



SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.: 0000034001

Company Name: BDO UNIBANK, INC. DOING BUSINESS UNDER ANY OF THE FOLLOWING NAMES AND STYLES: BDO, BDO UNIBANK, BANCO DE ORO, BANCO DE ORO UNIBANK, BDO BANCO DE ORO

Industry Classification: J65931

Company Type: Stock Corporation

Document Information

Document ID: OST104152026811224460

Document Type: ANNUAL_REPORT

Document Code: SEC_Form_17-A

Period Covered: December 31, 2025

Submission Type: Original Filing

Remarks: WITH FS-P

Acceptance of this document is subject to review of forms and contents

COVER SHEET

SEC Registration Number

							3	4	0	0	1

Company Name

[illegible]

Principal Office (No./Street/Barangay/City/Town/Province)

[illegible]

Form Type

	1	7	-	A

Department requiring the
report

Secondary License Type, If
Applicable

COMPANY INFORMATION

Company's Email Address

Company's Telephone
Number/s

(632) 8840-7000

Mobile Number

No. of Stockholders

Annual Meeting
Month/Day

Fiscal Year
Month/Day

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Edmundo L. Tan

Email Address

tan.edmundo@bdo.com.ph

Telephone
Number/s+63 (2) 8878-4210

Mobile Number

Contact Person's Address

BDO Towers Valero, 8741 Paseo de Roxas, Makati City

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended: **31 December 2025**
2. SEC Identification Number: **34001**
3. BIR Tax Identification No.: **000-708-174-000**
4. Exact name of registrant as specified in its charter: **BDO UNIBANK, INC.**
5. Province, Country or other jurisdiction of
incorporation or organization: **Metro Manila, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office: **BDO Corporate Center, 7899
Makati Avenue, Makati City**
Postal Code: **0726**
8. Issuer's telephone number, including area code: **(632) 8840-7000**
9. Former name, former address, and former fiscal
year, if changed since last report: **N.A.**
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4
and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares</u> (as of 31 December 2025)
Common Stock, ₱10.00 par value	5,333,999,967
Preferred Stock, ₱10.00 par value	618,000,000

11. Are any or all of these securities listed on a Stock Exchange.

Yes [X] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange 5,333,871,976 Common Shares (as of 31 December 2025)

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [X] No []

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

Yes [X] No []

13. Aggregate market value of the voting stock held by non-affiliates:
₱ 317,472,012,298.80 (₱134.60 BDO share price as of 31 December 2025)

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EXHIBITS & ANNEXES

Audited Financial Statements and Independent Auditors' Report
(31 December 2025, 2024 and 2023)
Supplementary Schedules
Sustainability Report

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

1) Business Development

Form and Year of Organization

BDO Unibank, Inc. (BDO or the "Bank"), originally known as Acme Savings Bank, was acquired by the SM Group in 1976. The SM Group is one of the largest conglomerates in the Philippines, with substantial interests in financial services, real estate development, and tourism and entertainment, founded around its core business in commercial centers and retailing. BDO listed its shares on the Philippine Stock Exchange (PSE) on 21 May 2002.

BDO is now the market leader in most of its core business lines following its merger with Equitable PCI Bank (EPCI) in May 2007. The Bank offers a complete array of products and services including Lending (Corporate, and Consumer), Deposit-taking, Foreign Exchange Brokering, Trust and Investments, Credit Cards, Retail Cash Cards, Corporate Cash Management and Remittances. Through its subsidiaries, the Bank offers Leasing and Financing, Investment Banking, Private Banking, Rural Banking, Life Insurance, Property and Casualty Insurance Brokerage, and Online and Traditional Stock Brokerage services.

It has one of the largest branch networks, with 1,994 operating domestic branches (including 637 BDO Network Bank, Inc. (BDO Network) (formerly One Network Bank, Inc.) branches), two full-service branches in Hong Kong and Singapore and 7,716 ATMs, CDMs, branch universal machines (UMs) and corporate cash deposit machines (CCDMs) as of 31 December 2025. BDO's network includes various overseas remittance subsidiaries and representative offices across Asia, North America, Europe and the United States.

Over the past several years, the Bank has experienced significant growth. This resulted from organic growth arising from a wider array of products and services, as well as through mergers and acquisitions of banks. Sustaining earlier gains, the Bank is currently the largest bank in the Philippines in terms of total assets, loans, deposits and trust assets under management.

BDO's diverse subsidiaries and investments in allied undertakings provide an extensive range of banking and other financial services. The Bank's subsidiaries and associates as of 31 December 2025 are as follows:

Subsidiaries	% Interest Held
Thrift Bank	
BDO Network Bank, Inc. (BDO Network)	85.86%
Investment House	
BDO Capital & Investment Corporation (BDO Capital)	99.88%
Private Banking	
BDO Private Bank, Inc. (BDO Private)	100%
Leasing and Finance	
Averon Holdings Corporation (Averon)	99.88% ¹
BDO Finance Corporation (BDO Finance)	100% ²
BDO Rental, Inc. (BDO Rental)	100% ³
BDORO Europe Ltd. (BDORO)	100%
Securities Company	
BDO Securities Corporation (BDO Securities)	99.88% ⁴
Real Estate Company	
Equimark-NFC Development Corporation ⁹	60%
Insurance Companies	
BDO Life Assurance Company, Inc. (BDO Life)	100% ⁵
BDO Insurance and Reinsurance Brokers, Inc. (BDO Insure)	100%
Holding Companies	
Dominion Holdings, Inc. (Dominion Holdings)	88.54% ⁶
BDO Strategic Holdings, Inc. (BDOSHI)	100%
Remittance Companies	
BDO Remit (Canada) Ltd.	100%
BDO Remit (Japan) Ltd.	100%
BDO Remit (USA), Inc. (BRUSA) ¹¹	100%
BDO Remit (UK) Ltd. (BDO Remit UK) ¹⁰	99.88% ¹
BDO Remit Limited	100% ²
BDO Remit (Macau) Ltd.	100% ⁷
BDO Remit International Holdings B.V. (BDO RIH) ⁹	96.20% ¹
CBN Greece S.A. ⁹	96.13% ⁸
Associates	
Taal Land, Inc.	33.33%

Subsidiaries	% Interest Held
NorthPine Land, Inc. ⁹	20%
NLEX Corporation (formerly Manila North Tollways Corporation)	12.12%

¹ Effective ownership of BDO through BDO Capital

² Effective ownership of BDO through BDOSHI

³ Effective ownership of BDO through BDOSHI and BDO Finance

⁴ 99.20% indirect ownership of BDO through BDO Capital and 0.68% direct ownership of BDO

⁵ 97% direct ownership of BDO and 3% indirect ownership of BDO through BDO Capital

⁶ As of March 19, 2026, Dominion Holdings, Inc. is no longer a subsidiary of BDO.

⁷ Effective ownership of BDO through BDOSHI and BDO Remit Limited

⁸ Effective ownership of BDO through BDO Capital and BDO RIH

⁹ Under liquidation

¹⁰ For liquidation

¹¹ For sale or liquidation

None of the Bank's subsidiaries and associates is under any bankruptcy, receivership or similar proceedings. Further, such subsidiaries and associates have not engaged in any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets that is not in the ordinary course of business.

2) **Business of Issuer**

(i) **Principal Products and Services**

Deposits

BDO offers a wide array of Peso, US Dollar, and Third Currency deposit products and services catering to a broad and diversified client base. These products cut across all age groups and customer profiles (such as kids, young professionals, entrepreneurs, OFWs and their beneficiaries and retirees). Further details on the Bank's various deposit products can be accessed at its website www.bdo.com.ph.

Remittance

BDO's strength in providing top remittance services lies in its extensive international reach spanning Asia, Europe, North America, and the Middle East. On the distribution side, a strong domestic coverage consisting of the Bank's wide branch network and remittance partners that include, among others, ShoeMart (SM), thrift banks, pawnshops, as well as other financial service partners, complements the Bank's international presence. BDO also has tie-ups with SM and its partner establishments, as well as food outlets that provide clients with unique value-added services such as gift and food remittance delivery.

Trust Services

BDO has created and grown its trust services and investment product offerings to provide solutions for every kind of client or investor need under a trust or an agency agreement. It is currently the dominant player in the local trust industry. In the Unit Investment Trust Fund business, BDO also has a lion's share, a testament to its investment expertise.

Treasury

The Bank provides treasury products and services to clients ranging from retail, middle market and large corporates, both onshore and offshore. These services include purchase and sale of foreign exchange, fixed income securities as well as offering hedging tools (in the form of derivatives) to mitigate the clients' interest and foreign exchange risks. As the Bank is committed to be its clients' partner for growth, the Bank holds periodic economic briefings and forums to keep its clients abreast of the financial market conditions. This also serves as a venue for the Bank to listen to the clients' needs and offer solutions. On several occasions, the Bank has been recognized and has been a recipient of various awards in the area of foreign exchange and fixed income securities.

Transaction Banking

BDO's transaction-based services provide high value-added cash management government entities, and small- and medium-enterprises (SMEs). The Bank's electronic banking services, which include the Bank's 7,716 ATMs, CDMs, CCDM, and UMs, as well as browser-based, mobile app, and landline banking facilities, allow customers to access their accounts and perform an extensive range of banking transactions at their convenience anytime and anywhere.

Meanwhile, the Bank's debit card facility lets customers enjoy the convenience of hassle-free cashless payment and easy cash access using either pre-loaded or account-funded cards

Credit Cards

In the credit card industry, BDO issues the most brands in the country, namely Mastercard, Visa, JCB, UnionPay, Diners Club and American Express, including corporate and tie-up cards with different

companies. It is the market leader in terms of cardholder base, billings and volume of credit card receivables.

The Bank likewise dominates the merchant acquiring business in the Philippines with BDO POS terminals being the pioneering terminals in the industry to accept all major credit and debit cards as well as mobile pay transactions such as BDO Pay, QR Ph, GCash, GrabPay, WeChat Pay and Alipay.

Investment Banking

Through its subsidiary, BDO Capital, the Bank provides expertise and optimal solutions to address the capital raising needs of corporations and government entities plus meet the investment needs of retail and institutional investors. The Bank's strong origination and structuring capabilities, robust distribution network, dominant presence in both the equities and capital markets, and established track record all highlight BDO's brand of investment banking.

Insurance

The Bank provides its clients with a variety of non-life insurance products through BDO Insure, a wholly-owned subsidiary. The Bank also has a bancassurance partnership with BDO Life another wholly-owned subsidiary that permits it to market and sell life insurance through its nationwide network, giving customers access to a wide array of insurance products.

Trade Services

Trade finance plays a key role in the Bank. BDO's commitment to the trade business is reflected in its significant investments in technology, processing capabilities and people. BDO's strategy is to be able to provide a variety of trade solutions that fit clients' requirements at the least cost possible. The Bank take a proactive role in finding out what its clients need and customize trade solutions to meet these needs.

Given BDO's premiere standing in the industry and broad client coverage, BDO is able to capture a significant market share of customers' trade finance transactions.

Trade transactions are being serviced in five (5) Trade Processing Centers geographically located across the country with three (3) centers in Metro Manila and one each in Cebu and Davao. These centers are manned by employees who are trained in all aspects of

international trade processing. Moreover, each center has a dedicated Customer Service team who are equipped to provide prompt response to clients' inquiries and concerns. The Bank also implemented groundbreaking services in the Philippines which include weekend banking and extended banking hours for its domestic branch network.

BDO is also able to service trade requirements of clients who would like to open their Letters of Credit offshore through the trade capabilities of BDO Hong Kong and BDO Singapore branches.

BDO offers a wide variety of documentary products and services including: 1) Letters of Credit (LC); 2) Import LC Openings and Negotiations; 3) Domestic LC; 4) Standby LCs; 5) Trust Receipt Financing; 6) Export Letters of Credit; 7) Export LC Advising and Confirmation; 8) Export Advances; 9) Export Bills Purchase; 10) Non-Letters of Credit; 11) Open account remittances; 12) Documents against Acceptance; 13) Documents against Payment; and, 14) Collection of Advance and Final Duties.

International Desks

The International Desks (IDesks) of BDO's Institutional Banking Group comprise teams of relationship managers with international and local banking experience, dedicated to address the financial needs of foreign companies and nationals conducting business and/or with business interests, or residing in the Philippines, as well as embassies, diplomats, multilateral organizations, foreign chambers of commerce and international schools. IDesk teams have been organized along geographic lines: Australia, New Zealand, India, Taiwan, China, Europe, Middle East, North America, Japan and Korea. Furthermore, several IDesk team members speak Japanese, Korean and the Chinese dialects of Mandarin and Fookien.

Leasing and Finance

BDO Finance provides leasing and financing products to commercial clients. Leasing products include direct leases and sale and leaseback arrangements. Its financing products consist of commercial and consumer loans, installment paper purchases, receivables discounting and factoring. Assets financed include automobiles, trucks, office equipment, industrial, agricultural and office machinery, real property, and financial assets such as receivables.

(ii) Distribution Methods of Products or Services

The Bank's products and services are available mainly through the branches, but select services are also accessible through other channels such as ATMs, call centers, mobile and landline telephones, internet, and point-of sale terminals. The Bank's extensive distribution network provides it good market coverage that is superior to many of its competitors. Aside from a branch in Hong Kong and Singapore, and a consolidated domestic network of 1,994 domestic branches and offices (including 637 branches of BDO Network), the Bank has 7,716 ATMs, CDMs, UMs and CCDMs as of 31 December 2025.

The Bank's foreign operation is comprised of banking branches in Hong Kong and Singapore along with various remittance subsidiaries and representative offices operating in Asia, Europe, and the United States.

(iii) Status of Publicly Announced New Products or Service

The Bank continues to enhance its product offerings, especially its digital services. In February 2025, it launched the new BDO Online website, providing customers with a seamless, secure, and efficient digital banking experience. Key enhancements in the new BDO Online Website include enhanced security, more flexible money transfers, and advance card management. With a modernized interface and enhanced functionality, the new BDO Online website is designed to complement the Bank's existing digital banking ecosystem, including the BDO Online and BDO Pay mobile applications.

BDO, in partnership with VISA, also launched the BDO Visa Signature during the first quarter. The new BDO Visa Signature offers cardholders various benefits, such as low foreign exchange conversion rates for overseas purchases, travel insurance coverage, and complimentary global lounge access, providing entry to a wide network of airport lounges worldwide.

Meanwhile, BDO Insure launched the Vital 3 in the third quarter. Vital 3 is a critical illness plan designed to provide financial protection against three major illnesses: cancer, stroke, and heart attack.

(iv) Competition

The Philippine universal and commercial banking sector consists of 22 universal and 22 commercial banks for a total of 44 banks. Of the universal banks, 13 are private universal domestic banks, 6 are branches of foreign universal banks and 3 are government-controlled universal banks. The commercial banks, meanwhile, consist of 2 private commercial domestic banks, 18 branches of foreign banks, and 2 subsidiaries of foreign banks.

The total assets of the universal/commercial banking system as of December 2025 reached P27.88 trillion. Liabilities amounted to P24.52 trillion of which deposits were at P20.39 trillion. Meanwhile, the system's total capital accounts amounted to P3.36 trillion.

Note: All the data used in the discussion of competition above are from the Bangko Sentral ng Pilipinas (BSP).

(v) Transactions with and/or Dependence on Related Parties

In the ordinary course of business, the Bank has loans, deposits and other transactions with its related parties, and with certain directors, officers, stockholders and related interests (DOSRI). These loans and other transactions are made on the same terms as with other individuals and businesses of comparable risks and in compliance with all regulatory requirements.

(vi) Patents, Trademarks, Licenses, Franchises, Concession, Royalty Agreement or labor contracts including duration

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

No.	Trademarks	Duration
1	BDO Cash Management	September 13, 2013 to September 13, 2033
2	BDO Kabayan Loans	September 13, 2013 to September 13, 2033
3	BDO Kabayan Auto Loan	September 13, 2013 to September 13, 2033
4	BDO Kabayan Home Loan	September 13, 2013 to September 13, 2033
5	BDO Kabayan Personal Loan	September 13, 2013 to September 13, 2033
6	BDO Asenso Kabayan	September 13, 2013 to September 13, 2033
7	BDO Remit	September 13, 2013 to September 13, 2033
8	BDO Remit	September 13, 2013 to September 13, 2033
9	BDO Kabayan Savings	September 13, 2013 to September 13, 2033

No.	Trademarks	Duration
10	BDO Kabayan Bills Bayad	September 13, 2013 to September 13, 2033
11	BDO Remit	September 13, 2013 to September 13, 2033
12	BDO Stylized and in color	September 13, 2013 to September 13, 2033
13	BDO Padala & Device	September 13, 2013 to September 13, 2033
14	BDO Banco De Oro (wordmark)	September 13, 2013 to September 13, 2033
15	BDO Unibank (wordmark)	September 13, 2013 to September 13, 2033
16	BDO Unibank (device)	September 13, 2013 to September 13, 2033
17	BDO Unibank (device)	September 13, 2013 to September 13, 2033
18	bdo.com.ph	May 4, 2014 to May 4, 2034
19	BDO Stylized and in color	May 9, 2014 to May 9, 2034
20	BDO Banco De Oro (Device in blue bg)	May 4, 2014 to May 4, 2034
21	BDO Insurance Brokers, Inc.	May 4, 2014 to May 4, 2034
22	BDO Private Bank	May 4, 2014 to May 4, 2034
23	BDO Foundation, Inc.	May 2, 2014 to May 2, 2034
24	BDO Capital & Investment Corporation	May 4, 2014 to May 4, 2034
25	BDO Securities Corporation	April 29, 2014 to April 29, 2034
26	Banco De Oro (wordmark)	May 12, 2011 to May 12, 2031
27	BDORO Europe Ltd.	April 3, 2014 to April 3, 2034
28	BDORO Europe Ltd.	April 3, 2014 to April 3, 2034
29	BDORO	May 8, 2014 to May 8, 2034
30	BDORO	May 8, 2014 to May 8, 2034
31	Kabayan Personal Loan	June 30, 2008 to June 30, 2028
32	Kabayan Home Loan	June 23, 2008 to June 23, 2028
33	Kabayan Auto Loan	June 23, 2008 to June 23, 2028
34	We Find Ways (wordmark)	November 20, 2014 to November 20, 2034
35	BDO Banco De Oro	May 7, 2025 to May 7, 2031
36	BDO Life (wordmark)	August 4, 2016 to August 4, 2026
37	BDO Life	September 8, 2016 to September 8, 2026
38	BDO Life	September 8, 2016 to September 8, 2026
39	BDO Life	October 6, 2016 to October 6, 2026
40	BDO Life	October 6, 2016 to October 6, 2026
41	We Protect	September 1, 2016 to September 1, 2026
42	We Protect	September 1, 2016 to September 2, 2026
43	We protect (logo in blue bg)	September 8, 2016 to September 8, 2026
44	We Protect (wordmark)	September 8, 2016 to September 8, 2026
45	BDO Life	September 8, 2016 to September 8, 2026
46	BDO Life	September 8, 2016 to September 8, 2026
47	BDO Invest Online(wordmark)	December 8, 2016 to December 8, 2026
48	Just Debit with BDO (wordmark)	May 11,2017 to May 11,2027
49	BDO Kabayan	March 1, 2018 to March 1, 2028

No.	Trademarks	Duration
50	BDO Kabayan	December 21, 2017 to December 21, 2027
51	BDO Kabayan	December 21, 2017 to December 21, 2027
52	BDO Kabayan	December 21, 2017 to December 21, 2027
53	BDO Kabayan	December 21, 2017 to December 21, 2027
54	BDO Kabayan	December 21, 2017 to December 21, 2027
55	BDO Unibank(wordmark)	May 31, 2018 to May 31, 2028
56	BDO Unibank (Device)	May 31, 2018 to May 31, 2028
57	BDO Banco De Oro (Device)	May 31, 2018 to May 31, 2028
58	BDO Remit (Device)	May 31, 2018 to May 31, 2028
59	BDO We Find Ways (Dreamline marks)	February 3, 2018 to February 3, 2028
60	BDO We Find Ways (Dreamline marks)	February 3, 2018 to February 3, 2028
61	BDO We Find Ways (Dreamline marks)	February 3, 2018 to February 3, 2028
62	BDO We Find Ways (Dreamline marks)	February 3, 2018 to February 3, 2028
63	BDO NETWORK BANK (wordmark)	August 29, 2019 to August 29, 2029
64	BDO NETWORK BANK, INC. (wordmark)	August 29, 2019 to August 29, 2029
65	WE FIND WAYS (wordmark)	July 28, 2019 to July 28, 2029
66	BDO WE FIND WAYS (wordmark)	November 7, 2019 to November 7, 2029
67	BDO We find ways (black)	November 7, 2019 to November 7, 2029
68	BDO We find ways (blue)	November 7, 2019 to November 7, 2029
69	BDO We find ways (blue and yellow)	December 5, 2019 to December 5, 2029
70	WE FIND WAYS (wordmark)	January 19, 2020 to January 19, 2030
71	We find ways	January 19, 2020 to January 19, 2030
72	BDO (wordmark)	November 7, 2019 to November 7, 2029
73	BDO Remit (wordmark)	June 28, 2020 to June 28, 2030
74	We find ways (blue)	November 7, 2019 to November 7, 2029
75	We find ways (yellow)	November 7, 2019 to November 7, 2029
76	BDO Network Bank Logo (Horizontal)	April 4, 2020 to April 4, 2030
77	BDO Network Bank Logo (Vertical)	April 4, 2020 to April 4, 2030
78	FIND YOUR WAY (wordmark)	June 28, 2020 to June 28, 2030
79	BDO Finance (wordmark)	November 20, 2020 to November 20, 2030
80	BDO Finance Corp. (wordmark)	November 20, 2020 to November 20, 2030
81	BDO Finance logo (vertical white bg)	December 6, 2020 to December 6, 2030
82	BDO Finance logo (horizontal white bg)	December 6, 2020 to December 6, 2030
83	BDO PRIME (wordmark)	February 26, 2021 to February 26, 2031

No.	Trademarks	Duration
84	BDO Pension 360	July 30, 2021 to July 30, 2031
85	BDO Pension 360°	July 30, 2021 to July 30, 2031
86	BDO Easy Investment Plan	July 30, 2021 to July 30, 2031
87	BDO Easy Pension Pay	July 30, 2021 to July 30, 2031
88	Plan B (blue bg)	February 28, 2022 to February 28, 2032
89	Plan B (black font)	April 7, 2022 to April 7, 2032
90	Plan B (blue font)	February 28, 2022 to February 28, 2032
91	Deals on Wheels	September 8, 2022 to September 8, 2032
92	SME Ready Check	October 6, 2022 to October 6, 2032
93	BDO Deals	September 8, 2022 to September 8, 2032
94	Diamond Rewards	November 5, 2015 to November 5, 2025
95	BDO Rewards	November 10, 2014 to November 10, 2034
96	BDO Rewards	November 10, 2014 to November 10, 2034
97	Emerald Rewards	November 10, 2014 to November 10, 2034
98	Cash Agad	August 4, 2016 to August 4, 2026
99	Cash Agad in Partnership with BDO	October 27, 2016 to October 27 2026
100	Insure me, insurance made easy (white background)	December 9, 2018 to December 9, 2028
101	Insure me, insurance made easy (blue background)	December 9, 2018 to December 9, 2028
102	Insure me, insurance made easy @SM (white background)	December 9, 2018 to December 9, 2028
103	Insure me, insurance made easy @SM (blue background)	December 9, 2018 to December 9, 2028
104	Insure me (white background)	September 9, 2018 to September 9, 2028
105	Insure me (blue background)	September 9, 2018 to September 9, 2028
106	BDO Insure	July 11, 2019 to July 11, 2029
107	BDO Insure	July 11, 2019 to July 11, 2029
108	BDO Insure	July 11, 2019 to July 11, 2029
109	BDO Insure	July 11, 2019 to July 11, 2029
110	BDO INSURE(wordmark)	July 11, 2019 to July 11, 2029
111	Dominion Holdings	June 15, 2023 to June 15, 2033
112	Dominion Holdings	June 15, 2023 to June 15, 2033
113	Dominion Holdings	June 15, 2023 to June 15, 2033
114	Dominion Holdings	June 15, 2023 to June 15, 2033
115	Cash Agad Partner ng BDO Lahat ng atm card, pwede!	October 30, 2023 to October 30, 2033
116	NEGOSYANTE DAY	January 19, 2024 to January 19, 2034
117	BDO PAY (wordmark)	July 11, 2024 to July 11, 2034
118	BDO CHECKOUT (word)	August 22, 2024 to August 22, 2034
119	BDO ONLINE (word)	July 11, 2024 to July 11, 2034
120	BDO Online (logo horizontal)	July 11, 2024 to July 11, 2034
121	BDO Online (logo vertical)	July 11, 2024 to July 11, 2034

No.	Trademarks	Duration
122	BDO Pay (logo horizontal)	July 11, 2024 to July 11, 2034
123	BDO Pay (logo vertical)	July 11, 2024 to July 11, 2034
124	BDO Checkout (horizontal logo)	August 22, 2024 to August 22, 2034
125	BDO Checkout (vertical logo)	August 22, 2024 to August 22, 2034
126	BDO NETWORK, A SAVINGS BANK (re-filed)	October 31, 2024 to October 21, 2034
127	BDO NETWORK BANK, A SAVINGS BANK (re-filed)	October 31, 2024 to October 21, 2034
128	BDO Insurance and Reinsurance Brokers, Inc. (logo blue bg)	January 18, 2025 to January 18, 2035
129	BDO Insurance and Reinsurance Brokers, Inc. (logo black font)	January 18, 2025 to January 18, 2035
130	BDO Insurance and Reinsurance Brokers, Inc. (logo blue font)	January 18, 2025 to January 18, 2035
131	Cash Agad Partner ng BDO (logo)	March 24, 2025 to March 24, 2035
132	One Network A Rural Bank of BDO (horizontal logo)	July 24, 2025 to July 24, 2035
133	One Network A Savings Bank of BDO (horizontal logo)	July 24, 2025 to July 24, 2035
134	BDO Prime (logo) re-filed	October 31, 2024 to October 31, 2034
135	ONB	July 7, 2016 to July 7, 2026
136	ONE NETWORK	July 28, 2016 to July 28, 2026
137	BDO Private Banking (logo in black)	August 1, 2024 to August 1, 2034
138	BDO Private Banking (logo in gold)	August 1, 2024 to August 1, 2034
139	BDO Private Banking (logo in black)	August 1, 2024 to August 1, 2034
140	AUTOMATED TAO MACHINE	October 18, 2025 to October 18, 2035
141	BDO Banco De Oro Kabayan Auto Loan	September 13, 2023 to September 13, 2033
142	BDO Banco De Oro Kabayan Personal Loan	September 13, 2023 to September 13, 2033
143	Just Debit with BDO	May 11, 2017 to May 11, 2027
144	BDOPERA	April 12, 2018 to April 12, 2028
145	BDO Easy Retirement Plan	October 14, 2018 to October 14, 2028
146	NEGOSYANTE HOUR	January 19, 2024 to January 19, 2034
147	KABAYAN CASH LOAN	May 25, 2024 to May 25, 2034
148	ABOT ANG PANGARAP	October 3, 2024 to October 3, 2034
149	ABOT PANGARAP PAG BDO ANG KAUSAP	October 3, 2024 to October 3, 2034
150	BDO NETWORK BANK NEGOSYANTE LOAN	March 2, 2025 to March 2, 2035

No.	Trademarks	Duration
151	BDO NETWORK BANK NEGOSYANTE CHECK	June 2, 2025 to June 2, 2035
152	BDO NETWORK BANK SIMPLE LANG	June 14, 2025 to June 14, 2035
153	TARA NA SA BDO!	June 23, 2025 to June 23, 2035
154	KAPITBAHAY MO NA ANG ATM	December 25, 2025 to December 25, 2035

(vii) Governmental Approval of Principal Products or Services

The Bank secures approval from the BSP for its products and services, as required.

(viii) Effect of Existing or Probable Governmental Regulations on the Business

Being a banking institution subject to the General Banking Law and banking regulations, BDO is under the supervision of the BSP, whose approval BDO requires to undertake certain activities. BDO strictly complies with the BSP requirements in terms of reserves, liquidity position, limits on loan exposure, limits on net open foreign exchange position, provision for losses, anti-money laundering provisions and other regulatory requirements.

(ix) Estimate of Amount Spent for Research and Development Activities

This is not applicable to the Bank.

(x) Total Number of Employees

The Bank has a total of 47,111 employees as of 31 December 2025 broken down as follows:

	Non-Officers	Officers	TOTAL
Total for Parent Company	19,124	19,158	38,282
Head Office	2,547	11,215	13,762
Branches	16,577	7,943	24,520
Total for Subsidiaries	2,702	6,127	8,829
TOTAL EMPLOYEES	21,826	25,285	47,111

Bank staff employees, other than those expressly excluded in the Collective Bargaining Agreement (**CBA**), are represented by the Banco De Oro Employees Association (the **Union**), an affiliate of the Associated Labor Unions. The Bank's CBA is in effect for a period of five years from 1 November 2025 to 31 October 2030 in so far as the representation aspect is concerned. Discussion on the renewal of economic provisions for the covered period from 1 November 2028 to 31 October 2030 shall be conducted on a future date.

The Bank has not suffered any strikes since it started operations, and the management of the Bank considers the maintenance of harmonious relations with its employees and the Union as one of its key human capital agenda.

(xi) Risk Management

Risk management at BDO begins at the highest level of the organization. At the helm of the risk management infrastructure is the Board of Directors who is responsible for establishing and maintaining a sound risk management system. The Board of Directors assumes oversight over the entire risk management process.

The Board of Directors has the ultimate responsibility for all risks taken by the Bank. It regularly reviews and approves the institution's tolerance for risks, as well as, the business strategy and risk philosophy of the Bank. It takes the lead in disseminating the institution's risk philosophy and control culture throughout the organization. It approves strategies and implementing policies affecting the management of all types of risks relating to the Bank's activities. It sets the risk-based organizational structure that will implement and ensure the effectiveness of the overall risk control system of the Bank. Towards this end, it is regularly updated on developments that could materially affect the Bank's liquidity position or the value of its resources. Likewise, the Board is responsible for overseeing the investment and credit activities of the Bank.

The Board of Directors has constituted committees tasked with key functions in the over-all risk framework of the Bank. The Risk Management Committee (**RMC**) is responsible for the development and oversight of the Bank's risk management program. The Executive Committee (**EXCOM**) has responsibility over the approval processes of the Bank's loans and investments, property-related proposals, as well as, other credit-related issues over a prescribed amount delegated by the Board of Directors. The Asset and Liability Committee (**ALCO**) is tasked with managing the Bank's balance sheet and off-balance sheet activities, maintaining adequate liquidity, ensuring sufficient capital and

appropriate funding to meet all business requirements within regulatory limits. The Risk Management Group (**RMG**) is mandated to adequately and consistently evaluate, manage, control, and monitor the overall risk profile of the Bank's activities across the different risk areas (i.e. credit, liquidity, market, interest rate, operational, and environmental and social risks).

The Bank operates an enterprise-wide risk management system to address the risks it faces in its banking activities, including credit, liquidity, market, interest rate, operational risks (including business continuity risk, IT risk, information security and cybersecurity risks, data privacy risk, and social media risk), consumer protection risk, and environmental & social risks. The Bank's RMC has overall responsibility for the Bank's risk management system and sets risk management policies across the full range of risks to which the Bank is exposed. It is responsible for approving the risk management plan developed by management, defining the policies, limits, and strategies for managing and controlling the major risks of the Bank. It oversees the system of limits of discretionary authority that the Board of Directors delegates to management under its purview, ensures that the system of limits of discretionary authority remains effective, that the limits are observed, and immediate corrective actions are taken whenever limits are breached. It is also responsible for evaluating the risk management plan as needed to ensure its continued relevance, comprehensiveness and effectiveness.

The RMC is a Board-Level Committee composed of three (3) members of the Board of Directors, with Vipul Bhagat (Independent Director) as Chairman, and Jones M. Castro, Jr. (Non-Executive Director) and Alfredo E. Pascual (Independent Director) as Members. Christopher A. Bell-Knight, Dioscoro I. Ramos, and Nestor V. Tan serve as Advisors.

Below is the attendance of the members for the Committee meetings in 2025:

	No. of Meetings Attended	Total No. of Meetings	Percentage
Vipul Bhagat	12	12	100.00%
Jones M. Castro, Jr.	12	12	100.00%
Alfredo E. Pascual *	7	7	100.00%
Dioscoro I. Ramos **	5	5	100.00%
* Appointed as Member of the RMC on 25 April 2025, hence, attendance count started on 30 May 2025			
** Term as Member of the RMC ended and was appointed as Advisor on 25 April 2025			

Item 2 – Properties

Description of Property

(1) Principal Properties Owned

A. Presented below is a list of the Bank's principal properties as of 31 December 2025 owned by the Bank and utilized as Head Offices:

No.	NAME	ADDRESS
1	BDO Building (Radio Marine - MTech)	BDO Bldg., Sen. Gil Puyat Avenue corner Paseo de Roxas, Brgy. Bel-Air, Makati City
2	BDO Corporate Center – Makati *	7899 Makati Avenue cor. H.V. Dela Costa St., Makati City
3	BDO Corporate Center – Ortigas	12 ADB Avenue Ortigas Center Mandaluyong City
4	BDO Salcedo-Tower	156 Valero St., Bel-air, Makati District 1, Makati City 1227
5	BDO Towers Paseo	8741 Paseo de Roxas Cor. Villar St. Salcedo Village Makati

* Building under Construction

B. Presented below is a list of the Bank's principal properties as of 31 December 2025 owned or majority-owned by the Bank which are utilized as Head Offices and partly tenanted:

No.	NAME	ADDRESS
1	BDO Equitable Bank Tower	8751 Paseo de Roxas, Makati City
2	BDO Towers Valero	Valero corner Villar St., Salcedo Village, Makati City, Metro Manila
3	Dagupan Vicar	Vicar Hotel Bldg. along A.B. Fernandez Ave. Brgy. Herrero Perez Dagupan City, Pangasinan
4	Pacific Star Building	Makati Avenue, Makati City
5	The Podium West Tower	The Podium West Tower, 12 ADB Avenue, Ortigas Center, Barangay Wack-Wack Greenhills East Mandaluyong City

C. Presented below is a list of the Bank's real properties as of 31 December 2025 owned by the Bank and utilized as BDO branches:

(a) Metro Manila Branches

No.	BRANCH	ADDRESS
1	A. Santos - St. James	8406 A. Santos Avenue, Brgy. BF Homes, Parañaque City

No.	BRANCH	ADDRESS
2	ADB Avenue Ortigas	Robinsons PCIBank Tower, ADB Avenue, Ortigas Center, 1600 Pasig City
3	Airport Road	Airport Road corner Quirino Avenue, Baclaran, Parañaque City
4	Alfaro - Salcedo Village	G/F PCCI Bldg., 118 Leviste Street, Salcedo Village, Makati City
5	Arranque - T. Alonzo	733 T. Alonzo St., Brgy. 299, Zone 29, Sta. Cruz, Manila
6	Asia Tower - Paseo	G/F Asia Tower corner Paseo De Roxas & Benavides St., 1229 Makati City
7	Aurora Blvd - Notre Dame	0137 Aurora Blvd. corner Notre Dame St., Cubao, 1110 Quezon City
8	Aurora Blvd - Yale	Aurora Blvd. corner Yale St., Cubao, Quezon City
9	Baclaran - Redemptorist Road	Redemptorist Road, Baclaran, Parañaque, Metro Manila
10	Bagtikan - Chino Roces Avenue	Unit 102 G/F Pryce Center Condominium, 1179 Chino Roces Avenue corner Bagtikan St., San Antonio Village, Makati City
11	BDO Corporate Center	G/F, BDO Towers Paseo, 8741 Paseo de Roxas corner Villar St., Salcedo Village, Bel-Air, Makati City 1200
12	BDO Corporate Center Ortigas	2/F, BDO Corporate Center Ortigas, 12 ADB Avenue, Brgy. Wack-Wack, Mandaluyong City
13	Bel-Air - Gil Puyat	Country Space 1 Condominium Bldg., Sen. Gil Puyat Avenue, Bel-Air Village, 1209 Makati City
14	BGC - Fort Victoria	Unit 108B, G/F, Fort Victoria Condominium, 5th Avenue corner Rizal Avenue, Bonifacio Global City, Fort Bonifacio, Taguig City
15	Bicutan - Doña Soledad Ave. Ext.	Lot 3 Block 1, Doña Soledad Avenue Extension, Better Living Subd., Brgy. Don Bosco, Parañaque City
16	Blumentritt - Laong Laan	Laong Laan St. corner Blumentritt St., Brgy. 516, Zone 051, Sampaloc, Manila
17	Blumentritt - San Juan	Lot 11-B, Blk. 127 Blumentritt corner Sto. Toribio St., San Juan City
18	Boni - Maysilo	74 Maysilo Circle corner Boni Avenue, Mandaluyong City
19	C. Palanca - Quiapo	132 Carlos Palanca St., Quiapo, Manila
20	C.M. Recto - Nicanor Reyes	1925 C.M. Recto Avenue corner Nicanor Reyes St., Brgy. 395, Zone 41, District 4, Sampaloc, Manila
21	C.M. Recto - San Sebastian	2070 C.M. Recto St., 1008 Sampaloc, Manila
22	Caloocan - Sangandaan	628 A. Mabini St., 1408 Sangandaan, Caloocan City
23	Corinthian Gardens	BDO Leasing Center, Ortigas Avenue, Quezon City
24	Dasmariñas St. - Binondo	BDO Bldg., Dasmariñas St., Binondo, 1006 Manila
25	Dian - Gil Puyat	G/F EPCIB Bldg., Sen. Gil Puyat Avenue corner Dian St., Makati City
26	E. Rodriguez	1162 E. Rodriguez Sr. Avenue, New Manila, Quezon City

No.	BRANCH	ADDRESS
27	EDSA - Reliance St.	G/F Paragon Plaza, 162 EDSA corner Reliance St., Mandaluyong City
28	Fairview	Don Mariano Marcos Avenue, Fairview, Quezon City
29	Grace Park - 8th Avenue	259 Rizal Avenue Extension, Grace Park, Caloocan City
30	Grace Park - 9th Avenue	414 Rizal Avenue Extension, Grace Park, 1400 Caloocan City
31	Grace Park - 10th Avenue	359 Rizal Avenue Extension, Brgy. 62, Grace Park, Caloocan City
32	Greenhills - Missouri	12 Missouri St., Northeast Greenhills, Brgy. Greenhills, San Juan City
33	Greenhills - Roosevelt	EBC Bldg., Ortigas Avenue corner Roosevelt Avenue, Greenhills, San Juan City
34	Greenhills North	Unit 102-103 Sunrise Condominium, Ortigas Avenue, 1500 San Juan City
35	Ilaya - M. De Santos	632 M. de Santos St., Manila
36	Kalentong	MRDC Bldg., Shaw Blvd. corner Gen. Kalentong St., Mandaluyong City
37	Las Piñas - Pamplona	1741 Alabang-Zapote Road, Pamplona Dos, Las Piñas
38	Las Piñas - Philamlife Avenue	Alabang-Zapote Road, Pamplona Tres, 1740 Las Pinas City
39	Leveriza - Libertad	212 Libertad St., Pasay City
40	Luneta - T.M. Kalaw	707 T.M. Kalaw St. corner Churruca St., Ermita, Manila
41	Makati - Pasay Road	845 One Corporate Plaza Condominium, A. Arnaiz Avenue, San Lorenzo, Makati City
42	Makati Avenue - Ayala	L.V. Locsin Bldg., Ayala Avenue corner Makati Avenue, 1228 Makati City
43	Makati Cinema Square	Makati Cinema Square, Pasong Tamo, 1229 Makati City
44	Malabon	725 Rizal Avenue, San Agustin, Malabon City
45	Malabon - Rizal Avenue	694 Rizal Avenue, 1470 Malabon, Metro Manila
46	Marikina - Bayanbayanan	48 Bayanbayanan Avenue, Brgy. Concepcion Uno, Marikina City
47	Marikina - Concepcion	17 Bayan-Bayanan Avenue, Concepcion, Marikina City
48	Marikina - Sumulong Highway	Corner E. Dela Paz St. Amang Rodriguez Avenue, Sto. Nino, Marikina City
49	Marulas - MacArthur Highway	Lot 16 & 17 MacArthur Highway, Valenzuela, Metro Manila
50	Medical Plaza - Legaspi Village	Unit 101, G/F Medical Plaza Makati, Amorsolo St. corner Dela Rosa St., Legaspi Village, Makati City
51	Muntinlupa - National Highway	8 National Highway corner Aguila St., Brgy. Putatan, Muntinlupa
52	N. Domingo - Araneta Avenue	71 N. Domingo St. corner Katubusan St., Brgy. Rivera, San Juan City

No.	BRANCH	ADDRESS
53	Novaliches - Forest Hills	Lot 2 D 1 Quirino Avenue, Novaliches, Quezon City
54	Ortigas - Exchange Road	G/F, PSE Center, Exchange Road, Ortigas Commercial Complex, Pasig City
55	Ortigas Avenue	209 Ortigas Avenue, Greenhills, San Juan, MM
56	Paco - A. Linao	1635-1641 A. Linao St., Paco, Manila
57	Padre Faura - A. Mabini	A. Mabini corner Padre Faura St., 1000 Ermita, Manila
58	Pasay	Libertad corner Colayco St., Pasay City
59	Paseo - Gil Puyat	BDO Building, 381 Sen. Gil Puyat Avenue corner Paseo de Roxas, Brgy. Bel-Air, Makati City
60	Paseo Tower - Makati	Equitable Bank Tower, 8751 Paseo de Roxas, Makati City
61	Pasig - Danny Floro	125 Shaw Blvd. corner Danny Floro St. Pasig City
62	Pasig - Manggahan	Amang Rodriguez Avenue, Manggahan, Pasig City
63	Pasig - Market Avenue	8 Market Avenue, Brgy. Palatiw, Pasig City
64	Pasig - Sixto Antonio Ave. Pilapil	Lot 2 B, Sixto Antonio Ave., Brgy. Kapasigan, Pasig City
65	Perea - Paseo	G/F Universal Re Bldg., 106 Paseo de Roxas 1228 Makati City
66	Pioneer Highlands - Madison	Unit 01 (facing Madison St.) LG/F Globe Telecom Plaza 1 Bldg., Pioneer St. corner Madison St., Mandaluyong City
67	Pitimini - Roosevelt	EBC Bldg., Roosevelt Avenue corner Pitimini St., SFDM, Quezon City
68	Plaza Sta. Cruz - Dasmariñas St.	377 Plaza Sta. Cruz, Brgy. 303, Zone 29, Sta. Cruz, Manila
69	President's Avenue - BF Parañaque	President's Avenue corner J. Elizalde St., BF Homes, Parañaque, Metro Manila
70	Quezon Avenue - Heroes Hill	1052 Quezon Avenue, 1103 Quezon City
71	Quezon Avenue - West Triangle	Lot 3-B, Quezon Ave. Extension, Brgy. West Triangle, Quezon City
72	Quiapo - Quinta Market	Quezon Blvd. corner C. Palanca St., Quiapo, Manila
73	Reposo - Makati	EBC Bldg., JP Rizal corner N. Garcia (Formerly Reposo), Makati City
74	Rizal Avenue - Cavite St.	2502-2504 Rizal Avenue corner Cavite St., Brgy. 366, Zone 37, District 3, Sta. Cruz, Manila
75	Rockwell Center - Makati	Lot 3 Block 7, Rockwell Drive, Rockwell Center, Poblacion, Makati City
76	Salcedo Tower	G/F, BDO Salcedo Tower, 156 Valero St., Bel-Air, Makati District 1, Makati City 1227
77	Shaw Blvd. - Stanford	EBC Bldg., Shaw Blvd. corner Stanford St., Mandaluyong City
78	St. Ignatius - Katipunan	BDO Bldg., 137 Katipunan Avenue, St. Ignatius, Quezon City

No.	BRANCH	ADDRESS
79	Strata 100 - Ortigas	G/F Strata 100 Bldg., Don Francisco Ortigas Jr., Pasig City
80	Taft - Vito Cruz	Bankard Bldg., 2422 Taft Avenue, 1004 Malate, Manila
81	Taft Avenue - Estrada St.	2F, Bankard Bldg., 2422 Taft Avenue, Brgy. 727, Zone 79, Malate, 1004, Manila
82	Timog - South Triangle	G/F President Tower, 81 Timog Ave. corner Scout Ybardolaza St., Brgy. South Triangle, Diliman, Quezon City
83	Tomas Morato - Kamuning	Tomas Morato Ave. corner Kamuning Road, Brgy. Kamuning, Quezon City
84	Tutuban	DS 17-18 Tutuban Primeblock, Tutuban Center, CM Recto, Manila
85	U.N. Avenue - J. Bocobo	EBC Bldg., UN Avenue corner J. Bocobo St., Ermita, Manila
86	V.A. Rufino - Valero	G/F Chattam House, Herrera St. corner Valero St. & San Agustin St., Salcedo Village, Makati City
87	Valenzuela - Malanday MacArthur Highway	656 MacArthur Highway, Brgy. Malanday, Valenzuela City 1444
88	West Trade Center - West Avenue	Unit #1, G/F West Trade Center, West Avenue, Quezon City
89	Yakal - Chino Roces Avenue	Units 2 & 3, G/F Tower 2, Avida Towers Makati West Condominium, corner Yakal, Lumbayao and Malugay Sts., San Antonio Village, Makati City

(b) Provincial Branches

No.	BRANCH	ADDRESS
1	Angeles - Balibago	BDO Building along Ramon Tang Avenue, Diamond Subd., Balibago, Angeles City, Pampanga
2	Angeles - MacArthur Highway	Lot 1, MacArthur Highway corner Magalang Avenue, Brgy. Salapungan, Angeles City, Pampanga
3	Angeles - Miranda	BDO Bldg., Miranda St., Sto. Rosario, Angeles City, Pampanga
4	Antique	Corner Gov. Villavert St. & Gov. Gella St., San Jose, Antique 5700
5	Bacolod - Capitol Shopping	Benigno Aquino Drive, Capitol Shopping 6100 Bacolod City, Negros Occidental
6	Bacolod - Gatuslao	26 & 28 Gov. V. Gatuslao St., Bacolod City, Negros Occidental
7	Bacolod - Lacson	Lacson St. corner Galo St., 6100 Bacolod City, Negros Occidental
8	Bacolod - Plaza	Araneta Ave. corner Gonzaga St., 6100 Bacolod City, Negros Occidental
9	Bacolod - Rosario Lacson	Lot 296-B-7, Lacson St. corner Rosario St., Bacolod City, Negros Occidental
10	Balanga - A. Banzon	A. Banzon St., Brgy. Poblacion, Balanga City, 2100 Bataan
11	Baliwag - JP Rizal	J.P. Rizal St., San Jose, Baliwag, Bulacan
12	Batangas - Nasugbu	J.P. Laurel St., Brgy. Poblacion, Nasugbu, Batangas
13	Batangas - Sto. Tomas	Maharlika Highway, San Antonio, Sto. Tomas, Batangas

No.	BRANCH	ADDRESS
14	Batangas City - Rizal Avenue	Rizal Avenue corner P. Burgos St., 4200 Batangas, Batangas City
15	BDO Corporate Center Cebu	2/F, BDO Corporate Center Cebu, Fuente Osmeña Rotunda, Brgy. Capitol Site, Cebu City Philippines 6000
16	Biñan	A. Bonifacio St., Barrio Canlalay, Biñan, Laguna
17	Bukidnon - Valencia	M.L. Quezon St. corner G. Laviña Avenue, Valencia City, Bukidnon 8709
18	Cabanatuan - Maharlika Road	Maharlika Road near corner Sanciango St., Brgy. Sanbermicristi, Cabanatuan City, Nueva Ecija
19	Cabanatuan - Maharlika South	BDO Building, Maharlika Highway, Brgy. Dicarma, Cabanatuan City, Nueva Ecija
20	Cagayan - Aparri	Rizal St. corner Balisi St., Centro 8, Aparri, Cagayan
21	Cagayan de Oro - Lapasan	C.M. Recto Highway, Lapasan, 9000 Cagayan de Oro City, Misamis Oriental
22	Cagayan de Oro - Velez	Velez Road corner Abejuela St., Cagayan de Oro
23	Calamba Crossing	G/F, BDO Bldg., Old National Highway, Crossing, Brgy. Uno, Calamba City, Laguna 4027
24	Cavite - Dasmariñas Techno Park	Governor's Drive, Brgy. Paliparan I, Dasmariñas, Cavite
25	Cavite - General Trias Gateway	Gateway Business Park, C. Delos Reyes Avenue, 4107 Gen. Trias, Cavite
26	Cavite - GMA Congressional Road	Lot 4 Block C-5-CL, Congressional Road, Brgy. Poblacion 1, Gen. Mariano Alvarez (GMA) Cavite
27	Cavite - Imus Anabu	Gen. Aguinaldo corner Ambrosia Road, Anabu I, Imus, Cavite
28	Cavite City - P. Burgos	Corner P. Burgos St. & P. Julio St., Caridad, 4100 Cavite City
29	Cebu - Borromeo	Borromeo St. corner Magallanes St., Cebu City
30	Cebu - F. Gonzales	F. Gonzales St. corner Magallanes St., Cebu City
31	Cebu - Gorordo	Gorordo Avenue, Lahug, 6000 Cebu City
32	Cebu - Magallanes Plaridel	Magallanes St. corner Plaridel St., 6000 Cebu City
33	Cebu - North Reclamation	Blk. 20-A corner Port Centre Avenue & Juan Luna Avenue, North Reclamation Area, Cebu City
34	Cebu Mandaue - M.C. Briones	M.C. Briones St., National Highway, Brgy. Bakilid, Mandaue City, Cebu
35	Cotabato - Kidapawan	Quezon Blvd., 9400 Kidapawan, North Cotabato
36	Cotabato - Makakua	Makakua St., 9600 Cotabato City, Maguindanao
37	Dagupan - Fernandez	A.B. Fernandez Avenue, Brgy. Pantal, Dagupan City, 2400 Pangasinan
38	Davao - C.M. Recto	383 Claro M. Recto St., Davao City
39	Davao - Claveria	BDO Building, No. 30 C.M. Recto Ave., Poblacion, Davao City
40	Davao - Digos	Rizal Avenue, Zone II, Digos, Davao Del Sur
41	Davao - JP Laurel	Landco-PDCP Corporate Center, JP Laurel Avenue, Bajada, Davao City
42	Davao - Mati	Rizal St. corner Mabini St., 8200 Mati, Davao Oriental
43	Davao - Tagum	577 Rizal St., 8100 Tagum, Davao Del Norte
44	Davao - Toril	Agton St., Toril, Davao City
45	Dipolog - Quezon Ave.	Quezon Avenue, 7100 Dipolog City, Zamboanga Del Norte

No.	BRANCH	ADDRESS
46	Dumaguete - Colon	Colon St. fronting Bldg. V of City Public Market, Poblacion 003, Dumaguete City
47	General Santos - Makar	Hadano Avenue (Makar Wharf), Purok Bagong Silang, Brgy. Labangal, General Santos City, South Cotabato 9500
48	General Santos - Pioneer	Pioneer Avenue, General Santos City, 9500
49	General Santos - Quezon Avenue	Lot 4670. Ts-217, Quezon Avenue, Brgy. Dadiangas West, General Santos City, South Cotabato
50	General Santos - Santiago St.	Ireneo Santiago Blvd., 9500 General Santos St., South Cotabato
51	Iligan - Del Pilar	BC Labao corner Del Pilar St., Iligan City
52	Iloilo - Iznart	Iznart St., 5000 Iloilo City, Iloilo
53	Iloilo - Valeria	Valeria St., Brgy. Danao, Iloilo City
54	Isabela - Roxas	23 Osmeña Road., Bantug, Mallig Plain, 3320 Roxas, Isabela
55	Isabela Santiago - City Road	BDO Building, City Road corner Guzman St., Brgy. Calao West, Santiago City, Isabela
56	Isabela Santiago - Maharlika Highway	BDO Building, No. 57 Maharlika Highway corner Quezon Avenue St., Brgy. Victory Norte, Santiago City, Isabela
57	Koronadal - Gensan Drive	NE of Gensan Drive, Zone 1, Koronadal City, South Cotabato
58	Koronadal - R. Alunan Avenue	R. Alunan Avenue corner Osmeña St., 9506 Koronadal, South Cotabato
59	La Union San Fernando - Quezon Avenue	Quezon Avenue corner Gen. Luna St., Brgy. 4, City of San Fernando, 2500 La Union
60	Leyte - Maasin	Juan Luna St. corner Enage St., Brgy. Tunga-tunga, Maasin, Southern Leyte
61	Leyte - Ormoc	Corner Burgos St. & Rizal St., 6541 Ormoc City, Leyte
62	Lipa - C.M. Recto	131 C.M. Recto St., 4217 Lipa City, Batangas
63	Lipa - Rotonda	Ground Floor, BDO Lipa Regional Building, C.M. Recto Avenue, Brgy. 04, Lipa City, Batangas
64	Lucena - Merchan	Lot 2903 Merchan St. corner C.M. Recto St. corner Cabana St., Brgy. IV, Lucena City
65	Malolos - Congreso	Paseo Del Congreso, San Agustin, Malolos City, 3000 Bulacan
66	Meycauayan - Zamora	Zamora St., Brgy. Calvario, Meycauayan, Bulacan
67	Naga - Plaza Rizal	Gen. Luna St., 4400 Naga City, Camarines Sur
68	Negros Occ - Cadiz	Cabahug St., 6121 Cadiz, Negros Occidental
69	Negros Occ - Escalante	National Highway, Escalante City, 6124 Negros Occidental
70	Negros Occ - Kabankalan	Guanzon St., Kabankalan, 6111 Negros Occidental
71	Negros Occ - Silay	Figueroa St. corner Rizal St., Silay City, 6116 Negros Occidental
72	Nueva Ecija - Gapan	Tinio St., Brgy. San Vicente, Gapan City, 3105 Nueva Ecija
73	Nueva Ecija - Guimba	Afan Salvador St., Brgy. Sto. Cristo, Guimba, Nueva Ecija
74	Nueva Ecija - Muñoz	T. Delos Santos St., Brgy. Poblacion West, Science City of Muñoz, Nueva Ecija
75	Ozamiz - Gallardo	Cebedo St. corner Gallardo St., 50th District (Pob), Ozamiz City, Misamis Occidental
76	Pagadian	F.S. Pajares Avenue, Pagadian City, 7016 Zamboanga Del Sur
77	Pampanga - Apalit	MacArthur Highway, Brgy. San Vicente, Apalit, Pampanga

No.	BRANCH	ADDRESS
78	Pampanga - Guagua	Lot 4876, Brgy. Plaza Burgos, Guagua, 2003 Pampanga
79	Puerto Princesa - Rizal	261 Rizal Avenue, 5300 Puerto Princesa City, Palawan
80	Quezon - Candelaria	Rizal St. corner Del Valle St., Brgy. Poblacion, Candelaria, Quezon
81	Roxas - Roxas Avenue	Roxas Avenue, Roxas City, Capiz
82	San Pablo - Rizal St.	2/F Equitable PCI Bldg., Rizal St. corner P. Alcantara, San Pablo City, Laguna
83	Sta. Rosa - South Expressway	National Road Pulong Sta. Cruz, 4026 Sta Rosa, Laguna
84	Sultan Kudarat - Isulan	075 National Highway, Kalawag 2, Isulan, Sultan Kudarat
85	Sultan Kudarat - Tacurong	Alunan Highway, 9800 Tacurong, Sultan Kudarat
86	Surigao - Rizal St.	Rizal St., Brgy. Washington, Surigao City 8400, Surigao del Norte
87	Tarlac - F. Tañedo	27 F. Tañedo St., Brgy. Poblacion, Tarlac City, 2300 Tarlac
88	Tarlac - J. Luna	Juan Luna St. near corner MacArthur Highway, Brgy. Sto. Cristo, Tarlac City, 2300 Tarlac
89	Tarlac - Luisita	MacArthur Highway across Robinsons Complex, Brgy. San Miguel, Tarlac City, 2301 Tarlac
90	Tuguegarao - Bonifacio St.	135 Bonifacio St., Centro 6, Tuguegarao City, Cagayan
91	Urdaneta - Alexander	Amadeo R. Perez Jr. Avenue, Brgy. Poblacion, Urdaneta City, 2428 Pangasinan
92	Vigan - Quezon Avenue	Quezon Avenue corner Bonifacio St., Brgy. III, Vigan City, 2700 Ilocos Sur
93	Zamboanga - Rizal St.	Rizal St., Zamboanga City, 7000 Zamboanga Del Sur

D. Presented below is a list of the Bank's real properties as of 31 December 2025 owned by the Bank and utilized as Warehouses:

No.	NAME	ADDRESS
1	Howmart Warehouse	63 & 65 Howmart St., Brgy. Apolonio Samson, Quezon City
2	Malabon General Luna	Gen. Luna St., Barangay San Agustin, Malabon City
3	Presidents Tower (Unit G3)	Ground Floor Presidents Tower, 81 Timog Ave. corner Scout Ybardolaza St., Brgy. South Triangle, Diliman, Quezon City
4	Taguig Warehouse	Arthuro cor. Franco Drive, Sta. Maria Industrial Estate, Barrio Bagumbayan, Taguig, Metro Manila

E. Presented below is a list of the Bank's real properties (vacant lots and/or buildings) as of 31 December 2025 owned by the Bank reserved for Lease or for future Bank use:

No.	NAME	ADDRESS
1	Davao Global Township	Lot 1, Block 2, Brgy. Matina Crossing, Davao City, Davao Del Sur

No.	NAME	ADDRESS
2	Gercon Plaza	Lot 5 & 6 Gercon Plaza along Makati Ave., Brgy. Bel Air, Makati City
3	Greenhills Missouri	14 Missouri Street, Brgy. Greenhills, San Juan City, Metro Manila
4	Juan Luna Binondo	J. Luna/Quintin Paredes & Hormiga Sts., Binondo, Manila
5	Malungon Gensan	Brgy. Upper Balulang, Cagayan de Oro City
6	Nuvali Sta. Rosa	Lot 6 Block 9, Nuvali, Sta. Rosa, Laguna
7	Premises Management Division (Binondo)	411 Quintin Paredes St., Binondo, Manila
8	Premises Management Division (Blumentritt)	2325 Rizal Ave. cor Antipolo St., Brgy. 356, Zone 36, District 3, Sta. Cruz, Manila
9	Premises Management Division (BDO Corporate Center Cebu)	Fuente Osmeña Rotonda, Brgy. Capitol Site, Cebu City Philippines 6000
10	Premises Management Division (Cebu Fuente – Rotonda)	Lot 526-B, Fuente Rotonda, Brgy. Capitol Site, Cebu City Philippines 6000
11	Premises Management Division (Cebu–J. Mall)	National Highway, M.C. Briones St., Guizo, Mandaue City, 6014 Cebu
12	Premises Management Division (Laoag - Balintawak)	Rizal St. corner Balintawak St., Brgy. 9, Laoag City, 2900 Ilocos Norte
13	Premises Management Division (Mayon)	Unit 201 G/F Alpha Bldg. 174 Mayon St. La Loma, Quezon City

F. Presented below is a list of Bank’s real properties as of 31 December 2025 owned by the Bank which are vacant (reserved for Lease or future Bank use) and/or tenanted:

No.	NAME	ADDRESS
1	Property Leasing Dept. (Potrero)	110 MacArthur Highway corner Riverside St. Potrero Malabon
2	PSE Tower	One Bonifacio High Street, 28th Street corner 5th Avenue, Bonifacio Global City, Taguig
3	RBSJ Tarlac Building (Monarch)	Lot 3-H & 3-I-2 Sto. Cristo, J.P. Rizal Extension, Tarlac City
4	Robinsons Equitable Tower	ADB Avenue, Ortigas Center, Pasig City
5	The Podium Mall	The Podium Mall, 12 ADB Avenue, Ortigas Center, Barangay Wack-Wack Greenhills East Mandaluyong City

(2) Leased Properties

A list of these leased properties is as follows:

(a) Utilized as Head Offices as of 31 December 2025:

No.	NAME	ADDRESS
1	BDO Towers Valero (34 th Floor)	8741 Paseo de Roxas Ave., Salcedo Village, Bel-Air, Makati City

(b) Utilized as Representative Offices located abroad as of 31 December 2025:

No.	NAME	ADDRESS
1	Dubai Representative Office	Ground Floor, DUTCO House Building 44 Al Ittihad Road Diera, Dubai
2	Korea Representative Office	23 rd Floor Seoul Finance Center, 136 Sejongdaero Jung-gu, Seoul 100-768 Korea
3	Milan Representative Office	Piazza del Duomo 17, 20121 Milan, Italy
4	Paris Representative Office	PARIS 16EME, 46 Paul Valery Street
5	Taipei Representative Office	Hung Kuo Building 7F-A-167 Tun Hua North Road, Song Shan District, Taipei, Taiwan
6	Xiamen Representative Office	Unit 244-246, SM City Mall No.468- Jiahe Road, Xiamen No.1351 Xianyu Rd.

(c) Utilized leased lot and/or buildings as ATM offsite location as of December 31, 2025:

No.	NAME	ADDRESS
1	Ebanking Center	3rd Level Tower 1, The Enterprise Center, 6766 Ayala Avenue Makati City

(d) Utilized as Regional Offices as of 31 December 2025:

No.	NAME	ADDRESS
1	Cash Hub – Ayala Business Center	N. Bacalso Avenue, Brgy. Nicolas, Cebu City
2	Cash Hub – FCIE	Governor's Drive, Brgy. Langkaan, Dasmariñas, Cavite
3	Cash Hub – Pampanga Offsite	Bldg. 1, Berthaphil II, South Industrial Park Bayanihan Road, Clark, Pampanga
4	Cash Hub - Sorsogon	2nd Floor, SITEX Bldg. SM City Sorsogon, Maharlika Balogo, East District, Sorsogon City

No.	NAME	ADDRESS
5	Cash Hub – Tagaytay Offsite	Brgy. East Tolentino, Tagaytay City
6	Cash Hub - Tagum	2nd Floor, BDO NB Tagum Building, Pioneer Avenue, Tagum City
7	CBG Office – Batangas P. Burgos	PBC Building, Brgy. 13 P. Burgos St. Batangas City
8	CBG Office – Cebu Ayala Business Park	9th floor, Unit 905 FLB Corporate Center, Bohol Avenue and Archbishop Reyes Avenue, Cebu Business Park, Barangay Luz Cebu City
9	CBG Office – Cebu Sky Tower	9th Floor, Skytower Building, #88 Acasia St., Brgy. Kamputhaw, Cebu City, Cebu, Philippines
10	CBG Office – Crosstown Mall Sta. Rosa	Crosstown Mall, Purok 4, Sta. Rosa Tagaytay Road, Pulong Sta. Cruz City, Sta. Rosa, Laguna
11	CBG Office – Laoag Ilocos Norte	G/F Insular Life Bldg, Balintawak St. Laoag City Ilocos Norte
12	CBG Office - Legaspi Albay	2/F City Enterprise Building Landco Business Park F. Imperial St., Bgy. Capantawan, Legazpi City, Albay
13	CBG Office – Madrigal Plaza	7 th Floor, Paz Madrigal Plaza CBG Office - Alabang
14	CBG Office – Malolos Bulacan	2F of a Commercial Building, Mabini Street, Brgy. Guinhawa, Malolos City, Bulacan
15	CBG Office – MM East (SM Taytay)	B1, Bldg B - SM Taytay Manila East Road Brgy Dolores Taytay Rizal
16	CBG Office – San Pablo Laguna	2 nd & 3 rd Floor, Liangelo Bldg., Maharlika Highway, San Rafael, San Pablo City, Laguna
17	CBG Office - SM Cebu Consolacion	Unit 282, 2F SM City Consolacion, National Road, Brgy. Lamac, Consolacion, Cebu City
18	CBG Office – SM City Gensan	Unit 327A-328B-1, 3 rd Floor, SM General Santos City
19	CBG Office – SM City Iloilo	LG/F SM City Iloilo, Benigno Aquino Avenue, Barangay Boliao, Mandurriao, Iloilo City
20	CBG Office - SM North Tower	10th & 11th Floor, SM North Tower 1, EDSA cor North Ave., Quezon City
21	CBG Office – SM Olongapo	410B-410D, 4F, SM City Olongapo Magsaysay Drive cor. Gordon Ave. Brgy Pag-Asa, Olongapo City, Zambales
22	CBG Office – Tagum Pioneer	2nd floor BDO Network Bank Tagum Building, Pioneer Avenue, Tagum City, Davao Del Norte
23	CBG Office - Tuguegarao	2F Sychangco Bldg. Bonifacio Street, Tuguegarao City Cagayan
24	CBG Office – Two E-com	6 th Floor, Four Ecom Center, East Tower Bldg., JW Diokno Boulevard, Pasay City
25	CBG Office – Waltermart Calamba	2nd Floor Waltermart Makiling, Brgy. Makiling National Highway Calamba Laguna
26	Customer Contact	Ground Floor & 4 th Floor, , BDO Network Banks Inc - Building

No.	NAME	ADDRESS
	Center – Davao Sasa	Kilometer 9, Sasa, Davao City
27	Customer Contact Center – Meridian Park	8th - 9th Floors Tower 1 Double Dragon Plaza, Meridian Park, Macapagal cor. Edsa Extn, Pasay City
28	Customer Contact Center – SM North Tower	12th floor SM North Tower 1 Edsa cor. North Ave. Quezon City
29	IBG Combank Legazpi	PVLB Building 7, Benny Imperial Street, Barangay 16, Kawit, East Washington Drive, Legazpi City
30	IBG Combank Tacloban	3F, AIA Building, Justice Romualdez Street, Tacloban City
31	ITO – Data Center Operations – Davao Sasa Building	5 th Floor & 6 th Floor BDO Network Bank Inc., Building Kilometer 9, Sasa, Davao City
32	SM Delgado Regional Office	Ground Floor, Annex Building, SM Delgado Iloilo City

(e) Metro Manila Branches

1. Lot leased

No.	BRANCH	ADDRESS
1	Better Living	Doña Soledad Avenue corner France St., Better Living, Parañaque City
2	BF Homes Aguirre - P. Corpuz	L1 B5 A. Aguirre Ave. corner Pio V. Corpuz St., Brgy. BF Homes, Parañaque City
3	Commonwealth Ave. - Holy Spirit	Lot 27 Commonwealth Avenue, Brgy. Holy Spirit, Quezon City
4	Congressional - Mindanao Avenue	Congressional Avenue corner Mindanao Avenue, Quezon City
5	Isidora Hills	BDO Bldg., Pook Ligaya Riding Ground, Interneighborhood Road, Isidora Hills Subdivision, Brgy. Holy Spirit, Quezon City
6	Las Piñas - BF Resort	BDO Bldg., Blk 4 Lot 9 BF Resort Drive Phase 4, BF Resort Village, Las Piñas
7	Makati - J.P. Rizal	872 JP Rizal St., Brgy. Poblacion, Makati City
8	Makati - P. Ocampo Sr.Ext.	243 P. Ocampo Sr. corner Flor de Lis St., Brgy. La Paz, Makati City
9	Marikina - Tañong	223 A. Bonifacio Avenue, Brgy. Tañong, Marikina City
10	Mayon	No 166 Mayon St., Brgy. Maharlika, Sta. Mesa Heights, Quezon City
11	Mayon - Simoun	116 Mayon St., Sta. Mesa Heights, Brgy. Lourdes, Quezon City
12	Munoz - Roosevelt	313 Roosevelt Avenue, Barangay San Antonio, San Francisco Del Monte, Quezon City
13	Novaliches	1016 Quirino Highway Town Proper, Brgy. Monica, Novaliches, Quezon City
14	Paso De Blas - North Expressway	Lot 921-B-1-B, Paso De Blas Road, Brgy. Paso De Blas, Valenzuela City
15	Quezon City - Kalayaan Avenue	108 Kalayaan Avenue, Brgy. Central, Central, Quezon City

No.	BRANCH	ADDRESS
16	Visayas Avenue - Project 6	57 Visayas Avenue, Brgy. Vasra, Quezon City

2. Building leased

No.	BRANCH	ADDRESS
1	6780 Ayala Avenue	G/F 6780 Ayala Avenue Bldg., 6780 Ayala Avenue, Brgy. San Lorenzo, Makati City
2	A Place - Coral Way	G/F A Place, Coral Way Drive, MOA Complex, Central Business Park 1, Island A, Pasay City
3	A. Arnaiz - Paseo	G/F Joni's Bldg., 832 Arnaiz Ave. corner Edades St., Brgy. San Lorenzo, Makati City
4	A. Arnaiz - San Lorenzo Village	1st Floor, Unit 101, Windsor Square Bldg., 1030 A. Arnaiz Avenue, Barangay San Lorenzo, Makati City
5	A. Bonifacio Ave. - Cloverleaf	2/F, Ayala Malls Cloverleaf, A. Bonifacio Avenue, Brgy. Balingasa, Quezon City
6	A. Mabini - Gen. Malvar	Unit R1 G/F, Hollywood Garden Square Bldg., 1709 A. Mabini St. corner Gen. Malvar St., Brgy. 699, Zone 076, Malate, Manila
7	ABS CBN - Mother Ignacia St.	Stall No. 22, East Wing, G/F ELJCC Bldg., Sgt. E.A. Esguerra Avenue corner Mother Ignacia St., Brgy. South Triangle, Quezon City
8	Acropolis - E. Rodriguez Jr.	G/F The SPA Bldg., E. Rodriguez Jr. Ave., Bagumbayan, Quezon City
9	Adriatico - Sta. Monica	1347 Adriatico near corner Sta. Monica across Robinson's Place Manila, Brgy. 669, Ermita, Manila
10	Alabang - Finance Street	Unit 3 & 4, Paz Madrigal Plaza, Alabang Zapote Road corner Finance Street, Brgy. Ayala Alabang, Madrigal Business Park, Ayala Alabang, Muntinlupa City
11	Alabang - Madrigal Avenue	Molito 2 Bldg., Units 1, 2 & 3, Alabang-Zapote Road corner Madrigal Avenue, Alabang, Muntinlupa City
12	Alabang Hills	Unit G02 UG/F Madison Galleries, No. 398 Don Jesus Blvd., Brgy. Cupang, Alabang Hills, Muntinlupa City
13	Alabang Town Center	1139 Lower Ground Floor, New Entertainment Complex Alabang Town Center, Brgy. Ayala - Alabang, Muntinlupa City 1780
14	Anonas - Kamias	Anonas St. corner K-6 St., East Kamias, 1102 Quezon City
15	Araneta Center - Ali Mall II	Level 2, A202019-202020R, Ali Mall II, P. Tuazon Avenue, Araneta Center, Brgy. Socorro, Cubao, Quezon City
16	Araneta Center - Gateway Mall	00016 Gateway Mall, Gen. Malvar Avenue, Brgy. Socorro, Cubao, Quezon City
17	Arranque	1359-1361 Soler St., Sta. Cruz, Manila
18	Aseana - Monarch Parksuites	Space 118 Monarch Parksuites, Bradco Avenue, Aseana Business Park, Brgy. Baclaran, Parañaque City
19	Aurora Blvd. - Anonas	Manahan Bldg., Aurora Blvd. corner Anonas Avenue, Quezon City
20	Aurora Blvd. - New Manila	669 Aurora Blvd., Broadway Heights Bldg., Brgy. Mariana, New Manila, Quezon City
21	Aurora Blvd. - Princeton Residences	SMDC Princeton Residences (LC 102a-103d), Aurora Blvd., Brgy. Valencia, Quezon City

No.	BRANCH	ADDRESS
22	Ayala - Rufino	G/F Rufino Bldg., Ayala Avenue corner Herrera St., 1226 Makati City
23	Ayala Alabang	G/F Condominium C Unioil Center Bldg., Acacia Avenue corner Commerce Avenue, Ayala Alabang, Muntinlupa
24	Ayala Alabang - Richville Center	Richville Center, 1314 Commerce Avenue Extension, Madrigal Business Park, Ayala Alabang, Muntinlupa
25	Ayala Avenue	6805 Multinational Bancorporation Bldg., Ayala Avenue, Makati City
26	Ayala Avenue - People Support	G/F People Support Center, Amorsolo St. corner Ayala Avenue, Makati City
27	Ayala Avenue - SGV 1 Bldg.	G/F SGV 1 Building, 6760 Ayala Avenue, Makati City
28	Ayala Avenue Extension - Alphaland Makati Place	Unit G10-G11, The Shops at Alphaland Makati Place, 7232 Ayala Avenue Ext. corner Malugay St., Brgy. Bel-Air, Makati City
29	Ayala Triangle 1	GM-B G/F Tower 1, Ayala Triangle, Ayala Avenue, Makati City
30	Baclaran	2987 Taft Avenue Extension, Pasay City
31	Balubaran - MacArthur Highway	G/F Bldg. 1, Arca Strip Commercial Center, 32 MacArthur Highway, Brgy. Dalandanan, Valenzuela City 1443
32	Banawe - Agno	202-204 Banawe St. corner Agno St., 1103 Quezon City
33	Banawe - Amoranto	650 N.S. Amoranto Avenue corner Banawe St., Quezon City
34	Banawe - Kitanlad	23-25 Banawe St. corner Kitanlad St., Quezon City
35	Banawe - N. Roxas	71 Nicanor Roxas St. corner Banawe St., Quezon City
36	Bel-Air - SM Cyberzone 1	G/F SM Makati Cyberzone 1, along Sen. Gil Puyat Avenue, Makati City
37	Better Living - Bicutan	43 Doña Soledad Avenue, Better Living Subdivision, Don Bosco, Parañaque City
38	BF Homes - Aguirre	RGM Bldg., 326 Aguirre Avenue, BF Homes, Parañaque
39	BF Homes - Tahanan Village	G/F, RRI Bldg. 1, No. 19 President's Avenue, Tahanan Village, Brgy. BF Homes, Parañaque City
40	BF Homes - Teoville	G/F Aurora Comm Bldg., President's Ave., Teoville Subd., Brgy. BF Homes, Parañaque City
41	BGC - 9th Avenue	Active Fun Bldg., 9th Avenue corner 28th St., Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
42	BGC - Burgos Circle	Unit 1-F & 1-E G/F, Crescent Park Residences, 2nd Avenue corner Burgos Circle, Bonifacio Global City, Taguig City
43	BGC - Crescent Park West	Arthaland & Century Pacific Tower, 30th St. corner 4th Avenue, Crescent Park West, Brgy. Fort Bonifacio, Bonifacio Global City, Taguig
44	BGC - Ecotower	G/F Ecotower, 32nd St. corner 9th Avenue, Bonifacio Global City, Taguig City
45	BGC - Fort Legends	G/F Fort Legends Tower, corner 31st St. & 3rd Avenue, Bonifacio Global City, Taguig City
46	BGC - Grand Hamptons Tower	Grand Hamptons Tower, 1st Avenue corner 31st St., Bonifacio Global City, Taguig City
47	BGC - Inoza Tower	G/F, Inoza Tower, 39th Street, Bonifacio North Triangle, Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
48	BGC - J.Y. Campos Center	G/F J.Y. Campos Center, 30th St. corner 9th Avenue, Bonifacio Global City, Taguig City
49	BGC - Market Market	Space No. 101, Market Market, Bonifacio Global City, Fort Bonifacio, Taguig, MM

No.	BRANCH	ADDRESS
50	BGC - One McKinley Place	G/F One McKinley Place, 4th Avenue corner 25th St., Bonifacio Global City, Taguig
51	BGC - One Park Drive	G/F Retail Unit Nos. 1 & 2, One Park Drive, 9th Avenue cor 11th Drive, Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
52	BGC - One World Place	G/F, Unit 103, One World Place, 32nd St., Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
53	BGC - Phil. Stock Exchange	5/F One Bonifacio High Street Bldg., 28th St. corner 5th Avenue, Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
54	BGC - Picadilly Star	G/F Picadilly Star Corporate Center, 4th Avenue corner 27th St., Bonifacio Global City, Taguig
55	BGC - Shangri-La The Fort	Unit G/F 22, G/F Shangri-La at the Fort Manila, 30th St. corner 5th Ave., Brgy. Fort Bonifacio, Bonifacio Global City, Taguig
56	BGC - St. Luke's	St. Luke's Medical Center, Rizal Drive corner 5th Avenue & 32nd St., Fort Bonifacio Global City, Taguig
57	BGC - The Infinity Tower	Unit 103 The Infinity Tower, 26th St., Brgy. Fort Bonifacio, Bonifacio Global City, Taguig
58	BGC - University Parkway	G/F Aveceshares Center, 1132 University Parkway, Bonifacio North Triangle, Bonifacio Global City, Taguig
59	BGC - Uptown Eastgate	G/F, Retail 1 Uptown Bldg., 11th Avenue corner 36th St., Uptown Bonifacio, Brgy. Fort Bonifacio, Taguig City
60	BGC - Uptown Palazzo	4/F, The Uptown Palazzo, 8th Avenue corner 38th St., Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
61	BGC - World Plaza	G/F, Unit 6, World Plaza, 4th Avenue, Brgy. Fort Bonifacio, Bonifacio Global City, Taguig City
62	Bicutan - East Service Road	Prime Corporate Center, Km. 15 East Service Road corner Marian Road 2, Brgy. San Martin de Porres, Parañaque City
63	Bicutan - Sun Valley	RA024-RA026, Aria A Amaia Steps Bicutan, Sun Valley Drive, Brgy. Sun Valley, Parañaque City
64	Bicutan - West Service Road	HRDC Bldg., KM. 16 South Super Highway corner Acisie Road, Severina Industrial Estate, Brgy. Marcelo Green, Parañaque
65	Binondo	Lot 34 and 35, Blk. 2012, Quintin Paredes St., Brgy. 289, Zone 27, Binondo, Manila
66	Binondo - San Fernando	Units 1-6, G/F, 500 San Fernando St., San Nicolas, 026, Brgy. 282, Manila
67	Blumnetritt - Yuseco	G/F & 2F, Cut Salon Main Office, 1581 F. Yuseco St. corner Rizal Avenue, Brgy. 358, Sta. Cruz, Manila 1012
68	Boni - Dansalan	G/F Exbonytz, Inc. Bldg., Boni Avenue corner M. Vicente St., Mandaluyong City
69	Boni - Ligaya	654 Boni Avenue, 1550 Mandaluyong City
70	Bonny Serrano Avenue	Unit 11 & 12, Aguinaldo Corporate Centre, 125 Col. Bonny S. Serrano Avenue, Brgy. Socorro, Quezon City
71	Bonny Serrano West Crame	G/F, Skylights Center, No. 314 Col. Bonny Serrano Avenue corner 2nd West Crame, Brgy. West Crame, San Juan City
72	Buendia - Taft	401 Sen. Gil Puyat Ave. corner Dominga St., Brgy. 48, Pasay City
73	C. M. Recto - Reina Regente	1059 CM Recto Avenue corner Reina Regente St., Binondo, Manila

No.	BRANCH	ADDRESS
74	Cainta - Sumulong Highway	Along Sumulong Highway, Brgy. Balanti, Cainta, Rizal
75	Calle Industria - Circulo Verde	G/F Unit I-102, Industria, Circulo Verde, No. 70 Calle Industria, Brgy. Bagumbayan, Quezon City
76	Caloocan	Rizal Avenue Extension near corner 11th Avenue, Grace Park, Caloocan City
77	Caloocan - A. Mabini	349 A. Mabini St., Poblacion, Brgy. 18, Zone 2, District 2, Caloocan City
78	Caloocan - Metroplaza Camarin	LG/F, Unit Nos. 1-2, Metroplaza, Lot 5, Camarin Road, Barangay 173, Caloocan City
79	Caloocan - Primark Deparo	Primark Town Center, Gilmar's Place Subd., BF Homes, Brgy. 168, Deparo, Caloocan City
80	Caloocan 7th Ave.	Rizal Avenue Extension corner 7th Avenue, Caloocan City
81	Carmen Planas - P. Rada	1033-1035 C. Planas St., 1012 Tondo, Manila
82	Carmen Planas - Zaragosa	921 Carmen Planas St. corner Zaragosa St., Tondo, Manila
83	Cash & Carry	G/F Unit No. G01A, Cash & Carry Mall, South Super Highway & Filmore St., Makati City
84	Central Market - V. Fugoso	1724 V. Fugoso St., Brgy. 311 Zone 31, District 3, Sta. Cruz, Manila
85	Chino Roces Avenue	Units 3 & 4 La Fuerza Plaza, Chino Roces, Makati City
86	Chino Roces Avenue - Dela Rosa	Unit 101 & 102, G/F, One Oculus Center, 2120 Chino Roces Avenue, Brgy. Pio del Pilar, Makati City
87	Chino Roces Avenue - V.A. Rufino	G/F Pacifica One Center, 2178 Don Chino Roces Avenue, Brgy. Pio Del Pilar, Makati City
88	Chino Roces Extension - Lumbang	G/F Dacon Bldg., 2281 Chino Roces Ave., Ext., Brgy. Magallanes, Makati City
89	City of Dreams Manila	2nd Level, City of Dreams Manila, Aseana corner Roxas Blvd., Brgy. Tambo, Parañaque City
90	Commonwealth	G/F Teresita Bldg., Holy Spirit Drive, Don Antonio Heights, Quezon City
91	Commonwealth - Don Antonio	Don Antonio Sports Center, Holy Spirit Drive, Don Antonio Heights Subdivision, Quezon City
92	Commonwealth - Ever Gotesco	Ever-Gotesco Commonwealth Center, Don Mariano Avenue corner Don Antonio Road, Brgy. Batasan Hills, Quezon City
93	Commonwealth - Shopwise	Units A3 and A4, G/F, Shopwise Commonwealth, Commonwealth Avenue, Brgy. Holy Spirit, Quezon City
94	Congressional Ave. Ext. - T.M. Kalaw	Blk. 3 Lot 6 Mira Nila Homes, Congressional Ave. Ext., Brgy. Pasong Tamo, Quezon City
95	Congressional Avenue	The Excelland System I, Congressional Avenue, Quezon City
96	Congressional Avenue - Project 8	149 Congressional Ave., Brgy. Bahay Toro, Project 8, Quezon City
97	Cubao - P. Tuazon	MEC Tower, P. Tuazon Ave. corner 21st St., Cubao, Quezon City
98	Dapitan St. - A. H. Lacson Ave.	Diorea Plaza, Dapitan St. corner A.H. Lacson Avenue, Sampaloc, Manila
99	Del Monte - Araneta Avenue	641 Del Monte Avenue, San Francisco Del Monte, Quezon City
100	Del Monte - Sienna	409 Del Monte Avenue, Quezon City 1105
101	Del Monte Avenue	63 Del Monte Avenue, Brgy. Manresa, Quezon City

No.	BRANCH	ADDRESS
102	Dela Rosa - Gallardo	G/F Unit 15 Tropical Palms Condominium, 103 Dela Rosa St. corner Gallardo St. corner Perea St., Brgy. San Lorenzo, Legaspi Village, Makati City
103	Dela Rosa - Legazpi	G/F, Insular Health Care Bldg., 167 Dela Rosa corner Legazpi Streets, Legaspi Village, Brgy. San Lorenzo, Makati City
104	Dela Rosa - Rada	Ace Bldg., corner Dela Rosa St. & Rada St., Legaspi Village, 1229 Makati City
105	Diliman - Capitol Hills	Lot 2 and 3, Block 1, Capitol Hills Drive, Matandang Balara, Quezon City
106	Diliman - Matalino	G/F Suntrust Capitol Plaza, Matalino St. corner City Hall Drive corner Makatarungan St., Brgy. Central, Diliman, Quezon City
107	Divisoria - Juan Luna	744 - 746 Ilaya St., San Nicolas 025, Brgy. 268, Tondo, Manila
108	Divisoria - Sta. Elena	668 Sta. Elena St., Binondo, Manila
109	Dr. A. Santos Avenue - Amaia Steps	Units R108-R112, Amaia Steps Sucat, Dr. A. Santos Ave., Brgy. San Antonio, Parañaque City
110	Dr. A. Santos Avenue - Puregold Evacom	Commercial Units No. 8-10, Puregold San Dionisio, Dr. A. Santos Avenue, Brgy. San Dionisio, Parañaque City
111	Dr. A. Santos Avenue - UPS 5	G/F Omniworx Business Center, 0060 Dr. A. Santos Avenue, Brgy. San Isidro, Parañaque City
112	E. Rodriguez - Welcome Rotonda	G/F AEK Bldg., 40 E. Rodriguez Sr. Avenue, Don Manuel, Quezon City
113	E. Rodriguez Jr. Ave. - Bridgetowne	Shop 2-6 Tera Tower at Bridgetowne, E. Rodriguez Jr. Ave., Libis, Quezon City
114	E. Rodriguez Sr. - Hillcrest	G/F Rhodium Square Bldg., 1659 E. Rodriguez Sr. Avenue, Brgy. Pinagkaisahan, Quezon City
115	E. Rodriguez Sr. - New Manila	Unit 1B-1E, JCR Bldg., 958 E. Rodriguez Sr. Avenue, Brgy. Mariana, Quezon City
116	Eastwood City - E. Rodriguez Jr. Avenue	Magnitude Commercial Arcade, E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City
117	Eastwood City - IBM Plaza	G/F IBM Plaza, Eastwood City, E. Rodriguez Jr., Avenue, Bagumbayan, Quezon City
118	Eastwood City - Olympic Heights	G/F Olympic Heights, Eastwood City Cyberpark, Bagumbayan, Quezon City
119	Echague	116-120 C. Palanca St., Quiapo, Manila
120	EDSA - A. De Jesus	474 EDSA corner B. Serrano & A. De Jesus St, 1403 Caloocan City
121	EDSA - Balintawak	G/F, 1310 EDSA, Brgy. Apolonio Samson, Balintawak, Quezon City
122	EDSA - Bangkal	3 EDSA, Brgy. Bangkal, Makati City
123	EDSA - Boni Avenue	LG/F, Phinma Properties Center, No. 29 EDSA Brgy. Barangka Ilaya, Mandaluyong City 1500
124	EDSA - Eton Centris	Retail B, Cyberpod Centris Three, Eton Centris, EDSA corner Quezon Ave., Brgy. Pinyahan, Quezon City
125	EDSA - Kalayaan Avenue	G/F Palmyra Bldg., Kalayaan Avenue corner EDSA, Brgy. Pinagkaisahan, Makati City
126	EDSA - New Farmers Plaza	Unit FPGF038R & FPGF054R, G/F New Farmers Plaza, General Roxas Avenue, Araneta City, Brgy. Socorro, Cubao, Quezon City
127	EDSA - New York	EDSA corner New York St., Cubao 1111, Quezon City

No.	BRANCH	ADDRESS
128	EDSA - Ortigas	Maranaw Plaza, 187 Edsa, Brgy. Wack-Wack, Greenhills East, Mandaluyong City
129	EDSA - Panorama Technocenter	G-02 Panorama Technocenter, 1029 EDSA, Brgy. Veterans Village I, Muñoz, Quezon City
130	EDSA - Pasay	507 EDSA corner B. Garcia St., 1300 Pasay City
131	EDSA - Skysuites Towers	927 The Skysuites Towers, Quezon Ave., corner EDSA, Brgy. West Triangle, District 1, Quezon City
132	EDSA Cubao	596 Simeon Medalla Bldg., corner Gen. MacArthur Avenue, EDSA, Quezon City
133	EDSA East - Caloocan	L & E Bldg., EDSA corner Gen. Concepcion St., Caloocan City
134	EDSA POEA	POEA Bldg., EDSA corner Ortigas Avenue, Mandaluyong City
135	Elcano	SHC Tower, 619 Elcano St., San Nicolas, Manila
136	Elcano - C.M. Recto	821, 821-A and 823 Elcano Street, Barangay 270, Binondo, Manila
137	Emerald Avenue	G/F, Unit 101, Taipan Place, Don Francisco Ortigas Jr. Road, Pasig City
138	Escolta	303 Escolta St., Brgy. 291, Binondo, Manila
139	España	Carmen Bldg., Espana corner G. Tolentino St., Sampaloc, Manila
140	España - Basilio	España St. corner Basilio St. corner Instruccion St., Brgy. 512, Manila
141	España - Blumentritt	2101-2103 España Avenue corner Blumentritt St., 1008 Sampaloc, Manila
142	España - Grand Residences 2	C1-C2, Grand Residences España Tower 2, 958 A.H. Lacson St., Brgy. 479, Zone 47, Sampaloc, Manila
143	España - M. Dela Fuente	Esperanza Place, España Blvd. corner M. Dela Fuente St., Sampaloc, Manila
144	Evangelista - Makati	1695 Evangelista St. corner Gen. Lacuna St., Bangkal, Makati City 1233
145	F. Ortigas Jr. Road	G/F Ortigas Center Association, Inc. Bldg., F. Ortigas Jr. Road, Brgy. Oranbo, Ortigas Center, Pasig City
146	Fairview - Ayala Terraces	UG/F Space No. U066, Ayala Fairview Terraces, Quirino Highway corner Maligaya Drive, Brgy. Pasong Putik, Novaliches, Quezon City
147	Fairview - Brittany Square	G/F IL 103, Brittany Square, Belfast St. corner Mindanao Avenue Extension, Brgy. Pasong Putik, Fairview, Quezon City
148	Fairview - Dahlia	No. 49, MDY Centre, Dahlia Avenue corner Jaguar St., West Fairview, Brgy. Fairview, Quezon City
149	Fairview - Doña Carmen	Shopking Doña Carmen Commercial Center, Commonwealth Avenue, Brgy. North Fairview, Quezon City
150	Fairview - Fairmont	Regalado Avenue, Brgy. North Fairview, Novaliches, Quezon City
151	Fairview - Peacock Plaza	Peacock Plaza, Lot 1 Blk 2, Commonwealth Ave. corner Peacock St., Brgy. Fairview Park, Quezon City
152	Filinvest - Alabang	G/F Tower 1, Insular Life Corporate Center, Insular Life Drive, Filinvest Corporate City, Alabang, Muntinlupa City
153	Filinvest - Civic Drive	Units 7 & 8, AA Corporate Plaza, Civic Drive, Filinvest Corporate City, Brgy. Alabang, Muntinlupa City

No.	BRANCH	ADDRESS
154	Filinvest - Northgate Aeon Center	Space 2, Aeon Center, Alabang Zapote Road corner North Bridgeway, Filinvest Corporate City, Brgy. Alabang, Muntinlupa City
155	Filinvest - Spectrum Midway	Space 3 & 4, Polaris Bldg., Spectrum Midway St., Filinvest Corporate City, Brgy. Alabang, Muntinlupa City
156	Filinvest Avenue	G/F BC Group Bldg., Filinvest Ave. corner Commerce Ave., Brgy. Ayala Alabang, Filinvest Corporate City, Alabang, Muntinlupa
157	FiveE-comCenter	G/F Five E-com Center, Pacific Drive corner Bayshore Ave., Brgy. 76, Zone 10, Mall of Asia Complex, Pasay City
158	Fort Bonifacio - Bayani Road	Bayani Road corner M. Roxas St., Fort Bonifacio, Taguig
159	Fort Bonifacio - McKinley Hill	G/F Three World Square, McKinley Hill, Fort Bonifacio, Taguig
160	Fort Bonifacio - McKinley West	LG/F Shops 3-5, Cyber Sigma, Lawton Avenue, McKinley West, Brgy. Fort Bonifacio, Taguig City
161	G. Araneta - Brixton Hill	G/F ILO Bldg., 195 G. Araneta Avenue, Quezon City
162	Gandara - Soler	1268 Soler St. corner S. Padilla St., 1006 Binondo, Manila
163	Gandara - T. Pinpin	421 Tomas Pinpin St., Brgy. 290 Zone 27, District 3, Binondo, Manila
164	GC Corporate Plaza - Legaspi St.	150 GC Corporate Plaza, Legaspi St., Legaspi Village, Makati City
165	General Luis	297 Gen. Luis St., Barrio Kaybiga, Caloocan City
166	Gil Puyat - Filmore	1320 Filmore St., Brgy. Palanan, Makati City
167	Gil Puyat - Harrison	Unit IC, ID & IE, No. 53 Gil Puyat Avenue, Brgy. San Rafael, Pasay City
168	Gil Puyat - Metro House	Metro House Building, 345 Sen. Gil J. Puyat Avenue, Brgy. Bel-Air, Makati City
169	Gil Puyat - Taft	336-338 Gil Puyat Avenue, Brgy. 49, Pasay City
170	Gil Puyat - TechZone	G/F TechZone Philippines Bldg., 213 Sen. Gil Puyat Ave., Brgy. San Antonio, Makati City
171	Grace Park	G/F A & R Bldg., 213 Rizal Avenue Extension, Grace Park, Caloocan City
172	Grace Park - 11th Avenue	1619 Rizal Avenue Extension corner 11th Avenue, 1400 Caloocan City
173	Grass Residences	Unit 101-102B, The Strip at Grass Residences, Misamis St. corner Nueva Ecija and Nueva Vizcaya Sts., Sto. Cristo 3, Quezon City
174	Greenbelt - Paseo de Roxas	G/F, Corinthian Plaza Bldg., 121 Paseo de Roxas, Legaspi Village, Brgy. San Lorenzo, Makati City
175	Greenhills - Annapolis	Unit 101, G/F Vasquez-Madrigal Plaza, Annapolis, Greenhills, San Juan
176	Greenhills - Connecticut	287 Connecticut St., Greenhills East, Brgy. Wack Wack, Mandaluyong City
177	Greenhills - GH Mall	LG 042-043, Lower Ground, GH Mall, Greenhills Shopping Center, Brgy. Greenhills, San Juan City
178	Greenhills - O Square	G/F Unit OS-105, O Square Greenhills Shopping Center, Ortigas Avenue, Brgy. Greenhills, San Juan City
179	Greenhills - West	101 Limketkai Bldg., Ortigas Avenue, San Juan, MM
180	Greenhills - Wilson	227 Wilson St. corner Don Miguel St., San Juan, MM
181	Greenhills Shopping Center	G/F Jeweller Center, Greenhills Shopping Center, Ortigas Avenue, San Juan, Metro Manila

No.	BRANCH	ADDRESS
182	H.V. Dela Costa	120 Westgate Plaza Condominium, Salcedo Village, Makati City
183	Ilaya	1049-1051 Ilaya St., Divisoria, Manila
184	Ilaya - Padre Herrera	1089 Ilaya St., Brgy. 3, Zone 01, Tondo, Manila
185	Intramuros	G/F Chamber of Commerce Bldg., 3 Magallanes Drive, Intramuros, Manila
186	J. Abad Santos	G/F Ching Leong Temple, J. Abad Santos Avenue, Tondo, Manila
187	JAS - Antipolo	G/F Intercast Corporate Tower, 2230 J. Abad Santos Avenue, Tondo, Manila
188	JAS - Padre Algue	G/F, Unit C-4, Cintiley Residences, 1278 J. Abad Santos Ave., Brgy. 259, Zone 023, Tondo, Manila
189	Juan Luna	262 Juan Luna Street, Binondo, Manila
190	Juan Luna - Plaza Lorenzo Ruiz	GF, First Binondo Centre, 522 Juan Luna St., Brgy. 287, Zone 27, Binondo, Manila 1006
191	Julia Vargas - IBP Tower	G/F IBP Tower, Doña Julia Vargas Avenue and Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City
192	Julia Vargas - Ortigas Technopoint One	Unit Nos. G04-07, OTP Bldg. 1, No. 01, Julia Vargas Avenue, Ugong, Pasig City
193	Julia Vargas - Valle Verde	Units L1-01 & L1-02, Silver City, Frontera Verde, Brgy. Ugong, Pasig City
194	Jupiter - Reposo	G/F CEI Headquarters, 158 Jupiter St. corner N. Garcia St., Bel-Air Village, Makati City
195	Kamagong	2567 P. Ocampo (Vito Cruz Extension) corner Madre Perla St., Manila
196	Kamias Road	Trinidad Bldg., Kamias Road corner K- J St., Quezon City
197	Karrivin Plaza - Chino Roces Avenue Ext.	G/F Building A, Karrivin Plaza, 2316 Chino Roces Avenue Extension, Makati City
198	Karuhatan - MacArthur Highway	KM. 13 MacArthur Highway, 1441 Karuhatan, Valenzuela, Metro Manila
199	Katipunan	Regis Center, No. 327 Katipunan Avenue corner F. dela Rosa St., Loyola Heights, Quezon City
200	Katipunan - Blue Ridge	G/F, Place One Building, 205 Katipunan Avenue, Brgy. Milagrosa, Quezon City
201	Katipunan - Loyola Heights	De Borja Commercial Bldg., 299 Katipunan Avenue, Brgy. Loyola Heights, Quezon City
202	Katipunan - Xavierville	G/F Xavierville Square Condominium, 38 Xavierville Avenue, Loyola Heights, Quezon City
203	Katipunan Avenue - U.P. Town Center	Second Level, Phase 2, Space No. 278a, Ayala Malls U.P. Town Center, Katipunan Avenue, Brgy. U.P. Campus, Quezon City
204	Las Piñas - Almanza	Alabang-Zapote Road, Almanza Uno, Las Piñas, Metro Manila
205	Las Piñas - Evia Daang Hari	Evia Lifestyle Center, Daang Hari Road, Tindig na Mangga, Brgy. Almanza Dos, Las Piñas City
206	Las Piñas - J. Aguilar Avenue Casimiro	Blk. 1 Lot 9 J. Aguilar Avenue, Casimiro Village 3, Brgy. BF International, Las Piñas City
207	Las Piñas - Marcos Alvarez Avenue	B-2 L-19 Kimberkay Bldg., Marcos Alvarez Ave., Brgy. Talon Cinco, Las Piñas City
208	Las Piñas - Naga Road	Near corner Naga Road and Main Access Road, E.T. Homes 2, Pulanglupa 2, Las Piñas City

No.	BRANCH	ADDRESS
209	Las Piñas - Pamplona Tres	Unit 101-104, G/F, Lot G & H, Torre Sur, Alabang Zapote, Brgy. Pamplona Tres, Las Piñas City
210	Las Piñas - Talon	G/F Motiontrade Bldg, Alabang-Zapote Road, Talon, Las Piñas City
211	Lavezares	321-325 Garden City Condominium corner Lavezares & Camba St., San Nicolas, Manila
212	Legaspi Village - C. Palanca	G/F Colonade Residences, No. 132 Legaspi Village, Makati City
213	Legaspi Village - Gamboa	KL Tower, 117 Gamboa Street, Legaspi Village, Brgy. San Lorenzo, Makati City
214	Legaspi Village - Salcedo St.	Maxicare Tower, 203 Salcedo St., Legaspi Village, Makati City
215	Leon Guinto - Gen. Malvar	Wynn Plaza Commercial Unit 2, 1674 Leon Guinto corner Gen. Malvar & Agoncillo Sts., Brgy. 694, Zone 075, Malate, Manila
216	Leon Guinto - San Andres	G/F Unit A Queen Rose Bldg, 911 San Andres St. corner Leon Guinto St., Brgy. 723, Malate, Manila
217	Loyola Heights - Berkeley Residences	G/F Berkeley Residences, Katipunan Ave. corner Escaler St., Loyola Heights, Quezon City
218	Macapagal Blvd. - Aseana 3	G/F, Shop 3, Aseana 3, Pres. Diosdado Macapagal Blvd. corner Asean Avenue, Aseana City, Brgy. Tambo, Parañaque City
219	Macapagal Blvd. - Bay Area	Space Number 2013, Ayala Malls Manila Bay, Diosdado Macapagal Blvd. corner Asean Avenue, Brgy. Tambo, Parañaque City
220	Macapagal Blvd. - Meridian Park	G/F, Double Dragon Plaza, DD Meridian Park, Macapagal Ave. corner EDSA Ext., Bay Area, Brgy. 76, Zone 10, Pasay City
221	Macapagal Blvd. - Pearl Drive	Unit Nos. 105 & 106, Scape Bldg., Diosdado Macapagal Avenue corner Pearl Drive, Brgy. 76, San Rafael, Mall of Asia Complex, Pasay City
222	Macapagal Blvd. - W Mall	G/F W-Mall, Diosdado Macapagal Avenue corner Coral Way, Brgy. 76, Zone 10, Pasay City
223	Magallanes Village	Unit 104 The Gate Way Center, Paseo de Magallanes, Magallanes Village, Makati City
224	Makati - Century City Mall	L111, L113C & L110, Ground Floor, Century City Mall, Kalayaan Avenue corner Kalayaan Loop Road, Brgy. Poblacion, Makati City
225	Makati - Circuit Mall	Level 2, L2 049-L2 050, Ayala Malls Circuit, Circuit Makati, Hippodromo St., Brgy. Carmona, Makati City
226	Makati - Esteban	G/F A & V Crystal Tower, 105 Esteban St., Legaspi Village, Makati
227	Makati - Evangelista Macabulos	G/F QS Bldg., Evangelista St. corner General Macabulos St., Brgy. Bangkal, Makati City
228	Makati - Gramercy Residences	G/F Gramercy Residences, The Century City, Salamanca St., Brgy. Poblacion, Makati
229	Makati - Jazz Residences	G/F Jazz Residences, Jupiter St. corner N. Garcia St., Brgy. Bel-Air, Makati City
230	Makati - Metropolitan Avenue	G/F Metropolitan Terraces, Metropolitan Avenue corner Sacred Heart St., (formerly Dao St), Makati City
231	Makati Avenue - Zuellig	G/F Zuellig Building, Paseo de Roxas corner Makati Avenue, Makati City

No.	BRANCH	ADDRESS
232	Makati Shangrila Hotel	Unit 191 Shangrila Hotel Manila, Ayala Center, Makati City
233	Malabon - Concepcion	G/F Teresita Bldg., No. 4 Gov. Pascual Avenue, Brgy. Baritan, Malabon City 1470
234	Malabon - Fisher Mall	Unit 1F, G/F Malabon - Fisher Mall, Circumferential Road 4, Dagat-Dagatan Avenue, Brgy. Longos, Malabon City 1472
235	Malabon - Gov. Pascual	G/F MGC Veranda Bldg., 31 Gov. Pascual Avenue, Tenejeros, Malabon City
236	Malanday - McArthur Highway	G/F & 2/F, 584 MacArthur Highway, Brgy. Malanday, 1405 Valenzuela City
237	Malate - Adriatico	Adriatico Executive Center, Adriatico St., Ermita, Manila
238	Mall of Asia - S Maison	G/F S Maison, Marina Way, Mall of Asia Complex, Brgy. 76, Zone 10, Pasay City
239	Mall of Asia - Sea Residences	Location Code 119-121, G/F Sea Residences, Pearl Drive corner Sunrise Drive, SM Mall of Asia Complex, Brgy. 76, Zone 10, Pasay City
240	Mall of Asia - Shell Residences	SMDC Shell Residences (LC 123), EDSA corner Road 11, Brgy. 76, SM Mall of Asia Complex, Pasay City
241	Mall of Asia - Shore Residences	Location 120-121, G/F, Shore 1 Commercial, Shore Residences, Seaside Blvd. corner Sunrise Drive, SM Mall of Asia Complex, Brgy. 76, Zone 10, Pasay City
242	Mandaluyong - Calbayog	DMG Center, Libertad St. corner M. Cruz St., Mandaluyong City
243	Mandaluyong - Fame Residences	Location Code 131 - 133a, 163-165, G/F Fame Residences, EDSA and Mayflower St., Brgy. Highway Hills, Mandaluyong City
244	Mandaluyong - Libertad	Sierra Madre St. corner Libertad St. Mandaluyong City
245	Mandaluyong - Light Mall	G/F Light Mall, Light Residences, Edsa corner Madison St., Brgy. Barangka Ilaya, Mandaluyong City
246	Mandaluyong - Reliance	G/F, Units 3 & 4 Launch Pad Bldg., Reliance corner Sheridan Sts., Brgy. Highway Hills, Mandaluyong City
247	Mandaluyong - Rockwell Sheridan	Retail 10, G/F The Rockwell Business Center - Sheridan, Sheridan St. corner United St., Brgy. Highway Hills, Mandaluyong City
248	Manila - Otis	1763 Paz Mendoza Guanzon St., Paco, Manila
249	Marikina - Gil Fernando Ave.	Gil Fernando Avenue corner Dragon St., Marikina City
250	Marikina - JP Rizal	265 Jose Rizal St., Sta. Elena 1800, Marikina City
251	Marikina - Kalumpang	Florida 1 Bldg., J.P. Rizal corner M. A. Roxas St., Kalumpang, Marikina City
252	Marikina - Katipunan	G/F 107 Guerdon Commercial Center, Katipunan Avenue corner Rainbow St., Brgy. Concepcion Dos, Marikina City
253	Marikina - Lamuan	J. P. Rizal St. near corner Malaya St., Brgy. Lamuan, Marikina City
254	Marikina - Lilac Street	76 Lilac St., SSS Village, Brgy. Concepcion Dos, Marikina City
255	Marikina - Nangka	Unit 1A G/F Bldg 2 Citi Centre Nangka, J.P. Rizal Avenue corner Puerto Rico Avenue, Nangka, Marikina City
256	Marikina - Parang	105 Gen. B. G. Molina St., Brgy. Parang, Marikina City
257	Marikina - Xeland Gil Fernando Ave.	LS1-04 Xeland, Mayor Gil Fernando Avenue, Brgy. Sto. Niño, Marikina City

No.	BRANCH	ADDRESS
258	Marikina Heights	G/F Commercial Unit No. 108-110, Puregold & Ayala Malls Marikina, Liwasang Kalayaan, Brgy. Marikina Heights, Marikina City
259	Masangkay	Lun Hong Townmates Association Bldg., 1226 Masangkay, Sta. Cruz, Manila
260	Masangkay - CM Recto	1029-1031 JP. Bldg., Masangkay St. corner Tronqued St., Sta. Cruz, Manila
261	Masangkay - Luzon St.	907 Luzon St. corner Masangkay St., Tondo, Manila
262	Mascardo - Chino Roces Avenue	1101 Chino Roces corner Mascardo St., Brgy. Sta. Cruz, Makati City
263	Mayon - N. Roxas	241 Mayon Avenue corner Nicanor Roxas St., 1161 Quezon City
264	Maysilo Circle - F. Martinez Avenue	No. 315 Maysilo Circle, Brgy. Plainview, Mandaluyong City
265	Meralco - Ortigas	Meralco Compound, Ortigas Avenue, 1604 Pasig City
266	Meralco Avenue - Millenium Place	Unit 102 Millenium Place, Meralco Ave., Brgy. San Antonio, Pasig City
267	Mezza Residences	G/F Mezza Residences, Aurora Blvd. corner Araneta Avenue, Guirayan St., Brgy. Doña Imelda, Quezon City
268	Mindanao Ave. Ext. - Brittany	EC Center Bldg., Mindanao Ave. Extension corner Commonwealth Ave., Brgy. Pasong Putik, Quezon City
269	Mindanao Avenue - Bagong Pag-asa	Golden Sun Realty Bldg. II, No. 29 Mindanao Avenue, Brgy. Bagong Pag-asa, Quezon City
270	Mindanao Avenue - St. Charbel	G/F, Lot 2 Block 1, Mindanao Avenue, Brgy. Tandang Sora, Quezon City
271	Mindanao Avenue - Tandang Sora	G/F & 2/F, No. 18 Mindanao Avenue, Brgy. Tandang Sora, Quezon City
272	Monumento	G/F Sunhope Bldg., 78 MacArthur Highway, Brgy. 81, Caloocan City
273	Mother Ignacia - M Place	SMDC M Place South Triangle (LC 106-107), Mother Ignacia corner Panay Avenue, Brgy. South Triangle, Quezon City
274	Muntinlupa - Ayala South Park	First Floor, Unit 1008-1011, 1014, Ayala Mall South Park, National Road, Brgy. Alabang, Muntinlupa City
275	Muntinlupa - East Bay Residences	Ground Floor, East Bay Residences, KM21, East Service Road, Brgy. Sucat, Muntinlupa City
276	Muntinlupa - Poblacion	G/F, Elizabeth Center Bldg., National Road, Putatan, Muntinlupa
277	Muntinlupa - W Mall	G/F, W Mall Muntinlupa, Km 21 West Service Road, Brgy. Sucat, Muntinlupa City
278	N. Domingo - Gilmore Avenue	G/F Gilmore Tower, No. 2 Gilmore Ave. corner N. Domingo St., Brgy. Valencia, New Manila, Quezon City
279	N. Domingo - M. Paterno	G/F Maxsteel Bldg., No. 266 N. Domingo St., Brgy. Pasadena, San Juan City
280	NAIA 1	Arrival Area, Ninoy Aquino International Airport, Ninoy Aquino Avenue, 1705 NAIA, Parañaque City
281	NAIA 3	G/F, Arrival Lobby of Terminal 3, Ninoy Aquino International Airport, Andrews Avenue, Brgy. Villamor, Pasay City
282	Navotas	514 Northbay Blvd. corner Lacson St., Brgy. Bangkulasi, Navotas City 1485
283	Neptune - Makati Avenue	101 Neptune St. corner Makati Avenue, 1209 Makati City
284	Newport City	G/F Newport Office Building 1, Newport City, Pasay City

No.	BRANCH	ADDRESS
285	Newport City - Plaza 66	Unit Retail 13a, Plaza 66, Newport City, Manlunas St., Brgy. 183, Villamor Airbase, Pasay City
286	Newport World Resorts	18 B, G/F, Newport World Resorts, Villamor Airbase, Brgy. 183, Pasay City
287	Northbay - Virgo Drive	Melandrea V Bldg., Honorio Lopez Blvd. near corner Virgo Drive, North Bay, Navotas City
288	Novaliches - Lagro	Unit 108, SMDC Trees Residences, Quirino Highway, Barangay Pasong Putik, Novaliches, Quezon City
289	Novaliches - Quirino Highway Bagbag	612 Quirino Highway, Brgy. Bagbag, Novaliches, Quezon City
290	Novaliches - Regalado Avenue	G/F, Lot 11 Block 114, Regalado Avenue, Brgy. Greater Lagro, Novaliches, Quezon City
291	Novaliches - S&R Commonwealth Ave.	G/F, Unit 1, S&R Commonwealth, Commonwealth Avenue corner Quirino Highway, Brgy. Kaligayahan, Novaliches, Quezon City
292	Novaliches - Zabarte	G/F C.I. Plaza, 1151 Quirino Highway corner Zabarte Road, Brgy. Kaligayahan, Novaliches, Quezon City
293	Okada Manila Pearl Wing	Hotel Pearl Wing, Okada Manila, Atlantic Drive, Asiaworld City, Boulevard 2000, Brgy. Tambo, Parañaque City
294	Old Sta. Mesa - Albina	Newton Plaza, Old Sta. Mesa corner Albina St., Sampaloc, Manila
295	OneE-comCenter	G/F OneE-comCenter, Palm Coast Avenue, Mall of Asia Complex, Pasay City
296	Ongpin	Unit ABC, Imperial Sky Garden, Ongpin St. corner T. Pinpin St. Binondo, Manila
297	Ongpin - T. Alonzo	G/F Anchor Skysuites, No. 827 Ongpin St., Brgy. 300, Zone 29, Sta. Cruz, Manila
298	Ongpin - Tomas Mapua	1004-1006 Ongpin St., Sta. Cruz, Manila
299	Ortigas - Garnet Road	Unit 1 G/F Cyberscape Alpha Bldg., Garnet & Sapphire Rds., Ortigas Central Business District, San Antonio, Pasig City
300	Ortigas - Octagon Centre	G/F Octagon Centre, San Miguel Avenue, Ortigas Center, Pasig City
301	Ortigas Avenue - E. Rodriguez, Jr.	Units A-D, G/F L & Y Plaza Bldg., 120 E. Rodriguez Jr. Avenue corner Ortigas Avenue, Brgy. Ugong, Pasig City
302	Ortigas Avenue Ext. - Pace Bldg	Pace Bldg., 98 Granada St., Ortigas Avenue Extension, Brgy. Valencia, Quezon City
303	Ortigas Avenue Ext. - Pasig	Along Ortigas Avenue Extension, Rosario, Pasig City
304	Pablo Ocampo Sr. St. - Arellano Avenue	Barko Bldg., P. Ocampo Sr. St. corner Arellano Avenue & Enrique St., Malate, Manila
305	Pacific Star - Makati	G/F Pacific Star Bldg., Sen. Gil Puyat Avenue corner Makati Avenue, Makati City
306	Paco	1054-1060 Pedro Gil St., Paco, Manila
307	Padre Rada	Gosiupo Bldg., 480-482 Padre Rada corner Elcano St., Tondo, Manila
308	Parañaque - La Huerta	0422 Quirino Avenue corner J. Ferrer St., La Huerta, Parañaque City
309	Parañaque - Moonwalk	G/F Seal I Bldg., Armstrong Avenue corner Yosemite St., Moonwalk Subdivision, Parañaque City
310	Parañaque - Moonwalk E. Rodriguez Ave.	15413 A&M Bldg., E. Rodriguez Ave. corner Daang Batang St., Brgy. Moonwalk, Parañaque City

No.	BRANCH	ADDRESS
311	Parañaque - NAIA Road	G/F Park N' Fly Carpark Bldg. 2, NAIA (MIA) Road corner Mayuga St., Brgy. Tambo, Parañaque City
312	Parañaque - Pascor Drive	Sky Freight Bldg., Ninoy Aquino Avenue near corner Pascor Drive, St. Niño, Parañaque City
313	Parañaque - San Antonio Valley 1	San Antonio Plaza, Blk 6 Lot 20 & 21, San Antonio Ave., Brgy. San Antonio Valley 1, Sucat, Parañaque
314	Parañaque - Sto. Niño	Units U & V, Columbia Airfreight Complex, No. 707 Ninoy Aquino Avenue, Brgy. Sto. Niño, Parañaque City
315	Pasay - Domestic Road	Caltex Compound (PDSC/Park 'N Fly Bldg.), NAIA corner Domestic Road, 1300, Pasay City
316	Pasay - Two Shopping Center	2nd Level. Retail Shops Area, Two Shopping Center, Taft Avenue, Pasay City
317	Pasig - 106 Shaw Boulevard	106 Shaw Blvd., Brgy. Kapitolyo, Pasig City
318	Pasig - A. Sandoval Ave.	G/F Isagabanna Bldg., A. Sandoval Ave. corner Col. R. Fernandez St., Villa Alegre Subd., Brgy. Pinagbuhatan, Pasig City
319	Pasig - Amang Rodriguez Caruncho Road	Retail 1, Acacia Escalades, Amang Rodriguez corner Caruncho Road, Brgy. Manggahan, Pasig City
320	Pasig - C. Raymundo Ave.	JEMCO Bldg., Raymundo Ave. corner Bernal St., Rosario, Pasig City
321	Pasig - Capitol Commons Estancia	Estancia Mall, Capitol Commons, Pasig City
322	Pasig - Felix Ave. Karangalan	G/F, Hanlu Bldg., Felix Avenue, Karangalan Village, Brgy. Manggahan, Pasig City
323	Pasig - Kapasigan	Mariposa Arcade, A. Mabini corner Dr. Pilapil St., Pasig City
324	Pasig - Maybunga	G/F Armal Bldg. 3, Blk 1 Lot 1-3, C. Raymundo Avenue, Maybunga, Pasig City
325	Pasig - Meralco Avenue	G/F One Corporate Centre, Julia Vargas Avenue corner Meralco Avenue, Pasig City
326	Pasig - Mercedes Avenue	Unit 101-103, Mercedes Square 1, Mercedes Plaza, Mercedes Avenue corner Luis St., Brgy. San Miguel, Pasig City
327	Pasig - Oranbo Drive	G/F A.B. Sandoval Bldg., Shaw Blvd. corner Oranbo Drive, Pasig City
328	Pasig - Pioneer	Pioneer Centre, Pioneer St. corner United St. & Brixton St., Kapitolyo, Pasig City
329	Pasig - Pioneer Shaw Blvd.	CVFC Corporate Center, Pioneer St. corner San Rafael St., Brgy. Kapitolyo, Pasig City
330	Pasig - Puregold San Joaquin	G/F Puregold, 165 M. Concepcion St., Brgy. Buting, Pasig City
331	Pasig - San Antonio Meralco Ave.	Iriz One Corporate Center, No. 35 Meralco Ave. corner Gen. Segundo St., Brgy. San Antonio, Ortigas Center, Pasig
332	Pasig - Sixto Antonio Ave. - Stella Maris	478 G/F CLM Bldg., Dr. Sixto Antonio Avenue, Brgy. Maybunga, Pasig City
333	Pasig - Sixto Antonio Ave. Bedaña	Sixto Antonio Avenue corner R. Bedaña St., Pasig City
334	Pasig - The 30th Meralco Avenue	LG/F, Space No. L0060-61, Ayala Malls The 30th, Meralco Avenue, Brgy. Ugong, Pasig City 1604
335	Pasig - The Grove Rockwell	G/F The Grove by Rockwell, 117 E. Rodriguez Jr. Avenue, Brgy. Ugong, Pasig City

No.	BRANCH	ADDRESS
336	Pasig - Valle Verde Country Club	Valle Verde Country Club, Capt. Henry P. Javier St. corner St. Martin St., Brgy. Oranbo, Pasig City
337	Pasig - The Vantage Kapitolyo	The Vantage at Kapitolyo, 50 West Capitol Drive corner United St., Brgy. Kapitolyo, Pasig City
338	Pasig Blvd. - E. Rodriguez Jr.	G/F P & J Bldg., Pasig Blvd. corner E. Rodriguez Jr. Ave., Brgy. Bagong Ilog, Pasig City
339	Pasong Tamo Ext.	G/F Allegro Center, Pasong Tamo Extension, Makati City
340	Pateros - Poblacion	77 M. Almeda St., Brgy. San Roque, Pateros
341	Pedro Gil - A. Mabini	1567-1571 Salud Bldg., Pedro Gil corner A. Mabini St. Ermita, Manila
342	Pedro Gil - Adriatico	Adriatico St. near corner Pedro Gil St., Malate, Manila
343	Philam Tower - Valero	G/F Philamlife Tower, 8767 Paseo de Roxas, Brgy. Bel-Air, Makati City
344	Plaza Calderon - Pedro Gil	G/F Unit C, Harmonic Seven Bldg., 2332- 2334 Pedro Gil corner Vesta St., Sta. Ana, Manila
345	Port Area - South Harbor	G/F Velco Center, R.S. Oca corner A. C. Delgado St., Port Area, Manila
346	Potrero	G/F Panco Square, 67 MacArthur Highway, Malabon City 1475
347	Project 8 - Shorthorn	BDO Bldg., No. 41 Shorthorn Street, Brgy. Toro, Project 8, Quezon City
348	Quezon Avenue - Araneta	G/F CSP Bldg., 815 Quezon Avenue, Quezon City
349	Quezon Avenue - Cordillera	37 Quezon Avenue corner Cordillera St., Quezon City
350	Quezon Avenue - D. Tuazon	Unit 101 & 103, Bernmann Centre, No. 28 Quezon Ave., Brgy. Doña Josefa, Quezon City
351	Quezon Avenue - Examiner	G/F Maxmor Bldg., Examiner St. corner Quezon Ave., Brgy. West Triangle, Quezon City
352	Quezon Avenue - Fisher Mall	UB-Bank 1, Fisher Mall, Quezon Ave. corner Roosevelt Ave., Brgy. Sta. Cruz, Quezon City
353	Quezon Avenue - Prima Residences	G/F Prima Residences, 243 Quezon Avenue, Brgy. Tatalon, Quezon City
354	Quezon Avenue - Scout Albano	No. 1B, Quezon Avenue near corner Scout Albano, Brgy. South Triangle, Quezon City
355	Quezon Avenue - South Triangle	Unit LG02-03, SKC Service Center Bldg., 1320 Quezon Avenue, Brgy. South Triangle, Quezon City
356	Quiapo - Quezon Blvd.	Quezon Blvd., 1001, Quiapo, Manila
357	Quintin Paredes	524 Enterprise Bldg., Quintin Paredes St. corner Carvajal St., Binondo, Manila
358	Quirino Paco	CRS Tower, corner Perdigon St., Pres. Quirino Avenue, Paco, Manila
359	Rada - Legaspi Village	G/F One Legaspi Park, Rada St., Legaspi Village, Makati City
360	Rizal Avenue - Bambang	1607 Alvarez St. corner Rizal Avenue, Sta. Cruz, 1003 Manila
361	Rizal Avenue - Batangas St.	2200 Rizal Avenue corner Batangas St., Sta. Cruz, Manila
362	Robinsons - Magnolia	Level 1, Unit 107B, Robinsons Magnolia, Aurora Boulevard corner Dona Hemady St. and N. Domingo St., Brgy. Kaunlaran, New Manila, Quezon City 1112
363	Robinsons - Metro East	Level 1 (L1 160 & 162), Robinsons Metro East Mall, Brgy. Dela Paz, Marcos Highway, Pasig City 1611

No.	BRANCH	ADDRESS
364	Robinsons Galleria - Ortigas	LG/F Basement Westwing, Robinsons Galleria Mall, Brgy. Ugong, Norte Ortigas Avenue, 1602 Quezon City
365	Robinsons Place - Manila	G/F Robinsons Mall, corner Pedro Gil and Maria Orosa St., Brgy. 669, Zone 72, District 5, Ermita, Manila
366	Roces Avenue	57 (Don A.) Roces Avenue, Brgy. Laging Handa, Quezon City
367	Rockwell - Ortigas	Level 1, Tower 3 (South), The Rockwell Business Center, Ortigas Avenue, Brgy. Ugong, Pasig City
368	Rockwell - Power Plant	G/F Power Plant Mall, Rockwell Center, Amapola corner Estrella St., Makati City
369	Rockwell - Proscenium	G/F, Stall No. LOR-GO1, The Proscenium Retail Row at Lorraine Tower, Rockwell Center, Brgy. Guadalupe Viejo, Makati City
370	Roxas Blvd. - Admiral Baysuites	G/F Admiral Baysuites, 2138 Aldecoa St. corner M.H. Del Pilar St., Brgy. 701, Malate, Manila
371	Roxas Blvd. - Breeze Residences	Unit 101-102, G/F SMDC Breeze Residences, Roxas Blvd., Brgy. 5, Zone 2, Pasay City
372	Roxas Blvd. - Coast Residences	Lot 3 & 4, Block 5, Coast Residences, Roxas Blvd. corner Dapitan St., Brgy. 7, Pasay City
373	Roxas Blvd. - R. Salas	S & L Bldg., Roxas Blvd. corner Romero Salas St., Ermita, Manila
374	Roxas Blvd. - Radiance Manila Bay	Retail No. 3, Radiance Manila Bay, Roxas Blvd., Brgy 001, Pasay City
375	Salcedo - Dela Rosa	Golden Rock Bldg., 168 Salcedo St., Legaspi Village, Makati City
376	Salcedo - Gamboa	Optima Building, Salcedo St. near corner Gamboa St., Legaspi Village, Makati City
377	Sales St. - Raon	545 Sales St. corner G. Puyat St. (Raon) 1016 Brgy. 307, Quiapo, Manila 1001
378	Sampaloc - A.H. Lacson	G/F JHL Centre Bldg., 519 A.H. Lacson St., Brgy 434, Zone 44, Sampaloc, Manila
379	Sampaloc - G. Tuazon	SCG Building 2, Along G. Tuazon St., Barangay 576, Sampaloc, Manila
380	Sampaloc - Legarda	G/F Legarda Place Bldg., 2327 Legarda St., Sampaloc 042, Brgy. 416, Manila
381	Sampaloc - Pureza	TP Building, No. 0414 Pureza Extension, Brgy. 425, Zone 043, Sampaloc, Manila
382	Samson Road	G/F, Veacon Hope Sports Center, No. 209 Samson Road corner J.P. Bautista Avenue, Brgy. 80, Caloocan City
383	San Andres	San Andres corner A. Linao St., Malate, Manila
384	San Juan - P. Guevarra	G/F No. 299 P. Guevarra St., Brgy. Little Baguio, San Juan City
385	San Juan - Pinaglabanan	G/F, Benson Apartelle, No. 627 & 629 Pinaglabanan St., Brgy. Corazon de Jesus, San Juan City 1500
386	San Juan - Santolan Town Plaza	G/F Santolan Town Plaza, 276 Santolan Road, Brgy. Little Baguio, San Juan City
387	Savemore - Amang Rodriguez	G/F Savemore Amang Rodriguez, GBU Bldg., Amang Rodriguez Avenue corner Evangelista St., Brgy. Santolan, Pasig City
388	Savemore - Marulas	NF-5 & NF-6, G/F Savemore Marulas Valenzuela, 40 Pio Valenzuela St., Brgy. Marulas, Valenzuela City 1440
389	Savemore - Nagtahan	G/F Savemore Nagtahan, Magsaysay Blvd. corner Nagtahan Road, Brgy. 634, Sampaloc, Manila

No.	BRANCH	ADDRESS
390	Savemore - Novaliches	Savemore Novaliches, General Luis St., Novaliches, Quezon City
391	Savemore - Project 8	Savemore Project 8, Benefit St. corner Redemption and Grant St., Brgy. Sangandaan, Project 8, Quezon City
392	Scout Limbaga - T. Morato	102 & 103 The Forum, Tomas Morato Avenue corner Scout Limbaga St., 1103, Quezon City
393	Shangri-La Plaza Mall - EDSA	Unit 516-517, Level 5 Shangri-La Plaza Mall, EDSA corner Shaw Blvd., Brgy. Wack-Wack, Mandaluyong City
394	Shaw - Pasig Blvd.	BDO Place, 145 Shaw Blvd., Brgy. Pineda, Pasig City
395	Shaw Blvd. - Beacon Plaza	UG 105-UG 106 Beacon Plaza, Shaw Blvd. corner Ideal St., Mandaluyong City
396	Shaw Blvd. - High Pointe Center	G/F Units 125 -128 High Pointe Center, Shaw Boulevard corner M. Yulo St., Brgy. Bagong Silang, Mandaluyong City
397	Shaw Blvd. - Mandala Park	G/F Units 1 & 2, Bldg. B, Shaw Blvd, Mandala Park, Brgy. Pleasant Hills, Mandaluyong City
398	Shaw Blvd. - Wack-Wack	Unit A, BCC Showroom, 545 Shaw Blvd., Brgy. Wack-Wack, Mandaluyong City
399	Silver City - Pasig	G/F Silver City Building 3, Frontera Verde, Ortigas Center, Pasig City
400	SM Araneta City	G/F SM Araneta City, Araneta City, Brgy. Socorro, Cubao, Quezon City
401	SM Aura Premier	LG/F SM Aura Premier, Bonifacio Global City, Brgy. Fort Bonifacio, Taguig City
402	SM Center Congressional	LC 004-006 & 111-113, SM Center Congressional, Congressional Ave., Brgy. Bahay Toro, Quezon City
403	SM Center Las Piñas	LG/F SM Center Las Piñas, Alabang-Zapote Road, Brgy. Pamplona Dos, Las Piñas City
404	SM Center Muntinlupa	UG/F SM Center Muntinlupa, Brgy. Tunasan, National Road, Muntinlupa City
405	SM Center Pasig	G/F SM Supercenter Pasig, Frontera Verde, Ortigas Center, Pasig City
406	SM Center Sangandaan	G/F SM Center Sangandaan, Marcelo H. Del Pilar St. corner Samson Road, Brgy. 003, 1408 Caloocan City
407	SM Center Shaw	SM Center Shaw Blvd. (LC CS 1-09), Shaw Blvd. corner Old Wack-Wack Rd., Brgy. Pleasant Hills, Mandaluyong City
408	SM City BF Parañaque	G/F SM City BF Parañaque, Dr. A. Santos Avenue, Brgy. BF Homes, Sucat, Parañaque City
409	SM City Bicutan	LG/F, MF and UG/F, SM City Bicutan, Dona Soledad Avenue corner West Service Road, Paranaque City
410	SM City Caloocan	G/F, Area Code 141-143, SM City Caloocan, Deparo Road, Brgy. 171, Zone 15, District 1, Bagumbong, Caloocan City
411	SM City East Ortigas	G/F, Area Code EX119-121, SM City East Ortigas, Ortigas Avenue Extension, Brgy. Sta. Lucia, Pasig City
412	SM City Fairview A	Location Code AX3 175-179, LG/F SM City Fairview, Quirino Highway corner Ragalado St., Brgy. Greater Lagro, Fairview, Quezon City
413	SM City Fairview B	SM City Fairview, Quirino Highway corner Regalado Avenue, Fairview, Quezon City
414	SM City Fairview C	LG/F, Annex 2, SM City Fairview, Quirino Highway corner Regalado Avenue, Fairview, Quezon City

No.	BRANCH	ADDRESS
415	SM City Grand Central	LC 024B; 025-027, LG/F, SM City Grand Central, Rizal Avenue Extension, Grace Park East, Brgy. 88, Zone 8, District II, Caloocan City 1403
416	SM City Manila	LG/F SM City Manila, Concepcion St. corner Arroceros St. and San Marcelino St., Manila
417	SM City Marikina	G/F SM City Marikina, Brgy. Calumpang, Marikina City
418	SM City North EDSA A	GF & MF, The Block SM City North, EDSA corner North Avenue, Quezon City
419	SM City North EDSA B	SM City North EDSA Annex I Bldg., North Avenue corner EDSA, Quezon City
420	SM City North EDSA C	UG/F & M/F, SM Center Complex North EDSA, 1105 Quezon City
421	SM City North EDSA D	G/F BPO Tower 3, SM City North EDSA Complex, EDSA corner North Avenue, Brgy. Bagong Pag-asa, Quezon City
422	SM City Novaliches	G/F SM City Novaliches, Quirino Highway, Novaliches, Quezon City
423	SM City San Lazaro	UGF, SM City San Lazaro, Felix Huertas corner A.H. Lacson St., Sta. Cruz, Manila
424	SM City Sta. Mesa	SM City Sta. Mesa Annex Bldg., Aurora Blvd., Quezon City
425	SM City Sucat A	G/F SM Supercenter Sucat, Paranaque City
426	SM City Sucat B	G/F Annex Bldg. B SM City Sucat, Dr. A Santos Avenue, Parañaque City
427	SM City Valenzuela	Unit 126 G/F SM City Valenzuela, McArthur Highway, Brgy. Karuhatan, Valenzuela City 1441
428	SM Hypermarket Cubao	EDSA corner Main Street, Cubao, Quezon City
429	SM Hypermarket FTI Taguig	G/F SM Hypermarket FTI Taguig, Lot 85 A & B, DBP Avenue, FTI Complex, Brgy. Western Bicutan, Taguig City
430	SM Hypermarket Makati	SM Hypermarket Makati, 5560 Osmeña Highway corner Finlandia St, San Isidro, Makati City
431	SM Hypermarket Novaliches	G/F SM Hypermarket Novaliches, No. 402 Quirino Highway, Brgy. Talipapa, Novaliches, Quezon City
432	SM Hypermarket Sucat - Lopez	SM Hypermarket Sucat-Lopez (LC102-103), Dr. A. Santos Ave., Brgy. San Isidro, Sucat, Paranaque City
433	SM Makati	G/F (GF05) Shoemart Bldg., Ayala Center, Brgy. San Lorenzo, Makati City
434	SM Mall of Asia A	LC 3133-3135 MM, 3/F Main Mall, SM Mall of Asia, J.W. Diokno Blvd., Mall of Asia Complex, Brgy. 76, Zone 10, Pasay City
435	SM Mall of Asia B	G/F Entertainment Mall, SM Mall of Asia, J.W. Diokno Blvd., Mall of Asia Complex, Brgy. 76, Pasay City
436	SM Megamall A	Unit Nos. 104-108 G/F, Mega Tower SM Megamall, Julia Vargas Ave. corner EDSA, Brgy. Wack Wack, Mandaluyong City
437	SM Megamall B	Upper & Lower Ground Floors, SM Megamall Bldg. B, Julia Vargas corner EDSA ,Ortigas Center, Mandaluyong City
438	SM Megamall C	LC B4050-4053, 4/F, SM Megamall Bldg. B, Julia Vargas Ave. corner EDSA, Brgy. Wack-Wack, Mandaluyong City
439	SM Retail HQ Bldg. A	SM Retail Headquarters Bldg. A Location Code 104-105 A, J. W. Diokno corner Seaside Blvd., Mall of Asia Complex, Brgy. 76 Pasay City

No.	BRANCH	ADDRESS
440	SM Retail HQ Bldg. B	SM Retail Headquarters Bldg. B LC 106-110B Sunrise Drive corner Bayshore Avenue Mall of Asia Complex, Brgy. 76, Pasay City
441	SM Southmall A	UG/F SM Southmall, Alabang - Zapote Road, Las Piñas City
442	SM Southmall B	UG/F SM Southmall, Alabang - Zapote Road, Las Piñas City
443	Solaire - Manila Resort	Solaire Manila, Bagong Nayong Pilipino Entertainment City, Parañaque City
444	Solaire - North EDSA	B1-029 & B1-029B, Basement 1, Solaire Resort North, 1 Sola Drive, EDSA, Vertis North, Brgy. Bagong Pag-asa, Quezon City
445	Solaire - The Shoppes	Solaire Resorts and Casino Manila, Ang Bagong Nayong Pilipino Entertainment City, Brgy. Tambo, Parañaque City
446	Soler	U-1118 & 1120 Gracetown Bldg., corner Soler & Alvarado St., Binondo, Manila
447	Soler - Reina Regente	1087 Soler St., Binondo, Manila
448	Southgate Mall - EDSA	G/F Southgate Mall, EDSA corner Pasong Tamo Ext., Makati City
449	Sta. Ana - Xentro Mall	Space No. LS-02, Xentro Mall Sta. Ana City Market, Pedro Gil St., Brgy. 876, Zone 96, Sta. Ana, Manila
450	Sta. Mesa - P. Sanchez	Units G-04 & G-05, G/F, Doña Elena Tower, P. Sanchez St. corner 3rd St., Brgy. 605, Zone 60, Sta. Mesa, Manila
451	Sta. Mesa - The Silk Residences	G/F Retail 5, The Silk Residences, Ramon Magsaysay Boulevard corner Santol St., Zone 057, Brgy. 586, Sta. Mesa, Manila
452	Sta. Mesa - V. Mapa	G/F & MF, Units H, I, J, LJS Logistics Center, No. 3331, V. Mapa St. corner Second St., Brgy. 601, Sta. Mesa, Manila
453	Sta. Mesa Heights - D. Tuazon	G/F, Unit ABC, TCC Center, 190 D. Tuazon St., Brgy. Maharlika, Sta. Mesa Heights, Quezon City
454	Sto. Cristo	475-477 Kim Siu Ching Foundation Bldg., Sto. Cristo St., Binondo, Manila
455	Sto. Cristo - Comercio	686 Sto Cristo St., Binondo, Manila
456	Sto. Domingo	6 Sto. Domingo Avenue, Quezon City
457	Sto. Niño St. - Roosevelt	284 Roosevelt Avenue, San Francisco Del Monte, 1105 San Antonio, Quezon City
458	Sucat - Villa Mendoza	Dr. A. Santos Avenue corner Villa Mendoza Subdivision, Sucat Road, Parañaque City 1700
459	Sun Residences	G/F Sun Residences, España Blvd. corner Mayon St., Brgy. Sta. Teresita, Quezon City
460	Tabora	859-861 L & J Bldg. Tabora St., Divisoria, Manila
461	Taft - Libertad	2250 MCF Bldg., Taft Avenue corner College Road, Pasay City
462	Taft - Pedro Gil	1430 Taft Avenue, Manila
463	Taft Avenue - J. Nakpil	1747 Taft Avenue corner J. Nakpil St., Manila
464	Taft Avenue - Pres. Quirino	G/F FFW Bldg., 1943 Taft Avenue, Malate, Manila
465	Taguig - Grace Residences	Grace Residences (Location Code 131-132), Levi B. Mariano Avenue, Brgy. Ususan, Taguig City
466	Taguig - Levi Mariano Avenue	160 Levi Mariano Avenue, Brgy. Ususan, Taguig City
467	Taguig - Vista Mall	G/F-108A Vista Mall Taguig, Camella Road, Brgy. Tuktukan (formerly Brgy. Sta. Ana), Taguig City

No.	BRANCH	ADDRESS
468	Tandang Sora - Commonwealth	Tierra Commercial Center Bldg., Commonwealth Ave. corner Tandang Sora Ave., Quezon City
469	Tandang Sora - Culiati	Royal Midway Plaza, No. 419 Tandang Sora Avenue, Brgy. Culiati, Quezon City
470	Tandang Sora - San Vicente de Paul	ERN Commercial Complex, Tandang Sora Avenue, Brgy. Tandang Sora, Quezon City
471	Tandang Sora - Tagumpay	M & J Bldg., 578 Tandang Sora Avenue corner Tagumpay St., Brgy. New Era, Quezon City
472	Tayuman	G/F Delton Bldg., 1808 Rizal Avenue, Sta. Cruz, Manila
473	Teacher's Village	115 Maginhawa St., Brgy. Teacher's Village, Quezon City
474	ThreeE-comCenter	Location Code 107, G/F, Three E-com Center, Block 21 Harbor Drive corner Bay Shore, Mall of Asia Complex, Brgy. 76 Zone 10, Pasay City
475	Timog	26 Cedar Executive Building, Timog Avenue corner Scout Tobias St., Quezon City
476	Timog - EDSA	G/F GEMPC Bldg., 132 Timog Avenue, Brgy. Sacred Heart, 1103 Quezon City
477	Timog - Rotonda	G/F Imperial Palace Suites, Tomas Morato corner Timog Avenue, South Triangle, Quezon City
478	Timog - Scout Torillo	Unit 11 & 12, Timog Arcade, Timog Avenue corner Scout Torillo, Brgy. South Triangle, Quezon City
479	Timog - Victoria Towers	Unit F-2 & F-3 Victoria Towers, Timog Avenue corner Panay Avenue, Quezon City
480	Tomas Morato - Metrofocus Commercial	G/F, Units 101 & 102, Metrofocus Commercial Bldg., Tomas Morato Avenue, Brgy. Kristong Hari, Quezon City
481	Tondo - Gagalangin	2459 Juan Luna St. corner Paez St., Gagalangin, Tondo, Manila
482	Tondo - Pritil	1815 N. Zamora St., 1012 Tondo, Manila
483	Tordesillas - Gallardo	G/F Cambridge Centre, 108 Tordesillas corner Gallardo St., Salcedo Village, Makati City
484	Tordesillas - The Orient Mansion	G/F The Orient Mansion Condominium, 118 Tordesillas St. near corner H.V. dela Costa St., Brgy. Bel-Air, Salcedo Village, Makati City
485	Trident - Gil Puyat	G/F Trident Tower Bldg., 312 Sen. Gil. Puyat Avenue, Makati City
486	UN Avenue	Puso ng Maynila Bldg., UN Avenue corner A. Mabini St., Ermita, Manila
487	UN Avenue - Times Plaza	Units 16 & 17 G/F, Units SC-3A & SC-8B 2F, Times Plaza Bldg., U.N. Avenue corner Taft Avenue, Brgy. 666, Ermita, Manila
488	V - Mall	G/F New V- Mall, Greenhills Shopping Center, Brgy. Greenhills, San Juan City
489	V. A. Rufino - Sotto	115 YL Building, V.A. Rufino St. corner Sotto St., Legaspi Village, Brgy. San Lorenzo, Makati City
490	V.A. Rufino - Tuscan	G/F Tuscan Condominium, 114 V.A. Rufino St., Legaspi Village, Makati City
491	V. Luna - Kalayaan Avenue	Unit 101 Kalayaan Center Bldg., 65-67 V. Luna Road corner Kalayaan Avenue corner Maginoo St., Brgy. Pinyahan, Quezon City
492	Valenzuela	Km. 15 MacArthur Highway, Dalandanan, Valenzuela
493	Valenzuela - Gateway Complex	Valenzuela Gateway Complex, 318 GS Paso De Blas St., Brgy. Paso De Blas, Valenzuela City

No.	BRANCH	ADDRESS
494	Valenzuela - Gen. T. De Leon	Gen. T. De Leon St., Valenzuela City
495	Valenzuela - Happy Go Shopping Mall	Shop 2, Happy Go Shopping Mall, Ibaba St., Brgy. Bignay, Valenzuela City
496	Valero - Salcedo Village	G/F Pearlbank Center, 146 Valero St., Salcedo Village, Makati City
497	Villar - Salcedo Village	Eurovilla III Condominium 154 Villar St. corner L.P. Leviste St., Salcedo Village, Makati City
498	Visayas Avenue	30 Visayas Ave. near corner Congressional Ave., Brgy. Bahay Toro, Quezon City
499	Walmart - Bicutan	G/F Walmart Bicutan, Km 16 East Service Road corner Mañalac Avenue, Brgy. San Martin de Porres, Bicutan, Parañaque
500	Walmart - Caloocan	G11, Walmart Caloocan, 1174 A. Mabini St., Brgy. 25, Zone 3, District II, Caloocan City
501	Walmart - E. Rodriguez	WQCC 019, Walmart E. Rodriguez, No. 222 Pacific Center E. Rodriguez Sr. Avenue, Brgy. Kalusugan, Quezon City
502	Walmart - North EDSA	G/F Walmart Center - North EDSA, Dangay St., Veterans Village, Quezon City
503	Walmart - Sucat	G/F Walmart Sucat, Dr. A Santos Ave., Paranaque City
504	Walmart - The Junction Place Novaliches	G/F, Walmart The Junction Place, 328 Quirino Highway, Brgy. Talipapa, Novaliches, Quezon City
505	Washington - Gil Puyat	G/F Keystone Bldg., 220 Gil Puyat Avenue, Makati City
506	West Avenue - Baler	G/F 118 Jafer Bldg., 118 West Avenue, Quezon City
507	West Avenue - Del Monte	40 West Avenue, 1104 West Triangle, Quezon City
508	West Avenue - East Maya	160 Ground floor Columbian Bldg., near corner EDSA, West Avenue corner East Maya Drive, Philam, Quezon City
509	Zabarte - Kaligayahan	Lot 16 Block 5, Zabarte Road, Brgy. Kaligayahan, Quezon City
510	Zurbaran	Rizal Avenue corner Fugoso St., Sta. Cruz, Manila

