

Tel. Nos.: 8824-0175;  
8823-9232; 8659-6204  
133 Doña Soledad Ave.,  
Brgy. Don Bosco, Betterliving  
Subd., Parañaque City

### BF HOMES

Tel. No.: 8807-8763  
Unit 101 Centermall Bldg.,  
President Ave.,  
BF Homes, Parañaque City

### BF RESORT

Tel. No.: 8373-5356; 8641-6294;  
8894-9000 local 5811  
J Studio HQ Building, BF  
Resort Drive, BF Resort Village,  
Talon Uno, Las Piñas City

### BINONDO

Tel. No.: 8878-3456 loc 3612  
ETY Bldg., 484 Quintin Paredes  
St., Binondo, Manila

### BLUMENTRITT

Tel. No.: 8743-1316  
1876 Blumentritt St. corner  
Andrade St., Santa Cruz, Manila

### BONI AVENUE

Tel. Nos.: 8533-0280;  
8532-5532; 8533-6335 to 37;  
8894-9000 loc 5223  
617 Boni Ave., Mandaluyong City

### BUENDIA

Tel. No.: 8844-1896  
Grepalife Bldg., 219 Sen. Gil J.  
Puyat Ave., Makati City

### C. RAYMUNDO

Tel. Nos.: 8532-0304 to 05;  
8532-0294  
261 Unit C, C. Raymundo Ave.,  
Brgy. Maybunga, Pasig City

### CAMARIN

Tel. No.: 8961-7239  
Susano Road cor. Palmera  
Spring, Camarin, Caloocan City

### CARLOS PALANCA

Tel. No.: 8888-6939  
BSA Suites, Carlos Palanca St.,  
Legaspi Vill., Makati City

### CARUNCHO

Tel. Nos.: 8894-9000 loc 5623  
Prima 3 Commercial Center,  
7 Caruncho Ave., Pasig City

### COMMONWEALTH

Tel. No.: 8931-5251  
G/F Verde Oro Bldg.,  
535 Commonwealth Ave.,  
Diliman, Quezon City

### COMMONWEALTH-BALARA

Tel. Nos.: 8931-0718  
Block 3 Lot 43 Commonwealth  
Ave., Old Balara, Quezon City

### COMMONWEALTH- CASA MILAN

Tel. Nos.: 8645-0952; 8645-0929  
L24 B157 Commonwealth Ave.,  
Greater Lagro, Quezon City

### CONCEPCION, MARIKINA

Tel. Nos.: 8661-7568  
#21 Bayan Bayanan Ave  
Concepcion Uno, Marikina City

### CONGRESSIONAL AVE.

Tel. No.: 8288-5015  
188 Congressional Ave. cor.  
Sinagtala St., Quezon City

### CONNECTICUT

Tel. Nos.: 7744-6348; 8726-9793;  
8894-9000 loc 5882  
51 Connecticut St., Northeast  
Greenhills, San Juan City

### D. TUAZON

Tel. No.: 8731-5806  
G/F Academe Foundation Bldg.,  
47 D. Tuazon St., Sta. Mesa  
Heights, Quezon City

### DEL MONTE

Tel. No.: 8712-7570  
180 Del Monte Ave.,  
Quezon City

### DELA ROSA

Tel. No.: 8893-9050  
G/F Sterling Center, Ormaza St.  
corner Dela Rosa St.,  
Legaspi Vill., Makati City

### DELA ROSA- PASONG TAMO

Tel. Nos.: 8824-6248;  
8824-6238; 8824-6241  
G/F King's Court 2 Bldg.,  
2129 Chino Roces Ave.,  
Makati City

### DILIMAN

Tel. No.: 8925-2148  
Matalino St. cor. Kalayaan Ave.,  
Diliman, Quezon City

### DIVISORIA

Tel. No.: 8241-7884  
New Divisoria Condo.,  
628 Sta. Elena Divisoria, Manila

### DON JESUS BLVD

Tel. No.: 8442-4811; 8708-5841  
Don Gesu Bldg., Don Jesus Blvd.  
Brgy Cupang Muntinlupa City

### E. RODRIGUEZ

Tel. Nos.: 8894-9000 loc 5042 ;  
8711-1920  
444 E. Rodriguez Sr.,  
Doña Aurora, Quezon City

### EAST CAPITOL DRIVE

Tel. No.: 8721-8971  
G/F Tinity Bldg., 26 East Capitol  
Drive, Brgy. Kapitolyo, Pasig City

### EDSA KALOOKAN

Tel. No.: 8990-3651  
520 E. Delos Santos Ave.,  
Kalookan City

### EDSA TAFT

Tel. No.: 8779-8626  
Giselle's Park Plaza,  
EDSA cor. Taft Ave., Pasay City

### ELCANO

Tel. Nos.: 8242-8684  
676 Elcano cor. Lavezares St.,  
Binondo, Manila

### ERMITA

Tel. Nos.: 8525-5238; 8523-2948;  
8523-2983; 8523-7640; 8525-5219  
550 United Nations Ave.,  
Ermita, Manila



# Branch Directory

## EVANGELISTA

Tel. No.: 8845-1843  
Hernandez Bldg., Evangelista St.  
corner Gen. Alejandrino St.,  
Brgy. Bangkal, Makati City

## FAIRVIEW

Tel. No.: 8930-2052  
Medical Arts Bldg., Dahlia St.,  
North Fairview, Quezon City

## FORT BONIFACIO BURGOS CIRCLE

Tel. Nos.: 8816-3930; 8816-3938  
Unit 1-D Crescent Park  
Residences, 2nd Ave.,  
Burgos Circle, Fort Bonifacio,  
Taguig City

## FRONTERA VERDE

Tel. No.: 8706-4721  
G/F Transcom Bldg.  
E. Rodriguez Ave. Frontera  
Verde Compound, Pasig City

## GARNET

Tel. Nos.: 8570-9141;  
8570-6317; 8570-6319  
Unit No. 106 Parc Chateau Cond.,  
Garnet corner Onyx St.,  
Ortigas Center, Pasig City

## GILMORE

Tel. No.: 8726-2404  
100 Granada St.,  
Valencia, Quezon City

## GREENBELT

Tel. No.: 8845-4051  
BSA Tower, Legaspi St.,  
Legaspi Vill., Makati City

## GREENHILLS

Tel. No.: 8721-2120; 8721-2121;  
8894-9000 loc 5296  
Unit LG030, LGF Greenhills Mall,  
San Juan City

## GREENHILLS-P. GUEVARRA

Tel. Nos.: 8725-1121; 8724-9368  
G/F Ongapauco Bldg.,  
P. Guevarra St., Wilson,  
Greenhills, San Juan City

## H. V. DELA COSTA

Tel. No.: 8731-0722;  
8890-0578; 8726-4467  
Shop 1 G/F, Alpha Salcedo  
Condominium, 124  
H.V. Dela Costa St.,  
Salcedo Village, Makati City

## HERMOSA-LIMAY

Tel. No.: 8251-2414  
Hermosa St. corner Limay St.,  
Tondo, Manila

## INTREPID- E. RODRIGUEZ JR. AVE.

Tel. No.: 8470-6275; 8470-9377  
GF Unit 3, Intrepid Plaza,  
E. Rodriguez Jr. Ave.,  
Brgy. Bagumbayan, Quezon City

## J.P. RIZAL-POBLACION

Tel. No.: 8815-2493  
773 J.P. Rizal Ave.,  
Brgy. Poblacion, Makati City

## KALENTONG

Tel. No.: 8533-6590  
49 C & D Bldg., New Panaderos  
St., Kalentong, Sta. Ana, Manila

## KALOOKAN

Tel. No.: 8365-6701  
259 Rizal Avenue Ext.,  
Caloocan City Metro Manila

## KAPITOLYO- SHAW BOULEVARD

Tel. No.: 8631-8178  
615 Shaw Blvd.,  
Brgy. Kapitolyo, Pasig City

## KATIPUNAN

Tel. No.: 8929-8869  
321 G/F Torres Bldg.,  
Katipunan Ave.,  
Loyola Heights, Quezon City

## LA HUERTA

Tel. Nos.: 8829-6022;  
8829-6023; 8820-7606  
G/F Delos Santos Bldg.,  
1003 Quirino Ave.,  
Lahuerta, Parañaque City

## LAGRO

Tel. No.: 8936-0158  
Km 23 Quirino Hi-Way, Greater  
Lagro, Novaliches, Quezon City

## LAS PIÑAS

Tel. Nos.: 8874-1659; 8874-8365;  
8894-9000 loc 5582  
Veraville Bldg., Alabang-  
Zapote Rd., Las Piñas City

## LAS PIÑAS-PAMPLONA

Tel. Nos.: 8872-6822;  
8874-5341; 8478-4421  
G/F Elena Bldg., Alabang-  
Zapoted Rd., Pamplona 3,  
Las Piñas City

## LA VISTA-KATIPUNAN

Tel. No.: 8709-8261; 8551-6362  
Katipunan Ave. Cor. Mangyan  
St., Brgy. Pansol, Quezon City

## LEE-SHAW BLVD

Tel. Nos.: 8634-1497; 8635-5769  
Lee Gardens Cond.,  
Shaw Blvd. corner Lee St.,  
Mandaluyong City

## LEGASPI VILLAGE

Tel. Nos.: 8812-4893  
122 First Global Bldg. Gamboa  
cor Salcedo St., Makati City

## LEVISTE-SALCEDO

Tel. No.: 8802-0376  
LP Leviste St. corner  
San Agustin St.,  
Salcedo Village, Makati City

## LINDEN SUITES

Tel. Nos.: 8477-7267; 8477-7269;  
8477-7274; 8477-7271  
G/F The Linden Suites Tower II,  
37 San Miguel Ave.,  
Ortigas Center, Pasig City

## LOYOLA HEIGHTS

Tel. No.: 8426-6528  
G/F MQI Centre, 42 E. Abada St.  
corner Rosa Alvero St.,  
Loyola Heights, Quezon City

## MACAPAGAL AVE.- EDSA

Tel. Nos.: 8824-0314;  
8824-0322; 7216-9004  
G/F Double Dragon Plaza,  
EDSA cor. Macapagal Avenue,  
Pasay City

## MACAPAGAL AVE.- PEARL DRIVE

Tel. No.: 8824-5790  
Scape Bldg., Macapagal Ave.  
corner Pearl Drive, Business  
Park 1, Brgy. 76, San Rafael,  
Pasay City

## MAGALLANES

Tel. Nos.: 8808-7604 ;  
8808-7787; 8815-7636  
G/F BMG Centre, Paseo de  
Magallanes, Makati City

## MAGINHAWA

Tel. Nos.: 8426-4152, 8426-4063,  
8894 9000 loc 5295  
129 Maginhawa St., Brgy.  
Teachers Vill., Quezon City

## MAKATI AVENUE

Tel. No.: 8897-9384  
369 Executive Building Center  
Senator Gil Puyat Avenue,  
Makati City

## MAKATI RADA

Tel. No.: 7915-2046  
One Legaspi Park, 121 Rada St.,  
Legaspi Vill., Makati City

## MALABON

Tel. No.: 8281-2709  
685 J.P. Rizal Ave.,  
San Agustin, Malabon

## MALATE

Tel. Nos.: 8516-4686 to 87;  
8516-4690; 8516-4695  
470 Maria Daniel Bldg.,  
San Andres St. corner  
M.H. del Pilar, Malate, Manila

## MANDALUYONG

Tel. Nos.: 8633-9585; 8637-5381;  
8631-5804; 8894-9000 loc 5275  
Unit 102 G/F, EDSA Central  
Square, Greenfield Dist.,  
Mandaluyong City

## MAPUA – PABLO OCAMPO

Tel. No.: 8293-5604  
Unit 1 G/F, Mapua University  
Bldg., 1191 Pablo Ocampo Sr.  
Extension, Brgy. Sta. Cruz,  
Makati City

## MARIKINA

Tel. No.: 8681-6270  
36 Gil Fernando Ave.  
corner Sta. Ana Extn.,  
San Roque, Marikina City

## MARULAS

Tel. No.: 8291-6634  
McArthur Highway,  
Marulas, Valenzuela City

## MCKINLEY HILL

Tel. Nos.: 8403-1516 ; 8401-6137  
G/F Two World Hill Bldg.,  
Upper McKinley Rd.,  
McKinley Town Center,  
Fort Bonifacio, Taguig City

## MENDIOLA

Tel. No.: 8734-0452  
163 E. Mendiola St. corner  
Concepcion Aguila St.,  
San Miguel, Manila

## MERALCO AVE.

Tel. No.: 8710-1030  
G/F Regency Bldg., Meralco Ave.  
corner Exchange Rd., Ortigas,  
Pasig City

## MINDANAO AVE.- TANDANG SORA

Tel. No.: 8277-3656  
G/F 003 MC Square Bldg.,  
Mindanao Ave. corner  
Tandang Sora, Quezon City

## MOONWALK-PARAÑAQUE

Tel. Nos.: 8865-6612;  
8894-9000 loc 5269  
2 Armstrong St., Moonwalk Vill.,  
Parañaque City

## MORAYTA

Tel. No.: 8736-2478  
828 Nicanor Reyes Sr. St.,  
Sampaloc, Manila

## MUNTINLUPA

Tel. Nos.: 8862-0034;  
8862-0737; 8403-7137  
National Rd., Putatan,  
Muntinlupa City

## NAIA TERMINAL 1

Tel. No.: 8894-9000 Loc 5096  
G/F Arrival Area, NAIA Terminal 1,  
MIA Road, Pasay City

## NAVOTAS-EAST

Tel. No.: 8282-4392  
Estrella corner Yangco St.,  
Navotas East, Navotas City

## NEW MANILA

Tel. No.: 3414-3683  
U/G Hemady Square Bldg.,  
86 Doña Hemady corner  
E. Rodriguez Sr. Ave.,  
Brgy. Kristong Hari,  
Diliman, Quezon City

## NEWPORT CITY

Tel. Nos.: 8556-7647 to 48  
Plaza 66 Newport City,  
Villamor Airbase, Pasay City

## NOVALICHES

Tel. No.: 8930-6191  
882 Quirino Highway  
and Nitang St., Novaliches,  
Quezon City

## NOVALICHES-GULOD

Tel. No.: 8936-8811  
917 Bo. Gulod, Quirino Highway,  
Quezon City

## OLD STA. MESA

Tel. No.: 8716-0631  
4463 Old Sta. Mesa, Brgy. 587,  
Zone 58, Sta. Mesa

## ONE BONIFACIO HIGH STREET

Tel. No.: 8851-6908  
5/F PSE Bldg., One Bonifacio  
High Street, 28th St.  
corner 5th Ave.,  
Bonifacio Global City, Taguig

## ORTIGAS AVE.- SAN JUAN

Tel. Nos.: 8635-7874 to 75;  
8635-7860; 8635-7871; 8635-7873  
Medecor Bldg., 222 Ortigas Ave.,  
Greehills, San Juan City

## ORTIGAS AVENUE GREENHILLS

Tel. Nos.: 8941-2473; 8941-2247;  
8894-9000 loc 5510  
Unit 104 Grace Bldg.,  
Ortigas Ave., Greenhills,  
San Juan City

## ORTIGAS-EDSA

Tel. No.: 8255-2818;  
8894-9000 loc 5636  
Honda Cars Greenhills,  
Ortigas Ave., cor Columbia St.,  
Mandaluyong City

## ORTIGAS EXTENSION

Tel. No.: 8635-2134  
G/F Prudentialife Bldg.,  
Riverside Vill. corner Ortigas Ave.  
Extn., Brgy. Sta. Lucia, Pasig City

## ORTIGAS- MALAYAN PLAZA

Tel No.: 8635-5164  
GF Ortigas Malayan ADB Ave.,  
Cor. Opal Road, Ortigas Center,  
Pasig City

## OTIS

Tel. No.: 8561-7272  
Isuzu Manila, 1502 Paz M.,  
Guazon St., Paco, Manila

## P. OCAMPO- FB HARRISON

Tel. Nos.: 8251-7569 to 70;  
8251-7576 to 77; 8251-7573  
G/F Unit Sunrise Center Bldg.,  
488 Pablo Ocampo Sr., Ave.,  
Malate, Manila

# Branch Directory

## P. TUAZON

Tel. No.: 8913-3118  
Unit 102 GF Sparkplace,  
P. Tuazon Blvd. cor. 10th Ave.,  
Brgy. Socorro, Cubao,  
Quezon City

## PABLO OCAMPO-VENECIA

Tel. No.: 8802-4749  
G/F Savanna Commercial Center  
Bldg., 1201 Pablo Ocampo-  
Venecia, Brgy. Sta. Cruz,  
Makati City

## PACIFIC PLACE

Tel. No.: 8636-6617  
Unit 105 G/F Pacific Place Cond.,  
Pearl Drive St. corner Amethyst  
St., Ortigas Center, Pasig City

## PADRE RADA

Tel. No.: 8245-0250  
649 Padre Rada St.,  
Tondo, Manila

## PALANAN-BAUTISTA

Tel. No.: 8846-4468  
G/F Shalimar Bldg.,  
3696 Bautista St.,  
Palanan, Makati City

## PASAY

Tel. No.: 8846-6285  
2015 Gil Puyat Ave., Pasay City

## PASAY-LIBERTAD

Tel. No.: 8833-8925  
2350 Taft Ave. corner  
Libertad St., Pasay City

## PASEO DE ROXAS

Tel. No.: 8403-7153  
8747 G/F Lepanto Bldg.,  
Paseo De Roxas, Makati City

## PASIG

Tel. No.: 8641-6259  
92 Dr. Sixto Ave. corner  
C. Raymundo St., Pasig City

## PASIG KAPITOLYO

Tel. No.: 8654-4423  
GF Ace Water Spa Plaza,  
United St. corner Brixton St.,  
Brgy. Kapitolyo, Pasig City

