



TO GREAT

2024 ANNUAL REPORT

# TABLE OF CONTENTS

Company Overview	03
Nation Building, Sustainability, and Financial Inclusion	15
Financial Summary and Results of Operations	25
2024 Strategic Initiatives, Challenges, and Major Activities	27
Risk Management Framework	34
Corporate Governance	38
Company Policies and Standards	52
Board, Committees, and Senior Management	57
Corporate Information	61
Transparency Reports	62
Appendix A - Board of Directors	103
Appendix B - Senior Management	109



## WHO WE ARE

BPI Asset Management and Trust Corporation (the “Company” or “BPI Wealth”) is the largest standalone trust corporation in the Philippines. It traces its history in the trust business to the early 1960s, operating as a trust department of the Bank of the Philippine Islands (“BPI”).

In 2017, BPI Wealth became the first trust entity to be spun off from its parent bank, BPI, establishing itself as a standalone trust corporation with its own capital and a reinforced independent trust management structure. BPI Wealth remains a wholly owned subsidiary of BPI, continuing to leverage the expertise of the first bank in Southeast Asia.

In February 2023, the Company announced the change in its trade name from BPI Asset Management and Trust Corporation to BPI Wealth – A Trust Corporation, or simply BPI Wealth.

BPI Wealth is regulated and supervised by the Bangko Sentral ng Pilipinas (BSP), and Securities and Exchange Commission (SEC), and is authorized to engage in the following activities: trust operations, securities custody and registry services, investment company advisory, and Personal Equity and Retirement Account (PERA) administration as an accredited administrator.

## PRE-EMINENCE AS OUR VISION AND INVESTOR SATISFACTION AS OUR MISSION

### We provide...



Best in class investment professionals and wealth advisers



Superior customer experience



Wide range of investment products and solutions



Robust process & technology

With a total of thirty-seven (37) Unit Investment Trust Funds – including four (4) Personal Equity and Retirement Account (PERA) Funds – alongside twenty (20) Mutual Funds and a comprehensive suite of investment solutions, we take pride in offering some of the most innovative investment products in the country today. We are also leading the way in digitalizing financial literacy and investor education, while championing financial inclusion across the nation.

As a financial institution, we believe in our power to shape a better future for our nation through financial literacy and investor education. We believe that investors deserve to be guided with well-thought-out investment advice, delivered by capable relationship managers, portfolio relationship managers, and investment advisors.

We envision a society where people are not afraid to dream big, where they can step into the future with confidence because they are financially secure, and their financial decisions are borne out of informed choices. We make investing simple, accessible, and attainable for every investor so that they can build their wealth and grow their finances earlier and easier. We are a steady partner who will guide investors through all the highs and lows.

We aim to consistently deliver above-par risk-adjusted returns over the long term. We take pride in superior and robust investment and risk management processes, which result in sustainable performance even through changing market environments.

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# ASSET AND WEALTH MANAGEMENT

2024 was a breakthrough year for BPI Wealth — one where vision met execution, and ambition translated into action. Guided by our rallying call, “Elevate to Great,” we redefined what it means to be a leading asset and wealth manager in a dynamic, rapidly evolving financial landscape.

We closed the year with **Php1.53 trillion in Assets Under Management (AUM)**, a 25% increase from 2023, and secured a **20.76% market share in the trust industry** - the largest among standalone trust corporations in the Philippines. We delivered **Php5.34 billion in revenue**, up 29% year-on-year, and **Php1.22 billion in net income**, demonstrating strong profitability and discipline amid a volatile environment.

Just as meaningful as these numbers is the trust of over **1.13 million clients** we now serve. As of December 2024, we are the fastest growing wealth management firm, having expanded our client base by 69%. Their belief in our ability to manage, protect, and grow their wealth is the clearest indicator of the strength of our strategy and our people.

Our reach expanded meaningfully through exceptional asset-gathering initiatives. The successful integration with Robinsons Bank marked a major milestone, complemented by the onboarding of new distribution partners that broadened our market presence. We secured a substantial volume of new mandates and landmark accounts, further cementing our reputation as the preferred partner for comprehensive wealth solutions.

Meanwhile, the collaboration between Private Wealth and Institutional Banking continues to unlock high-value opportunities, generating a steady flow of quality referrals.

At the same time, our Wealth Loan facilities reflect strong client demand, contributing significantly to our year-to-date performance.

Perhaps the most transformative launch of the year was BPI Wealth Builder — our pioneering investment fund that rewards consistent investing with milestone-based lifestyle, health, medical, and life protection benefits.

Designed for accessibility and convenience, the fund aims to close the dream-act gap and make wealth-building not just possible, but personal.

At BPI Wealth, our culture is our edge. In 2024, we focused on developing talent, deepening collaboration, and celebrating shared success across all levels of the organization.

We empowered more frontliners through revamped training and licensing, resulting in a 20% increase in certified UITF salespersons.

We strengthened our talent pipeline through the Trust Operations and Investment Management Course, as well as invested in coaching, cross-unit projects, and engagement activities that reinforced the One Wealth identity.

This year, we doubled down on innovation that drives inclusion. Our digital transformation continued at a steady pace.

We enhanced our digital onboarding capabilities, improving access to

investment products and driving new client acquisition and AUM growth via the e-Invest platform.

We also integrated portfolio viewing into the BPI app and launched customer journey mapping, identifying over 70 improvements across key client experiences. The result? A leap from #5 to **#1 in product NPS ranking for Wealth Management**.

## Performance highlights of 2024

1.53 Trillion   Asset Under Management	✓
20.76%   Market Share	✓
5.34 Billion   Revenue	✓
1.22 Billion   Net income	✓
1.13 Million   Total Clients	✓
# 1   NPS ranking	✓

But beyond technology, we focused on empowerment and accessible education for all Filipinos.

Our impact extended into sustainability, one of the core pillars of BPI's values. The BPI Sustainable Fund Suite grew by 60%, supported by positive fund performance. We also celebrated sustainability and innovation through Wealth Integrated Sustainability Engagements (W.I.S.E.), deepening awareness around responsible investing and inspired broader environmental and social engagement across employees and clients alike.

A highlight of the W.I.S.E. program was the launch of our first-ever

Wealth Wellness Month, anchored on the theme of Leading Initiatives for the Financial Empowerment of Filipinos (L.I.F.E.). This multi-program campaign brought financial wellness to vast audiences of students, young professionals, employers, and legacy clients.

We amplified our voice through initiatives such as #MoneySeries, RealITalk, and the F.A.S.T. Series, reaching thousands of new learners and future investors with accessible, actionable advice.

Additionally, we championed the next generation through NextGen Weath Elite Academy, preparing future family leaders for their role in preserving legacies.

Our commitment to excellence has been validated by the recognition we've received. We garnered an impressive array of prestigious local and international accolades for outstanding initiatives in private banking, digital client experience, investment performance, product innovation, ESG integration, and institutional trust servicing. These honors affirm what we've always believed: that when we place clients at the center, excellence follows.

As we close the chapter on 2024, we carry forward more than just strong results — we carry momentum, clarity, and conviction.

2024 proved that we are capable of more than growth. We are capable of leading an industry, of shaping a culture, and of transforming how wealth is built, shared, and sustained. We've shown that when we come together - across roles, across units, across generations — we can unlock extraordinary outcomes.

Looking forward to 2025, we strive not just to deliver, but to outdo; not just to serve, but to inspire. We strive to make investing more inclusive, to make advice more accessible, and to make client experiences truly exceptional.

To our clients — thank you for your continued trust.

To our partners — thank you for walking with us.

And to the BPI Wealth team — thank you for your excellence, your passion, and your belief in what we are building.

We elevated to great. Now, let us strive as one — to build a stronger and more secure future for all.

- For the full financial summary, please refer to page 23 of this annual report.
- For sustainability initiatives, please refer to page 13 of this annual report.
- For Strategic initiatives, challenges and major activities, please refer to page 25 of this annual report.







is the **Largest** standalone trust corporation in the country with

**20.76%**

Trust Market Share

**Php 1.53 Trillion**

Total Assets Under Management

**Php 5.34 Billion**

Total Revenue

*\*Data as of December 31, 2024*

## 2024 AWARDS



## OUR INVESTMENT PHILOSOPHY AND PROCESS

Our investment philosophy is anchored in delivering consistent returns and maintaining diligent risk oversight. We believe that a disciplined investment process is essential for sustained value generation.

### CONSISTENT RETURNS

We aim to deliver investment returns that align with our clients' objectives. Through our rigorous investment framework, we optimize each portfolio's return potential and drive long-term wealth accumulation.

### VALUE CREATION

We focus on investments with strong growth potential and enduring value. Our approach prioritizes assets with solid business models, strong governance, sustainable practices, and adaptability to evolving market dynamics. Maximizing the potential of these investments requires a deep understanding of the relationship between fundamental factors and market forces.

### PRUDENT RISK MANAGEMENT

We recognize that risk is an inherent driver of returns. Our systematic approach to risk management ensures that all strategies align with our clients' mandates. This involves quantifying, monitoring, and mitigating various risks throughout the entire investment process. We prioritize portfolio diversification to manage risk from individual investments while capturing opportunities across different sectors, particularly during volatile markets.

## OUR PRODUCTS

We believe that every investor is unique, and there is no one-size-fits-all approach when it comes to investing. This is why we put a premium on offering a personalized approach to investments that allows our individual clients to acquire wealth

and grow it through solutions tailored to their unique investment requirements. Wherever they are on their journey as an investor, our promise is that we will be there.

We offer the most diversified investment fund portfolio in the industry, covering various asset classes, regions, sectors, and structures.

Our coverage speaks much about the innovative value of our products and how these address varying investment needs. This product range allows our clients to easily maneuver their portfolios to suit specific requirements or a response to changing market conditions.

BPI Wealth has built a strong reputation for being at the forefront of product development, allowing its institutional and individual clients to enjoy the widest selection of investment and trust products and services in the industry today.

As a full-suite trust entity, we offer a wide range of products and services and continue to employ bespoke trust and investment management solutions that are relevant to our clients' growing investment requirements within regulated parameters.

### INDIVIDUALS

- Investment Funds
- Personal Equity and Retirement Account (PERA)
- Portfolio Management Account / Investment Management Account
- Personal Management Trust
- Escrow Account
- Custody
- Other Fiduciary Services -
  - Administrative Agency Services
  - Safekeeping
  - Life Insurance Trust
  - Property Administratorship
  - Other Services
- Court Trust
  - Executorship
  - Guardianship
- Other Fiduciary Accounts
- Advisory / Consultancy

### INSTITUTIONS

- Investment Funds
- Employee Benefit Plan / Retirement Fund (Trust or Agency)
- Pre-need Account (Trust or Agency)
- Investment Management Account
- Corporate Fiduciary Accounts
  - Mortgage Trust Indenture
  - Facility / Loan Agency
  - Bond Trusteeship
- Depository
- Escrow Account
- Custody
- Other Fiduciary Solutions
- Legislated and Quasi-Judicial Trust



# INVESTMENT FUNDS

Our investment philosophy is anchored in delivering consistent returns and maintaining diligent risk oversight. We believe that a disciplined and research-driven investment process is essential to generating sustained value for our clients.

These investment products are managed by BPI Wealth, acting as Trustee or Investment Company Adviser (ICA) under licenses issued by the Bangko Sentral ng Pilipinas (BSP) and Securities and Exchange Commission (SEC).

## MONEY-MARKET

UITFs	Mutual Funds
PHP	
BPI Short Term Fund BPI Money Market Fund	ALFM Money Market Fund
USD	
BPI US Dollar Short Term Fund	

## FIXED-INCOME

UITFs	Mutual Funds
PHP	
BPI Premium Bond Fund ABF Philippines Bond Index Fund Odyssey Peso Medium Term Bond Fund Odyssey Peso Bond Fund	ALFM Peso Bond Fund Ekklesia Mutual Fund Philam Bond Fund Philam Managed Income Fund
USD	
BPI Philippine Dollar Bond Index Fund BPI Global Bond Fund-of-Funds Odyssey Philippine Dollar Bond Fund	ALFM Dollar Bond Fund Philam Dollar Bond Fund PAMI Global Bond Fund
EUR	
	ALFM Euro Bond Fund

## MULTI-ASSET FUNDS

UITFs	Mutual Funds
PHP	
BPI Balanced Fund BPI Bayanihan Balanced Fund Odyssey Diversified Balanced Fund Odyssey Diversified Capital Fund Robinsons Bank Tax-Exempt Retirement Fund (A Balanced UITF)	BPI Wealth Builder Solidaritas Fund Philam Fund PAMI Horizon Fund Affinity Global Multi-Asset Fund
USD	
BPI US Dollar Income Feeder Fund	ALFM Global Multi-Asset Income Fund (USD and PHP classes) PAMI Asia Balanced Fund

## EQUITY

UITFs	Mutual Funds
<b>PHP</b>	
BPI Philippine High Dividend Equity Fund BPI Equity Value Fund BPI Philippine Equity Index Fund BPI Philippine Consumer Equity Index Fund BPI Philippine Infrastructure Equity Index Fund Odyssey Philippine High Conviction Equity Fund Odyssey Philippine Equity Fund BPI Catholic Values Global Equity Feeder Fund	ALFM Growth Fund Philippine Stock Index Fund Philam Strategic Growth Fund PAMI Equity Index Fund
<b>USD</b>	
BPI US Equity Index Feeder Fund (available in USD and PHP classes) BPI European Equity Feeder Fund BPI Global Equity Fund-of-Funds BPI Global Health Care Feeder Fund BPI World Technology Feeder Fund Odyssey Asia Pacific High Dividend Equity Feeder Fund	

### SUSTAINABLE FUNDS

BPI Sustainable Global Equity Fund-of-Funds  
 BPI Sustainable Global Balanced Fund-of-Funds  
 BPI Sustainable Global Bond Fund-of-Funds

### BPI PERA FUNDS

BPI PERA Money Market Fund  
 BPI PERA Government Bond Fund  
 BPI PERA Corporate Income Fund  
 BPI PERA Equity Fund

Visit [www.bpiwealth.com](http://www.bpiwealth.com) to learn more about our BPI Investment Funds







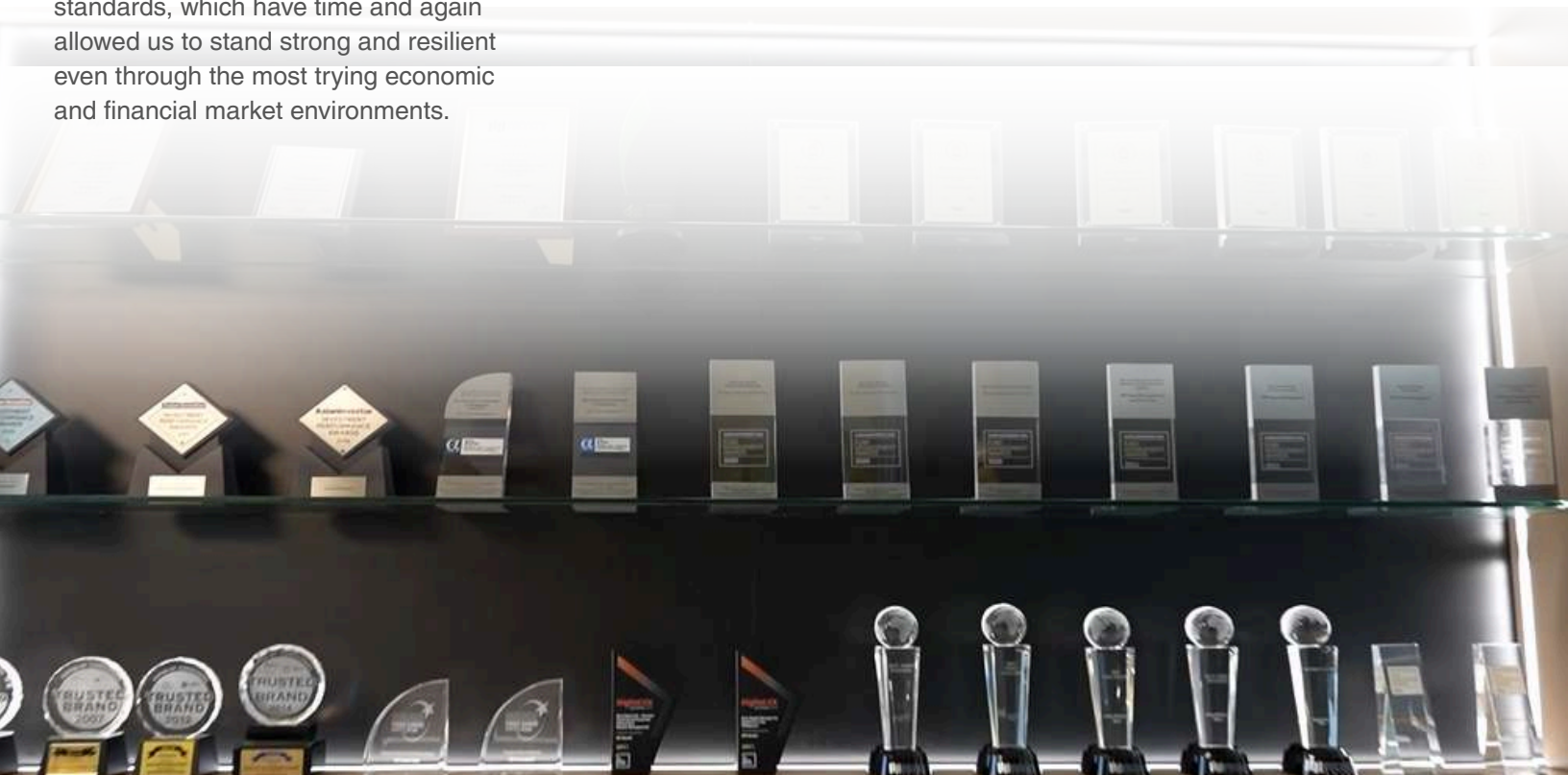
## A CULTURE OF EXCELLENCE

As a leading trustee and investment manager for many of the top institutions in the country, we have a proven track record of delivering above-par risk-adjusted returns that outperform portfolio benchmarks over the long term, earning for our clients' trust and recognition from reputable local and international finance and investment award institutions. We manage our portfolios with a forward-looking assessment of the economy that enables our clients to ride the waves of a bull market and seize opportunities in a bear market. Our clients highly regard our adherence to strong risk management standards, which have time and again allowed us to stand strong and resilient even through the most trying economic and financial market environments.

We strive to be a reliable investment partner to our clients, allowing them to benefit from our fund management expertise, gained from BPI Wealth's over six decades of investment management experience. Whether a client is just starting to invest or already has a deep understanding of investments, they can count on us to be with them every step of the way.

Our capabilities allow our clients the flexibility to do self-service investments using online, mobile, and other web-enabled applications and platforms, and whether to execute their investment placements or avail themselves of our financial advisory and fund management guidance. We have also made our wide array of investment products more affordable so everyone can conveniently start their wealth-building goals anytime.

At BPI Wealth, we don't just manage funds — we empower futures.



# MAKING HEADWAYS IN THE UITF INDUSTRY

BPI Wealth is a trailblazer in the industry as the first to provide access to global investment opportunities through investment funds.

## PIONEERING FEEDER & FUND OF FUNDS

We help investors gain exposure to foreign markets by utilizing the feeder fund structure. As a participant in a feeder fund or fund-of-funds, an investor need not be a qualified investor which would be the requirement to access offshore global funds directly. These arrangements democratizes access to global investment opportunities in a more convenient and affordable manner.

**BPI Global Equity Fund-of-Funds** and **BPI Global Bond Fund-of-Funds** are the country's first Unit Investment Trust Funds (UITFs) structured as Fund-of-Funds, enabling investors to access foreign markets and various offshore funds through a single UITF. Similarly, the **US Equity Index Feeder Fund** is the first UITF in the country that offers growth opportunities through exposure to the US markets, and is available in both US Dollar and Philippine Peso share classes.

## BOND FUND LEADERSHIP

BPI Wealth is in command of the UITF bond fund space with a 47% market share. Our bond fund roster cuts across investment horizons and issues, capturing investors of varying appetites to credit risk and changing rate environment, among other factors.

## BPI WEALTH'S FLAGSHIP BOND FUNDS

- **ABF Philippines Bond Index Fund**  
The largest long-term bond fund in the industry
- **BPI Global Bond Fund-of-Funds**  
The first bond fund-of-funds in the industry
- **BPI Premium Bond Fund**  
The largest intermediate bond fund in the industry

## BPI Global Equity Fund-of-Funds

maintains a winning streak in the Chartered Financial Analyst (CFA) Society Philippines' 2022 Best Managed Funds Awards under the dollar equity category. The fund has been receiving this award for six consecutive years, winning the category for six out of seven editions of the search.

BPI Global Equity Fund-of-Funds is the first global equity unit investment trust fund in the country, weathering various economic cycles for almost three decades. The fund is one of funds recognized by the CFA Society Philippines for delivering the highest risk-adjusted returns to its investors.

## RBANK MERGER

Following the successful merger of Robinsons Bank (RBank) and Bank of the Philippine Islands on January 1, 2024, BPI Wealth has received the RBank trust business from BPI and is now managing the trust, agency, and other fiduciary accounts of RBank. The seamless transfer of Robinsons Bank's Unit Investment Trust Funds (UITFs) and segregated portfolios into the BPI Wealth platform has broadened our product offerings and solidified our position as a leading wealth management provider in the Philippines.



RBank Trust / Investment Management / Other Fiduciary Accounts were operationally transferred to the BPI Wealth system on February 1, 2024.

Following this transition, on June 1, 2024, a total of seven (7) RBank UITFs were successfully integrated into BPI Wealth, with six of them merged with the corresponding BPI Wealth UITFs. This strategic integration enables former RBank clients to gain access to an expanded array of investment products and improve their overall customer experience.

By merging the strengths of both institutions, this reinforced our commitment to delivering unparalleled asset and wealth management solutions, that empower clients to live their best life.







MAKE YOUR MONEY

GROW TODAY



# Make your money grow with the new **BPI Wealth Builder**



In 2024, we launched BPI Wealth Builder—the first-of-its-kind investment fund designed to empower Filipinos to build long-term wealth while enjoying essential lifestyle and protection benefits.

With a minimum investment of just Php1,000, clients can easily open an account via E-Invest and monitor their investments and benefits anytime through the BPI app. Clients may also commit to regular and consistent investment habits with automatic top-ups starting at only Php100 monthly.

As clients grow their investments, they unlock milestone-based rewards such as medical consultations, accident and life insurance, cancer coverage, annual physical exams, and lifestyle perks. Starting at age 65, clients may opt for automated partial withdrawals, providing a steady income stream in retirement while the rest of the fund remains invested.

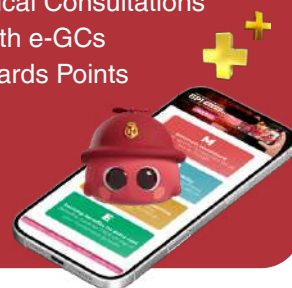
The fund is represented by Vestie, the friendly guide that grows with clients on their investment journey. In a country with rising healthcare costs and low insurance penetration, BPI Wealth Builder offers a simple yet powerful way to protect health and grow wealth—starting with just Php1,000.



## Benefits

### ✓ Cancer Coverage

- + Hospital Income Benefit
- + Family Health Plan
- + Life Protection
- + Annual Physical Exam
- + Accident Coverage
- + Medical Consultations
- + Health e-GCs
- + Rewards Points

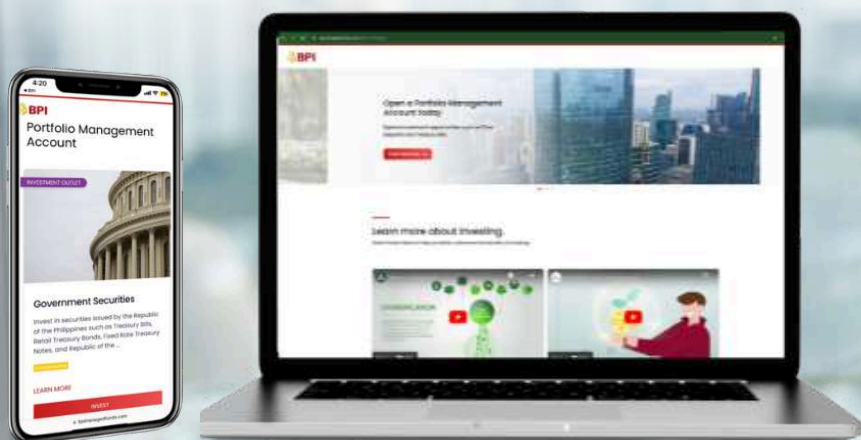


## PMA IN E-INVEST

As part of the effort to digitalize our processes and provide our customers with a premier customer experience, we had introduced the account opening feature of the Portfolio Management Account (PMA) on e-Invest in 2024. With a minimum initial investment of Php500,000, clients are already able to access Government Securities such as various tenors and Philippine Treasury Bills.

## BEA CHAT

To enhance the customer experience, we have upgraded the BEA Chatbot to serve as an additional channel for client inquiries, accessible via the BPI website. The enhanced chatbot now provides easy-to-understand information on PAMI mutual funds, products for institutional business clients, and the BPI Wealth Builder offering—helping clients learn more and make informed financial decisions.





# NATION BUILDING, SUSTAINABILITY, AND FINANCIAL INCLUSION





## At BPI Wealth, we continue to be your trusted partner in navigating volatile financial markets, in making investment decisions, and in creating a legacy for future generations.

We offer a suite of sustainable investment funds that help finance high-impact green and social projects that deliver attractive returns and support the UN Sustainable Development Goals. Our commitment goes beyond mere financial management; we are dedicated to democratizing investment access and championing financial inclusion, ensuring that everyone has the opportunity to participate in wealth-building activities and contribute to positive societal change.

BPI Wealth plays a vital role in nation-building by championing sustainable development through responsible investing, internal engagement, and community-driven initiatives. BPI Wealth continued its commitment to sustainability through Project W.I.S.E. (Wealth Integrated Sustainability Engagements), a comprehensive program that empowers employees, customers, and communities to take part in sustainability efforts. With a holistic strategy rooted in environmental responsibility and financial empowerment, BPI Wealth aims to create a lasting, positive impact for future generations.



**PROJECT**  
**W.I.S.E**  
 WEALTH INTEGRATED SUSTAINABILITY ENGAGEMENT

## ESG FUNDS

Reflecting our commitment to responsible investing, the BPI Sustainable Fund Suite continues to focus on global collective investment schemes that invests in companies with strong Environmental, Social, and Governance (ESG) practices. BPI Wealth believes in achieving superior financial performance through innovation, operational efficiency, and enhanced risk management, highlighting the enduring value of sustainable investing through a multi-theme approach.

The BPI Sustainable Fund Suite posted positive returns across all funds in 2024, driven by robust returns of global equities, particularly US tech stocks, while high-yield debt instruments underpinned the fixed income returns amidst rising US Treasury yields.

Remarkably, the BPI Sustainable Fund Suite expanded by a total of 60% in 2024. This growth underscores the effectiveness of BPI Wealth's diversified investment strategy, which emphasizes the integration of ESG principles.

### INTEGRATED INVESTING

Enhancing traditional investment approaches and financial analysis by incorporating non-financial, environmental, social, and governance metrics to identify risks and opportunities.

### SELECTIVE INVESTING

Investing in instruments by excluding (negative/exclusionary screening) or targeting (positive/best-in-class screening) certain investments based on values, set risk factors, international norms, or specific ESG criteria.

### THEMATIC INVESTING

Investing in assets or sectors that aim to address key sustainability goals (e.g UN Sustainable Development Goals) like clean energy, sustainable agriculture, or diversity, or are primarily intended to deliver positive environmental or societal impact alongside financial returns.







## Leading Initiatives for the Financial Empowerment of Filipinos

### L.I.F.E. and its four pillars

- L** - Learning to Earn (Students)
- I** - Investing for Independence (Zillennials)
- F** - Future-proof Retirement (Corporate Clients)
- E** - Empower Generations (Next-Gen Children of HNW, HNW clients)

### Wealth Wellness Month

- FinQuest**
- Building Better Futures**
- BPI Wealth Summit**
- Beyond Wealth**



Building on the success of initiatives like the 9.9 BPI Investment Day and the 8.8 BPI Investival, BPI Wealth launched BPI Wealth Wellness Month in October 2024, a transformative initiative aimed at enhancing investment awareness and empowering Filipinos at every stage of their financial journey.

**“October is recognized as National Financial Planning Month in the United States, making it an ideal time for the Philippines to embrace a similar focus on financial literacy,”**

said Maria Theresa Marcial, President and CEO of BPI Wealth.

**“With the BPI Wealth Wellness Month, we seek to address this critical need by providing essential resources and targeted programs that encourages Filipinos reassess their situations and take decisive actions as the holiday season and the new year approach.”**

Throughout the month, a series of curated programs will equip individuals with the essential tools and resources to take charge of their financial futures. Under the theme L.I.F.E.: Leading Initiatives for the Financial Empowerment of Filipinos, these four programs cater to the distinct needs of diverse customer segments, offering targeted insights and strategies to support clients—from building their wealth to safeguarding their legacies—while reinforcing BPI Wealth’s commitment to advancing financial education and inclusion across the Philippines.

BPI Wealth Wellness Month represents a pivotal moment in the company’s dedication to supporting Filipinos at every financial stage. Looking ahead, BPI Wealth remains committed to sustaining this momentum and launching more innovative initiatives that will advance the mission of enhancing financial well-being for all Filipinos.