(e) Provincial Branches:

1. Lot leased

No.	BRANCH	ADDRESS
1	Angono - National Highway	Lot 3 Blk. 4, M.L. Quezon Avenue, Brgy. San Isidro, Angono, Rizal
2	Bacoor - New Molino Blvd.	Bacoor Blvd., Brgy. Molino III, Bacoor City, Cavite
3	Bacoor Molino - Bahayang Pag - asa	L-20 B-5 Avenida Rizal St., Bahayang Pag-asa Subd., Brgy. Molino 5, Bacoor, Cavite
4	Baliwag - Poblacion	B.S. Aquino St. corner J. Buizon St., Brgy. Poblacion, Baliwag, Bulacan
5	Bataan - Mariveles FAB	Avenue of the Philippines corner 8th Avenue, Freeport Area of Bataan (the FAB), Brgy. Malaya, Mariveles, 2106 Bataan
6	Batangas - Mabini	National Road, Brgy. Pulong Niogan, Mabini, Batangas

No.	BRANCH	ADDRESS
7	Batangas - Rosario	BDO Bldg., G. Carandang St., Brgy. C Poblacion, Rosario, Batangas
8	Bocaue - MacArthur Highway	MacArthur Highway, Brgy. Wakas, Bocaue, Bulacan
9	Bohol Tagbilaran - Visarra	C.P. Garcia Avenue near corner Visarra St., Bohol, Tagbilaran City
10	Bulacan - Obando	224 J.P. Rizal St., Brgy Pag-asa, Obando, Bulacan
11	Cabanatuan - Sanciangco	261 Sanciangco St., Brgy. Sanbermicristi, Cabanatuan City, Nueva Ecija
12	Cagayan De Oro - Bulua	Zone 3 Upper Bulua, Butuan-Cagayan de Oro-Iligan Rd., Cagayan de Oro City, 9000 Misamis Oriental
13	Cagayan De Oro - Limketkai	L-6 B-2, Limketkai Ave., Limketkai Commercial Complex, Brgy. 31, Poblacion, Cagayan De Oro City, Misamis Oriental
14	Cavite - Dasmariñas Aguinaldo Highway	Gen. Emilio Aguinaldo Highway corner Natividad St., Dasmariñas, Cavite
15	Cavite - Dasmariñas FCIE	Governor's Drive, Brgy. Langkaan, Dasmariñas, Cavite
16	Cavite - EPZA	Cavite EPZA Compound, 4106 Rosario, Cavite
17	Cavite - Naic	Governor's Drive corner Soriano Highway, Naic, Cavite
18	Cavite - Silang	J.P. Rizal St. corner Kiamzon St., Brgy. Poblacion III, Silang, Cavite
19	Cebu - Carcar	Dr. Jose Rizal St., Brgy. Poblacion, Carcar City, Cebu
20	Cotabato - Kabacan	Rizal Avenue, National Highway, 9407 Kabacan, North Cotabato
21	Cotabato Midsayap - Quezon Avenue	Quezon Avenue, Brgy. Poblacion 5, Midsayap, North Cotabato
22	Dumaguete - Silliman Campus	North National Highway, Dumaguete City, Negros Oriental
23	Iloilo - Central	Iznart St., Lot 317-B-2-A-1, 5000 Iloilo City, Iloilo
24	Iloilo - Molo	M.H. Del Pilar St. corner Jocson St., Molo, Iloilo City
25	Kawit - Binakayan	Lot 305 - B-3, 140 National Road, Brgy. Binakayan, Kawit, Cavite
26	Mactan - EPZA 1	Mactan-EPZA Compound, 6000 Lapu-Lapu City, Cebu
27	Masbate	Quezon St., Brgy. Pating, Masbate City
28	Meycauayan - MacArthur Highway	MacArthur Highway, Brgy. Calvario, Meycauayan, Bulacan
29	Ozamiz - Rizal Avenue	J.P. Rizal Avenue corner H.T. Feliciano St., 50th District, Ozamiz City, Misamis Occidental
30	Pangasinan - Alaminos Poblacion	Sadsaran St., Brgy. Poblacion, Alaminos City, Pangasinan
31	Pangasinan - Lingayen	80 Avenida Rizal East, Brgy. Poblacion, Lingayen, 2401 Pangasinan
32	Quezon - Sariaya	Maharlika Road corner Rizal St. corner Quezon St., Brgy. Poblacion, Sariaya, Quezon
33	San Pedro - Rosario Complex 1	Lots 11 & 12, Rosario Avenue Complex 1, San Pedro, Laguna
34	Tarlac - Paniqui	M.H. Del Pilar St., MacArthur Highway, Brgy. Estacion, Paniqui, 2307 Tarlac

2. Building leased

No.	BRANCH	ADDRESS
1	Abra - Bangued	G/F, LFG Commercial Bldg., Taft corner Villamor Manzano St., Brgy. Zone 5, Bangued, Abra
2	Abra - Bangued Capitulation	Marcov Commercial Building, 32 Capitulation St., Nalasin Zone 1, Bangued, Abra 2800
3	Agusan del Sur - San Francisco Gaisano	G/F Stall 28 & 29, Gaisano Grand Mall San Francisco, Davao-Agusan National Highway, Brgy. 5, San Francisco, Agusan del Sur
4	Aklan - Boracay	Station 2, Brgy. Balabag, Boracay Island, Malay, Aklan
5	Aklan - CityMall Boracay	Units 5-6 & 11-12 CityMall Boracay, Sitio Diniwid, Brgy. Balabag, Boracay Island, Malay, Aklan
6	Aklan - Kalibo	Along XIX Martyrs St., Kalibo, Aklan 5600
7	Aklan - Kalibo Gaisano Grand Mall	G/F, Unit Nos. KLO-GFS 9, 10, 11, 12, Gaisano Grand Mall Kalibo, Roxas Ave. Ext., Brgy. Andagaw, Kalibo, Aklan
8	Albay - Daraga	Rizal St. corner Burgos St., Brgy Centro Ilawod, Daraga, Albay
9	Albay - Polangui	Provincial Road corner Brgy. Road, Brgy. Ubaliw, Polangui, Albay
10	Albay - Tabaco	Along Ziga Avenue, Tabaco, Albay
11	Angeles - Friendship Highway	ECCO Bldg., Fil-Am Friendship Highway, Brgy. Anunas, Angeles City, Pampanga
12	Angeles - Marquee Mall	Level 1, Space No. 1070, Marquee Mall, A. Gueco St., Brgy. Pulung Maragul, Angeles City, Pampanga 2009
13	Angeles - Nepo Mart	Entec Bldg., Teresa Avenue, Nepo Mart Complex, Brgy. Cutcut, Angeles City, Pampanga
14	Angeles - Sto. Domingo	Bee King Bldg., MacArthur Highway, Brgy. Sto. Domingo, Angeles City, Pampanga
15	Angono - Xentro Mall	G/F AB Commercial Plaza, M.L. Quezon Avenue, Brgy. San Isidro, Angono, Rizal
16	Antipolo - B. V. Soliven	Blk 24, Lot 1, Benito V. Soliven Avenue, Greenheights Subdivision, Brgy. Mayamot, Antipolo City
17	Antipolo - Circumferential Rd.	G/F 1 Cirq Bldg., Circumferential Road, Brgy. San Roque, Antipolo City
18	Antipolo - M.L. Quezon St.	151 M.L. Quezon St., Brgy. San Roque, Antipolo City
19	Antipolo - Sumulong Highway	BDO Bldg., Sumulong Highway, Masinag, Mayamot, Antipolo
20	Antipolo - The Vest Shopping Mall	G/F, Shop 1, The Vest Shopping Mall, Sumulong Highway, Brgy. Dela Paz, Antipolo City
21	Antipolo - Xentro Mall	LS01-05, Xentro Mall Antipolo, Sumulong Highway, Brgy. Mambungan, Antipolo City
22	Antipolo Plaza	Gatsby Bldg. II, M. L. Quezon St., Antipolo
23	Aurora - Baler	1E, Uy Town Center, Quezon Highway, Brgy. Suklayin, Baler, Aurora
24	Bacolod - Araneta	Cineplex Complex, Araneta St., Bacolod City
25	Bacolod - East Block IT Park	G/F Villa Angela East Block Bldg A, The Block IT Park, Carlos Hilado National Highway, Bacolod City
26	Bacolod - Goldenfield	Building 1, Goldenfield Commercial Complex, Araneta St., Brgy. Singcang, Bacolod City

27	Bacolod - Gonzaga	Gonzaga - Lopez Enterprise Bldg., Gonzaga St., Bacolod City
28	Bacolod - Hilado	Hilado corner F. Y. Manalo St., 6100 Bacolod City, Negros Occidental
29	Bacolod - Libertad	Corner Hernaez St. & Lopez Jaena St., Bacolod City, Negros Occidental
30	Bacolod - Mandalagan	G/F Sta. Clara Estate Bldg., Lacson St., Mandalagan, Bacolod City
31	Bacoor - Molino Town Center	Ground Floor, Unit B Molino Town Center, Molino - Paliparan Road, Brgy. Molino IV, Bacoor City, 4102 Cavite
32	Bacoor - Puregold Panapaan	G/F Commercial Unit No. 2-4, Puregold Bacoor Cavite, Aguinaldo Highway, Brgy. Panapaan, Cavite
33	Bacoor - Zapote	Zapote Centre, Aguinaldo Highway, Zapote Road, Brgy. Zapote 4, Bacoor, Cavite
34	Baguio - Abanao Square	Abanao Square Mall, Abanao St. corner Zanduetta St., Brgy. AZKCO, Baguio City
35	Baguio - Bokawkan Road	71 Bokawkan Road, Brgy. Dizon Subdivision, Baguio City
36	Baguio - Harrison Road	G/F Our Lady of Lourdes Bldg., No.7 Harrison Rd., Brgy. Harrison Carantes Claudio, Baguio City
37	Baguio - Kennon Road	C & Triple A Bldg., Kennon Road corner Parisas St., Brgy. Camp 7, Baguio City
38	Baguio - Legarda	Our Lady of Fatima Bldg., Yandoc St., Kayang Extension, Brgy. Palma-Urbano, Baguio City
39	Baguio - Leonard Wood Road	ETCC Commercial Complex, Leonard Wood Road, Brgy. Cabinet Hill - Teachers Camp, Baguio City
40	Baguio - Luneta	Luneta Hill, Upper Session Road, Session Road-Governor, Brgy. Pack Road, Baguio City
41	Baguio - Marcos Highway Balsigan	G/F, ECCO Bldg., No. 39 Marcos Highway, Brgy. Imelda Marcos, Baguio City
42	Baguio - Marcos Highway Centerpoint	G/F Centerpoint Plaza, Marcos Highway, Brgy. Bakakeng Central, Baguio City
43	Baguio - Session Road	G/F, National Life Bldg., Session Road, Session Road-Governor, Brgy. Pack Road, Baguio City
44	Balanga - Capitol Drive	G/F, CT Edifice, Capitol Drive corner Kinatawan Rd., San Jose, Balanga City, Bataan
45	Bataan - Hermosa	G/F, 925 Plaza, Mataas na Lupa, Brgy. Culis, Hermosa, Bataan
46	Bataan - Orani	Provincial Road corner Calle Coronel Leyba, Brgy. Parang-Parang, Orani, Bataan
47	Batangas - Alangilan	Unit 1 & 2, G/F, OJH Bldg., President Jose P. Laurel Highway, National Road, Brgy. Alangilan, Batangas City
48	Batangas - Balayan	Antorcha St., Balayan, Batangas
49	Batangas - Bauan	Kapitan Ponso St., Bauan, Batangas
50	Batangas - Bauan Poblacion 2	Kapitan Ponso Street corner Sta. Cruz Street, Barangay Poblacion 2, Bauan, Batangas
51	Batangas - Diego Silang	Tom's Place, Diego Silang St. corner Maria de Jesus St., Brgy. 15, Batangas City
52	Batangas - First Phil. Industrial Park	G/F Administration Bldg., First Philippine Industrial Park, Brgy. Sta. Anastacia, Sto. Tomas, Batangas
53	Batangas - Gulod	MB Bldg., Batangas Tabangao-Lobo Road, Brgy. Gulod Labac, Batangas City, Batangas
54	Batangas - Lemery Ilustre	Ilustre Avenue corner Lakandula St., Lemery, Batangas

55	Batangas - Lemery Xentro Mall	G/F Xentro Mall Lemery, Brgy. Malinis, Lemery, Batangas
56	Batangas - Lima Technology Center	Units R08-S02, Block E, The Outlets at Lima Technology Center, Brgy. Bugtong na Pulo, Lipa City, Batangas 4217
57	Batangas - P. Burgos	P. Burgos St. corner Evangelista St., Brgy. Poblacion, Batangas City
58	Batangas - San Juan	Marasigan St. corner Kalayaan St., San Juan, Batangas
59	Benguet - Itogon	G/F, Caligtan-Domilos Building, Antamok National Highway, Domilos Compound, Purok Domilos Brgy, Tuding, Itogon, Benguet
60	Benguet - La Trinidad	G/F VC Arcadain Bldg., Km. 5, La Trinidad, Benguet
61	Biñan - A. Mabini	Rey Bldg., A. Mabini St., Poblacion, 4024 Binan, Laguna
62	Biñan - San Antonio	Alalmeda 2 Arcade, Tulay Bato Old National Highway, Brgy. San Antonio, Biñan City, Laguna
63	Biñan Central Mall	G/F Biñan Central Mall, Units 8 & 9, Malvar St. corner Old National Highway, Biñan, Laguna
64	Bohol - Panglao	G/F Units 1-5, Hennen Resort Commercial Bldg., Panglao Circumferential Road, Brgy. Tawala, Panglao Island, Bohol
65	Bohol Tagbilaran - C.P. Garcia	C.P. Garcia Avenue, Brgy. Poblacion II, Tagbilaran City, 6300 Bohol
66	Bohol - Tubigon	Holy Cross Academy, National Highway, Brgy. Centro, Tubigon, Bohol
67	Bohol Tagbilaran - Rajah Sikatuna	G/F, JLU Centre Bloc, Rajah Sikatuna Avenue, Brgy. Dampas, Tagbilaran City, Bohol
68	Bukidnon - Malaybalay	Unit 1, Ramos Bldg., Fortich Street, Sayre Highway, Barangay 7, Malaybalay City, Bukidnon
69	Bulacan - Balagtas	MacArthur Highway, Brgy. San Juan, 3016 Balagtas, Bulacan
70	Bulacan - Bocaue	MacArthur Highway, Brgy. Biñang 1st, Bocaue, Bulacan
71	Bulacan - Bustos	LRM Complex, Hilario St., Brgy. Poblacion, Bustos, Bulacan
72	Bulacan - Calumpit	MacArthur Highway, Barangay Corazon, Calumpit, Bulacan
73	Bulacan - EB Town Center San Jose Del Monte	Unit 5, G/F, EB Town Center, Brgy. Graceville, San Jose Del Monte City, Bulacan
74	Bulacan - Hagonoy	Provincial Road, Brgy. Sto. Niño, Hagonoy, Bulacan
75	Bulacan - Hagonoy San Pedro	G/F, Centrio Commercial Bldg, Purok 4, Brgy. San Pedro, Hagonoy, Bulacan
76	Bulacan - Norzagaray	G/F, Prince Ken Bldg. II, Circle, Gen. Alejo G. Santos Highway, Brgy. Poblacion, Norzagaray, Bulacan
77	Bulacan - Pandi	J.P. Rizal St., Poblacion, Pandi, Bulacan
78	Bulacan - Plaridel	G/F, Unit Nos. 101-102, C & B Commercial Bldg., Maharlika Highway, Brgy. Banga 1st., Plaridel, Bulacan
79	Bulacan - Primark Plaridel	G/F, Primark Town Center Plaridel, Cagayan Valley Road, Brgy. Banga 1st, Plaridel, Bulacan
80	Bulacan - Pulilan	Doña Remedios Trinidad Highway, Sto. Cristo, Pulilan, Bulacan
81	Bulacan - Puregold Baliwag	G/F Puregold Baliwag, Benigno S. Aquino Ave., Brgy. Bagong Nayon, Baliwag, Bulacan
82	Bulacan - Puregold Bulakan	G/F Commercial Unit 1, Puregold Bulakan, Brgy. Bagumbayan, Bulakan, Bulacan

83	Bulacan - San Ildefonso	UG/F, One San Ildefonso Mall, Cagayan Valley Road, Brgy. Poblacion, San Ildefonso, Bulacan
84	Bulacan - San Miguel	LV Bldg., Maharlika Highway, Brgy. Camias, San Miguel, Bulacan
85	Bulacan - San Rafael	Km. 59.5, Cagayan Valley Road, Brgy. Maguinao, San Rafael, Bulacan
86	Bulacan - Sapang Palay	G/F Elizabeth Place 1 Bldg., Bagong Buhay Ave., Brgy. Sapang Palay, San Jose Del Monte City, Bulacan
87	Bulacan - Sta. Maria M.G. De Leon	15 M.G. De Leon St., Poblacion, 3022 Sta. Maria, Bulacan
88	Bulacan - Sta. Rita Guiguinto	126 Cagayan Valley Road, Brgy. Sta. Rita, Guiguinto, Bulacan
89	Bulacan Sta. Maria - Bagbaguin	NEM Bldg., Gov. F. Halili Avenue, Bagbaguin, Sta. Maria, Bulacan
90	Bulacan Sta. Maria - Pulong Buhangin	Km. 37 National Road, Brgy. Pulong Buhangin, Sta. Maria, Bulacan
91	Butuan - Estacio Village	Butuan Doctor's College, J.C. Aquino Ave. corner Victoria St., Brgy. Bayanihan, Butuan City, Agusan del Norte
92	Butuan - J.C. Aquino Avenue	D & V Plaza II Bldg., J.C. Aquino Avenue, Butuan City
93	Butuan - Montilla	Montilla Blvd. near corner Lopez Jaena St., Butuan City, Agusan Del Norte
94	Cabanatuan - Maharlika Highway North	G/F DGS Building, Along Maharlika Road, Brgy. Bitas, Cabanatuan City, Nueva Ecija
95	Cabanatuan - Paco Roman	Along Paco Roman St., Brgy. City Supermarket, Cabanatuan City, Nueva Ecija
96	Cagayan - Ceza Sta. Ana	G/F, CEZA Corporate Center, CEZA Business District, Brgy. Centro, Sta. Ana, Cagayan
97	Cagayan - CityMall Aparri	CityMall Aparri, Cagayan Valley Road, Barrio of Macanaya, Cagayan
98	Cagayan de Oro - Carmen	Max Y. Suriel St. corner V. Neri St., Carmen, Cagayan de Oro
99	Cagayan de Oro - Cogon	JR Borja St., Cogon, Cagayan de Oro City
100	Cagayan de Oro - Hayes	G/F Trendline Department Store, Arch. James Hayes St., Cogon, Cagayan de Oro City
101	Cagayan de Oro - Osmeña	Pres. S. Osmeña St. corner Ramon Chavez St., Cogon, 9000 Cagayan de Oro, Misamis Oriental
102	Cagayan de Oro - R.N. Pelaez Blvd.	Georgetown Cyber Mall, Rodolfo N. Pelaez Blvd., Kauswagan, Cagayan de Oro City
103	Cagayan De Oro - Xavier	Library Annex Bldg., Corrales Avenue, Cagayan de Oro City
104	Cainta - A. Bonifacio Ave.	Ledor Commercial Center, A. Bonifacio Avenue corner Samonte St., Brgy. San Juan, Cainta, Rizal
105	Cainta - Felix Avenue	Felix Avenue near Cainta Junction, Brgy. Sto. Domingo, Cainta, Rizal
106	Cainta - Puregold	Puregold Cainta Junction, A. Bonifacio Ave., Brgy. Sto. Domingo, Cainta, Rizal
107	Cainta Junction	Hipolito Bldg., Ortigas Avenue Extension, Cainta Junction, Cainta, Rizal
108	Calamba - CityMall	National Highway, Brgy. Lecheria, Calamba City, Laguna
109	Calamba - Halang National Highway	D'Verde Commercial Bldg., National Highway, Brgy. Halang, Calamba City, Laguna

110	Calamba - Paseo Uno	G/F Paseo Uno de Calamba, National Highway, Brgy. Paciano, Calamba City, Laguna
111	Camarines Norte - Daet	J. Lukban St. corner Moreno St., Poblacion, Daet, Camarines Norte
112	Camarines Sur - Calabanga	Galleria de Calabanga, Lot 2, Provincial Road, Brgy. San Francisco, Calabanga, Camarines Sur
113	Camarines Sur - GOA	Ground Floor, RCO Building, Rizal Street, Brgy. Panday, GOA, Camarines Sur
114	Camarines Sur - Nabua	Lot 374 CZA Bldg., National Rd. near corner Maganda St., Brgy. San Antonio, Poblacion, Nabua, Camarines Sur
115	Camarines Sur - Pili	Santiago, Pili, Camarines Sur
116	Canlubang iMall	Don Bosco Ave. corner Silangan Industrial Park Road, Brgy. Canlubang, Calamba City, Laguna
117	Catanduanes - Virac	Rizal Avenue, Brgy. San Pedro, Virac, Catanduanes
118	Cavite - Carmona Governor's Drive	G/F, Great Wall Aluminum and Glass Sales Bldg., Governor's Drive, Brgy. Maduya, Carmona, Cavite, IV-A
119	Cavite - Dasmariñas Central Mall	Central Mall Dasmariñas, Emilio Aguinaldo Highway corner Salitran St., Dasmariñas, Cavite
120	Cavite - Dasmariñas Salawag	EVY Commercial Bldg., Molino-Paliparan Rd., Brgy. Salawag, Dasmariñas, Cavite
121	Cavite - Gen. Trias San Francisco	Lot 1, along Arnaldo Highway, Brookside Lane, Brgy. San Francisco, Gen. Trias, Cavite
122	Cavite - General Trias Manggahan	New Hall Commercial Center, Governor's Drive corner Crisanto delos Santos Ave., Brgy. Manggahan, General Trias, Cavite
123	Cavite - Green 2 Residences Dasmariñas	G/F, Area Code 105-106, 109 Strip at Green 2 Residences, Governor Mangubat Ave., Brgy. Buro Main, Dasmariñas City, Cavite
124	Cavite - Imus Aguinaldo Highway	G/F DCR Bldg., Aguinaldo Highway, 4103 Imus, Cavite
125	Cavite - Imus Nueno Avenue	358 Exodus Bldg., Nueno Avenue, Imus, Cavite
126	Cavite - Puregold Buhay na Tubig	G/F Commercial Unit Nos. 4, 5 and 3A, Puregold Buhay na Tubig, Buhay na Tubig, Imus, Cavite
127	Cavite - Puregold GMA	Ground Floor and Second Floor, Puregold Building, Brgy. San Gabriel, Governor's Drive, GMA, Cavite
128	Cavite - Puregold Noveleta	Puregold Noveleta Cavite, National Road, Brgy. Magdiwang, Noveleta, Cavite
129	Cavite - Puregold Tanza	G/F Puregold Tanza, Provincial Road, Tanza, Cavite
130	Cavite - Silang Aguinaldo Highway	LS 42-43: CS-03 Premier Plaza, Emilio Aguinaldo Highway, Brgy. Lucsuhin, Silang, Cavite
131	Cavite - Trece Martires	L Paseo Arcade, near corner Indang-Trece Road, Trece Martires City, Cavite
132	Cavite - Unitop Mall Dasmariñas	Commercial Space 103 & 105, Ground Floor, Unitop Mall Dasmariñas, Governor's Drive corner Paliparan - Silang Rd. Brgy. Paliparan 1, Dasmariñas City, Cavite
133	Cavite Imus - The District	Ground Floor Unit 109 Ayala Malls The District Imus, Aguinaldo Highway corner Daang Hari Road, Brgy. Anabu II-D, Imus City, Cavite
134	Cebu - Ayala Business Park	Cebu Towers, Mindanao Avenue corner Bohol Avenue, Cebu Business Park, Cebu City
135	Cebu - Banilad	Gov. M. Cuenco Avenue, Banilad, Cebu City

136	Cebu - Bogo	P. Rodriguez St. corner San Vicente St., 6010 Bogo, Cebu City
137	Cebu - Capitol	Osmeña Blvd. corner Ma. Cristina St., 6000 Cebu City, Cebu
138	Cebu - CityMall Danao	T 10-12 CityMall Danao, Olivar Sr. Extension corner F. Ralota St., Brgy. Poblacion, Danao City, Cebu
139	Cebu - Colon	279 Colon St., Brgy. Kalubihan, Cebu City
140	Cebu - Elizabeth Mall	G/F Elizabeth Mall, Leon Kilat St. corner South Expressway, Cebu City
141	Cebu Escario	Unit No. 1, GF, NIC 2 Bldg., Capitol Square, N. Escario St., Brgy. Camputhaw (Pob), Cebu City
142	Cebu - F. Cabahug	Unit 10 Northwood Square, F. Cabahug St., Brgy. Kasambagan, Panagdait, Cebu City
143	Cebu - F. Ramos	134 Borromeo Bldg., F. Ramos corner Arlington Pond, Cebu City 6000
144	Cebu - Guadalupe	R. Duterte corner V. Rama St., Guadalupe, Cebu City
145	Cebu - Insular Life Business Centre	G/F Insular Life Cebu Business Centre, Mindanao Avenue corner Biliran Road, Cebu Business Park, Cebu City
146	Cebu - Legaspi	Legaspi St. corner Zamora St., Cebu City
147	Cebu - Magallanes	Plaridel St. corner Magallanes St., Cebu City
148	Cebu - Mambaling	Grand Orchard Commercial Bldg., C. Padilla St., Mambaling, Cebu City
149	Cebu - Minglanilla	G/F, Unit B & C, Belmont One Commercial Bldg., Cebu South Road, Sitio Puntod, Brgy. Upper Calajoan, Minglanilla, Cebu
150	Cebu - Osmeña	JR Martinez Bldg., Osmena Blvd., Sta. Cruz, Cebu City
151	Cebu - Parkmall	Unit 29 - 31 Parkmall, No. 168 Ouano Avenue, Mandaue Reclamation Road, Mandaue City, Cebu
152	Cebu - AIA Center	Units 6 & 7, AIA Center Cebu, Cardinal Rosales Avenue corner Samar Loop, Cebu Business Park, Brgy. Hipodromo, Cebu City
153	Cebu - Tabo-an	T. Abella St., San Nicolas Central 6000, Cebu City
154	Cebu - Toledo	Units 1-3 Eliton Strip Mall, D. Macapagal Highway, Brgy. Luray II, Toledo City, Cebu
155	Cebu IT Park - HM Tower	Units G01 and G02 HM Tower, Abad St. corner Geonzon St., Cebu IT Park, Brgy. Apas, Cebu City
156	Cebu IT Park - TGU Tower	G/F TGU Tower, Salinas Drive corner J. M. Del Mar St., Asiatown IT Park, Apas, Cebu City
157	Cebu Mandaue - A. C. Cortes	Units 1-4 Ibabao Square, A. Cortes Avenue, Brgy. Ibabao, Mandaue City, Cebu
158	Cebu Mandaue - A. S. Fortuna	RKD Bldg., 867 A.S. Fortuna St., Brgy. Banilad, Mandaue City, Cebu
159	Cebu Mandaue - North Road	G/F North Road Plaza, National Highway, Labogon, Mandaue City, Cebu
160	Cebu Mandaue - Subangdaku	Units 9 & 10, Leope North Road Bldg., Lopez Jaena St., Subangdaku, Mandaue City, 6014 Cebu
161	Cebu Mandaue - U.N. Avenue	The North Park, U.N. Avenue, Brgy. Alang-Alang, Mandaue City, Cebu
162	Cebu Tabunok	PBS Bldg., 2668 National Highway, Brgy. Tabunok, Talisay City
163	Cebu Talisay - Starmall	G/F, Starmall Talisay, Seaview Heights Subdivision, Brgy. Lawaan I, Talisay City, Cebu

164	Clark - Philexcel Business Park	Philexcel Business Park, Manuel A. Roxas Highway, Clark Freeport Zone, Pampanga
165	Clark Center	Unit 1, 2, 9 & 10, Clark Center 14, Jose Abad Santos Avenue, Brgy. Sapangbato, Clark Freeport Zone, Pampanga
166	Cotabato - Gov. Gutierrez Avenue	G/F, ADS Building, Gov. Gutierrez Avenue, Brgy. Rosary Heights IX, Cotabato City
167	Cotabato - Midsayap	Jaycee St., 9410 Midsayap, North Cotabato
168	Cotabato - S. K. Pendatun	G/F Insular Life Bldg., Salipada K. Pendatun Ave., Brgy. Poblacion 5, Cotabato City, Maguindanao
169	Cotabato Kidapawan - Gaisano Grand Mall	G/F Gaisano Grand Mall Kidapawan, Quezon Blvd., Purok 1, Brgy. Lanao, Kidapawan City, North Cotabato
170	Dagupan - Mayombo	G/F, BHF Family Plaza, MacArthur Highway, Brgy. Mayombo, Dagupan City, 2400 Pangasinan
171	Dagupan - Perez	386 Perez Blvd., Brgy. Pogo Chico, Dagupan City, 2400 Pangasinan
172	Dagupan - Tapuac	Units 8, 9, 10 Mother Goose Play School Bldg., MacArthur Highway, Brgy. Tapuac District, Dagupan City, 2400 Pangasinan
173	Davao - Agdao	Lapu-Lapu St., 8000 Agdao, Davao City
174	Davao - Buhangin	KSS Bldg., Buhangin Road corner Olive St., Brgy. Buhangin, Davao City
175	Davao - Calinan	WTKC Realty Bldg., Davao-Bukidnon National Highway, Brgy. Calinan, Davao City
176	Davao - Felcris Centrale	Felcris Centrale, Quimpo Boulevard, Brgy. Bucana, Davao City
177	Davao - Gaisano Grand Citygate Mall	G/F Gaisano Grand Citygate Mall, Cabantian corner Tigatto Roads, Brgy. Buhangin, Davao City 8000, Davao Del Sur
178	Davao - Lanang Insular Village	SJRDC Bldg., Insular Village 1 Commercial Area, Lanang, Davao City
179	Davao - Lizada	Ramon Magsaysay Avenue corner Lizada St., 8000 Davao City, Davao del Sur
180	Davao - Magsaysay	Ramon Magsaysay Avenue, Davao City
181	Davao - Matina	MacArthur Highway corner Diamond St., Sto. Niño, Barangay Matina Crossing, Davao City
182	Davao - Monteverde Gov. Sales	G/F Felcris Supermarket, Inc. Building, Gov. Sales Street, Brgy. 27 - C. Davao City, Davao Del Sur
183	Davao - Narra	Tomas Monteverde Avenue corner Narra St., Davao City
184	Davao - Panabo	National Highway, Brgy. Sto. Niño, Panabo City, Davao del Norte
185	Davao - Poblacion Market Central	Ground Floor, Units 19, 20, 21 and 22, Poblacion Market Central, C. Bangoy St., Brgy. 4A, Poblacion, Davao City
186	Davao - Quirino Avenue	Nicolas 1 Bldg., Quirino Avenue, 8000 Davao City
187	Davao - R. Castillo	G/F Uptown Center, R. Castillo St., Brgy. Gov. Vicente Duterte, Agdao District, Davao City
188	Davao - Rizal	365 Farmar Building, Rizal St., Brgy. 3-A Poblacion, Davao City
189	Davao - Sta. Ana	Monteverde corner F. Bangoy St., 8000 Davao City, Davao del Sur
190	Davao - Sta. Ana Gempesaw	Sta. Ana Avenue corner Gempesaw St., Brgy. 015, Davao City

191	Davao - Sta. Lucia Mall	Ground Floor, Sta. Lucia Mall Davao, Ponte Verde Drive, Barangay Communal, Buhangin District, Davao City 8000
192	Davao - Toril Gaisano Grand Mall	G/FS 01-02, Gaisano Grand Toril, National Highway corner Saavedra St., Brgy. Lizada, Toril, Davao City
193	Davao - Wood Lane Diversion Road	Unit 1B G/F Bldg. 2, The Shoppes at Wood Lane, Diversion Road (Carlos P. Garcia Highway), Brgy. Ma-a, Davao City, Davao del Sur
194	Davao Digos - San Jose	G/F Ladera Bldg., Rizal Avenue, Brgy. Zone III, Digos City, Davao Del Sur
195	Davao Panabo - National Highway	National Highway, Barangay San Francisco, Poblacion, Panabo City, Davao Del Norte
196	Davao Tagum - National Highway	BIBU Square, Liwayway Commercial Area, National Highway, Brgy. Magugpo East, Tagum City, Davao del Norte
197	Dipolog - Rizal Avenue	Rizal Avenue near corner Gonzales St., Brgy. Central, Dipolog City
198	Dumaguete - CityMall	Unit 03 CityMall Dumaguete, North National Highway, Brgy. Daro, Dumaguete City
199	General Santos - J.P. Laurel	Santiago Blvd. corner J.P. Laurel St., Brgy. Dadiangas East, General Santos City, 9500
200	General Santos - National Highway	Tandem Center, Pasiliao Subdivision, National Highway, Brgy. City Heights, General Santos City, South Cotabato
201	General Santos - Robinsons Place	Level 1, Robinsons Place General Santos, J. Catolico Sr. Avenue, Purok 4, Brgy. Lagao, General Santos City
202	Iligan - Andres Bonifacio Avenue	Unit 101, Solana District, Andres Bonifacio Avenue, Brgy. San Miguel, Iligan City, Lanao Del Norte
203	Iligan - Quezon Avenue	Quezon Avenue, 9200 Iligan City, Lanao Del Norte
204	Ilocos Norte - Batac	G/F, JRN Centre, Washington St., Brgy. 2 Ablan, City of Batac, Ilocos Norte
205	Ilocos Sur - Cabugao	MacArthur Highway, Brgy. Bacilig, Cabugao, Ilocos Sur
206	Ilocos Sur - Candon	National Highway corner Abaya St., Brgy. San Jose, Candon City, 2710, Ilocos Sur
207	Ilocos Sur - Narvacan	National Road, Brgy. Sta Lucia, Narvacan, Ilocos Sur
208	Ilocos Sur - Savemore Santa Cruz	G/F, Savemore Building, along MacArthur Highway, Brgy. Poblacion Este, Santa Cruz, Ilocos Sur
209	Iloilo - Arevalo	Calle M.L. Quezon corner Gen. Yulo Drive, Brgy. Quezon, Arevalo, Iloilo City
210	Iloilo - CityMall Pavia	G/F, Units 01 & 02, Citymall Pavia, Iloilo R3 Road corner C1 Road, Brgy. Ungka, Pavia, Iloilo
211	Iloilo - General Luna	48 LPHTP Bldg., General Luna St., Iloilo City, 5000
212	Iloilo - Jaro	NB Bldg., Lopez Jaena St., Jaro, Iloilo City
213	Iloilo - La Paz	G/F INJAP Bldg. corner Luna St. & Huervana St., La Paz, Iloilo City
214	Iloilo - Ledesma	G/F Esther Bldg., Ledesma St., Iloilo City
215	Iloilo - Passi	G/F Fronthub Ventures Bldg. Simeon Aguilar St. (National Road) corner Commonwealth Drive, Brgy. Ilawod, Passi City, Iloilo
216	Iloilo - Quezon St.	Lots 3 & 5 Quezon St., Iloilo City
217	Iloilo - Tabuc Suba	Roger's Bldg., McArthur Highway, Tabuc Suba, Iloilo City
218	Iloilo Jaro - CityMall Tagbak	UO2 CityMall Tagbak Jaro Iloilo, MacArthur Highway, Brgy. Tagbak, Jaro, Iloilo City
219	Iriga City	Iriga Plaza Hotel, Msgr. Lanuza St., San Francisco, Iriga City, Camarines Sur

220	Iriga City - Puregold	G/F Commercial Unit 1, Puregold Iriga City, Highway 1, San Roque, Iriga City 4431
221	Isabela - Ilagan Maharlika Highway	4J Commercial Building, Along Maharlika Highway, Brgy. Baligatan, City of Ilagan, Isabela
222	Isabela - Ilagan National Highway	National Highway, Brgy. Calamagui 2nd, City of Ilagan, Isabela
223	Isabela - Primark Cauayan	Primark Town Center, Maharlika Highway corner Cortes St., Brgy. San Fermin, Cauayan City, Isabela
224	Isabela - Primark Cordon	G04, G/F, Primark Cordon Isabela, Pan Philippine Highway, Brgy. Roxas, Cordon, Isabela
225	Isabela - Tumauni	National Highway, Brgy. San Pedro, Tumauni, Isabela
226	Isabela Cabagan - Xentro Mall	G/F Xentro Mall, Brgy. Ugad, Cabagan, Isabela
227	Isabela Santiago - Xentro Mall	G/F Xentro Mall, corner National Highway & 4 Lanes Rd., Brgy. Villasis, Santiago City, Isabela
228	Kawit - Centennial Road	Unit 102, V Central Mall, Centennial Road, Brgy. Magdalo Putol, Kawit, Cavite
229	La Union - Agoo	CMC North Bldg., National Highway, Brgy. San Nicolas Sur, Agoo, La Union
230	La Union - Naguilian Epic Mall	G/F, EPIC Mall Naguilian, Quirino Highway, Brgy. Ortiz, Naguilian, La Union
231	La Union San Fernando - Manna Mall	G/F Manna Mall, National Highway corner Diversion Road, Brgy. Pagdaraoan, San Fernando City, La Union
232	La Union San Fernando - Rizal Avenue	Rizal Avenue corner Ortega St., Brgy. IV, City of San Fernando, La Union
233	La Union San Fernando - Sevilla	G/F, G World Building, MacArthur Highway, Brgy. Sevilla, San Fernando City, La Union
234	Laguna - Alaminos	KCD Commercial Complex, National Highway, Brgy. II Poblacion, Alaminos, Laguna
235	Laguna - Cabuyao	G/F Lim-Bell Business Center, J.P. Rizal St., Cabuyao, Laguna
236	Laguna - Carmelray I	Administration Bldg., Carmelray Industrial Park I, Carmeltown, Canlubang, Calamba, Laguna
237	Laguna - Carmelray II	Ground Floor, RBF 5 Building, Makiling Drive, Carmelray Industrial Park II, Km. 54 National Highway, Brgy. Milagrosa, Calamba City, Laguna
238	Laguna - Pagsanjan	JP Rizal St. corner F. De San Juan St., Brgy. Dos, Poblacion, Pagsanjan, Laguna
239	Laguna - Sta. Cruz	Along Regidor St., Sta. Cruz, Laguna
240	Laguna - Sta. Cruz National Highway	G/F E Home Town Center, National Highway, Brgy. Pagsawitan, Sta. Cruz, Laguna
241	Laguna - Technopark	G/F Laguna Technopark, Admin. Bldg. 1, North Main Avenue, Laguna Technopark Biñan, Laguna
242	Laoag - Balintawak	G/F & 2/F, Insular Life Building, Balintawak St., Brgy. No. 9 Santa Angela, Laoag City, Ilocos Norte
243	Laoag - Castro	Pichay Bldg., J.P. Rizal St. corner A. Castro St., Brgy. 16, San Jacinto, Laoag City
244	Legazpi City - Albay District	G/F & Mezzanine Floor, ZPC Bldg., Rizal St., Brgy. Baño, Old Albay, Legazpi City, Albay
245	Legazpi City - Benny Imperial St.	PVLB Building 7, Benny Imperial St., Barangay 16, Kawit, East Washington, Legazpi City 4500
246	Legazpi City - Rizal St.	Rizal St. corner Gov. Imperial St., Legaspi City
247	Legazpi City - Rotonda	Rizal St., 4500 Legaspi City, Albay

248	Legazpi City - Unitop Mall	G/F, Unitop Mall, Rizal St., Brgy. 15-Illawod East, Legazpi City, Albay, Bicol
249	Leyte - Baybay	GB-12, Baybay Central Mall, Rizal Blvd., Brgy. Poblacion, Zone 10, Baybay City, Leyte
250	Leyte - Ormoc Gaisano	G/F Gaisano Capital Ormoc Riverside, Brgy. Alegria, Ormoc City, Leyte
251	Lipa - Ayala Highway	Casa Esparanza Bldg., Pres. JP Laurel Highway, Brgy. Mataas na lupa, Lipa City
252	Lipa - High 5 Square	High 5 Square, Ayala Highway, Mataas na Lupa, Lipa City, Batangas
253	Lipa - Puregold	G/F Puregold Lipa, Gen. Luna St. corner D.P. Laygo St. & H. La Torre St., Brgy. 10, Lipa City, Batangas
254	Lipa Town Center	Unit Nos. 101 and 102, Lipa Town Center, JP Laurel Highway, Brgy. Sico, Lipa City, Batangas
255	Los Baños - Olivarez Plaza	Olivarez Plaza Cinema & Supermarket Complex, Along National Highway, Brgy. Batong Malake, Los Baños
256	Los Baños - National Highway	UG/F, QAB Building, National Highway, Brgy. San Antonio, Los Baños, Laguna
257	Lucena - Enriquez	Enriquez St. corner Evangelista St., Lucena City
258	Lucena - Ilaya	Lot 3106-B Quezon Avenue corner Hermana St. Barangay 1, Lucena City
259	Lucena - Iyam	Space 4-6, Kester Bldg., Maharlika Highway corner Love St., Rosario Village Subd., Brgy. Ilayang Iyam, Lucena City
260	Lucena - Mayao	Units 1 to 4, Ground Floor, JM-A Building, Maharlika Highway, Barangay Kanluran Mayao, Lucena City, 4301 Quezon
261	Lucena - Quezon Avenue	Quezon Avenue corner Profugo St., Lucena City, Quezon
262	Lucena - Tagarao	Ground Floor, MTS Bldg., M.L. Tagarao St., Brgy. 3, Lucena City, Quezon
263	Mactan - EPZA 2	Unit 204 NGA Bldg. 2, Pueblo Verde MEZ II, Basak, Lapu-lapu City
264	Mactan - Lapu-lapu GMC	Unit 9, The Arcade, ML Quezon Highway, Pajo, Lapu-lapu City
265	Mactan - Pajo National Highway	Hofuna Cresente Building, 2783 ML Quezon National Highway, Sangi, Pajo, Lapu-lapu City
266	Malolos - Crossing	G/F Margen Bldg., MacArthur Highway, Sumapang Matanda, Malolos City, Bulacan
267	Marcos - Sumulong Highway	Kingsville Commercial Arcade, Marcos Highway, 1870 Antipolo, Rizal
268	Marcos Highway	Town & Country Commercial Arcade, Marcos Highway corner Narra St., Cainta, Rizal
269	Marcos Highway - Feliz Mall	G/F Space No. 171, Ayala Malls Feliz, Marcos Highway, Brgy. Dela Paz, Pasig City
270	Marcos Highway - Vermont Park	Park Place Building, Marcos Highway corner Vermont Park, Brgy. Mayamot, Antipolo City
271	Marilao - MacArthur Highway	Km. 23 MacArthur Highway, Brgy. Abangan Sur, Marilao, Bulacan
272	Masbate - F. Magallanes	Lot Nos. 1058 - B - 1 & 2, Quezon Street, Brgy. F. Magallanes, Masbate City, Masbate
273	Meycauayan - Malhacan	Supima Square Commercial Complex, Lukytex Compound, Malhacan Road, Meycauayan, Bulacan
274	Mindoro - Calapan	J.P. Rizal St., 5200 Calapan, Oriental Mindoro

275	Mindoro - CityMall Calapan	T-3, T-4 & T-5 CityMall - Calapan, A. Bonifacio corner Roxas Drive, Brgy. Ilaya, Calapan City, Oriental Mindoro
276	Mindoro - Nuciti Central Calapan	Unit NCC-GF-116, Nuciti Central - Calapan, J.P. Rizal St., Brgy. Camilmil Calapan City, Oriental Mindoro
277	Mindoro - Puregold Calapan	Puregold Calapan Mindoro, J.P. Rizal St., Brgy. Camilmil, Calapan City, Oriental Mindoro
278	Misamis Occ. - Oroquieta	Mayor A. Enerio St., Oroquieta City, 7207 Misamis Occidental
279	Misamis Oriental - Gingoog	National Highway, Gingoog City, Misamis Oriental
280	Montalban - Puregold	G/F Units 3-5, Rodriguez Highway, Brgy. Rosario, Montalban, Rizal
281	Naga - Concepcion Grande	G/F Commercial Bldg., Maharlika Highway, Brgy. Concepcion Grande, Naga City
282	Naga - Diversion Road	Building 5, Stalls A and B, M Plaza Roxas Avenue, Diversion Road, Concepcion Pequeña, Naga City
283	Naga - Elias Angeles	Chua O. Co Bldg., Elias Angeles St., Brgy. San Francisco, Naga City, Camarines Sur
284	Naga - Magsaysay Avenue	One Magsaysay Bldg., Magsaysay Avenue corner Reno St., Brgy. Concepcion Pequeña, Naga City
285	Naga - Panganiban Drive	G/F DECA Corporate Center, Panganiban Drive, Brgy. Tinago, Naga City, Camarines Sur
286	Naga - San Francisco	Brgy. San Francisco, Peñafrancia Avenue, Naga City
287	Naga - Tabuco	G/F, BRDC Bldg., Biak-Na-Bato St., Brgy. Tabuco, Naga City 4400
288	Negros Occ - Bago	Araneta Avenue corner Gen. Luna St., Bago City, Negros Occidental 6101
289	Negros Occ - Binalbagan	Biscom Compound, Binalbagan, Negros Occidental
290	Negros Occ - CityMall Kabankalan	Unit 07 & 08, CityMall - Kabankalan, Justice Perez Highway corner Noceco Road, Brgy. Talubangi, Kabankalan City, Negros Occidental
291	Negros Occ - Hinigaran	Aguinaldo St. corner Rizal St., Hinigaran, 6106 Negros Occidental
292	Negros Occ - La Carlota	Yunque St. corner Gurrea St., Brgy. 1, La Carlota City, Negros Occidental
293	Negros Occ - San Carlos	S. Carmona St. corner Rizal St., San Carlos City, Negros Occidental
294	Negros Occ - Talisay	Paseo Mabini St., Brgy. Poblacion, Zone 9, Talisay City, Negros Occidental
295	Negros Occ - Victorias	Osmeña Avenue, Victorias City, Negros Occidental, 6119
296	Negros Oriental - Puregold Bayawan	G/F, Puregold Bayawan 6221, Bollos St., Brgy. Poblacion, Bayawan City 6221, Negros Oriental
297	Nueva Ecija - CityMall Sta. Rosa	T-23 & 24, CityMall-Sta. Rosa, Maharlika Highway, Brgy. Rizal, Sta. Rosa City, Nueva Ecija
298	Nueva Ecija - Gapan Maharlika Highway	Units 3-7, Maharlika Highway corner Sampaguita St., Brgy. Bayanihan, Gapan, Nueva Ecija
299	Nueva Ecija - Primark Cabiao	G/F Primark Cabiao, Jose Abad Santos Avenue, Brgy. San Roque, Cabiao, Nueva Ecija
300	Nueva Ecija - Primark Gapan	Primark Gapan, Maharlika Highway corner Abad Santos Avenue, Brgy. San Vicente, Gapan City, Nueva Ecija
301	Nueva Ecija - San Jose	Maharlika Road, Brgy. Rafael Rueda Sr., San Jose City, Nueva Ecija

302	Nueva Ecija - San Leonardo	G/F, Nueva Ecija Medical Center, Inc., Maharlika Highway, Brgy. San Anton, San Leonardo, Nueva Ecija
303	Nueva Ecija - Sta. Rosa	Along Maharlika Highway, Brgy. Cojuangco, Sta. Rosa, Nueva Ecija
304	Nueva Ecija - Talavera	G/F RDL Square 1 Bldg., Maharlika Highway, Brgy. Marcos District, Poblacion, Talavera, Nueva Ecija
305	Nueva Ecija - Zaragoza	Along Tarlac-Sta. Rosa Road, Brgy. Del Pilar East, Zaragoza, Nueva Ecija
306	Nueva Vizcaya - Bambang	G/F, Zen Galleria Bldg., National Highway, Brgy. Banggot, Bambang, Nueva Vizcaya
307	Nueva Vizcaya - Solano	Maharlika Highway, Brgy. Poblacion North, Solano, Nueva Vizcaya
308	Pampanga - Guagua Town Center	GTC Building, Lot 2, Olongapo-Gapan & Provincial Road, Brgy. San Matias, Guagua, Pampanga
309	Pampanga - Lubao	G/F, Mendoza-Diwa Bldg., Jose Abad Santos Avenue, Sta. Cruz, Lubao, Pampanga
310	Pampanga - Magalang	Pablo Luciano Avenue, Brgy. San Pedro 1, Poblacion, Magalang, Pampanga
311	Pampanga San Fernando - Dolores	G/F, Rodriguez Bldg., MacArthur Highway, Dolores, City of San Fernando, Pampanga
312	Pampanga San Fernando - MacArthur Highway	G/F, Doña Isa Fel Bldg. II, MacArthur Highway, Dolores, San Fernando City, Pampanga
313	Pampanga San Fernando - San Isidro	Kingspire Business Center, MacArthur Highway, Brgy. San Isidro, City of San Fernando, Pampanga
314	Pampanga San Fernando - Sindalan	Palm Bldg., MacArthur Highway, Sindalan, San Fernando City, Pampanga
315	Pangasinan - Alaminos	Marcos Avenue, Brgy. Palamis, Alaminos City, 2404 Pangasinan
316	Pangasinan - Bayambang	Rizal Avenue, Brgy. Zone II, Bayambang, 2423 Pangasinan
317	Pangasinan - Calasiao	G/F, Señor Tesoro Academy Bldg., Brgy. San Miguel, Calasiao, 2418, Pangasinan
318	Pangasinan - Carmen	MacArthur Highway, Brgy. Carmen East, Rosales, 2441 Pangasinan
319	Pangasinan - Malasiqui	ARLU Bldg., Magsaysay St., Brgy. Poblacion, Malasiqui, 2421 Pangasinan
320	Pangasinan - Mangaldan	Along Rizal Avenue, Brgy. Poblacion, Mangaldan, 2432 Pangasinan
321	Pangasinan - Pozorrubio	MacArthur Highway, Brgy. Cablong, Pozorrubio, Pangasinan 2435
322	Pangasinan - San Carlos	Palaris St., Brgy. Poblacion, San Carlos City, 2420 Pangasinan
323	Pangasinan - Tayug	Steve N Sons Bldg., Quezon Blvd., Brgy. B, Tayug, 2445 Pangasinan
324	Pangasinan San Carlos - Magic Mall	G/F, Magic Mall, Roxas Blvd. corner Zamora St., Brgy. Roxas Blvd., San Carlos City, Pangasinan 2420
325	Puerto Princesa - San Pedro	G/F Palawan Uno Hotel, National Highway, Brgy. San Pedro, Puerto Princesa City, Palawan
326	Quezon - CityMall Tiaong	Units T 3-5 CityMall-Tiaong, Maharlika Highway, Brgy. Lalig, Tiaong, Quezon
327	Quezon - Gumaca	JT Bldg., Maharlika Highway, Brgy. Peñafrancia, Gumaca, Quezon

328	Rizal - Binangonan	Lexar Building, Manila East Road, Brgy. Calumpang, Binangonan, Rizal
329	Rizal - Montalban	G/F Montalban Town Center, Rodriguez Highway corner Lardizabal St., Brgy. San Jose, Rodriguez, Rizal
330	Rizal - Morong	G/F & 2/F Morong Centerpoint, No. 58 T. Claudio St., Brgy. San Juan, Morong, Rizal
331	Rizal - Primark Cainta	G05-G06, Primark Cainta Rizal, Ortigas Avenue Extension corner Don Celso Tuazon Ave., Brgy. San Juan, Cainta, Rizal
332	Rizal - San Mateo	G/F & Mezzanine Flr., Doña Isabel Bldg., No. 29 Gen. Luna St., Brgy. Guitnang Bayan 1, San Mateo, Rizal
333	Rizal - Tanay	Tanay Town Center, Sampaloc Road corner F.T. Catapusan St., Plaza Aldea, Tanay, Rizal
334	Rizal - Teresa	G/F, A & A Square Bldg., Corazon C. Aquino Avenue corner R. De Jesus St., Brgy. Poblacion, Teresa, Rizal
335	Robinsons - Dumaguete	Level 2, Space No. 00244, Robinsons Dumaguete, Dumaguete Business Park, South Road, Barangay Calindagan, Dumaguete City
336	Robinsons Place - General Trias	Level 1 130-133, Robinsons Place General Trias, Antero Soriano Highway, EPZA, Bacao Diversion Road, Brgy. Tejero, General Trias, Cavite
337	Robinsons Place - Lipa	Level 1, Space L1- 177, Robinsons Place-Lipa, Lipa Highway, Brgy. Mataas na Lupa, Lipa City, Batangas
338	Robinsons Place - San Nicolas	Unit 1-00144, Robinsons Place Ilocos, Brgy. 1 San Francisco, San Nicolas, Ilocos Norte
339	Robinsons Place - Tuguegarao	Level 1 Tenant 1085-1086, Robinsons Place Tuguegarao, Maharlika Highway, Brgy. Tanza, Tuguegarao City, Cagayan
340	Robinsons Townville - Cabanatuan	G/F Unit RA1, Robinsons Townville, Brgy. H. Concepcion, Km. 111, Maharlika Highway, Cabanatuan City
341	Roxas - CityMall	CityMall-Roxas, Arnaldo Boulevard, Brgy. Baybay, Roxas City, Capiz
342	Roxas - Pueblo De Panay	G/F Hotel Veronica Bldg., Immaculate Heart of Mary Ave., Pueblo de Panay, Brgy. Lawa-an, Roxas City
343	Samar - Calbayog	Magsaysay Blvd. corner Burgos St., Brgy. East Awang, Calbayog City, Samar
344	Samar - Catarman	E.B. Moore St. corner Anunciacion St., Brgy. Lapu-Lapu, Catarman, Northern Samar
345	Samar - Catbalogan	Del Rosario St. corner Allen Avenue, 6700 Catbalogan, Samar
346	San Pablo - Angeles Heights	Ground Floor, Units 1-3, LLT Building, Maharlika Highway, Barangay 1-B, San Pablo City, Laguna
347	San Pablo - Maharlika Highway	G/F BienPaz Arcade, Maharlika Highway Junction, San Rafael, San Pablo City
348	San Pablo - Paulino	M. Paulino St., San Pablo City
349	San Pedro	National Highway Junction & Mabini St., Brgy. Nueva, San Pedro, Laguna
350	San Pedro - Pacita	G/F M. Allen Bldg., Km 31, Old National Highway, San Pedro, Laguna
351	San Pedro - Robinsons Galleria South	Level 2 Robinsons Galleria South, National Highway, Brgy. Nueva, San Pedro City
352	Savemore Market - EPZA	G/F Savemore Market EPZA General Trias, Diversion Road, EPZA, Brgy. Bacao Dos, General Trias, Cavite

353	Siargao	No. 1623 & 1625, Siargao Town Center, Siargao Circumferential Rd., Brgy. Osmeña, Dapa, Siargao Island, Surigao del Norte
354	SM CDO Downtown Premier	Location Code 112-114, G/F, SM CDO Downtown Premier, C.M. Recto corner Osmeña Sts., Brgy. Lapasan, Cagayan de Oro City
355	SM Center Angono	UG/F SM Center Angono, Manila East Road, Brgy. San Isidro, Angono, Rizal
356	SM Center Dagupan	Location Code 115, G/F, SM Center Dagupan, Herrero St., Brgy. Herrero- Perez, Dagupan City, 2400 Pangasinan
357	SM Center Imus	G/F, SM Center Imus (LC 163-164a, 173-174a), NIA and Alapan Road, Brgy. Bucandala, Imus, Cavite
358	SM Center Lemery	Location Code 127-130, G/F SM Center Lemery, Illustre Avenue corner Calle P. Gomez St., Brgy. District IV, Lemery, Batangas
359	SM Center Ormoc	G/F SM Center Ormoc (Location Code 123-125), Real St., Brgy. District 14, Ormoc City, Leyte
360	SM Center Pulilan	Location Code 140-142, G/F SM Center Pulilan, Plaridel-Pulilan Diversion Road, Brgy. Sto. Cristo, Pulilan, Bulacan
361	SM Center San Pedro	SM Center San Pedro, Ramon Magsaysay Avenue, Brgy. United Bayanihan, San Pedro City Laguna
362	SM Center Tuguegarao Downtown	LC 117-119, G/F & 246B & 247A, SM Center Tuguegarao Downtown, Luna St. corner Mabini St. Brgy. Ugac Sur, Tuguegarao City
363	SM Center Antipolo Downtown	UG/F 122, 123 & 124, SM Center Antipolo Downtown, Marcos Highway, Brgy. Mayamot, Antipolo City
364	SM City Bacolod	G/F South Wing Bldg. SM City Bacolod, Poblacion Reclamation Area, Bacolod City
365	SM City Bacolod North	G/F SM City Bacolod North Wing Bldg., Brgy. 12, Poblacion, Reclamation Area, Bacolod City
366	SM City Bacoar	UG/F SM City Bacoar, Gen. Aguinaldo Highway corner Tirona Highway Bacoar, Cavite
367	SM City Baguio	Location Code 176-179, Upper Ground Floor, SM City Baguio, Luneta Hill, Upper Session Road, Session Road-Governor, Brgy. Pack Road, Baguio City 2600
368	SM City Baliwag	G/F, SM City Baliwag (LC EX 101-102, 105b-107b), DRT Highway, Brgy. Pagala, Baliwag, Bulacan
369	SM City Bataan	G/F, Area Code 1085b & 1088, SM City Bataan, Lerma St., Brgy. Ibayo, City of Balanga, Bataan
370	SM City Batangas	G/F SM City Batangas, Brgy. Pallocan West, Batangas City
371	SM City Butuan	Location Code 178-181 A, Ground Floor, SM City Butuan, Jose C. Aquino Avenue corner Jose Rosales Avenue, Brgy. Lapu Lapu, Butuan City
372	SM City Cabanatuan	UG/F SM City Cabanatuan, Maharlika Highway, Brgy. Hermogenes C. Concepcion Sr., Cabanatuan City, Nueva Ecija
373	SM City Cagayan De Oro	G/F SM City Cagayan de Oro, Pueblo de Oro Business Park, Upper Canituan, Cagayan de Oro, Misamis Oriental
374	SM City Calamba	G/F SM City Calamba, National Highway, Brgy. Real, Calamba City, Laguna
375	SM City Cauayan	G/F & 2/F SM City Cauayan, Maharlika Highway, Brgy. San Fermin, Cauayan, Isabela
376	SM City Cebu	SM City Cebu North Reclamation Area, Cebu City

377	SM City Cebu B	LG/F, Main Mall Bldg., SM City Cebu, North Reclamation Area, Juan Luna Ave. Ext., Mabolo, Cebu City
378	SM City Clark A	LC 101-104, G/F, SM City Clark, M.A. Roxas St., Malabánias, Angeles City, Pampanga
379	SM City Clark B	G/F SM City Clark BPO Tower 1&2 (LC B1-101-107), Brgy. Malabánias, Pampanga
380	SM City Consolacion Cebu	G/F SM City Consolacion Cebu, Cebu North Road, Brgy. Lamac, Consolacion, Cebu
381	SM City Daet	G/F, SM City Daet, Purok 1, Brgy. Lag-on, Vinzons Avenue, Daet, Camarines Norte
382	SM City Dasmariñas A	Upper Ground Floor, SM City Dasmariñas, Barrio Pala-Pala, Dasmariñas, Cavite
383	SM City Dasmariñas B	LG/F SM City Dasmariñas, Governor's Drive, Brgy. Pala-Pala, Dasmariñas, Cavite
384	SM City Davao	G/F, Main Mall Expansion, SM City Davao, along Quimpo Blvd., Brgy. 76-A, Bucana, Talomo District, Davao City
385	SM City Davao Annex	G/F and M/F Annex Bldg., SM City Davao, Brgy. Matina, Davao City
386	SM City General Santos	G/F SM City General Santos, Santiago Boulevard corner San Miguel St., General Santos City
387	SM City Iloilo	UG/F SM City Iloilo, Benigno Aquino Avenue, Mandurriao, Iloilo City
388	SM City Iloilo B	UG/F SM City Iloilo Expansion Bldg. (LC1053A-1053F), Benigno Aquino Avenue, Brgy. Bolilao, Mandurriao, Iloilo City 5000
389	SM City J Mall	LG/F, SM City J Mall, A.S. Fortuna St., Brgy. Bakilid, Mandaue City, 6014 Cebu
390	SM City La Union	UG/F, Area Code 1001-1004, SM City La Union, By-Pass Road, Brgy. Biday, San Fernando, La Union
391	SM City Laoag	UG/F, Area Code 1011-1012, 1019, SM City Laoag, Airport Road, Brgy. 51-B, Nangalisan West, 2900, Laoag City, Ilocos Norte
392	SM City Legazpi	G/F SM City Legazpi (Location Code 1045-1047), Imelda Roces Avenue, Zone 9, Brgy. 37 Bitano, Legazpi City, Albay
393	SM City Lipa	G/F SM City Lipa, Ayala Highway, Lipa City, Batangas
394	SM City Lucena	G/F SM City Lucena (LC - 177- 178) Pagbilao National Road, Lucena City
395	SM City Marilao	G/F SM City Marilao, MacArthur Highway, Marilao, Bulacan
396	SM City Masinag	G/F SM City Masinag, Marcos Highway, Mayamot, Antipolo City
397	SM City Mindpro	Ground Floor, SM City Mindpro, La Purisima Street, Brgy. Zone III, Zamboanga City
398	SM City Molino	G/F SM City Molino, Brgy. Molino 4, Bacoar, Cavite
399	SM City Naga	G/F SM City Naga, Brgy. Triangulo, Central Business District II, Naga City
400	SM City Olongapo	G/F SM City Olongapo (Location Code EXP 105-106), Magsaysay Drive corner Gordon Ave., Pag-asa, Olongapo City, Zambales
401	SM City Olongapo Central	Location Code 125-129, G/F, SM City Olongapo Central, Rizal Avenue, Brgy. East Tapinac, Olongapo City
402	SM City Pampanga A	G/F, SM City Pampanga, Brgy. San Jose, City of San Fernando, Pampanga

403	SM City Pampanga B	G/F & M/F, SM City Pampanga Annex Bldg. 4, Brgy. Lagundi, Mexico, Pampanga
404	SM City Puerto Princesa	LG/F SM City Puerto Princesa, Malvar corner Lacao Sts., Brgy. San Miguel, Puerto Princesa City, Palawan
405	SM City Rosales	G/F, SM City Rosales, Brgy. Carmen East, Rosales, 2441 Pangasinan
406	SM City Rosario	G/F SM City Rosario, General Trias Drive, Brgy. Tejero, Rosario, Cavite
407	SM City Roxas	1101 B - 1102 Ground Floor, SM City Roxas, Arnaldo Blvd., Brgy. Baybay, Roxas City, Capiz 5800
408	SM City San Fernando	G/F, SM City San Fernando Downtown, V. Tiomico St., Sto. Rosario, City of San Fernando, Pampanga
409	SM City San Jose Del Monte	Unit 164-167, G/F, SM City San Jose Del Monte, Quirino Highway, Brgy. Tungkong Mangga, San Jose Del Monte City, Bulacan
410	SM City San Mateo	SM City San Mateo, General Luna, Brgy. Ampid 1, San Mateo, Rizal
411	SM City San Pablo	G/F SM City San Pablo, National Highway, Brgy. San Rafael, San Pablo City, Laguna
412	SM City Sorsogon	Unit nos. 173-176, Ground Floor, SM City Sorsogon, Maharlika Highway, Brgy. Balogo, East District, Sorsogon City 4700
413	SM City Sta. Rosa	G/F SM City Sta. Rosa, Barrio Tagapo, Sta. Rosa, Laguna
414	SM City Sto. Tomas	Ground Floor, Units 1072 -1073, SM City Sto. Tomas, Maharlika Highway, Brgy. San Bartolome City of Sto. Tomas, Batangas 4234
415	SM City Tanza	Ground Floor, Area Code 1117, SM City Tanza, Antero Soriano Highway, Brgy. Daang Amaya II, Tanza, Cavite
416	SM City Tarlac	UG/F, SM City Tarlac, MacArthur Highway, Brgy. San Roque, Tarlac City, 2300 Tarlac
417	SM City Taytay	G/F Bldg. A, SM City Taytay, Manila East Road, Brgy. Dolores, Taytay, Rizal
418	SM City Telabastagan	184-185, Ground Floor, SM City Telabastagan, MacArthur Highway, Brgy. Telabastagan, 2000 City of San Fernando, Pampanga
419	SM City Trece Martires	UG/F SM City Trece Martires (LC 33A-135A), Brgy. San Agustin, Trece Martires, Cavite
420	SM City Tuguegarao	G/F, Area Code 179-180-181, 189A, SM City Tuguegarao, Bagay Road corner Diversion Road, Brgy. Caritan Norte, Tuguegarao City, Cagayan
421	SM City Urdaneta Central	LC 155-157, G/F, SM City Urdaneta Central, MacArthur Highway, Brgy. Nancayasan, Urdaneta City, 2428 Pangasinan
422	SM Delgado	G/F SM Delgado Bldg., Valeria St., Iloilo City
423	SM Hypermarket Cainta	SM Hypermarket Cainta, Felix Ave., Cainta, Rizal
424	SM Hypermarket Daet	G/F SM Hypermarket Daet, Vinzons Avenue, Brgy. IV, Daet, Camarines Norte
425	SM Hypermarket Imus	GF, Location Code IL-101, SM Hypermarket Imus, General Aguinaldo Highway, Brgy. Anabu I-B, Imus, Cavite
426	SM Hypermarket Mabalacat	G/F, SM Hypermarket Pampanga, MacArthur Highway, Brgy. Camachiles, Mabalacat City, Pampanga
427	SM Iloilo Central Market	G/F, SM Iloilo Central Market, Iznart St., Brgy. Nonoy, Iloilo City

428	SM Iloilo Terminal Market	G/F, SM Iloilo Terminal Market, Rizal St., Brgy. Flores, Iloilo City
429	SM Lanang Premier	UG/F SM Lanang Premier, J.P. Laurel Avenue, Brgy. San Antonio Bajada, Lanang, Davao City
430	SM Market Mall Dasmariñas	G/F Dasmariñas Bagong Bayan Resettlement Project Area B (DBB-B), Congressional Road, Kadiwa, Dasmariñas, Cavite
431	SM Megacenter Cabanatuan	UG/F SM Megacenter Cabanatuan, Gen. Tinio & Melencio Sts., San Roque Norte, Cabanatuan City
432	SM Savemore Davao Bangkal	G/F SM Savemore Market Bangkal, Davao Km. 7 MacArthur Highway, Brgy. Bangkal, Davao City
433	SM Savemore Tacloban	G/F SM Savemore Tacloban, Justice Romualdez St., Brgy. 13, Tacloban City
434	SM Seaside City Cebu A	LG/F SM Seaside City Cebu, Brgy. Mambaling, South Road Reclamation Area, Cebu City
435	SM Seaside City Cebu B	2/F SM Seaside City Cebu, Brgy. Mambaling, South Road Reclamation Area, Cebu City
436	Sorsogon - Primark J.P. Rizal	Primark Sorsogon 3, J.P. Rizal St. corner De Vera St., Brgy. Talisay, Sorsogon City
437	Sorsogon City	Ground Floor, St. Matthew's Building, Magsaysay St., Brgy. Almendras, East District, Sorsogon City 4700
438	South Cotabato - Gaisano Polomolok	G/F 3, 5 and 6 Gaisano Grand Mall, Polomolok, National Highway, Brgy. Magsaysay, Polomonok, South Cotabato
439	Sta. Lucia East - Cainta	Sta. Lucia East Grand Mall, Marcos Highway corner Felix Avenue, 1900 Cainta, Rizal
440	Sta. Lucia East - Felix Avenue	G/F Phase 1, Sta. Lucia Grand Mall, Marcos Highway corner Felix Avenue, Cainta
441	Sta. Rosa - Arcadia	Unit Anchor 2, Arcadia Bldg., Greenfield City, Tagaytay-Balibago Road, Brgy. Don Jose, Sta. Rosa City, Laguna
442	Sta. Rosa - Don Jose	PCC Bldg., Sta. Rosa Tagaytay Road, Brgy. Don Jose, Sta. Rosa, Laguna
443	Sta. Rosa - Nuvali	2/F, Bldg. E. Ayala Malls Solenad 3, Sta. Rosa - Tagaytay Road, Nuvali Estate, Brgy. Sto. Domingo, Sta. Rosa City, Laguna
444	Sta. Rosa - Puregold Tagapo	Puregold Sta. Rosa - Tagapo, Rizal Blvd., Brgy. Tagapo, Sta. Rosa, Laguna
445	Subic - Puregold SBMA	G/F, Commercial Units 1-3, Puregold Duty Free Subic, Argonaut Highway, Subic Port District, Brgy. Asinan, Subic Bay Freeport Zone, Olongapo City, Zambales
446	Subic - Times Square	420 Rizal Highway, Subic Bay Freeport Zone, 2200 Olongapo City, Zambales
447	Sultan Kudarat - Primark Tacurong	G10, G/F, Primark Town Center, Magsaysay Avenue corner Bonifacio St., Purok 1, Brgy. Poblacion, Tacurong City, Sultan Kudarat
448	Surigao	Magallanes St. corner San Nicolas St., 8400 Surigao City
449	Tabaco City - Karangahan Boulevard	G/F, JRV Pamar Complex, Lot 4 B, P-6, Karangahan Blvd., Brgy. Bombon Tabaco City, Albay 4511
450	Tacloban - Justice Romualdez	Philamlife Bldg., Justice Romualdez St. corner P. Paterno St., Tacloban City
451	Tacloban - Rizal Avenue	Rizal Avenue, Brgy. 41, Tacloban City
452	Tacloban - Zamora	Carlos Chan Bldg., P. Zamora St., Tacloban City
453	Tagaytay - Mendez Junction	E. Aguinaldo Highway, Mendez Crossing, Tagaytay City

454	Tagaytay - Rotonda	Frablyn Tower (Tolentino Bldg.), Emilio Aguinaldo Highway, Tagaytay (near Tagaytay Rotonda)
455	Tagaytay - Wind Residences	G/F Tower 2, SM Wind Residences, Aguinaldo Highway, Brgy. Maharlika West, Tagaytay City
456	Tanauan - A. Mabini	A. Mabini St., Tanauan 4232, Batangas
457	Tanauan - JP Laurel Highway	Pres. J.P. Laurel Highway corner Sixto Castillo St., Poblacion, Tanauan, Batangas
458	Tarlac - Camiling	Romulo St., Brgy. Poblacion A, Camiling, 2306 Tarlac
459	Tarlac - Capas	San Trope Bldg., No. 57 MacArthur Highway, Brgy. Sto. Domingo 1st, Capas, 2315 Tarlac
460	Tarlac - CityMall	T-01, CityMall-Tarlac, MacArthur Highway, Brgy. San Rafael, Tarlac City, 2300 Tarlac
461	Tarlac - Concepcion	L. Jaena St., Brgy. San Nicolas Poblacion, Concepcion, 2316 Tarlac
462	Tarlac - Gerona	Nick Hotel Commercial Complex, MacArthur Highway, Brgy. Abagon, Gerona, 2302 Tarlac
463	Tarlac - MacArthur Highway	Block 7, MacArthur Highway, Brgy. San Nicolas, Tarlac City, 2300 Tarlac
464	Tarlac - San Roque	1567 Zamora St., Brgy. San Roque, Tarlac City, 2300 Tarlac
465	Tarlac - San Vicente	G/F, Unit B, City Center Fairlane, 7th St., Fairlane Subdivision, San Vicente, Tarlac City
466	Taytay - Manila East Road	BDO Bldg., East Road, Taytay, Rizal
467	Taytay - National Highway	Korte Rosario Restaurant, Taytay National Highway, Ilog Pugad, Brgy. San Juan, Taytay Rizal
468	Tuguegarao - Buntun	Luna St., Brgy. Buntun, Tuguegarao City, Cagayan
469	Tuguegarao - CityMall	CityMall Tuguegarao, Pan-Philippine Highway, Brgy. Leonarda, Tuguegarao City, Cagayan
470	Urdaneta - MacArthur Highway	182 LIS Bldg., MacArthur Highway, Brgy. San Vicente, Urdaneta City, 2428 Pangasinan
471	Urdaneta - Nancayasan	587 MacArthur Highway, Phinma UPang College Building, Brgy. Nancayasan, Urdaneta City, 2428 Pangasinan
472	Vigan - Plaza Burgos	G/F, Cordillera Family Inn, Leona Florentino St., Brgy. 1, Vigan City, 2700 Ilocos Sur
473	Vigan - Puregold	Puregold Vigan, Jose Singson St., Brgy VIII, Sta. Elena, Vigan City, Ilocos Sur
474	Virac Town Center	G/F Virac Town Center, Rizal Avenue, Brgy. Gogon Sirangan, Virac, Catanduanes
475	Walmart - Antipolo	G/F, Walmart Antipolo, L. Sumulong Memorial Circle, Brgy. San Roque, Antipolo City
476	Walmart - Arayat	G/F Walmart Arayat, Jose Abad Santos Avenue, Brgy. San Jose Mesulo, Arayat, Pampanga
477	Walmart - Bacoor	Ground Floor, Walmart Bacoor, Molino Blvd., Brgy. Mambog IV, Bacoor City, Cavite
478	Walmart - Balanga	Location Code WBLN 040, G/F, Walmart Balanga, Roman Superhighway, Brgy. Tenejero, Balanga City, Bataan
479	Walmart - Balayan	G/F Walmart Balayan, Balibago-Balayan Highway corner Paz St., Brgy. Caloocan, Balayan, Batangas
480	Walmart - Batangas City	G/F, Walmart Batangas, P. Burgos St., Brgy. Calicanto, Batangas City, Batangas

481	Waltermart - Baliwag	G/F, Waltermart Baliwag, Doña Remedios Trinidad Highway, Brgy. Sabang, Baliwag, Bulacan
482	Waltermart - Bel-Air Sta. Rosa	G/F Waltermart Bel-Air Sta. Rosa, Tagaytay National Highway, Brgy. Pulong, Sta. Cruz, Sta. Rosa, Laguna
483	Waltermart - Cabanatuan	G/F Waltermart Cabanatuan, Brgy. Dicarma, Cabanatuan City, Nueva Ecija
484	Waltermart - Candelaria	Ground Floor, Waltermart Candelaria, Sambat, Maharlika Highway, Brgy. Malabanban Norte, Candelaria Quezon
485	Waltermart - Capas Tarlac	G/F Waltermart Capas, MacArthur Highway, Brgy. Sto. Domingo 1, Capas, Tarlac 2315
486	Waltermart - Carmona	G/F Waltermart Carmona, Macaria Business Center, National Highway, Brgy. Mabuhay, Carmona, Cavite
487	Waltermart - Concepcion Tarlac	G/F Waltermart Concepcion (LC WCON 033), L. Cortez St., Brgy. Alfonso, 2316 Concepcion, Tarlac
488	Waltermart - Dasmariñas	G/F Waltermart Dasmariñas, National Highway, Brgy. Barrio Burol, Dasmariñas, Cavite
489	Waltermart - Guiguinto	Waltermart Guiguinto Bulacan, MacArthur Highway, Brgy. Ilang-ilang, Guiguinto, Bulacan
490	Waltermart - Mabalacat	G/F, LC G-09, Waltermart Mabalacat, MacArthur Highway, Brgy. Dau, Mabalacat, Pampanga
491	Waltermart - Malolos	G/F, Waltermart Malolos, Km 44, MacArthur Highway, Brgy. Longos, Malolos City Bulacan
492	Waltermart - Naic	Ground Floor, Waltermart Naic, Governor's Drive, Brgy. Sabang, Naic, Cavite 4110
493	Waltermart - Nasugbu	Location Code WNAS 017, G/F Waltermart Nasugbu, J.P. Laurel Highway, Brgy. Lumbangan, Nasugbu, Batangas
494	Waltermart - Pampanga	G/F Waltermart San Fernando, MacArthur Highway, San Agustin, City of San Fernando, Pampanga
495	Waltermart - Paniqui	G/F, Waltermart Paniqui, MacArthur Highway, Brgy. Estacion, Paniqui, Tarlac 2307
496	Waltermart - San Jose	G/F, Waltermart San Jose, Pan Philippine Highway, Brgy. Malasin, San Jose, Nueva Ecija
497	Waltermart - San Pascual Batangas	Ground Floor, Waltermart San Pascual, Lumang Kalye, Barangay San Anotnio, San Pascual, Batangas
498	Waltermart - Silang	G/F, Waltermart Silang, Aguinaldo Highway corner Biluso Road, Brgy. San Vicente II, Silang, Cavite
499	Waltermart - Sta. Maria	G/F Waltermart Sta. Maria, Provincial Road corner By-Pass Road, Brgy. Sta. Clara, Sta. Maria, Bulacan
500	Waltermart - Sta. Rosa	San Lorenzo Drive corner Balibago Road, Brgy. Balibago, 4026 Sta. Rosa, Laguna
501	Waltermart - Subic	G/F, Waltermart Subic, National Highway, Brgy. Mangan-Vaca, Subic, Zambales
502	Waltermart - Talavera	Unit WMT G-32, G/F Waltermart Talavera, Maharlika Highway, Brgy. La Torre, Talavera, Nueva Ecija 3114
503	Waltermart - Tanauan	G/F Waltermart Tanauan, Pres. J.P. Laurel Highway, Brgy. Darasa, Tanauan City, Batangas
504	Waltermart - Taytay	LG/F Waltermart Taytay, Ortigas Avenue Extension, Brgy. San Isidro, Taytay, Rizal
505	Waltermart Center - Cabuyao	G/F Waltermart Center Cabuyao, Km 47 National Highway, Brgy. Banlic, Cabuyao, Laguna
506	Waltermart Center - Makiling	G/F Waltermart Center Makiling, National Highway, Brgy. Makiling, Calamba, Laguna

507	Zambales - Castillejos	G/F RM Mall, National Highway, Brgy. San Nicolas, Castillejos, Zambales
508	Zambales - Iba	Zambales - Pangasinan Provincial Road, Brgy. Sagapan, Iba, Zambales
509	Zamboanga - Ipil	National Highway, Ipil, 7001 Zamboanga Del Sur
510	Zamboanga - Canelar	Mayor Jaldon Avenue, Brgy. Canelar, Zamboanga City
511	Zamboanga - City Mall Tetuan	U33 CityMall Tetuan Zamboanga, Gov. Alvarez Extension, Tetuan, Zamboanga City
512	Zamboanga - La Purisima	La Purisima St., Brgy. Zone II, Zamboanga City
513	Zamboanga - Veterans Avenue	G/F Wee Agro Commercial Bldg., Veterans Avenue, Brgy. Camino Nuevo, Zamboanga City

(3) Limitations on Property

Other than the properties owned by the Bank, the other properties utilized by the Bank are subject to the respective terms of lease.

(4) Properties to be acquired

The Bank does not have any current plans to acquire any property within the next twelve (12) months.

(5) Properties of Subsidiaries

The Bank's subsidiaries own and lease several real properties for use as main and branch offices, for corporate leases, for sale and for investments.

Leases on such premises are for various periods and terms, and are renewable upon the mutual agreement of the parties. Lease terms ranges from 1 to 20 years. Some contracts provide for renewal options subject to mutual agreement of the parties. Rental rates are based on prevailing market rental rates for the said properties. Please refer to Notes 2.17, 13, and 34.2 of the accompanying Notes to Financial Statements for further details on Lease.

(6) Limitations on Property

Other than the properties owned by the Bank, the properties leased and utilized by the subsidiaries are subject to the respective terms of lease.

Item 3. Legal Proceedings

The Bank is a party to various legal proceedings which arise in the ordinary course of its operations. Following existing regulatory requirements, no such legal proceedings, either individually or in the aggregate, are expected to have a material adverse effect on the Bank or its consolidated financial condition. A discussion of the other legal proceedings of the Bank is found in Note 34.1 of the accompanying Notes to Financial Statements as of the year ended 31 December 2025.

Others

The Group is also a defendant in various cases pending in courts for alleged claims against the Group, the outcome of which are not fully determinable at present. As of 31 December 2025, management believes that, liabilities or losses, if any, arising from these claims would not have a material effect on the financial position and results of operations of the Group and will be taken up if and when a final resolution by the courts is made on each claim.

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

During the 2025 Annual Shareholders Meeting of BDO on 25 April 2025, the shareholders of the Corporation approved the additional allocation of up to 111 Million common primary shares or up to 2% of the Bank's outstanding common shares, for future awards under the Bank's Employee Stock Option Plan (**ESOP**). The Board of Directors approved the said allocation and endorsed the same for shareholder approval on 22 February 2025.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuers Common Equity and Related Stockholder Matters

1) Stock Prices

The Bank's common shares are traded at the PSE. The high and low sales prices for each quarter within the last two (2) fiscal years are as follows:

	High	Low
First Quarter 2024	157.80	125.70
Second Quarter 2024	160.70	127.00
Third Quarter 2024	169.00	127.10
Fourth Quarter 2024	168.70	137.50
First Quarter 2025	163.50	134.36
Second Quarter 2025	166.47	147.64
Third Quarter 2025	155.70	131.20
Fourth Quarter 2025	140.00	119.00

Source: www.edge.pse.com.ph

As of 31 December 2025, the closing price of the Bank's common shares is P134.60.

2) Holders of Securities

The number of common shareholders as of 31 December 2025 was 12,335 Common shares outstanding as of 31 December 2025 stood at 5,333,999,967. The top twenty (20) common shareholders are as follows:

Rank	Name of Stockholder	Nationality	No. of Shares Owned	% of Ownership
1	SM Investments Corporation	Filipino	2,165,725,022	40.60%
2	PCD Nominee Corp.	Non-Filipino	1,449,764,339	27.18%
3	PCD Nominee Corp.	Filipino	827,322,613*	15.51%
4	Multi-Reality Development Corporation	Filipino	353,035,964	6.62%
5	Sybase Equity Investments Corporation (SEIC)	Filipino	289,638,699**	5.43%
6	Shoemart, Inc. (now SM Prime Holdings, Inc.)	Filipino	109,023,766	2.04%
7	DFC Holdings, Inc.	Filipino	36,852,570	0.69%

Rank	Name of Stockholder	Nationality	No. of Shares Owned	% of Ownership
8	Dacon Corporation	Filipino	30,791,430**	0.58%
9	Sysmart Corporation	Filipino	12,226,315**	0.23%
10	Executive Optical Inc.	Filipino	3,299,586**	0.06%
11	Edilberto Narciso	Filipino	3,164,545	0.06%
12	DHS Investments, Inc.	Filipino	2,831,147	0.05%
13	Jorge T. Mendiola or Nicolo Senen L. Mendiola	Filipino	2,624,297	0.05%
14	Tansy Holdings Inc.	Filipino	1,342,637**	0.03%
15	Cedar Commodities, Inc.	Filipino	1,305,684**	0.03%
16	Ernest Lee Go	Filipino	1,260,909	0.02%
17	Jonathan Dee Co	Filipino	806,628	0.02%
18	Regina Capital Dev. Corp.	Filipino	731,244	0.01%
19	Teresita T. Sy	Filipino	645,536**	0.01%
20	Harley T. Sy	Filipino	620,849	0.01%
Total			5,293,013,780	99.23%

* Exclusive of PCD-lodged shares of SEIC, Dacon Corporation, Sysmart Corporation, Executive Optical Inc., Tansy Holdings Inc., Cedar Commodities, Inc., and Chairperson Teresita T. Sy

** Inclusive of PCD-lodged shares

The material information on the current shareholders and voting rights are discussed in Items 4(d) and 4(c), respectively, of the Information Statement.

In particular, the following are known to BDO to be directly or indirectly the record and/or beneficial owners of more than 5% of BDO's voting securities:

Title of Clas	Name, address of record owner and relationship with BDO	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	SM Investments Corporation 10th Floor One E-Com Center, Harbour Drive, Mall of Asia Complex, CBP-I-A, Pasay City/ Parent Company	Sy Family (Substantial Stockholders)	Filipino	2,165,725,022	40.60%
Common	PCD Nominee Corp. (Non-Filipino) 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City/Various stockholders	Various stockholders	Foreign	1,449,764,339	27.18%

Title of Clas	Name, address of record owner and relationship with BDO	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	PCD Nominee Corp. (Filipino) 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City/ Various stockholders	Various stockholders	Filipino	828,662,141*	15.54%
Common	Multi-Realty Development Corporation 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	SM Investments Corp. (Subsidiary)	Filipino	353,035,964	6.62%
Common	Sybase Equity Investments Corporation (SEIC) 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	Various corporate stockholders	Filipino	289,638,699**	5.43%
TOTAL (COMMON)				5,086,826,165	95.37%

* Exclusive of PCD-lodged shares of SEIC.

** Inclusive of PCD-lodged shares of SEIC.

Title of Class	Name, address of record owner and relationship with BDO	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Preferred	Sybase Equity Investments Corporation 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	Various corporate stockholders	Filipino	469,680,000	76.00%
Preferred	SM Investments Corporation 10th Floor One E-Com Center, Harbour Drive, Mall of Asia Complex, CBP-I-A, Pasay City/ Parent Company	Sy Family (Substantial Stockholders)	Filipino	148,320,000	24.00%

TOTAL (PREFERRED)	618,000,000	100.00%

The persons authorized to vote the shares of SM Investments Corporation, Multi-Realty Development Corporation and SEIC are Ms. Teresita T. Sy and/or Mr. Henry T. Sy, Jr. and/or Mr. Harley T. Sy.

As of 31 December 2025 the following are known to BDO as the PCD participants holding 5% or more of BDO's voting securities:

Member	Name and Address	Citizenship	No. of Shares	Percent of Shareholdings
HSBC Clients' Account	The Hong Kong and Shanghai Banking Corporation HSBC Securities Services 12 th Floor, The Enterprise Center, Tower 1, 6766 Ayala Avenue corner Paseo de Roxas, Makati City 1200	Non-Filipino	338,534,684	5.69%
DB Clients' Account	Deutsche Bank Manila 19 th Floor Four NEO 31 st corner 4 th Avenue E Square Zone Bonifacio Global City, Taguig City	Non-Filipino	312,733,668	5.25%
	TOTAL		651,268,352	10.94%

- The PCD, being a nominee corporation, only holds legal title, not beneficial ownership of the lodged shares. The beneficial owners, such as the clients of PCD, have the power to decide how their shares are to be voted.

(NOTE: There are no voting trust shares or shares issued pursuant to a Voting Trust Agreement registered with BDO nor has there been any change in control of BDO. BDO is also not aware of any contractual arrangement or otherwise between its shareholders and/or third parties, which may result in change in control of BDO).

On voting rights, each shareholder holding Common Shares and Series A Preferred Shares (each, a "Voting Share/s") as of 31 December 2025 is entitled to as many votes as there are directors to be elected. Thus, if there are eleven (11) directors to be elected, each Voting Share is entitled to eleven (11) votes. Such shareholder may cumulate and cast all his votes in favor of one candidate or distribute them among as many candidates as he/she shall see fit, provided that the total number of votes cast by him/her does not exceed the number of shares owned by him/her multiplied by the number of directors to be elected.

As of 31 December 2025, the Bank has a public float level of 44.22%.

3) Dividends

The Bank's Board of Directors is authorized to declare dividends annually. Stock Dividend declarations require further approval of stockholders representing not less than two-thirds (2/3) of all stocks outstanding and entitled to vote. Such stockholders' approval may be given at a general or special meeting duly called for the purpose. Dividends may be declared only from surplus profits after making proper provisions for necessary reserves in accordance with applicable laws and the regulations of the BSP.

On 7 December 2024, the Board of Directors of the Bank approved the declaration of treasury shares as property dividends, which resulted from the merger of the Parent Bank and The Podium Complex, Inc. (**TPCI**), formerly known as SM Keppel Land, Inc. (**SMKL**), with the Bank as the surviving entity. The treasury shares, equivalent to approximately 1.00% of the Bank's current outstanding shares, and amounting to P7.1 billion were distributed to eligible shareholders on 30 May 2025.

On 31 January 2025, the Board of Directors approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P408 million. The dividends were paid on 21 February 2025.

The Board of Directors approved the declaration of quarterly cash dividends in the amount of P1.00 per common share for the first quarter of 2025 and P1.10 per common share for the second, third and fourth quarters of 2025 on 22 February 2025, 31 May 2025, 30 August 2025 and 6 December 2025, respectively. The dividends were paid on 31 March 2025, 30 June 2025, 30 September 2025 and 29 December 2025, respectively.

On 27 January 2024, the Board of Directors of BDO approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P407 million. The dividends were paid on 19 February 2024.

The Board of Directors approved the declaration of quarterly cash dividends in the amount of P0.75 per common share for the first quarter of 2024 and P1.00 per common share for the second, third and fourth quarters of 2024 on 24 February 2024, 25 May 2024, 31 August 2024 and 28 November 2024, respectively. The dividends were paid on 27 March 2024, 28 June 2024, 30 September 2024 and 27 December 2024, respectively.

On 28 January 2023, the Board of Directors of BDO approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P407 million. The dividends were paid on 20 February 2023.

The Board of Directors approved the declaration of quarterly cash dividends in the amount of P0.75 per common share for the first, second, third and fourth quarters of 2023 on 24 February 2023, 27 May 2023, 25 August 2023 and 6 December 2023, respectively. The dividends were paid on 31 March 2023, 30 June 2023, 29 September 2023 and 29 December 2023, respectively.

On 29 January 2022, the Board of Directors of BDO approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P339 million. The dividends were paid on 22 February 2022.

The Board of Directors approved the declaration of quarterly cash dividends in the amount of P0.30 per common share for the first, second, third and fourth quarters of 2022 on 24 February 2022, 28 May 2022, 26 August 2022 and 3 December 2022, respectively. The dividends were paid on 31 March 2022, 30 June 2022, 30 September 2022 and 29 December 2022, respectively.

On 26 March 2022, the Board of Directors approved the declaration of stock dividends equivalent to 20% of the Bank's outstanding capital stock, as well as an increase in its authorized capital stock (common shares) from 5,500,000,000 to 8,500,000,000 shares. This was ratified by the Bank's stockholders representing at least two-thirds (2/3) of the outstanding capital stock on 22 April 2022. The stock dividends were issued on 29 December 2022.

On 22 April 2022, the Board of Directors approved the declaration of a special cash dividend in the amount of P1.00 per common share for a total of P4.4 billion. The dividends were paid on 31 May 2022.

On 30 January 2021, the Board of Directors of BDO approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P340 million. The dividends were paid on 22 February 2021.

The Board of Directors approved the declaration of quarterly cash dividends in the amount of P0.30 per common share for the first, second, third and fourth quarters of 2021 on 24 February 2021, 29 May 2021, 27 August 2021 and 4 December 2021, respectively. The dividends were paid

on 25 March 2021, 25 June 2021, 24 September 2021 and 29 December 2021, respectively.

4) Recent Sales of Unregistered Securities (within 3 years)

On 3 December 2025, the Bank issued US\$500 million 5-year Senior Notes under the Bank's Medium Term Note Program. The Senior Notes issue is part of BDO's liability management initiatives to tap longer term funding sources to support BDO's lending operations and for general corporate purposes.

On 29 July 2025, the Bank raised P115.0 billion for its fourth Peso-denominated fixed-rate ASEAN Sustainability Bond issue. Proceeds of the issuance financed/refinanced eligible assets as defined in the Bank's Sustainable Finance Framework, supported the Bank's lending activities and diversified the Bank's funding sources.

On 24 July 2024, the Bank raised P55.7 billion from its third Peso-denominated fixed-rate ASEAN Sustainability Bond issue. Proceeds of the issuance financed/refinanced eligible assets as defined in the Bank's Sustainable Finance Framework and diversified the Bank's funding sources.

On 29 January 2024, the Bank raised P63.3 billion in its second Peso-denominated fixed-rate ASEAN Sustainability Bond issue. The proceeds were used to finance/refinance eligible assets as defined in the Bank's Sustainable Finance Framework.

Item 6 – Management's Discussion and Analysis or Plan of Operations

(1) Management's Discussion and Analysis

Balance Sheet – 2025 vs. 2024

Total Resources expanded 11% to P5.4 trillion mainly from growth in loans and other receivables as well as Investment Securities, which climbed 13% and 12% to P3.7 trillion and P984.7 billion, respectively. Cash and Other Cash Items went up 9% to P119.4 billion following deposit growth. Due from BSP dropped 16% to P209.8 billion following the 2% cut in reserve requirement in March 2025. Due from Other Banks rose 23% to P111.4 billion coming from higher level of placements and working balances with correspondent banks.

Premises, Furniture, Fixtures and Equipment increased 15% to P62.5 billion owing to investments in information technology (IT) systems and in the Bank's offices and distribution channels. Equity Investments rose 11% to P5.3 billion due to earnings from associates. Investment Properties hiked 27% to P42.8 billion on foreclosures and dacion payments. Assets Attributable to Life Insurance grew 12% to P136.8 billion on higher BDO Life business volumes.

Deposit Liabilities hiked 10% to P4.2 trillion as Demand and Time deposits grew 13% and 25%, respectively. Bills Payable surged 35% to P351.8 billion following the Sustainability Bond and Senior Notes issued in July and December 2025, respectively. Liabilities Attributable to Life Insurance increased 11% to P101.6 billion on higher BDO Life business volumes.

Total Equity expanded 12% to P644.1 billion from the Bank's profitable operations.

Contingent Accounts – 2025 vs. 2024

Total Contingent Accounts grew 12% to P4.2 trillion with material movements from the following accounts:

- Trust Department Accounts climbed 12% to P2.6 trillion owing to continued growth in portfolio of funds managed.
- Unused L/Cs, Outstanding Guarantees Issued as well as Late Deposits and Payments Received slid 33%, 62% and 21% to P59.4 billion, P1.1 billion and P2.4 billion, respectively, as of the cut-off date.
- Export L/Cs Confirmed and Bills for Collection went up 12% and 66% to P15.6 billion and P23.8 billion, respectively, on higher levels of outstanding transactions as of year-end 2025.
- Treasury trading activities yielded reductions in levels of Spot Exchange Bought and Sold as well as Forward Exchange Sold, while outstanding Interest Rate Swap Receivable and Payable increased year-on-year.
- Committed Credit Lines and Other Contingent Accounts, likewise, grew to P843.0 billion and P89.6 billion, respectively.

Income Statement – For the years Ended 31 December 2025 vs. 2024

The Bank recorded a Net Income attributable to Equity holders of the Parent Company of P87.2 billion in 2025, a 6% increase from the previous year's P82.0 billion. Net Interest Income rose 9% to P203.1 billion following earning assets growth. The Bank retained its conservative provisioning stance with Provision for Impairment Losses, 7% higher year-

on-year, at P15.0 billion. Other income went up 9% to P77.1 billion due to growth in Service Charges and Fees, Trust Fees and Miscellaneous Income. Income from Insurance Operations, likewise, rose 10% to P7.6 billion.

Operating Expenses was up 13% to P165.1 billion due to the following:

- Employee Benefits hiked 17% from salary increases and a higher manpower headcount.
- Occupancy increased 8% from improvements and investments in IT systems, offices and various distribution channels.
- Taxes and Licenses climbed 10% from Gross Receipt Taxes on a higher revenue base.
- Insurance expenses went up 8% following higher deposit levels.
- Advertising expenses grew 15% from increased marketing, promotional and advertising expenditures.
- Litigation/Assets Acquired rose 39% on account of higher costs associated with litigation and maintenance of acquired assets.
- Security, Clerical and Janitorial expenses as well as Other expenses rose 19% and 9%, respectively, on increased business volumes and a wider distribution network.

Tax Expense declined 6% to P20.1 billion on loan write-offs.

Comprehensive Income – For the years Ended 31 December 2025 vs. 2024

Total Comprehensive Income for 2025 registered at P88.6 billion consisting of a Consolidated Net Income of P87.5 billion, a net unrealized gain of P5.1 billion on fixed income investments at FVOCI, a P192 million translation adjustment related to foreign operations, a P1.5 billion remeasurement of life insurance reserves, an actuarial loss on remeasurement of retirement benefit obligation amounting to P5.9 billion and a P262 million unrealized mark-to-market gain on equity investments at FVOCI. The Total Comprehensive Income represented a 13% improvement from P78.3 billion in 2024.

Key Performance Indicators – 2025 vs. 2024

	2025	2024	Inc/(Dec)
Return on Average Common Equity	14.42%	15.14%	-0.72%
Return on Average Equity	14.32%	15.00%	-0.68%
Return on Average Assets	1.7%	1.8%	-0.1%
Net Interest Margin	4.3%	4.4%	-0.1%

Capital to Risk Assets	14.9%	15.2%	-0.3%
Basic Earnings Per Share	16.28	15.34	0.94
Liquidity Ratio	30.1%	31.7%	-1.6%
Solvency Ratio (Debt-to-Equity)	743.2%	744.5%	-1.3%
Asset-to-Equity Ratio	843.2%	844.5%	-1.3%
Interest Rate Coverage Ratio	217.5%	221.4%	-3.9%
Profit Margin	23.1%	23.5%	-0.4%

Return on Average Common Equity, Return on Average Equity and Return on Average Assets were lower at 14.42%, 14.32% and 1.7% as Net Income increased at a slower pace vis-a-vis average common equity and average assets.

Net Interest Margin was slightly lower at 4.3% due to BSP's policy rate cuts and competitive market pricing.

Capital to Risk Assets went down to 14.9% as the growth in risk weighted assets outpaced the increase in capital, coming from bottomline profits.

Basic Earnings Per Share increased to P16.28 following a higher Net Income.

Liquidity Ratio was lower year-on-year at 30.1% resulting from loan assets growing at a faster pace.

Solvency Ratio and Assets-to-Equity Ratio declined to 743.2% and 843.2%, respectively, as the increase in total equity outpaced changes in both liabilities and total assets.

Interest Rate Coverage and Profit Margin went down to 217.5% and 23.1%, respectively, owing to higher funding cost.

Balance Sheet – 2024 vs. 2023

Total Resources grew 9% to P4.9 trillion primarily from growth in loans and other receivables, which climbed 14% to P3.3 trillion. Cash and Other Cash Items rose 16% to P109.7 billion partly due to deposit growth. Due from BSP declined 26% to P249.6 billion following the reserve requirement cut in October 2024. Due from Other Banks went up 5% to P90.4 billion owing to higher level of placements and working balances with correspondent banks. Investment Securities increased 6% to P876.1 billion from growth in FVTPL and FVOCI of 89% and 15%, respectively.

Premises, Furniture, Fixtures and Equipment went up 13% to P54.2 billion due to investments in IT systems and in the Bank's distribution channels.

Equity Investments hiked 21% to P4.7 billion owing to earnings from associates. Investment Properties slid 20% to P33.8 billion coming from the Bank's merger with its wholly-owned subsidiary, The Podium Complex, Inc. and the subsequent reclassification of a portion of its assets to Non-Current Assets Held for Sale (NCAHS) under Other Assets. Assets Attributable to Life Insurance rose 5% to P121.9 billion on higher BDO Life business volumes. Other Assets jumped 38% to P62.9 billion due to increases in NCAHS, retirement assets, prepaid expenses and miscellaneous assets.

Deposit Liabilities climbed 6% to P3.8 trillion owing to expansion across Demand, Savings and Time deposits. Bills Payable surged 38% to P261.5 billion due to the issuance of Sustainability Bonds in January and July 2024. Liabilities Attributable to Life Insurance went up 11% to P91.5 billion on higher BDO Life business volumes. Other Liabilities jumped 27% to P151.7 billion mainly from increases in outstanding checks and acceptances from trade transactions, accounts payable as well as bills purchased contra account.

Total Equity expanded 11% to P577.4 billion on account of continued profitable operations.

Contingent Accounts – 2024 vs. 2023

Total Contingent Accounts surged 21% to P3.8 trillion with material movements from the following accounts:

- Trust Department Accounts hiked 16% to P2.3 trillion from continued growth in portfolio of funds managed.
- Outstanding Guarantees Issued soared 65% to P2.8 billion on higher trade transactions.
- Late Deposits and Payments Received jumped 31% to P3.1 billion while Unused L/Cs went down 7% to P89.1 billion as of year-end 2024.
- Treasury trading activities yielded increases in levels of Spot Exchange Bought and Sold as well as Forward Exchange Bought and Sold, while outstanding Interest Rate Swap Receivable and Payable declined year-on-year.
- Committed Credit Lines and Other Contingent Accounts, likewise, grew to P656.1 billion and P41.5 billion, respectively.

Income Statement – For the years Ended 31 December 2024 vs. 2023

The Bank registered a Net Income attributable to Equity holders of the Parent Company of P82.0 billion in 2024, a 12% improvement from the previous year's P73.4 billion. Net Interest Income grew 8% to P186.6 billion

brought about by an expansion in earning assets. The Bank maintained its conservative provisioning stance with P14.0 billion booked as Provision for Impairment Losses. Other income likewise rose 8% to P77.7 billion owing to growth in Service Charges and Fees, Trust Fees, FX Gain, as well as Income from Insurance Operations.

Operating Expenses was up 12% to P146.6 billion due to the following:

- Employee Benefits climbed 14% from salary increases and a higher manpower headcount.
- Taxes and Licenses hiked 21% from Gross Receipt Taxes on a higher revenue base.
- Insurance expenses went up 11% following higher deposit levels.
- Advertising expenses rose 35% from higher marketing, promotional and advertising expenditures.
- Litigation/Assets Acquired grew 41% on higher costs associated with litigation and maintenance of acquired assets.
- Security, Clerical and Janitorial expenses as well as Other expenses rose 9% apiece on increased business volumes and a wider distribution network.

Tax Expense declined 9% to P21.5 billion on loan write-offs.

Comprehensive Income – For the years Ended 31 December 2024 vs. 2023

Total Comprehensive Income for 2024 stood at P78.3 billion comprised of a Consolidated Net Income of P82.2 billion, a net unrealized loss of P1.1 billion on fixed income investments at FVOCI, a negative P46 million translation adjustment related to foreign operations, a P391 million remeasurement of life insurance reserves, an actuarial loss on remeasurement of retirement benefit obligation amounting to P3.5 billion and a P369 million unrealized mark-to-market gain on equity investments at FVOCI. The Total Comprehensive Income was up 9% from P71.8 billion in 2023.

Key Performance Indicators – 2024 vs. 2023

	2024	2023	Inc/(Dec)
Return on Average Common Equity	15.14%	15.16%	-0.02%
Return on Average Equity	15.00%	15.01%	-0.01%
Return on Average Assets	1.8%	1.7%	0.1%
Net Interest Margin	4.4%	4.4%	0.0%
Capital to Risk Assets	15.2%	14.9%	0.3%

Basic Earnings Per Share	15.48	13.86	1.62
Liquidity Ratio	31.7%	34.4%	-2.7%
Solvency Ratio (Debt-to-Equity)	744.5%	763.5%	-19.0%
Asset-to-Equity Ratio	844.5%	863.5%	-19.0%
Interest Rate Coverage Ratio	221.4%	263.8%	-42.4%
Profit Margin	23.5%	24.3%	-0.8%

Return on Average Common Equity and Return on Average Equity were steady at 15.14%, 15.00%, respectively, while Return on Average Assets improved to 1.8% on the Bank's continued profitability.

Net Interest Margin was likewise firm at 4.4% from earning asset expansion despite competitive pricing pressures.

Capital to Risk Assets improved to 15.2% as the increase in capital, coming from bottomline profits, outpaced the growth in risk weighted assets.

Basic Earnings Per Share improved to P15.48 on a higher Net Income.

Liquidity Ratio went down to 29.4% primarily from the reserve requirement cut in October 2024.

Solvency Ratio and Asset-to-Equity Ratio dropped to 744.5% and 844.5%, respectively, as the the change in total equity outpaced increases in both liabilities and total assets.

Interest Rate Coverage and Profit Margin declined to 221.4% and 23.5%, respectively, due to higher interest expense from time deposit growth.

(2) Past and Future Financial Condition and Results of Operations

BDO delivered a record net income of P87.2 billion in 2025, a 6% increase from P82.0 billion last year driven by the solid performance of its core businesses. Return on Average Common Equity was reported at 14.4% for the period.

Net Interest Income increased by 9% as Gross Customer Loans expanded by 13% to ₱3.7 trillion, supported by double-digit growth across all market segments. Total deposits grew by 10%, with a Current Account/Savings Account (CASA) ratio of 68%. Non-interest income rose by 9%, while income from insurance operations went up by 10%.

Asset quality improved, with Non-Performing Loan (NPL) ratio declining to 1.68% from 1.83% in the previous year. NPL coverage stood at 133%.

Shareholders' equity increased by 12% on sustained profitable operations, with Book Value Per Share up by 11% to P119.03. The Bank's CET1 ratio was recorded at 13.8%.

In 2025, BDO advanced its sustainability initiatives with the successful issuance of its fourth Peso-denominated ASEAN Sustainability Bond in July. The issuance raised a record P115 billion to fund eligible assets under the Bank's Sustainable Finance Framework, support its lending activities, and further diversify its funding sources.

BDO's market leadership and robust business franchise, supported by a strong balance sheet and solid financial performance, position the Bank well to capture long-term growth opportunities and emerging prospects amid a challenging macroeconomic environment.

Prospects for the Future/Plans of Operation

The Bank expects continued economic growth as GDP drivers remain intact, due to sustained consumption spending, the impact of low inflation and declining interest rates. The Philippines is expected to still be among the fastest growing economies in the ASEAN. The Government's Cabinet-level Development Budget Coordination Committee (DBCC) forecasts GDP growth to range between 5.0%- 6.0% in 2026, backed by robust private consumption with low inflation and higher investments.

Key drivers of domestic consumption remain in place with foreign worker remittances growing at around 3%, Business Process Outsourcing (BPO) revenues growing at around 5%, and labor conditions improving with low unemployment rates. Private sector balance sheets also remain healthy while the demographic profile and consumption trends continue to be attractive.

The Bank is ready to further support the country's economic growth through its unparalleled physical and digital network, providing easy and seamless access to its comprehensive suite of banking products and services throughout the country. Additionally, the Bank continues to expand its reach in both urban and underserved communities across the country through physical branches and digital channels.

While low inflation will allow the BSP scope to lower interest rates in 2026, the economy faces the threat of unexpected commodity supply shocks and slow global growth. Fiscal consolidation efforts resulting in constrained government spending may also temper government's contribution to economic activity.

(3) Material Changes

(a) Any Known Trends, Events or Uncertainties (material impact on Liquidity)

None.

(b) Internal and External Sources of Liquidity

The internal and external sources of liquidity are herein discussed under item 6(2) of SEC Form 17-A of the Bank.

(c) Any Material Commitments for Capital Expenditure and Expected Funds

None.

(d) Any Known Trends, Events or Uncertainties (material impact on sales)

Trends, events or uncertainties, which can have a material impact on sales, are explained under item 6(2) of SEC 17-A of the Bank.

(e) Causes for any Material Changes from Period to Period of Financial Statements

The causes for any material changes from 2024-2025 are explained in item 6(1) of SEC Form 17-A of the Bank.

(f) Seasonal Aspects that has Material Effect on the Financial Statements

None.

Item 7. Financial Statements

The consolidated financial statements of the Bank for the year ended 31 December 2025 are incorporated herein by reference.

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

BDO's present external auditor, Punongbayan & Araullo, Grant Thornton will be recommended to the shareholders for re-appointment as the external auditor for the ensuing year. Representatives of the said firm are expected to be present at the annual meeting, and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions from the shareholders.

Punongbayan & Araullo, Grant Thornton was first appointed external auditor of BDO in 2000 and has not resigned, been dismissed, or its services ceased since its appointment. BDO has had no material disagreement with Punongbayan & Araullo, Grant Thornton on any matter of accounting principle or practices or disclosures in BDO's financial statements.

In accordance with the requirements of the revised SRC Rule 68 (3)(b)(ix), BDO complies with the provisions on long association of audit personnel, including partner rotation, as prescribed in the Code of Ethics for Professional Accountants in the Philippines adopted by the Board of Accountancy (BOA) and the Professional Regulation Commission (PRC), and such other standards as may be issued by the SEC.

Consistent with these requirements, Mr. Romualdo V. Murcia III served as the Signing Partner of the financial audit from 2020 to 2024. Prior to his assignment, the engagement was handled by Mr. Leonardo D. Cuaresma, Jr., Partner of Punongbayan & Araullo, Grant Thornton, from 2017-2019. Effective 2025, Mr. Jerald M. Sanchez is designated as the Signing Partner for the 2025 financial audit.

The Board Audit Committee endorses for approval of Board of Directors the appointment and removal of BDO's internal and external auditor.

Audit and Audit-Related Fees

The aggregate fees billed for each of the last two (2) fiscal years for professional services rendered by the external auditor for the audit of the financial statements of BDO and other services in connection with statutory and regulatory filings for fiscal years 2025 and 2024, are as follows:

	In Millions	
	2025	2024
Total Audit Fees	4.49	4.36

Non-audit services fees:

Other assurance services	3.93	1.97
All other services*	2.09	0.05
Total Non-audit Fees	6.02	2.02
Total Audit and Non-audit Fees	10.51	6.38

**such services are not considered conflicting engagement on the audit of BDO Unibank, Inc. in accordance with relevant Independence Standards (IESBA Code of Ethics).*

Tax Fees and Other Fees

No other fees were paid to Punongbayan & Araullo, Grant Thornton for the last two (2) fiscal years.

It is the policy of BDO that all audit findings are presented to the Board Audit Committee which reviews and makes recommendations to the Board on actions to be taken thereon. The Board of Directors passes upon and approves the Board Audit Committee's recommendations.

The members of the Board Audit Committee of BDO are as follows:

1. Vicente S. Pérez, Jr.	- Chairman (Independent Director)
2. Estela P. Bernabe	- Member (Lead Independent Director)
3. Jones M. Castro, Jr.	- Member (Non-Executive Director)
4. Vipul Bhagat	- Advisor* (Independent Director)

* Appointed as Advisor to the Board Audit Committee on 25 April 2025.

Below is the attendance of the members for the Committee meetings held as of December 2025:

	<u>No. of Meetings Attended</u>	<u>Total No. of Meetings</u>	<u>Percentage</u>
Vicente S. Pérez, Jr.	13	13	100%
Estela P. Bernabe	13	13	100%
Jones M. Castro, Jr.	12	13	92.31%

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

1) Directors and Executive Officers

The Board of Directors is empowered to direct, manage and supervise, under its collective responsibility, the affairs of BDO. It is also responsible for the proper administration and management of BDO's trust business. The members of the Board are elected annually by the stockholders to hold office for a term of one (1) year, and shall serve until their respective successors have been elected and qualified.

The Board of Directors meets monthly to discuss BDO's operations and approve matters requiring its approval. Materials containing matters to be taken up during the Board meeting are distributed to the directors at least five (5) days prior to the scheduled Board meeting.

Director Orientation and Continuing Education

All newly-elected directors are required to undergo an orientation program within three (3) months from date of election. This is intended to familiarize the new directors on their statutory/fiduciary roles and responsibilities in the Board and Committees, BDO's strategic plans, enterprise risks, group structures, business activities, compliance programs, Code of Business Conduct and Ethics, Personal Trading Policy and Corporate Governance Manual.

All directors are also encouraged to participate in continuing education programs at BDO's expense to maintain a current and effective Board. In 2025, Directors of BDO Unibank complied with the annual corporate governance training requirement of four (4) hours. They attended the in-house corporate governance seminar held on 25 July 2025, along with members of the Bank's senior management, directors and key officers of entities in the BDO Group.

The Board also held strategic meetings and received regular economic briefings and briefings on new regulatory issuances.

Following is the list of the members of the Board, and the corporate officers and their business experience during the past five (5) years:

Teresita T. Sy
Chairperson
Non-Executive Director
Filipino, 75 years old

Teresita T. Sy has been a member of the Board of Directors of the Bank since 1977 and currently serves as Chairperson of the Board. Concurrently, she serves as the Chairperson and/or Director of various subsidiaries and affiliates of BDO: BDO Private, BDO Finance, BDO Capital, BDO Foundation, Inc. (**BDO Foundation**), and BDO Life. Ms. Sy also serves as Advisor to the Board of BDO Network.

Ms. Sy is the Vice Chairperson of SM Investments Corporation and Advisor to the Board of SM Prime Holdings, Inc. She also sits as Chairperson of the Board and President of SM Retail, Inc. A graduate of Assumption College with a degree in Bachelor of Arts and Science in Commerce major in Management, she brings to the board her diverse expertise in banking and finance, retail merchandising, mall and real estate development.

Nestor V. Tan
President & Chief Executive Officer
Executive Director
Filipino, 67 years old

Nestor V. Tan is the President and CEO of BDO. He was elected to the Board of Directors on 27 June 1998. In addition to his role in BDO, he also holds the following positions in the BDO Group: Chairmanship of BDOSHI and BDO Network; Vice chairmanships and/or directorships in BDO Capital, BDO Finance, BDO Life, and BDO Private; and Trusteeship of BDO Foundation.

In addition, he is the Chairman of Bancnet, the operator of the electronic payment system, InstaPay, and the ATM switching utility for Philippine banks; and Chairman of Mastercard Asia Pacific Advisory Board. He is currently Director of the Bankers Association of the Philippines, Trustee of De La Salle Medical & Health Science Institute and President of the International Monetary Conference. He was formerly Chairman of the De La Salle University Board of Trustees.

Prior to joining BDO, Mr. Tan was Chief Operating Officer of the Financial Institutions Services Group of BZW, the investment-banking subsidiary of the Barclays Group. His banking career spans more than four (4) decades and includes posts at global financial institutions, among them Mellon Bank

in Pittsburgh, PA; Bankers Trust Company in New York, NY; and the Barclays Group in New York and London. He holds a bachelor's degree in Commerce from De La Salle University and an MBA from the Wharton School, University of Pennsylvania.

Estela P. Bernabe
Lead Independent Director
Filipino, 73 years old

Estela P. Bernabe was elected as Independent Director of BDO effective 31 July 2022 and appointed as Lead Independent Director effective 25 April 2025. Prior thereto, she was Senior Associate Justice of the Supreme Court of the Philippines. She served the Judiciary for 26 years as Justice of the Supreme Court and Court of Appeals, Judge of the Regional Trial Court of Makati City and Metropolitan Trial Court of the same city, and as Technical Assistant in the Office of the Court Administrator, Supreme Court of the Philippines. She also worked in various private and government offices, namely, China Banking Corporation, Paramount Finance Corp., National Home Mortgage and Finance Corp., and Bernabe Perlas Morte and Associates. She has over 40 years of experience in public and private legal practice. She earned her Bachelor of Science degree in Commerce (Banking and Finance) and graduated magna cum laude from St. Paul College of Manila, and obtained her law degree from the Ateneo de Manila University College of Law, graduating as class salutatorian.

She also sits as Independent Director of San Miguel Food and Beverage, Inc., Petrogen Insurance Corporation, Converge Information and Communications Technology Solutions, Inc., Aboitiz Power Corporation, BDO Private Bank, and SM Prime Holdings Inc.; as Director of Philippine Judicial Academy (PHILJA) Development Center, Inc.; and as Member of the Singapore International Arbitration Centre (SIAC) Panel of Arbitrators and the Board of Trustees of the Foundation for Liberty and Prosperity.

George T. Barcelon
Independent Director
Filipino, 76 years old

George T. Barcelon was elected Independent Director of BDO on 22 April 2019. He is the visionary behind Integrated Computer Systems, Inc. (ICS), one of the Top 1000 Companies based in the Philippines, dedicated to providing effectual IT Solutions for small to large-scale business and institutions. For 45 years, ICS has provided its customers with technological expertise and quality services. As the president of a company with 400

employees whose success depends on uncompromising leadership, imagination, and careful quality control, Mr. Barcelon seeks to promote the values of Integrity, Commitment, and Service Quality, the cornerstones upon which ICS was built. He is also a board member of the Cardinal Medical Charities Foundation, Inc. in San Juan City, Philippines; and is involved in other business ventures and organizations. He served as Chairman of the Philippine Chamber of Commerce and Industry (PCCI) from 2024 to 2025. Mr. Barcelon graduated cum laude from De La Salle University, Manila and received a bachelor's degree in Chemical Engineering.

Vipul Bhagat
Independent Director
American, 63 years old

Vipul Bhagat was elected as Independent Director of BDO on 8 January 2022.

Mr. Bhagat is a seasoned banking and finance professional with significant experience living and working globally, particularly, in the emerging markets over 35+ years span. With development banking, investment and advisory experience with the International Finance Corporation (IFC, World Bank Group), most recently as Global Client Leader, he pioneered many firsts. Having lived in, while running various aspects of IFC in several emerging markets, (including the Philippines, Thailand, China and India), he has deep on the ground expertise geared towards delivering Impact through investment and advisory interventions, especially in the financial and infrastructure sectors. He was a part of the management team of IFC's Climate Business and Public Private Partnership (PPP) Departments which innovated blended finance approaches for meaningful transactions.

Mr. Bhagat's private sector experience includes stints with Deutsche Bank, Fannie Mae, and KPMG. He is a Chartered Financial Analyst (CFA) and a Certified Public Accountant (CPA), with an MBA in Finance and Management from the Wharton School of the University of Pennsylvania. He also holds a BS in Computer Science. In December 2023, he was appointed a Visiting Fellow at the University of Cambridge (UK) Judge Business School.

Currently, he is Chairman of the Board of a US-based social enterprise (VisionSpring) providing eye care to poor and lower income segments in developing countries; Senior Adviser to a leading infrastructure consulting firm; and Founding Advisory Member of the Wharton Alumni Club in Washington, DC. He was a Board Member of a top tier US-regulated

financial institution with a \$6B asset base (Bank-Fund Staff Federal Credit Union), and has served on various Boards and Advisory Committees of emerging market Corporates and Funds over the years.

Jones M. Castro, Jr.
Non-Executive Director
Filipino and American, 76 years old

Jones M. Castro, Jr. was elected to the Board of Directors of BDO on 20 April 2012. He was Lead Independent Director of BDO from 7 December 2013 to 23 April 2021. Mr. Castro has 52 years of banking expertise, with 45 years of international banking experience. From 2009 to 2011, Mr. Castro was the Area Head for South and Southeast Asia of Wells Fargo Bank, San Francisco. As Area Head, Mr. Castro had responsibility for 12 countries and managed 11 overseas offices with a total of 102 team members, and US\$3 billion in loans. From 2006 to 2009, Mr. Castro was Regional Head for Latin America 1, including the Caribbean, of the Wachovia Bank in Miami, and likewise had responsibility for 25 countries, 3 overseas offices, 30 team members, and a US\$1.8-billion loan portfolio. From 2005 to 2006, he was Executive Vice President and International Banking Group Head of the Union Bank of California, San Francisco. From 1990 to 1994, he was Senior Vice President – Controller of Bank of California, San Francisco, and from 1994 to 1997, he was its Senior Vice President of Strategic Planning in the Office of the President.

Mr. Castro is currently Trustee of the Philippine Development Foundation (PhilDev) USA, Trustee of Philippine S&T Development Foundation – Manila, Inc., Trustee of Jaime V. Ongpin Foundation Inc., Director of Baguio Sunflower Apartment Corp., and is a Fellow at the Institute of Corporate Directors.

Mr. Castro obtained his bachelor's degree in Applied Mathematics in Economics and graduated cum laude from Harvard University. He received his master's degree in Business Administration, Accounting & Finance from Stanford University.

Franklin M. Drilon
Independent Director
Filipino, 80 years old

Franklin M. Drilon was elected Independent Director of BDO on 25 October 2023.

He served in two (2) different branches of government in various capacities from 1987 to 2022. In the Senate, he served as Senate President, Majority Leader, Minority Leader and Chairperson of the Committee on Finance, as well as the Committee on Banks, Financial Institutions, and Currencies. In the Executive, he served as Executive Secretary, Secretary of the Department of Justice and the Department of Labor and Employment.

He is one of the country's highly decorated Senators having served four (4) non-consecutive terms as Senator of the Philippines. He authored and sponsored numerous landmark laws including the GOCC Governance Act of 2011, Foreign Investments Act, Tax Incentives and Transparency Act and the Revised Corporation Code, to name a few.

He also served as Chairman of Philippine National Bank and as a Director of Land Bank of the Philippines. He thus brings added perspectives on Philippine finance and banking policy, regulations and operations.

He is currently a Director of Phinma Education Holdings, Inc. and a Senior Counsel of ACCRA Law. He earned his Bachelor of Arts in Political Science, law degree and Doctor of Laws from the University of the Philippines Diliman. He placed third in the 1969 Bar Examinations and worked as a private practice lawyer before joining the government.

Alfredo E. Pascual
Independent Director
Filipino, 77 years old

Alfredo E. Pascual was elected Independent Director of BDO on 31 August 2024. From June 2022 to August 2024, Mr. Pascual served as the Secretary of Trade and Industry, where he played a pivotal role in steering the Philippines through significant economic growth amid global challenges. Before joining the government, he was the President of the Management Association of the Philippines (MAP).

His dedication to sound corporate governance is evident through his leadership roles in various organizations. He served as the Lead Independent Director of SM Investments Corporation and held independent director positions at Megawide Construction and Concepcion Industrial. Additionally, he was the President and CEO of the Institute of Corporate Directors (ICD) and a Board Trustee of the Institute for Solidarity in Asia (ISA).

Mr. Pascual's career spans over five decades and is marked by transformative leadership in both the public and private sectors, locally and

internationally. From 2011 to 2017, he served as the 20th President of the University of the Philippines, where he modernized the institution and enhanced its global standing. He worked at the Asian Development Bank (ADB) for 19 years in various roles, including Director of Private Sector Operations, Director of Infrastructure Finance, and PPP Adviser. At ADB, he promoted PPPs in infrastructure and investments in financial institutions across Asia. He also represented ADB on the boards of more than a dozen of its portfolio companies in banking, venture capital, and manufacturing. During the 1980s, Mr. Pascual was a finance professor at the Asian Institute of Management.

His contributions to governance and education have earned him numerous accolades, including honorary doctorates and the Presidential Lingkod Bayan Award. Mr. Pascual holds a Master of Business Administration and a Bachelor of Science in Chemistry (cum laude) from the University of the Philippines.

Vicente S. Pérez, Jr.
Independent Director
Filipino, 67 years old

Vicente S. Pérez, Jr. was elected Independent Director of BDO on 22 April 2019. He is currently Chairman of Alternergy, a publicly-listed wind, solar and run-of river power developer and an Independent Director of DoubleDragon Corporation (formerly DoubleDragon Properties Corporation), a real estate developer. He is a member of the Advisory Boards of Bhutan Foundation, New Zealand Trade and Enterprise, Geneva-based Pictet Clean Energy Fund, and the Yale Center for Business and the Environment.

In September 2020, he was appointed Honorary Consul of the Kingdom of Bhutan in the Philippines. He was Director of Singapore Technologies Telemedia Pte, Ltd. and its subsidiary, STT Communications Ltd. from 2006 to 2025; and was Philippine Energy Secretary from 2001 to 2005. Mr. Pérez briefly served in early 2001 as Undersecretary at the Department of Trade and Industry and as Managing Head of the Board of Investments. Prior to his government service, Mr. Pérez had 17 years banking experience, first in Latin America debt restructuring at Mellon Bank in Pittsburgh, and later in debt capital markets in emerging countries at Lazard in London, New York, and Singapore. At 35, he became General Partner at New York Investment Bank Lazard Frères as head of its Emerging Markets Group. He was Managing Director of Lazard Asia in Singapore from 1995 until 1997, when he co-founded Next Century Partners, a private equity firm based in Singapore. In 2005, he was briefly a government appointed Director of

Philippine National Bank until its privatization. He also has affiliations in other sectors and organizations.

Mr. Pérez obtained an MBA from the Wharton Business School of the University of Pennsylvania in 1983 and a bachelor's degree in Business Economics from the University of the Philippines in 1979. He was a 2005 World Fellow at Yale University where he lectured an MBA class at the Yale School of Management.

Dioscoro I. Ramos
Non-Executive Director
Filipino, 67 years old

Dioscoro I. Ramos was elected to the Board of Directors of BDO on 9 January 2016 and was appointed Lead Independent Director on 23 April 2021 until 25 April 2025. Mr. Ramos is also an Advisor to the Board in BDO Private Bank and BDO Network.

Mr. Ramos has been the Chief Executive Officer & Chief Investment Officer of RY&S Investments Ltd., Hong Kong since 28 September 2012. He was Independent Director of BDO Private and BDO Securities from 2022 to 2025, Head of Asia Financials Investment Research of Goldman Sachs Asia, LLC, Hong Kong from 1994 to 2011, and appointed Managing Director in 1998 and Partner in 2006. Prior to that, he was with Mellon Bank, N.A. with postings in Pittsburgh, Philadelphia, New York, and Hong Kong. Mr. Ramos is a Certified Public Accountant. He holds a Bachelor of Science degree in Business Administration and Accountancy, cum laude, from the University of the Philippines; and a master's degree in Business from Wharton School, University of Pennsylvania.

Josefina N. Tan
Non-Executive Director
Filipino, 80 years old

Josefina N. Tan was Director of Banco De Oro Universal Bank [now BDO Unibank, Inc. (BDO)] from February 2001 to August 2005. She then became a Director of Equitable PCI Bank, Inc. from September 2005 until its merger with BDO Unibank in May 2007. Ms. Tan was re-elected to the Board of Directors of BDO (then Banco de Oro-EPCI, Inc.) on 27 July 2007. Concurrently, she is Board Advisor of BDO Private Bank. She is also Chairperson of the Board of Miriam College, Trustee and Corporate Secretary of the Development Center for Finance, and Trustee of the Laura Vicuña Foundation.

She is also Corporate Secretary of Regal Properties, Inc. and PP&P Insurance Underwriters Agency Inc. Ms. Tan served as President and Director of BDO Private from 29 August 2003 to 17 April 2017. She was also Executive Vice President of the former Far East Bank & Trust Co.; Director and President of FEB Leasing & Finance Corporation; Executive Director and Trustee of FEB Foundation Inc.; Executive Vice President of FEB Investments, Inc. until 2000; and Director of Research and Publication of the Ateneo Graduate School of Business. Ms. Tan holds a Bachelor of Arts degree with a major in Communication Arts from Maryknoll College, and a master's degree in Business Administration from the Ateneo Graduate School of Business.

Edmundo L. Tan
Corporate Secretary
Filipino, 80 years old

Edmundo L. Tan has been serving as Corporate Secretary of BDO since 27 July 2007, and of BDO Private since February 2012. Atty. Tan sits on the Board of Directors of the following companies: APC Group, Inc. (Director from 2000 to present, Corporate Secretary from 2000 to 2016); Philippine Global Communications, Inc. (Director from 2000 to present, Corporate Secretary from 2000 to 2010); and Aragorn Power and Energy Corporation (Director from 2005 to present, Corporate Secretary from 2005 to 2012). Atty. Tan is also currently a Director of PRC MAGMA Resources, Inc. (2010 to present) and of Ortigas Land Corporation (formerly OHI from July 2012 to present). He is the Director/President of Bebemag Holdings, Resources, Inc. since 2011. He was elected Director of Sagittarius Mines, Inc. in March 2016 and Director of Ashdale Holdings, Inc. in June 2016. He was also elected Director of Concrete Aggregates Corporation on December 12, 2019. In June 2021, he was elected Director/President of Indophil Resources Philippines, Inc. He was a co-founder and was elected President of the Philippine Dispute Resolution Center, Inc. (PDRCI) in July 2017 until 2023. In May 2020, Atty. Tan was elected as Chairman/President of both Premier TownCenter Holdings, Inc. and Primtown Center Holdings, Inc.

Atty. Tan is the Managing Partner of Tan Acut Lopez & Pison Law Offices (1993 to present). Formerly, he was a Senior Partner in Ponce Enrile Cayetano Reyes & Manalastas Law Offices; a Partner in Angara Abello Concepcion, Regala & Cruz Law Offices; and an Associate in Cruz Villarin Ongkiko Academia & Durian Law Offices. Atty. Tan holds a Bachelor of Arts degree from De La Salle College, Bacolod, and a bachelor's degree in Law from the University of the Philippines.

Sabino E. Acut, Jr.
Assistant Corporate Secretary
Filipino, 75 years old

Sabino E. Acut, Jr. was appointed Assistant Corporate Secretary of BDO on 27 July 2007, a position he currently holds. He is presently a Senior Partner and Head of the Litigation Department of Tan Acut Lopez & Pison Law Offices. He was a former Senior Partner and Head of the Litigation Department of Ponce Enrile Cayetano Reyes & Manalastas Law Offices (PECABAR) and, before that, a Partner of ACCRA Law. At various times, he was Corporate Secretary of Boulevard Holdings, Inc., Puerto Azul Golf & Country Club, Philippine Hospital Association, and Eastern General Reinsurance Corporation; Legal Counsel of Alabang Country Club; Trustee of Makati Law Foundation; and President of the Legal Management Council of the Philippines. He was Journal Editor of the 1971 Constitutional Convention, Special Assistant to the Director of the Bureau of National and Foreign Information, and Confidential Attorney to former Supreme Court Justice Cecilia Muñoz Palma. He is a member of the Integrated Bar of the Philippines, the Philippine Bar Association, and Wharton-Penn Alumni Association. He is currently a Director of Philippine Global Communications, Inc. and Primtown Center Holdings, Inc. and Chairman/President of Ashdale Holdings, Inc. He was the Corporate Secretary of the then Equitable PCI Bank, Inc. until its merger with the Bank. He holds the degrees of Bachelor of Arts, *Magna Cum Laude*, from Mindanao State University; Bachelor of Laws, *Cum Laude*, from the University of the East; and Master of Laws from the University of Pennsylvania.

Alvin C. Go
Assistant Corporate Secretary
Filipino, 64 years old

Alvin C. Go is a Senior Vice President for the Legal Services Group of BDO. He was also appointed as Assistant Corporate Secretary and Alternate Corporate Information Officer on 1 October 2015. He sits as a Director of Suntrust Resort Holdings, Inc. since 15 June 2023. Prior to joining BDO, he was the Chief Legal Counsel of Philippine National Bank from 2003 to 2012. He was an Associate Attorney of Salonga, Ordonez, Yap, Corpuz Padlan & Associates Law Offices from 1985 to 1989. He served as Prosecution Attorney from 1989 to 1990 and State Prosecutor of the Department of Justice from 1990 to 1993. He was a Senior Partner at Go, Cojuangco, Mendoza, Ligon and Castro Law Offices from 1994 to 1999, and Senior Partner at Go and Castro Law Offices from 1999 to 2003. He obtained his Bachelor of Arts, Major in Political Science, from the

Immaculate Concepcion College, Ozamiz City and his Bachelor of Laws from Misamis University.

The independent directors of the Bank are **George T. Barcelon, Estela P. Bernabe, Vipul Bhagat, Franklin M. Drilon, Alfredo E. Pascual, and Vicente S. Pérez, Jr.**

Role of the Chairperson and President

The Board Chairperson and President collectively are responsible for the leadership of the company. The Chairperson's primary responsibility is for leading the Board and ensuring its effectiveness while the President is responsible for running the Bank's business.

The roles of the Board Chairperson and the Bank President are separate and distinct from each other to achieve a balance of authority, clear accountability, and capacity for independent decision-making by the Board.

Senior Executive Officers of the Bank

The members of senior management, subject to control and supervision of the Board, collectively have direct charge of all business activities of BDO. They are responsible for the implementation of the policies set by the Board. The following is a list of BDO's key officers as of 31 December 2025, and their business experiences during the past five (5) years:

Joseph Albert L. Gotuaco, 60, is Senior Executive Vice President of BDO and President of BDO Private. He joined BDO in February 2019 and was Head of its Central Operations Group until his appointment as President of BDO Private and election to its Board of Directors on 1 May 2024. He concurrently serves on its Risk Management and Trust Committees.

Mr. Gotuaco began his career in 1986 as a fixed income trader for Chemical Bank in New York. In 1994, he re-based to Hong Kong, where he was an investment banker covering corporate, financial institution, and sovereign clients in the Philippines and in Southeast Asia. Between 1994 and 2002, he worked at J.P. Morgan and then, in 2002, for Credit Suisse First Boston. In 2005, he served as a Managing Director at Merrill Lynch's Fixed Income, Currencies & Commodities (FICC) division and as a member of the firm's Asia Pacific Operating Committee. In 2009, Mr. Gotuaco moved to Singapore as a Partner and Managing Director in an investment company of the Brunei government, where he helped manage investments in the U.S. Mr. Gotuaco returned to the Philippines in 2013, when he joined Bank of the Philippine Islands (BPI). From 2013 to 2016, he served as BPI's Chief

Financial Officer; and from 2016 to 2018, as Head of Retail Banking. He obtained a BS Economics degree; summa cum laude, from the Wharton School of the University of Pennsylvania in 1986; and an MBA from Harvard Business School in 1994.

Rolando C. Tanchanco, 63, Filipino, is Senior Executive Vice President and Head of Consumer Banking Group. His responsibilities cover all retail lending businesses (Home Mortgages, Auto Financing, Multi-purpose Loans, Credit Cards and Personal Loans), Payment Channels, and Digital Banking. He currently sits on the board of BDO Network, BDO Insure, and Trans Union Philippines, Inc. Mr. Tanchanco is a member of Visa Asia Pacific Client and Risk Councils, American Express Partner Advisory Council, and UnionPay SEA Regional Council. Prior to joining BDO, he was President of AIG Savings Bank and Managing Director of AIG Credit Card Company. He has extensive banking experience having worked in several multinational organizations like Citibank, HSBC and AIG. He holds a Bachelor's degree in Business Economics, cum laude from the University of the Philippines and a Master's degree from the Asian Institute of Management.

Arnold Q. Bengco, 52, Filipino, is Executive Vice President and Deputy Treasurer * since 17 February 2025. He has more than twenty-eight (28) years of work experience in the banking industry. He was Executive Vice President and Head of Financial Markets Segment at Security Bank Corporation (February 2023 - February 2025). He also held notable roles such as Treasury Technical Consultant for Corporate Treasury at Temasek Holdings Limited (Singapore) (September 2021 - January 2023), Emerging Markets FX Asia Head at Barclays Singapore (September 2018 - July 2019), Portfolio Trading Management Head at OCBC Bank (Singapore) (January 2016 - October 2017), and Macro Portfolio Manager at Dymon Asia Capital Singapore (December 2013 - September 2015). Additionally, he worked with Citibank Singapore as Emerging Markets Trader for FX and Government Bonds (November 1999 – April 2007) and as Managing Director and Regional Head for Asian Currencies (April 2007 – September 2013), and with Citibank, N.A. Philippines as FX Trader for FX and Government Bonds (July 1996 – November 1999). He holds a Bachelor's Degree in Applied Mathematics (Actuarial Science) from the De La Salle University, Manila and a Master's Degree in Business Management from the Asian Institute of Management.

Gerard Lee B. Co, 66, Filipino, is Executive Vice President and Deputy Group Head for Institutional Banking. He is a Director of Markham One Development Corp. He served as Director of PCI Leasing and Finance, Inc.

* Appointed Treasurer effective 1 January 2026

and PCI Capital Corporation from 2002-2005 and of BDO Leasing and Finance, Inc. from 2010-2012. He graduated from the University of San Carlos with a Degree in Bachelor of Science in Commerce Major in Banking and Finance. He attended the Advanced Management Program for International Bankers at the Wharton School of the University of Pennsylvania, U.S.A. He likewise completed the Program for Executive Development at IMD in Laussane, Switzerland. He joined the Bank in October 1993 as Vice President for Visayas Division.

Eduardo V. Francisco, 64, Filipino, is Executive Vice President. He is President/Director of BDO Capital, the investment banking arm of BDO, and Chairman of BDO Securities and Averon. He sits on several non-profit boards such as the Development Center for Finance, CIBI Foundation, Shareholders Association of the Philippines (SharePhil), International School of Manila, UP College of Business Alumni Association, Financial Executives Institute of the Philippines (FINEX) Foundation, Makati Sports Club, Inc., and International School of Manila (ISM). He is also a member of Makati Business Club (MBC), and the POLO Triathlon Team. He is on the Capital Markets committees of the Bankers Association of the Philippines and Philippine Stock Exchange. He is also in the Listings committee of the Philippine Dealing and Exchange Corporation. He is the former Chairman of BDO Nomura Securities, Inc. and Chairman for the International Association of Financial Executives Institutes (IAFEI). He was the Co-Chairman of the Capital Market Development Council (CMDC) of the Philippines, Vice Chairman of the Integrity Initiative, and has been the President of the Management Association of the Philippines (MAP), FINEX, Wharton-Penn Club, Federation of Valle Verde Associations, First Valle Verde Association Inc. and BDO Securities. Mr. Francisco has worked with other financial institutions in New York and Hong Kong such as Bank of America and Barclays Bank. He holds an MBA from the Wharton School of the University of Pennsylvania and Bachelor's degree in Business Administration from the University of the Philippines. He is a recipient of Financial Management Excellence from the University of the Philippines and the Distinguished Alumnus Award from the U.P. College of Business Administration. He was honored by BizNewsAsia as one of the Nation Builders and Financial Management Excellence. He was also an Asia Leaders Awards' Mentor of the Year finalist.

Lazaro Jerome C. Guevarra, 59, Filipino, is Executive Vice President. He is the Chief of Staff for the Office of the President and concurrently the Head of the Governance Group, administratively overseeing the Legal Services & Corporate Secretary, Compliance, Internal Audit, and Information & Cyber Security Office. He also holds the following positions in the BDO Group: Chairman of BDO Remit (Canada), Ltd., BDO Remit (Japan), Ltd., BRUSA and BDO Insure; Director of BDOSHI, BDORO, Averon, and Dominion

Holdings, Inc.* (DHI, formerly BDO Leasing & Finance, Inc.); Trustee of BDO Foundation; and Advisor to the Board of BDO Securities. He was previously the Head of Advisory, Mergers & Acquisition of BDO Capital and President of BDO Securities. He holds a Bachelor's degree in Economics from the University of the Philippines. He has more than thirty five (35) years of experience in banking, mergers & acquisitions.

Jesus Antonio S. Itchon, 64, Filipino, is Executive Vice President of BDO since September 15, 2017. He is seconded to BDO Network Bank and serves as President and Vice Chairman of BDO Network. He has over thirty-eight (38) years of experience in the financial services industry. Prior to joining BDO, he was Executive Vice President of Property Company of Friends, Inc. and Williamton Financing Corporation since 2016, and Independent Director of Paymaya Phils. Inc. since 2015. Mr. Itchon was Managing Director at Citibank N.A. Philippines where he held various senior leadership positions from 1986 to 2015 including Citi Country Compliance Officer, President of Citibank Savings and Country Head of Global Transaction Banking. He graduated from De La Salle University with a degree in Bachelor of Arts in Economics and from the Johnson Graduate School of Management, Cornell University with a Master's Degree in Business Administration.

Jeanette S. Javellana, 66, Filipino, is Executive Vice President and Head for Commercial Banking Metro Manila. She joined BDO in October 2001.

Maria Corazon A. Mallillin, 63, Filipino, is Executive Vice President and Head of Branch Banking Group. She has been with the BDO for twenty (20) years, joining the Bank in March 2005 as Region Head. After three (3) years, she was given the role of Branch Banking Admin Head overseeing operations of the entire branch network and spearheading digital transformation projects of the branches. She became Deputy Head for Branch Banking by 2021 and then assumed the role of Group Head in April 2023. Currently, Ms. Mallillin is also a Board Trustee for BDO Foundation; member of the Board for BDO Network and BDO Insure; and Board Advisor for BDO Life. Prior to BDO, Ms. Mallillin was a Senior Vice President for Branch Banking of both Maybank, Phils. (2002-2005) and Asiatrust Bank (1998-2002). She started her career as a Management Trainee of PCIBank in 1982 and was an Assistant Vice President, Head of Cash Management, when she left in 1998. Ms. Mallillin holds a Bachelor of Arts degree in Economics and a Bachelor of Law degree from the University of the Philippines, Diliman, Quezon City. Outside the Bank, she is likewise Board Trustee of the International Graduate School of Leadership (IGSL) and Far East Broadcasting Corporation (FEBC).