## PASIG WESTLAKE

Tel. No.: 8706-4616  
Unit A G/F 168 Westlake Bldg.,  
Pasig Blvd., Brgy. Bagong Ilog,  
Pasig City

## PASONG TAMO

Tel. No.: 8813-3369  
G/F Manila Memorial Park Bldg.,  
Lumbang Pasong Tamo,  
Makati City

## PASONG TAMO-BAGTIKAN

Tel. No.: 8802-1629  
1173 Don Chino Roces Ave.,  
Brgy. San Antonio, Makati City

## PASONG TAMO-EDSA

Tel. No.: 8802-4297  
Wilcon IT Hub, 2251  
Chino Roces Ave., Makati City

## PASONG TAMO-PIO DEL PILAR

Tel. Nos.: 8840-5224; 8840-5226  
G/F Matrinco Bldg.,  
2178 Pasong Tamo, Makati City

## PATEROS

Tel. No.: 8640-6201  
54 M. Almeda St.,  
Bo. San Roque, Pateros

## PEREA

Tel. No.: 8731-9876; 8731-5441  
G/F Sunrise Terrace Bldg.,  
100 Perea Street,  
Legaspi Village, Makati City

## PIONEER

Tel. Nos.: 8251-8205; 8280-9313  
2B Pioneer St., Brgy. Highway  
Hills, Mandaluyong City

## PRESIDENT'S AVE.- PARAÑAQUE

Tel. No.: 8398-1740  
Block 9 Lot 22, President's Ave.,  
Sucat, Parañaque City

## QUEZON AVENUE

Tel. No.: 8371-8184  
1405 Quezon Ave., Quezon City

## QUEZON AVE – ARANETA

Tel. No.: 8879-1452; 8541-7569;  
8894-9000 local 5837  
Honda Cars Quezon City, 141  
Quezon Avenue, Quezon City

## QUEZON AVE.- CORDILLERA

Tel. No.: 8362-2834; 8551-7335  
Bellman Bldg., 78 Cordillera St.  
cor Quezon Avenue,  
Quezon City

## QUIRINO AVENUE

Tel. No.: 8851-4694  
555 Quirino Ave.,  
Tambo, Parañaque City

## RAFFLES ORTIGAS

Tel. No.: 8671-2366; 8671-5714  
G/F Unit 102A Raffles Corporate  
Center, F. Ortigas Jr. Avenue,  
Ortigas Center, Pasig City

## RAON SALES

Tel. No.: 8733-1661  
653 Gonzalo Puyat St.,  
Sta. Cruz Manila

## RCBC PLAZA

Tel. No.: 8878-3307  
6819 RCBC Plaza,  
Ayala Ave., Makati City

## RELIANCE

Tel. No.: 8637-6673  
TV 5 Media Center,  
Reliance St. cor. Sheridan St.,  
Mandaluyong City

## ROCKWELL

Tel. No.: 8898-1505  
G/F, Phinma Plaza Hidalgo St.,  
Rockwell Center, Makati City

## ROOSEVELT

Tel. Nos.: 8372-2413  
300 Roosevelt Ave.,  
San Francisco Del Monte,  
Quezon City

## ROXAS BLVD.

Tel. Nos.: 8851-7986  
Unit 1, Russel St. Mall,  
Russel St. corner Roxas Blvd.,  
Pasay City

## ROXAS BLVD.-SERVICE ROAD

Tel. Nos.: 8526-7990  
Roxas Blvd. corner Arquiza St.,  
Ermita, Manila

## RUFINO

Tel. No.: 8725-3385;  
8725-3209; 8725-3218  
Coherco Corporate Center  
116 VA Rufino Street  
Legaspi Village., Makati City

## SALCEDO VILLAGE

Tel. No.: 8894-2288  
G/F, Y. Tower II Bldg., Leviste St.  
corner Gallardo St., Salcedo Vill.,  
Makati City

## SAN JOAQUIN

Tel. Nos.: 8640-0154;  
8640-0155  
227 M Concepcion St.,  
San Joaquin, Pasig City

## SAN LORENZO

Tel. Nos.: 8844-7822; 8843-1342;  
8894-9000 loc 5260  
1018 G/F L&Rag Bldg.,  
A. S. Arnaiz Ave., Makati City

## SAN ROQUE

Tel. No.: 8682-6453  
319 J. P. Rizal St.,  
San Roque Marikina City

## SANGANDAAN

Tel. Nos.: 8288-8238  
A. Mabini St. corner Plaridel St.,  
Caloocan City

## SHAW BLVD –LAWSON

Tel. No.: 8535-1641  
G/F SCT Bldg., 143 Shaw Blvd.,  
Mandaluyong City

## SOUTH HARBOR

Tel. Nos.: 8527-7312  
Harbor Centre I, Chicago St.  
corner 23rd St., Port Area, Manila

## ST. IGNATIUS

Tel. No.: 8714-0523; 8731-5108  
Katipunan Ave., St. Ignatius,  
Quezon City

## STA. MESA

Tel. No.: (02) 87158939, 87158937,  
87169198 and Avaya 5222  
1-B G. Araneta Ave.,  
Brgy. Doña Imelda, Quezon City

## STARMALL EDSA-SHAW

Tel. Nos.: 8718-2491; 8724-3547  
444 EDSA corner Shaw Blvd.,  
Mandaluyong City

## SUCAT

Tel. Nos.: 8828-6719; 8828-5615;  
8894-9000 loc 5081  
2/F Santana Grove, Dr. A. Santos  
Ave. corner Soreena St., Sucat,  
Parañaque City

## SUCAT DR. A. SANTOS AVE.

Tel. Nos.: 8828-8236;  
8828-8238; 8659-7130  
8223 Dr. A. Santos Ave.,  
Brgy. San Isidro, Sucat,  
Parañaque City

## T. ALONZO

Tel. Nos.: 8733-7865  
1461-1463 Soler St.,  
Sta Cruz, Manila

## TAFT REMEDIOS

Tel. Nos.: 8536-6511  
1932 taft Ave. Malate, Manila

## TEKTITE

Tel. No.: 8638-7305  
1904-A East Tower, Philippine  
Stock Exchange Center,  
Ortigas Center, Pasig City

## THE BEACON MAKATI

Tel. No.: 8893-4293  
G/F The Beacon Roces Tower,  
Chino Roces Ave. corner  
Arnaiz Ave., Makati City

## THE FIRM

Tel. Nos.: 8519-6880 ;  
8519-7690; 8519-7090  
CVC Law Center 11th Ave., corner  
39th St., Fort Bonifacio, Taguig

## THE FORT JY CAMPOS

Tel. No.: 8815-0003  
JY Campos Center, 9th Ave.,  
Bonifacio Global Center,  
Taguig City

## THE FORT SUNLIFE

Tel. No.: 8553-6310  
G/F Sunlife Bldg., 5th Ave. corner  
Rizal Drive, Bonifacio Global City,  
Taguig City

## TIMOG

Tel. Nos.: 8373-7218  
RCBC Bldg., 36 Timog Ave.,  
Quezon City

## TIMOG-PICTURE CITY CENTER

Tel. Nos.: 3410-7126; 3929-1260  
88 Picture City Center,  
Timog Ave., Quezon City

## TOMAS MAPUA

Tel. No.: 8734-1207  
630 Park Tower Condominium,  
Tomas Mapua St. Brgy 305  
Sta. Cruz, Manila

## TOMAS MORATO

Tel. Nos.: 87158939, 87158937,  
87169198; 8894-9000 loc 5222  
169 Tomas Morato St. corner  
Scout Castor, Quezon City

## TORDESILLAS

Tel. Nos.: 8808-2080;  
8808-2378; 8808-1059  
G/F Metropole Bldg.,  
Tordesillas St. corner  
Gil Puyat Ave., Makati City

## TRINOMA

Tel. No.: 8915-2048  
Space P015B Level 1, Trinoma,  
EDSA corner North Ave.,  
Quezon City

## TUTUBAN

Tel. No.: 8361-7080  
G/F Center Mall I,  
Tutuban Center,  
C. M. Recto Ave., Manila

## VALENZUELA

Tel. No.: 8291-6593  
231 McArthur Highway,  
Karuhatan, Valenzuela City

## VISAYAS AVE.

Tel. Nos.: 8374-9319  
6 Visayas Ave., Brgy.  
Bahay Toro, Quezon City

## WACK-WACK

Tel. Nos.: 8534-4305; 8534-4416  
Unit K Facilities Center Bldg.,  
548 Shaw Blvd.,  
Mandaluyong City

## WEST AVENUE

Tel. No.: 8294-4594  
Unit 101 West Insula Cond.,  
135 West Ave., Brgy. Bungad,  
Dist. 5, Quezon City

## LUZON

### ALAMINOS

Tel. No.: (075) 654-1138;  
(075) 522-6583  
Marcos Ave. corner  
Montemayor St., Poblacion,  
Alaminos City, Pangasinan

### ALFONSO-CAVITE

Tel. No.: (046) 889-9014; 409-6921  
Fenway Commons Bldg., B2 L6  
Gen Emilio Aguinaldo Highway,  
Alfonso, Cavite

### AMPID

Tel. No.: 8941-7788  
122 Gen Luna St., Ampid 1,  
San Mateo, Rizal

### ANGELES

Tel. Nos.: (045) 887-2811;  
(045) 888-8633  
RCBC Bldg., Sto. Rosario St.  
corner Teresa Ave., Angeles City



# Branch Directory

## ANGELES STO. CRISTO

Tel. Nos.: (045) 626-2061; (045) 626-2060  
243 Sto. Entierro St.,  
Brgy. Sto. Cristo,  
Angeles City, Pampanga

## ANGONO

Tel. No.: 8451-0456  
Quezon Ave., San Pedro,  
Angono, Rizal

## ANTIPOLO

Tel. Nos.: 8696-9130;  
8696-9133 to 34  
Antipolo Triangle Mall,  
Sen. Lorenzo Sumulong  
Memorial Circle, Brgy. San Jose,  
Antipolo City

## APALIT

Tel. No.: (045) 457-8221  
McArthur Highway, San Vicente,  
Apalit, Pampanga

## APARRI

Tel. No.: (078) 888-0348  
108 J.P. Rizal St., Brgy. Centro 14,  
Aparri, Cagayan

## BACAO

Tel. Nos.: (046)-437-6125-67;  
(02) 8894-9000 local 5384  
Yokota Commercial Bldg.,  
Bacao Rd., Brgy. Bacao 2,  
Gen. Trias, Cavite

## BACOR

Tel. Nos.: (046) 458-4073;  
(046) 477-2830  
Maraudi Bldg., Gen. E.  
Aguinaldo Highway,  
Brgy. Niog, Bacoor, Cavite

## BACOR-SALINAS

Tel. Nos.: (046) 471-7131 ;  
471-3670; 529-8965 ;  
(02) 8894-9000 local 5025  
333 Gen. Emilio Aguinaldo  
Highway, Salinas IV, Bacoor City

## BAGUIO

Tel. Nos.: (074) 442-5345 to 46;  
442-2077; 422-0069  
RCBC Bldg., 20 Session Rd.,  
Baguio City

## BAGUIO-MABINI ST

Tel. Nos.: (074) 444-2368;  
(074) 444-2362  
Rm 104, GP Shopping Arcade,  
Upper Mabini St., Baguio City

## BALAGTAS

Tel. Nos.: (044) 693-1350 to 51  
McArthur Highway, Borol 1st,  
Balagtas, Bulacan

## BALANGA

Tel. Nos.: (047) 237-9693;  
237-9695  
Don Manuel Banzon Ave.  
corner Cuaderno St.,  
Balanga City, Bataan

## BALER

Tel. Nos.: (042) 722-0001;  
722-0003  
Quezon St. corner Bonifacio St.,  
Poblacion, Baler, Aurora

## BALIBAGO

Tel Nos.: (045) 625-5587;  
(045) 625-5736  
McArthur Highway,  
Balibago, Angeles City

## BALIUAG

Tel. Nos.: (044) 766-3530;  
766-2642; 766-2643  
01 JP Rizal St. corner Tagle St.,  
Baliwag, Bulacan

## BATAC

Tel. No.: (077) 792-3126  
Marcos Blvd., Batac,  
Ilocos Norte

## BATANGAS

Tel. Nos.: (043) 723-7870 ;  
(043) 723-3105 ;  
(02) 894-9000 local 5357  
JP Rizal Ave. corner P. Gomez  
St., Batangas City

## BAUAN

Tel. Nos.: (043) 727-2715 ;  
(02) 8894-9000 local 5377  
J.P. Rizal St., Poblacion,  
Bauan, Batangas

## BEPZ,BATAAN

Tel. Nos.: (047) 935-4021 to 23  
Corner Luzon and 8th Avenue  
Afab, Mariveles, Bataan

## BINAKAYAN

Tel. Nos.: (046) 434-3060,  
434-3382 ; (02) 8894-9000  
local 5037  
Tirona Highway, Binakayan,  
Kawit, Cavite

## BIÑAN

Tel. Nos.: (049) 511-9826;  
511-9826; (02) 8894-9000  
local 5091  
126 A. Bonifacio St., Canlalay,  
Biñan City, Laguna

## BIÑAN LIIP

Tel. Nos.: (049) 5390167; 5390177;  
(02) 8894-9000 loc 5324  
G/F Admin Bldg., Laguna  
International Industrial Park,  
Mamplasan, Biñan, Laguna

## BINANGONAN

Tel. Nos.: (02) 8652-1177;  
(02) 8570-7518; (02) 8652-0082  
ML Quezon corner P. Zamora St.,  
Libid, Binangonan, Rizal

## BOAC

Tel. Nos (042) 332-0319;  
(02)-8894-9000 loc 5385  
D. Reyes St., Brgy. San Miguel,  
Boac, Marinduque

## BOCAUE

Tel. Nos.: (044) 692-0053;  
769-5028; 769-5027;  
(02) 8273-7511  
249 Binang 2nd,  
Bocaue, Bulacan

## CABANATUAN

Tel. Nos.: (044) 463-5359;  
463-8420; 464-7473  
Fax No.: (044) 463-5359  
1051 Burgos Ave., Cabanatuan  
City, Nueva Ecija

## CABANATUAN- MAHARLIKA HIGHWAY

Tel. Nos.: (044) 463-8640;  
463-8641  
Maharlika Highway corner  
Paco Roman Extn.,  
Cabanatuan, City, Nueva Ecija

## CABUYAO-J.P. RIZAL AVENUE

Tel. Nos.: 8520-8920;  
(049) 531-2021  
J.P. Rizal Ave. corner Del Pilar St.,  
Cabuyao City, Laguna

## CAINTA

Tel. No.: (02) 8645-6716  
Multicon Bldg., FP Felix Ave.,  
Cainta, Rizal

## CALAMBA

Tel. Nos.: (049) 545-1720;  
545-1930; 545-9174; 545-6166  
National Highway corner  
Dolor St., Crossing,  
Calamba City, Laguna

## CALAPAN

Tel. Nos.: (043) 441-0602;  
441-0603; (02) 8894-9000  
local 5154  
Homemark Bldg., J.P. Rizal St.,  
Camilmil, Calapan City,  
Oriental Mindoro

## CANDON

Tel. Nos.: (077) 742-5575;  
644-0102  
National Highway, San Jose,  
Candon City, Ilocos Sur

## CARMELRAY

Tel. Nos.: (049) 549-2898;  
549-1372 to 549-1373  
Adm. Bldg., Carmelray  
Industrial Park 1, Canlubang,  
Calamba, Laguna

## CARMELRAY 2

Tel. Nos.: (049) 545-1295 ;  
545-0964; 502-6877; 545-0040  
Adm. Bldg., Carmelray  
Industrial Park 2, Bgy. Tulo,  
Calamba, Laguna

## CARMEN, ROSALES

Tel. Nos.: (075) 564-4228;  
582-2657; 582-7369  
Fax No.: (075) 564-3912  
McArthur Highway,  
Carmen Rosales, Pangasinan

## CARMONA

Tel. Nos.: (046) 430-1402;  
(046) 4331384;  
(02) 8894-9000 loc 5356  
People's Technology Complex  
SEZ, National Highway, Bo.  
Maduya, Carmona, Cavite

## CAUAYAN

Tel. No.: (078) 652-1157; 897-1509  
Calahi Bldg., FN Dy Blvd.,  
Cauayan City

## CAVITE CITY

Tel. Nos.: (046) 431-2242,  
431-2318, (02) 8529-8503 ;  
(02) 8894-9000 local 5353  
Big 5 Bldg., 633 P. Burgos Ave.,  
Caridad, Cavite City

## CIAC TERMINAL 2 BRANCH LITE UNIT

Tel. No.: (02) 8894-9000 loc 5375  
Clark Field, Clark FreePort Zone,  
Clark Special Economic Zone,  
Dau, Mabalacat Pampanga

## CLARK

Tel. Nos.: (045) 599-3057; (045)  
599-3058; (045) 499-3029  
Berthaphil 8, Mercedes Benz Bldg.,  
MA Roxas Highway,  
Clarkfield, Pampanga

## CLARK 2

Tel. Nos.: (045) 499-2162; 499-1168  
Pavillion XV Clark Center,  
Jose Abad Santos Ave.,  
Bertaphil III, Clark Freeport  
Economic Zone, Mabalacat

## COGEO

Tel. No.: 8654-1656  
Cogeo Trade Hall Bldg.,  
Sitio Kasapi, Brgy. Bagong  
Nayon, Antipolo City