## FINQUEST: ROAD TO FINANCIAL INCLUSION

**FinQuest 2024** is BPI Wealth's groundbreaking initiative designed to empower the youth with financial literacy and to help them play a key role in shaping the country's financial future. With FinQuest, BPI Wealth aims to equip young minds with the knowledge and tools they need to make informed financial decisions, promote wealth creation, and contribute to the growth of the financial sector.

FinQuest officially launched with a kickoff event in July 2024, where over 20 student organizations from various universities joined and expressed their intent to be part of this movement toward financial inclusion. This event officially rolled out FinQuest's two major activities specially curated for penultimate and graduating college students:

### The Financial Inclusion Challenge

A social innovation competition where student teams, called the "Challengers," submitted ideas or solutions on how to further democratize investments and make these more accessible to Filipinos. A total of 48 teams from various colleges and universities across Luzon participated. Fifty teams advanced to the finals and presented before a panel of judges composed of senior officers from the BPI Group. The top three teams were recognized at the culminating event, The Forum.



### The Forum

The Forum marked the culmination of the program, bringing together young changemakers and thought leaders to tackle the urgent need for greater financial inclusivity in the Philippines. Attendees were welcomed into an engaging environment with booths simulating real-world financial scenarios—all reinforcing FinQuest's theme of financial inclusion and empowerment.

The event featured engaging talks from renowned industry leaders, beginning with financial planner and entrepreneur Edric Mendoza, who urged attendees to begin building financial foundations early, make strategic investment choices, and adopt a long-term perspective on creating impact. Anna Oposa, environmental advocate and Executive Director of Save Philippine Seas, followed with a powerful message linking personal finance to environmental impact, encouraging participants to make financial decisions that align with their values, asserting that small, mindful choices create ripples of positive change in both society and the planet.

The talks were followed by a dynamic panel discussion moderated by BPI Wealth's Atty. Gia Gatapia, bringing together thought leaders to explore sustainable investing as an engine for positive change. Panelist Nikki Estorninos of BPI Wealth highlighted the benefits of integrating social and environmental values into investment choices, while Ritchie Fariñas from BPI Agency Banking discussed efforts to expand financial access to underserved communities. Representing the perspective of younger investors, content creator Nicole Alba shared her personal journey into finance and underscored the importance of financial literacy for today's youth. The highlight of The Forum was the much



anticipated FinQuest Challenge awards ceremony, celebrating innovative solutions from the Top 15 participants and special awardees addressing the nation's financial access gaps. The Grand Champion title was awarded to InvesTama from Ateneo de Manila University, a financial education app aimed at young Filipino adults. WealthWise, also from Ateneo de Manila University, claimed Second Place, while BPI Abot-Kamay from De La Salle University, a project focused on community-based financial inclusion, took Third Place. In addition to the top awards, special recognition went to BPI Abot-Kamay for Most Financially Inclusive and Most Innovative, and to FinQuest Interactive Mobile Game by Ateneo De Manila University for Most Feasible Project. The Challenge was evaluated by an esteemed panel of judges, including Rally Jereza, Head of Agency Banking; Dennis Fronda, Head of Retail Lending; Jo Ann Eala, Head of the BPI Sustainability Office; Fitz Chee, Head of Consumer Platforms; and Irene Ang, Head of BPI Wealth Personal Wealth Division.



# BUILDING BETTER FUTURES



From left to right: Eric Manalaysay, Yvette Mari de Peralta, Raymund Benedict Zalamea, Gina Eala, and Phillip Saran during the Building Better Futures Q&A panel discussion.

BPI Wealth's Wellness Month, delivered more than just information – it ignited action. Building Better Futures, held on October 22, was designed to be a retirement playbook for forward-thinking organizations, this event delved into changing workforce demographics, shifting attitudes toward retirement, and the global economic factors shaping these dynamics. Considering these developments, organizations must stay informed and take proactive steps to meet their employees' retirement needs. This initiative featured keynote speeches and panel discussions from experts and will equip companies to navigate these complexities and adopt strategic measures that safeguard their workforce's financial futures.

## BEYOND WEALTH

The month of October concluded with a comprehensive webinar on estate planning held, on October 29, 2024. Titled "Beyond Wealth: A Reimagined Approach to Estate Planning," the event was designed for all BPI Wealth employees. The webinar addressed the most frequently asked questions about estate planning in the Philippines, covering crucial topics such as asset transfers, estate taxes, and navigating BIR applications. Its primary goal was to equip employees with practical knowledge, empowering them to confidently plan their legacies. By offering tailored wealth planning programs, BPI Wealth aims to empower its employees to manage their wealth responsibly and make impactful decisions for future generations. The BPI Wealth Wellness month signified how BPI Wealth is passionate about empowering the Filipinos and changing their mindset about investing and financial freedom. "As we look ahead, we remain committed to sustaining this momentum and launching more innovative initiatives that will advance our mission of enhancing financial well-being for all Filipinos" concluded Marcial.

## A reimagined approach to Estate Planning





# BPI WEALTH SUMMIT

A key highlight of the BPI Wealth Wellness Month is the BPI Wealth Summit, the Philippines' premier annual wealth management event, held last October 26 at the BGC Immersive. This experiential summit provided young professionals access to expert insights, innovative investment opportunities, and powerful tools to enhance their financial acumen. Attendees engaged in interactive booths, expert-led talks, and personalized financial roadmaps that inspire immediate action to begin building their future wealth today.

Additionally, participants will get an exclusive first look at the soon to be launched BPI Wealth Builder Multi-Asset Mutual Fund, Inc., a new mutual fund to be managed by BPI Wealth.



*Irene Ang introduced BPI Wealth's newest product, BPI Wealth Builder.*



*From left to right: Bea Fabregas, Janina Lapuz, and Gab Cabrera during a panel discussion on BPI Wealth's newly launched product, BPI Wealth Builder.*



*Carelle Herrera shares insights on developing a strong financial mindset at the BPI Wealth Summit.*

# FINANCIAL WELLNESS CAMPAIGNS

## Empowering Employees Through BPI Wealth F.A.S.T. Series



In a world where financial security is more crucial than ever, BPI Wealth is taking bold steps to equip employees with the tools they need to build a stable and worry-free retirement. This year, BPI Wealth proudly introduced the F.A.S.T. (Financial Awareness and Strategy Talks) Series—a dynamic and engaging financial wellness program designed to inspire employees to take charge of their retirement planning.

Recognizing the unique needs of its audience, the F.A.S.T. Series is designed to be concise yet impactful, focusing on the benefits of participating in employer-sponsored retirement plans. By simplifying complex financial concepts into digestible

insights, BPI Wealth ensures that employees not only understand the importance of financial planning but are also motivated to take action.

The impact has been remarkable. Since its launch in 2024, BPI Wealth has already hosted an impressive 86 financial wellness sessions with more than 8,000 employees, expanding its reach beyond defined contribution retirement funds to encompass a wider array of client arrangements, allowing more individuals to benefit from expert insights and strategic financial guidance. Attendees have lauded the program for its customized approach and informed financial decisions.

This financial wellness aims to grow more BPI Wealth's Employee Benefit market share through interactive discussions and engaging presentations, the F.A.S.T. Series serves as an invaluable resource, fostering a proactive financial mindset among employees.



## REALITALKS

Where are you in your journey towards achieving your financial goals?

RealiTALK is a transformative financial literacy initiative designed to make financial education accessible, relatable, and actionable for Filipinos. Traditional financial education often feels intimidating and disconnected from real-life struggles. RealiTALK reinvents this approach, shifting from lecture-based presentations to story-driven, immersive learning that resonates with everyday financial challenges.

At the heart of RealiTALK is Lea's story, a relatable working-class Filipino navigating financial hurdles familiar to many. Her journey allows participants to see themselves in real-world financial situations, making complex concepts easier to grasp and apply. By grounding financial education on real-life experiences, RealiTALK ensures that participants not only gain knowledge but also take practical steps toward financial security.

To expand accessibility, RealiTALK is delivered through both face-to-face and virtual formats, breaking geographical barriers and reaching Filipinos in remote areas and those working abroad. This hybrid model ensures that financial education is

inclusive, providing opportunities for underserved communities to develop financial literacy regardless of location.

The program's impact begins from within – through a strong partnership with HR, RealiTALK was first introduced inclusive, providing opportunities for underserved communities to develop financial literacy regardless of location.

The program's impact begins from within – through a strong partnership with HR, RealiTALK was first introduced to Unibankers, equipping employees with financial literacy to help them make sound financial decision.

This internal initiative not only empowered employees but also positioned them as advocates for financial wellness, reinforcing the program's credibility and effectiveness. Despite its innovative approach, RealiTALK faced challenges. Engagement was a key concern – keeping financial literacy interesting required a shift from





passive learning to interactive discussions, real-world case studies, and hands-on applications, making sessions dynamic and engaging. Accessibility was another hurdle, particularly for Filipinos in far-flung areas with limited internet access. To bridge this gap, RealiTalk materials were optimized for mobile use, designed for low-bandwidth connectivity, and made available through in-person community partnerships.

Beyond education, RealiTalk has generated tangible economic benefits. By increasing engagement with banking investment products, strengthening financial awareness among employees and customers, and promoting financial resilience, the program has helped individuals and families make informed financial decisions. Financially literate customers are more responsible borrowers and investors, contributing to a stronger and more stable financial ecosystem. Through continuous innovation, strategic partnerships, and an evolving delivery model, RealiTalk has redefined financial literacy – starting with Unibankers and extending its impact to Filipinos everywhere, empowering them to build financial confidence, security, and a sustainable future.

## #MONEYSERIES

#MoneySeries is a pioneering digital-first financial education initiative that redefines financial literacy by transforming it into an engaging, accessible, and actionable experience. Designed for today's mobile-first audience, the series is available on platforms such as YouTube and Spotify, enabling viewers and listeners to learn about money management with ease and convenience. It is actively promoted across Instagram, Facebook, and TikTok, ensuring that educational content is also delivered in bite-sized, shareable formats that resonate with a wider and more diverse audience.

In contrast to traditional financial education programs that rely on lectures, seminars, or static materials, #MoneySeries takes an innovative, story-driven approach. It features Key Opinion Leaders (KOLs), entrepreneurs, and financial experts who share their personal financial journeys—including the challenges they've faced, the successes they've achieved, and the lessons they've learned along the way. This method simplifies complex financial concepts such as budgeting, saving, investing, and wealth-building, making them relatable and easier to apply in real life. Through these authentic stories, the series fosters financial confidence among its audience without overwhelming them.



The program's impact is evident in strong audience engagement and notable shifts in financial behavior. #MoneySeries has reached thousands of viewers and listeners, generating substantial impressions across social media platforms. Testimonials and feedback indicate that the content has prompted positive financial actions—from opening savings accounts and making initial investments to improving spending habits and better managing debt. These behavioral shifts contribute to deeper engagement with BPI and BPI Wealth, enhancing customer retention, creating cross-selling opportunities, and expanding overall financial participation.

Beyond its educational impact, #MoneySeries also delivers economic and operational benefits. By leveraging digital platforms, the initiative significantly reduces the need for in-person financial literacy sessions, allowing the Bank to cut program delivery costs while vastly scaling reach.

Moreover, by actively encouraging responsible financial behavior, the program supports risk mitigation efforts by helping reduce loan defaults and poor credit practices, ultimately strengthening the Bank's financial ecosystem.



As a Best Sustainable Program, #MoneySeries fosters long-term financial empowerment by making financial education available anytime, anywhere. As a Best Social Program, it transforms financial literacy into a catalyst for economic security, empowering individuals and communities with the knowledge to make informed financial decisions.





## SHAPING THE FUTURE OF FINANCIAL EXCELLENCE

BPI Wealth is committed to shaping the future of wealth management, empowering individuals and institutions with innovative financial solutions that create lasting value. The Company fosters a culture of excellence, integrity, and innovation.

### THE WEALTH DNA

#### Innovative Environment:

- BPI Wealth places employees at the forefront of financial innovation, working with cutting-edge technology and strategies that redefine wealth management.
- It offers continuous learning and development opportunities to keep employees ahead in a rapidly evolving industry.

#### Collaborative Culture:

- Employees join a team of passionate professionals dedicated to achieving excellence together.
- BPI Wealth provides collaborative workspaces and a supportive environment that encourages teamwork and knowledge sharing.

#### Comprehensive Benefits:

- BPI Wealth provides competitive compensation packages that reward expertise and contribution.
- The Company offers comprehensive health and wellness programs to ensure employees and their families are well taken care of.
- It supports flexible working arrangements to maintain a healthy work-life balance.

#### Commitment to Diversity and Inclusion:

- BPI Wealth promotes a diverse and inclusive workplace where every voice is valued and respected.
- The Company has initiatives and programs that advance diversity, equity, and inclusion within the organization and the communities it serves.

#### Professional Growth:

- The Company offers access to a wide range of professional development programs and certifications.
- It ensures clear career progression paths with opportunities for advancement and leadership roles.
- Employees receive mentorship from industry leaders and experts to guide their career journeys.
- Employees engage in meaningful work that directly impacts clients' financial futures and the broader economy.
- They participate in initiatives that promote financial literacy and inclusivity.

#### Community Engagement:

- Employees have opportunities to participate in community service and corporate social responsibility programs.
- BPI Wealth is committed to sustainable practices and initiatives that contribute to a better world.

### JOINING BPI WEALTH

For those passionate about financial excellence, dedicated to client success, and eager to be part of a dynamic and innovative team, BPI Wealth offers a fitting career destination. Together, employees can build a brighter financial future for clients and communities.

### A FUTURE AT BPI WEALTH

For those passionate about financial excellence, dedicated to client success, and eager to be part of a dynamic and innovative team, BPI Wealth offers a fitting career destination. Together, employees can build a brighter financial future for clients and communities.







**FINANCIAL SUMMARY  
AND RESULTS OF  
OPERATIONS**

# FINANCIAL SUMMARY

## Trust, Other Fiduciary, and Investment Management Activities

	Current Year	Previous Year	Year-on-Year Change	
Assets Under Management	1,530,708	1,223,096	307,612	25%
<b>Profitability</b>				
Total Income	5,341	4,140	1,200	29%
Total Expenses	3,686	2,677	1,010	38%
Income before Tax	1,654	1,464	191	13%
Net Income	1,224	1,117	107	10%
<b>Select Balance Sheet Data</b>				
Assets	4,548	4,143	405	10%
Liabilities	1,284	1,122	162	14%
Equity	3,264	3,021	243	8%

Select Ratios	Current Year	Previous Year
Return on average equity	39.08%	37.80%
Return on average assets	41.74%	30.09%
Percentage of trust fees to total AUM	0.33%	0.32%

## REVIEW OF RESULTS AND OPERATIONS

### ASSET UNDER MANAGEMENT

BPI Wealth ended with Php 1.53 trillion in AUM, which is 25% higher than the previous year. The business volumes for segregated portfolio and UITF products increased by 30% and 14%, respectively, while MF products decreased by 5%, compared to last year.

### REVENUES AND INCOME

We were able to increase our revenue by 29% year-on-year to close the year with Php 5.34 billion. Our trust and management fees remained to be our primary source of revenues with Php 5.05 billion, comprising 94% of our total revenue.

Our retail funds continued its strong growth trajectory while our segregated portfolio products continued to provide a stable revenue base.

Meanwhile, Php 294 million or 6% of our revenue was derived from commissions, interest and other income from our peripheral operating activities. After expenses and taxes, BPI Wealth generated Php 1.22 billion in net income, an increase of 10% or Php 107 million against the prior year,

on the back of higher income, and managed operating expenses.

### ASSETS

We ended the year with Php 4.55 billion in total assets. We had maintained a significant portion of our assets in cash and a mix of low risk, highly liquid and long-term investments aligned with the security deposits required and investment holdings allowed by the BSP for trust corporations. Our cash position ended at Php 921 million, 13% higher than the previous year. Meanwhile, the current portion of our Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) that contained our short-term investments in government securities ended at Php 971 million. These investments are held both to address regulatory requirements on basic security deposits for trust corporations and serve as the Company's short-term proprietary investments.

### LIABILITIES

Our total liabilities ended at Php 1.28 billion for the year, an increase of 14%, mainly from accrued taxes and accrued manpower bonuses.

## EQUITY

We ended the year with Php 3.26 billion in total equity. Our share capital balance remains at Php 600 million, while additional paid-in capital increased to Php 912 million due to transfer of RBank's intangible assets trust business to the company. Our surplus increased by 23% after recognizing the net impact of net income and payment of dividends for the year. On the other hand, a total of Php 400 million was appropriated as reserve for trust business in compliance with existing regulations.

In 2024 we achieved

**Php 1.53 Tn**  
Total AUM

**Php 5.34 Bn**  
Revenue

**Php 1.22 Bn**  
Net Income

**Php 3.26 Bn**  
Total Equity

**Php 4.55 Bn**  
Total Assets



# 2024 STRATEGIC INITIATIVES, CHALLENGES, AND MAJOR ACTIVITIES



# INVESTMENTS

**“Looking ahead to 2025, we anticipate continued heightened volatility as policy uncertainty remains elevated due to newly inaugurated administrations and ongoing geopolitical tensions.”**

2024 was a year characterized by significant volatility, presenting both opportunities and challenges for our investors.

Nearly 70 countries held elections, with a notable rise in populism across Europe, Latin America, Asia, and North America. Donald Trump made a remarkable comeback after his 2020 defeat, running a campaign focused on immigration, trade protectionism, and economic reform.

Fixed income investments benefited from declining inflation and the potential for monetary policy rate cuts. International fixed income investments posted gains, with the FTSE World Government Bond Index rising by 1.49% in FY2024. This was driven by yields declining at the short end after the US Federal Reserve pivoted towards a more accommodative monetary policy stance. Given signs of a cooling labor market and easing inflation, the Fed reduced its policy rate by a total of 100 basis points to the 4.75-5.00% range last year.

Domestic fixed income investments concluded FY2024 on a positive note, with the Local Currency Bond Index returning 4.32%, driven by attractive accrual income throughout the year.

Equity markets were buoyed by robust earnings momentum and a strong technology sector. International equity indices reached new highs in FY2024, registering double-digit returns, with the MSCI World Index up by 23.91%. Early optimism was fueled by strong corporate earnings. Gains were further supported by materially easing inflation which led the US Fed to commence its easing cycle in 3Q24. Later in the year, Donald Trump's re-election as US president reignited investor confidence in the US market, driven by anticipated benefits of his proposed tax cuts on US corporate earnings. However, returns were tempered by concerns over stalling disinflation and emerging inflationary risks tied to Trump's proposed tariffs and geopolitical tensions. Philippine stocks closed higher in 2024, ending four straight years of market declines as the Philippine Stock Exchange index (PSEi) ended at the 6,528 level for a price return of +1.2%. It was another volatile year for domestic equities as investors were challenged by changing rate cut narratives, driven by sticky global inflation and elevated geo-political risks. Foreign investors were net sellers of Philippine stocks for the seventh consecutive year despite the Philippine economy's strong (GDP) growth of 5.6% and

decent corporate earnings' expansion of 7.0%. In spite of the heavy foreign withdrawals, Philippine investors were rewarded a total return of +4.1% (PSEi Total Return Index) as Philippine corporations distributed strong dividend payouts in 2024, a testament to a full recovery from the pandemic.

Looking ahead to 2025, we anticipate continued heightened volatility as policy uncertainty remains elevated due to newly inaugurated administrations and ongoing geopolitical tensions. Nonetheless, we expect the monetary policy easing cycle to persist, albeit at a slower pace, and corporate earnings to remain robust. Investors should craft a portfolio that leverages elevated fixed income yields for accrual income, the potential outperformance of stocks from companies with strong earnings potential, and the benefits of diversification.





# INSTITUTIONAL BUSINESS

In 2024, Institutional Business (IB) continued its commitment to trust, innovation, and client-centric excellence. Our success is anchored on the strength of our relationships, the strategic expansion of these connections, and an innovative mindset that anticipates and fulfills our clients' evolving needs.

## Leaning on Relationships: The Cornerstone of Our Success

Our team of Portfolio Relationship Managers prioritizes understanding and addressing the unique needs of employee benefit plans, insurance companies, and a broad spectrum of institutional clients. At the heart of our success is a steadfast commitment to building and nurturing strong client relationships. This dedication has led to a meaningful expansion of our institutional client base and a notable increase in managed assets. Driving this momentum is our "360-degree relationship" strategy, which emphasizes deeper engagement with existing clients and reflects our unwavering focus on supporting their long-term financial goals.

## Expanding Client Relationships: Beyond Transactions

Expanding IB's client relationships transcend mere transactional interactions. It involves understanding the broader financial aspirations of our clients, whether individual or institutional, and positioning ourselves as their trusted partner. This holistic approach has led to significant successes.

## Acquisition Expansion

We leveraged on the potentials of acquisition deals, starting with escrow arrangements, to expand into multiple solutions and capture released funds into investment accounts, unlocking opportunities across clients' diverse businesses.



BlackRock delivered a market outlook update to select institutional clients of BPI Wealth, focusing on the topic: Advancing Income Strategies with Multi-Asset Investments.

## Trust and Confidence

Principals and senior officers of long-term clients have demonstrated their trust by opening personal investment accounts with us, solidifying our partnership.

## Recapturing and Growing Assets

We successfully reestablished a significant asset management relationship with a pre-need client, enhancing its value through an innovative custody arrangement integrated with a tailored investment management solution. This reflects our ongoing commitment to strengthening client partnerships by delivering customized strategies that address the full spectrum of their financial objectives.

## An Innovative Mindset Approach to Strengthening Client Relationships and Expanding Business

Each member of IB embraces an innovative mindset to strengthen client relationships and drive business growth. This is demonstrated through several of our key initiatives:

## The BPI Wealth FAST (Financial Awareness and Strategy Talks) Series

This program supports proactive financial planning beyond employer-sponsored retirement plans, offering broader solutions tailored to client needs. Its wide adoption across organizations highlights its value as a trusted resource for informed decision-making.

## Strategic Partnerships

Our Wholesale Distribution Division collaborates with six mutual fund distributors, brokers, and investment fund providers, significantly expanding our market reach and attracting new clients. We also provide ongoing training and support to ensure the success of these partnerships.



Representatives from COL Financial Group and BPI Wealth's Institutional Business, led by Yvette Mari de Peralta, pose for a photo during the partnership signing ceremony.

## Sustainable and Responsible Investing

By aligning with the growing demand for ethical investment solutions, we not only meet client needs but also contribute to broader social and environmental goals.

## Capturing Outflows and Leveraging Transitions

We innovatively captured outflows from separation benefit payments into personal investment accounts and leveraged relationships with employees transitioning to new organizations to open institutional accounts.

## Tailored Product Offerings

We provide an extensive suite of products, including pension and provident fund management, pre-need, insurance and mutual funds management, and customized fund management solutions, ensuring we meet the diverse needs of our clients.

Through these innovative programs and strategic expansions, IB continues to redefine client relationships, strengthen market leadership, and deliver exceptional value. Our focus on building trust, expanding relationships, and embracing innovation will continue to drive our success in the years to come.

## More in 2024

BPI Wealth Institutional Business marched on to win new engagements and successful bids, both from Government-owned and controlled corporations (GOCCs) and private institutions. Our footprint broadened, allowing us to serve MORE clients and enabling us to serve our existing clients MORE. Of particular importance, the steady increase in our won pension fund mandates reflects the trust and confidence clients have in BPI Wealth's comprehensive retirement solutions. This was made possible by our solid and consistent performance throughout the years and supported by an all-weather investment strategy implemented in 2024.

# PRIVATE WEALTH

If 2023 was the year of re-discovery and rebirth for Private Wealth as we went back to the drawing board to truly understand the evolving needs of our high net worth clients and transformed the organization to go beyond traditional private banking, 2024 was the year of putting our aspirations to the test.

Armed with a stronger value proposition that is goals-based, data-driven and customer-obsessed, we charged full speed ahead with our bespoke solutions under the BPI Private Wealth Signature Experience and its four pillars of Banking, Planning, Investing and Living. “BPI Living”, as we now call it, has become our mantra to help clients achieve the goals that they have defined so they can live their signature life.

As we look back, four key themes shaped the year. We can describe 2024 as the year of huge collaborations, investing in the future generation, establishing a strong brand and environmental stewardship.



*BPI Private Wealth and Institutional Banking kick off the 'Faster, Higher, Stronger Together' collaboration, aimed at attracting and engaging new clients from both groups.*

## On Collaborations

Never before have we seen such a high level of cooperation within the BPI Group to focus on the customer and ensure that we add value to the lives of our high net worth clients. In 2024, we teamed up with BPI's Institutional Banking group to launch our biggest partnership to date. Touted as “Faster Higher, Stronger Together”, the Private Wealth-IB Collaboration resulted to 231% growth in new customers and 25% growth in AUM and Php 5.34 Million in revenues.

With unique events like “Private Invitations”, we sat down with top client families of Institutional Banking who helped shape the Philippine economic landscape. This was an opportunity for deeper conversations about how Private Wealth can address the different needs of their families starting with our bespoke offerings surrounding easy access to liquidity, protecting and transferring their legacy, achieving financial longevity and, more importantly, enjoying their wealth while preserving it. More intimate, relaxed and honest, the Private Invitation events were most insightful and gave Private Wealth the opportunity to deep dive into the intricacies of each family, giving us leverage to craft and develop more value-adding solutions to their needs. And as we further broaden our coverage and expand our footprint nationwide, we expect more of such conversations to take place in 2025...one family at a time.



## On Investing in the future generation

Because wealth concerns the family, it has become our advocacy to help prepare the next generation as the future stewards of their families' wealth. Addressing the need for different levels of preparation, we enhanced the BPI Private Wealth NextGen Wealth Elite Academy - an immersive and dynamic internship program that touched on –

(1) Foundations of Generational

Wealth, designed for the younger next generation with ages 18-25 years old and (2) Enhancing your Family's Financial Legacy, designed for the older next generation with ages above 25 years old. During the internship, the participants met BPI senior leaders who talked about the different facets of banking and wealth management and shared their thoughts on the importance of empowering the next gen with the knowledge necessary to protect and grow the family's wealth.

With over 50 graduates after four successful (4) runs in 2024, this program has been recognized as the Philippines' best for Next Gen at the Euromoney Private Banking Awards 2024 and at the Global Private Banking Innovation Awards 2024.

## On Establishing a Strong Brand

As we transform ourselves into a world-class institution with game-changing financial solutions, Private Wealth has further solidified its position in the local private banking industry with the full implementation of the BPI Wealth Multi Family Office Solutions. This offering provides the widest array of services, exclusively for Private Wealth clients to preserve and enhance family wealth while fostering unity and protecting legacy. Our Multi Family Office Solutions have been recognized as Philippines' Best for Family Office Services at the Euromoney Private Banking Awards 2024 and was highly acclaimed at the Global Private Banking Innovation Awards for 2024.

At the institutional level, BPI Private Wealth was also been honored as the Philippines' Best Private Bank at the 2024 Global Private Banking Innovation Awards in London and at the 2024 The Asset Triple A Awards in Hongkong. These accolades recognize BPI Private Wealth's strategic and innovative approach to wealth management, with the Signature Experience as the new standard of excellence that reflects our commitment to providing exceptional and customized solutions to our clients further setting us apart in the local private banking industry and giving birth to an even stronger brand.

## On Environmental Stewardship

In 2024, BPI Private Wealth set sail on a meaningful journey as it concluded the first season of the BPI Private Wealth Signature Yacht Race Series. The season brought together over 200 sailors featuring the best sailing locations in the country in a four-leg regatta series - the BPI Corregidor Cup, BPI Busuanga Cup, BPI Boracay 200, and BPI Subic Regatta. In collaboration with WWF Philippines and race organizers PHNSAF, ORCP, and Subic Sailing, the the Signature Yacht Race Series served as a

platform to champion causes close to our values: 1) Promoting the Philippines as a premier sailing and tourism destination; 2) Reviving and nurturing the local sailing community; and 3) Advocating marine conservation through the adoption of eco-conscious race routes, sustainability forums, coastal clean-ups, and environmental awareness initiatives.



At BPI Private Wealth, environmental stewardship is a shared commitment we pursue with purpose. Through initiatives like the Signature Yacht Race Series, we continue to raise our voice for the planet, steering towards a more sustainable future.



Cohort 3 of the BPI Private Wealth NextGen Wealth Elite Academy celebrates their graduation after completing a three-day hands-on internship with leaders from the BPI Group and One Wealth.



**“As we look back at the events of 2024, there is no doubt that Private Wealth has definitely transformed itself into a dynamic organization attuned and aligned with the aspirations of high net worth clients. And as we strive as one and do more in 2025, we look forward to even better customer experiences for our Private Wealth clients so they can live their signature lives.”**

**Ma. Theresa D. Marcial**



# PERSONAL WEALTH



In 2024, we built on the growth and efficiency achieved in 2023 by focusing on activities that promote customer and frontline empowerment – Inclusion, Certification, Access to Relevant Products, and New Product Launches (I C.A.N.).

## Inclusion

As Personal Wealth Advisors, we recognize the importance of helping Filipinos make sound financial decisions through financial literacy. We enhanced our financial wellness activities and launched RealITalk, a program that goes beyond traditional financial education by incorporating storytelling and real-life scenarios relevant to audiences across different life stages. By partnering with various institutions and government agencies, we engaged more than 10,000 individuals, nearly doubling our engagements from 2023.