* Resigned as Director of DHI effective 16 March 2026

Dalmacio D. Martin, 63, Filipino, is Executive Vice President and Treasurer of BDO. He has been with BDO for more than sixteen (16) years. He was BDO's Treasurer and Head of Treasury Group from 2019 to 31 December 2025. He holds a Bachelor's Degree in B.A Political Science from the U.C Berkeley University and a Master's in Management from the Arthur D. Little MEI.

Rufus Pinto, 45, Australian, is Senior Vice President* and Head of Enterprise Services Group (ESG). He joined BDO on 3 March 2025. He has more than twenty-five (25) years of work experience in the banking and financial services industry across multiple geographies. Prior to joining BDO, he was the Country Head of Australia and New Zealand Banking Group Limited (ANZ) India and Board Director of ANZ Operations and Technology Private Limited. He also held several key positions such as Country Head of ANZ Philippines and Board Director of ANZ Manila Centre (September 2020 - December 2021), Chief Executive Officer of ANZ Laos (October 2017 - August 2020), Board Director of ANZ Kiribati and Vanuatu (September 2016- June 2020), Regional Country Head of ANZ Vanuatu, Kiribati and New Caledonia (September 2016 – September 2017), Chief Executive Officer and Board Director of ANZ Kiribati (January 2014 - August 2016), Senior Private Wealth Manager of ANZ Melbourne (May 2013 - December 2013), Head of Market Research and Analytics of ANZ Melbourne (April 2013 - May 2013), and Director of Consumer and Services of ANZ Melbourne (February 2011 - March 2013). Mr. Pinto also worked with Westpac Institutional Bank, Melbourne (May 2008 - January 2011), National Australia Bank (January 2005 - April 2008), Standard Chartered Bank, Mumbai (June 2002 - February 2003), and GE Capital, Goa (August 2000 to June 2002). He is a Certified Practicing Accountant (CPA) from CPA Australia. He holds a Post Graduate Certificate in Applied Finance from Macquarie University, a Master of Business Administration from Victoria University, and a Bachelor of Commerce in Management & Accounting from Mumbai University.

Luis S. Reyes, Jr., 68, Filipino, is Executive Vice President for Investor Relations and Corporate Planning. He is concurrently a Director of BDOSHI and Chairman of Nashville Holdings, Inc. He is also a Director and Treasurer of DHI** and BDO Rental, and Treasurer of BDO Finance. He holds a Bachelor of Science degree in Business Economics from the University of the Philippines. He was First Vice President of Far East Bank & Trust Company, Trust Banking Group before joining BDO.

* Promoted to Executive Vice President effective on 1 March 2026

** Resigned as Director of DHI effective 16 March 2026

Charles M. Rodriguez, 61, Filipino, is Executive Vice President for Institutional Banking Group. He graduated with a degree in Bachelor of Science in Management Engineering from the Ateneo de Manila University. He holds a Master's Degree in Business Administration major in Finance from the University of Cincinnati, USA. Mr. Rodriguez has more than 38 years of experience in the banking industry. From formerly being a Senior Vice President under IBG-Corbank of BDO, he became the Executive Vice President and Head of Wholesale Banking Segment of Security Bank Corporation since 2018. He has an extensive experience in corporate and investment banking having worked at ANZ Banking Group Limited, ABN AMRO Bank, FEB Investments, Inc., and Far East Bank and Trust Company.

Evelyn L. Villanueva, 67, Filipino, is Executive Vice President and Chief Risk Officer of BDO. She holds a Bachelor's degree in Statistics from the University of the Philippines. She obtained her Master's in Business Management degree from the Asian Institute of Management. She has over forty (40) years of banking experience in corporate banking and enterprise-wide risk management covering credit, market, liquidity, interest rate, operational risk management, information security, and data privacy. She started out as a management trainee in Citytrust Banking Corporation and was connected with HSBC as Senior Vice President for Credit Risk Management before joining BDO.

Jeffrey M. Alejandro, 52, Filipino, is Senior Vice President and Chief Audit Executive and Head of Internal Audit Group, effective 1 January 2025. He has more than twenty-eight (28) years of work experience in the banking industry. He was Vice President for Asia Regional Internal Audit Team of ING Bank N.V. from March 2016 to December 2022. He also worked with Citibank N.A. in various capacities from December 1996 to March 2016. Previous to that, he was with Banco Santander Philippines, Inc. and Standard Chartered Bank from August 1995 to December 1996. Mr. Alejandro is a Certified Public Accountant. He graduated with a double degree of Bachelor of Science in Accountancy and Bachelor of Science in Applied Economics from the De La Salle University. He holds a Master's Degree (Master of Science in Computational Finance), with High Distinction, from the De La Salle University Graduate School of Business.

Gwyneth M. Entao, 52, Filipino, is Senior Vice President and Head of Comptrollership Group, effective June 2, 2025. Before moving to the Comptrollership Group, she was the Finance Head for Consumer Banking Group for almost 19 years. Prior to joining BDO, Ms. Entao was an Assistant Vice President of AIG Credit Card Company, handling Business Analysis and Marketing Expense Control. She holds a double major in Bachelor of Science in Accountancy and Bachelor of Science in Business

Administration major in Marketing from the Ateneo De Davao University, where she graduated *Magna Cum Laude*.

Geneva T. Gloria, 61, Filipino, holds the position of Senior Vice President & Head of Remittance – Transaction Banking Group at BDO. She also assumes directorships in the following subsidiaries: BDO Network, BDO RIH, BDO Remit (Canada) Ltd., BDO Remit (Japan) Ltd., BDO Remit Limited, BRUSA., BDO Remit (Macau) Limited and DHI.* Ms. Gloria's banking career spans more than three (3) decades, with almost 30 years of experience in the remittance business. Her expertise encompasses business development, operations, project management, marketing, as well as both local and foreign remittance. She gained a deep understanding of the overseas Filipino market during her five-year tenure as an expatriate, where she operated remittance subsidiaries. Under Ms. Gloria's leadership, BDO consistently received the BSP's "Commercial Bank that Generated the Largest Overseas Filipino Remittances" Award from 2008-2010 and 2013 to 2019. Ms. Gloria has been supporting various government projects for the Overseas Filipino Market. In 2014, Ms. Gloria & her team launched a grassroots marketing campaign across the country, alongside financial literacy programs for clients overseas. The project has then expanded into community marketing efforts in remote areas through the combined networks of BDO & BDO Network. Ms. Gloria led the two institutions into maximizing both of the banks' reach & accessibility – successfully reaching the underserved & unserved markets & fulfilling the Bank's commitment to financial inclusion. Through Ms. Gloria, the Bank's synergy with SM has also evolved into making the latter an avenue for the Overseas Filipino market to enjoy exclusive offers made especially for them. Ms. Gloria received her Bachelor of Science degree in Business Administration from the University of the Philippines.

John Emmanuel M. Lizares, 62, Filipino, is Senior Vice President of BDO. He is currently the President of BDO Finance. He was previously the Unit Head of Metro Manila East C under Commercial Banking of Institutional Banking Group. He has been with BDO for twenty-four (24) years. Mr. Lizares earned his degree in Bachelor of Science in Business Economics from the University of the Philippines, Diliman in 1985.

Manuel Patricio C. Malabanan, 64, Filipino, is Senior Vice President of BDO. He was appointed as Trust Officer and Member of the Trust Committee effective 1 February 2024. Mr. Malabanan has been with BDO for more than ten (10) years and has more than forty (40) years of experience in trust banking. Prior to joining BDO, he was with Deutsche Bank, AG Manila Branch holding various positions, as follows: Director /

* Resigned as Director of DHI effective 16 March 2026

Asset & Wealth Management Head (February 2007 to October 2014), and Vice President / Trust Department Head (January 1997 – February 2007). Mr. Malabanan also worked at Citytrust Banking Corporation as Vice President / Business Development & Portfolio Management Head of Trust Department (August 1982 – November 1996) and Bank Management Trainee (August 1981 – July 1982); and China Banking Corporation as Credit Analyst (June 1981 – July 1981). He holds a Bachelor of Science Degree in Business Economics from the University of the Philippines, Diliman and was a Dean's Medalist in 1981.

Rene B. Morta, 56, is Senior Vice President and Chief Information Officer and Head of Information Technology Group, effective 16 October 2025. He has over twenty-five (25) years of experience in the banking industry, with a strong focus on IT strategic leadership. He served as Managing Director for Growth Markets, Transformation Head, Chief Information Officer of Accenture Technology Center Philippines, and Lead for Asset and Automation, and Solution Architecture at Accenture, Inc. (Philippines) from September 2022 to 2025, prior to joining BDO. His previous roles include: Vice President, Philippines Site Leader (June 2020 - August 2022) at Open Text (Philippines), Inc.; SVP and Head for Technology (July 2013 - September 2019) at Citibank N.A. (Philippines); President (August 2012 - June 2013) at ASEC Asia; SVP and Global Head for Customer Services (May 2009 - August 2012) at Thomson Reuters Philippines; Director for Operations - Time Warner Cable (January 2008 - May 2009) at 24/7 Customer Philippines, Inc.; VP and Process Director for Operations (August 2006 - January 2008) at Dell Technologies Philippines Inc.; Head of Master Planning (August 2005 - August 2006) at Digitel Mobile Philippines, Inc. ("Sun Cellular"); Department Manager (May 2004 - August 2005) at Analog Devices (Phils.), Inc.; Chief Technology Officer (May 2003 - May 2004) at DAN Systems Philippines, Inc.; Assistant VP and Business Unit Head (May 2000 - May 2003) at Ayala Corporation; Deputy Director and Regional Manager of GSM/3G Market Application for APAC & Middle East (February 1997 - May 2000) at Ericson Telecommunications, Inc.; Engineering Manager (May 1996 – January 1997) at Island Country Telecommunications Incorporated; Engineering Section Manager of Systems Engineering (May 1995 - May 1996) at Express Telecommunication Company, Inc.; and Faculty Member of College of Engineering (September 1990 - May 1995) at De La Salle University. Mr. Morta has a degree of Bachelor of Science in Electronics and Communications Engineering and Master of Science in Electronics and Communications Engineering from the De La Salle University.

Carlo B. Nazareno, 53, Filipino, is Senior Vice President for Transaction Banking Group. He has more than twenty-eight (28) years of experience in the banking industry. He worked with HSBC Bank, Plc (London) from March

2013 until June 2020, occupying various positions, from Regional Head of Product Management, Europe, Payments and Cash Management; Global Standards Lead of Payment Services; and Global Lead of GLCM Strategic Business Initiatives of Global Liquidity Cash Management. Prior to joining HSBC, Mr. Nazareno worked with Bank of America Merrill Lynch N.A. (London) from 2011 to 2013 as Director of Global Treasury Services, and Director and Programme Lead of EMEA Global Banking Systems Transformation. He was also previously connected with JP Morgan Chase Bank, N.A. (London), Citibank, NA. (London), Citibank, N.A. (Philippines) and Andersen Consulting. Mr. Nazareno obtained his Bachelor of Science degree in Management Engineering from the Ateneo de Manila University, and Master's Degree in Business Management from the Asian Institute of Management.

Evelyn C. Salagubang, 62, Filipino, is Senior Vice President. She assumed the position of Head of the Human Resources Group of BDO in July 2011. She was formerly the Head of Human Resources (HR) of American Express Savings Bank, with oversight HR role over the American Express International, Inc., and American Express Bank Philippines. Prior to joining BDO, she was the HR Manager for Kraft Foods Philippines, Inc. She holds a degree in Psychology from Assumption College and completed a Diploma Program in Human Resource Management from the same institution.

Federico P. Tancongo, 65, Filipino, is Senior Vice President. He joined BDO in October 2005 and was then seconded to BDO Private as Head of the Compliance and Legal Department. His secondment was recalled and since 1 July 2017 serves as Chief Compliance Officer of BDO. Prior to this, he served as trial attorney and solicitor with the Office of the Solicitor General for six (6) years before joining the Rizal Commercial Banking Corporation where he was Trust Legal Counsel for the Trust and Investments Division for twelve (12) years. He also serves as trustee in religious non-profit corporations, namely: Far East Broadcasting Corporation, WorldTeach Ministries Philippines, Inc., and Pamilya Muna Pilipinas, Inc. He holds a Bachelor's Degree in Philosophy and Letters from De La Salle University and a Law degree from the University of the Philippines College of Law.

Renato A. Vergel de Dios, 72, Filipino, is the President, CEO and Director of BDO Life since October 2009. He serves as a member of the Board of Trustees of the Insurance Institute for Asia and the Pacific. Mr. Vergel de Dios has been in the life insurance business for nearly fifty (50) years. Prior to joining BDO Life, he served as CEO for Manulife Philippines Inc. and was Executive Vice President, Sales and Operations, for the Philippine American Life Insurance Company, Inc. He holds a Bachelor's Degree in Mathematics from Ateneo de Manila University and an MS Management

(Sloan) degree from Stanford Graduate School of Business. He completed the requirements for Associateship of the US Society of Actuaries and is a Fellow of the Life Office Management Association (USA).

NOTE: *BDO is not dependent on the services of any particular employee and does not have any special arrangements to ensure that any employee will remain with BDO and will not compete upon termination.*

Board and Senior Management Performance

The Board, through the Corporate Governance and Sustainability Committee, undertakes the evaluation of its performance as a collective body, its Committees and senior management to determine whether they are functioning effectively, pinpoint areas for improvement and ensures that the President is providing effective leadership to the Group.

The assessment criteria used cover among others the areas of leadership, stewardship, review and approval of strategic and operational plans, annual budgets, focus on strategic and long-term issues, monitoring of financial performance, management succession planning, integrity of financial reporting, review of the Bank's ethical conduct, defining roles and monitoring activities of committees.

It also conducts the Director peer evaluation survey intended to encourage improved performance and effectiveness of directors by identifying areas that need improvement. Each director is requested to rate their colleagues on the Board using the prescribed rating scale and questions. The assessment criteria used include among others the director's understanding of the strategy and vision, organizational structure and culture, business and regulatory environments, responsibilities as Director, accountability for his/her boardroom actions, contribution to board discussions, independent thinking, strategic insights and direction, active participation in committee meetings, time and commitment to board and committee duties, and finally, his/her overall contribution to the functioning of the Board.

Survey questionnaires were sent to all members of the Board including Advisors. Upon submission of accomplished forms, the external facilitator, in coordination with the Corporate Governance Officer, tabulates the responses and prepares the final report to the Corporate Governance Committee. In turn, the Committee reviews and approves the report and submits to the Board for appropriate action. The Board then issues a resolution noting the results of the evaluation and recommendations stated in the final report.

2) Significant Employees

BDO's senior executive officers are enumerated under Item 9.1. BDO has no employee who is not an executive officer expected to make a significant contribution to BDO's business.

3) Family Relationships

Ms. Carol P. Warner, Senior Vice President, and Leila P. Pascual, Assistant Vice President, are siblings. Charles M. Rodriguez, Executive Vice President, is the father of John Carlo D. Rodriguez, Assistant Manager. Mr. Rene B. Morta, Senior Vice President, and Ms. Carla M. Bacani, Manager 2, are siblings. Mr. Arnold Q. Bengco, Executive Vice President, is the father of Joaquin Enrico B. Bengco, Junior Assistant Manager 1.

4) Involvement of directors/executive officers in legal proceedings

To BDO's knowledge, none of the directors or executive officers is named or is involved during the last five (5) years in any legal proceedings which will have any material effect on BDO, its operations, reputation, or financial condition.

To BDO's knowledge, none of its directors and senior executives have been subject of the following legal proceedings during the last five (5) years:

1. bankruptcy petition by or against any business of which such director was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time;
2. a conviction by final judgment, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign;
3. to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities;
4. being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading, market or self-regulatory organization, to have violated the securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

Disclosure and Transparency

The Bank recognizes the need to report material information in a complete, accurate and timely manner thru easily accessible medium of communications. Significant items that are disclosed include the following:

A. Executive Compensation Policy

It is the objective of BDO to attract, motivate and retain high-performing executives necessary to maintain its leadership position in the industry. To be competitive in the marketplace, BDO offers a remuneration package composed of fixed salary, benefits and long-term incentives. Below are the comepsation details of the directors and key executive officers of BDO.

1) President and four (4) most highly compensated executive officers:

in million pesos	Year	Annual Compensation	Other Annual Compensation
President and four (4) most highly compensated executive officers	2026 (estimate)	242.05	none
	2025	230.52	none
	2024	224.03	none
Year	Name		Position/Title
2025	Nestor V. Tan		President
	Rolando C. Tanchanco		SEVP
	Joseph Albert L. Gotuaco		SEVP
	Renato A. Vergel De Dios		EVP
	Eduardo V. Francisco		EVP
2024	Nestor V. Tan		President
	Rolando C. Tanchanco		SEVP
	Joseph Albert L. Gotuaco		SEVP
	Renato A. Vergel De Dios		EVP
	Lucy Co Dy		EVP

The above compensation includes the usual bonus paid to bank officers. Except for salaries, allowances, retirement benefits provided under BDO's

retirement plan, and company-wide benefit extended to all qualified employees under BDO's stock option plan, there is no separate stock option, stock warrant or other security compensation arrangement between BDO and its individual officers.

2) Compensation of Directors and Officers as a Group

in million pesos	Year	Salary Bonuses	Other Annual Compensation
Aggregate Officers (from senior vice presidents) & Directors	2026 (estimate)	1,143.60	none
	2025	1,138.91	none
	2024	1,089.14	none

B. Directors' Fees

Each director shall receive a reasonable *per diem* for attendance in every Board meeting. The President is authorized to fix and/or increase the fees and other remuneration of any Director or any other officer of BDO as may be deemed necessary, subject to Board approval. The Board of Directors of BDO approves all compensation and remuneration schemes for all the executive directors and senior officers of BDO. As provided by law, the total compensation of directors shall not exceed ten percent (10%) of the net income before income tax of BDO during the preceding year.

Each director receives a per diem allowance of ₱12,000.00 net per meeting for attending board and committee meetings. There is no distinction on the fee for a committee chairman and member. The above table contains the details of the compensation of directors and officers of BDO. In view of possible security risks, BDO opted to disclose these on an aggregate basis as a group. Other than these fees, the non-executive directors do not receive any share options, profit sharing, bonus or other forms of emoluments.

BDO may grant to the directors any compensation other than *per diems* by the approval of the shareholders representing at least a majority of the outstanding capital stock.

Each member of the Board of Directors received the following as Directors for the year 2025:

<u>Name of Director</u>	<u>Amount (in Millions)</u>
George T. Barcelon	P6.49
Estela P. Bernabe	6.77
Vipul Bhagat	6.60
Jones M. Castro, Jr.	6.81
Franklin M. Drilon	6.45
Alfredo E. Pascual	6.47

<u>Name of Director</u>	<u>Amount (in Millions)</u>
Vicente S. Pérez, Jr.	6.71
Dioscoro I. Ramos	6.77
Teresita T. Sy	12.21
Josefina N. Tan	6.27
Nestor V. Tan	3.21
Total	P74.76

Above mentioned amounts include total fees and per diems received by the Directors for their attendance in meetings of the Board.

The Compensation Committee determines and proposes for Management and Board approval the salaries and compensation schemes for all executive directors and senior officers of BDO. The Compensation Committee meets at least twice a year to discuss matters pertaining to the determination of salaries and compensation schemes and proposals for any changes in the remuneration of executive officers of BDO.

The members of BDO's Compensation Committee are as follows:

1. George T. Barcelon - Chairman (Independent Director)
2. Franklin M. Drilon - Member (Lead Independent Director)
3. Teresita T. Sy - Member (Non-Executive Director)

Below is the attendance of the members for the Committee meetings held as of December 2025:

	No. of Meetings Attended	Total No. of Meetings	Percentage
George T. Barcelon	3	3	100%
Franklin M. Drilon*	2	2	100%
Teresita T. Sy	3	3	100%
Dioscoro I. Ramos**	1	1	100%
* Appointed as Member of the Compensation Committee on 25 April 2025, hence, attendance count started on 28 June 2025.			
**Term as Member ended on 25 April 2025			

3) **Employment Contracts and Termination of Employment and Change-in-Control Arrangements**

There are no special contracts of employment between BDO and the named directors and executive officers, as well as special compensatory plans or arrangements, including payment to be received from BDO with respect to any named director or executive.

Item 11. Security Ownership of Certain Beneficial Owners and Management

1) Security Ownership of Certain Record/Beneficial Owners

As of 31 December 2025, the following are known to BDO to be directly or indirectly the record and/or beneficial owners of more than 5% of BDO's voting securities:

* Exclusive of PCD-lodged shares of SEIC.

** Inclusive of PCD-lodged shares of SEIC.

Title of Class	Name, address of record owner and relationship with BDO	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	SM Investments Corporation (SMIC) 10th Floor One E-Com Center, Harbour Drive, Mall of Asia Complex, CBP-I-A, Pasay City/ Parent Company	Sy Family (Substantial Stockholders)	Filipino	2,165,725,022	40.60%
Common	PCD Nominee Corp. 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City/ Various stockholders	Various stockholders	Foreign	1,449,764,339	27.18%
Common	PCD Nominee Corp. 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City/ Various stockholders	Various stockholders	Filipino	828,662,141*	15.54%
Common	Multi-Realty Development Corporation (MRDC) 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	SM Investments Corp. (Subsidiary)	Filipino	353,035,964	6.62%
Common	Sybase Equity Investments Corporation (SEIC) 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	Various corporate stockholders	Filipino	289,638,699**	5.43%
TOTAL (COMMON)				5,086,826,165	95.37%

Title of Class	Name, address of record owner and relationship with BDO	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Preferred	Sybase Equity Investments Corporation 10 th Floor L.V. Locsin Building, 6752 Ayala Ave., Makati City/ Stockholder	Various corporate stockholders	Filipino	469,680,000	76.00%
Preferred	SM Investments Corporation 10th Floor One E-Com Center, Harbour Drive, Mall of Asia Complex, CBP-I-A, Pasay City/ Parent Company	Sy Family (Substantial Stockholders)	Filipino	148,320,000	24.00%
TOTAL (PREFERRED)				618,000,000	100.00%

The persons authorized to vote the shares of SM Investments Corporation, Multi-Reality Development Corporation and SEIC are Ms. Teresita T. Sy and/or Mr. Henry T. Sy, Jr. and/or Mr. Harley T. Sy.

Member	Name and Address	Citizenship	No. of Shares	Percent of Shareholdings
HSBC Clients' Account	The Hong Kong and Shanghai Banking Corporation HSBC Securities Services 12 th Floor, The Enterprise Center, Tower 1, 6766 Ayala Avenue corner Paseo de Roxas, Makati City 1200	Non-Filipino	338,534,684	5.69%
DB Clients' Account	Deutsche Bank Manila 19 th Floor Four NEO 31 st corner 4 th Avenue E Square Zone Bonifacio Global City, Taguig City	Non-Filipino	312,733,668	5.25%
	TOTAL		651,268,352	10.94%

The PCD, being a nominee corporation, only holds legal title, not beneficial ownership of the lodged shares. The beneficial owners, such as the clients of PCD, have the power to decide how their shares are to be voted.

(NOTE: There are no voting trust shares or shares issued pursuant to a Voting Trust Agreement registered with BDO nor has there been any change in control of BDO. BDO is also not aware of any contractual arrangement or otherwise between its shareholders and/or third parties, which may result in change in control of BDO).

2) Security Ownership of Management

As of 31 December 2025, the total number of shares owned by the directors and Management of the registrant as a group unnamed is 45,717,041 common shares, which is equivalent to 0.8574% of the total outstanding common capital stock of the registrant. The Bank's directors and officers own the following common shares of the Bank:

Title of Class	Name of Beneficial Owner	Nature of Beneficial Ownership (Direct (D)/ Indirect (I))	Position	Citizenship	No. of Shares (beginning balance as of January 01 2025/ effectivity date of election/ appointment in position)	Acquisitions (including property dividends)	Disposals	No. of Shares as of 31 December 2025	Percent of Class
Common	Teresita T. Sy	624,747 (D) 20,789 (I)	Chairperson	Filipino	640,233	5,133	0	645,536	0.0121%
Common	George T. Barcelon	D	Independent Director	Filipino	341,201	193,156	0	534,357	0.0100%
Common	Estela P. Bernabe	D	Lead Independent Director	Filipino	15,001	25,165	0	40,166	0.0008%
Common	Vipul Bhagat	D	Independent Director	American	1	0	0	1	0.0000%
Common	Jones M. Castro, Jr.	D	Non-Executive Director	Filipino & American	52,751	32,600	0	85,351	0.0016%
Common	Franklin M. Drilon	D	Independent Director	Filipino	1	0	0	1	0.0000%
Common	Alfredo E. Pascual	D	Independent Director	Filipino	3,501	28	0	3,529	0.0001%
Common	Vicente S. Pérez, Jr.	50,414 (D) 10,092 (I)	Independent Director	Filipino	50,000	10,506	0	60,506	0.0011%
Common	Dioscoro I. Ramos	D	Lead Independent Director	Filipino	294,690	8,455	0	303,145	0.0057%
Common	Josefina N. Tan	D	Non-Executive Director	Filipino	1,063,605	117,780	0	1,181,385	0.0221%
Common	Nestor V. Tan	27,205,660 (D) 248,743 (I)	President, CEO & Executive Director	Filipino	27,228,808	223,552	0	27,454,403	0.5147%

Common	Joseph Albert L. Gotuaco	D	SEVP	Filipino	650,000	5,385	0	655,385	0.0123%
Common	Rolando C. Tanchanco	D	SEVP	Filipino	822,049	248,966	0	1,071,015	0.0201%
Common	Arnold Q. Bengco	D	EVP & Deputy Treasurer *	Filipino	198	1	0	199	0.0000%
Common	Gerard Lee B. Co	D	EVP	Filipino	589,822	86,167	0	675,989	0.0127%
Common	Eduardo V. Francisco	D	EVP	Filipino	1,242,375	10,293	0	1,252,668	0.0235%
Common	Lazaro Jerome C. Guevarra	D	EVP	Filipino	132,269	21,879	0	154,148	0.0029%
Common	Jesus Antonio S. Itchon	D	EVP	Filipino	7,200	59	0	7,259	0.0001%
Common	Jeanette S. Javellana	D	EVP	Filipino	423,717	24,236	0	447,953	0.0084%
Common	Maria Corazon A. Malillin	D	EVP	Filipino	177,022	114,531	54,000	237,553	0.0045%
Common	Dalmacio D. Martin	D	EVP & Treasurer *	Filipino	378,939	245,088	25,000	599,027	0.0112%
Common	Luis S. Reyes, Jr.	D	EVP	Filipino	1,148,645	251,672	0	1,400,317	0.0263%
Common	Charles M. Rodriguez	D	EVP		0	50,165	0	50,165	0.0009%
Common	Evelyn L. Villanueva	D	EVP & Chief Risk Officer		1,268,760	31,295	0	1,300,055	0.0244%
Common	Jeffrey M. Alejandro	N/A	SVP & Chief Audit Executive	Filipino	0	0	0	0	0.0000%
Common	Jose Virgilio O. Alvarez	D	SVP	Filipino	9,996	13,876	0	23,872	0.0004%
Common	Noel L. Andrada	D	SVP	Filipino	268,104	2,221	0	270,325	0.0051%
Common	Maria Carina S. Antonio	D	SVP	Filipino	211,508	22,536	0	234,044	0.0044%
Common	Ferdinand C. Bacungan	D	SVP	Filipino	76,730	21,419	0	98,149	0.0018%
Common	Marita E. Bueno	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Mary Grace R. Caguioa	D	SVP	Filipino	42,174	21,795	0	63,969	0.0012%
Common	Monina Elena M. Camigla	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Regina G. Caynap	D	SVP	Filipino	33,874	13,795	10,000	37,669	0.0007%
Common	Susie S. Cham	D	SVP	Filipino	65,032	14,333	0	79,365	0.0015%

* Appointed as Treasurer effective 1 January 2026

* Treasurer until 31 December 2025

Common	Edmund S. Chan	D	SVP	Filipino	70,546	22,914	0	93,460	0.0018%
Common	Ruby A. Chua	D	SVP	Filipino	84,409	14,494	-10000	88,903	0.0017%
Common	Romeo Ramon Martin R. Co, Jr.	D	SVP	Filipino	29,612	21,029	0	50,641	0.0009%
Common	Gwyneth M. Entao	D	SVP	Filipino	70,256	21,366	0	91,622	0.0017%
Common	Joel M. Escala	D	SVP	Filipino	132,447	13,795	0	146,242	0.0027%
Common	Belinda C. Fernandez	D	SVP	Filipino	29,805	12,301	37,489	4,617	0.0001%
Common	Gina Marie C. Galita	D	SVP	Filipino	1,080	8	0	1,088	0.0000%
Common	Caroline H. Garcia	D	SVP	Filipino	0	13,795	11,795	2,000	0.0000%
Common	Cheryll B. Gaviño	D	SVP	Filipino	107,807	14,688	0	122,495	0.0023%
Common	Geneva T. Gloria	D	SVP	Filipino	162,346	22,129	0	184,475	0.0035%
Common	Alvin C. Go	D	SVP & Assistant Corporate Secretary	Filipino	364,404	31,303	0	395,707	0.0074%
Common	Frederic Mark S. Gomez	D	SVP	Filipino	18,000	149	0	18,149	0.0003%
Common	Rommel S. Gomez	D	SVP	Filipino	4,955	49	0	5,004	0.0001%
Common	Maria Lourdes Donata C. Gonzales	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Richard Emil R. Grau	D	SVP	Filipino	36,044	14,093	0	50,137	0.0009%
Common	Bremel Peter R. Guiao	D	SVP	Filipino	0	14,795	0	14,795	0.0003%
Common	Enrico R. Hernandez	D	SVP	Filipino	387,841	23,997	200,000	211,838	0.0040%
Common	Charles Bryan S. Ho	D	SVP	Filipino	30,628	9,861	0	40,489	0.0008%
Common	Ernesto L. Ladrado IV	D	SVP	Filipino	19,025	23,952	0	42,977	0.0008%
Common	Geraldine C. Liggayu	D	SVP	Filipino	118,028	21,596	42,000	97,624	0.0018%
Common	Gabriel U. Lim	D	SVP	Filipino	148,046	221,408	158,000	211,454	0.0040%
Common	John Emmanuel M. Lizares	D	SVP	Filipino	102,490	14,644	0	117,134	0.0022%
Common	Juan Sabino P. Lizares	D	SVP	Filipino	319,046	16,438	0	335,484	0.0063%

Common	Joseph Rhoderick B. Lledo	D	SVP	Filipino	211,812	1,754	0	213,566	0.0040%
Common	Michael Christopher B. Lualhati	D	SVP	Filipino	0	13,795	0	13,795	0.0003%
Common	Jose Paolo Enrique A. Magpale	D	SVP	Filipino	18,590	20,938	0	39,528	0.0007%
Common	Roy Allan V. Magturo	D	SVP	Filipino	146,330	21,913	10000	158,243	0.0030%
Common	Manuel Patricio C. Malabanán	D	SVP & Trust Officer	Filipino	83,444	21,201	33,000	71,645	0.0013%
Common	Angelita C. Manulat	D	SVP	Filipino	84,537	256,650	80,000	261,187	0.0049%
Common	Elena D. Mariano	D	SVP	Filipino	53,751	14,240	0	67,991	0.0013%
Common	Tomas Victor A. Mendoza	D	SVP	Filipino	78,611	14,280	20,000	72,891	0.0014%
Common	Aurea Imelda S. Montejo	D	SVP	Filipino	200,860	22,448	0	223,308	0.0042%
Common	Rene B. Morta	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Francis Jay F. Nacino	N/A	SVP	Filipino	8,535	27595	-8530	0	0.0000%
Common	Karis Liam Johann S. Napa	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Jaime M. Nasol	D	SVP	Filipino	84,604	14,413	10,000	89,017	0.0017%
Common	Carlo B. Nazareno	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Cristina G. Ngo	D	SVP	Filipino	253,065	35,054	0	288,119	0.0054%
Common	Frederico Rafael D. Ocampo	D	SVP	Filipino	50,444	21,201	0	71,645	0.0013%
Common	Sophia O. Ong	D	SVP	Filipino	78,360	30,689	0	109,049	0.0020%
Common	Jose Alfredo G. Pascual	D	SVP	Filipino	133,474	10,682	6,500	137,656	0.0026%
Common	Rufus Pinto	N/A	SVP	Australian	0	0	0	0	0.0000%
Common	Cyrus M. Polloso	D	SVP	Filipino	81,145	44,301	40,000	85,446	0.0016%
Common	Alberto O. Quiogue	D	SVP	Filipino	17,025	13,935	0	30,960	0.0006%
Common	Rogel A. Raya	D	SVP	Filipino	246,184	22,823	0	269,007	0.0050%
Common	Maria Nannette R. Regala	D	SVP	Filipino	427,580	66,435	0	494,015	0.0093%
Common	Gerardo Clemente C. Rivera	D	SVP	Filipino	0	13,795	0	13,795	0.0003%

Common	Susan Audrey P. Rivera	D	SVP	Filipino	8,410	69	0	8,479	0.0002%
Common	Evelyn C. Salagubang	D	SVP	Filipino	236,538	1,959	0	238,497	0.0045%
Common	Christian D. San Juan	N/A	SVP & Deputy Chief Risk Officer	Filipino	0	0	0	0	0.0000%
Common	Roberto Ramon L. Santos	D	SVP	Filipino	0	20,784	0	20,784	0.0004%
Common	Paul John Siy	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Howard Lincoln D. Son	N/A	SVP	Chinese	0	0	0	0	0.0000%
Common	Noel B. Sugay	D	SVP	Filipino	165,958	22,158	0	188,116	0.0035%
Common	Catherine S. Sy	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Lorelei Lorraine L. Sy	D	SVP	Filipino	0	446,795	0	446,795	0.0084%
Common	Edwin R. Tajanlangit	D	SVP & Deputy Chief Risk Officer	Filipino	5,928	20,787	11,500	15,215	0.0003%
Common	Jaime A. Talingdan	D	SVP	Filipino	24,268	13,996	0	38,264	0.0007%
Common	Christopher Raymund P. Tan	D	SVP	Filipino	8,535	20,854	0	29,389	0.0006%
Common	Federico P. Tancongco	D	SVP & Chief Compliance Officer	Filipino	37,584	311	0	37,895	0.0007%
Common	Reynaldo A. Tanjangco, Jr.	D	SVP	Filipino	164,206	22,144	0	186,350	0.0035%
Common	Alice O. Teh	D	SVP	Filipino	8,535	70	0	8,605	0.0002%
Common	Dante R. Tinga, Jr.	D	SVP	Filipino	11,010	13,058	0	24,068	0.0005%
Common	Maria Dolores C. Uyliapco	D	SVP	Filipino	224,329	20,653	0	244,982	0.0046%
Common	Sharon Mae S. Vicente	D	SVP	Filipino	42,127	14,043	12,127	44,043	0.0008%
Common	Roy L. Villareal	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Carol P. Warner	N/A	SVP	Filipino	0	0	0	0	0.0000%
Common	Shakira C. Yu		SVP	Filipino	24,469	9,608	0	34,077	0.0006%
Common	Edmundo L. Tan	D	Corporate Secretary	Filipino	121,574	1,006	0	122,580	0.0023%

Common	Sabino E. Acut, Jr.	D	Asst. Corporate Secretary	Filipino	24,000	198	0	24,198	0.0005%
	Total				42,840,843			45,717,041	0.8574%

Directors and officers are required to report to BDO any acquisition or disposition of BDO's shares within three (3) business days from the date of the transaction. As prescribed under the PSE Disclosure Rules, BDO shall disclose to the PSE any acquisition or disposition of BDO's shares by its directors and officers within five (5) trading days from the transaction. Moreover, beneficial ownership of BDO shares by the directors and officers is also required to be reported within ten (10) calendar days from the date of initial acquisition or within ten (10) calendar days after the close of each calendar month, if there has been any change in such ownership during the month, to the Securities and Exchange Commission (**SEC**).

(Note: There are no voting trust shares or shares issued pursuant to a Voting Trust Agreement registered with the Bank nor has there been any change in control of the Bank. The Bank is also not aware of any contractual arrangement or otherwise between its shareholders and/or third parties, which may result in change in control of the Bank.)

Item 12. Certain Relationships and Related Transactions

In the ordinary course of business, BDO has loan and other transactions and arrangements involving BDO's products and services, with its subsidiaries and affiliates and with certain DOSRI and other related parties. These loans and other transactions and arrangements involving BDO's products and services, are made on substantially the same terms as those given to other individuals and businesses of comparable risks.

The Bank has established policies and procedures on related party transactions (**RPT**) in accordance with the BSP and SEC regulations. These include the definition of related parties, coverage of RPT policy, guidelines in ensuring arm's-length terms, identification and prevention or management of potential or actual conflicts of interest which arise from RPTs, adoption of materiality thresholds, internal limits for individual and aggregate exposures, whistleblowing mechanisms, and restitution of losses and other remedies for abusive RPTs. The RPT Committee reviews, approves and endorses to the Board for final approval all material RPTs.

Material RPT, whose value exceeds 10% of the BDO Group's total assets resources based on the latest audited consolidated financial statements, either singly or aggregated within a 12-month period, with the same

related party, shall require review of an external independent party appointed by the Board. The approval of two-thirds vote of the Board, with at least a majority of the independent directors voting affirmatively shall be obtained prior to the execution of the material RPT. In case that majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock.

The RPT policy applies to BDO, its subsidiaries and affiliates, as appropriate, to ensure that every related party transaction is conducted in a manner that will protect the Bank from any conflict of interest which may arise between the Bank and its Related Parties. The policy also covers the proper review, approval, ratification and disclosure of transactions between the Bank and any of its related party/ies in compliance with legal and regulatory requirements. The policy likewise requires any member of the RPT Committee who has a potential interest in any related party transaction to abstain from the discussion and endorsement of the related party transaction. Similarly, any member of the Board who has an interest in the transaction must abstain from the deliberation and approval of any related party transaction.

The RPT Committee is chaired by Lead Independent Director Estela P. Bernabe. Its members are Messrs. Vicente S. Pérez, Jr. (Independent Director) and Dioscoro I. Ramos (Non-Executive Director).

Below is the attendance of the members for the Committee meetings held as of 31 December 2025:

	<u>No. of Meetings Attended</u>	<u>Total No. of Meetings</u>	<u>Percentage</u>
Estela P. Bernabe*	7	7	100%
Vicente S. Pérez, Jr.*	7	7	100%
Dioscoro I. Ramos	13	13	100%
Vipul Bhagat**	6	6	100%
Jones M. Castro, Jr.***	6	6	100%
* Appointment as Chairperson/Member of the RPTC was on 25 April 2025, hence, attendance count started on 31 May 2025.			
** Term as Member ended on 25 April 2025.			
*** Term as Member ended and was appointed as Advisor to the RPTC on 25 April 2025.			

For loans to a DOSRI, at least 70% of the loan, other credit accommodations and guarantees must be secured and the total amount should not exceed the combined value of their unencumbered deposit and book value of their paid-in capital contribution in the Bank. Total loans,

credit accommodations, and guarantees extended to DOSRIs must not exceed 15% of the total loan portfolio or 100% of the Bank's net worth, whichever is lower. The unsecured portion thereof must not exceed 30% of the aggregate ceiling or the outstanding amount, whichever is lower.

Each subsidiary/affiliate's total loans, credit accommodations, and guarantees must not exceed 10% of the Bank's net worth, and the unsecured portion thereof must not exceed 5% of the Bank's net worth. Additionally, all subsidiaries/affiliates' total loans, credit accommodations, and guarantees must not exceed 20% of the Bank's net worth.

For the period ended 31 December 2025, there were no material self-dealings or RPTs by any director which require disclosure.

Please refer to Notes 2.14 and 27 of the Notes to Financial Statements. Said Financial Statements are attached to this Information Statement as **Annex "A"**.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

Corporate governance at BDO reflects a steadfast commitment to effective oversight, rigorous regulatory compliance and sustainable value creation. More than a matter of compliance, it embodies accountability, fairness and transparency. These principles safeguard stakeholder interest and drive long-term growth through an ethical, balanced, and forward-looking approach to business operations and governance.

BDO consistently applies the highest standards of corporate governance across the organization, anchored on accountability, fairness, integrity, and transparency. This disciplined approach has strengthened BDO's market reputation built on a foundation of sound corporate culture and responsible business conduct, underpinned by a well-structured and effective system of governance.

The Bank adheres to the SEC Code of Corporate Governance for Publicly Listed Companies and the Enhanced Corporate Governance Guidelines for BSP-Supervised Financial Institutions. It also aligns with international corporate governance best practices issued by globally recognized standards-setting bodies such as the Organisation for Economic Co-operation and Development (**OECD**) and the ASEAN Corporate Governance Scorecard (**ACGS**), which serve as key benchmarks. Please refer to BDO's ACGS Self-Assessment Report ([ACGS-BDO-Self-Assessment-May2025.pdf](#)) published in our corporate website.

This report describes the highlights of BDO's corporate governance practices for the financial year ending 31 December 2025.

1. *Composition of the Board* – The Board's composition embodies diversity and independence, anchoring its ability to provide strategic oversight, uphold integrity, and deliver balanced perspective and judgement that advance stakeholder value. It consists of eleven (11) members and supported by three (3) advisors. Leadership rests with a Non-Executive Chairperson. The Board is composed of six (6) Independent Directors, four (4) Non-Executive Directors including the Chairperson, and one (1) Executive Director, who is the President and CEO.

Independent and Non-Executive Directors account for 91% (10 of 11) of the Board exceeding regulatory requirements that mandate at least a majority. With six (6) of the eleven (11) Board seats held by Independent Directors, the Bank surpasses the one-third (1/3) minimum threshold set by the BSP and the SEC.

Board advisors are integral to the Board, with their insights and recommendations being highly valued by the Board members. The three (3) advisors are experts in their own fields, offering independent perspectives that enrich deliberations, add depth and objectivity to Board discussions, that strengthen the overall effectiveness of the Board.

2. *Composition of the Board-level Committees* – Independent, objective, and balanced judgment in decision-making is reinforced as Independent directors chair seven (7) of nine (9) board-level committees, namely Board Audit, Corporate Governance, Risk Management, Related Party Transactions, IT Steering, Nominations, and Compensation. This structure ensures that critical issues and strategies are objectively reviewed, constructively challenged, thoroughly discussed and rigorously examined.
3. *Audited financial statements for calendar year 2024* – During the year, the Board approved, reviewed, and oversaw the Bank's financial budget and capital funding, business targets and strategies, quarterly declaration of dividends, and the release of the 2024 audited financial statements within 57 days from year end, consistent with meeting the ACGS best practice standard.
4. *Executive Sessions of Independent/Non-Executive Directors* – Independent and Non-Executive Directors (INED) regularly convene meetings with the heads of the control functions (i.e. Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive) as well as the external auditor. These sessions are held without the presence of management or any bank executive, providing an opportunity for candid discussions on various matters outside the formal meetings of Board Audit Committee and Risk Management Committee. INEDs also engage with the heads of business and operating units to gain deeper insights and promote more comprehensive dialogue with the Bank's management. These meetings are chaired by the Lead Independent Director to ensure structured and effective discussions.

In 2025, the INED held three (3) sessions with the Bank's key control functions and reviewed the Bank's governance, risk, compliance, and audit posture, focusing on the institution's ability to remain resilient and forward-looking amid evolving regulatory requirements and market conditions strengthened the Board's strategic oversight through a series of structured engagements with the Bank's key control functions. These

discussions enable the INED to assess whether the Bank's control frameworks and strategic priorities continue to support long-term stability and organizational agility.

Complementing these governance reviews, the INED conducted focused strategic dialogues with key business, operational, and support groups within the Bank. These sessions provided deeper visibility into the Bank's digital transformation progress, evolving client needs, and opportunities in key domestic and offshore markets. Insights from these engagements were subsequently relayed by the INED to the Executive Director in a separate meeting. This ensured alignment across governance and management, which reinforced the Board's commitment to strong oversight, strategic readiness, and long-term value creation.

5. *Annual Board performance self-assessment* – The Corporate Governance and Sustainability Committee oversees the conduct of a yearly Board assessment that focuses on the performance of the Board, directors, Board-level Committees and Senior Management. The assessment is facilitated by an external firm annually, which is beyond the regulatory requirement of every three (3) years. To the Committee, engaging an independent party every year, rather than every three years as recommended by the SEC, continues to provide valuable governance insights and ensures stronger comparability, consistency, and ongoing improvement. The performance evaluation process begins with sending out customized Board Evaluation Questionnaires to each director and advisor who are required to complete them and provide additional context, as applicable. The results are independently tabulated and assessed by the external facilitator, supplemented by interviews with the directors, advisors and selected Senior Management officers.

The Bank re-engaged Isla Lipana & Co. / PwC Philippines (**PwC**) as external facilitator for the Bank's 2024 Board Effectiveness Evaluation (**BEE**). PwC facilitated and conducted a peer and self-evaluation process on the Board, Board-level Committees and individual directors, with additional insights from the Board Advisors and selected Senior Management officers.

Based on the Board's assessment and PwC's report, the Board sustained a strong level of performance across all key dimensions, while its members continue to demonstrate proactive involvement in crucial governance areas. Their diverse skills and perspectives enable comprehensive analysis and robust strategic guidance thereby reinforcing the Bank's commitment to effective governance and sustainable business practices. The results further indicate strong

oversight and active engagement between the Board and Senior Management, contributing to effective decision making and execution. PwC's assessment report highlighted that the Chairperson and CEO continue to exemplify strong leadership, fostering an environment of transparency, collaboration, and disciplined execution across the organization.

The Board-level Committees likewise demonstrated their consistent strong performance. The evaluation highlighted their high-level engagement and effective oversight in their respective mandates. Evaluation results also underscored strong leadership exhibited by the Board-level Committee chairpersons, who effectively guide their respective committees, foster collaboration, and drive impactful decision-making. Their leadership is instrumental in maintaining the Board's overall effectiveness and ensuring robust, risk-sensitive, and responsive governance practices.

This report sets out the main corporate governance practices of the Bank in relation to the following OECD guiding principles:

Rights and Equitable Treatment of Stakeholders

Shareholders

The Bank deeply values and respects the inherent rights of its diverse shareholders, recognizing their crucial roles as defined by law. In line with this commitment, the Bank has established comprehensive governance practices, policies and programs aimed at safeguarding shareholders' rights and fostering their active engagement, in accordance with OECD principles. These rights encompass the ability to buy, sell, or transfer securities, receive dividends, vote on appointment of the external auditors, participate in decision-making, propose agenda items for shareholders' meeting and attend these meetings.

Annual Stockholders' Meeting

As a matter of policy, all stockholders on record are encouraged to attend the annual stockholders' meeting, personally, by proxy, or by remote communication, to ensure their participation and active involvement in the affairs of the Bank. Shareholders are provided with equal opportunities to raise questions, make suggestions and offer recommendations regarding the Bank's operations. They can vote remotely, in absentia, or assign proxies to vote on their behalf if they cannot attend the stockholders' meeting. To facilitate shareholders' participation, the venue, date, time and agenda of the annual meeting, along with detailed explanations of each agenda item requiring approval and method of vote tabulation, are announced well in advance. In 2025, the Notice of Annual Stockholders'

Meeting, which included comprehensive details and rationale for each agenda item, was released through the Definitive Information Statement on 24 March 2025, or 32 days prior to the Annual Stockholders' Meeting.

The Annual Stockholders' Meeting was held on 25 April 2025, and was attended by the Board Chairperson, President and CEO, and all Directors. During the meeting, the President and CEO presented the Bank's financial performance for the previous calendar year to the stockholders. Shareholders were given the opportunity to cast their votes on each nominee director and agenda item presented for approval. They were also encouraged to ask questions, express opinions and make suggestions on various issues.

For detailed Questions and Answers, as well as voting results showing Votes in Favor, Votes Against, and Abstentions cast by the shareholders on each agenda item, please refer to the minutes of the 2025 Annual Stockholders' Meeting available at [Annual Stockholders' Meeting | BDO Unibank, Inc.](#)

Dividends

The Bank is committed to maintaining a consistent and sustainable dividend policy that reflects sound financial performance and prudent capital management. Regular cash dividends are declared upon approval of the Board, taking into account the Bank's profitability, capital adequacy, and strategic priorities. In addition, the Board may exercise discretion to declare special dividends based on annual financial results, capital requirements, and other strategic considerations. These declarations are typically announced during the Annual Stockholders' Meeting and disclosed in the Bank's Annual Report and other regulatory channels.

Since December 2013, the Bank has provided a stable dividend stream to its stockholders through regular quarterly cash dividends, initially at P0.30 per share (P1.20 annually). Reflecting strong financial performance, the Bank increased dividends to P0.75 per share per quarter (P3.00 annually) in February 2023, to P1.00 per share (P4.00 annually) in the second quarter of 2024 and to P1.10 per share (P4.40 annually) beginning the second quarter of 2025.

The Bank's declaration and payment of dividends is in line with the relevant rules of the BSP, PSE, and SEC thereon and takes into consideration Management recommendations. Upon Board approval, necessary disclosures are made in compliance with such regulatory requirements. The full dividend policy statement is published on the Bank's corporate website.

Fair and Equal Treatment of Shareholders

The Bank is committed to treating all shareholders fairly and equally, regardless of whether they are controlling or minority, local or foreign. To uphold this principle, the Bank's Amended By-Laws stipulates that all shares within each class must carry identical rights, and any modification to voting rights requires shareholder approval. The Bank also recognizes and accepts the votes cast by nominees and custodians on behalf of the beneficial owners as valid. Additionally, shareholders have the right to exercise their right of appraisal in accordance with Section 80 of the Revised Corporation Code.

Investors

BDO adopts a proactive and structured approach to engage its diverse stakeholders, ensuring transparency and timely communication on financial performance and operational developments. The Investor Relations Unit (IRU) and Corporate Planning are responsible for institutional investors, analysts, credit rating agencies, and other external stakeholders. The Bank participates in global conferences and roadshows, hosts one-on-one meetings, conference calls, and briefings to share strategic priorities, financial results and significant events. It also joins corporate access programs organized by local and foreign brokers.

Official disclosures, quarterly and annual financial reports, shareholder lists, and other regulatory and company reports are posted either on the PSE Edge or the BDO website.

The IRU accomplished the following in 2025:

1. Investor Engagement

The IRU engaged with more than 500 investors, through participation in both physical and virtual conferences, investor calls, as well as one-on-one meetings and virtual calls.

The IRU apprised investors of the following developments in the Bank:

- The Bank has increased profitability due to growth in its core businesses, along with a robust capital position and stable asset quality.
- The Bank continued its expansion initiatives in underserved markets and consistently pursued investments in technology advancements.

2. Analyst briefings

The IRU held physical and virtual briefings on the following dates during which the Bank's Senior Management presented the Bank's financial results, operations updates, and recent developments:

- 24 February 2025 – covering full year-2024 results

- 28 April 2025 – covering 1Q 2025 results
- 28 July 2025 – covering 1H 2025 results
- 27 October 2025 – covering 9M 2025 results

Video coverage of the analysts' briefings is posted under the Investor Relations section of the Bank's website.

3. *Coordination on Sustainability, and Environmental, Social and Governance (ESG)*

The IRU coordinated with the Sustainability Office and the Sustainable Finance Unit in addressing queries from regulators, investors and analysts, ESG ratings agencies, regarding the Bank's sustainability/ESG initiatives.

4. *Feedback from investors and analysts to Senior Management and the Board*

The IRU regularly conveyed feedback from investors and analysts and prepared shareholder and industry analysis reports to Senior Management and the Board to apprise them on market sentiment, and opinions about the Bank, as well as to provide updates on shareholder developments and performance versus industry.

5. *Coordination with other units for the disclosure of public information about the Bank*

The IRU recognizes the need for accurate and updated information on the Bank's financial condition and all matters affecting the Bank. It coordinates with the Office of the Corporate Secretary and Marketing Communications Group for both internal and external or public communications, through various media platforms, including the Bank's website.

The IRU along with Office of the Corporate Secretary liaised with the Bank's stock transfer agent on matters relating to stockholders' claims for cash dividends, updating of contact information and requests for documents and/or information regarding their stockholdings.

Shareholders can request relevant information from the Office of the Corporate Secretary or IRU through the contact details provided on the Bank's official website.

Customers

The clients are the Bank's most valuable asset, and BDO is committed to meeting their needs by providing exceptional service and offering relevant products.

The Bank's dedication to treating clients fairly is reflected in the following standards:

- *Fair and Transparent Communications:* BDO ensures that all communications are clear, fair and truthful.
- *Informed Decisions:* Clients receive comprehensive concise information, including the potential risks involved, before opting for financial products and services.
- *Tailored Solutions:* The Bank's products and services are designed to be appropriate, taking into account the clients' needs, financial profiles, risk tolerance, and goals.
- *Effective Complaint Resolution:* BDO addresses complaints promptly, courteously, fairly and effectively.

Consumer Protection

BDO's financial consumer protection framework is anchored on disclosure and transparency, protection of client information, fair treatment, effective recourse, and protection of consumer assets against fraud and misuse. The framework ensures that consumer protection practices are embedded in BDO's operations and considered in the development and implementation of the Bank's products and services.

The Board is responsible for maintaining effective oversight of the Bank's consumer protection policies and programs, while Senior Management implements Board-approved strategies and ensures appropriate control mechanisms. Governance and oversight are reinforced through various roles: a) Senior Management, which documents and implement consumer protection policies, b) the Compliance Office and Internal Audit, which support the Board in overseeing adherence to these policies, and c) the Operational Risk Management Unit (**ORMU**), which embeds operational risk culture and reports top complaint drivers and corrective measures to the Board on a quarterly basis. This structure ensures that consumer protection risks are mitigated, compliance is maintained, and significant developments are disclosed.

BDO enforces and monitors the Consumer Assistance Management System (**CAMS**) through established policies, streamlined processes, and dedicated teams. This system aims to deliver customer satisfaction through compliance with regulations. The CAMS Manual outlines consumer protection policies, including complaint resolution procedures, and customer communication standards. Specialized teams manage consumer inquiries, requests, and complaints, ensuring accurate, prompt, and effective service. A tracking system records clients' interactions, enabling trend identification and service level evaluation. Customer feedback and

complaints are analyzed and reported to the Board's Risk Management Committee on a periodic basis. BDO continuously improves CAMS by incorporating feedback, adapting to regulatory changes, and aligning with industry best practices.

In 2025, the Customer Assistance Management System logged 9.63 million customer cases, of which only 0.64 million or 7% were problem-related in nature. Majority of the cases were inquiries at 4.56 million and requests at 4.42 million.

Customer Service

The Bank is committed to embodying a "We Find Ways" mindset as an integral part of our Customer Experience Philosophy. This principle underscores the Bank's dedication to creating a banking experience that extends beyond basic transactions by offering a diverse range of products and providing personalized services. BDO achieves this through a comprehensive understanding of its customers' financial objectives and life circumstances.

Recognizing the evolving risks associated with digitalization, BDO has introduced voice biometrics as a secure and efficient authentication feature. This innovation enables faster and more secure verification of customer identity, offering enhanced protection against fraud and unauthorized access when customers call the BDO hotline.

As part of BDO's ongoing commitment to enhancing customer experience, several key initiatives have been implemented. The institutionalization of Customer Record Management has strengthened the ability of the Bank to address customer concerns in a more coordinated and consistent manner across service channels, supporting a more unified approach to issue resolution. In addition, process enhancements have been introduced for various customer transactions to reduce manual handling, improve turnaround times, and enhance overall servicing efficiency. Furthermore, improvements to the Bank's hotline capabilities enable faster resolution of common inquiries and more efficient routing of customer requests, contributing to shorter wait times and improved overall customer satisfaction.

As of 31 December 2025, BDO Unibank Group has 1,994 domestic branches and two foreign branches, 7,716 ATMs, CDMs, UMs and CCDMs.

Data Privacy

The Data Privacy Management Program (**DPMP**) provides the foundation for safeguarding the rights of data subjects and fully ensuring compliance with Republic Act No. 10173, otherwise known as the Data Privacy Act (**DPA**) of 2012. Anchored on the National Privacy Commission's (**NPC**) *Five Pillars of Data Privacy Accountability and Compliance*, the program integrates governance, risk management, and operational controls across the Bank.

Pillar 1: Appointment of Data Protection Officer (**DPO**). A duly appointed and registered DPO oversees the Bank's privacy compliance and serves as the primary liaison with regulators.

Pillar 2: Conduct of Privacy Impact Assessments (PIA). All business and support units conduct and update PIAs annually for new and existing processes with potential privacy implications.

Pillar 3: Privacy Management Program and Privacy Manual. The DPMP is documented in the Bank's Data Privacy Manual, which serves as a comprehensive guide for compliance with the DPA.

Pillar 4: Implementation of Data Privacy and Protection Measures. The Bank applies the principles of transparency, legitimate purpose, and proportionality throughout the data life cycle.

- *Transparency*. The Bank provides its customers clear and concise privacy provisions as incorporated in its bank forms/documents, such as the BDO Group Data Privacy Statement and the BDO Group Data Privacy Consent, to ensure that customers are well-informed of the purposes of data processing, the parties involved, and the rights of data subjects.
- *Legitimate Purpose*. The Bank's data processing activities are aligned with the declared purposes communicated to its customers for services or transactions requested, allowed, or authorized by them.
- *Proportionality*. The Bank only processes personal data that is relevant, adequate, and commensurate with the declared and specified purposes, consistent with its commitment and dedication to respecting the rights of individuals and limiting data processing to what is only essential.

Each business and support unit has its own Compliance Officer for Privacy (COP) which coordinates with the DPO to ensure the proper implementation of the Bank's DPMP across the BDO Group.

Pillar 5: Data Privacy Breach Reporting Procedures. A formal breach reporting protocol is in place, supported by regular training to strengthen awareness and readiness in line with NPC requirements.

Oversight of data privacy risk rests with the RMC, which receives regular updates from the DPO on compliance status and program enhancements. This structured approach underscores BDO's commitment to protecting personal data and maintaining trust through robust privacy governance.

Creditors, Counterparties and Suppliers

The Bank is dedicated to fulfilling its contractual obligations with all creditors and counterparties, adhering to the agreed-upon covenants. In its business dealings, the Bank commits to honor all binding trade-related agreements and conditions based on widely accepted industry practices, mutual understanding, and cooperation with counterparties. According to the law, creditors and counterparties will be prioritized in the payment of the Bank's obligations during normal operations and in the event of liquidation. For suppliers, the Bank has established robust policies governing vendor accreditation, selection, bidding, and approval processes. The Bank strictly prohibits the solicitation or acceptance of any gifts, gratuities, commissions, or any form of payment from clients, business partners, suppliers, and third-party service providers in exchange for unnecessary or favorable treatment. This ensures fairness, transparency, and integrity in all its dealings.

Employees

The Bank highly values its Human Capital and is committed to ensuring their protection and well-being. To achieve this, the Bank has implemented comprehensive policies and programs that address the following areas:

a. Code of Conduct and Business Ethics

As a financial institution, BDO believes that practicing right conduct and ethical behavior inspires and strengthens the confidence of all its stakeholders. The Code of Conduct and Business Ethics (the Code) outlines the principles and policies that govern the institutions' activities, setting forth the rules of conduct in the workplace and the standards of behavior of its directors, officers and employees in their interactions with external shareholders. These principles reflect the core values BDO subscribes to and promotes.

The Code applies at all times to all members of the BDO Group Board of Directors and employees in their dealings with clients, suppliers, business partners and service providers. It encompasses the Bank's commitment to a gender friendly workplace, concern for occupational

health and safety in the workplace. It upholds principles of transparency, integrity, accountability, and regulatory compliance while supported by work culture and standards of good behavior, professional conduct and ethical business.

The Code is updated specifically on disclosures on conflict of interest, whether actual, potential or perceived, in the areas of:

- employee's/director's individual interest in external businesses,
- next of kin in supplier/service provider or customer's business,
- engagement in another entity,
- election/appointment in government/political office, and
- relatives employed in BDO.

Additionally, the Code now requires directors or officers appointed or running for any public office, whether in the Philippines or abroad, to resign from BDO prior to acceptance or filing of candidacy. If BDO becomes aware of such activities, the individuals are deemed resigned. There is also a requirement to disclose whether consultancy or contractual assignments are full-time or part-time.

These changes ensure that BDO maintains a clear separation between its operations and any political activities and/or outside engagements, thereby reducing potential conflicts of interest and upholding the integrity of its governance practices.

b. Training and Development

- *BDO Employees*
BDO continues to provide training opportunities aligned with business requirements and employees' potentials and capabilities. These training opportunities include orientation for new hires, job specific technical training, management and leadership training programs that aim to develop and enhance the knowledge, skills, managerial and leadership capabilities, attitude and mindset of employees. All these are anchored on the sustained strength of the We Find Ways culture, and training programs that support the Bank's sustainability initiatives. The Bank allocates a yearly training budget

for these developmental programs. The actual average training hours by employee segment are as follows:

	Staff	Junior Managers	Middle Managers	Senior Officers

Average Training Hours	26.29	20.84	15.83	13.16
No. of Employees Trained	21,812	14,510	8,495	2,236

Improvements in the design and delivery of eCourses and targeted training programs continue to ensure more effective retention of the knowledge learned for operational application. While courses on regulatory requirements are continued to be mandated for sound governance, targeted technical courses for specialized skills are facilitated by external resource facilitators with expertise in identified topics to ensure capability resiliency and readiness for digital transformation.

- *Directors and Key Officers*
To ensure the enhancement of directors' skills and knowledge, the Board undergoes a continuing education program. Each year, all directors and key officers are updated, briefed and required to attend a corporate governance seminar on relevant topics to ensure that they are attuned with the developments in the business and regulatory environments, including emerging opportunities and risks in the financial industry. In 2025, all incumbent directors of BDO complied with the annual corporate governance training requirement of four (4) hours.

The 2025 Corporate Governance Seminar featured Professor Ian Goldin (Director of Oxford Martin School, University of Oxford), Mr. Steve Martin (CEO, Influence at Work (UK)) and Mr. Shai Ganu (Managing Director, Willis Towers Watson) who are global thought leaders that provided them with insights on the impact of innovation on business operations and governance, ethical considerations in technology adoption, and strategies for aligning leadership with sustainability and stakeholder trust. The topics included artificial intelligence and ethical governance, consumer trust and digital engagement, and stewardship as a foundation for accountability and long-term value creation.

c. Employee Welfare

BDO is committed to promote the physical, social, and mental well-being of its employees. It aims to provide a workplace free from discrimination, and all forms of physical, sexual and psychological abuse including harassment, bullying and intimidation.

d. Disclosure of Information

BDO established the Policy on Disclosure of Sensitive/Confidential Matters to Management (Whistleblowing Policy) to give employees the access to communication channels to raise legitimate concerns on illegal, unethical or questionable practices in the workplace.

e. Health and Safety

BDO is committed to maintaining a positive, harmonious and professional work environment with due importance accorded to the occupational health and safety of the employees and related external constituencies.

The continuing activities to promote health and safety are the following:

- Safety hazards are identified through periodic inspection of all worksites, and the identified hazards are eliminated or mitigated;
- Official sources of information regarding various natural disasters, e.g. typhoons, floods, epidemics, volcanic activity, wildfires, etc., are monitored daily in order to detect indicators of any oncoming natural phenomenon and enable our employees to prepare for the same;
- Typhoon, earthquake, and fire response capabilities are reinforced and periodically improved in order to better ensure the minimization of injuries of our employees during such natural disasters;
- Flood mitigation infrastructure has been installed in our flood-prone worksites, and boat rescue capabilities have been developed;
- No Smoking Policy in all head offices and branches is strictly enforced;
- Installation of access ramps for persons with disability in our buildings and branches to make our offices safe and accessible to PWDs;
- Emergency Response Teams to ensure availability of emergency response personnel in time of disaster;
- Safety and health training;
- Licensed and qualified professionals are engaged for the design and construction of the Bank premises, as well as for periodic assessment and maintenance of key building infrastructure to ensure safety, reliability, and regulatory compliance;
- The premises are designed and maintained in accordance with established best practices and standards, ensuring high levels of indoor air quality, thermal comfort, task-appropriate lighting, and ergonomic furniture to support employee productivity, health, and overall well-being; and,

- Dedicated security professionals and technical service personnel safeguard the Bank's physical assets and employees through a comprehensive suite of technologies, including access control systems, closed circuit television (CCTV) surveillance, fire detection systems, emergency public address systems, and accelerographs.

Health and Wellness Programs for the year 2025:

The Bank continuously promotes employee's overall well-being and as such, for year 2025, below is the Health Calendar plotted that includes the following:

2025 Health & Wellness Calendar				
Month	Health Education	Health Advisory	Mental Well-being	Health Initiatives
	via Webinar	via BDO Health Watch Enewsgram	via Webinar	Activity
January	Hepatitis and Liver Cancer (164pax)			
February		Oral Health	Relationship, Parenting (412)	
March	Animal Bite and Rabies (86pax)	Heat Stroke Prevention		
April	Types of Headache (214pax)			Immunization Program (2,915pax)
May	Hypertension and Stroke (236pax)	COVID-19 Update		
June	Dengue Prevention (46pax)			Vaccination thru Watsons
July	Cholesterol & Weight Management (156pax)	Leptospirosis Prevention		Mobile Blood Donation (225pax - 4sessions)
August	Pneumonia: Addressing Myths (90pax)			
September			Suicide Detection and Prevention (224pax)	
October		Flu -Proof Workspace	Depression, Anxiety, Stress (170pax)	Annual Physical Exam

November	Lung Disease: COPD (86pax)		Oct - How to Manage Traumatic Events (334pax)	
December	Vertigo (Dizziness) - Dec 11			

- Health Education via monthly webinars
- Health Advisories thru email broadcasts via the Bank's eNewsgram
- Health Initiatives through Immunization/Vaccination Programs and facilitation of Blood Letting Programs in coordination with the Philippine Red Cross
- Recorded webinar sessions were uploaded on the Bank's Infocast;
- Current efforts to transfer webinar Infocast posts to the Bank's eLearning System;
- First Aid Training for the Bank's Resiliency Planning/Program: On top of the regular Occupational First Aid and Life Support Training required by the DOLE, the Bank implemented this 2-day Occupational First Aid and Basic Life Support training to critically identified Bank employees;
- Bounce, the Bank's Mental Wellness Program: The Program shifted to a new platform (i.e., Minsdcapes) which has 24x7 chat and call facilities, to effectively and efficiently address the employees' mental well-being;
- Business Unit Specific Wellness Programs: The Bank's HR Benefits Team in coordination with the HMO Provider, ValuCare, arranged for specific wellness programs for the business units, such as face-to-face sessions on stress management, types of headaches, hypertension, stroke and allergic rhinitis;
- Three (3) webinar sessions were likewise arranged by the Bank with its HMO Provider ValuCare in response to the Davao and Cebu earthquakes;
- Implementation of BDO On Premise Personalized Access to Laboratory Services (PALS) Program [i.e., onsite blood extraction at BDO Head Office Clinics] facilitated;
- Coordination of LGU's Sanitary/Health Permit Requirement specific to Makati City;
- Regular meeting of the Health and Safety Committee, which is headed by the Enterprise Services Group Head, to review the progress on the implementation of its programs.

Below is the updated list of BDO In-House Clinics as of year 2025:

No.	Site	Address
1	BDO Binondo – Dasmariñas Clinic	8/F Binondo – Dasmariñas Bldg, Corner Marquina Sts., Binondo Manila
2	BDO CCC SM City North Clinic	12F, Tower 1, SM North Tower, SM City North EDSA, Quezon City
3	BDO Corporate Center Ortigas Clinic	10/F Corporate Center Ortigas, 12 ADB Avenue, Ortigas Center, 1550 Mandaluyong City
4	BDO Operations-Gil Puyat (old DD Meridian Plaza Clinic Dec 2025)	9/F Double Dragon Meridian Plaza, Pasay, Metro Manila
5	BDO Equitable Tower (New Jan 22, 2025)	BDO Equitable Tower 8751 Paseo De Roxas, Makati
6	BDO Greenhills – Customer Contact Center Clinic	4/F Customer Contact Center 209 Ortigas Avenue, Greenhills
7	BDO Greenhills Roosevelt Clinic	3/F BDO Bldg. 2 Roosevelt Ave., Greenhills San Juan
8	BDO MTech / Paseo Gil Puyat Clinic	G/F BDO Building 381 Sen Gil Puyat Ave cor Paseo de Roxas Brgy Bel Air Makati City
9	BDO Petron Mega Plaza Clinic	31/F Petron Megaplaza, 358 Sen. Gil J. Puyat Ave, Makati, 1227 Metro Manila
10	BDO Salcedo Tower Clinic	B1, 156 Valero Street, Salcedo Village, Makati, 1227 Metro Manila
11	BDO Towers Valero Clinic	Ground Floor BDO Towers Valero, 8741 Paseo de Roxas, Makati City
12	BDO Davao Claveria Clinic (New Oct 1, 2025)	BDO Davao-Claveria, BDO Building
13	BDO Davao Sasa Clinic (BDO NB)	BDO Network Bank Center, Sasa, Davao City

Society, Community and the Environment

BDO Foundation: Translating Advocacy into Meaningful Action

In 2025, BDO Foundation, the corporate social responsibility arm of BDO, continued to implement programs focused on disaster response, rehabilitation and rebuilding, and financial inclusion. It leaned on its core values—competency, compassion, community-centricity, contribution to national development, and collaboration—as it worked to ensure its programs made a difference in the lives of communities and sectors while contributing to national and global goals. Strengthened by partnerships with public and private sectors as well as BDO branches and business units, BDO Foundation delivered on these programs, mindful of its commitment to sustainable development and nation-building.

Relief Operations for Calamity-Stricken Communities

In line with its disaster response advocacy, BDO Foundation provided swift, coordinated assistance to Filipinos affected by calamities across the country, advancing the United Nations Sustainable Development Goals of SDG 2 Zero Hunger, SDG 3 Good Health & Well-Being, SDG 10 Reduced Inequalities, and SDG 17 Partnerships for the Goals.

In 2025, BDO Foundation responded to five disaster events, including typhoons, earthquakes, and flooding extending support to affected communities nationwide.

BDO Foundation mounted relief operations in provinces under a state of calamity, mobilizing volunteers for the immediate distribution of relief goods in affected communities. In 2025, these efforts enabled the delivery of thousands of relief packs across multiple disaster-affected areas nationwide, providing urgent assistance to communities most impacted by calamities.

Working together in the spirit of bayanihan—a Filipino tradition of communal unity and cooperation—volunteers from partner organizations, local government personnel, and BDO employees distributed relief packs containing food, rice, and drinking water. In some areas, hygiene kits were also provided.

The relief efforts aided families affected by major natural disasters in the Philippines, including a magnitude 6.9 earthquake in northern Cebu, an island province in the country’s central region, and Typhoon Tino and Super Typhoon Uwan, two powerful storms that struck wide areas of the country in close succession.

These disasters caused severe flooding, widespread damage, and largescale displacement from the central Philippines to northern and eastern Luzon, with parts of Cebu receiving more than a month’s worth of rain in a single day and Uwan affecting over a million people nationwide. Together, they resulted in loss of life, damage to homes and infrastructure, and prolonged power and water disruptions.

The disaster response efforts were made possible by partners, which included parishes, diocesan social action centers, non-governmental organizations, local government units, the military, and the police. The relief operations were also supported by employees of BDO and BDO Network branches, who helped BDO Foundation assess situations, determine the number of affected families, and coordinate logistics. Backed by the BDO community and its partners, BDO Foundation reached disaster-affected Filipinos in their time of need across 18 provinces.

Upgrading Rural Health Facilities to Enhance Primary Care

As part of continuing efforts to help improve the primary healthcare delivery system in the Philippines, BDO Foundation rehabilitated rural health units (RHUs) or primary care facilities (PCFs) in disadvantaged areas across the country, benefiting 35 municipalities and two cities. BDO Foundation reached a major milestone in 2025 with the turnover of its 200th rehabilitated rural health unit, surpassing this benchmark as it continued to rehabilitate additional facilities in support of Universal Health Care goals and SDG 3: Good Health and Well-Being.

Through these rehabilitation efforts, BDO Foundation upgraded both exterior and interior spaces to improve functionality and patient flow. Enhancements covered lobbies and waiting areas, offices, birthing clinics, consultation and treatment rooms, and pharmacies.

BDO Foundation also installed new signages, furniture, and fixtures to help health workers accommodate more patients. In RHUs with available space, it built breastfeeding stations for nursing mothers, play areas for children, and waiting lounges for the elderly.

The rehabilitation of health facilities empowered doctors, nurses, and midwives to serve their communities more effectively. It enabled them to provide primary healthcare services more efficiently to their constituents. The program benefited mothers, infants and children, adolescents, persons with disabilities, senior citizens and indigenous peoples living in remote areas, serving 1,394,934 beneficiaries annually. The initiative helped improve the health and well-being of the people.

Like other BDO Foundation projects, the rehabilitation program was backed by officers of BDO and BDO Network branches, who recommended health facilities in need of assistance. The initiative was also implemented in partnership with local government leaders and health officers, as well as Department of Health (DOH) regional and provincial offices, which provided technical guidance on the renovations.

As a result of the initiative, BDO Foundation helped health centers receive high assessment scores and obtain accreditation from the DOH and the Philippine Health Insurance Corporation. BDO Foundation helped improve the primary healthcare delivery system in the country, one of the goals under the Philippine health agenda and Universal Health Care. It gave disadvantaged Filipinos access to high-quality primary healthcare.

Financial Literacy Through Multi-Sector Partnerships

BDO Foundation continued implementing financial education programs in support of the National Strategy for Financial Inclusion of the BSP, reaching diverse sectors from farmers to overseas Filipino workers. These initiatives aim to improve financial literacy and economic well-being across the country, contributing to SDG 4: Quality Education and SDG 10: Reduced Inequalities.

Together with BSP, BDO Foundation worked with national government agencies across the agriculture, education, labor, social protection, housing, and public safety sectors to institutionalize financial education within existing public-sector programs. Representatives of these partner institutions, officers of BSP's Economic and Financial Learning Office, and BDO Foundation managers worked closely to integrate financial education into agency initiatives and delivery mechanisms.

Through the financial education programs, partners shared practical lessons on saving, budgeting and financial planning, fraud and scam awareness, debt management, investments, entrepreneurship, insurance, and retirement planning.

Beneficiaries included students, teachers and non-teaching personnel, overseas Filipino workers, civil servants, uniformed personnel, fisherfolk, farmers, technical-vocational learners, micro-entrepreneurs, families displaced by railway projects, and the investing public.

BDO Foundation and its financial education partners accomplished the following in 2025:

Partner	Achievements
Agricultural Credit Policy Council (ACPC)	• Farmers training • Rollout of KITA Mo Na! financial education game in Bacolod, Pangasinan, and Siargao
Armed Forces of the Philippines (AFP)	• Continuous implementation of financial education program for AFP personnel
Bureau of Fire Protection (BFP)	• Development of trainer's manual • Finalization of monitoring and evaluation (M&E) framework • Completion of knowledge-level survey • Continuous implementation of financial education program for BFP personnel
Bureau of Fisheries and Aquatic Resources (BFAR)	• Ongoing implementation of Fish N' LEarn financial education game for fisherfolk • Training of trainers for Fish N' LEarn in Benguet, Bohol, and Siargao

Partner	Achievements
Civil Service Commission (CSC)	• Continuous implementation of financial education program for civil servants
Department of Education (DepEd)	• Training of teachers during National Teachers Month • Completion and upload of more than 300 financial education lesson exemplars on DepEd's learning portal • Pilot run of e-learning financial education modules for teachers and non-teaching personnel
Department of Migrant Workers (DMW) and Overseas Workers Welfare Administration (OWWA)	• Enhancement of financial education program in Pre-Migration Orientation Seminar (PMOS) and Pre-Employment Orientation Seminar (PEOS) modules • Review of PMOS implementation in Camarines Norte • Continuing use of PiTaKa (Pinansyal na Talino at Kaalaman) in Pre-Departure Orientation Seminars (PDOS)
Department of Transportation (DOTr), NIRAS, and Social Housing Finance Corporation (SHFC)	• Signing of memorandum of understanding (MOU) • Training of families affected by North and South Railway projects
Department of Social Welfare and Development (DSWD)	• Training of trainers for LGU social welfare officers • Inclusion of financial education modules as part of DSWD Academy program offerings
Department of Trade and Industry (DTI)	• Training of DTI central and regional trainers
Social Housing Finance Corporation (SHFC)	• Rollout of KITAbuhayan financial education program
Philippine National Police (PNP)	• Pre-production of financial education videos for police personnel • Finalization of monitoring and evaluation (M&E) framework
SEC	• Participation in National Teachers Month training of teachers • Support for Investor Protection Week • Launch of two videos on investor protection
Technical Education and Skills Development Authority (TESDA)	• Upload of e-learning modules on TESDA Online Program

In 2025, BDO Foundation and BSP conducted KitaKita: A Financial Education Town Hall, attended by BDO Foundation trustees and BSP officials led by Deputy Governor Bernadette Romulo Puyat, with around 117 stakeholders present. Heads of partner government agencies and private institutions implementing financial education programs for various sectors of society were also in attendance. KitaKita is a deliberate play on words: in Filipino, it means “to come together,” while kita also refers to earnings or income—reflecting the town hall’s dual focus on collaboration and financial empowerment.

Co-organized by BDO Foundation and BSP's Economic and Financial Learning Office, Kita-Kita served as a venue for partners to share insights, challenges, and lessons learned in implementing their financial education programs. The event featured a town hall discussion among officers directly involved in program implementation and a presentation of key takeaways.

Discussions centered on three key aspects: effectiveness, which ensures financial literacy lessons are learned through sector-appropriate resources and training methods; scale, which focuses on expanding access to financial education nationwide; and sustainability, which emphasizes institutionalizing programs for long-term impact. Ahead of the town hall, technical working groups implementing financial education programs held a series of discussions on these aspects.

BDO Foundation and BSP completed the development of the Financial Education E-learning Modules in 2025. The modules were launched at a BSP event led by BDO Foundation trustees and BSP Deputy Governor Bernadette Romulo-Puyat, alongside officers of other government institutions, including TESDA—the first to use the modules for its learners.

The modules cover nine courses grouped into three batches: Batch One focuses on financial planning, saving and budgeting, and debt management; Batch Two covers the basics of investing, fraud and scam prevention, and financial consumer protection; while Batch Three includes digital financial literacy, the Personal Equity and Retirement Account (PERA), and relevant economic indicators.

Available on-demand and free of charge, the online courses expand coverage and accelerate the implementation of BDO Foundation and BSP's partnership programs. Lessons are delivered through videos, interactive activities, and end-of-session assessments. Through these modules, BDO Foundation and BSP aim to transform the financial education landscape by making learning digital, borderless, and accessible to Filipinos in the country and abroad.

BSP made the modules available on its BSP E-Learning Academy (BELA), an online platform offering courses on personal finance, economics, and central banking. TESDA uploaded the modules for its personnel and technical-vocational learners via the TESDA Online Program, while BDO made them accessible through its own learning portal. The modules attracted 102,764 learners, expanding access to financial literacy nationwide.

The modules will eventually be accessible to target beneficiaries and the public through partner government institutions and other education and private sector partners. Users can access courses via personal computers, laptops, and mobile devices.

In 2025, KITA (Kapital at Ipon Tungo sa Asenso) Mo Na!—a financial education game for farmers co-developed by BDO Foundation, ACPC, and BSP—received recognition from Singapore-based Asian Banking & Finance (ABF). ABF conferred the Financial Inclusion Initiative of the Year award to BDO Foundation at the Retail Banking Awards, citing its efforts to improve the economic well-being of Filipino farmers, benefiting over 1,800 farmers nationwide in 2025.

Aligned with the ACPC advocacies to support agricultural modernization, promote food security, and alleviate poverty, KITA Mo Na! is designed to improve the financial literacy of farmers and livestock raisers. The program equips them with the knowledge to make sound financial decisions and maintain good credit standing.

Beneficiaries include recipients of ACPC's credit assistance programs. ACPC, an attached agency of the Department of Agriculture, oversees rural finance policy and implements agricultural programs that provide small farmers with access to credit.

To broaden the reach of its programs, BDO Foundation partnered with various local government units to implement initiatives aimed at improving the financial literacy of local government unit (LGU) personnel, their constituents, and other beneficiaries. BDO Foundation partnered with two LGUs, reaching 194 individuals, accomplishing the following:

Partner LGUs	Achievements	Impact
Bohol	Financial education activities for farmers, government employees, and city college students	114 beneficiaries reached
Pangasinan	Implementation of KITA Mo Na! for farmers in the municipality of Alcala	80 beneficiaries reached

The Foundation also collaborated with non-government organizations and private sector institutions to help develop a financially literate citizenry. These partnerships achieved the following:

Partners	Achievements	Impact
Don Bosco One TVET	On-going implementation of Financial Stewardship Course for all Don Bosco schools	3,639 technical-vocational learners reached

LINK Center for the Deaf	Unlocking Entrepreneurial Potential training for DTI employees	37 employees reached
National University	Improvement of the Entrepreneurial Mindset course through integration of e-learning and MSME modules	5,012 students reached

In support of BSP's financial inclusion advocacy, BDO Foundation participated in the BSP Financial Education Stakeholders Congress for the eighth consecutive year, with participants from public and private sectors.

Conducted at the BSP Complex in Malate, Manila, the congress was themed "The Journey to Financial Success: Financial Learning that Connects, Transforms and Sustains." The two-day event served as a platform to build a network of financial inclusion advocates, promote programs, and share lessons.

The congress was highlighted by the launch of two new initiatives by BDO Foundation: a financial education program for the Boy Scouts of the Philippines (BSoP), designed to integrate financial education into scouting activities, and a financial education program with the Department of Human Settlements and Urban Development (DHSUD) to promote sustainable homeownership and financial resilience. These initiatives reflect BDO Foundation's commitment to empowering communities through financial literacy, fostering responsible money management, and supporting long-term economic stability.

Working with the Marketing Communications Group, BDO Foundation also contributed to the learning session "Money Mindset, Financial Habits and Personal Barriers: Strategies for Overcoming Challenges." At the session, BDO brand ambassador Alden Richards shared insights on achieving financial wellness. The session was moderated by financial inclusion advocate and business journalist Salve Ibañez, sponsored by the Foundation.

BDO Foundation was conferred the Exemplary Financial Education Partner award by BSP at the financial education congress. BSP Deputy Governor Bernadette Romulo-Puyat led BSP officials in recognizing the foundation, which was cited for "its outstanding leadership and exemplary commitment to advancing financial education through sustained, institution-wide initiatives that demonstrate innovation, measurable impact, and integration into organizational programs and policies".

For all its efforts to advance BSP's National Strategy for Financial Inclusion and foster collaboration with public and private sector partners, BDO Foundation was recognized at the 2025 Outstanding BSP Stakeholders Appreciation Ceremony. BSP Monetary Board member Romeo Bernardo,

representing BSP Governor Eli Remolona Jr., presented a certificate of appreciation to the Foundation in an event attended by central bank officials and financial education advocates.

Spurred by this recognition, BDO Foundation will continue working with partners to institutionalize financial education in capacity-building programs, uplift the economic well-being of beneficiaries, and improve the financial literacy of the Filipino citizenry.

Fostering Development Through Strategic Collaborations

One of the most trusted organizations in the Philippines, UNICEF provides humanitarian and developmental aid to children in more than 190 countries worldwide. The agency advocates for the rights of Filipino children to education and works with public and private sector partners to implement social welfare programs. In line with these efforts, BDO Foundation forged a partnership with UNICEF to implement a program aimed at enhancing the employability and entrepreneurial skills of youth in selected provinces within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). This initiative supports SDG 10: Reduced Inequalities by empowering marginalized youth and SDG 17: Partnerships for the Goals through strong multi-sector collaboration.

This two-year initiative is expected to benefit 3,000 young people in Basilan, Maguindanao, and Tawi-Tawi, while strengthening collaboration between BDO Foundation, local government units, and the BARMM Ministry of Basic, Higher and Technical Education. The project will enable the training of teachers, construction of community learning centers, and development of learning resources that incorporate financial literacy and entrepreneurship modules created by the Foundation. It will also provide technical assistance in formulating municipal-level education plans, ensuring sustainable impact.

BDO Foundation also entered into an agreement with the Institute for Solidarity in Asia (ISA) to support the Performance Governance System (PGS).

Set for implementation in selected local government units and institutions over the next three years, PGS is a holistic and collaborative framework for designing and executing roadmaps for long-term reform. The project is expected to benefit two provincial governments and five schools division offices of the Department of Education, fostering stronger governance and accountability.

These partnerships affirm BDO Foundation's commitment to inclusive development and good governance, aligning with the Bank's ESG strategy to empower communities, reduce inequalities, and strengthen institutions through collaborative action.

Spreading Holiday Cheer Through Nationwide Giving

For the sixth consecutive year, BDO Foundation brought holiday cheer to communities nationwide through BDO Foundation's Handog sa 'Yo (A Gift for You), its annual Christmas giftgiving initiative. The Foundation organized the distribution of *noche buena* food packs—traditional Filipino Christmas Eve meals shared by families—to help households in 163 municipalities celebrate the season with dignity and joy, advancing SDG 2: Zero Hunger by addressing food insecurity during the holidays.

To make this effort more impactful, BDO Foundation partnered with respected nongovernmental organizations—Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation—to ensure that assistance reached those who needed it most. These partners serve marginalized and at-risk groups through a mix of community-based, faith-based, and humanitarian delivery networks, including persons experiencing poverty and illness, families displaced by conflict or disasters, and communities affected by food insecurity. This collaborative approach reflects SDG 17: Partnerships for the Goals, demonstrating the power of multisector cooperation to uplift vulnerable communities.

In addition, BDO Foundation launched a donation drive to enable employees to contribute to the initiative. Proceeds from the campaign were used to purchase additional food packs, extending support to even more families in need.

This program reflects BDO Foundation's commitment to addressing hunger and fostering solidarity, reinforcing the Bank's ESG strategy to promote social well-being and strengthen partnerships for inclusive development.

Employee Volunteers for Education, Environment, and Empowerment

BDO Foundation, together with the Human Resources Group and Sustainability Office, implemented the BDO Employee Volunteer Program to promote employee engagement and participation in the Bank's corporate citizenship initiatives.

The program focused on activities addressing poverty and hunger, environmental protection, education, and financial inclusion—advancing SDG 1: No Poverty, SDG 2: Zero Hunger, SDG 4: Quality Education, and SDG 11: Sustainable Cities and Communities through community-driven action.

In collaboration with selected partners, the volunteer program carried out the following activities:

Partners	Volunteer events	Impact
Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation	Handog sa 'Yo ng BDO Foundation: Nationwide distribution of <i>noche buena</i> food packs	163 municipalities reached
Department of Education	Brigada Eskwela: • Cagayan De Oro City Central School, Misamis Oriental • Jose Rizal Elementary School, Pasay City • Nabua National High School, Nabua, Camarines Sur • Nagkaisang Nayon Elementary School, Quezon City • Pasong Tamo Elementary School, Quezon City • Quezon City High School, Quezon City • Sapang Uwak Elementary School, Porac, Pampanga • Sta. Cruz Elementary School, Butuan City • Villa Maria Elementary School, Porac, Pampanga	[Data not available]
Haribon Foundation	Coastal clean-up: Las Piñas-Parañaque Wetland Park Native tree nursery activities: Nueva Ecija, Quezon, Rizal, and Zambales	[Data not available]
ICCP Group Foundation	Financial literacy for Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries in Batangas, Cebu, and Misamis Oriental	2,181 beneficiaries trained
National University	Financial literacy sessions for students	1,506 students reached
Scholars of Sustenance	Rescue kitchen activities in Quezon City, Manila, Muntinlupa City, and Pampanga	4 cities served

The Employee Volunteer Program demonstrates BDO Foundation's commitment to social responsibility and collaborative action, reinforcing the Bank's ESG strategy to reduce inequalities, promote education, and strengthen partnerships for sustainable development. In 2025, the program benefited individuals across education, environment, and financial inclusion initiatives.

BDO Foundation aims to expand its programs in the coming years by implementing more initiatives on financial inclusion, disaster response, and RHU rehabilitation to achieve broader and deeper impact. Motivated by a genuine concern for communities and the country, BDO Foundation will continue to explore opportunities to uplift lives and create lasting change.

Supported by the BDO community, BDO Foundation remains committed to building a future that is sustainable, resilient, and inclusive for every Filipino.

Environmental Initiatives

BDO's green financing was the catalyst for the Bank's first program for sustainable finance in 2010. Through its cooperation with the IFC of the World Bank, BDO has financed many of the first large-scale Renewable Energy, Energy Efficiency, and Green Building projects nationwide. In 2017, at the time when green bonds were a novel financial instrument, BDO was the first bank to issue a USD150 million green bond in the Philippines and East Asia Pacific, with IFC as its sole investor.

In January 2022, BDO successfully raised P52.7 billion worth of Peso-denominated Fixed-Rate ASEAN Sustainability Bonds which was the largest issuance in the Philippines at that time. The proceeds from the issuance were allocated to 37 green and social projects. Of these, 23 have positive environmental impacts and 14 have positive social impacts.

In 2024, BDO issued its second and third ASEAN Sustainability Bonds and raised P63.3 billion and P55.7 billion, respectively, with both bonds oversubscribed from the original target issuance of P5 billion. The projects that will be financed through these bonds' proceeds will follow the Bank's comprehensive Sustainable Finance Framework (**SFF**) that has 29 eligible categories under its Green, Blue, Social, and Orange/Gender financing categories.

In May 2022, BDO issued its maiden Blue Bond amounting to USD100 million, with the IFC as sole anchor investor. This landmark Blue Bond will expand financing for projects that help preserve clean water resources and prevent marine pollution, while supporting the country's climate goals. The BDO Blue Bond is the first private sector issuance in Southeast Asia and the first to use IFC's Blue Finance Guidelines.

In the Blue Bond Impact Report released in December 2023, the proceeds from the issuance have been partially allocated to two water management companies for water conservation, and one waste management company for wastewater recycling. These companies ensure water reuse and recycling, preventing the direct flow of wastewater to rivers and other bodies of water that eventually lead to the ocean.

In September 2022, BDO released its Energy Transition Finance (**ETF**) Statement which commits to continue its current practice of not lending to new coal-fired power plant capacity, in place since 2019. Additionally, the Bank commits to reduce its coal exposure by 50% by 2033, while ensuring that its coal exposure does not exceed 2% of its total loan portfolio by 2033.

The Bank also committed to expanding financing for renewable energy capacity and greenhouse gas (**GHG**) avoidance and provide access to capital to support its customer's transition to lower GHG emissions.

In 2023, the BDO Board approved the Environmental & Social Risk Management System (**ESRMS**) which outlines how the Bank will identify, assess, and manage environmental and social risks associated with its lending, investments, and operations. The ESRMS fully incorporates the Bank's key focus areas, focus sectors with high probability of E&S risks, and risk appetites for these focus areas and sectors. In the same year, BDO updated its SFF to include 19 additional categories under its Green, Blue, Social, and the addition of Orange/Gender financing, bringing the total of the current BDO SFF to 29 eligible categories. While the previous SFF initially applied to the Bank's Institutional Banking Group handling corporate and commercial loans, as well as bond issuances, the updated SF framework now applies to all business units and subsidiaries covering the loan and investment activities of the Bank.

In updating the SFF, BDO referred to various local and international standards and guidelines including those from the International Capital Market Association (ICMA), ASEAN Capital Markets Forum (ACMF), IFC, the ASEAN Taxonomy Board, the Philippines DOF Sustainable Finance Framework, and SEC Guidelines on Eligible Green, Social, Sustainable, and Blue Projects and Activities for the issuance of Sustainable Finance instruments in the Philippines.

Guided by the Philippine government's focus on adaptation, with mitigation as a co-benefit, the categories aim to address adaptation projects that will help build climate resilience across sectors, while simultaneously expanding project categories that bring down the country's greenhouse gas emissions.

The Bank wanted to expand the scope of its sustainable finance so that the proceeds of its sustainability bonds can support more types of projects, delivering more measurable impact. Additionally, this framework sets clear expectations from clients, avoiding greenwashing in the Bank's portfolio.

This framework has been approved by the Bank's Board of Directors during the latter part of 2023 and received a Second Party Opinion (SPO) from Morningstar Sustainalytics, a leading and independent ESG research and ratings provider based in New York.

In its SPO issued last July 19, 2024, Sustainalytics states "BDO is well positioned to issue green, blue, social, gender, orange and sustainability bonds and loans, and other debt financing instruments and that the BDO Sustainable Finance Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021, Social

Bond Principles 2023, Green Loan Principles 2023, Social Loan Principles 2023, ASEAN Sustainability Bond Standards 2018 (**ASEAN SUS**), ASEAN Green Bond Standards 2018 (**GBS**) and ASEAN Social Bond Standards 2018 (**SBS**).” Furthermore, it mentions that “the eligible categories for the use of proceeds are aligned with those recognized by the Green Bond Principles (**GBP**), Social Bond Principles (**SBP**), Green Loan Principles (**GLP**), Social Loan Principles (**SLP**), ASEAN Sustainability Bond Standard, Green Bond Standard (**GBS**), and Social Bond Standard (**SBS**). Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14.”

BDO imposes exclusion from certain industries such as production or trade in weapons and munitions, online gaming and equivalent enterprises, hydroelectric plant with weir height of more than 50 meters, illegal mining, illegal fishing, and child labor, which are deemed to have adverse environmental and social effects to community.

BDO's practice in green financing is firmly based on its SFF which provides guidelines and parameters for green and social impact financing. With continued innovation in green financing, the Bank is positioned to lead Sustainable Finance across various industries.

Within the organization, the Bank continues to raise awareness on its environmental impact, promote good environmental practices in the workplace, and mobilize employee volunteers for activities that address sustainable goals on poverty, hunger, the environment, education, financial literacy, and human rights in its communities.

Business Competitors

The Bank is dedicated to treating business competitors with fairness and professionalism in all interactions. It will refrain from making any references or engaging in discussions that could negatively impact its competitors.

Government and Regulators

The Bank is committed to upholding both the spirit and the letter of the laws and regulations in all jurisdictions where it operates. All business transactions and dealings strictly adhere to regulatory requirements and applicable laws, particularly those concerning deposit confidentiality, data privacy and protection, anti-money laundering, financial crimes, anti-corruption and bribery, insider trading, and consumer protection. In 2025, the Bank continues to actively participate in providing feedback on various

proposed legislations and regulations, demonstrating its ongoing dedication to regulatory compliance and ethical business practices.

Transparency and Disclosures

BDO is fully committed to provide its investors and other stakeholders full transparency and timely information disclosure through filing with the SEC and the PSE, as found in the following:

- General Information Sheet (GIS)
- SEC form 17-A (Annual Report)
- SEC form 17-C (Current Report - Material Information)
- SEC form 17-Q (Quarterly Report)
- SEC form 20-IS (Preliminary Information Statement)
- SEC form 20-ISA (Definitive Information Statement)
- SEC form 23-A/B (Statement of Beneficial Owners)
- Audited Financial Statements (AFS)
- Sustainability Report

Required disclosures relating to:

1. Financial information is stated in the AFS, SEC Form 17-A, SEC Form 17-Q and the Information Statements
2. Executive compensation policy is stated in the DIS
3. Directors' fees are found in the DIS
4. Corporate actions, among others, are provided in the PSE official website (www.pse.com.ph) and reflected on the Bank's website ([All Disclosures | BDO Unibank, Inc.](#)).

In particular, BDO released the 2024 audited financial statements on February 26, 2025, or just 57 days after close of the financial year to promote transparency and full disclosure of the results of the operations of the Bank. This meets the ACGS best practice standard.

Other key information disclosed by the Bank included the composition of the Board, role and activities of board committees, meetings held and attendance of directors, director continuing education records, remuneration policy, shareholding structure, annual performance self-assessment of Board of Directors as a collective body, directors, committees and senior management, Code of Conduct and Business Ethics, Corporate Governance Manual, SEC Integrated Annual Corporate Governance Report, BDO organizational structure, conglomerate map and important corporate governance policies on whistle blowing, term limit of independent directors, personal trading, conflict of interest, dividend, Board diversity policy and related party transactions.

To ensure an even wider access by the investors and the public, these disclosures and other corporate information are also uploaded on the Bank's official website www.bdo.com.ph (See "Investor Relations" and "Corporate Governance"). The details of established corporate governance policies are found in the Revised Corporate Governance Manual.

Evaluation System

The Bank's Corporate Governance Manual mandates that all Board-level committees report regularly to the Board of Directors, ensuring compliance with the Manual's policies and procedures. The Bank upholds the principle and regulatory mandate of checks and balances across the entire Group by maintaining the segregation of powers and ensuring the independence of audit, compliance, and risk management functions. To support these independent checks and balances, the Board has appointed the Chief Audit Executive, Chief Risk Officer, and Chief Compliance Officer to assist in its oversight functions.

In its ongoing commitment to good corporate governance, the Board has empowered the Audit Committee to oversee the financial reporting process, internal control and risk management systems, internal and external audit functions, and compliance with applicable laws and regulations, the Committee discharged its oversight functions independently in accordance with its Terms of Reference, which are annually reviewed and updated, when necessary.

Their oversight function covers the following areas:

- On *financial reporting*, the Committee reviews the integrity of the reporting process to ensure the accuracy and reliability of financial statements and compliance with financial reporting standards and disclosure requirements set for publicly listed companies, and ensures that a review of the effectiveness of financial controls is conducted annually.
- On *internal control and risk management*, it monitors and evaluates the adequacy, soundness and effectiveness of the Bank's established internal control and risk management systems, policies and procedures including implementation across all units of the Bank to provide reasonable assurance against fraud or other irregularities and material misstatement or loss, and conducts discussions with management regarding the effectiveness of the internal control system.

- On *internal and external audits*, it recommends the appointment, reappointment and removal of the internal and external auditors, remuneration, approval of terms of audit engagement and payment of fees. It reviews non-audit work, if any, ensuring that it would not conflict with their duties as external auditors or may pose a threat to their independence. It approves the annual audit plan and reviews audit results focusing on significant findings with financial impact and its resolution. It reviews the implementation of corrective actions to ensure that these are done in a timely manner to address deficiencies, non-compliance with policies, laws and regulations. Annually, it evaluates the performance of the Chief Audit Executive and the internal and external audit functions, and oversees the Internal Audit Charter and its implementation as part of its responsibility for the Internal Audit Division.
- On *compliance*, it recommends the approval of the Compliance Charter and reviews the performance of the Chief Compliance Officer and compliance function. It also reviews the annual plans of the Compliance Group including the Anti-Money Laundering Department and evaluates the effectiveness of the regulatory compliance framework and governance policies and practices of the Bank to ensure that these are consistently applied and observed throughout the institution. It reviews the report of examination of the BSP and other regulators including replies to such reports for endorsement to the Board for approval, in line with its mandate to oversee the Bank's compliance requisites as required by regulatory bodies.

In this context, the following were done during the year:

Board Audit Committee

- *Financial Reporting*
The Board Audit Committee (BAC) reviewed the Bank's quarterly unaudited and annual audited financial statements ensuring compliance with accounting standards and tax regulations. On 18 February 2025, the BAC endorsed for Board approval the 2024 Audited Financial Statements, after assuring that appropriate internal controls related to the financial reporting process and compliance with accounting standards were observed. Based on its assessment, the BAC believes that the financial statements are fairly presented in conformity with the relevant financial reporting standards in all material aspects. The Board approved the Bank's audited financial statement on 22 February 2025, based on the BAC endorsement, and the financial statements were publicly disclosed on 26 February 2025, 57 days after the financial year-end, meeting the ACGS best practice standard. This timely disclosure underscores the Bank's commitment to transparency, accuracy, and

adherence to the highest standards of corporate governance and financial reporting.

- *Internal Audit Function*

The BAC reinforced the Bank's assurance framework by approving the updated Internal Audit Charter and Internal Audit Group Manual, to align with The Institute of Internal Auditors' Global Internal Audit Standards effective January 2025. Audit plans were approved by the BAC, including subsequent adjustments based on continuous risk assessments.

The BAC regularly monitored the timely resolution of audit findings and assessed the appropriateness and adequacy of Management's action plans to address key issues. It ensured the Internal Audit function's independence and unfettered access to all records, properties, and information.

Based on the latest External Quality Assessment conducted by PwC in 2022, BDO Internal Audit generally conforms with the Standards and Code of Ethics. In 2025, based on the updated Internal Audit Charter, the BDO Internal Audit affirmed its commitment to adhere to the newly issued Global Internal Audit Standards. Supported by a robust risk-based methodology, Internal Audit delivered on its mandate to provide independent risk-based and objective assurance, advice, insight and foresight on governance, risk management, and controls. Through these measures, the BAC affirms that the Internal Audit function and the Chief Audit Executive have performed effectively in safeguarding the Bank's control environment and supporting its commitment to sound corporate governance.

- *External Audit*

On 19 March 2025, the BAC ensured the adequacy and appropriateness of P&A's scope of engagement, audit plans, composition of the engagement team and timelines of its audit and non-audit activities and milestones for 2025, both for BDO Unibank and its Subsidiaries. Also on the same date, the BAC approved and endorsed to the Board for approval, the non-audit engagement of the external auditor, Punongbayan & Araullo, Grant Thornton as Board of Canvassers in the Annual Stockholders Meeting on 25 April 2025.

The BAC comprehensively reviewed and discussed the external audit reports, focusing on internal controls, risk management, governance, and financial impact, particularly changes in accounting and reporting

standards. The Committee also reviewed thoroughly Management's responses to the external auditor's findings and recommendations.

- *Compliance Function*

The BAC reviewed and approved the updates to the Compliance and Anti-Money Laundering (AML) Departments' manuals, institutional risk assessment, annual compliance plans, and independent compliance testing roadmaps. It closely monitored the progress on the annual compliance plans, results of independent compliance and AML testing, Bank's compliance with regulatory limits/ratios, regulatory report submissions, and continuous improvement of compliance and AML methodologies and systems.

The BAC thoroughly discussed the results of regulatory examinations on BDO and vetted on Management's responses to the findings and recommendations. In 2025, the BAC reviewed the reports for various regulatory examinations, including those conducted by the BSP, SEC, and AMLC, and ensured that the appropriate corrective actions were identified, planned and/or implemented. The BAC likewise devoted time to understanding the emerging money laundering risks and tracked the progress on high-profile cases and other cases monitored by AMLD, ensuring that appropriate controls are in place and/or instituted to prevent the Bank from being a channel for money laundering or illegal activities. The BAC also continued to monitor the performance of the new version of the AML system which was implemented in 2025 and tracked the progress and utilization of the Related Party System, to ensure that they continue to meet the objective of enhancing compliance and AML risk management on AML alerts review and disposition and related parties. Throughout 2025, the BAC reviewed the adequacy of the manpower complement of Compliance Group and ensured that the group continues to have the capacity to handle its continually expanding regulatory obligations.

The BAC assessed the performance of the Chief Compliance Officer and the compliance function, confirming that they effectively carried out their plans and programs and met their mandate as provided in their Charter.

- *Cases Involving Internal and External Fraud Cases, Whistleblower Accounts and Non-Loan Accounts*

The BAC reviewed reports on fraud and operational cases, whistleblower accounts, and non-loan related cases impacting financial, internal controls, information systems, and reputation. The Committee

ensured that Management put adequate internal controls with focus on risk mitigation, legal handling, and fraud prevention to prevent recurrence. The BAC, throughout the year, received reports on significant internal and external fraud cases, non-fraud operational incidents and high value loss events across the Bank and its subsidiaries, and monitored Management's actions and accountability measures.

As part of its unwavering commitment to uphold the highest standards of corporate governance, the BAC conducted a comprehensive self-assessment of its performance for the year 2025. This assessment was meticulously carried out in accordance with its Terms of Reference, ensuring that all aspects of its mandate were evaluated.

The BAC's assessment of the Bank's internal controls, financial reporting process, and risk management systems considered several critical inputs:

- *External Auditor's Report and Unqualified Opinion:* An essential component that provided independent assurance of the Bank's financial health.
- *Regulatory Report of Examinations:* An essential component that provided independent assurance of the robustness of the Bank's risk management, capital adequacy, asset quality, earnings and liquidity.
- *Chief Internal Audit Executive's Auditor's Overall Assurance:* Offering an internal perspective on the efficiency and effectiveness of the Bank's operations.
- *Senior Management's Reports and Additional Information:* Ensuring comprehensive oversight and informed decision-making.

The BAC assessment indicated that the Bank's internal controls, financial reporting processes and systems are generally adequate and effective.

The BAC is chaired by Mr. Vicente S. Pérez, Jr. (Independent Director). Its other members are Justice Estela P. Bernabe (Ret.) (Lead Independent Director) and Mr. Jones M. Castro, Jr. (Non-Executive Director). Mr. Vipul Bhagat serves as an Advisor to the BAC.

The BAC held 13 meetings in 2025.

Below is the attendance of the members in Board Audit Committee meetings held in 2025:

Name	Director Type	No. of Meetings Attended	Total No. of Meetings	Percentage
Vicente S. Pérez, Jr.	Independent	13	13	100%
Estela P. Bernabe	Independent	13	13	100%
Jones M. Castro, Jr.	Non-Executive	12	13	92.31%

Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee (**CG**) is primarily tasked to assist the Board in formulating the governance policies and overseeing the implementation of the governance practices of the Bank, its subsidiaries and affiliates, consistent with its mandate to take a leadership role in shaping the Bank's corporate governance policies and practices. Annually, it also oversees the performance evaluation of the Board of Directors, its committees, executive management, peer evaluation of directors, and conducts a self-evaluation of its performance. It provides an assessment of the outcome and reports to the Board the final results of the evaluation including recommendations for improvement and areas to focus on to enhance effectiveness, and ensures that results of the Board evaluation are shared and discussed with the Board and translated into concrete action plans. The CG reviews and assesses the adequacy of the Bank's policies and practices on corporate governance including the Corporate Governance Manual and Interlocking Policy and recommends changes for approval of the Board, and periodically reviews the corporate governance framework to ensure continued appropriateness in light of changes to the Bank's size, complexity, strategy, and regulatory environment.

The CG recommends a suitable induction and orientation process for new directors, ensuring the induction process remains appropriate and effective. Additionally, the CG oversees the continuing education program for directors and key officers, and proposes relevant trainings session for them. It also reviews the Bank's succession planning framework and management's plan for succession to key leadership positions within the Bank giving full consideration to the skills and expertise needed to support its strategic directions to ensure the Bank's long-term stability. It continually assesses the effectiveness of the framework and status of the succession plan.

Lastly, the CG oversees the sustainability initiatives of the Bank, particularly on key processes, standards and strategies designed to manage environmental and social impact, including culture-building, stakeholder

communication, progress reporting on programs, metrics and targets, and sustainability reporting.

During the year, the Corporate Governance and Sustainability Committee achieved the following:

- *Annual Continuing Education of Directors*
The Corporate Governance and Sustainability Committee played a pivotal role in ensuring that directors continue to be equipped with appropriate knowledge and skills to govern effectively in the rapidly changing business environment. For 2025, the Committee approved the topics and resource speakers for the Bank's Corporate Governance Seminar, and all eleven (11) members of the Board completed the mandatory four (4) hour training requirement. The seminar held on July 25, 2025, was attended by directors and key officers of BDO's subsidiaries, reflecting the Bank's commitment to inclusive and comprehensive governance education across the Group. The completion of this seminar adheres to the regulatory requirement for an annual corporate governance training.
- *Adherence to Corporate Governance Standards*
Throughout the year, the Corporate Governance and Sustainability Committee implemented several initiatives to elevate corporate governance standards. Notably, the Committee approved the 2024 Integrated Annual Corporate Governance Report and the Bank's report on compliance with leading governance practices, which were incorporated into the 2025 Information Statement (SEC Form 20-IS). Additionally, the Committee endorsed the revised 2024 ASEAN Corporate Governance Scorecard (ACGS) Self-Assessment Document, providing guidance for ACGS assessors to identify the Bank's disclosures aligned with ACGS recommendations. The Bank likewise continued to receive significant regional governance and sustainability recognitions, including Best Bank for ESG Philippines from Euromoney and The Asset, and multiple awards from Retail Banker International and ESG Business. The Bank also received the Best Sustainability Team Award in Asia from the Asset for the second consecutive year. For its conformity with the best practice recommendations of the ACGS, the Bank also earned a spot as one of the Top 50 Association of Southeast Asian Nations (ASEAN) Publicly Listed Companies.
- *Revision of key governance documents*
The Corporate Governance and Sustainability Committee approved and endorsed several revisions to key governance documents. This included amendments to the:
 - *Corporate Governance Manual*

The 2025 update to BDO's Corporate Governance Manual introduces significant refinements to strengthen board effectiveness and align governance practices with global standards. Key changes include clarifying the Board's oversight of senior management, reinforcing independence by removing exemptions for Independent Directors, and embedding sustainability and ESG principles into both Board-level oversight and enterprise-wide governance. The revisions also formalize the adoption of global sustainability reporting frameworks, expand dividend policy guidelines, and rationalize executive remuneration disclosures for greater transparency.

Revisions to the Corporate Governance Manual underscored provisions on real-time voting until the adjournment of the Annual Stockholders' Meeting and the integration of sustainability considerations into the Group's risk management and strategy frameworks. These updates support greater transparency, reinforce sound governance practices, and align the Manual with evolving regulatory and sustainability expectations across the BDO Group.

- *Sustainability Oversight*

In 2025, the Board changed the name of the Corporate Governance Committee into Corporate Governance and Sustainability Committee to more clearly define the Board-level oversight accountability for the Bank's sustainability policies, programs, and initiatives. While sustainability-related enterprise risk policies are approved by the Risk Management Committee, the Corporate Governance and Sustainability Committee performs regular oversight on sustainability matters — sustainability-related reports, regulatory updates, bank activities and initiatives — as part of its regular agenda.

Sustainability Updates were presented and thoroughly discussed during the seven (7) occasions that the Corporate Governance and Sustainability Committee convened in 2025. The Committee focused on the Bank's key initiatives for sustainable finance and BDO operations with sustainability impact. Among these were: the implementation of the Environmental and Social Risk Management System (ESRMS) across the BDO conglomerate; the Bank's Sustainable Finance and Fossil Fuel Exposures; the Bank's carbon footprint and reporting based on the recommendations of the Task Force for Climate-based Financial Disclosures (TCFD); the content outline and performance highlights of the 2024 BDO Sustainability Report; and updates on the Bangko Sentral ng Pilipinas 2025 Examination of BDO's sustainability and sustainable finance transition.

The Committee also discussed the impact of the full allocation ASEAN Sustainability Bonds (ASB) proceeds of P52.7 billion (USD885.3 million). These investments supported solar and wind energy installations, which have significantly reduced greenhouse gas emissions and contributed to the Philippines' transition to cleaner energy sources. The funds also financed energy-efficient infrastructure, such as green buildings, resulting in measurable reductions in energy consumption and promoting sustainable urban development. On the social side, the projects funded under BDO's first ASB issuance align with the 17 United Nations Sustainable Development Goals (SDGs), particularly SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), and SDG 13 (Climate Action). The Committee likewise reviewed the performance of all five BDO Sustainability Bond issuances, and the record-breaking success of the fifth Sustainability Bond, issued at P115 billion (USD1.9 billion) in July 2025.

The Committee also reviewed the SEC's Exposure Draft on Philippine Financial Reporting Standards on sustainability disclosures; the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and BDO's early adoption of said standards in its sustainability reporting; BDO's Energy Management Policy and compliance to the Energy Efficiency and Conservation Act; and the Philippine Energy Plan. Local and regional recognitions that the Bank received for its ESG practices were also highlighted to the Committee: The Retail Banker International Asia Trailblazer Award 2025, the Euromoney Excellence Awards 2025, Asia Corporate Excellence & Sustainability (ACES) Awards 2025, The Asset ESG Corporate Awards 2025, and the 4 Golden Arrows from the Institute of Corporate Directors, among others.

Directors who were new to the Board and who are members of the Corporate Governance and Sustainability Committee went through a sustainability onboarding session with the Sustainability Office to bring them up to speed on the Bank's sustainability framework, policies, commitments, and pioneering initiatives.

- *Board Effectiveness Evaluation*

The Corporate Governance and Sustainability Committee engaged PWC to facilitate the 2024 BEE, covering Board conduct, committee performance and director self and peer assessments.

Results of the BEE confirm a consistently strong performance, with upward trends in the performance of Board responsibilities, Board composition, and risk oversight, reinforcing the Board's strategic focus and governance resilience. Interaction and communication with

Management also improved, reflecting a culture of constructive engagement and informed decision-making.

Below is the attendance of the Corporate Governance and Sustainability Committee Members at meetings held in 2025:

Name	Director Type	No. of Meetings Attended	Total No. of Meetings	Percentage
Alfredo E. Pascual*	Independent	4	4	100.00%
George T. Barcelon*	Independent	4	4	100.00%
Franklin M. Drilon	Independent	6	7	85.71%
Estela P. Bernabe**	Independent	3	3	100.00%
Vicente S. Pérez, Jr.***	Independent	3	3	100.00%
* List of Appointed as Chairman/Member of the Corporate Governance and Sustainability Committee on 25 April 2025, hence, attendance count started on 29 May 2025 ** Term as Chairperson ended and appointed as Advisor on 25 April 2025 *** Term as Member ended on 25 April 2025				

Measures on leading practices of good corporate governance

The Bank is constantly aligning its corporate governance system with the international practice, taking into account the continuous developments in national regulations.

Notably, the Committee approved the 2024 Integrated Annual Corporate Governance Report and the Bank's report on compliance with leading governance practices, which were incorporated into the 2025 Information Statement (SEC Form 20-IS). Additionally, the Committee endorsed the revised 2024 ACGS Self-Assessment Document, providing guidance for ACGS assessors to identify the Bank's disclosures aligned with ACGS recommendations. The Bank likewise continued to receive significant regional governance and sustainability recognitions, including Best Bank for ESG Philippines from Euromoney and the Asset, and multiple awards from Retail Banker International and ESG Business. The Bank also received the Best Sustainability Team Award in Asia from the Asset for the second consecutive year. For its conformity with the best practice recommendations of the ACGS, the Bank also earned a spot as one of the Top 50 ASEAN Publicly Listed Companies.

Any Deviation from the Corporate Governance Manual

There were no deviations from the Corporate Governance Manual.

Improvement on Corporate Governance

As the regulatory landscape, market conditions, and stakeholder expectations evolve, the Bank is preparing for the next horizon with a sharpened focus on governance, risk discipline, and long-term institutional resilience. The organization is reinforcing the systems and oversight structures that support sound decision making, responsible growth, and a culture anchored on accountability and ethical conduct.

The Board remains central to this direction by providing strategic guidance and ensuring that governance standards, compliance practices, and risk management frameworks remain fit for purpose. Its oversight covers key areas such as enterprise risk governance, prudential compliance, digital transformation, and strengthening cyber and operational resilience. Through active engagement, the Board helps ensure that management actions stay aligned with policy requirements, regulatory expectations, and the Bank's overall risk appetite.

Recognizing the increasing relevance of sustainability and ESG considerations to financial stability and long-term competitiveness, the Bank is deepening the integration of these factors within its strategy, governance processes, and enterprise risk framework. ESG related risks and opportunities are being assessed more comprehensively, climate related disclosures are being enhanced, and sustainability considerations are incorporated into key policies, product oversight, and enterprise level planning. This enables the organization to anticipate emerging challenges and align with evolving market and stakeholder expectations.

The Bank also aims to support national progress by enabling responsible financial intermediation and economic activity that empowers customers, strengthens communities, and contributes to inclusive development. Strengthening organizational capabilities, improving operational efficiency, and enhancing customer experience remain key priorities. These are supported by investments in data governance, technology modernization, internal controls, and compliance systems that reinforce proactive risk identification and institutional readiness for shifts in supervisory requirements and market conditions.

Across the organization, heightened attention is being placed on effective risk identification, stronger compliance monitoring, and the continual enhancement of internal control systems. These efforts ensure operational soundness, reinforce institutional integrity, and support the Bank's commitment to responsible conduct.

Anchored on sound governance, prudent risk oversight, and a clear long-term strategic vision, the Bank is poised to move confidently into an evolving financial landscape. By strengthening institutional discipline, advancing ESG integration where it meaningfully supports resilience, and aligning decision making with regulatory expectations and stakeholder priorities, the Bank reinforces its role as a stable and trusted financial institution. This forward-looking posture positions the organization to navigate emerging challenges, responsibly capture opportunities, and deliver sustained value for customers, shareholders, and the broader community. With transparency, integrity, and disciplined stewardship guiding its actions, the Bank remains firmly committed to safeguarding stakeholder trust and contributing to a resilient and progressive financial system in the years ahead.

PART V – EXHIBITS AND SCHEDULES

Item 14. List of Branches, Reports on SEC Form 17-C

a) Directory of Branch Offices

A list of the Bank's branches is provided in Item 2 of this report.

b) The SEC Form 17-C (Current Report) filed in 2025 and the first quarter of 2026 are set forth below, such as:

Date of Disclosure	Subject
January 6, 2025	BDO's Board of Directors' Attendance for Meetings Held in 2024
January 6, 2025	Result of Board Meeting on January 4, 2025: Approval of the appointment of Mr. Jeffrey Melgar Alejandro, Senior Vice President and incumbent Deputy Head of Internal Audit Group (IAG), as Chief Audit Executive and Head of IAG, effective January 1, 2025, subject to BSP confirmation.
January 9, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, List of Officers, and Stockholders' Information of the Bank
January 13, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 12,860 common shares
January 14, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, Officer Information, Stockholders' Information, and Additional Shares issued by the Bank
January 15, 2025	Public Ownership Report as of 31 December 2024
January 15, 2025	List of Top 100 Stockholders (Common Shares) as of 31 December 2024
January 31, 2025	Results of Board Meeting on January 31, 2025: Approval of the following: 1. Setting of the Annual Stockholders' Meeting of the Bank on April 25, 2025, Friday, at 2:00 in the afternoon, in hybrid format (a combination of in-person and remote attendance), and setting of the record date for stockholders entitled to vote and be voted, and participate at such meeting on March 3, 2025

Date of Disclosure	Subject
	2. Hiring of (a) Mr. Arnold Quismorio Bengco as Executive Vice President and Deputy Treasurer effective February 17, 2025 and (b) Mr. Rufus Pinto as Senior Vice President and Head of Enterprise Services Group effective March 3, 2025; 3. Appointment of SVP Paul John Siy as Chief Information Officer, Head of Information Technology (IT) Group, subject to BSP confirmation, and Member of the IT Steering Committee effective February 3, 2025, vice SVP Frederic Mark S. Gomez, who will assume a new role under the Office of the President, covering among others, enterprise initiatives and projects; 4. New membership composition of the IT Steering Committee of the Bank from February 3, 2025 until the 2025 Annual Stockholders' Meeting shall be as follows: George T. Barcelon - Chairman Dioscoro I. Ramos - Member Nestor V. Tan - Member Paul John Siy - Member 5. Declaration of cash dividends on Preferred Shares Series "A" at the rate of 6.5% per annum of the par value, for a total dividend amount of P408,395,000.00, payable within sixty (60) banking days from dividend declaration date
February 5, 2025	Amended disclosure on the results of Board Meeting on January 31, 2025 to indicate the Agenda of the Annual Stockholders' Meeting
February 10, 2025	Notice of Analysts' Briefing on February 24, 2025 (Monday), 12:00 PM PHT at the Narra Hall, 34/F BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City
February 10, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to eligible retirees, totaling 277,908 common shares
February 14, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, Officers Information, Stockholders' Information, Additional Shares issued by the Bank, and List of Subsidiaries/Affiliates of the Bank
February 18, 2025	BDO Statement of Condition as of 31 December 2024
February 24, 2025	Results of Board Meeting on February 22, 2024 Approval of the following:

Date of Disclosure	Subject
	1. 2024 Audited Financial Statements (AFS) of BDO and its Subsidiaries and the corresponding Notes to Financial Statements. 2. Press Release entitled “<i>BDO net income hits Php82 billion in 2024</i>” 3. Declaration of regular cash dividends on common shares of BDO in the amount of Php1.00 per share for the 1st Quarter of 2025 payable on March 31, 2025 to all stockholders of record as of March 11, 2025 4. Allocation of up to 111 Million common primary shares, which is approximately 2% of the total outstanding shares of BDO, for future Employee Stock Option Plan awards
February 25, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Officer Information
February 27, 2025	2024 AFS of BDO and its Subsidiaries and the Notes to AFS (Amended to reflect minor corrections in the notes to the AFS: (1) on the total amounts in the tables in pages 106 and 129, and (2) to delete the repetitive sentence on page 137 under Note 22.3 Surplus Free)
March 3, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO’s employee stock option/grant program granted to eligible 3 senior officers and a retiree, totaling 49,131 common shares
March 4, 2025	Amended disclosure to update the Agenda of Annual Stockholders’ Meeting
March 4, 2025	Preliminary Information Statement
March 10, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, Officers Information, Stockholders’ Information and Additional Issued Shares
March 24, 2025	Separation from BDO Unibank, Inc. of Ms. Maria Theresa Lim Tan, Senior Vice President of BDO and President of BDO Insurance and Reinsurance Brokers, Inc. effective March 21, 2025
March 24, 2025	Definitive Information Statement
April 2, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO’s employee stock option/grant program granted to an eligible senior officer and three (3) retirees, totaling 140,229 common shares

Date of Disclosure	Subject
April 7, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, Additional Issued Shares and List of Subsidiaries/Affiliates of the Bank
April 10, 2025	Notice of Analysts' Briefing on April 28, 2025 (Monday), 12:00 PM PHT at the Narra Hall, 34/F BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City
April 15, 2025	List of Top 100 Stockholders (Common Shares) as of March 31, 2025
April 15, 2025	Public Ownership Report as of March 31, 2025
April 15, 2025	SEC Form 17-A (Annual Report) as of December 31, 2024
April 16, 2025	SEC Form 17-A (Amended Annual Report) as of December 31, 2024
April 25, 2025	Results of Board Meeting on April 25, 2025: Approval of the following: 1. The Financial Statements of BDO for the First Quarter of 2025; 2. Increase in the regular quarterly cash dividends on common shares of BDO to P1.10 per share beginning second quarter of 2025, which shall be the new Dividend Policy of BDO going forward; and 3. Increase in BDO's Peso Bond Program to P500 billion Notation of the retirement of Mr. Steven Alan Rosen, Senior Vice President and Department Head of Information Technology Group/Frontend Delivery, effective May 1, 2025.
April 25, 2025	Press Release entitled "BDO earns ₱19.7 billion in Q1 2025"
April 25, 2025	Results of the Annual Stockholders' Meeting on April 25, 2025: Approval of the following: 1. Minutes of the Annual Shareholders' Meeting held on April 19, 2024; 2. Report of the President and the Audited Financial Statements of BDO Unibank, Inc. as of December 31, 2024; 3. All acts of the Board of Directors, Board Committees, and Management during their terms of office;

Date of Disclosure	Subject
	4. Election of the following members of the Board of Directors for the term 2025 - 2026: Mr. Jones M. Castro, Jr. Mr. Dioscoro I. Ramos Ms. Teresita T. Sy Ms. Josefina N. Tan Mr. Nestor V. Tan Mr. George T. Barcelon - Independent Director Ms. Estela P. Bernabe - Independent Director Mr. Vipul Bhagat - Independent Director Mr. Franklin M. Drilon - Independent Director Mr. Alfredo E. Pascual - Independent Director Mr. Vicente S. Pérez, Jr. - Independent Director 5. Approval of the allocation of up to 2% of BDO's outstanding primary common shares for future awards under BDO's Employee Stock Option Plan; and 6. Re-appointment of Punongbayan and Araullo, Grant Thornton as external auditor of BDO Unibank for the year 2025
April 25, 2025	Press Release entitled "BDO hits ₱82.0 Bn income in 2024; Q1 2025 net income at ₱19.7 Bn."
April 28, 2025	SEC Form 17-Q (Quarterly Report) as of March 31, 2025
	Results of the Organizational Meeting of the Board of Directors held on April 25, 2025: Election of Chairperson and Lead Independent Director, Advisors to the Board, Board Committee Members, and Corporate Officers
May 2, 2025	Summary of the Self-Assessment of the Board Audit Committee of BDO for the Year 2024
May 6, 2025	BDO Network Bank Conversion of License from a Rural Bank to a Thrift Bank, effective on May 5, 2025
May 6, 2025	Record Date for the Property Dividend Declaration
May 9, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to two (2) eligible senior officers, totaling 11,888 common shares
May 9, 2025	Date of Approval by the Securities and Exchange Commission of the Property Dividend Declaration

Date of Disclosure	Subject
May 9, 2025	Payment Date of the Property Dividend Declaration
May 13, 2025	Amended General Information Sheet of BDO for the Year 2024 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Issued Shares of the Bank
May 21, 2025	BDO Statement of Condition as of March 31, 2025
May 21, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to two (2) eligible senior officers, totaling 14,479 common shares
May 21, 2025	Entitlement Ratio and the Closing Price of ₱155.10 per Share as of Record Date for the Property Dividend Declaration
May 23, 2025	2025 General Information Sheet of BDO
May 29, 2025	Integrated Annual Corporate Governance Report of BDO for the year ended 2024
May 29, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's Declaration of Property Dividends
May 30, 2025	Payment and Settlement Dates of the Property Dividends
June 2, 2025	Results of Board Meeting on May 31, 2025 1. Approval of the declaration of regular cash dividends on common shares of the Bank in the amount of P1.10 per share for the second quarter of 2025, payable on June 30, 2025 to all stockholders of record as of June 18, 2025; 2. Notation of the retirement of Ms. Lucy C. Dy, Executive Vice President and Head of Comptrollership Group, effective June 1, 2025; and 3. Approval of the appointment of Ms. Gwyneth M. Entao, Senior Vice President, as Comptroller/Head of Comptrollership Group, effective June 2, 2025
June 11, 2025	Amended Report on the Change in Number of Issued and Outstanding Shares pursuant to BDO's Declaration of Property Dividends to provide the Public Float of BDO
June 11, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Treasury Shares of the Bank

Date of Disclosure	Subject
June 20, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to two (2) eligible retirees, totaling 33,548 common shares
June 24, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Shares Issued by the Bank
June 30, 2025	Results of Board Meeting on June 28, 2025: Approval of the following: 1. Hiring of Mr. Karis Liam Johann Sese Napa as Senior Vice President and Head of Commercial Banking for BDO (Singapore), effective July 1, 2025; 2. Promotion of the following six (6) senior officers from the rank of First Vice President to Senior Vice President, effective February 1, 2025: a. Ms. Mary Grace R. Caguioa b. Ms. Regina G. Caynap c. Mr. Joel M. Escala d. Mr. Bremel Peter R. Guiao e. Mr. Roy L. Villareal f. Ms. Shakira C. Yu
July 3, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated List of Officers, and Secondary License of the Bank
July 9, 2025	Press Release entitled "BDO launches fourth ASEAN Sustainability Bond issue"
July 11, 2025	Public Ownership Report as of June 30, 2025
July 14, 2025	List of Top 100 Stockholders (Common Shares) as of June 30, 2025
July 14, 2025	Notice of Analysts' Briefing on July 28, 2025 (Monday), 12:00 PM PHT at the Narra Hall, 34/F BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City
July 15, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to two (2) eligible retirees, totaling 654,334 common shares
July 15, 2025	Press Release entitled "BDO shortens offer period for fourth ASEAN Sustainability Bond issue"

Date of Disclosure	Subject
July 17, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Shares Issued by the Bank
July 21, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to 188 eligible senior officers, totaling 2,792,229 common shares
July 28, 2025	Results of Board Meeting on July 26, 2025 Approval of the following: 1. Financial Statements of BDO for the 1st Half of 2025 and press statement entitled "BDO reports ₱40.6 billion income in 1H 2025"; and 2. Sale of a total of 5,070 treasury shares based on the closing price of BDO shares on transaction date
July 28, 2025	Press Release entitled "BDO reports ₱40.6 billion income in 1H 2025"
July 28, 2025	SEC Form 17-Q (Quarterly Report) as of June 30, 2025
July 29, 2025	Press Release entitled "BDO raises P 115 billion in fourth ASEAN Sustainability Bond issue"
July 30, 2025	Amended General Information Sheet of BDO for the Year 2025 reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Shares Issued by the Bank
July 31, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible retiree and seventy-three (73) senior officers, totaling 1,006,109 common shares
August 4, 2025	Sale of 5,070 Treasury Shares
August 5, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Shares Issued by the Bank
August 12, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Officer Information, Stockholders' Information, Number of Treasury Shares, and Additional Shares Issued by the Bank
August 12, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to eligible

Date of Disclosure	Subject
	twenty-five (25) senior officers and three (3) retirees, totaling 1,138,043 common shares
August 18, 2025	BDO Statement of Condition as of June 30, 2025
August 20, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to eligible seventeen (17) senior officers and a retiree, totaling 246,781 common shares
August 27, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Officer Information, Stockholders' Information, and Additional Shares Issued by the Bank
September 1, 2025	Results of Board Meeting on August 30, 2025 Approval of the following: 1. Hiring of Mr. Christian Demesa San Juan as Senior Vice President and Deputy Chief Risk Officer of the Bank, effective September 16, 2025; 2. Declaration of regular cash dividend on common shares of the Bank in the amount of ₱1.10 per share for the third quarter of 2025, payable on September 30, 2025 to all stockholders of record as of September 16, 2025; and 3. Resignation of Mr. Ramon Vicente Del Villar De Vera II, SVP of Information Technology Group, effective October 16, 2025
September 2, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible sixteen (16) senior officers, totaling 187,596 common shares
September 3, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Shares Issued by the Bank
September 10, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to three (3) eligible senior officers, totaling 37,198 common shares
September 17, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Shares Issued by the Bank

Date of Disclosure	Subject
September 19, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to five (5) eligible senior officers, totaling 72,659 common shares
September 25, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Shares Issued by the Bank
September 29, 2025	Results of Board Meeting on September 27, 2025: Approval the hiring of Mr. Rene Morta as Senior Vice President (SVP) for IT Initiatives under the Office of the President, effective October 16, 2025
October 1, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to ten (10) eligible senior officers, totaling 185,790 common shares
October 2, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
October 10, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to five (5) eligible senior officers, totaling 48,040 common shares
October 13, 2025	Notice of Analysts' Briefing on October 27, 2025 (Monday), 12:00 PM PHT at the Narra Hall, 34/F BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City
October 13, 2025	Public Ownership Report as of September 30, 2025
October 13, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
October 14, 2025	List of Top 100 Stockholders (Common Shares) as of September 30, 2025
October 20, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to three (3) eligible senior officers, totaling 40,000 common shares
October 23, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Issued Shares of the Bank
October 27, 2025	Results of Board Meeting on October 25, 2025:

Date of Disclosure	Subject
	Approval of the following: 1. Appointment of Senior Vice President Rene Morta as Chief Information Officer and Head of Information Technology (IT) Group, effective November 3, 2025, succeeding SVP Paul John Siy; 2. Appointment of Mr. Siy as SVP for IT Initiatives under the Office of the President, effective November 3, 2025, succeeding SVP Frederic Mark S. Gomez, who is due to retire effective January 1, 2026; and 3. Appointment of SVP Morta as Member of the IT Steering Committee (ITSC) in place of SVP Siy, resulting in change to the composition of the ITSC, as follows: ITSC as of November 3, 2025 Mr. George T. Barcelon - Chairman Mr. Jones M. Castro, Jr. - Member Mr. Dioscoro I. Ramos - Member Mr. Nestor V. Tan - Member Mr. Rene Morta – Member 4. Change of name of the Bank's Corporate Governance Committee to Corporate Governance and Sustainability Committee; and 5. Financial Statements of BDO for the 3rd Quarter of 2025 Notation of the retirement of the following SVPs of the Bank: 1. Ms. Melanie Susmerano Belen, Head of Risk Management Group (RMG) - Asset Recovery and Property Management, effective November 1, 2025; 2. Mr. Jonathan Cua Bian Tan Go II, Head of RMG - Asset Recovery and Property Management/Property Sales II & Chattel Sales, effective November 1, 2025; and 3. Mr. Frederic Mark Suaco Gomez, IT Initiatives Leader, effective January 1, 2026.
October 27, 2025	Press Release entitled "BDO net income reaches ₱63.1 billion in 9M 2025"

Date of Disclosure	Subject
October 27, 2025	SEC Form 17-Q (Quarterly Report) as of September 30, 2035
November 11, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible two (2) senior officers and three (3) retirees, totaling 431,109 common shares
November 12, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Issued Shares of the Bank
November 18, 2025	BDO Statement of Condition as of September 30, 2025
November 24, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 13,795 common shares
November 24, 2025	BDO Unibank, Inc. - Euro Medium Term Notes – Mandate Announcement to arrange a series of fixed income investor calls
November 25, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
November 26, 2025	Press Release entitled “BDO prices USD 500 million 5-year Fixed Rate Senior Notes”
December 2, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 20,922 common shares
December 4, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
December 9, 2025	Results of Board Meeting on December 6, 2025 1. Approval of the appointment of Mr. Arnold Q. Bengco, Executive Vice President and currently Deputy Treasurer, as Treasurer and Treasury Group Head, effective January 1, 2026; and 2. Notation of the retirement of Mr. Gabriel Uy Lim, Senior Vice President and Head of BDO Capital and Investment Corporation/ Corporate Finance, effective January 1, 2026

Date of Disclosure	Subject
December 15, 2025	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible retiree, totaling 55,652 common shares
December 17, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
December 23, 2025	Resignation of Mr. Edwin R. Tajanlangit, Senior Vice President and Head of Risk Management Group - Risk Portfolio Management, effective December 31, 2025
December 26, 2025	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
January 2, 2026	Board of Directors' Attendance for Meetings held in 2025
January 7, 2026	Manual of Corporate Governance
January 7, 2026	Press Release entitled "BDO offers fifth ASEAN Sustainability Bonds issue"
January 8, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated List of Officers of the Bank
January 12, 2026	Results of Board Meeting on January 10, 2026: Acceptance of the resignation of Mr. Edwin R. Tajanlangit, Senior Vice President and Head of Risk Management Group - Risk Portfolio Management, effective December 31, 2025
January 13, 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 20,784 common shares
January 14, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
January 14, 2026	List of Top 100 Stockholders (Common Shares) as of December 31, 2025
January 15, 2026	Public Ownership Report as of December 31, 2025
January 20, 2026	Sale of Shareholdings in Dominion Holdings, Inc. by BDO
January 20, 2026	Press Release entitled "BDO shortens offer period for fifth ASEAN Sustainability Bond issue"

Date of Disclosure	Subject
January 21 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to ten (10) eligible retirees and a senior officer, totaling 435,935 common shares
January 26, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
January 26, 2026	Press Release entitled "BDO raises P100 billion in fifth ASEAN Sustainability Bonds issue"
February 2, 2026	Results of Board Meeting on January 31, 2026: 1. Approval of the declaration of cash dividends on Preferred Shares Series "A" at the rate of 6.5% per annum of the par value, for a total dividend amount of ₱407,279,166.67, payable within sixty (60) banking days from dividend declaration date; 2. Approval of the setting of the Annual Stockholders' Meeting (ASM) of the Bank on April 24, 2026, Friday, at 2:00 in the afternoon, in hybrid format (a combination of in-person and remote attendance), and setting of the record date for stockholders entitled to vote and be voted and participate at such meeting on March 2, 2026. The ASM will be held at the Forbes Ballroom I, Third Floor, Conrad Manila, Pasay City; and 3. Acceptance of the resignation of Ms. Sharon Mae See Vicente, Senior Vice President, seconded to BDO Private Bank, Inc. as Center Head of Wealth Management/Relationship Management, effective January 31, 2026
February 2, 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to three (3) eligible senior officers, totaling 28,824 common shares
February 4, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Officers, Stockholders' Information, and Additional Issued Shares of the Bank
February 16, 2026	Notice of Analysts' Briefing on March 2, 2026 (Monday), 12:00 PM PHT at the Narra Hall, 34/F BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City
February 18, 2026	BDO Statement of Condition as of December 31, 2025

Date of Disclosure	Subject
February 24, 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 20,922 common shares
February 26, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information, and Additional Issued Shares of the Bank
February 27, 2026	Press Release entitled "BDO recorded ₱87.2 billion net income in 2025"
February 27, 2026	Results of the Board Meeting on February 27, 2026 - Approval of the following: 2025 Audited Financial Statements of BDO - Promotion of Mr. Rufus Pinto from Senior Vice President to Executive Vice President, effective March 1, 2026; and - Declaration of regular cash dividends on common shares of the Bank in the amount of ₱1.10 per common share for the first quarter of 2026, payable on March 27, 2026 to all stockholders of record as of March 13, 2026 - Notation of the retirement of Mr. Reynaldo Arguelles Tanjangco, Jr., Senior Vice President and Unit Head of Institutional Banking Group/Corbank, FI & IDesks/Corporate Banking I/Corporate Banking IB, effective March 1, 2026.
March 2, 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted two (2) eligible senior officers and a retiree, totaling 46,788 common shares
March 2, 2026	Disclosure on the promotion of Mr. Rufus Pinto from Senior Vice President to Executive Vice President, effective March 1, 2026 to correct his years of experience in his profile.
March 6, 2026	Preliminary Information Statement
March 10, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, List of Stockholders, Stockholders' Information, and Additional Issued Shares of the Bank
March 17, 2026	Disclosure on the sale by BDO of its shareholdings in DHI
March 23, 2026	Change in Number of Issued and Outstanding Shares pursuant to BDO's employee stock option/grant program granted to an eligible senior officer, totaling 9,608 common shares
March 25, 2026	Amended General Information Sheet of BDO for the Year 2025 to reflect the updated Capital Structure, Stockholders' Information,

Date of Disclosure	Subject
	Additional Issued Shares, and List of Subsidiaries/Affiliates of the Bank
March 26, 2026	Definitive Information Statement
*** Related Party Transactions (Please refer to Notes 2.14 and 27 of the Notes to Financial Statements)	

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this Annual Report is signed on behalf of BDO Unibank, Inc. by the undersigned, thereto duly authorized, in TAGUIG CITY, Philippines on APR 15 2026.

BDO UNIBANK, INC.
Issuer

By:



Nestor V. Tan
President and CEO



Arnold Q. Bengco
Executive Vice President and Treasurer



Gwyneth M. Entao
Senior Vice President
Comptroller & Head – Comptrollership Group



Edmundo L. Tan
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 15 2026, affiants
exhibiting to me their evidence of identity as follows:

Name

Tax Identification No.

Nestor V. Tan

TIN

Arnold Q. Bengco

TIN

Gwyneth M. Entao

TIN

Edmundo L. Tan

TIN

Doc. No.: 249;

Page No.: 51;

Book No.: I;

Series of 2026.

MARK STEPHEN C. SY

MR

Financial Statements and
Independent Auditors' Report

BDO Unibank, Inc. and Subsidiaries

December 31, 2025, 2024 and 2023

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 14, 2026 3:34 PM
To: Mary Ann C. Roncal <Roncal.MaryAnn@bdo.com.ph>
Cc: Concepcion G. Reyes <reyes.concepcion@bdo.com.ph>
Subject: Your BIR AFS eSubmission uploads were received

Hi BDO UNIBANK, INC.,

Valid files

- EAFS000708174RPTTY122025.pdf
- EAFS000708174OTHTY122025.pdf
- EAFS000708174ITRTY122025.pdf
- EAFS000708174AFSTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-A5EJFA780A8GB9HH8QX3VTPY09C9F578H**
Submission Date/Time: **Apr 14, 2026 03:34 PM**
Company TIN: **000-708-174**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **BDO Unibank, Inc. and its Subsidiaries (the BDO Unibank Group)** and of **BDO Unibank, Inc. (the Parent Bank)** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the BDO Unibank Group and the Parent Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the BDO Unibank Group and the Parent Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the BDO Unibank Group and the Parent Bank's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

Punongbayan & Araullo, the independent auditor appointed by the stockholders, has audited the financial statements of the BDO Unibank Group and the Parent Bank in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


Teresita T. Sy
Chairperson of the Board


Nestor V. Tan
President & Chief Executive Officer


Arnold Q. Bengco
Treasurer

Signed this 27th day of February 2026

BDO Unibank, Inc.
BDO Towers Valero
8741 Paseo De Roxas
Salcedo Village
Makati City 1226
Philippines
Swift Code BNORPHMM
Tel +632 8840-7000

bdo.com.ph

We find ways®

SUBSCRIBED and SWORN to before me this 27th day of February, 2026 affiants exhibiting to me their Competent Evidence of Identity (CEI), as follows:

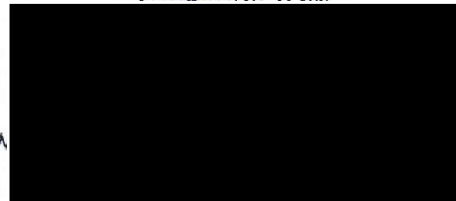
Name	CEI Number	Date Issued/Place Issued/Expiration Date
1. Teresita T. Sy	[REDACTED]	[REDACTED]
2. Nestor V. Tan	[REDACTED]	[REDACTED]
3. Arnold Q. Bengco	[REDACTED]	[REDACTED]

WITNESS BY HAND AND SEAL on the day first above-mentioned at Makati City.