## CPIP-BATINO

Tel. Nos.: (049) 545-0015;  
545-0016; 545-0018; 545-0019  
Citigold J.B., Block 1 Lots 5 & 6,  
Calamba Premiere Industrial  
Park, Batino, Calamba, Laguna

## DAANG HARI-VERDANA

Tel. No.: (046) 2386514  
L & R Building, Verdana Village  
Center, Molino 4 Daang Hari,  
Bacoor, Cavite

## DAGUPAN

Tel. Nos.: (075) 653-3440 ;  
(075) 522-0828  
RCBC Bldg., A.B. Fernandez Ave.,  
Dagupan City

## DAGUPAN-TAPUAC

Tel. Nos.: (075) 632-3162;  
(075) 523-6599  
Units 101 & 102, RVR Bldg.,  
Tapuac Dist., Dagupan City

## DASMARIÑAS

Tel. Nos.: (046) 402-0031 to 33;  
(02) 8894-9000 local 5358  
FCIE Cmpd., Governor's Drive,  
Langkaan, Dasmariñas, Cavite

## DASMARIÑAS-SAN AGUSTIN

Tel. Nos.: (02) 8529-8119;  
(046) 683-5869;  
(02) 8894-9000 local 5029  
E. Aguinaldo Highway,  
San Agustin, Dasmariñas, Cavite

## FELIX AVE.

Tel. No.: (02) 8681-7565  
Phase 2, De La Paz, Pasig City, Rizal

## FIRST PHILIPPINE INDUSTRIAL PARK (FPIP)

Tel. Nos.: (043) 706-9206;  
706-9407; (02) 8894-9000 loc 5301  
Unit 1 & 2, G/F Oasis Commercial  
Center, R.S. Diaz Ave., FPIP,  
Brgy. Sta. Anastacia,  
Sto. Tomas, Batangas

## GAPAN

Tel. Nos.: (044) 486-0375;  
958-9279  
Maharlika Highway, Sto. Niño,  
Gapan City, Nueva Ecija

## GATEWAY

Tel. Nos.: (046) 433-0289;  
(02) 8894-9000 loc 5349  
6RCBC Bldg., Gateway  
Business Park, Brgy. Javalera,  
General Trias, Cavite

## GEN. TRIAS

Tel. Nos.: (046) 437-7348;  
437-1508; (02) 8894-9000  
local 5030  
61 Gov. Luis Ferrer Ave.,  
Gen. Trias, Cavite

## GENERAL TRIAS

Tel. Nos.: (046) 402-3008- 09;  
(02) 8894-9000 local 5379  
G/F Samantha's Place  
Commercial Bldg.,  
Gov. Drive, Manggahan,  
General Trias, Cavite

## GMA

Tel. No.: (02) 852-08710;  
(046) 520-8710; 890-2672;  
(02) 8894-9000 local 5028  
Blk 2 Lot 10, San Gabriel,  
General Mariano Alvarez, Cavite

## GMA, CAVITE

Tel. Nos.: (046) 890-2365 ;  
972-0317; (02) 8894-9000  
local 5348  
Citi Appliance Bldg., Brgy.  
San Gabriel, Governor's Drive,  
GMA, Cavite

## GUAGUA

Tel. No.: (045) 901-2656; 963-3911  
760 Omicron Bldg., Sto. Cristo,  
Guagua, Pampanga

## GUIMBA

Tel. No.: (044) 958-3020  
Afan Salvador St.,  
Guimba, Nueva Ecija

# Branch Directory

## HACIENDA LUISITA

Tel. Nos.: (045) 985-1546;  
(045) 985-1544  
Plaza Luisita., San Miguel, Tarlac

## ILAGAN, ISABELA

Tel. No.: (078) 624-1158  
RCK Building, Calamagui 2nd,  
Maharlika Rd., Ilagan Isabela

## IMUS

Tel. No.: (046) 471-3784 ; 471-3816  
Esguerra Bldg., Palico IV,  
Aguinaldo Highway,  
Imus, Cavite

## IMUS-NUENO AVE.

Tel. Nos.: (046) 471-3989;  
471-4097;(02) 8894-9000  
local 5038  
Nuevo Ave., Tansang Luma,  
Imus City, Cavite

## LA TRINIDAD

Tel. Nos.: (074) 424-3344;  
424-3346 to 48  
Peliz Loy Centrum Bldg.,  
Km. 5, La Trinidad, Benguet

## LA UNION

Tel. Nos.: (072) 242-5575 to 76  
Quezon Ave. corner P. Burgos  
St., San Fernando City, La Union

## LAGUNA TECHNOPARK

Tel. Nos.: (049) 541-2756;  
541-3271; 544-0719; 502-7159  
LTI Administration Bldg. II,  
Laguna Technopark,  
Brgy. Malamig, Biñan, Laguna

## LAOAG

Tel. Nos.: (077) 772-0616;  
(077) 772-1765  
Jackie's Commercial Bldg. II,  
J. Rizal St., Laoag City

## LEGAZPI CITY

Tel. Nos.: (052) 480-6416;  
480-6053; (02) 8429-1812;  
8429-1819  
G/ Tyler Bldg. Rizal St.  
Legazpi City

## LEGAZPI- LANDCO BUSINESS PARK

Tel. Nos.: (052) 742-4695;  
742-4697 to 98; (02) 8555-8700  
G/F Delos Santos Commercial  
Bldg., Landco Business Park,  
Legazpi City

## LEMERY

Tel. Nos.: (043) 411-0901;  
(02) 8894-9000 local 5140  
Ilustre Ave., Dist. II,  
Lemery, Batangas

## LIMA

Tel. Nos.: (043) 981-1849  
Hotel Drive Lima Technology  
Center, Malvar, Batangas

## LINGAYEN

Tel. Nos.: (075) 542-3840;  
(075) 632-8238  
G/F Columban Plaza, Avenida  
Rizal East, Poblacion,  
Lingayen, Pangasinan

## LIPA

Tel. Nos.: (043) 756-0220;  
(043) 756-2565;  
(02) 8894-9000 loc 5325  
C.M. Recto corner  
E. Mayo St., Lipa City

## LIPA-AYALA HIGHWAY

Tel. Nos.: (043) 756-6357 to 59;  
723-6959  
G/F Trinity Business Center,  
Ayala Highway, Lipa City

## LISP III

Tel. Nos.: (049) 530-9604 ;  
(049) 530-9619 ;  
(02) 8894-9000 loc 5393  
Science Park III, Admin  
Building Millenium Drive,  
Sto. Tomas Batangas City

## LUCENA

Tel. Nos.: (02) 8250-8208;  
(042)710-4086; 710-6461;  
710-4458  
Quezon Ave. corner  
M. L. Tagarao St., Lucena City

## LUCENA-EVANGELISTA

Tel. Nos.: (02) 8250-8325; (  
042) 710-5788; (042) 710-8068;  
(02) 8894-9000 loc 5369  
Quezon Ave. cor. Evangelista St.,  
Lucena City, Quezon

## MAGSAYSAY, NAGA

Tel. Nos.: (054) 884-9904;  
(054) 884-9147;  
(02) 8894-9000 local 5869  
G/F Sarap Realty Bldg.,  
Magsaysay Ave., Balatas,  
Naga city

## MALOLOS

Tel. Nos.: (044) 794-3524;  
813-3820  
FC Bldg., McArthur Highway,  
Bo. Sumapang Matanda,  
Malolos, Bulacan

## MALOLOS- PASEO DEL CONGRESO

Tel. Nos.: (044) 791-5989;  
798-2093  
Paseo Del Congreso,  
Catmon, Malolos City

## MARINDUQUE

Tel. No.: (042) 332-0046;  
(02) 8894-9000 loc 5373  
EDG Bldg., Brgy. Lapu-Lapu,  
Sta. Cruz, Marinduque

## MASBATE

Tel. Nos.: (056) 578-1088;  
(056) 578-1089; (056) 578-1090;  
(02) 8894-9000 loc 5389  
460 Quezon St.,  
Brgy. F. Magallanes,  
Masbate City

## MASINAG

Tel. Nos.: (02) 8570-7514  
259 Sumulong Highway,  
Mayamot, Antipolo City

## MEXICO BRANCH LITE

Tel. Nos.: (045) 455-1195; 455-2568  
CLK Bldg., Jose Abad Santos  
Ave., Brgy. Lagundi,  
Mexico, Pampanga

## MEYCAUAYAN MALHACAN

Tel. Nos.: (044) 766-3374  
Sterling Square, Sterling  
Industrial Cmpd., Iba Malhacan  
National Highway,  
Meycauayan City, Bulacan

## MEYCAUAYAN-REQUINO ST.

Tel. Nos.: (044) 228-2241;  
796-0530  
831 McArthur Highway  
Meycauayan City, Bulacan

## MOLINO

Tel. Nos.: (046) 477-2278,  
(02) 825-98967;  
(02) 8894-9000 local 5137  
G/F RFC Molino Mall, Molino 2,  
Bacoor, Cavite

## MONTALBAN

Tel. Nos.: (02) 8948-1385  
J. Rizal St. corner Linco St.,  
Balite, Montalban, Rizal

## MORONG

Tel. Nos.: 8653-0289; 8691-5245  
T. Claudio St., Brgy. San Juan,  
Morong, Rizal

## MUZON,SJDM

Tel. No.: (044) 893-4928  
Diaz Bldg., Carriedo St.,  
Brgy. Muzon, San Jose  
Del Monte, Bulacan

## NAGA

Tel. Nos.: (054) 473-9114; (  
054) 811-9115 to 16;  
(02) 8894-9000 loc 5390  
G/F Crown Hotel Bldg.,  
Peñafrancia Ave., Naga City

## NAIC

Tel. Nos.: (046) 507-0183;  
412-0391; (02) 8894-9000  
local 5031  
Capt. C. Nazareno St.,  
Poblacion, Naic Cavite

## NOVELETA

Tel. Nos.: (046)-438-2571;  
438-8411; 438-1056;  
(02) 8894-9000 local 5026  
Magdiwang Highway,  
Noveleta, Cavite

## OLONGAPO

Tel. Nos.: (047) 611-0205 to 06;  
611-0179  
1055 Rizal Ave. Extn.,  
West Tapinac, Olongapo City

## PADRE GARCIA

Tel. Nos.: (043) 436-0215 to 16;  
(043) 515-7177;  
(02) 8894-9000 local 5148  
45 A. Mabini, Poblacion,  
Padre Garcia, Batangas

## PALAWAN

Tel. Nos.: (048) 433-2091;  
(048)-433-2693;  
(02) 8894-9000 loc 5858  
RCBC Bldg., Junction 1, Rizal  
Ave. corner National Highway,  
Puerto Princesa City

## PALAWAN NATIONAL HIGHWAY

Tel. Nos.: (048) 717-0172;  
(02) 8894-9000 loc 5368  
Lustre Arcade, National  
Highway, Brgy. Tiniguiban,  
Puerto Princesa, Palawan

## PLARIDEL

Tel. Nos.: (044) 795-0688;  
670-2289  
Cagayan Valley Rd., Banga I,  
Plaridel, Bulacan

## PLARIDEL BYPASS ACCESS ROAD

Tel. No.: (044) 816-3880;  
816-3882; 816-3884  
Mark One Building  
(Jolly Industrial Park),  
Plaridel Bypass Access Rd.,  
Brgy. Parulan, Plaridel, Bulacan

## PUERTO PRINCESA

Tel. Nos.: (048) 433-0365;  
(048) 433-0367  
175 Rizal Ave., Pacific Plaza Bldg.,  
Puerto Princesa City, Palawan

## ROSARIO EPZA

Tel. Nos.: (046) 437-6260;  
417-1367  
Cavite Export Processing Zone,  
Rosario, Cavite

## SAN FERNANDO JASA

Tel. No.: (045)961-5147; 961-5143  
Unit 3 & 4, G/F.,Kingsborough  
Commercial Center,  
Jose Abad Santos Ave.,  
City of San Fernando

## SAN FERNANDO PAMPANGA

Tel. Nos.: (045) 961-7614 to 15;  
961-4505  
G/F Emerald Bldg., Dolores,  
San Fernando, Pampanga

## SAN FERNANDO SINDALAN

Tel. Nos.: (045) 455-0382;  
861-3662  
SBC Bldg., McArthur Highway,  
San Fernando, Pampanga

## SAN ILDEFONSO

Tel. Nos.: (044) 797-0521;  
797-0523  
Cagayan Valley Road, Poblacion,  
San Ildefonso, Bulacan

## SAN JOSE BATANGAS

Tel. Nos.: (043) 726-0053;  
(02) 8894-9000 local 5143  
Cameco Bldg, Makalintal Ave.  
corner J. A. De Villa St.,  
San Jose Batangas

## SAN JOSE CITY, NUEVA ECIJA

Tel. Nos.: (044) 958-5090;  
958-5097  
Abar 1st, Maharlika Highway,  
San Jose City, Nueva Ecija

## SAN MATEO

Tel. Nos.: (02) 8948-0199;  
(02) 8942-6969  
323 Gen. Luna St.,  
Guitnangbayan II,  
San Mateo, Rizal

## SAN PABLO

Tel. Nos.: (049) 562-7834;  
562-0782; 5620781  
Ultimart Shopping Plaza,  
M. Paulino St., San Pablo City

## SAN PEDRO

Tel. Nos.: (02) 8868-9459;  
8847-5685; 8868-5724;  
8868-9460  
EM Arcade 1 Bldg., Brgy.  
Poblacion, National Highway,  
San Pedro, Laguna

## SAN PEDRO-NUEVA

Tel. Nos.: (02) 8808-4608;  
8520-1788;  
(02) 8894-9000 local 5027  
National Highway, Brgy. Nueva,  
San Pedro, Laguna

## SANTIAGO-CENTRO WEST

Tel. Nos.: (078) 305-2056 to 57  
29 City Rd., Centro West,  
Santiago City, Isabela

## SCIENCE PARK

Tel. Nos.: (049) 543-0105 to 06;  
543-0571  
Admin Bldg., LISP 1, Pulo Rd.,  
Brgy. Diezmo, Cabuyao, Laguna

## SOLANO

Tel. Nos.: (078) 326-6678;  
326-5559  
211 J. P. Rizal Ave. National  
Highway, Solano, Nueva Vizcaya

## STA. CRUZ

Tel. Nos.: (049)-510-2136;  
501-4586; (02) 8894-9000  
local 5315  
A. Regidor corner Burgos St.,  
Sta. Cruz, Laguna

## STA. CRUZ-NATIONAL ROAD

Tel. Nos.: (049) 502-9938;  
500-9408; (02) 8894-9000  
loc 5383  
Teoxon Bldg., Unit 1, Sitio Narra,  
Brgy. Labuin, Sta. Cruz, Laguna



# Branch Directory

## STA. LUCIA EAST

Tel. Nos.: (02) 8682-0359; 8645-7911; 8682-7126; 8682-5963; 8645-3685  
Ground Level, Bldg. 2, Sta. Lucia Mall, Marcos Highway corner Felix Ave., Cainta, Rizal

## STA. MARIA, BULACAN

Tel. Nos.: (044) 641-0251; 641-5371  
173 J. P. Rizal St., Poblacion, Sta. Maria Bulacan

## STA. ROSA-BALIBAGO

Tel. Nos.: (049) 534-5017; 534-5018; (02) 520-8443; Fax (049) 534-5017  
Carvajal Bldg Old National Highway, Balibago, Sta Rosa, Laguna

## STA. ROSA BEL AIR

Tel. Nos.: (049) 530-0793; 530-0795  
CW Home Depot Sta. Rosa, Tagaytay Rd., Brgy. Pulong Sta. Cruz, Santa Rosa City, Laguna

## STA. ROSA PASEO

Tel. No.: (049) 541-2751 to 54; (02) 8420-8020  
Unit 1 Paseo 5 Paseo De Sta Rosa, Sta. Rosa, Laguna

## STA. ROSA-SOLENAD

Tel. Nos.: (049) 530-1482; 530-1384; (02) 8894-9000 loc 5382  
Unit M 20, Bldg. 2, Nuvali Solenad 2, National Rd., Brgy. Sto. Domingo, Sta. Rosa City, Laguna

## STA. ROSA-TAGAPO

Tel. Nos.: (049) 534-3207; (02) 8520-8190  
J. Rizal Blvd. corner Tagapo, Santa Rosa City, Laguna

## STARMALL DAANG HARI

Tel. Nos.: (046) 435-0437; 435-0439; 435-0440; (02) 8894-9000 local 5396  
Starmall Prima, Daang Hari corner Molino Rd., Brgy. Molino 4, Bacoor, Cavite

## STARMALL-SAN JOSE DEL MONTE

Tel. No.: (044) 797-0275  
G/F Starmall Bldg., Brgy. Kaypian, San Jose Del Monte, Bulacan

## SORSOGON

Tel. No.: (056) 211-0969; (086) 211-0973; (086) 211-4036  
LKY Property Holdings Building, Rizal St., Talisay, Sorsogon City

## SUBIC

Tel. Nos.: (047) 252-5023; 252-5025 to 26  
Precision Tek Bldg., Lot B, Rizal Highway, Subic Bay Freeport Zone, Olongapo City

## TABACO

Tel. Nos.: ((02) 8429-1808; (02) 8894-9000 loc 5367  
232 Ziga Ave., Tabaco City, Albay

## TAGAYTAY

Tel. Nos.: (046) 483-0540 to 42; (02) 8894-9000 local 5376  
Unit 1 Olivarez Plaza, E. Aguinaldo Highway, Tagaytay City

## TANAUAN

Tel. Nos.: (043) 778-3700; (043) 778-3600; (02) 8894-9000 local 5138  
G/F Reyes Bldg., J P Laurel Highway, Poblacion 4, Tanauan City, Batangas