## Certification

Empowering our physical customer touchpoints is equally vital as directly engaging with clients to expand our reach. In the third quarter of 2024, we revamped our UITF Certification Program (UCP) review sessions, significantly increasing the passing rate of our BPI branch personnel in the Trust Officers Association of the Philippines (TOAP) UCP examination.

Collaborating with the BPI Human Resource team and Branch Stores Channel, the number of Certified UITF Salespersons from our branch channel increased by more than 20% in 2024.

## Access to Products

As Philippine Peso and US Dollar fixed income products remained relatively attractive, our improved capacity to open Investment Management Accounts (IMAs) allowed us to lower investment minimums, enabling more retail investors to capture opportunities in the secondary fixed income market. The number of retail investors with IMA accounts increased by 28% in 2024 and registered an 82% growth in Asset Under Management, contributing almost 50% of BPI Wealth's 2024 AUM growth.

## New Products

In 2024, Personal Wealth played a crucial role in launching the newest mutual fund managed by BPI Wealth – the BPI Wealth Builder, an innovative product designed to grow and support every Filipino in their financial journey. From the BPI Wealth Summit to the various activities to roll-out the products to BPI branch employees, our dedicated team of Advisors remained committed to providing exceptional service and solutions to our retail clients.



**We believe that by equipping more Filipinos with the knowledge and tools necessary to make informed financial decisions, we are not only fostering individual financial resilience but also contributing to our nation's long-term economic stability and prosperity.**







## BUSINESS SERVICES AND OPERATIONS

Our commitment to innovation has led to the launch of BPI Wealth Builder which redefined investing by allowing our customers to build their wealth from as low as PhP1,000 while unlocking lifestyle, health, medical and life protection benefits at every milestone.



We significantly enhanced our digital onboarding by empowering our clients to invest in Treasury Bills by opening a Portfolio Management Account online via BPI Wealth's E-Invest platform. Additionally, we implemented DocuSign, a digital workflow tool that enables paperless account onboarding and transaction processing. This enables clients to digitally accomplish and sign account opening and transaction forms, eliminating the need for physical routing of paper documents and expediting the account onboarding process, thereby improving the customer experience.



We broadened customer access to their statements of account by integrating BPI Wealth portfolio statements into the BPI app, providing seamless access to account information, enhancing transparency and convenience.



Our commitment to financial wellness was further reinforced with the launch of our inaugural Wealth Wellness Month. This initiative featured key events such as FinQuest, and Wealth Summit, aimed at promoting financial literacy. Additionally, we introduced our #MoneySeries videos, which offer expert insights on essential financial topics, fostering a strong sense

of community and empowerment – enabling clients to be more, live more and #DoMore.

**We are committed to empowering our clients, teams, and partners by fostering financial success and long-term growth. Through a steadfast dedication to operational excellence, we deliver exceptional experiences that drive efficiency and innovation, while ensuring trust and security at every step. Together, we will continue advancing forward, building a better future for all.**



# RISK MANAGEMENT FRAMEWORK

BPI Wealth's risk management framework is strongly anchored on the cardinal principle of fidelity. It is designed to ensure that the Company's fiduciary activities are carried out with the highest standard of care and clients' assets are prudently managed.

The framework enables the Company to effectively identify, measure, control and monitor risks associated with its fiduciary and investment management activities, in accordance with the key elements and basic principles of a sound risk management system: active and appropriate oversight by the Board of Directors; adequate risk management processes, policies and procedures; appropriate risk measurement system, prudent risk limits, monitoring and management information system; and comprehensive and effective internal control system and, audit and compliance program.

BPI Wealth's risk management framework continuously evolves as the business grows, as the market structure and regulations change, as new financial products and instruments are introduced in the market and as global risk management standards and best practices are enhanced and developed.



# RISK MANAGEMENT GOVERNANCE STRUCTURE AND RISK STRATEGY

Risk management in BPI Wealth is a top-down process that starts with the Board of Directors, which has ultimate responsibility for providing oversight of the Company's risk management process, including setting strategic direction and risk tolerance standards for fiduciary and investment management activities. The Board fulfills this function through the BPI Wealth Risk Management Committee (RMC), which oversees the development and implementation of the overall risk management program and fosters a culture of risk management across the Company.

The RMC adopts the "three lines of defense" model in managing risks. This delineates the responsibilities of risk owners and managers (first line), risk oversight functions (second line), and internal audit (third line), which provides independent assurance on the quality and effectiveness of risk management and controls.

The RMC is supported by Management through various committees overseeing investment activities and operations, and by the Risk Management Office (RMO), which is responsible for the day-to-day implementation of the Company's risk management program.

Risk awareness is reinforced through engagement with senior management and business units, ongoing training, and the promotion of risk best practices across the organization.

## KEY RISK AREA

BPI Wealth identifies major risks attendant to its fiduciary and investment management activities, including investment, operational, and information technology risks.

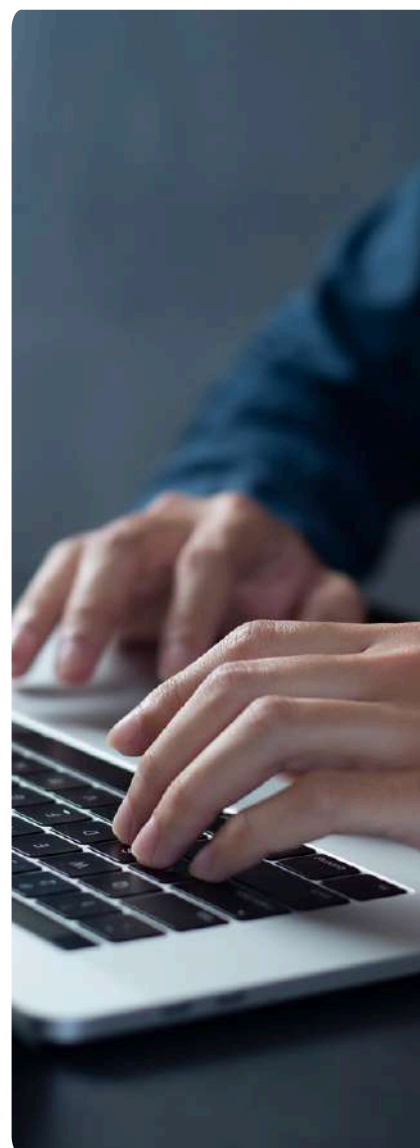
Investment or portfolio risk—comprising market, credit, and liquidity risks—is inherent in managing clients' assets and has a direct impact on their earnings and/or principal. Market risk arises from adverse movements in market risk factors, while credit risk arises when clients' funds are transacted with market counterparties or placed in debt instruments. Liquidity risk may arise from the Company's inability to recognize or address changes in the clients' funding needs or from inadequate market liquidity.

Operational risk arises from failed internal processes, people, or systems, as well as from external events that may result in damage to BPI Wealth's assets, prolonged business disruption, or adverse effects on the Company's earnings and capital.

Information technology (IT) risk, a component of operational risk, refers to potential adverse outcomes arising from reliance on IT infrastructure, systems, and networks. Operational and IT risk also encompass legal and compliance risks. BPI Wealth is likewise exposed to reputational risk, which may result from negative stakeholder perceptions, and to strategic risk, which relates to business decisions and the Company's responsiveness to industry changes.

These risks are interrelated. Failure to manage them effectively poses risks of financial losses to BPI Wealth and its clients and may damage the Company's reputation.

BPI Wealth has low tolerance for risks outside clients' investment mandate and portfolio risk-return objectives, avoiding unwarranted exposures through well-defined risk limits and control parameters. The Company has zero tolerance for fraudulent activity, improper practices and conflict of interest, and low tolerance for process failures and regulatory breaches. It also maintains a strong business continuity posture and expects reliability from all critical outsourced service providers.



## INVESTMENT RISK MANAGEMENT

Risk management is embedded in all phases of the investment process. Prior to the initiation of transactions, risks arising from new investment instruments or transactions are identified and measured using tools appropriate to the nature and complexity of each transaction.

Factor sensitivity measures are utilized to evaluate market risk exposure for actively managed portfolios, while tracking error is the primary metric for index tracker funds. Overall portfolio risk is assessed through volatility. Risk-adjusted performance metrics are monitored to gauge the quality of returns and support performance evaluation across portfolios with varying risk-return profiles.

Credit risk is measured at both the issuer and counterparty levels, using published credit ratings and internal assessments derived from BPI's credit risk rating system. Liquidity risk is likewise evaluated on two levels – at the security/asset level and at the portfolio level.

To mitigate market risk, investment activities are governed by risk limits and controls that reflect the risk tolerance standards of the Board and individual clients. All managed funds and portfolios are subject to aggregate limits approved by the RMC and client-specified portfolio parameters. Regulatory limits are strictly observed, and loss triggers are in place to limit market losses.

Credit risk is controlled through issuer and counterparty exposure limits and a credit approval process that covers initial evaluation and periodic reviews. Liquidity risk is mitigated by focusing on tradable instruments, maintaining adequate liquidity buffers, and incorporating liquidity risk assessments into the investment accreditation process. A liquidity contingency plan provides the framework for responding to crisis scenarios.

## OPERATIONAL RISK MANAGEMENT

Operational risks are managed through timely identification, assessment, monitoring, reporting, and mitigation. Key risk indicators are tracked, and defined thresholds trigger corrective measures, as necessary.

The Company maintains a sustainable and effective business continuity management program aligned with BPI Group's strategy. This includes plans to ensure the timely recovery of critical processes following disruptions. BPI Wealth implements mitigating controls for emerging risks such as cyber threats and pandemic-related disruptions. Strategic initiatives on digitalization, IT infrastructure upgrades, and cybersecurity enhancements, along with access to recovery sites, enable the continued delivery of services to clients.

The mobility program continues to support operational resilience, equipping employees with tools to work securely outside Company premises. These measures ensure that BPI Wealth remains responsive, secure, and operationally sound amid changing risk landscapes.





## ANTI-MONEY LAUNDERING COMPLIANCE

The prevention of financial crimes is a top priority of BPI Wealth, not only because they pose a significant threat to the Company's reputation, but also because they undermine the integrity of the global financial system. Hence, BPI Wealth's Compliance extends its ambit beyond the Company, its policies, and its employees to ensure that its clients also act within the law and do not use the Company or its structures for illegal activities.

The Board of Directors and Management support firm-wide and BPI group-wide efforts towards establishing strong anti-money laundering and counter-terrorism and proliferation financing (AML/CTPF) assurance mechanisms and globally consistent procedures, as well as establishing a management structure that promotes accountability and transparency and upholds checks and balances.

The Board of Directors, officers and employees are guided by policies to ensure that everyone in the organization upholds the highest standards in conducting business transactions and activities. Periodic reviews of the policies are done to make certain that they continue to be relevant and aligned with company values and principles and regulatory and legal requirements, including Anti-Money Laundering Law.

It is the ultimate responsibility of the Board of Directors to fully adhere with the applicable AML/CTPF rules & regulations, ensure that Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF) risks are effectively managed, and that such forms part of the Company's enterprise risk management system.

Management oversees the day-to-day management of the Company, ensures effective implementation of AML/CTPF policies approved by the Board of Directors, and alignment of activities with the strategic objectives, risk profile, and corporate values set by the Board of Directors.

The Anti-Money Laundering (AML) Compliance Unit at BPI Wealth is responsible for the management of the implementation of the Money Laundering and Terrorist Financing Prevention Program (MTPP) which is observed in compliance with the Anti-Money Laundering Law, its implementing rules and regulations, and BSP's AML/CTPF prescribed rules and regulations, as well as BPI's anti-money laundering program covering subsidiaries and affiliates.

The MTPP aims to implement anti-money laundering practices and combat terrorist and proliferation financing and other financial crimes. It consists of conscientious customer due diligence and know-your-customer (KYC) processes; technology and automated tools to identify and detect financial transactions of a suspicious nature; monitoring, periodic review, and timely reporting of AML/CTPF events to Management.

This program also includes regular and effective AML/CTPF training and awareness programs for all personnel; maintenance of customer data and transaction documents within prescribed timelines; and timely updates of policies and procedures in accordance with changes in regulations and AML/CTPF typologies.

To ensure compliance with the program, the AML Compliance Unit conducts periodic compliance checking which covers, among others, evaluation of existing processes, policies, and procedures including ongoing monitoring of performance by staff and officers involved in ML/TF/PF prevention, reporting channels, effectiveness of the electronic money laundering transaction monitoring system, and record retention system through sample testing and review of audit or examination reports.

With increasing global AML initiatives and numerous new regulations, BPI Wealth recognizes that its AML processes and controls are evolving from a standalone function to an increasingly complex and overarching function cutting across legal, risk, and operations. The Company constantly reviews its program to ensure adept compliance with the latest legislative and regulatory developments.

To foster awareness, knowledge, and understanding of AML/CTPF concepts, principles, and requirements, all employees are required to attend training programs conducted by the AML Compliance Unit or through web-based e-Learning courses available with the BPI in-house training academy.





# CORPORATE GOVERNANCE



The Board of Directors, Management, and employees of the Company, along with BPI as its principal shareholder, firmly believe that robust corporate governance is fundamental to BPI Wealth's resilience and sustained presence. BPI Wealth is committed to upholding honesty, integrity, and professionalism in its business conduct, exercising prudence in decision-making, implementing internal discipline and checks and balances in its operations, and ensuring transparency in management policies, business strategies, and operational outcomes.

The Board of Directors and Management have adopted a comprehensive framework of policies, rules, systems and processes for the Company that governs the performance by the Board of Directors and Management of their respective duties and responsibilities to stockholders and other stakeholders which include, among others, customers, employees, suppliers, regulators, government, and the community in which it operates. The Board of Directors and Management undertake every effort necessary to create the necessary awareness of these principles and practices within the organization in order to ensure proper internalization by every member of the organization.

## BOARD OF DIRECTORS

The Board of Directors holds the primary responsibility of fostering and augmenting BPI Wealth's long-term shareholder value, ensuring that this objective is achieved in all its business activities. It is responsible for making statutorily identified decisions and overseeing the business and affairs of BPI Wealth and its management.

It must ensure BPI Wealth's ability to meet customer needs, sustain its leadership and competitiveness, and uphold its reputation in order to maintain BPI Wealth's long-term

success and viability as a business entity. Its mandate encompasses setting the strategic business directions of BPI Wealth, appointing its senior executive officers, confirming its organizational structure, approving all major strategies and policies, overseeing all major risk-taking activities, monitoring financial results, measuring and rewarding the performance of Management, and generating a reasonable investment return to shareholders. It shall also provide an independent check on Management.

The responsibility of the Board of Directors is to promote the Company's long-term success, ensuring its competitiveness and profitability align with corporate objectives and the best interests of its stockholders and stakeholders.

The Board of Directors formulates the Company's vision, mission, strategic objectives, policies, and procedures to guide its activities, including the means to effectively monitor Management's performance.

*Please see Appendix A for the biographies of our Board of Directors.*

## CHAIRMAN

The Board of Directors of BPI Wealth is headed by a competent and qualified Chairman.

The Chairman is currently a Non-Executive Director. The Board does not encourage Chief Executive Officer ("CEO") duality. The Chairman, who has not served as CEO of BPI Wealth within the past three years, is separately appointed from the President and CEO. The Chairman and the President and CEO positions are currently held by two individuals who are not related to each other and have defined roles and responsibilities that are separate and distinct, as set in the Amended By-Laws and Corporate Governance Manual of BPI Wealth.

Under the leadership of the Chairman, the Board of Directors establishes the framework within which the senior management team of BPI Wealth, headed

by the President and CEO, steers the business. As stated in the BPI Wealth Corporate Governance Manual, the Chairman guides the Board of Directors in its decision-making process and ensures that the Board of Directors operates effectively as a team. The Chairman also fosters a positive and constructive working relationship between the Board of Directors and Management. With the Chairman at the helm, the Board of Directors sets the Company's strategy and risk appetite and approves capital and operating plans presented by Management for sustainable achievement of strategic objectives.

## PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President reports directly to, and is accountable to, the Board of Directors for the performance of the Company. The President is responsible for the overall management of the business and affairs of BPI Wealth, governed by the strategic direction and risk appetite approved by the Board of Directors. The President is accountable to the Board of Directors in championing the desired conduct and behavior, implementing strategies, and advancing the long-term interests of BPI Wealth.

## BOARD CHARTER

The duties and responsibilities of the Board of Directors are specified in BPI Wealth's Corporate Governance Manual, which articulates and sets forth with clarity the governance and oversight responsibilities exercised by the Directors and their roles and functions in BPI Wealth together with provisions on composition, committees and governance.

## COMPOSITION AND QUALIFICATIONS

Each member of the Board possesses deep understanding of Philippine laws, rules and regulations, and best practices in the trust business, adhering to ethical and good governance standards. Furthermore, all members are seasoned professionals with various expertise and experience in fields relevant to trust business, banking and finance, economics, and risk management.

The composition of the Board of nine (9) Directors is deemed appropriate given the complexity of the operations of the Company and the significant time demands placed on the Directors.

The Board of Directors currently consists of eight (8) Non-Executive Directors, which include four (4) Independent Directors, and one (1) Executive Director serving as the President and Chief Executive Officer of the Company.

Non-Executive Directors, comprise 89% of the Board, more than the requirement of the BSP of at least majority of the Board.

Independent Directors comprise 44% of the Board of Directors, compliant with the requirement of the SEC and the BSP of at least one-third of the Board.

This provides independent and objective judgment on significant corporate matters and ensures that key issues and strategies are objectively reviewed, constructively challenged, and thoroughly and rigorously examined. Additionally, Independent Directors chair three (3) Board committees, namely the Risk Management Committee, Audit Committee, and Corporate Governance Committee.

Our Board of Directors enjoys the trust and respect of both local and international business community. They are established professionals who provide perspective, objectivity, practical wisdom, and sound judgment in their oversight, recommendations and evaluation of BPI Wealth's trust and other fiduciary business, as well as its investment management activities.

The annex to this annual report contains the comprehensive profiles of the Board of Directors which disclose, among other information, the age, qualifications, date of election, relevant experience, and directorships both in the BPI Group as well as in other companies, listed or otherwise.

All directors of BPI Wealth comply with all fit and proper qualifications and requirements of the BSP and SEC and remain qualified throughout the one-year term. This includes required working

knowledge, experience or expertise, and competence relevant to the industry.

## INDEPENDENCE

A material relationship with the Company is a relationship that is reasonably expected to interfere with the exercise of a director's judgment and independence from the Management. The Company ensures that a majority of qualified non-executive members are elected, to promote the independence of the Board from the views of Management. Non-executive members of the Board of Directors refer to those who are not part of the day-to-day management of trust operations and perform duties on various key committees.

BPI Wealth likewise meets both the minimum BSP regulatory and the SEC Corporate Governance Code requirements for the number of Independent Directors in its Board, who must make up at least one-third and not less than two.

The Company also ensures compliance with the qualifications and requirements for Independent Directors.

## DIVERSITY

Our leadership model strives to achieve an appropriate balance of power, accountability, and independence in decision making. Diversity in terms of gender, age, education, professional experience, engagement in sustainability and skills, knowledge, length of service, and other regulatory requirements is duly considered in the design and selection of the Board's composition.

Director's name	Type of Director	Date first Elected	Date last Elected	No. of years as Director
Jose Teodoro K. Limcaoco	Non- Executive Director	4/21/2021	5/15/2024	3.7
Maria Theresa D. Marcial	Executive Director	4/20/2022	5/15/2024	2.7
Rene G. Bañez	Non- Executive Director	8/16/2021	5/15/2024	3.3
Rizalina G. Mantaring	Independent Director	8/16/2023	5/15/2024	1.3
Gerardo C. Ablaza, Jr.	Non- Executive Director	6/15/2022	5/15/2024	2.5
Mariana Beatriz E. Zobel De Ayala	Non- Executive Director	6/16/2021	5/15/2024	3.5
Ignacio R. Bunye	Independent Director	2/01/2017	5/15/2024	7.8
Jesse O. Ang	Independent Director	6/29/2018	5/15/2024	6.5
Maria Dolores B. Yuvienco	Independent Director	7/29/2019	5/15/2024	5.4



## SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS

Public trust in a company largely depends on the existence of an accurate disclosure regime that provides transparency in the beneficial ownership and control structures of the company.

BPI Wealth understands that disclosure of such information is important in detecting and preventing tax evasion, corruption, money laundering, terrorist financing and other unlawful activities and guards against conflicts of interest in companies, which may have concentrated ownership and where there may be controlling beneficial owners with large voting blocks.

None of the members of BPI Wealth’s Board of Directors and Management owns 2.0% or more of the outstanding capital stock of the Company.

As of December 31, 2024, the following are known to BPI Wealth to be directly the record and/or beneficial owners of BPI Wealth voting common shares:

Title of Class	Name of Beneficial Owner	Position	December 2024		Nature of Ownership (D) Direct (I) Indirect	Citizenship
			No. of Shares	% of Holdings		
Common	Jose Teodoro K. Limcaoco	Chairman, NED	1	0.00%	D	Filipino
Common	Maria Theresa D. Marcial	President, ED	1	0.00%	D	Filipino
Common	Rene G. Bañez	NED	1	0.00%	D	Filipino
Common	Rizalina G. Mantaring	ID	1	0.00%	D	Filipino
Common	Gerardo C. Ablaza, Jr.	NED	1	0.00%	D	Filipino
Common	Mariana Beatriz E. Zobel de Ayala	NED	1	0.00%	D	Filipino
Common	Ignacio R. Bunye	ID	1	0.00%	D	Filipino
Common	Jesse O. Ang	ID	1	0.00%	D	Filipino
Common	Maria Dolores B. Yuvienco	ID	1	0.00%	D	Filipino

\*Position: Executive (“ED”), Non-Executive (“NED”), Independent (“ID”)

## DUTIES AND RESPONSIBILITIES

The Board of Directors is likewise responsible for overseeing reasonable and sustainable returns on shareholder capital by, among others, reviewing and approving the Company’s mission, vision, strategies and objectives; appointing senior executives and confirming organizational structures; approving enterprise-wide policies and procedures; monitoring business and financial performance; overseeing risk

management framework and risk appetite, and fostering regulatory compliance.

## SELECTION

All written nominations for the Directors and the Senior Management are submitted to BPI Wealth Board and BPI Personnel and Compensation Committee (“PerCom”), respectively.

To the extent applicable, the Directors are selected from a broad pool of qualified candidates. A sufficient number of qualified non-executive members are elected to

promote the independence of the Board of Directors from the views of Management.

The election of Directors and appointment of key officers (President/CEO, Head of Compliance, Risk Management, and Internal Audit) of BPI Wealth, which includes the Chairman of the Board, must also be confirmed by the BSP. Directors and appointed key officers must submit required certifications and other documentary proof of qualifications for the confirmation of their appointment.

The nomination and election processes and their effectiveness are reviewed annually by BPI Wealth Board and BPI Personnel and Compensation Committee.

## TERM OF DIRECTORS

Directors are elected to serve a one-year term starting immediately upon their election and continuing until the next election, at which point their successor/s shall be elected and qualified in accordance with BPI Wealth’s By-Laws at the next annual stockholders meeting.

## POLICY ON DIRECTORSHIPS

With a rigorous nomination process, close monitoring and reporting of Board and Committee meeting attendance, an annual performance evaluation which includes affirmative determination of time commitments and an annual review of Board Committee chairmanships and memberships, adequate safeguards against over boarding or over commitment are in place. Directors must notify the Board of their intention to accept a directorship in another company. BPI Wealth adopted the BPI Group Policy on Directors and Officers Interlocking Positions, which allows directors to hold up to approximately fifty (50) interlocking directorships,

including the current regulatory limit of five (5) PLC directorships. However, this limit on interlocking directorships does not apply to the Chairman, Vice Chairman, Executive Director(s) and interlocking directorships of directors' spouses. The Company shall constantly evaluate said limit alongside the results of directors' periodic or annual performance evaluations. The Company shall be cautious in its evaluation, ensuring that directors are able to devote sufficient time to their fiduciary duties and responsibilities. For officers, a maximum of ten (10) interlocking positions may be held.

The limit for directors and officers shall not be applied to interlocking directorships/trusteeships and officerships in non-profit/civic organizations and financial services industry/ management/corporate governance associations.

BPI Wealth Directors are bound by a Director's Code of Conduct to take into account their individual circumstances and the nature, scale and complexity of BPI Wealth's activities in showing full commitment to BPI Wealth – devoting the time, schedule and attention necessary to its business interests, to properly and effectively perform their duties and responsibilities and to avoid conflicts of interest – and affirm annually.

A lower limit on the number of directorships would reduce the pool of interested and qualified director candidates and increase difficulty in finding and retaining the most effective Directors. BPI Wealth also benefits greatly from stewardship of experienced Directors who serve on other boards and provide guidance and independent perspective on multi-faceted issues, and complex, strategic concerns in asset management.

BPI Wealth also applies a limit of five (5) on directorships for Non-Executive Directors and Independent Directors in publicly listed companies. Application of the policy of directorships shall not impinge on or violate a shareholder's ownership rights and legal right to vote and be voted upon as Directors.

BPI Wealth also adheres to the pertinent provisions outlined in the MORNBFI regarding interlocking directorships. The Board of Directors regularly reviews interlocking board memberships to determine whether any of these create real or potential conflicts of interest or impair the ability of the Directors involved to exercise independent judgment.





## INDUCTION AND DIRECTOR EDUCATION

The Directors acquire appropriate skills upon appointment, and thereafter remain abreast of relevant new laws, regulations, and changing commercial risks through in-house training and external courses.

The following table shows the training received by the Board of Directors and Key Officers:

Director	Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit 05 November 2024	Executive Session on Anti-Money Laundering and Financial Crime Compliance by SGV in 2023*	AMLC Training on AML/CTF Fundamentals & Targeted Sanctions in 2024**
Jose Teodoro K. Limcaoco	✓	✓	
Maria Theresa D. Marcial	✓	✓	
Rene G. Bañez	✓	✓	✓
Rizalina G. Mantaring	✓	✓	
Gerardo C. Ablaza, Jr.	✓	✓	
Mariana Beatriz E. Zobel De Ayala	✓	✓	
Ignacio R. Bunye	✓	✓	✓
Jesse O. Ang	✓	✓	✓
Maria Dolores B. Yuvienco	✓	✓	✓

Key Officers	Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit 05 November 2024	Executive Session on Anti-Money Laundering and Financial Crime Compliance by SGV in 2023*	AMLC Training on AML/CTF Fundamentals & Targeted Sanctions in 2024**
Christmas G. Sevilla, SVP	✓	✓	
Yvette Mari V. De Peralta, SVP	✓	✓	
Enrico Francisco A. Recto, VP - Head, Compliance Department	✓	✓	✓
Minette Josephine C. Rocamora, VP Head, Risk Management	✓		

\* Per MTPP, the members of the Board of Directors shall attend the MTPP training at least once every 3 years  
\*\*Members of BPI and BPI Wealth Audit Committees shall attend AMLC training courses

Directors undergo comprehensive briefings on BPI Wealth’s background, organizational structure, and the general and specific duties and responsibilities of the Board of Directors. Additionally, they receive briefings on relevant policies and rules governing their roles as Directors. This includes an overview of the industry, regulatory environment, business of trust, strategic plans of the Company, its governance framework such as the Manual on Corporate Governance, Code of Business Conduct

and Ethics, as well as insights into Board operations (schedules, procedures, and processes). They are also provided support from the Office of the BPI Corporate Secretary and Management throughout this process.

Continuing education of Directors includes internal meetings with senior executives and operational or functional heads, dedicated briefings on specific areas of responsibility within the business and

special presentations on current issues or regulatory initiatives as well as regulatory updates and developments during Board and Committee meetings.

Other internal courses, also available to Management, include seminars and online courses on anti-money laundering, business continuity management, conflict of interest, risk management overview, and information security awareness. Directors also regularly attend governance fora, conferences, and summits.

## REMUNERATION

The Company acknowledges that the BPI Group manages human capital as a group resource and likewise acknowledges the BPI Board’s oversight function and authority in the implementation of a group-wide remuneration policy and requisite Human Resources policies and program.

The Company’s remuneration policy for the Board and Management is aligned with the BPI group-wide remuneration policy and program. The remuneration policy is aligned with risk incentives and supports sustainable, long-term value creation. Apart from ensuring that Board and Management pay appropriately reflects market and industry conditions and drives business strategy and financial performance, the policy likewise applies performance-based remuneration that rewards employees for their commitment to Company’s strategy.

The oversight of the remuneration and incentives policy of officers and directors of BPI Wealth is done by the BPI PerCom.

Under the Company's amended By-Laws, the Board of Directors, as a whole, determines a level of remuneration and/or benefits for Directors that shall be sufficient for their services and compensate them for attendance at meetings of the Board and Board Committees, and performance of numerous responsibilities and undertaking certain risks as a director. The compensation, which may be in various forms, is fixed by way of a resolution of the Board of Directors.

Board members receive per diems for each occasion of attendance at meetings of the Board or of a Board Committee. All fixed or variable remuneration paid to Directors may be given as approved by the Board of Directors, upon recommendation of the BPI PerCom.

Other than the usual per diem arrangement for Board and Committee meetings and the aforementioned compensation of Directors, there is no other standard arrangement as regards compensation of Directors, directly or indirectly, for any other service provided by the Directors for the last completed fiscal year. Directors with executive responsibilities within the BPI group are compensated as full-time officers of the Company, not as Non-Executive Directors. No Director participates in discussions of the remuneration scheme for himself or herself.