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[REDACTED]
ATTY. JEFFREY B. OLIVEROS



Report of Independent Auditors

The Board of Directors and Stockholders

BDO Unibank, Inc.

BDO Towers Valero

8741 Paseo de Roxas, Salcedo Village

Makati City, Philippines

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BDO Unibank, Inc. and subsidiaries (collectively referred to as the BDO Unibank Group) and of BDO Unibank, Inc. (the Parent Bank), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BDO Unibank Group and of the Parent Bank as at December 31, 2025 and 2024, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the BDO Unibank Group and of the Parent Bank in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matter – Valuation of Loans and Other Receivables

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Description of the Matter

The BDO Unibank Group and the Parent Bank are required to recognize allowance for impairment on their loans and other receivables using the expected credit loss (ECL) model in accordance with PFRS 9, *Financial Instruments*. As of December 31, 2025, the BDO Unibank Group and the Parent Bank had loans and other receivables amounting to P3,694,508 million and P3,566,865 million, respectively, net of allowance for impairment of P86,905 million and P83,955 million, respectively. Loans and other receivables are the most significant resources which account for 68% and 69% of the BDO Unibank Group and the Parent Bank's total resources, respectively.

The allowance for impairment of loans and other receivables is considered to be a matter of significance as it requires the application of critical management judgment and use of subjective estimates in determining how much impairment loss is required to be recognized in the financial statements. These judgment and estimates are disclosed in the BDO Unibank Group's and the Parent Bank's accounting policies in Notes 2 and 3 to the financial statements.

The BDO Unibank Group and the Parent Bank use an ECL model in determining the impairment of their loans and other receivables. The assessment of credit risk of a portfolio of assets entails estimations as to the likelihood of defaults occurring, the associated loss ratios and of default correlations of the related counterparties. Furthermore, the BDO Unibank Group and the Parent Bank incorporated forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly from its initial recognition and the measurement of ECL. The BDO Unibank Group and the Parent Bank have identified and documented key drivers of credit risk and credit losses for each loan portfolio and, using an analysis of historical data, have estimated relationships between macro-economic variables, credit risk and credit losses.

The disclosures of the BDO Unibank Group and the Parent Bank on the allowance for impairment of loans and other receivables, and the related credit risk are included in Notes 4 and 11 to the financial statements.

How the Matter was Addressed in the Audit

Our audit procedures to address the risk of material misstatement relating to the adequacy of allowance for impairment of loans and other receivables, included among others, evaluating the BDO Unibank Group's and the Parent Bank's accounting policies and methodologies as to whether they: (a) are established and implemented consistent with the underlying principles of PFRS 9; (b) are appropriate in the context of the BDO Unibank Group's and Parent Bank's lending activities and asset portfolio given different segments of credit exposures and the relevant regulatory framework; and, (c) are supported by pertinent processes and controls, including documentations of policies that capture in sufficient detail the judgment, including estimation applied in the development of the Group's ECL model.

With respect to the use of judgment and estimation of inputs and assumptions used in the BDO Unibank Group's and Parent Bank's ECL model, our procedures included:

- testing the design and operating effectiveness of relevant controls over credit review process as it relates to the determination of credit risk rating used in impairment provisioning;
- assessing the appropriateness of portfolio segmentation by evaluating the homogeneity of credit risk characteristics and determining whether segmentation was consistently applied in the ECL model;
- engaging our Firm's specialist in evaluating the appropriateness of methodologies and assumptions used in the ECL calculation including testing the discriminatory power of the Internal Credit Risk Rating System for each loan portfolio across all quarters during the year;
- evaluating the reasonableness of the credit risk ratings assigned to selected loan accounts to assess appropriateness of credit risk monitoring;
- testing the loan classification and staging scheme based on the determined days past due and other qualitative factors, including proper tagging of non-performing loans;
- evaluating management's quantitative and qualitative criteria in determining events that constitute default and significant increase in credit risk against the requirements set forth in PFRS 9;
- for probability of default, assessing whether default events were properly identified within the observation period and reflected in the historical default rates;
- for loss given default, testing the accuracy and completeness of historical recoveries and associated costs for each loan portfolio by inspecting relevant records of collections and disposals of related collaterals from selected defaulted accounts;
- reconciling exposure at default against relevant loan databases;
- on selected individually assessed loan accounts, evaluating the accuracy of management's forecast of recoverable cash flows based on agreed restructuring agreement and valuation of collaterals and estimates of recovery from other sources of collection;
- for forward-looking information used, evaluating reasonableness and source integrity of the forecasted macro-economic assumptions used in the model, which include gross domestic product growth, unemployment rates and core inflation rates. In addition, assessing the level of significance of correlation of selected macro-economic factors to the default rates as well as the impact of these variables to the ECL; and,
- assessing the completeness and appropriateness of the disclosures in the financial statements in accordance with relevant reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the BDO Unibank Group's SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A, and Annual Report for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS 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 BDO Unibank Group's and the Parent Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the BDO Unibank Group and the Parent Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BDO Unibank Group's and the Parent Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BDO Unibank Group's and the Parent Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BDO Unibank Group's and the Parent Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the BDO Unibank Group and the Parent Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the BDO Unibank Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

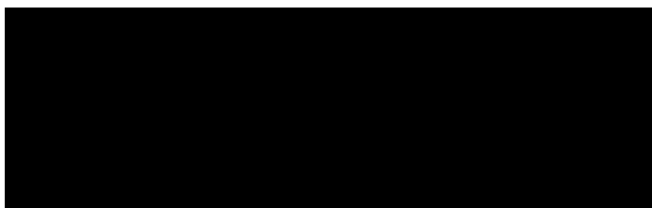
Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. As discussed in Note 31 to the financial statements, the Parent Bank presented the supplementary information required by the Bureau of Internal Revenue (BIR) under Revenue Regulations (RR) No. 15-2010 in a supplementary schedule filed separately from the basic financial statements. RR No. 15-2010 requires the supplementary information to be presented in the notes to the financial statements. The supplementary information for the years ended December 31, 2025 and 2024 required by the BSP as disclosed in Note 35 to the financial statements is presented for purposes of additional analysis. Such supplementary information required by BIR and BSP is the responsibility of management. The supplementary information is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards; it is neither a required disclosure under the Revised Securities Regulation Code Rule 68 of the SEC.

The engagement partner on the audit resulting in this independent auditors' report is Jerald M. Sanchez.

PUNONGBAYAN & ARAULLO



By: **Jerald M. Sánchez**
Partner



February 27, 2026

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024
(Amounts in Millions of Philippine Pesos)

	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
<u>RESOURCES</u>					
CASH AND OTHER CASH ITEMS	8	P 119,359	P 109,744	P 113,349	P 105,767
DUE FROM BANGKO SENTRAL NG PILIPINAS	8	209,827	249,593	208,467	246,815
DUE FROM OTHER BANKS - Net	9	111,376	90,448	97,491	77,511
TRADING AND INVESTMENT SECURITIES - Net	10	984,693	876,108	948,328	839,988
LOANS AND OTHER RECEIVABLES - Net	11	3,694,508	3,272,518	3,566,865	3,168,757
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT - Net	12, 13	62,470	54,204	57,299	49,299
INVESTMENT PROPERTIES - Net	14	42,838	33,825	38,610	29,796
EQUITY INVESTMENTS - Net	15	5,251	4,711	77,118	66,150
INVESTMENT SECURITIES AND OTHER ASSETS FOR LIFE INSURANCE CONTRACTS - Net	16	136,814	121,911	-	-
OTHER RESOURCES - Net	17	64,420	62,988	59,713	57,115
TOTAL RESOURCES		P 5,431,556	P 4,876,050	P 5,167,240	P 4,641,198
<u>LIABILITIES AND EQUITY</u>					
DEPOSIT LIABILITIES	19	P 4,189,791	P 3,794,027	P 4,069,462	P 3,686,052
BILLS PAYABLE	20	351,818	261,470	324,527	240,288
INSURANCE CONTRACT AND OTHER LIABILITIES FOR LIFE INSURANCE CONTRACTS	16	101,595	91,471	-	-
OTHER LIABILITIES	21	144,206	151,687	131,403	139,543
Total Liabilities		4,787,410	4,298,655	4,525,392	4,065,883
EQUITY	22				
Attributable to:					
Shareholders of the Parent Bank		641,074	574,671	641,848	575,315
Non-controlling Interests		3,072	2,724	-	-
Total Equity		644,146	577,395	641,848	575,315
TOTAL LIABILITIES AND EQUITY		P 5,431,556	P 4,876,050	P 5,167,240	P 4,641,198

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos Except Per Share Data)

	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
INTEREST INCOME	23	P 294,665	P 272,039	P 231,704	P 280,627	P 260,751	P 221,977
INTEREST EXPENSE	24	91,564	85,443	59,317	87,952	81,885	56,323
NET INTEREST INCOME		203,101	186,596	172,387	192,675	178,866	165,654
IMPAIRMENT LOSSES (RECOVERIES) - Net	18						
Financial assets	9, 10, 11, 17	14,611	14,262	16,406	13,453	13,147	15,665
Non-financial assets	12, 14, 17	426	(218)	(44)	426	(227)	(44)
Others	21	(30)	(14)	19	(30)	(14)	19
		15,007	14,030	16,381	13,849	12,906	15,640
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES (RECOVERIES)		188,094	172,566	156,006	178,826	165,960	150,014
OTHER OPERATING INCOME	25	77,074	70,893	65,315	75,682	66,430	57,314
INCOME ATTRIBUTABLE TO INSURANCE OPERATIONS - Net	16	7,561	6,845	6,372	-	-	-
OTHER OPERATING EXPENSES	25	165,128	146,613	130,512	150,094	132,099	119,318
PROFIT BEFORE TAX		107,601	103,691	97,181	104,414	100,291	88,010
TAX EXPENSE	31	20,122	21,471	23,621	17,135	18,175	20,811
NET PROFIT		P 87,479	P 82,220	P 73,560	P 87,279	P 82,116	P 67,199
Attributable to:							
Shareholders of the Parent Bank		P 87,174	P 82,019	P 73,411			
Non-controlling Interests		305	201	149			
		P 87,479	P 82,220	P 73,560			
Earnings Per Share:	32						
Basic		P 16.28	P 15.34	P 13.74			
Diluted		P 16.22	P 15.30	P 13.69			

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos)

	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
NET PROFIT		P 87,479	P 82,220	P 73,560	P 87,279	P 82,116	P 67,199
OTHER COMPREHENSIVE INCOME (LOSS)							
Items that are or will be reclassified subsequently to profit or loss:							
Net unrealized gains (losses) on debt investments at fair value through other comprehensive income (FVOCI), net of tax	10, 16	5,049	(1,086)	7,487	5,028	(1,092)	7,459
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax		14	(26)	19	12	(26)	20
Impairment losses (recoveries) on debt investments at FVOCI	10, 16	9	(25)	108	9	(25)	108
Net gains (losses) on FVOCI securities, net of tax		5,072	(1,137)	7,614	5,049	(1,143)	7,587
Translation adjustment related to foreign operations		192	(46)	16	232	(41)	25
		5,264	(1,183)	7,630	5,281	(1,184)	7,612
Items that will not be reclassified to profit or loss:							
Remeasurement on life insurance reserves		1,478	391	(4,072)	1,478	391	(4,072)
Actuarial losses on remeasurement of retirement benefit obligation, net of tax	26	(5,855)	(3,540)	(5,517)	(5,808)	(3,524)	(5,487)
Net unrealized gains on equity investments at FVOCI, net of tax	10	262	369	160	262	369	160
		(4,115)	(2,780)	(9,429)	(4,068)	(2,764)	(9,399)
Other Comprehensive Income (Loss), net of tax		1,149	(3,963)	(1,799)	1,213	(3,948)	(1,787)
TOTAL COMPREHENSIVE INCOME		P 88,628	P 78,257	P 71,761	P 88,492	P 78,168	P 65,412
Attributable to:							
Shareholders of the Parent Bank		P 88,347	P 78,066	P 71,615			
Non-controlling Interests		281	191	146			
		P 88,628	P 78,257	P 71,761			

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos)

BDO Unibank Group																
Notes	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares at Cost	Surplus Reserves	Other Reserves	Surplus Free	Net Unrealized Fair Value Gains (Losses) on FVOCI	Accumulated Actuarial Losses	Revaluation Increment	Remeasurement on Life Insurance Reserves	Accumulated Translation Adjustment	Accumulated Share in Other Comprehensive Loss of Associates	Total Attributable to Shareholders of the Parent Bank	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2025	P 53,265	P 6,180	P 237,468	(P 7,077)	P 28,956	P 3	P 291,654	(P 12,980)	(P 26,571)	P 1,010	P 2,766	P 8	(P 11)	P 574,671	P 2,724	P 577,395
Transactions with owners	22															
Issuance of shares during the year	75	-	804	-	-	-	-	-	-	-	-	-	-	879	-	879
Sale of treasury shares	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	1
Options transferred during the year	-	-	-	-	(856)	-	-	-	-	-	-	-	-	(856)	-	(856)
Options expensed during the year	-	-	-	-	1,238	-	-	-	-	-	-	-	-	1,238	-	1,238
Property dividends	30	-	(49)	7,076	-	-	(7,076)	-	-	-	-	-	-	(49)	-	(49)
Cash dividends	-	-	-	-	-	-	(23,275)	-	-	-	-	-	-	(23,275)	(1)	(23,276)
	75	-	755	7,077	382	-	(30,351)	-	-	-	-	-	-	(22,062)	(1)	(22,063)
Total comprehensive income (loss)	-	-	-	-	-	-	87,174	5,311	(5,802)	-	1,478	192	(6)	88,347	281	88,628
Transfer from Surplus Free	22, 28	-	-	-	324	-	(324)	-	-	-	-	-	-	-	-	-
Trust reserve	22	-	-	-	3,091	-	(3,091)	-	-	-	-	-	-	-	-	-
Appropriation of excess GLPP over ECL	22	-	-	-	700	-	(700)	-	-	-	-	-	-	-	-	-
Other reserves	22	-	-	-	4,115	-	(4,115)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	148	(33)	-	-	-	-	-	115	-	115
Other adjustment – Additional capital contribution to a subsidiary	-	-	-	-	-	3	-	-	-	-	-	-	-	3	68	71
BALANCE AT DECEMBER 31, 2025	P 53,340	P 6,180	P 238,223	P -	P 33,453	P 6	P 344,510	(P 7,702)	(P 32,373)	P 1,010	P 4,244	P 200	(P 17)	P 641,074	P 3,072	P 644,146
BALANCE AT JANUARY 1, 2024	P 52,684	P 6,180	P 230,452	(P 1)	P 25,054	P 7	P 233,369	(P 12,210)	(P 23,048)	P 1,010	P 2,375	P 54	(P 10)	P 515,916	P 2,638	P 518,554
Transactions with owners	22															
Issuance of shares during the year	39	-	482	-	-	-	-	-	-	-	-	-	-	521	-	521
Options transferred during the year	-	-	-	-	(637)	-	-	-	-	-	-	-	-	(637)	-	(637)
Options expensed during the year	-	-	-	-	981	-	-	-	-	-	-	-	-	981	-	981
Issuance of shares due to merger	30	542	6,534	(7,076)	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(20,172)	-	-	-	-	-	-	(20,172)	(373)	(20,545)
	581	-	7,016	(7,076)	344	-	(20,172)	-	-	-	-	-	-	(19,307)	(373)	(19,680)
Total comprehensive income (loss)	-	-	-	-	-	-	82,019	(774)	(3,523)	-	391	(46)	(1)	78,066	191	78,257
Transfer from Surplus Free	22, 28	-	-	-	284	-	(284)	-	-	-	-	-	-	-	-	-
Trust reserve	22	-	-	-	2,690	-	(2,690)	-	-	-	-	-	-	-	-	-
Appropriation of excess GLPP over ECL	22	-	-	-	584	-	(584)	-	-	-	-	-	-	-	-	-
Other reserves	22	-	-	-	3,558	-	(3,558)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	(4)	4	-	-	-	-	-	-	-	-
Other adjustment – Additional capital contribution to a subsidiary	-	-	-	-	-	(4)	-	-	-	-	-	-	-	(4)	268	264
BALANCE AT DECEMBER 31, 2024	P 53,265	P 6,180	P 237,468	(P 7,077)	P 28,956	P 3	P 291,654	(P 12,980)	(P 26,571)	P 1,010	P 2,766	P 8	(P 11)	P 574,671	P 2,724	P 577,395
BALANCE AT JANUARY 1, 2023	P 52,641	P 6,180	P 229,946	(P 1)	P 22,131	(P 76)	P 178,537	(P 19,950)	(P 17,566)	P 1,010	P 6,447	P 38	(P 5)	P 459,332	P 2,125	P 461,457
Transactions with owners	22															
Issuance of shares during the year	43	-	506	-	-	-	-	-	-	-	-	-	-	549	-	549
Options transferred during the year	-	-	-	-	(359)	-	-	-	-	-	-	-	-	(359)	-	(359)
Options expensed during the year	-	-	-	-	903	-	-	-	-	-	-	-	-	903	-	903
Cash dividends	-	-	-	-	-	-	(16,207)	-	-	-	-	-	-	(16,207)	-	(16,207)
	43	-	506	-	544	-	(16,207)	-	-	-	-	-	-	(15,114)	-	(15,114)
Total comprehensive income (loss)	-	-	-	-	-	-	73,411	7,747	(5,482)	-	(4,072)	16	(5)	71,615	146	71,761
Transfer from Surplus Free	22, 28	-	-	-	262	-	(262)	-	-	-	-	-	-	-	-	-
Trust reserve	22	-	-	-	2,090	-	(2,090)	-	-	-	-	-	-	-	-	-
Appropriation of excess GLPP over ECL	22	-	-	-	27	-	(27)	-	-	-	-	-	-	-	-	-
Other reserves	22	-	-	-	2,379	-	(2,379)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	7	(7)	-	-	-	-	-	-	-	-
Other adjustment – Additional capital contribution to a subsidiary	-	-	-	-	-	83	-	-	-	-	-	-	-	83	367	450
BALANCE AT DECEMBER 31, 2023	P 52,684	P 6,180	P 230,452	(P 1)	P 25,054	P 7	P 233,369	(P 12,210)	(P 23,048)	P 1,010	P 2,375	P 54	(P 10)	P 515,916	P 2,638	P 518,554

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos)

Parent Bank													
Notes	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares at Cost	Surplus Reserves	Merger and Other Reserves	Surplus Free	Net Unrealized Fair Value Gains (Losses) on FVOCI	Accumulated Actuarial Losses	Revaluation Increment	Accumulated Translation Adjustment	Accumulated Share in Other Comprehensive Income (Loss) of Subsidiaries and Associates	Total Equity
BALANCE AT JANUARY 1, 2025	P 53,265	P 6,180	P 237,449	(P 7,077)	P 27,416	P 6,256	P 285,713	(P 8,518)	(P 25,336)	P 1,007	(P 57)	(P 983)	P 575,315
Transactions with owners	22												
Issuance of shares during the year	75	-	804	-	-	-	-	-	-	-	-	-	879
Sale of treasury shares	-	-	-	1	-	-	-	-	-	-	-	-	1
Options transferred during the year	-	-	-	-	(755)	-	-	-	-	-	-	-	(755)
Options expensed during the year	-	-	-	-	1,137	-	-	-	-	-	-	-	1,137
Property dividends	30	-	(61)	7,076	-	-	(7,076)	-	-	-	-	-	(61)
Cash dividends	-	-	-	-	-	-	(23,275)	-	-	-	-	-	(23,275)
	75	-	743	7,077	382	-	(30,351)	-	-	-	-	-	(22,074)
Total comprehensive income (loss)	-	-	-	-	-	-	87,279	4,746	(5,416)	-	225	1,658	88,492
Transfer from Surplus Free													
Trust reserve	22, 28	-	-	-	324	-	(324)	-	-	-	-	-	-
Appropriation of excess GLLP over ECL	22	-	-	-	2,884	-	(2,884)	-	-	-	-	-	-
	-	-	-	-	3,208	-	(3,208)	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	148	34	-	-	-	(67)	115
BALANCE AT DECEMBER 31, 2025	P 53,340	P 6,180	P 238,192	P -	P 31,006	P 6,256	P 339,581	(P 3,738)	(P 30,752)	P 1,007	P 168	P 608	P 641,848
BALANCE AT JANUARY 1, 2024	P 52,684	P 6,180	P 230,433	(P 1)	P 23,816	P -	P 227,028	(P 8,471)	(P 22,047)	P 1,007	P 3	(P 435)	P 510,197
Transactions with owners	22												
Issuance of shares during the year	39	-	482	-	-	-	-	-	-	-	-	-	521
Options transferred during the year	-	-	-	-	(561)	-	-	-	-	-	-	-	(561)
Options expensed during the year	-	-	-	-	906	-	-	-	-	-	-	-	906
Issuance of shares due to merger	30	542	-	6,534	(7,076)	-	6,256	-	-	-	-	-	6,256
Cash dividends	-	-	-	-	-	-	(20,172)	-	-	-	-	-	(20,172)
	581	-	7,016	(7,076)	345	6,256	(20,172)	-	-	-	-	-	(13,050)
Total comprehensive income (loss)	-	-	-	-	-	-	82,116	(47)	(3,289)	-	(60)	(552)	78,168
Transfer from Surplus Free													
Trust reserve	22, 28	-	-	-	284	-	(284)	-	-	-	-	-	-
Appropriation of excess GLLP over ECL	22	-	-	-	2,391	-	(2,391)	-	-	-	-	-	-
Other reserves	22	-	-	-	580	-	(580)	-	-	-	-	-	-
	-	-	-	-	3,255	-	(3,255)	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	(4)	-	-	-	-	4	-
BALANCE AT DECEMBER 31, 2024	P 53,265	P 6,180	P 237,449	(P 7,077)	P 27,416	P 6,256	P 285,713	(P 8,518)	(P 25,336)	P 1,007	(P 57)	(P 983)	P 575,315
BALANCE AT JANUARY 1, 2023	P 52,641	P 6,180	P 229,927	(P 1)	P 21,001	P -	P 178,300	(P 12,228)	(P 16,902)	P 1,007	(P 25)	(P 1)	P 459,899
Transactions with owners	22												
Issuance of shares during the year	43	-	506	-	-	-	-	-	-	-	-	-	549
Options transferred during the year	-	-	-	-	(314)	-	-	-	-	-	-	-	(314)
Options expensed during the year	-	-	-	-	858	-	-	-	-	-	-	-	858
Cash dividends	-	-	-	-	-	-	(16,207)	-	-	-	-	-	(16,207)
	43	-	506	-	544	-	(16,207)	-	-	-	-	-	(15,114)
Total comprehensive income (loss)	-	-	-	-	-	-	67,199	3,757	(5,145)	-	28	(427)	65,412
Transfer from Surplus Free													
Trust reserve	22, 28	-	-	-	262	-	(262)	-	-	-	-	-	-
Appropriation of excess GLLP over ECL	22	-	-	-	1,986	-	(1,986)	-	-	-	-	-	-
Other reserves	22	-	-	-	23	-	(23)	-	-	-	-	-	-
	-	-	-	-	2,271	-	(2,271)	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI	-	-	-	-	-	-	7	-	-	-	-	(7)	-
BALANCE AT DECEMBER 31, 2023	P 52,684	P 6,180	P 230,433	(P 1)	P 23,816	P -	P 227,028	(P 8,471)	(P 22,047)	P 1,007	P 3	(P 435)	P 510,197

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos)

		BDO Unibank Group			Parent Bank		
	Notes	2025	2024	2023	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES							
Profit before tax		P 107,601	P 103,691	P 97,181	P 104,414	P 100,291	P 88,010
Adjustments for:							
Interest received		304,181	276,675	237,732	283,904	264,335	223,260
Interest income	23	(294,665)	(272,039)	(231,704)	(280,627)	(260,751)	(221,977)
Interest expense	24	91,564	85,443	59,317	87,952	81,885	56,323
Interest paid		(90,176)	(82,753)	(53,774)	(87,587)	(80,205)	(51,490)
Impairment losses	9, 10, 11, 12, 14, 17, 18, 21	15,007	14,030	16,381	13,849	12,906	15,640
Depreciation and amortization	12, 13, 14, 17	12,921	12,171	12,656	11,585	10,417	11,444
Unrealized foreign exchange losses (gains)		(6,448)	(9,861)	543	(6,590)	(9,419)	269
Income attributable to insurance operations - net	16	(4,444)	(4,501)	(3,824)	-	-	-
Fair value losses (gains) on investment securities at FVTPL		2,003	(1,283)	(588)	2,113	(1,200)	(526)
Share in net income of subsidiaries and associates	15, 25	(1,661)	(1,397)	(1,273)	(10,600)	(9,303)	(8,378)
Employee stock option plan	26	1,222	968	896	1,137	906	858
Dividends received from investment in associates	15	1,155	924	726	2,792	5,441	1,394
Loss (gain) from the disposal of financial assets at fair value through other comprehensive income (FVOCI)	10	(235)	(89)	31	(244)	(91)	3
Loss (gain) from the disposal of investment securities at amortized cost	10	3	(1)	-	(6)	(1)	-
Gain on acquisition of a subsidiary	30	-	-	(6,276)	-	804	-
Operating profit before changes in operating resources and liabilities		138,028	121,978	128,024	122,092	116,015	114,830
Increase in financial assets at fair value through profit or loss		(7,267)	(11,845)	(794)	(5,536)	(12,284)	(2,045)
Increase in loans and other receivables		(460,064)	(393,789)	(264,391)	(436,152)	(368,868)	(257,689)
Increase in investment properties		(6,976)	(2,439)	(1,655)	(6,776)	(11,758)	(1,613)
Decrease (increase) in investment securities and other assets for life insurance contracts		(912)	(1,076)	(1,409)	-	-	-
Increase in other resources		(19,141)	(26,863)	(25,370)	(19,342)	(16,995)	(20,977)
Increase in deposit liabilities		395,595	226,483	343,249	383,146	209,224	332,613
Increase in insurance contract and other liabilities for life insurance contracts		11,602	9,341	9,064	-	-	-
Increase (decrease) in other liabilities		(8,370)	41,939	7,961	(8,925)	37,810	8,866
Cash generated from (used in) operations		42,495	(34,119)	194,679	28,507	(46,856)	173,985
Cash paid for income taxes		(19,267)	(18,642)	(20,076)	(16,188)	(15,808)	(17,358)
Net Cash From (Used in) Operating Activities		23,228	(52,761)	174,603	12,319	(62,664)	156,627
CASH FLOWS FROM INVESTING ACTIVITIES							
Acquisitions of financial assets at FVOCI	10	(1,046,426)	(1,332,272)	(882,675)	(1,032,288)	(1,324,855)	(872,261)
Proceeds from disposals of financial assets at FVOCI	10	990,636	1,301,294	768,577	974,348	1,292,110	760,430
Acquisitions of investment securities at amortized cost	10	(174,234)	(128,567)	(115,282)	(145,895)	(117,882)	(111,216)
Proceeds from maturities and disposals of investment securities at amortized cost	10	141,328	134,598	49,917	113,087	124,675	46,673
Acquisitions of financial assets at FVOCI arising from life insurance contracts	16	(25,725)	(19,527)	(23,999)	-	-	-
Acquisitions of premises, furniture, fixtures and equipment	12	(12,630)	(9,634)	(6,843)	(11,545)	(8,549)	(5,711)
Proceeds from disposals of financial assets at FVOCI arising from life insurance contracts	16	11,956	13,718	2,413	-	-	-
Proceeds from disposals of premises, furniture, fixtures and equipment	12	115	139	111	66	95	39
Maturities of investment securities at amortized cost arising from life insurance contracts	16	97	1,874	257	-	-	-
Acquisitions of investment securities at amortized cost arising from life insurance contracts	16	(91)	-	(28)	-	-	-
Net addition to equity investment	15	(40)	(360)	(1,171)	(1,502)	(1,853)	(1,171)
Net Cash Used in Investing Activities		(115,014)	(38,737)	(208,723)	(103,729)	(36,259)	(183,217)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from bills payable	20	342,978	298,109	187,614	222,651	238,358	134,226
Payments of bills payable	20	(256,070)	(232,136)	(198,313)	(140,632)	(171,033)	(155,761)
Dividends paid	22	(23,276)	(20,545)	(16,207)	(23,275)	(20,172)	(16,207)
Payments of lease liabilities	13	(4,738)	(4,431)	(4,370)	(4,415)	(4,321)	(4,097)
Proceeds from issuance of common stock	22	879	521	549	879	521	549
Transaction cost related to property dividends	22	(49)	-	-	(61)	-	-
Capital infusion from non-controlling interest	2	71	264	-	-	-	-
Sale of treasury shares	22	1	-	-	1	-	-
Net Cash From (Used in) Financing Activities		59,796	41,782	(30,727)	55,148	43,353	(41,290)
NET DECREASE IN CASH AND CASH EQUIVALENTS (Carried Forward)							
		(P 31,990)	(P 49,716)	(P 64,847)	(P 36,262)	(P 55,570)	(P 67,880)

Notes	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
NET DECREASE IN CASH AND CASH EQUIVALENTS (Brought Forward)	(P 31,990)	(P 49,716)	(P 64,847)	(P 36,262)	(P 55,570)	(P 67,880)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR						
Cash and other cash items	8	109,744	94,278	82,944	105,767	91,635
Due from Bangko Sentral ng Pilipinas (BSP)	8	249,593	335,076	385,779	246,815	332,428
Due from other banks	9	88,260	84,678	58,766	77,211	76,567
Investment securities at amortized cost	10	3,545	709	-	2,498	709
Reverse repurchase agreements	11	25,463	25,370	26,305	25,012	24,970
Interbank loans receivables	11	61,844	48,920	98,942	61,844	49,722
Foreign currency notes and coins (FCNC)	17	10,301	8,986	10,582	10,300	8,986
Investment securities and other assets for life assurance contracts	16	5	454	-	-	-
		<u>548,755</u>	<u>598,471</u>	<u>663,318</u>	<u>529,447</u>	<u>585,017</u>
		548,755	598,471	663,318	529,447	585,017
CASH AND CASH EQUIVALENTS AT END OF YEAR						
Cash and other cash items	8	119,359	109,744	94,278	113,349	105,767
Due from BSP	8	209,827	249,593	335,076	208,467	246,815
Due from other banks	9	108,793	88,260	84,678	96,959	77,211
Investment securities at amortized cost	10	2,922	3,545	709	320	2,498
Reverse repurchase agreements	11	23,170	25,463	25,370	21,669	25,012
Interbank loans receivables	11	40,827	61,844	48,920	40,827	61,844
FCNC	17	11,595	10,301	8,986	11,594	10,300
Investment securities and other assets for life assurance contracts	16	272	5	454	-	-
		<u>P 516,765</u>	<u>P 548,755</u>	<u>P 598,471</u>	<u>P 493,185</u>	<u>P 529,447</u>
		516,765	548,755	598,471	493,185	529,447

Supplemental Information on Non-cash Financing and Investing Activities:

The following are the significant non-cash transactions:

- The BDO Unibank Group and the Parent Bank recognized additional right-of-use assets amounting to P4,654 and P4,282, respectively, in 2025, P4,403 and P4,060, respectively, in 2024, and P3,716 and P3,309, respectively, in 2023 which are presented as part of Premises, Furnitures, Fixtures and Equipment (see Notes 12 and 13).
- At the date of merger between the Parent Bank and The Podium Complex, Inc. (TPCI), formerly known as SM Keppel Land, Inc., the Parent Bank recognized additional assets and liabilities amounting to P16,580 and P9,746, respectively (see Note 30).
- On December 7, 2024, the Board of Directors of the Parent Bank approved the declaration of treasury shares as property dividends which resulted from the merger of the Parent Bank and TPCI with the Parent Bank as the surviving entity. The treasury shares amounting to P7,076 were distributed to shareholders on May 30, 2025 after obtaining approval from the Securities and Exchange Commission (see Note 22).

Other Information

Certain investment securities at amortized cost, reverse repurchase agreements, interbank loans receivables, and FCNC are included as part of cash and cash equivalents for cash flow purposes but are presented as part of Trading and Investment Securities, Loans and Other Receivables, Investment Securities and Other Assets for Life Insurance Contracts, and Other Resources, respectively, in the statements of financial position (see Note 2.4). Margin deposits presented as part of Due from Other Banks is excluded from cash and cash equivalents for cash flow purposes (see Note 9).

See Notes to Financial Statements.

BDO UNIBANK, INC. AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Millions of Philippine Pesos, Except Per Share Data or As Indicated)

1. CORPORATE MATTERS

1.1 Incorporation and Operations

BDO Unibank, Inc. (BDO Unibank, BDO or the Parent Bank) was incorporated in the Philippines on December 20, 1967 to engage in the business of banking. It was authorized to engage in trust operations on January 5, 1988 and in foreign currency deposit operations on November 23, 1990. The Bangko Sentral ng Pilipinas (BSP) granted approval to the Parent Bank to operate as an expanded commercial bank or universal bank on August 5, 1996. The Parent Bank commenced operations as such in September of the same year. The Parent Bank and its subsidiaries (collectively referred to as BDO Unibank Group) offer a wide range of banking services such as commercial banking, investment banking, private banking, insurance and other banking services. These services include traditional loan and deposit products, as well as treasury, asset management, realty management, leasing and finance, remittance, trade services, retail cash cards, life insurance and insurance brokerage, credit card services, stock brokerage, trust and others.

As a banking institution, BDO Unibank Group's operations are regulated and supervised by the BSP. In this regard, BDO Unibank Group is required to comply with the rules and regulations of the BSP such as those relating to maintenance of reserve requirements on deposit liabilities and deposit substitutes and those relating to the adoption and use of safe and sound banking practices, among others, as promulgated by the BSP. BDO Unibank Group is subject to the provisions of Republic Act (R.A.) No. 8791, the *General Banking Law of 2000*, and other related banking laws.

The Parent Bank's common shares are listed in the Philippine Stock Exchange (PSE).

The BDO Unibank Group and the Parent Bank's banking network within and outside the Philippines as of December 31, 2025 and 2024 follows:

	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Local branches	1,892	1,791	1,255	1,222
Foreign branches	2	2	2	2
Automated teller machines (ATMs)				
On-site	3,123	2,962	3,123	2,962
Off-site	1,995	1,960	1,995	1,960
Branch universal machines	663	481	663	481
Cash accept machines (CAMs)	315	411	315	411
Mobile ATMs	1	1	1	1

BDO Unibank Group operates mainly within the Philippines, with banking branches in Hong Kong and Singapore, a real estate and holding company in Europe, and various remittance subsidiaries operating in Asia, Europe, Canada and the United States. These foreign operations accounted for 2.3%, 2.1% and 1.8% of BDO Unibank Group's total revenues in 2025, 2024 and 2023, respectively, and 4.1% and 2.7% of BDO Unibank Group's total resources as of December 31, 2025 and 2024, respectively. BDO Unibank Group's subsidiaries and associates are shown in Notes 2.3 and 15.

The Parent Bank's principal office address is at BDO Corporate Center, 7899 Makati Avenue, Makati City while the temporary business address is at BDO Towers Valero, 8741 Paseo de Roxas Street, Salcedo Village, Makati City effective October 30, 2021 until further notice.

1.2 Impact of Trump Executive Orders on Tariffs and Immigration

After assuming office last January 20, 2025, US President Donald Trump started imposing tariffs on imports from Canada, Mexico and China, and intensified mass deportations of illegal immigrants through a series of Executive Orders (EO).

The EOs are foreseen to directly affect the global economy, and indirectly the Philippine economy, via foreign exchange and interest rates. Import tariffs and tighter labor supply may translate to higher US inflation and interest rates as well as a stronger US dollar (USD), all else equal.

In April 2025, the US imposed reciprocal tariffs on several countries to regulate imports. On August 7, 2025, the modified tariff schedule took effect, applying a 19% duty on most Philippine goods entering the US.

However, on February 20, 2026, the U.S. Supreme Court rejected President Trump's tariffs, ruling that the President lacked the authority to impose broad tariffs under the International Emergency Economic Powers Act (IEEPA). On the same day, President Trump announced a new 10% global tariff to replace the invalidated duties. This new regime relies on Section 122 of the Trade Act of 1974, which allows for temporary 150-day tariffs of up to 15% in situations of fundamental international payments problems. The next day, February 21, Trump increased the global tariff to 15%, effective February 24, 2026.

The potential impact of these developments on the Philippine economy is expected to be minimal as the Philippines is not a major player in the global supply chain with goods exports being a relatively low contributor to GDP. The country also has a well-diversified migrant work force that is not dependent on the US. While the US officially accounts for 40% of all remittance inflows as most remittances are coursed through global banks, actual worker deployment is much more diversified.

Given the unpredictable nature of recent developments and uncertain outcome, the BDO Unibank Group is constantly monitoring changes that may be related to the BDO Unibank Group and the Philippine economy. Still, BDO Unibank Group believes that its established market position and strong financial condition will mitigate risks relating to the Trump administration's policies.

1.3 Flood Control Issues

In his July 2025 State of the Nation Address, President Ferdinand Marcos Jr. ordered a comprehensive audit of all flood control projects following nationwide complaints about repetitive project descriptions, unclear site locations, and disproportionately large allocations awarded to a small group of contractors.

Initial findings revealed that P100 billion, or approximately 20% of the flood control budget from July 2022 to May 2025, had been awarded to only 15 contractors. Investigations by the Department of Public Works and Highways (DPWH) and state auditors also uncovered numerous substandard and "ghost" projects, which subsequently led to several high-profile resignations and arrests.

The BDO Unibank Group has negligible exposure to the public infrastructure sector but will continue to monitor developments. Currently, investigations are ongoing.

1.4 Approval of Financial Statements

The financial statements of the BDO Unibank Group and the Parent Bank as of and for the year ended December 31, 2025 (including the comparative financial statements as of December 31, 2024 and for the years ended December 31, 2024 and 2023) were authorized for issue by the Parent Bank's Board of Directors (BOD) on February 27, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 *Basis of Preparation of Financial Statements*

(a) *Statement of Compliance with Financial Reporting Standards in the Philippines*

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

The financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of resources, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) *Presentation of Financial Statements*

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The BDO Unibank Group and the Parent Bank present a statement of comprehensive income separate from the statement of income.

(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos (PHP), the BDO Unibank Group and the Parent Bank's functional and presentation currency, and all values are presented in millions, except for per share data or when otherwise indicated (see also Note 2.19).

Items included in the financial statements of BDO Unibank Group and the Parent Bank are measured using its functional currency. Functional currency is the currency of the primary economic environment in which BDO Unibank Group and the Parent Bank operate.

2.2 *Adoption of Amended PFRS Accounting Standards*

(a) *Effective in 2025 that are Relevant to BDO Unibank Group and the Parent Bank*

The BDO Unibank Group and the Parent Bank adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the BDO Unibank Group and the Parent Bank's financial statements.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the BDO Unibank Group and the Parent Bank's financial statements.

- (i) Philippine Financial Reporting Standard (PFRS) 17 *Insurance Contracts – Insurance Contracts* (effective from January 1, 2027). The new standard for insurance contracts, which covers recognition, measurement, presentation and disclosure, will replace PFRS 4, *Insurance Contracts*. On December 15, 2021, the FSRSC amended the effective date of PFRS 17 from January 1, 2023 to January 1, 2025. In line with this, the Insurance Commission (IC) issued Circular Letter No. 2020-62 on May 18, 2020 providing further deferral of the implementation of PFRS 17 for life insurance and non-life insurance industry by two years after the IASB effective date. This was further deferred to January 1, 2027 through Circular Letter No. 2025-04 issued on March 2025.

This new standard requires a current measurement model where estimates are remeasured in each reporting period. Moreover, contracts are measured using the building blocks of:

- discounted probability-weighted cash flows;
- an explicit risk adjustment; and,
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognized as revenue over the coverage period.

PFRS 17 further allows a choice between recognizing changes in discount rates either in the statement of income or directly in other comprehensive income. The choice is likely to reflect how insurers account for financial assets under PFRS 9, *Financial Instruments*.

In addition, the standard provides an optional simplified premium allocation approach for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

A modification of the general measurement model called the variable fee approach is also introduced by PFRS 17 for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

In preparation for the adoption of PFRS 17, the BDO Unibank Group continues its implementation activities on the refinement of end-to-end systems and processes, as well as the finalization of accounting policies amidst evolving regulation to ensure full compliance with the new accounting standard. Also, the BDO Unibank Group, continues to evaluate the financial impact as work progresses with the new implementation date of January 1, 2027.

- (ii) PFRS 17 (Amendments), *Insurance Contracts – Initial Application of PFRS 17 and PFRS 9 Comparative Information* (effective from January 1, 2027)

- (iii) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026). These amendments clarify and refine the classification and measurement guidance in PFRS 9, particularly when to derecognize financial liabilities (generally on settlement date) and introduce an accounting policy option to derecognize certain liabilities earlier when settled via electronic payment systems if specified conditions are met. These also clarify contractual cash flow assessments for financial assets with contingent [including Environmental, Social and Governance (ESG) goal-linked] features and provide guidance on non-recourse assets and contractually linked instruments. Correspondingly, PFRS 7 adds enhanced disclosures for instruments with contingent/ESG-linked terms and for equity instruments designated at fair value through other comprehensive income (FVOCI).
- (iv) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of income (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (v) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The BDO Unibank Group's consolidated financial statements comprise the accounts of the Parent Bank and its subsidiaries as enumerated in Notes 2.3(c) and 15, after the elimination of material intercompany transactions. All intercompany resources and liabilities, equity, income, expenses and cash flows relating to transactions between entities under the BDO Unibank Group are eliminated in full on consolidation. Unrealized profits and losses from intercompany transactions that are recognized in assets are also eliminated in full. Intercompany losses that indicate impairment are recognized in the consolidated financial statements.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Bank, using consistent accounting principles.

The Parent Bank accounts for its investments in subsidiaries, associates, and transactions with non-controlling interests as follows:

(a) Investments in Subsidiaries

In the consolidated financial statements of the BDO Unibank Group, the acquisition method is applied to account for acquired subsidiaries. Acquisition method requires recognizing and measuring the identifiable resources acquired, the liabilities assumed and any non-controlling interest in the acquiree.

On the other hand, business combinations arising from transfers of interests in entities that are under the common control of the shareholders that controls BDO Unibank Group are accounted for under the pooling-of-interest method and reflected in the financial statements at the date of the combination of the entities under common control; for this purpose, no restatement of financial information for periods prior to the transaction is made. The resources and liabilities acquired are recognized in BDO Unibank Group's financial statements at their carrying amounts (i.e., in the case of a legal merger of a subsidiary to the Parent Bank, at the carrying values in the consolidated financial statements).

Investments in subsidiaries are initially recognized at cost and subsequently accounted for using the equity method in the Parent Bank's financial statements (see Note 2.10).

(b) *Investment in Associates*

Investments in associates are initially recognized at cost and subsequently accounted for using the equity method. Acquired investment in associate is subject to the purchase method.

All subsequent changes to the ownership interest in the equity of the associates are recognized in the BDO Unibank Group and the Parent Bank's carrying amount of the investments.

Changes resulting from the profit or loss generated by the associates are credited or charged against the Share in net income of subsidiaries and associates under Other Operating Income account in the statements of income of the BDO Unibank Group and the Parent Bank.

Changes resulting from other comprehensive income of the associate or items recognized directly in the associate's equity are recognized in other comprehensive income or equity of the BDO Unibank Group and the Parent Bank, as applicable. However, when the BDO Unibank Group and the Parent Bank's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the BDO Unibank Group and the Parent Bank do not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the BDO Unibank Group and the Parent Bank resume recognizing its share of those profits only after its share of the profits exceeds the accumulated share of losses that has previously not been recognized.

(c) *Transactions with Non-controlling Interests*

BDO Unibank Group's transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners of BDO Unibank Group in their capacity as owners.

In BDO Unibank Group's financial statements, the non-controlling interest component is shown in its statements of changes in equity, and in its statements of income and statements of comprehensive income for the share of profit or loss and movement of other comprehensive income, respectively, during the year.

The BDO Unibank Group holds interests in the following subsidiaries:

Subsidiaries	Percentage of Ownership		
	2025	2024	2023
Thrift Bank			
BDO Network Bank, Inc. (BDO Network)	85.86%	84.92%	84.91%
Investment House			
BDO Capital & Investment Corporation (BDO Capital)	99.88%	99.88%	99.88%
Private Banking			
BDO Private Bank, Inc. (BDO Private)	100%	100%	100%
Leasing and Finance			
Averon Holdings Corporation (Averon)	99.88%	99.88%	99.88%
BDO Rental, Inc. (BDO Rental)	100%	100%	100%
BDO Finance Corporation (BDO Finance)	100%	100%	100%
BDORO Europe Ltd. (BDORO)	100%	100%	100%
The Podium Complex, Inc. (TPCI) (formerly, SM Keppel Land, Inc.)**	-	-	100%
Securities Company			
BDO Securities Corporation (BDO Securities)	99.88%	99.88%	99.88%
Real Estate Company			
Equimark-NFC Development Corporation (Equimark)*	60%	60%	60%
Insurance Companies			
BDO Life Assurance Company, Inc. (BDO Life)	100%	100%	100%
BDO Insurance and Reinsurance Brokers, Inc. (BDOI)	100%	100%	100%
Holding Companies			
Dominion Holdings, Inc. (Dominion Holdings)	88.54%	88.54%	88.54%
BDO Strategic Holdings, Inc. (BDOSHI)	100%	100%	100%
Remittance Companies			
BDO Remit (USA), Inc. (BRUSA)****	100%	100%	100%
BDO Remit (Japan) Ltd.	100%	100%	100%
BDO Remit (Canada) Ltd.	100%	100%	100%
BDO Remit Limited	100%	100%	100%
BDO Remit (Macau) Ltd.	100%	100%	100%
BDO Remit (UK) Ltd. (BDO Remit UK)***	99.88%	99.88%	99.88%
BDO Remit International Holdings B.V. (BDO RIH)*	96.20%	96.20%	96.20%
CBN Greece S.A.*	96.13%	96.13%	96.13%

* Under liquidation

** Merged with Parent Bank on December 1, 2024 (see Note 30.6)

*** For liquidation

**** For sale or liquidation

Non-controlling interests represent the interests not held by BDO Unibank Group in BDO Network, BDO Capital, Dominion Holdings, Averon, BDO Securities, Equimark, BDO Remit UK, BDO RIH and CBN Greece S.A (see Note 15).

2.4 Financial Assets and Financial Liabilities

Regular purchases and sales of financial assets are recognized on their settlement date (i.e., the date that the BDO Unibank Group commits to purchase or sell the asset).

(a) Classification, Measurement and Reclassification of Financial Assets

The classification and measurement of financial assets are described below.

(i) Financial Assets at Amortized Cost

Where the business model is to hold assets to collect contractual cash flows, the BDO Unibank Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (SPPI). In making this assessment, the BDO Unibank Group 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 [see Note 3.1(c)]. 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 fair value through profit or loss (FVTPL).

The BDO Unibank Group's financial assets at amortized cost are presented as Cash and Other Cash Items, Due from BSP, Due from Other Banks, Loans and Other Receivables, Investment securities at amortized cost under Trading and Investment Securities and certain accounts under Investment Securities and Other Assets for Life Insurance Contracts and Other Resources accounts in the statements of financial position.

For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, due from BSP and other banks, foreign currency notes and coins (FCNC), reverse repurchase agreements, certain interbank bank loans receivables and investment securities at amortized cost with original maturities of three months or less from placement date.

(ii) Financial Assets at Fair Value Through Other Comprehensive Income

At initial recognition, BDO Unibank Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments at FVOCI; however, such designation is not permitted if the equity investment is held by the BDO Unibank Group for trading or as mandatorily required to be classified as FVTPL. The BDO Unibank Group has designated certain equity instruments at FVOCI.

(iii) Financial Assets at Fair Value Through Profit or Loss

Equity securities are classified as financial assets at FVTPL, unless the BDO Unibank Group designates an equity investment that is not held for trading at FVOCI at initial recognition. The BDO Unibank Group's financial assets at FVTPL include equity securities which are held for trading purposes.

The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

(b) *Effective Interest Rate Method and Interest Income*

Interest income is recognized using the effective interest rate (EIR) method for all financial instruments measured at amortized cost and financial instruments designated at FVTPL. Interest income on interest bearing financial assets measured at FVOCI are also recorded by using the EIR method.

The BDO Unibank Group recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive (negative) adjustment to the carrying amount of the asset in the statement of financial position with an increase (reduction) in interest income. The adjustment is subsequently amortized through interest and similar income in the statement of income.

The BDO Unibank Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

For financial assets that have become credit-impaired subsequent to initial recognition [see Note 2.4(c)], interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

(c) *Impairment of Financial Assets*

At the end of the reporting period, the BDO Unibank Group assesses its expected credit loss (ECL) on a forward-looking basis associated with its financial assets which consist of debt instruments carried at amortized cost and FVOCI and other contingent accounts such as committed credit lines and unused commercial letter of credits. No impairment loss is recognized on equity securities. The BDO Unibank Group considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The BDO Unibank Group measures loss allowances at an amount equal to lifetime ECL, except for the following financial instruments for which they are measured as 12-month ECL:

- debt securities that are identified to have 'low credit risk' at the reporting date; and,
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

For these financial instruments, the allowance for impairment is associated with the probability of default (PD) of a financial instrument in the next 12 months (referred to as 'Stage 1' financial instruments). When there has been a significant increase in credit risk subsequent to the initial recognition of the financial asset, a lifetime ECL (which are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial asset) will be recognized (referred to as 'Stage 2' financial instruments). 'Stage 2' financial instruments also include loan accounts and facilities where the credit risk has improved and have been reclassified from 'Stage 3'. A lifetime ECL shall also be recognized for 'Stage 3' financial instruments, which include financial instruments that are subsequently credit-impaired, as well as purchased or originated credit impaired (POCI) assets.

The BDO Unibank Group's definition of credit risk and information on how credit risk is mitigated by the BDO Unibank Group are disclosed in Note 4.3.

(d) *Measurement of ECL*

The measurement of the ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and, (iii) 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. The BDO Unibank Group's detailed ECL measurement as determined by the management is disclosed in Note 4.3.5.

(e) *Derecognition of Financial Assets – Modification of Loans*

When the BDO Unibank Group renegotiates or otherwise modifies the contractual cash flows of loans to customers, the BDO Unibank Group assesses whether or not the new terms are substantially different to the original terms. The BDO Unibank Group considers, among others:

- if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- whether any substantial new terms are introduced that will affect the risk profile of the loan;
- significant extension of the loan term when the borrower is not in financial difficulty;
- significant change in the interest rate;
- change in the currency the loan is denominated in; and/or,
- insertion of collateral, other security or credit enhancements that will significantly affect the credit risk associated with the loan.

If the terms are substantially different, the BDO Unibank Group derecognizes the financial asset and recognizes a "new" asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the BDO Unibank Group also assesses whether the new financial asset recognized is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are recognized as gain or loss on derecognition of financial assets in profit or loss.

As to the impact on ECL measurement, the expected fair value of the “new” asset is treated as the final cash flow from the existing financial asset at the date of derecognition. Such amount is included in the calculation of cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the BDO Unibank Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognizes a modification gain or loss in profit or loss.

(f) *Classification and Measurement of Financial Liabilities*

Financial liabilities include deposit liabilities, bills payable and other liabilities for life insurance contracts (see Note 2.12) and other liabilities (including derivatives with negative fair values, except taxes payable, unearned income and capitalized interest and other charges).

- *Deposit liabilities and other liabilities* are recognized initially at fair value and subsequently measured at amortized cost less settlement payments.
- *Bills payable* are recognized initially at fair value, equivalent to the issue proceeds (fair value of consideration received), net of direct issue costs. Bills payable are subsequently measured at amortized cost. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.
- *Derivatives with negative fair values* are recognized initially and subsequently measured at fair value with changes in fair value recognized in profit or loss (see Note 2.5).
- *Lease deposits from operating and finance leases* (presented as Lease deposits under Other Liabilities account in the statements of financial position) are initially recognized at fair value. The excess of the principal amount of the deposits over its fair or present value is immediately recognized as day-one gain and is included as part of Miscellaneous - net under Other Operating Income account in the statements of income. Meanwhile, interest expense on the subsequent amortization of the lease deposits is accrued using the effective interest method and is included as part of Interest Expense account in the statements of income.
- *Dividend distributions to shareholders* are recognized as financial liabilities when the dividends are declared by BDO Unibank Group and subject to the requirements of BSP Circular No. 888.

(g) *Financial Guarantees and Undrawn Loan Commitments*

The BDO Unibank Group issues financial guarantees and loan commitments. Financial guarantees are those issued by the BDO Unibank Group to creditors as allowed under existing rules and regulations whereby it guarantees third party obligations by signing as guarantor in the contract or agreement. Undrawn loan commitments and letters of credit are commitments under which, over the duration of the commitment, the BDO Unibank Group is required to provide a loan or credit with pre-specified terms to the customer.

The nominal contractual value of financial guarantees and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not reflected in the statements of financial position. These contracts are in the scope of the ECL requirements where the BDO Unibank Group estimates the expected portion of the irrevocable undrawn loan commitments that will be drawn over their expected life based on the BDO Unibank Group's historical observations of actual drawdowns and forward-looking forecasts. The ECL related to financial guarantees and loan commitments without outstanding drawn amounts is recognized under Other Liabilities account in the statements of financial position.

2.5 Derivative Financial Instruments

BDO Unibank Group is a party to various foreign currency forwards, cross-currency swaps and interest rate swaps. These contracts are entered into as a service to customers and as a means of reducing or managing BDO Unibank Group's foreign exchange and interest rate exposures, as well as for trading purposes. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

For more complex instruments, BDO Unibank Group uses valuation models, which usually use the discounted cash flow approach [see Note 3.2(c)]. Some or all of the inputs into these models may not be market observable, and are derived from market prices or rates or are estimated based on assumptions.

Certain derivatives, if any, may be designated as either: (i) hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge); or, (ii) hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge). Changes in the fair value of derivatives are recognized in profit or loss. The method of recognizing the resulting fair value gain or loss on derivatives that qualify as hedging instrument, if any, depends on the hedging relationship designated by BDO Unibank Group.

2.6 Premises, Furniture, Fixtures and Equipment

Land is stated at cost less impairment losses, if any. All other premises, furniture, fixtures and equipment are carried at cost less accumulated depreciation, amortization and any impairment in value. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the depreciable assets as follows:

Buildings	10 to 50 years
Furniture, fixtures and equipment	3 to 15 years
Leasehold rights and improvements	5 to 10 years

2.7 Investment Properties

Investment properties are stated at cost. The cost of an investment property comprises its purchase price and directly attributable costs incurred. This also includes land and building acquired by BDO Unibank Group from defaulting borrowers not held for sale in the next 12 months. For these properties, the cost is recognized initially at fair value. Investment properties, except land, are depreciated on a straight-line basis over a period of 10 to 50 years.

BDO Unibank Group adopted the cost model in measuring its investment properties; hence, these are carried at cost less accumulated depreciation and any impairment in value.

Depreciation and impairment loss are recognized in the same manner as in premises, furniture, fixtures and equipment (see Notes 2.6 and 2.18).

2.8 Real Properties for Development and Sale

Real properties for development and sale (included as part of Other Resources account) consist of subdivision land for sale and development, and land acquired for home building, home development, and other types of real estate development. These are carried at the lower of aggregate cost and net realizable value. Costs, which are determined through specific identification, include acquisition costs and costs incurred for development, improvement and construction of subdivision land.

2.9 Non-current Assets Held for Sale

Non-current assets held for sale include other properties (chattels) acquired through repossession or foreclosure, as well as an asset acquired in a business combination under common control, which the BDO Unibank Group intends to sell within one year from the date they are classified as held for sale.

BDO Unibank Group classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. In the event that the sale of the asset is extended beyond one year, the extension of the period required to complete the sale does not preclude an asset from being classified as held for sale if the delay is caused by events or circumstances beyond BDO Unibank Group's control and there is sufficient evidence that BDO Unibank Group remains committed to sell the asset.

2.10 Equity Investments

In the Parent Bank's financial statements, investments in subsidiaries and associates (presented under Equity Investments account in the statements of financial position) are accounted for under the equity method of accounting and are initially recognized at cost less allowance for impairment, if any (see Note 2.18).

2.11 Intangible Assets

Intangible assets include goodwill, trading rights, branch licenses, customer lists, trademark and computer software licenses.

Goodwill represents the excess of the cost of acquisition over the fair value of the net assets acquired at the date of acquisition. Goodwill is subsequently carried at cost less any accumulated impairment losses (see Note 2.18). Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units is represented by each primary reporting segment.

Trading rights represent the rights given to securities subsidiaries of BDO Unibank Group in stock brokerage to preserve access to the trading facilities and to transact business on PSE. Trading right is assessed as having an indefinite useful life. It is carried at the amount allocated from the original cost of the exchange membership seat (after a corresponding allocation was made to the value of the PSE shares) less allowance for impairment loss, if any. BDO Unibank Group has no intention to sell its trading right in the future as it intends to continue to operate its stock brokerage business. The trading right is tested annually for any impairment in realizable value (see Note 2.18).

Branch licenses, on the other hand, represent the rights given to BDO Unibank Group to establish certain number of branches as an incentive in acquiring distressed banks or as provided by the BSP in addition to the current branches of the acquired banks. Branch licenses are assessed as having an indefinite useful life and are tested annually for any impairment (see Note 2.18).

Customer lists consist of information about customers such as their name, contact information, and managed accounts under BDO Unibank Group's trust business. The customer list is classified as intangible asset with indefinite useful life, hence, would be reviewed for impairment by assessing at each reporting date whether there is any indication that the trust business brought about by the customer lists may be impaired (see Note 2.18).

Trademark pertains to the license granted to the Parent Bank for the exclusive right to use the trademark, service mark, name or logo of Diners Club International, Ltd. (Diners) in connection with the Parent Bank's operation of Diners card business in the Philippines. The trademark is covered by a trademark license agreement with a term of five years, renewable every five years, subject to certain conditions set by trademark owner. This intangible asset is recognized at an amount equal to the excess of purchase price for the acquisition of Diners credit card portfolio over the acquisition-date fair value of the net assets acquired. As of December 31, 2025 and 2024, the trademark is fully amortized.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. These costs are amortized on straight-line basis over the expected useful life of five years.

2.12 Insurance Contract Liabilities

(a) Legal Policy Reserves

Life insurance contract liabilities are recognized when the contracts are entered into and the premiums are recognized. The provision for life insurance contracts is calculated on the basis of a prospective actuarial valuation method and assumptions subject to the provisions of the Insurance Code and guidelines set by the IC.

The BDO Unibank Group uses gross premium valuation (GPV) as the basis for valuation of the reserves for traditional life insurance policies. GPV is calculated as the sum of the present value of future benefits and expenses, less the present value of future gross premiums arising from the policy discounted at the appropriate risk-free discount rate provided by the IC. For this purpose, the expected future cash flows shall be determined using the best estimate assumptions with due regard to significant recent experience and appropriate margin for adverse deviation (MfAD) from the expected experience. The methods and assumptions shall be in accordance with the internationally accepted actuarial standards and consider the generally accepted actuarial principles concerning financial reporting framework promulgated by the Actuarial Society of the Philippines, which considers other assumptions such as morbidity, lapse and/or persistency, non-guaranteed benefits and MfAD.

The changes in legal policy reserves for traditional life insurance policies are recognized as follows:

- (i) the increase or decrease in legal policy reserves in the current year due to other assumptions excluding change in discount rate will be recognized to profit or loss; and,
- (ii) remeasurement on life insurance reserves due to changes in discount rates will be recognized in other comprehensive income.

(b) Insurance Contracts with Fixed and Guaranteed Terms

Liabilities are determined as the sum of the present value of future benefits and expenses less the present value of future gross premiums discounted at rates prescribed by the IC. Future cash flows are determined using best estimate assumptions with regard to significant recent experience and appropriate margin for adverse deviation from the expected experience.

BDO Unibank Group has different assumptions for different products. However, the reserves are computed to comply with the statutory requirements, wherein discount rates are based on risk-free discount rates provided by the IC and other assumptions such as mortality, disability, lapse and expenses taking into account BDO Unibank Group's experience.

(c) Variable Unit-linked (VUL) Insurance Contracts

BDO Unibank Group, through BDO Life, issues unit-linked insurance contracts. In addition to providing insurance coverage, a unit-linked contract links payments to units of an internal investment fund set up by BDO Unibank Group with the consideration received from the policyholders. Premiums received from the issuance of unit-linked insurance contracts are recognized as premiums revenue. As allowed by PFRS 4, BDO Unibank Group chose not to unbundle the investment portion of its unit-linked products.

The reserve for unit-linked liability is increased by additional deposits and changes in unit prices and is decreased by policy administration fees, mortality and surrender charges and any withdrawals. At each reporting date, this reserve is computed on the basis of the number of units allocated to the policyholders multiplied by the unit price of the underlying investment funds. The assets and liabilities underlying the internal investment funds have been consolidated with the general accounts of BDO Unibank Group.

(d) *Liability Adequacy Test*

Liability adequacy tests are performed annually to ensure the adequacy of the insurance contract liabilities. In performing these tests, current best estimates of future contractual cash flows, claims handling and policy administration expenses are used. Any deficiency is immediately charged against profit or loss initially by establishing a provision for losses arising from the liability adequacy tests.

2.13 Equity

Equity consists of the following:

- (a) Capital stock represents the nominal value of shares that have been issued.
- (b) Additional paid-in capital includes any premiums received on the issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.
- (c) Surplus reserves consist of (i) reserve for trust business - represents the accumulated amount set aside by BDO Unibank Group under existing regulations requiring the BDO Unibank Group to carry to surplus 10% of its net profits accruing from its trust business until the surplus shall amount to 20% of the regulatory capital as prescribed by BSP; (ii) reserve for insurance fund and additional working capital for underwriting and equity trading securities and reserve fund requirement for subsidiaries engaged in the security brokerage business (see Note 22.5); (iii) share options outstanding (SOO) - represents the accumulated total of employee stock options' amortizations over the vesting period as the share-based employee remuneration are recognized and reported in the statement of income. SOO will be deducted for any exercise or forfeiture of share options already vested; and, (iv) appropriation for general loan loss provision (GLLP) as prescribed by the BSP to meet the required 1% GLLP on Stage 1 loans.
- (d) Merger and other reserves consist of (i) difference between the consideration paid and the carrying amounts of the net assets acquired in a business combination under common control and (ii) amount recognized from changes in BDO Unibank Group's ownership interest in any of its subsidiaries that do not result in loss of control.
- (e) Surplus free includes all current and prior period results as disclosed in the statement of income and which are available and not restricted for use by BDO Unibank Group, reduced by the amounts of dividends declared, if any.
- (f) Net unrealized gain or loss (NUGL) on FVOCI composed of cumulative mark-to-market valuation of outstanding securities and accumulated impairment on debt securities classified as FVOCI.
- (g) Accumulated actuarial gains or (losses) from the remeasurements of post-employment defined benefit plan.
- (h) Revaluation increment pertains to gains from the revaluation of land under premises, furniture, fixtures and equipment, which is treated as part of the deemed cost of the assets (see Note 2.6).

- (i) Remeasurement on life insurance reserves arises from the increase or decrease of the reserves brought about by changes in discount rates.
- (j) Accumulated translation adjustment pertains to foreign exchange differences arising on translation of the resources and liabilities of foreign branch and subsidiaries that are taken up in other comprehensive income (see Note 2.19).
- (k) Accumulated share in other comprehensive income (loss) of subsidiaries and associates pertains to changes resulting from the BDO Unibank Group and the Parent Bank's share in other comprehensive income (loss) of subsidiaries and associates or items recognized directly in the subsidiaries and associates' equity.
- (l) Non-controlling interests represent the portion of the net resources and profit or loss not attributable to BDO Unibank Group, which are presented separately in BDO Unibank Group's statement of income, statement of comprehensive income and within the equity in BDO Unibank Group's statement of financial position and changes in equity.

2.14 Related Party Transactions and Relationships

The BDO Unibank Group has established policies and procedures on related party transactions (RPT) in accordance with the BSP and Securities and Exchange Commission (SEC) regulations. These include definition of related parties, coverage of RPT policy, guidelines in ensuring arm's-length terms, identification and prevention or management of potential or actual conflicts of interest which arise from RPTs, adoption of materiality thresholds, internal limits for individual and aggregate exposures, whistle-blowing mechanisms, and restitution of losses and other remedies for abusive RPTs. The RPT Committee reviews, approves and endorses to the BOD for final approval all material RPTs.

Material RPT whose value exceeds 10% of the BDO Unibank Group's total resources based on the latest audited consolidated financial statements, either singly or aggregated within a 12-month period, with the same related party, shall require review of an external independent party appointed by the BOD. The approval of two-thirds vote of the BOD, with at least a majority of the independent directors voting affirmatively shall be obtained prior to the execution of the material RPT. In case that majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock.

The RPT policy applies to the Parent Bank, its subsidiaries and affiliates, as appropriate, to ensure that every related party transaction is conducted in a manner that will protect the BDO Unibank Group from any conflict of interest which may arise between the BDO Unibank Group and its related parties. The policy also covers the proper review, approval, ratification and disclosure of transactions between the BDO Unibank Group and any of its related party/ies in compliance with legal and regulatory requirements. The policy likewise requires any member of the RPT Committee who has a potential interest in any RPT to abstain from the discussion and endorsement of the RPT. Similarly, any member of the BOD who has an interest in the transaction must abstain from the deliberation and approval of any RPT.

2.15 Other Income and Expense Recognition

A contract with a customer that results in a recognized financial instrument in the BDO Unibank Group's financial statements may be partially within the scope of PFRS 9 and partially within the scope of PFRS 15, *Revenue from Contracts with Customers*. In such case, the BDO Unibank Group first applies PFRS 9 to separate and measure the part of the contract that is in-scope of PFRS 9, and then applies PFRS 15 to the residual part of the contract.

The BDO Unibank Group also earns service fees and commissions in various banking services, and gains on sale of properties, which are supported by contracts approved by the parties involved. These revenues are accounted for by the BDO Unibank Group in accordance with PFRS 15.

For revenues arising from these various banking services which are to be accounted for under PFRS 15, the following provides information about the nature and timing of satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

- (a) *Service charges, fees and commissions* – Service charges, fees and commissions are generally recognized over time as the service is being provided and is based on the various criteria of recognition for each specific income source. These include the following accounts:
 - (i) *Commission and fees* arising from loans, deposits, and other banking transactions are taken up as income based on agreed terms and conditions.
 - (ii) *Loan syndication fees* are recognized as revenue when the syndication has been completed and that BDO Unibank Group retained no part of the loan package for itself or retained a part at the same effective interest rate for the other participants.
 - (iii) *Arranger fees* arising from negotiating or participating in the negotiation of a transaction for a third party such as arrangement of the acquisition of shares or other securities or the purchase or sale of businesses are recognized at the completion of the underlying assumptions.
 - (iv) *Portfolio and other management advisory and service fees* are recognized based on the applicable service contracts, usually on a time-proportionate basis.
- (b) *Asset management services* – The BDO Unibank Group recognizes trust fees related to asset management services, which include trust and fiduciary services. Trust fees related to investment funds are recognized ratably over the period the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time.

For other income outside the scope of PFRS 15, the following provides information about the nature and the related revenue recognition policies:

- (a) *Trading and securities gains (losses)* – These are recognized when the ownership of the securities is transferred to the buyer and is computed as the difference between the selling price and the carrying amount of the securities disposed of. These also include trading gains and losses as a result of the mark-to-market valuation of investment securities classified as FVTPL.
- (b) *Gain or loss from assets sold or exchanged* – Income or loss from assets sold or exchanged is recognized when the title to the properties is transferred to the buyer or when the collectability of the entire sales price is reasonably assured. This is included in the statements of income as part of Real and other properties acquired (ROPA) income under Other Operating Income account.
- (c) *Recovery on charged-off assets* – Income arising from collections on accounts or recoveries from impairment of items previously written off are recognized in the year of recovery. This is included as part of ROPA income and Miscellaneous - net under Other Operating Income account in the statements of income.

The BDO Unibank Group recognizes an expense and liability relative to the fair value of the reward points earned by clients and customers [see Note 3.2(j)] since such points are redeemable primarily from the goods or services provided by a third party participating in the program, for example, SM Group (a related party) and rewards partners of the Parent Bank.

2.16 Provisions and Contingencies

The BDO Unibank Group offers rewards to active account holders in relation to its credit card and marketing rewards program. Provisions for rewards are recognized at a certain rate of the account holders' availments, determined by management based on redeemable amounts [see Note 3.2 (j)].

2.17 Leases

BDO Unibank Group accounts for its leases as follows:

(a) BDO Unibank Group as Lessor

Leases, wherein BDO Unibank Group substantially transfers to the lessee all risks and benefits incidental to ownership of the leased item, are classified as finance leases and are presented as receivable at an amount equal to BDO Unibank Group's net investment in the lease. Finance income is recognized based on the pattern reflecting a constant periodic rate of return on BDO Unibank Group's net investment outstanding in respect of the finance lease.

(b) BDO Unibank Group as Lessee

Subsequent to initial recognition, the BDO Unibank Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The BDO Unibank Group also assesses the right-of-use asset for impairment when such indicators exist (see Note 2.18).

BDO Unibank Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense as incurred.

On the statements of financial position, right-of-use assets and lease liabilities have been presented as part of Premises, Furniture, Fixtures and Equipment and Other Liabilities, respectively.

2.18 Impairment of Non-financial Assets

Intangible assets with an indefinite useful life, such as goodwill, branch licenses, customer lists and trading rights are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.19 Foreign Currency Transactions and Translations

(a) Foreign Currency Transactions

The financial statements of the Foreign Currency Deposit Unit (FCDU) of BDO Unibank Group are translated at the prevailing current exchange rates (for statement of financial position accounts) and average exchange rate during the period (for statement of income accounts) for consolidation purposes.

(b) Foreign Currency Translation

The accounting records of BDO Unibank Group are maintained in Philippine pesos except for foreign branches and subsidiaries, which are maintained in USD, Canadian Dollar (CAD), European Union Euro (Euro), Great Britain Pound (GBP), Japanese Yen (JPY), Macanese Pataca (MOP), Hong Kong Dollars (HKD) or Singapore Dollar (SGD).

On consolidation, exchange differences arising from the translation of foreign branch and net investment in foreign subsidiaries are recognized in other comprehensive income as part of Accumulated Translation Adjustment account. When a foreign operation is sold, the cumulative amount of exchange differences is recognized in profit or loss.

The translation of the financial statements into Philippine peso should not be construed as a representation that the USD, CAD, Euro, GBP, JPY, MOP, HKD or SGD amounts could be converted into Philippine peso amounts at the translation rates or at any other rates of exchange.

2.20 Compensation and Benefits Expense

BDO Unibank Group provides post-employment benefits to employees through a defined benefit plan and defined contribution plan, and other employee benefits.

BDO Unibank Group's defined benefit post-employment plan covers all regular full-time employees. The post-employment plan is tax-qualified, noncontributory and administered by a trustee. The defined benefit obligation (DBO) is calculated annually by independent actuaries using the projected unit credit method.

A defined contribution plan is a post-employment plan under which BDO Unibank Group pays the required employer's contributions into an independent entity, such as the Social Security System. BDO Unibank Group has no legal or constructive obligations to pay further contributions after payment of the required employer's contribution.

Short-term employee benefits include wages, salaries, bonuses, and non-monetary benefits provided to current employees, which are expected to be settled before 12 months after the end of the reporting period during which the employee services are rendered, but do not include termination benefits.

Termination benefits are payable when employment is terminated by BDO Unibank Group for authorized cause before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

BDO Unibank Group recognizes a liability and an expense for bonuses based on the BDO Unibank Group's bonus policy. A provision is recognized by BDO Unibank Group where it is contractually obliged to pay the benefits or where there is a past practice that has created a constructive obligation.

BDO Unibank Group has an employee stock option plan (ESOP) for its senior officers (from vice-president up) for their contribution to BDO Unibank Group's performance and attainment of team goals. None of the BDO Unibank Group's stock plan is cash-settled.

The stock options are measured at their fair values using the Black-Scholes option model. The stock options allocated to the qualified officers is based on the performance of the senior officers as determined by management and it requires a vesting period of five years. These are adjusted accordingly for any resignation or disqualification. The vested options may be exercised within three years from vesting date. The cost of ESOP is amortized over five years (vesting period) starting from the approval of the BOD. The annual amortization of stock options is included in Compensation and benefits under Other Operating Expenses account in the statements of income with corresponding recognition of SOO (included as part of Surplus Reserves under the Equity section of the statements of financial position).

2.21 Earnings Per Share

Basic earnings per share is determined by dividing consolidated net profit attributable to common shares by the weighted average number of common shares issued and outstanding during the period, after retroactive adjustment for any stock dividend declared in the current period.

The diluted earnings per share is computed in the same manner, however, consolidated net profit attributable to common shares and the weighted average number of common shares outstanding are adjusted to reflect the effects of potentially dilutive convertible preferred shares and stock option plan granted by BDO Unibank Group to the qualified officers (to the extent that shares under the stock option plan shall be issued from the unissued authorized capital stock and not purchased from the market or stock exchange).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

BDO Unibank Group and the Parent Bank's financial statements, prepared in accordance with PFRS Accounting Standards, require management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates and the differences could be significant.

3.1 *Critical Management Judgments in Applying Accounting Policies*

In the process of applying BDO Unibank Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements.

(a) *Application of ECL to Financial Assets at Amortized Cost and Financial Assets at FVOCI*

BDO Unibank Group uses the general approach to calculate ECL for all debt instruments carried at amortized cost and FVOCI, together with loan commitments and financial guarantee contracts. The allowance for impairment is based on the ECLs associated with the PD of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since origination of the financial instrument, in such case, a lifetime ECL for the instrument is recognized. This is where significant judgment is required.

BDO Unibank Group has established a policy to perform an assessment, at the end of each reporting period, whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument (see Note 4.3.5).

(b) *Evaluation of Business Model Applied in Managing Financial Instruments*

BDO Unibank Group manages its financial assets based on business models that maintain adequate level of financial assets to match its expected cash outflows, largely its core deposit funding arising from customers' withdrawals and continuing loan disbursements to borrowers, while maintaining a strategic portfolio of financial assets for trading activities consistent with its risk appetite.

BDO Unibank Group developed business models which reflect how it manages its portfolio of financial instruments. BDO Unibank Group's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments (i.e., group of financial instruments that are managed together by BDO Unibank Group) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, BDO Unibank Group evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by BDO Unibank Group (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relate to BDO Unibank Group's investment, trading and lending strategies.

(c) *Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model*

In determining the classification of financial assets, BDO Unibank Group assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, BDO Unibank Group assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows).

If the resulting difference is significant, the SPPI criterion is not met. In view of this, BDO Unibank Group considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

If more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows.

In making this judgment, BDO Unibank Group considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessarily inconsistent with a held-to-collect business model if BDO Unibank Group can explain the reasons for those sales and why those sales do not reflect a change in BDO Unibank Group's objective for the business model.

(d) *Distinction Between Investment Properties and Owner-occupied Properties*

BDO Unibank Group determines whether a property qualifies as investment property. In making its judgment, BDO Unibank Group considers whether the property generates cash flows largely independent of the other assets held by BDO Unibank Group. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other resources used in the supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the supply of services or for administrative purposes. If the portions can be sold separately (or leased out separately under finance lease), BDO Unibank Group accounts for those portions separately. If the portion cannot be sold separately, the property is accounted for as investment property only if insignificant portion is held for use in the supply of services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The BDO Unibank Group considers each property separately in making its judgment.

(e) *Distinction Between Operating and Finance Leases for Contracts where BDO Unibank Group is the Lessor*

The BDO Unibank Group has entered into various lease agreements as a lessor. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risks and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of resources.

(f) *Determination of Lease Term*

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of land and office spaces, the factors that are normally the most relevant are

(i) if there are significant penalties should BDO Unibank Group pre-terminate the contract, and (ii) if any leasehold improvements are expected to have a significant remaining value, BDO Unibank Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the BDO Unibank Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The BDO Unibank Group did not include the renewal period as part of the lease term of the land and office spaces because the terms of most of the contracts are renewable upon the mutual agreement of the parties.

The lease term is reassessed if an option is actually exercised or not or the BDO Unibank Group becomes obliged to exercise or not. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the BDO Unibank Group.

(g) *Classification and Fair Value Determination of Acquired Properties*

The BDO Unibank Group classifies its acquired properties as follows: (a) Premises, Furniture, Fixtures and Equipment, if used in operations; (b) chattels and properties acquired through business combination as Non-current assets held for sale (presented under Other Resources account) if expected to be recovered through sale rather than use; (c) real properties as Investment Properties if intended to be held for capital appreciation or lease; (d) financial assets, if qualified as such in accordance with PFRS 9; or (e) depreciable assets (other than building) as Other properties (presented as part of Others under Other Resources account) if held for sale but are not yet disposed after a certain number of years. At initial recognition, the BDO Unibank Group determines the fair value of the acquired properties through internally or externally generated appraisal. The appraised value is determined based on the current economic and market conditions as well as the physical condition of the properties. The BDO Unibank Group's methodology in determining the fair value of acquired properties is further discussed in Note 7.5.

(h) *Assessment of Significant Influence on Entities in which BDO Unibank Group Holds Less than 20% Ownership*

The management has assessed that the BDO Unibank Group and the Parent Bank exercise a significant influence over NLEX Corporation even though it holds less than 20% of the latter's ordinary shares. In making this judgment, management considered the BDO Unibank Group and the Parent Bank's voting rights, which is based on its acquired right to nominate a director in NLEX Corporation as granted in the Amended and Restated Shareholders' Agreement (ARSA).

Under the ARSA, an investor holding at least 10% of the equity of NLEX Corporation is granted the right to nominate one director and an investor holding at least 16.5% is granted the right to nominate two directors. Management determined that these nomination rights provide the BDO Unibank Group the power to participate in the financial and operating policy decisions of NLEX Corporation, thereby meeting the criteria of significant influence under PAS 28, *Investments in Associate and Joint Ventures*.

Management acknowledges that an incorrect assessment of significant influence would result in either overstatement or understatement of resources, liabilities, income and expenses, as accounting treatment differs depending on whether an investor is classified as an associate.

(i) *Determination of Timing of Satisfaction of Performance Obligations*

The BDO Unibank Group determines that its revenues from services for account management and loan administration shall be recognized over time while all other revenue streams are recognized at point in time. In making its judgment, the BDO Unibank Group considers the timing of receipt and consumption of benefits provided by the BDO Unibank Group to the customers. As the work is performed, the BDO Unibank Group becomes entitled to payments. This demonstrates that the customers simultaneously receive and consume the benefits of the BDO Unibank Group's rendering of these retail and corporate banking services as it performs.

In determining the best method of measuring the progress of the BDO Unibank Group's rendering of aforementioned services, the management considers the output method, which uses direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised as basis in recognizing revenues. Such measurements include results of performance completed to date and time elapsed.

(j) *Determination of Branch Licenses Having Indefinite Useful Lives*

The BDO Unibank Group's branch licenses were regarded as having indefinite useful lives considering there is no foreseeable limit to the period over which such assets are expected to generate net cash inflows for the BDO Unibank Group. The assessment of having indefinite useful lives is reviewed periodically and is updated whether events and circumstances such as the period of control over these assets and legal or similar limits on the use of these assets continue to support such assessment.

(k) *Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. Similarly, possible outflows of economic benefits to the BDO Unibank Group that do not yet meet the recognition criteria of a liability are considered contingent liabilities, hence, are not recognized in the financial statements. Judgment is exercised by management to distinguish between provisions and contingencies. Relevant disclosures are presented in Note 34.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of resources and liabilities within the next reporting period:

(a) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost and debt instruments measured at FVOCI is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.3.5.

The carrying value of financial assets at FVOCI, Investment securities at amortized cost, Loans and Other Receivables, financial assets at FVOCI for life insurance contracts, and the analysis of the allowance for impairment on such financial assets, are shown in Notes 10.2, 10.3, 11, 16.1 and 18, respectively.

(b) *Fair Value Measurement for Financial Instruments*

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. Valuation techniques are used to determine fair values which are validated and periodically reviewed by management. To the extent practicable, models use observable data, however, areas such as counterparty credit risk, volatilities and correlations require management to make estimates. Changes in assumptions could affect the reported fair value of financial instruments.

The carrying values of the BDO Unibank Group's financial assets at FVTPL and financial assets at FVOCI and the amounts of fair value changes recognized during the years on those assets are disclosed in Notes 10.1, 10.2, and 16.1.

(c) *Determination of Fair Value of Derivatives*

The fair value of derivative financial instruments that are not quoted in an active market is determined through valuation techniques normally using the discounted cash flow model.

The value produced by a model or other valuation technique, in some instances, is adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction.

Valuation adjustments are recorded to allow for model risks, bid-ask spreads, liquidity risks as well as other factors. Management believes that these valuation adjustments are necessary and appropriate to fairly state financial instruments carried at fair value in the statements of financial position.

(d) *Estimation of Useful Lives of Premises, Furniture, Fixtures and Equipment, Investment Properties and Other Resources*

The BDO Unibank Group estimates the useful lives of premises, furniture, fixtures and equipment, investment properties and other properties, including trademark and computer software license, based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

The carrying amounts of premises, furniture, fixtures and equipment are analyzed in Note 12 while investment properties and other resources, including trademark, goodwill and branch licenses, are analyzed in Notes 14 and 17, respectively.

(e) *Determination of Appropriate Discount Rate in Measuring Lease Liabilities*

The BDO Unibank Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the BDO Unibank Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(f) *Determination of Assumptions for Management's Estimation of Fair Value of Investment Properties*

Investment properties are carried at cost. The fair values disclosed in Note 14 are determined by BDO Unibank Group using the discounted cash flows valuation technique, which is mainly based on existing market conditions and actual transactions at each reporting period. Key considerations include selling prices under installment terms, expected timing of sale, and appropriate discount rates. Expected selling price is determined by either an independent or internal appraiser based on the current appraised values of the properties or comparable properties in similar locations and conditions (see Note 7.5).

For investment properties appraised prior to the end of the current reporting period, management evaluates whether significant developments or circumstances have arisen during the intervening period that would require adjustments in the disclosed fair values. Significant changes in key inputs or sources of information used in determining fair value may necessitate adjustments to the carrying amounts of these assets if such fair values provide evidence of impairment.

(g) *Determination of Realizable Amount of Deferred Tax Assets*

BDO Unibank Group reviews its deferred tax assets at each reporting period and reduces the carrying amount when it is no longer probable that sufficient taxable profit will be available to support their utilization. Significant judgment is applied by the management in determining the amount of deferred tax assets that can be recognized considering the timing and expected level of the BDO Unibank Group's future taxable income. In assessing recoverability, the BDO Unibank Group considers projected financial performance to evaluate the sufficiency of taxable income to support recognition.

The carrying value of deferred tax assets expected to be realized within the next two to three years as of December 31, 2025 and 2024 is disclosed in Note 31.1.

(h) *Impairment of Non-financial Assets*

To determine value in use, management estimates the future cash flows expected from each cash-generating unit and determines the suitable discount rate to calculate their present value. Discount rates are determined individually for each cash-generating unit and reflect management's assessment of related market, asset-specific, and risk profile factors.

Except for goodwill and intangible assets with indefinite useful lives, PAS 36, *Impairment of Assets*, requires an impairment review whenever indicators of impairment exist. While management believes that the assumptions used in estimating fair values are reasonable and appropriate, changes in these assumptions may materially affect the recoverable values. Any resulting impairment could have a material adverse effect on the results of operations.

Impairment losses recognized in profit or loss are disclosed in Note 18.

(i) *Valuation of Post-employment Defined Benefit Obligation*

The measurement of BDO Unibank Group's post-employment and other retirement benefit obligations and related expense requires the use of actuarial assumptions. These assumptions, disclosed in Note 26.2, include discount rates, expected return on plan assets, and salary increase rates. Significant changes in any of these actuarial assumptions may materially affect the recognized expense, other comprehensive income (loss), and the carrying amount of the obligation in future periods.

Details of the post-employment benefit obligation, related expenses, movements in the present value of the obligation, and the significant actuarial assumptions used are presented in Note 26.2.

(j) *Recognition of Reward Points*

The BDO Unibank Group grants rewards points to its banking clients based on the month-to-date average daily balance in personal deposit accounts and credit card usage. Reward points are redeemable in a wide selection of reward categories, including travel, merchandise of third parties, reward credits and gift certificates. Certain credit card reward points do not expire unless the card is cancelled, while other rewards programs have defined expiration periods.

The BDO Unibank Group recognizes a liability for the cost of future reward redemptions of points earned to date. The liability is based on accumulated points and the current cost per point of redemption. Estimated redemptions are revised regularly and consider factors such as historical redemption behavior, the product type that generated the points, and the expected ultimate redemption date.

The estimated liability is affected by changes in points earned and redeemed, weighted-average cost per point, customer redemption choices, and other program modifications. The calculation is most sensitive to changes in the ultimate redemption rate, which assumes that a large majority of points earned will eventually be redeemed.

The carrying value of the rewards points liability is presented as part of Accrued expenses under Other Liabilities account in the statements of financial position (see Note 21).

(k) *Valuation of Legal Policy Reserves*

Legal policy reserves represent the estimated present value of future benefits and expenses in excess of the present value of future gross premiums. These estimates are based on interest rates, mortality and morbidity rates, lapse rates, and valuation methodologies, all of which must comply with the insurance code and IC guidelines.

For life insurance contracts, discount rates prescribed by the IC are used, while other assumptions reflect best estimates based on recent experience and appropriate MfAD. At each reporting date, these estimates are reassessed for adequacy and changes are reflected as adjustments to the liability. Key assumptions include mortality, morbidity, lapse, discount rates, and expenses.

The number of expected lapses, deaths, illnesses or injuries affects the valuation of future benefits and ensures that reserves remain adequate. These estimates are monitored against current and future expected premiums (see Note 16.2).

(l) *Fair Value Measurement of Stock Options*

The BDO Unibank Group estimates the fair value of executive stock options using the Black-Scholes option pricing model, taking into account the terms and conditions of the stock option plan. The significant assumptions include the option's vesting period, applicable risk-free interest rate, expected dividend yield, volatility of the BDO Unibank Group's share price, and the fair value of the BDO Unibank Group's common shares. Changes in these assumptions may impact the fair value of stock options at the grant date.

4. RISK MANAGEMENT

The BOD is responsible for establishing and maintaining a sound risk management system. The BOD assumes oversight over the entire risk management process and has the ultimate responsibility for all risks taken.

The BOD has constituted the Risk Management Committee (RMC) as the Board-Level Committee responsible for the oversight of the risk management program. Considering the importance of appropriately addressing credit risk, the BOD has also constituted the Executive Committee. The Executive Committee is responsible for approving credit-specific transactions and policies, while the RMC is responsible for approving risk appetite levels, policies, and risk tolerance limits related to credit portfolio risk, market risk, liquidity risk, interest rate risk, operational risk (including business continuity risk, information technology (IT) risk, information security and cyber-security risk, data privacy risk, and social media risk), consumer protection risk and environmental and social risk to ensure that current and emerging risk exposures are consistent with BDO Unibank Group's strategic direction and overall risk appetite.

Within BDO Unibank Group's overall risk management system is the Assets and Liabilities Committee (ALCO), which is responsible for managing the statement of financial position, including liquidity, interest rate and foreign exchange related risks. In addition, ALCO formulates investment and financial policies by determining the asset allocation and funding mix strategies that are likely to yield the targeted financial results.

The BDO Unibank Group operates an enterprise-wide risk management system to address the risks it faces in its banking activities. The Risk Management Group (RMG) is mandated to adequately and consistently evaluate, manage, control, and monitor the overall risk profile of the BDO Unibank Group's activities across the different risk areas, i.e., credit, market, liquidity, interest rate, and operational risks, including business continuity risk, IT risk, information security, cyber-security, and data privacy risk, to optimize the risk-reward balance and maximize return on capital. RMG also has the responsibility for recommending to the appropriate body, risk policies across the full range of risks to which the BDO Unibank Group is exposed. RMG functionally reports to the RMC.

The evaluation, analysis, and control performed by the Risk Function, in conjunction with the Risk Takers, constitute the risk management process. The risk management process is applied at three levels: the transaction level, the business unit level, and the portfolio level. This framework ensures that risks are properly identified, quantified and analyzed, in the light of its potential effect on the BDO Unibank Group's business. The goal of the risk management process is to ensure rigorous adherence to the BDO Unibank Group's standards for precision in risk measurement and reporting and to make possible, in-depth analysis of the deployment of capital and the returns that are delivered to the shareholders.

In 2025, there was no significant change on the policies and process for managing the risk and the methods used to measure the risk of the BDO Unibank Group and the Parent Bank.

4.1 Liquidity Risk

Liquidity risk refers to the possibility that the BDO Unibank Group may be unable to generate sufficient funds to meet its obligations as they fall due – whether to repay depositors, extend committed loans, or meet other liquidity commitments. The BDO Unibank Group manages this risk by maintaining an adequate stock of high-quality liquid assets to meet funding requirements, manage and control liquidity gaps through Maximum Cumulative Outflow (MCO) limits, and conducting regular liquidity stress tests to ensure positive cashflow under all identified stress scenarios. The BDO Unibank Group also maintains a Liquidity Contingency Plan to ensure the availability of funding under both business-as-usual and stressed conditions.

The analyses of the maturity groupings of resources, liabilities and off-book items as of December 31, 2025 and 2024 prepared in accordance with account classification of the BSP, are presented below and in the succeeding pages. The amounts disclosed in the maturity analysis represent contractual cash flows using the primary contractual maturities or behavioral assumptions on core levels (e.g., core deposit liabilities and core deposit substitutes with maturities within one year have been classified in the more than three years category), if the latter is more relevant for purposes of profiling the liquidity gap.

BDO Unibank Group

	2025				
(Amounts in PHP)	One to Three Months	More Than Three Months to One Year	More Than One Year to Three Years	More Than Three Years	Total
Resources:					
Cash and other cash items	119,359	-	-	-	119,359
Due from BSP and other banks - net	194,651	14,440	68,533	43,579	321,203
Trading and investment securities - net	83,711	51,998	238,499	610,485	984,693
Loans and other Receivables - net	723,874	508,631	745,948	1,716,055	3,694,508
Investment securities and other assets for life insurance contracts - net	5,466	6,510	13,576	111,262	136,814
Other resources - net*	75,157	2	3	99,817	174,979
Total Resources	1,202,218	581,581	1,066,559	2,581,198	5,431,556
Liabilities and Equity:					
Deposit liabilities	1,297,851	270,371	1,521,498	1,100,071	4,189,791
Bills payable	108,036	39,368	164,987	39,427	351,818
Insurance contract and other liabilities for life insurance contracts**	8,276	(3,236)	(4,780)	101,335	101,595
Other liabilities	123,687	13,296	1,398	5,825	144,206
Total Liabilities	1,537,850	319,799	1,683,103	1,246,658	4,787,410
Equity	-	-	-	644,146	644,146
Total Liabilities and Equity	1,537,850	319,799	1,683,103	1,890,804	5,431,556
On-book gap	(335,632)	261,782	(616,544)	690,394	-
Cumulative on-book gap	(335,632)	(73,850)	(690,394)	-	-
Contingent assets	385,517	68,009	19,016	30,427	502,969
Contingent liabilities	411,303	72,186	18,880	30,006	532,375
Off-book gap	(25,786)	(4,177)	136	421	(29,406)
Net Periodic Gap	(361,418)	257,605	(616,408)	690,815	29,406
Cumulative Total Gap	(361,418)	(103,813)	(720,221)	(29,406)	-

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

** Insurance contract and other liabilities for life insurance contracts with more than three months to one year and more than one year to three years have negative aging because the renewal premiums (inflow) are greater than the expected insurance benefit liability.

BDO Unibank Group

(Amounts in PHP)	2024				
	One to Three Months	More Than Three Months to One Year	More Than One Year to Three Years	More Than Three Years	Total
Resources:					
Cash and other cash items	109,744	-	-	-	109,744
Due from BSP and other banks - net	181,756	17,333	82,281	58,671	340,041
Trading and investment securities - net	112,439	66,574	164,087	533,008	876,108
Loans and other receivables - net	696,608	383,062	687,332	1,505,516	3,272,518
Investment securities and other assets for life insurance contracts - net	2,914	5,545	12,153	101,299	121,911
Other resources - net*	9,184	2	3	146,539	155,728
Total Resources	1,112,645	472,516	945,856	2,345,033	4,876,050
Liabilities and Equity:					
Deposit liabilities	1,188,587	203,537	1,351,615	1,050,288	3,794,027
Bills payable	28,600	122,430	104,107	6,333	261,470
Insurance contract and other liabilities for life insurance contracts**	1,278	407	(2,326)	92,112	91,471
Other liabilities	70,347	1,834	1,909	77,597	151,687
Total Liabilities	1,288,812	328,208	1,455,305	1,226,330	4,298,655
Equity	-	-	-	577,395	577,395
Total Liabilities and Equity	1,288,812	328,208	1,455,305	1,803,725	4,876,050
On-book gap	(176,167)	144,308	(509,449)	541,308	-
Cumulative on-book gap	(176,167)	(31,859)	(541,308)	-	-
Contingent assets	465,296	69,102	32,440	19,804	586,642
Contingent liabilities	512,737	75,437	32,375	22,091	642,640
Off-book gap	(47,441)	(6,335)	65	(2,287)	(55,998)
Net Periodic Gap	(223,608)	137,973	(509,384)	539,021	55,998
Cumulative Total Gap	(223,608)	(85,635)	(595,019)	(55,998)	-

Parent Bank

(Amounts in PHP)	2025				
	One to Three Months	More Than Three Months to One Year	More Than One Year to Three Years	More Than Three Years	Total
Resources:					
Cash and other cash items	113,349	-	-	-	113,349
Due from BSP and other banks - net	182,022	12,019	68,533	43,384	305,958
Trading and investment securities - net	75,900	51,220	227,841	593,367	948,328
Loans and other receivables - net	787,974	473,968	694,823	1,610,100	3,566,865
Other resources - net*	-	-	-	232,740	232,740
Total Resources	1,159,245	537,207	991,197	2,479,591	5,167,240
(Balance carried forward)					

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

** Insurance contract and other liabilities for life insurance contracts with more than one year to three years have negative aging because the renewal premiums (inflow) are greater than the expected insurance benefit liability.

Parent Bank

	2025				
	One to Three Months	More Than Three Months to One Year	More Than One Year to Three Years	More Than Three Years	Total
<i>(Amounts in PHP)</i>					
Total Resources <i>(Balance brought forward)</i>	<u>1,159,245</u>	<u>537,207</u>	<u>991,197</u>	<u>2,479,591</u>	<u>5,167,240</u>
Liabilities and Equity:					
Deposit liabilities	1,267,362	269,311	1,521,296	1,011,493	4,069,462
Bills payable	166,799	26,255	96,216	35,257	324,527
Other liabilities	<u>40,649</u>	<u>12,884</u>	<u>-</u>	<u>77,870</u>	<u>131,403</u>
Total Liabilities	<u>1,474,810</u>	<u>308,450</u>	<u>1,617,512</u>	<u>1,124,620</u>	<u>4,525,392</u>
Equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>641,848</u>	<u>641,848</u>
Total Liabilities and Equity	<u>1,474,810</u>	<u>308,450</u>	<u>1,617,512</u>	<u>1,766,468</u>	<u>5,167,240</u>
On-book gap	<u>(315,565)</u>	<u>228,757</u>	<u>(626,315)</u>	<u>713,123</u>	<u>-</u>
Cumulative on-book gap	<u>(315,565)</u>	<u>(86,808)</u>	<u>(713,123)</u>	<u>-</u>	<u>-</u>
Contingent assets	349,680	55,280	857	4,648	410,465
Contingent liabilities	<u>375,587</u>	<u>59,456</u>	<u>861</u>	<u>4,654</u>	<u>440,558</u>
Off-book gap	<u>(25,907)</u>	<u>(4,176)</u>	<u>(4)</u>	<u>(6)</u>	<u>(30,093)</u>
Net Periodic gap	<u>(341,472)</u>	<u>224,581</u>	<u>(626,319)</u>	<u>713,117</u>	<u>30,093</u>
Cumulative Total Gap	<u>(341,472)</u>	<u>(116,891)</u>	<u>(743,210)</u>	<u>(30,093)</u>	<u>-</u>
2024					
	One to Three Months	More Than Three Months to One Year	More Than One Year to Three Years	More Than Three Years	Total
<i>(Amounts in PHP)</i>					
Resources:					
Cash and other cash items	105,767	-	-	-	105,767
Due from BSP and other banks - net	168,824	14,857	82,281	58,364	324,326
Trading and investment securities - net	108,863	63,829	152,708	514,588	839,988
Loans and other receivables - net	699,868	357,374	644,424	1,467,091	3,168,757
Other resources - net*	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,360</u>	<u>202,360</u>
Total Resources	<u>1,083,322</u>	<u>436,060</u>	<u>879,413</u>	<u>2,242,403</u>	<u>4,641,198</u>
Liabilities and Equity:					
Deposit liabilities	1,154,745	202,915	1,351,427	976,965	3,686,052
Bills payable	31,499	111,142	91,862	5,785	240,288
Other liabilities	<u>50,917</u>	<u>1,565</u>	<u>-</u>	<u>87,061</u>	<u>139,543</u>
Total Liabilities	<u>1,237,161</u>	<u>315,622</u>	<u>1,443,289</u>	<u>1,069,811</u>	<u>4,065,883</u>
Equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>575,315</u>	<u>575,315</u>
Total Liabilities and Equity	<u>1,237,161</u>	<u>315,622</u>	<u>1,443,289</u>	<u>1,645,126</u>	<u>4,641,198</u>
On-book gap	<u>(153,839)</u>	<u>120,438</u>	<u>(563,876)</u>	<u>597,277</u>	<u>-</u>
Cumulative on-book gap	<u>(153,839)</u>	<u>(33,401)</u>	<u>(597,277)</u>	<u>-</u>	<u>-</u>
Contingent assets	454,069	59,596	2,194	2,135	517,994
Contingent liabilities	<u>501,492</u>	<u>66,116</u>	<u>2,224</u>	<u>2,143</u>	<u>571,975</u>
Off-book gap	<u>(47,423)</u>	<u>(6,520)</u>	<u>(30)</u>	<u>(8)</u>	<u>(53,981)</u>
Net Periodic gap	<u>(201,262)</u>	<u>113,918</u>	<u>(563,906)</u>	<u>597,269</u>	<u>53,981</u>
Cumulative Total Gap	<u>(201,262)</u>	<u>(87,344)</u>	<u>(651,250)</u>	<u>(53,981)</u>	<u>-</u>

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

The negative liquidity gap in the MCO is due to the timing difference in the contractual maturities of resources and liabilities. The MCO measures the maximum funding requirement the BDO Unibank Group may need to support its maturing obligations. To ensure that the BDO Unibank Group maintains a prudent and manageable level of cumulative negative gap, the BDO Unibank Group maintains a pool of high-quality liquid assets in the form of tradable investment securities. Moreover, the BOD has approved MCO Limits that primarily reflect the BDO Unibank Group's overall appetite for liquidity risk.

These limits are reviewed every year, and compliance with the MCO framework is monitored and regularly reported to the BOD and senior management.

In case of breach in the MCO Limit, the RMG elevates the concern to the BOD through the RMC for appropriate corrective action by senior management. Additional measures to mitigate liquidity risks include monitoring funding concentration, short-term liquidity reporting, assessing available funding sources, and conducting liquid assets analysis. Projected funding sources and requirements, as well as pricing strategies are also discussed thoroughly during weekly ALCO meetings.

Pursuant to applicable BSP regulations, the BDO Unibank Group is required to maintain reserves against deposit liabilities using prescribed reserve ratios. These required reserves must be held in the form of deposits placed in the BDO Unibank Group's demand deposit accounts with the BSP. The BSP also requires the BDO Unibank Group to maintain asset cover of 100% for foreign currency-denominated liabilities of its FCDU.

4.1.1 Liquidity Risk Stress

To strengthen the effectiveness of its liquidity gap analysis, the BDO Unibank Group regularly performs liquidity stress testing based on behavioral and hypothetical assumptions under stress conditions. Survivability and resilience of the BDO Unibank Group are assessed for a minimum 30-day stress period for all crisis scenarios enumerated in BSP Circular No. 981, *Guidelines on Liquidity Risk Management*. The results of these liquidity stress simulations are reported to RMC on a monthly basis.

4.1.2 Foreign Currency Liquidity Management

The liquidity risk management policies and objectives outlined in this section also apply to the management of any foreign currency to which the BDO Unibank Group maintains significant exposure. The BDO Unibank Group ensures that its measurement, monitoring and control systems fully account for such exposures. The BDO Unibank Group sets and regularly reviews limits on the size of the cash flow mismatches for each significant individual currency and on an aggregate basis across appropriate time horizons. The BDO Unibank Group also assesses its access to foreign exchange markets when establishing its risk limits.

4.2 Market Risk

Market risk is the risk of potential loss arising from movements in the prices of financial instruments. The BDO Unibank Group's market risk exposure primarily arises from its holdings of foreign exchange instruments, debt securities, equity securities and derivatives. The BDO Unibank Group manages this risk by identifying, analyzing and measuring relevant or foreseeable sources of market risks. The Market and Liquidity Risk Management Unit of the Parent Bank recommends market risk limits based on relevant activity indicators for approval by BDO Unibank Group's RMC and the BOD.

4.2.1 Foreign Exchange Risk

The BDO Unibank Group manages the impact of fluctuations in foreign currency exchange rates by maintaining its foreign currency exposure regulatory limits and at levels it considers prudent for a financial institution engaged in foreign exchange activities.

The BDO Unibank Group's net foreign exchange exposure is computed as the difference between its foreign currency-denominated resources and liabilities. BSP regulations impose a cap of 25% of qualifying capital or US\$150 million, whichever is lower, on a bank's consolidated net open foreign exchange position. The BDO Unibank Group's foreign exchange exposure is primarily limited to the day-to-day over-the-counter buying and selling of foreign exchange in its branches, as well as foreign exchange dealings with corporate clients and other financial institutions. The BDO Unibank Group, being a major market participant in the Philippine Dealing System, may also engage in proprietary trading to take advantage of foreign exchange movements.

End-of-day foreign exchange exposures are monitored against limits set in the BDO Unibank Group's Risk Management Manual, which are aligned with BSP-prescribed ceilings. The BDO Unibank Group reports its compliance with these limits on a daily basis. In addition, it also reports on the foreign currency positions of its subsidiaries. The breakdown of the financial assets and financial liabilities as to foreign and peso-denominated balances as of December 31, 2025 and 2024 is as follows.

BDO Unibank Group

(Amounts in PHP)	2025			2024		
	Foreign Currencies	Philippine Pesos	Total	Foreign Currencies	Philippine Pesos	Total
Resources:						
Cash and other cash items and due from BSP	87	329,099	329,186	112	359,225	359,337
Due from other banks - net	101,244	10,132	111,376	83,859	6,589	90,448
Trading and investment securities:						
At FVTPL	8,197	25,330	33,527	7,440	20,489	27,929
At FVOCI	171,700	164,887	336,587	124,185	148,040	272,225
At amortized cost	228,711	385,868	614,579	188,376	387,578	575,954
Investment securities and other assets for life insurance contracts - net	11,082	121,678	132,760	9,824	107,818	117,642
Loans and other receivables	302,688	3,391,820	3,694,508	325,754	2,946,764	3,272,518
Other resources	11,602	1,717	13,319	10,322	1,481	11,803
	<u>835,311</u>	<u>4,430,531</u>	<u>5,265,842</u>	<u>749,872</u>	<u>3,977,984</u>	<u>4,727,856</u>
Liabilities:						
Deposit liabilities	502,336	3,687,455	4,189,791	474,428	3,319,599	3,794,027
Bills payable	153,165	198,653	351,818	121,451	140,019	261,470
Insurance contract and other liabilities for life insurance contracts	8,818	92,378	101,196	8,316	82,699	91,015
Other liabilities	11,191	122,239	133,430	14,761	125,028	139,789
	<u>675,510</u>	<u>4,100,725</u>	<u>4,776,235</u>	<u>618,956</u>	<u>3,667,345</u>	<u>4,286,301</u>

Parent Bank

(Amounts in PHP)	2025			2024		
	Foreign Currencies	Philippine Pesos	Total	Foreign Currencies	Philippine Pesos	Total
Resources:						
Cash and other cash items and due from BSP	39	321,777	321,816	62	352,520	352,582
Due from other banks — net	97,088	403	97,491	77,090	421	77,511
Trading and investment securities:						
At FVTPL	5,228	20,373	25,601	6,047	15,927	21,974
At FVOCI	170,915	157,216	328,131	122,742	139,147	261,889
At amortized cost	224,926	369,670	594,596	183,854	372,271	556,125
Loans and other receivables	301,620	3,265,245	3,566,865	325,115	2,843,642	3,168,757
Other resources	11,594	1,165	12,759	10,300	1,162	11,462
	<u>811,410</u>	<u>4,135,849</u>	<u>4,947,259</u>	<u>725,210</u>	<u>3,725,090</u>	<u>4,450,300</u>
Liabilities:						
Deposit liabilities	496,094	3,573,368	4,069,462	465,240	3,220,812	3,686,052
Bills payable	153,013	171,514	324,527	120,720	119,568	240,288
Other liabilities	10,575	111,533	122,108	14,490	114,556	129,046
	<u>659,682</u>	<u>3,856,415</u>	<u>4,516,097</u>	<u>600,450</u>	<u>3,454,936</u>	<u>4,055,386</u>

4.2.2 Interest Rate Risk

The BDO Unibank Group prepares an interest rate gap analysis in the Banking Book to measure the sensitivity of its resources, liabilities and off-book items to interest rate fluctuations. The Banking Book is a term for resources on a bank's statement of financial position that are expected to be held to maturity, usually consisting of customer loans to and deposits from retail and corporate customers. The Banking Book can also include those derivatives that are used to hedge exposures arising from the Banking Book activity, including interest rate risk. The focus of analysis is the impact of changes in interest rates on accrual or reported earnings. This analysis would give management a glimpse of the re-pricing profile of its interest sensitive resources and liabilities in the Banking Book.

An interest rate gap report is prepared by classifying all resources and liabilities into various time buckets according to contracted maturities if fixed or anticipated repricing dates if floating, or based on behavioral assumptions if more applicable. In the interest rate gap presented, loans and investments are profiled based on next repricing if floating or contracted maturity if fixed rate while non-maturity deposit liabilities are considered non-rate sensitive. The difference in the amount of resources and liabilities maturing or being repriced in any time period category would then give BDO Unibank Group an indication of the extent to which it is exposed to the risk of potential changes in net interest income. Interest rate financial instruments (e.g., interest rate derivatives) may be used to hedge the interest rate exposures in the Banking Book. There are, however, no outstanding interest rate derivatives used as hedges in the Banking Book.

The analyses of the groupings of resources, liabilities and off-book items as of December 31, 2025 and 2024 based on the expected interest realization or recognition are shown below and in the succeeding pages.

BDO Unibank Group

	2025					
	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	Total
(Amounts in PHP)						
Resources:						
Cash and other cash items	-	-	-	-	119,359	119,359
Due from BSP and other banks - net	65,994	2,389	-	-	252,820	321,203
Trading and investment securities - net	56,715	51,998	524,969	317,483	33,528	984,693
Loans and other receivables - net	1,979,283	610,067	984,731	118,175	2,252	3,694,508
Investment securities and other assets for life insurance contracts - net	2,238	5,332	25,141	58,761	45,342	136,814
Other resources - net*	-	2	5	-	174,972	174,979
Total Resources	2,104,230	669,788	1,534,846	494,419	628,273	5,431,556
Liabilities and Equity:						
Deposit liabilities	1,766,880	308,570	13,326	886	2,100,129	4,189,791
Bills payable	176,155	27,611	148,052	-	-	351,818
Insurance contract and other liabilities for life insurance contracts**	2,458	(2,845)	(2,267)	74,910	29,339	101,595
Other liabilities	-	11,961	1,385	5	130,855	144,206
Total Liabilities	1,945,493	345,297	160,496	75,801	2,260,323	4,787,410
Equity	-	-	-	-	644,146	644,146
Total Liabilities and Equity (Balance carried forward)	1,945,493	345,297	160,496	75,801	2,904,469	5,431,556

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

** Insurance Contract and Other Liabilities for Life Insurance Contracts with maturities of more than three months to one year and more than one year to five years have negative aging because the renewal premiums (inflow) are greater than the expected insurance benefit liability.

BDO Unibank Group

	2025					
(Amounts in PHP)	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	Total
Total Liabilities and Equity (Balance brought forward)	1,945,493	345,297	160,496	75,801	2,904,469	5,431,556
On-book gap	158,737	324,491	1,374,350	418,618	(2,276,196)	-
Cumulative on-book gap	158,737	455,512	1,857,578	2,276,196	-	-
Contingent assets	9,194	5,901	523	-	-	15,618
Contingent liabilities	15,082	-	523	-	-	15,605
Off-book gap	(5,888)	5,901	-	-	-	13
Net Periodic Gap	152,849	330,392	1,374,350	418,618	(2,276,196)	(13)
Cumulative Total Gap	152,849	483,241	1,857,591	2,276,209	13	-
	2024					
(Amounts in PHP)	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	Total
Resources:						
Cash and other cash items	-	-	-	-	109,744	109,744
Due from BSP and other banks - net	54,837	2,476	-	-	282,728	340,041
Trading and investment securities - net	93,212	66,782	384,359	303,826	27,929	876,108
Loans and other receivables - net	1,709,633	515,177	934,694	122,546	(9,532)	3,272,518
Investment securities and other assets for life insurance contracts - net	1,494	4,514	22,326	49,552	44,025	121,911
Other resources - net*	-	2	3	-	155,723	155,728
Total Resources	1,859,176	588,951	1,341,382	475,924	610,617	4,876,050
Liabilities and Equity:						
Deposit liabilities	1,533,289	228,105	13,091	383	2,019,159	3,794,027
Bills payable	80,624	85,412	95,434	-	-	261,470
Insurance contract and other liabilities for life insurance contracts**	2,556	(3,893)	(2,242)	64,880	30,170	91,471
Other liabilities	-	200	1,317	2,508	147,662	151,687
Total Liabilities	1,616,469	309,824	107,600	67,771	2,196,991	4,298,655
Equity	-	-	-	-	577,395	577,395
Total Liabilities and Equity	1,616,469	309,824	107,600	67,771	2,774,386	4,876,050
On-book gap	242,707	279,127	1,233,782	408,153	(2,163,769)	-
Cumulative on-book gap	242,707	521,834	1,755,616	2,163,769	-	-
Contingent assets	62,007	292	-	-	-	62,299
Contingent liabilities	37,183	-	24,584	-	-	61,767
Off-book gap	24,824	292	(24,584)	-	-	532
Net Periodic Gap	267,531	279,419	1,209,198	408,153	(2,163,769)	(532)
Cumulative Total Gap	267,531	546,950	1,756,148	2,164,301	532	-

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

** Insurance Contract and Other Liabilities for Life Insurance Contracts with maturities of more than three months to one year and more than one year to five years have negative aging because the renewal premiums (inflow) are greater than the expected insurance benefit liability.

Parent Bank

	2025					
	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	Total
<i>(Amounts in PHP)</i>						
Resources:						
Cash and other cash items	-	-	-	-	113,349	113,349
Due from BSP and other banks - net	57,381	-	-	-	248,577	305,958
Trading and investment securities - net	52,512	51,220	511,192	307,803	25,601	948,328
Loans and other receivables - net	1,975,175	595,242	885,093	111,355	-	3,566,865
Other resources - net*	-	-	-	-	232,740	232,740
Total Resources	2,085,068	646,462	1,396,285	419,158	620,267	5,167,240
Liabilities and Equity:						
Deposit liabilities	1,742,724	303,643	13,216	886	2,008,993	4,069,462
Bills payable	158,685	14,498	151,344	-	-	324,527
Other liabilities	-	11,758	-	-	119,645	131,403
Total Liabilities	1,901,409	329,899	164,560	886	2,128,638	4,525,392
Equity	-	-	-	-	641,848	641,848
Total Liabilities and Equity	1,901,409	329,899	164,560	886	2,770,486	5,167,240
On-book gap	183,659	316,563	1,231,725	418,272	(2,150,219)	-
Cumulative on-book gap	183,659	500,222	1,731,947	2,150,219	-	-
Contingent assets	4,641	8,930	-	-	-	13,571
Contingent liabilities	4,638	8,909	-	-	-	13,547
Off-book gap	3	21	-	-	-	24
Net Periodic Gap	183,662	316,584	1,231,725	418,272	(2,150,219)	(24)
Cumulative Total Gap	183,662	500,246	1,731,971	2,150,243	24	-
2024						
	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	Total
<i>(Amounts in PHP)</i>						
Resources:						
Cash and other cash items	-	-	-	-	105,767	105,767
Due from BSP and other banks - net	45,000	-	-	-	279,326	324,326
Trading and investment securities - net	91,586	63,829	369,183	293,415	21,975	839,988
Loans and other receivables - net	1,707,596	504,686	852,816	103,659	-	3,168,757
Other resources - net*	-	-	-	-	202,360	202,360
Total Resources	1,844,182	568,515	1,221,999	397,074	609,428	4,641,198
Liabilities and Equity:						
Deposit liabilities	1,502,972	224,217	17,189	374	1,941,300	3,686,052
Bills payable	68,513	74,125	97,650	-	-	240,288
Other liabilities	-	-	-	-	139,543	139,543
Total Liabilities	1,571,485	298,342	114,839	374	2,080,843	4,065,883
Equity	-	-	-	-	575,315	575,315
Total Liabilities and Equity	1,571,485	298,342	114,839	374	2,656,158	4,641,198
On-book gap	272,697	270,173	1,107,160	396,700	(2,046,730)	-
<i>(Balance carried forward)</i>						

* Other resources include Premises, Furniture, Fixtures and Equipment - net, Investment Properties - net, Equity Investments - net, and Other Resources - net.

Parent Bank

(Amounts in PHP)	2024					Total
	One to Three Months	More Than Three Months to One Year	More Than One Year to Five Years	More Than Five Years	Non-rate Sensitive	
On-book gap (Balance brought forward)	272,697	270,173	1,107,160	396,700	(2,046,730)	-
Cumulative on-book gap	272,697	542,870	1,650,030	2,046,730	-	-
Contingent assets	57,210	3,447	-	-	-	60,657
Contingent liabilities	56,700	3,447	-	-	-	60,147
Off-book gap	510	-	-	-	-	510
Net Periodic Gap	273,207	270,173	1,107,160	396,700	(2,046,730)	(510)
Cumulative Total Gap	273,207	543,380	1,650,540	2,047,240	510	-

The BDO Unibank Group and the Parent Bank's market risk management limits are generally categorized as follows:

- Value-at-risk (VaR) – RMG computes the VaR benchmarked at a level, which is a percentage of projected earnings. The BDO Unibank Group and the Parent Bank use the VaR model to estimate the potential daily loss from their trading book at a 99% confidence level, based on several assumptions. The measurement is designed such that breaches of limits are expected to occur only under very exceptional circumstances.
- Stop loss – RMG sets limits on potential losses from each risk-bearing activity based on a percentage of the budgeted annual income for such activity.
- Nominal position – RMG prescribes nominal position limits to prevent over-trading, avoid excessive concentration, and restrict financial losses in conjunction with other established limits.
- Trading volume – RMG sets transaction volume limits for personnel at various levels, aligned with the rank and authority of the employee making the risk-bearing decision.
- Earnings-at-risk (EAR) – RMG computes the EAR based on the repricing profile of the Banking Book and benchmarks against projected annual net interest income and capital.

VaR is one of the key measures used by the BDO Unibank Group and Parent Bank in managing market risk. VaR is defined as a statistical estimate of the maximum potential loss on a given position over a specified time horizon at a defined confidence interval. The BDO Unibank Group and the Parent Bank use a 99% confidence level and a 260-day observation period in VaR calculation. VaR limits set as a percentage of projected earnings, serve as an early warning mechanism for senior management when portfolio risk levels approach or exceed tolerable thresholds. Because VaR is sensitive to market volatility, it therefore allows management to react quickly and adjust its portfolio strategies in accordance with its risk philosophy and appetite. The VaR model is periodically validated through back-testing. While VaR is an important tool for measuring market risk, it is subject to inherent limitations arising from its underlying assumptions. To address these limitations, the BDO Unibank Group and the Parent Bank supplement VaR limits with additional position and sensitivity limits, including those designed to manage potential concentration risks within each trading portfolio. In addition, a wide range of stress tests is performed to assess the financial impact of a variety of exceptional market scenarios on individual trading portfolios and the BDO Unibank Group and the Parent Bank's overall position. Stress VaR is also computed across all portfolios as a complementary risk measure.

While VaR deals with risk during times of normality, stress testing is used to measure the potential effect of a crisis or low probability event.

A summary of the VaR position of the trading portfolios at December 31 follows:

<i>(Amounts in PHP)</i>	2025		2024	
	VaR	Stress VaR	VaR	Stress VaR
<u>BDO Unibank Group</u>				
Foreign currency risk	(10)	(136)	(20)	(261)
Interest rate risk – Peso	(104)	(3,330)	(38)	(992)
Interest rate risk – USD	(21)	(380)	(11)	(182)
	<u>(135)</u>	<u>(3,846)</u>	<u>(69)</u>	<u>(1,435)</u>
<u>Parent Bank</u>				
Foreign currency risk	(9)	(134)	(20)	(258)
Interest rate risk – Peso	(103)	(3,294)	(37)	(948)
Interest rate risk – USD	(19)	(298)	(9)	(160)
	<u>(131)</u>	<u>(3,726)</u>	<u>(66)</u>	<u>(1,366)</u>

For the BDO Unibank Group, the earnings perspective using the EAR approach is the more relevant measure for assessing interest rate risks in the Banking Book. This is consistent with the “going concern” assumption and reflects the focus on net interest income as the primary component of earnings affected by interest rate movements.

EAR measures the potential volatility of earnings arising from accrual portfolios. The appropriate yield curve used is the relevant benchmark rate and the volatilities of the relevant benchmark interest rate curve are calculated similar to the method employed for VaR. The volatility calculations make use of actual pre-defined time series data using five-years’ worth of yearly changes, at the 99% confidence level. EAR is measured monthly. The EAR Stress Test uses a 300-basis-points increase in USD interest rates and 400-basis-points increase in Peso interest rates.

The EAR before tax, under both rising and declining interest rate scenarios for financial assets and liabilities repriced during 2025 and 2024, is shown below and in the succeeding page.

BDO Unibank Group

<i>(Amounts in PHP)</i>	2025			
	Change in Interest Rates (in basis points)			
	-100	+100	-50	+50
Change on annualized net interest income	<u>(2,480)</u>	<u>2,480</u>	<u>(1,240)</u>	<u>1,240</u>
As a percentage of the BDO Unibank Group’s net interest income	<u>(1.22%)</u>	<u>1.22%</u>	<u>(0.61%)</u>	<u>0.61%</u>
EAR	<u>24,930</u>			
As a percentage of the BDO Unibank Group’s net interest income	<u>12.28%</u>			
Average (1yr) EAR	<u>23,061</u>			
Average (1yr) Stress EAR	<u>28,834</u>			

BDO Unibank Group

<i>(Amounts in PHP)</i>	2024			
	Change in Interest Rates (in basis points)			
	-100	+100	-50	+50
Change on annualized net interest income	<u>(3,063)</u>	<u>3,063</u>	<u>(1,532)</u>	<u>1,532</u>
As a percentage of the BDO Unibank Group's net interest income	<u>(1.64%)</u>	<u>1.64%</u>	<u>(0.82%)</u>	<u>0.82%</u>
EAR	<u>22,690</u>			
As a percentage of the BDO Unibank Group's net interest income	<u>12.16%</u>			
Average (1yr) EAR	<u>17,867</u>			
Average (1yr) Stress EAR	<u>21,355</u>			

Parent Bank

<i>(Amounts in PHP)</i>	2025			
	Change in Interest Rates (in basis points)			
	-100	+100	-50	+50
Change on annualized net interest income	<u>(2,756)</u>	<u>2,756</u>	<u>(1,378)</u>	<u>1,378</u>
As a percentage of the Parent Bank's net interest income	<u>(1.43)</u>	<u>1.43%</u>	<u>(0.72%)</u>	<u>0.72%</u>
EAR	<u>25,347</u>			
As a percentage of the Parent Bank's net interest income	<u>13.16%</u>			
Average (1yr) EAR	<u>23,595</u>			
Average (1yr) Stress EAR	<u>43,643</u>			

<i>(Amounts in PHP)</i>	2024			
	Change in Interest Rates (in basis points)			
	-100	+100	-50	+50
Change on annualized net interest income	<u>(3,301)</u>	<u>3,301</u>	<u>(1,650)</u>	<u>1,650</u>
As a percentage of the Parent Bank's net interest income	<u>(1.85%)</u>	<u>1.85%</u>	<u>(0.92%)</u>	<u>0.92%</u>
EAR	<u>23,047</u>			
As a percentage of the Parent Bank's net interest income	<u>12.82%</u>			
Average (1yr) EAR	<u>18,067</u>			
Average (1yr) Stress EAR	<u>28,228</u>			

4.2.3 Price Risk

The BDO Unibank Group and the Parent Bank are exposed to equity securities price risk arising from their investments in equity securities classified in the statement of financial position as either financial assets at FVOCI or financial assets at FVTPL. The BDO Unibank Group and the Parent Bank have no exposure to commodity price risk. To manage the price risk arising from its investments in listed equity securities, the BDO Unibank Group maintains a diversified portfolio. Portfolio diversification is carried out in accordance with limits approved by the BDO Unibank Group.

The table below summarizes the impact of equity prices on listed equity securities classified as financial assets at FVTPL and financial assets at FVOCI on the BDO Unibank Group and the Parent Bank's net profit after tax and equity as of December 31, 2025 and 2024. The results are based on the volatility assumption of the benchmark equity index, which was 4.01% and 2.58% in 2025 and 2024, respectively, with all other variables held constant, and all the BDO Unibank Group and the Parent Bank's equity instruments move in line with their historical correlation to the benchmark index.

	Impact on Net Profit After Tax Increase			Impact on Other Comprehensive Income Increase		
	2025	2024	2023	2025	2024	2023
<i>(Amounts in PHP)</i>						
<u>BDO Unibank Group</u>						
Financial assets at FVTPL	-	284	609	-	-	-
Financial assets at FVOCI	-	-	-	421	340	114
	<u>-</u>	<u>284</u>	<u>609</u>	<u>421</u>	<u>340</u>	<u>114</u>
<u>Parent Bank</u>						
Financial assets at FVOCI	-	-	-	26	12	36

4.3 Credit Risk

Credit risk is the risk that a counterparty may fail to meet its contractual obligations, resulting in a financial loss to the BDO Unibank Group. This risk arises from lending, trade finance, treasury, derivatives, and other business activities undertaken by the BDO Unibank Group. RMG performs several key functions with respect to credit risk management, including conducting credit analysis, assigning and validating risk ratings for corporate accounts, and developing as well as monitoring the performance of credit risk rating and scoring models for both corporate and consumer loans. RMG also ensures that BDO Unibank Group's credit policies and procedures remain adequate to meet the demands of the business.

RMG also subjects the loan portfolio to a regular portfolio quality review, credit portfolio stress testing and rapid portfolio reviews based on specific and potential events that may affect borrowers in particular geographic locations or industries.

BDO Unibank Group manages the level of credit risk it undertakes by establishing limits on the amount of risk acceptable for a single borrower, or a group of related borrowers. These exposures are monitored on a regular basis and subject to an annual review, or more frequently, as necessary. Approval for credit limits is secured from the Credit Committee. For industry segments, limits and exposures are monitored and reported to the RMC.

Exposure to credit risk is managed through regular assessments of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate. Exposure to credit risk is also managed in part by obtaining collateral or corporate and personal guarantees.

4.3.1 Credit Risk Assessment

Loan classification and credit risk rating are an integral part of the BDO Unibank Group's management of credit risk. On an annual basis, loans are reviewed, classified as necessary, and rated based on internal and external factors that affect its performance. On a monthly basis, loan classifications of impaired accounts are assessed and the results are used as basis for the review of loan loss provisions.

The BDO Unibank Group's definition of its loan classification and corresponding credit risk ratings are as follows:

• Pass/Current	:	Grades AAA to B
• Watchlisted	:	Grade B-
• Especially Mentioned	:	Grade C
• Substandard	:	Grade D
• Doubtful	:	Grade E
• Loss	:	Grade F

Once an account is Watchlisted or Adversely Classified, the resulting risk rating grade is aligned based on the above classification.

(a) Pass/Current

These are credit exposures that do not exhibit greater-than-normal risk and do not possess the characteristics of adversely classified loans. Borrowers under this category demonstrate the ability to satisfy their obligations in full, and no loss in ultimate collection is anticipated. These credits are adequately secured by readily marketable collateral or other acceptable forms of support security, or are supported by sufficient favorable credit and financial information to assure repayment as agreed.

(b) Watchlisted

Since early identification of troublesome or potential accounts is vital in portfolio management, a "Watchlisted" classification of credit accounts is maintained. These accounts are not considered adversely classified but they require closer-than-normal monitoring to prevent deterioration into more severe classifications.

(c) Adversely Classified

Past due or individually impaired financial assets comprise accounts under the following loan classification:

(i) Especially Mentioned (EM)

It is an adverse classification of loans/accounts that have potential weaknesses that warrant management's close attention. If left unaddressed, these weaknesses may adversely affect the borrower's ability to repay the loan.

(ii) *Substandard*

Accounts classified as “Substandard” are individual credits or portions thereof, that have well-defined weakness/(es) that may jeopardize repayment/liquidation in full, either in respect of the business, cash flow or financial position, which may include adverse trends or developments that affect willingness or repayment ability of the borrower.

(iii) *Doubtful*

Accounts classified as “Doubtful” are individual credits or portions thereof which exhibit more severe weaknesses than those classified as “Substandard” whose characteristics on the basis of currently known facts, conditions and values make collection or liquidation highly improbable, however, the exact amount remains undeterminable as yet. Classification as “Loss” is deferred because of specific pending factors, which may strengthen the assets.

(iv) *Loss*

Accounts classified as “Loss” are individual credits or portions thereof, which are considered uncollectible or worthless, and of such little value that their continuance as bankable assets are not warranted although the loans may have some recovery or salvage value.

This shall be viewed as a transitional category for loans and other credit accommodations, which have been identified as requiring write-off during the current reporting period even though partial recovery may be obtained in the future.

In addition, credit portfolio review is another integral part of the BDO Unibank Group’s management of credit risk. This exercise involves the conduct of periodic post approval review of individual credits whose main objective is to help monitor and maintain sound and healthy risk asset portfolio. Parameters of the credit portfolio review are structured so as to reflect both sides of the risk management equation such as credit quality and process. This function actuates the philosophy that credit quality is derived from sound risk management process. The credit quality of financial assets is managed by the BDO Unibank Group using internal credit ratings.

4.3.2 Credit Quality Analysis

This section sets out information about the credit quality of loans and other receivables, financial assets measured at amortized cost and FVOCI debt investments. Unless specifically indicated for financial assets, the amounts represent gross carrying amounts. For loan commitments and other contingent accounts, the amounts in the table represent the amounts committed. As of December 31, 2025 and 2024, there are no POCI financial assets in both BDO Unibank Group and Parent Bank’s statements of financial position.

The following tables show the exposure to credit risk as of December 31, 2025 and 2024 for each internal risk grade and the related allowance for ECL:

BDO Unibank Group

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Grades AAA to B : Pass/Current	111,424	-	-	111,424
ECL allowance	(48)	-	-	(48)
Carrying amount	<u>111,376</u>	<u>-</u>	<u>-</u>	<u>111,376</u>
Receivables from customers - corporate				
Grades AAA to B : Pass/Current	2,666,894	-	-	2,666,894
Grade B : Watchlisted	9	6,145	20	6,174
Grade C : EM	-	14,965	1,613	16,578
Grade D : Substandard	-	23,322	6,756	30,078
Grade E : Doubtful	-	-	6,635	6,635
Grade F : Loss	-	-	2,320	2,320
	<u>2,666,903</u>	<u>44,432</u>	<u>17,344</u>	<u>2,728,679</u>
ECL allowance	<u>(6,532)</u>	<u>(28,969)</u>	<u>(12,511)</u>	<u>(48,012)</u>
Carrying amount	<u>2,660,371</u>	<u>15,463</u>	<u>4,833</u>	<u>2,680,667</u>
Receivables from customers - consumer				
Grades AAA to B : Pass/Current	611,525	-	122	611,647
Grade B : Watchlisted	-	20	3	23
Grade C : EM	1,105	1,907	65	3,077
Grade D : Substandard	-	376	6,199	6,575
Grade E : Doubtful	-	-	7,374	7,374
Grade F : Loss	-	-	13,981	13,981
	<u>612,630</u>	<u>2,303</u>	<u>27,744</u>	<u>642,677</u>
ECL allowance	<u>(3,693)</u>	<u>(510)</u>	<u>(7,136)</u>	<u>(11,339)</u>
Carrying amount	<u>608,937</u>	<u>1,793</u>	<u>20,608</u>	<u>631,338</u>
Credit card receivables				
Grades AAA to B : Pass/Current	264,528	-	-	264,528
Grade D : Substandard	-	3,375	-	3,375
Grade E : Doubtful	-	-	1,702	1,702
Grade F : Loss	-	-	13,709	13,709
	<u>264,528</u>	<u>3,375</u>	<u>15,411</u>	<u>283,314</u>
ECL allowance	<u>(9,900)</u>	<u>(2,028)</u>	<u>(12,561)</u>	<u>(24,489)</u>
Carrying amount	<u>254,628</u>	<u>1,347</u>	<u>2,850</u>	<u>258,825</u>
Other receivables				
Grades AAA to B : Pass/Current	120,571	-	-	120,571
Grade D : Substandard	1,162	1,125	1,092	3,379
Grade E : Doubtful	-	-	616	616
Grade F : Loss	-	-	2,177	2,177
	<u>121,733</u>	<u>1,125</u>	<u>3,885</u>	<u>126,743</u>
ECL allowance	<u>(417)</u>	<u>(58)</u>	<u>(2,590)</u>	<u>(3,065)</u>
Carrying amount	<u>121,316</u>	<u>1,067</u>	<u>1,295</u>	<u>123,678</u>
Debt investment securities at amortized cost				
Grades AAA to B : Pass/Current	614,711	-	-	614,711
Grade E : Doubtful	-	-	1,325	1,325
Grade F : Loss	-	-	328	328
	<u>614,711</u>	<u>-</u>	<u>1,653</u>	<u>616,364</u>
ECL allowance	<u>(132)</u>	<u>-</u>	<u>(1,653)</u>	<u>(1,785)</u>
Carrying amount	<u>614,579</u>	<u>-</u>	<u>-</u>	<u>614,579</u>
Debt investment securities at FVOCI				
Grades AAA to B : Pass/Current	333,930	-	-	333,930
Grade E : Doubtful	-	-	121	121
	<u>333,930</u>	<u>-</u>	<u>121</u>	<u>334,051</u>
ECL allowance	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Carrying amount	<u>333,930</u>	<u>-</u>	<u>117</u>	<u>334,047</u>

BDO Unibank Group

		2025			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Investment securities and other assets					
for life insurance contracts					
Grades AAA to B	: Pass/Current	88,121	-	-	88,121
Grade C	: EM	-	22	-	22
Grade D	: Substandard	-	-	25	25
Grade E	: Doubtful	-	-	49	49
Grade F	: Loss	-	-	202	202
		88,121	22	276	88,419
ECL allowance		(9)	(2)	(34)	(45)
Carrying amount		88,112	20	242	88,374
Loan commitments and other					
contingent accounts					
Grades AAA to B	: Pass/Current	70,182	-	-	70,182
Grade B	: Watchlisted	-	-	-	-
Grade C	: EM	-	353	-	353
Grade D	: Substandard	-	-	-	-
		70,182	353	-	70,535
ECL allowance		(80)	-	-	(80)
Carrying amount		70,102	353	-	70,455
		2024			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Due from other banks					
Grades AAA to B	: Pass/Current	90,485	-	-	90,485
ECL allowance		(37)	-	-	(37)
Carrying amount		90,448	-	-	90,448
Receivables from customers - corporate					
Grades AAA to B	: Pass/Current	2,370,326	-	-	2,370,326
Grade B	: Watchlisted	25	6,673	312	7,010
Grade C	: EM	-	28,697	1,995	30,692
Grade D	: Substandard	-	17,067	5,744	22,811
Grade E	: Doubtful	-	-	8,390	8,390
Grade F	: Loss	-	-	2,883	2,883
		2,370,351	52,437	19,324	2,442,112
ECL allowance		(6,174)	(32,673)	(15,379)	(54,226)
Carrying amount		2,364,177	19,764	3,945	2,387,886
Receivables from customers - consumers					
Grades AAA to B	: Pass/Current	539,154	-	105	539,259
Grade B	: Watchlisted	-	174	7	181
Grade C	: EM	8	1,629	22	1,659
Grade D	: Substandard	-	466	4,883	5,349
Grade E	: Doubtful	-	-	5,414	5,414
Grade F	: Loss	-	-	15,874	15,874
		539,162	2,269	26,305	567,736
ECL allowance		(3,355)	(432)	(9,535)	(13,322)
Carrying amount		535,807	1,837	16,770	554,414
Credit card receivables					
Grades AAA to B	: Pass/Current	198,246	-	-	198,246
Grade D	: Substandard	-	2,415	-	2,415
Grade E	: Doubtful	-	-	1,427	1,427
Grade F	: Loss	-	-	13,294	13,294
		198,246	2,415	14,721	215,382
ECL allowance		(7,239)	(1,465)	(12,845)	(21,549)
Carrying amount		191,007	950	1,876	193,833

BDO Unibank Group

		2024			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Other receivables					
Grades AAA to B	: Pass/Current	134,595	-	-	134,595
Grade D	: Substandard	54	211	897	1,162
Grade E	: Doubtful	556	446	482	1,484
Grade F	: Loss	25	-	2,113	2,138
		135,230	657	3,492	139,379
ECL allowance		(523)	(55)	(2,416)	(2,994)
Carrying amount		134,707	602	1,076	136,385
Debt investment securities at					
amortized cost					
Grades AAA to B	: Pass/Current	576,083	-	-	576,083
Grade E	: Doubtful	-	-	1,656	1,656
Grade F	: Loss	-	60	267	327
		576,083	60	1,923	578,066
ECL allowance		(129)	(60)	(1,923)	(2,112)
Carrying amount		575,954	-	-	575,954
Debt investment securities at FVOCI					
Grades AAA to B	: Pass/Current	270,029	-	-	270,029
Grade E	: Doubtful	-	-	119	119
		270,029	-	119	270,148
ECL allowance		-	-	(4)	(4)
Carrying amount		270,029	-	115	270,144
Investment securities and other assets					
for life insurance contracts					
Grades AAA to B	: Pass/Current	74,799	-	-	74,799
Grade C	: EM	-	27	-	27
Grade D	: Substandard	-	-	21	21
Grade E	: Doubtful	-	-	74	74
Grade F	: Loss	-	-	166	166
		74,799	27	261	75,087
ECL allowance		(11)	(2)	(33)	(46)
Carrying amount		74,788	25	228	75,041
Loan commitments and other					
contingent accounts					
Grades AAA to B	: Pass/Current	736,794	-	-	736,794
Grade C	: EM	-	347	-	347
		736,794	347	-	737,141
ECL allowance		(89)	(29)	-	(118)
Carrying amount		736,705	318	-	737,023

The table below sets out the credit quality of trading debt securities of the BDO Unibank Group measured at FVTPL (see Note 10.1).

<i>(Amounts in PHP)</i>	2025	2024
Grade:		
AAA	20,637	16,502
AA+ to AA	3,933	847
A+ to A-	78	-
BBB+ to BBB-	1,796	1,151
	<u>26,444</u>	<u>18,500</u>

The table below shows an analysis of counterparty credit exposures arising from derivative transactions of the BDO Unibank Group. Outstanding derivative exposures to counterparties are generally with investment grade counterparty banks. Derivative transactions with non-bank counterparties are on a fully secured basis.

<i>(Amounts in PHP)</i>	Total		Exchange-traded		Over-the-counter			
					Central Counterparties		Other Bilateral Collateralized	
	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value
2025								
Derivative assets	263,378	5,985	4,621	82	222,805	2,022	35,952	3,881
Derivative liabilities	306,285	6,080	4,621	107	263,725	2,418	37,939	3,555
2024								
Derivative assets	323,067	8,291	566	18	300,238	4,615	22,263	3,658
Derivative liabilities	264,772	6,361	566	13	240,591	3,077	23,615	3,271

As of December 31, 2025 and 2024, the BDO Unibank Group held Cash and Other Cash Items, Due from Other Banks and Due from BSP totaling to P440,562 and P449,785, respectively. The financial assets are held with the BSP and financial institution counterparties that are rated at least BBB to AAA+, based on external rating agencies.