## TANAY

Tel. No.: (02) 8693-1267  
M.H. Del Pilar St. corner J. P. Laurel St., Brgy. Plaza Aldea, Tanay, Rizal

## TANZA

Tel. Nos.: (046) 437-7715; 437-1507; (02) 8894-9000 local 5032  
A. Soriano Highway, Tanza, Cavite

## TARLAC

Tel. Nos.: (045) 982-0820 to 21; 982-3389  
F. Tañedo St., Tarlac City

## TARLAC-STO. CRISTO

Tel. Nos.: (045) 382-9133  
McArthur Highway, Blossomville Subd., Sto. Cristo, Tarlac City

## TAYTAY

Tel. No.: (02) 8286-0490  
Manila East Rd., Taytay, Rizal

## TAYUG

Tel. Nos.: (075) 572-4800; (075) 572-6515  
A. Bonifacio St., Brgy. A, Tayug, Pangasinan

## TERESA

Tel. No.: (02) 8570-9693  
RCF Building R. Magsaysay Ave., San Gabriel Teresa, Rizal

## TRECE MARTIRES

Tel. Nos.: (046) 419-2671; 419-3270; 419-2602; (02) 8894-9000 local 5036  
Brgy. San Agustin, Trece Martires City

## TUGUEGARAO

Tel. No.: (078) 846-2845  
Bonifacio corner Gomez St., Centro 7, Tuguegarao City

## URDANETA

Tel. Nos.: (075) 568-8436; (075) 656-2289  
E.F. Square Bldg., McArthur Highway, Urdaneta City, Pangasinan

## VIGAN

Tel. No.: (077) 722-6512  
Plaza Maestro Annex, Vigan, Ilocos Sur

## VIRAC, CATANDUANES

Tel. No.: (052) 741-3221; 741-3224  
Stall 21 VTC Riverside Building, Virac Town Center, Rizal Ave., Gogon Sirangan, Virac, Catanduanes

## VISAYAS

### ANTIQUÉ

Tel. No.: (036) 540-7025  
Del Carmen Bldg., Solana St. corner T. Fournier St., San Jose, Antique

### BACOLOD LACSON

Tel. No.: (034) 432-3441  
G/F Lourdes C. Bldg II, 14th Lacson St., Bacolod City

### BACOLOD LIBERTAD

Tel. No.: (034) 433-9647  
A.U Gomez and Sons Building, Libertad Extension, Bacolod City

### BACOLOD MAIN

Tel. No.: (034) 433-7844  
Rizal St. corner Locsin St., Bacolod City

### BACOLOD-MANDALAGAN

Tel. No.: (034) 434-4691  
Lacson St., Brgy. Mandalagan, Bacolod City

## BACOLOD SHOPPING

Tel. No.: (034) 709-1708  
Hilado Extn., Capitol Shopping Center, Bacolod City

## BALAMBAN

Tel. Nos.: (032) 266-9127; (032) 887-6032; (02) 8894-9000 loc 5436  
E.S. Bingham St, Balamban, Cebu

## BANILAD

Tel. Nos.: (032) 346-3892; (032) 346-3894; (032) 346-7083; (02) 8894-9000 loc 5451  
AS Fortuna St., Banilad, Cebu City

## BAYAWAN

Tel. Nos.: (035) 228-3322; (035) 531-0554; (02) 8894-9000 loc 5420  
National Highway, Bayawan City, Negros Oriental

## BORACAY

Tel. No.: (036) 288-1906  
Station 1, Brgy. Balabag, Boracay, Malay, Aklan

## CADIZ

Tel. No.: (034) 493-0751  
Abelarde St. corner Mabini St., Cadiz City

## CALBAYOG

Tel. Nos.: (055) 209-1338; (055) 209-1565; (02) 8894-9000 loc 5351  
Magsaysay Blvd. corner and Rueda St., Calbayog City

## CATARMAN

Tel. Nos.: (055) 500-9480; (055) 544-9234; (02) 8894-9000 loc 5350  
Ang Ley Bldg., JP Rizal St., Brgy. Sampaguita, Catarman, Northern Samar

## CATBALOGAN

Tel. No.: (055) 543-9062  
Del Rosario St., Catbalogan, Western Samar

## CEBU BUSINESS PARK

Tel. Nos.: (032) 233-6229; (032) 233-5450; (032) 238-6923; (02) 8894-9000 loc 5437  
Block 6 Lot 1, Mindanao Ave. corner Siquijor St., Cebu Business Park, Cebu City

## CEBU IT PARK

Tel. No.: (032) 260-0515  
Skyrise 4 Building, Lahug, Cebu City

## CEBU MANALILI

Tel. Nos.: (032) 412-3441; (032) 255-0422; (02) 8894-9000 loc 5424  
Tan Suching Bldg., V. Gullas St., Cebu City

## CEBU - PASEO ARCENAS

Tel. Nos.: (032) 236-8012; (032) 236-8017; (02) 8894-9000 loc 5452  
Don Ramon Arcenas St. along R. Duterte St., Banawa, Cebu City

## CEBU STO. NIÑO

Tel. Nos.: (032) 256-0173; (032) 412-1828; (02) 8894-9000 loc 5453  
Belmont Hardware Depot Bldg., P. Burgos St. corner Legaspi St., Bgy. San Roque, Cebu City

## CONSOLACION

Tel. Nos.: (032) 423-9335; (032) 564-2014; (032) 564-2052; (02) 8894-9000 loc 5742  
ADM Bldg., Cansaga, Consolacion, Cebu

## DUMAGUETE

Tel. Nos.: (035) 422-8096; (02) 8894-9000 loc 5428  
Dr. V. Locsin St., Dumaguete City, Negros Oriental

## ESCARIO CEBU

Tel. Nos.: (032) 255-6404; (032) 412-6943; (02) 8894-9000 loc 5067  
N. Escario St., Capitol Site, Cebu City

## F CABA HUG

Tel. No.: (032) 505-5801  
(032) 505-5805  
G/F Pacific Square Bldg., F. Cabahug St., Mabolo, Cebu City

## FUENTE OSMEÑA

Tel. Nos.: (032) 255-4886; (032) 255-9864; (02) 8894-9000 loc 5445  
Grepalife Tower, Fuente Osmeña, Rotonda, Cebu City

## GUADALUPE

Tel. Nos.: (032) 252-7508; (032) 254-3103; (032) 254-5512; (032) 254-3104; (02) 8894-9000 loc 5446  
63 M. Velez & A. Abellana Sts., Guadalupe, Cebu City

## HINIGARAN

Tel. No.: (034) 495-0505  
Rizal St., National Rd., Hinigaran, Negros Occidental

## ILOILO

Tel. No.: (033) 336-9643  
Iloilo Business Center, JM Basa St. corner Arsenal St., Iloilo City

## ILOILO LEDESMA

Tel. No.: (033) 388-4370  
MJM Bldg., Ledesma St. corner Quezon St., Iloilo City

## JALANDONI, ILOILO

Tel. Nos.: (033) 338-0212; 337-4785; 338-2065  
Jalandoni St., San Agustin, Iloilo City

## JARO

Tel. No.: (033) 320-4075  
E. Lopez St. corner Seminario St., Jaro, Iloilo City

## KABANKALAN

Tel. Nos.: (034) 471-2316; 746-8177  
Guanzon St., Kabankalan City, Negros Occidental

## KALIBO

Tel. Nos.: (036) 268-5108; 262-3474; 500-8262  
Roxas Ave., Poblacion, Kalibo, Aklan

## LA PAZ, ILOILO

Tel. No.: (033) 329-1201  
Calle Luna, Bantud, Iloilo City

## LILLOAN

Tel. No.: (032) 501-0132; (032) 887-1755  
MU Bldg, National Highway, Poblacion, Liloan Cebu

## LUZURIAGA BACOLOD

Tel. No.: (034) 432-1543  
G/F Golden Heritage Bldg., San Juan St. corner Luzuriaga St., Bacolod City

# Branch Directory

## MAASIN LEYTE

Tel. Nos.: (053) 381-3854;  
(053) 570-8282;  
(02) 8894-9000 loc 5131  
Tomas Oppus St., Brgy. Abgao,  
Maasin City, Southern Leyte

## MACTAN

Tel. Nos.: (032) 340-1853;  
(032) 340-1726; (032) 340-1282;  
(02) 8894-9000 loc 5431  
MEPZ Bldg., MEPZ 1, Mactan,  
Lapu-lapu City

## MACTAN-LG GARDEN WALK

Tel. No.: (032) 384-4753; 887-6811  
LG Garden Walk, Mactan, Cebu

## MANDAUE

Tel. Nos.: (032) 346-0025;  
(032) 346-0948;  
(02) 8894-9000 loc 5432  
A.C. Cortes St., Ibabao,  
Mandaue City

## MANDAUE-M.C. BRIONES

Tel. Nos.: (032) 345-8065;  
(032) 345-8063;  
(02) 8894-9000 loc 5086  
Highway Seno,  
Mandaue City, Cebu

## MEPZ 2

Tel. Nos.: (032) 340-6895;  
(032) 341-2738; (032) 340-8637;  
(02) 8894-9000 loc 5439  
Pueblo Verde, Mactan  
Economic Zone II,  
Brgy. Basak, Lapu Lapu City

## NORTH RECLAMATION

Tel. Nos.: (032) 252-9235;  
(032) 231-7045;  
(02) 8894-9000 loc 5448  
G/F CIFC Tower, Humabon St.  
corner Juan Luna Ave., North  
Reclamation Area, Cebu City

## ORMOC

Tel. Nos.: (053) 255-3454;  
(053) 520-7538; (053) 300-6142;  
(02) 8894-9000 loc 5449  
G/F MFT Bldg., Real St. corner  
Carlos Tans St., Ormoc City

## OTON ILOILO

Tel. No.: (033) 336-0306  
Madr & Sons Arcade,  
J.C Zulueta St., Oton, Iloilo

## P. DEL ROSARIO CEBU

Tel. Nos.: (032) 255-6182;  
(032) 255-6702;  
(02) 8894-9000 loc 5066  
G/F RCBC Savings Bank Bldg.,  
P. Del Rosario St., Kamagayan,  
Cebu City

## PANGLAO-BOHOL

Tel. No.: (038) 411-2794;  
411-0484; 411-2226  
Yap Bldg., Panglao Circumferential  
Road, Tawala, Panglao Bohol

## ROXAS CITY

Tel. No.: (036) 621-1104  
Plaridel St., Roxas City

## SAN CARLOS

Tel. No.: (034) 312-5141  
S. Carmona St., San Carlos City,  
Negros Occidental

## SARA

Tel. No.: (033) 392-0172  
RCBC Bldg., Don Victorino,  
Salcedo St., Sara Iloilo

## SILAY

Tel. No.: (034) 495-1989  
Rizal St. corner Burgos St.,  
Silay City

## TABOAN

Tel. Nos.: (032) 261-6061;  
(032) 261-6062;  
(02) 8894-9000 loc 5467  
C. Padilla St., Brgy. San Nicolas,  
Cebu City

## TACLOBAN

Tel. Nos.: (053) 888-5276;  
(053) 523-4167; (053) 832-7725;  
(02) 8894-9000 loc 5466  
RSB Bldg., Zamora St. corner  
Sto. Niño St., Tacloban City

## TAGBILARAN

Tel. Nos.: (038) 412-3555; (038)  
501-7536; (02) 8894-9000 loc 546  
RCBC Bldg., C.P.G. Ave.,  
Tagbilaran City

## TALAMBAN CEBU

Tel. Nos.: (032) 343-7992; 412-1620  
G/F Ecotrade Bldg., J. Panos St.,  
Talamban, Cebu City

## TALISAY

Tel. Nos.: (032) 505-5194;  
(032) 505-6199; (  
02) 8894-9000 loc 5645  
South Central Square,  
Lawaan III, Talisay City, Cebu

## TALISAY-BULACAO

Tel. Nos.: (032) 272-2701;  
(032) 272-2833;  
(02) 8894-9000 loc 5127  
South Rd., Bulacao,  
Talisay City, Cebu

## TOLEDO

Tel. No.: (032) 252-2180  
G/F FGM Bldg II, Macapagal  
Highway, Toledo City

## MINDANAO

### BOLTON DAVAO

Tel. No.: (082) 222-4428  
Bolton St., Davao City,  
Davao Del Sur

### BUHANGIN

Tel. No.: (082) 241-0725  
2010 Santos Bldg Diversion  
Road, National Highway  
Davao (City) Davao Del Sur

### BUTUAN

Tel. Nos.: (085) 352-7551;  
(085) 341-8829  
FSUU Building E. Luna cor.  
P Burgos Sts., Butuan City,  
Agusan Del Norte

### CALINAN

Tel. No.: (082) 284-1443  
National Highway, Poblacion,  
Calinan, Davao City

### CARMEN CDO

Tel. Nos.: (088) 858-5793;  
858-6248; 856-2461; 856-2465  
G/F Macaibay Bldg., Carmen,  
Cagayan De Oro City

### CARRASCAL

Tel. No.: (086) 212-8031  
National Highway,  
Brgy. Gamuton,  
Carrascal, Surigao del Sur

### CDO LAPASAN

Tel. Nos.: (088) 856-1888  
Lapasan Highway, Lapasan,  
Cagayan de Oro City

### CDO LIMKETKAI

Tel. Nos.: (088) 856-3707;  
(088) 866-3708; (088) 852-1291  
Gateway Tower 1, Limketkai  
Center, Cagayan de Oro City

### CDO MASTERSON AVENUE

Tel. Nos.: (088) 856-0528;  
(088) 856-0530  
Xavier Estates, Masterson Ave.,  
Upper Balulang,  
Cagayan de Oro City

### CDO VELEZ

Tel. No.: (088) 856-4982  
Velez-Cruz Taal Sts.,  
Cagayan de Oro City

### COTABATO

Tel. No.: (064) 421-3575  
M Bldg., Quezon Ave.,  
Cotabato City

### DADIANGAS

Tel. Nos.: (083) 552-5470;  
552- 3034  
Pioneer Ave.,  
General Santos City

### DAMOSIA GATEWAY MALL

Tel. Nos.: (082) 234-7002;  
234-7019  
Damosia Gateway Commercial  
Complex, Corner JP Rizal Ave.  
and Mamay Road Lanang,  
Davao City

### DAVAO

Tel. Nos.: (082) 222-7901 to 03;  
221-7903  
RCBC Bldg., C.M. Recto St.  
corner Palma Gil St., Davao City

### DAVAO BAJADA

Tel. Nos.: (082) 305-5231; 225-1112  
J.P. Laurel Ave. corner Villa  
Abrille St., Davao City

### DAVAO MATINA

Tel. No.: (082) 227-2008  
Karpentrade Bldg., McArthur  
Highway, Matina, Davao City

### DAVAO QUIRINO

Tel. Nos.: (082) 221-4912;  
221-4909; 300-4288  
E. Quirino Ave., Brgy. 3-A,  
Poblacion, Davao City

### DIGOS

Tel. Nos.: (082) 553-2560; 553-2319  
RCBC Bldg., J.P. Rizal St. corner  
and M.L. Roxas St., Digos City,  
Davao Del Sur

### DIPOLOG

Tel. Nos.: (065) 212-6479;  
(065) 212-2542  
General Luna St.  
corner Lacaya St., Dipolog City

### DOLE

Tel. No.: (083) 500-2643;  
500-2500;  
(02) 8894-9000 loc 3627  
Dole Philippines Pavillion,  
Cannery Plant Site,  
Polomolok, South Cotabato

### GEN SANTOS- NATIONAL HIGHWAY

Tel. No.: (083) 553-8197  
National Highway, Brgy. City  
Heights, Gen. Santos City

### GENSAN

Tel. Nos.: (083) 553-8880;  
553-8883  
RGH Bldg., J. Catolico Ave.,  
Lagao, General Santos City

### ILIGAN

Tel. No.: (063) 221-5443  
Lanao Fil-Chinese Chamber  
of Commerce, Inc. Bldg.,  
Quezon Ave. corner  
B. Labao St., Iligan City

### IPIL

Tel. Nos.: (062) 333-2257;  
333-2254  
National Highway, Ipil,  
Zamboanga Sibugay

### ISULAN

Tel. No.: (064) 201-3867  
National Highway corner  
Lebak Rd., Isulan,  
Sultan Kudarat

### JP LAUREL BAJADA

Tel. No.: (082) 222-2805  
G/F Ana Soccoro Bldg.,  
J.P. Laurel Ave., Bajada,  
Davao City

### KABACAN

Tel. No.: (064) 572-2207  
National Highway, Poblacion,  
Kabacan, Cotabato

### KIDAPAWAN

Tel. Nos.: (064) 577-1572;  
(064) 577-1573  
KMCC Bldg., Dayao St.,  
Kidapawan City, North Cotabato

### MALAYBALAY

Tel. No.: (088) 813-3564  
Don Carlos St., Poblacion,  
Malaybalay City

### MARANDING

Tel. No.: (063) 227-3702  
National Highway, Maranding,  
Lala, Lanao Del Norte

### MARBEL

Tel. Nos.: (083) 228-2333;  
(083) 520-1378  
General Santos Drive corner  
Roxas St., Koronadal City,  
South Cotabato

### MONTEVERDE DAVAO

Tel. Nos.: (082) 227-0858;  
222-0115; 221-9590  
Door 5 & 6 Veterans Bldg.,  
Monteverde, Davao City

### NABUNTURAN

Tel. Nos.: (084) 817-0141 to 42  
SMPTC Bldg., L. Arabejo Ave.,  
Brgy. Poblacion, Nabunturan,  
Compostela Valley

### OZAMIS

Tel. No.: (088) 521-1559  
Don Anselmo Bernard Ave.  
corner Mabini St., Ozamis City