The remuneration policy is reviewed annually to ensure that it remains competitive and consistent with the Company's high-performance culture, objectives, and long-term outlook, risk assessment and strategies. This relationship between remuneration and performance aligns the remuneration of the Board of Directors with the long-term interests of the Company.

In 2024, BPI Wealth's Board of Directors, as a whole, received a total of Php13 Million as fees and other compensation for the services they rendered.

The Board, through the BPI PerCom, annually approves the remuneration payable to the President and CEO, and Management, who have the authority and responsibility for the Company's overall direction and strategy execution. The BPI PerCom monitors and assesses how the remuneration is implemented each year and ensures that it corresponds to the remuneration policy. Remuneration for the CEO, President, and Management are set in the same way as all other employees where it is contractually fixed, based on the role, skills and experience to relevant market benchmarks. Remuneration for Management, as reflected in the ratio between fixed and variable components of their total compensation, changes according to performance, rank, and function.

Apart from the aforementioned key performance indicators, the Company ensures that Management remuneration and incentives reflect prudent risk-taking and effective control. Salary reviews (covering fixed and variable compensation) are done annually to ensure market competitiveness of the officer's total remuneration. Other remuneration policies include:

- All salary programs are subject to the approval of BPI PerCom and the Board.
- An annual merit increase may be granted upon Management discretion based on officer's performance.
- Upon Management's discretion, a performance bonus may be given in a year, based on the performance and contribution of the individual to the attainment of the overall Company goals. This is subject to the endorsement of BPI PerCom and approval of the Board.

- The Board, through BPI PerCom, has established long-term incentive programs, the Executive Stock Option Plan ("ESOP") and Executive Stock Purchase Plan ("ESPP"), which give officers the opportunity to buy shares of stock in BPI at a discounted price.

## MEETINGS AND ATTENDANCE

The Board of Directors conducts business through meetings of the Board and its Committees for the effective discharge of its obligations. Regular Board meetings are convened monthly, held every third Wednesday of the month. Special meetings may be called for as needed.

Items placed on the agenda of each meeting of the Board of Directors are those that have the most fundamental importance and broad policy implications for BPI Wealth. Directors are free to suggest items for inclusion in the agenda and are free to raise at any meeting of the Board of Directors subjects that are not on the agenda for that meeting. At the Chairman's discretion, any agenda items may also be referred for discussion in the respective Committees.

The Chairman presides over meetings of the Board. Board and Committee meetings are conducted consistent with BPI Wealth's By-Laws.

When exigencies prevent a Director from physically attending a Board or Board Committee meeting, facilities for telephone conferencing are made available. In instances when a Director is unable to attend meetings even through teleconferencing due to prior commitments or unavoidable events, the said Director provides input to the Chairman so that his views can be known and considered.



Minutes of Board and Committee meetings are prepared with due regard to legal requirements. Key points and decisions are summarized. The Board of Directors generally acts by consensus rather than on an adversarial basis, so that abstentions and rare instances of formal dissent are duly recorded. Further, members of the Board of Directors take the initiative to have high-level discussions with Management on its proposals. The Chairman of the Board likewise ensures that there is a fair and honest exchange of ideas and opinions by and between the Directors and Management in meetings of the Board of Directors.

Discussions during meetings of the Board of Directors consider open and independent views. When necessary, the Board holds executive sessions to discuss highly sensitive matters. Board reference materials are made available to the Directors in advance of the scheduled meeting. As an innovation to board governance, all materials for Board and Board Committee meetings are uploaded through a secure system onto individual tablet devices specifically provided to the Directors to ensure immediate receipt and quick access. The Board of Directors appreciates the high level of commitment required of a Director. As evident in the annual Board self-assessment, each of the Directors has sufficient time to devote to the conduct of his/her Board and Committee responsibilities and has contributed meaningfully to BPI Wealth.

The following table shows the attendance record of the directors of BPI Wealth for 2024:

NO. OF MEETINGS ATTENDED IN 2024		
Name of Director	Attended / Total	In Percentage
BOARD		
Jose Teodoro K. Limcaoco	12/13	92%
Maria Theresa D. Marcial	13/13	100%
Rene G. Bañez	13/13	100%
Rizalina G. Mantaring	11/13	85%
Gerardo C. Ablaza, Jr.	13/13	100%
Mariana Beatriz E. Zobel De Ayala	12/13	92%
Ignacio R. Bunye	13/13	100%
Jesse O. Ang	13/13	100%
Maria Dolores B. Yuvienco	13/13	100%
EXECUTIVE COMMITTEE		
Jose Teodoro K. Limcaoco	11/12	92%
Maria Theresa D. Marcial	11/12	92%
Mariana Beatriz E. Zobel De Ayala*	3/7	43%
Ignacio R. Bunye**	5/5	100%
AUDIT COMMITTEE		
Ignacio R. Bunye	4/4	100%
Jesse O. Ang	4/4	100%
Rene G. Bañez	4/4	100%
RISK MANAGEMENT COMMITTEE		
Jesse O. Ang	4/4	100%
Maria Dolores B. Yuvienco	4/4	100%
Gerardo C. Ablaza, Jr.	4/4	100%
CORPORATE GOVERNANCE COMMITTEE		
Maria Dolores B. Yuvienco	4/4	100%
Ignacio R. Bunye**	4/4	100%
Jesse O. Ang	4/4	100%

\*Committee Member until 19 June 2024  
 \*\*Elected as Committee Member effective 19 June 2024

Board Meetings in 2024 were held on the following dates:

Date of Meeting	Nature of Meeting
17 January 2024	Regular Board
21 February 2024	Regular Board
20 March 2024	Regular Board
17 April 2024	Regular Board
15 May 2024	Regular Board
19 June 2024	Organizational Board Meeting
22 August 2024	Regular Board
18 September 2024	Regular Board
16 October 2024	Regular Board
20 November 2024	Regular Board
28 November 2024	Regular Board
28 November 2024	Non-Executive Director Meeting
11 December 2024	Regular Board

Consistent with the parent bank digitalization strategy, BPI Wealth has adopted virtual meeting platforms and invested in the necessary equipment, including video and web conferencing software. In addition to training, virtual meeting protocols for both the Board and Management have also been established accordingly. These alternative means of communication for Board and Board Committee meetings followed BSP and SEC guidance on the conduct of meetings held remotely by electronic means. Likewise, rules and procedures relating to presence of a quorum, notices, agenda setting, voting, conflicts of interest, when meetings can be called and held, continued to follow rules and procedures for meetings held in person. All Directors in attendance at the meetings held remotely by electronic means are able to hear, participate and communicate ‘live’ in the discussions and decisions made at the meetings.

## QUORUM

As provided under BPI Wealth's By-Laws, a majority of the members of the Board of Directors shall constitute a quorum for the conduct of a meeting of the Board of Directors. Any meeting for the transaction of corporate business, and every decision of a majority of the quorum duly assembled as a Board shall be valid as a corporate act, unless otherwise provided in the By-Laws.

## ACCESS TO INFORMATION

The Board has separate and independent access to the Corporate Secretary, who serves as adviser to the Directors on their responsibilities and obligations and oversees the adequate flow of information to the Board prior to meetings.

To provide Directors with all the information and assistance necessary to prepare for meetings or obtain clarification on any relevant matters, access to the Corporate Secretary is unhampered, unlimited and direct. Directors may simply request such information by phone, email, written communication or in person, from the Corporate Secretary who in turn will give them all information and assistance they will need to prepare for the meeting or clarification of any relevant matters.

Management also ensures an adequate flow of information to the Board of Directors. This information may include background or explanatory information relating to matters to be brought before the Board, copies of disclosure statements and related documents, budgets, forecasts and monthly internal financial statements.

All Directors also have unrestricted access to company records and information in addition to receipt of regular detailed financial and operational reports from Management.

## ROLE OF THE CORPORATE SECRETARY

The Corporate Secretary, who is a senior, strategic-level corporate officer is not a Director and a separate individual from the Chief Compliance Officer. She plays a leading role in the Company's corporate governance, and as such, attends corporate governance training annually.

The Corporate Secretary is suitably trained and experienced in legal and company secretarial practices and is professionally qualified for these responsibilities. The present Corporate Secretary possesses the legal skills of a chief legal officer whose training is complemented by business, organizational, human relations and administrative work skills. Our Corporate Secretary is also the Corporate Secretary of BPI and various BPI subsidiaries and affiliates.

**See Appendix A for the full biography of our Corporate Secretary.**

## PERFORMANCE EVALUATION AND SELF-ASSESSMENT

### Board of Directors

The Board of Directors annually conducts a self-assessment to ascertain the alignment of leadership fundamentals and issues, validate the Board's appreciation of its roles and responsibilities and confirm that the Board possesses the right mix of background and competencies.

The Board of Directors, under the guidance of the Corporate Governance Committee, thoroughly reviews its performance, measured based on what it delivers and how it delivers, how it meets its responsibilities to its stakeholders, and how it addresses issues that impact the Board's ability to effectively fulfil its fiduciary duties.

Using a widely advocated standard evaluation method of self-assessment and feedback review, performance is assessed across four levels: the Board as a body, Board Committees, individual Directors, and President. Key evaluation criteria are built on the Board's terms of reference and Committee charters and framed around broad leadership fundamentals and best practices.

The BPI Wealth Compliance Department facilitated the Board of Directors self-assessment survey exercise which then processed and tabulated the results of the self-assessments and communicated them to the BPI Wealth Corporate Governance Committee and to the Board. Areas for improvement are discussed in the BPI Wealth Corporate Governance Meeting and to the Board, in order to agree on remedial actions. The Corporate Governance Committee may also develop recommendations and action plans for the Board, whenever necessary and desirable.

The Board of Directors conducted its annual Board self-assessment survey exercise for the term 2024-2025 in December 2024. Directors assessed that the Board of Directors had performed its duties and responsibilities effectively for the past year and that there were no material issues with respect to its membership, governance, and operations.



Process		Criteria
<b>Board of Directors</b>	<p>Self-Assessment by all Directors</p> <p>1.The Board of Directors shall be given sufficient time to accomplish the self-assessments</p> <p>a. Each individual Director performs the four (4) levels of self assessment using the prescribed forms, applying the rating scale and predetermined evaluation criteria for each level.</p> <p>b. For the Board and Committee-level assessments, while the Directors will be rating the Board's or Committee's performance as a body, the accomplishment of the assessment forms is meant to be done individually, on a per Director basis. This is to secure an honest, unbiased, independent, and anonymous view from each Director rather than a collective assessment that may already be subject to filtering and pre-agreement.</p> <p>2. Each Director shall submit the completed forms on or before the deadline set by the Corporate Governance Committee or at such earlier or later date as the Board of Directors may agree upon.</p> <p>The BPI Wealth Compliance Department processes the results of the assessments and communicates this to the BPI Wealth Corporate Governance Committee and Board through a Summary Report.</p>	<ol style="list-style-type: none"> <li>1.Strategic Foresight</li> <li>2.Board Structure and Committee Effectiveness</li> <li>3.Board Meetings and Procedures</li> <li>4.Board and Management Relations</li> <li>5.Induction and Continuing Education</li> <li>6.Performance Evaluation</li> <li>7.Value Creation</li> </ol> <p>General and specific leadership standards under the above criteria are considered in evaluating the Board as a body such as; adequacy of the processes which monitor business performance; Board member interaction with Management; adequacy of Board knowledge; appropriateness of balance and mix of skills; size of Board; contribution of individual directors; Board's effectiveness in use of time; if Board allows sufficient opportunity to adequately assess Management performance; Board's ability to keep abreast of developments in wider environment which may affect BPI Wealth; working relationship between Chairman and Chief Executive Officer; segregation of duties between Board and Management; ability of Directors to express views on each other and to Management in a constructive manner, etc.</p>
<b>Board Committees</b>	<p>Each member is required to accomplish the Committee Self-Assessment Form annually</p>	<p>General and Specific factors relating to Committee role, membership, procedure and practice, structure, collaboration, style and effectiveness.</p> <ul style="list-style-type: none"> <li>• General Structure</li> <li>• Committee Charter and Governance</li> </ul> <p>Each committee's assessment template is now based on their specific charter and manner of governance. A sampling of factors under the above criteria include: Use of Committee time; adequacy of Committee papers and frequency of meetings; ability to access resources; ability to keep informed in relevant areas; provision for continued development; working relationship between Committee Chairman and members; segregation of duties between Committee and Management; ability of Directors to express views on each other and to Management in a constructive manner etc.</p>
<b>Individual Director</b>	<p>Each Director is required to fill out a Self-Assessment Form annually.</p>	<p>Evaluation criteria focus on best practice benchmarking and specific director roles in the Board and in Committees:</p> <ul style="list-style-type: none"> <li>• Company Strategy, Developmental Role and Reputation</li> <li>• Board Engagement and Attendance</li> <li>• Performance and Governance Role</li> </ul> <p>In addition, the template includes separate question(s) for executive directors, independent directors, and committee chairmen.</p>
<b>President</b>	<p>Each Director fills out an evaluation form based on the relevant criteria. These are then submitted to the Chairman. The President's performance is also evaluated at least once a year by the Board of Directors.</p>	<p>For the President and CEO assessment, questions revolve around these criteria:</p> <ul style="list-style-type: none"> <li>• Leadership</li> <li>• Working with the Board</li> <li>• Managing Execution</li> <li>• Communication/External Relations</li> </ul>

## Succession Planning and Talent Management

The Board of Directors is committed to a process of orderly succession. It acknowledges that a succession plan for the Board and for its leadership positions is in the best interest of BPI Wealth and its stakeholders who value continuity in leadership. Leadership changes are not only carefully considered and planned but are also part of a comprehensive risk management strategy that is guided by clear and transparent governance policies, processes and laws.

### Board Succession

The BPI Wealth Corporate Governance Committee facilitates the annual review and assessment of the structure, size and composition of the Board and Board-level Committees. The Committees take into consideration the current strategy and business of the Company, comparative benchmark, and peer group analysis. They also determine if there is a reason to believe that one or more Director slots shall become vacant in the following term of the Board of Directors or within the next 12 months after the current year's Annual Stockholders' Meeting. In addition, the BPI Wealth Board considers the long-term strategic goals and directions as well as requirements of the Company, moving forward.

BPI Wealth Corporate Governance Committee may also review the Board's forecasted membership requirements over the next three to five years, based on factors such as directorship limits for publicly listed companies, retirement policy for Directors, and term limits for independent Directors. The BPI Wealth Board also considers candidate directors with respect to their skills, engagement and past or present work or board experience.

The BPI Wealth Corporate Governance Committee as may be requested by the BPI Nomination Committee and Personnel and Compensation

Committee, may make recommendations to the BPI Wealth Board on matters relating to the review and evaluation of the qualifications of all persons nominated to the BPI Wealth Board as well as those nominated to other positions requiring appointment by the Board of Directors taking into account the appropriate qualifications, expertise and characteristics required of the positions.

### Senior Management Succession

BPI Wealth's Corporate Governance Committee acknowledges the BPI Board's oversight function and authority through BPI PerCom in the implementation of the BPI group-wide remuneration and requisite Human Resources policies and program. The BPI Wealth's Corporate Governance Committee oversees the succession planning done by the BPI PerCom which involves management of talent pipeline and assembly of required personnel capable of navigating such changes.

The BPI PerCom reviews BPI Wealth's talent development process for proper management. Management provides a report to this Committee on the results of its talent and performance review process for key management positions and other high-potential individuals. Aside from ensuring that there is a sufficient pool of qualified internal candidates to fill senior leadership positions, this review process identifies opportunities, performance gaps and proactive measures in the Company's executive succession planning.

The Committee may also review the Management's forecasted requirements over the next three to five years, based on factors such as retirement policy, required skills and experience. The Committee also considers candidates with respect to their qualifications, skills, engagement and past or present work or experience.

As part of the same executive planning process, the Committee as a whole or a part thereof, in consultation with the Board of Directors and the President, evaluates and nominates potential successors to the President.

BPI Wealth's Corporate Governance Committee oversees the performance evaluation process within BPI Wealth as performed by BPI PerCom which includes the annual review and approval of corporate goals, strategic objectives and standards to Management and key officers of the company. Performance is generally measured by the performance of the officer, a business unit, or the Company as a whole or using a combination of all as the officer's responsibilities may dictate.

The performance management framework considers goals or actual results of a given period's business objectives and core competencies. It also looks into the behavior, technical competencies and soft skills exhibited by the officer during the period under review, as well as fitness and propriety.

The framework also follows a performance management cycle: Goal Setting, Performance Monitoring, Performance Appraisal, Performance Reinforcement and Performance Improvement.

### Retirement Policy

The best interests of BPI Wealth are served by retention of Directors that make very meaningful contributions to the Board of Directors and the organization, regardless of age. It is the company's strong view that with age often comes unmatched wisdom and experience, expert business judgment, invaluable industry and community relations and authority, and deeply ingrained appreciation of the principles of corporate governance.

BPI Wealth believes that imposing uniform and fixed limits on Director tenure is counterproductive as it may force the arbitrary retirement of valuable Directors.



Nevertheless, BPI Wealth has set a retirement age for Directors at 80 years old. In specific cases, the Board, in mutual agreement with the Director, may opt to postpone said Director's retirement depending on the following conditions:

- Consistent and robust application of more dynamic and constructive corporate governance practices such as the annual Board's performance
- The Board shall also evaluate all facts and circumstances when considering a Director's tenure in accordance with good governance practices, including (without limitation) to accommodate the transition of a new CEO or new Directors or to provide continuity to further strategic objectives or address external factors affecting BPI Wealth.

Term limits of Independent Directors are set at a maximum cumulative term of nine (9) years.

Retirement of management is done with the requisite succession planning and in accordance with BPI Wealth's policies and implementing guidelines of its retirement plan for all employees, BPI Wealth's By-Laws, Labor Code and the Revised Corporation Code of the Philippines. Currently, the retirement age for employees of BPI Wealth is set at 60 years of age.

## AUDIT AND CONTROL

### Internal Audit

The BPI Internal Audit Division is an independent body that supports the BPI Wealth Audit Committee in overseeing the Company's operations. It provides an objective assessment of the Company's risk management, internal controls, and governance processes, and evaluates compliance with internal procedures and regulatory requirements through well-established risk-based audit plans.

The division is headed by the Chief Audit Executive (CAE) who reports functionally to the Board through the Audit Committee. BPI Internal Audit has a board-approved charter that sets forth its independence, authority, duties, and responsibilities.

The annual audit plan, developed using the risk assessment model, is dynamic and approved by BPI Wealth Audit Committee. Internal Audit follows the COSO1 and COBIT2 frameworks to assess the effectiveness of the internal control system.

Internal Audit reports directly to the Board through the BPI Wealth Audit Committee and collaborates with other assurance providers such as the risk management office, compliance office and external auditors. This comprehensive monitoring and review process enables the Company and all its business units to proactively manage and mitigate risks and compliance issues that could potentially impact the business.

The BPI Wealth Audit Committee ensures that the CAE has access to the Board, on a confidential basis, and that Internal Audit remains independent of company Management, both by intent and actual practice. The CAE also meets with non-executive Board members, together with heads of Compliance and Risk Management, and external auditor, other than in meetings of the audit, risk management and corporate governance Committees, in the absence of Management.

Internal Audit has a quality assurance and improvement program that ensures conformance with the Institute of Internal Auditors' (IIA) International Standards and Code of Ethics. Based on the annual internal assessments and external assessments conducted by qualified validators, Internal Audit has consistently maintained a "generally conforms" rating, indicating continuous adherence to professional standards and ethical benchmarks.

### Independent External Auditor

The external auditor appointed by the parent bank, BPI, shall also be the external auditor of BPI Wealth. The Audit Committee, as part of its oversight shall:

- Assess the external audit team's suitability and effectiveness on an annual basis including the rotation of the key partners.
- Review the external auditor's annual plan and scope of work, and in consultation with management, approve all audit and non-audit services, including fees, to be provided by the external auditor. Non-audit services should be disclosed in the company's annual report.
- Oversee resolution of disagreements between management and the external auditors in the event that these arise.

The BPI Wealth Audit Committee reviews and discusses with Management and the external auditor, the financial statements, and reports, including results of operations, before endorsing the same to the Board for approval.

## COMPLIANCE

The Company views compliance to mean not only adherence to laws, regulations, and standards but, more importantly, the consistent conduct of the affairs of the Company within a culture of high integrity, conforming to ethical business practice, abiding by the principles of fair dealing, accountability, and transparency. This ensures that in all its areas of activity, the Company and its stakeholders are protected from business risks as comprehensively as possible. The Company values its reputation most and the fact that it is trusted by its shareholders, clients, employees,

partners, and members of the communities it serves.

As the Company's second line of defense, the compliance function has also evolved in recent years to adapt to the shift towards more technology-heavy strategies, as it seeks to deliver the compliance risk management outcomes required in an era of digital transformation. While remaining a key advisory function, it has embraced a more forward-thinking, risk-based, and stress-tested approach to continuously monitor, evaluate, and improve its ability to ensure compliance in a trust business landscape that is subject to disruption and rapid change.

Oversight of the management of the Company's business risk and implementation of its compliance function is the responsibility of the Board, through the Corporate Governance Committee and Audit Committee. At the Management level, the compliance function is carried out by the Compliance Department, led by the Department Head. Designated by the Board of Directors, the Head of Compliance Department is not a member of the Board. The Compliance Department Head's qualifications are subject to the applicable provisions of the MORNBF, particularly considering fit and proper criteria such as integrity or probity, competence, education, diligence, and experience and training. The Compliance Department Head annually attends training on corporate governance.

The Compliance Department oversees the implementation of the Company's enterprise-wide compliance programs. These programs consider the size and complexity of the Company, the relevant rules and regulations that affect its operations, and the business risks that may arise due to non-compliance.

By using regulatory and self-assessment compliance matrices,

compliance measures are formulated to mitigate identified business risks and tested to ensure effectiveness.

The Compliance Department routinely provides advice to individual business units on applicable laws, directives, standards, and regulations as well as provides compliance support to the business units. It jointly develops guidance on operations and business processes in order to guard against potential compliance risk, and reviews and assists in interpretations of laws, implementing rules and regulations, standards and guidelines of the BSP, SEC, Anti-Money Laundering Council ("AMLC"), Insurance Commission ("IC"), National Privacy Commission ("NPC"), and other regulatory bodies for compliance, communicating them and verifying adherence.

The Compliance Department also helps achieve adherence to the Company's internal confidentiality regulations ("Chinese Walls"); provides regular training and education for employees on the applicable regulations, rules, and internal standards; and leads the Company in compliance risk assessment, rules-based testing and reporting.

The Compliance Department is currently organized to cover Regulatory Compliance, Corporate Governance, Investments Compliance, Anti-Money Laundering Compliance, FATCA Compliance and the Data Privacy Office. Considering the rapid developments in the regulatory sphere, as well as the growing complexity of the Company's products, services, and transactions, the Compliance Department evolves in its coverage of compliance practice areas to anticipate and meet future challenges. Enhancement of the compliance function's scope and domain is redefined for new and emerging sources of compliance risk.

The Compliance Department conducts independent compliance testing on various regulations. Results of compliance testing are reported regularly to the BPI Wealth Audit Committee and Board, and with

respect to governance issues, the results of the review are reported to the BPI Wealth Corporate Governance Committee and Board. Overall enforcement is through self-regulation within the business units, and independent testing and reviews conducted by the Compliance Department and Internal Audit.

The Compliance Department promotes adherence and awareness to laws, rules, and regulations by electronically posting information and documents in a compliance database that is accessible to all employees. Regular meetings are conducted by the Compliance Department with the business units to discuss the impact of new regulations, decide on the required compliance measures, and amend compliance matrices as necessary. Through continued liaison and dialogue with regulators, the Compliance Department ensures the prompt dissemination of new regulations and other developments affecting trust operations.

The Compliance Department covers adherence to all relevant and applicable Philippine trust and mutual funds laws and regulations. They are in charge of regulatory compliance management with respect to the BSP's institutional compliance rating system, which comprehensively evaluates the effectiveness of a company's compliance system in mitigating business risk.

This also covers the compliance aspect of the Company's corporate governance framework and requirements externally, with respect to the laws relevant and applicable to BPI Wealth as a trust corporation and the rules and regulations of the BSP, SEC, and internally, with respect to BPI Wealth's Articles of Incorporation, Amended By-Laws, Manual on Corporate Governance, Code of Business Conduct and Ethics, and all corporate governance-



related policies such as those on conflict of interest standards, insider trading, whistleblower, related party transactions and anti-bribery and anti-corruption.

The Compliance Department, through the Investment Compliance team, is also involved in the comprehensive investment restriction monitoring and administration.

The team conducts compliance checks across all the stages of trade activities related to the Company clients and trading partners and monitors positions against investment parameters and restrictions. In response to the increasingly complex regulations and client demands in terms of transparency and risk tolerance, the Compliance Department continues to work in order to implement best practices through the development and maintenance of investment compliance policies, guidelines and procedures.

Partnership-building with the regulators, external auditor, and industry organizations (Trust Officers Association of the Philippines, Association of Bank Compliance Officers and the Bankers Institute of the Philippines) is also essential in regulatory compliance management.

Republic Act No. 10173, known as the Data Privacy Act of 2012, requires government and private sector entities to apply the principles of transparency, legitimate purpose, and proportionality in its processing of personal data so that

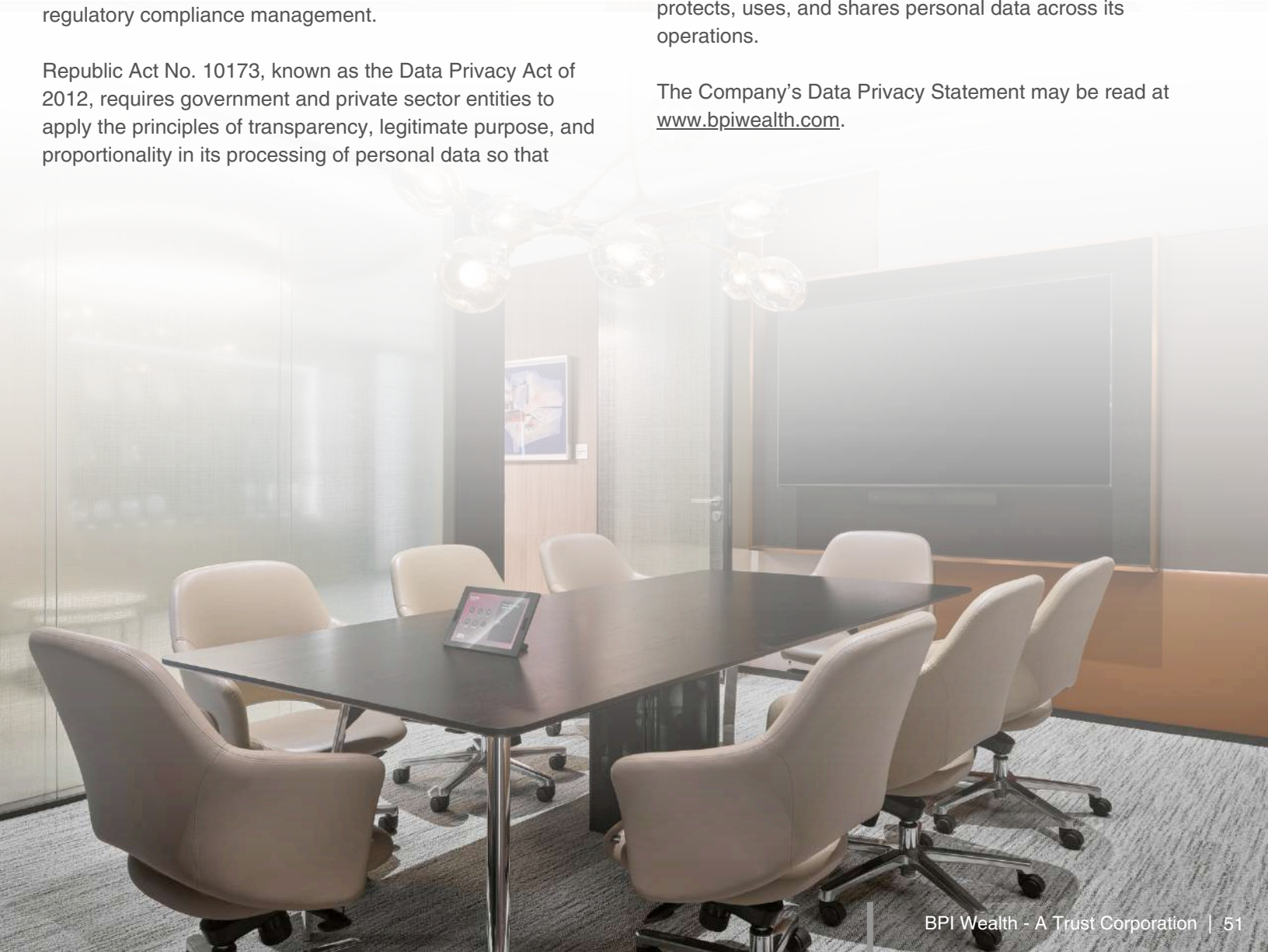
the data is (1) only used in relevant and specifically stated ways, (2) not stored for longer than necessary, (3) kept safe and secure, (4) used only within the confines of the law, and (5) stored following people's data protection rights.