Parent Bank

<i>(Amounts in PHP)</i>	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Grades AAA to B : Pass/Current	97,534	-	-	97,534
ECL allowance	(43)	-	-	(43)
Carrying amount	<u>97,491</u>	<u>-</u>	<u>-</u>	<u>97,491</u>
Receivables from customers - corporate				
Grades AAA to B : Pass/Current	2,658,162	-	-	2,658,162
Grade B : Watchlisted	-	6,141	20	6,161
Grade C : EM	-	14,964	1,613	16,577
Grade D : Substandard	-	23,299	6,744	30,043
Grade E : Doubtful	-	-	6,602	6,602
Grade F : Loss	-	-	2,318	2,318
	<u>2,658,162</u>	<u>44,404</u>	<u>17,297</u>	<u>2,719,863</u>
ECL allowance	<u>(6,522)</u>	<u>(28,947)</u>	<u>(12,505)</u>	<u>(47,974)</u>
Carrying amount	<u>2,651,640</u>	<u>15,457</u>	<u>4,792</u>	<u>2,671,889</u>

Parent Bank

		2025			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Receivables from customers - consumer					
Grades AAA to B	: Pass/Current	492,789	-	-	492,789
Grade B-	: Watchlisted	-	20	3	23
Grade C	: EM	-	1,847	5	1,852
Grade D	: Substandard	-	1	6,087	6,088
Grade E	: Doubtful	-	-	6,928	6,928
Grade F	: Loss	-	-	10,661	10,661
		<u>492,789</u>	<u>1,868</u>	<u>23,684</u>	<u>518,341</u>
ECL allowance		<u>(3,251)</u>	<u>(410)</u>	<u>(5,032)</u>	<u>(8,693)</u>
Carrying amount		<u>489,538</u>	<u>1,458</u>	<u>18,652</u>	<u>509,648</u>
Credit card receivables					
Grades AAA to B	: Pass/Current	264,528	-	-	264,528
Grade D	: Substandard	-	3,375	-	3,375
Grade E	: Doubtful	-	-	1,702	1,702
Grade F	: Loss	-	-	13,709	13,709
		<u>264,528</u>	<u>3,375</u>	<u>15,411</u>	<u>283,314</u>
ECL allowance		<u>(9,900)</u>	<u>(2,028)</u>	<u>(12,561)</u>	<u>(24,489)</u>
Carrying amount		<u>254,628</u>	<u>1,347</u>	<u>2,850</u>	<u>258,825</u>
Other receivables					
Grade AAA to B	: Pass/Current	124,308	-	-	124,308
Grade D	: Substandard	1,131	872	435	2,438
Grade E	: Doubtful	-	-	564	564
Grade F	: Loss	-	-	1,992	1,992
		<u>125,439</u>	<u>872</u>	<u>2,991</u>	<u>129,302</u>
ECL allowance		<u>(371)</u>	<u>(58)</u>	<u>(2,370)</u>	<u>(2,799)</u>
Carrying amount		<u>125,068</u>	<u>814</u>	<u>621</u>	<u>126,503</u>
Debt investment securities at amortized cost					
Grades AAA to B	: Pass/Current	594,725	-	-	594,725
Grade E	: Doubtful	-	-	1,325	1,325
Grade F	: Loss	-	-	328	328
		<u>594,725</u>	<u>-</u>	<u>1,653</u>	<u>596,378</u>
ECL allowance		<u>(129)</u>	<u>-</u>	<u>(1,653)</u>	<u>(1,782)</u>
Carrying amount		<u>594,596</u>	<u>-</u>	<u>-</u>	<u>594,596</u>
Debt investment securities at FVOCI					
Grades AAA to B	: Pass/Current	325,884	-	-	325,884
Grade E	: Doubtful	-	-	121	121
		<u>325,884</u>	<u>-</u>	<u>121</u>	<u>326,005</u>
ECL allowance		<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Carrying amount		<u>325,884</u>	<u>-</u>	<u>117</u>	<u>326,001</u>
Loan commitments and other contingent accounts					
Grades AAA to B	: Pass/Current	70,182	-	-	70,182
Grade C	: EM	-	353	-	353
		<u>70,182</u>	<u>353</u>	<u>-</u>	<u>70,535</u>
ECL allowance		<u>(80)</u>	<u>-</u>	<u>-</u>	<u>(80)</u>
Carrying amount		<u>70,102</u>	<u>353</u>	<u>-</u>	<u>70,455</u>
		2024			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Due from other banks					
Grades AAA to B	: Pass/Current	77,542	-	-	77,542
ECL allowance		<u>(31)</u>	<u>-</u>	<u>-</u>	<u>(31)</u>
Carrying amount		<u>77,511</u>	<u>-</u>	<u>-</u>	<u>77,511</u>

Parent Bank

		2024			
(Amounts in PHP)		Stage 1	Stage 2	Stage 3	Total
Receivables from customers - corporate					
Grades AAA to B	: Pass/Current	2,362,363	-	-	2,362,363
Grade B	: Watchlisted	-	6,673	312	6,985
Grade C	: EM	-	28,675	1,995	30,670
Grade D	: Substandard	-	17,045	5,744	22,789
Grade E	: Doubtful	-	-	8,390	8,390
Grade F	: Loss	-	-	2,878	2,878
		<u>2,362,363</u>	<u>52,393</u>	<u>19,319</u>	<u>2,434,075</u>
ECL allowance		<u>(6,164)</u>	<u>(32,643)</u>	<u>(15,377)</u>	<u>(54,184)</u>
Carrying amount		<u>2,356,199</u>	<u>19,750</u>	<u>3,942</u>	<u>2,379,891</u>
Receivables from customers - consumer					
Grades AAA to B	: Pass/Current	447,228	-	-	447,228
Grade B	: Watchlisted	-	174	7	181
Grade C	: EM	-	1,590	-	1,590
Grade D	: Substandard	-	-	4,855	4,855
Grade E	: Doubtful	-	-	5,068	5,068
Grade F	: Loss	-	-	13,036	13,036
		<u>447,228</u>	<u>1,764</u>	<u>22,966</u>	<u>471,958</u>
ECL allowance		<u>(2,970)</u>	<u>(354)</u>	<u>(7,598)</u>	<u>(10,922)</u>
Carrying amount		<u>444,258</u>	<u>1,410</u>	<u>15,368</u>	<u>461,036</u>
Credit card receivables					
Grades AAA to B	: Pass/Current	198,246	-	-	198,246
Grade D	: Substandard	-	2,415	-	2,415
Grade E	: Doubtful	-	-	1,427	1,427
Grade F	: Loss	-	-	13,294	13,294
		<u>198,246</u>	<u>2,415</u>	<u>14,721</u>	<u>215,382</u>
ECL allowance		<u>(7,239)</u>	<u>(1,465)</u>	<u>(12,845)</u>	<u>(21,549)</u>
Carrying amount		<u>191,007</u>	<u>950</u>	<u>1,876</u>	<u>193,833</u>
Other receivables					
Grade AAA to B	: Pass/Current	132,756	-	-	132,756
Grade D	: Substandard	53	77	490	620
Grade E	: Doubtful	556	446	465	1,467
Grade F	: Loss	-	-	1,913	1,913
		<u>133,365</u>	<u>523</u>	<u>2,868</u>	<u>136,756</u>
ECL allowance		<u>(476)</u>	<u>(55)</u>	<u>(2,228)</u>	<u>(2,759)</u>
Carrying amount		<u>132,889</u>	<u>468</u>	<u>640</u>	<u>133,997</u>
Debt investment securities at amortized cost					
Grades AAA to B	: Pass/Current	556,251	-	-	556,251
Grade E	: Doubtful	-	-	1,656	1,656
Grade F	: Loss	-	60	267	327
		<u>556,251</u>	<u>60</u>	<u>1,923</u>	<u>558,234</u>
ECL allowance		<u>(126)</u>	<u>(60)</u>	<u>(1,923)</u>	<u>(2,109)</u>
Carrying amount		<u>556,125</u>	<u>-</u>	<u>-</u>	<u>556,125</u>
Debt investment securities at FVOCI					
Grades AAA to B	: Pass/Current	259,858	-	-	259,858
Grade E	: Doubtful	-	-	119	119
		<u>259,858</u>	<u>-</u>	<u>119</u>	<u>259,977</u>
ECL allowance		<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Carrying amount		<u>259,858</u>	<u>-</u>	<u>115</u>	<u>259,973</u>
Loan commitments and other contingent accounts					
Grades AAA to B	: Pass/Current	736,794	-	-	736,794
Grade C	: EM	-	347	-	347
		<u>736,794</u>	<u>347</u>	<u>-</u>	<u>737,141</u>
ECL allowance		<u>(89)</u>	<u>(29)</u>	<u>-</u>	<u>(118)</u>
Carrying amount		<u>736,705</u>	<u>318</u>	<u>-</u>	<u>737,023</u>

The table below sets out the credit quality of trading debt securities of the Parent Bank measured at FVTPL (see Note 10.1).

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Grade:		
AAA	20,303	15,869
AA+ to AA	2,011	747
BBB+ to BBB-	1,182	724
	<u>23,496</u>	<u>17,340</u>

The table below shows an analysis of counterparty credit exposures arising from derivative transactions. Derivative transactions of the Parent Bank are generally fully collateralized by cash.

<i>(Amounts in PHP)</i>	Over-the-counter							
	Total		Exchange-traded		Central Counterparties		Other Bilateral Collateralized	
	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value
<u>2025</u>								
Derivative assets	227,426	2,104	4,621	82	222,805	2,022	-	-
Derivative liabilities	268,346	2,525	4,621	107	263,725	2,418	-	-
<u>2024</u>								
Derivative assets	300,803	4,633	566	18	300,237	4,615	-	-
Derivative liabilities	241,157	3,090	566	13	240,591	3,077	-	-

As of December 31, 2025 and 2024, the Parent Bank held Cash and Other Cash Items, Due from Other Banks and Due from BSP totaling to P419,307 and P430,093, respectively. The financial assets are held with the BSP and financial institution counterparties that are rated at least BBB to AAA+, based on external rating agencies.

4.3.3 Concentrations of Credit Risk

The BDO Unibank Group and the Parent Bank monitor concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk (gross of allowance) at the reporting date is shown below and in the succeeding pages.

BDO Unibank Group

	2025			
(Amount in PHP)	Cash and Cash Equivalents*	Receivables From Customers**	Trading and Investments Securities***	Investment Securities and Other Assets for Life Insurance Contracts
Concentration by sector:				
Financial and insurance activities	516,496	322,111	326,048	8,618
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	-	671,027	4	1,538
Electricity, gas, steam and air-conditioning supply	-	510,172	22,857	766
Real estate activities	1	438,567	5,289	1,150
Wholesale and retail trade	-	452,004	74	-
Manufacturing	-	289,226	4,758	393
Information and communication	-	182,695	12,405	338
Transportation and storage	-	172,762	2,573	-
Construction	-	89,443	3,120	229
Education	-	103,984	-	-
Arts, entertainment and recreation	-	83,184	1,021	-
Water supply, sewerage waste management and remediation activities	-	58,228	351	-
Accommodation and food service activities	-	51,632	7,456	-
Human health and social work activities	-	56,513	2,669	-
Agriculture, forestry and fishing	-	30,483	8	-
Mining and quarrying	-	18,906	3,603	-
Administration and support services	-	11,163	1,011	-
Professional, scientific and technical services	-	8,369	13,178	-
Public administrative and defense, compulsory social security	-	982	6,258	-
Activities of extraterritorial organizations and bodies	-	-	543,398	-
Other service activities	323	103,219	23,841	84,709
	<u>516,820</u>	<u>3,654,670</u>	<u>979,922</u>	<u>97,741</u>
Concentration by location:				
Philippines	378,589	3,484,635	768,035	94,099
Foreign countries	138,231	170,035	211,887	3,642
	<u>516,820</u>	<u>3,654,670</u>	<u>979,922</u>	<u>97,741</u>

* Cash and cash equivalents include cash and other cash items, due from BSP and other banks, reverse repurchase agreements, FCNC, certain interbank loans receivables and investment securities at amortized cost (see Note 2.4).

**Receivables from customers are reported as gross of allowance but net of unearned interests or discounts.

***Trading and investment securities are reported as gross of allowance.

BDO Unibank Group

	2024			
(Amount in PHP)	Cash and Cash Equivalents*	Receivables From Customers**	Trading and Investments Securities***	Investment Securities and Other Assets for Life Insurance Contracts
Concentration by sector:				
Financial and insurance activities	547,752	256,720	240,478	6,392
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	-	567,360	1	2,031
Electricity, gas, steam and air-conditioning supply	-	405,938	20,084	1,477
Real estate activities	1	410,256	7,659	1,604
Wholesale and retail trade	-	397,620	41	-
Manufacturing	-	306,987	4,319	379
Information and communication	-	163,332	15,449	332
Transportation and storage	-	158,473	5,251	231
Construction	-	103,261	2,750	-
Education	-	82,186	-	-
Arts, entertainment and recreation	-	82,198	1,025	-
Water supply, sewerage waste management and remediation activities	-	52,768	515	-
Accommodation and food service activities	-	45,403	6,938	-
Human health and social work activities	-	39,406	2,460	-
Agriculture, forestry and fishing	-	35,865	-	-
Mining and quarrying	-	16,146	3,499	-
Administration and support services	-	10,226	1	-
Professional, scientific and technical services	742	9,210	11,035	-
Public administrative and defense, compulsory social security	-	1,069	176	-
Activities of extraterritorial organizations and bodies	-	-	523,739	-
Other service activities	315	80,806	26,040	69,639
	<u>548,810</u>	<u>3,225,230</u>	<u>871,460</u>	<u>82,085</u>
Concentration by location:				
Philippines	412,236	3,063,270	703,017	82,085
Foreign countries	136,574	161,960	168,443	-
	<u>548,810</u>	<u>3,225,230</u>	<u>871,460</u>	<u>82,085</u>

* Cash and cash equivalents include cash and other cash items, due from BSP and other banks, reverse repurchase agreements, FCNC, certain interbank loans receivables and investment securities at amortized cost (see Note 2.4).

**Receivables from customers are reported as gross of allowance but net of unearned interests or discounts.

***Trading and investment securities are reported as gross of allowance.

Parent Bank

	2025			2024		
	Cash and Cash Equivalents*	Receivables From Customers**	Trading and Investments Securities***	Cash and Cash Equivalents*	Receivables From Customers**	Trading and Investments Securities***
<i>(Amount in PHP)</i>						
Concentration by sector:						
Financial and insurance activities	493,233	321,961	315,191	528,755	256,560	229,850
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	-	662,833	4	-	562,270	1
Electricity, gas, steam and air-conditioning supply	-	509,801	22,857	-	405,545	20,084
Real estate activities	-	440,254	4,992	-	411,703	7,053
Wholesale and retail trade	-	441,808	74	-	389,472	41
Manufacturing	-	287,672	4,524	-	305,351	4,085
Information and communication	-	182,436	12,016	-	163,187	15,081
Transportation and storage	-	172,332	2,573	-	158,348	5,151
Construction	-	88,097	3,120	-	101,743	2,750
Arts, entertainment and recreation	-	83,177	1,021	-	82,192	1,025
Water supply, sewerage waste management and remediation activities	-	58,159	350	-	52,696	515
Accommodation and food service activities	-	51,127	7,456	-	45,063	6,938
Human health and social work activities	-	56,114	2,669	-	39,174	2,460
Agriculture, forestry and fishing	-	18,508	8	-	15,428	-
Mining and quarrying	-	18,617	3,603	-	16,003	3,499
Administration and support services	-	10,580	1,011	-	9,663	1
Education	-	8,852	-	-	8,899	-
Professional, scientific and technical services	-	8,290	13,178	742	9,127	11,036
Public administrative and defense, compulsory social security	-	967	6,258	-	1,002	177
Activities of extraterritorial organizations and bodies	-	-	543,398	-	-	523,739
Other service activities	-	99,933	3,361	-	87,989	4,200
	493,233	3,521,518	947,664	529,497	3,121,415	837,686
Concentration by location:						
Philippines	358,856	3,351,483	739,906	395,425	2,959,455	673,423
Foreign countries	134,377	170,035	207,758	134,072	161,960	164,263
	493,233	3,521,518	947,664	529,497	3,121,415	837,686

* Cash and cash equivalents include cash and other cash items, due from BSP and other banks, reverse repurchase agreements, FCNC, certain interbank loans receivables and investment securities at amortized cost (see Note 2.4).

** Receivables from customers are reported as gross of allowance but net of unearned interests or discounts.

***Trading and investment securities are reported as gross of allowance.

4.3.4 Collateral Held as Security and Other Credit Enhancements

The BDO Unibank Group and the Parent Bank hold collateral against credit exposures from customers in the form of mortgage interests over property, other registered securities over assets, financial collateral including deposits, debt and equity securities, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing and are updated periodically. Collateral generally is not held over from due from other banks, interbank loans and investment securities, except when securities are held as part of reverse repurchase and securities borrowing activity.

There is no significant change in the quality of the collateral and other security enhancements held against the credit exposures except for the fair value of the collaterals driven by the change in market conditions.

Estimate of the fair value of collateral and other security enhancements held against the following credit exposures as of December 31, 2025 and 2024, as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Receivable from customers:				
Corporate:				
Property	1,030,027	898,649	1,022,992	892,521
Debt securities	45,995	84,218	45,995	84,218
Equity securities	190,127	200,021	190,127	200,021
Hold-out deposits	9,414	9,271	9,127	9,271
Others	97,368	102,780	97,072	102,435
	<u>1,372,931</u>	<u>1,294,939</u>	<u>1,365,313</u>	<u>1,288,466</u>
Consumer:				
Property	731,449	718,446	720,740	716,026
Debt securities	41	46	41	46
Equity securities	1	1	1	1
Hold-out deposits	1,076	534	649	534
Others	247,867	227,788	247,867	225,403
	<u>980,434</u>	<u>946,815</u>	<u>969,298</u>	<u>942,010</u>
Other receivables:				
Property	2,148	2,496	2,148	2,496
Others	21,665	25,000	21,665	25,000
	<u>23,813</u>	<u>27,496</u>	<u>23,813</u>	<u>27,496</u>
Investment securities and other assets for life insurance contracts:				
Property	4,505	5,437	-	-
	<u>2,381,683</u>	<u>2,274,687</u>	<u>2,358,424</u>	<u>2,257,972</u>

The BDO Unibank Group and the Parent Bank have acquired certain properties in settlement of loan account amounting to P9,886 and P9,664, respectively, in 2025 and P5,411 and P5,313, respectively, in 2024 (see Notes 14 and 17.4).

The BDO Unibank Group's manner of disposing the collateral for impaired loans and receivables is normally through sale of these assets after foreclosure proceedings have taken place.

The general creditworthiness of a corporate and individual customer tends to be the most relevant indicator of credit quality of a loan extended to it (see Note 4.3.2). However, collateral provides additional security and the BDO Unibank Group generally requests that corporate and individual borrowers provide it. The BDO Unibank Group may take collateral in the form of a first charge over real estate, floating charges over all corporate and individual assets and other liens and guarantees.

While the BDO Unibank Group is focused on corporate and individual customers' creditworthiness, it continuously and regularly updates the valuation of collateral held against all loans to corporate and individual customers. Most frequent updating, however, is required when the loan is put on a watch list and the loan is monitored more closely. The same applies to credit-impaired loans, as the BDO Unibank Group obtains appraisals or valuation of collateral to provide input into determining the management credit risk actions.

(a) *Receivable from Customers and Other Receivables*

The net carrying amount of credit impaired receivables (under stages 2 and 3) and the value of identifiable collateral held against those loans and advances as of December 31, 2025 and 2024 are as follows:

	2025		2024	
	Net Carrying Amount	Identifiable Collateral	Net Carrying Amount	Identifiable Collateral
<i>(Amounts in PHP)</i>				
<u>BDO Unibank Group</u>				
Receivable from customers:				
Corporate	20,296	41,066	23,709	47,617
Consumer	26,598	40,390	21,433	47,880
Investment securities and other assets for life insurance contracts	262	700	253	596
Other receivables	2,362	514	1,678	904
<u>Parent Bank</u>				
Receivable from customers:				
Corporate	20,249	41,066	23,692	47,617
Consumer	24,307	40,390	19,603	47,880
Other receivables	1,435	514	1,108	904

For each loan, the value of disclosed collateral (mainly collateral properties) is capped at the nominal amount of the loan that it is held against.

(b) *Debt Investment Securities*

The BDO Unibank Group and the Parent Bank invest in non-collateralized debt securities issued by various government and corporate entities. The maximum exposure to credit risk of debt investment securities is equivalent to their carrying amount as of December 31, 2025 and 2024 as shown below:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Debt securities:				
At amortized cost	614,579	575,954	594,596	556,125
At FVOCI	334,047	270,144	326,001	259,973
At FVTPL	26,444	18,500	23,496	17,340
Investments securities for life insurance contracts	96,475	80,052	-	-
	<u>1,071,545</u>	<u>944,650</u>	<u>944,093</u>	<u>833,438</u>

4.3.5 Amounts Arising from Expected Credit Losses

At each reporting date, BDO Unibank Group assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit-impaired (referred to as Stages 2 and 3 financial assets). A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The BDO Unibank Group measures credit risk using PD, loss given default (LGD) and exposure at default (EAD).

(a) *Significant Increase in Credit Risk (SICR)*

As outlined in PFRS 9, a '3-stage' impairment model was adopted by the BDO Unibank Group based on changes in credit quality since initial recognition of the financial asset. A financial asset that is not credit-impaired on initial recognition is classified as 'Stage 1', with credit risk continuously monitored by the BDO Unibank Group as its ECL is measured at an amount equal to the portion of lifetime ECL that results from possible default events within the next 12 months. If an SICR since initial recognition is identified, the classification will be moved to 'Stage 2' but is not yet deemed to be credit-impaired. Such assessment is based on the following criteria in determining whether there has been a significant increase in credit risk that could result to rescheduling or restructuring: (i) qualitative indicators, such as net losses, intermittent delays in payment, affected by adverse economic conditions; and (ii) quantitative test based on movement in risk rating and PD. The borrowers can be moved to Stage 1 upon completion of the seasoning period which shall be 6 months of continuous payment with no incident of past due.

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the BDO Unibank Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the BDO Unibank Group's historical experience and expert credit assessment and including forward-looking information (FLI).

The objective of the assessment is to identify whether an SICR has occurred for an exposure by comparing:

- the remaining lifetime PD as of the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

(i) *Credit risk grading*

The BDO Unibank Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

The credit grades are defined and calibrated such that the risk of default increases exponentially at each higher risk grade so, for example, the difference in the PD between an AAA and AA rating grade is lower than the difference in the PD between a B and B- rating grade.

(ii) *Generating the term structure of PD*

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The BDO Unibank Group collects performance and default information about its credit risk exposures analyzed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. For some portfolios, information from external credit reference agencies is also used.

The BDO Unibank Group employs statistical models to analyze the data collected and generates the term structure of PD estimates.

(iii) *Determining whether credit risk has increased significantly*

The BDO Unibank Group assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower. What is considered significant varies across financial assets of the BDO Unibank Group.

The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the BDO Unibank Group's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as net loss, significant drop in risk ratings and intermittent delays in payments that could result to rescheduling or restructuring.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured using 12-month ECL.

(b) *Definition of Default*

The BDO Unibank Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the BDO Unibank Group in full, without recourse by the BDO Unibank Group to actions such as realizing security (if any is held);

- the borrower is more than 90 days past due on any material credit obligation to the BDO Unibank Group; or,
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the BDO Unibank Group considers indicators that are qualitative (e.g., breaches of covenant) and quantitative (overdue or non-payment).

Inputs into the assessment of whether a financial instrument is in default as well as their significance may vary over time to reflect changes in circumstances.

These criteria have been applied to all financial instruments held by the BDO Unibank Group and are consistent with the definition of default used for internal credit risk management purposes. Such definition has been consistently applied in determining PD, EAD, and LGD throughout the ECL calculations of the BDO Unibank Group.

An instrument is considered to have cured when it no longer meets any of the default criteria for a consecutive period of six months. The cure period sets the tolerance period wherein the borrowers are allowed to update the payments in compliance with the regulatory requirements on transfer between stages.

(c) *Measurement of ECL*

The key inputs into the measurement of ECL are the term structure of PD, LGD and EAD.

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The methodology of estimating PDs is discussed above under the heading 'Generating the term structure of PD'.

LGD is the magnitude of the likely loss if there is a default. The BDO Unibank Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by retail property, loan-to-value (LTV) ratios are a key parameter in determining LGD. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The BDO Unibank Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortization. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the BDO Unibank Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the BDO Unibank Group considers a longer period. The maximum contractual period extends to the date at which the BDO Unibank Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

For portfolios in respect of which the BDO Unibank Group has limited historical data, external benchmark information (e.g., PD from external credit rating agencies, Basel LGD) issued are used to supplement the internally available data. The portfolios for which external benchmark information represents a significant input into measurement of ECL include exposures to foreign borrowers and low default borrower segments.

There were no significant changes in the estimation techniques or significant assumptions made by the BDO Unibank Group in 2025.

(d) Collective Basis of Measurement of ECL

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics such as:

- instrument type;
- credit risk gradings;
- collateral type;
- LTV ratio for retail mortgages;
- date of initial recognition;
- remaining term to maturity;
- industry; and,
- geographic location of the borrower.

The groupings are subject to the regular review by the BDO Unibank Group's RMG in order to ensure that credit exposures within a particular group remain appropriately homogenous.

(e) Forward-looking Information (FLI)

The BDO Unibank Group incorporates FLI into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The BDO Unibank Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables (MEVs) and credit risk and credit losses.

The relevant macro-economic variables for selection generally include, but are not limited to, GDP growth rate, unemployment rate, inflation rate, foreign exchange rates, stock market index, oil prices and interest rates.

Predicted relationships between the key macro-economic indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 10 to 15 years.

The significance of the selected macro-economic variables as predictors of default may change over time as historical information is added. As such, the generated macro-economic models are updated at least on an annual basis.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, and therefore, the actual outcomes may be significantly different from the projections. The BDO Unibank Group considers these forecasts to represent its best estimate of the possible outcomes and has analyzed the non-linearities and asymmetries within the BDO Unibank Group different product types to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Management has also considered other FLIs not incorporated within the above economic scenarios, such as any regulatory, legislative, or political changes, but are not deemed to have a significant impact on the calculation of ECL. Management reviews and monitors the appropriateness of FLIs at least annually.

(f) Modified Financial Assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognized and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The BDO Unibank Group renegotiates loans of customers in financial difficulties (referred to as 'restructuring') to maximize collection opportunities and minimize the risk of default.

The revised terms usually include extending the maturity, deferment of principal payment, changing the timing of interest payments and amending the terms of loan covenants. The proposals for loan restructuring are for approval by the BDO Unibank Group's Executive Committee.

For financial assets modified as part of the BDO Unibank Group's restructuring policy, the estimate of credit loss will reflect the probability to collect interest and principal. As part of this process, the BDO Unibank Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioral indicators.

Generally, restructuring is a qualitative indicator of an SICR and an expectation of forbearance may constitute evidence that an exposure is credit-impaired (see Note 4.3.2). A customer needs to demonstrate consistently good payment behavior over a period of time (in accordance with the new terms for six consecutive months or more) before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to Stage 1.

The following tables provide a summary of the outstanding principal balance net of allowance for impairment of modified loans provided by the BDO Unibank Group and the Parent Bank as of December 31, 2025 and 2024:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Stage 1 (Performing)				
Corporate	31,435	41,110	24,670	34,662
Consumer	42,035	46,061	32,359	41,869
Credit card receivables	1,343	904	1,343	904
	74,813	88,075	58,372	77,435
Allowance for impairment	(213)	(247)	(179)	(230)
	74,600	87,828	58,193	77,205
Stage 2 (Underperforming)				
Corporate	31,055	34,023	31,026	33,978
Consumer	26,680	23,064	26,083	22,531
Credit card receivables	1,550	974	1,550	975
	59,285	58,061	58,659	57,484
Allowance for impairment	(23,395)	(23,563)	(23,392)	(23,546)
	35,890	34,498	35,267	33,938
Stage 3 (Non-performing)				
Corporate	2,754	1,638	2,738	1,635
Consumer	10,761	9,033	9,693	7,898
Credit card receivables	3,073	2,224	3,073	2,224
	16,588	12,895	15,504	11,757
Allowance for impairment	(6,529)	(5,458)	(6,058)	(4,956)
	10,059	7,437	9,446	6,801

(g) Write-offs

The BDO Unibank Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery of the financial asset. Indicators that there is no reasonable expectation of recovery include cessation of enforcement activity and, where the BDO Unibank Group's recovery method is through foreclosure of collateral and the value of the collateral is less than the outstanding contractual amounts of the financial assets to be written-off. The BDO Unibank Group and the Parent Bank have still, however, enforceable right to receive payment even if the financial assets have been written off except in certain cases.

The BDO Unibank Group and the Parent Bank had written off certain accounts from which it no longer has an enforceable right to receive payment amounting to P534 and P404, respectively, in 2025, and P289 and P253, respectively, in 2024.

(b) *Credit Risk Exposure*

The BDO Unibank Group and the Parent Bank's maximum exposure to credit risk is equal to the carrying value of its financial assets as shown below and in the succeeding pages.

BDO Unibank Group

<i>(Amounts in PHP)</i>	<u>Gross Maximum Exposure</u>	<u>Fair Value of Collaterals</u>	<u>Net Exposure</u>	<u>Financial Effect of Collaterals</u>
<u>2025</u>				
Loans and discounts:				
Corporate	2,728,679	1,372,931	1,355,748	1,372,931
Consumer	642,677	980,434	-	642,677
Credit card receivables	283,314	-	283,314	-
Loans for life				
insurance contracts	1,538	4,505	-	1,538
Reverse repurchase				
agreement	23,170	21,665	1,505	21,665
Sales contracts receivables	1,658	2,148	-	1,658
	<u>3,681,036</u>	<u>2,381,683</u>	<u>1,640,567</u>	<u>2,040,469</u>

2024

Loans and discounts:				
Corporate	2,442,112	1,294,939	1,147,173	1,294,939
Consumer	567,736	946,815	-	567,736
Credit card receivables	215,382	-	215,382	-
Loans for life				
insurance contracts	2,031	5,437	-	2,031
Reverse repurchase				
agreement	25,463	25,000	463	25,000
Sales contracts receivables	1,864	2,496	-	1,864
	<u>3,254,588</u>	<u>2,274,687</u>	<u>1,363,018</u>	<u>1,891,570</u>

Parent Bank

<i>(Amounts in PHP)</i>	<u>Gross Maximum Exposure</u>	<u>Fair Value of Collaterals</u>	<u>Net Exposure</u>	<u>Financial Effect of Collaterals</u>
<u>2025</u>				
Loans and discounts:				
Corporate	2,719,863	1,365,313	1,354,550	1,365,313
Consumer	518,341	969,298	-	518,341
Credit card receivables	283,314	-	283,314	-
Reverse repurchase				
agreement	21,669	21,665	4	21,665
Sales contracts receivables	1,621	2,148	-	1,621
	<u>3,544,808</u>	<u>2,358,424</u>	<u>1,637,868</u>	<u>1,906,940</u>

Parent Bank

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure	Financial Effect of Collaterals
<u>2024</u>				
Loans and discounts:				
Corporate	2,434,075	1,288,466	1,145,609	1,288,466
Consumer	471,958	942,010	-	471,958
Credit card receivables	215,382	-	215,382	-
Reverse repurchase agreement	25,012	25,000	12	25,000
Sales contracts receivables	1,843	2,496	-	1,843
	<u>3,148,270</u>	<u>2,257,972</u>	<u>1,361,003</u>	<u>1,787,267</u>

An analysis of the maximum credit risk exposure relating to Stage 3 financial assets as of December 31, 2025 and 2024 is shown below and in the succeeding page.

BDO Unibank Group

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure	Financial Effect of Collaterals
<u>2025</u>				
Loans and discounts:				
Corporate	17,344	12,617	4,727	12,617
Consumer	27,744	37,317	-	27,744
Credit card receivables	15,411	-	15,411	-
Loans for life				
insurance contracts	269	651	-	269
Sales contracts receivables	367	447	-	367
	<u>61,135</u>	<u>51,032</u>	<u>20,138</u>	<u>40,997</u>
<u>2024</u>				
Loans and discounts:				
Corporate	19,324	17,040	2,284	17,040
Consumer	26,305	43,833	-	26,305
Credit card receivables	14,721	-	14,721	-
Loans for life				
insurance contracts	253	538	-	253
Sales contracts receivables	559	634	-	559
	<u>61,162</u>	<u>62,045</u>	<u>17,005</u>	<u>44,157</u>

Parent Bank

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure	Financial Effect of Collaterals
2025				
Loans and discounts:				
Corporate	17,297	12,617	4,680	12,617
Consumer	23,684	37,317	-	23,684
Credit card receivables	15,411	-	15,411	-
Sales contracts receivables	367	447	-	367
	56,759	50,381	20,091	36,668
2024				
Loans and discounts:				
Corporate	19,319	17,040	2,279	17,040
Consumer	22,966	43,833	-	22,966
Credit card receivables	14,721	-	14,721	-
Sales contracts receivables	559	634	-	559
	57,565	61,507	17,000	40,565

The following table sets out the gross carrying amounts of the exposures to credit risk on financial assets with low credit risk measured at amortized cost and debt securities at FVOCI as of December 31:

<i>(Amounts in PHP)</i>	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Cash equivalents	8, 9	440,610	449,822	419,350	430,124
Debt securities:					
At FVOCI	10.2	334,051	270,148	326,005	259,977
At amortized cost	10.3	616,364	578,066	596,378	558,234
Investments securities for life insurance contracts	16	85,180	71,414	-	-
		1,035,595	919,628	922,383	818,211

Cash equivalents includes loans with amounts due from BSP and from other banks. Debt securities includes government and corporate bonds. These are held by the BSP, financial institutions and other counterparties that are reputable and with low credit risk; hence, ECL is negligible.

(i) Loss Allowance

In 2025 and 2024, the BDO Unibank Group and the Parent Bank performed a recalibration of its existing ECL model to incorporate the most-recent default and recovery experience of the BDO Unibank Group and the Parent Bank and developments in the macroeconomic environment. Independent macroeconomic variables used to forecast the PD could either be dictated by their statistical significance in the model or economic significance. Inputs are updated to ensure that models are robust, predictive and reliable.

The tables in the succeeding pages show the reconciliation from the opening to the closing balance of the loss allowance by class of financial instrument.

BDO Unibank Group

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	37	-	-	37
Net remeasurement of loss allowance	6	-	-	6
New financial assets originated or purchased	7	-	-	7
Derecognition of financial assets	(4)	-	-	(4)
Foreign exchange	2	-	-	2
Balance at December 31	<u>48</u>	<u>-</u>	<u>-</u>	<u>48</u>
Receivables from customers – corporate				
Balance at January 1	6,174	32,673	15,379	54,226
Transfers to:				
Stage 1	200	(200)	-	-
Stage 2	(5)	5	-	-
Stage 3	(7)	(186)	193	-
Net remeasurement of loss allowance	(740)	155	(553)	(1,138)
New financial assets originated or purchased	3,443	3,095	395	6,933
Derecognition of financial assets	(2,544)	(6,573)	(1,109)	(10,226)
Write-offs	-	-	(1,848)	(1,848)
Foreign exchange	11	-	54	65
Balance at December 31	<u>6,532</u>	<u>28,969</u>	<u>12,511</u>	<u>48,012</u>
Receivables from customers – consumers				
Balance at January 1	3,355	432	9,535	13,322
Transfers to:				
Stage 1	202	(53)	(149)	-
Stage 2	(84)	104	(20)	-
Stage 3	(347)	(222)	569	-
Net remeasurement of loss allowance	(377)	237	2,308	2,168
New financial assets originated or purchased	1,393	151	590	2,134
Derecognition of financial assets	(449)	(139)	(2,785)	(3,373)
Write-offs	-	-	(2,912)	(2,912)
Balance at December 31	<u>3,693</u>	<u>510</u>	<u>7,136</u>	<u>11,339</u>
Credit card receivables				
Balance at January 1	7,239	1,465	12,845	21,549
Transfers to:				
Stage 1	731	(290)	(441)	-
Stage 2	(231)	723	(492)	-
Stage 3	(1,908)	(869)	2,777	-
Net remeasurement of loss allowance	3,005	983	10,728	14,716
New financial assets originated or purchased	1,432	127	487	2,046
Derecognition of financial assets	(370)	(111)	(541)	(1,022)
Write-offs	-	-	(12,804)	(12,804)
Foreign exchange	2	-	2	4
Balance at December 31	<u>9,900</u>	<u>2,028</u>	<u>12,561</u>	<u>24,489</u>
Other receivables				
Balance at January 1	523	55	2,416	2,994
Transfers to:				
Stage 1	18	(2)	(16)	-
Stage 2	(2)	6	(4)	-
Stage 3	(4)	(19)	23	-
Net remeasurement of loss allowance	30	(14)	153	169
New financial assets originated or purchased	76	43	1,552	1,671
Derecognition of financial assets	(224)	(11)	(1,315)	(1,550)
Write-offs	-	-	(219)	(219)
Balance at December 31	<u>417</u>	<u>58</u>	<u>2,590</u>	<u>3,065</u>

BDO Unibank Group

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Debt investment securities at amortized cost				
Balance at January 1	129	60	1,923	2,112
Transfers to:				
Stage 3	-	(60)	60	-
Net remeasurement of loss allowance	(8)	-	-	(8)
New financial assets originated or purchased	23	-	-	23
Foreign exchange	4	-	23	27
Derecognition of financial assets	(16)	-	(353)	(369)
Balance at December 31	132	-	1,653	1,785
Debt investment securities at FVOCI				
Balance at January 1	71	-	116	187
Net remeasurement of loss allowance	4	-	-	4
New financial assets originated or purchased	24	-	-	24
Derecognition of financial assets	(14)	-	-	(14)
Balance at December 31	85	-	116	201
Investment securities and other assets for life insurance contracts				
Balance at January 1	28	2	33	63
Transfers to:				
Stage 1	3	(1)	(2)	-
Stage 2	-	2	(2)	-
Net remeasurement of loss allowance	(3)	-	-	(3)
Derecognition of financial assets	(8)	(1)	5	(4)
Balance at December 31	20	2	34	56
Loan commitments and other contingent accounts				
Balance at January 1	89	29	-	118
Net remeasurement of loss allowance	(5)	-	-	(5)
New financial assets originated or purchased	103	-	-	103
Derecognition of financial assets	(108)	(29)	-	(137)
Foreign exchange	1	-	-	1
Balance at December 31	80	-	-	80
2024				
(Amounts in PHP)	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	58	-	-	58
Net remeasurement of loss allowance	(21)	-	-	(21)
Balance at December 31	37	-	-	37
Receivables from customers – corporate				
Balance at January 1	6,248	33,106	15,640	54,994
Transfers to:				
Stage 1	199	(196)	(3)	-
Stage 2	(36)	4,528	(4,492)	-
Stage 3	(1)	(1,907)	1,908	-
Net remeasurement of loss allowance	(1,000)	2,424	2,217	3,641
New financial assets originated or purchased	3,208	1,605	1,447	6,260
Derecognition of financial assets	(2,470)	(6,888)	(428)	(9,786)
Write-offs	-	-	(1,007)	(1,007)
Foreign exchange	26	1	97	124
Balance at December 31	6,174	32,673	15,379	54,226

BDO Unibank Group

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Receivables from customers – consumers				
Balance at January 1	2,770	503	9,874	13,147
Transfers to:				
Stage 1	523	(181)	(342)	-
Stage 2	(63)	100	(37)	-
Stage 3	(683)	(1,272)	1,955	-
Net remeasurement of loss allowance	(110)	1,373	2,112	3,375
New financial assets originated or purchased	1,300	137	717	2,154
Derecognition of financial assets	(382)	(228)	(3,328)	(3,938)
Write-offs	-	-	(1,417)	(1,417)
Foreign exchange	-	-	1	1
Balance at December 31	3,355	432	9,535	13,322
Credit card receivables				
Balance at January 1	5,823	371	8,768	14,962
Transfers to:				
Stage 1	287	(33)	(254)	-
Stage 2	(179)	509	(330)	-
Stage 3	(1,542)	(272)	1,814	-
Net remeasurement of loss allowance	1,536	741	7,918	10,195
New financial assets originated or purchased	1,595	185	941	2,721
Derecognition of financial assets	(285)	(35)	(417)	(737)
Write-offs	-	-	(5,600)	(5,600)
Foreign exchange	4	(1)	5	8
Balance at December 31	7,239	1,465	12,845	21,549
Other receivables				
Balance at January 1	238	42	2,428	2,708
Transfers to:				
Stage 1	2	-	(2)	-
Stage 2	-	6	(6)	-
Stage 3	5	(35)	30	-
Net remeasurement of loss allowance	(15)	22	307	314
New financial assets originated or purchased	443	49	513	1,005
Derecognition of financial assets	(152)	(29)	(655)	(836)
Foreign exchange	2	-	-	2
Write-offs	-	-	(199)	(199)
Balance at December 31	523	55	2,416	2,994
Debt investment securities at amortized cost				
Balance at January 1	231	49	1,846	2,126
Transfers to:				
Stage 3	(5)	-	5	-
Net remeasurement of loss allowance	(67)	9	-	(58)
New financial assets originated or purchased	29	-	-	29
Foreign exchange	14	2	72	88
Derecognition of financial assets	(73)	-	-	(73)
Balance at December 31	129	60	1,923	2,112
Debt investment securities at FVOCI				
Balance at January 1	102	97	-	199
Transfers to:				
Stage 3	-	(99)	99	-
Net remeasurement of loss allowance	(25)	2	17	(6)
New financial assets originated or purchased	20	-	-	20
Derecognition of financial assets	(26)	-	-	(26)
Balance at December 31	71	-	116	187

BDO Unibank Group

<i>(Amounts in PHP)</i>	2024			
	Stage 1	Stage 2	Stage 3	Total
Investment securities and other assets for life insurance contracts				
Balance at January 1	39	3	27	69
Transfers to:				
Stage 1	7	(2)	(5)	-
Stage 2	-	4	(4)	-
Net remeasurement of loss allowance	7	1	(2)	6
Derecognition of financial assets	(25)	(4)	17	(12)
Balance at December 31	28	2	33	63
Loan commitments and other contingent accounts				
Balance at January 1	176	27	-	203
Net remeasurement of loss allowance	(32)	2	-	(30)
New financial assets originated or purchased	49	-	-	49
Derecognition of financial assets	(107)	-	-	(107)
Foreign exchange	3	-	-	3
Balance at December 31	89	29	-	118

Parent Bank

<i>(Amounts in PHP)</i>	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	31	-	-	31
Net remeasurement of loss allowance	10	-	-	10
Foreign exchange	2	-	-	2
Balance at December 31	43	-	-	43
Receivables from customers – corporate				
Balance at January 1	6,164	32,643	15,377	54,184
Transfers to:				
Stage 1	200	(200)	-	-
Stage 2	(5)	5	-	-
Stage 3	(5)	(180)	185	-
Net remeasurement of loss allowance	(737)	155	(551)	(1,133)
New financial assets originated or purchased	3,437	3,094	396	6,927
Derecognition of financial assets	(2,543)	(6,570)	(1,108)	(10,221)
Write-offs	-	-	(1,848)	(1,848)
Foreign exchange	11	-	54	65
Balance at December 31	6,522	28,947	12,505	47,974
Receivables from customers – consumers				
Balance at January 1	2,970	354	7,598	10,922
Transfers to:				
Stage 1	171	(48)	(123)	-
Stage 2	(57)	73	(16)	-
Stage 3	(286)	(186)	472	-
Net remeasurement of loss allowance	(298)	220	1,173	1,095
New financial assets originated or purchased	1,134	105	343	1,582
Derecognition of financial assets	(383)	(108)	(2,411)	(2,902)
Write-offs	-	-	(2,005)	(2,005)
Foreign exchange	-	-	1	1
Balance at December 31	3,251	410	5,032	8,693

Parent Bank

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Credit card receivables				
Balance at January 1	7,239	1,465	12,845	21,549
Transfers to:				
Stage 1	731	(290)	(441)	-
Stage 2	(231)	723	(492)	-
Stage 3	(1,908)	(869)	2,777	-
Net remeasurement of loss allowance	3,005	983	10,728	14,716
New financial assets originated or purchased	1,432	127	487	2,046
Derecognition of financial assets	(370)	(111)	(541)	(1,022)
Write-offs	-	-	(12,804)	(12,804)
Foreign exchange	2	-	2	4
Balance at December 31	<u>9,900</u>	<u>2,028</u>	<u>12,561</u>	<u>24,489</u>
Other receivables				
Balance at January 1	476	55	2,228	2,759
Transfers to:				
Stage 1	18	(2)	(16)	-
Stage 2	(2)	6	(4)	-
Stage 3	(4)	(19)	23	-
Net remeasurement of loss allowance	31	(14)	137	154
New financial assets originated or purchased	76	43	1,528	1,647
Derecognition of financial assets	(224)	(11)	(1,307)	(1,542)
Write-offs	-	-	(219)	(219)
Balance at December 31	<u>371</u>	<u>58</u>	<u>2,370</u>	<u>2,799</u>
Debt investment securities at amortized cost				
Balance at January 1	126	60	1,923	2,109
Transfers to:				
Stage 3	-	(60)	60	-
Net remeasurement of loss allowance	(8)	-	-	(8)
New financial assets originated or purchased	23	-	-	23
Foreign exchange	4	-	23	27
Derecognition of financial assets	(16)	-	(353)	(369)
Balance at December 31	<u>129</u>	<u>-</u>	<u>1,653</u>	<u>1,782</u>
Debt investment securities at FVOCI				
Balance at January 1	70	-	116	186
Net remeasurement of loss allowance	5	-	-	5
New financial assets originated or purchased	24	-	-	24
Derecognition of financial assets	(15)	-	-	(15)
Balance at December 31	<u>84</u>	<u>-</u>	<u>116</u>	<u>200</u>
Loan commitments and other contingent accounts				
Balance at January 1	89	29	-	118
Net remeasurement of loss allowance	(5)	-	-	(5)
New financial assets originated or purchased	103	-	-	103
Derecognition of financial assets	(108)	(29)	-	(137)
Foreign exchange	1	-	-	1
Balance at December 31	<u>80</u>	<u>-</u>	<u>-</u>	<u>80</u>
(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	55	-	-	55
Net remeasurement of loss allowance	(24)	-	-	(24)
Balance at December 31	<u>31</u>	<u>-</u>	<u>-</u>	<u>31</u>

Parent Bank

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Receivables from customers – corporate				
Balance at January 1	6,238	33,069	15,638	54,945
Transfers to:				
Stage 1	187	(184)	(3)	-
Stage 2	(14)	4,506	(4,492)	-
Stage 3	(1)	(1,906)	1,907	-
Net remeasurement of loss allowance	(997)	2,428	2,218	3,649
New financial assets originated or purchased	3,203	1,605	1,447	6,255
Derecognition of financial assets	(2,478)	(6,876)	(428)	(9,782)
Write-offs	-	-	(1,007)	(1,007)
Foreign exchange	26	1	97	124
Balance at December 31	6,164	32,643	15,377	54,184
Receivables from customers – consumers				
Balance at January 1	2,276	362	8,257	10,895
Transfers to:				
Stage 1	281	(48)	(233)	-
Stage 2	(38)	50	(12)	-
Stage 3	(153)	(121)	274	-
Net remeasurement of loss allowance	(184)	186	2,202	2,204
New financial assets originated or purchased	1,081	109	603	1,793
Derecognition of financial assets	(293)	(184)	(2,862)	(3,339)
Write-offs	-	-	(631)	(631)
Balance at December 31	2,970	354	7,598	10,922
Credit card receivables				
Balance at January 1	5,823	371	8,768	14,962
Transfers to:				
Stage 1	287	(33)	(254)	-
Stage 2	(179)	509	(330)	-
Stage 3	(1,542)	(272)	1,814	-
Net remeasurement of loss allowance	1,536	741	7,918	10,195
New financial assets originated or purchased	1,595	185	941	2,721
Derecognition of financial assets	(285)	(35)	(417)	(737)
Write-offs	-	-	(5,600)	(5,600)
Foreign exchange	4	(1)	5	8
Balance at December 31	7,239	1,465	12,845	21,549
Other receivables				
Balance at January 1	185	42	2,341	2,568
Transfers to:				
Stage 1	2	-	(2)	-
Stage 2	-	6	(6)	-
Stage 3	(4)	(1)	5	-
Net remeasurement of loss allowance	(14)	(12)	225	199
New financial assets originated or purchased	443	49	507	999
Derecognition of financial assets	(138)	(29)	(643)	(810)
Write-offs	-	-	(199)	(199)
Foreign exchange	2	-	-	2
Balance at December 31	476	55	2,228	2,759

Parent Bank

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Debt investment securities at amortized cost				
Balance at January 1	220	49	1,846	2,115
Transfers to:				
Stage 3	(5)	-	5	-
Net remeasurement of loss allowance	(59)	9	-	(50)
New financial assets originated or purchased	29	-	-	29
Foreign exchange	13	2	72	87
Derecognition of financial assets	(72)	-	-	(72)
Balance at December 31	126	60	1,923	2,109
Debt investment securities at FVOCI				
Balance at January 1	102	97	-	199
Transfers to:				
Stage 3	-	(99)	99	-
Net remeasurement of loss allowance	(25)	2	17	(6)
New financial assets originated or purchased	19	-	-	19
Derecognition of financial assets	(26)	-	-	(26)
Balance at December 31	70	-	116	186
Loan commitments and other contingent accounts				
Balance at January 1	176	27	-	203
Net remeasurement of loss allowance	(32)	2	-	(30)
New financial assets originated or purchased	49	-	-	49
Derecognition of financial assets	(107)	-	-	(107)
Foreign exchange	3	-	-	3
Balance at December 31	89	29	-	118

The following table sets out a reconciliation of changes in the total loss allowance.

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at January 1	94,608	88,466	91,858	85,942
Net remeasurement of loss allowance	15,909	17,416	14,834	16,137
Derecognition of financial assets	(16,699)	(15,515)	(16,208)	(14,873)
New financial assets originated or purchased	12,941	12,238	12,352	11,865
Write-offs	(17,783)	(8,223)	(16,876)	(7,437)
Foreign exchange	99	226	100	224
Balance at December 31	89,075	94,608	86,060	91,858

(j) *Significant Changes in Gross Carrying Amount Affecting Allowance for ECL*

The tables below and in the succeeding pages provide information how the significant changes in the gross carrying amount of financial instruments in 2025 and 2024 contributed to the changes in the allowance for ECL.

BDO Unibank Group

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	90,485	-	-	90,485
Net movements	17,063	-	-	17,063
New financial assets originated or purchased	20,941	-	-	20,941
Derecognition of financial assets	(21,204)	-	-	(21,204)
Foreign exchange	4,139	-	-	4,139
Balance at December 31	111,424	-	-	111,424
Receivables from customers – corporate				
Balance at January 1	2,370,351	52,437	19,324	2,442,112
Transfers to:				
Stage 1	998	(998)	-	-
Stage 2	(990)	990	-	-
Stage 3	(1,112)	(365)	1,477	-
Foreign exchange	17	-	-	17
New financial assets originated or purchased	2,337,650	1,899	313	2,339,862
Derecognition of financial assets	(2,040,011)	(9,531)	(1,922)	(2,051,464)
Write-offs	-	-	(1,848)	(1,848)
Balance at December 31	2,666,903	44,432	17,344	2,728,679
Receivables from customers – consumers				
Balance at January 1	539,162	2,269	26,305	567,736
Transfers to:				
Stage 1	1,425	(417)	(1,008)	-
Stage 2	(1,789)	1,845	(56)	-
Stage 3	(11,920)	(1,183)	13,103	-
New financial assets originated or purchased	268,519	516	1,091	270,126
Derecognition of financial assets	(182,767)	(727)	(8,779)	(192,273)
Write-offs	-	-	(2,912)	(2,912)
Balance at December 31	612,630	2,303	27,744	642,677
Credit card receivables				
Balance at January 1	198,246	2,415	14,721	215,382
Transfers to:				
Stage 1	1,025	(508)	(517)	-
Stage 2	(2,073)	2,678	(605)	-
Stage 3	(12,962)	(1,422)	14,384	-
New financial assets originated or purchased	90,280	520	1,240	92,040
Derecognition of financial assets	(9,988)	(308)	(1,008)	(11,304)
Write-offs	-	-	(12,804)	(12,804)
Balance at December 31	264,528	3,375	15,411	283,314

BDO Unibank Group

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Other receivables				
Balance at January 1	135,230	657	3,492	139,379
Transfers to:				
Stage 1	149	(30)	(119)	-
Stage 2	(32)	62	(30)	-
Stage 3	(107)	(52)	159	-
New financial assets originated or purchased	42,108	840	2,040	44,988
Derecognition of financial assets	(55,615)	(352)	(1,438)	(57,405)
Write-offs	-	-	(219)	(219)
Balance at December 31	<u>121,733</u>	<u>1,125</u>	<u>3,885</u>	<u>126,743</u>
Debt investment securities at amortized cost				
Balance at January 1	576,083	60	1,923	578,066
Transfer to:				
Stage 3	-	(60)	60	-
Amortization	(1,065)	-	-	(1,065)
New financial assets originated or purchased	152,119	-	-	152,119
Foreign exchange	5,703	-	24	5,727
Derecognition of financial assets	<u>(118,129)</u>	<u>-</u>	<u>(354)</u>	<u>(118,483)</u>
Balance at December 31	<u>614,711</u>	<u>-</u>	<u>1,653</u>	<u>616,364</u>
Debt investment securities at FVOCI				
Balance at January 1	270,029	-	119	270,148
Amortization	3,611	-	-	3,611
Fair value gain	4,469	-	-	4,469
New financial assets originated or purchased	1,030,113	-	-	1,030,113
Foreign exchange	3,344	-	2	3,346
Derecognition of financial assets	<u>(977,636)</u>	<u>-</u>	<u>-</u>	<u>(977,636)</u>
Balance at December 31	<u>333,930</u>	<u>-</u>	<u>121</u>	<u>334,051</u>
Investment securities and other assets for life insurance contracts				
Balance at January 1	74,799	27	261	75,087
Transfers to:				
Stage 1	30	(13)	(17)	-
Stage 2	(4)	24	(20)	-
Stage 3	(23)	(2)	25	-
Amortization	(254)	-	-	(254)
Fair value gain	331	-	-	331
Foreign exchange	(99)	-	-	(99)
New financial assets originated or purchased	28,512	-	-	28,512
Derecognition of financial assets	<u>(15,171)</u>	<u>(14)</u>	<u>27</u>	<u>(15,158)</u>
Balance at December 31	<u>88,121</u>	<u>22</u>	<u>276</u>	<u>88,419</u>
Loan commitments and other contingent accounts				
Balance at January 1	736,794	347	-	737,141
New financial assets originated or purchased	104,488	6	-	104,494
Derecognition of financial assets	<u>(771,100)</u>	<u>-</u>	<u>-</u>	<u>(771,100)</u>
Balance at December 31	<u>70,182</u>	<u>353</u>	<u>-</u>	<u>70,535</u>

BDO Unibank Group

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	86,032	-	-	86,032
Net movements	(815)	-	-	(815)
New financial assets originated or purchased	52,792	-	-	52,792
Derecognition of financial assets	(48,172)	-	-	(48,172)
Foreign exchange	648	-	-	648
Balance at December 31	90,485	-	-	90,485
Receivables from customers – corporate				
Balance at January 1	2,101,948	62,889	18,639	2,183,476
Transfers to:				
Stage 1	1,330	(1,320)	(10)	-
Stage 2	(3,309)	8,297	(4,988)	-
Stage 3	(563)	(4,583)	5,146	-
Net remeasurement	(1,047)	85	(2)	(964)
Foreign exchange	27	-	-	27
New financial assets originated or purchased	2,133,226	3,621	154,418	2,291,265
Derecognition of financial assets	(1,861,261)	(16,552)	(152,872)	(2,030,685)
Write-offs	-	-	(1,007)	(1,007)
Balance at December 31	2,370,351	52,437	19,324	2,442,112
Receivables from customers – consumers				
Balance at January 1	476,503	1,785	24,986	503,274
Transfers to:				
Stage 1	29,434	(277)	(29,157)	-
Stage 2	(1,217)	1,232	(15)	-
Stage 3	(6,572)	(924)	7,496	-
Net remeasurement	(31,258)	222	28,034	(3,002)
New financial assets originated or purchased	224,948	340	755	226,043
Derecognition of financial assets	(152,676)	(109)	(4,377)	(157,162)
Write-offs	-	-	(1,417)	(1,417)
Balance at December 31	539,162	2,269	26,305	567,736
Credit card receivables				
Balance at January 1	150,774	1,723	9,550	162,047
Transfers to:				
Stage 1	560	(307)	(253)	-
Stage 2	(1,527)	1,891	(364)	-
Stage 3	(9,874)	(1,060)	10,934	-
New financial assets originated or purchased	65,547	410	1,193	67,150
Derecognition of financial assets	(7,234)	(242)	(739)	(8,215)
Write-offs	-	-	(5,600)	(5,600)
Balance at December 31	198,246	2,415	14,721	215,382
Other receivables				
Balance at January 1	115,038	443	3,478	118,959
Transfers to:				
Stage 1	78	(59)	(19)	-
Stage 2	(45)	68	(23)	-
Stage 3	(144)	(53)	197	-
New financial assets originated or purchased	29,452	598	2,391	32,441
Acquired from business combination	(181)	-	-	(181)
Derecognition of financial assets	(8,968)	(340)	(2,333)	(11,641)
Write-offs	-	-	(199)	(199)
Balance at December 31	135,230	657	3,492	139,379

BDO Unibank Group

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Debt investment securities at amortized cost				
Balance at January 1	573,704	56	1,846	575,606
Transfer to:				
Stage 3	(6)	-	6	-
Amortization	(2,288)	-	-	(2,288)
New financial assets originated or purchased	125,311	1	-	125,312
Foreign exchange	8,417	3	71	8,491
Derecognition of financial assets	(129,055)	-	-	(129,055)
Balance at December 31	576,083	60	1,923	578,066
Debt investment securities at FVOCI				
Balance at January 1	234,884	15	-	234,899
Transfers to:				
Stage 3	-	(13)	13	-
Amortization	8,212	-	-	8,212
Fair value gain (loss)	(447)	(6)	102	(351)
New financial assets originated or purchased	1,322,501	(1)	4	1,322,504
Foreign exchange	4,598	5	-	4,603
Derecognition of financial assets	(1,299,719)	-	-	(1,299,719)
Balance at December 31	270,029	-	119	270,148
Investment securities and other assets for life insurance contracts				
Balance at January 1	75,337	61	203	75,601
Transfers to:				
Stage 1	80	(26)	(54)	-
Stage 2	(14)	51	(37)	-
Stage 3	(23)	-	23	-
Amortization	(246)	-	-	(246)
Fair value loss	(775)	-	-	(775)
Foreign exchange	125	-	-	125
New financial assets originated or purchased	15,907	(3)	(4)	15,900
Derecognition of financial assets	(15,592)	(56)	130	(15,518)
Balance at December 31	74,799	27	261	75,087
Loan commitments and other contingent accounts				
Balance at January 1	606,864	1,079	49	607,992
New financial assets originated or purchased	130,177	133	-	130,310
Derecognition of financial assets	(247)	(865)	(49)	(1,161)
Balance at December 31	736,794	347	-	737,141

Parent Bank

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	77,542	-	-	77,542
Net movements	15,728	-	-	15,728
New financial assets originated or purchased	9,518	-	-	9,518
Derecognition of financial assets	(9,296)	-	-	(9,296)
Foreign exchange	4,042	-	-	4,042
Balance at December 31	97,534	-	-	97,534

Parent Bank

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Receivables from customers – corporate				
Balance at January 1	2,362,363	52,393	19,319	2,434,075
Transfers to:				
Stage 1	998	(998)	-	-
Stage 2	(983)	983	-	-
Stage 3	(1,078)	(348)	1,426	-
New financial assets originated or purchased	2,333,282	1,898	313	2,335,493
Derecognition of financial assets	(2,036,420)	(9,524)	(1,913)	(2,047,857)
Write-offs	-	-	(1,848)	(1,848)
Balance at December 31	<u>2,658,162</u>	<u>44,404</u>	<u>17,297</u>	<u>2,719,863</u>
Receivables from customers – consumers				
Balance at January 1	447,228	1,764	22,966	471,958
Transfers to:				
Stage 1	942	(253)	(689)	-
Stage 2	(1,437)	1,485	(48)	-
Stage 3	(9,563)	(955)	10,518	-
New financial assets originated or purchased	170,486	283	629	171,398
Derecognition of financial assets	(114,867)	(456)	(7,687)	(123,010)
Write-offs	-	-	(2,005)	(2,005)
Balance at December 31	<u>492,789</u>	<u>1,868</u>	<u>23,684</u>	<u>518,341</u>
Credit card receivables				
Balance at January 1	198,246	2,415	14,721	215,382
Transfers to:				
Stage 1	1,025	(508)	(517)	-
Stage 2	(2,073)	2,678	(605)	-
Stage 3	(12,962)	(1,422)	14,384	-
New financial assets originated or purchased	90,280	520	1,240	92,040
Derecognition of financial assets	(9,988)	(308)	(1,008)	(11,304)
Write-offs	-	-	(12,804)	(12,804)
Balance at December 31	<u>264,528</u>	<u>3,375</u>	<u>15,411</u>	<u>283,314</u>
Other receivables				
Balance at January 1	133,365	523	2,868	136,756
Transfers to:				
Stage 1	149	(30)	(119)	-
Stage 2	(31)	61	(30)	-
Stage 3	(107)	(52)	159	-
New financial assets originated or purchased	38,024	720	1,995	40,739
Derecognition of financial assets	(45,961)	(350)	(1,663)	(47,974)
Write-offs	-	-	(219)	(219)
Balance at December 31	<u>125,439</u>	<u>872</u>	<u>2,991</u>	<u>129,302</u>
Debt investment securities at amortized cost				
Balance at January 1	556,251	60	1,923	558,234
Transfer to:				
Stage 3	-	(60)	60	-
Amortization	(1,065)	-	-	(1,065)
New financial assets originated or purchased	143,832	-	-	143,832
Foreign exchange	5,638	-	24	5,662
Derecognition of financial assets	(109,931)	-	(354)	(110,285)
Balance at December 31	<u>594,725</u>	<u>-</u>	<u>1,653</u>	<u>596,378</u>

Parent Bank

(Amounts in PHP)	2025			
	Stage 1	Stage 2	Stage 3	Total
Debt investment securities at FVOCI				
Balance at January 1	259,858	-	119	259,977
Amortization	3,610	-	-	3,610
Fair value gain	4,460	-	-	4,460
New financial assets originated or purchased	1,028,935	-	-	1,028,935
Foreign exchange	3,326	-	2	3,328
Derecognition of financial assets	(974,305)	-	-	(974,305)
Balance at December 31	325,884	-	121	326,005
Loan commitments and other contingent accounts				
Balance at January 1	736,794	347	-	737,141
New financial assets originated or purchased	104,488	6	-	104,494
Derecognition of financial assets	(771,100)	-	-	(771,100)
Balance at December 31	70,182	353	-	70,535
(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Due from other banks				
Balance at January 1	76,846	-	-	76,846
Net movements	88	-	-	88
New financial assets originated or purchased	8,343	-	-	8,343
Derecognition of financial assets	(8,324)	-	-	(8,324)
Foreign exchange	589	-	-	589
Balance at December 31	77,542	-	-	77,542
Receivables from customers – corporate				
Balance at January 1	2,094,050	62,795	18,633	2,175,478
Transfers to:				
Stage 1	1,223	(1,213)	(10)	-
Stage 2	(3,320)	8,308	(4,988)	-
Stage 3	(563)	(4,582)	5,145	-
New financial assets originated or purchased	2,129,184	3,621	154,418	2,287,223
Derecognition of financial assets	(1,858,211)	(16,536)	(152,872)	(2,027,619)
Write-offs	-	-	(1,007)	(1,007)
Balance at December 31	2,362,363	52,393	19,319	2,434,075
Receivables from customers – consumer				
Balance at January 1	414,454	1,398	22,103	437,955
Transfers to:				
Stage 1	1,539	(292)	(1,247)	-
Stage 2	(1,208)	1,238	(30)	-
Stage 3	(5,569)	(692)	6,261	-
New financial assets originated or purchased	153,345	168	512	154,025
Derecognition of financial assets	(115,333)	(56)	(4,002)	(119,391)
Write-offs	-	-	(631)	(631)
Balance at December 31	447,228	1,764	22,966	471,958

Parent Bank

(Amounts in PHP)	2024			
	Stage 1	Stage 2	Stage 3	Total
Credit card receivables				
Balance at January 1	150,774	1,723	9,550	162,047
Transfers to:				
Stage 1	560	(307)	(253)	-
Stage 2	(1,527)	1,891	(364)	-
Stage 3	(9,874)	(1,060)	10,934	-
New financial assets originated or purchased	65,547	410	1,193	67,150
Derecognition of financial assets	(7,234)	(242)	(739)	(8,215)
Write-offs	-	-	(5,600)	(5,600)
Balance at December 31	198,246	2,415	14,721	215,382
Other receivables				
Balance at January 1	114,176	417	2,844	117,437
Transfers to:				
Stage 1	47	(27)	(20)	-
Stage 2	(45)	69	(24)	-
Stage 3	(144)	(20)	164	-
New financial assets originated or purchased	24,913	423	1,959	27,295
Derecognition of financial assets	(5,582)	(339)	(1,856)	(7,777)
Write-offs	-	-	(199)	(199)
Balance at December 31	133,365	523	2,868	136,756
Debt investment securities at amortized cost				
Balance at January 1	554,856	56	1,846	556,758
Transfer to:				
Stage 3	(6)	-	6	-
Amortization	(2,288)	-	-	(2,288)
New financial assets originated or purchased	117,892	1	-	117,893
Foreign exchange	8,194	3	71	8,268
Derecognition of financial assets	(122,397)	-	-	(122,397)
Balance at December 31	556,251	60	1,923	558,234
Debt investment securities at FVOCI				
Balance at January 1	222,994	15	-	223,009
Transfers to:				
Stage 3	-	(13)	13	-
Amortization	8,211	-	-	8,211
Fair value gain (loss)	(494)	(6)	102	(398)
New financial assets originated or purchased	1,316,413	(1)	4	1,316,416
Foreign exchange	4,512	5	-	4,517
Derecognition of financial assets	(1,291,778)	-	-	(1,291,778)
Balance at December 31	259,858	-	119	259,977
Loan commitments and other contingent accounts				
Balance at January 1	606,864	1,079	49	607,992
New financial assets originated or purchased	130,177	133	-	130,310
Derecognition of financial assets	(247)	(865)	(49)	(1,161)
Balance at December 31	736,794	347	-	737,141

(k) *Sensitivity Analysis on ECL Measurement*

Set out below are the changes to the BDO Unibank Group's 12-month ECL as of December 31, 2025 and 2024 that would result from reasonably possible changes in these parameters from the actual assumptions used in the BDO Unibank Group's economic variable assumptions.

	2025			2024		
	Change in MEVs	Impact on ECL		Change in MEVs	Impact on ECL	
		Increase in MEVs	Decrease in MEVs		Increase in MEVs	Decrease in MEVs
Corporate or Commercial loans:						
GDP growth rate	+/-1%	-7.12%	7.12%	+/-1%	-3.80%	3.80%
Inflation rate	+/-1%	3.78%	-3.78%	+/-1%	0.43%	-0.74%
Credit Card Receivables or Personal Loans:						
GDP growth rate	+/-1%	-0.53%	0.53%	+/-1%	-0.80%	0.80%
Unemployment rate	+/-1%	3.02%	-4.77%	+/-1%	2.33%	-2.33%
Home/Housing Loans:						
GDP growth rate	+/-1%	-0.14%	0.14%	+/-1%	-0.09%	0.09%
Inflation rate	+/-1%	0.54%	-4.83%	+/-1%	0.14%	-0.24%
Auto Loans:						
GDP growth rate	+/-1%	-0.41%	0.41%	+/-1%	-0.45%	0.45%
Unemployment rate	+/-1%	3.61%	-5.70%	+/-1%	2.33%	-2.33%

4.4 *Operational Risk*

Operational risk is the risk of loss due to the BDO Unibank Group's:

- failure to comply with defined operational procedures;
- inability to address fraud committed internally or externally;
- inability to handle system failures; and,
- inability to cope with the impact of external events.

The BDO Unibank Group manages its operational risks by instituting policies to minimize its expected losses, allocating capital for the unexpected losses and having insurance and/or a business continuity plan to prepare for catastrophic losses.

Framework

True to its commitment to sound management and corporate governance, the BDO Unibank Group considers operational risk management as a critical element in the conduct of its business. Under BDO Unibank Group's Operational Risk Management (ORM) framework, the BOD has the ultimate responsibility for providing leadership in the management of operational risk in BDO Unibank Group.

The RMG provides the common risk language and management tools across the BDO Unibank Group as well as monitors the implementation of the ORM framework and policies. The business process owners, as risk owners, are responsible for identifying, assessing and limiting the impact of risk in their businesses/operations.

The BDO Unibank Group continues to conduct periodic Risk and Control Self-Assessment (RCSA) to enable business process owners to document their operational risks and the corresponding control mechanisms established to manage those risks. This ORM tool allows the BDO Unibank Group to identify risks the business/operation faces, assess the severity of those risks, evaluate the adequacy of key controls associated with the identified risks, and take proactive action to address any deficiencies identified.

The BDO Unibank Group also continues to use Key Risk Indicators (KRI) as alerts for operational risk vulnerabilities. Reporting of top KRIs to the BOD through the RMC is done quarterly.

The BDO Unibank Group likewise uses Loss Data Collection, Analysis and Reporting that allows the BDO Unibank Group to gather data per Basel loss event category across business lines. The collected data are processed for information and appropriate escalation, root cause analysis, control effectiveness and enables action plans to prevent recurrence.

These ORM tools are continually being reviewed and enhanced to proactively manage operational risks. The Operational Risk Management Solution (ORMS) was implemented to automate the reporting of BDO Unibank Group's RCSAs, KRIs and operational losses. The bank-wide information asset inventory is regularly reviewed to address operational risks arising from information security concerns. The inventory identified critical applications and sensitive data based on the BDO Unibank Group's classification standards, information risks, as well as protection measures in place to mitigate these risks. Under the purview of information security is data privacy. The BDO Unibank Group's data privacy framework is in accordance with the R.A. No. 10173, *Data Privacy Act of 2012*.

Information technology risks which include current and prospective negative impact to earnings arising from failure of IT systems and realization of cyber security threats are appropriately managed through policies and measures that are integrated into BDO Unibank Group's day-to-day operations.

Operational risks arising from health, safety and environmental issues are appropriately managed through policies and measures that are integrated into BDO Unibank Group's Day-to-day operations. These include Environmental Consciousness, Occupational Health and Safety, and Community Health and Safety.

The BDO Unibank Group continues to review its preparedness for major disaster scenarios and implements required changes in its Business Continuity Plan.

4.5 Insurance Risk

The risk under an insurance contract is the risk that an insured event will occur, including the uncertainty of the amount and timing of any resulting claim. The principal risk the BDO Unibank Group faces under such contracts is that the actual claims and benefits payments exceed the carrying amount of insurance liabilities. This is influenced by the frequency of claims, severity of claims, actual benefits paid are greater than originally estimated, and subsequent development of long-term claims.

(a) Terms and Conditions

The BDO Unibank Group principally writes life insurance where the life of the policyholder is insured against death, illness, injury or permanent disability, usually for a predetermined amount. Life insurance contracts offered by the BDO Unibank Group mainly include whole life, term insurance, endowments, VUL products, group life insurance, and accident and health insurance.

(b) *Underwriting risk*

Underwriting risk represents the exposure to loss resulting from actual policy experience adversely deviating from assumptions made in the product pricing. Underwriting risks are brought about by a combination of the following:

- Mortality risk – risk of loss arising from the policyholder’s death experience being higher than expected.
- Morbidity risk – risk of loss arising from the policyholder’s health experience being higher than expected.
- Expense risk – risk of loss arising from expense experience being higher than expected.
- Policyholder decision risk - risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.

Underwriting guidelines and limits for insurance and reinsurance contracts are regularly monitored for compliance and updated to reflect current requirements. To further control the underwriting risks, the BDO Unibank Group’s Actuarial Department regularly assesses the adequacy of the insurance premiums and technical provisions. The risks of defaults by reinsurers are mitigated as the BDO Unibank Group only deals with accredited reinsurers. Additionally, provisions for known and unknown liabilities arising from the BDO Unibank Group’s commitments are calculated using prudent actuarial methods.

The main underwriting strategies of the BDO Unibank Group to control risk are the use of reinsurance and the controlled granting of non-medical authority (NMA) to the sales force. The NMA is being given only to members of the sales force who either qualify by virtue of field experience or by passing a certain underwriting and training program. Actual experience is closely monitored and corrective actions are executed whenever necessary.

The BDO Unibank Group utilizes surplus reinsurance programs to manage its mortality risk from large fluctuations in claim experience.

4.6 *Anti-Money Laundering Controls*

The Anti-Money Laundering (AML) Program of the BDO Unibank Group and the Parent Bank is articulated in the Board-approved Money Laundering, Terrorist Financing and Proliferation Financing Prevention Program (MTPP) Manual. The MTPP Manual encapsulates the policies and procedures covering the: (i) on-boarding of clients, Know Your Client and required due diligence; (ii) customer risk assessment; (iii) on-going monitoring of clients and their transactions; (iv) regulatory reporting; (v) record-keeping; (vi) training of all officers and staff including the BOD; (vii) Independent Compliance Testing (ICT); and, (viii) Institutional Risk Assessment.

For AML transaction monitoring and end-to-end AML investigation, the Parent Bank has made substantial investments in a robust AML Solution (SAS EAML 8.2) that has been deployed in the Parent Bank, and across the enterprise in line with defined project scope and timelines. This system also facilitates the preparation and filing of Covered Transaction Reports and Suspicious Transaction Reports, including compliance with the relevant changes required under the Guidelines on Transaction Reporting and Compliance Submissions (GoTRACS) of the AMLC.

The Chief Compliance Officer directly reports to the BOD through the Board Audit Committee and is also a member of the AML Committee of the Parent Bank. The AML Committee, composed of senior officers from various units, is tasked to oversee the operational implementation of BDO’s AML/ Counter-Terrorist Financing (CTF)/ Counter-Proliferation Financing (CPF) Program.

4.7 Maturity Profile of Resources and Liabilities

The table below presents the maturity profile of resources and liabilities analyzed according to whether these are expected to be recovered or settled in less than 12 months and over 12 months from statement of financial position date:

(Amounts in PHP)	2025			2024		
	Within 12 Months	Beyond 12 Months	Total	Within 12 Months	Beyond 12 Months	Total
BDO Unibank Group						
Resources						
Cash and other cash items	119,359	-	119,359	109,744	-	109,744
Due from BSP and other banks - net	321,203	-	321,203	340,041	-	340,041
Trading and investment securities - net	152,281	832,412	984,693	190,884	685,224	876,108
Loans and other receivables - net	1,393,477	2,301,031	3,694,508	1,128,526	2,143,992	3,272,518
Premises, furniture, fixtures and equipment - net	-	62,470	62,470	-	54,204	54,204
Investment properties - net	-	42,838	42,838	-	33,825	33,825
Equity investments - net	-	5,251	5,251	-	4,711	4,711
Investment securities and other assets for life insurance contracts - net	36,137	100,677	136,814	8,181	113,730	121,911
Other resources - net	24,237	40,183	64,420	18,663	44,325	62,988
	<u>2,046,694</u>	<u>3,384,862</u>	<u>5,431,556</u>	<u>1,796,039</u>	<u>3,080,011</u>	<u>4,876,050</u>
Liabilities						
Deposit liabilities	4,152,255	37,536	4,189,791	3,743,846	50,181	3,794,027
Bills payable	141,671	210,147	351,818	141,793	119,677	261,470
Insurance contract and other liabilities for life insurance contracts	10,022	91,573	101,595	8,801	82,670	91,471
Other liabilities	123,223	20,983	144,206	131,884	19,803	151,687
	<u>4,427,171</u>	<u>360,239</u>	<u>4,787,410</u>	<u>4,026,324</u>	<u>272,331</u>	<u>4,298,655</u>
 (Amounts in PHP)						
	2025			2024		
	Within 12 Months	Beyond 12 Months	Total	Within 12 Months	Beyond 12 Months	Total
Parent Bank						
Resources						
Cash and other cash items	113,349	-	113,349	105,767	-	105,767
Due from BSP and other banks - net	305,958	-	305,958	324,326	-	324,326
Trading and investment securities - net	142,160	806,168	948,328	182,941	657,047	839,988
Loans and other receivables - net	1,285,708	2,281,157	3,566,865	1,121,265	2,047,492	3,168,757
Premises, furniture, fixtures and equipment - net	-	57,299	57,299	-	49,299	49,299
Investment properties - net	-	38,610	38,610	-	29,796	29,796
Equity investments - net	-	77,118	77,118	-	66,150	66,150
Other resources - net	22,930	36,783	59,713	18,573	38,542	57,115
	<u>1,870,105</u>	<u>3,297,135</u>	<u>5,167,240</u>	<u>1,752,872</u>	<u>2,888,326</u>	<u>4,641,198</u>
Liabilities						
Deposit liabilities	4,038,558	30,904	4,069,462	3,637,577	48,475	3,686,052
Bills payable	119,405	205,122	324,527	130,064	110,224	240,288
Other liabilities	112,906	18,497	131,403	123,563	15,980	139,543
	<u>4,270,869</u>	<u>254,523</u>	<u>4,525,392</u>	<u>3,891,204</u>	<u>174,679</u>	<u>4,065,883</u>

5. CAPITAL MANAGEMENT

5.1 *Capital Management and Regulatory Capital*

The Internal Capital Adequacy Assessment Process (ICAAP) document, as required by the BSP, articulates BDO Unibank Group's capital planning strategy and discusses governance, risk assessment, capital assessment and planning, capital adequacy monitoring and reporting, as well as internal control reviews. The BDO Unibank Group likewise incorporates sensitivity analysis and contingency planning, and has set benchmarks that will trigger management action when necessary. Annually as required, the BDO Unibank Group submits its updated ICAAP document to the BSP.

In implementing current capital requirements, the BSP requires BDO Unibank Group to maintain a prescribed ratio of qualifying capital to risk-weighted assets.

The BSP has adopted the Basel III risk-based capital adequacy framework effective January 1, 2014, as amended on January 1, 2019, which requires the BDO Unibank Group to maintain the following:

- (a) Common Equity Tier 1 (CET 1) of at least 6.0% of risk-weighted assets;
- (b) Tier 1 Capital of at least 7.5% of risk-weighted assets;
- (c) Qualifying Capital (Tier 1 plus Tier 2 Capital) of at least 10.0% of risk-weighted assets;
- (d) Capital Conservation Buffer of 2.5% of risk-weighted assets, comprised of CET 1 Capital; and,
- (e) Countercyclical Capital Buffer (CCyB) of 0% subject to upward adjustment to a rate determined by the Monetary Board when systemic conditions warrant but not to exceed 2.5%.

The regulatory capital is analyzed as CET 1 Capital, Additional Tier 1 Capital and Tier 2 Capital, each adjusted for prescribed regulatory deductions.

Risk assets consist of total assets after the exclusion of cash on hand, due from BSP, loans covered by hold-out on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits and other non-risk items as determined by the Monetary Board of the BSP.

BDO Unibank Group's policy is to maintain a strong capital base to promote investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholder's return is also recognized and BDO Unibank Group recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

Under BSP Circular No. 854, universal banks with more than 100 branches are required to comply with the minimum capital requirement of P20 billion. As of December 31, 2025 and 2024, the Parent Bank has complied, and is well above the minimum capitalization requirement.

The BSP issued Circular No. 856 on the guidelines on the framework for dealing with domestic systemically important banks (DSIB) that is consistent with the Basel principles, as amended by BSP Circular No. 1051 dated September 27, 2019. Banks, which are identified as DSIB, shall be required to have a higher loss absorbency (HLA) depending on their computed systemic importance. The HLA requirement is aimed at ensuring that DSIBs have a higher share of their statements of financial position funded by instruments, which increase their resilience as a going concern. The HLA requirement is to be met with CET 1 capital.

Under BSP Circular No. 1051, banks identified by the BSP as DSIB are required to put up lower HLA to meet the CET 1 capital ranging from 1.50% to 2.50%, effective October 17, 2019.

BSP Circular No. 1024 requires banks to put up a CCyB, which is set initially at 0%, composed of CET 1. CCyB may be subject to upward adjustment to a rate determined by the Monetary Board when systemic conditions warrant but not to exceed 2.5%. This took effect on January 4, 2019.

BDO Unibank Group and the Parent Bank's regulatory capital position (computed using balances prepared under PFRS Accounting Standards) based on the Basel III risk-based capital adequacy framework as of December 31, 2025 and 2024 as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Tier 1 Capital				
CET 1	612,185	557,373	612,005	557,016
Additional Tier 1	6,180	6,180	6,180	6,180
	618,365	563,553	618,185	563,196
Tier 2 Capital	38,255	33,540	36,658	32,184
Total Regulatory Capital	656,620	597,093	654,843	595,380
Regulatory Deductions	(57,800)	(60,926)	(100,840)	(95,159)
Total Qualifying Capital	598,820	536,167	554,003	500,221
Total Risk-Weighted Assets	4,023,674	3,520,956	3,844,841	3,365,717
Capital ratios:				
Total Capital Ratio	14.9%	15.2%	14.4%	14.9%
Tier 1 Capital Ratio	13.9%	14.3%	13.5%	13.9%
Total CET 1 Ratio	13.8%	14.1%	13.3%	13.7%

At the end of each reporting period, the BDO Unibank Group and the Parent Bank have complied and are all well above the prescribed ratio of qualifying capital to risk-weighted assets.

5.2 Leverage Ratio

On June 9, 2015, the BSP issued Circular No. 881, *Implementing Guidelines on the Basel III Leverage Ratio Framework*, which provides the implementing guidelines on the leverage ratio framework designed to act as a supplementary measure to the risk-based capital requirements. It sets out a minimum leverage ratio of 5.00% and shall be complied with at all times.

The Basel III leverage ratio is defined as the ratio of capital measure (Tier 1 Capital) and the exposure measure which include on-balance sheet, derivatives and securities financing transactions exposures and off-balance sheet items.

The BDO Unibank Group and the Parent Bank's Basel III Leverage Ratio (BLR) have been stable and are comfortably above the regulatory floor as reported to the BSP:

	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
BLR	10.2%	10.3%	9.9%	9.7%	9.9%	9.4%

5.3 Liquidity Coverage Ratio and Net Stable Funding Ratio

On March 10, 2016, the BSP issued Circular No. 905, *Implementation of Basel III Framework on Liquidity Standards - Liquidity Coverage Ratio and Disclosure Standards*, which provides the implementing guidelines on liquidity coverage ratio (LCR) and disclosure standards that are consistent with the Basel III framework. Circular No. 905 requires the BDO Unibank Group to maintain available High Quality Liquid Assets (HQLA) to meet anticipated net cash outflows for a 30-day period under stress conditions. The BDO Unibank Group has fully complied with the LCR minimum requirement of 100% coverage, effective January 1, 2019.

To strengthen the BDO Unibank Group's short-term liquidity position and as a defense against potential onset of liquidity stress, it maintains adequate stock of unencumbered HQLAs that consists of cash or assets that can be freely converted into cash at little or no loss of value in private markets.

The BDO Unibank Group and the Parent Bank's LCR as of December 31, 2025, 2024 and 2023 have been stable and are comfortably above the regulatory floor as summarized below.

	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
LCR	121.2%	132.1%	123.2%	121.7%	134.1%	123.5%

Net Stable Funding Ratio (NSFR), as detailed in BSP Circular No. 1007, *Implementing Guidelines on the Adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio*, is an assessment of the level of sustainable funding required to reduce funding risk over a one-year time horizon. The NSFR complements the LCR, which promotes short-term resilience of the BDO Unibank Group's liquidity profile. The BDO Unibank Group has fully complied with the NSFR minimum requirement of 100% coverage, effective January 1, 2019.

To promote long-term resilience against liquidity risk, the BDO Unibank Group maintains a stable funding profile in relation to the composition of its assets and off-balance sheet activities and seeks to meet this objective by limiting overreliance on short-term wholesale funding and promoting enhanced assessment of funding risk across all on- and off-balance sheet accounts.

The BDO Unibank Group and the Parent Bank's Basel III NSFR as of December 31, 2025, 2024 and 2023 have been stable and are comfortably above the regulatory floor as summarized below.

	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
NSFR	118.2%	122.1%	124.1%	117.5%	122.1%	123.8%

6. SEGMENT REPORTING

6.1 Business Segments

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

Management currently identifies BDO Unibank Group's five service lines as primary operating segments. In addition, minor operating segments, for which quantitative thresholds have not been met, as described in PFRS 8, *Operating Segments*, are combined as Others.

- (a) **Commercial banking** – handles the entire lending (corporate and consumer), trade financing and cash management services for corporate and retail customers;
- (b) **Investment banking** – provides services to corporate clients outside the traditional loan and deposit products. These services include loan syndications, underwriting and placing of debt and equity securities, financial advisory services, and securities brokerage;
- (c) **Private banking** – provides traditional and non-traditional investment and structured products to high net worth individuals and institutional accounts;
- (d) **Leasing and financing** – provides direct leases, sale and leaseback arrangements, and real estate leases;

- (e) **Insurance** – engages in insurance brokerage and life insurance business by providing protection, education, savings, retirement and estate planning solutions to individual and corporate clients through life insurance products and services; and,
- (f) **Others** – includes remittance, holding and realty management, none of which individually constitutes a separate reportable segment.

These segments are the basis on which BDO Unibank Group reports its segment information. Transactions between the segments are on normal commercial terms and conditions. Inter-segment transactions are eliminated in consolidation.

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds is based on BDO Unibank Group's cost of capital. There are no other material items of income or expense between the segments.

Segment assets and liabilities comprise operating assets and liabilities including items such as taxation and borrowings.

Segment revenues and expenses that are directly attributable to primary operating segment and the relevant portions of BDO Unibank Group's revenues and expenses that can be allocated to that operating segment are accordingly reflected as revenues and expenses of that operating segment. Revenue sharing agreements are used to allocate external customer revenues to a segment on a reasonable basis.

There have been no significant changes from prior periods in the measurement methods used to determine reported segment information.

6.2 Analysis of Segment Information

Segment information (by service lines) as of and for the years ended December 31, 2025, 2024 and 2023 are as follows:

<i>(Amounts in PHP)</i>	Commercial Banking	Investment Banking	Private Banking	Leasing and Financing	Insurance	Others	Total
December 31, 2025							
Revenues							
From external customer							
Interest income	291,937	97	1,232	1,231	4,885	168	299,550
Interest expense	(90,678)	2	(134)	(753)	1	(1)	(91,563)
Net interest income	201,259	99	1,098	478	4,886	167	207,987
Intersegment revenue							
Interest income	834	16	-	-	11	60	921
Interest expense	(315)	(40)	(99)	(165)	(318)	(11)	(948)
Net interest income	519	(24)	(99)	(165)	(307)	49	(27)
Other operating income							
Investment banking fees	-	1,474	-	-	-	-	1,474
Others	81,204	308	2,089	744	26,210	353	110,908
	81,204	1,782	2,089	744	26,210	353	112,382
Total net revenues	282,982	1,857	3,088	1,057	30,789	569	320,342
Expenses							
Other operating expenses							
Depreciation and amortization	12,248	89	133	507	290	20	13,287
Impairment losses (recoveries)	14,964	(1)	-	44	(4)	3	15,006
Others	148,576	877	2,341	430	22,822	321	175,367
	175,788	965	2,474	981	23,108	344	203,660
Segment operating income	107,194	892	614	76	7,681	225	116,682
Tax expense	17,879	241	187	56	1,703	56	20,122
Segment net income	89,315	651	427	20	5,978	169	96,560

<i>(Amounts in PHP)</i>	<u>Commercial Banking</u>	<u>Investment Banking</u>	<u>Private Banking</u>	<u>Leasing and Financing</u>	<u>Insurance</u>	<u>Others</u>	<u>Total</u>
December 31, 2025							
Statement of Financial Position							
Total Resources							
Segment assets	5,306,291	6,741	30,848	21,159	140,816	6,413	5,512,268
Deferred tax assets (liabilities) - net	1,120	(158)	24	19	104	(2)	1,107
Intangible assets	8,018	72	86	10	73	-	8,259
	<u>5,315,429</u>	<u>6,655</u>	<u>30,958</u>	<u>21,188</u>	<u>140,993</u>	<u>6,411</u>	<u>5,521,634</u>
Total liabilities	<u>4,654,470</u>	<u>1,382</u>	<u>23,123</u>	<u>19,923</u>	<u>108,507</u>	<u>427</u>	<u>4,807,832</u>
Other segment information							
Capital expenditures	<u>20,332</u>	<u>8</u>	<u>76</u>	<u>639</u>	<u>92</u>	<u>6</u>	<u>21,153</u>
Investment in associate under equity method	-	-	-	-	-	5,404	5,404
Share in the profit of associates	-	-	-	-	-	1,661	1,661
December 31, 2024							
Revenues							
From external customer							
Interest income	269,538	92	1,285	883	4,499	242	276,539
Interest expense	(84,675)	(5)	(173)	(583)	7	(13)	(85,442)
Net interest income	<u>184,863</u>	<u>87</u>	<u>1,112</u>	<u>300</u>	<u>4,506</u>	<u>229</u>	<u>191,097</u>
Intersegment revenue							
Interest income	1,447	12	-	18	23	56	1,556
Interest expense	(234)	(92)	(47)	(642)	(588)	(10)	(1,613)
Net interest income	<u>1,213</u>	<u>(80)</u>	<u>(47)</u>	<u>(624)</u>	<u>(565)</u>	<u>46</u>	<u>(57)</u>
Other operating income							
Investment banking fees	-	2,432	-	-	-	-	2,432
Others	70,988	387	1,915	2,827	22,996	464	99,577
	<u>70,988</u>	<u>2,819</u>	<u>1,915</u>	<u>2,827</u>	<u>22,996</u>	<u>464</u>	<u>102,009</u>
Total net revenues	<u>257,064</u>	<u>2,826</u>	<u>2,980</u>	<u>2,503</u>	<u>26,937</u>	<u>739</u>	<u>293,049</u>
Expenses							
Other operating expenses							
Depreciation and amortization	10,999	86	121	1,054	328	22	12,610
Impairment losses (recoveries)	13,934	(1)	89	14	(7)	(3)	14,026
Others	129,903	931	2,074	1,690	19,795	303	154,696
	<u>154,836</u>	<u>1,016</u>	<u>2,284</u>	<u>2,758</u>	<u>20,116</u>	<u>322</u>	<u>181,332</u>
Segment operating income	102,228	1,810	696	(255)	6,821	417	111,717
Tax expense	<u>18,920</u>	<u>472</u>	<u>269</u>	<u>191</u>	<u>1,541</u>	<u>78</u>	<u>21,471</u>
Segment net income	<u>83,308</u>	<u>1,338</u>	<u>427</u>	<u>(446)</u>	<u>5,280</u>	<u>339</u>	<u>90,246</u>
Statement of Financial Position							
Total Resources							
Segment assets	4,757,066	6,829	33,075	15,167	125,955	6,168	4,944,260
Deferred tax assets (liabilities) - net	57	(162)	14	14	124	(2)	45
Intangible assets	8,038	90	116	-	79	1	8,324
	<u>4,765,161</u>	<u>6,757</u>	<u>33,205</u>	<u>15,181</u>	<u>126,158</u>	<u>6,167</u>	<u>4,952,629</u>
Total liabilities	<u>4,174,130</u>	<u>1,670</u>	<u>25,821</u>	<u>13,875</u>	<u>100,307</u>	<u>386</u>	<u>4,316,189</u>

	Commercial Banking	Investment Banking	Private Banking	Leasing and Financing	Insurance	Others	Total
Other segment information							
Capital expenditures	12,705	17	32	635	68	7	13,464
Investment in associate under equity method	-	-	-	-	-	4,864	4,864
Share in the profit of associates	-	-	-	-	-	1,397	1,397
December 31, 2023							
Revenues							
From external customer							
Interest income	229,384	70	1,261	695	4,080	294	235,784
Interest expense	(58,810)	6	(147)	(373)	(69)	3	(59,390)
Net interest income	170,574	76	1,114	322	4,011	297	176,394
Intersegment revenue							
Interest income	1,055	11	-	-	35	90	1,191
Interest expense	(230)	(49)	(17)	(12)	(793)	(122)	(1,223)
Net interest income	825	(38)	(17)	(12)	(758)	(32)	(32)
Other operating income							
Investment banking fees	-	1,781	-	-	-	-	1,781
Others	61,210	278	1,680	566	21,043	459	85,236
	61,210	2,059	1,680	566	21,043	459	87,017
Total net revenues	232,609	2,097	2,777	876	24,296	724	263,379
Expenses							
Other operating expenses							
Depreciation and amortization	11,984	88	105	400	286	82	12,945
Impairment losses	16,365	1	6	-	18	6	16,396
Others	114,816	1,017	1,573	267	17,903	365	135,941
	143,165	1,106	1,684	667	18,207	453	165,282
Segment operating income	89,444	991	1,093	209	6,089	271	98,097
Tax expense	21,361	306	305	50	1,525	74	23,621
Segment net income	68,083	685	788	159	4,564	197	74,476
Statement of Financial Position							
Total Resources							
Segment assets	4,360,295	6,415	30,331	27,784	119,632	10,790	4,555,247
Deferred tax assets (liabilities) - net	2,133	(151)	12	(1,579)	81	(5)	491
Intangible assets	8,205	52	142	1	53	-	8,453
	4,370,633	6,316	30,485	26,206	119,766	10,785	4,564,191
Total liabilities	3,847,611	1,857	23,512	17,563	97,739	2,296	3,990,578
Other segment information							
Capital expenditures	8,734	10	15	618	626	26	10,029
Investment in associate under equity method	-	-	-	-	-	4,032	4,032
Share in the profit of associates	-	-	-	-	-	1,273	1,273

6.3 Reconciliation

Presented below and in the succeeding page is a reconciliation of the BDO Unibank Group's segment information to the key financial information presented in its consolidated financial statements.

(Amounts in PHP)	2025	2024	2023
Revenue			
Total segment net revenues	320,342	293,049	263,379
Expenses of insurance operations presented as part of income attributable to insurance operations - net	(20,777)	(18,049)	(16,337)
Elimination of intersegment revenues	(11,829)	(10,666)	(2,968)
Net revenues as reported in profit or loss	287,736	264,334	244,074

<i>(Amounts in PHP)</i>	2025	2024	2023
Profit or loss			
Total segment net income	96,560	90,246	74,476
Elimination of intersegment profit	(9,081)	(8,026)	(916)
Net profit as reported in profit or loss	87,479	82,220	73,560
Resources			
Total segment resources	5,521,634	4,952,629	4,564,191
Elimination of intersegment assets	(90,078)	(76,579)	(86,530)
Total resources	5,431,556	4,876,050	4,477,661
Liabilities			
Total segment liabilities	4,807,832	4,316,189	3,990,578
Elimination of intersegment liabilities	(20,422)	(17,534)	(31,471)
Total liabilities	4,787,410	4,298,655	3,959,107

7. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

7.1 Comparison of Carrying Amounts and Fair Values

The carrying amounts and fair values of the categories of financial assets and financial liabilities as of December 31 that are presented in the statements of financial position are shown below and in the succeeding page.

<i>(Amounts in PHP)</i>	BDO Unibank Group*			
	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
At amortized cost:				
Cash and other cash items	119,359	119,359	109,744	109,744
Due from BSP	209,827	209,827	249,593	249,593
Due from other banks	111,376	111,424	90,448	90,485
Investment securities at amortized cost	615,210	609,105	576,591	557,019
Loans and other receivables	3,697,704	3,698,493	3,276,148	3,275,026
Other resources	13,331	13,331	11,803	11,803
	4,766,807	4,761,539	4,314,327	4,293,670
At fair value:				
Investment securities at FVTPL	71,062	71,062	64,001	64,001
Investment securities at FVOCI	427,973	427,973	349,528	349,528
	499,035	499,035	413,529	413,529
	5,265,842	5,260,574	4,727,856	4,707,199
Financial Liabilities				
At amortized cost:				
Deposit liabilities	4,189,791	4,198,593	3,794,027	3,801,843
Bills payable	351,818	347,586	261,470	260,914
Insurance contract liabilities	95,129	95,129	86,170	86,170
Other liabilities	133,417	133,417	138,273	138,273
	4,770,155	4,774,725	4,279,940	4,287,200
At fair value –				
Other liabilities	6,080	6,080	6,361	6,361
	4,776,235	4,780,805	4,286,301	4,293,561

*For purposes of comparing carrying amounts and fair value, assets and liabilities presented under Assets and liabilities for life insurance contracts are included within the respective financial asset and liability line items.

(Amounts in PHP)	Parent Bank			
	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
At amortized cost:				
Cash and other cash items	113,349	113,349	105,767	105,767
Due from BSP	208,467	208,467	246,815	246,815
Due from other banks	97,491	97,534	77,511	77,542
Investment securities at amortized cost	594,596	588,557	556,125	536,831
Loans and other receivables	3,566,865	3,567,720	3,168,757	3,169,449
Other resources	12,759	12,759	11,462	11,462
	<u>4,593,527</u>	<u>4,588,386</u>	<u>4,166,437</u>	<u>4,147,866</u>
At fair value:				
Investment securities at FVTPL	25,601	25,601	21,974	21,974
Investment securities at FVOCI	328,131	328,131	261,889	261,889
	<u>353,732</u>	<u>353,732</u>	<u>283,863</u>	<u>283,863</u>
	<u>4,947,259</u>	<u>4,942,118</u>	<u>4,450,300</u>	<u>4,431,729</u>
Financial Liabilities				
At amortized cost:				
Deposit liabilities	4,069,462	4,074,019	3,686,052	3,687,771
Bills payable	324,527	325,330	240,288	239,852
Other liabilities	119,583	119,583	125,956	125,956
	<u>4,513,572</u>	<u>4,518,932</u>	<u>4,052,296</u>	<u>4,053,579</u>
At fair value –				
Other liabilities	2,525	2,525	3,090	3,090
	<u>4,516,097</u>	<u>4,521,457</u>	<u>4,055,386</u>	<u>4,056,669</u>

Net income contributed by financial assets at FVTPL recognized in the BDO Unibank Group's statements of income under Interest Income, Other Operating Income and Income Attributable to Insurance Operations - Net amounted to P1,216, P329 and P1,350 in 2025, 2024 and 2023, respectively.

Gain (loss) on disposal of FVOCI debt securities recognized in BDO Unibank Group's statements of income under Other Operating Income and Income Attributable to Insurance Operations - Net amounted P245, P90 and (P39) in 2025, 2024 and 2023, respectively.

Income from equity instruments designated at FVOCI recognized in the BDO Unibank Group's statements of income under Other Operating Income and Income Attributable to Insurance Operations - Net, amounted to P314, P162 and P106 in 2025, 2024 and 2023, respectively.

Interest income from debt instruments recognized in the BDO Unibank Group's statements of income under Interest Income and Income Attributable to Insurance Operations - Net amounted to P15,776, P19,658 and P14,272 in 2025, 2024 and 2023, respectively, for debt instruments at FVOCI and P28,734, P26,908 and P23,117 in 2025, 2024 and 2023, respectively, for debt instruments at amortized cost.

7.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

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

The level within which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When BDO Unibank Group uses valuation techniques, it maximizes the use of observable market data where it is available and relies as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

7.3 Financial Instruments Measured at Fair Value

The financial assets and financial liabilities as of December 31, 2025 and 2024 are grouped into the fair value hierarchy as presented below and in the succeeding page.

BDO Unibank Group

(Amounts in PHP)

	Notes	Level 1	Level 2	Level 3	Total
<u>December 31, 2025</u>					
Resources:					
Financial assets at FVTPL:	10.1, 16.1				
Equity securities - quoted		26,274	1,062	-	27,336
Government debt securities		26,214	4,287	-	30,501
Corporate debt securities		6,598	642	-	7,240
Derivative financial assets		-	5,985	-	5,985
		<u>59,086</u>	<u>11,976</u>	<u>-</u>	<u>71,062</u>
Financial assets at FVOCI:	10.2, 16.1				
Government debt securities		269,161	63,318	-	332,479
Corporate debt securities		54,194	31,921	-	86,115
Equity securities - quoted		8,064	808	-	8,872
Equity securities - not quoted		-	-	507	507
		<u>331,419</u>	<u>96,047</u>	<u>507</u>	<u>427,973</u>
		<u>390,505</u>	<u>108,023</u>	<u>507</u>	<u>499,035</u>
Liabilities –					
Derivatives with negative fair values	21	<u>102</u>	<u>5,978</u>	<u>-</u>	<u>6,080</u>

BDO Unibank Group

(Amounts in PHP)

December 31, 2024

Resources:

Financial assets at FVTPL:

10.1, 16.1

Equity securities - quoted	27,501	1,068	-	28,569
Government debt securities	16,391	6,261	-	22,652
Corporate debt securities	145	4,344	-	4,489
Derivative financial assets	-	8,291	-	8,291
	<u>44,037</u>	<u>19,964</u>	<u>-</u>	<u>64,001</u>

Financial assets at FVOCI:

10.2, 16.1

Government debt securities	227,175	52,471	-	279,646
Corporate debt securities	29,807	31,465	-	61,272
Equity securities - quoted	7,781	565	-	8,346
Equity securities - not quoted	-	-	264	264
	<u>264,763</u>	<u>84,501</u>	<u>264</u>	<u>349,528</u>
	<u>308,800</u>	<u>104,465</u>	<u>264</u>	<u>413,529</u>

Liabilities –

Derivatives with negative fair values

21

101	6,260	-	6,361

Parent Bank

(Amounts in PHP)

December 31, 2025

Resources:

Financial assets at FVTPL:

10.1

Equity securities - quoted	1	-	-	1
Government debt securities	19,023	4,184	-	23,207
Corporate debt securities	36	253	-	289
Derivative financial assets	-	2,104	-	2,104
	<u>19,060</u>	<u>6,541</u>	<u>-</u>	<u>25,601</u>

Financial assets at FVOCI:

10.2

Government debt securities	183,292	62,104	-	245,396
Corporate debt securities	49,261	31,344	-	80,605
Equity securities - quoted	1,181	808	-	1,989
Equity securities - not quoted	-	-	141	141
	<u>233,734</u>	<u>94,256</u>	<u>141</u>	<u>328,131</u>
	<u>252,794</u>	<u>100,797</u>	<u>141</u>	<u>353,732</u>

Liabilities –

Derivatives with negative fair values

21

102	2,423	-	2,525

December 31, 2024

Resources:

Financial assets at FVTPL:

10.1

Equity securities - quoted	11,004	6,050	-	17,054
Government debt securities	-	4,633	-	4,633
Corporate debt securities	105	181	-	286
Derivative financial assets	1	-	-	1
	<u>11,110</u>	<u>10,864</u>	<u>-</u>	<u>21,974</u>

Financial assets at FVOCI:

10.2

Government debt securities	155,004	50,419	-	205,423
Corporate debt securities	23,774	30,776	-	54,550
Equity securities - quoted	1,206	564	-	1,770
Equity securities - not quoted	-	-	146	146
	<u>179,984</u>	<u>81,759</u>	<u>146</u>	<u>261,889</u>
	<u>191,094</u>	<u>92,623</u>	<u>146</u>	<u>283,863</u>

Liabilities –

Derivatives with negative fair values

21

101	2,989	-	3,090

There have been no significant transfers among Levels 1 and 2 in the reporting periods.

Discussed below is the information about how fair values of the BDO Unibank Group and the Parent Bank's classes of financial assets are determined.

(a) Equity securities

- (i) Quoted equity securities classified as financial assets at FVTPL or financial assets at FVOCI have fair values that were determined based on their closing prices on the PSE. These instruments are included in Level 1.

Financial assets at FVTPL included in Level 2 pertain to investments in Unit Investment Trust Funds (UITFs). The fair value of these financial assets were derived using the net asset value per unit (computed by dividing the net asset value of the fund by the number of outstanding units at the end of the reporting period), as published by banks and the Investment Company Association of the Philippines.

Golf club shares classified as financial assets at FVOCI are included in Level 2 as their prices are not derived from an active market due to lack of trading activities among market participants at the end or close to the end of the reporting period.

- (ii) Unquoted equity securities consist of preferred shares and common shares of various unlisted local companies. For unquoted preferred shares, the fair value is determined based on their discounted amount of expected future cash flows or based on their cost which management estimates to approximate their fair values. For unlisted common shares which are classified as financial assets at FVOCI, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument. These instruments are included in Level 3.

(b) Debt securities

The fair value of the debt securities of BDO Unibank Group and the Parent Bank, which are categorized within Level 1 and Level 2, is discussed below.

- (i) Fair values of peso-denominated government debt securities issued by the Philippine government are determined based on the reference price per Bloomberg which used Bloomberg Valuation (BVAL). These BVAL reference rates are computed based on the weighted price derived using an approach based on a combined sequence of proprietary BVAL algorithms of direct observations or observed comparables.
- (ii) For corporate and other quoted debt securities, fair value is determined to be the current mid-price, which is computed as the average of ask and bid prices as appearing on Bloomberg.

(c) Derivatives

The fair values of Republic of the Philippines (ROP) warrants which are categorized within Level 1, is determined to be the current mid-price based on the last trading transaction as defined by third-party market makers. The fair value of other derivative financial instruments, which are categorized within Level 2, is determined through valuation techniques using the net present value computation [see Note 3.2(c)].

7.4 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The tables below and in the succeeding page summarize the fair value hierarchy of the BDO Unibank Group and the Parent Bank's financial assets and financial liabilities which are measured at amortized cost in the statements of financial position but for which fair value is disclosed.

BDO Unibank Group

(Amounts in PHP)

	Level 1	Level 2	Level 3	Total
<u>December 31, 2025</u>				
Resources:				
Cash and other cash items	119,359	-	-	119,359
Due from BSP	209,827	-	-	209,827
Due from other banks	111,424	-	-	111,424
Investment securities at amortized cost	347,191	261,642	272	609,105
Loans and other receivables	-	-	3,698,493	3,698,493
Other resources	11,598	-	1,733	13,331
	<u>799,399</u>	<u>261,642</u>	<u>3,700,498</u>	<u>4,761,539</u>
Liabilities:				
Deposit liabilities	-	-	4,198,593	4,198,593
Bills payable	-	243,008	104,578	347,586
Insurance contract liabilities	-	-	95,129	95,129
Other liabilities	-	-	133,417	133,417
	<u>-</u>	<u>243,008</u>	<u>4,531,717</u>	<u>4,774,725</u>

December 31, 2024

Resources:				
Cash and other cash items	109,744	-	-	109,744
Due from BSP	249,593	-	-	249,593
Due from other banks	90,485	-	-	90,485
Investment securities at amortized cost	288,390	268,350	279	557,019
Loans and other receivables	-	-	3,275,026	3,275,026
Other resources	10,304	-	1,499	11,803
	<u>748,516</u>	<u>268,350</u>	<u>3,276,804</u>	<u>4,293,670</u>
Liabilities:				
Deposit liabilities	-	-	3,801,843	3,801,843
Bills payable	-	168,710	92,204	260,914
Insurance contract liabilities	-	-	86,170	86,170
Other liabilities	-	-	138,273	138,273
	<u>-</u>	<u>168,710</u>	<u>4,118,490</u>	<u>4,287,200</u>

Parent Bank

(Amounts in PHP)

	Level 1	Level 2	Level 3	Total
<u>December 31, 2025</u>				
Resources:				
Cash and other cash items	113,349	-	-	113,349
Due from BSP	208,467	-	-	208,467
Due from other banks	97,534	-	-	97,534
Investment securities at amortized cost	334,202	254,355	-	588,557
Loans and other receivables	-	-	3,567,720	3,567,720
Other resources	11,595	-	1,164	12,759
	<u>765,147</u>	<u>254,355</u>	<u>3,568,884</u>	<u>4,588,386</u>
Liabilities:				
Deposit liabilities	-	-	4,074,019	4,074,019
Bills payable	-	243,008	82,322	325,330
Other liabilities	-	-	119,583	119,583
	<u>-</u>	<u>243,008</u>	<u>4,275,924</u>	<u>4,518,932</u>

Parent Bank

(Amounts in PHP)

December 31, 2024

	Level 1	Level 2	Level 3	Total
Resources:				
Cash and other cash items	105,767	-	-	105,767
Due from BSP	246,815	-	-	246,815
Due from other banks	77,542	-	-	77,542
Investment securities at amortized cost	277,562	259,269	-	536,831
Loans and other receivables	-	-	3,169,449	3,169,449
Other resources	10,301	-	1,161	11,462
	<u>717,987</u>	<u>259,269</u>	<u>3,170,610</u>	<u>4,147,866</u>
Liabilities:				
Deposit liabilities	-	-	3,687,771	3,687,771
Bills payable	-	168,710	71,142	239,852
Other liabilities	-	-	125,956	125,956
	<u>-</u>	<u>168,710</u>	<u>3,884,869</u>	<u>4,053,579</u>

For financial assets and financial liabilities, management considers that the carrying amounts of those short-term financial instruments approximate their fair values. The following methods are used to determine the fair value of financial assets and financial liabilities that are presented in the statements of financial position at amortized cost.

(a) *Cash and Other Cash Items*

Cash consists primarily of funds in the form of Philippine currency notes and coins in the BDO Unibank Group and the Parent Bank's vault and those in the possession of tellers, including automated teller machines (see Note 8).

Other cash items include non-currency cash items (see Note 17) such as checks drawn on other banks that were received after the BDO Unibank Group and the Parent Bank's clearing cut-off time until the close of the regular banking hours. Carrying amounts approximate fair values in view of the relatively short-term maturities of these instruments.

(b) *Due from BSP and Other Banks*

Due from BSP pertains to deposits made by BDO Unibank Group to the BSP for clearing and reserve requirements. The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money market interest rates for debts with similar credit risk and remaining maturity, which for short-term deposits approximate the nominal value.

(c) *Investment Securities at Amortized Cost*

The fair value of investment securities at amortized cost is determined based on the reference price per Bloomberg which used BVAL for government debt securities and current mid-price for corporate and other quoted debt securities as discussed in Note 7.3(b).

(d) *Loans and Other Receivables*

Loans and other receivables are net of provisions for impairment. The estimated fair value of loans and receivables represents the discounted amount of expected future cash flows. Expected cash flows are discounted at current market rates to determine fair value.

(e) *Deposits and Borrowings*

The estimated fair value of demand deposits with no stated maturity, which includes noninterest-bearing deposits, is the amount repayable on demand. The estimated fair value of long-term fixed interest-bearing deposits is based on discounted cash flows using interest rates for new debts with similar remaining maturity. The fair value of Bills Payable under Level 2 is computed based on the average of ask and bid prices as appearing on Bloomberg. For Bills Payable categorized within Level 3, the BDO Unibank Group and the Parent Bank classify financial instruments that have no quoted prices or observable market data where reference of fair value can be derived; hence, fair value is determined based on their discounted amount of expected future cash flows or based on their cost which management estimates to approximate their fair values.

(f) *Other Resources and Liabilities*

Due to their short duration, the carrying amounts of other resources and liabilities in the statements of financial position are considered to be reasonable approximation of their fair values.

7.5 Fair Value Measurement for Non-financial Assets

Details of BDO Unibank Group and Parent Bank's investment properties and the information about the fair value hierarchy as of December 31, 2025 and 2024 are shown below.

(Amounts in PHP)	BDO Unibank Group				Parent Bank			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
December 31, 2025								
Investment properties:								
Land	-	-	41,914	41,914	-	-	33,603	33,603
Building and improvements	-	-	41,914	41,914	-	-	39,568	39,568
Non-current assets held for sale	-	-	1,467	1,467	-	-	1,467	1,467
	<u>-</u>	<u>-</u>	<u>85,295</u>	<u>85,295</u>	<u>-</u>	<u>-</u>	<u>74,638</u>	<u>74,638</u>
December 31, 2024								
Investment properties:								
Land	-	-	36,325	36,325	-	-	28,782	28,782
Building and improvements	-	-	35,707	35,707	-	-	30,493	30,493
Non-current assets held for sale	-	-	1,185	1,185	-	-	1,185	1,185
	<u>-</u>	<u>-</u>	<u>73,217</u>	<u>73,217</u>	<u>-</u>	<u>-</u>	<u>60,460</u>	<u>60,460</u>

The fair value of the investment properties of the BDO Unibank Group and the Parent Bank as of December 31, 2025 and 2024 (see Note 14) was determined on the basis of a valuation carried out on the respective dates by either an independent or internal appraiser having appropriate qualifications and relevant experience in the valuation of properties in the respective locations.

As part of the valuation process, the appraisers held discussions with the management of the BDO Unibank Group and the Parent Bank with respect to key inputs such as size, age and condition of the land and buildings, as well as the comparable prices for similar properties in the area.

In estimating the fair value of the properties, management takes into account the market participant's ability to generate economic benefits by using the assets in its highest and best use. Based on management's assessment, the best use of the investment properties of the BDO Unibank Group and the Parent Bank indicated above is their current use. The fair value discussed above as determined by the appraisers were used by the BDO Unibank Group and the Parent Bank in determining the fair value of investment properties and non-current assets held for sale.

The fair value of these investment properties and assets held for sale was determined based on the following approaches:

(a) *Fair Value Measurement for Land*

The Level 3 fair value of land was derived using the observable recent prices of the reference properties, which were adjusted for differences in key attributes such as property size, zoning and accessibility. The most significant input into this valuation approach is the price per square meter; hence, the higher the price the higher the fair value. On the other hand, if fair value of the land was derived using the market comparable approach that reflects the recent transaction prices for similar properties in nearby locations, fair value is included in Level 2. Under this approach, when sales prices of comparable land in close proximity are used in the valuation of the subject property, minor adjustments on the price is made to consider peculiarities of the property with that of the benchmark property.

(b) *Fair Value Measurement for Buildings and Improvements*

The Level 3 fair value of the buildings and improvements was determined using the replacement cost approach that reflects the cost to a market participant to construct an asset of comparable usage, constructions standards, design and lay-out, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

(c) *Fair Value Measurement for Assets Held for Sale*

The fair value of assets held for sale is determined based on the recent experience in the valuation of comparable properties. This fair value, determined under Level 3 measurement, is derived using the market data approach that reflects that recent transaction prices for comparable properties, adjusted for differences in property age and condition.

There has been no change to the valuation techniques used by BDO Unibank Group for its non-financial assets in 2025 and 2024. Further, there were no transfers into or out of Level 3 fair value hierarchy in 2025 and 2024.

7.6 *Offsetting Financial Assets and Financial Liabilities*

Certain financial assets of the BDO Unibank Group and the Parent Bank with amounts presented in the statements of financial position as of December 31, 2025 and 2024 are subject to offsetting, enforceable master netting arrangements and similar agreements.

BDO Unibank Group

	Gross amounts recognized in the statements of financial position	Related amounts not set off in the statements of financial position		
		Financial instruments	Collateral received	Net amount
(Amounts in PHP)				
<u>December 31, 2025</u>				
Loans and other receivables - net	3,694,508	-	(9,168)	3,685,340
Trading and investment securities - net	<u>984,693</u>	<u>(12,240)</u>	<u>-</u>	<u>972,453</u>
	<u>4,679,201</u>	<u>(12,240)</u>	<u>(9,168)</u>	<u>4,657,793</u>
<u>December 31, 2024</u>				
Loans and other receivables - net	3,272,518	-	(8,682)	3,263,836
Trading and investment securities - net	<u>876,108</u>	<u>(14,408)</u>	<u>-</u>	<u>861,700</u>
	<u>4,148,626</u>	<u>(14,408)</u>	<u>(8,682)</u>	<u>4,125,536</u>

Parent Bank

(Amounts in PHP)	Gross amounts recognized in the statements of financial position	Related amounts not set off in the statements of financial position		Net amount
		Financial instruments	Collateral received	
December 31, 2025				
Loans and other receivables - net	3,566,865	-	(8,967)	3,557,898
Trading and investment securities - net	948,328	(11,395)	-	936,933
	4,515,193	(11,395)	(8,967)	4,494,831
December 31, 2024				
Loans and other receivables - net	3,168,757	-	(8,672)	3,160,085
Trading and investment securities - net	839,988	(13,186)	-	826,802
	4,008,745	(13,186)	(8,672)	3,986,887

Included in the trading and investment securities - net are the currency forwards and interest rate swaps with accrued interest receivable and accrued interest payable subject to enforceable master netting arrangements but were not set-off and presented at gross in the statements of financial position.

Likewise, certain financial liabilities with net amounts presented in the statements of financial position of the BDO Unibank Group and the Parent Bank are also subject to offsetting, enforceable master netting arrangements, and similar agreements.

BDO Unibank Group

(Amounts in PHP)	Gross amounts recognized in the statements of financial position	Related amounts not set off in the statements of financial position		Net amount
		Financial instruments	Collateral received	
December 31, 2025				
Deposit liabilities	4,189,791	(9,168)	-	4,180,623
Bills payable	351,818	(11,178)	-	340,640
Other liabilities	144,206	(1,062)	-	143,144
	4,685,815	(21,408)	-	4,664,407
December 31, 2024				
Deposit liabilities	3,794,027	(8,682)	-	3,785,345
Bills payable	261,470	(13,723)	-	247,747
Other liabilities	151,687	(685)	-	151,002
	4,207,184	(23,090)	-	4,184,094

Parent Bank

(Amounts in PHP)	Gross amounts recognized in the statements of financial position	Related amounts not set off in the statements of financial position		Net amount
		Financial instruments	Collateral received	
December 31, 2025				
Deposit liabilities	4,069,462	(8,967)	-	4,060,495
Bills payable	324,527	(11,178)	-	313,349
Other liabilities	131,403	(217)	-	131,186
	4,525,392	(20,362)	-	4,505,030
December 31, 2024				
Deposit liabilities	3,686,052	(8,672)	-	3,677,380
Bills payable	240,288	(13,155)	-	227,133
Other liabilities	139,543	(31)	-	139,512
	4,065,883	(21,858)	-	4,044,025

For the financial assets and financial liabilities subject to enforceable master netting arrangements or similar agreements, each arrangement between the BDO Unibank Group and counterparties allows for net settlement of the relevant financial instruments when both parties elect to settle on a net basis. In the absence of such an election, the financial assets and financial liabilities are settled on a gross basis; however, in the event of counterparty default, either party to the master netting agreement or similar agreement has the option to settle all such amounts on a net basis.

8. CASH AND BALANCES WITH THE BSP

These accounts are composed of the following:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Cash and other cash items	119,359	109,744	113,349	105,767
Due from BSP:				
Mandatory reserves	170,153	217,803	169,408	216,856
Other than mandatory reserves	39,674	31,790	39,059	29,959
	209,827	249,593	208,467	246,815
	329,186	359,337	321,816	352,582

Mandatory reserves represent the balance of the deposit accounts maintained with the BSP to meet reserve requirements and to serve as clearing accounts for interbank claims (see Note 19).

The Parent Bank opened a Special Savings Account (SSA) with the BSP to comply with InstaPay facility requirement. As of December 31, 2025 and 2024, the balance of this account amounted to P4,484 and P2,393, respectively, and is presented as part of Due from BSP.

Due from BSP, excluding mandatory reserves which has no interest, bears annual interest rate of 4.00% to 6.25% in 2025, 5.25% to 6.65% in 2024, and 5.00% to 6.76% in 2023.

The total interest income earned amounted to P1,769, P3,023, and P5,201 in 2025, 2024 and 2023, respectively, in BDO Unibank Group's statements of income, and P1,718, P2,975 and P5,146 in 2025, 2024 and 2023, respectively, in the Parent Bank's statements of income (see Note 23).

Cash and other cash items and balances with the BSP are included in cash and cash equivalents for statements of cash flows purposes.

9. DUE FROM OTHER BANKS

The balance of this account represents deposits with the following:

<i>(Amounts in PHP)</i>	<u>Note</u>	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Foreign banks		99,878	80,495	96,309	76,390
Local banks		11,546	9,990	1,225	1,152
		111,424	90,485	97,534	77,542
Allowance for impairment	18	(48)	(37)	(43)	(31)
		111,376	90,448	97,491	77,511

The breakdown of this account as to currency follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
USD	90,334	51,427	86,764	47,374
Other foreign currencies	10,910	32,432	10,324	29,716
Philippine pesos	10,132	6,589	403	421
	<u>111,376</u>	<u>90,448</u>	<u>97,491</u>	<u>77,511</u>

Annual interest rates on these deposits range from:

	2025	2024	2023
BDO Unibank Group	0.00% – 6.38%	0.00% – 6.38%	0.00% – 6.40%
Parent Bank	0.00% – 4.46%	0.00% – 5.25%	0.00% – 5.46%

Deposits with other banks include both interest bearing and non-interest bearing accounts. Interest income arising from these deposits amounted to P3,576, P3,215, and P2,538 in 2025, 2024, and 2023, respectively, for the BDO Unibank Group, and P3,036, P2,625, and P2,171, in 2025, 2024, and 2023, for the same period for the Parent Bank, as presented in their respective statements of income (see Note 23).

Except for margin deposits amounting to P2,583 and P2,188 as of December 31, 2025 and 2024, respectively, for the BDO Unibank Group, and P532 and P300 as of the same reporting dates for the Parent Bank, Due from other banks are included in cash and cash equivalents for purposes of the statements of cash flows.

10. TRADING AND INVESTMENT SECURITIES

The components of this account are shown below.

<i>(Amounts in PHP)</i>	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Financial assets at FVTPL	10.1	33,527	27,929	25,601	21,974
Financial assets at FVOCI	10.2	336,587	272,225	328,131	261,889
Investment securities at amortized cost - net	10.3	614,579	575,954	594,596	556,125
		<u>984,693</u>	<u>876,108</u>	<u>948,328</u>	<u>839,988</u>

10.1 Financial Assets at FVTPL

This account is composed of the following:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Government debt securities	25,494	18,114	23,207	17,054
Derivative financial assets	5,985	8,291	2,104	4,633
Corporate debt securities	950	386	289	286
	32,429	26,791	25,600	21,973
Equity securities - quoted	1,098	1,138	1	1
	33,527	27,929	25,601	21,974

All financial assets at FVTPL are held for trading. The following tables show the net income contributed by financial assets at FVTPL to the BDO Unibank Group and the Parent Bank.

(Amounts in PHP)	Notes	BDO Unibank Group		
		2025	2024	2023
Interest income	23	806	520	128
Trading gain (loss) - net	25	537	(233)	1,439
Foreign exchange loss	25	(81)	(56)	(309)
Dividend income	25	2	56	1
Net income		1,264	287	1,259

	Notes	Parent Bank		
		2025	2024	2023
Interest income	23	765	500	89
Trading gain (loss) - net	25	164	(491)	1,223
Foreign exchange gain	25	48	104	46
Net income		977	113	1,358

Effective interest rates of debt securities at FVTPL range from:

	2025	2024	2023
<u>BDO Unibank Group</u>			
Government debt securities	0.00% – 9.50%	0.00% – 9.50%	0.25% – 9.50%
Corporate debt securities	2.50% – 8.00%	0.00% – 9.38%	2.00% – 8.62%
<u>Parent Bank</u>			
Government debt securities	0.00% – 9.50%	0.00% – 9.50%	1.65% – 9.50%
Corporate debt securities	2.50% – 8.00%	0.00% – 9.38%	2.00% – 8.62%

Foreign currency-denominated securities amounted to P8,197 and P7,440 as of December 31, 2025 and 2024, respectively, in the BDO Unibank Group's statements of financial position, and P5,228 and P6,047 as of December 31, 2025 and 2024, respectively, in the Parent Bank's statements of financial position.

Derivative instruments used by BDO Unibank Group include foreign currency and interest rate forwards/futures, foreign currency and interest rate swaps. Income derived from these derivative instruments are recognized as part of Trading gains (losses) under Other Operating Income in the statements of income (see Note 25).

The aggregate contractual or notional amount of derivative financial instruments and the total fair values of derivative financial assets and financial liabilities are shown below [see Notes 21 and 27(d)(i)(4)].

(Amounts in PHP)	2025			2024		
	Notional Amount	Fair Values		Notional Amount	Fair Values	
		Assets	Liabilities		Assets	Liabilities
BDO Unibank Group						
Currency forwards/futures	480,702	1,582	2,062	529,441	4,256	2,594
Cross currency swaps	67,144	4,305	3,793	46,491	4,007	346
ROP warrants	8,475	-	102	8,475	-	101
Interest rate swaps	13,342	98	123	3,432	28	3,320
	569,663	5,985	6,080	587,839	8,291	6,361
Parent Bank						
Currency forwards/futures	465,012	1,576	1,937	524,322	4,217	2,594
ROP warrants	8,475	-	103	8,475	-	101
Cross currency swaps	8,943	430	362	5,731	388	372
Interest rate swaps	13,342	98	123	3,432	28	23
	495,772	2,104	2,525	541,960	4,633	3,090

Certain financial assets at FVTPL amounting P1,062 and P685 for the BDO Unibank Group and P217 and P31 for the Parent Bank as of December 31, 2025 and 2024, respectively, are subject to offsetting against the related derivatives with negative fair values. This indicates enforceable master netting arrangements and similar agreements with an intention to settle on a net basis (see Note 7.6).

10.2 Financial Assets at FVOCI

The details of the carrying amounts of these financial assets are as follows:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Government debt securities	252,865	214,905	245,396	205,423
Corporate debt securities	81,186	55,243	80,609	54,554
Equity securities:				
Quoted	2,033	1,817	1,989	1,770
Not quoted	507	264	141	146
	<u>336,591</u>	<u>272,229</u>	<u>328,135</u>	<u>261,893</u>
Allowance for impairment	(4)	(4)	(4)	(4)
	<u>336,587</u>	<u>272,225</u>	<u>328,131</u>	<u>261,889</u>

As to currency, this account is composed of the following:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Foreign currencies	171,700	124,185	170,915	122,742
Philippine pesos	164,887	148,040	157,216	139,147
	<u>336,587</u>	<u>272,225</u>	<u>328,131</u>	<u>261,889</u>

The maturity profile of this account is presented below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Within one year	39,406	89,738	39,213	88,884
One to five years	207,687	117,874	201,665	111,877
Beyond five years	89,494	64,613	87,253	61,128
	336,587	272,225	328,131	261,889

Effective interest rates of financial assets at FVOCI range from:

	2025	2024	2023
<u>BDO Unibank Group</u>			
Government debt securities	0.54% – 6.81%	1.84% – 7.44%	1.84% – 7.95%
Corporate debt securities	2.13% – 9.27%	2.14% – 9.38%	1.84% – 8.76%
<u>Parent Bank</u>			
Government debt securities	0.54% – 6.81%	1.84% – 7.44%	1.84% – 7.95%
Corporate debt securities	2.13% – 9.27%	2.14% – 9.38%	1.84% – 8.76%

The fair values of government debt, quoted equity securities and corporate debt securities have been determined directly by reference to published prices generated in an active market (see Note 7.3).

The reconciliation of the carrying amounts of financial assets at FVOCI reported under Trading and Investments Securities - Net is shown below:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	272,225	236,578	261,889	224,579
Additions	1,046,426	1,332,272	1,032,288	1,324,855
Disposals	(990,320)	(1,301,208)	(974,022)	(1,292,019)
Foreign currency revaluation	3,205	4,592	3,183	4,504
Unrealized fair value gains (losses)	4,897	(177)	4,649	(196)
Realized fair value losses	154	172	144	170
Impairment loss - net	-	(4)	-	(4)
Balance at end of year	336,587	272,225	328,131	261,889

The reconciliation of NUGL on FVOCI of financial assets at FVOCI presented under Trading and Investment Securities - Net and under Investment Securities and Other Assets for Life Insurance Contracts - Net (see Note 16.1), reported under equity is shown below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	(12,980)	(12,210)	(8,518)	(8,471)
Changes on unrealized fair value gains (losses) during the year:				
Fair value gains (losses) during the year	5,290	(722)	4,649	(196)
Expected credit losses (recoveries) on FVOCI securities	9	(25)	13	(16)
Deferred tax liabilities	(28)	(3)	(27)	(5)
	(7,709)	(12,960)	(3,883)	(8,688)
Realized fair value losses (gains) on securities disposed during the year - net	7	(20)	145	170
Balance at end of year	(7,702)	(12,980)	(3,738)	(8,518)
Net unrealized fair value gains (losses), net of tax:				
Attributable to:				
Shareholder of the Parent Bank	5,290	(722)		
Non-controlling interest	21	5		
	5,311	(717)		

The BDO Unibank Group disposed of equity securities classified as FVOCI amounting to P48, P4 and P3 in 2025, 2024 and 2023, respectively.

Unrealized fair value gains and losses recognized in the NUGL account are not reclassified to profit or loss. Instead, these are transferred directly to Surplus Free, except for debt securities classified as FVOCI, wherein, fair value changes are recycled to profit or loss upon disposal.

The BDO Unibank Group and the Parent Bank recognized gains (losses) on disposal of FVOCI debt securities amounting to P235 and P244, respectively, in 2025, P89 and P91, respectively, in 2024, and (P31) and (P3), respectively, in 2023. The gains (losses) recognized from this disposal is presented as part of Trading gains (losses) under Other Operating Income in the statements of income (see Note 25).

Impairment losses (recoveries) recognized for FVOCI debt securities presented in NUGL for BDO Unibank Group and the Parent Bank amounted to P8 and P13, respectively, in 2025, (P25) and (P17), respectively, in 2024 and P108 and P97, respectively, in 2023 (see Note 18). The total accumulated impairment losses presented in NUGL for the BDO Unibank Group and the Parent Bank amounted to P209 and P196 respectively, as of December 31, 2025, and P200 and P187, respectively, as of December 31, 2024 (see Note 4.3.5).

10.3 Investment Securities at Amortized Cost

This account consists of:

(Amounts in PHP)	Note	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Government debt securities		508,046	492,529	489,727	474,652
Corporate debt securities:					
Quoted		106,755	83,874	105,088	81,919
Not quoted		1,563	1,663	1,563	1,663
		616,364	578,066	596,378	558,234
Allowance for impairment	18	(1,785)	(2,112)	(1,782)	(2,109)
		614,579	575,954	594,596	556,125

As to currency, this account is composed of the following:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Foreign currencies	228,711	188,376	224,926	183,854
Philippine pesos	385,868	387,578	369,670	372,271
	614,579	575,954	594,596	556,125

The maturity profile of this account is presented below.

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Less than one year	82,349	76,139	77,521	72,263
One to five years	318,686	259,810	310,751	250,897
Beyond five years	213,544	240,005	206,324	232,965
	614,579	575,954	594,596	556,125

The reconciliation of the carrying amounts of investment securities at amortized cost is as follows:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	575,954	573,480	556,125	554,643
Additions	174,234	128,567	145,895	117,882
Maturities and disposals	(141,331)	(134,598)	(113,081)	(124,675)
Foreign currency gains - net	5,700	8,407	5,635	8,186
Impairment recovery	22	98	22	89
Balance at end of year	614,579	575,954	594,596	556,125

Effective interest rates of investment securities at amortized cost range from:

	2025	2024	2023
<u>BDO Unibank Group</u>			
Government debt securities	0.76% – 7.47%	0.65% – 7.47%	0.47% – 10.25%
Corporate debt securities	1.82% – 7.60%	1.82% – 7.60%	1.29% – 7.81%
<u>Parent Bank</u>			
Government debt securities	0.76% – 7.47%	0.65% – 7.47%	0.47% – 7.47%
Corporate debt securities	1.82% – 7.60%	1.82% – 7.60%	1.82% – 7.81%

In 2025 and 2024, the BDO Unibank Group and the Parent Bank disposed of debt securities from its amortized cost portfolio amounting to P347 and P353, respectively, resulting in a net trading loss amounting to P6 and nil, respectively. These disposals were all initiated by the issuers. The net loss recognized from these disposals is presented as part of Trading gains (losses) under Other Operating Income in the statements of income (see Note 25).

Management has assessed that such disposals of investment securities in 2025 and 2024 are consistent with the BDO Unibank Group and the Parent Bank's investment at amortized cost business model with the objective of collecting contractual cash flows and have qualified under the permitted sale events set forth in the BDO Unibank Group's business model in managing financial assets manual and the requirements of PFRS 9. The disposal of investment securities was approved by the Investments Committee in compliance with the documentation requirements of the BSP.

As mentioned in Note 28, certain government debt securities are deposited with the BSP.

11. LOANS AND OTHER RECEIVABLES

The loans and other receivables account consists of the following:

(Amounts in PHP)	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Receivables from customers:					
Loans and discounts	27, 34.2.1	3,288,615	2,894,293	3,154,720	2,789,625
Credit card receivables		283,314	215,382	283,314	215,382
Customers' liabilities under letters of credit and trust receipts		70,321	103,272	70,321	103,272
Bills purchased		13,646	13,700	13,642	13,697
		<u>3,655,896</u>	<u>3,226,647</u>	<u>3,521,997</u>	<u>3,121,976</u>
Unearned interests or discounts		(1,226)	(1,417)	(479)	(561)
Allowance for impairment	18	(83,840)	(89,097)	(81,156)	(86,655)
		<u>(85,066)</u>	<u>(90,514)</u>	<u>(81,635)</u>	<u>(87,216)</u>
		<u>3,570,830</u>	<u>3,136,133</u>	<u>3,440,362</u>	<u>3,034,760</u>
Other receivables:					
Interbank loans receivables		57,420	81,988	64,673	82,567
Reverse repurchase agreements		23,170	25,463	21,669	25,012
Accounts receivable	27	43,416	29,137	41,339	27,334
Sales contract receivables		1,658	1,864	1,621	1,843
Others		1,079	927	-	-
		<u>126,743</u>	<u>139,379</u>	<u>129,302</u>	<u>136,756</u>
Allowance for impairment	18	(3,065)	(2,994)	(2,799)	(2,759)
		<u>123,678</u>	<u>136,385</u>	<u>126,503</u>	<u>133,997</u>
		<u>3,694,508</u>	<u>3,272,518</u>	<u>3,566,865</u>	<u>3,168,757</u>

The maturity profile of receivable from customers (net of unearned interest or discounts) based on the remaining term is presented below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Less than one year	1,226,611	1,054,600	1,219,309	1,048,312
One to five years	1,211,385	1,139,230	1,111,185	1,060,428
Beyond five years	1,216,674	1,031,400	1,191,024	1,012,675
	<u>3,654,670</u>	<u>3,225,230</u>	<u>3,521,518</u>	<u>3,121,415</u>

The breakdown of total loans (receivable from customers, net of unearned interests or discounts) as to type of interest rate follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Variable interest rates	2,823,400	2,585,736	2,803,292	2,472,274
Fixed interest rates	831,270	639,494	718,226	649,141
	<u>3,654,670</u>	<u>3,225,230</u>	<u>3,521,518</u>	<u>3,121,415</u>

Annual interest rates ranges from:

	2025	2024	2023
Loans and discounts	0.00% – 42.00%	0.00% – 60.96%	0.00% – 60.96%
Other receivables	0.05% – 16.00%	0.00% – 16.00%	0.00% – 19.00%

The total interest income earned (see Note 23) amounted to:

<i>(Amounts in PHP)</i>	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
Loans and discounts	237,555	215,974	183,348	225,320	206,691	175,534
Other receivables	6,298	6,761	6,719	6,515	6,822	6,751
	<u>243,853</u>	<u>222,735</u>	<u>190,067</u>	<u>231,835</u>	<u>213,513</u>	<u>182,285</u>

Interest income recognized on impaired loans and receivables amounted to P34,556, P28,459 and P23,713 in 2025, 2024 and 2023, respectively, for the BDO Unibank Group, and P34,545, P28,234 and P23,706 in 2025, 2024 and 2023, respectively, for the Parent Bank.

Certain receivables from customers of the BDO Unibank Group and the Parent Bank amounting to P9,812 and P8,967, respectively, as of December 31, 2025 and P10,092 and P8,672, respectively, as of December 31, 2024, are subject to offsetting with the corresponding collaterals received as a means of security amounting to P9,168 and P8,967, respectively, as of December 31, 2025, and P8,682 and P8,672, respectively, as of December 31, 2024, indicating a legally enforceable right to offset the recognized amounts with an intention to settle on a net basis (see Note 7.6).

Impairment losses recognized for loans and receivables for BDO Unibank Group and the Parent Bank amounted to P14,608 and P13,452, respectively, in 2025, P14,404 and P13,272, respectively, in 2024, and P15,764 and P15,041, respectively, in 2023 (see Note 18).

12. PREMISES, FURNITURE, FIXTURES AND EQUIPMENT

The gross carrying amounts and accumulated depreciation, amortization and impairment of premises, furniture, fixtures and equipment at the beginning and end of 2025 and 2024 are shown below.

BDO Unibank Group

<i>(Amounts in PHP)</i>	Land	Furniture, Fixtures and Equipment	Buildings	Leasehold Rights and Improvement	Construction in Progress	Right-of- Use Assets	Total
December 31, 2025							
Cost	10,518	37,643	24,657	10,595	9,294	24,787	117,494
Accumulated depreciation and amortization	-	(24,141)	(9,813)	(8,432)	-	(12,014)	(54,400)
Allowance for impairment (see Note 18)	(330)	-	(294)	-	-	-	(624)
Net Carrying Amount	10,188	13,502	14,550	2,163	9,294	12,773	62,470
December 31, 2024							
Cost	8,812	35,061	25,248	9,514	4,245	22,585	105,465
Accumulated depreciation and amortization	-	(22,998)	(8,965)	(7,969)	-	(10,707)	(50,639)
Allowance for impairment (see Note 18)	(330)	-	(292)	-	-	-	(622)
Net Carrying Amount	8,482	12,063	15,991	1,545	4,245	11,878	54,204
January 1, 2024							
Cost	8,810	30,453	24,679	9,106	1,930	20,623	95,601
Accumulated depreciation and amortization	-	(21,437)	(8,145)	(7,694)	-	(9,621)	(46,897)
Allowance for impairment (see Note 18)	(330)	-	(289)	-	-	-	(619)
Net Carrying Amount	8,480	9,016	16,245	1,412	1,930	11,002	48,085

Parent Bank

<i>(Amounts in PHP)</i>	Land	Furniture, Fixtures and Equipment	Buildings	Leasehold Rights and Improvement	Construction in Progress	Right-of- Use Assets	Total
December 31, 2025							
Cost	9,793	32,586	22,578	8,944	9,289	23,293	106,483
Accumulated depreciation and amortization	-	(20,940)	(9,034)	(7,392)	-	(11,342)	(48,708)
Allowance for impairment (see Note 18)	(192)	-	(284)	-	-	-	(476)
Net Carrying Amount	9,601	11,646	13,260	1,552	9,289	11,951	57,299
December 31, 2024							
Cost	8,082	30,278	23,275	8,167	4,238	21,300	95,340
Accumulated depreciation and amortization	-	(20,088)	(8,233)	(7,096)	-	(10,148)	(45,565)
Allowance for impairment (see Note 18)	(192)	-	(284)	-	-	-	(476)
Net Carrying Amount	7,890	10,190	14,758	1,071	4,238	11,152	49,299
January 1, 2024							
Cost	8,080	25,847	22,737	7,949	1,929	20,299	86,841
Accumulated depreciation and amortization	-	(18,541)	(7,463)	(6,956)	-	(9,527)	(42,487)
Allowance for impairment (see Note 18)	(192)	-	(284)	-	-	-	(476)
Net Carrying Amount	7,888	7,306	14,990	993	1,929	10,772	43,878

A reconciliation of the carrying amounts at the beginning and end of 2025 and 2024 of premises, furniture, fixtures and equipment is shown below.

BDO Unibank Group

<i>(Amounts in PHP)</i>	<u>Land</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Buildings</u>	<u>Leasehold Rights and Improvement</u>	<u>Construction in Progress</u>	<u>Right-of- Use Assets</u>	<u>Total</u>
Balance at January 1, 2025, net of accumulated depreciation, amortization and impairment	8,482	12,063	15,991	1,545	4,245	11,878	54,204
Additions	1,764	4,301	273	1,164	5,128	4,654	17,284
Disposals	(12)	(100)	-	-	-	(68)	(180)
Reclassifications (see Note 14)	(46)	506	(976)	89	(78)	-	(505)
Impairment	-	-	(2)	-	-	-	(2)
Adjustments	-	-	-	-	-	(16)	(16)
Reversal	-	-	(1)	-	(1)	-	(2)
Foreign exchange revaluation	-	4	101	2	-	4	111
Depreciation and amortization charges for the year	-	(3,272)	(836)	(637)	-	(3,679)	(8,424)
Balance at December 31, 2025, net of accumulated depreciation, amortization and impairment	10,188	13,502	14,550	2,163	9,294	12,773	62,470
Balance at January 1, 2024, net of accumulated depreciation, amortization and impairment	8,480	9,016	16,245	1,412	1,930	11,002	48,085
Additions	2	6,017	502	750	2,363	4,403	14,037
Disposals	-	(53)	-	(84)	-	(41)	(178)
Reclassifications (see Note 14)	-	39	44	39	(46)	-	76
Impairment	-	-	(2)	-	-	-	(2)
Adjustments	-	-	-	(1)	-	(28)	(29)
Reversal	-	-	-	(1)	(3)	-	(4)
Foreign exchange revaluation	-	-	22	-	-	30	52
Effect of merger	-	-	-	-	1	-	1
Depreciation and amortization charges for the year	-	(2,956)	(820)	(570)	-	(3,488)	(7,834)
Balance at December 31, 2024, net of accumulated depreciation, amortization and impairment	8,482	12,063	15,991	1,545	4,245	11,878	54,204

Parent Bank

<i>(Amounts in PHP)</i>	<u>Land</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Buildings</u>	<u>Leasehold Rights and Improvement</u>	<u>Construction in Progress</u>	<u>Right-of- Use Assets</u>	<u>Total</u>
Balance at January 1, 2025, net of accumulated depreciation, amortization and impairment	7,890	10,190	14,758	1,071	4,238	11,152	49,299
Additions	1,764	3,649	177	832	5,123	4,282	15,827
Disposals	(7)	(57)	-	-	-	(69)	(133)
Reclassifications (see Note 14)	(46)	516	(984)	89	(71)	-	(496)
Adjustment	-	-	-	-	-	(2)	(2)
Reversal	-	-	(1)	-	(1)	-	(2)
Foreign exchange revaluation	-	3	100	2	-	4	109
Depreciation and amortization charges for the year	-	(2,655)	(790)	(442)	-	(3,416)	(7,303)
Balance at December 31, 2025, net of accumulated depreciation, amortization and impairment	9,601	11,646	13,260	1,552	9,289	11,951	57,299
Balance at January 1, 2024, net of accumulated depreciation, amortization and impairment	7,888	7,306	14,990	993	1,929	10,772	43,878
Additions	2	5,194	477	521	2,355	4,060	12,609
Disposals	-	(13)	-	(79)	-	(277)	(369)
Reclassifications (see Note 14)	-	44	44	39	(44)	-	83
Adjustment	-	-	-	-	-	(21)	(21)
Reversal	-	-	-	-	(3)	-	(3)
Foreign exchange revaluation	-	-	18	-	-	5	23
Effect of merger	-	26	-	-	1	-	27
Depreciation and amortization charges for the year	-	(2,367)	(771)	(403)	-	(3,387)	(6,928)
Balance at December 31, 2024, net of accumulated depreciation, amortization and impairment	7,890	10,190	14,758	1,071	4,238	11,152	49,299

Under BSP rules, investments in premises, furniture, fixtures and equipment should not exceed 50.00% of a bank's net worth. As of December 31, 2025 and 2024, the BDO Unibank Group and the Parent Bank have complied with this requirement.

Certain fully depreciated premises, furniture, fixtures and equipment as of December 31, 2025 and 2024 are still being used in operations with acquisition costs amounting to P12,625 and P10,228, respectively, in the BDO Unibank Group's financial statements and P11,581 and P9,851, respectively, in the Parent Bank's financial statements.

13. LEASES

The BDO Unibank Group and the Parent Bank have leases for certain land and building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected as a Right-of-use asset under Premises, Furniture, Fixtures and Equipment - Net (see Note 12) and Lease liabilities under Other Liabilities (see Note 21) on the statements of financial position.

Each lease generally imposes a restriction that, unless there is a contractual right for the BDO Unibank Group and the Parent Bank to sublet the asset to another party, the right-of-use asset can only be used by the BDO Unibank Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The BDO Unibank Group and the Parent Bank are prohibited from selling or pledging the underlying leased assets as security.

For leases covering land and office spaces, the BDO Unibank Group and the Parent Bank must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the BDO Unibank Group and the Parent Bank must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

The tables below describe the nature of BDO Unibank Group and the Parent Bank's leasing activities by type of right-of-use asset.