### PAGADIAN

Tel. Nos.: (062) 925-0397; 214-1773  
RCBC Bldg., Rizal Ave.,  
Pagadian City

### PANABO

Tel. Nos.: (084) 629-0048;  
(084) 629-0038  
Greatsun Ventures Bldg.,  
National Highway, Purok Atis,  
Sto. Niño, Panabo City

### POLOMOLOK

Tel. No.: (083) 500-9161;  
225-2148 to 49  
B-French St., Polomolok,  
South Cotabato

### SAN FRANCISCO

Tel. No.: (085) 242-7808, 242-7810  
Grace Ong Property, Bgy 4  
San Francisco, National Highway,  
Agusan del Sur



# Branch Directory

## SASA

Tel. Nos.: (082) 221-4141 /  
(082) 296-6623  
LTC Y12 Bldg., KM9, Bo.  
Pampanga, Sasa, Davao City

## STA. ANA

Tel. Nos.: (082) 221-1794 to 95;  
221-2160  
Monteverde St. corner Sales St.,  
Sta. Ana, Davao City

## SURALLAH

Tel. Nos.: (083) 238-3017 to 18  
National Highway corner Mabini  
St., Surallah, South Cotabato

## SURIGAO

Tel. Nos.: (086) 826-1288;  
826-4034  
San Nicolas St. corner  
Burgos St., Surigao City

## TACURONG

Tel. Nos.: (064) 200-3189;  
200-3440  
G/F Acyap Enterprises Inc.  
Building, Alunan Highway  
cor. Magsaysay Ave., T  
acurong City, Sultan Kudarat

## TAGUM

Tel. Nos.: (084) 655-6341;  
655-9522  
RCBC Bldg., Pioneer Ave.  
corner and Quirante II St.,  
Tagum City, Davao del Norte

## TANDAG

Tel. Nos.: (086) 211-3066; 211-3063  
Pimentel Bldg., Doñasco St.,  
Tandag, Surigao del Sur

## TORIL

Tel. Nos.: (082) 295-1700;  
295-1600  
G/F Felcris Supermarket  
National Highway,  
Toril Davao City

## VALENCIA

Tel. No.: (088) 828-2167  
Marchedon Building,  
Sayre Highway,  
Valencia City, Bukidnon

## VICTORIA PLAZA

Tel. Nos.: (082) 221-8581;  
(082) 221-8583  
Victoria Plaza Mall,  
J.P. Laurel Ave., Davao City

## ZAMBOANGA

Tel. Nos.: (062) 991-2048;  
(062) 991-0753  
SIA Bldg., Tomas Claudio St.,  
Zone III, Zamboanga City

## ZAMBOANGA-GOV. LIM AVE.

Tel. No.: (062) 991-0817  
G/F Jesus Wee Bldg.,  
Gov. Lim Ave., Zamboanga City

## ZAMBOANGA VETERANS

Tel. Nos.: (062) 990-1200 to 01  
YPC Bldg., Veterans Ave.,  
Zamboanga City

# Rizal Microbank Branch Directory

## Corporate Banking Offices

### MAKATI OFFICE

21st Floor Tower 2 RCBC Plaza,  
6819 Ayala Avenue,  
Makati City 1226  
Tel No.: (02) 8 894 9000  
local 1028

### SOUTHERN TAGALOG REGIONAL OFFICE

Bensar Bldg. cor F. Manalo St.  
Gen. Malvar Ave. Poblacion 3,  
Sto. Tomas, Batangas  
Tel Nos.: (043) 783-9885,  
(02) 8 894 9000 local 1886

## Luzon Banking Office

### NASUGBU BRANCH

J. P. Laurel St., Barangay 9,  
Nasugbu, Batangas  
Tel Nos.: (043) 416 0878,  
(02) 8 894 9000 local 5706  
Ronald A. Bengcang

### PUERTO PRINCESA BRANCH

Unit 3 ARL Building,  
Rizal Avenue, San Miguel,  
Puerto Princesa, Palawan 5300  
Tel Nos.: (048) 433 0160,  
(02) 8 894 9000 local 5709

### ROSARIO BRANCH

Gualberto Avenue, Poblacion B,  
Rosario, Batangas  
Tel Nos.: (043) 321 1463,  
(043) 414 0038,  
(02) 8 894 9000 local 5715  
Loreta H. Valenzuela

### SAN JOSE BRANCH

Juan Luna St., Brgy. Labangan,  
San Jose, Occidental Mindoro  
Tel Nos.: (02) 8 894 9000  
local 5701  
Ruth S. Pinto

### TANAUAN BRANCH

The Citywalk, #2 Pres. Laurel  
Highway, Brgy. Darasa,  
Tanauan City, Batangas  
Tel Nos.: (043) 405 2074,  
(043) 784 8193,  
(02) 8 894 9000 local 5700  
Lilia C. Perez

## ROXAS BRANCH LITE UNIT

#26 Magsaysay Ave.,  
Bagumbayan, Roxas,  
Oriental Mindoro  
Tel No.: (02) 8 894 9000  
local 5703  
Rhanial Van J. Malaluan

## Visayas Banking Office

### CONSOLACION BRANCH

812 National Highway,  
Barangay Pitogo,  
Consolacion, Cebu  
Tel Nos.: (032) 232 4241,  
(02) 8 894 9000 local 5704  
Janeth C. Bugtai

### TALISAY BRANCH

Ground floor, South Agora  
Building, San Isidro Road,  
Tabunok, Talisay City, Cebu  
Tel Nos.: (032) 272 5857,  
(02) 8 894 9000 local 5740  
Harven A. Cosep

### BALAMBAN BRANCH

D.C. Sanchez St., Sta. Cruz-  
Sto. Nino, Balamban, Cebu  
Tel Nos.: (02) 8 894 9000  
local 5743  
Sharmaine R. Magbanua

## Mindanao Banking Office

### DAVAO HEAD OFFICE

GF and 3rd Floor, Anda Rizal  
Center Bldg., Cor. Anda &  
Rizal Streets, Brgy. 3-A,  
Poblacion District,  
Davao City, Davao del Sur  
Tel Nos.: (082) 222 3947,  
(082) 222 2438, (082) 222 2448,  
(082) 222 2458, (02) 8 894 9000  
local 5716 / 5702  
Toni Rose E. Eupeña

### BUTUAN BRANCH

Door 1 & 2, CJU Building,  
Langihan Road, Purok 12,  
Barangay Limaha, Butuan City  
Tel Nos.: (085) 225 0298,  
(02) 8 894 9000 local 5718  
Michael M. Gonzales

## CAGAYAN DE ORO BRANCH

Ground Floor, GRC Building,  
Limketkai Drive, Barangay 35,  
Cagayan De Oro City  
Tel Nos.: (088) 880 3115,  
(02) 8 894 9000 local 5712  
Greggy Michael R. Anuta

## DIGOS BRANCH

Roxas Extension,  
Llanos Street, Zone III,  
Digos City, Davao del Sur  
Tel Nos.: (082) 237-7215,  
(02) 8 894 9000 local 5710  
Rollie F. Mamale

## GENERAL SANTOS BRANCH

Door A5, ECA Building,  
National Highway,  
Brgy. City Heights,  
General Santos City 9500  
Tel Nos.: (083) 552 2700,  
(02) 8 894 9000 local 5713  
Jeffrey D. Flores

## KORONADAL BRANCH

No. 601 Gensan Drive, Barangay  
Zone III, Koronadal City  
Tel Nos.: (083) 228 3198,  
(083) 228 7693  
(02) 8 894 9000 local 5711  
Klint L. Ladia

## TACURONG BRANCH LITE UNIT

2nd Floor Elan Building IV,  
Mariano Marcos National  
Highway corner Ramon  
Magsaysay Avenue,  
Tacurong City, Sultan Kudarat  
Tel No. (064) 200 7969  
Estella L. Lebanan

## TAGUM BRANCH

Door 9, Cacayorin Building,  
Circumferential Road,  
Tagum City, Davao Del Norte  
Tel Nos.: (084) 216 4465,  
(02) 8 894 9000 local 5714  
Ritche C. Dano

## VALENCIA BRANCH

Ground Floor, JTAM Building,  
Purok 3A, Poblacion,  
Sayre Highway,  
Valencia City, Bukidnon  
Tel Nos.: (088) 828 5906,  
(02) 8 894 9000 local 5717  
Samuel H. Villamor

# Subsidiaries and Associates

## DOMESTIC

### RCBC CAPITAL CORPORATION

21F Tower II, RCBC Plaza, 6819, Ayala Ave., Makati City  
Tel. No.: (632) 8894-9000  
Fax No.: (632) 8845-3457  
PRESIDENT & CEO: ARSENIO M. ONA

### RCBC BANKARD SERVICES CORPORATION

31F Robinsons Equitable Tower cor. ADB Ave. and Poveda St. Ortigas Center, Pasig City  
Tel. No.: (632) 8688-1888  
PRESIDENT & 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: RAOUL V. SANTOS

### 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 & CEO:  
JOSEPH COLIN B. RODRIGUEZ

### RCBC-JPL HOLDING COMPANY, INC.

*(Formerly President Jose P. Laurel Rural Bank, Inc.)*  
2F President Laurel Building, Pres. Jose P. Laurel Highway, Tanauan City, Batangas  
Tel. No.: (043) 778-4444  
CHAIRMAN & PRESIDENT:  
KENNETH MARK F. GARCIA

### RCBC LEASING AND FINANCE CORPORATION

2nd Floor Grepalife Building 221 Sen. Gil Puyat, Ave.. Makati City  
Tel. No. : (02) 84039895/(02) 84039766  
PRESIDENT & CEO: JOSE JAYSON L. MENDOZA

### RCBC RENTAL CORPORATION

2nd Floor Grepalife Building 221 Sen. Gil Puyat, Ave.. Makati City  
Tel. No. : (02) 84039895/(02) 84039766  
PRESIDENT & CEO:  
JOSE JAYSON L. MENDOZA

### RCBC TRUST CORPORATION

9F Yuchengco Tower RCBC Plaza, 6819 Ayala Ave., Makati City 1227  
Tel no.: 8894-9000  
PRESIDENT: DR. ROBERT RAMOS, CFA, CAIA, CIFM

### RIZAL MICROBANK, INC – A THRIFT BANK OF RCBC

3F AndaRizal Center, Corner Rizal and Anda Streets, Barangay 3-A, Davao City  
Tel. Nos.: (082) 222-3948  
PRESIDENT: RAYMUNDO C. ROXAS

### LUISITA INDUSTRIAL PARK CORPORATION

48F Yuchengco Tower, RCBC Plaza 6819, Ayala Ave., Makati City  
Tel. No.: (632) 894 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 & COO: LIWAYWAY F. GENER

## INTERNATIONAL

### RCBC INTERNATIONAL FINANCE LIMITED CENTRAL OFFICE

Room 701, 7/F, Leeloong Building, 4 Queen Victoria Street, 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.

# Products and Services

## LOANS

Product/Service	Description
<b>Commercial Loans (Peso and/or Foreign Currency)</b>	
<b>Short- Term Revolving Facilities</b>	
<b>Non-Trade Facilities</b>	
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.
<b>Trade Facilities</b>	
	These are credit facilities used to finance the movement of goods/ merchandise and services within or across country borders and self-liquidating in nature.
<b>Import / Domestic Trade Facilities</b>	
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 / Shipline 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.
<b>Export Financing</b>	
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.
<b>Others</b>	
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.
<b>Long- Term Non-Revolution Facilities</b>	
Auto Loans	These are non-revolving facilities maturing beyond one year (from date of commitment to date of final payment). A loan that helps finance a purchase of a brand new or used car



# Products and Services

Product/Service	Description
Housing Loans	A loan that helps finance the purchase of real property, or the construction/renovation of a house.
Personal Loans	A multi-purpose loan that is non-collateralized
Corporate Finance Loans	
Project Finance Loans	
<b>Microfinance Loans (through Rizal Microbank)</b>	
<b>SMALL BIZ TERM LOAN</b>	<p>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.</p> <p>Loan amount ranges from P50,000 to P10,000,000 subject to client's capacity to pay.</p>
<b>SMALL BIZ REVOLVING CREDIT LINE</b>	<p>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.</p> <p>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.</p> <p>Loan amount ranges from P500,000 to P10,000,000 subject to client's capacity to pay.</p>
<b>AGRI BIZ TERM LOAN</b>	<p>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.</p> <p>Loan amount ranges from P50,000 to P10,000,000 subject to client's capacity to pay.</p>
<b>AGRI BIZ REVOLVING CREDIT LINE</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>Loan amount ranges from P500,000 to P10,000,000 subject to client's capacity to pay.</p>

Product/Service	Description
<b>AGRI BIZ PRODUCTION LOAN</b>	<p>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.</p> <p>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).</p> <p>Loan amount ranges from P50,000 to P1,000,000, subject to client's capacity to pay.</p>

## SPECIAL LENDING FACILITIES

Product/Service	Description
BSP Rediscounting Facility	

## CONSUMER LOANS

Product/Service	Description
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

Product/Service	Description
<b>Peso Deposits</b>	
<b>Checking Accounts</b>	
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 that is especially designed for women that comes with a transaction journal, debit card, and 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 that comes with a debit card, transaction journal, and checkbook
OneAccount Business	A deposit account designed to be a savings, checking and time deposit bank product all rolled into one account catering to the needs of SME Retail clients.
<b>Savings Accounts</b>	
OneAccount	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.

# Products and Services

Product/Service	Description
Basic Savings Account	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
GoSavers	A start-up savings account that helps kids and teens save money and transact easily with a debit card and/or passbook
Regular Savings (ATM + Passbook)	A deposit product that safe keeps funds while it earns interest. It comes with a debit card for ease in transaction.
Dragon Savings (Peso + USD)	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
<b>Time Deposits</b>	
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 Sustainability.
<b>Foreign Currency Deposits</b>	
<b>Regular Savings</b>	A foreign currency denominated savings deposit
US Dollar	
Japanese Yen	
Euro	
British Pounds	
Canadian Dollar	
Chinese Yuan	
Australian Dollar	
Swiss Franc	
<b>Dragon Dollar Savings</b>	A premier dollar 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
<b>Time Deposits</b>	
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)

Product/Service	Description
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	
<b>Premier Banking</b>	
<b>Hexagon Club</b>	
Hexagon Club - Privilege and Priority	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.
<b>Branch Channel</b>	
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.

## TREASURY

Product/Service	Description
<b>Foreign Exchange</b>	
Foreign Exchange Spot	Exchange of one currency for another currency (USD/PHP, USD vs Euro, JPY, GBP, SGD, etc.)
<b>RCBC FX Online</b>	
Purchase of Foreign Currency	Purchase and sale of currency through RCBCPulz
Sale of Foreign Currency for Travel and Investment	
<b>Fixed Income</b>	
<b>Peso-denominated government securities and other debt instruments</b>	
Treasury bills	Trading of government and corporate debt papers for various debt issuers
Fixed rate treasury notes (FXTNs)	
Retail treasury bonds (RTBs)	
BSP Securities	
Corporate bonds and other debt instruments	
Foreign currency denominated bonds	
Republic of the Philippines bonds (ROPs)	
Retail Dollar 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	



# Products and Services

Product/Service	Description
<b>Derivatives</b>	
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)
Foreign Exchange Options	Contract between a buyer and a seller that gives the buyer the right, but not the obligation, to buy ("call option") or sell ("put option") an agreed amount of a specific currency at a fixed exchange rate ("Strike Price") on a specific time and date in the future.
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.
Asset Forwards	

## CREDIT CARDS

Product/Service	Description
<b>CORE BRANDS</b>	
RCBC Visa Infinite	<p>Discover the infinite joys of shopping, travel, and rewards.</p> <ul style="list-style-type: none"> <li>The first and only RCBC Credit Card with a metal core</li> <li>Every Php30 spend = 1 Rewards Point               <ul style="list-style-type: none"> <li>5x Rewards Points on overseas in-store &amp; online spend</li> <li>3x Rewards Points on local online spend</li> </ul> </li> <li>Receive 20,000 Bonus Rewards Points every year</li> <li>Complimentary Priority Pass™ membership and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>Complimentary Travel Insurance &amp; Purchase Protection</li> <li>Access to Visa Affluent benefits such as 24/7 Visa Concierge, Visa Luxury Hotel Collection, e-commerce Protection, and more</li> <li>Receive a welcome gift* of 100,000 Rewards Points *for new-to-RCBC Credit Card applicants only</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC Visa Platinum	<p>The VIP Travelers Card</p> <ul style="list-style-type: none"> <li>The only RCBC Credit Card with Preferred AIRMILES which allows you to earn free flights faster</li> <li>Every Php25 overseas/Php 48 spend = 1 Preferred AIRMILE at 1:1 conversion to Asia Miles, Mabuhay Miles, or airasia Rewards</li> <li>Complimentary Priority Pass™ membership and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>Complimentary Travel Insurance &amp; Purchase Protection</li> <li>Access to Visa Affluent benefits such as 24/7 Visa Concierge, Visa Luxury Hotel Collection, e-commerce Protection, and more</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC World Mastercard	<p>The ideal card for the highly esteemed clients.</p> <ul style="list-style-type: none"> <li>For as low as Php36 spend = 1 Rewards Point</li> <li>Instantly redeem your Points and use to pay for your recent purchases via Pay with Rewards through Erica chatbot</li> <li>Complimentary Priority Pass™ membership and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>Complimentary Travel Insurance with Travel Medical &amp; COVID-19 Coverage &amp; Purchase Protection</li> <li>Access to exceptional offers, travel guides, recommendations &amp; more via the Mastercard Travel &amp; Lifestyle Service. Plus, complimentary e-Commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>