Cybersecurity and data privacy and protection have become corporate governance and risk management concerns. BPI Wealth has established a comprehensive Data Privacy Program utilizing a combination of policies, organizational structure, access controls, and technologies designed for risk reduction.

The Company has a Data Privacy Office, headed by a Board-appointed Data Protection Officer ("DPO"), a Management officer. The key focus of the DPO is to oversee data privacy compliance and manage data protection risks for the organization, consistent with the Data Privacy Act rules and regulations, issuances by the NPC, and other applicable laws.

To promote transparency and to comply in part with the Data Privacy Act, BPI Wealth has published online the Data Privacy Statement that discloses how BPI Wealth collects, protects, uses, and shares personal data across its operations.

The Company's Data Privacy Statement may be read at [www.bpiwealth.com](http://www.bpiwealth.com).



# COMPANY POLICIES AND STANDARDS





CODE OF BUSINESS CONDUCT AND ETHICS

BPI Wealth upholds a Code of Business Conduct and Ethics (“the Code”), designed to guide employees of the Company in fulfilling their ethical duties and responsibilities in compliance with the implemented rules and regulations of the industry. The Code serves as a compass, helping employees in making informed decisions and executing their roles and responsibilities effectively across various functions in the Company.

Encompassing a broad range of principles, the Code covers environmental stewardship, labor rights, customer service and protection, human rights, privacy rights, and anti-bribery and anti-corruption measures. The Code is both a declaration of principles and key component of BPI Wealth’s risk management strategy.

Through the Code, BPI Wealth aims to achieve three primary objectives:

- 1. Fostering a culture of integrity, accountability, and ethical behavior that encourages employees to abide by the Code and strive to protect the Company’s reputation;
- 2. Establishing robust mechanisms for detecting and reporting known or suspected ethical violations or breaches of the Code; and
- 3. Reinforcing BPI Wealth’s commitment to compliance with regulatory guidelines, rules, and laws.

The Code is applicable to and mandatory for all employees at all levels of BPI Wealth. Employees must adhere to its principles, policies, and procedures both in spirit and in practice. Annually, all BPI Wealth employees are required to read, understand, acknowledge, and comply with the Code, as well as the Manual on Corporate Governance.

Additionally, all individuals who work for, or on behalf of BPI Wealth, including consultants, agents, and business partners, are expected to demonstrate the highest standards of professional business conduct.

Among others, BPI Wealth’s codes of conduct and policies on conflict of interest, insider trading, whistleblower, related party transactions, and other ethical guidelines are embodied in the Manual on Corporate Governance. Regular dissemination of BPI Wealth policies through internal communication channels ensures continual top-of-mind awareness among employees. Employees are provided with copies of policies for annual affirmation and acknowledgement. Directors are also provided with hard copies and/or electronic copies of the Code for their annual affirmation.

THE CODE OF BUSINESS CONDUCT AND ETHICS

OUR CLIENTS

Values at work: Customer Service, Teamwork, Concern for People

- Building Client Relationships
- Safeguarding Privacy and Security of Client Information
- Promoting and Strengthening Consumer Protection
- Managing of Investment Processes and Disclosures

OUR EMPLOYEES

Values at work: Integrity, Excellence, Teamwork, Loyalty

- Adhering to Company Rules and Workplace Policies
- Creating Dignity and Unity in the Workplace
- Contributing to Workplace Health & Safety
- Following Limits of Authority
- Avoiding Conflicts of Interest
- Protecting Assets, Facilities and Properties of BPI Wealth and Others
- Recognizing Privacy of Employee Information

OUR SHAREHOLDERS

Values at work: Integrity, Excellence, Teamwork, Loyalty

- Upholding BPI Wealth’s Reputation, Service Quality and Trust
- Transparency, Liaison and Coordination with Regulators
- Maintaining Company Records and Reporting Requirements
- Supporting Investors and the Market
- Encouraging and Assisting Whistleblowing
- Handling Related Party Transactions

OUR COUNTRY

Values at work: Integrity, Excellence, Teamwork, Concern for People

- Compliance with KYC, Anti-Money Laundering and FATCA Regulations
- Preventing Insider Trading
- Enforcing Anti-Corruption and Anti-Bribery
- Dealing with Suppliers and Business Partners
- Caring for Sustainability and Communities

## Conflict of Interest

At BPI Wealth, the paramount interests of the institution, its clients, and business partners take precedence over any personal interests of directors and employees. They are required to demonstrate unwavering loyalty to the organization, ensuring that they do not directly or indirectly derive personal profit or advantage from their position in the Company. To uphold these principles, BPI Wealth has established stringent standards on conflict of interest, prioritizing the interest of the Company's interest above those of individual directors, officers, and employees.

These standards explicitly prohibit directors and employees from leveraging their positions of authority, rank, or influence to derive personal gain or advantage directly or indirectly. Our standards on conflict of interest expect all directors and employees to refrain from any conduct that could be perceived unfavorably by the Company's clients, co-employees, competitors, suppliers, investors, regulators, or the public. Employees are also required to provide full cooperation and provision of complete and accurate information during government, regulatory or internal inquiries, investigations, and audits.

Directors are required to disclose any conflicts of interests such as cross-board memberships, cross-shareholdings with suppliers and other stakeholders, and related party transactions. Such transparency is essential for maintaining the integrity of the Company's operations and decision-making processes.

For more information about our directors and their backgrounds, please refer to Appendix A.

In addition to these overarching principles, BPI Wealth's conflict-of-interest standards cover specific

situations, including guidelines for handling gifts from third parties, safeguarding trade secrets, ensuring the ethical use of non-public information, and responsibly managing company funds, assets, and information.

## Anti-Bribery and Anti-Corruption

BPI Wealth maintains a zero-tolerance policy on bribery, corruption, and any improper acts in its role as a trusted provider of fiduciary and investment management services. The Anti-Bribery and Anti-Corruption Policy serves as a guiding framework for BPI Wealth, its directors, officers, and employees, outlining their responsibilities and emphasizing the consequences associated with bribery and corruption within the workplace. The Company upholds the highest standards of sound, responsible, and effective corporate governance.

Fairness and integrity are at the core of BPI Wealth's business dealings and relationships. The Anti-Bribery and Anti-Corruption Policy aligns seamlessly with the Company's broader financial crime policies and programs, including the Money Laundering and Terrorist Financing Prevention Program (MTPP) and Whistleblower Policy. These initiatives collectively reinforce BPI Wealth's commitment to combatting financial misconduct and safeguarding the integrity of its operations.

## Insider Trading

BPI Wealth's Insider Trading Policy rigorously prohibits covered persons, including directors, employees, and other relevant parties, from trading securities while in possession of material non-public information, whether for client accounts or personal gain.

Covered persons are strictly prohibited from trading during structured and non-structured disclosure periods (trading blackout).

This prohibition extends to passing on material and non-public information relating about BPI Wealth or its clients to anybody who may use it to buy or sell securities. A trading blackout prohibits trading once the covered person receives material non-public information before a structured or unstructured disclosure. Trading is expressly prohibited until after the said disclosure has taken place.

Office bulletins are regularly issued by the Compliance Department before, during, and after trading blackout periods to ensure compliance with the Insider Trading Policy.

The Company mandates every director, officer, employee, and related covered person to adhere to the Policy, emphasizing the importance of honesty and sound judgment at all times when trading in the company's securities.

Violations of this policy will result in disciplinary action/s, as stated in BPI HR's Personnel Policies on Employee Relations, which may include dismissal, as may be determined by management or the Board of Directors of BPI Wealth.

## Whistleblowing

BPI Wealth's Whistleblower Policy reflects the company's steadfast commitment to integrity and ethical behavior by fostering a safe environment where whistleblowers can raise concerns appropriately without fear of retaliation.

This policy applies to all employees of BPI Wealth and covers any wrongful act that may adversely affect the Company, its customers, shareholders, officers, employees, investors, or the public at large. BPI Wealth ensures that a robust process is in place to verify, investigate,



and address legitimate concerns regarding illegal, unethical, or questionable practices while maintaining strict confidentiality and protection for whistleblowers.

Whistleblowers may report concerns to the Head of Risk Management and/or Compliance Department, who serve as the primary points of contact for such disclosures. Under extraordinary circumstances, whistleblowers may also course their complaints through other reporting lines, like the President or Board of Directors.

The Whistleblower Policy underscores the Company's commitment to non-retaliation. It fosters and maintains an environment of utmost confidentiality where all whistleblowers may act appropriately without fear of reprisal and be treated with utmost confidentiality. Any individual who makes a protected disclosure is entitled to protection from harassment, retaliation, or adverse employment consequences. Retaliation against whistleblowers is strictly prohibited and may result in disciplinary action, including termination.

## Related Party Transaction

In the normal course of business, BPI Wealth engages in transactions with related parties, including its directors, officers, stockholders, and related interest, as well as its parent bank and affiliates (including those under the Ayala Group of Companies), as well as other related parties as defined in BPI Wealth's Policy on Related Party Transactions.

These transactions may involve both credit and non-credit exposures, wherein related parties are perceived to have significant influence. As part of BPI Wealth's efforts to ensure that transactions with related parties are normal trust activities and are done at arm's length (particularly, on terms and conditions comparable to those

offered to non-related parties or to similar transactions in the market), vetting is done either by the BPI's Board-level Related Party Transaction Committee ("BPI RPTC") or the BPI Wealth Management Vetting Committee ("BPI Wealth MVC"), depending on materiality, prior to implementation.

Transactions involving related parties with individual and group exposures, existing or potential, equal to or exceeding the material threshold of Php50M are vetted by the BPI RPTC. Other transactions below the material threshold are vetted by the BPI Wealth MVC.

The BPI RPTC comprises three directors, a majority of whom are independent, including the chairman. It also includes two non-voting members from BPI management – the Chief Audit Executive and the Chief Compliance Officer – who conduct post-reviews to ensure proper implementation of related party transactions. On the other hand, the BPI Wealth MVC comprises BPI Wealth Division Heads responsible for reviewing transactions within their authority.

BPI Wealth is firmly committed to ensuring strict compliance with all laws, regulations, and reporting requirements pertaining to related party transactions. This commitment is reinforced through rigorous vetting processes, strong internal controls, and oversight mechanisms. Additionally, the Company continuously seeks to enhance its practices, such as the development of related party database, to facilitate prompt and accurate related party classification of clients and counterparties.

## Dividend Policy

BPI Wealth's dividend policy aims to provide dividends to its common stockholders on a regular basis, as may be determined by its Board of Directors, subject to the retention of a portion of

earnings to maintain or strengthen capital in compliance with regulatory requirements, support business growth, and cover potential operational requirements.

In 2024, BPI Wealth declared and paid PHP950 Million in cash dividends.

## Creating Social Value for Communities

BPI Wealth is deeply committed to creating a positive and lasting impact on the communities we serve by integrating corporate social responsibility (CSR) into our core business practices. We actively promote employee volunteerism and implement CSR initiatives in collaboration with BPI Foundation, the social development arm of BPI, to drive meaningful change.

As part of these efforts, the BPI Wealth Wellness Month is designed to address the critical financial needs of Filipinos by equipping them with the necessary tools and knowledge to secure their financial future. Through targeted programs focused on financial empowerment, education, and entrepreneurship, we aim to foster greater financial literacy, promote sustainable livelihood opportunities, and encourage responsible wealth management.

By championing these initiatives, BPI Wealth reaffirms its commitment to social responsibility, ensuring that our efforts contribute to the long-term well-being of individuals, families, and communities across the country.

## Data Privacy

At BPI Wealth, protecting personal data is a top priority. The company's Data Privacy Statement outlines the scope of its application, the types of personal data collected, and the methods employed for its acquisition. Furthermore, it details how personal

data is used for both core business functions and marketing purposes, as well as the protocols for disclosure and sharing.

Our internal data privacy policies are designed to uphold the rights of data subjects and safeguard personal information of our clients and employees. These policies are meticulously crafted to ensure compliance with the Data Privacy Act and the regulations set forth by the National Privacy Commission. Additionally, our Data Privacy Statement is readily accessible on our company website at [www.bpiwealth.com](http://www.bpiwealth.com).

## Customer Experience

BPI Wealth establishes a business environment that empowers financial consumers to make informed financial decisions, protect their interests and rights in all stages of their transactions with BPI Wealth, and provide them an avenue to express their grievances regarding BPI Wealth's products and services. Our approach to customer experience is centered around creating a culture of fair and responsible treatment of customers, aimed at cultivating long-term, mutually beneficial relationships with potential and existing clients. To achieve this, we have implemented robust consumer protection policies and procedures that are integrated into our business operations.

BPI Wealth has Financial Consumer Assistance Program ("CAP") in place that adheres to Republic Act No. 11765 or the "Financial Products and Services Consumer Protection Act" ("FCPA"). It establishes the roles of key personnel responsible in ensuring consumer protection practices are properly observed.

It also ensures that consumer protection is a collective responsibility of various units and divisions of BPI Wealth.

BPI Wealth designated a Customer Assistance Officer that is responsible for implementing, coordinating and ensuring compliance with the various initiatives and activities under BPI Wealth's consumer assistance program and for reviewing materials that are presented to the customers and/or available through BPI Wealth's digital channels.

The Customer Assistance Officer also coordinates with BPI's Client Experience Center ("CXC"), who institutionalizes guidelines that will help ensure that feedback from existing and potential clients are handled appropriately. The continuous information and education campaign on the Financial Consumer Protection Program is planned by the BPI's CXC to help propagate awareness. As part of the program, a Customer Feedback Database was created and now used to strengthen the role of the frontliners in addressing and reporting customer issues. The complaints data gathered is a vital tool in identifying areas of concern and process improvement.

BPI Wealth also exercises consumer protection standards of conduct to guide employees in observing the internal policies related to consumer protection. BPI Wealth exercises full disclosure of key information and transparency by ensuring consumers have holistic understanding of the products and services; protects client information by keeping financial transactions confidential; treats financial consumers fairly, honestly and professionally; maintains effective recourse/complaints handling process; and performs financial education and awareness to consumers. There are also related policies in place such as the BPI Wealth Financial Consumer Protection Program and Complaints Management and Reporting to properly equip the company personnel in the handling of customer feedback.

As part of our CAP, we provide multiple touchpoints or channels for clients to submit their feedback, including available email and contact details of BPI Wealth, the Contact Center of BPI via phone,

e-mail, and social media accounts, branches, and business units. Our employees are guided by the internal BPI policies in handling complaints and CAP where client feedback, specifically complaints, are classified with corresponding turn-around-time which are responded accordingly.

BPI Wealth monitors customer feedback concerning its products and services, determines root cause of significant issues, and implement appropriate actions to address these issues, ensuring that the most pressing and important issues raised by clients are resolved within the committed turnaround times. The compliance rate for complaint resolution to our internal turn-around time was 98%. As of year-end 2024, of the complaints received, 100% have been resolved.

The status of complaints investigation and resolution is reported to the management to provide regular insights on how the business manages the inquiries and complaints received by the business. Recurring complaints are also discussed to determine the root causes of such complaints and devise possible solutions.

BPI Wealth establishes and keeps updated the financial consumer protection governance structure that aims to establish a business environment that protects the interest of consumers and creates a culture of fair and responsible treatment of consumers through good governance exercised by the Board of Directors, and reinforced by the various functions that own, manage, oversee or provide independent assurance over consumer protection activities. The Board of Directors and Senior Management are responsible for developing the consumer protection strategy and establishing an effective oversight over consumer protection programs.





**BPI WEALTH**  
A TRUST CORPORATION

## **BOARD, COMMITTEES, AND SENIOR MANAGEMENT**

## BOARD OF DIRECTORS

The Company's Board of Directors is responsible for overseeing the proper administration and management of its trust and other fiduciary business, as well as its investment management activities, ensuring the effective management of all risks inherent to the business.



**Jose Teodoro K. Limcaoco**  
Chairman



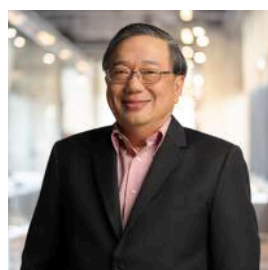
**Maria Theresa D. Marcial**  
President and CEO



**Mariana Beatriz E. Zobel de Ayala**  
Director



**Ignacio R. Bunye**  
Independent Director



**Jesse O. Ang**  
Independent Director



**Rene G. Bañez**  
Director



**Maria Dolores B. Yuvienco**  
Independent Director



**Rizalina G. Mantaring**  
Independent Director



**Gerardo C. Ablaza, Jr.**  
Director

*See Appendix A for the full biography of the Directors.*

OUR LEADERSHIP



## EXECUTIVE COMMITTEE

The Executive Committee provides guidance and oversight to the Management in formulating key strategies to achieve business targets set by the Board of Directors. It undertakes or participates in strategic projects and drives significant transformation initiatives. Acting as a delegate of the Board between meetings, the Executive Committee is authorized to make decisions on matters within the Board’s competence, except those specifically reserved for the Board by law or regulation. Its authority is also subject to general and specific limits outlined in the Corporation’s By-Laws and the Executive Committee Charter.

**Composition:**

- Jose Teodoro K. Limcaoco, Chairman
- Maria Theresa D. Marcial
- Mariana Beatriz E. Zobel de Ayala\*
- Ignacio R. Bunye (Independent Director)\*\*

*\*Committee Member until 19 June 2024*

*\*\*Elected as Committee Member effective 19 June 2024*

## AUDIT COMMITTEE

The Audit Committee oversees and assesses the adequacy and effectiveness of BPI Wealth’s internal control systems, including financial reporting controls and information technology security. It provides oversight of financial reporting, risk management, governance processes, and compliance with applicable laws, rules, and regulations. Additionally, the Committee monitors the performance of internal and external auditors and reviews assessments conducted by the BSP.

**Composition:**

- Ignacio R. Bunye (Independent Director), Chairman
- Jesse O. Ang (Independent Director)
- René G. Bañez

## RISK MANAGEMENT COMMITTEE

The Risk Management Committee is responsible for overseeing and managing the risk exposures arising from BPI Wealth’s trust, other fiduciary business and investment management activities. It also monitors the level and management of BPI Wealth’s capital to ensure compliance with regulatory requirements.

The Committee fosters a culture of risk management and oversees the implementation of a comprehensive risk management program to ensure that risks taken are always within defined parameters and remain consistent with BPI Wealth’s business and risk management objectives. It approves and regularly reviews risk management policies, metrics, and limits, and performs other functions as may be mandated by the Board in support of its corporate governance responsibilities related to the management of risks.

**Composition:**

- Jesse O. Ang (Independent Director), Chairman
- Maria Dolores B. Yuvienco (Independent Director)
- Gerardo C. Ablaza, Jr.

## CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is responsible for ensuring the Board’s overall effectiveness in fulfilling its duties and upholding the highest standards of corporate governance. It oversees the implementation of sound governance principles, policies, and best practices to promote accountability, transparency, and ethical business conduct within the organization.

The Committee ensures that the Board operates efficiently by regularly assessing its structure, composition, and performance. It also reviews and recommends improvements to governance frameworks, board policies, and charters to align with regulatory requirements and industry best practices. Additionally, it ensures compliance with applicable laws, rules, and regulations governing corporate governance while fostering a culture of integrity and responsible decision-making at all levels of the organization.

**Composition:**

- Maria Dolores B. Yuvienco (Independent Director), Chairman
- Ignacio R. Bunye (Independent Director)
- Jesse O. Ang (Independent Director)

## MANAGEMENT TEAM



**Christmas G. Sevilla**  
Head of Business Services and  
Operations



**Yvette Mari V. De Peralta**  
Treasurer and Institutional  
Business Head



**Irene L. Ang**  
Head of Personal Wealth



**Gladys L. Buenaventura**  
Head of Fixed Income and  
Global Markets



**Jose Erwin B. Balita**  
Head of Equities



**Vittorio Raoul M. Gomez**  
Head of Portfolio Management



**Maria Guillermina  
G. Totañes**  
Head of Wealth Planning



**Ma. Carmencita  
S. Bustamante**  
Head of Private Wealth Relationship  
Management Division 2



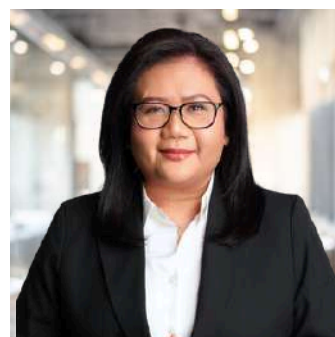
**Vilma L. Roxas**  
Head of Private Wealth Relationship  
Management Division 3



**Lorraine Dominique  
C. Boon**  
Head of Private Wealth Relationship  
Management Division 4



**Enrico Francisco A. Recto**  
Head of Compliance



**Minette Josephine  
C. Rocamora**  
Head of Risk Management

## STEWARDS OF EXCELLENCE

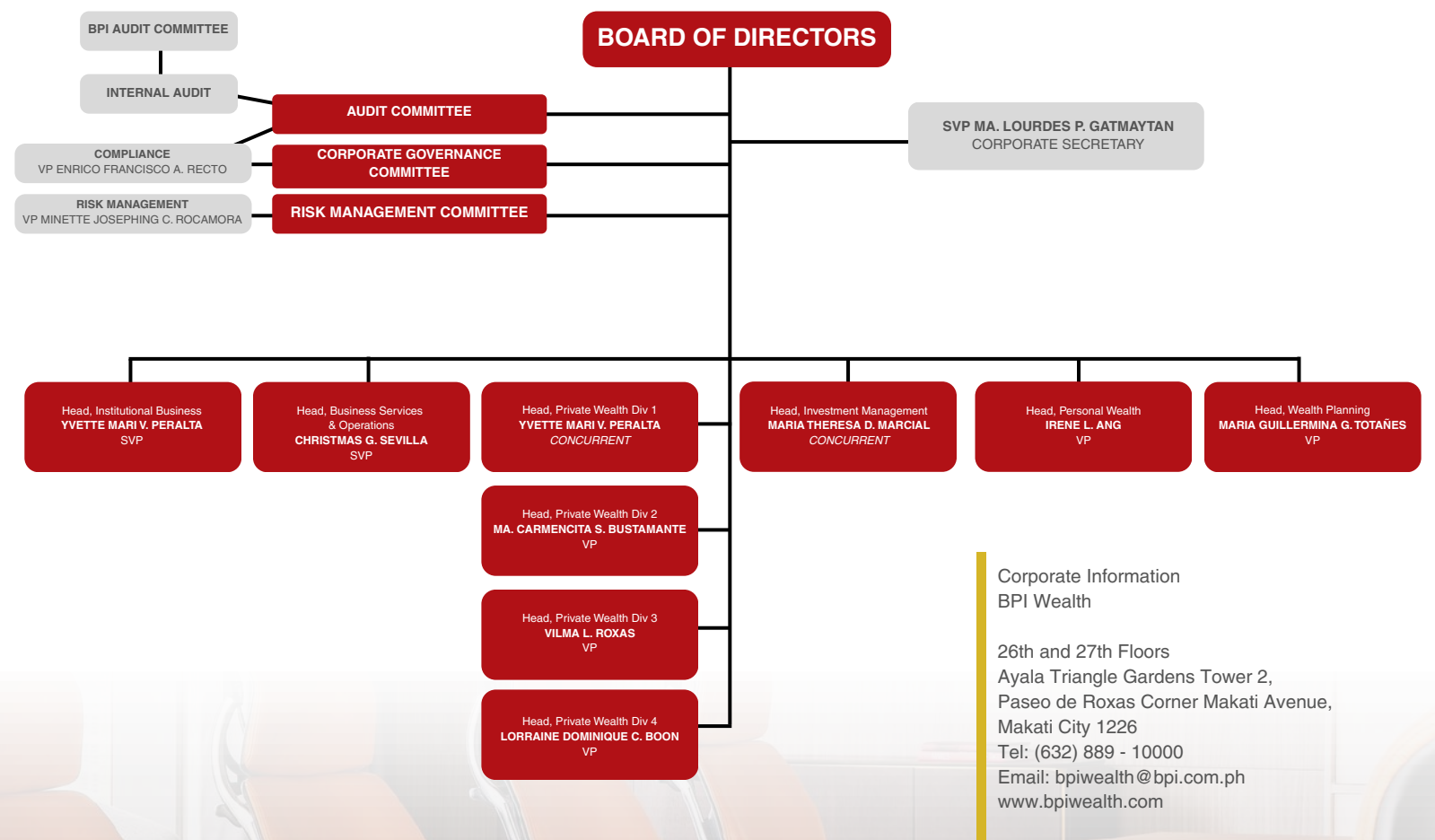


# CORPORATE INFORMATION

## Table of Organization

As of December 31, 2024

\*See Appendix B for the full biography of the Management Team



A close-up photograph of a person's hands typing on a silver laptop keyboard. The right hand is in sharp focus, wearing a gold-toned chronograph watch with a metal link bracelet and a large, multi-faceted clear stone ring on the ring finger. The left hand is slightly blurred in the background, wearing a simple gold-toned band. The laptop is on a dark surface, and the background is a warm, out-of-focus yellow and green. The text 'TRANSPARENCY REPORTS' is overlaid in white on the upper right portion of the image.

# TRANSPARENCY REPORTS



# BPI Asset Management and Trust Corporation

Doing business under the  
trade name and style of BPI  
Wealth - A Trust Corporation

Financial Statements

As at and for the years ended December 31, 2024 and 2023





## **Independent Auditor's Report**

To the Board of Directors and Shareholder of  
**BPI Asset Management and Trust Corporation**  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)  
26<sup>th</sup> and 27<sup>th</sup> Floors Ayala Triangle Gardens 2  
Paseo de Roxas corner Makati Avenue  
Makati City

### ***Report on the Audits of the Financial Statements***

#### **Our Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BPI Asset Management and Trust Corporation (the "Company") as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### *What we have audited*

The financial statements of the Company comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of comprehensive income for the years ended December 31, 2024 and 2023;
- the statements of changes in equity for the years ended December 31, 2024 and 2023;
- the statements of cash flows for the years ended December 31, 2024 and 2023; and
- the notes to the financial statements, comprising material accounting policies and other explanatory information.

#### **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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines  
T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)

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Independent Auditor's Report  
To the Board of Directors and Shareholder of  
BPI Asset Management and Trust Corporation  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)  
Page 2

### **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 Accounting Standards, 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 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.



Independent Auditor's Report  
To the Board of Directors and Shareholder of  
BPI Asset Management and Trust Corporation  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)  
Page 3

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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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.





Independent Auditor's Report  
To the Board of Directors and Shareholder of  
BPI Asset Management and Trust Corporation  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)  
Page 4

***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. The supplementary information required under Bangko Sentral ng Pilipinas (BSP) Circular No. 1075 in Note 20 and Bureau of Internal Revenue (BIR) Revenue Regulations No. 15-2010 in Note 21 to the financial statements is presented for the purposes of filing with the BSP and the BIR, respectively, and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management of the Company. The supplementary information has been subjected to the auditing procedures applied in our audits 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.

**Isla Lipana & Co.**

  
Zaldy D. Aguirre  
Partner

CPA Cert No. 0105660

P.T.R. No. 0024447, issued on January 3, 2025, Makati City

TIN 221-755-698

BIR A.N. 08-000745-077- 2023, issued on December 22, 2023; effective until December 21, 2026

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
March 19, 2025

**BPI Asset Management and Trust Corporation**  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)

Statements of Financial Position  
December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Notes	2024	2023
<b>A S S E T S</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	920,739,453	813,154,754
Financial assets at fair value through other comprehensive income	3	971,248,400	687,278,068
Trust and other receivables, net	4	739,525,398	551,734,068
Other current assets, net	5	149,626,581	136,639,420
Total current assets		2,781,139,832	2,188,806,310
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income	3	1,183,696,749	1,373,697,452
Property and equipment, net	6	483,962,774	502,174,163
Intangible assets, net	18	8,715,600	-
Deferred tax assets, net	7	90,480,933	78,312,162
Total non-current assets		1,766,856,056	1,954,183,777
Total assets		4,547,995,888	4,142,990,087
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Due to Parent Bank	16	36,575,834	29,669,529
Lease liabilities	15	71,012,002	52,161,374
Other liabilities	8	552,905,690	402,775,759
Total current liabilities		660,493,526	484,606,662
<b>Non-current liabilities</b>			
Retirement benefit obligation	9	210,147,630	201,218,887
Lease liabilities	15	413,220,681	435,968,777
Total non-current liabilities		623,368,311	637,187,664
Total liabilities		1,283,861,837	1,121,794,326
<b>Equity</b>			
Share capital	10	600,000,000	600,000,000
Additional paid-in capital		911,750,145	902,066,145
Accumulated other comprehensive loss		(128,088,118)	(87,307,928)
Reserve for trust business	17.3	400,000,000	400,000,000
Other reserves		3,527,909	3,527,909
Surplus		1,476,944,115	1,202,909,635
Total equity		3,264,134,051	3,021,195,761
Total liabilities and equity		4,547,995,888	4,142,990,087

(The notes on pages 1 to 31 are an integral part of these financial statements.)