	Number of Right-of-use Asset Leased		Range of Remaining Term		Average Remaining Lease Term	
	2025	2024	2025	2024	2025	2024
BDO Unibank Group						
Land	54	53	0 mo. – 59.0 yrs.	0 mo. – 60.0 yrs.	11.9 yrs.	12.6 yrs.
Building	1,974	1,850	0 mo. – 19.0 yrs.	0 mo. – 20.0 yrs.	6.0 yrs.	7.8 yrs.
Parent Bank						
Land	54	53	0 mo. – 59.0 yrs.	0 mo. – 60.0 yrs.	11.9 yrs.	12.6 yrs.
Building	1,438	1,381	0 mo. – 19.0 yrs.	0 mo. – 20.0 yrs.	3.8 yrs.	3.7 yrs.

13.1 Right-of-Use Assets

The carrying amounts of BDO Unibank Group and the Parent Bank's right-of-use assets as of December 31, 2025 and 2024 and the movements during the periods are shown below and in the succeeding page (see Note 12).

	BDO Unibank Group			Parent Bank		
	Land	Buildings	Total	Land	Buildings	Total
(Amounts in PHP)						
Balance at January 1, 2025	665	11,213	11,878	688	10,464	11,152
Additions	17	4,637	4,654	16	4,266	4,282
Disposals	(1)	(67)	(68)	(1)	(68)	(69)
Adjustment	(1)	(15)	(16)	(1)	(1)	(2)
Foreign exchange revaluation	-	4	4	-	4	4
Depreciation and amortization	(51)	(3,628)	(3,679)	(52)	(3,364)	(3,416)
Balance at December 31, 2025	<u>629</u>	<u>12,144</u>	<u>12,773</u>	<u>650</u>	<u>11,301</u>	<u>11,951</u>

(Amounts in PHP)	BDO Unibank Group			Parent Bank		
	Land	Buildings	Total	Land	Buildings	Total
Balance at January 1, 2024	484	10,518	11,002	508	10,264	10,772
Additions	227	4,176	4,403	227	3,833	4,060
Disposals	(3)	(38)	(41)	(3)	(274)	(277)
Reclassification	8	(8)	-	8	(8)	-
Adjustment	-	(28)	(28)	-	(21)	(21)
Foreign exchange revaluation	-	30	30	-	5	5
Depreciation and amortization	(51)	(3,437)	(3,488)	(52)	(3,335)	(3,387)
Balance at December 31, 2024	<u>665</u>	<u>11,213</u>	<u>11,878</u>	<u>688</u>	<u>10,464</u>	<u>11,152</u>

13.2 Lease Liabilities

Lease liabilities amounting to P14,943 and P14,001 as of December 31, 2025 and 2024, respectively, for the BDO Unibank Group and P14,047 and P13,215, as of December 31, 2025 and 2024, respectively, for the Parent Bank are presented under Other Liabilities in the statements of financial position (see Note 21).

The use of extension and termination options gives the BDO Unibank Group and the Parent Bank added flexibility in the event that it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the BDO Unibank Group and the Parent Bank's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost. As of December 31, 2025, the terms of the lease contracts of the BDO Unibank Group and the Parent Bank are renewable upon mutual agreement of the parties.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analyses of lease liabilities are as follows:

December 31, 2025

BDO Unibank Group

(Amounts in PHP)	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	5 to 10 Years	10 or More Years	Total
Lease payments	4,595	3,725	2,739	1,949	1,301	3,585	1,981	19,875
Finance charges	(1,001)	(765)	(570)	(429)	(334)	(886)	(947)	(4,932)
Net present value	<u>3,594</u>	<u>2,960</u>	<u>2,169</u>	<u>1,520</u>	<u>967</u>	<u>2,699</u>	<u>1,034</u>	<u>14,943</u>

Parent Bank

Lease payments	4,290	3,491	2,588	1,836	1,226	3,328	2,013	18,772
Finance charges	(939)	(719)	(537)	(404)	(316)	(855)	(955)	(4,725)
Net present value	<u>3,351</u>	<u>2,772</u>	<u>2,051</u>	<u>1,432</u>	<u>910</u>	<u>2,473</u>	<u>1,058</u>	<u>14,047</u>

December 31, 2024

BDO Unibank Group

Lease payments	4,387	3,566	2,858	1,981	1,156	2,527	1,755	18,230
Finance charges	(915)	(687)	(490)	(338)	(242)	(638)	(919)	(4,229)
Net present value	<u>3,472</u>	<u>2,879</u>	<u>2,368</u>	<u>1,643</u>	<u>914</u>	<u>1,889</u>	<u>836</u>	<u>14,001</u>

Parent Bank

Lease payments	4,093	3,329	2,701	1,888	1,102	2,410	1,790	17,313
Finance charges	(863)	(652)	(468)	(324)	(234)	(627)	(930)	(4,098)
Net present value	<u>3,230</u>	<u>2,677</u>	<u>2,233</u>	<u>1,564</u>	<u>868</u>	<u>1,783</u>	<u>860</u>	<u>13,215</u>

The Parent Bank subleases its leased properties. The total income earned from the subleasing activities amounted to P4, P6 and P9 in 2025, 2024 and 2023, respectively. This is presented as part of Miscellaneous - net under Other Operating Income in the statements of income (see Note 25).

The total cash outflow in respect to leases amounted to P4,738, P4,431 and P4,370 in 2025, 2024 and 2023, respectively, for the BDO Unibank Group and P4,415, P4,321 and P4,097 in 2025, 2024 and 2023, respectively, for the Parent Bank. Interest expense in relation to lease liabilities amounted to P1,100, P1,036 and P939 in 2025, 2024 and 2023, respectively, for the BDO Unibank Group and P1,034, P1,005 and P883 in 2025, 2024 and 2023, respectively, for the Parent Bank which are, presented as part of Interest expense on lease liabilities under Interest Expense account in the statements of income (see Note 24).

13.3 Lease Payments Not Recognized as Liabilities

The BDO Unibank Group and the Parent Bank have elected not to recognize a lease liability for short-term leases or for leases of low value assets. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities. Payments made under such leases are expensed as incurred.

The expenses relating to short-term leases and low-value assets amounted to P17 and P415 in 2025, P10 and P406 in 2024, and P14 and P387 in 2023 for the BDO Unibank Group, respectively, and P11 and P406 in 2025, P4 and P398 in 2024, and P5 and P381 in 2023 for the Parent Bank, respectively. Moreover, the expenses relating to variable lease payments amounted to P652, P426, P273 for both BDO Unibank Group and the Parent Bank in 2025, 2024 and 2023, respectively. These are presented as part of Occupancy under Other Operating Expenses account in the statements of income (see Note 25).

14. INVESTMENT PROPERTIES

Investment properties consist of land and buildings held for capital appreciation and for rental purposes. Rental income earned from these investment properties amounted to P576 and P60 in 2025, P427 and P156 in 2024, and P615 and P78 in 2023 for the BDO Unibank Group and the Parent Bank, respectively. These amounts are presented as part of Rental under Other Operating Income in the statements of income (see Note 25). Direct expenses related to these properties such as taxes and licenses amounted to P98 and P5 in 2025, P70 and P5 in 2024, and P80 and P3 in 2023 for the BDO Unibank Group and the Parent Bank, respectively. These expenses are presented as part of Taxes and licenses under Other Operating Expenses account in both the BDO Unibank Group and Parent Bank's statements of income (see Note 25).

The gross carrying amounts and accumulated depreciation and impairment at the beginning and end of 2025 and 2024 are shown below.

(Amounts in PHP)	Note	BDO Unibank Group			Parent Bank		
		Land	Buildings	Total	Land	Buildings	Total
December 31, 2025							
Cost		14,227	39,909	54,136	11,972	36,523	48,495
Accumulated depreciation		-	(9,471)	(9,471)	-	(8,366)	(8,366)
Allowance for impairment	18	(1,719)	(108)	(1,827)	(1,445)	(74)	(1,519)
Net carrying amount		12,508	30,330	42,838	10,527	28,083	38,610
December 31, 2024							
Cost		12,018	31,224	43,242	9,763	28,223	37,986
Accumulated depreciation		-	(7,919)	(7,919)	-	(7,001)	(7,001)
Allowance for impairment	18	(1,403)	(95)	(1,498)	(1,129)	(60)	(1,189)
Net carrying amount		10,615	23,210	33,825	8,634	21,162	29,796
January 1, 2024							
Cost		14,625	36,435	51,060	8,184	12,771	20,955
Accumulated depreciation		-	(6,831)	(6,831)	-	(6,052)	(6,052)
Allowance for impairment	18	(1,733)	(67)	(1,800)	(1,453)	(42)	(1,495)
Net carrying amount		12,892	29,537	42,429	6,731	6,677	13,408

A reconciliation of the carrying amounts, at the beginning and end of 2025 and 2024, of investment properties is shown below.

<i>(Amounts in PHP)</i>	BDO Unibank Group			Parent Bank		
	Land	Buildings	Total	Land	Buildings	Total
Balance at January 1, 2025						
net of accumulated depreciation and impairment	10,615	23,210	33,825	8,634	21,162	29,796
Additions	4,490	4,033	8,523	4,491	3,805	8,296
Reclassification (see Notes 12 and 17.4)	(1,320)	5,774	4,454	(1,321)	5,774	4,453
Disposals	(937)	(609)	(1,546)	(937)	(582)	(1,519)
Foreign exchange revaluation	-	181	181	-	27	27
Impairment losses	(340)	(43)	(383)	(340)	(45)	(385)
Depreciation for the year	-	(2,216)	(2,216)	-	(2,058)	(2,058)
Balance at December 31, 2025	12,508	30,330	42,838	10,527	28,083	38,610
Balance at January 1, 2024						
net of accumulated depreciation and impairment	12,892	29,537	42,429	6,731	6,677	13,408
Additions	1,099	2,727	3,826	1,098	2,595	3,693
Effect of merger	-	-	-	4,188	20,255	24,443
Reclassification (see Notes 12 and 17.4)	(2,774)	(6,542)	(9,316)	(2,781)	(6,537)	(9,318)
Disposals	(839)	(548)	(1,387)	(839)	(543)	(1,382)
Foreign exchange revaluation	-	41	41	-	-	-
Impairment recoveries (losses)	237	(6)	231	237	-	237
Depreciation for the year	-	(1,999)	(1,999)	-	(1,285)	(1,285)
Balance at December 31, 2024	10,615	23,210	33,825	8,634	21,162	29,796

The fair value of investment properties as of December 31, 2025 and 2024, determined using observable recent prices of the reference properties adjusted for difference and replacement cost approach, amounted to P83,828 and P72,032, respectively, for the BDO Unibank Group and P73,171 and P59,275, respectively, for the Parent Bank. Other information about the fair value measurement and disclosures related to the investment properties are presented in Note 7.5.

The recoverable amount of impaired investment properties as of December 31, 2025 and 2024 was based on value in use computed through discounted cash flows method at an effective rate of 2.44% and 2.48% in 2025 and 2024, respectively.

BDO Unibank Group has no contractual obligations to purchase, construct or develop investment properties, or to repair, neither maintain or enhance the same nor are there any restrictions on the future use or realizability of the investment properties.

ROPA in settlement of loans through foreclosure or dacion in payment are significantly accounted for as either: investment properties, financial assets at FVOCI, other resources or non-current assets held for sale.

As of December 31, 2025 and 2024, ROPA, gross of allowance, comprise of the following:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Investment properties	19,853	14,374	19,378	14,083
Financial assets at FVOCI	567	560	567	560
Non-current assets held for sale	1,163	1,226	1,160	1,226
	21,583	16,160	21,105	15,869

15. EQUITY INVESTMENTS

Equity investments consist of the following:

(Amounts in PHP)	% Held	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Philippine subsidiaries					
BDO Network	85.86%*	-	-	15,371	13,909
BDOSHI	100.00%	-	-	5,684	5,684
BDO Life	97.00%	-	-	3,403	3,403
BDO Private	100.00%	-	-	2,579	2,579
BDO Capital	99.88%	-	-	1,878	1,878
Dominion Holdings	87.43%	-	-	1,878	1,878
BDOI	100.00%	-	-	11	11
Equimark	60.00%	-	-	4	4
		<u>-</u>	<u>-</u>	<u>30,808</u>	<u>29,346</u>
Foreign subsidiaries					
BDORO	100.00%	-	-	169	169
BDO Remit (Japan) Ltd.	100.00%	-	-	92	92
BDO Remit (Canada) Ltd.	100.00%	-	-	50	50
BRUSA	100.00%	-	-	26	26
		<u>-</u>	<u>-</u>	<u>337</u>	<u>337</u>
Associates					
NLEX Corporation	12.12%**	1,805	1,765	1,805	1,765
NorthPine Land, Inc.	20.00%	232	232	232	232
Taal Land, Inc.	33.33%	170	170	170	170
BDO Securities	0.68%***	-	-	35	35
		<u>2,207</u>	<u>2,167</u>	<u>2,242</u>	<u>2,202</u>
Accumulated equity in total comprehensive income:					
Balance at beginning of year		2,697	2,225	34,418	31,134
Equity in net profit (see Note 25)		1,661	1,397	10,600	9,303
Equity in other comprehensive income (loss)		(6)	(1)	1,658	(552)
Effect of merger		-	-	-	(26)
Dividends		(1,155)	(924)	(2,792)	(5,441)
Balance at end of year		<u>3,197</u>	<u>2,697</u>	<u>43,884</u>	<u>34,418</u>
Net investments in associates/subsidiaries					
		5,404	4,864	77,271	66,303
Allowance for impairment (see Note 18)		<u>(153)</u>	<u>(153)</u>	<u>(153)</u>	<u>(153)</u>
		<u>5,251</u>	<u>4,711</u>	<u>77,118</u>	<u>66,150</u>

* Ownership interest in 2024 is 84.92%

** Ownership interest in 2024 is 12.08%

*** Ownership interest in 2024 is 0.80%

The equity shares in other comprehensive income or loss of subsidiaries and associates consists of the following:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Accumulated actuarial losses	(6)	(1)	(392)	(246)
Remeasurement on life insurance reserves	-	-	1,478	380
Accumulated translation adjustment	-	-	8	19
Net unrealized fair value gains (losses) on FVOCI	-	-	564	(705)
Equity in other comprehensive income (losses)	<u>(6)</u>	<u>(1)</u>	<u>1,658</u>	<u>(552)</u>

BDO Unibank Group's percentage of interest held in each subsidiary and associate is the same as that of the Parent Bank in both 2025 and 2024, except for BDO Life, Dominion Holdings and BDO Securities. For BDO Life and Dominion Holdings, the interest held is at 100% and 88.54% for BDO Unibank Group, respectively (see Note 2.3) and 97.00% and 87.43%, for the Parent Bank, respectively, in 2025 and 2024. For BDO Securities, the interest held is at 99.88% for BDO Unibank Group (see Note 2.3) in both years and 0.68% and 0.80% for the Parent Bank in 2025 and 2024, respectively.

BDO Unibank Group's subsidiaries as of December 31, 2025 and 2024 are all incorporated in the Philippines, except for the following:

Foreign Subsidiaries	Country of Incorporation
BRUSA	United States of America
BDORO	United Kingdom
BDO RIH**	Netherlands
BDO Remit UK**	United Kingdom
CBN Greece S.A.**	Greece
BDO Remit (Japan) Ltd.	Japan
BDO Remit (Canada) Ltd.	Canada
BDO Remit Limited*	Hongkong
BDO Remit (Macau) Ltd.*	Macau

**Wholly-owned subsidiaries of BDOSHI*

***Subsidiaries of BDO Capital*

On May 30, 2012, BDORO was registered with the Registrar of Companies for England and Wales (UK) as a private limited company with registered office at the 13th Floor, One Angel Court, London, EC2R 7HJ.

BDO Remit (Canada) Ltd., a wholly-owned remittance subsidiary in Toronto, Canada operates as a remittance business and functions as a marketing office of the Parent Bank.

On June 30, 2021, the BOD of BDO Network approved its conversion from a rural bank to a thrift bank. This was ratified by the shareholders on August 13, 2021, approved by the BSP on January 27, 2022 and by the SEC on December 27, 2024. The Certificate of Authority to operate as a thrift bank was issued by the BSP on February 5, 2025.

BDO Unibank Group includes two subsidiaries, BDO Network and Dominion Holdings with significant non-controlling interests:

<i>(Amounts in PHP)</i> Name	Proportion of Ownership Interest and Voting Rights Held by Non-controlling Interest		Profit Allocated to Non-controlling Interest		Accumulated Non-controlling Interest	
	2025	2024	2025	2024	2025	2024
BDO Network	14.14%	15.08%	289	176	2,702	2,370
Dominion Holdings	11.46%	11.46%	16	23	396	380

The registered office and principal place of business of BDO Network is located at ONB Center, Km. 9, Sasa, Davao City.

The registered office and principal place of business of Dominion Holdings is located at 39th Floor, BDO Corporate Center Ortigas, 12 ADB Avenue, Ortigas Center, Mandaluyong City.

Dividends paid to non-controlling interests amounted to P1 and P373 in 2025 and 2024, respectively.

The summarized financial information of BDO Network and Dominion Holdings, before intragroup eliminations, follows:

<i>(Amounts in PHP)</i>	BDO Network		Dominion Holdings	
	2025	2024	2025	2024
<i>Statements of financial position:</i>				
Total current resources	21,339	8,523	3,480	3,328
Total non-current resources	127,173	115,529	-	-
Total current liabilities	114,299	94,879	23	11
Total non-current liabilities	15,101	13,458	-	-
Equity attributable to owners of the Parent Bank	16,410	13,345	3,061	2,937
Non-controlling interest	2,702	2,370	396	380
<i>Statements of comprehensive income:</i>				
Total interest income	12,171	10,279	185	263
Total other operating income	5,522	4,558	-	6
Profit attributable to owners of the Parent Bank	1,747	1,016	123	179
Profit attributable to non-controlling interest	289	176	16	23
Profit	2,036	1,192	139	202
Total comprehensive income attributable to owners of the Parent Bank	1,598	967	123	169
Total comprehensive income attributable to non-controlling interest	264	166	16	22
Total comprehensive income	1,862	1,133	139	191
<i>Statements of cash flows:</i>				
Net cash from (used in) operating activities	(2,127)	2,451	152	221
Net cash from (used in) investing activities	(2,421)	(1,410)	(25)	6,216
Net cash from (used in) financing activities	7,223	(2,668)	-	(3,244)
Net cash inflow (outflow)	2,675	(1,627)	127	3,193

The following table presents the summarized financial information of BDO Unibank Group's associates as of and for the years ended December 31, 2025, 2024 and 2023:

<i>(Amounts in PHP)</i>	NLEX Corporation (Unaudited)	Others (Unaudited)	Total
<u>December 31, 2025</u>			
Assets			
Current	6,200	2,875	9,075
Non-current	89,126	-	89,126
	<u>95,326</u>	<u>2,875</u>	<u>98,201</u>
Liabilities			
Current	9,581	83	9,664
Non-current	47,745	-	47,745
	<u>57,326</u>	<u>83</u>	<u>57,409</u>
Equity	38,000	2,792	40,792
Revenues	27,421	209	27,630
Net profit	12,349	51	12,400

<i>(Amounts in PHP)</i>	NLEX Corporation (Audited)	Others (Unaudited)	Total
December 31, 2024			
Assets			
Current	6,422	2,999	9,421
Non-current	87,104	-	87,104
	<u>93,526</u>	<u>2,999</u>	<u>96,525</u>
Liabilities			
Current	18,799	258	19,057
Non-current	41,538	-	41,538
	<u>60,337</u>	<u>258</u>	<u>60,595</u>
Equity	33,189	2,741	35,930
Revenues	32,756	15	32,771
Net profit (loss)	12,071	(37)	12,034
December 31, 2023			
Assets			
Current	6,498	3,040	9,538
Non-current	80,214	2	80,216
	<u>86,712</u>	<u>3,042</u>	<u>89,754</u>
Liabilities			
Current	18,307	250	18,557
Non-current	40,263	15	40,278
	<u>58,570</u>	<u>265</u>	<u>58,835</u>
Equity	28,142	2,777	30,919
Revenues	31,972	331	32,303
Net profit	10,013	221	10,234

The following table presents the reconciliation of equity interest to NLEX Corporation as of December 31, 2025 and 2024.

<i>(Amounts in PHP)</i>	2025	2024
Net assets of NLEX Corporation	38,000	33,189
Proportion of interest	12.12%	12.08%
	<u>4,606</u>	<u>4,009</u>
Others	<u>87</u>	<u>155</u>
Carrying amount of investment	<u>4,693</u>	<u>4,164</u>

16. ASSETS AND LIABILITIES FOR LIFE INSURANCE CONTRACTS

The details of the investment securities and other assets for life insurance contract and other liabilities for life insurance contracts of the BDO Unibank Group are as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Investment securities and other assets for life insurance contracts:			
Financial assets at FVTPL	16.1	37,535	36,072
Financial assets at FVOCI	16.1	91,386	77,303
Investment securities at amortized cost - net		631	637
Loans and other receivables - net		3,196	3,630
Investment properties - net		3,998	4,208
Other resources	16.2	68	61
		<u>136,814</u>	<u>121,911</u>
Insurance contract and other liabilities for life insurance contracts:			
Insurance contract liabilities	16.2	95,129	86,170
Premium of deposit fund		4,044	3,944
Insurance payables		107	89
Other liabilities		2,315	1,268
		<u>101,595</u>	<u>91,471</u>

The details of the income attributable to insurance operations before income tax and minority interest of the BDO Unibank Group for the years ended December 31 are as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
Insurance premium - net	22,709	19,610	18,121
Insurance benefits and claims - net	(17,570)	(15,025)	(13,702)
Interest income	4,885	4,499	4,080
Operating expenses	(3,207)	(3,023)	(2,708)
Other income	744	784	581
	<u>7,561</u>	<u>6,845</u>	<u>6,372</u>

16.1 Financial Assets at FVTPL and FVOCI

The details of the carrying amount of financial assets at FVTPL and FVOCI of the BDO Unibank Group for life insurance contracts are as follows:

<i>(Amounts in PHP)</i>	FVTPL		FVOCI	
	2025	2024	2025	2024
Government debt securities	5,007	4,538	79,614	64,741
Corporate debt securities	6,290	4,103	4,933	6,033
Equity securities	26,238	27,431	6,839	6,529
	<u>37,535</u>	<u>36,072</u>	<u>91,386</u>	<u>77,303</u>

As to currency, the financial assets are composed of the following:

<i>(Amounts in PHP)</i>	FVTPL		FVOCI	
	2025	2024	2025	2024
Foreign currencies	4,850	3,630	6,123	6,106
Philippine pesos	32,685	32,442	85,263	71,197
	37,535	36,072	91,386	77,303

The maturity profile of these financial assets is as follows:

<i>(Amounts in PHP)</i>	FVTPL		FVOCI	
	2025	2024	2025	2024
Within one year	26,546	357	7,451	5,910
One to five years	2,969	2,612	20,974	18,221
Beyond five years	8,020	33,103	62,961	53,172
	37,535	36,072	91,386	77,303

Effective interest rates of debt securities at FVTPL and FVOCI range from:

<i>(Amounts in PHP)</i>	2025	2024	2023
FVTPL			
Government debt securities	3.56% – 10.63%	3.56% – 10.63%	3.38% – 10.63%
Corporate debt securities	0.00% – 0.00%	0.00% – 0.00%	0.00% – 0.00%
FVOCI			
Government debt securities	2.02% – 8.13%	2.02% – 8.13%	2.02% – 8.37%
Corporate debt securities	3.45% – 8.49%	3.45% – 8.49%	3.38% – 8.49%

The reconciliation of the carrying amounts of financial assets at FVOCI is as follows:

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	77,303	72,102
Additions	25,725	19,527
Maturities and disposals	(11,811)	(13,718)
Unrealized fair value gains (losses)	414	(541)
Foreign currency revaluation	(100)	125
Realized fair value losses	(145)	(192)
Balance at end of year	91,386	77,303

The reconciliation of NUGL on FVOCI reported under equity is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	(2,141)	(1,403)
Changes on unrealized fair value gains (losses) during the year:		
Fair value gains (losses)	414	(541)
Expected credit losses on FVOCI securities	(6)	(5)
	<u>(1,733)</u>	<u>(1,949)</u>
Realized fair value gains on securities disposed during the year - net	<u>(145)</u>	<u>(192)</u>
Balance at end of year	<u>(1,878)</u>	<u>(2,141)</u>

The fair values of government debt, quoted equity securities and corporate debt securities have been determined directly by reference to published prices generated in an active market (see Note 7.3).

16.2 Insurance Contract Liabilities

This account consists of:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Legal policy reserves	89,857	80,747
Policy and contract claims payable	2,008	2,851
Policyholders' dividends	3,264	2,572
	<u>95,129</u>	<u>86,170</u>

Insurance contract liabilities may be analyzed as follows:

<i>(Amounts in PHP)</i>	Insurance Contract Liabilities		Reinsurer Share of Liabilities		Net	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Aggregate reserves for:						
Ordinary life policies	58,768	50,132	-	-	58,768	50,132
VUL insurance contracts	29,851	29,706	-	-	29,851	29,706
Group life insurance policies	894	697	35	26	859	671
Accident and health policies	344	212	-	-	344	212
Policy and contract claims	2,008	2,851	30	35	1,978	2,816
Policyholders' dividends	3,264	2,572	-	-	3,264	2,572
	<u>95,129</u>	<u>86,170</u>	<u>65</u>	<u>61</u>	<u>95,064</u>	<u>86,109</u>

The movements in legal policy reserves are as follows:

<i>(Amounts in PHP)</i>	Legal Policy Reserves		Reinsurer Share of Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Balance at the beginning of the year	80,747	71,996	26	19	80,721	71,977
Premiums received	22,887	19,778	111	87	22,776	19,691
Liability released for payments of death, maturity and surrender benefits and claims	(15,730)	(15,718)	(102)	(80)	(15,628)	(15,638)
Accretion of investment income or change in unit prices	2,712	3,869	-	-	2,712	3,869
Changes in valuation of interest rate	(1,478)	(391)	-	-	(1,478)	(391)
Change in assumptions/MfAD	620	961	-	-	620	961
Foreign exchange adjustments	99	252	-	-	99	252
Balance at end of year	89,857	80,747	35	26	89,822	80,721

Reinsurer share of liabilities is recorded as part of Other resources under Investment Securities and Other Assets for Life Insurance Contracts - Net in the BDO Unibank Group's statements of financial position.

16.2.1 Key Assumptions

Material judgment is required in determining the liabilities and in the choice of assumptions relating to insurance contracts. The liability for life insurance contracts uses the discount rate as provided by the IC with other assumptions based on best estimate with regard to significant recent experience and appropriate margins for adverse deviations from the expected experience. Assumptions are further evaluated on a continuous basis in order to ensure adequacy of valuations. Assumptions are subject to the provisions of the Code and guidelines set by the IC.

16.2.2 Liability Adequacy Test (LAT)

To test the adequacy of the statutory reserve liability, the present value of the current estimates of future cash flows is calculated without margins for adverse deviations and compared to the booked statutory reserve liability. The test for adequacy is sensitive to the following key assumptions.

- (a) *Mortality rates.* Assumptions are based on standard industry and morbidity tables, according to the type of contract written and adjusted, if appropriate, to reflect the BDO Unibank Group's own experiences. The 2017 Philippine Intercompany Mortality Table was chosen as an appropriate base table used in projecting death claims. Higher mortality and morbidity rates would lead to a larger number of claims, increasing the benefit payments and reducing profits for the shareholders.
- (b) *Discount rates.* The discount rate affects the calculated present value of the cash flows. The estimate is based on current market returns as well as expectations about future economic and financial developments. A decrease in the discount rate will increase the present value of the cash flows. The discount rate used in the LAT is 5.50% for Peso and 5.50% for Dollar in 2025, and 5.50% for Peso and 5.50% for Dollar in 2024.
- (c) *Expense assumptions.* The expense assumptions are based on the BDO Unibank Group's actual current expense experience as determined by an expense study. Future expense assumptions are projected based on the BDO Unibank Group's expense forecasts.
- (d) *Lapse and surrender rates.* The lapse and surrender rates assumed vary by product type and policy duration. These assumptions are based on the BDO Unibank Group's experience.

16.2.3 Sensitivities

The analysis below is performed to test the adequacy of the statutory reserves under possible movements in mortality and discount rates, with all other assumptions held constant.

(Amounts in PHP)	Change in Assumptions	2025		2024	
		Discounted Projected Cash Flows of Benefits and Expenses Less Premiums	Excess of Booked Liabilities Over Discounted Cash Flow	Discounted Projected Cash Flows of Benefits and Expenses Less Premiums	Excess of Booked Liabilities Over Discounted Cash Flow
Base assumption		86,942	2,915	78,051	2,696
Mortality	25%	88,294	1,563	78,886	1,861
	-25%	85,537	4,320	77,177	3,570
Discount rate	d+1%	77,477	12,380	70,115	10,631
	d-1%	86,899	2,958	79,957	790

Based on the table above, the booked liabilities are adequate when compared to present value of current estimates of future cash flows, under various assumptions in mortality and discount rates.

Since policy dividends are typically reduced when interest rates decline, the projected cash flows under a low discount rate assumed a reduction in policy dividends. Additionally, it should be noted that should a lower discount rate scenario happen, the increase in liabilities has an offsetting increase in assets resulting from lower market interest rates.

The method used for deriving the information above did not change from the previous period.

17. OTHER RESOURCES

The components of the other resources account are shown below.

(Amounts in PHP)	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Foreign currency notes and coins on hand		11,595	10,301	11,594	10,300
Deferred charges	17.1	10,697	8,399	10,697	8,399
Non-current assets held for sale	17.4	7,282	10,672	7,279	10,672
Computer software - net	17.5	4,621	4,393	4,295	4,390
Goodwill	17.2	4,535	4,535	1,391	1,391
Retirement assets - net	26.2	4,174	6,676	4,458	6,123
Branch licenses	17.3	3,020	3,020	3,020	3,020
Interoffice float items - net		1,700	-	1,695	-
Prepaid documentary stamps		1,565	938	1,474	866
Deferred tax assets - net	31.1	1,107	45	897	-
Returned checks and other cash items		582	854	528	188
Customer lists - net	17.5	487	487	487	487
Real properties for development and sale		89	89	-	-
Others	17.5, 27(d)	15,091	14,701	13,774	13,158
		66,545	65,110	61,589	58,994
Allowance for impairment	18	(2,125)	(2,122)	(1,876)	(1,879)
		64,420	62,988	59,713	57,115

17.1 Deferred Charges

Deferred charges represent the unamortized portion of loan origination fees, including commissions and other costs directly attributable to auto loans. In addition, this account also includes origination costs related to Long-term Negotiable Certificate of Deposits (LTNCD).

17.2 Goodwill

Goodwill represents the excess of the Parent Bank's acquisition cost over the fair value of the net assets acquired at the acquisition date. It primarily relates to anticipated business synergies from economies of scale and scope. This is from the acquisition of BDO Card Corporation, United Overseas Bank Philippines (UOBP), American Express Bank, Ltd., GE Money Bank, Rural Bank of San Juan, Inc., BDO RIH, BDO Network and Rural Bank of Pandi, Inc., which were acquired in 2005, 2006, 2007, 2009, 2012, 2013, 2015 and 2019, respectively.

The reconciliation of the carrying amount of goodwill (net of allowance for impairment) of the BDO Unibank Group and the Parent Bank is as follows:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Gross amount	4,535	4,535	1,391	1,391
Allowance for impairment	(1,514)	(1,514)	(1,391)	(1,391)
Carrying amount	3,021	3,021	-	-

There were no movements in the goodwill account of the Parent Bank in both 2025 and 2024, as the related goodwill balance had already been provided with full allowance.

A significant portion of goodwill of the BDO Unibank Group pertains to the goodwill recognized from the acquisition of BDO Network amounting to P2,907.

The BDO Unibank Group and the Parent Bank recognized impairment losses on certain goodwill as management does not expect the asset to generate future economic benefit. This assessment reflects that the growth of the branch business following the acquisitions was primarily attributable to the Parent Bank's own efforts and brand strength, rather than to the customer relationship or operations of the previously acquired banks. The recoverable amount was determined using value-in-use calculation based on discounted five-year cash flow projection, which exclude restructuring activities the BDO Unibank Group is not yet committed to or significant future investments that will enhance the asset base of the cash-generating unit being tested.

The calculation of value-in-use is most sensitive to the following assumptions:

- (a) *Discount rate.* The discount rates reflect current market risk assessment and are based on the weighted average cost of capital, adjusted for risks specific to the cash-generating unit. The discount rates applied to cash flow projections in 2025 and 2024 are 4.73% and 5.42%, respectively.
- (b) *Total income growth rate.* The growth rates used to extrapolate cash flow projections range from 12.71% to 15.70% in 2025 and 12.56% to 14.53% in 2024. Total income forecasts to calculate the cash flow projections are the management's best estimates after considering factors affecting growth target projection on salary loans and micro, small and medium enterprises loans offered by BDO Network.

Management assessed that no reasonably possible change in discount rates and growth rates would cause the carrying value of goodwill in 2025 and 2024 to materially exceed its recoverable amount.

The BDO Unibank Group did not recognize any impairment losses on goodwill in 2025, 2024 and 2023.

17.3 Branch Licenses

Branch licenses represent the rights granted by the BSP to the Parent Bank to establish certain number of branches as an incentive in acquiring The Real Bank (A Thrift Bank), Inc. and Banco De Oro Savings Bank, Inc. in addition to the current branches of the acquired banks. The Parent Bank performs annual impairment testing of branch licenses.

The recoverable amount was determined using value-in-use calculation based on discounted five-year cash flow projection.

The calculation of value-in-use is most sensitive to the following assumptions:

- (a) *Discount rate.* The discount rates reflect current market risk assessment and are based on the weighted average cost of capital, adjusted for risks specific to the cash-generating unit. The discount rates applied to cash flow projections in 2025 and 2024 are 5.24% and 6.10%, respectively.
- (b) *Compound annual growth rate.* The growth rates used to extrapolate cash flow projections are 10.50% in 2025 and 9.44% in 2024. The growth rates are based on the total assets of the Parent Bank for the last five years.

Management assessed that no reasonably possible change in discount rates and growth rates would cause the carrying value of branch licenses to exceed its recoverable amount in 2025 and 2024.

Based on the value-in-use assessment, the BDO Unibank Group and the Parent Bank did not recognize any impairment losses on branch licenses in 2025 and 2024.

17.4 Non-current Assets Held for Sale

Non-current assets held for sale consist of real and other properties acquired through repossession or foreclosure that the BDO Unibank Group and the Parent Bank intend to sell within one year from the date they were classified as held for sale. Impairment loss of P22 was recognized in 2025, while no impairment loss was recognized in 2024 and 2023 in both the BDO Unibank Group and Parent Bank's statements of income (see Note 18).

In 2024, the Parent Bank obtained full ownership of the Podium Mall, located at 12 ADB Avenue, Ortigas Center, Mandaluyong City, with a carrying amount of P6,119 and P9,437 as of December 31, 2025 and at the date of transfer, respectively, following its merger with TPCI (see Note 30.6). The mall was classified as a non-current asset held for sale, as the BSP required its disposal within six months from the merger's effectivity date. On June 26, 2025, the BSP approved the request of the Parent Bank to extend the disposal period to three years, from June 1, 2025 until May 30, 2028.

17.5 Others

Others mainly comprise security deposits, trading rights, supplies and deferred input value-added tax (VAT).

Other intangible assets with indefinite useful lives consist of branch licenses, customer lists and equity securities with Philippine Clearing House Committee and LGU Guaranty Corporation amounting to P3,020, P487 and P15, respectively, as of December 31, 2025 and 2024 in both the BDO Unibank Group and the Parent Bank's statements of financial position.

Amortization expense on computer software licenses amounted to P2,262, P2,141 and P2,917 in 2025, 2024 and 2023, respectively, for the BDO Unibank Group and P2,164, P2,055 and P2,842 in 2025, 2024 and 2023, respectively, for the Parent Bank. These are reported as Amortization of computer software under Other Operating Expenses account in the statements of income (see Note 25).

Depreciation and amortization expense on certain assets amounting to P60, P150 and P117 in 2025, 2024 and 2023, respectively, for both BDO Unibank Group and Parent Bank are presented as part of Occupancy under Other Operating Expenses account in the statements of income (see Note 25).

No additional impairment loss was recognized by the Parent Bank from 2023 to 2025 on the value of customer lists. The customer list was recognized as a result of the Parent Bank's acquisition of a trust business in 2014.

18. ALLOWANCE FOR IMPAIRMENT

Changes in the allowance for impairment for the periods ended December 31, 2025 and 2024, are summarized below.

(Amounts in PHP)	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Balance at beginning of year:					
Due from other banks	9	37	58	31	55
Financial assets at FVOCI	10.2	4	-	4	-
Investment securities at amortized cost	10.3	2,112	2,126	2,109	2,115
Loans and other receivables	11	92,091	85,811	89,414	83,370
Bank premises	12	622	619	476	476
Investment properties	14	1,498	1,800	1,189	1,495
Equity investments	15	153	153	153	153
Investment securities and other assets for life insurance contracts	16	46	47	-	-
Other resources	17	2,122	2,181	1,879	1,889
		<u>98,685</u>	<u>92,795</u>	<u>95,255</u>	<u>89,553</u>
Impairment losses (recoveries):					
Due from other banks	9	9	(21)	10	(24)
Financial assets at FVOCI	10.2	-	4	-	4
Investment securities at amortized cost	10.3	(22)	(98)	(22)	(89)
Loans and other receivables	11	14,608	14,404	13,452	13,272
Bank premises	12	2	3	-	-
Investment properties	14	383	(231)	385	(237)
Investment securities and other assets for life insurance contracts	16	(1)	(1)	-	-
Other resources	17	46	4	41	11
		<u>15,025</u>	<u>14,064</u>	<u>13,866</u>	<u>12,937</u>
Write-offs and other adjustments:					
Write-offs		(17,825)	(8,245)	(16,919)	(7,458)
Foreign currency revaluation		98	220	98	219
Adjustments		25	(105)	-	-
Reclassification		23	101	23	101
Acquired from business combination		-	-	-	4
Reversals		(2,515)	(145)	(2,515)	(101)
		<u>(20,194)</u>	<u>(8,174)</u>	<u>(19,313)</u>	<u>(7,235)</u>
Balance at end of year:					
Due from other banks	9	48	37	43	31
Financial assets at FVOCI	10.2	4	4	4	4
Investment securities at amortized cost	10.3	1,785	2,112	1,782	2,109
Loans and other receivables	11	86,905	92,091	83,955	89,414
Bank premises	12	624	622	476	476
Investment properties	14	1,827	1,498	1,519	1,189
Equity investments	15	153	153	153	153
Investment securities and other assets for life insurance contracts	16	45	46	-	-
Other resources	17	2,125	2,122	1,876	1,879
		<u>93,516</u>	<u>98,685</u>	<u>89,808</u>	<u>95,255</u>

The BDO Unibank Group and the Parent Bank recognized impairment loss (recovery) on debt securities measured at FVOCI amounting to P8 and P13, respectively, in 2025, (P25) and (P17), respectively, in 2024 and P108 and P97, respectively, in 2023. Impairment losses on debt securities measured at FVOCI are presented under items that are or will be reclassified subsequently to profit or loss in the statements of comprehensive income (see Note 10.2).

The BDO Unibank Group and the Parent Bank also recognized impairment loss (recovery) on loan commitments and other contingent accounts amounting to (P30), (P14) and P12 in 2025, 2024 and 2023, respectively, and on miscellaneous liabilities – damage suit amounting to P7 in 2023. These amounts are presented under Others in Other Liabilities in the statements of financial position (see Note 21).

Total impairment losses on certain financial assets amounted to P14,598, P14,282 and P16,313 in 2025, 2024 and 2023, respectively, in the BDO Unibank Group's statements of income and P13,440, P13,164 and P15,568 in 2025, 2024 and 2023, respectively, in the Parent Bank's statements of income.

The total impairment losses (recoveries) on non-financial assets amounted to P426, (P218) and (P44) in 2025, 2024 and 2023, respectively, for the BDO Unibank Group and P426, (P227), and (P44) in 2025, 2024 and 2023, respectively, for the Parent Bank as recognized in their respective statements of income.

19. DEPOSIT LIABILITIES

The breakdown of this account follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Demand	641,138	567,904	624,128	548,275
Savings	2,194,405	2,143,915	2,123,364	2,088,889
Time	1,354,248	1,082,208	1,321,970	1,048,888
	<u>4,189,791</u>	<u>3,794,027</u>	<u>4,069,462</u>	<u>3,686,052</u>

This account is composed of the following (by counterparties):

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Due to other banks:				
Demand	3,650	2,999	3,629	2,981
Savings	4,320	3,462	5,515	5,492
Time	3,221	2,304	2,893	1,872
	<u>11,191</u>	<u>8,765</u>	<u>12,037</u>	<u>10,345</u>
Due to customer:				
Demand	637,488	564,905	620,499	545,294
Savings	2,190,085	2,140,453	2,117,849	2,083,397
Time	1,351,027	1,079,904	1,319,077	1,047,016
	<u>4,178,600</u>	<u>3,785,262</u>	<u>4,057,425</u>	<u>3,675,707</u>
	<u>4,189,791</u>	<u>3,794,027</u>	<u>4,069,462</u>	<u>3,686,052</u>

The breakdown of deposit liabilities as to currency is as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Philippine pesos	3,687,455	3,319,599	3,573,368	3,220,812
Foreign currencies	502,336	474,428	496,094	465,240
	<u>4,189,791</u>	<u>3,794,027</u>	<u>4,069,462</u>	<u>3,686,052</u>

The maturity profile of this account is presented below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Less than one year	4,152,255	3,743,846	4,038,558	3,637,577
One to five years	28,646	38,431	28,268	37,944
Beyond five years	8,890	11,750	2,636	10,531
	<u>4,189,791</u>	<u>3,794,027</u>	<u>4,069,462</u>	<u>3,686,052</u>

The BDO Unibank Group and the Parent Bank's deposit liabilities are in the form of demand, savings and time deposit accounts bearing annual interest rates ranging from 0.00% to 6.30% in 2025, 0.00% to 6.38% in 2024, and 0.00% to 6.40% in 2023. Demand and savings deposits have both fixed and variable interest rates while time deposits have fixed interest rates (see Note 24).

The BDO Unibank Group's time deposit liabilities include the Parent Bank's LTNCD as of December 31, 2024 amounting to P6,500. This issuance was approved by the BSP on August 15, 2019 and was issued on September 27, 2019 with an effective interest rate of 4.0%. The net proceeds from the issuance of the LTNCD are intended to diversify the Parent Bank's maturity profile of funding source and to support its business expansion plans. The LTNCD matured on March 27, 2025.

On September 20, 2024, the BSP approved BSP Circular No. 1201, *Reduction in Reserve Requirements*, which lowered the reserve requirements of universal banks (UBs) and commercial banks (KBs) from 9.50% to 7.00%, effective reserve week starting October 25, 2024. These reserve requirements were further reduced to 5.00% on March 11, 2025 through BSP Circular No. 1211, effective reserve week starting March 28, 2025.

20. **BILLS PAYABLE**

This account is composed of the following borrowings from:

<i>(Amounts in PHP)</i>	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Fixed rate bonds	20.2	171,514	119,568	171,514	119,568
Foreign banks		71,200	58,324	71,048	57,593
Senior notes	20.1	70,721	49,555	70,721	49,555
Local banks		27,139	20,743	-	292
Deposit substitutes		11,244	13,280	11,244	13,280
		<u>351,818</u>	<u>261,470</u>	<u>324,527</u>	<u>240,288</u>

The breakdown of this account as to currency follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Philippine pesos	198,653	140,019	171,514	119,568
Foreign currencies	153,165	121,451	153,013	120,720
	351,818	261,470	324,527	240,288

The maturity profile of this account is presented below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
One to three months	109,127	28,193	92,922	18,885
More than three months to one year	32,544	113,600	26,483	111,179
More than one to three years	175,175	113,925	170,150	104,472
More than three years	34,972	5,752	34,972	5,752
	351,818	261,470	324,527	240,288

The range of annual interest rates for interest-bearing bills payable is shown in the table below (see Note 24).

	2025	2024	2023
BDO Unibank Group	2.13% – 7.86%	2.13% – 7.87%	2.04% – 7.63%
Parent Bank	2.13% – 6.33%	2.13% – 6.24%	2.04% – 6.75%

The following comprise the interest expense included as part of Interest Expense on bills payable and other liabilities in the statements of income (see Note 24):

<i>(Amounts in PHP)</i>	2025	2024	2023
<u>BDO Unibank Group</u>			
Fixed rate peso bonds	9,283	5,599	1,725
Foreign banks	2,952	3,185	2,574
Local banks	1,587	1,524	923
Senior notes	1,187	1,397	1,553
Deposit substitutes	271	946	847
Others	-	-	80
	15,280	12,651	7,702
<u>Parent Bank</u>			
Fixed rate peso bonds	9,283	5,599	1,725
Foreign banks	2,941	3,159	2,548
Senior notes	1,187	1,397	1,553
Deposit substitutes	271	946	847
Local banks	113	149	50
	13,795	11,250	6,723

20.1 Senior Notes

The Parent Bank issued US dollar denominated senior notes as follows:

Issue Date	Maturity Date	Coupon Interest	Principal Amount	Outstanding Balance (Amounts in PHP)	
				2025	2024
December 3, 2025	December 3, 2030	4.38%	500	29,219	-
May 16, 2022	May 16, 2029	3.71%	100	5,882	5,780
July 13, 2020	January 13, 2026	2.13%	600	35,620	34,960
February 20, 2018	February 20, 2025	4.16%	150	-	8,815
				70,721	49,555

On May 16, 2022, the Parent Bank issued its maiden blue bond amounting to US\$100 through an investment from the International Finance Corporation (IFC). The bond, with an interest rate of 3.71% and a tenor of seven years, expanded financing for projects that help prevent marine pollution and preserve clean water resources. The issuance marked a milestone for BDO Unibank Group for being the first private sector issuance for a blue bond in Southeast Asia.

The issuance of senior notes in 2020 is part of the Parent Bank's liability management initiatives to tap longer-term funding sources to support its dollar-denominated projects and refinance outstanding bonds.

On February 20, 2025, the Parent Bank redeemed its US\$150 Green Bond upon maturity.

On December 3, 2025, the Parent Bank issued US\$500 Senior Notes under the US\$5,000 Medium Term Note Programme. The Senior Notes have a tenor of five years with a coupon rate of 4.38% per annum. The net proceeds from the issuance will be used to support the Parent Bank's dollar-denominated projects and refinance the maturing Senior Notes.

20.2 Issuance of Fixed Rate Peso Bonds

On August 31, 2018, the BOD approved the establishment of a P100,000 Peso Bond Program.

On February 1, 2020, the BOD approved an increase of P300,000 to the Parent Bank's Peso Bond Program.

On December 13, 2023, the BSP issued Circular No. 1185, *Grant of Additional Single Borrower's Limit for Financing Eligible Projects and Zero Percent Reserve Requirement Rate Against Eligible Sustainable Bonds*. Reserve Requirement to be imposed for bond issuances that qualify under this category will be 1% in the first year of effectivity of Circular, and 0% in the succeeding year, effective for another 12 months. On January 5, 2026, the BSP issued Circular No. 1227, which extends the regulatory incentive period for financing eligible green or sustainable projects and activities. This extension continues the 0% reserve requirement rate for sustainable bonds issued by banks, originally granted in Circular No. 1185, for an additional two years.

On January 29, 2024, the Parent Bank issued P63,300 Peso-denominated fixed rate ASEAN Sustainability Bonds under its P365,000 bond program. The bonds carried an interest rate of 6.03% per annum and matured on July 29, 2025.

On July 24, 2024, the Parent Bank issued P55,700 of Peso-denominated fixed rate ASEAN Sustainability Bonds. The bonds carry an interest rate of 6.33% per annum and will mature on January 24, 2026.

On April 25, 2025, the BOD approved the increase in the Parent Bank's Peso Bond Program to P500,000, effectively adding P382,800 to the existing program.

On July 29, 2025, the Parent Bank issued P115,000 Peso-denominated fixed rate ASEAN Sustainability Bonds. The bonds carry an interest rate of 5.88% per annum and will mature on January 29, 2027.

The Parent Bank's issuances of fixed rate peso bonds as follows (amounts in billions of Philippine Pesos):

Issue Date	Maturity Date	Coupon Interest	Principal Amount	Outstanding Balance	
				2025	2024
July 29, 2025	January 29, 2027	5.88%	115	115.3	-
July 24, 2024	January 24, 2026	6.33%	55.7	56.2	55.9
January 29, 2024	July 29, 2025	6.03%	63.3	-	63.6
				<u>171.5</u>	<u>119.5</u>

20.3 Reconciliation of Liabilities Arising from Financing Activities

Presented below is the reconciliation of liabilities arising from financing activities in 2025, 2024 and 2023, which includes both cash and non-cash changes.

BDO Unibank Group

(Amounts in PHP)

	Foreign Banks	Senior Notes	Fixed Rate Peso Bonds	Local Banks	Deposit Substitute	BSP	Others	Total
Balance as of January 1, 2025	58,324	49,555	119,568	20,743	13,280	-	-	261,470
Cash flows from financing activities								
Additional borrowings	68,508	29,322	114,121	118,687	11,830	510	-	342,978
Repayment of borrowings	(56,447)	(8,755)	(63,642)	(113,291)	(13,425)	(510)	-	(256,070)
Non-cash financing activities								
Interest amortization	(1,190)	(212)	1,467	969	(48)	-	-	986
Revaluation	2,005	811	-	31	(393)	-	-	2,454
Balance as of December 31, 2025	71,200	70,721	171,514	27,139	11,244	-	-	351,818
Balance as of January 1, 2024	51,133	47,333	52,899	23,717	14,500	-	-	189,582
Cash flows from financing activities								
Additional borrowings	101,306	-	118,085	58,048	20,660	10	-	298,109
Repayment of borrowings	(94,736)	-	(52,899)	(61,882)	(22,609)	(10)	-	(232,136)
Non-cash financing activities								
Interest amortization	144	104	1,483	878	38	-	-	2,647
Revaluation	477	2,118	-	(18)	691	-	-	3,268
Balance as of December 31, 2024	58,324	49,555	119,568	20,743	13,280	-	-	261,470
Balance as of January 1, 2023	39,243	84,355	52,696	8,890	12,679	-	1,028	198,891
Cash flows from financing activities								
Additional borrowings	83,782	-	-	49,602	49,465	20	4,745	187,614
Repayment of borrowings	(73,242)	(36,187)	-	(35,377)	(47,730)	(20)	(5,757)	(198,313)
Non-cash financing activities								
Interest amortization	1,572	(234)	203	670	74	-	(16)	2,269
Revaluation	(222)	(601)	-	(68)	12	-	-	(879)
Balance as of December 31, 2023	51,133	47,333	52,899	23,717	14,500	-	-	189,582
Parent Bank								
Balance as of January 1, 2025	57,593	49,555	119,568	292	13,280	-	-	240,288
Cash flows from financing activities								
Additional borrowings	67,368	29,322	114,121	-	11,830	10	-	222,651
Repayment of borrowings	(54,518)	(8,755)	(63,642)	(282)	(13,425)	(10)	-	(140,632)
Non-cash financing activities								
Interest amortization	(1,211)	(212)	1,467	(3)	(48)	-	-	(7)
Revaluation	1,816	811	-	(7)	(393)	-	-	2,227
Balance as of December 31, 2025	71,048	70,721	171,514	-	11,244	-	-	324,527
Balance as of January 1, 2024	50,454	47,333	52,899	2,802	14,500	-	-	167,988
Cash flows from financing activities								
Additional borrowings	99,312	-	118,085	291	20,660	10	-	238,358
Repayment of borrowings	(92,713)	-	(52,899)	(2,802)	(22,609)	(10)	-	(171,033)
Non-cash financing activities								
Interest amortization	109	104	1,483	(30)	38	-	-	1,704
Revaluation	431	2,118	-	31	691	-	-	3,271
Balance as of December 31, 2024	57,593	49,555	119,568	292	13,280	-	-	240,288
Balance as of January 1, 2023	39,142	84,355	52,696	-	12,679	-	-	188,872
Cash flows from financing activities								
Additional borrowings	81,922	-	-	2,829	49,465	10	-	134,226
Repayment of borrowings	(71,834)	(36,187)	-	-	(47,730)	(10)	-	(155,761)
Non-cash financing activities								
Interest amortization	1,539	(234)	203	33	74	-	-	1,615
Revaluation	(315)	(601)	-	(60)	12	-	-	(964)
Balance as of December 31, 2023	50,454	47,333	52,899	2,802	14,500	-	-	167,988

21. OTHER LIABILITIES

The other liabilities account consists of the following:

<i>(Amounts in PHP)</i>	Notes	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Accounts payable		43,281	35,015	39,863	31,954
Manager's checks		18,652	18,729	18,584	17,986
Accrued expenses		16,475	19,418	14,844	17,854
Lease liabilities	13.2,				
	27(d)(i)(3)	14,943	14,001	14,047	13,215
Bills purchased – contra		13,419	13,362	13,419	13,362
Outstanding acceptances payable		8,393	22,732	8,393	22,732
Derivatives with negative fair values	10.1,				
	27(d)(i)(4)	6,080	6,361	2,525	3,090
Withholding taxes payable		4,845	4,031	4,489	3,759
Lease deposits	34.2.1	2,412	2,269	548	519
Due to BSP and Treasurer of the Philippines		1,660	1,175	1,654	1,171
Due to principal		537	314	-	-
Capitalized interest and other charges		413	314	354	255
Deferred tax liabilities	31	-	-	-	90
Others	18, 34.1.2	13,096	13,966	12,683	13,556
		<u>144,206</u>	<u>151,687</u>	<u>131,403</u>	<u>139,543</u>

Others include margin deposits, life insurance deposits, cash letters of credit and other miscellaneous liabilities.

The liability for unredeemed reward points amounting to P3,621 and P3,486 as of December 31, 2025 and 2024, respectively, and presented under Accrued expenses, represents the fair value of points earned that are redeemable primarily for goods or services provided by third-party partners identified by the Parent Bank under its rewards program (see Note 2.16).

Interest expense on certain liabilities amounting to P46, P167 and P59 in 2025, 2024 and 2023, respectively, for the BDO Unibank Group and P45, P85 and P51 in 2025, 2024 and 2023, respectively, for the Parent Bank which are presented as part of Interest expense on bills payable and other liabilities under Interest Expense account in the statements of income (see Note 24).

Impairment losses (recoveries) recognized for off-books accounts amounted to (P30), (P14) and P12 in 2025, 2024 and 2023, respectively, while impairment losses on miscellaneous liabilities – damage suit were nil in 2025 and 2024 and P7 in 2023, for these amounts were recognized in the statements of income of both the BDO Unibank Group and the Parent Bank. The accumulated impairment losses as of December 31, 2025 and 2024 amounting to P80 and P118, respectively, for both the BDO Unibank Group and the Parent Bank are recorded as part of Others under the Other Liabilities account in the statements of financial position (see Note 18).

22. EQUITY

22.1 Capital Stock

Capital stock consists of the following:

<i>(Amounts in PHP)</i>	Number of Shares		Amount	
	2025	2024	2025	2024
Preferred shares – P10 par value				
Authorized				
Balance at beginning and end of year	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>10,000</u>	<u>10,000</u>
Issued, fully paid and outstanding				
Balance at beginning and end of year	<u>618,000,000</u>	<u>618,000,000</u>	<u>6,180</u>	<u>6,180</u>
Common shares – P10 par value				
Authorized				
Balance at beginning and end of year	<u>8,500,000,000</u>	<u>8,500,000,000</u>	<u>85,000</u>	<u>85,000</u>
Issued, fully paid and outstanding				
Balance at beginning of year	<u>5,326,492,045</u>	5,268,362,374	<u>53,265</u>	52,684
Issued during the year	<u>7,507,922</u>	58,129,671	<u>75</u>	581
Balance at end of year	<u>5,333,999,967</u>	5,326,492,045	<u>53,340</u>	53,265
Treasury shares – at cost	<u>-</u>	(54,234,084)	<u>-</u>	(7,077)
Total Outstanding	<u>5,333,999,967</u>	<u>5,272,257,961</u>	<u>53,340</u>	<u>46,188</u>

22.1.1 Preferred Shares

The following are the features of the BDO Unibank Group and the Parent Bank's preferred shares:

- Perpetual, voting, non-cumulative, convertible, non-participating, peso-denominated Series A shares;
- Convertible to common shares at the option of the holder after five years from the issue date or at the option of BDO Unibank Group at any time after issue date; and,
- Dividend rate is 6.50% per annum of the par value.

22.1.2 Common Shares

The Parent Bank's application for listing of its common shares was approved by the PSE on April 24, 2002. The application is for the initial listing of up to 952,708,650 common shares, with par value of P10 per share, at an offer price range of P17.80 to P23.80 per share. The proceeds from the sale of BDO Unibank's listed shares amounted to about P2,200.

On September 24, 2016, the Parent Bank's BOD authorized the Parent Bank to raise P60,000 in additional core capital through a stock rights offer. The BSP and the PSE approved the transaction on November 23, 2016 and December 14, 2016, respectively.

On January 3, 2017, the Parent Bank fixed the final terms for the stock rights offer which entitled eligible shareholders to subscribe to one common share for every 5.095 common shares held as of January 5, 2017 record date at an offer price of P83.75 per rights share. The offer period ran from January 16, 2017 to January 24, 2017.

Following the close of the offer period, the Parent Bank successfully completed its stock rights offer and 716,402,886 common shares were issued and subsequently listed on the PSE on January 31, 2017. The issuance resulted in recognition of Additional Paid-in Capital amounting to P52,662, net of related transaction costs totaling to P172. The capital supported the Parent Bank's medium-term growth objectives amid the country's favorable macroeconomic prospects and provide a comfortable buffer over higher capital requirements with the forthcoming imposition of DSIB surcharge.

The history of shares issuances from the initial public offering (IPO) and subsequently, private placements exempt from registration pursuant to Section 10.1 of the Securities Regulation Code and other issuances, is as follows:

Transaction	Subscriber	Issue Date	Number of Shares Issued
IPO	Various	May 21, 2002	908,189,550
Private placement	IFC	June 21, 2005	31,403,592
Private placement	UOBP	February 8, 2006	22,429,906
BDO-EPCIB Merger	BDO-EPCIB Merger	May 31, 2007	1,308,606,021
Private placement	IFC	August 23, 2007	31,403,592
Private placement	GE Capital International Holdings Corporation	August 20, 2009	37,735,849
Private placement	Multi Realty Development Corporation	April 23, 2010	107,320,482
Private placement	IFC	April 26, 2010	24,033,253
Private placement	IFC Capitalization (Equity) Fund, L.P.	April 26, 2010	136,315,662
Stock dividends	Various	June 8, 2012	78,218,589
Stock rights	Various	July 4, 2012	895,218,832
Private placement	Sybase Equity Investments Corporation	July 20, 2015	64,499,890
Stock options	Various employees	June 6, 2016 to December 31, 2016	4,592,430
Stock options	Various employees	January 3, 2017 to December 27, 2017	2,604,020
Stock rights	Various employees	January 31, 2017	716,402,886
Stock rights	Various employees	January 31, 2018	5,073,510
Stock options	Various employees	January 7, 2019 to December 26, 2019	7,322,270
Stock options	Various employees	January 6, 2020 to December 28, 2020	2,857,581
Stock options	Various employees	January 15, 2021 to December 15, 2021	1,291,100
Stock dividends	Various	December 29, 2022	877,337,627
Stock options	Various employees	January 17, 2022 to December 27, 2022	1,275,033
Stock options	Various employees	January 5, 2023 to December 27, 2023	4,230,699
Stock options	Various employees	February 15, 2024 to December 16, 2024	3,900,657
Treasury shares from TPCI		December 1, 2024	54,229,014
Stock options	Various employees	January 6, 2025 to December 16, 2025	7,507,922
			<u>5,333,999,967</u>

As of December 31, 2025 and 2024, there are 12,335 and 12,267 holders, respectively, of the listed shares equivalent to 100% of the Parent Bank's total outstanding shares. Such listed shares closed at P134.60 and P144.0 per share as of December 29, 2025 and December 27, 2024, respectively (the last trading day in 2025 and 2024).

22.2 BDO American Depositary Receipt Program

On April 18, 2013, the Parent Bank launched its Sponsored Level 1 American Depositary Receipt (ADR) Program by which negotiable securities representing underlying BDO common shares can be traded in the U.S. over-the-counter (OTC) market. This provides flexibility for U.S. investors to trade BDO common shares in their time zone and settle their transactions locally. It is meant to tap the pool of U.S. ADR investors, enhance visibility and global presence and diversify and broaden the Parent Bank's shareholder base. ADRs are quoted and traded in U.S. dollars, and cash dividends received on the underlying shares are paid to investors also in U.S. dollars. The ADR ratio for BDO's sponsored Level 1 ADR Program is 1:10, with each ADR representing ten underlying BDO common shares.

The sponsored Level 1 ADR Program does not necessitate the issuance of new shares as ADRs are traded on the U.S. OTC/secondary market using existing shares, in contrast to the sponsored Level II ADR or sponsored Level III ADR where shares are fully listed on a recognized U.S. exchange [e.g., New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ)]. As such, a Level 1 ADR is not a capital raising transaction, to differentiate it from Level III ADR, which allows the issuer to raise capital through a public offering of ADRs in the U.S. The sponsored Level 1 ADR is exempt, under U.S. SEC Rule 12g3-2(b), from SEC registration, disclosure requirements and reporting obligations, including Sarbanes-Oxley and U.S. generally accepted accounting principles.

The Parent Bank appointed Deutsche Bank (DB) as the exclusive depository of ADRs for a period of five years. As depository bank, DB is responsible for the issuance and cancellation, as well as the registration of the ADRs; custody of the underlying BDO common shares and maintenance of the register of holders; the distribution of dividends; and execution of corporate actions and services to the Issuer (i.e., BDO)/Investor/Broker. In October 2018, the Parent Bank renewed the appointment of DB as the exclusive depository of ADRs for another five years. Subsequently, the Parent Bank has renewed the appointment of DB as the exclusive depository of ADRs on an annual basis.

As of December 31, 2025 and 2024, 2,339,459 and 1,665,993 ADRs valued at US\$53,807,557 and US\$42,482,822 (absolute amount), respectively, remained outstanding (computed using ADR closing price of US\$23.00/share and US\$25.50/share, respectively).

22.3 Surplus Free

The details of the Parent Bank's cash dividend distributions are as follows:

Date Declared and Approved	Common shares dividend		Record Date	Date Paid/Payable
	Per Share	Total Amount		
February 24, 2023	0.75	3,949	March 13, 2023	March 31, 2023
May 27, 2023	0.75	3,949	June 14, 2023	June 30, 2023
August 25, 2023	0.75	3,951	September 12, 2023	September 29, 2023
December 6, 2023	0.75	3,951	December 22, 2023	December 29, 2023
February 24, 2024	0.75	3,952	March 12, 2024	March 27, 2024
May 25, 2024	1.00	5,269	June 11, 2024	June 28, 2024
August 31, 2024	1.00	5,272	September 17, 2024	September 30, 2024
November 28, 2024	1.00	5,272	December 13, 2024	December 27, 2024
February 22, 2025	1.00	5,273	March 11, 2025	March 31, 2025
May 31, 2025	1.10	5,860	June 18, 2025	June 30, 2025
August 30, 2025	1.10	5,866	September 16, 2025	September 30, 2025
December 6, 2025	1.10	5,868	December 23, 2025	December 29, 2025

Date Declared and Approved	Preferred shares dividend		Date Paid/ Payable
	Per Annum	Total Amount	
January 28, 2023	6.50%	407	February 20, 2023
January 27, 2024	6.50%	407	February 19, 2024
January 31, 2025	6.50%	408	February 21, 2025

On December 7, 2024, following BSP's directive, the BOD of the Parent Bank approved the declaration of treasury shares as property dividends, which resulted from the merger of the Parent Bank and The Podium Complex, Inc. (TPCI), formerly known as SM Keppel Land, Inc. (SMKL), with the Parent Bank as the surviving entity. The treasury shares, equivalent to approximately 1.00% of the Parent Bank's current outstanding shares, and amounting to P7,076 were distributed to eligible shareholders on May 30, 2025 at an entitlement ratio of 0.0092057685 share for every one (1) BDO share held as of the record date, May 20, 2025, after obtaining the required regulatory approval from the SEC.

22.4 ESOP

For options that were exercised in 2025 and 2024, the Parent Bank issued new common shares of 7,507,922 and 3,900,657, respectively, from its authorized capital stock.

Set out below are summaries of number of options vested under the plan:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	15,673,299	17,616,396	14,064,160	16,007,362
Vested during the year	20,971,911	11,292,558	19,891,418	10,691,390
Forfeited during the year	(72,340)	(34,042)	(47,013)	(34,042)
Expired during the year	(66,950)	(58,050)	(41,715)	(58,050)
Exercised during the year	(8,972,222)	(13,143,563)	(8,044,752)	(12,542,500)
Balance at end of year	<u>27,533,698</u>	<u>15,673,299</u>	<u>25,822,098</u>	<u>14,064,160</u>

The weighted average exercise price was P103.14 and P122.86 for the years ended December 31, 2025 and 2024, respectively.

The stock options expensed and included as part of Compensation and benefits under Other Operating Expenses and Income Attributable to Insurance Operations - Net in the BDO Unibank Group's statements of income, amounted to P1,238, P981 and P903 in 2025, 2024 and 2023, respectively, and in the Parent Bank's statements of income, amounted to P1,137, P906 and P858, respectively (see Note 26.1).

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

<i>(Amounts in PHP)</i>	2025	2024
Average option life	5 years	5 years
Average share price at grant date	161.00	128.20
Average exercise price at grant date	142.52	135.19
Average fair value of options at grant date	53.72	31.14
Average standard deviation of share price returns	32.89%	26.16%
Average dividend yield	2.96%	2.86%
Average risk-free investment rate	5.90%	6.43%

The underlying expected volatility was determined by reference to historical prices of the Parent Bank's shares over a period of one year.

22.5 Surplus Reserves

The Parent Bank appropriated its Surplus Free amounting to nil in 2025, P580 for 2024 and P23 in 2023, representing insurance fund on losses due to fire, robbery and other cash losses. BDO Network likewise appropriated its Surplus Free amounting to nil in 2025, and P4 in 2024 and 2023 for the same purpose.

The BDO Unibank Group and the Parent Bank appropriated their Surplus Free for GLLP amounting to P3,091 and P2,884 in 2025, P2,690 and P2,391 in 2024 and P2,090 and P1,986 in 2023, respectively. The accumulated appropriation to surplus reserves for GLLP as of December 31, 2025, 2024 and 2023 amounted to P23,776, P20,685 and P17,995, respectively, for the BDO Unibank Group and P22,738, P19,854 and P17,463, respectively, for the Parent Bank. This appropriation is prescribed by the BSP and is recognized as part of Surplus Reserves.

In compliance with BSP regulations, 10% of the BDO Unibank Group and the Parent Bank's profit from trust business, both amounting to P324, P284 and P262 in 2025, 2024 and 2023, respectively, is appropriated to surplus reserves (see Note 28).

As of December 31, 2025, the outstanding surplus reserve of BDO Securities amounted to P165, in compliance with the reserve fund requirement of SEC Memorandum Circular No. 16, *Adoption of the Risk Based Capital Adequacy Requirement/ Ratio for Broker Dealers*. On February 26, 2025, the BOD of BDO Capital authorized the appropriation of retained earnings amounting to P700. BDO Capital allocated P500 for its expansion programs to support its underwriting activities over the next five years, while the remaining P200 is intended to support BDO Securities' working capital requirements for 2025.

23. INTEREST INCOME

The interest income account consists of the following:

(Amounts in PHP)	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
Loans and other receivables	11, 27	243,853	222,735	190,067	231,835	213,513	182,285
Trading and investment securities:							
At amortized cost	10.3	28,734	26,859	22,999	27,826	26,001	22,184
At FVOCI	10.2	15,776	15,540	10,682	15,312	15,004	10,019
At FVTPL	10.1	806	520	128	765	500	89
Due from BSP and other banks	8, 9	5,345	6,238	7,739	4,754	5,600	7,317
Others		151	147	89	135	133	83
		<u>294,665</u>	<u>272,039</u>	<u>231,704</u>	<u>280,627</u>	<u>260,751</u>	<u>221,977</u>

24. INTEREST EXPENSE

Interest expense is composed of the following:

(Amounts in PHP)	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
Deposit liabilities	19, 27	75,733	72,012	50,916	73,634	69,904	48,914
Bills payable and other liabilities - net	20, 21, 26.2	14,731	12,395	7,462	13,284	10,976	6,526
Lease liabilities	13.2, 21	1,100	1,036	939	1,034	1,005	883
		<u>91,564</u>	<u>85,443</u>	<u>59,317</u>	<u>87,952</u>	<u>81,885</u>	<u>56,323</u>

25. OTHER OPERATING INCOME AND EXPENSES

Other operating income is composed of the following:

(Amounts in PHP)	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
Service charges, fees and commissions	27	54,072	50,803	43,201	46,160	42,872	36,677
Foreign exchange gains	10.1	5,819	6,824	4,867	5,599	6,593	4,614
Trust fees	27, 28	5,707	5,113	4,698	4,533	3,943	3,539
Rental	14,						
	34.2.2	2,629	3,016	1,081	1,938	595	460
ROPA income	14	2,316	1,832	1,114	2,278	1,827	910
Share in net income of subsidiaries and associates	15	1,661	1,397	1,273	10,600	9,303	8,378
Trading gains (losses) - net	10.1,						
	10.2,						
	10.3	748	(127)	1,455	447	(405)	1,224
Dividends	10.1	19	77	17	17	21	14
Miscellaneous - net	13.2,						
	27, 30.6						
	34.2.1	4,103	1,958	7,609	4,110	1,681	1,498
		<u>77,074</u>	<u>70,893</u>	<u>65,315</u>	<u>75,682</u>	<u>66,430</u>	<u>57,314</u>

Other operating expenses consist of the following:

(Amounts in PHP)	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
Compensation and benefits	26.1	62,320	53,090	46,687	54,053	46,326	40,857
Fees and commissions	27	34,609	30,625	25,547	33,743	29,711	24,603
Taxes and licenses	14	17,570	15,968	13,179	16,088	14,412	12,060
Occupancy	12, 14						
	13.3,						
	17.5, 27	13,269	12,298	11,908	11,665	10,402	10,602
Insurance	27	8,491	7,869	7,098	8,262	7,671	6,954
Security, clerical, messengerial and janitorial		6,259	5,244	4,791	5,624	4,575	4,423
Advertising		5,014	4,372	3,245	4,843	4,232	3,139
Information technology		3,003	2,804	2,888	2,795	2,738	2,840
Repairs and maintenance	27	2,883	2,774	2,564	2,677	2,502	2,384
Amortization of computer software	17.5	2,262	2,141	2,917	2,164	2,055	2,842
Power, light and water	27	1,828	1,898	1,456	1,665	1,339	1,294
Representation and entertainment		1,544	1,736	1,550	1,384	1,583	1,389
Traveling		1,489	1,296	1,084	972	854	705
Litigation on assets acquired		1,356	973	689	1,323	941	665
Supplies		1,132	1,074	1,157	976	935	1,022
Telecommunication		675	627	552	635	575	495
Freight		501	497	507	447	437	456
Miscellaneous	27	923	1,327	2,693	778	811	2,588
		<u>165,128</u>	<u>146,613</u>	<u>130,512</u>	<u>150,094</u>	<u>132,099</u>	<u>119,318</u>

26. COMPENSATION AND BENEFITS

26.1 Compensation and Benefits

Expenses recognized for compensation and benefits are presented below.

(Amounts in PHP)	Notes	BDO Unibank Group			Parent Bank		
		2025	2024	2023	2025	2024	2023
Salaries and wages	27	35,770	31,311	27,598	31,077	27,321	24,162
Bonus		13,128	10,278	9,020	11,527	9,027	7,989
Retirement – defined benefit plan	26.2	4,297	3,602	3,277	3,672	3,106	2,836
Social security costs		2,508	2,049	1,727	2,136	1,757	1,484
Employee stock option plan	22.4, 26.3	1,222	968	896	1,137	906	858
Other benefits		5,395	4,882	4,169	4,504	4,209	3,528
	25	<u>62,320</u>	<u>53,090</u>	<u>46,687</u>	<u>54,053</u>	<u>46,326</u>	<u>40,857</u>

26.2 Post-employment Benefits

(a) Characteristics of the Defined Benefit Plan

The BDO Unibank Group and the Parent Bank maintain a single, fully funded, multi-employer and tax-qualified noncontributory retirement plan, which is being administered by the Parent Bank's Trust and Investment Group as trustee. This plan covers all regular full-time employees.

The normal retirement age under the plan is 60, subject to a minimum of five years of credited service. The plan also allows early retirement at age of 50 with at least ten years of credited service, as well as late retirement up to age 65. The normal retirement benefit is equivalent to a percentage ranging from 50% to 200% of the plan salary for every year of credited service but not less than the statutory minimum benefit required under R.A. No. 7641. In addition, the benefit includes the cash conversion of any accumulated vacation and sick leaves, if applicable.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are performed annually to update the retirement benefit cost and the required amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation reports prepared by an independent actuary for 2025 and 2024.

The retirement assets - net recognized under the Other Resources account (see Note 17) in the statements of financial position are determined as follows:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Present value of the DBO	74,667	63,752	67,206	57,476
Fair value of plan assets	(79,161)	(71,015)	(71,969)	(64,144)
Surplus of plan assets	(4,494)	(7,263)	(4,763)	(6,668)
Effect of asset ceiling	320	587	305	545
Retirement assets - net	<u>(4,174)</u>	<u>(6,676)</u>	<u>(4,458)</u>	<u>(6,123)</u>

The movements in the present value of the DBO are as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	63,752	53,328	57,476	48,406
Current service cost	4,348	3,644	3,672	3,106
Interest expense	3,884	3,684	3,501	3,344
Benefits paid by the plan	(2,848)	(3,158)	(2,636)	(2,920)
Transfer to (from) the plan	-	-	12	(104)
Remeasurements:				
Actuarial losses (gains)				
arising from changes in:				
- experience adjustments	4,496	3,196	4,125	3,063
- demographic assumptions	3,252	27	3,081	-
- financial assumptions	(2,217)	3,031	(2,025)	2,578
Business combinations	-	-	-	3
Balance at end of year	<u>74,667</u>	<u>63,752</u>	<u>67,206</u>	<u>57,476</u>

The movements in the fair value of plan assets are presented below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Balance at beginning of year	71,015	53,968	64,144	48,406
Contributions paid into the plan	9,049	14,045	8,672	13,255
Interest income	4,515	4,111	4,090	3,704
Benefits paid by the plan	(2,848)	(3,158)	(2,636)	(2,920)
Transfer to (from) the plan	-	-	12	(104)
Remeasurement gain (loss) - return				
on plan assets (excluding				
amounts included in net				
interest)	(2,570)	2,049	(2,313)	1,801
Business combinations	-	-	-	2
Balance at end of year	<u>79,161</u>	<u>71,015</u>	<u>71,969</u>	<u>64,144</u>

The composition of the fair value of plan assets at the end of the reporting period for each category and risk characteristics are shown below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Debt securities:				
Government bonds	52,492	47,616	47,723	43,009
Corporate bonds	6,642	6,079	6,038	5,491
UITFs	8,280	7,812	7,528	7,056
Equity securities	10,853	8,003	9,867	7,229
Cash and cash equivalents	158	107	144	96
Other properties - net	736	1,398	669	1,263
	<u>79,161</u>	<u>71,015</u>	<u>71,969</u>	<u>64,144</u>

Actual returns on plan assets were P1,945 and P1,777 in 2025 and P6,160 and P5,505 in 2024 for the BDO Unibank Group and the Parent Bank, respectively.

Certain plan assets include BDO Unibank Group's own financial instruments [see Note 27(c)].

The fair value of the plan assets is at Level 1 in the fair value hierarchy except for UITFs which are at Level 2, loans and other receivables and other properties, which are at Level 3.

The components of amounts recognized in profit or loss and in other comprehensive income of the BDO Unibank Group and the Parent Bank in respect to the defined benefit plan are as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		
	2025	2024	2023
<i>Recognized in profit or loss:</i>			
Current service costs	4,348	3,644	3,306
Interest income - net	(595)	(423)	(299)
	3,753	3,221	3,007
<i>Recognized in other comprehensive income, net of tax (see Note 31.1):</i>			
Actuarial losses (gains) arising from change in:			
- experience adjustments	3,372	2,397	1,559
- demographic assumptions	2,439	20	743
- financial assumptions	(1,663)	2,274	2,957
Remeasurement losses (gains) arising from:			
- return on plan assets (excluding amounts included in net interest expense)	1,927	(1,538)	236
- changes in the effect of the asset ceiling	(226)	386	17
	5,849	3,539	5,512
Share in actuarial losses of associates	6	1	5
	5,855	3,540	5,517
Parent Bank			
<i>(Amounts in PHP)</i>	2025	2024	2023
<i>Recognized in profit or loss:</i>			
Current service costs	3,672	3,106	2,836
Interest income - net	(556)	(359)	(248)
	3,116	2,747	2,588
<i>Recognized in other comprehensive income, net of tax (see Note 31.1):</i>			
Actuarial losses (gains) arising from change in:			
- experience adjustments	3,093	2,297	1,534
- demographic assumptions	2,311	-	701
- financial assumptions	(1,519)	1,934	2,614
Remeasurement losses (gains) arising from:			
- return on plan assets (excluding amounts included in net interest expense)	1,735	(1,351)	295
- changes in the effect of the asset ceiling	(204)	409	-
	5,416	3,289	5,144
Share in actuarial losses of subsidiaries and associates	392	235	343
	5,808	3,524	5,487

Current service costs are presented as part of Compensation and Benefits under Other Operating Expenses and Income Attributable to Insurance Operations - Net accounts (see Notes 16 and 25). In accordance with PAS 19R, *Employee Benefits*, the net interest component – which includes interest income earned on plan assets and interest expense on the defined benefit obligation – is presented on a net basis and offset against Interest Expense and Income Attributable to Insurance Operations - Net accounts (see Notes 16 and 24) in the statements of income of the BDO Unibank Group and the Parent Bank.

Amounts recognized in other comprehensive income are presented under the Items that will not be reclassified subsequently to profit or loss in the statements of comprehensive income.

In determining the amounts of post-employment benefit obligation, the following significant actuarial assumptions were used:

	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Discount rates	6.17% - 6.60%	6.04% - 6.13%	6.35%	6.09%
Expected rate of salary increases	2.00% - 13.00%	1.00% - 13.00%	5.00% - 10.00%	5.00% - 10.00%

Assumptions regarding future mortality experience are based on published statistics and standard mortality tables. The average remaining working lives of an individual retiring at age 60 is estimated at 22.6 years. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero-coupon government bond maturities that approximate the expected timing of the retirement benefit obligation. Other actuarial assumptions are based on current industry benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the BDO Unibank Group and the Parent Bank to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the DBO is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan is composed of investment in debt and equity instruments, UITF, cash and cash equivalents, and loans and receivables. Due to the long-term nature of plan obligation, a level of continuing debt securities is an appropriate element of the BDO Unibank Group's long-term strategy to manage the plans effectively.

(ii) *Longevity and Salary Risks*

The present value of the DBO is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described in the succeeding pages.

(i) *Sensitivity Analysis*

The table below summarizes the effects of changes in the significant actuarial assumptions used in the determination of the retirement benefit asset as of December 31, 2025 and 2024.

(Amounts in PHP)	BDO Unibank Group			Parent Bank		
	Change in Assumption	Increase in Assumption	Decrease in Assumption	Change in Assumption	Increase in Assumption	Decrease in Assumption
<u>December 31, 2025</u>						
Discount rate	+/-1%	4,751	(5,419)	+/-1%	4,023	(4,554)
Salary increase rate	+/-1%	(5,260)	4,713	+/-1%	(4,428)	3,997
<u>December 31, 2024</u>						
Discount rate	+/-1%	3,622	(4,089)	+/-1%	3,010	(3,359)
Salary increase rate	+/-1%	(3,958)	3,584	+/-1%	(3,258)	2,982

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Asset-liability Matching Strategies*

To efficiently manage the retirement plan, BDO Unibank Group through its Compensation Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds or UITFs) with maturities that match the benefit payments as they fall due and in the appropriate currency. BDO Unibank Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of the plan assets as of December 31, 2025 and 2024 consists of debt instruments and equity instruments, although the BDO Unibank Group and the Parent Bank also invest in cash and cash equivalents, UITFs and properties. The debt instruments include government bonds and corporate bonds.

There has been no change in the BDO Unibank Group and the Parent Bank's strategies to manage its risks from previous periods.

(iii) *Funding Arrangements and Expected Contributions*

As of December 31, 2025, the plan of the BDO Unibank Group and the Parent Bank is overfunded by P4,174 and P4,458, respectively, based on the latest actuarial valuation report.

The BDO Unibank Group and the Parent Bank expect to pay P11,501 and P10,514, respectively, as contributions to retirement benefit plans in 2026.

The expected maturity of undiscounted expected benefits payments of BDO Unibank Group and the Parent Bank from the plan for the next ten years is presented as follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group	Parent Bank
Between one to five years	56,233	51,962
Between six to ten years	52,721	47,329
	108,954	99,291

The weighted average duration of the defined benefit obligation at the end of the reporting period is 3.9 to 14.3 years for the BDO Unibank Group and 9 years for the Parent Bank.

26.3 ESOP

BDO Unibank Group's ESOP expense includes the amounts recognized by the Parent Bank and its subsidiaries over the vesting period. In 2025 and 2024, vested shares totalled 20,971,911 shares and 11,292,558 shares, respectively, for the BDO Unibank Group, and 19,891,418 shares and 10,691,390 shares, respectively, for the Parent Bank.

The ESOP expense, included as part of Compensation and benefits under Other Operating Expenses and Income Attributable to Insurance Operations - Net in the BDO Unibank Group's statements of income, amounted to P1,238, P981 and P903 in 2025, 2024 and 2023, respectively. In the Parent Bank's statements of income, ESOP expense amounted to P1,137, P906 and P858 for the same years (see Note 26.1).

27. RELATED PARTY TRANSACTIONS

The Parent Bank created a Related Party Transactions Committee composed of two independent directors and a non-executive director as of December 31, 2025. The said committee exercises oversight role to ensure bank compliance with BSP and SEC regulations on related party transactions.

The summary of BDO Unibank Group's significant transactions with its related parties as of December 31, 2025 and 2024 and for each of the three years ended are as follows:

<i>(Amounts in PHP)</i>		Amounts of Transaction			Outstanding Balance	
Related Party Category	Note	2025	2024	2023	2025	2024
DOSRI Loans	27(a)					
Stockholders		11,988	18,992	15,684	14,344	16,216
Related Parties under Common Ownership		5	-	-	5	-
Directors		289	-	-	279	-
Officers and Employees		3,035	2,891	2,398	2,920	2,749
Deposit Liabilities	27(b)					
Stockholders		604,273	671,393	537,059	2,644	1,653
Related Parties under Common Ownership		611	623	1,768	32	52
Directors		1,163	371	1,096	4	16
Other Transactions with Associates	27(d)(ii)					
Interest Income		-	-	559	-	-
Related Parties Under Common Ownership	27(d)(iii)					
Security Deposit		35	35	32	662	609
Right-of-use Assets		871	1,395	993	5,511	5,207
Lease Liabilities		98	144	104	2,910	3,109
Interest Expense		235	243	203	-	-
Depreciation Expense		1,094	1,061	1,018	-	-

(Amounts in PHP)

Related Party Category	Note	Amounts of Transaction			Outstanding Balance	
		2025	2024	2023	2025	2024
Key Management Personnel Compensation	27(d)(iv)	1,970	1,842	1,703	-	-
Retirement Plan	27(c)	4,388	2,979	(194)	13,071	13,235

The summary of the Parent Bank's significant transactions with its related parties as of December 31, 2025 and 2024 and for each of the three years ended are as follows:

(Amounts in PHP)

Related Party Category	Note	Amounts of Transaction			Outstanding Balance	
		2025	2024	2023	2025	2024
DOSRI Loans	27(a)					
Stockholders		11,988	18,992	15,684	14,344	16,216
Related Parties under Common Ownership		5	-	-	5	-
Directors		289	-	-	279	-
Officers and Employees		3,031	2,889	2,398	2,914	2,746
Deposit Liabilities	27(b)					
Stockholders		604,273	671,393	537,059	2,644	1,653
Related Parties under Common Ownership		611	623	1,149	32	52
Directors		1,163	371	1,096	4	16
Other Transactions with Subsidiaries	27(d)(i)					
Loans and Advances		34,279	30,714	50,421	15,030	11,006
Derivative Assets		2,561	3,205	1,425	51	27
Derivative Liabilities		1,059	2,225	8,249	12	28
Deposit Liabilities		(1,727)	(226)	(5,485)	3,930	5,657
Miscellaneous Assets		330	15	126	530	200
Interest Income		833	1,446	1,055	94	23
Rent Income		134	132	134	-	-
Service Fees		1,587	1,422	1,244	-	-
Interest Expense		67	107	135	4	9
Right-of-use Assets		55	(237)	370	108	71
Lease Liabilities		33	(461)	396	123	85
Depreciation/ Amortization		17	149	14	-	-
Interest Expense – Finance Lease Payment Payable		6	29	3	-	-
Trust Fees		221	202	176	-	-
Miscellaneous Expense		3	14	42	-	-
Insurance Expense		65	57	50	-	-
Trading Gain/Loss		54	(23)	(57)	-	-
Miscellaneous Income		164	145	110	-	-
Repairs and Maintenance		1	33	1	-	-
Fees and Commission		514	441	216	-	-
Management and Other Professional Fees		-	-	1	-	-
Power and Light		-	4	-	-	-
Rent Expense		-	1	-	-	-
Other Transactions with Associates	27(d)(ii)					
Interest Income		-	-	559	-	-
Related Parties under Common Ownership	27(d)(iii)					
Security Deposit		35	35	32	662	609
Right-of-use Asset		871	1,395	993	5,511	5,207
Lease Liabilities		98	144	104	2,910	3,109
Interest Expense		235	243	203	-	-
Depreciation Expense		1,094	1,061	1,018	-	-
Key Management Personnel Compensation	27(d)(iv)	1,091	1,051	1,006	-	-
Retirement Plan	27(c)	4,388	2,979	(194)	13,070	13,234

In the ordinary course of business, the BDO Unibank Group and the Parent Bank have loans, deposits and other transactions with its related parties and with certain directors, officers, stockholders and related interests (DOSRI) as described in the succeeding pages.

(a) *Loans to Related Parties*

Under existing policies of the BDO Unibank Group and the Parent Bank, loans to related parties bear annual interest rates ranging from 0.00% to 22.86% in 2025, 0.00% to 17.28% in 2024, and 0.00% to 13.50% in 2023. These rates and terms are substantially the same as those extended to other individuals and businesses of comparable risk profiles. For loans granted to DOSRI, at least 70% of the loan, other credit accommodations and guarantees must be secured. Furthermore, the total amount of such loans must not exceed the combined value of the DOSRI's unencumbered deposits and the book value of their paid-in capital contribution in the Parent Bank. Total outstanding loans, other credit accommodations, and guarantees to DOSRIs must not exceed 15% of the total loan portfolio of the Parent Bank or 100% of its net worth, whichever is lower. The unsecured portion must not exceed 30% of the applicable ceiling or the outstanding amount, whichever is lower.

The total loans, credit accommodations and guarantees granted to each subsidiary or affiliate must not exceed 10% of the Parent Bank's net worth, with the unsecured portion limited to 5% of net worth. Additionally, all loans, credit accommodations and guarantees to subsidiaries and affiliates must not exceed 20% of the Parent Bank's net worth.

Secured loans to related parties are collateralized by publicly-listed shares, hold-out on deposits, chattels and real estate mortgages, and are generally payable within 20 years.

Total loan releases and collections in 2025 amounted to P15,317 and P16,734 for the BDO Unibank Group, and P15,313 and P16,733 for the Parent Bank, respectively. In 2024, total loan releases and collections amounted to P21,883 and P30,673 for the BDO Unibank Group, and P21,881 and P30,672 for the Parent Bank, respectively. The total loan releases and collections in 2023 amounted to P18,082 and P13,703 for the BDO Unibank Group and P18,082 and P13,701 for the Parent Bank, respectively.

(b) *Deposits from Related Parties*

Total deposits from related parties amounted to P606,047, P672,387 and P539,923 for the BDO Unibank Group in 2025, 2024 and 2023, respectively. For the Parent Bank, related party deposits totaled P606,047, P672,387 and P539,304 in 2025, 2024 and 2023, respectively. These deposits carried interest rates ranging from 0.00% to 5.31% in 2025, 0.00% to 6.13% in 2024, and 0.00% to 6.38% in 2023. Corresponding interest expense on these deposits amounted to P17, P491 and P1,035 in 2025, 2024 and 2023, respectively (see Note 24).

(c) *Transactions with Retirement Plan*

BDO Unibank Group's retirement fund has transactions directly and indirectly with the BDO Unibank Group and the Parent Bank as of December 31, 2025 and 2024 and for each of the three years ended are as follows:

<i>(Amounts in PHP)</i> Related Party Category	Amounts of Transaction			Outstanding Balance	
	2025	2024	2023	2025	2024
Loans to employees					
BDO Unibank	-	-	-	1	3
Investment in shares of					
BDO Unibank	-	-	-	4,732	3,158
Dominion Holdings	-	-	-	1	1
Deposit liabilities (including LTNCDs)					
BDO Unibank	-	-	-	8,337	10,073
Trading gain (loss)					
BDO Unibank	4,381	2,967	(205)	-	-
Interest expense					
BDO Unibank	5	10	9	-	-
Rental income					
BDO Unibank	2	2	2	-	-

Details of the contributions of the BDO Unibank Group and the Parent Bank, and benefits paid out by the plan to the employees are presented in Note 26.2.

(d) *Other Transactions with Related Parties*

A summary of other transactions of the Parent Bank with subsidiaries, associates and other related parties is presented below and on the succeeding pages. These transactions are generally unsecured and payable in cash, unless otherwise stated.

- (i) Transactions with and between subsidiaries are eliminated in the BDO Unibank Group's consolidated financial statements. Significant transactions with subsidiaries are summarized as follows:

(1) *Loans and Advances to Subsidiaries*

The Parent Bank provides noninterest-bearing advances to subsidiaries to support their working capital requirements. These advances are unsecured, payable in cash, and do not have fixed repayment terms. Total advances granted and collected amounted to P159 and P132, P132 and P120, and P120 and P259, in 2025, 2024 and 2023, respectively. Outstanding advances to subsidiaries, recognized as part of Accounts receivable under Loans and Other Receivables in the Parent Bank's statements of financial position, amounted to P159 and P132 as of December 31, 2025 and 2024, respectively (see Note 11).

The Parent Bank also grants both secured and unsecured interest-bearing loans to subsidiaries. Outstanding balance amounted to P14,871 and P10,874 as of December 31, 2025 and 2024, respectively, and are presented as part of Loans and discounts under Loans and Other Receivables account in the Parent Bank's statements of financial position (see Note 11). Total loans granted amounted to P34,120, P30,582 and P50,301 while total loans collections amounted to P30,123, P43,872 and P35,217 for the same years. These loans are payable in cash with a term between seven days to five years. Interest income recognized from these loans is presented as part of Interest Income in the Parent Bank's statements of income (see Note 23). Interest rate on these loans ranged from 4.75% to 7.25%, 4.84% to 7.86% and 5.86% to 7.85% per annum in 2025, 2024 and 2023, respectively.

(2) *Income to the Parent Bank*

BDO subsidiaries engage the Parent Bank, under service agreements, to provide various support services. These include maintenance; administration of properties and assets management; supplies procurement; facilities management; accounting services; loan documentation; safekeeping and custodianship of securities and collateral documents; credit card services; human resources management; information technology support; internal audit; corporate secretarial services; remittance transactions assistance; legal support for all loan and/or property/asset-related litigation; credit investigation; security and investigation service requirements, ATM-related services, and assistance on all tax-related matters. The service agreement shall continue to be in force unless terminated by either party through written notice at least 30 calendar days prior to the intended termination date. Services fees are payable monthly in cash and exclude actual costs and expenditures incurred by the Parent Bank in rendering the services. Such actual costs are reimbursable by the subsidiaries.

Total service fees are presented as part of Service charges, fees and commissions under Other Operating Income account in the Parent Bank's statements of income (see Note 25). Outstanding balances arising from these transactions, included under Others within Other Resources (see Note 17), amounted to P529 and P196 as of December 31, 2025 and 2024, respectively. Total service fees amounted to P1,587, P1,422 and P1,244 in 2025, 2024 and 2023, respectively.

BDO Life, BDOSHI, BDO Capital and Dominion Holdings have an existing Investment Management Agreement with the Parent Bank for trust services rendered. Total trust fees are presented as part of Trust fees under Other Operating Income account in the Parent Bank's statements of income (see Note 25). Outstanding balances arising from these transactions as of December 31, 2025 and 2024 are included as part of Accounts receivable under Loans and Other Receivables (see Note 11). Total trust fees amounted to P221 for 2025, P202 for 2024, and P176 for 2023.

Certain subsidiaries lease office space and equipment from the Parent Bank. Total rental collections are included as part of Miscellaneous under Other Operating Income in the Parent Bank's statements of income (see Note 25). Lease terms for office space range from one to ten years and are payable in cash. There were no outstanding receivables from subsidiaries as of December 31, 2025 and 2024. Total rental income amounted to P134, P132 and P134 in 2025, 2024 and 2023, respectively.

(3) Expenses of the Parent Bank

As a lessee, the Parent Bank recognized right-of-use assets related to lease of space for its branch operations amounting to P108 and P71 as of December 31, 2025 and 2024, respectively. These are presented as part of Premises, Furniture, Fixtures and Equipment (see Note 12). Depreciation and amortization of the right-of-use assets amounted to P17, P149 and P14 in 2025, 2024 and 2023, respectively, and presented as part of Occupancy under Other Operating Expenses in the Parent Bank's statements of income (see Note 25). Interest expense on lease liabilities is included as part of Interest expense on finance lease liabilities under the Interest Expense account in the Parent Bank's statements on income amounted to P6 for 2025, P29 for 2024 and P3 for 2023. The outstanding balance of lease liabilities arising from these transactions amounted to P123 and P85 as of December 31, 2025, and 2024, respectively, and is included as part of Lease liabilities under Other Liabilities (see Note 21).

Total amounts paid for utilities and maintenance of leased properties are presented under Other Operating Expenses in the Parent Bank's statements of income (see Note 25). Repairs and maintenance expense amounted to P1 in 2025, P33 in 2024 and P1 for 2023. Power, light and water expense amounted to P4 in 2024 (nil for 2025 and 2023).

The Parent Bank likewise pays group life insurance for its employees, life insurance for qualified depositors, and life and accident insurance for qualified Kabayan remitters enrolled with BDO Life. These amounts are recorded as Insurance expenses under Other Operating Expenses (see Note 25). Total insurance expense amounted to P65, P57 and P50 in 2025, 2024 and 2023, respectively.

In 2020, the Parent Bank purchased receivables from Dominion Holdings. This resulted in a loss amounting to P290 which was initially booked under Miscellaneous Asset and is being amortized over the term of the receivables. The amortized loss, recognized as part of Miscellaneous expense account under Other Operating Expenses, amounted to P3, P14 and P42 in 2025, 2024 and 2023, respectively (see Note 25). The outstanding balance of the Miscellaneous Asset, presented as part of Others under Other Resources in the Parent Bank's statements of financial position (see Note 17), amounted to P1 and P4 as of December 31, 2025 and 2024, respectively. No similar transactions occurred in 2025 and 2024.

The Parent Bank pays commissions to BDO Network and BDO Private for referred trust services, and also pays for various services rendered by its foreign subsidiaries, BDO Private, and ATM-related services by BDO Network. These payments are presented as part of Fees and commissions account under Other Operating Expense in the Parent Bank's statements of income. Total expenses amounted to P514, P441 and P216 in 2025, 2024 and 2023, respectively (see Note 25).

(4) Derivatives

In 2025 and 2024, the Parent Bank entered into derivative transactions with certain subsidiaries in the form of currency forwards. As of December 31, 2025 and 2024, the outstanding balances of derivatives assets and liabilities are presented as part of Financial assets at FVTPL under Trading and Investment Securities account (see Note 10.1) and Derivatives with negative fair values under Other Liabilities account in the statements of financial position (see Note 21).

(5) Deposit Liabilities

The total deposits made by the subsidiaries to the Parent Bank during 2025, 2024 and 2023 amounted to P1,311,759, P1,008,858 and P883,985, respectively. Corresponding annual withdrawals amounted to P1,313,486 for 2025, P1,009,084 for 2024 and P889,470 for 2023. These deposits bear interest rates ranging from 0.00% to 6.20% in 2025, 0.00% to 6.38% in 2024 and 0.00% to 6.00% in 2023. Related interest expense is included as part of Interest expense on deposit liabilities under Interest Expense account in the statements of income (see Note 24).

As of December 31, 2025 and 2024, the total assigned government securities amounted to P4,300 for BDO Private and P2,000 for BDO Network in both years.

(6) Real Estate Joint Venture

On October 23, 2021 and November 11, 2021, the respective BOD of BDO Unibank and BDOSHI approved a Real Estate Joint Venture Agreement between the two companies. Under the agreement, BDOSHI will contribute its 3,695 square meters vacant lots and air rights located in Valero St., Makati City. BDO Unibank will construct Annex A Building on the contributed property as part of the BDO Makati Campus Project and will shoulder the estimated construction cost, subject to adjustment based on the final computations agreed upon by the parties. As of December 31, 2025, the vacant lots are used as staging area and temporary facilities for construction of the BDO Makati Campus Project.

(ii) Other transactions with associates are shown below.

As of December 31, 2025 and 2024, there were no outstanding secured and unsecured interest-bearing loans and advances to associates for both BDO Unibank Group and the Parent Bank.

Total collections on loans and advances amounted to P7,895 for both the BDO Unibank Group and the Parent Bank in 2023.

Annual interest rates on these loans were 4.95% in 2023. Related interest income is presented as part of Interest Income on loans and other receivables in the BDO Unibank Group's statements of income (see Note 23).

(iii) Transaction of the Parent Bank with related parties under common ownership is shown below.

As a lessee, the Parent Bank recognized right-of-use assets arising from the lease of space from related parties for branch operations, amounting to P5,511 and P5,207 as of December 31, 2025 and 2024, respectively. These are presented as part of Premises, Furniture, Fixtures and Equipment (see Note 12). Amortization expense on right-of-use assets amounted to P1,094, P1,061 and P1,018 in 2025, 2024 and 2023, respectively, and is presented as part of Occupancy under Other Operating Expenses account in the Parent Bank's statements of income (see Note 25). In addition, the Parent Bank recognized security deposit amounting to P662 and P609 as of December 31, 2025 and 2024, respectively, presented as part of Other Resources (see Note 17).

The total interest expense on lease liabilities from related parties, presented as part of Interest expense on finance lease liabilities under Interest Expense, amounted to P235, P243 and P203 in 2025, 2024 and 2023, respectively, in the Parent Bank's statements of income (see Note 24). The outstanding balances arising from these transactions amounted to P2,910 and P3,109 as of December 31, 2025 and 2024, respectively, and are presented as part of Lease liabilities under Other Liabilities (see Note 21).

The terms of the leases are from one to ten years and are payable in cash.

(iv) Key Management Personnel Compensation

The compensation and benefits given to BDO Unibank Group and the Parent Bank's key management are as follows (see Note 26.1):

<i>(Amounts in PHP)</i>	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
Salaries and other benefits	1,784	1,668	1,542	983	942	896
Retirement expense	186	174	161	108	109	110
	<u>1,970</u>	<u>1,842</u>	<u>1,703</u>	<u>1,091</u>	<u>1,051</u>	<u>1,006</u>

28. TRUST OPERATIONS

The following securities and other properties held by the BDO Unibank Group in a fiduciary or agency capacity (for a fee) on behalf of its customers are not reflected in the statements of financial position of the BDO Unibank Group and the Parent Bank, as these assets do not belong nor represent resources of the BDO Unibank Group [see Note 35(h)]:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Investments	2,564,341	2,287,710	1,862,478	1,654,471
Others	23,473	17,761	20,814	13,775
	<u>2,587,814</u>	<u>2,305,471</u>	<u>1,883,292</u>	<u>1,668,246</u>

In compliance with the requirements of the General Banking Act governing the BDO Unibank Group's trust operations:

- (a) Certain investment in government securities presented as part of Investment securities at amortized cost with total face value of P26,783 and P23,660 as of December 31, 2025 and 2024, respectively, for the BDO Unibank Group (see Note 10.3), and P19,790 and P17,010, respectively, for the Parent Bank, have been deposited with the BSP. These deposits serve as security for the BDO Unibank Group's faithful performance of its fiduciary obligations; and,
- (b) A certain percentage of the trust income is transferred annually to Surplus reserves. This transfer is required until the surplus reserve for trust function reaches 20% of the BDO Unibank Group's authorized capital stock. As of December 31, 2025 and 2024, the additional reserve for trust functions amounted to P324 and P284, respectively, for both the BDO Unibank Group and the Parent Bank, and is presented as part of Surplus Reserves in the statements of changes in equity (see Note 22.5).

Income from trust operations, recognized as Trust fees under the Other Operating Income account, amounted to P5,707, P5,113 and P4,698 in 2025, 2024 and 2023, respectively, in the BDO Unibank Group's statements of income; and P4,533, P3,943 and P3,539 in 2025, 2024 and 2023, respectively, in the Parent Bank's statements of income (see Note 25).

29. UNIT-LINKED FUNDS

VUL insurance contracts of BDO Life are life insurance policies wherein a portion of the premiums received are invested in VUL funds, which are composed mainly of investments in equity and debt securities. The withdrawal or surrender amount of a VUL policy can be computed by multiplying the total units held by the policyholder by the fund's Net Asset Value per unit, which changes daily depending on the fund's performance.

In 2013, BDO Life obtained the approval from IC to issue VUL products, where payments to policyholders are linked to internal investment funds set up by BDO Life. The VUL funds are managed by the Trust and Investment Group of the Parent Bank.

BDO life has 13 VUL funds and 11 VUL funds as of December 31, 2025 and 2024, respectively. The details of the investment funds, which comprise the assets backing the unit-linked liabilities, are presented in the table below. The assets and liabilities of these investment funds have been consolidated to the appropriate accounts in the BDO Unibank Group's financial statements.

<i>(Amounts in PHP)</i>	2025	2024
Assets:		
Cash and cash equivalents	76	76
Financial assets at FVTPL	29,785	29,442
Other receivables	73	214
	29,934	29,732
Liabilities and Equity:		
Other liabilities	200	175
Net assets attributable to unitholders	29,734	29,557
	29,934	29,732

30. BUSINESS COMBINATIONS, DISPOSALS AND DISSOLUTIONS

30.1 Subscription of Additional Shares in BDO Securities

On September 25, 2023, the BOD of BDO Capital approved and authorized BDO Capital to subscribe up to P250 common shares of BDO Securities to be issued in one or more tranches. The first tranche of P150 was made on October 23, 2023 while the second tranche of P100 was made on March 22, 2024.

On April 16, 2024, the BOD of BDO Securities approved the increase of its authorized capital stock from P1,000 divided into 10,000,000 common shares with par value of P100 per share to P1,800 divided into 18,000,000 common share with a par value of P100 per share. On October 4, 2024, SEC approved the increase in authorized capital stock.

On April 22, 2024, the BOD of BDO Capital approved and authorized BDO Capital to subscribe to common shares of BDO Securities amounting to P200. This was done on July 2, 2024.

Then on April 28, 2025, the BOD of BDO Capital approved and authorized BDO Capital to subscribe to common shares of BDO Securities amounting to P200. This was completed on July 1, 2025.

30.2 Closure of BDO Remit UK

On May 28, 2024, the BOD of BDO Capital approved the cessation of business operations of BDO Remit UK either through the sale or transfer of BDO Remit UK's business and remittance licenses to potential buyer/s or dissolution and liquidation of BDO Remit UK subject to securing and/or compliance with applicable laws and regulations.

On November 6, 2024, the BOD of BDO Remit UK approved the dissolution and appointment of the liquidators. BDO Remit UK has ceased its operations on January 31, 2025.

30.3 Subscription to the Increase in Authorized Capital Stock of BDO Network

The BOD and shareholders of BDO Network approved on June 28, 2024 and August 30, 2024, respectively, the increase in its authorized capital stock from P5,800 divided into 55,000,000 common shares with par value of P100 per share and 30,000,000 various preferred shares with par value of P10 per share to P7,800 divided into 75,000,000 common shares with par value of P100 per share and 30,000,000 various preferred shares with par value of P10 per share.

On August 31, 2024, the BOD of the Parent Bank approved the capital subscription of up to 50,000,000 common shares or approximately P1,920 in BDO Network's increase in authorized capital stock. This was approved by the BSP on January 17, 2025.

On December 27, 2024, the SEC approved the amendment of the Articles of Incorporation (AOI) and By-laws (BL) of BDO Network, which includes among others the increase in par value of common shares from P10 to P100 per share.

On February 4, 2025, the Parent Bank subscribed to 4,812,500 of BDO Network's common shares at the total subscription price of P1,847, of which, 25% or P462 has been paid. On the same day, non-controlling interests subscribed to 187,500 of BDO Network common shares amounting to P72, increasing the Parent Bank's ownership from 84.92% to 85.86%. The Parent Bank's balance of P1,000 was paid on December 10, 2025, while the remaining P385 will be paid upon call by the BDO Network board. BDO Network's application for the increase in authorized capital stock was approved by the BSP and SEC on May 30, 2025 and October 13, 2025, respectively.

30.4 BDO Network Bank License Upgrade to Thrift Bank

On June 30, 2021 and August 13, 2021, the BOD and shareholders of BDO Network, respectively, approved the conversion of its banking license from a rural bank to a savings bank. This was approved by the BSP on January 27, 2022 with a condition prior to the commencement of its operation as a thrift bank, among others, to secure SEC approval of its amended AOI and BL. The SEC issued the Certificate of Filing of Amended AOI on December 27, 2024 while the BSP issued the Certificate of Authority to operate as a thrift bank on February 5, 2025. BDO Network commenced its operations as a thrift bank on May 5, 2025.

30.5 Exercise of Rights in NLEX Corporation

On January 22, 2024, the BOD approved the exercise of its right of first refusal to acquire additional common shares in NLEX Corporation increasing its shareholdings from 11.70% to up to 12.20%. The BSP and the Privatization Council approved the transaction on February 1, 2024 and April 25, 2024, respectively. The transaction was completed on August 9, 2024 and March 18, 2025, increasing BDO's shareholdings to 12.12% (see Note 15).

30.6 Acquisition of Additional Shares and Subsequent Merger of TPCI, formerly SMKL, with BDO

On March 25, 2023, BDO and Keppel Group (Keppel Philippines Properties, Inc. and Opon-KE Properties, Inc.) entered into a Share Purchase Agreement wherein Keppel Group agreed to sell and BDO agreed to purchase Keppel Group's 50% stake in TPCI (formerly SMKL).

The acquisition was approved and authorized by the Philippine Competition Commission and BSP on August 15, 2023 and December 14, 2023, respectively. On December 22, 2023, BDO acquired the additional 50% of the issued and outstanding capital stock of TPCI for a cash consideration amounting to P8,161, making the latter a wholly-owned subsidiary of the former. The transaction resulted in a recognition of an unrealized gain on fair valuation of previously-held interest amounting to P6,107 and an unrealized gain on bargain purchase amounting to P169 which are part of Miscellaneous - net under Other Operating Income account in the 2023 BDO Unibank Group's statement of income (see Note 25).

The remeasurement of the previously-held interest at fair value on the date of acquisition is as follows:

Fair value	P	8,271
Book value		<u>2,164</u>
Unrealized gain on fair valuation of previously-held interest	P	<u>6,107</u>

The breakdown of the acquisition-date fair value of the assets and liabilities, including the cost of investments are as follows:

Due from other banks	P	713
Loans and other receivables*		176
Premises, furniture, fixtures and equipment		29
Investment properties		25,000
Other resources		<u>955</u>
Total resources		<u>26,873</u>
Bills payable		7,580
Other liabilities		<u>2,750</u>
Total liabilities		<u>10,330</u>
Net assets acquired		<u>16,543</u>
Fair value of the investment for the previously-held interest in TPCI		8,271
Consideration transferred for the additional interest in TPCI		<u>8,161</u>
Total consideration		<u>16,432</u>
Elimination of leases intercompany accounts		<u>58</u>
Unrealized gain on bargain purchase	P	<u>169</u>

* The gross contractual amounts receivable and the best estimate of the contractual cash flows not expected to be collected at acquisition date amounted to P181 and P5, respectively.

As a result of the acquisition, BDO Unibank Group obtained full ownership of the Podium Complex located at 12 ADB Avenue, Ortigas Center, Mandaluyong City which TPCI develops and operates.

Pre-acquisition income arising from the step-up acquisition amounted to P301. There were no additional income or expense related to TPCI recognized in BDO Unibank Group's 2023 statement of comprehensive income after the acquisition date on December 22, 2023.

On January 27, 2024 and January 19, 2024, the BOD of BDO and TPCI (formerly SMKL), respectively approved the merger of BDO and TPCI, a wholly-owned subsidiary, with BDO as the surviving entity (the Merger). The Merger was likewise approved by the shareholders of BDO and TPCI on April 19, 2024 and January 19, 2024, respectively. The Merger and the plan and articles of merger, dated March 22, 2024, and April 25, 2024 were also approved by the BSP and the SEC on October 16, 2024, and November 18, 2024, respectively, effective December 1, 2024. As consideration for the merger, the Parent Bank issued 54,229,014 common shares in exchange for the net assets of TPCI based on the net asset value of TPCI as of December 31, 2023, of P7,076 and BDO share price as of December 29, 2023, of P130.50 per share. At the date of merger, the Parent Bank recognized additional assets and liabilities amounting to P16,580 and P9,746, respectively, and recognized merger reserves amounting to P6,256 applying the pooling of interest method, as TPCI was a wholly-owned subsidiary (under common control) prior to the effectivity of the merger. Treasury shares were recognized for the newly issued BDO common shares (see Note 22.1.2) which were subsequently disposed as property dividends to the shareholders of the Parent Bank, as approved by the BOD on April 19, 2024 and December 7, 2024, respectively. On May 5, 2025, the SEC approved the property dividend declaration to all eligible stockholders of BDO as of the record date of May 20, 2025, at an entitlement ratio of 0.0092057685 for every one (1) BDO share held on record date, with the payment date on May 30, 2025 (see Note 22.3).

31. TAXES

31.1 Current and Deferred Tax

The components of tax expense relating to profit or loss and other comprehensive income follows:

<i>(Amounts in PHP)</i>	BDO Unibank Group		
	2025	2024	2023
<i>Reported in profit or loss:</i>			
Current tax expense:			
Regular corporate income tax (RCIT) at 25%	11,180	11,370	11,239
Final taxes at 20%, 15% and 10%	8,065	8,361	7,295
Minimum corporate income tax (MCIT) at 2%	-	-	1
Adjustment to current income taxes	21	-	-
Adjustment to current income tax from prior year	-	140	-
	19,266	19,871	18,535
Deferred tax expense relating to origination and reversal of temporary differences	856	1,740	5,086
Adjustment to deferred income tax from prior year	-	(140)	-
	856	1,600	5,086
	20,122	21,471	23,621
<i>Reported in other comprehensive income:</i>			
Actuarial losses	(1,947)	(1,182)	(1,820)
Fair value of financial assets at FVOCI	29	5	6
	(1,918)	(1,177)	(1,814)

<i>(Amounts in PHP)</i>	Parent Bank		
	2025	2024	2023
<i>Reported in profit or loss:</i>			
Current tax expense:			
RCIT at 25%	9,544	9,554	9,630
Final taxes at 20%, 15% and 10%	6,779	7,178	6,232
Adjustment to current income taxes	21	-	-
Adjustment to current income tax from prior year	-	140	-
	16,344	16,872	15,862
Deferred tax expense relating to origination and reversal of temporary differences	791	1,443	4,949
Adjustment to deferred tax from prior year	-	(140)	-
	791	1,303	4,949
	17,135	18,175	20,811
<i>Reported in other comprehensive income:</i>			
Actuarial losses	(1,805)	(1,096)	(1,715)
Fair value of financial assets at FVOCI	27	5	4
	(1,778)	(1,091)	(1,711)

The reconciliation of the tax on pretax profit computed at the statutory tax rates to tax expense is shown below.

<i>(Amounts in PHP)</i>	BDO Unibank Group		
	2025	2024	2023
Tax on pretax profit at 25%	26,900	25,923	24,295
Adjustment for income subjected to lower income tax rates	(1,854)	(1,979)	(1,645)
Tax effects of:			
Income exempt from tax	(6,214)	(6,658)	(8,017)
Non-deductible expenses	5,375	4,856	8,722
Deductible temporary differences not recognized	(4,201)	(761)	168
Net operating loss carryover (NOLCO) not recognized	64	89	123
Adjustment to current income tax	20	-	-
Others	32	1	(25)
	20,122	21,471	23,621

<i>(Amounts in PHP)</i>	Parent Bank		
	2025	2024	2023
Tax on pretax profit at 25%	26,104	25,073	22,002
Adjustment for income subjected to lower income tax rates	(1,516)	(1,682)	(1,394)
Tax effects of:			
Income exempt from tax	(8,260)	(8,655)	(8,138)
Non-deductible expenses	5,036	4,462	8,341
Deductible temporary differences not recognized	(4,250)	(1,023)	-
Adjustment to current income tax	21	-	-
	17,135	18,175	20,811

Components of the net deferred tax assets (see Notes 17 and 21) as of December 31 follow:

<i>(Amounts in PHP)</i>	Statements of Financial Position			
	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Deferred tax assets:				
Unamortized past service costs	4,162	3,553	4,070	3,474
Retirement obligation (net of OCI)	(1,235)	(1,729)	(1,458)	(1,874)
Allowance for impairment	334	334	324	324
Lease income differential	19	20	-	-
Recognition of right-of-use assets and lease liabilities	(4)	(11)	-	-
Others	130	151	-	-
	<u>3,406</u>	<u>2,318</u>	<u>2,936</u>	<u>1,924</u>
Deferred tax liabilities:				
Assets held for sale	1,653	1,653	1,653	1,653
Revaluation increment	337	337	335	335
Capitalized interest	24	26	24	26
Retirement asset (net of OCI)	14	19	-	-
Changes in fair values of financial assets at FVOCI	33	4	27	-
Lease income differential	-	1	-	-
Others	238	233	-	-
	<u>2,299</u>	<u>2,273</u>	<u>2,039</u>	<u>2,014</u>
Net deferred tax assets (liabilities)	<u>1,107</u>	<u>45</u>	<u>897</u>	<u>(90)</u>

Movements in net deferred tax assets for the years ended:

<i>(Amounts in PHP)</i>	Statements of Income					
	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
Retirement obligation	1,449	2,474	1,878	1,389	2,627	1,715
Unamortized past service costs	(609)	(1,597)	1,565	(596)	(2,008)	1,724
Recognition of right-of-use assets and lease liabilities	(7)	21	76	-	-	84
Lease income differential	(1)	(19)	7	-	-	-
Capitalized interest	(2)	(2)	(3)	(2)	(2)	(3)
Allowance for impairment	-	774	1,573	-	702	1,429
Assets held for sale	-	(16)	-	-	(16)	-
Others	26	(35)	(10)	-	-	-
Deferred tax expense	<u>856</u>	<u>1,600</u>	<u>5,086</u>	<u>791</u>	<u>1,303</u>	<u>4,949</u>
<i>(Amounts in PHP)</i>	Statements of Comprehensive Income					
	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
Movements in actuarial losses	(1,947)	(1,182)	(1,820)	(1,805)	(1,096)	(1,715)
Movements in fair value of financial assets at FVOCI	29	5	6	27	5	4
Deferred tax income	<u>(1,918)</u>	<u>(1,177)</u>	<u>(1,814)</u>	<u>(1,778)</u>	<u>(1,091)</u>	<u>(1,711)</u>

The BDO Unibank Group is subject to MCIT, which is computed at 2% starting July 1, 2023, as defined under tax regulations or RCIT, whichever is higher.

The breakdown of NOLCO with the corresponding validity periods are as follows for the BDO Unibank Group (nil for the Parent Bank):

(Amounts in PHP)

<u>Year</u>	<u>NOLCO</u>	<u>Valid Until</u>
2025	234	2028
2024	246	2027
2023	395	2026

The amounts of unrecognized deferred tax assets arising from NOLCO and other temporary differences as of December 31, 2025 and 2024 are as follows:

(Amounts in PHP)	BDO Unibank Group			
	2025		2024	
	<u>Tax Base</u>	<u>Tax Effect</u>	<u>Tax Base</u>	<u>Tax Effect</u>
Allowance for impairment	88,492	22,123	97,479	24,370
NOLCO	875	219	985	246
MCIT	22	22	-	-
Others	1,168	292	7,177	1,794
	<u>90,557</u>	<u>22,656</u>	<u>105,641</u>	<u>26,410</u>

(Amounts in PHP)	Parent Bank			
	2025		2024	
	<u>Tax Base</u>	<u>Tax Effect</u>	<u>Tax Base</u>	<u>Tax Effect</u>
Allowance for impairment	88,360	22,090	97,347	24,337
Others	1,022	256	7,145	1,786
	<u>89,382</u>	<u>22,346</u>	<u>104,492</u>	<u>26,123</u>

The BDO Unibank Group and the Parent Bank claimed itemized deduction for income tax purposes.

31.2 Gross Receipts Tax

Gross Receipts Tax (GRT), pursuant to Sections 121 and 122 of the Tax Code, is imposed on banks, non-banks financial intermediaries and finance companies (per R.A. 9238).

GRT is levied on the BDO Unibank Group's lending income, which includes interest, commission and discounts and other income. The tax is computed at the prescribed rates of either 7%, 5% or 1% of the related income (per R.A. 9337).

31.3 Documentary Stamp Tax

Documentary stamp tax (DST) (at varying rates) is imposed on the following:

- Bank checks, drafts, or certificate of deposit not bearing interest, and other instruments;
- Bonds, loan agreements, promissory notes, bills of exchange, drafts, instruments and securities issued by the Government or any of its instrumentalities, deposit substitute debt instruments, certificates of deposits bearing interest and other notes payable at sight or on demand;
- Acceptance of bills of exchange and letters of credit; and,
- Bills of lading or receipt.

31.4 *Supplementary Information Required by the Bureau of Internal Revenue (BIR)*

The BIR issued Revenue Regulations (RR) No. 15-2010 on November 25, 2010, requiring the disclosure of certain tax information as part of the notes to the financial statements.

This supplementary information, however, does not form part of the basic financial statements prepared in accordance with PFRS Accounting Standards. It is also not a required disclosure under the SEC's rules and regulations governing the form and content of financial statements pursuant to the revised Securities Regulation Code (SRC) Rule 68.

The Parent Bank has accordingly presented the tax information required by the BIR in a supplementary schedule, which is filed separately from the basic financial statements.

31.5 *International Tax Reform – Pillar Two Rules*

The Pillar Two Global anti-Base Erosion rules (GloBE or Pillar Two Rules) propose new taxing mechanisms under which multinational enterprises would pay a minimum level of tax. Tax legislations implementing the GloBE Rules have been enacted or substantively enacted in certain jurisdictions where the BDO Unibank Group operates. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively. As at December 31, 2025, the BDO Unibank Group has no significant exposure arising from the Pillar Two legislation.

32. EARNINGS PER SHARE

Basic earnings per share attributable to shareholders of the BDO Unibank Group were computed as follows:

<i>(Amounts in PHP)</i>	2025	2024 <i>(As Restated)</i>	2023 <i>(As Restated)</i>
Net profit attributable to shareholders of the Parent Bank	87,174	82,019	73,411
Dividends on preferred shares	(408)	(407)	(407)
Net profit available to common shares	86,766	81,612	73,004
Divided by the weighted average number of outstanding common shares (in millions)	5,328	5,319	5,314
Basic earnings per share	16.28	15.34	13.74

Diluted earnings per share attributable to shareholders of the BDO Unibank Group were computed as follows:

<i>(Amounts in PHP)</i>	2025	2024 <i>(As Restated)</i>	2023 <i>(As Restated)</i>
Net profit attributable to shareholders of the Parent Bank	87,174	82,019	73,411
Divided by the weighted average number of outstanding common shares (in millions):			
Outstanding common shares	5,328	5,319	5,314
Potential common shares from assumed conversion of preferred shares	46	43	47
Potential common shares from stock option plan	*	*	*
Total weighted average number of common shares after assumed conversion of convertible preferred shares	5,374	5,362	5,361
Diluted earnings per share	16.22	15.30	13.69

* Potential common shares from assumed conversion of stock option plan made through primary issuance do not significantly affect the computation of diluted earnings per share.

The 2024 and 2023 earnings per share of the BDO Unibank Group were restated to reflect the property dividends distributed in 2025 in the form of treasury shares (see Note 22.3). As a result of this restatement, the 2024 and 2023 basic earnings per share decreased from P15.48 to P15.34 and from P13.86 to P13.74, respectively. Likewise, the 2024 and 2023 diluted earnings per share decreased from P15.43 to P15.30 and from P13.82 to P13.69, respectively.

33. EVENTS AFTER THE REPORTING PERIOD

33.1 Acquisition of Additional Shares in BDO Network

On December 6, 2025, the BOD approved the acquisition of 8,437,499 common shares of BDO Network Bank for a consideration of up to P6,000, thereby increasing its shareholding from 85.86% to 99.93%. A Share Purchase Agreement with a third-party shareholder was executed on January 19, 2026. The transaction is subject to customary closing conditions and is pending regulatory approvals to date.

33.2 Sale of Shareholdings in Dominion Holdings

In early 2026, a certain buyer (a related party to certain shareholders of the Parent Bank) offered to buy the BDO Unibank Group's investment in Dominion Holdings. Accordingly, on January 10 and 16, 2026, and February 23, 2026 respectively, the BODs of the Parent Bank and BDO Capital approved the sale of all of their shares held in Dominion Holdings at a purchase price based on their pro-rata share in the sum of the enterprise net asset value of Dominion Holdings as of closing date and a premium of P200 equivalent to an estimated purchase price of P1.68 per share. Proceeds of the sale of the 1,914,712,207 shares held is estimated at P3,217. The Parent Bank's investment in Dominion Holdings amounted to P3,022 as of December 31, 2025 under the equity method of accounting. The business of Dominion Holdings is included as part of "Others" segment in Note 6 of the consolidated financial statements.

On January 19, 2026, a Share Purchase Agreement was executed by the Parent Bank with such interested buyer for the sale and purchase of 1,513,732,718 common shares of Dominion Holdings, representing 70% of the company based on the above estimated price per share of P1.68. A mandatory tender offer to the other shareholders of Dominion Holdings is being conducted by the buyer from February 10, 2026 until March 11, 2026, as required under the Securities Regulation Code. The sale is expected to be completed in 2026. On closing, the assets and liabilities of Dominion Holdings will be deconsolidated at their carrying amounts, with the resulting difference recognized in profit or loss. Management is currently assessing the impact to the 2026 consolidated financial statements.

33.3 Fixed Rate Bonds

On January 26, 2026, the Parent Bank issued P100,000 of ASEAN Sustainability Bonds. The bonds have a tenor of 3 years with coupon rate of 5.7125% per annum and will mature on January 26, 2029. The net proceeds from the issue are intended to support the Parent Bank's lending activities and diversify funding sources. These funds will be allocated by the Parent Bank to finance and/or refinance eligible assets as defined in BDO Unibank's Sustainable Finance Framework.

34. COMMITMENTS AND CONTINGENCIES

34.1 Litigations

The BDO Unibank Group has pending claims and is a defendant in various legal actions arising in the ordinary course of business. As of December 31, 2025, management believes that the resolution of these matters is not expected to have a material adverse impact on the BDO Unibank Group's financial position.

34.1.1 First e-Bank

In 2002, First e-Bank (“FeB”) experienced liquidity problems prompting the Philippine Deposit Insurance Corporation (PDIC) to invite several banks to propose a solution for FeB’s bailout. PDIC entered into contract with BDO Unibank where in consideration of the assumption by BDO Unibank of FeB’s liabilities in the maximum amount of P10,000, PDIC will provide BDO Unibank P10,000 of Financial Assistance and PDIC will receive FeB’s assets to recover said financial assistance.

About P5,000 of the financial assistance was released to BDO Unibank and the remaining P5,000 was deposited in escrow with BDO Trust and Investments Group (BDO – TIG) in accordance with the escrow agreement dated October 23, 2002 entered into by BDO Unibank, PDIC, and BDO – TIG.

In August 2016, PDIC authorized the release of a total amount of P4,650 from escrow inclusive of proportional interest. However, as of August 26, 2016, the amount of P1,224 remains in escrow, which includes: (i) P602, which covers assets BDO Unibank still considers capable of delivery worth P214 and the remaining assets PDIC classified as undeliverable; and (ii) all interest earnings thereon. Unable to agree on the release of the remaining amount in escrow, on September 20, 2016, the PDIC filed a Complaint for Specific Performance and Damages against BDO Unibank, which case was raffled to regional trial court (RTC) Makati City Branch 60.

On October 14, 2016, BDO Unibank filed its Answer to the Complaint affirming that it has assumed P10,000 in liabilities of FeB and is thus entitled to release of the remaining escrow of P1,224.

In a judgment dated May 31, 2018, RTC Makati dismissed the complaint, granted BDO Unibank’s counterclaim and ordered BDO – TIG to immediately release the remaining escrow amount, plus interests, to BDO Unibank. On June 18, 2018, the Parent Bank received an amount of P1,243 for the full termination of escrow. PDIC filed Notice of Appeal. In the Decision dated June 15, 2020, the Court of Appeals (CA) dismissed PDIC’s appeal. PDIC filed Motion for Reconsideration but the same was denied by the CA in a Resolution dated January 25, 2021. PDIC filed Petition for Review with the Supreme Court. The BDO Unibank filed a comment. In a resolution dated July 5, 2023, the Supreme Court denied PDIC’s petition for Review. PDIC filed Motion for Reconsideration but the same was denied by the Supreme Court with finality. The case is awaiting entry of judgment.

34.1.2 Others

BDO Unibank Group is a defendant in various cases pending before the courts involving alleged claims against the BDO Unibank Group, the outcomes of which cannot presently be determined. As of December 31, 2025, management believes that liabilities or losses that may arise from these claims would not have a material effect on the financial position and results of operations of the BDO Unibank Group and will recognize any such liabilities when a final resolution is reached for each case.

34.2 Lease Commitments – as Lessor

The following are the significant lease commitments involving the BDO Unibank Group:

34.2.1 Finance Leases

The BDO Unibank Group, as lessor, enters into finance lease arrangements covering various equipment and vehicles, with lease term ranging from one to five years. A significant portion of the BDO Unibank Group’s revenue from rental operations is derived from these leased assets.

To manage risks associated with these finance leases, the BDO Unibank Group retains legal title to the underlying assets, which serve as security for the finance lease receivables. Moreover, lessees are required to provide security deposits, which are presented as Lease deposits under Other Liabilities in the BDO Unibank Group’s statements of financial position (see Note 21).

Future minimum lease payments receivable (MLPR) under these finance leases together with the present value of net minimum lease payments receivable (NMLPR) follow:

<i>(Amounts in PHP)</i>	2025		2024	
	Future MLPR	PV of NMLPR	Future MLPR	PV of NMLPR
Within one year	2,617	2,607	2,284	2,275
After one year but not more than two years	2,170	2,080	2,014	1,939
After two years but not more than three years	1,562	1,286	1,456	1,248
After three years but not more than five years	789	423	1,273	715
Total MLPR	7,138	6,396	7,027	6,177
Unearned lease income	(742)	-	(850)	-
Present value of MLPR	6,396	6,396	6,177	6,177

The net investment in these finance leases, presented as part of Loans and discounts under Loans and Other Receivables in the BDO Unibank Group's statements of financial position as of December 31, 2025 and 2024, amounted to P6,396 and P6,177, respectively, for the BDO Unibank Group, and nil in both years for the Parent Bank (see Note 11). Changes in the carrying amount of the net investment in finance leases during the year pertains to new lease arrangements entered into, the amortization of interest income, and collections on outstanding receivables.

Interest income recognized on the net investment in finance leases is presented in the BDO Unibank Group's statements of income as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Interest income	23	511	427	314
Miscellaneous - net	25	4	3	2
		515	430	316

34.2.2 Operating Leases

The BDO Unibank Group and the Parent Bank entered into various operating lease arrangements covering land, office spaces, and equipment, with lease terms ranging from less than one year to thirteen years and ten months. Operating lease income, presented as Rental under Other Operating Income in the BDO Unibank Group's statements of income for the years ended December 31, 2025, 2024 and 2023, amounted to P2,629, P3,016 and P1,081, respectively, for the BDO Unibank Group and P1,938, P595 and P460, respectively, for the Parent Bank (see Note 25).

Future minimum rental receivables as of December 31, 2025 under operating leases follow:

<i>(Amounts in PHP)</i>	BDO Unibank Group	Parent Bank
Within one year	1,653	934
More than one year to two years	1,023	646
More than two years to three years	739	483
More than three years to four years	437	304
More than four years to five years	274	137
More than five years	382	222
	4,508	2,726

35. SUPPLEMENTARY INFORMATION REQUIRED BY THE BSP

Presented below are the supplementary information required by the BSP under Section 174 (Appendix 55) of the BSP Manual of Regulations for Banks (MORB) to be disclosed as part of the notes to financial statements based on BSP Circular No. 1074, *Amendments to Regulations on Financial Audit of Banks*.

(a) Selected Financial Performance Indicators

The following are some indicators of the BDO Unibank Group and Parent Bank's financial performance.

	BDO Unibank Group			Parent Bank		
	2025	2024	2023	2025	2024	2023
Return on common equity	14.4%	15.1%	15.2%	14.4%	15.2%	13.9%
Return on average equity	14.3%	15.0%	15.0%	14.3%	15.1%	13.9%
Return on average resources	1.7%	1.8%	1.7%	1.8%	1.8%	1.6%
Net interest margin	4.3%	4.4%	4.4%	4.2%	4.3%	4.3%

Average asset, capital, and interest-earning assets are computed as the simple average of outstanding balance of assets, capital, and interest-earning assets at average of December 2023, December 2024 and December 2025. (2 data points)

(b) Capital Instruments Issued

As of December 31, 2025 and 2024, the BDO Unibank Group has only two classes of capital stock, which are common and preferred shares.

(c) Significant Credit Exposures for Loans

The BDO Unibank Group and Parent Bank's concentration of credit risk as to industry for its receivables from customer's gross of allowance for ECL below and in the succeeding page are disclosed in Note 4.3.3.

BDO Unibank Group

(Amounts in PHP)	2025		2024	
	Amount	Percentage	Amount	Percentage
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	671,027	18.4%	567,360	17.6%
Electricity, gas, steam and air-conditioning supply	510,172	14.0%	405,938	12.6%
Wholesale and retail trade	452,004	12.4%	397,620	12.3%
Real estate activities	438,567	12.0%	410,256	12.7%
Financial and insurance activities	322,111	8.8%	256,720	8.0%
Manufacturing	289,226	7.9%	306,987	9.5%
Information and communication	182,695	5.0%	163,332	5.1%
Transportation and storage	172,762	4.7%	158,473	4.9%
Education	103,984	2.9%	82,186	2.6%
Construction	89,443	2.5%	103,261	3.2%
Arts, entertainment and recreation	83,184	2.3%	82,198	2.6%
Water supply, sewerage, waste management and remediation activities	58,228	1.6%	52,768	1.6%
Human health and social services activities	56,513	1.5%	39,406	1.2%
Accommodation and food services activities	51,632	1.4%	45,403	1.4%
Agriculture, forestry and fishing	30,483	0.8%	35,865	1.1%
Mining and quarrying	18,906	0.5%	16,146	0.5%
Administrative and support services	11,163	0.3%	10,226	0.3%
Professional, scientific, and technical activities	8,369	0.2%	9,210	0.3%
Public administrative and defense; compulsory social security	982	0.0%	1,069	0.0%
Other service activities	103,219	2.8%	80,806	2.5%
	3,654,670	100%	3,225,230	100%

Parent Bank

(Amounts in PHP)	2025		2024	
	Amount	Percentage	Amount	Percentage
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	662,833	18.8%	562,270	18.0%
Electricity, gas, steam and air-conditioning supply	509,801	14.5%	405,545	13.0%
Wholesale and retail trade	441,808	12.5%	389,472	12.5%
Real estate activities	440,254	12.5%	411,703	13.2%
Financial and insurance activities	321,961	9.1%	256,560	8.2%
Manufacturing	287,672	8.2%	305,351	9.8%
Information and communication	182,436	5.2%	163,187	5.2%
Transportation and storage	172,332	4.9%	158,348	5.1%
Construction	88,097	2.5%	101,743	3.3%
Arts, entertainment and recreation	83,177	2.4%	82,192	2.6%
Water supply, sewerage, waste management and remediation activities	58,159	1.7%	52,696	1.7%
Human health and social services activities	56,114	1.6%	39,174	1.3%
Accommodation and food services activities	51,127	1.5%	45,063	1.4%
Mining and quarrying	18,617	0.5%	16,003	0.5%
Agriculture, forestry and fishing	18,508	0.5%	15,428	0.5%
Administrative and support services	10,580	0.3%	9,663	0.3%
Education	8,852	0.3%	8,899	0.3%
Professional, scientific, and technical activities	8,290	0.2%	9,127	0.3%
Public administrative and defense; compulsory social security	967	0.0%	1,002	0.0%
Other service activities	99,933	2.8%	87,989	2.8%
	3,521,518	100%	3,121,415	100%

The BSP considers that loan concentration exists when the total loan exposure to a particular industry exceeds 30% of the total loan portfolio or 10% of Tier 1 capital.

As of December 31, 2025, 10% of Tier 1 capital of the BDO Unibank Group and the Parent Bank amounted to P56,057 and P51,735, respectively. As of December 31, 2024, 10% of Tier 1 capital of the BDO Unibank Group and the Parent Bank amounted to P50,263 and P46,804, respectively. The table below shows the industry groups exceeding this level.

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Activities of private household as employers and undifferentiated goods and services and producing activities of households for own use	671,027	567,360	662,833	562,270
Electricity, gas, steam and air-conditioning supply	510,172	405,938	509,801	405,545
Wholesale and retail trade	452,004	397,620	441,808	389,472
Real estate activities	438,567	410,256	440,254	411,703
Financial and insurance activities	322,111	256,720	321,961	256,560
Manufacturing	289,226	306,987	287,672	305,351
Information and communication	182,695	163,332	182,436	163,187
Transportation and storage	172,762	158,473	172,332	158,348
Education	103,984	82,186	8,852	*
Construction	89,443	103,261	88,097	101,743
Arts, entertainment and recreation	83,184	82,198	83,177	82,192
Water supply, sewerage, waste management and remediation activities	58,228	52,768	58,159	52,696
Human health and social work activities	56,513	*	56,114	*
Other service activities	103,219	80,806	99,933	87,989

*Not applicable as the amount did not exceed 10% of Tier 1 capital in 2024.

(d) *Credit Status of Loans*

The breakdown of receivable from customers as to status is shown below:

(Amounts in PHP)	2025			2024		
	Performing	Non-Performing	Total Loan Portfolio	Performing	Non-Performing	Total Loan Portfolio
BDO Unibank Group						
Gross carrying amount:						
Corporate	2,720,731	18,130	2,738,861	2,432,137	20,468	2,452,605
Consumer	870,934	44,875	915,809	731,743	40,882	772,625
Allowance for ECL	(51,522)	(32,318)	(83,840)	(51,618)	(37,479)	(89,097)
Net carrying amount	<u>3,540,143</u>	<u>30,687</u>	<u>3,570,830</u>	<u>3,112,262</u>	<u>23,871</u>	<u>3,136,133</u>
Parent Bank						
Gross carrying amount:						
Corporate	2,711,957	18,089	2,730,046	2,424,248	20,465	2,444,713
Consumer	750,688	40,784	791,472	639,431	37,271	676,702
Allowance for ECL	(50,953)	(30,203)	(81,156)	(51,173)	(35,482)	(86,655)
Net carrying amount	<u>3,411,692</u>	<u>28,670</u>	<u>3,440,362</u>	<u>3,012,506</u>	<u>22,254</u>	<u>3,034,760</u>

Non-performing loans (NPL) included in the total loan portfolio of the BDO Unibank Group and the Parent Bank as of December 31, 2025 and 2024 are presented below net of specific allowance for impairment, in compliance with BSP Circular No. 941, *Amendments to Regulations on Past Due and Non-Performing Loans*.

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
NPL	62,212	60,453	58,243	56,995
Allowance for impairment	<u>(31,764)</u>	<u>(36,783)</u>	<u>(29,797)</u>	<u>(34,948)</u>
	<u>30,448</u>	<u>23,670</u>	<u>28,446</u>	<u>22,047</u>

Per MORB, loans shall be considered non-performing even without any missed contractual payments when these are considered as impaired under existing accounting standards, classified as doubtful or loss, under litigation, and/or when there is evidence that full repayment of principal and interest is unlikely without foreclosure of collateral, if any. All other loans, even if not considered impaired, shall be considered as non-performing when any principal and/or interest remains unpaid for more than 90 days from contractual due date, or when accrued interests for more than 90 days have been capitalized, refinanced, or delayed by agreement. Microfinance loans and other small loans with similar credit characteristics shall be considered non-performing after their contractual due date, or once they become past due. Restructured loans are likewise classified as non-performing; however, if such loans were performing prior to restructuring, that classification is retained.

As of December 31, 2025 and 2024, the NPLs not fully covered by allowance for credit losses follow:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Gross NPLs	62,212	60,453	58,243	56,995
NPLs fully covered by allowance for impairment	<u>(12,125)</u>	<u>(16,549)</u>	<u>(10,223)</u>	<u>(16,294)</u>
	<u>50,087</u>	<u>43,904</u>	<u>48,020</u>	<u>40,701</u>

NPLs shall remain classified as such until (a) there is sufficient evidence to support that full collection of principal and interests is probable and payments of interest and/or principal have been received for at least six months; or (b) the loans are written-off.

Restructured loans amount to P77,592 and P72,591 for BDO Unibank Group and P76,595 and P71,478 for Parent Bank as of December 31, 2025 and 2024, respectively. The related allowance for credit losses on these loans amounted to P29,990 and P29,397 for BDO Unibank Group and P29,564 and P28,889 for Parent Bank as of December 31, 2025 and 2024, respectively.

As of December 31, 2025, gross and net NPL ratios of the BDO Unibank Group and the Parent Bank as reported to BSP were 1.68% and 0.82%, and 1.62% and 0.79%, respectively. As of December 31, 2024, gross and net NPL ratios of the BDO Unibank Group and the Parent Bank were 1.83% and 0.72%, and 1.78% and 0.69%, respectively. Most of the NPLs are secured by real estate or chattel mortgages.

(e) *Analysis of Loan Portfolio as to Type of Security*

The breakdown of total loans (receivable from customers, net of unearned interests or discounts) as to secured and unsecured follows:

(Amounts in PHP)	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Secured:				
Real estate mortgage	496,979	423,293	492,566	420,018
Chattel mortgage	108,055	97,485	100,820	91,236
Other securities	49,289	51,404	47,882	49,957
	654,323	572,182	641,268	561,211
Unsecured	3,000,347	2,653,048	2,880,250	2,560,204
	3,654,670	3,225,230	3,521,518	3,121,415

(f) *Information on Related Party Loans*

In the ordinary course of business, the Parent Bank enters into loan transactions with its subsidiaries, affiliates, and certain DOSRI. In accordance with the Parent Bank's policies, these loans are extended on terms that are substantially comparable to those offered to other borrowers with similar risk profiles. For loans granted to DOSRI, at least 70% of the loan, other credit accommodations and guarantees must be secured. Furthermore, the total amount of such loans must not exceed the combined value of the DOSRI's unencumbered deposits and the book value of their paid-in capital contribution in the Parent Bank. Total Outstanding loans, Other credit accommodations, and guarantees to DOSRIs must not exceed 15% of the total loan portfolio of the Parent Bank or 100% of its net worth, whichever is lower. The unsecured portion must not exceed 30% of the applicable ceiling or the outstanding amount, whichever is lower. However, non-risk loans are excluded in determining compliance with the individual and aggregate DOSRI ceilings.