Product/Service	Description
RCBC Black Card Platinum Mastercard	<p>The prestigious card that provides exceptional travel and lifestyle benefits.</p> <ul style="list-style-type: none"> <li>Available in Peso &amp; Dollar variants</li> <li>For as low as Php36 spend = 1 Rewards Point</li> <li>Can be redeemed as AIRMILES, shopping vouchers, cash credits, or donation</li> <li>World-Class Travel perks such as free access to PAGSS International Lounges in NAIA Terminals 1 &amp; 3 and complimentary Travel Insurance &amp; Purchase Protection</li> <li>Complimentary e-commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC Diamond Card Platinum Mastercard	<p>An affinity card that allows you to automatically donate to a worthy cause.</p> <ul style="list-style-type: none"> <li>Through its Diamond Cares Program, every Php100 card spent, Php0.10 will be automatically donated to your preferred charity – Gawad Kalinga's Kusina ng Kalinga, Zonta Foundation for Women, or WWF</li> <li>For as low as Php36 spend = 1 Rewards Point</li> <li>Can be redeemed as AIRMILES, shopping vouchers, cash credits, or donation</li> <li>World-Class Travel perks such as free access to PAGSS International Lounges in NAIA Terminals 1 &amp; 3 and complimentary Travel Insurance &amp; Purchase Protection</li> <li>Complimentary e-commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC JCB Platinum	<p>Prestige &amp; privileges in a single card</p> <ul style="list-style-type: none"> <li>Perfect for your Japan travel!</li> <li>Earn higher Rewards Points for purchases in Japan</li> <li>Every Php25 retail spend in Japan = 1 Rewards Point</li> <li>Exclusive travel, attractions, &amp; shopping offers in Japan</li> <li>24/7 Concierge Desk</li> <li>Earn Rewards Points for your purchases elsewhere which can be redeemed as AIRMILES, shopping vouchers, cash credits, or donation</li> <li>World-Class Travel perks such as complimentary access to airport lounges in Japan, Hawaii, Guam, Seoul, and more major cities, free access to PAGSS International Lounges in NAIA Terminals 1 &amp; 3, and complimentary Travel Insurance &amp; Purchase Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC UnionPay Diamond Card	<p>The ideal card for frequent travelers to China.</p> <ul style="list-style-type: none"> <li>Perfect for your travel in China!           <ul style="list-style-type: none"> <li>Earn 2x Rewards Points on hotel &amp; restaurant spend in China and Hong Kong</li> <li>Exclusive access to travel &amp; lifestyle offers in China</li> </ul> </li> <li>Earn Rewards Points for your purchases elsewhere</li> <li>Can be redeemed as AIRMILES, shopping vouchers, cash credits, or donation</li> <li>World-Class Travel perks such as free access to PAGSS International Lounges in NAIA Terminals 1 &amp; 3 and complimentary Travel Insurance &amp; Purchase Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>

# Products and Services

Product/Service	Description
RCBC Hexagon Priority World Mastercard	<p>Create unlimited unforgettable, priceless experiences.</p> <ul style="list-style-type: none"> <li>• A FREE-FOR-LIFE complimentary credit card for RCBC Hexagon Club Priority members</li> <li>• Especially reserved for highly valued customers, RCBC Hexagon Club Priority is a priority banking program that provides personalized service, expert and tailored advice, and exclusive perks and privileges</li> <li>• For as low as Php36 spend = 1 Rewards Point</li> <li>• Instantly redeem your Points and use to pay for your recent purchases via Pay with Rewards through Erica chatbot</li> <li>• World-class Travel &amp; Lifestyle perks such as complimentary Priority Pass™ membership &amp; access PAGSS International Lounges in NAIA Terminals 1 and 3, Travel Insurance with Travel Medical &amp; COVID-19 Coverage &amp; Purchase Protection, access to Mastercard Travel &amp; Lifestyle Service, and complimentary e-Commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC Hexagon Club Platinum Mastercard	<p>Enjoy a life full of rewards.</p> <ul style="list-style-type: none"> <li>• A FREE-FOR-LIFE complimentary credit card for RCBC Hexagon Club members</li> <li>• Hexagon Club is RCBC's premier club for accountholders where members enjoy premium banking service and special perks for a total RCBC banking experience.</li> <li>• For as low as Php36 spend = 1 Rewards Point</li> <li>• Can be redeemed as AIRMILES, shopping vouchers, cash credits, or donation</li> <li>• World-Class Travel perks such as free access to PAGSS International Lounges in NAIA Terminals 1 &amp; 3 and complimentary Travel Insurance &amp; Purchase Protection</li> <li>• Complimentary e-commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
YGC Rewards Plus RCBC Credit Card	<p>Get rewarded with your banking and insurance transactions.</p> <ul style="list-style-type: none"> <li>• Earn Rewards Points from your RCBC deposit, RCBC home and auto loan, and Malayan insurance payments</li> <li>• Earn Rewards Points from your card spending here and abroad</li> <li>• Earn flexible, non-expiring Rewards points from your purchases which you can exchange for AIRMILES, Shopping Vouchers, or Cash Credit to your RCBC Credit Card</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Available in Platinum Mastercard and Gold &amp; Classic Visa variants.</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC GOLD and CLASSIC Mastercard Credit Cards	<p>The card for those moving up the ladder of success.</p> <ul style="list-style-type: none"> <li>• Earn flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Credit Card, Deposit to an RCBC account, or as Donation</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Free budget monitoring tools</li> <li>• Convenient and rewarding bills payment</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC GOLD and CLASSIC JCB Credit Cards	<p>The card for those moving up the ladder of success.</p> <ul style="list-style-type: none"> <li>• Earn flexible, non-expiring Rewards points which can be exchanged for AIRMILES, Cash Rebates, Shopping Vouchers, Cash Credit to RCBC Credit Card, Deposit to an RCBC account, or as Donation</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Free budget monitoring tools</li> <li>• Convenient and rewarding bills payment</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>

Product/Service	Description
RCBC Flex Gold Visa	<p>The card that's packed with rewarding benefits for young professionals</p> <ul style="list-style-type: none"> <li>• 2X Rewards Points on three preferred categories – choose from Grocery, Gas, Department Store, Household Appliances or Travel</li> <li>• Earn flexible, non-expiring Rewards Points on purchases elsewhere</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Free budget monitoring tools</li> <li>• Convenient and rewarding bills payment</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC Flex Visa	<p>The card that will enable millennial to achieve their life goals</p> <ul style="list-style-type: none"> <li>• 2X Rewards Points on two preferred categories – choose from Dining, Clothing, Travel or Transportation</li> <li>• Earn flexible, non-expiring Rewards Points on purchases elsewhere</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Free budget monitoring tools</li> <li>• Convenient and rewarding bills payment</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC Corporate Card	<p>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.</p> <p>Available in Philippine Peso and US Dollar</p>
<b>CO-BRAND CARDS</b>	
RCBC Landmark Anson's Mastercard	<p>The breakthrough card that combines the benefits of a loyalty card, discount card, and credit card ALL-IN-ONE.</p> <ul style="list-style-type: none"> <li>• No-Cap 3% Rebate on your Landmark Department Store, Landmark Supermarket and Anson's straight purchases from Monday to Friday</li> <li>• Earn flexible, non-expiring Rewards Points for all purchases outside Landmark</li> <li>• Redeem Landmark Gift Certificates with your Rewards Points</li> <li>• International Travel Privileges – Travel Insurance, Purchase Protection, and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
AirAsia Credit Card	<p>Your ticket to free flights</p> <ul style="list-style-type: none"> <li>• Up to 8,000 Welcome Airasia Points* *for new-to-RCBC Credit Card applicants only</li> <li>• Earn 1 Airasia Point for as low as Php22 spend</li> <li>• Instant upgrade to AirAsia Platinum Membership Status</li> <li>• Priority Check-in, Boarding and Xpress Baggage</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
ZALORA Credit Card	<p>The first fashion &amp; lifestyle credit card in the region that rewards you every time you shop online.</p> <ul style="list-style-type: none"> <li>• Free Php5,000 Shopping Credits as your Welcome Gift* *for new-to-RCBC Credit Card applicants only</li> <li>• Earn up to 6% Cashback on ZALORA &amp; other online purchases, plus flexible Rewards Points on other retail spend</li> <li>• Unlimited Free Shipping with ZNOW</li> <li>• Free Virtual Card for a safe online shopping experience</li> <li>• First eco-friendly credit card in the country</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>



# Products and Services

Product/Service	Description
RCBC Balesin World Mastercard	<p>High-status Card with world-class perks exclusive to members of the prestigious Balesin Island Club</p> <ul style="list-style-type: none"> <li>• For as low as Php36 spend = 1 Rewards Point</li> <li>• Instantly redeem your Points and use to pay for your recent purchases via Pay with Rewards through Erica chatbot</li> <li>• Rewards Points that can be redeemed as payment for Balesin Club transactions at point-of-sale, as AIRMILES, or as Cash Rebates</li> <li>• Complimentary Priority Pass™ membership and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Complimentary Travel Insurance with Travel Medical &amp; COVID-19 Coverage &amp; Purchase Protection</li> <li>• Access to exceptional offers, travel guides, recommendations &amp; more via the Mastercard Travel &amp; Lifestyle Service. Plus, complimentary e-Commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>
RCBC The City Club World Mastercard	<p>High-status Card with unparalleled perks exclusive to members of the prestigious The City Club</p> <ul style="list-style-type: none"> <li>• For as low as Php36 spend = 1 Rewards Point</li> <li>• Instantly redeem your Points and use to pay for your recent purchases via Pay with Rewards through Erica chatbot</li> <li>• Rewards Points that can be redeemed as payment for The City Club transactions at point-of-sale, as AIRMILES, or as Cash Rebates</li> <li>• Complimentary Priority Pass™ membership and access to PAGSS International Lounges in NAIA Terminals 1 and 3</li> <li>• Complimentary Travel Insurance with Travel Medical &amp; COVID-19 Coverage &amp; Purchase Protection</li> <li>• Access to exceptional offers, travel guides, recommendations &amp; more via the Mastercard Travel &amp; Lifestyle Service. Plus, complimentary e-Commerce Protection</li> </ul> <p><i>Terms &amp; Conditions apply.</i></p>

## TRUST SERVICES

Product/Service	Description
<b>Trusteeship</b>	
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.
Retail 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.
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.
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.

Product/Service	Description
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.
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.
Life Insurance Trust	An irrevocable trust where the trustor designates the trust institution as trustee and irrevocable beneficiary of his life insurance policy/ies so that upon his death, the trust institution can file the death benefit claim from the insurance company, manage and distribute the insurance proceeds to the ultimate beneficiaries according to the instructions of the trustor during his lifetime.
<b>Agency</b>	
Escrow	<p>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.</p> <p>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.</p>
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.
Investment Management (via ROR)	An agency account processed and arranged via the digital platform wherein the trust institution manages and invests funds delivered by individual or corporate clients in accordance with certain client-prescribed guidelines and parameters.
Investment Management Account (IMA) Special Agency Loan	Directed IMA loan facility
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 principal amortizations, bond paying services to distribute coupon and principal payments to bond investors or simple distribution of funds to numerous investors.
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.
<b>Unit Investment Trust Fund</b>	
RCBC Peso Money Market Fund	The Fund is classified as a money market fund consisting of investments in bank deposits and fixed income securities with remaining terms to maturity of not more than three (3) years and has a weighted average portfolio life of one (1) year or less. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.

# Products and Services

Product/Service	Description
RCBC Peso Cash Management Fund	The Fund is classified as a money market fund consisting of investments in bank deposits and fixed income securities with remaining terms to maturity of not more than three (3) years and has a weighted average portfolio life of one (1) year or less. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.
RCBC Peso Fixed Income Fund	The Fund is classified as a fixed income fund and has a weighted average portfolio life of more than one (1) year. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.
RCBC Multi-Asset Fund	The Fund is classified as a multi-asset fund consisting of a diversified portfolio of fixed income securities, equities, and other allowable investments for UITFs.
RCBC Equity Fund	The Fund is classified as an equity fund consisting of a portfolio with at least 80% of its Net Asset Value (NAV) invested in local equities.
RCBC Dollar Money Market Fund	The Fund is classified as a money market fund consisting of investments in bank deposits and fixed income securities with remaining terms to maturity of not more than three (3) years and has a weighted average portfolio life of one (1) year or less. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.
RCBC Dollar Fixed Income Fund	The Fund is classified as a fixed income fund and has a weighted average portfolio life of more than one (1) year. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.
RCBC Peso Short Term Fund	The Fund is classified as a money market fund consisting of investments in bank deposits and fixed income securities with remaining terms to maturity of not more than three (3) years and has a weighted average portfolio life of one (1) year or less. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.
RCBC R25 Blue Chip Equity Fund	The Fund is classified as an equity fund consisting of a portfolio with at least 80% of its Net Asset Value (NAV) invested in local equities.
RCBC R25 Dividend Equity Fund	The Fund is classified as an equity fund consisting of a portfolio with at least 80% of its Net Asset Value (NAV) invested in local equities.
RCBC US Equity Index Feeder Fund	The Investor Fund is classified as a US EQUITY FEEDER FUND consisting of a portfolio with at least 90% invested in a single US equity index fund (herein referred to as the "Target Fund") duly registered/authorized/approved in its home jurisdiction by a regulatory authority that is a member of the International Organization of Securities Commission (IOSCO), with the balance invested in US dollar denominated deposits or other money market instruments.

## ELECTRONIC BANKING

Product/Service	Description
RCBC Pulz	RCBC Pulz 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 Pulz 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 Pulz. The RCBC Pulz 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 equip 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.

Product/Service	Description
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 Machine (ATM)	With over 1,400 ATMs nationwide, you can save time and evade the queueing at payment centers
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.



# Products and Services

## CORPORATE CASH MANAGEMENT SERVICES

Product/Service	Description
<b>Collection and Receivables Services</b>	
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. API-integration is also available allowing real-time validation of reference numbers as well as sending of payment transaction details to the customer. Crediting of all payments or collections can either be done in batch by EOD or posted real-time to the biller/merchants account including the consolidated daily collection report summarizing all collections received for the day. T 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. Payors can do online ADA enrollment of its RCBC account through RCBC Online Banking (ROR).
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	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 real-time in a web-based portal, 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, either real-time per deposit or by batch on a scheduled basis. Cash inside the machine will be picked-up by the Service Provider once the threshold limit is reached or at least once a week. 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, based on enrolled maximum threshold (P200K or P300K), 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 also includes a mobile app to scan and send the check images to the bank for the deposit.

Product/Service	Description
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.
<b>Channels</b>	
Over the Counter (OTC)	Transact Over-the-Counter payments in branches nationwide.
Automated Teller Machine (ATM)	With over 1,400 ATMs nationwide, you can save time and evade the queueing at payment centers
Internet – RCBC Online Corporate (ROC)	The latest internet banking experience for RCBC corporate clients. ROC is equip 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 App	Approve your online transactions, anytime, anywhere.
Corporate Cash Management Application Programming Interface (API) library	With over 70 available APIs of Cash Management services, this offers seamless integration with Corporate clients to support real time transaction processing
<b>Disbursements</b>	
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).
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 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 releasing branches nationwide.
Payroll Service	<p>ONLINE PAYROLL ACCOUNT OPENING via DIGITAL PAYROLL PORTAL</p> <ul style="list-style-type: none"> <li>This facility is an online platform that allows employees of enrolled payroll companies to open an RCBC payroll account online using their internet browser (laptop or mobile phone).</li> </ul> <p>PAYROLL CREDITING</p> <ul style="list-style-type: none"> <li>This facility allows clients to conveniently send payroll instructions via ROC, to credit the RCBC accounts of their employees.</li> </ul> <p>PAYROLL PROCESSING (with software)</p> <ul style="list-style-type: none"> <li>This facility automates client's payroll computation and processing.</li> </ul>
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).
<b>Government Payment</b>	
BIR ePayment	BIR ePayment provides clients with a faster and secured way of settling their tax payments via RCBC Online Corporate (ROC).
<b>Third Party Services</b>	
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).

# Products and Services

## RETAIL CASH MANAGEMENT SERVICES

Product/Service	Description
<b>MyDebit Card</b>	
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.
<b>MyWallet Card</b>	
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 physical 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.
<b>ELECTRONIC BANKING CHANNELS</b>	
Automated Teller Machines	Provides the customer 24/7 access to his/her account and perform multiple types of transactions such as withdrawal, cash-out, bills payment, funds transfer, balance inquiry, cash advance, change pin.

## INVESTMENT BANKING

Product/Service	Description
<b>Underwriting of Debt and Equity Securities for distribution via Public Offering or Private Placement:</b>	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.
Real Estate Investment Trusts (REITs)	
Common and Preferred Stock	
Long- and Short-Term Commercial Papers	
Corporate Government Bonds	
<b>Arranging/Packaging of:</b>	Facilitates the raising of funds from a lender or a party of lenders which provide credit facilities, either in peso or fcd. It also includes negotiating the financing structure for project finance loans.
Syndicated Loans (Peso and Dollar)	
Corporate Notes	
Promissory Notes	
Project Finance	
Acquisition Finance	
<b>Financial Advisory and Consultancy</b>	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.
<b>Mergers and Acquisitions</b>	

## REMITTANCE SERVICES

Product/Service	Description
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.
Maritime Allotment Payment System (MAPS)	A complete payroll solution system designed specifically for shipping and manning companies that deploy employees abroad. A 201 HR file, it can generate reports such as Philhealth, Pag-ibig and SSS as well as print payslips for both seafarers and beneficiaries.