**BPI Asset Management and Trust Corporation**  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)

Statements of Comprehensive Income  
For the years ended December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Notes	2024	2023
<b>Income</b>			
Trust income		5,046,106,303	3,878,658,022
Commission income		151,570,996	145,170,305
Interest income	2,3	117,589,053	84,285,604
Other income		25,277,417	31,936,212
		5,340,543,769	4,140,050,143
<b>Expenses</b>			
Salaries and other employee benefits	12	1,230,051,603	924,491,319
Commission expense		137,476,634	131,568,600
Intercompany expenses	16	423,734,601	252,486,503
Taxes, licenses, and regulatory fees	13	485,262,430	385,196,686
Other operating expenses	14	1,409,761,115	982,796,145
		3,686,286,383	2,676,539,253
Income before income tax		1,654,257,386	1,463,510,890
Income tax expense	11	430,222,906	346,043,437
<b>Net income for the year</b>		1,224,034,480	1,117,467,453
Other comprehensive loss	7		
Item that will not be subsequently reclassified to profit or loss			
Remeasurement loss on retirement benefit plans, net of tax	9	(36,522,767)	(59,407,154)
Item that may be subsequently reclassified to profit or loss			
Remeasurement (loss) gain on financial assets at fair value through other comprehensive income, net of tax		(4,257,423)	20,985,755
		(40,780,190)	(38,421,399)
<b>Total comprehensive income for the year</b>		1,183,254,290	1,079,046,054

(The notes on pages 1 to 31 are an integral part of these financial statements.)

**BPI Asset Management and Trust Corporation**  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)

Statements of Changes in Equity  
For the years ended December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Share capital (Note 10)	Additional paid-in capital	Accumulated other comprehensive loss	Reserve for trust business (Note 17.3)	Other reserves	Surplus	Total
<b>Balances at January 1, 2023</b>	600,000,000	902,066,145	(48,886,529)	400,000,000	3,447,916	1,035,442,182	2,892,069,714
<b>Comprehensive income</b>							
Net income for the year	-	-	-	-	-	1,117,467,453	1,117,467,453
Other comprehensive loss	-	-	(38,421,399)	-	-	-	(38,421,399)
<b>Total comprehensive income for the year</b>	-	-	(38,421,399)	-	-	1,117,467,453	1,079,046,054
<b>Other movements</b>							
Dividends (Note 10)	-	-	-	-	-	(950,000,000)	(950,000,000)
Appropriation for other reserves	-	-	-	-	79,993	-	79,993
<b>Total other movements</b>	-	-	-	-	79,993	(950,000,000)	(949,920,007)
<b>Balances at December 31, 2023</b>	600,000,000	902,066,145	(87,307,928)	400,000,000	3,527,909	1,202,909,635	3,021,195,761
<b>Comprehensive income</b>							
Net income for the year	-	-	-	-	-	1,224,034,480	1,224,034,480
Other comprehensive loss	-	-	(40,780,190)	-	-	-	(40,780,190)
<b>Total comprehensive income for the year</b>	-	-	(40,780,190)	-	-	1,224,034,480	1,183,254,290
<b>Other movements</b>							
Capital contribution (Note 10)	-	9,684,000	-	-	-	-	9,684,000
Dividends (Note 10)	-	-	-	-	-	(950,000,000)	(950,000,000)
Appropriation for other reserves	-	-	-	-	-	-	-
<b>Total other movements</b>	-	9,684,000	-	-	-	(950,000,000)	(940,316,000)
<b>Balances at December 31, 2024</b>	600,000,000	911,750,145	(128,088,118)	400,000,000	3,527,909	1,476,944,115	3,264,134,051

(The notes on pages 1 to 31 are an integral part of these financial statements.)

**BPI Asset Management and Trust Corporation**  
(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)

Statements of Cash Flows  
For the years ended December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Notes	2024	2023
<b>Cash flows from operating activities</b>			
Income before income tax		1,654,257,386	1,463,510,890
Adjustment for:			
Depreciation and amortization	14, 18	95,456,093	60,741,260
Retirement benefit expense	9	36,725,171	31,529,033
(Reversal of) provision for probable losses on other receivables	4	(15,668,131)	19,911,150
Interest expense	15	32,471,829	16,998,120
Gain on disposal of transportation equipment	6	(382,970)	-
Loss on write-off of transportation equipment	6	1,757,464	-
Loss from lease modification	15	-	383,806
Gain on write-off of Due to Parent Bank	16	-	28,896,443
Interest income	2, 3	(117,589,053)	(84,285,604)
Operating income before working capital changes		1,687,027,789	1,537,685,098
Changes in working capital:			
(Increase) decrease in:			
Trust and other receivables		(173,023,199)	(138,705,873)
Other current assets		(18,228,216)	30,780,929
(Decrease) increase in:			
Due to Parent Bank		6,906,305	(68,553,565)
Other liabilities		273,303,307	182,044,289
Cash generated from operations		1,775,985,986	1,543,250,878
Interest received		71,510,892	56,479,788
Payment of interest portion of lease liabilities	15	(32,471,829)	(16,998,120)
Income taxes paid		(564,779,032)	(414,907,580)
Retirement benefit contributions	9	(66,808,375)	(34,090,302)
<b>Net cash from operating activities</b>		<b>1,183,437,642</b>	<b>1,133,734,664</b>
<b>Cash flows from investing activities</b>			
Purchases of investments at fair value through other comprehensive income	3	(1,052,668,032)	(1,432,662,978)
Acquisition of property and equipment	6	(22,265,940)	(18,238,001)
Proceeds from redemption of investments	3	1,000,000,000	700,000,000
Proceeds from disposals of property and equipment	6	3,005,755	10,470,081
<b>Net cash used in investing activities</b>		<b>(71,928,217)</b>	<b>(740,430,898)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	16	(950,000,000)	(950,000,000)
Payment of principal portion of lease liabilities	15	(53,924,726)	(25,706,647)
<b>Net cash used in financing activities</b>		<b>(1,003,924,726)</b>	<b>(975,706,647)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>107,584,699</b>	<b>(582,402,881)</b>
Cash and cash equivalents			
January 1		813,154,754	1,395,557,635
December 31	2	920,739,453	813,154,754

(The notes on pages 1 to 31 are an integral part of these financial statements.)



## **BPI Asset Management and Trust Corporation**

(Doing business under the trade name and style of BPI Wealth - A Trust Corporation)

Notes to the Financial Statements

As at and for the years ended December 31, 2024 and 2023

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

### **1 General information**

The Monetary Board of the Bangko Sentral ng Pilipinas (BSP) on its Resolution No. 1349, dated July 28, 2016, approved the request of Bank of the Philippine Islands ("BPI" or "Parent Bank") to spin-off its trust department, Asset Management and Trust Group (BPI-AMTG), into a trust corporation.

BPI Asset Management and Trust Corporation (the "Company" or "BPI Wealth") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 6, 2016 primarily to carry and engage in the business of trust, other fiduciary business and investment management business which may legally be had or done by trust corporations organized under and in accordance with Republic Act No. 8791 (The General Banking Law of 2000) and its implementing regulations as it exists or may be amended and to do all other things incident thereto and necessary and proper in connection with said purposes within such territory, as may be determined by the Monetary Board of the BSP. The corresponding Certificate of Authority to Operate was issued by the BSP to the Company on December 29, 2016.

In February 2023, the Company announced the change in its trade name from BPI Asset Management and Trust Corporation to BPI Wealth - A Trust Corporation, or simply BPI Wealth.

As at December 31, 2024, the total fiduciary assets managed by the Company amount to P1,531 billion (2023 - P1,223 billion).

The Company is a wholly-owned subsidiary of BPI, a domestic commercial bank with an expanded banking license in the Philippines.

The Company's registered office address, which also serves as its principal place of business, is at 26<sup>th</sup> and 27<sup>th</sup> Floors Ayala Triangle Gardens 2, Paseo de Roxas, corner Makati Avenue, Makati City. The Company has 492 regular employees as at December 31, 2024 (2023 - 404).

### **Approval and authorization for issuance of financial statements**

These financial statements have been approved and authorized for issuance by the Company's Board of Directors (BOD) on March 19, 2025.

### **2 Cash and cash equivalents**

The account at December 31, 2024 pertains to cash in banks amounting to P920,739,453 (2023 - P813,154,754) which earns interest at prevailing bank deposit rates.

Interest income earned from bank deposits for the year ended December 31, 2024 amounts to P3,735,892 (2023 - P691,594).

### 3 Financial assets at fair value through other comprehensive income (FVOCI)

The account at December 31 consists of:

	2024	2023
Philippine government treasury bonds	1,185,641,310	1,182,252,021
Philippine government treasury notes	194,717,013	191,445,431
Philippine government treasury bills	774,586,826	687,278,068
	2,154,945,149	2,060,975,520

The classification of the account at December 31 follows:

	2024	2023
Current	971,248,400	687,278,068
Non-current	1,183,696,749	1,373,697,452
	2,154,945,149	2,060,975,520

The Company's investments in government securities are held and classified at FVOCI to address regulatory requirements on basic security deposit for trust corporations and to address the Company's liquidity requirements. In addition, these investments are not meant for trading purposes.

The movements of the account as at December 31 are as follows:

	2024	2023
Beginning balance	2,060,975,520	1,273,350,719
Additions	1,052,668,032	1,432,662,978
Disposals	(1,000,000,000)	(700,000,000)
Fair value adjustment	(5,676,564)	27,981,007
Premium/discount amortization	46,978,161	26,980,816
Ending balance	2,154,945,149	2,060,975,520

The related interest income of the securities held amounts to P113,853,161 for the year ended December 31, 2024 (2023 - P83,594,010).

### 4 Trust and other receivables, net

The account at December 31 consists of:

	2024	2023
Accrued trust income	616,253,862	454,152,095
Other receivables	139,069,726	139,965,977
	755,323,588	594,118,072
Allowance for expected credit losses on other receivables	(15,798,190)	(42,384,004)
	739,525,398	551,734,068

Other receivables include amounts due from related parties in relation to the transferred retirement benefit obligation (Note 16), due from government agencies and employee advances.

Movement in allowance for expected credit losses on trade and other receivables for the years ended December 31 follows:

	2024	2023
January 1	42,384,004	22,622,621
(Reversal of) provision for expected credit losses during the year	(15,668,131)	19,911,150
Write-off and other movements	(10,917,683)	(149,767)
December 31	15,798,190	42,384,004

Reversal of expected credit losses is presented as part of Other income in the statement of comprehensive income while the provision for expected credit losses is presented as part of Other operating expenses in the statement of comprehensive income.

## 5 Other current assets, net

The account at December 31 consists of:

	2024	2023
Prepaid expenses, net	77,949,036	69,382,599
Security deposits	8,344,189	8,244,189
Miscellaneous assets	63,333,356	59,012,632
	149,626,581	136,639,420

Miscellaneous assets include unused supplies and receivables from the Bureau of Internal Revenue.

## 6 Property and equipment, net

The account at December 31 consists of:

2024	Furniture and equipment	Transportation equipment	Office premises (Note 15)	Total
Cost				
At January 1, 2024	2,086,307	55,622,395	620,395,649	678,104,351
Additions	-	22,265,940	58,390,613	80,656,553
Disposals	-	(6,819,937)	(106,001,762)	(112,821,699)
Write-off	-	(16,897,011)	-	(16,897,011)
At December 31, 2024	2,086,307	54,171,387	572,784,500	629,042,194
Accumulated depreciation and Impairment				
At January 1, 2024	2,007,528	28,598,335	145,324,325	175,930,188
Depreciation	30,249	9,053,051	85,404,393	94,487,693
Disposals	-	(4,197,152)	(106,001,762)	(110,198,914)
Write-off	-	(15,139,547)	-	(15,139,547)
At December 31, 2024	2,037,777	18,314,687	124,726,956	145,079,420
Net book value	48,530	35,856,700	448,057,544	483,962,774

2023	Furniture and equipment	Transportation equipment	Office premises (Note 15)	Total
Cost				
At January 1, 2023	1,995,557	54,428,011	120,802,664	177,226,232
Additions	90,750	18,147,251	510,001,418	528,239,419
Disposals	-	(16,952,867)	-	(16,952,867)
Other movements (Note 15)	-	-	(10,408,433)	(10,408,433)
At December 31, 2023	2,086,307	55,622,395	620,395,649	678,104,351
Accumulated depreciation and Impairment				
At January 1, 2023	1,995,557	29,219,663	91,608,688	122,823,908
Depreciation	11,971	7,013,652	53,715,637	60,741,260
Disposals	-	(7,634,980)	-	(7,634,980)
At December 31, 2023	2,007,528	28,598,335	145,324,325	175,930,188
Net book value	78,779	27,024,060	475,071,324	502,174,163



In 2024, the Company disposed of transportation equipment for P3,005,755 (2023 - P10,470,081) resulting in a gain on disposal amounting to P382,970 (2023 - P1,152,194). Likewise, the Company wrote-off impaired transportation equipment with a net carrying amount of P1,757,464 in 2024.

Office premises above pertain to right-of-use assets arising from the Company's lease contract (Note 15).

## 7 Deferred income taxes

The account at December 31 consists of:

	2024	2023
Deferred income tax assets (liabilities) on:		
Remeasurement loss on defined benefit plan	28,291,140	28,614,158
Unamortized past service cost	10,708,276	9,868,025
Remeasurement loss (gain) of financial assets at FVOCI	1,212,215	(206,926)
Provision for losses	3,949,547	13,276,111
Provision for employee benefits	45,437,778	25,878,817
Others	881,977	881,977
Deferred income tax assets, net	90,480,933	78,312,162

Others pertains to temporary differences due to stock options given to employees.

The movements in deferred income tax account at December 31 are summarized as follows:

	2024	2023
Beginning balance	78,312,162	46,184,523
Amounts credited to profit or loss (Note 11)	11,382,750	19,320,507
Amounts credited to other comprehensive income	786,021	12,807,132
Ending balance	90,480,933	78,312,162

For the year ended December 31, 2024, the remeasurement loss on retirement benefit plans and remeasurement loss on financial assets at FVOCI, net of tax amount to P36,522,767 and P4,257,423, respectively (2023 - loss of P59,407,154 and gain of P20,985,755, respectively).

The deferred income tax (charged) credited to other comprehensive income on remeasurement of retirement benefit plans and financial assets at FVOCI amount to (P633,120) and P1,419,141, respectively (2023 - P19,802,384 credited and P6,995,252 charged, respectively).

## 8 Other liabilities

The account at December 31 consists of:

	2024	2023
Accounts payable and accrued expenses	315,476,321	173,323,592
Taxes payable	186,461,368	174,873,034
Miscellaneous liabilities	50,968,001	54,579,133
	552,905,690	402,775,759

Miscellaneous liabilities consist of withholding tax on benefit payments and fiduciary transactions pertaining to accrued benefit payments due to the beneficiary of the Company's clients and related amounts for remittance on behalf of the individual trust funds and managed funds.

## 9 Retirement benefit

The Company's employees participate in a non-contributory retirement benefit plans covering all qualified officers and employees. The description of the plans applicable to the Company follows:

### *Defined benefit retirement plan*

BPI has a unified plan which covers all subsidiaries except insurance entities. Under this plan, the normal retirement age is 60 years. Those who elect to retire prior to the normal retirement age will require approval of the Company, subject to meeting the eligibility conditions on age and years of credited service. Normal retirement benefit consists of a lump sum benefit equivalent to 200% of the basic monthly salary of the employee at the time of his retirement for each year of service, if he has rendered at least 10 years of service, or to 150% of his basic monthly salary, if he has rendered less than 10 years of service. For voluntary retirement, the benefit is equivalent to 112.50% of the employee's basic monthly salary for a minimum of 10 years of service with the rate factor progressing to a maximum of 200% of basic monthly salary for service years of 25 or more. Death or disability benefit, on the other hand, shall be the highest amount among the: (1) same basis as in voluntary retirement; (2) 100% of basic monthly salary of the employee at the time of his retirement for each year of service, and; (3) minimum amount required by the Labor Code.

### *Defined contribution retirement plan*

In 2016, the BPI Group implemented a defined contribution plan which is accounted for as a defined benefit plan with minimum guarantee. The defined benefit minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provisions of Republic Act (RA) No. 7641, The Philippine Retirement Pay Law. All non-unionized employees hired on or after January 1, 2016, the effective date, are automatically under the defined contribution plan. Employees hired prior to the effective date shall have the option to elect to become members of the defined contribution plan.

The net defined benefit cost and contributions to be paid by the Company are determined by an independent actuary.

Plan assets are held in trusts, governed by local regulations and practice in the Philippines.

Following are the amounts recognized relating to the Company's retirement plans based on the recent actuarial valuation reports:

### *Defined benefit retirement plan*

(a) Pension liability as at December 31 recognized in the statement of financial position consists of:

	2024	2023
Present value of defined benefit obligation	409,192,725	372,005,037
Less: Fair value of plan assets	222,828,962	170,786,150
	186,363,763	201,218,887

The movements in the present value of defined benefit obligation are summarized as follows:

	2024	2023
At January 1	372,005,037	179,363,353
Current service cost	20,342,841	15,579,223
Interest expense	22,431,904	19,035,072
Benefit payments	(11,805,378)	(391,286)
Remeasurement (gain) loss - changes in financial assumptions	(1,735,968)	22,396,387
Remeasurement loss - experience adjustments	20,276,932	62,155,398
Remeasurement gain - demographic assumptions	-	(12,994,544)
Transfer (from) to plan	(12,322,643)	86,861,434
At December 31	409,192,725	372,005,037



Transfer from plan in 2024 represents changes in the elected retirement plan from defined benefit to defined contribution.

Transfer to plan in 2023 pertains to the retirement benefit obligation of BPI and BPI Investments, Inc. (BII) employees that were transferred to BPI Wealth for the year ended December 31, 2023. BPI and BII will reimburse the Company for the assumed obligation (Note 16). This is presented as part of other receivables under trust and other receivables, net in the statement of financial position.

The movements in plan assets are summarized as follows:

	2024	2023
At January 1	170,786,150	157,353,237
Contributions	33,255,690	13,719,733
Interest income	9,519,055	11,229,597
Benefit payments	(11,805,378)	(391,286)
Remeasurement gain (loss)	21,073,445	(11,125,131)
At December 31	222,828,962	170,786,150

The carrying value of plan assets as at December 31, 2024 is equivalent to its fair value of P222,828,962 (2023 - P170,786,150).

The plan assets at December 31 are comprised of the following:

	2024		2023	
	Amount	%	Amount	%
Debt securities	144,081,207	65	102,471,690	60
Equity securities	61,723,622	28	52,943,707	31
Others	17,024,133	7	15,370,754	9
	222,828,962	100	170,786,150	100

The plan assets of the unified retirement plan of the BPI Group include investment in BPI's common shares with aggregate fair value of P2,747 million as at December 31, 2024 (2023 - P2,413 million). An officer of the Parent Bank exercises the voting rights over the plan's investment in BPI's common shares.

The Company has no other transactions with the plan other than the contributions made for the years ended December 31, 2024 and 2023.

(b) Expense recognized in the statement of comprehensive income for the years ended December 31 consists of:

	2024	2023
Current service cost	20,342,841	15,579,223
Interest expense	22,431,904	19,035,072
Interest income	(9,519,055)	(11,229,597)
At December 31	33,255,690	23,384,698

The principal assumptions used for the actuarial valuation of the defined benefit plan are as follows:

	2024	2023
Discount rate	6.12%	6.03%
Salary increase rate	6.00%	6.00%

#### *Discount rate*

The discount rate is determined by reference to yields on long-term Philippine Treasury Bonds and adjusted to reflect the term similar to the estimated term of the benefit obligation as determined by the actuary as at the end of the reporting period as there is no deep market in high quality corporate bonds in the Philippines.



### *Future salary rate increases*

This is the expected long-term average rate of salary increase taking into account inflation, seniority, promotion and other market factors. Salary increases comprise of the general inflationary increases plus a further increase for individual productivity, merit and promotion. The future salary increase rates are set by reference over the period over which benefits are expected to be paid.

### *Demographic assumptions*

Assumptions regarding future mortality and disability experience are based on published statistics generally used for local actuarial valuation purposes.

The defined benefit plan typically exposes the Company to a number of risks such as investment risk, interest rate risk and salary risk. The most significant of which relate to investment and interest rate risk. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. A decrease in government bond yields will increase the defined benefit obligation although this will also be partially offset by an increase in the value of the plan's fixed income holdings. Hence, the present value of defined benefit obligation is directly affected by the discount rate to be applied by the Company. However, the Company believes that due to the long-term nature of the pension liability and the strength of the Company itself, the mix of debt and equity securities holdings of the plan is an appropriate element of the long-term strategy to manage the plan efficiently.

The Company ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under the plan. The Company's main objective is to match assets to the defined benefit obligation by investing primarily in long-term debt securities with maturities that match the benefit payments as they fall due. The asset-liability matching is being monitored on a regular basis and potential change in investment mix is being discussed with the trustee, as necessary to better ensure the appropriate asset-liability matching.

The Company contributes to the plan depending on the suggested funding contribution as calculated by an independent actuary. The expected contributions to the plan for the year ending December 31, 2025 amount to P37,820,712.

The weighted average duration of the defined benefit obligation as at December 31, 2024 is 5.33 years (2023 - 5.67 years).

The projected maturity analysis of retirement benefit payments as at December 31 follows:

	2024	2023
Less than a year	73,831,038	69,772,354
Between 1 to 5 years	290,432,546	97,286,499
Between 5 to 10 years	218,672,169	63,813,291
Between 10 to 15 years	133,580,154	111,283,466
Between 15 to 20 years	95,818,109	65,364,388
Over 20 years	86,023,319	827,929,057

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions follows:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
December 31, 2024			
Discount rate	1.0%	Decrease by 5.0%	Increase by 5.6%
Salary increase rate	1.0%	Increase by 5.5%	Decrease by 5.1%
December 31, 2023			
Discount rate	1.0%	Decrease by 5.9%	Increase by 5.4%
Salary increase rate	1.0%	Increase by 5.8%	Decrease by 5.5%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement liability recognized within the statement of financial position.

*Defined contribution retirement plan subject to the requirements of RA No. 7641*

(a) Pension liability as at December 31 recognized in the statement of financial position consists of:

	2024	2023
Present value of defined benefit obligation under RA No. 7641	184,896,261	34,665,688
Less: Fair value of plan assets	161,112,394	118,641,819
Deficit (surplus)	23,783,867	(83,976,131)
Effect of asset ceiling	-	83,976,131
	23,783,867	-

The movements in the present value of the defined benefit obligation are as follows:

	2024	2023
At January 1	34,665,688	38,997,227
Current service cost	3,561,902	7,131,403
Interest expense	2,125,007	4,036,587
Benefit payments	(10,726,810)	(6,475,745)
Remeasurement loss - changes in financial assumptions	240,324	4,131,285
Remeasurement loss - experience adjustments	139,585,207	25,373,762
Remeasurement gain - changes in demographics	-	(54,227,900)
Transfer to plan	15,444,943	15,699,069
At December 31	184,896,261	34,665,688

Transfer to plan in 2024 represents changes in the elected retirement plan from defined benefit to defined contribution.

Transfer to plan in 2023 pertains to the retirement benefit obligation of BPI and BII employees that were transferred to BPI Wealth for the year ended December 31, 2023. BPI and BII will reimburse the Company for the assumed obligation (Note 16). This is presented as part of other receivables under trust and other receivables, net in the statement of financial position

The movements in the fair value of plan assets are as follows:

	2024	2023
At January 1	118,641,819	74,192,682
Interest income	7,365,165	5,621,080
Benefit payments	(10,726,810)	(6,475,745)
Contributions	33,552,685	20,370,569
Remeasurement gain - return on plan assets	12,279,535	24,933,233
At December 31	161,112,394	118,641,819

The major categories of plan assets as a percentage of the fair value of total plan assets follow:

	2024		2023	
	Amount	%	Amount	%
Debt securities	30,595,244	19	32,033,291	27
Equity securities	97,537,443	61	78,303,601	66
Others	32,979,707	20	8,304,927	7
	161,112,394	100	118,641,819	100

The asset allocation of the pension plan is set and reviewed from time to time by the plan trustees taking into account the membership profile, the liquidity requirements of the plan and risk appetite of the plan sponsor.

Contributions are determined on the plan provisions. The expected contributions of the Company for the year ending December 31, 2025 amount to P34,714,153.

(b) Expense recognized in the statement of comprehensive income for the years ended December 31 consists of:

	2024	2023
Current service cost	3,561,902	7,131,403
Interest expense	2,125,007	4,036,587
Interest income	(7,365,165)	(5,621,080)
Interest on the effect of asset ceiling	5,147,737	2,597,425
At December 31	3,469,481	8,144,335

The principal assumptions used for the actuarial valuation of the defined contribution plan of the Company are as follows:

	2024	2023
Discount rate	6.11%	6.13%
Salary increase rate	6.00%	6.00%

The weighted average duration pertaining to the defined contribution plan as at December 31, 2024 is 8.03 years (2023 - 10.7 years).



Remeasurement loss on retirement benefit plans recognized in the statement of comprehensive income for the years ended December 31 consist of:

	2024	2023
Defined benefit retirement plan		
Remeasurement (gain) loss on plan assets	(21,073,445)	11,125,131
Remeasurement loss on defined benefit obligation	18,540,964	71,557,241
Tax effect	633,120	(19,802,384)
Defined contribution retirement plan		
Remeasurement gain on plan assets	(12,279,535)	(24,933,233)
Remeasurement loss (gain) on defined benefit obligation	139,825,531	(24,722,853)
Changes in the effect of the asset ceiling	(89,123,868)	46,183,252
	36,522,767	59,407,154

## 10 Share capital

### *Share capital*

Common shares are classified as share capital under equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax.

Details of share capital as at December 31, 2024 and 2023 are as follows:

	No. of Shares	Amount
Authorized, P10 par value	200,000,000	2,000,000,000
Issued and outstanding	60,000,000	600,000,000

### *Additional paid-in capital*

Proceeds or consideration in excess of par value of shares, if any, are credited to additional paid-in capital.

The trust business ("Trust Business") acquired by the Parent Bank as a result of its merger with Robinsons Bank Corporation was transferred to the Company effective January 1, 2024 in accordance with the Assignment Agreement. The Trust Business is recognized as an intangible asset valued at the consideration of P9,684,000 accounted for as an additional paid-in capital from the Parent Bank (Note 18).

### *Reserve for trust business*

Reserve for trust business represents the appropriation made by the Company in compliance with the BSP regulation. An institution authorized to engage in trust and other fiduciary business shall, before the declaration of dividends, carry to retained earnings appropriated for trust business at least ten percent (10%) of its net income realized out of its trust, investment management and other fiduciary business since the last preceding dividend declaration until the retained earnings appropriated shall amount to twenty percent (20%) of its authorized capital stock. As at December 31, 2023, the appropriated reserve is already equivalent to 20% of the authorized capital, hence, no additional appropriation required for 2024.

### *Other reserves*

Other reserves pertain to the employee stock option plan.

The Company implements an equity-settled share-based payment scheme in respect of services received from certain employees. The fair value of the services received is measured by reference to the fair value of the shares of the Parent Bank on the date of the grant. The cost of employee services received in respect of the shares granted is recognized in profit or loss (with a corresponding increase in Other reserves in Equity) over the period that the services are received, which is the vesting period.

The fair value of the options granted is determined using option pricing models which take into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors.

#### Dividend declarations

Declaration date	Payment date	Amount per share	Total
<i>For the year ended December 31, 2024</i>			
May 15, 2024	May 31, 2024	15.83	950,000,000
<i>For the year ended December 31, 2023</i>			
May 17, 2023	May 25, 2023	15.83	950,000,000

## 11 Income taxes

Income tax expense for the years ended December 31 consists of:

	2024	2023
Current	441,605,656	365,363,944
Deferred	(11,382,750)	(19,320,507)
	430,222,906	346,043,437

Current tax for the year ended December 31, 2024 includes final tax of P23,514,785 (2023 - P16,857,121).

The Company has recognized deferred income tax asset, net amounting P90,480,933 (2023 - P78,312,162) from deductible temporary differences (Note 7).

The reconciliation between the income tax expense computed at the statutory income tax rate to the actual income tax expense shown in the statement of comprehensive income for the years ended December 31 follows:

	2024		2023	
	Amount	Rate (%)	Amount	Rate (%)
Income before income tax	1,654,257,386		1,463,510,890	
Statutory income tax	413,564,347	25.00	365,877,723	25.00
Adjustments to income tax resulting from tax effects of:				
Interest income already subjected to final tax	(5,882,478)	(0.36)	(4,214,280)	(0.29)
Non-deductible expenses	29,873,582	1.81	19,483,187	1.33
Others	(7,332,545)	(0.44)	(35,103,193)	(2.40)
	430,222,906	26.01	346,043,437	23.64

## 12 Salaries and other employee benefits

Details of compensation and fringe benefits expense for the years ended December 31 follow:

	2024	2023
Salaries and wages	1,157,999,273	865,356,184
Retirement expense	47,185,090	41,096,006
Other employee benefit expenses	24,867,240	18,039,129
	1,230,051,603	924,491,319

### 13 Taxes, licenses and regulatory fees

Details of taxes, licenses and regulatory fees for the years ended December 31 follow:

	2024	2023
Gross receipts tax	267,270,115	207,002,864
Examination fees	214,957,438	173,424,519
Fringe benefits	1,926,964	2,485,694
Other taxes and fees	1,107,913	2,283,609
	485,262,430	385,196,686

Other taxes and fees consist of local and municipal taxes, business permits and licenses and annual registration fees.