The following table shows the information relating to the loans, other credit accommodations and guarantees granted to DOSRI as of December 31 in accordance with BSP reporting guidelines:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Total DOSRI loans	17,548	18,965	17,542	18,962
Unsecured DOSRI loans	2,796	2,634	2,796	2,634
Past due DOSRI loans	6	7	6	7
Non-performing DOSRI loans	37	30	37	30
% of DOSRI loans to total loan portfolio	0.48%	0.59%	0.50%	0.61%
% of unsecured DOSRI loans to total DOSRI loans	15.94%	13.89%	15.94%	13.89%
% of past due DOSRI loans to total DOSRI loans	0.04%	0.03%	0.04%	0.03%
% of non-performing DOSRI loans to total DOSRI loans	0.21%	0.16%	0.21%	0.16%

DOSRI loans of the BDO Unibank Group and the Parent Bank bear annual interest rates of 4.25% to 9.00% and 4.25% to 7.00%, respectively, in 2025, 4.25% to 9.00% and 4.25% to 6.94%, respectively, in 2024 and 4.00% to 9.00% and 4.00% and 7.00%, respectively, in 2023. These exclude credit card receivables, which bear a monthly interest rate of 0.00% to 3.00% in 2025, 2024 and 2023 both for BDO Unibank Group and the Parent Bank.

The following table shows the other information relating to the loans, other credit accommodations and guarantees granted to related parties (inclusive of DOSRI) as of December 31 as reported to the BSP:

<i>(Amounts in PHP)</i>	BDO Unibank Group		Parent Bank	
	2025	2024	2025	2024
Total Related Party loans	122,704	122,679	122,655	122,636
Unsecured Related Party	95,388	91,825	95,388	91,825
Past due Related Party	6	7	6	7
Non-performing Related Party	37	30	37	30
% of Related Party loans to total loan portfolio	3.36%	3.80%	3.48%	3.93%
% of unsecured Related Party loan to total Related Party loans	77.74%	74.85%	77.77%	74.88%
% of past due Related Party loan to total Related Party loans	0.01%	0.01%	0.01%	0.01%
% of non-performing Related Party loans to total Related Party loans	0.03%	0.02%	0.03%	0.02%

In accordance with existing BSP regulations, the reported DOSRI performing loans exclude those extended to borrowers prior to their classification as DOSRI.

Under these regulations, total outstanding exposures to each of the Parent Bank's subsidiaries and affiliates must not exceed 10.0% of the Parent Bank's net worth, while the unsecured portion of such exposures is limited to 5.0% of the Parent Bank's net worth. Furthermore, the overall outstanding exposure to all subsidiaries and affiliates is capped at 20.0% of the Parent Bank's net worth.

As of December 31, 2025 and 2024, the BDO Unibank Group and Parent Bank is in compliance with these regulatory requirements.

(g) *Secured Liabilities and Assets Pledged as Security*

The aggregate amount of resources pledged as security and secured liabilities in 2025 totaled to P11,539 and P11,194 for both BDO Unibank Group and the Parent Bank, respectively. In 2024, the aggregate amount of resources pledged as security and secured liabilities totaled to P17,498 and P13,736 for the BDO Unibank Group and P16,718 and P13,168 for the Parent Bank, respectively.

(h) *Contingencies and Commitments arising from Off-Balance Sheet Items*

In the normal course of the BDO Unibank Group and the Parent Bank's operations, various outstanding commitments and contingent liabilities, such as guarantees, commitments to extend credit, etc., that are not reflected in the BDO Unibank Group and the Parent Bank's financial statements. The BDO Unibank Group and the Parent Bank recognize any losses or liabilities as soon as these become determinable and quantifiable. Management believes that, as of December 31, 2025 and 2024, no additional material losses or liabilities need to be recognized in the financial statements of BDO Unibank Group and the Parent Bank arising from these commitments and contingencies.

The summary of BDO Unibank Group and the Parent Bank's commitments and contingent accounts is shown below.

(Amounts in PHP)	Note	BDO Unibank Group		Parent Bank	
		2025	2024	2025	2024
Trust department accounts	28	2,587,814	2,305,471	1,883,292	1,668,246
Committed credit lines	4.3.2	843,016	656,129	843,016	656,129
Forward exchange bought		277,490	278,229	241,537	255,966
Forward exchange sold		270,356	297,703	232,418	274,087
Other contingent accounts		89,603	41,455	95,902	47,755
Unused commercial letters of credit	4.3.2	59,372	89,081	59,372	89,081
Bills for collection		23,777	14,339	23,777	14,339
Spot exchange sold		21,904	45,251	21,327	45,034
Export letters of credit confirmed		15,567	13,854	15,567	13,854
ROP warrants		8,475	8,475	8,475	8,475
Interest rate swap receivable		6,671	1,716	6,671	1,716
Interest rate swap payable		6,671	1,716	6,671	1,716
Spot exchange bought		4,842	12,971	4,607	11,697
Late deposits/payments received		2,422	3,058	2,367	3,018
Outstanding guarantees issued		1,061	2,779	1,061	2,779

Report of Independent Auditors to Accompany Supplementary Schedules Required by the Securities and Exchange Commission Filed Separately from the Basic Financial Statements

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The Board of Directors and the Stockholders
BDO Unibank, Inc.
BDO Towers Valero
8741 Paseo de Roxas, Salcedo Village
Makati City, Philippines

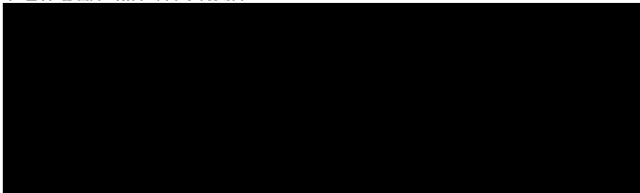
We have audited the financial statements of BDO Unibank, Inc. and subsidiaries (collectively referred to as the BDO Unibank Group) and of BDO Unibank, Inc. for the year ended December 31, 2025, on which we have rendered our report thereon dated February 27, 2026. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedules (see Table of Contents) of the BDO Unibank Group as of December 31, 2025 and for the year then ended, are presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68, and are not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Such supplementary schedules are the responsibility of management. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: **Gerald M. Sanchez**
Partner

CRA Reg. No. 0121830



February 27, 2026

BDO Unibank, Inc. and Subsidiaries
SEC Supplementary Schedules
December 31, 2025

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Note:

** Not Applicable*

*** See Notes to Financial Statements*

Supplemental Statement of Independent Auditors

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The Board of Directors
BDO Unibank, Inc.
BDO Towers Valero
8741 Paseo de Roxas, Salcedo Village
Makati City, Philippines

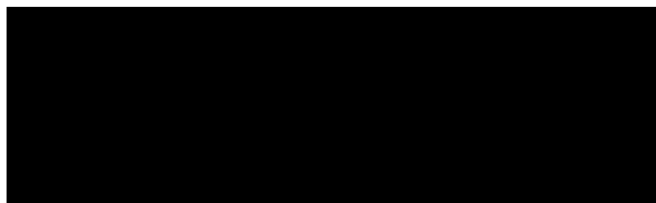
We have audited the financial statements of BDO Unibank, Inc. (the Bank) for the year ended December 31, 2025, on which we have rendered the attached report dated February 27, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Bank has 12,335 stockholders owning 100 or more shares each of the Bank's capital stock as of December 31, 2025.

PUNONGBAYAN & ARAULLO



By: **Jerald M. Sanchez**
Partner



February 27, 2026

Annex 68-D
BDO Unibank, Inc.
BDO Corporate Center, 7899 Makati Avenue, Makati City
Reconciliation of Retained Earnings Available for Dividend Declaration
For the reporting period ended December 31, 2025

Unappropriated Retained Earnings at Beginning of Year		P	208,470
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings			
Reversal of Retained Earning Appropriation/s	-		
Effect of restatements or prior-period adjustments	-		
Others (Realized Gain on FVOCI - Equity Securities)	148		148
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings			
Dividend declaration during the reporting period	30,351		
Retained Earnings appropriated during the reporting period	3,208		
Effect of restatements or prior-period adjustments	-		
Others	-		33,559
Unappropriated Retained Earnings at Beginning of Year, as adjusted			175,059
Add/Less: Net Income (Loss) for the Current Year			87,279
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
Equity in net income of associate/joint venture, net of dividends declared	7,808		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-		
Unrealized fair value gain of investment property	-		
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-		
Sub-total			7,808
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-		
Realized fair value gain of investment property	-		
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-		
Sub-total			-
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-		
Reversal of previously recorded fair value gain of investment property	-		
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-		
Sub-total			-
Adjusted Net Income(Loss)			79,471
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)			
Depreciation on revaluation increment (after tax)	-		
Sub-total			-
Add/ Less: Category E: Adjustments related to relief granted by the SEC and BSP			
Amortization of the effect of reporting relief	-		
Total amount of reporting relief granted during the year	-		
Others	-		
Sub-total			-
Add/ Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution			
Net movement of treasury shares (except for reacquisition of redeemable shares)	(7,077)		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	596		
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	416		
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-		
Others	-		
Sub-total		(	6,065)
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year		P	260,595

Annex 68-E

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

BDO UNIBANK, INC. AND SUBSIDIARIES

As of December 31, 2025

Ratio	Formula	2025	2024
Current ratio	$\frac{\text{Current resources}}{\text{Current liabilities}}$	46.2%	44.6%
Acid test ratio	$\frac{\text{Cash \& cash equivalents} + \text{Marketable securities} + \text{Current receivables}}{\text{Current liabilities}}$	46.2%	44.6%
Solvency ratio	$\frac{\text{Total liabilities}}{\text{Total resources}}$	88.1%	88.2%
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	743.2%	744.5%
Asset-to-equity ratio	$\frac{\text{Total resources}}{\text{Total equity}}$	843.2%	844.5%
Interest rate coverage ratio	$\frac{\text{Earnings before interest and taxes (EBIT)}}{\text{Interest expense}}$	217.5%	221.4%
Return on equity	$\frac{\text{Net profit}}{\text{Average total capital accounts}}$	14.3%	15.0%
Return on assets	$\frac{\text{Net profit}}{\text{Average total resources}}$	1.7%	1.8%
Net profit margin	$\frac{\text{Net profit}}{\text{Revenues}}$	23.1%	23.5%
Other ratios:			
Net Interest Margin	$\frac{\text{Net interest income}}{\text{Average interest earning resources}}$	4.3%	4.4%
Return on Common Equity	$\frac{\text{Net profit}}{\text{Average common equity}}$	14.4%	15.1%
Liquidity ratio	$\frac{\text{Total liquid resources}}{\text{Total resources}}$	30.1%	31.7%
Capital to risk Assets ratio	Combined credit, market and operational risk	14.9%	15.2%
Basel III Leverage ratio	$\frac{\text{Capital Measure}}{\text{Exposure Measure}}$	10.2%	10.3%
Liquidity Coverage ratio	$\frac{\text{Total Stock of High Quality Liquid Assets}}{\text{Total net cash outflows}}$	121.2%	132.1%
Net Stable Funding ratio	$\frac{\text{Available Stable Funding}}{\text{Required Stable Funding}}$	118.2%	122.1%

SCHEDULE FOR LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC

BDO Unibank, Inc. and Subsidiaries
For the period ended December 31, 2025
(In millions)

	Senior Notes		Fixed Rate Peso Bonds	
1. Gross and net proceeds as disclosed in the final prospectus				
Gross	P	29,323	P	115,000
Net		29,311		-
2. Actual gross and net proceeds				
Gross		29,323		115,000
Net		29,041		114,121
3. Each expenditure item where the proceeds were used				
3.1 Dollar-denominated projects and refinancing maturing Senior Notes		29,041		
3.2 Financing or refinancing eligible assets under the Sustainable Finance Framework and diversifying funding sources.				114,121
4. Balance of the proceeds as of the end of reporting period		-		-

BDO Unibank, Inc. and Subsidiaries
Schedule A - Financial Assets
December 31, 2025
(In Millions)

Type of Securities	Number of Shares or Principal Amount of Bonds and Notes	Amount shown in the Statement of Financial Position	Valued based on Market Quotation at End of Reporting Period	Income Received and Accrued
<u>Financial assets at fair value through profit or loss</u>				
Derivatives	221,485	P 5,985	P 5,985	P 1,097
Government bonds	38,459	30,501	30,501	231
Other debt securities	964	7,240	7,240	10
Equity securities	577	27,336	27,336	-
		71,062	71,062	1,338
<u>Fair value through other comprehensive income</u>				
Government debt	324,150	332,479	332,479	3,860
Other debt securities	86,436	86,115	86,115	979
Equity securities	775	9,379	9,379	-
		427,973	427,973	4,839
<u>Investment securities at amortized cost</u>				
Government debt securities	491,493	508,638	502,199	6,039
Other debt securities	107,144	106,572	106,906	1,202
		615,210	609,105	7,241
		P 1,114,245	P 1,108,140	P 13,418

BDO Unibank, Inc. and Subsidiaries
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
December 31, 2025
(In Millions)

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions		Ending Balance		Balance at End of Period	
			Amounts Collected	Amounts Written Off	Current*	Not Current**		
Related Parties under Common Ownership:								
Blue and Aivi Leisure Farm Inc.	P -	P 5	P -	P -	P -	P 5	P 5	
Officers and Employees:								
Salary Loans	2,328	1,758	1,620	-	303	2,163	2,466	
Credit Card Loans	272	1,234	1,198	-	291	17	308	
Auto Loans	73	31	31	-	2	71	73	
Home Loans	73	8	14	-	-	67	67	
Others***	<u>3</u>	<u>4</u>	<u>1</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>	
	<u>2,749</u>	<u>3,035</u>	<u>2,864</u>	<u>-</u>	<u>602</u>	<u>2,318</u>	<u>2,920</u>	
Key Management Personnel	<u>-</u>	<u>289</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>279</u>	<u>279</u>	
Stockholders:								
Sybase Equity Investments Corporation	6,407	6,472	5,230	-	6,147	1,502	7,649	
SM Investments Corporation	9,352	3,105	6,447	-	-	6,010	6,010	
Romer Mercantile Inc	<u>457</u>	<u>2,411</u>	<u>2,183</u>	<u>-</u>	<u>685</u>	<u>-</u>	<u>685</u>	
	<u>16,216</u>	<u>11,988</u>	<u>13,860</u>	<u>-</u>	<u>6,832</u>	<u>7,512</u>	<u>14,344</u>	
Total	<u>P 18,965</u>	<u>P 15,317</u>	<u>P 16,734</u>	<u>P -</u>	<u>P 7,434</u>	<u>P 10,114</u>	<u>P 17,548</u>	

*Due within one year

**Due beyond one year

***This consists of insignificant DOSRI Loans

BDO Unibank, Inc. and Subsidiaries
Schedule C - Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statements
December 31, 2025
(In Millions)

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions		Current*	Not Current**	Balance at End of Period
			Amounts Collected	Amounts Written Off			
BDO Life Assurance Company, Inc.	P 6,718	P 213	P 2,041	P -	P 4,890	P -	P 4,890
BDO Network Bank, Inc.	-	8,433	3,595	-	1,501	3,337	4,838
BDO Private Bank, Inc.	579	2,416	579	-	2,416	-	2,416
BDORO Europe Ltd.	1,967	2,554	2,341	-	-	2,180	2,180
BDO Capital & Investment Corporation	585	299	364	-	-	520	520
BDO Remit (USA), Inc.	91	9,496	9,479	-	108	-	108
BDO Strategic Holdings, Inc.	1,032	6,967	7,967	-	32	-	32
BDO Insurance & Reinsurance Brokers Inc.	29	29	29	-	29	-	29
BDO Remit (Canada) Ltd.	1	1,388	1,378	-	11	-	11
BDO Remit (Japan) Ltd.	<u>4</u>	<u>2,484</u>	<u>2,482</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>
	<u>P 11,006</u>	<u>P 34,279</u>	<u>P 30,255</u>	<u>P -</u>	<u>P 8,993</u>	<u>P 6,037</u>	<u>P 15,030</u>

**Due within one year*

***Due beyond one year*

BDO Unibank, Inc. and Subsidiaries
Schedule D - Long-Term Debt
December 31, 2025
(In Millions)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under Caption "Current portion of Long-Term Debt" in related Statement of Financial Position	Amount shown under Caption "Long-Term Debt" in related Statement of Financial Position	Interest Rate	Maturity Date
Bills Payable	P 93,880	P 33,076	P 60,804	Various	Various
Senior Notes	70,721	35,749	34,972		
Senior Notes 1	35,620	35,620	-	2.13%	January 13, 2026
Senior Notes 2	5,882	29	5,853	3.71%	May 16, 2029
Senior Notes 3	29,219	100	29,119	4.38%	December 3, 2030
Fixed Rate Peso Bonds	171,514	57,143	114,371		
Senior Notes 1	56,209	56,209	-	6.33%	January 24, 2026
Senior Notes 2	115,305	934	114,371	5.88%	January 29, 2027
	P 336,115	P 125,968	P 210,147		

BDO Unibank, Inc. and Subsidiaries
Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)
December 31, 2025

Name of related party	Balance at Beginning of Period	Balance at End of Period

Nothing to report

BDO Unibank, Inc. and Subsidiaries
Schedule F - Guarantees of Securities of Other Issuers
December 31, 2025

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee

Nothing to report

BDO Unibank, Inc. and Subsidiaries
Schedule G - Capital Stock
December 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued	Number of Shares Issued and Outstanding as shown under the Statement of Financial Position caption	Number of shares Reserved for Options, Warrants, Conversion and other Rights	Number of Shares Held by		
					Related Parties	Directors, Officers and Employees	Others
Common shares - P10 par value	8,500,000,000	5,333,999,967	5,333,999,967		2,931,990,813	45,437,417	2,356,571,737
Preferred Shares - P10 par value	1,000,000,000	618,000,000	618,000,000	-	618,000,000	-	-

BDO Unibank, Inc. and Subsidiaries
Supplementary Schedule of External Auditor Fee-Related Information
For the years ended December 31, 2025 and 2024
(In Millions)

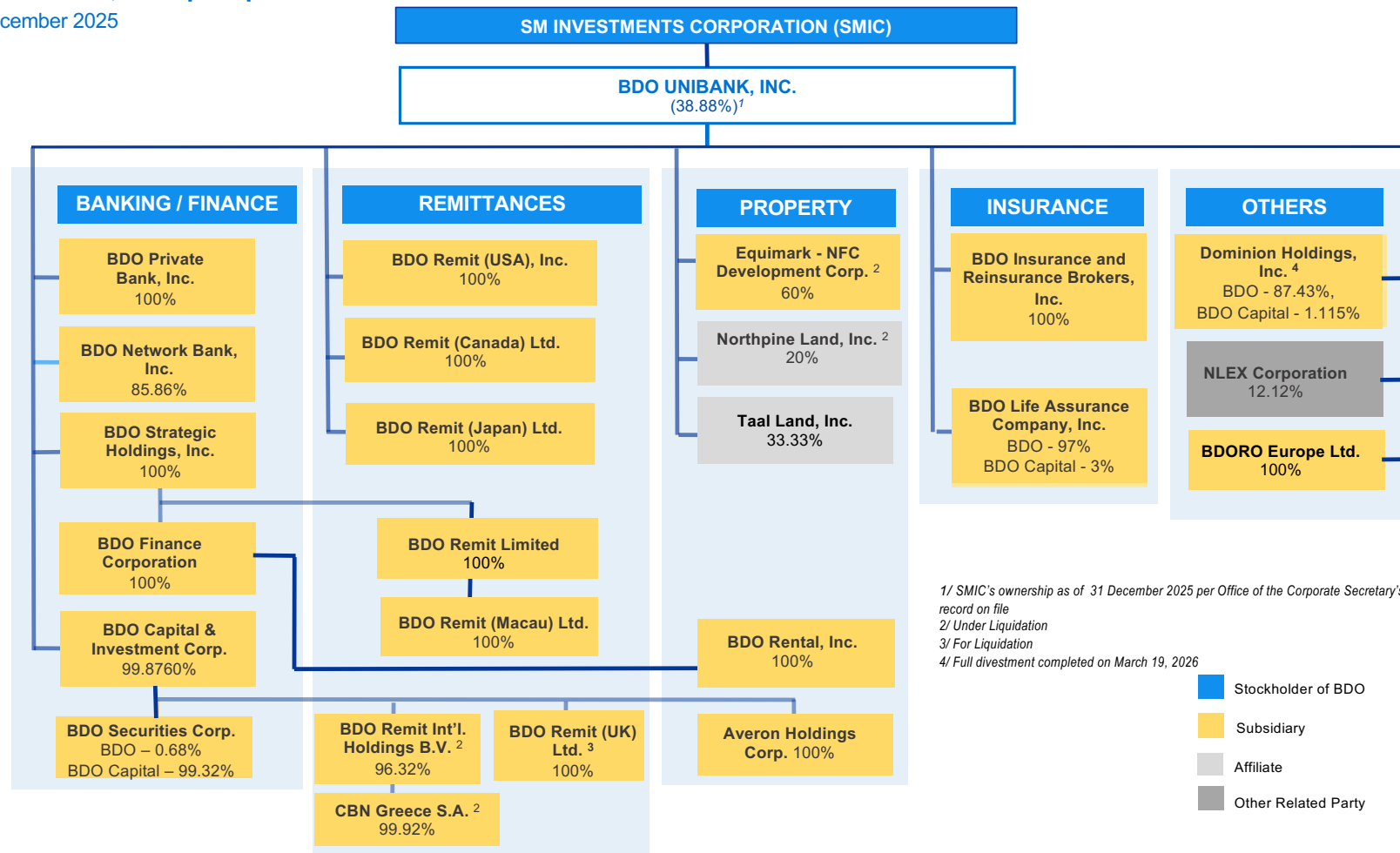
	<u>2025</u>	<u>2024</u>
Total Audit Fees	<u>22.86</u>	<u>21.94</u>
Non-audit services fees:		
Other assurance services	5.76	8.88
Tax services	0.75	0.82
All other services	4.65	0.68
Total Non-audit Fees	<u>11.16</u>	<u>10.38</u>
Total Audit and Non-audit Fees	<u><u>34.02</u></u>	<u><u>32.32</u></u>

Audit and non-audit fees of other related entities

	<u>2025</u>	<u>2024</u>
Total Audit Fees	0.07	0.07
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Audit and Non-audit Fees of other related entities	<u><u>0.07</u></u>	<u><u>0.07</u></u>

BDO Unibank Inc., Group Map

As of 31 December 2025



1/ SMIC's ownership as of 31 December 2025 per Office of the Corporate Secretary's record on file

2/ Under Liquidation

3/ For Liquidation

4/ Full divestment completed on March 19, 2026

SHAPING
THE FUTURE

WE
FIND
WAYS



2025 SUSTAINABILITY REPORT

About the Report

2-1, 2-2, 2-3

This report is BDO Unibank's eighth Sustainability Report outlining the Bank's economic, environmental, social, and governance performance from January to December 2025. It is a substantiation of BDO's commitment to the United Nations Sustainable Development Goals (UN SDGs), the principles of the United Nations Global Compact, and the Greenhouse Gas Protocol (GhG Protocol). This report has been prepared in accordance with the GRI Standards 2021. For the Content Index–Essential Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. The report was also prepared in reference to the International Financial Reporting Standards (IFRS) 1 and 2, the Task Force for Climate-related Financial Disclosures (TCFD) recommendations, the Sustainability Accounting Standards Board (SASB) standards, and the ASEAN Corporate Governance Scorecard (ACGS).

This report covers the sustainability efforts of BDO Unibank and its subsidiaries and affiliates, including BDO Private Bank, BDO Network Bank, BDO Capital & Investment, BDO Life, BDO Insure, BDO Finance, and Dominion Holdings, Inc.

This report should be read in tandem with the 2025 BDO Annual Report and expanded disclosures on the BDO website at www.bdo.com.ph.

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Appendix II



Scan the QR code to view and download Appendix II on the BDO website.

DNV Independence Assurance Statement Annex I and Annex II

International Financial Reporting Standards (IFRS) Index

Sustainability Accounting Standards Board (SASB) Index

Task Force on Climate-related Financial Reporting (TCFD) Index

Supporting the UN Sustainable Development Goals (SDGs)



BDO's Footprint^{2-1, 2-6}

BDO is a full-service universal bank in the Philippines, providing a complete array of industry-leading products and services including Lending (corporate and consumer), Deposit-taking, Foreign Exchange, Brokering, Trust and Investments, Credit Cards, Retail Cash Cards, Corporate Cash Management, and Remittances. Through its local subsidiaries, the Bank offers Investment Banking, Private Banking, Leasing and Finance, Thrift Banking, Life Insurance, Property and Casualty Insurance Brokerage, and Online and Traditional Stock Brokerage Services.

BDO's institutional strengths and value-added products and services hold the key to its successful business relationships with customers. Its branches remain at the forefront of setting high standards as a sales- and service-oriented, customer-focused force. The Bank has the largest distribution network with 1,996 branches and banking offices and 7,716 teller machines nationwide. BDO has 15 international offices (including full-service branch offices in Hong Kong and Singapore) spread across Asia, Europe, North America, and the Middle East. The Bank also offers digital banking solutions to make banking easier, faster, and more secure for its clients.

Through selective acquisitions and organic growth, BDO has positioned itself for increased balance sheet strength and continued expansion into new markets. As of December 31, 2025, BDO is the country's

largest bank in terms of total resources, customer loans, deposits, assets under management and capital, as well as branch and ATM network nationwide.

BDO is a member of the SM Group, one of the country's largest and most successful conglomerates with businesses spanning retail, mall operations, property development (residential, commercial, hotels and resorts), and financial services. Although part of a conglomerate, BDO's day-to-day operations are handled by a team of professional managers and bank officers. Further, the Bank has one of the industry's strongest Board of Directors, composed of professionals with extensive experience in various fields that include banking and finance, accounting, law, and business.

Corporate Mission²⁻¹

To be the preferred bank in every market we serve.

Corporate Vision²⁻¹

To be the leading Philippine bank and financial services company that empowers customers to achieve their goals and aspirations, combining our entrepreneurial spirit, international perspective, and intense customer focus to deliver a personalized banking experience that is

easy, straightforward, and convenient, while taking pride in building long-term relationships and finding better ways to deliver offerings of the highest standard.

Core Values²⁻¹

Commitment to Customers.

We are committed to delivering products and services that surpass customer expectations in value and every aspect of customer service, while remaining prudent and trustworthy stewards of their wealth.

Commitment to a Dynamic and Efficient Organization.

We are committed to creating an organization that is flexible, responds to change, and encourages innovation and creativity; we are committed to the process of continuous improvement in everything we do.

Commitment to Employees.

We are committed to our employees' growth and development and we will nurture them in an environment where excellence, integrity, teamwork, professionalism, and performance are valued above all else.

Commitment to Shareholders.

We are committed to providing our shareholders with superior returns over the long term.

₱288.6 billion

(US\$4.9 billion)
Direct Economic Value Generated

₱3.7 trillion

(US\$62.2 billion)
Gross Customer Loans

₱4.2 trillion

(US\$71.3 billion)
Total Deposits

₱644.1 billion

(US\$11 billion)
Capital

₱5.4 trillion

(US\$92.4 billion)
Total Resources

₱87.2 billion

(US\$1.5 billion)
Net Income

₱718.0 billion

(US\$12.2 billion)
Market Capitalization

₱1.21 trillion

(US\$20.9 billion)
Total Sustainable Finance Funded
to date

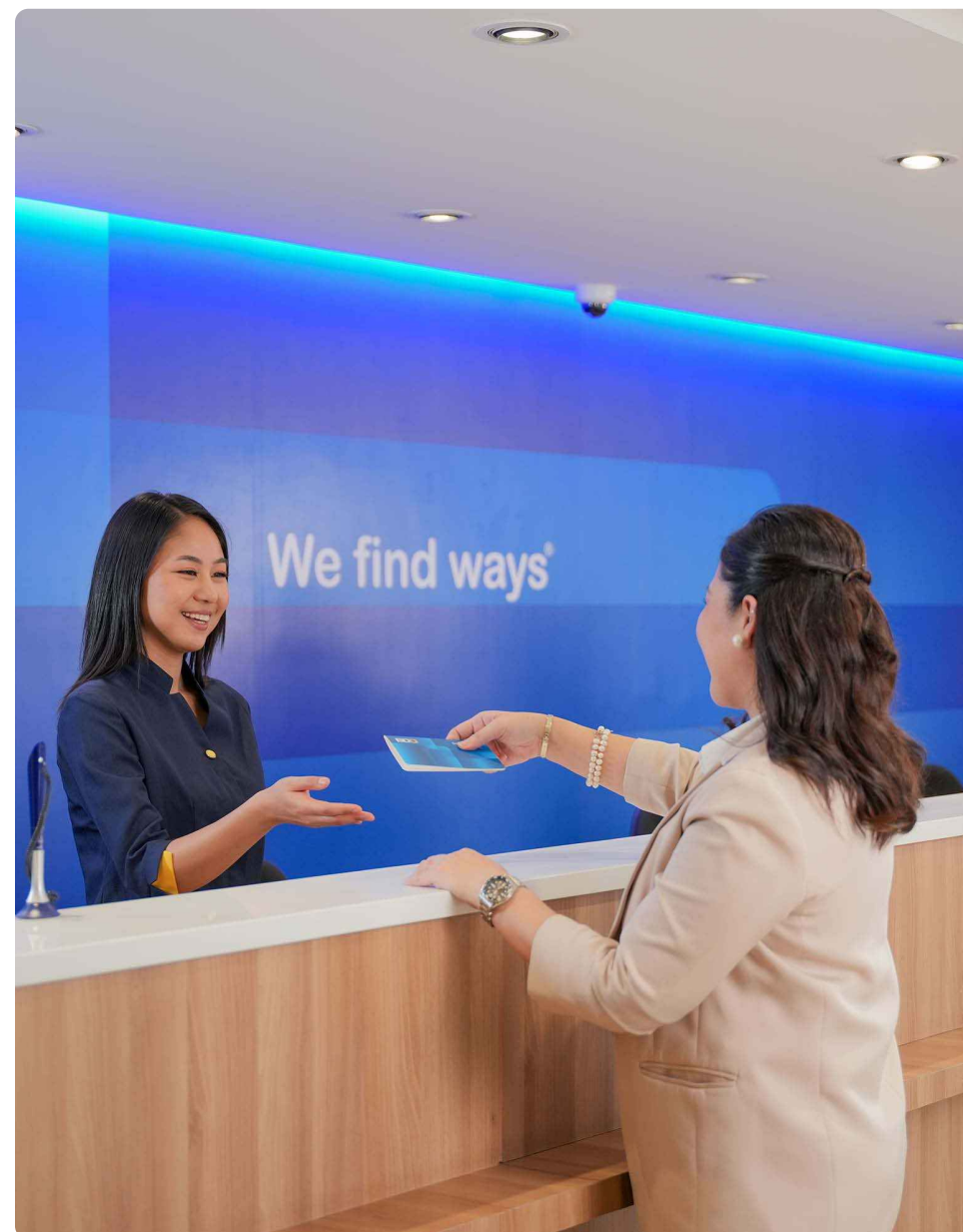
1,996 ²⁻¹

Branches and Banking Offices
including foreign branches in
Hong Kong and Singapore

7,716 ²⁻¹

Teller Machines Nationwide
(ATMs, Cash Accept Machines,
Universal Teller Machines,
Corporate Cash Deposit Machines)

US\$1=₱58.79



Message from the Chairperson 2-22



“ We remain committed to supporting industries and communities that fuel national development and resilience, while continuing to create long-term value for our stakeholders. ”

Dear Clients and Shareholders,

Sustainability at BDO is grounded in our responsibility to the future. By integrating environmental and social risk management into our core strategy, we ensure that our financial performance translates into lasting economic development.

Since 2010, BDO has supported projects in renewable energy, energy efficiency, and the country's first green buildings. As we mark the 15th year of our Sustainable Finance Program, our work has evolved into a more disciplined and structured approach—embedding sustainability into governance, risk management, and lending decisions, allowing us to support industries that drive inclusive and sustainable economic growth.

We also recognize that banking operates within a broader national ecosystem. Through partnerships and initiatives supported by BDO Foundation, we help address pressing social needs and enhance community resilience:

■ Expand access to primary healthcare

Transformed community care as BDO Foundation rehabilitated 228 rural health units nationwide, helping improve access to primary healthcare in underserved communities

■ Strengthen financial literacy

Delivered financial education programs in partnership with the Bangko Sentral ng Pilipinas and 14 government agencies, including the integration of over 300 Department of Education-approved learning resources into the K-12 curriculum, reaching over 10 million learners and teachers nationwide; expanded the outreach to include critical sectors—including farmers, fisherfolk, overseas Filipinos, uniformed personnel (military, police, firefighters), and government employees

■ Provide disaster recovery

Implemented timely response and recovery support to communities affected by major typhoons and earthquakes through nationwide partnerships

■ Empower MSMEs

Developed 8 business competency modules and trained over 80 master trainers from the Department of Trade & Industry, local government units, and non-government organizations to equip MSMEs to optimize operations and profitability

We remain committed to supporting industries and communities that fuel national development and resilience, while continuing to create long-term value for our stakeholders.

On behalf of BDO, I extend my appreciation to our employees, clients, investors, shareholders, regulators, and partners for their continued confidence and support. We value the trust and remain focused on fulfilling our responsibilities toward a more equitable and sustainable future.

Yours truly,

Teresita T. Sy
Chairperson

Message from the President and CEO 2-22

Dear Stakeholders,

Sustainability at BDO has evolved from early adoption to disciplined, organization-wide execution. What began as pioneering initiatives are now fully embedded in how we do business—shaping the way we manage risk, allocate capital, serve our clients, and strengthen long-term resilience for all our stakeholders.

Our Sustainable Finance Framework, one of the most comprehensive in the region, guides how we deploy capital, assess risks, and engage clients across industries. It ensures that our financing decisions support sustainable development while balancing economic, environmental, and social considerations.

But it is our execution that defines our commitment. We finance energy transition, critical infrastructure, and inclusive economic growth. We raise capital for sustainable projects and participate in transactions that help build national resilience.

In recent years, we have taken part in landmark transactions that demonstrate this commitment. We executed the Bank's first Sustainability-Linked Loan, with performance targets for reducing greenhouse gas emissions, increasing renewable energy use, and enhancing green building standards. Through sustainability bonds and sustainability-linked lending, we help clients access funding tied to measurable environmental and social impact.

We also financed the ₱150-billion MTerra Solar syndicated loan, the largest financing in Philippine history for what will become the world's largest integrated solar-and-battery energy storage facility. In addition, we supported the acquisition financing of the 796.64-MW Caliraya-Botocan-Kalayaan hydroelectric complex, a key asset that enhances grid stability as the country accelerates its shift to cleaner energy.

Since 2010, BDO has funded more than ₱1.21 trillion in sustainable projects—the largest sustainable finance portfolio among Philippine banks—supporting sectors essential to national development, including energy, water, transport, agriculture, and livelihoods.

Within our own operations, we continue to adopt best practices to reduce our carbon footprint. Renewable energy now supplies up to 75% of the power used in our key buildings. We have also implemented energy-efficiency initiatives across branches and offices, particularly in electricity consumption and cooling systems.

Our efforts have also been recognized. In 2025, BDO was cited by the ASEAN Capital Markets Forum as the only Philippine bank among the top 50 publicly listed companies in ASEAN for corporate governance excellence. We received the Renewable Energy Financing Programme Award and the Good Governance Award at the ESG Business Awards 2025 for leadership in

sustainability, governance, and social impact. For the second consecutive year, Euromoney named BDO the Best Bank for ESG in the Philippines, recognizing our contribution to sustainable development. We were also honored with the Platinum Award for Excellence at The Asset ESG Corporate Awards for the 16th straight year and received the Best Sustainability Team in Asia award for the second year in a row.

Looking ahead, we remain committed to delivering strong business performance grounded in the principles of sustainability. We will continue strengthening our frameworks, building partnerships, and financing projects that support national progress and long-term value creation.

To our employees, clients, investors, shareholders, regulators, partners, and all our stakeholders—thank you for the trust you place in BDO. Your support enables us to lead with discipline, act with purpose, and build systems that endure.

Sincerely,



Nestor V. Tan

President and CEO



“ Since 2010, BDO has funded more than ₱1.21 trillion in sustainable projects—the largest sustainable finance portfolio among Philippine banks—supporting sectors essential to national development, including energy, water, transport, agriculture, and livelihoods. ”

BDO's Path to Creating Economic, Environmental, and Social Impact

2-6, 2-7, 203-1



Fosters banking habits

1,996

Branches and Banking
Offices including
foreign branches
in Hong Kong
and Singapore

7,716

Teller Machines
nationwide (ATMs, Cash
Accept Machines,
Universal Teller
Machines, Corporate
Cash Deposit Machines)

1,074,479

Lives insured

2,140,061

Total new checking and
savings accounts
(CASA)

3,495

CASA Protect clients

55,811

Junior Savers accounts
opened in 2025

2,420

NexGen Savers
accounts
in 2025

Accelerates economic growth

₱37B

Taxes paid in 2025

92%

Provinces covered by
BDO Network Bank

96%

Municipalities covered by
Cash Agad Agents

Helps businesses grow

₱57.9B

Bank-wide outstanding
SME Loans

Manages resource consumption in operations

137,952 cu.m.

Water recycled

13,106 MWh

Electricity consumption
from renewable
energy sources

22% of total

Electricity consumption
sourced from renewable
energy sources

23,940 kg

Waste recycled

Creates jobs

75%

Employees
are women

58%

Women in senior
management
(Assistant Vice
President and up)

37%

Women in top
management
(Senior Vice
President and up)

99%

Senior
management
hired from local
community

₱62.3B

Wages and
benefits

Supports customer expenditure

4%

5-year CAGR*
in Auto Financing

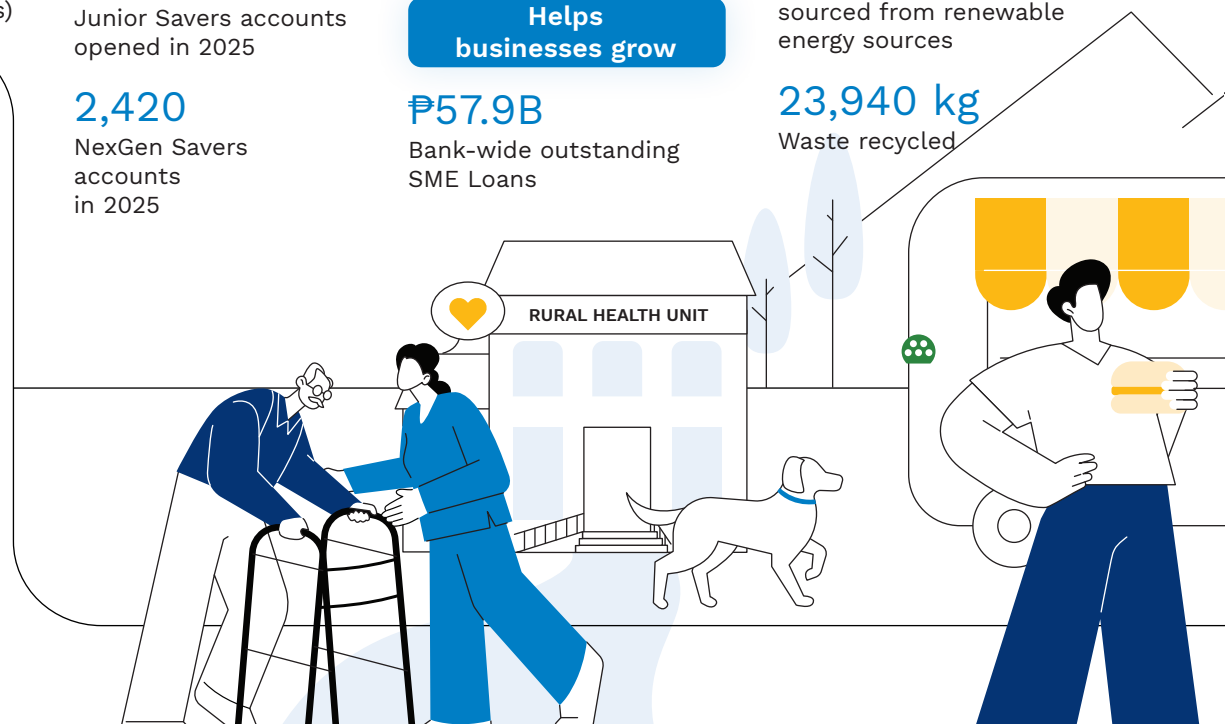
7%

5-year CAGR*
in Home Financing

13%

5-year CAGR*
in Credit Cards
(Cards-in-Force)

* Compounded Annual
Growth Rate

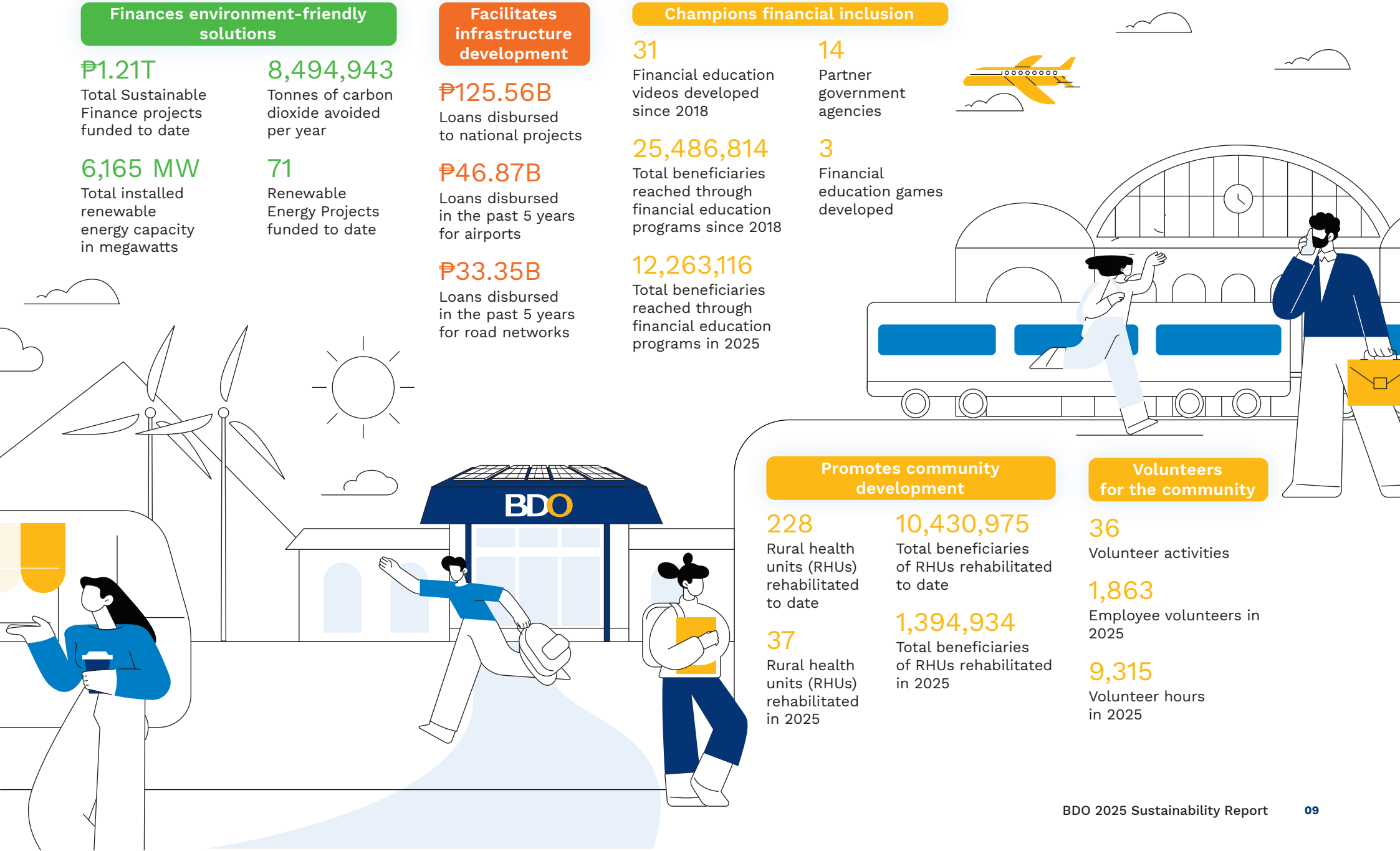


Finances environment-friendly
solutions**₱1.21T**Total Sustainable
Finance projects
funded to date**8,494,943**Tonnes of carbon
dioxide avoided
per year**6,165 MW**Total installed
renewable
energy capacity
in megawatts**71**Renewable
Energy Projects
funded to dateFacilitates
infrastructure
development**₱125.56B**Loans disbursed
to national projects**₱46.87B**Loans disbursed
in the past 5 years
for airports**₱33.35B**Loans disbursed
in the past 5 years
for road networks

Champions financial inclusion

31Financial education
videos developed
since 2018**14**Partner
government
agencies**25,486,814**Total beneficiaries
reached through
financial education
programs since 2018**3**Financial
education games
developed**12,263,116**Total beneficiaries
reached through
financial education
programs in 2025Promotes community
development**228**Rural health
units (RHUs)
rehabilitated
to date**10,430,975**Total beneficiaries
of RHUs rehabilitated
to date**37**Rural health
units (RHUs)
rehabilitated
in 2025**1,394,934**Total beneficiaries
of RHUs rehabilitated
in 2025Volunteers
for the community**36**

Volunteer activities

1,863Employee volunteers in
2025**9,315**Volunteer hours
in 2025

Our Commitment to Sustainability

BDO Sustainability Philosophy

We seek to achieve strategic resilience by incorporating sustainability principles in the way we do business and in everything we do—from making business decisions to assessing relationships to creating products.

Alignment with the United Nations Global Compact Principles

BDO supports the principles of the United Nations Global Compact. The Bank upholds:

- Corporate Governance
- Climate-friendly solutions and opportunities for business
- Access to clean, renewable, and reliable energy sources and services
- The adoption of instruments that help quantify, manage, and report the carbon footprint of our businesses
- The responsibility to protect the dignity of every person and uphold human rights
- The recognition of the role of women in achieving economic growth and poverty reduction
- The elimination of all forms of forced, compulsory, and child labor



BDO Sustainability Framework & Strategies

The Bank’s Sustainability Framework defines the strategies that serve as guideposts in its journey towards sustainability.



Sustainability Governance

2-9, 2-13, 2-24, 3-1

“ Sustainability at BDO has evolved from early adoption to disciplined, organization-wide execution. What began as pioneering initiatives are now fully embedded in how we do business—shaping the way we manage risk, allocate capital, serve our clients, and strengthen long-term resilience for all our stakeholders. ”

Nestor V. Tan
President and Chief Executive Officer

BDO’s commitment to sustainability is fostered at the Board level, role modeled by senior executive leaders, executed by business units and subsidiaries, and brought to life by employees.

In 2025, BDO retained its Sustainability Governance Structure with a streamlined membership and decision-making system that effectively addressed environmental and social impact and governance (ESG), risks, and opportunities. The Board approved the change in the name of the

Corporate Governance Committee into the Corporate Governance and Sustainability Committee to more clearly define Board-level oversight accountability for the Bank’s sustainability policies, programs, and initiatives. While sustainability-related enterprise climate change risk policies secure approval through the Risk Management Committee, the CorGov and Sustainability Committee perform regular oversight on sustainability matters for the Board as part of its meeting agenda.



Roles and Responsibilities 2-212, 2-13, 2-14

Oversight for sustainability initiatives resides in four BDO Board Committees, aligned to their key responsibilities. The Executive Committee (ExCom) exercises the Board-delegated authority in managing and directing the Bank's affairs, including oversight over the Bank's sustainability framework, strategies, and commitments and how it aligns with regulatory expectations. The ExCom continues to require an environmental and social (E&S) risk assessment for all new and refinanced lending and investment accounts, guided by the Bank's Environmental and Social Risk Management Policy (ESRMS), as well as the Board-approved Energy Transition Finance Statement. The Corporate Governance and Sustainability Committee oversees sustainability initiatives related to the following: culture change towards a sustainability mindset for the organization; stakeholder communication; progress reporting on programs, metrics and targets; and sustainability reporting. The Risk Management Committee oversees enterprise environmental, social, and governance (ESG) risks in the Bank's risk management system, including climate change risks. The Board Audit Committee oversees internal audit reporting on sustainability programs and sustainability

reporting, as well as compliance testing against regulatory mandates on sustainability. Across these four Board Committees, all Board Directors are effectively engaged in various capacities and according to their expertise, in driving the Bank's sustainability framework across corporate governance, risk management, strategy, and operations. These are reflected in the committees' respective Terms of Reference and their oversight of activities are disclosed in detail in this report.

The President and CEO provides high-level strategic direction on sustainability—from the articulation of the BDO Sustainability Strategies to key focus areas where the Bank has the most ESG impact. The CEO also approves the Bank's strategic external partnerships and commitments on sustainability on global, regional, and local levels. He is supported by the Sustainability Transition Steering Committee (SteerCo)—and directly represented by the Chief of Staff in the SteerCo—which oversees the Bank's policy formulations, programs review, and recommendations from the Sustainability Technical Working Groups (TWG). The Steering Committee is composed of heads

of business groups and support groups whose work cover corporate governance, risk management, business strategy, operations, and compliance. Heads of business units, support groups, and subsidiaries may be invited to join SteerCo meetings based on agenda items that relate to and impact them. The Steering Committee meets on a quarterly basis, fulfilling four (4) meetings in 2025.

Acting as Convenor for the Steering Committee is the Sustainability Office (SO), which drives the integration of the Bank's sustainability strategies and ESG governance through the TWGs and the various business units, support groups, and subsidiaries of the BDO Group. The Sustainability Office also presents Sustainability Updates in every meeting of the Corporate Governance and Sustainability Committee, and in 2025, conducted a sustainability onboarding session with directors who were new to the Board. The SO drives the TWGs and business unit engagement, manages ESG due diligence requests from stakeholders; produces the annual Sustainability Report; and represents BDO in external forums.

The TWGs are assigned a key Focus Area where BDO has the greatest ESG impact and tasked to review and enhance related policies to embed environmental and social impact principles and criteria, articulate practice into policy, and recommend and implement sustainability programs for the Bank. TWG members are composed of representatives from business groups, support groups, and subsidiaries who are chosen for their expertise and experience in their respective fields. At the same time, as sustainability principles have become embedded in the business units and subsidiaries, the SO supports continuous sustainability engagement through capability-building, advisory, and monitoring on the application of the Bank's Environmental and Social Risk Management System (ESRMS) in their work.

Materiality Topics

3-1, 3-2, 3-3

Climate Change, Nature & Biodiversity Loss

How BDO incorporates climate change and nature and biodiversity loss factors into its enterprise risk assessment for lending, investments, and insurance in order to protect shareholder value. How BDO manages (reduces) its impact on the environment, the plant and animal species near its business operations and its capacity to reduce risks and leverage new opportunities now and in the future.

Topic Boundary

Within BDO and with employees and regulators

Financing Sustainable Development

How BDO supports projects and/or organizations that have environmental and social benefits.

Topic Boundary

Within BDO and with customers and regulators

Technology Resilience

How BDO protects systems, networks, and programs from digital attacks and management of customer or user data to avoid data leakages. It includes aspects such as implementing adequate IT infrastructure, staff training, and record-keeping.

Topic Boundary

Within BDO and with customers and regulators

Customer Welfare

How BDO manages customer relations to cover customer satisfaction, customer experience and welfare protection.

Topic Boundary

Within BDO and with customers

Human Rights & Community Relations

How BDO ensures community well-being and respects human rights across its business operations, including in its employment practices.

Topic Boundary

Within BDO and with employees, community partners and beneficiaries

Physical Impacts of Climate Change

How BDO ensures employee preparedness and that of its physical assets to withstand the physical impacts of climate change.

Topic Boundary

Within BDO and with employees

Economic Performance

How BDO generates long-term economic and financial growth for its stakeholders.

Topic Boundary

Within BDO and with employees

Systemic Risk Management

How well BDO is positioned to absorb shocks arising from financial and economic stress, address sustainability and climate risks resulting from interrelated incidents and events, manage business continuity, and meet stronger regulatory requirements.

Topic Boundary

Within BDO and with employees and regulators

Digitalization

How BDO leverages digital technologies to strengthen its business model and create opportunities.

Topic Boundary

Within BDO and with employees

Employee Engagement, Diversity & Inclusion

How BDO embraces the principles of diversity and inclusion in its business practices, related to hiring, training and development, promotion, career development.

Topic Boundary

Within BDO and with employees

Executive Responsibility for ESG

How BDO clearly delineates roles and responsibilities of senior management in achieving ESG goals.

Topic Boundary

Within BDO and with employees

Management of Legal, Regulatory Environment

How BDO engages with regulators and complies with laws and regulations.

Topic Boundary

Within BDO and with regulators

Access & Affordability

How BDO promotes and practices the financial inclusion of the unbanked, underbanked or underserved, complemented with financial literacy to ensure that customers make informed financial decisions.

Topic Boundary

Within BDO and with regulators, customers, and employees

Product Innovation

How BDO transforms and innovates its products and services to include environmental, social, and governance considerations.

Topic Boundary

Within BDO and with employees

Employee Health & Safety

How BDO creates and maintains a safe and healthy workplace environment free of injuries, fatalities, and ill health.

Topic Boundary

Within BDO and with employees

Operational Emissions

How BDO manages its Greenhouse Gas emission-related risks and opportunities.

Topic Boundary

Within BDO and with employees

Business Ethics

How BDO operates in line with principles of accountability, transparency, integrity and fairness.

Topic Boundary

Within BDO and with employees

Supply Chain Management

How BDO manages environmental, social, and governance risks and opportunities within its supply chain.

Topic Boundary

Within BDO and with suppliers

ESG Materiality

3-1, 3-2

BDO conducted an ESG Materiality assessment refresh in 2025 to identify the Environmental, Social and Governance (ESG) topics and metrics that are material to the Bank and its stakeholders on its eighth year of sustainability reporting. This is the third materiality assessment conducted by the Bank since it first started reporting in 2018.

S&P Global Sustainable¹ was tasked to determine key and emerging ESG topics for BDO using the GRI Sustainability Reporting Standards, the Sustainability Accounting Standards Board (SASB) framework, and the Task Force for Climate-related Financial Reporting (TCFD)

recommendations, along with ESG topics reported on by BDO's peers. Once the topics were identified, S&P worked with BDO to create a bespoke survey in English and Filipino that were deployed to various stakeholder groups in order for them to rate the importance of the ESG topics from their perspective and how they see each topic's importance in relation to BDO's business. The survey results were then discussed with BDO management in focus group discussions to dive deeper into BDO's business landscape, priorities, and ESG performance. The final recommendations were approved by the Board through the Corporate Governance and Sustainability Committee.

This expanded stakeholder groups engagement for materiality assessment aims to better align and prepare BDO for emerging ESG risks to the Bank and its stakeholders, particularly when it comes to reputational risk and business performance. At the same time, focusing on key ESG topics provides the opportunity to positively impact business growth in terms of profits and customers. With these objectives in mind, BDO reframes its ESG Materiality into two categories: ESG Strategic Areas and ESG Fundamentals.

BDO's ESG Strategic Areas focus on topics that present the most significant business risks and opportunities for the Bank. They

also show where the Bank can make the strongest positive impact on sustainability. BDO's ESG Fundamentals cover existing initiatives and practices where the Bank has already effectively integrated sustainability principles in everything it does. These topics also present areas that the Bank can further enhance and scale to drive long-term value as a sustainable business and a sustainable organization for its clients, communities, and country.

Legend:

- Environment
- Social
- Governance

ESG Strategic Areas

Climate Change,
Nature &
Biodiversity Loss

Financing
Sustainable
Development

Technology
Resilience

Customer
Welfare

Human Rights
& Community
Relations

Physical Impacts
of Climate Change

ESG Fundamentals

Economic
Performance

Systemic Risk
Management

Digitalization

Employee
Engagement,
Diversity & Inclusion

Executive
Responsibility
for ESG

Management of
Legal, Regulatory
Environment

Access &
Affordability

Product Innovation

Employee Health &
Safety

Operational
Emissions

Business Ethics

Supply Chain
Management

Stakeholder Engagement 2-29

Stakeholder Group	Relevance	Channels of Engagement	Relevant Topics	Our Commitment
Shareholder or Investor	Providers of resources essential to BDO's goal to deliver results, enhanced economic returns, and shared value	- Annual Stockholders' Meeting - Investor meetings	- Access and affordability - Systemic Risk Management	- Continue to promote the financial inclusion and financial literacy of the unbanked, underbanked, or underserved - Enhance embedded environmental and social criteria in credit risk and operational risk systems
Employee	Proponent of BDO's vision, mission, and objectives	- Face-to-face meetings - Annual performance appraisals	- Employee health and safety - Customer welfare	- Prioritize occupational health and safety at all times - Provide timely feedback to customer concerns
Customer or Client	Patrons of BDO's products and services	- Customer touchpoints - Regular visits and briefings	- Customer Privacy - Data Security - Greenhouse Gas Emissions	- Provide guardrails to manage risks related to customer or user data - Safeguard the privacy and security of financial data against emerging cybersecurity threats and technologies - Disclose our Scope 1, 2 and 3 emissions
Creditor	Source of assets that support BDO's business	Regular correspondence and updates	- Business ethics - Financing Sustainable Development	- Meet our contractual obligations - Continue to support sustainable financing and sustainable development
Service Provider or Supplier	Suppliers and service providers vital to BDO	- Vendor accreditation process - Regular correspondence	- Business ethics - Supply Chain Management	- Continue to operate on principles of accountability, transparency, integrity, and fairness - Manage ESG risks within our supply chain, in partnership with suppliers
Regulator or Policy Maker	Driver of regulations and policies that aid BDO in achieving its goals	- Formal and informal correspondence - Regular audit	- Data Security - Access and affordability - Business ethics	- Safeguard the privacy and security of financial data against emerging cybersecurity threats and technologies - Continue to promote the financial inclusion and financial literacy of the unbanked, underbanked, or underserved - Continue to operate on principles of accountability, transparency, integrity, and fairness
Community Beneficiary	Partners in community development and local economic growth	- Community engagement dialogues - Meetings for program implementation	- Customer Privacy - Human rights	- Provide guardrails to manage risks related to customer or user data - Protect human rights in our operations, including our socioeconomic community impact and engagement
Analyst or Research Organization and Media	Partners in accurate reporting, upholding transparency and integrity	- Analysts' briefings - Media events	- Financing Sustainable Development - Physical Impacts of Climate Change	- Continue to support sustainable financing and sustainable development - Incorporate climate change into lending analysis and risk mitigation in our businesses to protect shareholder value

Mainstreaming Sustainability in Core Business

2-6, 2-24

We develop and enhance products and services that enable our customers to make sustainable financial decisions and practices wherever they are. We manage our environmental and social risks and create opportunities for our clients, communities, and country. We support sustainable development that incorporates financial inclusion and impact financing to help achieve a low carbon economy that is environmentally responsible and socially equitable.



Managing Climate Change, Biodiversity Loss, and other Environmental and Social Risks and Opportunities

2-23, 102-1, 102-2

The Bank recognizes sustainability as long-term risk management, and manages these risks by embedding sustainability principles in the way it does business across the whole BDO conglomerate. BDO works to transition its core businesses into sustainable banking, embedding Environmental, Social, and Governance (ESG) risk and opportunity considerations when making business decisions, assessing relationships, and creating products and services.

BDO has incorporated assessments of E&S risks and opportunities arising from its activities and that of its clients and suppliers that can potentially have a negative and/or positive financial, legal and/or reputational effect on the Bank. In 2010, the Bank adopted its Social and Environmental Management System

(SEMS) Policy that was co-developed with the International Finance Corporation (IFC) and based on IFC’s ESG standards. The SEMS Policy was designed to control and address social and environmental risks in the Bank’s lending operations by categorizing E&S risks for sustainable finance projects.

BDO has since evolved the SEMS Policy into the more comprehensive Board-approved Environmental and Social Risk Management System (ESRMS) Framework that will help identify, assess, and manage E&S risks and opportunities associated not only with its lending activities, but also its investment activities and administrative operations. Approved in 2023, this Framework is fully incorporated in BDO’s banking policies and procedures and is aligned with the Bank’s risk appetite which

defines the nature and level of risks that the Bank is willing to take to achieve its sustainability strategies.

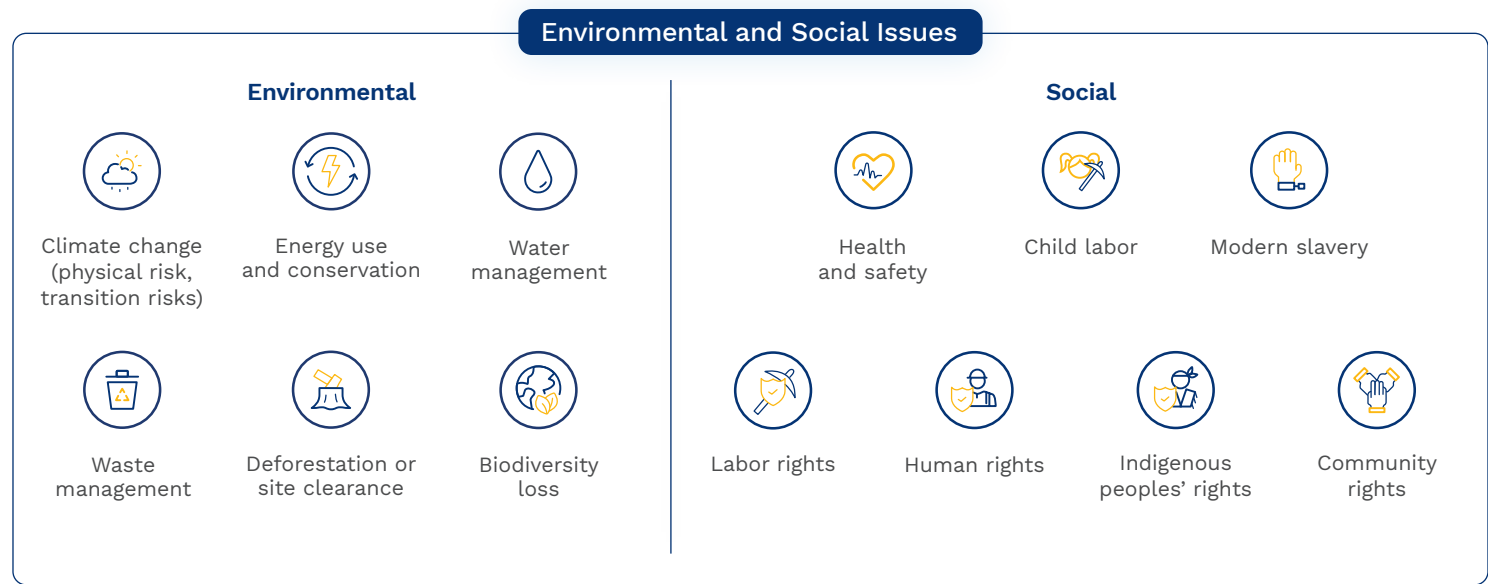
Implementing the ESRMS involves BDO integrating a wider E&S risk assessment in its existing processes for credit, investments, and operations using an E&S Due Diligence questionnaire. Developed in-house by the Sustainability Office, the Environment and Social Tool for Risk (EAST4R) for scoring E&S risks, assigns weights to E&S issues considering different factors such as industry issues, and relevant E&S laws and regulations locally, and internationally where it maintains branches and offices.

The environment and climate-related issues considered are climate change physical risk, climate change transition

risk, energy use and conservation, water use and conservation, deforestation or site clearance, waste management, and biodiversity loss. The social issues are health and safety, child labor, modern slavery, labor rights, human rights, indigenous peoples’ rights, and community rights. The E&S Due Diligence Questionnaire is a work-in-progress and refined and enhanced as necessary to simplify the application. (For a more detailed discussion on the ESRMS, refer to the 2023 BDO Sustainability Report online at www.bdo.com.ph.)

Throughout 2025, the Sustainability Office conducted phase 2 of its Sustainability Capability-Building Roadshow in key regions of the country for workshops on the ESRMS, along with other fundamental courses such as the UN SDGs and Sustainability at BDO. Phase 1 in 2024 prioritized BDO Unibank Relationship Managers, Credit Analysts, and Facilities Managers—to identify and evaluate potential E&S risks associated with its clients and its administrative operations. Phase 2 covered the rest of employees from these groups along with officers based in the provinces and employees from subsidiaries BDO Network Bank, BDO Private Bank, BDO Finance, and BDO Capital.

The ESRMS Framework will be regularly updated to adapt to any applicable developments in the Bank’s commitments and in national legislation. The Bank is continuously working towards developing long lasting relationships with its clients by making sure that its businesses, products, and services are resilient and will be able to adapt to the ever-changing environment that the Bank operates in. In doing so, BDO will be in a better position to promote sustainable growth and achieve strategic resilience in all its business operations.



Governance on Enterprise Risk Management 201-2

Risk management at BDO is anchored on the highest level of governance. The Board of Directors sets the foundation for a sound risk management system, and assumes ultimate responsibility for all risks taken by the Bank. It regularly reviews and approves the institution's risk appetite, business strategy, and risk philosophy to ensure alignment with long-term objectives. To reinforce oversight, the Board has established the Risk Management Committee (RMC), which supervises the enterprise-wide risk management program.

Recognizing the critical nature of credit risk, the Board also constituted the Executive Committee to approve credit-specific transactions, while the RMC focuses on approving risk appetite levels, policies, and tolerance limits across a broad spectrum of risks—credit, liquidity, market, interest rate, operational (including operational resilience, business continuity, IT, information security, cybersecurity, data privacy, and social media), consumer protection, and environmental and social risks. This governance structure ensures that both current and emerging risk exposures remain consistent with the Bank's strategic direction and overall risk appetite.

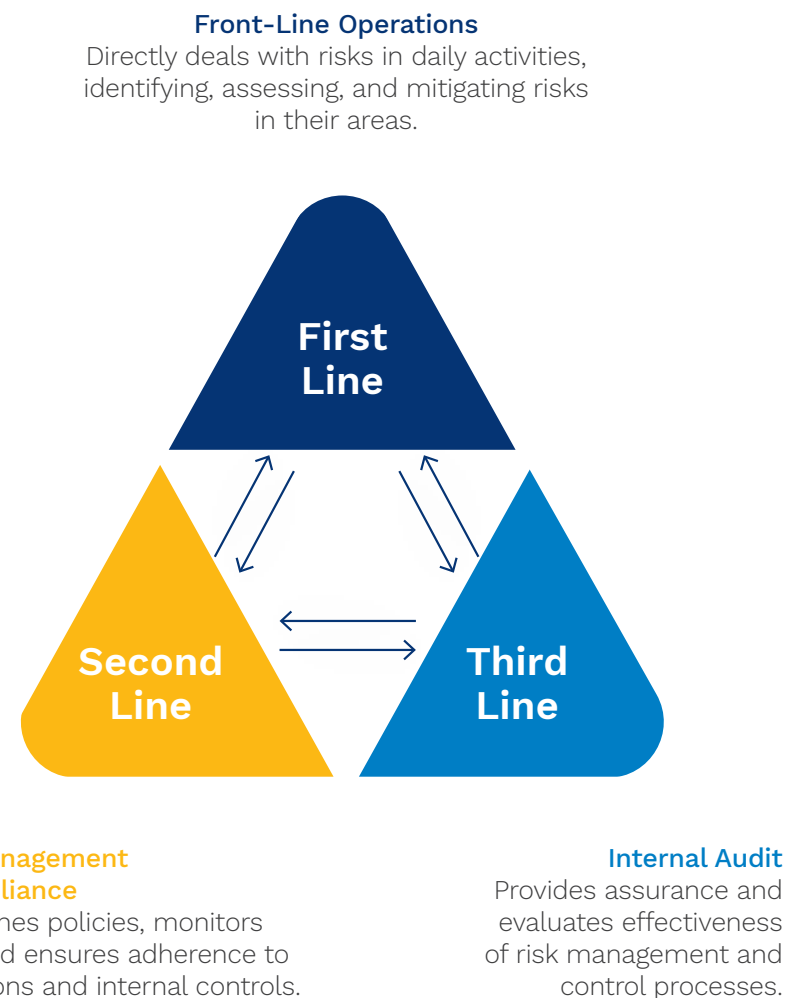
Supporting this framework is the Risk Management Group, which reports to the RMC. Its mandate is to evaluate, manage, and monitor the Bank's overall risk profile across all risk categories, optimizing the balance between risk and return and safeguarding capital. The group also recommends risk policies to the appropriate governing bodies, ensuring comprehensive coverage of the risks to which the Bank is exposed.

Risk Management Process: Three Lines of Defense

The risk management process is applied at three levels: transaction, business unit, and portfolio. This multi-tiered approach ensures that risks are identified, measured, and analyzed for their potential impact on the Bank's operations and capital deployment. The goal is to maintain rigorous standards for precision in risk measurement and reporting while enabling informed decisions that deliver sustainable returns to shareholders.

BDO's risk governance adheres to the "three lines of defense" model outlined in the Basel Committee's Corporate Governance Principles for Banks. The first line consists of business units that own and manage risks inherent in their products, activities, and processes. The second line comprises independent risk management and compliance functions, along with support units that monitor and assess risk controls. The third line is the internal audit function, which provides independent assurance to Senior Management and the Board. This structure clarifies roles and responsibilities, promotes functional independence, and fosters continuous dialogue across the organization. By embedding these principles, BDO proactively manages risk while remaining focused on its strategic goals.

The Three Lines of Defense



On Sustainability and Business Strategy 101-1, 101-2, 101-3, 102-3

Approach to Climate Change and Nature Risks

BDO is committed to mobilize capital towards the achievement of the UN 17 Sustainable Development Goals and the transition to a low carbon economy, in support of the Paris Agreement of 2015 and the Philippines' Nationally Determined Contribution (NDC) to the agreement.

As the country's largest bank, BDO recognizes that the banking industry plays a critical role in financing the transition to affordable, reliable, sustainable and clean energy. BDO believes that this transition is a journey that requires adopting a balanced approach: acknowledging the difficult trade-offs that need to be made along the way among national economic development that depends on affordable and reliable energy, securing the country's energy security, and the relentless pursuit of the broader goal of climate sustainability.

The Bank is investing in the low-carbon transition by providing clients with the products they need to drive change within their businesses. Simultaneously, BDO is committed to managing risks related to climate change and nature so that it may safeguard its clients' assets and the Bank from the effects of climate change and nature and biodiversity loss. The Bank has a low risk appetite for activities that are not contributing to the transition to a low carbon economy, and transition activities should be in line with the BDO Energy

Transition Finance statement released in 2022. The Bank has a high risk appetite for clean and renewable energy sources that emit low greenhouse gas emissions in its value chain. On the flipside of risk, BDO is also capitalizing on the opportunities presented by the low carbon transition and the need for adaptation activities in the context of the Philippines' exposure to climate change.

Approach to Nature

BDO manages risks and opportunities related to natural capital and biodiversity across the Bank's activities. BDO recognizes the challenges of transitioning towards a society that can meet both

human needs, while living within the constraints of natural resources, with the objective of also generating positive outcomes for our natural environment. Industries such as agriculture, fisheries, construction, and tourism rely on the ecosystem services provided by forests. Without sustainable forest management, these sectors face increased risks of productivity decline, supply chain disruptions, and heightened vulnerability to natural disasters. The Bank is committed to address deforestation and contribute to the preservation and sustainable management of the Philippines' forest resources.

Climate-related Risks and Opportunities

In 2025, BDO continued to map and monitor its portfolio and operational emissions internally to identify where it needs to focus for its decarbonization efforts. Building on the results of its climate scenario analysis in 2024, the Bank conducted physical risk analysis for eight key hazard types across its assets and collaterals, as well as its facilities and branches nationwide, including branches in Hong Kong and Singapore.

S&P Global conducted the 2024 physical risk assessment on BDO as a corporate entity, as well as the Bank's loan, treasury, and trust portfolios. The assessment provided a better understanding of BDO's total asset value at physical risk in different medium (>2°C Scenario) and high risk scenarios (>4°C Scenario). In the medium and high risk scenarios, BDO's corporate assets were determined to be at low level risk until 2030. The physical risk hazard that may bring the most financial impact to BDO facilities and branches is extreme heat, in medium and high climate scenarios.

In 2025, BDO continued to conduct energy audits of its largest facilities and largest branches to inform its energy management action plan in the short, medium, and long-term and a draft Energy Management Policy under senior management review. In the meantime, the Bank continued to apply energy efficiency measures both for existing and newly constructed offices and branches.

BDO's Climate Change Approach



Mitigating Climate-Related Financial Risks

- Deploying innovative investment and financing solutions
- Protecting the assets of our clients and business
 - Reducing exposure to carbon-related assets and assessing vulnerability to climate risks
 - Supporting transition to green business



Advancing a Sustainable Future

- Reducing BDO's carbon footprint
 - Sourcing of electricity from renewable energy sources
 - Managing energy and water consumption to optimize resources
 - Managing materials waste from operations
 - Managing the supply chain to reduce carbon emissions and mitigate climate change impacts

For the loan, treasury, and trust portfolios, physical risk per sector were assessed against four scenarios: Low (1.3-2.4°C), Medium (2.1-3.5°C), Medium-High (2.8-4.6°C), and High (3.3-5.7°C). S&P Global based the four scenarios on the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways and Shared Socioeconomic Pathways, informed by the Task Force on Climate-related Financial Disclosures (TCFD) technical guidelines.

A transition risk assessment was likewise conducted for the Bank's corporate operations, along with the loan, treasury, and trust portfolios. The corporate level transition risk assessment looked at policy risk, market risk, and reputation risk. On the portfolio level, the analysis utilized a combination of climate scenarios across in-scope industry sectors. The analysis assessed the impact on aspects of the business between the 2022 to 2050. BDO engaged with clients in sectors where decarbonization efforts would have the most impact, particularly through financing the acquisition and/or use of renewable energy.

BDO will continually refine the Bank's methods for conducting climate scenario analysis. Insights gained on the effects of physical and transition risks across bank lending portfolios and its own operations have helped BDO improve its understanding of risk exposures and potential climate impacts for the short, medium, and long-term.

Metrics to Assess and Manage Climate-related Risks and Opportunities

BDO continues to track progress in providing sustainable finance investments via BDO's sustainable financial instruments. BDO does not currently disclose the proportion of revenue or proportion of assets, capital deployment, or other business activities aligned with climate-related opportunities, including revenue from products and services designed for a low-carbon economy, and forward looking metrics consistent with BDO's business or strategic planning time horizons.

Physical Risk Hazard Types



Coastal Flood



Tropical Cyclone



River Flood



Wildfire



Pluvial Flood



Water Stress



Extreme Heat



Drought

Key Focus Areas and Risk Appetite				
Commitment	Climate Change Manage the risks associated with climate change (physical, transition risk) today and in future scenarios. Manage risk associated with supporting the country's transition to a low carbon economy.	Environment Recognizes that environmental degradation will exacerbate destruction and loss of life. Manage and reduce the Bank's	Human Rights Recognizes and upholds its role to respect human rights among its stakeholders.	Environment Disaster Risk Management & Response Recognizes its critical role in economic development and social inclusion. Focuses resources to mitigate and adapt to the E&S impact of disasters brought about by climate change and human activities.
	Low risk appetite Activities that do not support the transition to a low carbon economy, and in line with the BDO Energy Transition	Low risk appetite Client activities that have significant adverse No risk appetite Any non-compliance with environmental laws and regulations it is being monitored.	No risk appetite Activities that violate human rights in the Bank's workforce, clients, investees, and supply chain.	High risk appetite Activities that create opportunities, drive socio-economic development, and responds to needs of marginalized sectors of society. No risk appetite Activities that significantly disrupt bank operations.
Risk Appetite	High risk appetite Clean and renewable energy activities. Finance statement.			

CLIMATE CHANGE AND NATURE OPPORTUNITIES AND POTENTIAL FINANCIAL IMPACTS 201-2

Opportunity	BDO Ambition and Risk Appetite	Time Horizon	Potential Financial Impacts on BDO
Supporting the country's transition to a low carbon economy	BDO has an internal target to annually increase renewable energy financing under its Sustainable Finance Program. The Bank has a high risk appetite for clean and renewable energy activities for lending and investments, guided by its Sustainable Finance Framework.	Short-Medium-Long	■ Increase in total sustainable financing, particularly for renewable energy projects ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Full compliance with the Agriculture, Fisheries and Rural Development (AFRD) Law to allocate 25% of loans to AFRD projects, without penalty
	BDO has ceased lending to new coal capacity since 2019 and aims to reduce its coal exposure by 50% by 2033, while ensuring that coal exposure in its total loan portfolio does not exceed 2% by 2033.	Medium-Long	■ Reduced balance sheet and exposure to coal financing ■ Decrease in financed carbon emissions
	BDO supports the country's energy security priorities and programs today and in future scenarios, and in line with the BDO Energy Transition Finance Statement.	Medium-Long	■ Attract investors interested in financing the transition to a low carbon economy ■ Increased access to investors requiring decarbonization commitments
Supporting clients' transition to low carbon	BDO commits to support clients as they transition out of fossil fuels and into renewable and clean energy. The Bank supported the Bangko Sentral ng Pilipinas provision and advocated for the extension of the 15% Additional Single Borrowers Limit (SBL) to enable its clients to acquire renewable energy projects and transition out of their coal business.	Short-Medium-Long	■ Increase in total sustainable financing, particularly for renewable energy projects · Increase in transition financing ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Decrease in financed carbon emissions ■ Zero penalty with full compliance to the Agriculture, Fisheries and Rural Development (AFRD) Law
	BDO will provide access to finance to individuals and communities impacted by the energy transition.	Short-Medium	■ Attract investors interested in financing the transition to a low carbon economy ■ Improved trust and relationship with clients which may result in increased business
Supporting the country's adaptation plans (with mitigation as side benefit) to strengthen resilience to climate and nature risk	BDO will continue to issue sustainability-related financial instruments such as its Blue Bond, ASEAN Sustainability Bond, and Sustainability-Linked Loan to finance adaptation projects that address water scarcity, wastewater pollution, food security, green buildings, clean transport, pollution prevention and control.	Medium-Long	■ Increase in total sustainable financing, especially for projects improving access to affordable basic infrastructure and essential services ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Full compliance with the Agriculture, Fisheries and Rural Development (AFRD) Law ■ Attract investors interested in financing resiliency projects
Strengthening Operational Resilience	BDO will increase its electricity sourcing from renewable energy sources each year compared to its 2022 baseline.	Medium-Long	■ Reduced costs from decreased and managed resource consumption (ex. electricity, water, materials such as paper) ■ Increased expenditure to support carbon footprint reduction in operations
	BDO will incorporate energy, water, waste, and fuel efficiency features as standards in all new branches and offices.	Short-Medium-Long	■ Attract investors interested in organizations with sustainable practices

Environmental and Social Risks Exposure

BDO Unibank E&S Risk Exposure

As of 31 December 2025, BDO Unibank's portfolio exposures in lending and investments were diversified across multiple sectors, with the largest exposures in Activities of Households as Employers; Undifferentiated Goods- and Services-Producing Activities of Households for Own Use at 14.92%, Electricity, Gas, Steam and Air Conditioning Supply at 12.07%, Real Estate Activities at 10.10%, Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 10.00%, and Financial and Insurance Activities at 9.96% of total portfolio exposure.

The Bank continues to monitor its portfolio exposure to four sectors that are deemed high risk for environmental and social. Electricity, Gas, Steam and Air Conditioning Supply accounted for 12.07% of the total portfolio (10.95% in 2024) which also includes lending to renewable energy projects. Transportation and Storage and Construction comprised 3.93% (4.17% in 2024) and 2.07% (same as 2024), respectively, while exposure to Mining and Quarrying was lowest at 0.51% (same as 2024).

In 2025, BDO Unibank continued to integrate environmental and social risk considerations into credit evaluation, investment decision-making, and portfolio monitoring processes. Exposures in sectors with elevated E&S risks are subject to enhanced review and approval requirements under the Bank's Environmental and Social Risk Management System (ESRMS). Regular portfolio assessments and sectoral reviews support the identification and management of emerging risks, reinforcing prudent risk governance while supporting responsible growth and sustainable economic development.

The portfolios per sector of the Bank's overseas branches in Singapore and Hong Kong are also presented in this report. For context, BDO Hong Kong Branch's loan exposure remains less than 1% of BDO Unibank's total loan portfolio, while BDO Singapore Branch's loan exposure is 1.2% of BDO Unibank's total loan exposure.

BDO Private Bank (BDOPB) and BDO Network Bank (BDONB), both subsidiaries of BDO Unibank, are also presented in this report. BDOPB represents 1% of the BDO group's total loan and investment portfolio, while BDONB represents 3% of the BDO Group's total loan portfolio.

BDO UNIBANK (PARENT BANK)

Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (79% of total)	Investment Portfolio (71% of total)	Total Portfolio Exposure
Activities of Households as Employers; Undifferentiated Goods- and Services- producing Activities of Households for Own Use	18.82%	0.00%	14.92%
Electricity, Gas, Steam and Air Conditioning Supply	14.48%	2.89%	12.07%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	12.55%	0.25%	10.00%
Real Estate Activities	12.50%	0.91%	10.10%
Financial and Insurance Activities	9.14%	13.10%	9.96%
Manufacturing	8.17%	0.93%	6.67%
Information and Communication	5.18%	1.12%	4.34%
Transportation and Storage	4.89%	0.26%	3.93%
Other Service Activities	2.84%	0.00%	2.25%
Construction	2.50%	0.43%	2.07%
Arts, Entertainment and Recreation	2.36%	0.10%	1.89%
Water Supply; Sewerage, Waste Management and Remediation Activities	1.65%	0.04%	1.32%
Human Health and Social Work Activities	1.59%	0.00%	1.26%
Accommodation and Food Service Activities	1.45%	0.88%	1.33%
Mining and Quarrying	0.53%	0.43%	0.51%
Agriculture, Forestry and Fishing	0.53%	0.00%	0.42%
Administrative and Support Service Activities	0.30%	0.00%	0.24%
Education	0.25%	0.00%	0.20%
Professional, Scientific and Technical Activities	0.24%	0.00%	0.16%
Public Administration and Defense; Compulsory Social Security	0.03%	78.65%	16.34%
Total	100.00%	100.00%	100.00%

BDO Hong Kong Branch E&S Risks Exposure

BDO Unibank's Hong Kong Branch follows the parent bank's enterprise risk management framework and ESRMS, integrating environmental and social considerations into credit assessment and portfolio monitoring.

The Branch remains aligned with the Hong Kong Monetary Authority's (HKMA) supervisory guidance on climate and environmental risk management. Portfolio exposures are monitored across sectors with varying environmental and social risk profiles, considering potential physical and transition risks.

For 2025, the Hong Kong Branch's total portfolio exposure is primarily concentrated in Financial and Insurance Activities (54.87%) deemed as low risk, largely driven by the investment portfolio. Public Administration and Defense; Compulsory Social Security accounts for 21.92% of total exposure, likewise investment-related. Other exposures

include Information and Communication (8.05%), Manufacturing (4.32%), and Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles (3.22%). Exposure to Electricity, Gas, Steam and Air Conditioning Supply represents 2.90%, while Mining and Quarrying is at 0.70%, and Transportation and Storage is at 0.18% of the total portfolio.

Exposure to sectors with higher environmental and social risk characteristics remains manageable within the Branch's risk management framework and is subject to ongoing monitoring. BDO Hong Kong Branch will continue to work with the HKMA and align with evolving regulatory expectations on environmental and social risk management.

BDO HK PORTFOLIO EXPOSURE PER SECTOR

Industry (based on PSIC 2019)	Loan Portfolio (29% of total)	Investment Portfolio (71% of total)	Total Portfolio Exposure
Accommodation and Food Service Activities	0.00%	1.86%	1.32%
Agriculture, Forestry and Fishing	7.13%	0.00%	2.07%
Construction	0.00%	0.38%	0.27%
Electricity, Gas, Steam and Air Conditioning Supply	3.72%	2.56%	2.90%
Financial and Insurance Activities	42.18%	60.06%	54.87%
Information and Communication	24.65%	1.27%	8.05%
Manufacturing	13.99%	0.38%	4.32%
Mining and Quarrying	0.00%	0.99%	0.70%
Public Administration and Defense; Compulsory Social Security	0.00%	30.87%	21.92%
Real Estate Activities	0.00%	0.25%	0.18%
Transportation and Storage	0.00%	0.25%	0.18%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	8.33%	1.13%	3.22%
Total	100.00%	100.00%	100.00%

BDO Singapore Branch E&S Risks Exposure

BDO Singapore Branch adheres to the regulatory requirements of the Monetary Authority of Singapore (MAS) on Environmental Risk Management and applies the BDO Unibank ESRMS. Environmental and social (E&S) risk considerations are embedded in the Branch's credit assessment and portfolio management processes for both lending and investment activities. The Branch participates in annual regulatory consultations and industry discussions in support of sustainable finance practices in Singapore.

BDO Singapore Branch's portfolio remains predominantly concentrated in Financial and Insurance Activities rated low risk, which account for 60.75% of total portfolio exposure, consistent with the Branch's business focus. Other exposures include Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 7.97%, Education at 3.73%, Transportation and Storage at 1.77%, and Accommodation and Food Service Activities at 0.67%, followed by more limited exposure to Construction at 0.80%.

Exposure to sectors with high E&S risks, such as Electricity, Gas, Steam and Air Conditioning Supply (0.31%), Mining and Quarrying (0.36%), and Construction (0.80%), remains limited relative to the total portfolio. Where applicable, these exposures are subject to enhanced due diligence and risk mitigation measures in accordance with the BDO Unibank ESRMS and the Branch's risk appetite.

Consistent with group-wide policies, BDO Singapore Branch continues to manage sectoral exposures prudently. Ongoing monitoring supports the identification and management of emerging environmental and social risks, including climate-related and regulatory developments.

BDO SG PORTFOLIO EXPOSURE PER SECTOR

Industry (based on PSIC 2019)	Loan Portfolio (50% of total)	Investment Portfolio (50% of total)	Total Portfolio Exposure
Accommodation and Food Service Activities	0.00%	1.33%	0.67%
Construction	1.17%	0.42%	0.80%
Education	7.50%	0.00%	3.73%
Electricity, Gas, Steam and Air Conditioning Supply	0.00%	0.62%	0.31%
Financial and Insurance Activities	71.94%	49.66%	60.75%
Information and Communication	0.00%	0.18%	0.09%
Mining and Quarrying	0.00%	0.73%	0.36%
Other Service Activities	0.27%	0.00%	0.13%
Public Administration and Defense; Compulsory Social Security	0.00%	46.36%	23.29%
Real Estate Activities	0.00%	0.27%	0.13%
Transportation and Storage	3.28%	0.27%	1.77%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	15.84%	0.18%	7.97%
Total	100.00%	100.00%	100.00%

BDO Private Bank E&S Risks Exposure

BDO Private Bank (BDOPB) and the Sustainability Office assessed BDOPB's loan portfolio to determine its sector exposure to environmental and social (E&S) risks inherent at the industry level.

Sectors with relatively higher inherent E&S risks include Real Estate Activities, Construction, Transportation and Storage, Manufacturing, and Agriculture, Forestry and Fishing. In 2025, exposure to these sectors remains limited, with Construction accounting for 10.99%, Transportation and Storage 2.97%, Manufacturing 2.82%, and Agriculture, Forestry and Fishing 0.91% of the total loan portfolio.

The majority of BDOPB's loan portfolio is concentrated in sectors assessed as having low to moderate inherent E&S risks. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles represent the largest exposure at 25.08%, followed by Real Estate Activities at 22.18%, Activities of Households as Employers and Undifferentiated Goods- and Services-

Producing Activities of Households for Own Use at 14.63%, and Information and Communication at 12.45%. BDOPB has no exposure to sectors typically associated with high environmental risk, such as Mining and Quarrying, Electricity, Gas, Steam and Air Conditioning Supply, and Water Supply; Sewerage, Waste Management and Remediation Activities.

Overall, BDOPB's loan portfolio reflects a low exposure to high environmental and social risks, consistent with the Bank's risk appetite and prudent portfolio positioning.

The Bank has also assessed its exposure to different physical risk hazards using the government's HazardHunterPH platform. BDOPB wealth centers are located in metropolitan and emerging metropolitan areas and may have varying susceptibility to flooding from storms and typhoons. It mitigates these risks through flood control systems of BDO-owned buildings where the wealth centers are located.

BDO PRIVATE BANK

Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (%)
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	25.08%
Real Estate Activities	22.18%
Activities of Households as Employers; Undifferentiated Goods- and Services-producing Activities of Households for Own Use	14.63%
Information and Communication	12.45%
Construction	10.99%
Other Service Activities	6.05%
Transportation and Storage	2.97%
Manufacturing	2.82%
Agriculture, Forestry and Fishing	0.91%
Human Health and Social Work Activities	0.85%
Professional, Scientific and Technical Activities	0.57%
Financial and Insurance Activities	0.50%
Accommodation and Food Service Activities	0.00%
Administrative and Support Service Activities	0.00%
Arts, Entertainment and Recreation	0.00%
Education	0.00%
Electricity, Gas, Steam and Air Conditioning Supply	0.00%
Mining and Quarrying	0.00%
Public Administration and Defense; Compulsory Social Security	0.00%
Water Supply; Sewerage, Waste Management and Remediation Activities	0.00%
Total	100.00%

BDO Network Bank E&S Risks Exposure

BDO Network Bank, Inc. (BDONB) continues to adopt a similar ESRMS framework as its parent bank, BDO Unibank, Inc., applicable to its microfinance and small and medium enterprise (MSME) lending operations. BDONB provides financial access to underserved and unbanked adult Filipinos in provincial and remote areas of the country, and the ESRMS guides the identification, assessment, and management of environmental and social (E&S) risks across its loan portfolio.

BDONB's sectors with high E&S risk exposures are the same as its parent bank: Construction; Transportation and Storage; Mining and Quarrying; and Energy-related activities. As of 31 December 2025, these sectors continue to represent only a small portion of the MSME loan portfolio, with exposures at 0.16% and less.

Based on the 2025 portfolio exposure, the MSME loan book is largely concentrated in sectors with relatively low environmental and social risk profiles. The Education sector accounts for 81.84% of the total MSME portfolio, followed by Agriculture, Forestry and Fishing at 9.78%, and Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 6.31%. The remaining exposure is distributed across various service and industrial sectors, each comprising less than 1% of the total portfolio.

All MSME borrowers are assessed using BDONB's ESRMS, which applies sector-based E&S risk scoring consistent with the methodology of the BDO Group. Industries are evaluated based on the inherent risks associated with their operations and are classified as low, medium, or high risk.

BDO NETWORK

MSME Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (%)
Education	81.84%
Agriculture, Forestry and Fishing	9.78%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	6.31%
Other Service Activities	0.64%
Manufacturing	0.53%
Accommodation and Food Service Activities	0.35%
Construction	0.16%
Transportation and Storage	0.10%
Human Health and Social Work Activities	0.07%
Administrative and Support Service Activities	0.06%
Professional, Scientific and Technical Activities	0.03%
Electricity, Gas, Steam and Air Conditioning Supply	0.03%
Information and Communication	0.02%
Mining and Quarrying	0.02%
Real Estate Activities	0.02%
Public Administration and Defense; Compulsory Social Security	0.01%
Financial and Insurance Activities	0.01%
Water Supply; Sewerage, Waste Management and Remediation Activities	0.00%
Arts, Entertainment and Recreation	0.00%
Activities of Households as Employers; Undifferentiated Goods- and Services-producing Activities of Households for Own Use	0.00%
Total	100.00%

Social, Economic, and Physical Risk Exposure

The Bank assessed potential social, economic, and physical risk exposure of its facilities based on projected provincial risk categorization for 2030 to 2040 under the Shared Socioeconomic Pathway 5–8.5 (SSP5–8.5) scenario of the Philippine National Adaptation Plan. This scenario assumes continued fossil fuel-intensive development and rising greenhouse gas emissions, resulting in more severe projected climate impacts. The assessment approach is commonly used in climate risk analysis to evaluate exposure under high-emissions scenarios and to understand potential operational impacts under intensified climate conditions.

Based on this assessment, more than half of BDO Unibank's facilities are located in provinces projected to have low to medium-low levels of climate-related risk. The remaining facilities are distributed across medium, medium-high, and high risk categories. This distribution reflects the Bank's nationwide footprint and the varying levels of projected social, economic, and physical risk across Philippine provinces.

In comparison, BDO Network Bank facilities show a higher concentration in provinces with medium-high to high projected risk levels.

This reflects the Bank's stronger presence in provincial and rural communities, which may be more exposed to climate-related social, economic, and physical hazards.

In response to the increasing frequency and intensity of typhoons, BDO has identified branches that are highly susceptible to flooding and installed flood-gate barriers to mitigate the risk of water intrusion and protect the Bank's and its clients' assets.

In addition, BDO partners with the Philippine Institute of Volcanology and Seismology (PHIVOLCS) to utilize the HazardHunter application, which enables location-specific assessments of physical hazards and supports the identification of measures to enhance the climate and disaster resilience of its facilities.

Taken together, these findings support the Bank's ongoing efforts to strengthen climate resilience and inform risk management actions led by the Corporate Planning, Facilities, and Business Continuity Planning (BCP) teams, as part of the Bank's broader climate risk management and sustainability strategy.

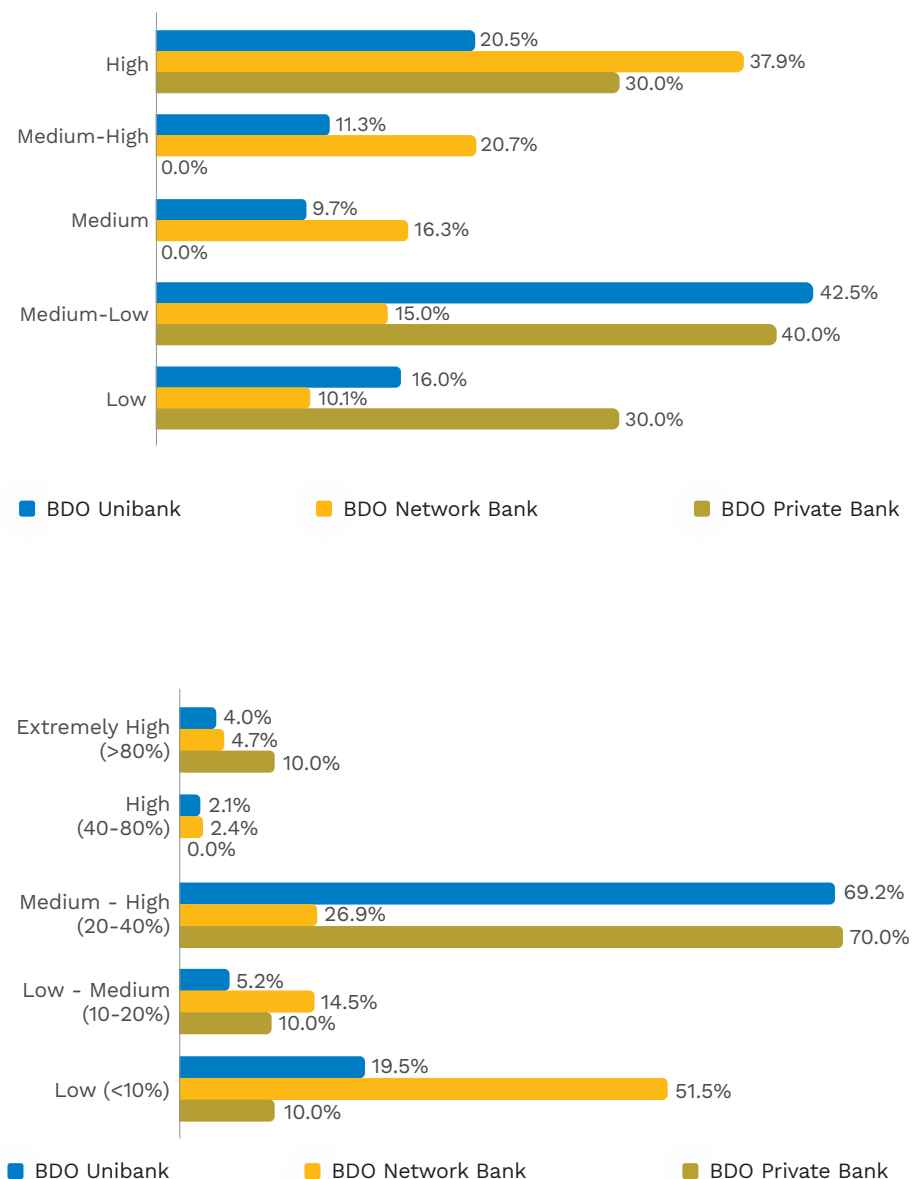
Operations in Water Stressed Areas

The Bank assessed the exposure of its facilities to water stress using the Aqueduct Water Risk Atlas developed by the World Resources Institute. Exposure levels represent the ratio of water demand to available supply in a given area. Lower percentages indicate that water demand is well below available supply, while higher percentages indicate increasing pressure on water resources.

Based on this assessment, a large portion of BDO Unibank's facilities are located in areas classified under medium-high water stress.

This reflects the Bank's presence in cities and urban centers, where higher population density and economic activity contribute to greater demand for water resources.

In contrast, facilities of BDO Network Bank are primarily located in provincial areas where water demand is generally lower and water supply remains relatively sufficient. As a result, a significant portion of its branches and offices fall within areas classified under low water stress, with fewer facilities located in areas experiencing higher levels of water stress.



Biodiversity Risk Exposure 101-4, 101-5, 101-6, 101-8

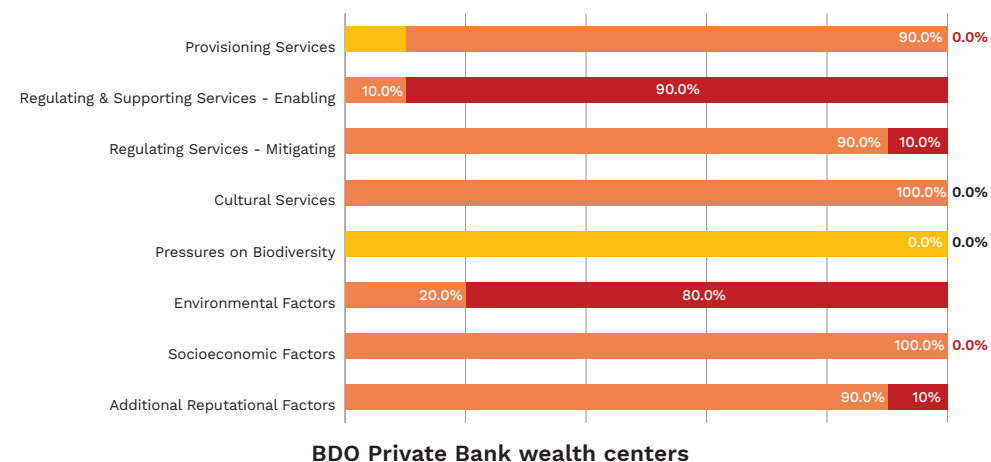
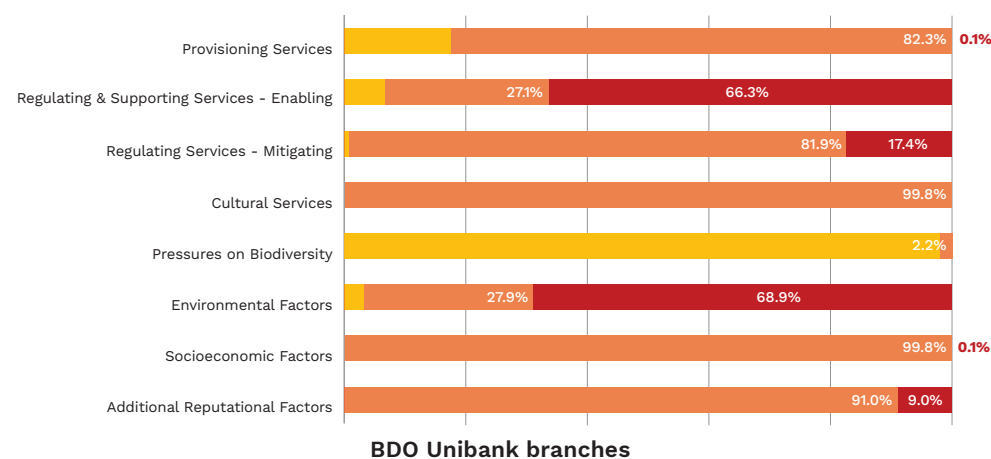
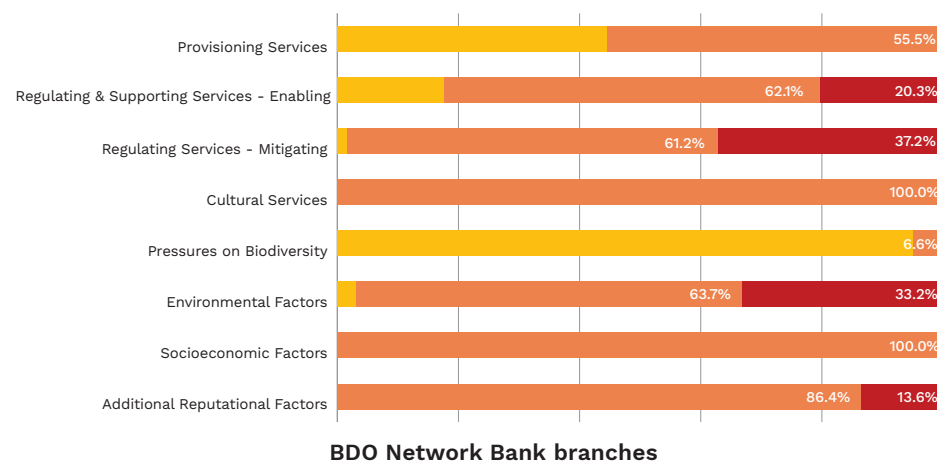
■ Very Low (1 - 1.79)
 ■ Low (1.8 - 2.59)
 ■ Medium (2.6 - 3.39)
 ■ High (3.4 - 4.19)
 ■ Very High (4.2 - 5)

The Bank assessed the biodiversity-related risks associated with its facilities using the Biodiversity Risk Tool developed by the World Wide Fund for Nature. The assessment evaluates potential biodiversity risks linked to the geographic locations of BDO facilities across several ecosystem service and environmental risk categories. Under this assessment, these categories help identify how operational locations may interact with natural ecosystems and environmental conditions.

The Philippines is recognized by Conservation International as one of the 17 megadiverse countries in the world

and is identified as a critical global biodiversity hotspot. This reflects its exceptionally high levels of species diversity and endemism alongside significant ecosystem pressures. As a result, the biodiversity-related risk exposure of BDO facilities shows a heavy concentration in medium to very high risk categories across several dimensions. The table below summarizes the biodiversity risk categories used in the assessment.

The Bank will map the impact of these biodiversity risk exposure to specific project assets in its portfolios and engage key clients for mitigation and adaptation opportunities.





Definition of Terms	
Provisioning Services	refer to ecosystem services that provide tangible natural resources such as food, freshwater, raw materials, and other biological resources
Regulating and supporting services-enabling	refer to ecosystem functions that support and maintain environmental conditions necessary for human activities, such as water regulation, soil formation, nutrient cycling, and habitat provision
Regulating services-mitigating	refer to ecosystem processes that help reduce environmental impacts, including climate regulation, flood control, water purification, and erosion prevention
Cultural Services	relate to the intangible benefits people obtain from the perceived or actual qualities ecosystems, such as recreation, tourism, cultural heritage, and aesthetic values
Pressures on biodiversity	refer to factors that may contribute to ecosystem degradation, such as land-use change, pollution, resource extraction, and habitat fragmentation
Environmental factors	refer to broader ecological conditions that influence biodiversity health, including climate patterns, habitat condition, and ecosystem stability
Socioeconomic factors	relate to human activities and development patterns that may influence biodiversity, such as population density, infrastructure expansion, and economic activities
Additional reputational factors	refer to potential reputational risks associated with biodiversity-sensitive areas, such as proximity to protected areas, key biodiversity areas, or environmentally significant sites

Source: World Wide Fund For Nature (WWF)

Sustainable Finance 2-6, 203-1

Financial Instruments for Sustainability

ASEAN Sustainability Bond IV breaks records

In July 2025, BDO Unibank successfully raised ₱115 billion (USD1.95 billion), the country's largest corporate bond sale to date, for its fourth Peso-denominated ASEAN Sustainability Bond issue, 23 times oversubscribed against the original offer of ₱5 billion. The public offer period was set to run for two weeks, from July 9 to 22, 2025. Strong participation from both retail and institutional investors prompted the early close of the offer period on 14 July 2025, after only four days. The Bank's latest ASEAN Sustainability Bond has a tenor of one-and-a-half (1.5) years and a coupon rate of 5.875% per annum. The issue, settlement, and listing date is on

29 July 2025. The use of proceeds for the issuance are intended to finance and/or refinance eligible assets as defined in the Bank's Sustainable Finance Framework, support the Bank's lending activities, and diversify the Bank's funding sources.

The latest issuance bested all three previous ASEAN Sustainability Bond issuances from the Bank since 2022. The first issuance in January 2022 raised ₱52.7 billion, the second in January 2024 was issued at ₱63.3 billion, while the third raised ₱55.7 billion in July 2024.

₱115 billion

The country's largest corporate bond sale to date

BDO ASEAN SUSTAINABILITY BONDS ISSUANCES

Issuance	Period Offered	Rate (Coupon)	Tenor	Target (Php bn)	Amount raised (Php bn)
ASEAN Sustainability Bond I	January 2022	2.90% p.a.	2 years	5	52.7
ASEAN Sustainability Bond II	January 2024	6.025% p.a.	1.5 years	5	63.3
ASEAN Sustainability Bond III	July 2024	6.325% p.a.	1.5 years	5	55.7
ASEAN Sustainability Bond IV	July 2025	5.875% p.a.	1.5 years	5	115



Sustainable Financing from Pilot to Scale: BDO Institutional Banking Group

BDO has consistently led the commercialization of renewable energy (RE) financing and expanded it through innovative instruments such as green, blue, and sustainability bonds. Proceeds are allocated to landmark transactions, including the ₱150 billion syndicated loan for the MTerra Solar Project of Meralco PowerGen Corporation (MGEN). This is the largest project finance facility in Philippine history and the world's largest integrated solar and battery storage facility, with 3,500 MWp of solar capacity and 4,500 MWh of battery energy storage. The project is expected to deliver clean energy to approximately 2.4 million households and contribute significantly to the country's energy transition targets.

Sustainable financing at BDO also gained traction in acquisition financing and the optimization of sustainable assets, supporting companies transitioning to low-carbon business operations. Another notable transaction in 2025 was the financing of the acquisition of the 796.64 MW Caliraya-Botocan-Kalayaan (CBK) hydroelectric power plant complex by Aboitiz Power through its project company, Cleanergy 9 Power Inc. This acquisition supports the national goal of achieving a 50% RE share in the power mix by 2040 and is integral to the Philippine energy system, as the power plant can reduce peak power prices and support the integration of variable renewable energy sources.

Sustainable Finance Framework

Green Finance

- Renewable Energy
- Green Buildings
- Clean Transportation
- Resource Efficiency and Pollution Prevention and Control
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Sustainable Water and Wastewater Management
- Energy Efficiency
- Climate Change Adaptation

Blue Finance

- Sustainable Water and Wastewater Management
- Offshore Renewable Energy
- Ocean-Friendly and Water-Friendly Products
- Ocean-Friendly Chemicals
- Prevention, Control and Reduction of Waste from Entering the Coastal and Marine Environments
- Sustainable Fisheries, Aquaculture, and Seafood Value Chain
- Ecosystem Management, Protection and Natural Resources Restoration
- Resource Efficiency and Circular Economy
- Sustainable Shipping and Port Logistics Sector Projects
- Sustainable Tourism in the Vicinity of Marine Conservation Areas

Social Finance

- Employment Generation
- Food Security
- Access to Essential Services
- Affordable Basic Infrastructure
- Affordable Housing
- Social and Economic Empowerment

Orange/Gender Finance

- Gender-Responsive Products
- Gender-Diverse and Equitable Workforce
- Women Empowerment
- Gender-Responsive Supply Chain
- Gender-Responsive Services

BDO's first Sustainability-Linked Loan (SLL)

In 2025, BDO granted a ₱1.5 billion sustainability-linked loan facility to real estate developer Arthaland Corporation. The company is committed to being a standard-bearer of green and sustainable real estate solutions in the Philippines and is focused on its long-term goal of creating value for the next generation, while taking into account social, environmental, and economic impacts of its residential and commercial projects. Key Performance Indicators (KPIs) under the SLL include reductions in greenhouse gas (GHG) emissions, an increase in projects powered by renewable energy, and the implementation of professional green building training initiatives. BDO aims to engage more clients by offering targeted financing solutions, advisory support, and capacity-building programs that encourage businesses to adopt sustainable practices. Through these initiatives, the Bank seeks to accelerate and strengthen clients' sustainability journeys.

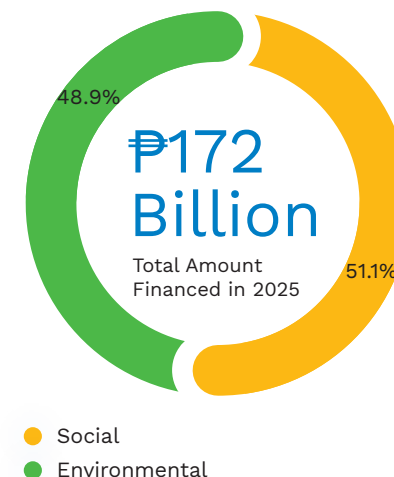
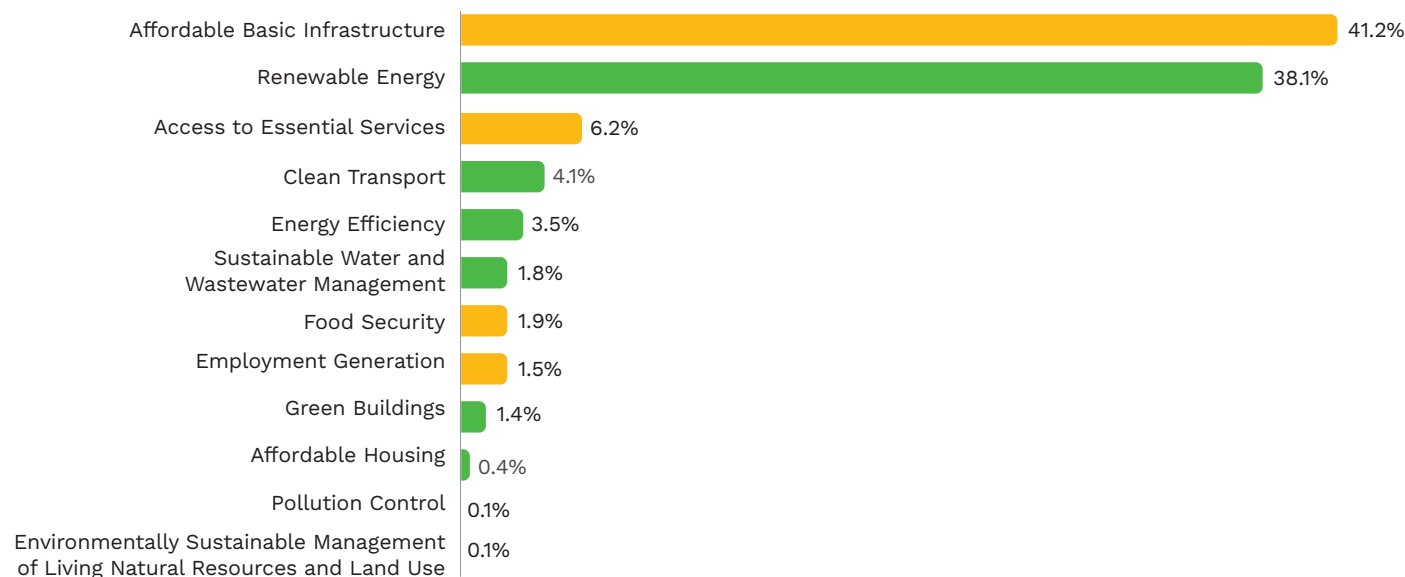
Frameworks and Market Leadership

Beyond lending, BDO has built one of the region's most expansive Sustainable Finance Frameworks (SFF), covering Green, Blue, Social, and Gender Finance. The SFF is supported by a Second Party Opinion (SPO) from Morningstar Sustainalytics, which confirms that the expanded eligible categories are credible and aligned with international and ASEAN standards.

BDO continues to strengthen its commitment to sustainable finance by expanding its in-house expertise and reinforcing its leadership in the field. As of 2025, the Institutional Banking Group (IBG) is supported by five Certified Green Finance Specialists through BDO's partnerships with the International Finance Corporation (IFC) and the Renewables Academy AG based in Germany.

Together with a strong Sustainable Finance Desk, composed of technical experts who not only pioneered sustainable financing but continue to trailblaze in the field, IBG delivers inclusive and meaningful support to clients on their sustainability journeys, while ensuring that sustainable finance principles are embedded across all client engagements and internal processes.

GREEN AND SOCIAL FINANCE IN THE IBG PORTFOLIO



ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACT 2-4, 203-1



Description	as of 2024	as of 2025
Total Sustainable Finance Funded	₱1.0 trillion	₱1.21 trillion
Loans disbursed in the past 5 years	National projects - ₱114.1 billion Airports - ₱46.9 billion Road networks - ₱31.2 billion Railways - ₱15.7 billion	National projects - ₱125.56 billion Airports - ₱46.87 billion Road networks - ₱33.35 billion Railways - ₱22.6 billion
Road Network Development	167.7km	167.7km
Vehicles Served	138.1 million	138.1 million
Carbon emissions annually reduced through efficient roadways	4,260 tonnes	4,260 tonnes
Total Installed Renewable Energy Capacity	2,679 MW	6,165 MW
Renewable energy projects funded	63	71
Carbon dioxide avoided per year by funded renewable energy projects	4,767,745	8,494,943
Equivalent passenger vehicles taken off roads yearly	1,012,270	1,803,608
Equivalent tree seedlings grown over 10 years	78,835,672	140,465,604
Families Served by Renewable Energy Projects	2,232,107	3,678,756
Biomass Capacity	164 MW	164 MW
Geothermal Capacity	1,179 MW	1,475 MW
Hydro Capacity	598 MW	1,694 MW
Solar Capacity	642 MW	2,736 MW
Wind Capacity	96 MW	96 MW
Disbursed Loan Amount per RE Technology Type	Biodiesel: ₱137 million Bioethanol: ₱920.9 million Biomass: ₱25.4 billion Geothermal: ₱17 billion Hydro: ₱38.2 billion Solar: ₱21 billion Wind: ₱4.1 billion	Biodiesel: ₱137 million Bioethanol: ₱920.9 million Biomass: ₱25.7 billion Geothermal: ₱22.1 billion Hydro: ₱60.3 billion Solar: ₱64.1 billion Wind: ₱4.1 billion
Bioethanol Production	44.1 million liters per year	44.1 million liters per year
Biodiesel Production	60 million liters per year	60 million liters per year

Sustainable Energy Finance Projects 203-1



■ Biodiesel

60

Installed capacity (ML/Y)

₱137 million

Disbursed loan amount

12,000

GHG avoidance per
year based in Net
(in tonnes CO₂e)

153,723

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

32,640

Equivalent passenger
vehicle off the road per year

2,541,996

Equivalent tree seedlings
grown for 10 years



■ Bioethanol

44.12

Installed capacity (ML/Y)

₱920.9 million

Disbursed loan amount

35,296

GHG avoidance per
year based in Net
(in tonnes CO₂e)

49,540

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

10,518

Equivalent passenger
vehicle off the road per year

819,153

Equivalent tree seedlings
grown for 10 years



■ Biomass

164

Installed capacity (MW)

₱25.7 million

Disbursed loan amount

1,075,002.32

Net Energy Generation
(MWh/year)

1,194,447.02

Gross Energy Generation
(MWh/year)

₱6.96 billion

Value of energy generation
per year (Billion Php/year)

435,522.09

GHG avoidance per
year based on Net
(in tonnes CO₂e)

483,913.43

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

102,742.59

Equivalent passenger
vehicle off the road per year

8,001,614.08

Equivalent tree seedlings
grown for 10 years

228,555.12

No. of households/families
(average of 6 persons per
family) supplied by RE

1,572,241.44

Amount of agricultural
wastes converted to
feedstock/power T/Yr

169,744.62

No. of farmers supported



■ Geothermal

1,475

Installed capacity (MW)

₱22.1 billion

Disbursed loan amount

6,906,608

Net Energy Generation
(MWh/year)

7,674,009

Gross Energy Generation
(MWh/year)

₱29.56 billion

Value of energy generation
per year (Billion Php/year)

2,798,115

GHG avoidance per
year based on Net
(in tonnes CO₂e)

3,109,017

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

660,092

Equivalent passenger
vehicle off the road per year

51,408,213

Equivalent tree seedlings
grown for 10 years

1,568,258

No. of households/families
(average of 6 persons per
family) supplied by RE



■ Hydro

1,694

Installed capacity (MW)

₱60.3 billion

Disbursed loan amount

6,818,593

Net Energy Generation
(MWh/year)

7,538,042

Gross Energy Generation
(MWh/year)

₱36.55 billion

Value of energy generation
per year (Billion Php/year)

2,909,854

GHG avoidance per
year based on Net
(in tonnes CO₂e)

3,216,881

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

682,993

Equivalent passenger
vehicle off the road per year

53,191,763

Equivalent tree seedlings
grown for 10 years

1,576,201

No. of households/families
(average of 6 persons per
family) supplied by RE



■ Solar

2,736

Installed capacity (MW)

₱64.1 billion

Disbursed loan amount

2,796,352

Net Energy Generation
(MWh/year)

3,107,058

Gross Energy Generation
(MWh/year)

₱22.08 billion

Value of energy generation
per year (Billion Php/year)

1,238,975

GHG avoidance per
year based on Net
(in tonnes CO₂e)

1,376,639

GHG avoidance per
year based in Gross
(in tonnes CO₂e)

292,282

Equivalent passenger
vehicle off the road per year

22,763,003

Equivalent tree seedlings
grown for 10 years

261,356

No. of households/families
(average of 6 persons per
family) supplied by RE



■ Wind

96

Installed capacity (MW)

₱4.1 billion

Disbursed loan amount

224,229

Net Energy Generation
(MWh/year)

237,483

Gross Energy Generation
(MWh/year)

₱1.79 billion

Value of energy generation
per year (Billion Php/year)

99,349

GHG avoidance per
year based on Net (in
tonnes CO₂e)

105,221

GHG avoidance per
year based in Gross (in
tonnes CO₂e)

22,340

Equivalent passenger
vehicle off the road per year

1,739,863

Equivalent tree seedlings
grown for 10 years

44,386

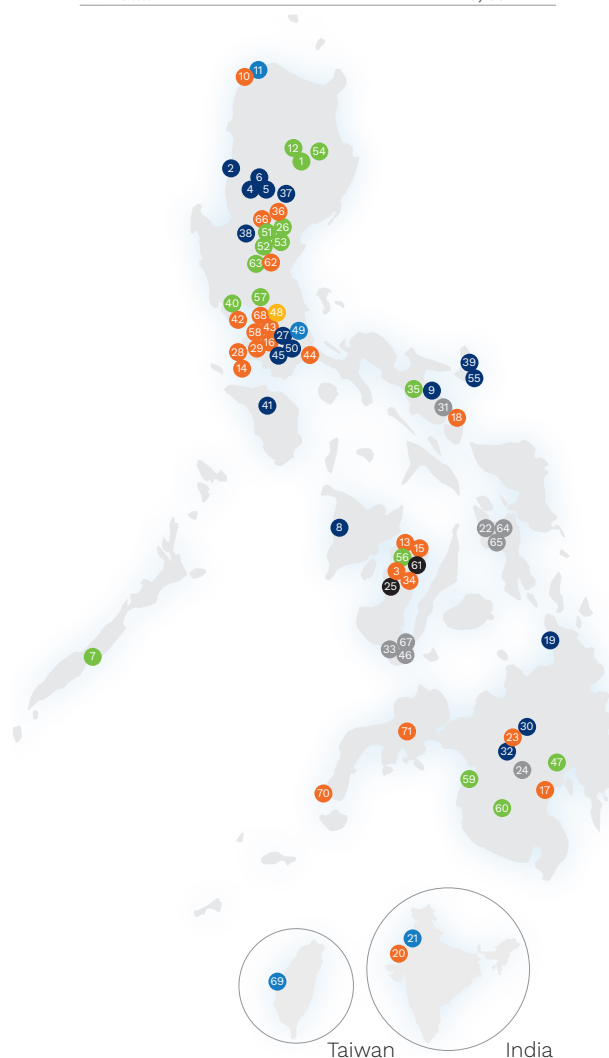
No. of households/families
(average of 6 persons per
family) supplied by RE

BDO Sustainable Energy Finance Project Map

① 20 MW	Alicia, Isabela
② 70 MW	Alilem, Ilocos Sur
③ 0.3 MW	Bacolod
④ 140 MW	
⑤ 31.8 MW	
⑥ 19 MW	Benguet
⑦ 7 ML/Y	Brooke's Point, Palawan
⑧ 8 MW	Bugasong, Antique
⑨ 1.8 MW	Buhi, Camarines Sur
⑩ 6.8 MW	
⑪ 37.5 MW	Burgos, Ilocos Norte
⑫ 15 MW	Burgos, Isabela
⑬ 132.5 MW	Cadiz City, Negros Occidental
⑭ 63.3 MW	Calatagan, Batangas
⑮ 172.7 MW	Calatrava, Negros Occidental
⑯ 1.1 MW	Carmona, Cavite
⑰ 28.6 MW	Davao Del Sur
⑱ 5.2 MW	Iloilo, Leyte, Cebu and Sorsogon
⑲ 12.9 MW	Jabonga, Agusan del Norte

⑳ 28.8 MW	
㉑ 14.1 MW	Jaisalmer district of Rajasthan, India
㉒ 125 MW	Kananga, Leyte
㉓ 10.5 MW	Kibawe, Bukidnon
㉔ 106 MW	Kidapawan, North Cotabato
㉕ 30 ML/Y	La Carlota City, Negros Occidental
㉖ 12 MW	Llanera, Nueva Ecija
㉗ 398.3 MW	Lumban, Majayjay, and Kalalayaan, Laguna
㉘ 125 MW	Lumbangan Plant, Tuy, Batangas
㉙ 72 MW	Luntal Plant and Lumbangan Plant, Tuy, Batangas
㉚ 1.6 MW	M. Fortich, Bukidnon
㉛ 140 MW	Manito, Albay
㉜ 2.4 MW	Maramag, Bukidnon
㉝ 49.4 MW	Nasulo, Negros Oriental
㉞ 45 MW	Negros Occidental
㉟ 5 MW	New San Roque, Pili, Camarines Sur

RE Project	No. of Projects	Capacity
Biodiesel	1	60ML/Y*
Bioethanol	2	44.12ML/Y*
Biomass/Biogas	16	164
Geothermal	8	1,475
Hydro	17	1,694
Solar	23	2,736
Wind	4	96
Total	71	6,165 MW



⑳ 1.8 MW	NEW	Nueva Ecija - Bulacan
㉑ 132 MW		Nueva Ecija - Pangasinan
㉒ 165 MW		Nueva Vizcaya, Aurora
㉓ 1.5 MW		Obi, Catanduanes
㉔ 12 MW		Orani, Bataan
㉕ 10 MW		Oriental Mindoro
㉖ 20 MW		Orion, Bataan
㉗ 0.3 MW		Ortigas Center, Pasig City
㉘ 136.5 MW	NEW	Pagbilao, Quezon
㉙ 509.6 MW	NEW	Pakil, Laguna
㉚ 172.5 MW	NEW	Palinpinon, Negros Oriental
㉛ 0.4 MW		Panacan, Davao City
㉜ 60 ML/Y		Pasig City
㉝ 24 MW		Pililia, Rizal
㉞ 188.2 MW	NEW	Rodriguez, Rizal
㉟ 12 MW		
㊱ 12 MW		
㊲ 6 MW		San Jose City, Nueva Ecija

㊳ 19 MW		San Mariano, Isabela
㊴ 2.1 MW		San Miguel, Catanduanes
㊵ 20.6 MW		Silay City, Negros Occidental
㊶ 0.3 MW		Sta. Maria, Bulacan
㊷ 0.5 MW		Sta. Rosa, Laguna
㊸ 15 MW		Sultan Kudarat, Maguindanao
㊹ 6 MW		Surallah, South Cotabato
㊺ 14.1 ML/Y		Talisay City, Negros Occidental
㊻ 100 MW		
㊼ 2 MW		Tarlac City, Tarlac
㊽ 123 MW	NEW	
㊾ 586.4 MW		Tongonan, Leyte
㊿ 0.02 MW		Umingan, Pangasinan
㋀ 172.5 MW		Valencia, Negros Oriental
㋁ 1.2 MW		Western Bicutan, Taguig City
㋂ 20 MW		Yunlin, Taiwan
㋃ 0.5 MW		Zamboanga City
㋄ 0.3 MW		Zamboanga del Sur

Energy Transition Finance Commitment

2-23, 2-24, 102-1, 102-2, 102-4

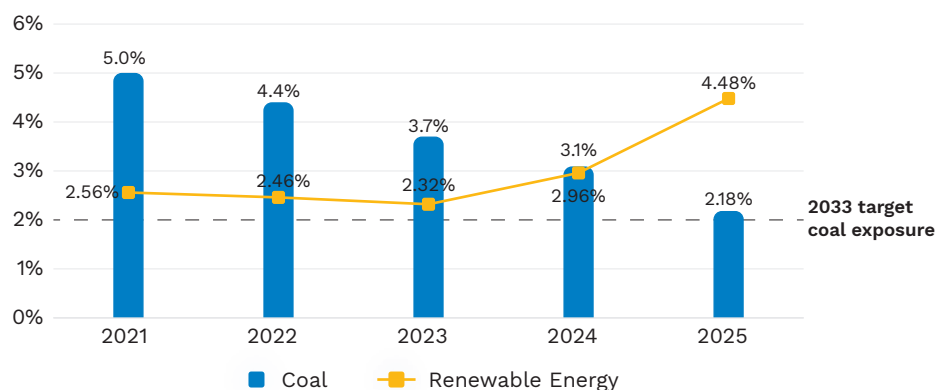
BDO will continue its current practice of not lending to new coal-fired power plant capacity, a practice in place since 2019. In its Energy Transition Finance Statement of 2022, BDO committed to cease lending to new coal-fired power plant capacity and reduce its coal exposure by 50% by 2033, while ensuring that its coal exposure does not exceed 2% of its total loan portfolio by 2033. New coal exposure refers to exposure to new capacity, while coal exposure refers to the term loans and does not include short-term working capital. Ultimately, BDO does not intend to finance any new capacity that will increase harmful greenhouse gas (GHG) emissions in the environment.

However, in a situation where the Philippine government implements provisional emergency measures to address an energy crisis, or to the extent that the country's energy resources can no longer meet its energy demand, BDO may reconsider

extending capital for coal projects, in the interest of advancing the country's social goals. The Bank anticipates that its position on energy security in general, and on coal-related financing in particular, will evolve along the way in response to the country's economic realities, taking into consideration government's energy-related priorities and programs.

BDO will continue to apply enhanced Environmental and Social risk assessment and due diligence of customers with coal and fossil fuel investments among their businesses. In addition, the Bank will continue to engage with its clients to determine how best it can support them in their low carbon transition journey. The Bank will likewise continue to fund more renewable energy projects under its Sustainable Finance program. As part of its whole of ecosystem approach, the Bank also commits to provide access to finance to individuals and communities that will be impacted by the energy transition. For the full Energy Transition Finance Statement, see <http://www.bdo.com.ph/bdo-energy-transition-finance-statement>.

RENEWABLE ENERGY AND COAL EXPOSURE IN LENDING PORTFOLIO (BANK-WIDE)



Supporting Evolving Consumer Preferences: Consumer Banking Group



Auto Loan

In 2025, BDO Auto Loans advanced its commitment to sustainability with bold strides in green mobility and inclusive access. Auto Loans is no longer just financing vehicles; it is fueling a movement toward cleaner transportation and broader financial inclusion.

Accelerating Green Mobility

The Green Mobility Program remained at the heart of this progress. By offering preferential loan rates for new energy vehicles (NEVs), the program encourages eco-conscious ownership and accelerates the shift to low-emission transport. This initiative not only reduces carbon footprints but also makes sustainable choices more affordable.

In 2025, BDO financed 5,545 NEV units—a 128% increase from the previous year—and booked ₱7.5 billion (\$128M) in NEV loans, doubling last year's auto financing volume. This growth translates to thousands of



vehicles emitting fewer greenhouse gases, helping communities breathe cleaner air and support the country's climate goals.

BDO expanded its reach through the Community Marketing Program, targeting underserved regions such as Davao in Mindanao, Bicol in southern Luzon, and Bulacan north of Metro Manila. Through localized campaigns, on-ground engagement, and tailored loan packages, the program equips communities with financial tools that enable sustainable mobility and economic participation.

Digital-First Auto Financing

Financial inclusion through digital access also gained momentum in auto financing. To reduce barriers for remote applicants, BDO introduced lower-rate incentives for online auto loan applications. This digital-first approach not only improves access but also supports sustainability goals by minimizing paper use and travel-related emissions. Every online transaction means fewer trips, less fuel consumed, and a smaller environmental footprint—proof that convenience and sustainability can go hand in hand.

In 2025, 1.7% of auto loan applications (835 of 49,233) were submitted online, up from 1.23% in 2024 (462 of 37,665), demonstrating strong adoption of digital channels and reinforcing BDO's commitment to inclusive, sustainable banking.

Together, these initiatives reflect BDO's vision of driving change, where every auto loan contributes to a cleaner environment, stronger communities, and a more inclusive future.

5,545

Financed NEV units

₱7.5 billion

2025 NEV loans

Personal Loans

BDO's Personal Loan provides flexible financing solutions for a variety of needs, including home improvement, education, travel expenses, and debt payment. With competitive interest rates and fixed monthly installments of up to 36 months, customers can manage their budgets more effectively by spreading expenses over time. This hassle-free and affordable loan option helps make financial planning simpler and more convenient for the borrower.

With BDO's extensive nationwide branch network, the Bank is able to cater to a broad and diverse range of customers. Loan amounts range from ₱10,000 to ₱2,000,000, offering suitable options for young professionals, entrepreneurs, and individuals at different life stages. By providing accessible credit and manageable repayment terms, BDO empowers customers to achieve their personal goals.

Solar Panel Financing via Credit Card

BDO Credit Cards likewise promotes access and affordability of clean, renewable energy to households through partnerships with full-service solar providers Solviva Energy and Rectify Solar Energy. Filipino families can shift to renewable power through 0% interest installment plans for up to 12 months.

This initiative supports the country's transition to cleaner energy while making solar adoption more affordable. It reflects social and environmental responsibility by empowering Filipinos to choose smarter, sustainable solutions for their homes and communities.

Home Loan

Building Responsible Homeownership

In 2025, BDO Home Loan advanced BDO's sustainability agenda through responsible lending, digital transformation, and eco-conscious housing solutions.

The program continued to include solar panel acquisition and installation as an eligible loan purpose, offered either as a standalone housing loan or as a top-up to an existing BDO housing loan. This encourages households to invest in renewable energy.

Partnerships with accredited solar suppliers are underway to make solar financing more accessible, reinforcing BDO's advocacy for clean energy and resource-efficient living. In its early rollout, the initiative has already generated ₱2.2M in bookings, marking a promising start in helping households lower energy costs and reduce carbon emissions.

Home Loan also promoted its Virtual Assist platform and institutionalized regular digital webinars, enabling clients to consult Account Officers online while reducing paper use and travel. Together, about 40% of the approved pipeline went through these digital initiatives, highlighting their growing role as core and sustainable engagement channels.

Internally, the Sustainability Challenge: Paper Bag Collection Drive gathered 660 reusable bags, which were recycled and repurposed for operational use, including the distribution of BDO merchandise to loan centers across Luzon, Visayas, and Mindanao.

Through these initiatives, BDO Home Loan advances sustainable lifestyles and responsible homeownership, while also contributing to long-term housing stability and community well-being.

₱2.2 million

Generated in bookings

Solar Panels Acquisition and Installation added as Eligible Purpose for Home Loans

Multipurpose Loan

The Multipurpose Loan (MPL) program provides entrepreneurs and established businesses with flexible financing solutions to support growth and investment opportunities. Designed to broaden access to credit, MPL offers two key facilities: Term Loan and Ready Check, each tailored to meet different business needs.

Funding Options for Every Business Need

Term Loan gives businesses the capital required for long-term investments, such as acquiring real estate, purchasing new equipment, or financing construction and renovation projects. Funds are disbursed as a lump sum, either in full or in tranches for construction requirements. Repayment is predictable through fixed monthly amortization, and with a tenor of up to 10 years, companies can plan for sustained growth with confidence.

Ready Check ensures immediate access to funds for short-term requirements. This revolving credit facility is best suited for managing seasonal inventory, covering operational expenses, and paying suppliers while awaiting customer collections.

Businesses can draw against an approved credit line via check issuance, using part or all of the amount as needed. Repayment is convenient—clients pay only on the amount used, with an option to settle the minimum due. Principal payments restore the available credit line, ensuring continuous access to funds.

The program serves a wide range of businesses, from owners planning to expand operations to companies acquiring assets or machinery and enterprises investing in new projects or ventures. By offering both long-term and short-term financing options, MPL empowers businesses to respond to opportunities and challenges with agility.

Embedding Responsible Lending

In November 2025, MPL started to implement the Bank's Environmental and Social Risk Management System (ESRMS), a milestone in embedding responsible practices into the Bank's lending operations. This system enables the team to evaluate credit proposals not only on financial merit but also on environmental and social impact.

By integrating E&S risk assessments into credit decisions, MPL reinforces its dedication to responsible banking, regulatory compliance, and long-term risk resilience. This move aligns with national sustainability goals and BDO's

commitment to integrate sustainability principles in everything we do. It also strengthens the Bank's position as a proactive, values-driven lender that supports growth while significantly contributing to positive impact to communities and the environment.

Cards Issuing

BDO remains the Philippines' top credit card issuer, with 3.9 million cards in force, reflecting sustained growth in consumer adoption. This expansion is anchored on the Bank's commitment to offer unsecured loan products that provide customers with financial flexibility anytime, anywhere. A notable portion of new cards went to first-time credit cardholders, reinforcing BDO's thrust toward financial inclusion.

In 2025, we introduced the BDO HOPE Mastercard, a co-branded card with HOPE, the social enterprise behind 'HOPE in a Bottle,' which sells packaged water to raise funds for public school infrastructure in last-mile schools in remote and underserved areas. For every ₱1,000 qualified spend, BDO donates ₱5 to fund classroom construction in public schools, supporting education infrastructure nationwide. In line with our sustainability goals, this card is made from 100% recycled material, reducing plastic waste and promoting circularity. Through this partnership, BDO and HOPE aim to build classrooms that create lasting impact for Filipino learners.

Digitization and Customer Experience

Alongside purpose-driven initiatives, we are advancing solutions in line with BDO's digitization efforts. Our Customer Relationship Management (CRM)-powered online application platform, launched in 2023, continues to deliver a fast, seamless, and paperless onboarding experience. Customers can apply by clicking "Apply Now" on the BDO website or scanning QR codes at branches, partner merchants, and pop-up booths nationwide. Through this platform, we process approximately 43,000 credit card applications monthly, ensuring both a better onboarding journey and operational efficiency through secure digital storage of records.

The shift to digital consent and paperless processing eliminates manual handling and physical storage of printed copies, reducing paper consumption and accelerating turnaround time for card application processing—significantly enhancing the overall customer experience.

BDO actively encourages clients to enroll in electronic statements of account (eSOA) for enhanced security, convenience, and sustainability. As of year-end, 96% of active cardholders are enrolled in eSOA, reducing paper use and providing faster access to monthly transactions.

To improve accessibility, customers may opt to pick up their cards at BDO branches or designated courier hubs, particularly in areas with limited delivery reach or those affected by calamities, ensuring continuity of service even in challenging circumstances.



Operational Sustainability

Beyond issuance, we proactively offer lifestyle-enhancing benefits to qualified customers, including credit limit increases for greater spending power, card upgrades for enhanced rewards and privileges, and supplementary cards to share financial access with loved ones.

The Cards Acceptance Unit has transitioned to digital workflows, eliminating printed forms for requests such as additional cards, annual enhanced due diligence reviews, and employee and secured card processing.

To further reduce carbon footprint, team members are allowed to work from alternate sites closer to home, minimizing travel emissions. Additionally, as part of corporate social responsibility and sustainability programs, our teams actively participate in initiatives like the X-trash Challenge recycling program, bringing in recyclable materials from home to support waste reduction efforts.

Merchant Partnerships

Tech-Driven Green Gains

Merchant Partnerships (MP) actively advances sustainability goals by implementing innovative features in its products and services to enhance customer convenience, reduce operational costs, and align with global sustainability objectives.

Through the BDO Merchant Online Reporting System (MORS), an online portal that allows merchants to view and download daily payment transaction details for reconciliation, MP has eliminated the need for physical copies. This transition improves convenience while delivering measurable environmental and financial benefits. By removing credit notice printing, BDO significantly reduces paper usage, cutting costs and minimizing waste.

In 2025, this initiative generated estimated cost savings of ₱18 million (US\$ 306.2K), calculated at an average cost of ₱0.60 per page. Beyond financial efficiency, the shift to digital reporting reduces paper waste and carbon footprint, reinforcing eco-friendly practices across merchant operations. At the same time, it enhances data security by requiring a username and password for access and by masking sensitive information such as credit card numbers. MORS also empowers merchants with secure, up-to-date access to transaction data, reducing reliance on physical documentation, and supporting BDO's broader digital transformation agenda.

This achievement reflects BDO's proactive approach to driving sustainability in 2025 - leveraging technology to minimize environmental impact while optimizing operational efficiency.

Digital Marketing to Reduce Plastic Waste

CBG Marketing strategically reallocated its budget to prioritize digital advertising, allocating 91% of ad spend for digital channels and limiting printed billboard placements to 9%, compared to 80% digital channels and 20% billboards in 2024. This shift significantly reduced reliance on single-use printed materials, such as polyethylene tarpaulins, thereby minimizing plastic use and environmental impact.

The initiative underscores the group's commitment to transitioning marketing efforts from print to digital formats. By adopting this approach, the team achieves greater flexibility, broader audience reach, and a measurable reduction in plastic waste and the Bank's carbon footprint associated with traditional printed materials.

₱18 million

Generated estimated cost savings from shift to digital reporting

₱0.60

Calculated average cost per paper



Executing Strategies for Financial Wellness: BDO Trust and Investments Group

BDO Trust and Investments Group (TIG) sustained its commitment to financial literacy in 2025, advancing efforts to promote inclusive financial growth and wellness among Filipinos. Through its dedicated wealth learning and development team, BDO TIG facilitated 31 free financial education sessions, reaching 1,995 participants from diverse sectors during the year. These seminars covered key topics such as budgeting, investing, and retirement planning.

BDO TIG recognizes that financial literacy empowers individuals to make informed decisions and achieve financial independence at every life stage. Its education initiative encourages Filipinos to build a habit of saving and eventually

transition into confident investors equipped with the knowledge to secure their financial future. By leveraging both digital platforms and in-person sessions, BDO TIG delivered training nationwide, ensuring broader and more seamless access to its programs.

Start Small, Grow Big with Easy Investment Plan

The BDO Easy Investment Plan (EIP) allows individuals to regularly and automatically invest a portion of their savings in Unit Investment Trust Funds (UITFs), fostering the discipline of consistent investing to build wealth and achieve long-term financial goals. With EIP, clients can start investing for as little as ₱1,000 per month

(or US\$200 for dollar-denominated UITFs), gaining access to diversified portfolios of securities such as bonds and equities that typically require higher minimum investments. By offering a simple and flexible way to invest, EIP empowers Filipinos to begin their investment journey and participate in long-term financial growth through their chosen UITF.

Personal Equity and Retirement Account for Building Long-Term Security

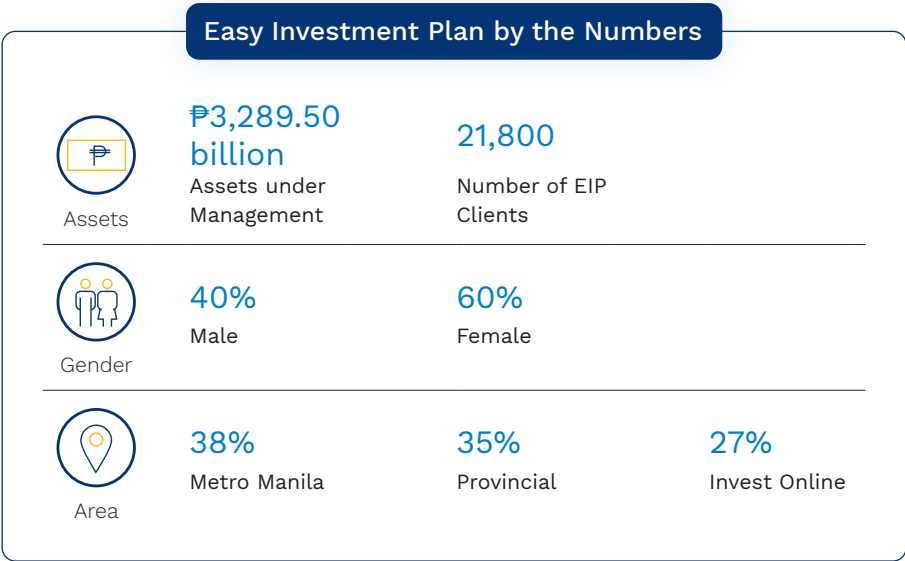
BDO TIG emphasizes the importance of long-term financial planning to ensure retirement stability, especially in the Philippines where government pension benefits often fall short of covering living

and healthcare expenses later in life. To help address this gap, Retirement Planning is a core module in BDO TIG's Financial Literacy Program, equipping Filipinos with the knowledge to prepare for life beyond employment.