## ANCILLIARY SERVICES

Day & Night Depository Services	Research (Economic & Investment)
Deposit Pick-up and Delivery	Wealth Management
Foreign Currency Conversions	Safety Deposit Box
Foreign Trade Information	



# Statement of Management's Responsibility for Financial Statements

The management of Rizal Commercial Banking and Subsidiaries (the Group), is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as of and for the year ended December 31, 2023 (including the comparative financial statements as of December 31, 2022 and for the years ended December 31, 2022 and 2021), in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, have audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

## HELEN Y. DEE

Chairperson, Board of Directors

## EUGENE S. ACEVEDO

President & Chief Executive Officer

## ALBERTO N. PEDROSA

EVP, Head – Treasury Group

## FLORENTINO M. MADONZA

FSVP, Head – Controllership Group

SUBSCRIBED AND SWORN TO BEFORE ME, this \_\_\_ day of MAR 14 2024, at Makati City, Philippines, affiants exhibited to me their valid identifications.

# Independent Author's Report

**The Board of Directors and the Stockholders**  
**Rizal Commercial Banking Corporation**  
Yuchengco Tower, RCBC Plaza  
6819 Ayala Avenue cor. Sen. Gil Puyat Avenue  
Makati City

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Rizal Commercial Banking Corporation and subsidiaries (together hereinafter referred to as the Group) and of Rizal Commercial Banking Corporation (the Parent Company), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the financial statements, including material accounting policy information.

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

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following are the key audit matters identified in our audit of the financial statements of the Group and of the Parent Company:

#### (a) Valuation of Loans and Other Receivables (Expected Credit Losses)

##### Description of the Matter

As at December 31, 2023, the Group's and the Parent Company's expected credit losses (ECL) allowance for loans and receivables amounted to P17,395 million and P16,021 million, respectively, while the carrying amount of loans and receivables amounted to P649,929 million and P643,681 million, respectively (as disclosed in Note 11). We have identified the Group's and the Parent Company's ECL model significant to our audit as this:

# Independent Author's Report

- requires significant management judgment on the interpretation and implementation of the requirements of PFRS 9, *Financial Instruments*, in assessing impairment of loans and receivables based on an ECL model that involves segmenting credit risk exposures, defining when does default occur and what constitutes a significant increase in credit risk (SICR) of different exposures;
- involves high degree of estimation uncertainty related to management's use of various inputs and assumptions applied in the ECL model such as credit risk rating and probability of default for corporate loans, flow rates for consumer loans, expected amount and timing of cash flows, including recovery of collaterals for defaulted accounts, and forward-looking macroeconomic information which may be affected by management estimation bias; and
- requires complex estimation process that entails implementation of internal controls and use of information system in ensuring the completeness and accuracy of data used in the ECL calculation and in the preparation of required disclosures in the financial statements.

In accordance with the Group's and the Parent Company's policy to appropriately validate its credit risk assessment models, management engaged an independent consultant to conduct a validation of its ECL model parameters, assumptions, design, and calibration in 2023. This included a review of the governance framework for ECL computation, the related processes and systems, input data quality checks, and methodologies used in the calculation of ECL. This also involved the validation of the robustness, consistency and accuracy of the ECL model as well as its continued relevance to the loans and receivables of the Group and the Parent Company. As a result, the Group and the Parent Company incorporated adjustments through an enhancement on application of criteria to identify SICR, exclusion of periods affected by COVID-19, and refresh of its probability of default, overlay and LGD models.

The material accounting policy information, significant judgments, including estimation applied by the management, and those related to the credit risk assessment process of the Group and the Parent Company are disclosed in Notes 2, 3 and 4 to the financial statements, respectively.

## *How the Matter was Addressed in the Audit*

We obtained an understanding of the Group's and the Parent Company's accounting policies and methodologies applied and evaluated whether those: (a) are established and implemented consistent with the underlying principles of PFRS 9; (b) are appropriate in the context of the Group's lending activities and asset portfolio that takes into consideration the different segments of credit exposures and the relevant regulatory framework; and, (c) are supported by pertinent processes and controls, including documentations of the accounting policies that capture in sufficient detail the judgment, including estimation applied in the development of the Group's refreshed ECL model. We also obtained an understanding of the model validation process and the corresponding results, and evaluated whether: (a) the validation process is conducted by an independent party with the necessary experience and expertise; (b) the scope, methodologies and assumptions used in the model validation are appropriate; and (c) the recommendations from the model validation are reviewed and resulting changes to the ECL model are approved.

With respect to the use of significant judgments, including those involving estimation of inputs and assumptions used in the refreshed ECL model, we performed the following:

- engaged our Firm specialist to assist in evaluating the appropriateness of methodologies and assumptions used in the ECL calculation, including the changes on the Group's refreshed ECL model;
- assessed the Group's and the Parent Company's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics and past due determination based on portfolio flow rates, and evaluated the appropriateness of the specific model applied for each loan portfolio;
- evaluated both the quantitative and qualitative criteria applied in the definition of default against historical analysis for each segment of loan portfolio and in accordance with credit risk management practices, and tested the criteria in the determination of the SICR, including assignment of a loan or group of loans into different stages of impairment;
- tested the Group's and the Parent Company's application of internal credit risk rating system for selected items of loans, and verified the mapping of the ratings to the ECL calculation;
- for forward-looking information, evaluated management's selection of macro-economic factors, scenarios and probability weightings, and assessed the reasonableness of the forecasted economic indicators by comparing with trusted publicly available information;
- tested loss given default information across various types of loan by inspecting records of historical recoveries and relevant costs, including valuation and cash flows from collateral, and write-offs; and,
- reconciled and tested exposure at default for all outstanding loans against the relevant loan databases, including review of the potential exposures from undrawn commitments against historical drawdown and impact of loan modifications.

As part of our audit of the ECL methodology, we reviewed the completeness and accuracy of the historical and measurement data used in the ECL model through reconciliation of loan data subjected to the ECL calculations, which were prepared by management outside its general ledger system, against the relevant financial reporting applications and other accounting records. Moreover, we tested the stratification of loan data that were disaggregated into various portfolio segments for purposes of ECL calculations. Furthermore, we verified the mathematical formula and the computation logics applied in the calculation of the different inputs in the ECL model and the estimation of the credit losses for all loans and receivables subjected to impairment assessment. In addition, in using the work of the management's expert, we evaluated the expert's competence, capabilities and objectivity on the ECL model validation performed.

We evaluated the completeness and appropriateness of the disclosures in the financial statements against the requirements of the relevant financial reporting standards.



# Independent Author's Report

## **(b) Fair Value Measurement of Unquoted Equity Securities**

### *Description of the Matter*

The Group and the Parent Company have significant investments in unquoted equity securities measured at fair value through other comprehensive income amounting to P2,480 million and P2,402 million, respectively, as of December 31, 2023 (as disclosed in Note 10). The valuation of these financial instruments involves complex valuation techniques (i.e., price-to-book value method and discounted cash flow method) and significant estimation which are highly dependent on underlying assumptions and inputs such as price-to-book ratios of selected comparable listed entities, application of a certain haircut rate, and appropriate discount rate in computing the present value of future cash flows expected from dividend or redemption payments. These inputs are considered Level 3 unobservable inputs in the fair value hierarchy under PFRS 13, *Fair Value Measurement*, as discussed in Notes 3 and 7 to the financial statements. Accordingly, we assessed the valuation of the unquoted equity securities as a key audit matter.

### *How the Matter was Addressed in the Audit*

We evaluated the appropriateness of management's valuation methodology in accordance with PFRS 13. For equity securities valued using the price-to-book value method, we engaged our Firm valuation specialist to assess and challenge the valuation assumptions used, including the identification and selection of comparable listed entities and the related financial information such as net book value per share and quoted prices of those listed entities. In testing the reasonableness of the haircut rate used, we reviewed available non-financial information relevant to the assessment of the potential marketability of the subject security, and the consistency of the application of the haircut rate used in prior period in light of the current industry and economic circumstances. With respect to the equity securities measured using the net asset value method, we involved our Firm valuation specialist to evaluate the appropriateness of the valuation method and reasonableness of the fair value of the net assets of the counterparties. We also verified the mathematical accuracy of the calculation for both valuation techniques used by management.

## **(c) Recoverability of Goodwill and Branch Licenses**

### *Description of the Matter*

The Group and the Parent Company has goodwill of P426 million and P269 million, respectively, and branch licenses with indefinite useful lives amounting to P1,000 million as of December 31, 2023. These are reported as part of Other Resources in the 2023 statement of financial position of the Group and Parent Company (as disclosed in Note 15).

Under PFRS, the Group and the Parent Company are required to annually test the amount of goodwill and branch license with indefinite useful lives for impairment. This annual impairment testing of goodwill and branch licenses with indefinite useful lives for impairment is considered to be a key audit matter because of the complexity of the management's process in assessing the recoverability of the intangible assets. In addition, the assumptions used in determining the cash generating units (CGUs) where the goodwill and branch licenses with indefinite useful lives are allocated and estimating the recoverable amount involves significant judgment. The recoverable amount of the CGUs has been computed using discounted cash flows method. This valuation method uses several key assumptions, including estimates for forecasted statements of financial position and income of CGUs, terminal value growth rates and discount rates. Hence, we assessed this as a key audit matter.

The Group and the Parent Company's disclosures about goodwill and branch licenses are included in Notes 2, 3 and 15 to the financial statements.

### *How the Matter was Addressed in the Audit*

Our audit procedures to address the risk of material misstatement relating to impairment of goodwill and branch licenses with indefinite useful lives included, among others, evaluating the appropriateness of valuation methodologies and related assumptions used by the management, in particular, those relating to the forecasted statements of financial position and statement of income as well as the discount and growth rates used. We have engaged our Firm valuation specialist to assist in evaluating the appropriateness of the valuation method and assumptions used in estimating the recoverable amount of CGUs. In addition, our audit of the financial statements of the Group and the Parent Company as of and for the year ended December 31, 2023 did not identify events or conditions that may indicate impairment of the Group's and the Parent Company's goodwill and branch licenses.

## **Other Information**

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

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

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

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

# Independent Author's Report

## Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. As discussed in Note 25 to the financial statements, the Parent Company presented the supplementary information required by the Bureau of Internal Revenue (BIR) under Revenue Regulations (RR) 15-2010 in a supplementary schedule filed separately from the basic financial statements. RR 15-2010 requires the supplementary information to be presented in the notes to financial statements. The supplementary information for the year ended December 31, 2023, 2022 and 2021 required by the Bangko Sentral ng Pilipinas (BSP) as disclosed in Note 33 to the financial statements is presented for purposes of additional analysis. Such supplementary information required by the BIR and BSP are the responsibility of management and are not a required part of the basic financial statements prepared in accordance with PFRS; it is neither a required disclosure under the Revised Securities Regulation Code Rule 68 of the SEC. The supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audits resulting in this independent auditors' report is Maria Isabel E. Comedia.

## PUNONGBAYAN & ARAULLO



By: **Maria Isabel E. Comedia**  
Partner

CPA Reg. No. 0092966  
TIN 189-477-563  
PTR No. 10076138, January 3, 2024, Makati City  
SEC Group A Accreditation  
Partner - No. 92966-SEC (until financial period 2027)  
Firm - No. 0002 (until financial period 2024)  
BIR AN 08-002511-021-2022 (until Oct. 13, 2025)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

February 26, 2024



# Statements of Financial Position

December 31, 2023 and 2022

(Amounts in Millions of Philippine Pesos)

	Notes	GROUP		PARENT COMPANY	
		2023	2022	2023	2022
<b><u>RESOURCES</u></b>					
CASH AND OTHER CASH ITEMS	9	P 19,875	P 18,078	P 19,812	P 18,024
DUE FROM BANGKO SENTRAL NG PILIPINAS	9	151,762	156,664	150,771	155,340
DUE FROM OTHER BANKS	9	14,892	5,836	14,630	5,383
LOANS ARISING FROM REVERSE REPURCHASE AGREEMENTS	9	35,799	8,724	34,948	8,552
TRADING AND INVESTMENT SECURITIES - Net	10	330,742	374,365	328,443	371,732
LOANS AND RECEIVABLES - Net	11	649,929	558,869	643,681	551,214
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES - Net	12	509	379	6,401	7,035
BANK PREMISES, FURNITURE, FIXTURES AND EQUIPMENT - Net	13	9,129	11,264	7,805	9,546
INVESTMENT PROPERTIES - Net	14	543	2,616	543	2,488
DEFERRED TAX ASSETS - Net	25	5,775	3,740	5,351	3,508
OTHER RESOURCES - Net	15	19,377	13,573	18,505	11,927
<b>TOTAL RESOURCES</b>		<b>P 1,238,332</b>	<b>P 1,154,108</b>	<b>P 1,230,890</b>	<b>P 1,144,749</b>

*See Notes to Financial Statements.*

# Statements of Financial Position

December 31, 2023 and 2022

(Amounts in Millions of Philippine Pesos)

	Notes	GROUP		PARENT COMPANY	
		2023	2022	2023	2022
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>DEPOSIT LIABILITIES</b>	17	<b>P 956,712</b>	P 857,244	<b>P 957,369</b>	P 857,639
<b>BILLS PAYABLE</b>	18	<b>50,858</b>	66,660	<b>43,957</b>	58,391
<b>BONDS PAYABLE</b>	19	<b>34,939</b>	74,411	<b>34,939</b>	74,411
<b>ACCRUED INTEREST, TAXES AND OTHER EXPENSES</b>	20	<b>12,082</b>	8,428	<b>11,786</b>	8,192
<b>OTHER LIABILITIES</b>	21	<b>31,466</b>	31,004	<b>30,573</b>	29,832
Total Liabilities		<b>1,086,057</b>	1,037,747	<b>1,078,624</b>	1,028,465
<b>EQUITY</b>	22				
Attributable to:					
Parent Company's Shareholders		<b>152,269</b>	116,353	<b>152,266</b>	116,284
Non-controlling Interests		<b>6</b>	8	<b>-</b>	-
		<b>152,275</b>	116,361	<b>152,266</b>	116,284
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 1,238,332</b>	P 1,154,108	<b>P 1,230,890</b>	P 1,144,749

*See Notes to Financial Statements.*



# Statements of Profit or Loss

December 31, 2023 and 2022 and 2021

(Amounts in Millions of Philippine Pesos, Except Per Share Data)

	Notes	GROUP			PARENT COMPANY		
		2023	2022	2021	2023	2022	2021
<b>INTEREST INCOME</b>							
Loans and receivables	11	P 49,407	P 34,970	P 31,900	P 48,569	P 34,367	P 31,095
Trading and investment securities	10	13,239	9,755	4,448	13,171	9,683	4,379
Due from BSP and other banks	9	3,643	1,110	763	3,544	1,077	755
		<u>66,289</u>	<u>45,835</u>	<u>37,111</u>	<u>65,284</u>	<u>45,127</u>	<u>36,229</u>
<b>INTEREST EXPENSE</b>							
Deposit liabilities	17	28,035	10,057	4,059	28,056	10,055	4,056
Bills payable and other borrowings	13, 18, 19, 21, 23	4,625	4,562	4,221	4,246	4,173	3,837
		<u>32,660</u>	<u>14,619</u>	<u>8,280</u>	<u>32,302</u>	<u>14,228</u>	<u>7,893</u>
<b>NET INTEREST INCOME</b>		<u>33,629</u>	<u>31,216</u>	<u>28,831</u>	<u>32,982</u>	<u>30,899</u>	<u>28,336</u>
<b>IMPAIRMENT LOSSES - Net</b>							
Financial assets	16 4, 10, 11	6,677	5,347	5,013	5,864	5,131	4,912
Non-financial assets	14, 15	211	359	1,035	210	358	1,021
		<u>6,888</u>	<u>5,706</u>	<u>6,048</u>	<u>6,074</u>	<u>5,489</u>	<u>5,933</u>
<b>NET INTEREST INCOME AFTER IMPAIRMENT LOSSES</b>		<u>26,741</u>	<u>25,510</u>	<u>22,783</u>	<u>26,908</u>	<u>25,410</u>	<u>22,403</u>
<b>OTHER OPERATING INCOME</b>							
Gain on assets sold - net	13, 14, 15	6,714	3,088	101	6,656	2,985	196
Service fees and commissions	2	6,658	5,469	4,549	6,362	5,112	4,047
Trading and securities gains (losses) - net	10	444	( 37 )	863	429	22	856
Trust fees	26	423	415	392	423	415	392
Gain on disposal of subsidiaries	12	243	-	-	243	-	-
Share in net earnings (losses) of subsidiaries and associates	12	92	32	12	( 157 )	154	477
Foreign exchange gains (losses) - net	19	( 15 )	1,567	181	( 22 )	1,555	171
Miscellaneous - net	24	1,809	2,704	1,465	1,373	2,012	575
		<u>16,368</u>	<u>13,238</u>	<u>7,563</u>	<u>15,307</u>	<u>12,255</u>	<u>6,714</u>
<b>TOTAL OPERATING INCOME (Forward)</b>		<u>P 43,109</u>	<u>P 38,748</u>	<u>P 30,346</u>	<u>P 42,215</u>	<u>P 37,665</u>	<u>P 29,117</u>

# Statements of Profit or Loss

December 31, 2023 and 2022 and 2021

(Amounts in Millions of Philippine Pesos, Except Per Share Data)

	Notes	GROUP			PARENT COMPANY		
		2023	2022	2021	2023	2022	2021
<b>TOTAL OPERATING INCOME</b>		<b>P 43,109</b>	P 38,748	P 30,346	<b>P 42,215</b>	P 37,665	P 29,117
<b>OTHER OPERATING EXPENSES</b>							
Employee benefits	23	7,150	6,563	6,371	6,321	5,794	5,686
Taxes and licenses		6,534	4,645	3,475	6,416	4,508	3,341
Depreciation and amortization	13, 14, 15	3,365	3,037	3,020	3,014	2,544	2,524
Occupancy and equipment-related	27, 28	3,262	2,908	2,820	3,172	2,813	2,763
Miscellaneous	24	9,283	7,947	6,849	9,791	8,408	7,196
		<u>29,594</u>	<u>25,100</u>	<u>22,535</u>	<u>28,714</u>	<u>24,067</u>	<u>21,510</u>
<b>PROFIT BEFORE TAX</b>		<b>13,515</b>	13,648	7,811	<b>13,501</b>	13,598	7,607
<b>TAX EXPENSE</b>	25	<u>1,298</u>	<u>1,568</u>	<u>728</u>	<u>1,283</u>	<u>1,518</u>	<u>525</u>
<b>NET PROFIT</b>		<b><u>P 12,217</u></b>	P 12,080	P 7,083	<b><u>P 12,218</u></b>	P 12,080	P 7,082
<b>ATTRIBUTABLE TO:</b>							
<b>PARENT COMPANY'S SHAREHOLDERS</b>		<b>P 12,218</b>	P 12,080	P 7,082			
<b>NON-CONTROLLING INTERESTS</b>		<b>( 1)</b>	-	1			
		<b><u>P 12,217</u></b>	<b><u>P 12,080</u></b>	<b><u>P 7,083</u></b>			
<b>Earnings Per Share</b>							
Basic and diluted	29	<b><u>P 5.07</u></b>	<b><u>P 5.42</u></b>	<b><u>P 3.09</u></b>			

See Notes to Financial Statements.