### 14 Other operating expenses

Details of other operating expenses for the years ended December 31 follow:

	Notes	2024	2023
Promotional and other selling expenses		700,773,354	484,298,927
Information technology charges		317,191,314	276,046,134
Depreciation and amortization expenses	6,18	95,456,093	60,741,260
Legal and professional fees		37,946,184	12,693,967
Interest expense on lease liabilities	15	32,471,829	16,998,120
Rent, transportation and travel		32,242,064	22,795,358
Utilities expenses		31,651,605	21,673,504
Repairs and maintenance expenses		14,471,854	11,503,508
Membership fees		13,920,672	6,176,699
Stationery and supplies		4,913,714	4,031,288
Provision for impairment	4	-	19,911,150
Modification loss		-	383,806
Miscellaneous expenses		128,722,432	45,542,424
		1,409,761,115	982,796,145

Miscellaneous expenses consist mainly of regular donation, insurance on furniture and fixtures, bank charges, distribution fees and expenses incurred during staff meetings.

### 15 Leases

The Company leases office space with the Parent Bank. Rental contract is made for a fixed period of five (5) years commencing on March 16, 2019 but subject to extension upon mutual agreement of both parties. On March 13, 2024, the Company entered into a new lease contract with the Parent Bank to extend the expired lease for a fixed period of five (5) years commencing on March 16, 2024.

Lease terms are negotiated either on a collective or individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any covenants, but leased asset cannot be used as security for borrowing purposes.

In July 2023, the Company leased its second office space with Parent Bank for a fixed period of 7 years resulting in an addition to the right-of-use asset (Note 6), subject to extension upon mutual agreement of both parties.



The statement of financial position shows the following amounts relating to leases as at December 31:

	Note	2024	2023
<i>Right-of-use assets</i>			
Property and equipment - Office premises	6	448,057,544	475,071,324
<i>Lease liabilities</i>			
Current		71,012,002	52,161,374
Non-current		413,220,681	435,968,777
		484,232,683	488,130,151

The weighted average incremental borrowing rate applied to the lease liabilities in 2024 and 2023 is 6.38%.

Movement in lease liabilities is shown below:

	2024	2023
Balance as at January 1	488,130,151	31,034,981
Non-cash changes		
Interest expense	32,471,829	16,998,120
Additions	50,027,258	472,009,578
Remeasurement due to lease modification	-	10,792,239
Principal and interest payments	(86,396,555)	(42,704,767)
Balance as at December 31	484,232,683	488,130,151

In June 2023, the Company reduced the leased office space with the Parent Bank, resulting in a lease modification. As a result, the net effect on the related right-of-use asset and lease liability amounts to P10,408,433 and P10,792,239 respectively. The loss from lease modification amounting to P383,806 is presented as part of other operating expenses in the statement of comprehensive income (Note 14).

The statement of comprehensive income for the years ended December 31 shows the following amounts relating to leases:

	Note	2024	2023
Depreciation expense			
Property and equipment - Office premises	6	85,404,393	53,715,637
Interest expense		32,471,829	16,998,120
Loss on lease modification		-	383,806
Expense relating to short-term leases (included in Operating expenses)		26,228,741	16,146,349
		144,104,963	87,243,912

The total cash outflow for leases subject to requirements of PFRS 16 as at December 31, 2024 is P86,396,555 (2023 - P42,704,767).

## 16 Related party transactions

In the normal course of business, the Company transacts with its Parent Bank and other related parties. These transactions such as deposit arrangements and advances for operating expenses are made in the normal operating activities and have terms and conditions that are generally comparable to those offered to non-related parties and to similar transactions in the market.

Significant related party transactions and outstanding balances as at December 31 are summarized below:

As at and for the year ended December 31, 2024	Transactions for the year	Outstanding balances Receivable/(Payable)	Terms and conditions
Parent Bank			
Dividend payments	950,000,000	-	Refer to Note 10.
Intercompany transactions	541,671,695	(36,575,834)	- Unsecured - Non-interest bearing - Payable in cash at gross amount on demand - Refer to Note (a) below for reimbursements.
Deposits, net	917,003,561	920,739,453	- These are demand deposits bearing an average annual interest of 0.25%.
Interest income on deposit	3,735,892	-	
Retirement benefit obligation	-	88,361,332	- Transfer of retirement benefit obligation. Refer to Note 9.
Refundable security deposit	-	8,244,189	- Refundable at the end of the lease term and unsecured
Retirement fund contributions	66,808,375	-	Refer to Note 9.
Trust funds and managed funds			
Trust income	528,255,687	147,058,697	Based on the following fee structure: (a) Previous day NAV (b) Average daily NAV (c) 0% Pooled Fund (d) Unit-based fund (NAV) (e) Fixed annual fee  The above varies per fund in accordance with the individual agreement.
Subsidiaries and associate of			
Parent Bank			
Other expenses	44,296,413	-	Broker's fees based on transaction value or P500, whichever is higher.
Retirement benefit obligation	-	14,199,171	Transfer of retirement benefit obligation. Refer to Note 9.
Marketing fee expense	648,214,465	-	Presented as part of promotional and other selling expenses under other operating expenses in the statement of comprehensive income (Note 14)
Miscellaneous expenses	4,821,266	-	Amount includes insurance on transportation equipment and other expenses
Other related parties			
Lease-related transactions	114,262,785	-	- These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangement, which includes payments for lease, common area charges and utilities.
Director's remuneration	5,375,000	-	- P50,000 per diem for Board meeting and P25,000 per diem for Committee meeting.
Purchase of transportation equipment	22,265,940	-	- Amount varies on subsidy limit per officer's rank.
Marketing fee expense	1,126,321	-	- Presented as part of promotional and other selling expenses under other operating expenses in the statement of comprehensive income (Note 14)

As at and for the year ended December 31, 2023	Transactions for the year	Outstanding balances Receivable/(Payable)	Terms and conditions
<b>Parent Bank</b>			
Dividend payments	950,000,000	-	Refer to Note 10.
Intercompany transactions	307,768,884	(29,669,529)	- Unsecured - Non-interest bearing - Payable in cash at gross amount on demand - Refer to Note (a) below for reimbursements.
Deposits, net	(583,095,169)	813,153,365	- These are demand deposits bearing an average annual interest of 0.25%.
Interest income on deposit	691,594	-	
Gain on write-off of payable	28,896,443	-	- Refer to Note (b).
Retirement benefit obligation	88,361,332	88,361,332	- Transfer of retirement benefit obligation. Refer to Note 9.
Refundable security deposit	500,560	8,244,189	- Refundable at the end of the lease term - Unsecured
Retirement fund contributions	34,090,302	-	Refer to Note 9.
<b>Trust funds and managed funds</b>			
Trust income	479,148,555	128,256,741	Based on the following fee structure: (f) Previous day NAV (g) Average daily NAV (h) 0% Pooled Fund (i) Unit-based fund (NAV) (j) Fixed annual fee  The above varies per fund in accordance with the individual agreement.
<b>Subsidiaries and associates of</b>			
<b>Parent Bank</b>			
Other expenses	40,999,142	-	Broker's fees based on transaction value or P500, whichever is higher.
Retirement benefit obligation	14,199,171	14,199,171	Transfer of retirement benefit obligation. Refer to Note 9.
Marketing fee expense	455,989,586	-	Presented as part of promotional and other selling expenses under other operating expenses in the statement of comprehensive income (Note 14)
<b>Other related parties</b>			
Lease-related transactions	58,103,937	-	- These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangements, which includes payments for lease, common area charges and utilities.
Director's remuneration	2,425,000	-	- P50,000 per diem for Board meeting and P25,000 per diem for Committee meeting.
Purchase of transportation equipment	18,147,251	-	- Amount varies on subsidy limit per officer's rank.

- (a) Intercompany transactions, net pertain to expenses paid by the Parent Bank on behalf of the Company. This is comprised of the following:

	2024	2023
Intercompany expenses	423,734,601	252,486,503
Staff benefits	7,426,903	9,769,123
Other expenses	110,510,191	45,513,258
	541,671,695	307,768,884

Staff benefits and other expenses are presented as part of salaries and other employee benefits and other operating expenses, respectively, in the statement of comprehensive income.



- (b) In 2023, the Company written-off a portion of due to Parent Bank amounting to P24,114,314 as the Parent Bank confirmed that they will no longer collect this amount. This is recognized as part of other income in the statement of comprehensive income.

## **17 Financial risk management**

The Company's activities expose it to a variety of financial risks, primarily credit risk and liquidity risk. As risk taking is core to the business, an effective risk management process is critical in ensuring that a proper balance between risk and return is achieved.

The risk management policies and procedures of the Company are designed to properly identify, measure, control, monitor and report the various risks arising from the conduct of its operations, proprietary investing activities, and fiduciary and investment management duties. These policies and procedures are expected to evolve as the Company's business grows, as the market structure and regulations change, as new financial products are introduced in the market and as management practices are modified.

### **Board oversight**

The Company recognizes that effective risk management is a top-down process that starts with the BOD. The BOD has the ultimate responsibility of providing oversight of the Company's risk management process, which involves establishing strategic direction and providing risk tolerance standards for its operations and proprietary investing activities. It is responsible for ensuring that an effective risk management process and systems are in place at all times and that risks taken are always within the defined parameters. The BOD, through the Risk Management Committee, shall also approve and regularly review risk management policies, procedures and limits to ensure that these remain consistent with the Company's business and risk management objectives.

### **Risk management process**

The risk management process of the Company has four elements, namely: (a) risk identification, (b) risk measurement, (c) risk management/control and (d) risk monitoring and reporting.

Risk identification involves recognizing and understanding the risks faced by the Company in the conduct of its operations, proprietary investing activities, and fiduciary and investment management duties. It also involves determining the appetite and tolerance of the institution (as defined by the BOD through the Risk Management Committee) for such risks.

Risk measurement involves applying measurement techniques or models to quantify identified risks. After risks are identified and measured, risk control processes and limits in line with the risk tolerance standards of the Company are established. Actual risk exposures are then monitored and compared against these limits and results are communicated to the BOD and the Risk Management Committee through the generation of reports.

### **Market risk**

Considering the components of the financial assets and liabilities as at December 31, 2024 and 2023, the Company is not significantly exposed to market risk.

In accordance with BSP regulations, the Company shall not engage in any proprietary trading and speculative investing activities. Proprietary assets owned by the Company shall be for the purpose of engaging in the trust business and investment management activities and for maintaining the minimum capital requirement and basic security deposit requirement.

## 17.1 Credit risk

Credit risk arises from cash and cash equivalents, financial assets at FVOCI, trust and other receivables, as well as credit exposure from refundable security deposit. The Company's exposure arises from default of the counterparty, with a maximum exposure equal to the fair value of these financial assets.

To minimize credit risk, the Company transacts only with counterparties with good credit standing.

### *Cash and cash equivalents*

The Company's cash and cash equivalents at December 31, 2024 amounting to P920,739,453 (2023 - P813,154,754) are deposited with top universal banks in the Philippines and are assessed to be performing (Stage 1) (Note 2). Accordingly, management deemed that credit risk is low.

### *Financial assets at FVOCI*

The Company's financial assets at FVOCI pertain to Philippine government treasury bonds, bills and notes and are considered fully performing (Stage 1) (Note 3). These securities are rated "BBB+" with a "stable" outlook by Standard & Poor's as at December 31, 2024 and 2023. Based on this credit rating, management has assessed that the expected credit loss (ECL) provision is insignificant for financial reporting purposes.

### *Trust and other receivables*

The Company applies the simplified approach, as permitted by PFRS 9, in measuring expected credit losses which uses a lifetime expected loss allowance for trust and other receivables.

To measure the expected credit losses, trust and other receivables are grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of receivables over a period of 24 months before December 31, 2024 and 2023, respectively, and corresponding historical credit losses experienced within this period. The forward-looking information on macroeconomic factors are considered insignificant in calculating impairment of trust and other receivables.

As at December 31, 2024, all of the trust and other receivables amounting to P739,525,398 (2023 - P551,734,068) are considered current or fully performing. Likewise, during the year the Company written-off receivables amounting to P10,917,683 (2023 - P149,767).

### *Refundable deposits*

As at December 31, 2024, deposits amounting to P8,344,189 (2023 - P8,244,189) in connection with the lease of the Company's office space are refundable at the end of the lease term (Note 15).

None of the financial assets, that are considered fully performing as at December 31, 2024 and 2023, has been renegotiated.

## 17.2 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Working capital requirements are reviewed on a monthly basis through projection of cash flows from the Company's operating, investing, and financing activities.

The Company manages liquidity through reporting of liquidity risk exposures, monitoring compliance with liquidity risk policy and review of liquidity risk policy for pertinence and changing environment.



The table below presents the maturity profile of financial instruments based on undiscounted cash flows, including future interest, which the Company uses to manage inherent risk. The analysis into maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date the financial asset will be realized or the financial liability will be settled.

	Up to 1 year	Over 1 up to 3 years	Over 3 years	Total
As at December 31, 2024				
Financial assets				
Cash and other cash items	920,739,453	-	-	920,739,453
Financial assets at FVOCI	974,583,085	887,048,707	477,756,315	2,339,388,107
Trust and other receivables	739,525,398	-	-	739,525,398
Refundable deposits	-	-	8,344,189	8,344,189
Total financial assets	2,634,847,936	887,048,707	486,100,504	4,007,997,147
Financial liabilities				
Due to Parent Bank	36,575,834	-	-	36,575,834
Lease liabilities	99,887,467	214,610,169	259,383,737	573,881,373
Other liabilities	366,444,322	-	-	366,444,322
Total financial liabilities	502,907,623	214,610,169	259,383,737	976,901,529
Total maturity gap	2,131,940,313	672,438,538	226,716,767	3,031,095,618
As at December 31, 2023				
Financial assets				
Cash and other cash items	813,154,754	-	-	813,154,754
Financial assets at FVOCI	700,665,500	1,001,203,014	400,454,699	2,102,323,213
Trust and other receivables	551,734,068	-	-	551,734,068
Refundable deposits	8,244,189	-	-	8,244,189
Total financial assets	2,073,798,511	1,001,203,014	400,454,699	3,475,456,224
Financial liabilities				
Due to Parent Bank	29,669,529	-	-	29,669,529
Lease liabilities	83,482,565	270,455,748	248,096,667	602,034,980
Other liabilities	227,902,725	-	-	227,902,725
Total financial liabilities	341,054,819	270,455,748	248,096,667	859,607,234
Total maturity gap	1,732,743,692	730,747,266	152,358,032	2,615,848,990

### 17.3 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company complies with the minimum paid-in capital required by Section 5 of Circular No. 710, Series of 2011 of the BSP upon approval to establish the trust corporation.

As at December 31, 2024, the total paid-in capital of the Company is P1,511,750,145 (2023 - P1,502,066,145).

Total capital being managed by the Company is its total equity as shown in the statement of financial position.



The Company, being authorized to engage in trust and other fiduciary business, is also required under Section 4413Q of the Memorandum of Regulations for Non-Bank Financial Institutions of BSP to appropriate before the declaration of dividends, at least 10% of its net profits realized out of its trust, investment management and other fiduciary business since the last preceding dividend declaration until the retained earnings shall amount to 20% of the authorized capital of the Company and no part of such retained earnings shall at any time be paid out in dividends but losses accruing in the course of its business may be charged against surplus. As at December 31, 2023, the appropriated reserve is already equivalent to 20% of the authorized capital, hence, no additional appropriation required for 2024.

#### **17.4 Fair value estimation of financial assets and liabilities**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company ranks its financial instruments based on the hierarchy of valuation techniques required by PFRS 13, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. These two types of inputs lead to the following fair value hierarchy:

*Level 1* - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

*Level 2* - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

*Level 3* - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The Company's financial instruments are principally either short-term in nature or have interest rates that periodically reset at market rates. Accordingly, the estimated fair value does not significantly differ from carrying value for each major category of the Company's recorded financial assets and liabilities.

The fair values of Philippine government treasury bonds under financial assets at FVOCI are classified under Level 1 as at December 31, 2024, while the treasury bills and notes under financial assets at FVOCI are classified under Level 2 as at December 31, 2024 and 2023.

### **18 Critical accounting estimates, assumptions and judgments**

The Company makes estimates, assumptions and judgments that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. It is reasonably possible that the outcomes within the next financial year could differ from assumptions made at the end of the reporting period and could result in adjustment to the carrying amount of affected assets or liabilities.

#### **18.1 Critical accounting judgments**

##### *Recognition of deferred income tax assets (Note 7)*

The recognition of deferred income taxes depends on management's assessment of the probability of available future taxable income against which the temporary difference can be applied. The Company reviews at the end of each reporting period the carrying amounts of deferred tax assets. The carrying amount of deferred tax assets is reduced to the extent that the related tax assets cannot be utilized due to insufficient taxable profit against which the deferred tax losses will be applied. The Company believes that sufficient taxable profit will be generated to allow all of the deferred income tax assets to be utilized.

### *Classification of investment securities (Note 3)*

The Company follows the guidance of PFRS 9 in classifying financial assets at initial recognition whether it will be subsequently measured at FVOCI, at amortized cost, or at fair value through profit or loss. The Company determines the classification based on the contractual cash flow characteristics of the financial assets and on the business model it uses to manage these financial assets. The Company determines whether the contractual cash flows associated with the financial assets are solely payments of principal and interest on the principal amount outstanding.

### *Determining the lease term (Note 15)*

Extension and termination options are included in the lease of the Company. This is used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable only by the Company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

### *Useful life of intangible assets*

Effective January 1, 2024, the Trust Business has been transferred to BPI Wealth. BPI Wealth has accepted the contribution of the Trust Business from BPI as a result of the merger between BPI and RBC, with BPI as the surviving bank.

An external party was engaged to value the trust business of RBC. The Trust Business of RBC was valued using the Discounted Cash Flows (DCF) method under the Income Approach. Under this method, the future cash flows of the business were estimated and discounted using an appropriate discount rate. The Comparable Public Companies and Comparable Transactions methods under the Market Approach were likewise considered as a secondary method to check the reasonableness of the value derived under the DCF method.

The value amounting to P9,684,000 was transferred in the books of the Company in 2024 in consideration of an additional paid-in capital from Parent Bank and recognized as an intangible asset. The intangible asset was estimated to have a useful life of 10 years and thus, will be amortized for 10 years.

The amortization of the intangible asset will not reduce the amount of the additional paid-in capital of the Parent Bank but will form part of other operating expenses under the statement of comprehensive income.

In 2024, the Company recorded amortization expense of P968,400 presented as part of Depreciation and amortization expenses under Other operating expenses (Note 14) bringing the carrying amount of intangible assets, net to P8,715,600 as at December 31, 2024.



## 18.2 Critical accounting estimates

### *Impairment of trust and other receivables (Note 4)*

Under PFRS 9, the measurement of the ECL allowance for financial assets measured at amortized cost and at FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

The Company measures ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any ECL. Management consider the probability of default for trust receivables to be close to zero as the counterparties have a strong capacity to meet their contractual obligation in the near term. As a result, no loss allowance for trust receivables has been recognized based on 12-month ECL as any such impairment would be insignificant to the Company as at December 31, 2024 and 2023.

As at December 31, 2024, ECL amounting to P15,798,190 (2023 - P42,384,004) has been recognized for other receivables. The net balance of trust and other receivables amounting to P739,525,398 (2023 - P551,734,068) is deemed fully recoverable.

### *Determining the incremental borrowing rate (Note 15)*

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; or
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held which do not have recent third-party financing; and
- makes adjustments specific to the lease (e.g. term, currency and security).

## 19 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

### 19.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC).

These financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at FVOCI.



The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 18.

### **Changes in accounting policies and disclosures**

#### *(a) New standard and amendments to existing standards adopted by the Company*

There are no new standards or amendments to existing standards effective January 1, 2024 that have a material impact to the Company.

#### *(b) New standards and amendments to existing standard not yet adopted by the Company*

The following new accounting standard are not mandatory for December 31, 2024 reporting period and has not been early adopted by the Company:

- *PFRS 18, 'Presentation and Disclosure in Financial Statements'*

This is the new standard on presentation and disclosure in financial statements, which replaces PAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in PFRS 18 relate to:

- The structure of the statement of profit or loss with defined subtotals;
  - Requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss
  - Required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general
- *Amendments to the Classification and Measurement of Financial Instruments – Amendments to PFRS 9 and PFRS 7*

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 Financial Instruments and PFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- (a) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- (d) Update the disclosures for equity instruments design

The adoption of the above standards and amendments are not expected to have a material financial effect to the financial statements of the Company.

There are no other new standards, amendments to existing standards, or interpretations that are effective for annual periods beginning on or after January 1, 2025 that are considered relevant or expected to have a material effect on the financial statement of the Company.

## 19.2 Financial instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

### **19.2.1 Classification and subsequent measurement of financial assets**

The Company classifies its financial assets, limited to debt instruments, in the following measurement categories: at FVOCI and at amortized cost.

Classification and subsequent measurement of debt instruments depend on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following measurement categories:

- *Amortized cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any ECL allowance recognized and measured. Interest income from these financial assets is included in "Interest income" using the effective interest rate method. Amortized cost financial assets include cash and cash equivalents, trust and other receivables, and refundable deposits.

- *FVOCI*

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, if any, on the instrument's amortized cost which are recognized in the statement of comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is included in "Interest income" using the effective interest rate method.

The Company's debt instruments amounting to P2,154,945,149 as at December 31, 2024 (2023 - P2,060,975,520) are classified as financial assets at FVOCI.

**Business model:** The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.



SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

### **19.2.2 Impairment of financial assets**

The Company assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at fair value through other comprehensive income and amortized cost. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### *Credit impaired financial assets*

Financial assets are assessed for credit impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment may include indications that the debtor is experiencing significant financial difficulty, probability of bankruptcy or other financial reorganization, as well as measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payments status of the debtor or economic conditions that correlate with defaults. An asset that is in Stage 3 will move back to Stage 2 when, as at reporting date, it is no longer considered to be credit-impaired. The asset will transfer back to Stage 1 when its credit risk at the reporting date is no longer considered to have increased significantly from initial recognition, and when there is sufficient evidence to support full collection of principal and interest due. Prior to the transfer to Stage 1, the asset should have exhibited both the quantitative and qualitative indicators of probable collection.

When a financial asset has been identified as credit-impaired, ECL is measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the instrument's original effective interest rate.

When a financial asset is credit impaired, interest ceases to be recognized on the regular accrual basis, which accrues income based on gross carrying amount of the asset. Rather, interest income is calculated by applying the original effective interest rate to the amortized cost of the asset, which is the gross carrying amount less related allowance for impairment. Following impairment, interest income is recognized on the unwinding of the discount from the initial recognition of impairment.

## **19.3 Financial liabilities**

### **19.3.1 Classification and recognition**

As at December 31, 2024 and 2023, the Company has only financial liabilities at amortized cost.

Financial liabilities at amortized cost include due to Parent Bank, lease liabilities and other liabilities (excluding taxes payable) in the statement financial position.



### 19.3.2 Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest rate method.

### 19.4 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of an asset which comprises its purchase price, import duties and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate cost or residual values over the estimated useful lives of the assets as follows:

Furniture and equipment	3 to 5 years
Transportation equipment	5 years

Major renovations are depreciated over the remaining useful life of the related asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value-in-use.

### 19.5 Impairment of non-financial assets

Assets that have definite useful lives are subject to depreciation or amortization and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is calculated at the higher of the asset's fair value less cost to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

### 19.6 Intangible asset

Intangible asset from the assignment of Trust Business is capitalized on the basis of the value derived using the DCF method under the Income Approach. Under this method, the future cash flows of the business were estimated and discounted using an appropriate discount rate. The Comparable Public Companies and Comparable Transactions methods under the Market Approach were likewise considered as a secondary method to check the reasonableness of the value derived under the DCF method. The measurement basis as at transfer date was in accordance with the applicable accounting standard for transfer of non-cash asset between parties under common interest. The cost of the asset is amortized on a straight-line basis over the useful life of 10years. In addition, the intangible asset is subject to impairment testing, as the need arises.

### 19.7 Provisions and contingencies

Provisions are recognized when: (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is more likely than not that an outflow of resources will be required to settle the obligation; and (c) the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to the passage of time is recognized as interest expense.

Provisions are derecognized when the obligation is settled, cancelled or has expired.

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

## **19.8 Revenue recognition**

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer (i.e. an asset). An asset is transferred when (or as) the customer obtains control of that asset.

The recognition of revenue can be either over time or at a point in time depending on when the performance obligation is satisfied.

When control of a good or service is transferred over time, that is, when the customer simultaneously receives and consumes the benefits, the Company satisfies the performance obligation and recognizes revenue over time. Otherwise, revenue is recognized at the point in time of transfer of control of the good or service to the customer.

The Company recognizes revenue based on the rate/price specified in the service agreement and is only recognized to the extent that it is highly probable that a significant reversal will not occur.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

There are no warranties and other similar obligation and refunds agreed with customers.

Trust income and commission income is recognized in the statement of comprehensive income based on agreed terms and conditions and upon satisfaction of the performance obligation.

Interest income is recognized on a time proportion basis using the effective interest rate method, gross of applicable taxes.

## **19.9 Leases - Company as lessee**

### **i. Measurement of lease liabilities**

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.



The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

#### ii. Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated over the lease term of five (5) years on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

#### iii. Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

#### iv. Lease modification

Lease modifications are accounted either as a separate lease or not a separate lease. The Company accounts for the lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right of use to one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

#### v. Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Low-value assets comprise of IT and computer equipment.



## **19.10 Income taxes**

### *Current income tax*

The tax expense for the period comprises current and deferred income tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### *Deferred income tax*

Deferred income tax is recognized using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax losses (net operating loss carryover or NOLCO) and unused tax credits (excess minimum corporate income tax or MCIT) to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized. The Company reassesses at the end of each reporting period the need to recognize a previously unrecognized deferred income tax asset.

Deferred income tax liabilities are recognized in full for all taxable temporary differences in full for all taxable temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## **19.11 Employee benefits**

### *(a) Short-term benefits*

The Company recognizes a liability net of amount already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences and bonuses, and non-monetary benefits.

Short-term employee benefit obligations are measured on an undiscounted basis and recognized as expense when the related service is provided.

### *(b) Defined benefit retirement plan*

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The amount recognized in the statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. If the resulting difference is a pension asset, the asset ceiling is being observed. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in profit or loss.

*(c) Defined contribution retirement plan*

The Company also maintains a defined contribution plan that covers certain full-time employees. Under its defined contribution plan, the Company pays fixed contributions based on the employees' monthly salaries. The Company, however, is covered under RA No. 7641, otherwise known as 'The Philippine Retirement Pay Law', which provides for its qualified employees a defined benefit minimum guarantee. The defined benefit minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provisions of RA No. 7641. Accordingly, the Company accounts for its retirement obligation under the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the defined contribution plan.

For the defined benefit minimum guarantee plan, the liability is determined based on the present value of the excess of the projected defined benefit obligation over the projected defined contribution obligation at the end of the reporting period. The defined benefit obligation is calculated annually by a qualified independent actuary using the projected unit credit method. The Company determines the net interest income (expense) on the net defined benefit asset (liability) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit asset (liability) then, taking into account any changes in the net defined benefit asset (liability) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in the statement of comprehensive income.

The defined contribution liability is measured at the fair value of the defined contribution assets upon which the defined contribution benefits depend, with an adjustment for margin on asset returns, if any, where this is reflected in the defined contribution benefits.

Actuarial gains and losses arising from the remeasurements of the net defined contribution liability are recognized immediately in other comprehensive income.

*(d) Bonus plans*

The Company recognizes a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholder after certain adjustments. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## **19.12 Foreign currency transactions and translation**

*Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Philippine Peso, which is the functional currency of the Company.



## 20 Supplementary information required by the BSP

Below is the additional information required by Section 13, Subsection 4190T.4 of the Manual of Regulations for Non-Bank Financial Institutions. The supplementary information is presented for BSP reporting purposes and is not required in the basic financial statements.

### (i) Basic quantitative indicators of financial performance

	2024	2023
Return on average equity	38.95	37.80
Return on average assets	28.17	30.09
Percentage of trust fees to total assets under management	0.33	0.32

The calculation above is based on the prescribed formulas under Annex C of Subsection 4190T.4.

### (ii) Total outstanding investment, loans and other credit accommodations to Directors, Officers, all Stockholders and their Related Interests (DOSRI)

Details of DOSRI balances:

	2024	2023
BPI		
Deposits in banks	920,739,453	813,153,365
Refundable security deposit	8,344,189	8,244,189
	929,083,642	821,397,554

All balances with DOSRI are unsecured and are fully performing.

### (iii) Large exposures

	2024	2023
BPI		
Cash and cash equivalents	920,739,453	813,153,365
Refundable security deposit	8,344,189	8,244,189
	929,083,642	821,397,554
Philippine Government		
Treasury bonds	1,185,641,310	1,182,252,021
Treasury notes	194,717,013	191,445,431
Treasury bills	774,586,826	687,278,068

Large exposures refer to exposures to counterparty or a group of related counterparties equal or greater than five percent (5%) of the Company's combined capital account. Combined capital accounts shall mean the total capital stock, retained earnings, and profit and loss summary, net of (a) unbooked allowance for probable losses (which includes allowance for credit losses and impairment losses) on the allowable proprietary assets and (b) such other capital adjustments as may be required by the BSP.

### (iv) Nature and amount of contingencies

There are no contingencies and commitments arising from off-balance sheet items as at December 31, 2024 and 2023.

### (v) Aggregate amount of secured liabilities and assets pledged as security

The Company does not have assets pledged as security for secured liabilities as at December 31, 2024 and 2023.

## 21 Supplementary information required by the Bureau of Internal Revenue (BIR)

Below is the additional information required by Revenue Regulations (RR) No. 15-2010. This information is presented for the purposes of filing with the BIR and is not a required part of the basic financial statements.

### (i) Documentary stamp tax

The Company paid documentary stamp taxes amounting to P233,755 for the year ended December 31, 2024.

### (ii) Withholding taxes

Withholding taxes paid/accrued and/or withheld for the year ended December 31, 2024 consist of:

	Paid	Accrued	Amount
Tax on compensation and benefits	220,904,535	24,162,350	245,066,885
Expanded withholding taxes	41,901,150	9,428,462	51,329,612
Final withholding taxes	19,833,921	1,663,071	21,496,992
Fringe benefits tax	3,027,513	683,434	3,710,947
Withholding VAT	12,038,395	1,334,502	13,372,897
	297,705,514	37,271,819	334,977,333

### (iii) All other local and national taxes

All other local and national taxes paid for the year ended December 31, 2024 consist of:

	Paid	Accrued	Amount
Gross receipts tax	252,725,368	70,776,887	323,502,255
Municipal taxes	576,207	-	576,207
Total	253,301,575	70,776,887	324,078,462

These local and national taxes are lodged under Taxes, licenses and regulatory fees in the statement of comprehensive income.

### (iv) Tax assessments

The Company does not have any deficiency tax assessments as at December 31, 2024.

### (v) Tax cases

The Company is not a party on any tax cases as at December 31, 2024.





# Appendix A

Board of Directors

## **JOSE TEODORO K. LIMCAOCO**

### **Chairman**

Filipino, 63years old, became a member of BPI Wealth Board in April 2021. He currently serves as the Chairman of the BPI Wealth Board of Directors and Executive Committee.

Mr. Limcaoco is the President and Chief Executive Officer of the Bank of the Philippine Islands (BPI). Prior to assuming this role, he was a Non-Executive Director from February 2019 to April 2021. He also holds key leadership positions within the BPI Group, serving as chairman of BPI Capital Corporation, BPI/MS Insurance Corporation, BPI Europe PLC, ALFM Money Market Fund, Inc., ALFM Peso Bond Fund, Inc., ALFM Dollar Bond Fund, Inc., ALFM Euro Bond Fund, Inc., ALFM Growth Fund, Inc., Philippine Stock Index Fund Corp., ALFM Global Multi-Asset Income Fund, Inc., and ALFM Real Estate Income Fund, Inc..

Additionally, he is a director of BPI Wealth Singapore Pte Ltd, President and Vice Chairman of The Bank of the Philippine Islands Foundation, Inc., Vice Chairman of BPI Century Tokyo Lease & Finance Corporation and BPI Century Tokyo Rental Corporation, Chairman and President of the Bankers Association of the Philippines, and Chairman of Philippine Payments Management, Inc.

Earlier in his career, Mr. Limcaoco served as President of BPI Family Savings Bank (2010-2015) and President of BPI Capital Corporation (2007-2010). He was also a Director and Treasurer of Ayala Life Assurance, Inc. (2009), Director and Chairman of Ayala Plans, Inc. (2010-2015), and a Director of Globe Fintech Innovations, Inc. (2017-2022) and AC Energy International Inc. (2019-2022). His tenure at BPI includes earlier roles from 1989 to 1992 and at BPI Capital from 1995 to 1997.

From 2015 to 2021, he was a Senior Managing Director and the Chief Finance Officer, Chief Risk Officer, Chief Sustainability Officer, and Finance Group Head of Ayala Corporation. He also held directorships in publicly listed companies such as Globe Telecom, Inc. and Integrated Micro-Electronics, Inc., as well as in SSI Group, Inc. Additionally, he served as a Director in several Ayala group companies across sectors including healthcare, infrastructure, education, energy, and industrial technologies.

Mr. Limcaoco joined Ayala Corporation as a Managing Director in 1998. Before his secondment to BPI in 2007, he held various roles, including Assistant Treasurer of Ayala Corporation, Trustee and Treasurer of Ayala Foundation, Inc., President of myAyala.com, and Director/Treasurer of Azalea Technology Investments, Inc. (2001-2006).

He was named ING-Finex CFO of the Year in 2018. His previous experience includes roles at JP Morgan & Co. and BZW Asia. He is also the Director and Treasurer of Just For Kids, Inc., a family-owned company.

Mr. Limcaoco holds a Bachelor of Science degree in Mathematical Sciences (Honors Program) from Stanford University (1984) and an MBA in Finance and Investment Management from The Wharton School of the University of Pennsylvania (1988).

### **Directorship in PSE-Listed Company:**

Bank of the Philippine Islands – President/ CEO & Executive Director

## **MARIA THERESA D. MARCIAL**

### **President and Chief Executive Officer**

Filipino, 54 years old, Ms. Marcial is the President & CEO of BPI Wealth, the largest trust corporation in the Philippines, with assets under management of PHP 1.53 trillion. BPI Wealth serves as the asset and wealth management arm of the Ayala-led Bank of the Philippine Islands (BPI). A seasoned banker with 29 years Ms. Marcial has expertise across various

disciplines including investment management, trust, private banking, corporate banking, debt and equity capital markets, finance, corporate strategy and sustainability. Before assuming her current role, she held several senior leadership positions within BPI, including a five-year tenure as Chief Finance Officer.

Ms. Marcial serves as a board member of various private corporations, listed companies, and non-profit organizations, including BPI Wealth Hong Kong, BPI Wealth Singapore Pte. Ltd., Bank of the Philippine Islands (Europe) PLC, BPI AIA Life Assurance Corporation, Alternergy Holdings Corporation, BPI Wealth Builder Multi-Asset Mutual Fund Inc., World Wide Fund for Nature (WWF) Philippines, WWF Asia Pacific Council, Philippine Inter-Island Sailing Foundation (PISF) Inc., Sjoresa Holdings Corporation, AREIT, Inc., and Ocean Racing Club of the Philippines Inc.. She previously served as president of the Fund Managers Association of the Philippines, president of Trust Officers Association of the Philippines, and served as a member of the National Advisory Council of WWF Philippines.

Prior to her banking career, she worked for the Philippine government - the Agricultural Policy Credit Council and the National Economic and Development Authority.

Ms. Marcial is an advocate of marine conservation and an avid outdoor enthusiast with a deep passion for open-water scuba diving, underwater photography, offshore sailing, and yacht racing. She obtained the Royal Yachting Association Skipper training in Sydney, Australia. She has logged over 8,000 nautical miles sailing on offshore and coastal waters of the Philippines, New South Wales (Australia), the South China Sea, and the Mediterranean Sea. She has also participated in major international



sailing competitions, including the 2018 Rolex Middle Sea Race and the 2023 Rolex China Sea Race.

Ms. Marcial holds a Master's Degree in Economics from the University of the Philippines Diliman and a Bachelor's Degree in Economics (cum laude) from the University of the Philippines Los Baños (UPLB). She also completed the Advanced Management Program and the CFA Institute Investment Management Workshop at Harvard Business School. Her notable recognitions include Outstanding Alumnus of the College of Economics and Management, UPLB (2006), Top 25 Most Influential Women in Asset Management in Asia by Asian Investor (2014), CEM Centennial Outstanding Alumnus, UPLB (2019), Most Outstanding Alumnus of the University of the Philippines Los Baños (2022), and Best CFO by Institutional Investor (2023).

#### **Directorship in PSE-Listed Companies:**

Alternergy Holdings Corporation – Independent Director  
AREIT, Inc. – Director.

### **RENE G. BAÑEZ**

#### **Non-Executive Director**

Filipino, 70 years old, Mr. Bañez joined the Board of Directors of BPI Wealth in August 2021 and is a member of its Audit Committee. He also serves as a Director of the Bank of the Philippine Islands (BPI) and BPI Capital Corporation.

Mr. Bañez previously served as Commissioner of the Bureau of Internal Revenue (BIR) from February 2001 to August 2002 and as Deputy Commissioner from June 1993 to November 1995.

In the private sector, he held several senior leadership roles in PLDT until his retirement in 2016. His positions included Senior Vice President and Head of the Supply Chain, Asset Protection, and Management Group (2008–2016), Senior Vice President and Chief Governance

Officer (2004–2007), Corporate Governance Advisor (2003–2004), Senior Vice President of Support Services and Tax Management (2000–2001), and First Vice President of Support Services and Tax Management (1998–2000). Prior to joining PLDT, he served as Group Tax Director at Metro Pacific Investment Corporation until 1998.

Before his tenure at BIR, Mr. Bañez spent over 11 years at Isla Lipana & Co./PwC (formerly Joaquin Cunanan & Co.), where he started as a tax consultant in 1982 and became a tax principal (Partner) from 1990 to 1993.

Beyond his corporate roles, he is affiliated with the Equestrian Order of the Holy Sepulchre and serves on the Finance Board of the Archdiocese of Manila and the Diocese of Pasig. He also holds board and trustee positions in several organizations, including Catholic Travel Inc., Mirador Jesuit Villa and Retreat House Corporation, Loyola School of Theology Corporation, and Unitas Asia Corp. (a subsidiary of Radio Veritas Asia). He is also a member of the Commission on the Social Apostolate of the Philippine Province Society of Jesus, Blessed Peter Faber Spirituality Center Inc., a board member/trustee of Catholic Travel Inc., Mirador Jesuit Villa & Retreat House Corporation, board advisor of LH Paragon, Inc. and Chair, Multinational Foundation, Inc.

Mr. Bañez earned his Bachelor of Laws degree in 1981 and his Bachelor of Arts degree in 1976, both from Ateneo de Manila University.

#### **Directorship in PSE-Listed Company:**

Bank of the Philippine Islands – Director.

### **RIZALINA G. MANTARING**

#### **Independent Director**

Filipino, 65 years old, Ms. Mantaring was appointed as an Independent Director of BPI Wealth in August 2023.

She currently serves as an Independent

Director the Philippine Islands (BPI), First Philippine Holdings Corporation, East Asia Computer Center Inc, Phinma Corporation, Foundation for Economic Freedom, Ayala Corporation, Universal Robina Corporation, GoTyme Bank, and Maxicare Healthcare Corporation. Additionally, she is a Director at Sun Life Grepa Financial Inc.

Ms. Mantaring brings extensive leadership experience, having served as CEO & Country Head of Sun Life Financial Philippines from 2009 to 2018. She served as Chief Operations Officer of Sun Life Financial Asia from 2008 to 2009. She was also President of the Management Association of the Philippines in 2019 and President of the Philippine Life Insurance Association in 2015. She currently serves as a Trustee of the Makati Business Club and Philippine Business for Education and is a Fellow of the Foundation for Economic Freedom.

Recognized for her outstanding contributions, Ms. Mantaring received the Asia Talent Management Award at CNBC's 2017 Asia Business Leader Awards, was named 2018 Executive Champion of the Year, and received the Entrepreneurship Award (Financial Services, Philippines) in 2016. She was also honored by the UP College of Engineering as one of the 100 Most Outstanding Alumni of the Past Century (2010) and received the prestigious PAX Award from St. Scholastica's College in 2019.

Ms. Mantaring holds a Bachelor of Science in Electrical Engineering (cum laude) from the University of the Philippines, a Master of Science in Computer Science from The State University of New York at Albany, and is a Fellow of the Life Management Institute.

### **Directorships in PSE-Listed Companies:**

Bank of the Philippine Islands – Independent Director  
Ayala Corporation – Independent Director  
First Philippine Holdings Corporation – Independent Director  
Universal Robina Corporation – Independent Director  
Phinma Corporation – Independent Director

### **GERARDO C. ABLAZA, JR.**

#### **Non-Executive Director**

Filipino, 71 years old, Mr. Gerardo C. Ablaza, Jr. joined BPI Wealth's Board of Directors in June 2022.

He currently serves on the boards of several prominent organizations, including A.C.S.T. Business Holdings, Inc., AC Energy and Infrastructure Corporation, AC Infrastructure Holdings Corporation, Advanced Info Services PCL (Thailand), Asiacom Philippines, Inc., Ayala Healthcare Holdings, Inc., Ayala Retirement Fund Holdings, Inc., BPI Direct Banko, Inc., IPeople, Inc., Liveit Investments Limited, and Purefoods International, Limited. He is also an Independent Director of Roxas and Company, Inc. and Holcim Philippines, Inc., as well as a trustee of Ayala Foundation, Inc., Gawad Kalinga Foundation, and The Bank of the Philippine Islands Foundation, Inc.

From 2010 to 2017, Mr. Ablaza served as President and CEO of Manila Water Company, Inc., where he also held leadership positions such as Chairman of Manila Water Philippine Ventures, Inc., Boracay Island Water Company, Inc., Clark Water Corporation, Manila Water Total Solutions Corp., Manila Water Asia Pacific Pte. Ltd., Manila Water South Asia Holdings Pte. Ltd., Thu Duc Water Holdings Pte. Ltd., Kenh Dong Water Holdings Pte. Ltd., and Manila Water International Solutions, Inc.. He was also President

of Manila Water International Solutions, Inc., Vice-Chairman of Laguna AAA Water Corporation, and Chairman of the Board of Trustees of Manila Water Foundation, Inc.

Prior to his tenure at Manila Water, he was the Chief Operating Officer of Globe Telecom, Inc. in 1997 and later served as President and CEO from 1998 to 2009. During this period, he also chaired the Board of Directors for Innove Communications, Inc. In April 2009, he joined AC Capital as Deputy CEO and was appointed CEO in 2010.

Earlier in his career, he held several key positions at Citibank, including Vice-President and Country Business Manager for the Philippines and Guam of Citibank, N.A. for its Global Consumer Banking Business (1994-1997), Vice President for Consumer Banking at Citibank, N.A. Singapore (1994-1995), and Vice President for Consumer Account Management at Citibank Manila (1986).

In 2004, he was recognized by CNBC as the Asia Business Leader of the Year, being the first Filipino CEO to win the award. In the same year, Telecom Asia awarded him as the Best Asian Telecom CEO. In 2013, he was recognized for his consistent leadership and innovation across the banking, investment, telecommunications, and utility service industries through the Citi Distinguished Alumni Award for Leadership and Ingenuity, making Mr. Ablaza the first Filipino to be bestowed with this honor. In addition to his professional accomplishments, Mr. Ablaza actively contributes as a member of the Board of Trustees of various De La Salle Schools in the country, including De La Salle University-Manila, De La Salle University-Dasmariñas, and De La Salle Health Sciences Institute, where he served for six years until December 2019.

Mr. Ablaza graduated summa cum laude from De La Salle University in 1974 with a Liberal Arts degree, major in Mathematics (Honors Program).

### **Directorships in PSE-Listed Companies:**

IPeople, Inc. – Director  
Roxas and Company, Inc. – Independent Director  
Acen Corporation – Director  
ENEX Energy Corp. - Director

### **IGNACIO R. BUNYE**

#### **Independent Director**

Filipino, 80 years old, has been serving as an Independent Director of BPI Wealth since February 2017. He is the Chairman of the Audit Committee and a member of the Corporate Governance Committee. In addition, he holds independent directorships at BPI Direct Banko, Inc. and BPI Capital Corporation.

Mr. Bunye was a member of the Monetary Board of the Bangko Sentral ng Pilipinas from 2008 to 2014. Prior to that, he held key government positions, serving as Presidential Political Adviser in 2008, Presidential Spokesperson in 2003, and Press Secretary in 2002. His career in banking includes roles in BPI's Treasury and Corporate Finance departments from 1983 to 1986 before transitioning to public service as officer-in-charge and later as Mayor of Muntinlupa from 1986 to 1998.

During his 12-year tenure as Mayor, he established the Muntinlupa Polytechnic College (now Pamantasan ng Lungsod ng Muntinlupa) and laid the groundwork for the Ospital ng Muntinlupa. He also served as Chairman of the Metropolitan Manila Authority (now the Metropolitan Manila Development Authority) from 1991 to 1992 and as a Representative of Muntinlupa in the House of Representatives from 1998 to 2001.

Earlier in his career, Mr. Bunye worked at Filipinas Foundation Inc. as



Assistant Corporate Secretary from 1970 to 1975, then held various leadership roles within the Ayala Group, including Assistant Vice President of BPI Investment Corporation from 1976 to 1983 and Assistant Vice President for Corporate Banking and Treasury at BPI from 1983 to 1986. He also held various executive positions at the Ayala Group of Companies, including Assistant Vice President of the Ayala Investment and Development Corporation.

A former print and broadcast journalist, he continues to write a weekly column for the Manila Bulletin, Tempo, People's Tonight, Sun Star, BusinessWeek Mindanao, Panay News, and Filipino Reporter in New York.

Among his notable recognitions, Mr. Bunye has received the Asian Institute of Management Honor and Prestige Award, the Bangko Sentral Service Excellence Medal, the Gran Orden de Isabel la Católica, and the Order of Lakandula (rank of Bayani).

He is a member of the Integrated Bar of the Philippines and holds a Bachelor of Arts and a Bachelor of Laws degree from Ateneo de Manila University, graduating in 1964 and 1969, respectively. He passed the Philippine Bar Examination in 1969 and later earned a Masters in Management from the Asian Institute of Management in 1976.

## **MARIANA BEATRIZ E. ZOBEL DE AYALA**

### **Non-Executive Director**

Filipino, 36 years old, joined the BPI Wealth Board of Directors in June 2021.

She is an Executive Director of Ayala Corporation and a Director at Ayala Land, where she leads the Leasing and Hospitality Group, overseeing Ayala Malls, Ayala Land Offices, and

Ayala Land Hotels and Resorts. She is likewise a director of Bank of the Philippine Islands.

Prior to her current role, Ms. Zobel de Ayala was a Senior Vice President at the Bank of the Philippine Islands (BPI), where she spearheaded the development of marketing and digital platforms for the Consumer Banking Group. She also served as Deputy Head of Ayala Malls and began her career within Ayala Land as part of Alveo Land's project development team.

She started at the Ayala Group as a corporate strategy and business development associate at Ayala Corporation, supporting portfolio reviews across the conglomerate and leading business development initiatives in the healthcare sector. Before that, she worked at J.P. Morgan in New York City as an Analyst and Business Manager for two years.

Ms. Zobel de Ayala holds a Bachelor of Arts degree in Social Studies (Philosophy, Politics, and Economics) from Harvard College, which she earned in 2011, and an MBA from INSEAD, France, obtained in 2020.

### **Directorships in PSE-Listed Companies:**

AREIT, Inc. – Director

Ayala Land, Inc. – Director

Ayala Corporation - Executive Director

Bank of the Philippine Islands - Director

## **MARIA DOLORES B. YUVIENCO**

### **Independent Director**

Filipino, 77 years old, has been an Independent Director of BPI Wealth since July 2019. She is a member of the Risk Management Committee and serves as Chair of the Corporate Governance Committee.

She also serves as an Independent Director of Legazpi Savings Bank

(LSB), where she serves as Chair of the Risk Management Committee and member of Audit Committee.

Ms. Yuvienco dedicated 41 years of service to the Bangko Sentral ng Pilipinas (formerly the Central Bank of the Philippines) under various capacities before her retirement in March 2013. At the time of her retirement, she held the position of Assistant Governor in the Supervision and Examination Sector. Her expertise in bank supervision spanned policy and regulatory development, on-site examinations, and off-site monitoring of BSP-supervised entities. As a ranking BSP official, she engaged with central banking counterparts across the region and was invited as a resource speaker at various training programs of the Southeast Asian Center for Banking in Kuala Lumpur.

She actively participates in corporate governance and regulatory compliance initiatives, including attending the Ayala Integrated Corporate Governance, Risk Management, and Sustainability Summit in November 2024, conducted by the Institute of Corporate Directors (ICD), in compliance with Bangko Sentral ng Pilipinas (BSP) requirements.

Ms. Yuvienco earned a Bachelor of Science in Commerce, major in Accounting, from St. Theresa's College, Quezon City, in 1967. She pursued postgraduate studies at the University of the Philippines Diliman and is a Certified Public Accountant and a Career Executive Service Professional.

## **JESSE O. ANG**

### **Independent Director**

Filipino, 65 years old, has been an Independent Director of BPI Wealth since June 2018. He is a member of the Audit and Corporate Governance Committees and serves as Chair of the Risk Management Committee.

He also holds independent directorships in BPI Capital Corporation, BPI MS Insurance Corporation, BPI AIA Life Assurance Corporation (formerly BPI Philam Life Assurance Corporation), ACEN Corporation, ACEN International, Integrated Micro-Electronics, Inc., and BPI International Finance Limited (IFL).

Mr. Ang has an extensive background in finance and investment, having spent 18 years with the International Finance Corporation (IFC). He joined IFC in 2000 as a Senior Investment Officer and, in 2007, became the first Filipino to lead IFC's Philippine office as Resident Representative.

He graduated summa cum laude from the University of the Philippines in 1981 with a Bachelor of Science degree in Industrial Engineering. He later earned a Master's in Business Administration from the Wharton Graduate School of Business in 1985.

### **Directorship in PSE-Listed Company:**

ACEN Corporation – Independent Director  
Integrated Micro-Electronics, Inc. - Independent Director

## **MA. LOURDES P. GATMAYTAN**

### **Corporate Secretary**

Filipino, 56 years old, serves as the Co-Head of Legal and Head of Corporate Legal Affairs at BPI. She also holds the position of Corporate Secretary for various entities within the BPI Group, including BPI Wealth – A Trust Corporation, BPI Investments Inc. (formerly BPI Investment Management, Inc.), BPI Direct BanKo, Inc. (A Savings Bank), and BPI/MS Insurance Corporation.

She earned her Juris Doctor degree with honors from the Ateneo de Manila School of Law in 1993. Prior to this, she obtained her Bachelor of Science degree in Legal Management from Ateneo de Manila University in 1989.







# Appendix B

## SENIOR MANAGEMENT

## **MARIA THERESA D. MARCIAL**

**President and Chief Executive Officer**

Refer to Appendix A

## **CHRISTMAS G. SEVILLA**

Ms. Sevilla is the Head of the Business Services and Operations Division. A Registered Financial Consultant and Certified Treasury Professional, she has been with BPI for over 25 years, holding key leadership roles in the trust and investment sector.

Her previous positions include Head of Wealth Management, Head of Product Marketing and Development, Fund Manager, and Account Officer for Institutional Accounts. She also served as Head of BPI's Financial Planning and Control Division, directly reporting to the Chief Finance Officer.

Ms. Sevilla holds a Bachelor of Science in Commerce, major in Economics, from the University of Santo Tomas, and a Master's Degree in Business Administration from De La Salle University, Manila.

## **YVETTE MARI V. DE PERALTA**

Ms. De Peralta oversees the Institutional Business Division, ensuring its growth, business development, and high client servicing standards. She plays a key role in driving the division's strategic direction and expanding its institutional client base.

Before BPI's acquisition of ING Investment Management in 2011, she served as Head of Relationship Management for Institutional Business, where she was instrumental in strengthening client partnerships and managing key accounts.

Ms. De Peralta completed the Trust Operations and Investment Management Program from the Trust Institute of the Philippines, graduating with distinction. She also passed the Capital Markets module of the Securities Institute of London.

## **IRENE L. ANG**

Ms. Ang is the Head of Personal Wealth, bringing 26 years of banking experience, including 8 years in risk management and 18 years in trust, wealth management, mutual fund distribution, and private banking.

She joined BPI Asset Management in 2007 as a Product Manager and Investment Counselor and has since held leadership roles across BPI's subsidiaries. These include heading the BPI Family Savings Bank Trust Department and managing the mutual fund distribution business of BPI Investment Management, Inc.

Ms. Ang earned her degrees in Applied Economics and Management of Financial Institutions from De La Salle University.

## **MARIA GUILLERMINA G. TOTAÑES**

Ms. Totañes is the Head of Wealth Planning at BPI Wealth. A CPA-Lawyer with nearly 18 years of professional experience, she brings deep expertise in tax, corporate law, and estate planning.

She joined BPI in 2020 following a 13-year tenure as a tax lawyer and partner at one of the country's most reputable law firms. Her practice covered corporate law and taxation and included a wide array of projects including mergers and acquisitions, tax structuring, and estate planning.

Ms. Totañes holds a Bachelor's degree in Accountancy from De La Salle University Manila and a Juris Doctor degree (Second Honors, Top 20) from Ateneo de Manila School of Law. She is also the first Filipino to complete an Advanced Master's in International Tax Law at the International Tax Center of Leiden University in the Netherlands (2013–2014).

## **GLADYS L.**

## **BUENAVENTURA**

Ms. Buenaventura is the Head of Investment Solutions and Officer-in-Charge of Fixed Income at BPI Wealth. With 14 years of experience in investment management, she specializes in Fixed Income Fund and Portfolio Management, providing tailored investment solutions to high-net-worth clients.

She also oversees global and alternative investments, mentors' junior traders, and has earned multiple accolades, including being recognized as The Asset's #1 Most Astute Local Currency Bond Investor for several years.

Ms. Buenaventura holds a degree in Finance and Accounting from The University of Queensland, Australia, and completed the CPA Australia Program in 2008.

## **JOSE ERWIN B. BALITA**

Mr. Balita is the Head of Equities at BPI Wealth, bringing over 34 years of experience in the financial services industry. He has spent the majority of his career specializing in equity valuation analysis, global commercial property investment consultancy, and fund management.

He joined BPI Asset Management in 2012 as Head of Equity Research, later assumed the role of Senior Fund Manager, and was appointed Head of Equities Portfolio Management in 2016. Prior to his tenure at BPI Wealth, Mr. Balita served as a senior investment analyst and Head of Equity Research for various financial institutions, including China Banking Corporation, SB Equities Inc., and AB Capital Securities Inc.



He also worked with foreign-owned firms such as Dharmala Securities, Securities 2000 Inc., and Jones Lang LaSalle Property Consultant Services.

Mr. Balita holds a Bachelor's degree in Business Economics from the University of the Philippines Diliman.

### **VITTORIO RAOUL M. GOMEZ**

Mr. Gomez is the Head of Portfolio Management at BPI Wealth, with over 29 years of experience in the banking industry, including more than 20 years as a trust professional.

He joined BPI Investment Management Inc. in 2022 as Investments Head and transitioned to BPI Wealth in early 2023 to assume his current role. Prior to joining the BPI Group, he held leadership roles at UCPB, serving as Chief Dealer and later as Treasury Head. He also spent 14 years at RCBC Trust, where he served as Investment Officer.

Mr. Gomez earned his Bachelor of Arts degree in Interdisciplinary Studies from Ateneo de Manila University.

### **MA. CARMENCITA S. BUSTAMANTE**

Ms. Bustamante is the Division Head of Private Wealth Division 2, with over 30 years of experience in the banking industry, spanning across Consumer Lending, Branch Banking, Offshore Banking, Private Banking, and Wealth Management.

With 25 years of experience in the High Net Worth (HNW) and Ultra High Net Worth (UHNW) segments, she has built expertise in both onshore and offshore markets. Prior to joining BPI Private Wealth, she held roles at Standard Chartered Bank MNL, HSBC MNL, and HSBC SG, where she served as a Relationship Manager in the HNW/UHNW space.

Ms. Bustamante holds a Bachelor's degree in Business Management and has completed MBA academic units at De La Salle University.

### **LORRAINE DOMINIQUE C. BOON**

Ms. Boon is the Division Head for Private Wealth in Visayas and Mindanao. She brings over 20 years of experience in the banking industry, having held various roles in branch operations and sales, with more than a decade dedicated to relationship management for preferred clients.

She joined BPI Private Banking in 2018 as a Relationship Manager and was appointed Team Head for Visayas in 2020. Prior to this, she held key positions supporting client engagement and business development in the retail and preferred banking segments.

Ms. Boon earned her Bachelor's degree in Management Economics from Ateneo de Manila University in 2004.

### **VILMA L. ROXAS**

Ms. Roxas is the Division Head of Private Wealth Division 3, with over 35 years of experience in the banking industry, including 16 years in Private Banking. Her career spans Branch Banking, Consumer Banking, Private Banking, and Private Wealth, where she has built a solid reputation for leadership and client service.

Before joining BPI, she worked in a multinational company as the Executive Assistant to the Chairman and Office Manager, where she was responsible for managing relationships with embassies and consulates.

Ms. Roxas graduated cum laude from the Polytechnic University of the Philippines (PUP) Manila with a Bachelor's degree in Tourism.

### **ENRICO FRANCISCO A. RECTO**

Mr. Recto is the Head of the Compliance Department at BPI Wealth, bringing over 35 years of experience in Banking and Trust. He joined BPI in 2000 through its merger with Far East Bank and Trust Company.

Throughout his career, he has earned multiple certifications, including the Treasury Certification Program, Registered Financial Consultant designation, BPI Harvard LEAP Program, and Certificate Course in Strategic Compliance.

Mr. Recto holds a Bachelor's degree in Business Administration from the University of Santo Tomas.

### **MINETTE JOSEPHINE C. ROCAMORA**

Ms. Rocamora boasts a distinguished career spanning 20 years of experience in banking, with a strong focus on investment risk management.

She began her career as a Market Risk Officer at Metrobank Trust Banking Group before joining BPI Asset Management in 2011. At BPI, she served as an Investment Risk Officer and later took on responsibilities in performance measurement and attribution.

Ms. Rocamora holds a Bachelor's degree in Business Economics from the University of the Philippines Diliman.