# Statements of Comprehensive Income

For The Years Ended December 31, 2023 and 2022 and 2021  
(Amounts in Millions of Philippine Pesos)

	Notes	GROUP			PARENT COMPANY		
		2023	2022	2021	2023	2022	2021
<b>NET PROFIT</b>		<b>P 12,217</b>	<b>P 12,080</b>	<b>P 7,083</b>	<b>P 12,218</b>	<b>P 12,080</b>	<b>P 7,082</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>							
<b>Items that will not be reclassified subsequently to profit or loss</b>							
Actuarial gains (losses) on defined benefit plan	23	( 1,366 )	782	425	( 1,324 )	782	375
Fair value gains on equity securities at fair value through other comprehensive income (FVOCI)	10, 22	263	191	548	276	272	490
Share in other comprehensive income (losses) of the subsidiaries and associates:							
Actuarial gains (losses) on defined benefit plan	12	16	4	( 3 )	( 26 )	4	47
Fair value gains (losses) on equity securities at FVOCI	12, 22	-	-	-	( 13 )	( 81 )	58
		( 1,087 )	977	970	( 1,087 )	977	970
<b>Items that will be reclassified subsequently to profit or loss</b>							
Fair value gains (losses) on debt securities at FVOCI	10, 22	1,432	( 5,446 )	( 823 )	1,432	( 5,446 )	( 823 )
		1,432	( 5,446 )	( 823 )	1,432	( 5,446 )	( 823 )
<b>Total Other Comprehensive Income (Loss)</b>	22	<b>345</b>	<b>( 4,469 )</b>	<b>147</b>	<b>345</b>	<b>( 4,469 )</b>	<b>147</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>P 12,562</b>	<b>P 7,611</b>	<b>P 7,230</b>	<b>P 12,563</b>	<b>P 7,611</b>	<b>P 7,229</b>
<b>ATTRIBUTABLE TO:</b>							
<b>PARENT COMPANY'S SHAREHOLDERS</b>		<b>P 12,563</b>	<b>P 7,611</b>	<b>P 7,229</b>			
<b>NON-CONTROLLING INTERESTS</b>		<b>( 1 )</b>	<b>-</b>	<b>1</b>			
		<b>P 12,562</b>	<b>P 7,611</b>	<b>P 7,230</b>			

See Notes to Financial Statements.

# Statements of Changes in Equity

For The Years Ended December 31, 2023 and 2022 and 2021

(Amounts in Millions of Philippine Pesos)

GROUP													
ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS													
Notes	COMMON STOCK	PREFERRED STOCK	CAPITAL PAID IN EXCESS OF PAR	HYBRID PERPETUAL SECURITIES	REVALUATION RESERVES	TREASURY SHARES	RESERVE FOR TRUST BUSINESS	OTHER RESERVES	GENERAL LOAN LOSS RESERVE	SURPLUS	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	P 22,509	P 3	P 42,493	P 14,463	( P 6,392 )	( P 9,287 )	P 532	( P 86 )	P 3,824	P 48,294	P 116,353	P 8	P 116,361
Balance at January 1, 2023													
Transactions with owners:													
Reissuance of treasury shares	22 -	-	-	-	-	9,287	-	-	-	-	9,287	-	9,287
Issuance of common stock	22 1,686	-	15,735	-	-	-	-	-	-	-	17,421	-	17,421
Cash dividends	22 -	-	-	-	-	-	-	-	-	( 3,289 )	( 3,289 )	-	( 3,289 )
	1,686	-	15,735	-	-	9,287	-	-	-	( 3,289 )	23,419	-	23,419
Net profit for the year	-	-	-	-	-	-	-	-	-	12,218	12,218	( 1 )	12,217
Other comprehensive income	-	-	-	-	345	-	-	-	-	-	345	( 1 )	344
General loan loss appropriation	22 -	-	-	-	-	-	-	-	775	( 775 )	-	-	-
Transfer of fair value loss on financial asset at fair value through other comprehensive income (FVOCI) to surplus	10, 22 -	-	-	-	3	-	-	-	-	( 3 )	-	-	-
Changes in ownership interest of a subsidiary	22 -	-	-	-	-	-	-	-	-	( 66 )	( 66 )	-	( 66 )
Transfer from surplus to reserve for trust business	26 -	-	-	-	-	-	19	-	-	( 19 )	-	-	-
	-	-	-	-	348	-	19	-	775	11,355	12,497	( 2 )	12,495
Balance at December 31, 2023	<b>P 24,195</b>	<b>P 3</b>	<b>P 58,228</b>	<b>P 14,463</b>	<b>( P 6,044 )</b>	<b>P -</b>	<b>P 551</b>	<b>( P 86 )</b>	<b>P 4,599</b>	<b>P 56,360</b>	<b>P 152,269</b>	<b>P 6</b>	<b>P 152,275</b>
Balance at January 1, 2022	P 22,509	P 3	P 42,505	P 14,463	( P 1,923 )	( P 9,287 )	P 508	( P 97 )	P 3,617	P 38,764	P 111,062	P 18	P 111,080
Transactions with owners:													
Reissuance of treasury shares	22 -	-	( 12 )	-	-	-	-	-	-	-	( 12 )	-	( 12 )
Cash dividends	22 -	-	-	-	-	-	-	-	-	( 2,308 )	( 2,308 )	-	( 2,308 )
	-	-	( 12 )	-	-	-	-	-	-	( 2,308 )	( 2,320 )	-	( 2,320 )
Net profit for the year	-	-	-	-	-	-	-	-	-	12,080	12,080	-	12,080
Other comprehensive loss	-	-	-	-	( 4,469 )	-	-	-	-	-	( 4,469 )	-	( 4,469 )
General loan loss appropriation	22 -	-	-	-	-	-	-	-	207	( 207 )	-	-	-
Changes in ownership interest of a subsidiary	22 -	-	-	-	-	-	-	11	-	( 11 )	-	( 10 )	( 10 )
Transfer from surplus to reserve for trust business	26 -	-	-	-	-	-	24	-	-	( 24 )	-	-	-
	-	-	-	-	( 4,469 )	-	24	11	207	11,838	7,611	( 10 )	7,601
Balance at December 31, 2022	P 22,509	P 3	P 42,493	P 14,463	( P 6,392 )	( P 9,287 )	P 532	( P 86 )	P 3,824	P 48,294	P 116,353	P 8	P 116,361
Balance at January 1, 2021	P 22,509	P 3	P 42,568	P 14,463	( P 2,070 )	( P 13,719 )	P 499	( P 97 )	P 3,451	P 33,754	P 101,361	P 17	P 101,378
Transactions with owners:													
Issuance of hybrid perpetual securities	22 -	-	( 63 )	-	-	4,432	-	-	-	-	4,369	-	4,369
Cash dividends	22 -	-	-	-	-	-	-	-	-	( 1,897 )	( 1,897 )	-	( 1,897 )
	-	-	( 63 )	-	-	4,432	-	-	-	( 1,897 )	2,472	-	2,472
Net profit for the year	-	-	-	-	-	-	-	-	-	7,082	7,082	1	7,083
Other comprehensive income	-	-	-	-	147	-	-	-	-	-	147	-	147
General loan loss appropriation	22 -	-	-	-	-	-	-	-	166	( 166 )	-	-	-
Transfer from surplus to reserve for trust business	26 -	-	-	-	-	-	9	-	-	( 9 )	-	-	-
	-	-	-	-	147	-	9	-	166	6,907	7,229	1	7,230
Balance at December 31, 2021	P 22,509	P 3	P 42,505	P 14,463	( P 1,923 )	( P 9,287 )	P 508	( P 97 )	P 3,617	P 38,764	P 111,062	P 18	P 111,080

See Notes to Financial Statements.



# Statements of Changes in Equity

For The Years Ended December 31, 2023 and 2022 and 2021  
(Amounts in Millions of Philippine Pesos)

		PARENT COMPANY									
Notes	COMMON STOCK	PREFERRED STOCK	CAPITAL PAID IN EXCESS OF PAR	HYBRID PERPETUAL SECURITIES	REVALUATION RESERVES	TREASURY SHARES	RESERVE FOR TRUST BUSINESS	GENERAL LOAN LOSS RESERVE	SURPLUS	TOTAL EQUITY	
	P	P	P	P	( P	( P	P	P	P	P	
Balance at January 1, 2023	22,509	3	42,493	14,463	( 6,392)	( 9,287)	532	3,823	48,140	116,284	
Transactions with owners:											
Reissuance of treasury shares	22	-	-	-	-	9,287	-	-	-	9,287	
Issuance of common stock	22	1,686	-	15,735	-	-	-	-	-	17,421	
Cash dividends	22	-	-	-	-	-	-	-	( 3,289)	( 3,289)	
		1,686	-	15,735	-	9,287	-	-	( 3,289)	23,419	
Net profit for the year	-	-	-	-	-	-	-	-	12,218	12,218	
Other comprehensive income	-	-	-	-	345	-	-	-	-	345	
General loan loss appropriation	22	-	-	-	-	-	-	766	( 766)	-	
Transfer of fair value gain on financial asset at fair value through other comprehensive income (FVOCI) to surplus	10, 23	-	-	-	3	-	-	-	( 3)	-	
Transfer from surplus to reserve for trust business	26	-	-	-	-	-	19	-	( 19)	-	
		-	-	-	348	-	19	766	11,430	12,563	
Balance at December 31, 2023	<b>P 24,195</b>	<b>P 3</b>	<b>P 58,228</b>	<b>P 14,463</b>	<b>( P 6,044)</b>	<b>P -</b>	<b>P 551</b>	<b>P 4,589</b>	<b>P 56,281</b>	<b>P 152,266</b>	
Balance at January 1, 2022	P 22,509	P 3	P 42,505	P 14,463	( P 1,923)	( P 9,287)	P 508	P 3,616	P 38,599	P 110,993	
Transactions with owners:											
Reissuance of treasury shares	22	-	( 12)	-	-	-	-	-	-	( 12)	
Cash dividends	22	-	-	-	-	-	-	-	( 2,308)	( 2,308)	
		-	( 12)	-	-	-	-	-	( 2,308)	( 2,320)	
Net profit for the year	-	-	-	-	-	-	-	-	12,080	12,080	
Other comprehensive loss	-	-	-	-	( 4,469)	-	-	-	-	( 4,469)	
General loan loss appropriation	22	-	-	-	-	-	-	207	( 207)	-	
Transfer from surplus to reserve for trust business	26	-	-	-	-	-	24	-	( 24)	-	
		-	-	-	( 4,469)	-	24	207	11,849	7,611	
Balance at December 31, 2022	P 22,509	P 3	P 42,493	P 14,463	( P 6,392)	( P 9,287)	P 532	P 3,823	P 48,140	P 116,284	
Balance at January 1, 2021	P 22,509	P 3	P 42,568	P 14,463	( P 2,070)	( P 13,719)	P 499	P 3,440	P 33,599	P 101,292	
Transactions with owners:											
Issuance of hybrid perpetual securities	22	-	( 63)	-	-	4,432	-	-	-	4,369	
Cash dividends	22	-	-	-	-	-	-	-	( 1,897)	( 1,897)	
		-	( 63)	-	-	4,432	-	-	( 1,897)	2,472	
Net profit for the year	-	-	-	-	-	-	-	-	7,082	7,082	
Other comprehensive income	22	-	-	-	147	-	-	-	-	147	
General loan loss appropriation	-	-	-	-	-	-	-	176	( 176)	-	
Transfer from surplus to reserve for trust business	-	-	-	-	-	-	9	-	( 9)	-	
		-	-	-	147	-	9	176	6,897	7,229	
Balance at December 31, 2021	P 22,509	P 3	P 42,505	P 14,463	( P 1,923)	( P 9,287)	P 508	P 3,616	P 38,599	P 110,993	

See Notes to Financial Statements.

# Statements of Cash Flows

For The Years Ended December 31, 2023 and 2022 and 2021  
(Amounts in Millions of Philippine Pesos)

Notes	GROUP			PARENT COMPANY				
	2023	2022	2021	2023	2022	2021		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
	Maturity of bonds payable	19, 30	( P 39,041 )	( P 31,170 )	( P 18,810 )	( P 39,041 )	( P 31,170 )	( P 18,810 )
	Payments of bills payable	18, 30	( 29,767 )	( 52,865 )	( 104,018 )	( 28,399 )	( 44,867 )	( 98,411 )
	Net proceeds from issuance of shares of stock	22	17,421	-	-	17,421	-	-
	Proceeds from availments of bills payable	30	15,333	62,142	148,820	15,333	55,380	142,675
	Reissuance of treasury shares	22	9,287	( 12 )	4,369	9,287	( 12 )	4,369
	Dividends paid	22	( 3,289 )	( 2,308 )	( 1,897 )	( 3,269 )	( 2,308 )	( 1,897 )
	Payment of lease liabilities	21, 30	( 2,131 )	( 2,265 )	( 1,360 )	( 2,044 )	( 2,189 )	( 1,205 )
	Issuance of bonds payable	19, 30	-	14,756	17,873	-	14,756	17,873
	Net Cash From (Used in) Financing Activities		( 32,187 )	( 11,722 )	44,977	( 30,712 )	( 10,410 )	44,594
	<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>41,785</b>	<b>9,046</b>	<b>( 4,454 )</b>	<b>41,621</b>	<b>8,647</b>	<b>( 3,827 )</b>
	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	9						
	Cash and other cash items		18,078	14,691	16,520	18,024	14,663	16,464
	Due from Bangko Sentral ng Pilipinas		156,664	130,170	115,467	155,340	128,931	113,949
	Due from other banks		5,836	12,162	15,707	5,383	11,860	15,214
	Loans arising from reverse repurchase agreements		8,724	11,691	13,356	8,552	11,656	13,226
	Interbank loans receivable		19,021	30,563	42,681	19,021	30,563	42,647
			<b>208,323</b>	<b>199,277</b>	<b>203,731</b>	<b>206,320</b>	<b>197,673</b>	<b>201,500</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	9						
	Cash and other cash items		19,875	18,078	14,691	19,812	18,024	14,663
	Due from Bangko Sentral ng Pilipinas		151,762	156,664	130,170	150,771	155,340	128,931
	Due from other banks		14,892	5,836	12,162	14,630	5,383	11,860
	Loans arising from reverse repurchase agreements		35,799	8,724	11,691	34,948	8,552	11,656
	Interbank loans receivable		27,780	19,021	30,563	27,780	19,021	30,563
			<b>P 250,108</b>	<b>P 208,323</b>	<b>P 199,277</b>	<b>P 247,941</b>	<b>P 206,320</b>	<b>P 197,673</b>

See Notes to Financial Statements



# Shareholders Information

## 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 Stockholders' Meeting

Monday, June 24, 2024

## 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, 2023 was 746.

## Major Shareholder

Pan Malayan Management & Investment Corporation  
% of Stockholding: 33.92%  
Nationality: Filipino

## 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 25th sts.,  
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 Trust Corporation

Stock Transfer Processing Section  
Ground Floor Grepalife Building  
219 Sen Gil Puyat Avenue Makati City Philippines  
Tel No (+632) 8894-9000 local 3690 to 3694

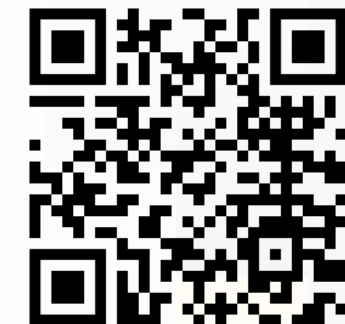
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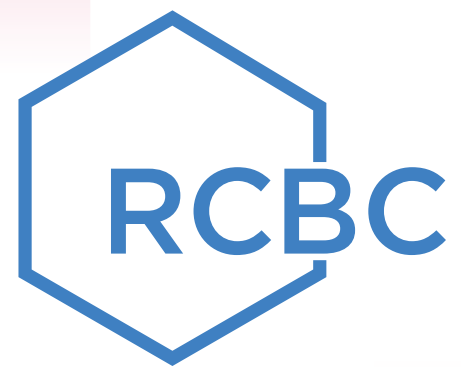


RCBC 2023  
Annual Report and Audited  
Financial Statements



RCBC 2023  
Sustainability and  
Impact Report





## Partners Through Generations

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