BDO TIG is the first trust entity accredited by both the Bangko Sentral ng Pilipinas (BSP) and the Bureau of Internal Revenue (BIR) as an administrator of the Personal Equity and Retirement Account (PERA)—a voluntary, long-term retirement savings account designed to supplement benefits from the Social Security System, Government Service Insurance System, and employer-sponsored retirement plans.

PERA offers exclusive tax advantages, including a 5% annual tax credit on contributions, tax-exempt investment earnings, and exemption from estate tax. Through PERA, BDO TIG promotes a proactive approach to retirement planning among Filipinos.

Since its launch in 2016, BDO TIG has led efforts to make PERA more accessible. In 2017, it introduced the country's first PERA Online facility, simplifying account opening for contributors. Today, BDO TIG continues to expand market reach by partnering with employers to adopt PERA as part of their employee benefit programs. Through roadshows and consultations, BDO TIG helps organizations implement retirement solutions that are cost-efficient and tax-advantaged, while supporting employee retention and financial well-being. This reflects BDO's broader advocacy for financial wellness and inclusion.

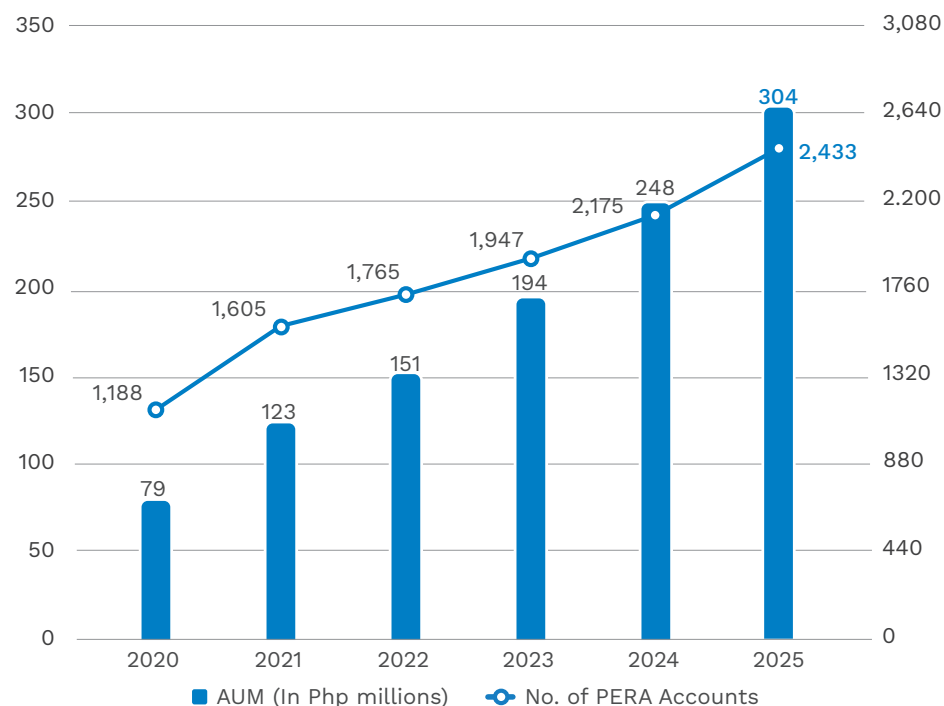


In 2025, the Capital Markets Efficiency Promotion Act (CMEPA) provided additional incentives for private employers to help employees build retirement savings through PERA. Employers who contribute an amount equal to or greater than their employee's contributions, subject to annual PERA limits, may claim an additional 50% deduction from gross income. BDO TIG leverages this development to drive greater

PERA adoption and encourage stronger participation from private companies.

As of end-2025, PERA Assets Under Management (AUM) reached ₱304.36 million, growing by 22.81% or ₱56.52 million. The number of PERA contributors also rose by 11.86%, bringing the total to 2,433. BDO TIG continues to see strong growth as more Filipinos recognize PERA's value in securing their financial future.

PERSONAL EQUITY AND RETIREMENT ACCOUNT



ESG Equity Fund for Investing with Impact

BDO TIG is among the earliest adopters of Environmental, Social, and Governance (ESG) in the Philippine fund management industry, becoming the first entity to formally integrate ESG considerations into its investment products through the BDO ESG Equity Fund—the country's first ESG-themed UITF. The Fund supports companies that demonstrate strong sustainability practices and responsible corporate behavior. It follows ESG investment guidelines set by the International Finance Corporation (IFC) and excludes companies engaged in alcohol or tobacco, gaming, mining and oil exploration, coal-dependent power generation, and those with unethical business conduct. The Fund's holdings are reviewed monthly to ensure continued alignment with ESG criteria.

BDO TIG actively promotes the Fund to clients, including schools, foundations, religious organizations, associations, and other non-profit groups seeking investment portfolios aligned with their mission and values. The Fund aims to deliver long-term capital growth by investing in companies that exemplify ESG principles while supporting broader sustainability objectives. Through the BDO ESG Equity Fund, BDO TIG reinforces its commitment to offering value-driven investment solutions that align financial growth with positive societal impact.

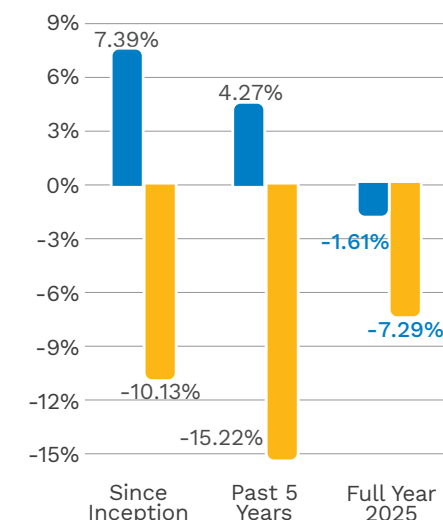
As of end-2025, the Fund's net asset value stood at ₱167.01 million, reflecting a decline mainly due to broader equity market sentiment amid investor concerns

over macroeconomic and political factors. Despite this environment, the BDO ESG Equity Fund outperformed the Philippine Stock Exchange Index (PSEi) by 5.68% in 2025. Over the long term, the Fund has delivered positive returns of 4.27% over the past five years and 7.39% since inception, compared to the PSEi's returns of -15.22% and -10.13%, respectively.

₱167 million

Fund's net asset value

BDO ESG EQUITY FUND PERFORMANCE RETURN



■ BDO ESG Equity Fund
■ Philippine Stock Exchange Index (Benchmark)

Advancing Sustainable Investments for Impact: BDO Treasury Group

The BDO Treasury Group reinforced its commitment to the Bank's Sustainable Finance Framework by expanding investments in green, social, and sustainability-linked bonds from local and international issuers. In 2025, despite bond maturities in the prior year, the Group increased its holdings to 17 labeled issues, up from 14 in 2024. Investment size grew by 30% year over year.

Where eligible bonds exist, the Group prioritizes issuers that align with the United Nations Sustainable Development Goals (SDGs) and uphold strong Environmental, Social, and Governance (ESG) standards.

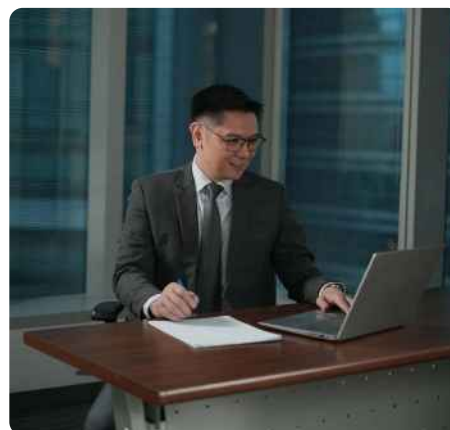
Preference is given to investments and issuers that demonstrate transparency in their sustainability frameworks and disclose the use of proceeds, project evaluation and selection processes, fund management, and impact reporting. These bonds finance a range of eligible blue, green, and social projects and initiatives.

To strengthen portfolio resilience, the Group requires sustainability risk assessments of its bond holdings. In line with the Bank's commitment to rigorous ESG evaluation, issuers undergo an in-depth environmental and social risk review using an internally developed rating tool. This framework supports ongoing monitoring of issuer controversies, ESG performance, and progress toward stated sustainability objectives. The assessment ensures all investments remain within the Bank's defined Environmental and

Social Risk Management System (ESRMS) framework and tolerance thresholds across industries and regions.

The Group is collaborating with other departments to build a more dynamic and accountable system for monitoring and evaluating new and existing investments against ESG performance.

Moving forward, the Treasury Group will continue to pursue sustainability-linked bonds that comply with the Bank's investment guidelines and exclusion list. It aims to broaden its universe of ESG-compliant issuers to diversify exposure across sectors and geographies. With renewed confidence in the Bank's sustainability framework and the portfolio's resilience to sustainability risks, the Group is committed to further increasing its exposure to ESG-labeled investments.



Wealth Stewardship for Tomorrow: BDO Private Bank

BDO Private Bank (BDOPB) actively leverages sustainability initiatives suited to its products, services, and client profile. In pursuing its sustainability goals, the Bank aligns fully with its parent, BDO Unibank, by adopting a structured approach to managing environmental and social (E&S) risks. To this end, BDOPB implements the BDO Unibank Environmental and Social Risk Management System (ESRMS), which enables the identification, assessment, and management of E&S risks across its lending and investment activities, as well as its day-to-day operations.

Integrating Sustainability Principles

To better integrate sustainability principles and achieve its environmental and social goals, BDOPB adopts a three-pronged approach: through products and services, through client engagement, and through internal policies and processes.

Investments in Sustainable Development and Responsible Banking

Through its open-architecture platform, BDOPB provides access to green, social, and sustainability-linked financial instruments. In 2025, clients' investments in green and sustainability bonds reached ₱21 billion, compared to ₱20 billion in 2024. BDOPB clients also participated in BDO's oversubscribed ASEAN Sustainability Bond issuances, with proceeds earmarked for renewable energy, green buildings, energy distribution infrastructure, water management, employment generation, and food security projects.

BDO Private Bank was honored as the Philippines' Best for Sustainability at the Euromoney Private Banking Awards 2025, underscoring its strong commitment to responsible banking and the integration of sustainability, human rights, and governance principles into its operations. The Bank affirms its commitment to national sustainability standards by allocating ₱357 million of its lending portfolio in 2025 to agriculture, fisheries, and rural development (AFRD)-qualified projects that promote inclusive economic growth in rural communities.

The LEAD program—which stands for Lead. Excel. Accelerate. Defy Gravity.—has successfully trained a new generation of wealth managers in ethical and responsible wealth management, reinforcing the Bank's commitment to embedding sustainability into its corporate ethos and leading the way in responsible banking with a lasting positive impact on the environment and society.

Reducing Operational Impact

BDOPB has embedded processes to manage and reduce its carbon footprint, lower energy, water, and fuel consumption, minimize waste—especially paper—and promote reuse and recycling of non-hazardous materials, alongside the safe disposal of hazardous waste in all offices. In 2025, BDOPB marked a 12% reduction in energy and water consumption compared to the previous year, while continuing to track and report these metrics to its parent, BDO Unibank. Employees are also encouraged to support these efforts through volunteer programs, in-house recycling, waste segregation, and energy-saving initiatives.

With this strategy, BDOPB is well-positioned to promote sustainable growth and build strategic resilience—anchored on good governance and guided by accountability, transparency, integrity, and fairness.

Employee Volunteerism

In 2025, BDOPB employees participated in the BDO Employee Volunteer Program through the Rescue Kitchen Volunteer Activity where they prepared, cooked, and distributed good quality surplus food to underprivileged communities. Rescue Kitchen is part of BDO's ongoing partnership with Schools of Sustenance (SOS), a non-government organization dedicated to tackling food waste and food security in Southeast Asia.

Philippines' Best for Sustainability at the Euromoney Private Banking Awards 2025

₱21 billion

Clients' investments in green and sustainability bonds

₱367 million

2025 allocated lending portfolio to agriculture, fisheries, and rural development (AFRD)



Innovating the Capital Markets with Sustainable Financing: BDO Capital

The issuance of sustainability-related financial instruments has been gaining traction in the ASEAN market, growing fifty-fold over the last decade. As of 13 May 2025, a total of US\$60.81 billion in ASEAN-labelled Green, Social, Sustainability, and Sustainability-linked Bonds (“GSS+ Bonds”), excluding non-labelled, specifically aligned issuances, had been successfully launched in the region. Sustainability bonds accounted for 66%, or US\$40.33 billion, of the total, while green bonds contributed 22%, or US\$13.09 billion. Thailand was the top issuer with US\$25.67 billion, followed by Malaysia with US\$15.57 billion. The Philippines came in third with US\$14.25 billion, based on May 2025 data compiled by Sustainable Finance Institute Asia from AsianBondsOnline and ASEAN Capital Markets Forum sources.

In the Philippines, a total of 46 sustainable finance bonds were issued from 2017 to 2024, amounting to US\$15.30 billion, with sustainability bonds accounting for 60%, or US\$9.19 billion, of the total, based on the Philippine Sustainable Finance Market Update 2024 issued by the Congressional Policy and Budget Research Department (April 2025). Proceeds from the issuances were used to fund affordable basic infrastructure, access to essential services, employment generation, and socio-economic advancement and empowerment. Green bonds followed, accounting for 30%, or US\$4.55 billion, of the total, and were geared toward financing renewable energy projects, water and wastewater management, pollution prevention, and green buildings.

The increasing trend in GSS+ bond issuances in the country reflects the strong support and continuing tripartite efforts of issuers, investment banks, and lender-banks working together to provide clients with sustainable financing solutions while maintaining target returns. Deals are structured to integrate ESG principles, reduce carbon footprint, and support a cleaner, greener, and more sustainable environment.

Following BDO’s lead in promoting sustainable financing in line with the Bank’s Sustainable Finance Framework, BDO Capital & Investment Corporation (BDO Capital) applies ESG factors, as necessary, to its underwriting, arrangement, and advisory services, with particular focus on the environmental, social, and governance impacts of the transactions it brings to the market.

BDO Capital promotes green and sustainable finance initiatives through its underwriting of green, blue, and social bonds, as well as the arrangement of term loans and acquisition and project financing and advisory for projects that support investments in renewable energy, green buildings, and other infrastructure aligned with the country’s transition to a more sustainable mode of economic development.

Among BDO Capital’s most significant sustainability-themed transactions in 2025 are the following:

Renewable Energy (Solar and Wind)

- MTerra Solar Philippines, Inc. (owned by the Meralco Group) secured a ₱150 billion project financing loan facility to partially finance the construction and development of a 3,500-MW solar power plant with a 4,500-MWh battery energy storage system component located in Nueva Ecija and Bulacan. The project is the world’s largest integrated solar and battery storage facility and represents the largest project financing loan facility in the Philippines to date. BDO Capital acted as sole mandated lead arranger and bookrunner. The MTerra Solar transaction was recognized by Project Finance International as Asia Pacific Solar Deal of the Year and by Finance Asia as Best Project Finance Deal in the Philippines for 2025, with a high commendation as Best Syndicated Loan Deal.
- Citicore Solar Quezon Inc. secured up to ₱11.08 billion in project loan facilities to partially finance the development, construction, and operation of a 292.5-MW ground-mounted solar power generation plant and related transmission facilities located in the Municipality of Pagbilao, Quezon. Project offtake will be supported by a 20-year power purchase agreement under the second Green Energy Auction Program, with commercial operations expected to commence in 2026. BDO Capital acted as mandated lead arranger.

- Wayu Energy Philippines, Inc. secured a ₱425 million term loan facility to refinance the acquisition of various solar rooftop projects and fund other fees and costs relating to the facility. BDO Capital acted as mandated lead arranger.

Energy Transition and Grid Reliability

- Cascade Power Inc. (“Cascade”) secured a ₱47.07 billion acquisition financing facility for the purchase of a 60% ownership in First Gen Corporation’s gas assets, including the 1,000-MW Santa Rita Gas Plant, the 500-MW San Lorenzo Gas Plant, the 450-MW San Gabriel Gas Plant, the 97-MW Avion Gas Plant, the proposed 1,200-MW Santa Maria Gas Plant, and an offshore LNG terminal. Cascade is a subsidiary of Prime Infrastructure Capital, Inc., the infrastructure arm of tycoon Enrique K. Razon. The transaction supports the country’s energy transition by enabling investment in flexible, lower-carbon gas assets that enhance grid reliability and facilitate renewable energy integration. BDO Capital acted as mandated lead arranger and bookrunner.
- Olympia Violago Water & Power Inc. secured a ₱63.74 billion project finance facility to construct and operate a 600-MW pumped storage hydroelectric power plant in Rodriguez, Rizal, adjacent to the Upper Wawa Dam. The plant is designed to operate 23.5 hours per day—with 10 hours of power generation and 13.5 hours of pumping. It has been

awarded a 20-year power purchase contract under the third Green Energy Auction Program, with completion expected in January 2030. BDO Capital acted as mandated lead arranger and bookrunner.

Sustainability Bonds

- BDO Unibank, Inc.'s ₱115 billion fixed-rate ASEAN sustainability bonds due in 2027, where BDO Capital acted as advisor. Proceeds from the bond issuance will be used by the Bank to support its lending activities and diversify funding sources and will be allocated to finance and or refinance eligible assets as defined in the Bank's Sustainable Finance Framework.

Financial Inclusion and SME Financing

- Esquire Financing Inc. ("EFI") secured a ₱10 billion revolving working capital facility, of which ₱1.2 billion was drawn in July 2025. EFI's mission is to support entrepreneurs and small and medium enterprises through tailored financial solutions. The company aims to serve the Philippines' approximately 1.1 million emerging small enterprises, 110,000 small enterprises, and 4,800 medium enterprises, primarily through unsecured business loans and rediscounting facilities. BDO Capital acted as sole arranger.

Inclusive Capital Markets Participation

- The Republic of the Philippines (RoP) issued ₱507.16 billion in Retail Treasury Bonds through the Bureau of the Treasury ("BTr"). With a minimum investment amount of ₱5,000, the RTBs provide opportunities for small investors to participate in a low-risk, higher-yielding instrument, relative to deposits, while supporting the government's priority projects in health, education, infrastructure, and agriculture. To further expand participation and improve public awareness, additional locations were included in regional roadshows, and online financial literacy sessions were conducted for overseas Filipino communities, domestic retail investors, and other institutions, including local cooperatives and schools. The RTBs were made available through both traditional banking channels and digital platforms, including the BTr Online Trading Facility, the Bonds.PH mobile application, the Overseas Filipino Bank and Landbank mobile banking applications, the Philippine Digital Asset Exchange, and, most recently, GCash through the GBonds function, to ensure convenient access for investors. BDO Capital acted as joint issue manager.

- The Republic, through the Bureau of Treasury, conducted the inaugural offering of ₱300.0 billion in 10-year Fixed Rate Treasury Notes (FXTNS). The issuance provided an opportunity for investors other than Government Securities Eligible Dealers (GSEDs), including corporates, cooperatives, trust funds, retirement funds, provident funds, and other institutional investors, to subscribe to FXTNs, which are traditionally offered only to GSEDs through auction. The offering also provided the market with an alternative long-term investment channel while supporting the government's priority projects in healthcare, agriculture, infrastructure, and education. BDO Capital acted as joint issue manager.

There remains significant opportunity for sustainable financing as the Philippines transitions to green, renewable, and potentially clean energy. Financing environmentally and socially responsible projects requires substantial capital investment and continued support from both the government and private sectors, which must work hand in hand to adapt to climate change and pave the way for a cleaner and greener environment.



Building Investor Knowledge and Market Participation: BDO Securities

BDO Securities Corporation (BDO Securities) is a Securities and Exchange Commission-licensed broker-dealer and a Trading Participant of both the Philippine Stock Exchange (PSE) and the Philippine Dealing & Exchange Corporation (PDEx).

BDO Securities provides brokerage services through online and mobile platforms, as well as broker-assisted channels. Clients gain access to local equities, including common shares, preferred shares, and real estate investment trusts, along with local and global mutual funds and fixed-income securities, including Philippine peso (PHP)- and United States dollar (USD)-denominated corporate and government bonds, money market instruments, and multi-asset securities.

To promote financial literacy and help clients make informed decisions, BDO Securities publishes daily, weekly, and monthly research reports offering market insights and company metrics. The team also offers learning resources such as webinars, tutorials, and reading materials on its website. These resources guide both novice and experienced investors in navigating the market. Specialized series include sessions on PSE-listed companies' plans and prospects, as well as practical guides to stock market investing.

TradeTalks Webinars provide an interactive venue for investors at all experience levels to learn about market trends. In 2025, BDO Securities reached approximately 1,800 participants through its TradeTalks Webinars, expanding access to market education and supporting informed investment decisions. Guest speakers and hosts discuss timely topics, answer questions, and gather feedback from participants.

For beginners, the Tutorial Series covers fundamentals such as risk and return, asset allocation, diversification, technical analysis, and platform navigation. The Corporate Series connects clients with management teams of PSE-listed companies to discuss business strategies and outlooks. Meanwhile, the Outlook Series delivers updates and forecasts on the Philippine stock market and key sectors from BDO Securities' Research Team.



TradeTalks Webinars

TUTORIAL SERIES

April 30, 2025

Technical Analysis for Beginners

Learn when to take a position, and when to let go using Technical Analysis.

May 14, 2025

What Type of Trader Are You?

Are you a momentum trader, a swing trader, a day trader, or have yet to figure it out? Learn more about the different types of traders and what fits you best in this webinar.

May 29, 2025

Easy Trading Techniques

Unlock 'Easy Mode' for your next trade. Discover the different trading strategies directly from BDO Securities' Technical Analyst. Learn about short-term trading strategies and how to apply them to maximize your profits in the stock market.

June 11, 2025

A Beginner's Guide to Fundamental Analysis

New to investing? This beginner-friendly webinar breaks down the essentials of fundamental analysis - one of the most trusted methods for evaluating stocks.

July 16, 2025

Dividend Investing Made Simple

Watch and discover how to identify high-quality dividend stocks, strike the right balance between income and long-term growth, and build a resilient portfolio that delivers consistent returns.

September 17, 2025

Beginner's Guide to Investing

Gain the knowledge you need to navigate the stock market and the BDO Securities online trading platform.

October 8, 2025

Step-by-Step Guide to Easy Online Trading

Discover how online trading can be as easy as 1-2-3 with BDO Securities! Experience a hands-on walkthrough of the BDO Securities Online Trading platform from setting up and navigating your account to finding and executing informed trades.

November 26, 2025

From Beginner to Investor: A Guide to Online Trading

Want to start investing but not sure where to begin? Discover how simple it can be to start your investing journey with BDO Securities. Be guided every step of the way, from setting up your account to finding investment ideas and making your first trade.

CORPORATE SERIES**February 27, 2025****OceanaGold (Philippines),
Inc. (OGPI)**

Hear from OGPI's management team as they talk about the latest developments about their business.

March 25, 2025**Top Line Business
Development Corp (TOP)
Investor Briefing**

Get to know Top Line, a Cebu-based company engaged in commercial fuel trading that will soon debut in the Philippine stock market. Join us as the company's management team discusses their business model, prospects, and plans related to their upcoming Initial Public Offering (IPO).

April 2, 2025**SM Prime Holdings, Inc.
(SMPH)**

Join us as SMPH's head of Investor Relations talk about the latest developments, challenges, strategy, and plans of one of the country's top developer and mall operator.

July 10, 2025**Filinvest Development
Corporation (FDC)**

Join us for the next TradeTalks Corporate Series webinar and hear directly from FDC's top executives as they share the latest updates and developments about the company.

September 4, 2025**DigiPlus Interactive
Corp. (PLUS)**

Stay in the know! DigiPlus Interactive, Corp. is the next featured guest in BDO Securities TradeTalks webinar. Learn more about the company, their expansion plans, and their strategy on how to navigate the risks looming in the online gaming arena.

October 21, 2025**Maynilad Water Services Inc.
(MYNLD)**

Hear from the leadership team of Maynilad Water Services, Inc. Gain valuable insights into the company's operations and wastewater projects as they serve the West Zone of the Greater Metro Manila area in the Philippines.

November 20, 2025**Converge ICT Solutions, Inc.**

Gain firsthand updates from the leadership team of Converge! Discover the company's latest business performance, strategic initiatives, and growth outlook as they navigate the connectivity space in the Philippines.

OUTLOOK SERIES

January 30, 2025

Banking and Property Sector

Watch and learn as our analysts discuss the latest updates, key market insights and stock picks for the banking and property sectors.

February 11, 2025

Future of Power

Learn as our analyst delves into the latest trends, key drivers, and pressing challenges that are shaping the power industry.

February 20, 2025

Philippine Telecoms: Bridging the Broadband Gap

Watch and learn as our analyst discuss the latest updates, key market insights and stock picks for the Telecom sector.

March 13, 2025

Decoding the Charts

Watch our technical analyst analyze the charts of trending stocks and research top picks.

June 4, 2025

Where are Philippine Stocks Headed?

Get the latest outlook and forecast of the BDO Securities Research Team on the Philippine stock market.

July 2, 2025

REITs Made Easy: A Beginner's Guide to Earning Stable Dividends

Curious about earning passive income through real estate without owning property? Watch and learn how REITs provide stable dividends and discover which companies are leading the way.

August 13, 2025

Charting the Philippine Market

Dive deep into the Philippine stock market through the lens of technical analysis. Discover key chart patterns, trend signals, and market momentum indicators that could shape the next moves of the PSEi.

September 5, 2025

What's Next for Philippine Stocks?

Our research analysts discuss key market highlights, their latest outlook on the stock market and how to find opportunities amidst uncertainties.

October 29, 2025

Decoding the Charts

Watch our technical analyst analyze the charts of trending stocks and research top picks.

November 12, 2025

A Simple Guide to Philippine Market Trends

Stay ahead of the curve with a clear and simple look at where the Philippine market might be headed. This beginner-friendly webinar offers a straightforward overview of current market trends using technical analysis tools.

December 4, 2025

Philippine Stocks: Poised for Growth or More Turbulence?

Curious about what's next for the Philippine stock market? Explore the trends, risks, and opportunities that could shape the months ahead. Dive into whether PH stocks are poised for growth or facing more turbulence.

December 10, 2025

Charting the Road Ahead for PH Stocks

Ready to see where the charts are pointing next? Let's break down the technical signals driving the PH market and reveal what the charts are saying about our top stock picks.

BDO Securities aligns with BDO's Sustainable Finance Framework and ESG initiatives. Through financial literacy programs, the Company equips clients and prospective investors with knowledge to diversify their portfolios beyond single-asset investments. This approach enables them to include equities, fixed-income instruments, and funds, providing opportunities for enhanced returns while managing market volatility.

Preparing for Life's Unexpected Turns: BDO Life

When it comes to their loved ones, breadwinners strive to provide the comforts their hard-earned money can afford—the security of a home, the dependability of a vehicle to get to work and take the children to school, and the stability of a lifestyle, built through years of perseverance. These aspirations guide every choice they make, all driven by the desire to offer their family the best life possible.

Renato Vergel De Dios, President and CEO of BDO Life, captures this sentiment clearly: “Seeing our loved ones happy and secure inspires us and fills us with joy. It compels us to provide them with every opportunity to realize their dreams, no matter what the future may bring.”

Yet in pursuing these goals, many tend to overlook the need for a contingency plan. Illness, accidents, or sudden death can derail even the most carefully laid plans. Without a safety net, these events can undo everything the breadwinner worked so hard to build.

Life insurance is often dismissed as just another expense. Yet to those who have experienced loss, it is the safeguard—the Plan B—that keeps dreams intact when life takes an unexpected turn.

According to an August 2025 press release of the Philippine Insurance Commission, insurance penetration as of June 2025 stood at 1.79% of the Philippine gross domestic product (GDP). While this reflects a slight improvement from the previous year, it remains far below the global average of 7%. Individual coverage is also low. An August 2025 trend report from Inquirop—shows that only 28% of Filipinos hold any form of life insurance, with adoption remaining negligible in many rural communities due to limited access to products designed for low-income groups.

Driving Insurance Awareness Locally

In early 2025, BDO Life launched the campaign “Tuloy ang Plano” which means “Keep the Plan Going” to expand awareness in underserved regions. Using out-of-home advertising and regional radio placements in local languages, the campaign strengthens trust and familiarity among provincial audiences—key factors in improving financial inclusion.

A post-campaign study conducted in May 2025 through the BDO Life Project Lift Ad Effectiveness Research showed a 10% year-on-year increase in brand awareness in the Philippine regions of Visayas and Mindanao. Nationwide, Unaided Brand Awareness (UBA) for BDO Life rose from 24% in 2024 to 33% in 2025, according to the same study. In addition, the total number of in-force policies grew 9% year-on-year, indicating progress in bridging the protection gap.

In the second half of 2025, the “Kids” Campaign reframed the Plan B message through the perspective of policyholders’ children. This narrative highlights insurance as a tool for continuity, preserving family plans, and ensuring stability for future generations.

Expanding Access for Underserved Markets

BDO Life’s commitment to inclusion began with its partnership with BDO Network Bank to launch the Kabalik Plan in July 2022. Kabalik translates to “a partner in work (or in life).” By the end of 2025, the plan sold 148,244 units (43% vs previous year) and insured 153,342 lives, reflecting strong demand among underserved segments.

To further diversify offerings, BDO Life introduced three complementary products in 2025:

- **Kabalikat ng Pamilya** (meaning Family Partner) – launched in February, provides accident insurance with hospital confinement and burial assistance for only ₱1,500 per year, covering up to five family members. 7,163 families have been covered in 2025.
- **Group Kabalik Plan** (meaning Group Partner) – launched in September, offers similar benefits for ₱500 per employee per year, supporting employee welfare and aligning with BDO’s social responsibility goals.

These initiatives demonstrate that affordable, accessible products can narrow protection gaps further and strengthen financial resilience in vulnerable communities.

Reimagining Customer Onboarding

BDO Life introduced eSignature in March 2025 to make onboarding more convenient while reducing environmental impact. This online platform enables Financial Advisors and clients to complete transactions without paper, delivering measurable sustainability benefits.

By eliminating printing, eSignature reduces paper and ink waste and lowers energy consumption. It also minimizes courier services and physical document handling, which helps reduce carbon footprint. Environmental gains aside, eSignature enhances data security and governance by reducing risks associated with mishandled documents. Finally, it improves operational efficiency by cutting down on manual tasks, freeing Financial Advisors to focus on value-adding customer engagement.

Early adoption shows promise: 51% of equipped Financial Advisors have used eSignature. To accelerate progress, the Bancassurance Support Team is investing in more signature pads to achieve full coverage by Q1 2026.

BDO Life’s purpose lies at the heart of every initiative: to provide affordable insurance coverage for breadwinners and to protect the dreams of those who rely on them. By reaching underserved communities, creating inclusive products, innovating through technology, and championing financial security, BDO Life contributes to a future where every Filipino can proudly say “Tuloy ang Plano.”



Advancing Risk Solutions for Sustainable Assets and Operations: BDO Insure

BDO Insurance and Reinsurance Brokers, Inc. (BDOIRI) is the leading insurance broker in the Philippines, recognized as a benchmark for excellence and trusted by stakeholders. This leadership strengthens its domestic reputation and positions BDOIRI as a potential player in the global insurance and risk management landscape. Its current standing highlights the elements that shape its sustainability framework—a partner in resilience and adaptation, a trusted risk advisor, a conduit for critical data, a market innovator, and an internal change agent.

BDOIRI serves 222,273 individual clients and 55,926 corporate clients, generating a total premium of ₱7.71 billion in 2025.

BDOIRI achieved a total premium production of ₱10.3 billion for the year 2025, which includes new policies, renewals, and endorsements. The generated premium of ₱7.71 billion is attributed to 222,273 individual clients and 55,926 corporate clients. Policies issued may include specific items that require additional coverage, and additional endorsements that incurred extra premiums. The difference between the total premium and the generated premium reflects these additional charges, amounting to ₱2.59 billion.

Partners in Resilience and Adaptation

Natural disasters disrupt businesses by damaging property and infrastructure, breaking supply chains, and causing immediate economic losses.

In 2025, claims related to natural disasters rose significantly as the Philippines experienced more intense impacts of climate change. By the end of December 2025, BDOIRI reported 2,774 claims from floods, typhoons, and earthquakes. Of these, 9.62% were due to flooding, 43.73% to earthquakes, and 46.65% to typhoons. Notably, no claims were filed under parametric coverage during this period.

To strengthen resilience and adaptation, BDOIRI focused on key areas such as expanding access to innovative insurance solutions, facilitating swift recovery for communities and businesses affected by disasters.



Expanding Access to Insurance

In 2024, BDOIRI secured approval from the Insurance Commission for its reinsurance operations, enabling direct communication with international reinsurers. Implemented in 2025, this initiative addresses the “insurance gap” or the disparity between total economic losses and insured losses from disasters.

Parametric insurance helps close this gap by providing pre-agreed payouts when a trigger event occurs, regardless of actual physical loss. This ensures policyholders receive funds for deductibles, operational costs, or urgent needs.

BDIIRI introduced innovative products such as parametric insurance and supported green energy projects, including floating solar coverage, hydropower storage plants, and renewable energy companies. Local insurers often lack capacity for such coverage due to high financial exposure, making BDIIRI's role critical.

Contributing to Policy

BDOIRI has consistently ranked as the leading local insurance broker in the Philippines, based on annual evaluations by the Insurance Commission. This ranking reflects the depth of data BDOIRI provides, which informs stronger insurance policies and aligns risk management practices with banking standards.



Facilitating Recovery

Insurance payouts are vital for swift financial assistance after disasters, enabling faster economic and social recovery. BDOIRI's claims team includes 35 handlers and three team leaders, specializing in property, liability, and recovery claims.

In 2025, the team processed 2,774 disaster-related claims, compared with 2,225 claims in 2024, covering earthquakes, floods, and typhoons. The total value of claims amounted to ₱1.43 billion in 2025, versus ₱1.67 billion in 2024. Settlements facilitated with insurance partners reached ₱392.88 million, compared to ₱995.63 million in the previous year, while the remaining claims are in active documentation and evaluation.

In addition, 40 electric vehicle claims were successfully filed and resolved during the year. Overall, these results demonstrate the team's strong capability to manage

climate-related losses while effectively adapting to emerging, technology-driven claim types.

Risk Advisors and ESG Data Conduits

BDOIRI advises clients on the financial implications of Environmental, Social, and Governance (ESG) factors—such as climate change, supply chain vulnerabilities, and social inequality—that may affect their operations and reputation. This advisory support is provided for specified clients, based on client requirements, and is delivered through risk engineering surveys and risk reviews conducted by BDOIRI's Risk Engineers.

The multidisciplinary risk engineering team includes two mechanical engineers, two civil engineers, one electrical engineer, and one mechatronics engineer, all trained in risk assessment. Findings from these engagements are documented in Risk Engineering Survey Reports and, where applicable, translated into Loss Control Recommendations issued to specific clients to support risk mitigation and informed insurance underwriting.

Leveraging this expertise, BDOIRI applies risk engineering to ensure projects and operations remain resilient to climate change, resource scarcity, regulatory shifts, and social expectations. In 2025, its engineers assessed 182 sites, issuing Loss Control Recommendations to 148 (81.32%) of clients.

These reports help strengthen safety programs and guide preventive and mitigation strategies.

Incorporating ESG into Risk Assessment

Risk engineering plays a critical role in corporate sustainability by aligning risk management with ESG goals. In sustainable energy projects, engineers manage uncertainties related to technology performance, supply chain disruptions, and extreme weather events. For example, in solar and wind installations, they assess structural vulnerabilities, forecast climate-related risks, and design systems to withstand environmental stressors. This proactive approach not only protects assets but also enhances investor confidence and project viability.

For infrastructure projects, risk engineering supports sustainable development by integrating environmental risk assessments into planning. Engineers evaluate potential impacts on ecosystems, water resources, and communities, ensuring regulatory compliance and minimizing ecological and social harm.

In 2025, BDOIRI's Risk Engineers conducted 182 risk assessments, demonstrating consistent engagement across client sites and growing demand for risk evaluation services. Risk Engineering Survey reports typically include the client's background, operational details, workforce distribution, and daily production metrics. They also assess risk exposures such as natural catastrophes, liability, business interruption, fire, and construction risks.

Clients receive a Loss Control Recommendation Report and an Action Sheet with timelines, which not only inform underwriting decisions but also demonstrate the client's commitment to addressing risks.

Encouraging Transparency

To enhance transparency and effectiveness, BDOIRI acts as a vital link between clients and insurers, gathering ESG data that influences underwriting and pricing decisions. This process enables insurers to reward clients with strong sustainability practices through improved policy terms. During site visits, insurers frequently request BDOIRI's assistance in understanding client exposures, underscoring their reliance on BDOIRI's reports for fair and transparent risk evaluations.

Market Innovators

BDOIRI collaborates with leading reinsurers to develop innovative products that address sustainability risks, such as parametric insurance. It also introduced pet insurance and electric vehicle (EV) insurance, helping create markets for these offerings even though BDOIRI is not an insurer. Currently, 724 pets are covered under pet insurance, and EV insurance has also started to catch up in BDOIRI's portfolio. By expanding access to these protection solutions—including coverage that supports the health needs of pets, safeguards family assets, and reduces financial stress during unexpected events—BDOIRI helps strengthen the overall well-being and resilience of individuals and households.

In addition to product innovation, BDOIRI connects clients to specialized and eco-friendly insurance solutions.

In 2025, it facilitated placements across renewable energy sectors—including solar, hydro, geothermal, and wind—by engaging international reinsurers to expand opportunities.

Internal Change Agents

In 2025, BDOIRI achieved a significant reduction in paper consumption, cutting usage from 3,700 reams in 2024 to 3,465 reams, a 6.35% decrease. This operational shift was complemented by employee participation in online courses on Waste Management, Anti-Sexual Harassment, and Sustainability, reinforcing the integration of ESG principles into client interactions.

Beyond operational improvements, BDOIRI is advancing strategic initiatives by upskilling underwriting teams to address emerging risks and guide clients toward sustainable strategies. A key initiative was its partnership with a global reinsurance broker, enabling knowledge-sharing and providing access to advanced risk modeling tools during insurance reviews.

To further enhance efficiency, the Analytics and Risk Management Team adopted SharePoint and Power Automate, reducing turnaround times by 50% compared to manual processes. Automation now streamlines critical tasks such as claims aging, insurer scoreboards, and placement reports. In parallel, marketing and operations teams participated in training sessions to ensure alignment and maximize the benefits of these digital tools.

Highlights: Strengthening Client Protection

In 2025, BDOIRI delivered key initiatives that enhanced client protection and advanced sustainable practices:

- **Enhanced climate risk modeling:** Partnered with reinsurers using advanced climate risk models and scenario analysis to improve the accuracy of pricing and assessment of climate-related risks.
- **Expanded sustainable product offerings:** Introduced a broader suite of protection products—Critical Illness Insurance, Dollar Travel Insurance, Hospital Cash Assistance, Dengue Insurance, and the Gold Care Plan—to strengthen client resilience and support well-being.
- **Leveraged innovative technology:** Integrated collaboration platforms, workflow automation, and Business Intelligence tools to streamline business processes, significantly reduce turnaround times, and improve data-driven decision-making.
- **Increased client education and advisory:** Guided small and medium-sized enterprises (SMEs) on integrating ESG principles into their operations during risk surveys and reviews, helping them strengthen preparedness and sustainability practices.
- **Improved governance and disclosure:** Updated corporate governance manuals to reinforce diversity principles and enhance transparency in sustainability reporting.

Financial Services Presence and Impact

Governance, Inclusion, and Growth: Branch Banking Group

Among all groups in BDO, the Branch Banking Group (BBG) is uniquely positioned to advance sustainability across the Bank's five key strategies: Product Sustainability, Sustainability Contribution, Human Capital Sustainability, Disaster Response Sustainability, and Governance-Based Sustainability. Together, these approaches make banking more inclusive, innovative, and resilient.

They ensure that services remain accessible and secure while strengthening financial literacy, digital adoption, community engagement, workforce development, and governance practices. By aligning these priorities, BBG contributes to long-term economic and social progress in line with the Bank's sustainability goals.

Product Sustainability

BBG delivers products and services that anticipate customers' evolving needs while extending financial access to underserved markets. These efforts support the United Nations Sustainable Development Goals (SDGs) by promoting inclusion, resilience, and responsible innovation.

With more than 1,200 branches nationwide—supported by extended hours and weekend banking—BBG ensures convenient access for both existing and potential customers. Guided by data analytics, the Group continues to expand its network in areas with strong deposit potential, reinforcing its commitment to empowering individuals and businesses through meaningful financial solutions. In 2025, the Bank opened 35 new branches,

including in underserved locations, further increasing access for millions of potential customers.

Expanding Access Through Products and Campaigns

To encourage financial literacy among the youth, BBG reintroduced NextGen Savers, a savings deposit product designed for teens, with a minimal initial deposit and a maintaining balance of only ₱100. This initiative fosters early financial responsibility among teenagers aged 13 to 19—a segment with strong growth potential. In 2025, NextGen Savers enrolled 2,420 new teen account holders, helping promote financial literacy among young Filipinos.

BBG also launched the CASA Protect Campaign, which offered free life insurance coverage worth ₱3 million to clients who opened and maintained a CASA account with an initial deposit of ₱1 million. This bundled product combines two essentials—an emergency fund and insurance protection—creating an interim “Plan B” for life's uncertainties. In the event of unexpected death, the insurance helps cover final expenses, pay outstanding debts, or sustain a family's income. In 2025, CASA Protect reached 3,495 clients, providing substantial insurance protection alongside savings.

Seasonal deposit campaigns further engaged customers and rewarded loyalty. These included initiatives during Chinese New Year, Father's Day, and the Mooncake Festival, as well as the Holiday Million Rewards Raffle, which gave clients the

chance to win one million BDO Rewards points. The raffle winner was an Overseas Filipino Kabayan Savings account holder since 2008 who opened another new account during the promo period. He shared that he initially had no interest in joining the raffle but was encouraged by a branch Marketing Assistant to participate. These programs not only build excitement but also strengthen long-term savings behavior.

Enhancing Customer Experience Through Digital Services



BBG complements its physical network with digital innovations that improve efficiency, accessibility, and convenience.

- **Service Assist Machines (SAM)** in branches allow clients to enter transaction details at kiosks, which tellers then validate for a seamless, paperless process. This streamlines service and enables staff to focus more on customer relationships. Enhanced queue management also allows online appointments and QR code check-ins for quicker and safer branch visits.

- **Account Assist Kiosks** enable clients to input their details for account opening, eliminating the need for manual form-filling. Existing bank clients do not need to re-enter their details, as the system pre-fills existing information. This allows branch personnel to focus more on relationship-building rather than paperwork.
- BDO's **Universal Teller Machines** combine ATM and cash deposit functions, enabling withdrawals, deposits, check processing, and passbook updates—all with cardless access via biometrics or QR codes. Clients may also withdraw cash using QR codes generated through the BDO Mobile Banking App and share these codes with authorized representatives for secure transactions. Biometric authentication further strengthens security by allowing cardless withdrawals through fingerprint or facial recognition.

Customer-Centric Solutions and Branch Innovations

BBG continues to invest in branch innovations that enhance security, convenience, and service quality.

- BDO Connect was introduced in branches to ensure immediate access to expert advice. This live video platform allows customers to speak directly with Product Specialists during branch visits, covering secured and unsecured loans, wealth investment products, insurance offerings, and cash management solutions for small and medium enterprises (SMEs).
- Biometric authentication is now the preferred method of authentication for existing clients when onboarding for another product. This simplifies the process, as customer information is pre-filled, making transactions more convenient.

- The Enterprise Servicing platform enables clients to request transactions through any channel—branch, contact center, or online—with automatic SMS updates that reduce the need for repeat visits.
- BBG also developed the Branch Digital InfoHub, a centralized resource for training materials, frequently asked questions, and performance tools, making it easier for employees to stay updated and adopt new digital initiatives. My Buddy, an AI-powered knowledge assistant, was also implemented to provide instant, guided responses to branch personnel, enabling faster and more efficient handling of customer queries and service requests in line with internal controls.

Other initiatives include onsite ATM card printing for immediate debit card issuance, automated bank certificate generation to reduce turnaround time, and expanded servicing for BDO Network Bank clients in BDO branches to reach underbanked communities. BBG also centralized select accounting functions to standardize processes, improve efficiency, and achieve economies of scale. By combining physical accessibility with innovative products and technologies, BBG ensures that banking remains convenient, secure, and responsive to diverse customer needs—supporting BDO's broader sustainability goals.

Sustainability Contribution

BDO supports national economic development by advancing financial inclusion and impact financing, ensuring that banking services and financial knowledge reach communities where they matter most.

Community Marketing: Bringing Banking Closer to People

To strengthen its presence on the ground, BDO launched Community Marketing, a group-wide initiative designed to capture diverse market segments and promote financial literacy and inclusion. Now in its second year, the program ensures that clients feel the Bank's presence in their communities through activities tailored to local needs.

Community Marketing has evolved into three formats: BDO Fiesta, Mini Fiesta, and Village Fair. Across all formats, BDO offers a wide range of products and services, including deposit account opening, Cash Management Services, Credit Cards, BDO Pay sign-ups, Auto Loans, Home Loans, Multipurpose Loans, Cash Agad, BDO Life, BDO Insure, and Trust services. These events create accessible touchpoints that bring banking closer to underserved and emerging customer segments.

- **BDO Fiesta** is a large-scale engagement initiative that promotes financial literacy and inclusion while creating opportunities to cross-sell BDO products and services. Activities include free BDO tokens for every new CASA (Current Account/Savings Account) and product ent, festive branch décor, and branch personnel wearing blue BDO shirts. Events feature Recorrída—a motorcade with flyer distribution in key community areas—supported by local news coverage, radio features, and social media engagement. The program culminates in a BDO Fiesta concert featuring local celebrities and booths showcasing various products and services. This festive setting provides a welcoming, low-pressure environment that helps break the stereotype of banks as intimidating institutions.
- **Mini Fiesta** mirrors the spirit of BDO Fiesta in a smaller setting. It also offers free tokens for new CASA and product availments and highlights BDO Business Talk, where financial experts share

market updates, business solutions, and digital innovations with targeted audiences such as entrepreneurs.

- **Village Fair** brings banking services directly to residential communities. Held in village clubhouses, these interactive sessions teach the basics of banking, promote safe ATM use, and provide access to other BDO products. By meeting people where they live and work, Village Fair makes banking more accessible and convenient for households through cashless banking.

In 2025, these initiatives contributed to 311,814 new accounts and strengthened savings behavior among customers.

Supporting Conservation Through Partnerships

BDO's sustainability contribution also extends to environmental stewardship. Through branches, online channels, and ATMs, the Bank accepts donations for SM and the Department of Environment and Natural Resources' (DENR) "Save From Extinction" campaign. The initiative aims to raise ₱100 million, which DENR will match with an additional ₱100 million, to fund conservation efforts for six endangered Philippine species: the Philippine eagle, Philippine cockatoo, pawikan (sea turtle), tamaraw (Mindoro dwarf buffalo), dugong (sea cow), and pangolin (scaly anteater).

Funds are channeled through reputable non-government organization partners, including the World Wide Fund for Nature Philippines, Philippine Eagle Foundation, Zoological Society of London, D'Aboville Foundation, and Katala Foundation. These partnerships ensure that contributions directly support biodiversity protection and sustainable ecosystems.

Human Capital Sustainability

BDO develops leaders with a sustainability mindset—professionals who thrive on innovative thinking and maintain a customer-focused attitude. Through

targeted programs, BBG invests in employee engagement, capability building, and governance structures that sustain performance and adaptability.

Empowering Frontline Teams Through Training and Engagement

BBG launched IGNITE: Fueling Passion and Performance, a workshop for Customer Relations Officers (CROs) and Customer Relations Assistants (CRAs) aimed at strengthening service culture, customer empathy, and employee motivation. In 2025, IGNITE trained 2,650 branch staff nationwide.

BBG also rolled out the Enterprise Servicing (ES) System Power-Up Lecture to help branches adapt to system upgrades. These sessions provide targeted knowledge for Marketing personnel and support continuous learning, covering customer information updates, certifications, loan recomputations, and credit card requests. The program trained 2,510 employees across branches.

Through these initiatives, BBG demonstrates its commitment to building a resilient, future-ready workforce aligned with the Bank's sustainability goals.

Disaster Response Sustainability

BDO leverages its resources to support relief, rehabilitation, and recovery efforts for disaster-stricken communities, ensuring continuity of essential banking services during crises.

Building Branch Resilience and Service Continuity

The Branch Resiliency Project establishes multi-dimensional processes and systems that enable critical functions to continue during and after major disruptions. In 2025, the project equipped strategically located branches nationwide, ensuring uninterrupted service during localized disruptions.

Extending Access Through Mobile Banking Solutions

BDO's ATM on Wheels provides mobile banking services in areas with limited access to branches or standard ATMs, particularly during disasters. Services include cash withdrawals, balance inquiries, and bill payments. In 2025, ATM on Wheels supported branches with high withdrawal volumes and served concerts, school fairs, local government activities, and Village Fairs.

Governance-Based Sustainability

BDO anchors superior business performance on accountability, transparency, integrity, and fairness. Through governance-driven initiatives, BBG ensures strong compliance, operational efficiency, and effective risk management.

Strengthening Compliance and Risk Management

BBG provides Anti-Money Laundering (AML) refresher training for branches, covering Know-Your-Customer (KYC) requirements, risk profiling, suspicious transaction reporting, and exit procedures. In 2025, approximately 1,700 branch officers in Metro Manila completed the training.

Enhancing Governance Through Technology

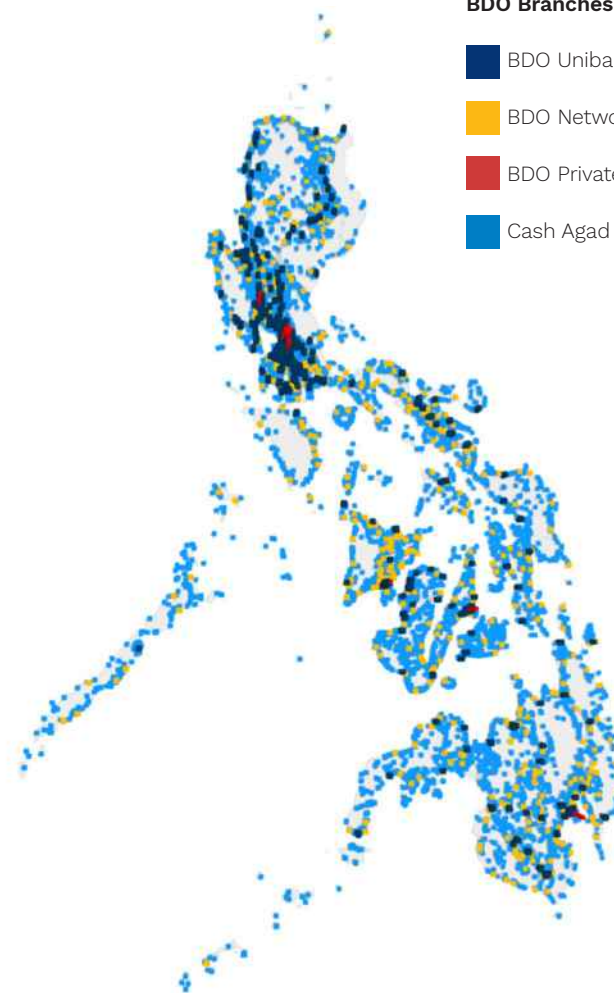
In October 2025, BBG launched the Ultimate Beneficial Owner (UBO) Database System, enabling branches to track customers' corporate links and comply with regulatory requirements on beneficial ownership and AML.

BBG also automated garnishment letter processing using robotics, eliminating manual steps and reducing errors. These initiatives reinforce BBG's commitment to strong governance, regulatory alignment, and sustainable performance.

BDO's Nationwide Presence 2-6

BDO Branches Nationwide

- BDO Unibank 1,255 branches
- BDO Network Bank 545 branches
- BDO Private Bank 10 wealth centers
- Cash Agad Agents 12,401 merchants





Strengthening Networks, Supporting Financial Inclusion: BDO Cash & Check Services

Branch-Lite Units and new cash hubs expanded BDO's cash and check logistics network in 2025, strengthening geographic coverage and promoting financial inclusion. Two new units—one in Sorsogon in Southern Luzon and another in Tagum City in Mindanao—were established to improve access for underserved communities. These units support BDO Unibank and BDO Network Bank branches while ensuring reliable cash availability for local businesses and clients.

Branch-Lite Units, similar to regular cash hubs, are operated by bank employees but are not necessarily collocated with a BDO host branch. They serve as an alternative option to expand cash-logistics services in areas without a BDO branch. These units offer nearly the same services, such as cash pickup and delivery, cash sorting, ATM replenishment, and branch servicing. Secondary Branch-Lite Units, which do not provide cash pickup or delivery, focus instead on outsourced cash-handling functions.

All cash hubs uphold the Bangko Sentral ng Pilipinas (BSP), the Philippines' central bank, Clean Banknotes and Coins Policy, which requires fit bills to remain in circulation while unfit and mutilated currency is withdrawn. Through the Cash Service Alliance (CSA), BDO reduces deposits of fit bills to the BSP, improving currency management and minimizing waste. CSA is a BSP initiative designed to maximize the circulation of fit bills among banks without requiring their deposit to the central bank. Through this program,

BDO helps reduce the volume of fit bills that need to be recounted and verified. In return, BSP recognizes participating banks through annual awards and provides Rebates, Returns, and Incentives (RRI), based on the volume of unfit and mutilated notes deposited.

BDO's operational footprint now includes 61 regular cash hubs and six Branch-Lite Units, up from 59 cash hubs and four Branch-Lite Units in 2024, previously located in Pasig City (Metro Manila), Cebu City (Visayas), Tagaytay City (Southern Luzon), and Clark (Central Luzon). This expanded network reflects a continued focus on operational efficiency and service reliability for branches and clients.

61

Regular cash hubs

6

Branch-Lite Units

This expanded network reflects a continued focus on operational efficiency and service reliability for branches and clients.



Expanding Access: BDO Digital

BDO's online applications saw strong growth in users and transactions in 2025, with user numbers up by 21% and transactions increasing by 38%, driven by money transfer and payment services. App improvements reduced downtime by 15% compared to previous years, giving customers uninterrupted access anytime, anywhere. Loan customers can now compute amortization amounts, while account and card applicants can apply for BDO products on the go. These enhancements help new and existing customers meet financial needs and payment obligations with ease.

Managing Portfolios with Ease on BDO Online

BDO Online expanded its features in 2025, enabling customers to manage their banking portfolios more efficiently through My Account Groups and perform cross-border transfers via Send Money through Wire Transfer. It also directs customers to other services, such as scheduling branch appointments, checking remittance status, and accessing trust services through a convenient and secure BDO Trust portal login.

Early in the year, BDO launched BDO Online Web, giving users who prefer browser-based banking access on laptops, tablets, and other devices. The web version maximizes screen space and offers an easy-to-use interface that guides customers through seamless transactions.

In 2025, BDO Online recorded a 39% increase in active users and a 34% rise in cross-border transactions, reflecting growing customer adoption of digital banking solutions.

Simplifying Payments and Onboarding with BDO Pay

To improve financial access for the unbanked, BDO enhanced its Basic Account, allowing customers to open an account in 10 minutes via the BDO Pay app. The process is fully online and requires only one valid ID and minimal KYC information. Onboarding now includes underserved segments such as cooperative members and manpower agency workers. The Basic Account has zero maintaining balance and offers free bills payment, merchant payments, and fund transfers, helping customers maximize complementary digital services.

The BDO Pay app complements the Basic Account by providing convenient services such as remittance status inquiry for OFWs sending money to their beneficiaries in the Philippines, transaction dispute filing, and access to vouchers and gift certificates through BDO Rewards. BDO Pay also helps customers manage spending with enhanced transaction details and installment options, making services available at their own convenience.

In 2025, BDO Pay signed up 128% more customers and processed 50 million transactions, expanding financial access for underserved segments and improving digital payment adoption. With these apps, BDO continues to broaden its range of financial products while ensuring customer security and regulatory compliance through backend safeguards and anti-scam education.

Making Banking Presence felt with Agency Banking

Agency Banking is a cornerstone of financial inclusion in the countryside, bringing essential banking services to remote and underserved communities beyond the reach of traditional branches. Through the Cash Agad mobile banking application, local businesses such as sari-sari stores, groceries, pharmacies, gas stations, water refilling stations, and other MSMEs serve as trusted Cash Agad agents. With over 12,000 agent sites operating in all provinces and 96% of municipalities nationwide, Cash Agad breaks geographic barriers, bridges infrastructure gaps, and provides the widest coverage for basic banking service in the country.

From simple balance inquiries to cash withdrawals, Cash Agad agents are a lifeline for millions. As of 2025, they have processed 142 million withdrawal transactions, totaling ₱629 billion (around USD 10.84 billion) in cash. The network continues to grow, adding agents equipped for cash-in deposits and bill payments, making everyday banking even more accessible.

Grassroots initiatives remain central to Agency Banking. Through community events such as Ka-Partner Day, organized in collaboration with BDO Remit and BDO Network Bank, residents are encouraged to open savings accounts and experience the convenience of their local Cash Agad agent as a financial hub. Building on last year's success, these events now reach more partner locations, with a target of over 130 sites in 2025. Each two-day gathering, complete with giveaways and free ice cream, delivers strong results: from March to September 2025, more than 25,000 new savings accounts were opened, with initial deposits totaling ₱28 million. Notably, 95% of these accounts are Kabayan Savings Accounts, designed specifically for Overseas Filipinos and their families.

By expanding account ownership in rural communities, Agency Banking empowers more people to receive remittances directly into their accounts and withdraw cash from their neighborhood sari-sari store. Depositing savings is easier than ever, and paying utility bills is as simple as visiting their trusted neighborhood store. With Cash Agad, financial access is not just a service; it is a way of life.

By reducing the need for long-distance travel to branches, Agency Banking also lowers carbon emissions while strengthening local economies. It advances BDO's commitment to inclusive and sustainable finance and supports UN Sustainable Development Goals on reducing inequalities and promoting economic growth.

CASE STUDY

Aligo's Store Powers Local Banking in the Cordilleras

One of the main goals of expanding Ka-Partner Day events is to bring financial services closer to underserved communities. A prime example is Pinukpuk, a municipality in the landlocked province of Kalinga in the Cordillera Administrative Region of the Philippines. The name "Pinukpuk" comes from a Kalinga term meaning "to be placed or put down," likely reflecting indigenous traditions of settling in fertile or strategic locations.

The area is known for traditional weaving and vibrant festivals. Its landscape features rolling hills, rice terraces, and agricultural lands. Transportation relies on local jeepneys and tricycles, which operate on limited routes and schedules, making mobility difficult and costly. For full banking services, residents typically travel more than 30 kilometers, or nearly 19 miles, to Tabuk City, the provincial capital, a journey that highlights the need for accessible financial solutions within the community.

One long-established business in Pinukpuk is Aligo's Store, managed by a husband-and-wife team. Located on the ground floor of their two-story building, this general merchandise shop has long served the needs of the local community.

Beyond grocery items, it offers cooked meals with limited seating, along with telco load, cellphone accessories, school supplies, and other essential goods.

Partnering with Cash Agad agent Aligo's Store and host branch BDO Network Bank Kalinga-Tabuk, the Ka-Partner Day event held on July 12 to 13, 2025, was warmly received by residents. The activity resulted in 201 newly opened accounts from a diverse mix of clients – including farmers, students, business owners, senior citizens, Overseas Filipino beneficiaries, and employees from both the LGU and private sectors.

Building on this strong community engagement, Aligo's Store continues to serve as a vital access point for financial services. The store averages more than 600 withdrawal transactions each month, and with the additional services introduced during Ka-Partner Day, the owners expect transaction volumes to grow even further in the coming months.

By enabling residents to bank within their own community, Aligo's Store reduces the need for long trips to Tabuk City, saving fuel and travel costs while keeping economic activity local. This strengthens livelihoods in Pinukpuk and supports BDO's commitment to inclusive growth and sustainable finance.



Empowering Businesses with Integrated Cash Management and Supply Chain Solutions: BDO Cash Management Services



BDO Cash Management Services (CMS) has been a trusted partner for enterprises of all sizes, delivering innovative cash management and trade finance solutions that optimize liquidity, streamline operations, and strengthen supply chains. Through tailored services, such as efficient payment and collection platforms and supply chain financing programs, CMS has helped businesses manage working capital more effectively, reduce costs, and improve financial resilience. These solutions enable companies to focus on growth while ensuring stability across their ecosystems—from large enterprises to their networks of suppliers and service providers.

Improving Access and Operational Efficiency

In 2025, the Bank partnered with the Palawan Group of Companies (Palawan Pawnshop, Palawan Pay), a leading non-bank financial services provider in the Philippines, to enable real-time bank transfers for its mobile wallet, Palawan Pay. As a result, over 22 million Palawan Pay users now enjoy instant fund transfers to any bank or e-wallet—delivering convenience and advancing financial inclusion at scale. For Palawan Group of Companies, the partnership improves operational efficiency and strengthens customer loyalty; for Palawan Pay users, it means faster, more accessible financial services. BDO also partnered with Dragonpay, a pioneer in alternative payment solutions, to enhance

the payment experience of its users through BDO's API-driven Cash Management Services. Customers of all merchants under Dragonpay can now pay online directly from its checkout page, with transactions processed instantly via secure API calls. This real-time integration eliminates delays, accelerates cash flow, and provides Dragonpay with detailed transaction data for automated reconciliation. For Dragonpay, this means not only improved customer satisfaction but also operational agility and scalability as they onboard more merchants and payment options.

These partnerships benefit retail customers by reducing travel time and costs, while helping corporate clients streamline collections and improve cash flow visibility. By promoting digital transactions and reducing reliance on cash, these initiatives support SDG 9 Industry, Innovation, and Infrastructure, as well as SDG 12 Responsible Consumption and Production, through more efficient resource use and a reduced carbon footprint.

As part of its trade and supply chain financing solutions, BDO leverages anchor-led structures to extend inclusive financing across supply chains. In this context, the Bank structured a revolving Supply Chain Finance (SCF) facility for Solid Cement to empower its network of suppliers. More than a transactional program, the Bank worked closely with the anchor company to identify, onboard, and educate suppliers on the benefits of SCF. By leveraging Solid Cement's credit

strength, the facility provides supplier financing based on approved invoices, enabling suppliers—from small enterprises to large logistics and raw material providers—to access affordable credit.

The initiative enhances liquidity for suppliers, supports the anchor's working capital needs by extending Days Payable Outstanding (DPO), an industry measure of payment terms, and fosters long-term partnerships through deeper engagement and cross-sell opportunities. By democratizing access to financing, the SCF program advances the SDG 8 on Decent Work and Economic Growth, as well as SDG 17 on Partnerships for the Goals, driving inclusive growth and strengthening supply chain resilience.

Reflecting the scale and reach of these cash management and supply chain financing solutions, as of December 2025, BDO Cash Management Services processed 147.9 million transactions, with a combined value of ₱23.9 trillion, across collections and payments. The Bank implemented approximately 67,000 deals, representing an 11% increase from the previous year.

**As of December 2025,
CMS onboarded over
38,100 new SME
clients, contributing
to 30% year-on-year
client base growth.**

Creating Value Beyond Banking through CMS Volunteerism

Beyond financial solutions, CMS actively champions sustainability and community development through volunteering in the community. In collaboration with Scholars of Sustenance (SOS), CMS supported the Rescue Kitchen initiative's on food rescue and community feeding to address food insecurity while reducing food waste. The CMS team organized three volunteer activities where employees prepared and packed 1,000 nutritious meals using surplus ingredients. This effort with SOS provided immediate relief to underprivileged communities and reinforced BDO's commitment to responsible resource management and social impact. Through this approach, the program advances SDG 2 Zero Hunger, as well as SDG 12 Responsible Consumption

and Production, promoting efficiency, reducing waste, and fostering community well-being.

CMS also partnered with ICCP Group Foundation, Inc. (IGFI) to roll out Magnegosyo Tayo! (Let's Do Business!), a financial literacy program for micro and aspiring women entrepreneurs in Sto. Tomas, Batangas. Modules on self-awareness, opportunity identification, customer engagement, and sustainable business strategies equipped participants with essential skills to start and manage small businesses. With 93% of participants being women, 81% of whom already own or lead small enterprises, the program with IGFI promotes financial resilience and inclusive growth. These efforts support SDG 5 Gender Equality, as well as SDG 8 Decent Work and Economic Growth, by empowering women, strengthening entrepreneurial confidence, and enabling sustainable livelihoods.



Driving Sustainable Good Health and Well-Being: BDO Finance

BDO Finance Corporation (BDOFC), the leasing and financing arm of the BDO Group, provides financing alternatives not offered by BDO Unibank. Its product suite includes finance leases, mortgage loans, factoring, installment paper purchase, floor stock financing, and amortized commercial loans. Through leasing and amortized commercial loans, BDOFC enables customers to acquire trucks, motor vehicles, machinery, and other essential capital equipment at affordable terms—helping businesses grow without straining their budgets. In 2025, BDOFC continued to strengthen its sustainability focus by aligning its financing operations with the United Nations Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG) principles. In line with SDG 3 Good Health and Well-Being, BDOFC prioritized initiatives that enhance healthcare access while fostering a cleaner and healthier environment. BDO Finance extended more than ₱298 million in finance leases to hospitals and multi-specialty and surgical ambulatory facilities for the acquisition of advanced medical equipment and laboratory analyzers.

Part of this financing supported a well-known hospital in Las Piñas City, which added four ultrasound machines and acquired a fully digital two-in-one X-ray system capable of imaging dynamic processes such as swallowing and gastrointestinal motility. Meanwhile, in Cebu City, one of the country's largest hospitals invested in a state-of-the-art

laser surgical system that ensures precision, reduces infection risk by minimizing contact, and offers versatility for cutting, removing, and sealing tissues. BDOFC also financed a linear accelerator for a medical clinic to destroy cancer cells. In addition, two multi-specialty clinics obtained a new ophthalmic machine and an ophthalmic microscope, while another clinic in Makati City acquired various laboratory analyzers through BDOFC.

These investments strengthened diagnostic and treatment capabilities, improved patient care, and reinforced the resilience of the nation's healthcare infrastructure. An estimated 270,000 patients are expected to benefit from these upgrades annually. Complementing its healthcare initiatives, BDO Finance extended ₱228 million in finance leases for electric vehicles (EVs) to BDO officers and corporate clients in pharmaceuticals, trading, manufacturing, distribution, construction, logistics, real estate, services, and renewable energy. This move supports the transition to cleaner transportation, reduces carbon emissions, and mitigates air pollution—key factors for healthier communities and a sustainable environment. About 123 EV units were financed, contributing to lower transport-related emissions and improved air quality. The financing of electric vehicles (EVs) aligns with SDG 13 Climate Action and underscores BDOFC's role in promoting low-carbon transportation solutions.

In addition, BDO Finance provided ₱40 million in finance leases to manufacturing, services, and trading companies for the acquisition of solar panel systems. These installations enable clients to transition to renewable energy sources and reduce reliance on fossil fuels. The adoption of solar energy contributes to lower carbon emissions, reduced operational energy costs, and improved environmental performance. These initiatives support SDG 7 Affordable and Clean Energy and SDG 12 Responsible Consumption and Production, reinforcing the positive link between environmental protection and long-term public health outcomes.

BDO Finance remains committed to sustainable finance as a catalyst for inclusive growth and societal progress. By embedding ESG principles into its operations, the Company ensures its financial solutions contribute meaningfully to economic development, environmental protection, and the well-being of Filipinos.

₱298 million

Finance leases to hospitals

270,000

Patients expected to benefit

₱228 million

Finance leases for electric vehicles (EVs) to BDO employees and corporate clients

CASE STUDY

Genace Pharma:

Greening Healthcare Distribution with Electric Mobility

As healthcare companies strive to meet growing patient needs while reducing their environmental footprint, BDO Finance plays a critical role in enabling this transformation. Genace Pharma, a major pharmaceutical distributor, demonstrates how strategic financing can support both business expansion and sustainability goals.

Genace Pharma specializes in the trading and distribution of oncology (anti-cancer) drugs, as well as treatments for hypertension, infections, and nutritional health. It maintains long-term contracts with leading manufacturers in the Philippines and India, supplying products to major drugstores such as Mercury Drug, Southstar Drug, and St. Joseph Drugstore, and to hospitals including East Avenue Medical Center, Philippine General Hospital, and Baguio General Hospital. An affiliate, Greatstar Laboratories, manufactures alcohol, povidone iodine, and other essential products for infection prevention and treatment. Genace Pharma also operates 14 retail drugstores across Pangasinan, Bukidnon, and Misamis Oriental, expanding access to critical medicines nationwide.

Under the leadership of founder Charles Basuel, a former District Manager of two global pharmaceutical firms, the company plays a vital role in strengthening the country's healthcare system while upholding quality, safety, and ethical standards.

To address the environmental impact of its nationwide distribution network, Genace Pharma started transitioning to electric vehicles for its logistics operations. This initiative aligns with SDG 13 Climate Action and significantly reduces carbon emissions, mitigates air pollution, and promotes sustainable mobility.

The company's EV fleet now enables cleaner and more efficient deliveries of life-saving medicines nationwide.

Through ethical distribution, sustainable manufacturing, and green logistics, Genace Pharma shows how a healthcare enterprise can balance growth with social responsibility and environmental care. BDO Finance remains a trusted partner in supporting these initiatives, with future plans including renewable energy adoption and an expanded EV fleet, reinforcing its commitment to sustainability.



Financial Inclusion

Expanding Access to the Unbanked and Underserved: BDO Network Bank



BDO Network Bank (BDONB) continued to strengthen its presence and impact in 2025, closing the year with 545 branches and 92 loan offices nationwide. This expansion strengthened BDONB's reach across rural communities, extending access to formal banking services where they are needed most. With an expanded presence across more provinces, the Bank continues to reinforce financial inclusion and support local economic activity through its growing network of branches, loan offices, and access points.

In May 2025, BDONB received approval to operate as a savings bank serving micro, small, and medium enterprises (MSMEs), government employees, and the general public—especially in rural areas—and bringing modern, innovative, and relevant banking products and services to communities nationwide. This transition strengthened BDONB's deposit base and improved financial resilience for rural families.

Financial inclusion remains a core priority. National data highlight ongoing efforts to expand access to financial services across the country. BDONB contributed to these efforts by onboarding new clients, including first-time account holders, helping reduce reliance on informal lenders and improve access to formal financial services in rural communities.

Continuing Network and Digital Transformation

Apart from expanding its branches and loan offices nationwide, BDONB has access to all 591 BDO Unibank ATMs located within BDONB branch premises and in strategic high-traffic areas. BDONB clients can also use all BDO Unibank ATMs nationwide. Partnerships with 12,401 Cash Agad merchants offering deposit pick-up further extend BDONB's reach, especially in rural communities where formal banking infrastructure is limited. BDONB complements its physical presence with digital engagement through social media and its website, ensuring accessibility anytime. Its digital initiatives include deploying tablets to field personnel and introducing a Document Collection Solution, which streamlined loan processing, improved customer experience, and enhanced data security. To ensure uninterrupted service in areas with poor connectivity, BDONB also deployed satellite-based internet services, enabling continued transactions in remote communities.

Products that Transform Lives

BDONB's loan products are designed not only for lending but also for capital buildup, helping clients improve their lives and supporting local economic growth. In 2025, the Bank recorded a 15% increase in account volume from the previous year, driven by its low minimum initial deposit requirement. Micro-insurance products continued to provide hospitalization allowance, with coverage spanning ages 18–70, an average insured age of 40, and 67.9% of insured clients are female—reflecting BDONB's commitment to women's empowerment. MSME financing remained a growth driver, with loan bookings up 22% from 2024 and a 10% increase in offices offering MSME loans. Female clients accounted for 62% of total bookings. Beyond lending, MSME teams advised clients on business improvement, reinforced financial literacy, and connected entrepreneurs to banking solutions. These efforts supported businesses, generated jobs, and contributed to local economies. Teachers in Mindanao in Southern Philippines accounted for 34% of existing borrowers. BDONB's customer base increased by 15% as the Bank reached more rural areas. Salary loan reach rose by 42%, supported by a 13% increase in staff assigned to this segment, enabling faster processing and improved service for government employees as well.

Notably, 77% of active salary loan clients are female. These loans helped educators manage household needs and sustain teaching continuity, indirectly benefiting students.

Collaborations to Serve More Communities

Beyond financial services, BDONB empowers clients through financial literacy programs that help them manage money and use loans responsibly. In 2025, BDONB organized Negosyante Days in various communities, reaching entrepreneurs and promoting better budgeting and savings habits.

BDONB also partnered with the Department of Education (DepEd) to support annual Brigada Eskwela and Balik-Eskwela programs, providing school supplies to participating schools and benefiting teachers and students nationwide. Supplemental support from BDO Foundation expanded these efforts. BDONB likewise supported Teacher's Day Month and World Teacher's Day celebrations, reinforcing its commitment to educators.

Collaborations with SM Foundation delivered medical and dental missions to areas needing health service support, while Felicidad T. Sy Foundation helped serve the spiritual and religious needs of communities. BDONB also partnered with SM Supermalls through Sunday Market and SM for MSMEs initiatives, providing an avenue to reach more clients and showcase products for entrepreneurs.

Through these initiatives, BDONB reinforced its commitment to inclusive growth—supporting livelihoods, promoting financial resilience, and empowering women across rural communities. Partnerships and programs extended access to financial services and essential

resources, helping entrepreneurs, educators, and families improve their quality of life.

In 2025, BDO Network Bank was recognized for its ongoing commitment to client-centric practices and responsible finance across the communities it serves. BDONB was featured by global rating agency MFR (MicroFinanza Rating) among its Top-Rated Financial Institutions Worldwide for the second semester of 2025, a list highlighting financial institutions operating across four continents that have demonstrated strong performance in Social and Environmental Rating (SER) and Client Protection Certification (CPC).

These assessments evaluate alignment with internationally recognized standards for responsible and inclusive finance, including the quality of social and environmental performance management systems and the delivery of financial services in a safe, fair, and responsible manner.

BDONB received an sBB- Social and Environmental Rating (SER), reflecting adequate social performance management and client protection systems, and a Bronze-level Client Protection Certification (CPC), confirming that it meets the client protection standards in the Universal Standards for Social and Environmental Performance Management across seven dimensions, including strategy, governance, client-centric product design, client protection, responsible human resource development, responsible growth and profits, and environmental performance.



Global rating agency
MicroFinanza Rating
(MFR) named BDONB
among its Top-Rated
Financial Institutions
Worldwide in Q2 2025

CASE STUDY

Roadside Stall to Rural Distributor:

A Woman Entrepreneur Scaling Livelihoods in the Visayas

With only 15,000 pesos in starting capital, Ann Luna opened a small vegetable stall outside her home in Brgy. Igtambo, San Miguel, Iloilo. As families began to rely on her, she and her husband reinvested earnings and gradually expanded into Nicole Store, stocking essentials that nearby households needed daily.

The business encountered major pressures as it grew. During the pandemic, Ann had to travel to nearby towns to secure goods and deliver essentials to communities under lockdown. Later, a national supplier switched to a cash on delivery system that required upfront payments. Without additional capital, Ann risked losing access to products that her customers depended on.

A BDO Network Bank loan helped her meet supplier requirements while continuing her flexible “sell first, pay later” arrangements that many microentrepreneurs relied on. Nicole Store now supplies over 200 outlets and supports more than 100 sari sari stores and school vendors, making it a reliable distribution point in an area where small retailers often struggle with inventory consistency.

Guided by her commitment to help others start or sustain their own small ventures, Ann shared, “Hindi lahat ng negosyo para sa sarili lang. Kailangan makatulong ka rin sa iba.” (“Not all businesses are just for yourself. You have to help others too.”)

Ann plans to strengthen her cold storage and expand delivery capacity so her partner stores can maintain steady pricing and avoid shortages. Her work contributes to SDG 5 Gender Equality, SDG 8 Decent Work and Economic Growth, and SDG 10 Reduced Inequalities.

With BDONB as partner, Ann built a distribution network that keeps more than 100 small stores running, showing how one woman’s business can hold an entire rural supply chain together.



CASE STUDY

From Classroom to Farmland:

A Teacher’s Path to Resilience in Rural Mindanao

In rural Sultan Kudarat, Teacher III Nimrod P. Loria faced two parallel needs that were difficult to pursue at the same time. He wanted to complete the graduate education required for career progression while his family also needed a source of long-term livelihood. With limited income and limited access to financing, investing in both felt beyond reach.

Through a BDO Network Bank teacher salary loan, Nimrod finished his Master of Arts in Education and began working toward a Doctor of Education in Educational Leadership. This strengthened his teaching practice and improved learning outcomes for 65 students each year, a significant gain for a school that depends on teachers with advanced training.

The same access to financing allowed him to reclaim a 1.25 hectare family farmland, turning idle land into a productive asset that increased household income by 5%. Nimrod plans to use the farm for small group learning sessions on basic sustainable agriculture, giving families practical skills they can use at home.

Reflecting on his journey, he shared, “BDO Network Bank didn’t just give me a loan; they gave me the confidence to dream bigger and the means to make those dreams real.”

Nimrod aims to complete his doctorate so that he can introduce classroom activities that link agriculture, budgeting, and daily decision making. These steps connect his students’ lessons to the realities of rural life and strengthen the outcomes aligned with SDG 4 Quality Education, SDG 8 Decent Work and Economic Growth, and SDG 10 Reduced Inequalities.

With the support of BDONB, Nimrod is the teacher who turned a salary loan into both a graduate degree and a working farm, proving that progress in rural schools can begin with one person who invests in both learning and land.



Building Financial Futures Beyond Borders: BDO Remit

BDO Remit is a key enabler of BDO Unibank Inc.'s (BDO) sustainability journey, advancing the Bank's commitment to inclusive growth, responsible finance, and community empowerment. Guided by BDO's Sustainability Framework and the United Nations Sustainable Development Goals (SDGs), BDO Remit plays an integral role in strengthening economic and social resilience among overseas Filipinos and their families.

In 2025, 40% of the Philippines' total cash remittances were credited to BDO accounts, making the Bank uniquely positioned to promote financial inclusion and help transform remittance flows into long-term financial security for Filipino families.

Guided by the brand promise of Alagang Kabayan, the dedicated care and service for our fellow Filipinos working overseas, BDO Remit's mission goes beyond remittance. We empower dreams, strengthen financial capability, and foster sustainable livelihoods that drive national development.

Anchored on the BDO Sustainability Framework and the UN SDGs

BDO Remit's initiatives directly support several Sustainable Development Goals (SDGs)—SDG 1 No Poverty, SDG 8 Decent Work and Economic Growth, SDG 9 Industry, Innovation and Infrastructure, SDG 13 Climate Action, and SDG 17 Partnerships for the Goals—by

promoting financial inclusion, economic empowerment, and social resilience. Through education, access, and innovation, BDO Remit enables overseas Filipinos to manage, grow, and sustain their resources responsibly even from thousands of miles away.

Financial Solutions for Overseas Filipinos

Under BDO's Product Sustainability Strategy, BDO Remit continuously innovates its financial products to meet the evolving needs of overseas Filipinos. Kabayan Savings offers a safe, accessible channel for saving and managing remittances, while Kabayan Loan and Negosyante Loan—offered in partnership with BDO Network Bank—provide returning overseas Filipinos and microentrepreneurs with capital to start or grow small businesses.

Digital transformation is central to this strategy. Through BDO Online and BDO Pay, BDO Remit delivers seamless, paperless, and eco-friendly banking experiences. As of December 2025, 70% of Kabayan Savings account holders have been onboarded to digital banking. Overseas Filipinos can monitor accounts, send money, pay bills, and manage finances from anywhere in the world, thereby advancing SDG 9 Industry, Innovation and Infrastructure and SDG 13 Climate Action.

Access to Financial Education and Livelihoods

Aligned with BDO's Sustainability Contribution Strategy, BDO Remit empowers overseas Filipinos through financial education and livelihood opportunities. In partnership with the Department of Migrant Workers (DMW), the Overseas Workers Welfare Association (OWWA), and the Commission on Filipinos Overseas (CFO), BDO Remit delivers Pre-Departure and Post-Arrival Orientation Seminars covering saving, insurance, investment, responsible borrowing, and fraud prevention. In 2025, these efforts reached almost 339,000 participants through more than 9,600 domestic and international sessions, equipping overseas Filipinos and their families with financial literacy skills that support long-term wellness.

As a complement to financial education initiatives, BDO Remit conducted Stress Management Workshops in 2025. These sessions helped overseas Filipinos, particularly domestic helpers headed to the Middle East, prepare mentally, emotionally, and culturally, helping them gain confidence to work abroad and complete contracts successfully.

By collaborating with DMW and OWWA, BDO Remit further supported returning overseas Filipinos as they transitioned into entrepreneurship, providing access to microfinancing options through Kabayan and Negosyante Loans. These initiatives created pathways to sustainable

livelihoods and supported SDG 1 No Poverty, SDG 8 Decent Work and Economic Growth, and SDG 17 Partnerships for the Goals.

Global Teams Serving Filipinos Everywhere

In line with BDO's Human Capital Sustainability Strategy, BDO Remit's strength as an organization continues to grow because of its people: dedicated employees in the Philippines and expats abroad who live out the values of Alagang Kabayan. They bring financial education directly to Filipino communities worldwide, facilitate account opening, explain investment options, and guide overseas Filipinos in using digital tools like BDO Pay, empowering them to manage finances independently across time zones. BDO Remit also integrated remittance status inquiry into its app ecosystem, giving remitters and beneficiaries a real-time view of the status of their remittance.

Support When Disasters Strike

Aligned with BDO's Disaster Response Sustainability Strategy, BDO Remit waived remittance fees for donations to various organizations that assisted victims of natural disasters in 2025, including the Philippine Red Cross, BDO Foundation, ABS-CBN Lingkod Kapamilya Foundation, and GMA Kapuso Foundation.

Governance for Secure and Trusted Transactions

Under BDO's Governance-based Sustainability Strategy, BDO Remit upholds principles of accountability, transparency, integrity, and fairness across its operations. Its remittance and financial services are aligned with global standards and are continuously enhanced to ensure security, efficiency, and customer trust. With this governance-driven approach, BDO Remit strives to ensure that every remittance contributes not only to financial progress but also to a sustainable future for Filipino families.

Economic, Environmental, and Social Impact

BDO Remit's financial inclusion initiatives fueled sustainable economic growth in 2025 by turning remittances into investments and entrepreneurial ventures. Kabayan deposit accounts grew by 10%, while average savings increased by 9%—clear evidence of stronger financial habits among overseas Filipinos.

Beyond economic impact, BDO Remit fostered social cohesion through community programs such as the annual Pamaskong Handog Christmas program, BDO Fiesta, Cash Agad Partners Agents Day, Community Marketing Roadshows, Stress Management Workshops, and International Women's Month celebrations. These events celebrated Filipino culture while

offering direct access to financial services. BDO Remit also contributed to national development by partnering with agencies to honor outstanding Overseas Filipino Workers' families through the Model OFW Family of the Year Awards (MOFYA).

Project ENDOW: Reintegration Through Enterprise Development

In partnership with the DMW, BDO Remit supports the reintegration of overseas Filipino workers (OFWs) and seafarers through Project ENDOW (Enterprise Development for Overseas Filipino Workers & Seafarers and Their Family Members).

The program equips returning migrants and their families with practical skills to build sustainable livelihoods in the Philippines, providing alternatives to re-migration while strengthening local economic participation.

Project ENDOW is a two-day enterprise development training conducted with the DMW, BDO Network Bank, the Department of Trade and Industry (DTI), the Department of Labor and Employment (DOLE), and local government units. Participants learn business registration, financial management, labor compliance, and access to financing, culminating in a mentored business plan presentation and coaching on bank requirements.



Project ENDOW Program Modules

Module I	Business Registration and Licensing Permits (LGU representative)
Module II	Employment and Labor/Employee Relations (DOLE representative)
Module III	Basic Accounting and Taxation
Module IV	Cash Management and Financial Projections
Module V	Starting a Business (DTI Representative)
Module VI	Making a Business Plan
Module VII	Working Abroad, Coming Home, Fears, Uncertainties
Module VIII	Going into Business as Alternative to Re-Migration and to Augment Current Employment Income
Module IX	Critique Presentation of Business Ideas with Projections (Panel with BDO representative)
Module X	Opening and Managing Your Bank Account; Requirements for Bank Loan (BDO Network Bank representative)

Beyond entrepreneurship training, the program supports the social transition of returning migrants, helping them manage uncertainty and confidently pursue local opportunities.

By enabling overseas Filipinos to establish businesses, the program transforms overseas experience into domestic economic value. Participants create income for their families while generating jobs for fellow Filipinos, allowing skills, discipline, and innovation gained abroad to benefit local communities.

To complement the training, DMW launched the LIKHA Business Plan Competition to provide viable enterprises with startup or expansion capital. LIKHA stands for Linangin ang Kakayahan sa Kabuhayan Award, which means Skill Development for Livelihood Award. The competition was held across key

Philippine cities to reach different migrant communities—beginning in Makati, the country's primary business district, where 32 participants joined Likhang Kababaihan in June 2025. It continued in Tacloban, a major city in Eastern Visayas, where 24 seafarers took part in Likhang Marino in September. The program then expanded to Pasay, part of Metro Manila's urban hub, bringing together 39 overseas Filipinos from across the world for Likhang Global in December 2025.

In 2025, a total of 176 overseas Filipinos benefited from the reintegration initiatives supported by BDO. Through Project ENDOW, BDO Remit advances financial inclusion and economic empowerment by helping overseas Filipinos transition from remittance dependence to enterprise ownership. This fosters resilient households and stronger local economies.



SPECIAL REPORT

Championing Children's Rights Across Our Value Chain

BDO lives up to its Environmental and Social Risk Management System (ESRMS) Policy by embedding the Children's Rights and Business Principles (CRBP), developed by the United Nations International Children's Emergency Fund (UNICEF), into our business, operations, and partnerships to address social risks and opportunities. With children and youth making up more than half of the Philippine population, protecting their well-being is a core responsibility.

The UNICEF Children's Rights and Business Principles focus on the following:

Principle 1: Respect and support children's rights. Business should integrate children's rights into policies and management systems and conduct human rights due diligence, including remediation of adverse impacts

Principle 2: Eliminate child labor. Business should not engage in or tolerate child labor and should take steps to identify and eliminate it across operations and business relationships.

Principle 3: Provide decent work for young workers, parents, and caregivers. Business should promote decent work and support work-life balance and family responsibilities.

Following a capacity-building session hosted by the Securities and Exchange Commission and UNICEF on Child Rights and Corporate Sustainability in October 2025, BDO mapped the Bank's policies and practices against the CRB principles.

- **On Policy:** BDO maintains a strict zero-tolerance policy for child labor across its operations and supply chain. Through its Board-approved ESRMS, the Bank identifies Human Rights—including children's rights—as a key focus area and classifies Child Labor as a priority social risk across lending, investments, and supplier assessments.
- **On Products for Children:** BDO strengthened its youth-focused banking offerings through the BDO Junior Savers (0 to 12 years old) and NextGen Savers (13 to 19 years old) programs for children and young adults, respectively. Both types of accounts are designed for safe banking for minors, with parent or guardian consent requirements, age-appropriate account features, and built-in financial education to promote safe and responsible saving among minors. To further safeguard children from online exploitation,

the Bank enhanced its controls to address Online Sexual Abuse and Exploitation of Children (OSAEC), including the integration of strengthened transaction-monitoring alert scenarios to detect human trafficking and child exploitation activities, and the implementation of mandatory OSAEC-specific training (AMLA 109) for all client-facing units.

- **On Education Access through Personal Financing:** BDO's Personal Loan includes education expenses as an eligible purpose, providing families with accessible credit and predictable repayment terms to cover tuition, school supplies, and other learning-related costs. By easing financial barriers to education, the loan helps ensure that children and youth can continue their studies uninterrupted, reinforcing the Bank's commitment to uphold their right to learning and development.



- **On Social Protection:** BDO Life supports children's well-being by helping reinforce the long-term stability of families through accessible insurance protection. In 2025, the Kids Campaign illustrated this commitment by presenting the value of insurance from the perspective of policyholders' children. This approach served as an indicator of BDO Life's continued efforts to communicate the importance of financial protection in ways that resonate with families and highlight its role in ensuring continuity for future generations. Through inclusive offerings such as the Kabalikang Pamilya (Family Partner) plan, which provides accident insurance, hospital confinement benefits, and burial assistance for up to five family members, BDO Life strengthens household resilience so that children remain supported even during periods of loss or crisis.
- **On Supporting Families:** BDO Remit strengthens the well-being of children in overseas Filipino households by helping ensure stable and secure financial support reaches families. Through its Pre-Departure Orientation Seminars and Post-Arrival Orientation Seminars delivered with the Department of Migrant Workers, the Overseas Workers Welfare Association, and the Commission on Filipinos Overseas, BDO Remit equips overseas Filipino parents with financial literacy on saving, budgeting, responsible borrowing, and fraud prevention—reinforcing household financial planning and resilience that strongly focus on children's education, health, and future needs. Its reintegration initiatives, such as Project Enterprise Development for Overseas Filipino Workers and Seafarers and Their Family Members (Project ENDOW), help returning overseas Filipinos establish sustainable livelihoods that support long-term family needs. Digital channels like BDO Online and BDO Pay further ensure safe and convenient access to remittances, while fee waivers during emergencies help children and their families receive timely assistance during crises.
- **On Capability-building:** Apart from mandatory OSAEC Training, the Bank, through the Sustainability Office, conducts the UN Sustainable Development Goals Workshop that emphasizes the protection of children's rights under SDG 8 (Decent Work and Economic Growth—protection from modern slavery) and SDG 10 (Reduced Inequalities—anti-violence against women and children). The Sustainability Office also trains employees on identifying social risks related to child labor and children's rights in its ESRMS Workshop on E&S risk assessment and opportunity mapping on the Bank's clients and projects assets.
- **On Responsible Marketing and Communications:** BDO's external communications and marketing practices are guided by Philippine consumer-protection, banking, advertising, and child-protection regulations. In line with OSAEC Act or Republic Act No. 11930, the Advertising Standards Council (ASC) Code of Ethics, and Bangko Sentral ng Pilipinas (BSP) financial consumer protection regulations, the Bank ensures that marketing content across physical and digital channels is truthful, age-appropriate, non-exploitative, and protective of children, including in online environments.
- **On Education and Financial Literacy:** BDO advanced its youth-focused initiatives by delivering financial education programs that foster long-term financial capability

and support the overall well-being of children and adolescents. Employees regularly volunteered for the annual Brigada Eskwela Program of the Department of Education that rehabilitated classrooms and public schools before the start of each school year to promote a conducive learning environment for grade school students.

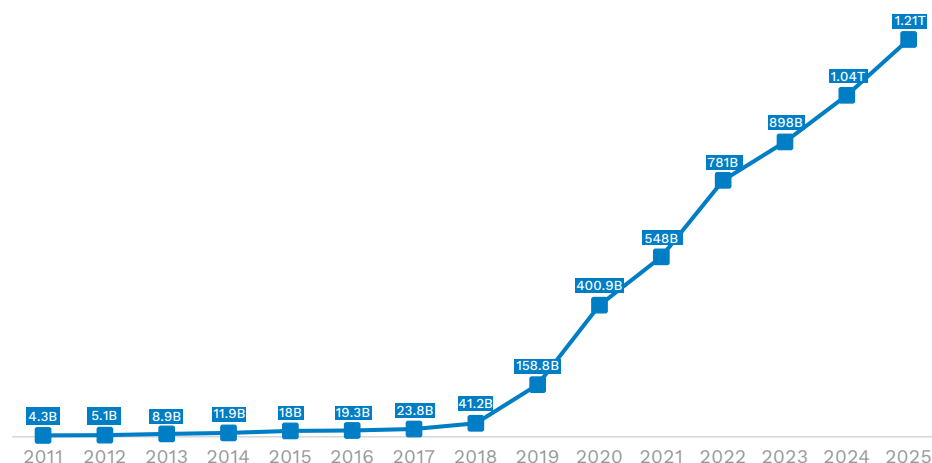
- **On Emergency Support, Health, and Well-being:** In 2025, BDO provided targeted relief assistance to children and their families affected by crises, ensuring timely support during periods of heightened vulnerability. Through the Employee Volunteer Program, BDO employees contributed to community feeding and food rescue activities, while BDO Foundation's rehabilitation of Rural Health Units (RHUs) incorporated child-focused features and pediatric-friendly spaces that improve access and enhance the experience for mothers, infants, and children.

All these efforts are driven by BDO's governance and safety policies—ensuring the Bank's commitment to children's rights is cohesive, credible, and embedded across its operations and communications.



SPECIAL REPORT

15 Years of Sustainable Finance Leadership

BDO SUSTAINABLE FINANCE
(2011–2025)

As early as 2010, well before climate change became a mainstream financial concern in the Philippines, BDO had a forward-looking vision for sustainable finance. Recognizing its responsibility as the largest bank in the Philippines, BDO viewed the nascent renewable energy technologies and the emerging climate change risks as an opportunity to lead the country towards energy security and

sustainability. The Bank positioned itself as an enabler and catalyst, mobilizing capital toward activities that support environmental resilience, social well-being, and long-term economic stability. This pioneering commitment laid the groundwork for integrating sustainability into its core strategy and for developing financing solutions that empower businesses and communities to transition

to a low-carbon, climate-resilient future. Over the past 15 years, BDO's Institutional Banking Group (IBG) has built a robust Sustainable Finance portfolio that aligns with policy shifts, evolving technologies, and changing market trends. What began in 2010 as the Sustainable Energy Finance program, focused solely on financing renewable energy (RE) projects, has evolved into an enabler of sustainable development across all industries. With the expertise and dedication that helped mainstream RE projects in the Philippines and across Asia, IBG is also funding large-scale water and wastewater projects, clean transport, and community infrastructure nationwide. As of 2025, BDO has disbursed ₱1.21 trillion to sustainable projects and businesses, the largest amount for any Philippine bank to date.

As BDO marks its 15th year of delivering sustainable financial products and services, the Bank reflects with humility and pride on the lessons learned as a pioneer and today's market leader.

Raising the Bar and
Shaping Policies

As a market leader, BDO leverages the influence that comes with scale and embraces the responsibility to help advance banking policies and market practices toward more sustainable banking. BDO's Energy Transition Finance Statement, issued in 2022, publicly declared the Bank's intent not to support new coal capacity and committed to reducing coal exposure by 50%, while ensuring that it does not exceed 2% of the Bank's total loan portfolio by 2033. As a Bank, BDO actively aligns with the Bangko Sentral ng Pilipinas (BSP) on policies, guidelines, and incentives related to sustainable finance. The Bank provides practical market insights to help ensure that policies are both ambitious and implementable, while managing stakeholder expectations.

Fifteen Years of Sustainable Finance Leadership (2010–2025)

Since 2010, BDO has built one of the most expansive and diversified Sustainable Finance portfolios in the Philippine banking sector, supporting the country's transition toward a low-carbon, climate-resilient, and socially inclusive economy. What began as a renewable-energy-focused initiative has evolved into a comprehensive platform that mobilizes capital toward environmental resilience, social well-being, and long-term national development. This sustained leadership reflects BDO's commitment to enabling businesses and communities to invest in climate solutions and pursue a more sustainable future.

2010

Establishing the Foundation

- Launched the Sustainable Energy Finance (SEF) Program with the International Finance Corporation (IFC).
- Established the Social and Environmental Management System (SEMS).

2011

First SEF Project and Capability Building

- Conducted intensive SEF capacity-building for lending, credit, and branch officers to strengthen awareness of sustainable energy financing and help clients identify energy-efficiency and renewable energy opportunities.
- Financed first SEF-eligible project: a 19 MW cogeneration plant in Isabela, supported by a **P4.3 billion** loan.

2012

Pioneering Green Buildings

- Financed Zuellig Building, first LEED® Platinum-certified green building in the Philippines and first green building in Makati City, featuring energy- and water-efficient systems, double-glazed Low-E glass, rainwater harvesting, and low-flow plumbing fixtures.
- Financed an energy-efficiency project for cold storage of onions.
- Financed 0.318 MW rice husk biomass project in Nueva Ecija.
- SEF funded as of 2012: **P5.1 billion**.

2015

Deepening Geothermal and Mini-Hydro

- Financed 8 MW mini-hydro in Antique.
- Financed 140 MW geothermal in Albay.
- Financed 112.5 MW geothermal in Leyte.
- Financed 192.5 MW geothermal in Negros Oriental.
- Financed a 300 kW solar rooftop installation at a BDO facility in Ortigas.
- SEF funded as of 2015: **P18 billion**.

2014

Expanding Wind and Biomass

- Participated in syndicated loan for the 150 MW Burgos Wind Project.
- Financed 20 MW rice husk biomass facility in Isabela.
- Participated in syndicated loan for the 54 MW Pililla Wind Project.
- SEF funded as of 2014: **P11.9 billion**

2013

Scaling Renewable Energy and Energy Efficiency

- Financed Starmall Alabang HVAC retrofit, winner of the UNFCCC Energy Efficiency Project Award; delivered P3 million monthly savings, improved indoor air quality, and avoided 3,774 tCO₂ annually.
- Financed 12 MW rice husk-fired biomass plant in San Jose, Nueva Ecija, first of its kind accredited under the Feed-in-Tariff (FIT) program; generated 74,880 MWh/year, equivalent to ~2,600 homes, and avoided 31,000 tCO₂ annually.
- Marked second partnership with the International Finance Corporation (IFC).
- SEF funded as of 2013: **P8.9 billion**.

2016

Strengthening Solar and Biogas Technologies

- Financed 63.29 MW Calatagan Solar Farm in Batangas.
- Financed first state-of-the-art 2 MW biogas plant in Tarlac.
- Marked third partnership phase with the IFC
- SEF funded as of 2016: **P19.3 billion**

2017

First Green Bond in the Philippines and East Asia Pacific

- Issued a US\$150 million Green Bond, the first by a Philippine private-sector bank and a landmark transaction in the East Asia Pacific region, with IFC as sole anchor investor.
- The issuance catalyzed financing for eligible renewable energy projects and inspired other financial institutions and corporations to issue their own green bonds, strengthening local and regional sustainable finance markets.
- Financed 12 MW rice husk biomass (San Jose Phase 2) in Nueva Ecija.
- SEF funded as of 2017: **P23.8 billion**

2018

Green Bond Grant and Proceeds Allocation

- Fully allocated the US\$150 million Green Bond, supporting renewable energy projects totaling 95 MW across biomass and wind.
- Achieved 270,000 tonnes of CO₂ emissions avoided annually; 57,800 vehicles off the road or seven million trees grown.
- Financed key biomass projects:
 - 20 MW rice husk & corn biomass in Cagayan
 - 15 MW rice husk & coco biomass in Maguindanao
 - 6 MW multi-feedstock biomass in South Cotabato (first of its kind)
- SEF funded as of 2018: **P41.2 billion**

2024

Crossing the P1 Trillion Sustainable Finance Threshold

- Sustainable Finance funded as of 2024: **P1.04 trillion** (US\$17.9 billion).
- 63 renewable energy projects as of 2024.
- Financed renewable energy projects across biomass, biogas, hydro, solar, and wind, contributing to 2,679 MW of installed RE capacity, and 4,767,745 tonnes of carbon dioxide avoided per year by funded renewable energy projects.
- BDO issues its second and third ASEAN Sustainability Bonds, raising P63.3 billion and P55.7 billion respectively, with beneficiaries from IBG's loan portfolio.
- Fully allocated proceeds from the US\$100 million Blue Bond, financing water and wastewater management, bulk water operations, and treatment facilities in water-stressed coastal communities.

2023

Expanding Renewable Energy Financing and Strengthening the Sustainable Finance Framework

- Sustainable Finance funded reached **P898 billion** as of 2023.
- 59 renewable energy projects as of 2023.
- Financed renewable energy projects across biomass, biogas, hydro, solar, and wind, contributing to 2,377 MW of installed RE capacity and 4,382,572 tonnes Carbon dioxide avoided per year by funded renewable energy capacity.
- The Board approved additional categories for green, social, and blue finance, as well as a new orange/gender financing category, expanding the Bank's Sustainable Finance Framework into a broader set of eligible project categories.

2025

Trailblazing Sustainable Finance

- Sustainable Finance funded as of 2025: **P1.21 trillion**, largest of its kind among Philippine banks.
- Arranged the P150 billion MTerra Solar Project, largest project finance facility in Philippine history and world's largest integrated solar + battery storage facility (3,500 MWp solar, 4,500 MWh storage), projected to supply clean energy to 2.4 million households.
- Financed acquisition of the 796.64 MW Caliraya-Botocan-Kalayaan (CBK) hydro complex.
- Granted the Bank's first Sustainability-Linked Loan, amounting to P1.5 billion.
- Issued its fourth ASEAN Sustainability Bond, raising P115 billion, highest sustainability-related issuance by a Philippine bank as of 2025.
- Strengthened internal expertise with five Certified Green Finance Specialists.

2022

Energy Transition Commitment and New Instruments

- Sustainable Finance funded reached **P781 billion** as of 2022.
- 58 renewable energy projects as of 2022
- BDO issued the Bank's first Blue Bond, the first in the Philippines and in the region in partnership with IFC.
- BDO issued its first ASEAN Sustainability Bond for a record-breaking P52.7 billion (US\$955 million), with beneficiaries from IBG's loan portfolio
- Board-approved Energy Transition Finance Statement (ETFS) commits to:
 - No new coal capacity
 - 50% coal exposure reduction
 - Coal exposure capped at 2% of the loan portfolio by 2033.
- Financed renewable energy projects in biomass, hydro, biogas, solar, and wind, contributing to 2,252 MW total installed RE capacity and 4,302,502 tonnes of CO₂ avoided annually by funded renewable energy capacity.

2019

Formalizing Sustainable Finance Governance

- Issued Environmental and Social Risk Management Guidelines supported by capacity-building activities.
- Renamed SEF Desk to the Sustainable Finance (SF) Desk, expanding its scope to all industries with environmental and social impacts.
- Authored the BDO Sustainable Finance Framework, aligned with BDO's Sustainability Strategies and the UN SDGs.
- Published first BDO Sustainability Report (May 2019).
- Financed 12 MW biomass in Nueva Ecija and 12 MW biomass in Bataan.
- P110.2 billion in SEF loans and **P158.8 billion** in Sustainable Finance (SF) loans as of 2019.

2020

Geothermal Leadership and Framework Certification

- Financed 2.2 GW (2,184 MW) of the Philippines' installed renewable energy capacity.
- The Sustainable Finance Framework (SFF) received a Second-Party Opinion (SPO) from Sustainalytics, confirming alignment with international sustainability bond and loan standards..
- Strengthened climate-risk mitigation through WWF-facilitated internal training using the Philippine government's HazardHunterPH physical risk assessment tool.
- P119.4 billion in SEF loans and **P400.9 billion** in SF loans funded as of 2020.

2021

Scaling Impact and Reach

- Sustainable Finance funded reached **P548 billion** as of 2021.
- Reached 54 renewable energy projects funded
- Annual SEF impact included:
 - 2,230 MW in total installed renewable energy capacity
 - 4,266,687 tonnes of carbon dioxide avoided annually
 - 1,994,189 families served by renewable energy projects
 - 3,052 smallholder farmers supported under SDG 2 Zero Hunger
 - 167.73 km of road network development enabled with **P19.3 billion** in financing

CASE STUDY

Financing MTerra Solar, the World's Largest Integrated Solar–Battery Facility

The Philippines faces the dual challenge of rising power demand and climate vulnerability. MTerra Solar project is strategically sited at the provinces of Nueva Ecija and Bulacan in Central Luzon—an agricultural and load-center region north of Metro Manila and in one of the country's fastest-growing economic corridors, where demand for stable, affordable power continues to rise. MTerra Solar is the world's largest integrated solar and battery facility and responds at system scale: a 3,500-megawatt-peak (MWp) solar installation integrated with 4,500 megawatt-hours (MWh) of battery energy storage. Upon completion, it is expected to supply clean electricity to approximately 2.4 million households, strengthening energy security while advancing national renewable energy goals.

BDO provided the largest commitment in the ₱150 billion project finance facility and took on multiple leadership roles: Sole Mandated Lead Arranger and Bookrunner via BDO Capital, Facility Agent and Security Trustee via BDO Trust and Investments Group, and main account bank to support day-to-day requirements. This comprehensive structure demonstrates BDO's capability in renewable energy financing that can mobilize global clean energy.

Future-Proofing Energy Infrastructure and Grid Reliability

The project spans 3,500 hectares across the two provinces and includes a

13-kilometer, 500 kilovolt (kV) transmission line to connect to the national grid—future-proofing integration as load and renewables expand. The choice of Central Luzon as the project site also places MTerra Solar close to key transmission routes serving Luzon, the country's highest-demand grid region, enabling more efficient integration of large-scale renewable capacity. Project sponsors highlighted the importance of deep domestic banking expertise to navigate the project's scale, complexity, and execution requirements. The integrated battery energy storage system (BESS) enables the delivery of renewable power even beyond daylight hours, supporting grid stability and improving power quality. Estimated benefits include an estimated 4.3 million tons in annual carbon emissions avoided, roughly equivalent to removing at least 3 million gasoline-powered cars off roads.

Driving Local Development and Community Impact

Community-level benefits extend beyond energy generation. Programs such as brightTER (solar streetlights, improving safety and mobility), TERRAnsform (skills training for scholars with job placement under Engineering, Procurement and Construction contractors), and carTER (community marketplaces supporting local businesses) further reinforce the project's socio-economic contribution.

CASE STUDY

Scaling ACEN Onshore Wind Power Through Sustainable Finance

Wind complements solar to create a balanced renewable energy mix. ACEN's onshore wind development—positioned to become the largest wind power facility in the Philippines—is designed to deliver clean, reliable power to the Luzon grid, the country's largest and most energy-demanding island region, while supporting the national target of a 35% renewable energy mix by 2030. Located across four municipalities in Southern Luzon—Mauban and Real in Quezon Province, and Paete and Kalayaan in Laguna—the ACEN Onshore Wind Power Project spans coastal and upland areas with strong wind resources and direct connection to the Luzon grid.

BDO serves as a long-standing partner to ACEN, financing ₱12.04 billion, or 35% of the ₱34.41 billion total loan facility on a 15-year term. The Bank's role includes comprehensive financing and structuring support: Senior Lender (BDO Unibank), Joint Lead Arranger (BDO Capital), and Facility Agent and Security Trustee (BDO Trust and Investments Group). This integrated participation was cited by ACEN's leadership as critical to advancing a landmark renewable energy project.

Structuring Long-term Financing for Utility-Scale Renewables

The project highlights the importance of well-structured long-term capital in scaling renewable energy in the

Philippines. By supplying clean power directly into the Luzon grid, the project helps stabilize the country's most heavily loaded transmission network as it is home to the largest central business districts, industrial centers, and key economic zones. As a utility-scale asset, the wind facility is expected to contribute meaningfully to grid decarbonization and stability, providing clean energy during hours when solar output naturally tapers. The focus on long-tenor financing reinforces investor confidence by matching capital terms with the project's operational life cycle.

Strengthening Local Economic Participation and the Energy Transition

Beyond its climate value, the project is expected to stimulate employment and enterprise activity during construction and operations—benefits highlighted by ACEN as part of its broader renewable expansion strategy. Wind projects of this scale typically require extensive land preparation, transport logistics, and community coordination, which in turn generate local jobs and supply-chain activity in host areas of Luzon.

CASE STUDY

Strengthening Community Resilience Through Richli Water's Sustainable Surface-Water Solutions

Water scarcity in Bohol, an island province in the Central Visayas region known for chronic groundwater depletion, has long forced communities to rely heavily on groundwater, contributing to saltwater intrusion and increasing the risk of contamination. Because many of Bohol's municipalities sit along coastal zones and depend on aquifers that are highly vulnerable to over-extraction, the province faces recurring water insecurity, especially during dry months. Richli Water addresses this development challenge by sourcing surface water from rivers and springs and treating it to high standards for safe, reliable distribution to households.

BDO's financing enabled Richli Water to expand its pipeline network and construct a new water treatment facility, boosting its capacity to serve Tagbilaran City—the province's main urban center—and neighboring municipalities. The choice of Bohol as a project site is critical, as the island has limited large-scale water infrastructure and faces ongoing demand pressures from tourism, population growth, and urbanization. The company's President described the loan as a “game changer”—precisely the kind of long-term capital smaller water utilities need to adopt sustainable, environmentally responsible methods.

Ensuring Water Quality Through Rigorous Monitoring and Compliance

Richli Water maintains strong operational governance. It conducts hourly water quality testing at its treatment plant for turbidity, chlorine levels, and pH balance, and undergoes third-party testing twice yearly to comply with Department of Health (DOH) standards. Looking ahead, the company plans to build additional water treatment facilities and is exploring the development of wastewater treatment plants to offer more comprehensive water solutions to communities across the island.

Delivering Environmental, Health, and Economic Benefits for Communities

The impact of this investment is both environmental and social. By reducing dependence on groundwater, the project helps protect aquifers, lowers the risk of waterborne illnesses, and enhances public health. Reliable clean water also supports local economic resilience, enabling households, businesses, and essential institutions to operate more sustainably. For an island province like Bohol, where water security underpins tourism, agriculture, and community wellbeing, the added reliability of treated surface water is especially valuable. This also illustrates how sustainable finance can unlock essential infrastructure that directly enhances community wellbeing.

CASE STUDY

Decarbonizing Urban Logistics Through Mober Electric Fleets and Charging Infrastructure

Freight and last-mile logistics are significant contributors to urban emissions. Mober is pioneering all-electric logistics with a fleet of 60 electric vehicle (EV) trucks financed by BDO—demonstrating a replicable pathway to decarbonize delivery operations while improving reliability and efficiency for enterprise clients. Based in Metro Manila, the Philippines' most densely populated and commercially active region, Mober operates in an environment where traffic congestion, air-quality concerns, and high logistics intensity heighten the need for cleaner transport solutions.

Mober's transition is anchored by Mober Central Charge, a purpose-built EV charging hub in Pasay City and one of Metro Manila's busiest logistics and commercial gateways, spanning 3,000 square meters with 56 charging ports. Using a three-shift operating model, the facility can charge up to 200 EV trucks daily, enabling round-the-clock logistics operations. Pasay's proximity to major business districts, retail centers, and transport corridors makes it an optimal base for large-scale electric logistics operations, supporting clients such as Ikea, SM Appliances, Nestlé Philippines, and Danish shipping and logistics company Maersk, further embedding clean transport in supply chain operations.

Scaling Clean Mobility Through Digital Transformation

BDO's support extends well beyond fleet financing. The Bank implemented tailored cash-management solutions that shifted Mober from manual processes to fully digital payments, improving real-time reconciliation, strengthening operational controls, and enhancing security. This digital backbone is critical for scaling EV logistics, where fast-moving operations depend on seamless, automated financial workflows.

A Replicable Model for Decarbonizing Hard-to-Abate Sectors

This case demonstrates the combined value of clean transport, enabling infrastructure, and digital readiness. Metro Manila's heavy daily freight movements, concentrated delivery zones, and high vehicle density make it one of the most challenging environments in the Philippines to decarbonize, strengthening the relevance of Mober's EV-based model. This integrated approach—fleet + charging + digitalization—shows how sustainable finance can unlock emissions-reduction pathways in one of the most challenging sectors to decarbonize. With BDO's backing, Mober is strengthening its role as a first mover in electric logistics, contributing to a more resilient and environmentally responsible urban mobility system.

SPECIAL REPORT

BDO Capital Powers Growth, Enables Progress at 25

As BDO Capital & Investment Corporation (BDO Capital) marked its 25th anniversary, it reflects on a track record focused on enabling business growth, supporting employment, and contributing to the Philippines' economic progress. From its early years as a small investment banking player, BDO Capital has grown into a leading firm in the sector, helping shape the Philippine financial landscape by enabling enterprises to expand and thrive.

Growth Alongside the Philippine Economy

BDO Capital has evolved alongside the Philippine economy, continuously strengthening its capabilities to respond to the changing needs of businesses. Since the early 2000s and up to the end of 2025, it has facilitated a cumulative transaction volume of ₱13.9 trillion (~US\$278.6 billion), averaging approximately ₱536.4 billion (US\$10.7 billion) in deals annually. These transactions, spanning equity, debt, and advisory services, reflect BDO Capital's role in enabling access to capital and supporting long-term business growth. From 12 officers and staff, BDO Capital employee headcount has grown to 41 as of end-December 2025, providing a full-range of investment banking services to its clients.

Adapting to a Dynamic Market

As capital markets have evolved, BDO Capital has expanded from providing traditional lending products to delivering more complex, structured financing solutions designed to meet changing market demands. Beyond funding requirements, businesses increasingly require strategic financial solutions tailored to their industries, cash-flow profiles, long-term objectives, and prevailing market conditions.

Through its affiliation with BDO Unibank, Inc., BDO Capital leverages the Group's strong balance sheet, extensive branch network, diversified financial products, and broad client base. This integrated platform enables BDO Capital to underwrite and arrange a wide range of financing transactions and provide advisory services, reinforcing its role as a trusted financial partner to corporates, issuers, and institutional stakeholders.

Delivering Through Market Cycles

Despite periods of market volatility, BDO Capital has remained a reliable partner to its clients delivering tailored financial solutions since the pandemic era. In 2025, BDO Capital facilitated its largest

transaction volume to date, reaching ₱1.5 trillion (US\$25.7 billion). During this period, heightened market volatility and rising interest rates created opportunities

for issuers to access the debt capital markets with larger offerings, enabling them to secure long-term financing amid economic uncertainty.





Powering Philippine Businesses and Nation-Building

Beyond corporate finance, BDO Capital plays a vital role in supporting national development. It has enabled infrastructure projects that strengthen connectivity and mobility, facilitated mergers and acquisitions that contribute to industry development, and supported Philippine enterprises as they expand both domestically and internationally.

In recent years, capital-intensive sectors operating in a high-interest-rate environment have focused on optimizing their financial structures. BDO Capital has supported these efforts through innovative financing solutions, including sale-and-leaseback transactions, enabling companies to unlock liquidity while maintaining operational stability.

As BDO Capital enters its next chapter, it remains focused on strengthening partnerships and delivering financial solutions aligned with clients' long-term needs, in support of economic development and a sustainable business environment.

BDO Capital: 25 Years of Impact

Early 2000s

Foundation and Early Growth

BDO Capital began operations as an investment banking platform supporting Philippine businesses through access to capital.

2005–2024

Sustained Capital Formation

BDO Capital facilitated a cumulative transaction value of ₱13.9 trillion, averaging approximately ₱536.4 billion in transactions annually across equity, debt, and advisory services.

Expansion of Financial Capabilities

BDO Capital evolved from traditional lending products to more complex, structured financing solutions tailored to changing market conditions and client needs.

Leveraging Group Synergies

BDO Capital strengthened its underwriting, financing, and advisory capabilities by leveraging BDO

Unibank's balance sheet, branch network, diversified product offerings, and client reach.

Supporting Nation-Building

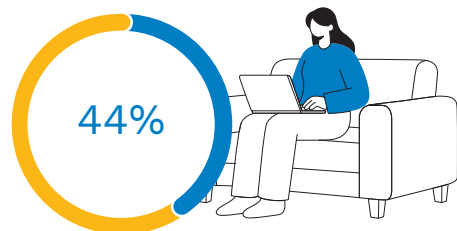
BDO Capital enabled infrastructure projects, facilitated mergers and acquisitions, and supported balance-sheet optimization initiatives to strengthen industries and economic resilience.

2025

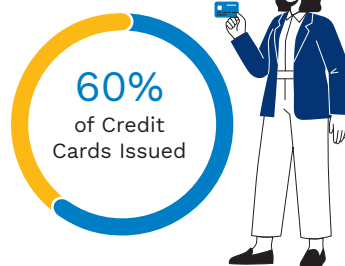
25th Anniversary with record transaction volume

BDO Capital marked 25 years of operations and reaffirmed its commitment to empowering enterprises and supporting sustainable economic development. BDO Capital facilitated its largest transaction volume to date at ₱1.5 trillion, enabling issuers to secure long-term financing amid continuing market volatility.

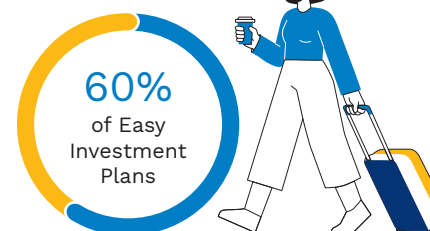
Empowering Women as Consumers and Entrepreneurs



Bank accounts opened through online account application



Access to credit card facility



Investment plans availed by women



Individual loans availed by women



48%
of Home Loans

61%
of Mortgage Loans

50%
of First-time Home Loaners



47%
of Auto Loans

49%
of Car Leases

31%
of Personal Loans



77%
of Salary Loans

62%
of Micro/Small/Medium Enterprise Loans

43%
of Outstanding Multipurpose Loans by sole proprietors for Consumer Banking Group

Individual insurance availed by women



59%
of Ordinary Life insurance

59%
of Variable Life insurance

47%
of Accident insurance



63%
of Health insurance

59%
of Total Insured Lives



Strengthening Business and Operational Resilience

2-6, 2-24

We consciously manage our environmental and social impacts through good governance that sustains superior business performance anchored on accountability, transparency, integrity, and fairness. We develop BDO bankers with a sustainable mindset who thrive on finding ways to innovate, find solutions to sustainability challenges, and live up to the Bank's sustainability commitments.



Economic Impact 201-1

BDO further strengthened its position as the country’s leading full-service bank, remaining fully committed to addressing the diverse banking needs of Filipinos. During the year, the Bank expanded its branch and teller machines network, with a focus on underserved and remote areas, in support of broader financial inclusion. It also advanced its digital capabilities to enhance accessibility, security, and ease of use across its products and services. Collectively, these initiatives contributed to the Bank’s ability to generate and distribute economic value, thereby supporting economic activity and development nationwide.

Economic Value Table

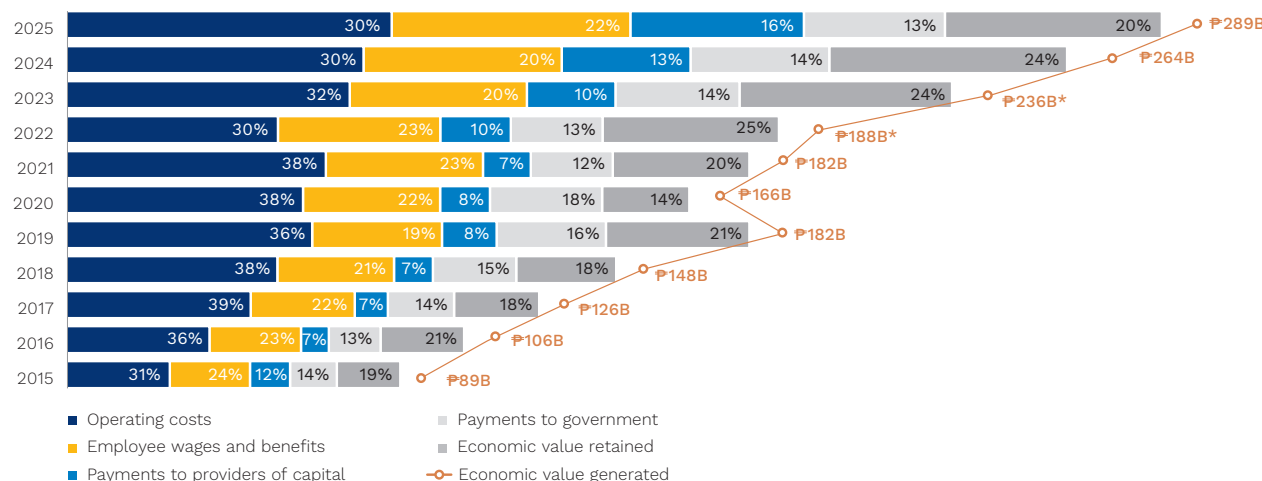
BDO’s direct economic value generated (DEVG) reached ₱289 billion in 2025, a 9% year-on-year increase driven by resilient consumer and business activity despite a challenging economic environment.

The Bank distributed 80% of the economic value it generated, totaling to ₱231 billion, a 15% increase compared to the previous year. Of this distributed value, ₱62 billion or 22% was allocated to wages and benefits for BDO’s workforce of more than 47,000 employees, helping stimulate domestic consumption. Other operating expenses also increased by 9%,

amounting to ₱86 billion. BDO’s total tax payments reached ₱37 billion, underscoring its role as a significant contributor to government revenues and broader national development. The Bank also invested ₱136 million in community initiatives, supporting financial education programs, delivering relief operations to disaster-affected communities, and rehabilitating and reconstructing schools and rural health units. These programs were implemented through BDO Foundation, the Bank’s corporate social responsibility arm.

These efforts reflect BDO’s commitment to generating and distributing economic value while advancing social welfare and inclusive development across the Philippines.

Economic Value Table 201-1



BOARD COMPOSITION 2-9



Teresita T. Sy



Nestor V. Tan



Estela P. Bernabe



George T. Barcelon



Vipul Bhagat



Franklin M. Drilon



Alfredo E. Pascual



Vicente S. Pérez, Jr.



Jones M. Castro, Jr.



Dioscoro I. Ramos



Josefina N. Tan

Good Corporate Governance

Good Governance for a Sustainable Future

Corporate governance at BDO reflects a steadfast commitment to effective oversight, rigorous regulatory compliance and sustainable value creation. More than a matter of compliance, it embodies accountability, fairness, and transparency. These principles safeguard stakeholder interests and drive long-term growth through an ethical, balanced, and forward-looking approach to business operations and governance.

BDO consistently applies the highest standards of corporate governance across the organization, anchored on accountability, fairness, integrity, and transparency. This disciplined approach has strengthened BDO’s market reputation, built on a foundation of sound corporate

culture and responsible business conduct, underpinned by a well-structured and effective system of governance.

The Bank adheres to the Securities and Exchange Commission (SEC) Code of Corporate Governance for Publicly Listed Companies and the Enhanced Corporate Governance Guidelines for BSP-Supervised Financial Institutions. It also aligns with international corporate governance best practices issued by globally recognized standards-setting bodies such as the Organisation for Economic Co-operation and Development (OECD) and the ASEAN Corporate Governance Scorecard (ACGS), which serve as key benchmarks.

Governance Structure

Board of Directors

The Board carries the primary role in ensuring good governance, providing effective leadership and strategic direction to secure the Bank’s long-term success. It oversees the Bank’s business affairs, including review of the strategic plans, performance targets, financial plans and budgets, key operational initiatives, capital expenditures, acquisitions and divestments, annual and interim financial statements, and corporate governance practices.

To maintain alignment with the Bank’s corporate mission and vision, the Board periodically reviews the Bank’s strategic objectives. Its responsibilities also include

evaluating management performance, enterprise risk management, internal control systems, financial reporting and compliance, related party transactions, and the continuing education of directors. Additionally, the Board manages succession planning for itself, the President and Chief Executive Officer (CEO), and Senior Management.

In support of sustainable banking, the Board incorporates environmental, social and governance (ESG) considerations into its decision-making. This holistic approach ensures that the Bank achieves financial success while contributing positively to society and the environment.

Board Composition 2-9, 2-11

The Board's composition embodies diversity and independence, the anchors of its ability to provide strategic oversight, uphold integrity, and deliver balanced perspective and judgement that advance stakeholder value. The Board consists of eleven (11) members and is supported by three (3) advisors. Leadership rests with a Non-Executive Chairperson. The Board is composed of six (6) Independent Directors, four (4) Non-Executive Directors including the Chairperson, and one (1) Executive Director who is the President and CEO.

Independent and Non-Executive Directors account for 91% (10 of 11) of the Board, exceeding regulatory requirements that mandate at least a majority. With six (6) of the eleven (11) Board seats held by Independent Directors, the Bank surpasses the one-third (1/3) minimum threshold set by the Bangko Sentral ng Pilipinas (BSP) and the Securities and Exchange Commission (SEC). Independent, objective, and balanced judgement decision-making is reinforced as Independent Directors chair seven (7) of nine (9) board-level committees, namely, Board Audit, Corporate Governance and Sustainability, Risk Management, Related Party Transactions, IT Steering, Nominations, and Compensation. This structure ensures that critical issues and strategies are objectively reviewed, constructively challenged, thoroughly discussed, and rigorously examined. Board Advisors support the Board, with their insights and recommendations being highly valued by the Board members. The three (3) advisors are experts in their own fields, offering

independent perspectives that enrich deliberations, add depth and objectivity to Board discussions, that strengthen the overall effectiveness of the Board.

Screening of Directors 2-10

The Board, through the Nominations Committee, is responsible for screening and evaluating new director nominees. In line with the Bank's Board Diversity Policy, it oversees the process of identifying and assessing the qualified candidates against defined roles and key attributes that would balance the skills, knowledge and experience of the existing Board membership and the strategic needs of the Bank. The Nominations Committee receives recommendations for potential candidates and to the extent possible, engages external search firms or refers to external databases (i.e., ICD List of Members) in selecting the pool of candidates for the new members of the Board. The Nominations Committee then recommends the most suitable candidate to the Board for appointment, when a vacancy occurs, or for election at the Annual Stockholders' Meeting (ASM).

For re-election of incumbent directors, the Nominations Committee also considers the results of the most recent annual evaluation of the performance of the Board and Board-level Committees facilitated by an independent third-party evaluator, attendance record in meetings, participation in Board activities, and overall contribution to the effective functioning of the Board. These results, along with regulatory fit-and-proper requirements, form part

of the Nominations Committee's formal endorsement of incumbent directors seeking re-election during the ASM.

Board Diversity 405-1

BDO views diversity as an essential element in maintaining strong corporate governance through a strong and effective Board. The Bank's Board Diversity Policy reflects its recognition that diversity in skills, experience, gender, sexual orientation, age, education, race, religion, business, and other related expertise among its directors helps foster critical discussion and supports balanced decision-making by the Board.

The Board is resolute in continuously promoting and upholding diversity in its membership. As a whole, the Board, through its members, should possess all the necessary skills, experience and functional expertise to oversee the fulfillment of the strategic direction of the Bank. In determining the optimum composition of the Board and in filling its vacancies, the Nominations Committee uses as primary reference the Bank's Diversity Policy to maintain an appropriate balance of skills, background, gender, experience, and knowledge in the Board composition. The Committee takes into account the relevant qualifications of every candidate nominated for election, with competence and integrity as the primary factors.

The present members of the Board have extensive experience in banking, credit management, investment management, accounting and finance, insurance, legal

management, business management, and strategy formulation, bank regulations including anti-money laundering, information technology, sustainability, and risk management, both globally and locally. More than half of the board members have significant international education and/or work experiences, which bring global perspectives to the Board. The appointment of the Bank's female Lead Independent Director in 2025 underscores the Board's strong commitment to gender diversity and further enhances the collective perspectives represented within the Board.

The Board believes that its current size and composition provide sufficient diversity among its directors and enable it to bring about effective leadership and maintain strong corporate governance that is attuned to the Bank's growth, complexity and scope of business.

Selection and Appointment of Senior Executive Management

The Board plays a critical role in shaping leadership by approving the selection and appointment of a highly competent senior executive team, led by the President and CEO, and key control function heads such as the Chief Compliance Officer, Chief Risk Officer, and Chief Audit Executive. In selecting these officers, the Board applies rigorous fit and proper standards, prioritizing integrity, proven technical expertise, and deep banking industry experience to ensure strong governance and sustainable performance.

Review of Bank's Mission, Vision, and Strategic Plans 2-16

The Board, being the highest governance body, approves and updates the Bank's mission, vision, objectives and strategies on a continuing basis. It also oversees management's implementation thereof, taking into account the Bank's long-term financial interests, its level of risk tolerance, and its capacity to manage risks effectively. It is actively engaged in the affairs of the Bank and monitors material changes in the Bank's business and regulatory environment to ensure that the Bank continues to have a positive influence on the economy. The Board similarly governs the implementation of policies relating to major areas of the Bank's operations and holds special meetings to discuss strategic matters and critical concerns.

During the year, the Board approved, reviewed, and oversaw the Bank's financial budget and capital funding, business targets and strategies, quarterly declaration of dividends, and the release of the 2024 audited financial statements within 57 days from year end, consistent with the ASEAN Corporate Governance Scorecard (ACGS) best practice standard. Its oversight functions include the review of operational and financial performance of Senior Management and the work of the various committees in accordance with their Terms of Reference. The Board also discussed macroeconomic and industry trends, regulatory developments, sustainability, digital transformation, and cybersecurity.

Improving Board Effectiveness 2-16, 2-18

Board Performance

The Corporate Governance and Sustainability Committee oversees the conduct of a yearly Board assessment that focuses on the performance of the Board, directors, Board-level Committees and Senior Management. The assessment is facilitated by an external firm annually, which is beyond the regulatory requirement of every three (3) years. To the Committee, engaging an independent party every year, rather than every three years as recommended by the SEC, continues to provide valuable governance insights and ensures stronger comparability, consistency, and ongoing improvement. The performance evaluation process begins with sending out customized Board Evaluation Questionnaires to each director and advisor who are required to complete them and provide additional context, as applicable. The results are independently tabulated and assessed by the external facilitator, supplemented by interviews with the directors, advisors and selected Senior Management officers.

The Bank re-engaged Isla Lipana & Co./ PwC Philippines (PwC) as external facilitator for the Bank's 2024 Board Effectiveness Evaluation (BEE). PwC facilitated and conducted a peer and self-evaluation process on the Board, Board-level Committees and individual directors, with additional insights from the Board Advisors and selected Senior Management officers.

Based on the Board's self-assessment and PwC's report, the Board sustained a strong level of performance across all key dimensions, while its members continue to demonstrate proactive involvement in crucial governance areas. Their diverse skills and perspectives enable comprehensive analysis and robust strategic guidance thereby reinforcing the Bank's commitment to effective governance and sustainable business practices. Since 2018, the Board has actively performed oversight, and provided directions on ESG initiatives, including comments and suggestions on further enhancing ESG and sustainability practices. The Board's self-assessment results further indicate strong oversight and active engagement between the Board and Senior Management, contributing to effective decision-making and execution. PwC's assessment report highlighted that the Chairperson and CEO continue to exemplify strong leadership, fostering an environment of transparency, collaboration, and disciplined execution across the organization.

The Board-level Committees likewise demonstrated their consistent strong performance. The evaluation highlighted their high-level of engagement and effective oversight in their respective mandates. Evaluation results also underscored strong leadership exhibited by the Board-level Committee chairpersons, who effectively guide their respective committees, foster collaboration, and drive impactful decision-making. Their leadership is instrumental in maintaining the Board's overall effectiveness and ensuring robust, risk sensitive, and responsive governance practices.

Continuing Education for Directors and Senior Management 2-17

To ensure the enhancement of directors' skills and knowledge, the Board undergoes a continuing education program. Each year, all directors and key officers of the BDO Group are updated, briefed and required to attend a corporate governance seminar on relevant topics to ensure that they are attuned with the developments in the business and regulatory environments, including emerging opportunities and risks in the financial industry. In 2025, all incumbent directors of BDO Unibank complied with the annual corporate governance training requirement of four (4) hours.

The 2025 Corporate Governance Seminar featured Professor Ian Goldin (Director of Oxford Martin School, University of Oxford), Mr. Steve Martin (CEO, Influence at Work (UK)) and Mr. Shai Ganu (Managing Director, Willis Towers Watson) who are global thought leaders that provided them with unique insights on the impact of innovation on business operations and governance, ethical considerations in technology adoption, and strategies for aligning leadership with sustainability and stakeholder trust. The topics included artificial intelligence and ethical governance, consumer trust and digital engagement, and stewardship as a foundation for accountability and long-term value creation.

Remuneration of Directors and Senior Management 2-20

BDO's remuneration policy is designed to attract, retain, and motivate top talents, ensuring that both employees and members of the Board are aligned with the Bank's long-term success.

The remuneration framework for Senior Management includes fixed pay, performance-based bonuses and the Employee Stock Option Plan (ESOP) as a long-term incentive program. A clawback mechanism is in place where the benefits and rights accruing from the ESOP can be forfeited, if an eligible employee is terminated from service for cause or in the event of imposition of an administrative or disciplinary sanction or penalty against the employee at any time during and after the vesting period prior to exercise. This conditional eligibility mechanism underscores accountability and alignment of employee interest with the Bank's long-term goals.

The remuneration framework is closely linked to corporate and individual performance, based on an objective appraisal of Senior Management. The same framework equally applies to the President and CEO. Annually, qualified employees receive merit-based salary increases, which have a long-term compounding effect on the fixed pay and serves as the basis for their retirement benefit. By rewarding performance and fostering a culture of excellence, this policy supports sustainable growth and organizational success.

Non-Executive Directors (NEDs) receive per diem for attending board and committee meetings, with no distinction between committee chairpersons or members. In accordance with applicable laws, the Bank grants additional directors' fees on top of meeting per diems to ensure that the remuneration reflects the effort, time spent, and responsibilities of NEDs. The total remuneration of each Board member is disclosed in the Bank's Definitive Information Statement and SEC Form 17-A (Annual Report).

Chairperson of the Board 2-11

The Chairperson plays a central role in guiding the Board and ensuring its effectiveness. She offers visionary leadership, fosters strong collaboration among directors, and creates an environment that encourages open dialogue, critical thinking, and constructive debate on key issues and long-term priorities. She ensures that the Board of Directors exercises robust oversight of the Bank's operations and Senior Management performance. Additionally, she leads efforts to uphold high standards of governance and independence, with the full support of all directors.

Independent and Non-Executive Directors' Meeting

Independent and Non-Executive Directors (INED) regularly convene meetings with the heads of the control functions (i.e. Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive) as well as the external auditor. These sessions are held without the presence of management

or any bank executive, providing an opportunity for candid discussions on various matters outside the formal meetings of Board Audit Committee and Risk Management Committee. INEDs also engage with the heads of business and operating units to gain deeper insights and promote more comprehensive dialogue with the Bank's management. These meetings are chaired by the Lead Independent Director to ensure structured and effective discussions.

In 2025, the INED held three (3) sessions with the Bank's key control functions and reviewed the Bank's governance, risk, compliance, and audit posture, focusing on the institution's ability to remain resilient and forward-looking amid evolving regulatory requirements and market conditions. These discussions enable the INED to assess whether the Bank's control frameworks and risk management continue to support long-term stability and organizational agility.

Complementing these governance reviews, the INED conducted focused strategic dialogues with key business, operational, and support groups within the Bank. These sessions provided deeper visibility into the Bank's digital transformation progress, evolving client needs, and opportunities in key domestic and offshore markets. Insights from these engagements were subsequently relayed by the INED in a separate meeting to the Executive Director. This ensured alignment across governance and management, which reinforced the Board's commitment to strong oversight, strategic readiness, and long-term value creation.

Board Level Committees

2-12, 2-16

To effectively discharge its duties and responsibilities, the Board has established nine (9) committees. These committees operate under the authority of the Board and report directly to it. Their respective mandates and scopes are defined in their Terms of Reference, which undergo annual review and may be revised to align with the Board's evolving needs or regulatory requirements. The Board retains discretion to adjust the number and composition of these committees, in accordance with applicable laws or regulations, particularly those governing the majority membership and chairmanship of Independent Directors. As of December 31, 2025, seven (7) of nine (9) board-level committees are chaired by Independent Directors.

For the full functions and compositions of the standing committees of the Board, please refer to the 2025 BDO Annual Report.

Executive Committee

Chairperson: Teresita T. Sy

Members: Josefina N. Tan
Nestor V. Tan
Mario B. Palou

Edmundo S. Soriano
Cecilia Luz L. Tan

The Executive Committee exercises the Board delegated authority in managing and directing the Bank's affairs, including oversight over the Bank's sustainability program.

- Serves as the primary approving body for loans, credit facilities, advances or commitments and property-related proposals.
- Reviews and recommends for Board approval credit and investment proposals beyond its delegated limits; major credit policies and amendments, including changes to credit approval authorities; establishment of branches, extension offices, and domestic or foreign subsidiaries; and amendments to the Bank's Articles of Incorporation and/or By-Laws.

Throughout the year, the Committee exercised its Board-delegated authority to approve significant actions, including:

- Loans and credit facilities for clients' financing requirements.
- Proposals to resolve or remediate problem accounts.
- Leases and acquisitions of branch sites to support the Bank's expansion strategy and enhance operational efficiency.

As part of its ongoing oversight responsibilities, the Executive Committee remains mindful of the Bank's ESG programs, commitments and regulatory expectations. In line with this, it continues to require an environmental and social (E&S) risk assessment for all new and refinanced lending and investment accounts, in accordance with the ESRMS policy. This framework guides BDO bankers to stay conscious of these commitments and to identify, assess, and manage E&S risks and opportunities across credit, investments and administrative operations.

Board Audit Committee

Chairperson: Vicente S. Pérez, Jr. (*Independent Director*)

Members: Estela P. Bernabe
(*Independent Director*)
Jones M. Castro, Jr.

Advisors: Vipul Bhagat
(*Independent Director*)
From April 25, 2025

- Empowered by the Board to oversee the financial reporting process, internal control and risk management systems, internal and external audit functions, and compliance with applicable laws and regulations, the Committee discharged its oversight functions independently in accordance with its Terms of Reference, which are annually reviewed and updated, when necessary. The BAC assessment indicated that the Bank's internal controls, financial reporting processes and systems are generally adequate and effective.
- On compliance, it recommends the approval of the Compliance Charter and reviews annually the performance of the Chief Compliance Officer and the compliance function. It also reviews the annual plans of the Compliance

Group including the Anti-Money Laundering Department (AMLDD) and evaluates the effectiveness of the regulatory compliance framework of the Bank to ensure that these are consistently applied and observed throughout the institution. It reviews the report of examination of the BSP and other regulators including replies to such reports for endorsement to the Board for approval, in line with its mandate to oversee the Bank's compliance requisites as required by regulatory bodies.

- The BAC also reviews the Internal Compliance Testing results on the Sustainability Office for sustainability-related circulars and memorandums of the BSP and the SEC.

Corporate Governance and Sustainability Committee

2-12, 2-13, 2-14

Chairperson: Alfredo E. Pascual (*Independent Director*) From April 25, 2025
Estela P. Bernabe (*Lead Independent Director*) Until April 25, 2025

Members: George T. Barcelon
(*Independent Director*)
From April 25, 2025

Vicente S. Pérez, Jr.
(*Independent Director*)
Until April 25, 2025

Franklin M. Drilon
(*Independent Director*)

Advisors: Estela P. Bernabe
(*Lead Independent Director*)
From April 25, 2025

George T. Barcelon
(*Independent Director*)
Until April 25, 2025

Jones M. Castro, Jr.
Until April 25, 2025

■ Annual Continuing Education of Directors

The Corporate Governance and Sustainability Committee played a pivotal role in ensuring that directors continue to be equipped with appropriate knowledge and skills to govern effectively in the rapidly changing business environment. For 2025, the Committee approved the topics and resource speakers for the Bank's Corporate Governance Seminar, and all eleven (11) members of the Board completed the mandatory four (4) hour training requirement. The seminar held on July 25, 2025, was attended by directors and key officers of BDO's subsidiaries, reflecting the bank's commitment to inclusive and comprehensive governance education across the Group. The completion of this seminar adheres to the regulatory requirement for an annual corporate governance training. (See Continuing Education for Directors and Senior Management)

■ Adherence to Corporate Governance Standards

Throughout the year, the Corporate Governance and Sustainability Committee implemented several initiatives to elevate corporate governance standards. Notably, the Committee approved the 2024 Integrated Annual Corporate Governance Report and the Bank's report on compliance with leading governance practices, which were incorporated into the 2025 Information Statement (SEC Form 20-IS). Additionally, the Committee endorsed the revised 2024 ASEAN Corporate Governance Scorecard (ACGS) Self-Assessment Document, providing guidance for ACGS assessors to identify the Bank's disclosures aligned with ACGS recommendations. The Bank likewise continued to receive significant regional governance and sustainability recognitions, including Best Bank for ESG Philippines from Euromoney and The Asset, and multiple awards from Retail Banker International and ESG Business. The Bank also received the Best Sustainability Team Award in Asia from The Asset for the second consecutive year. For its conformity with the best practice recommendations of the ASEAN Corporate Governance Scorecard (ACGS), the Bank also earned a spot as one of the Top 50 Association of Southeast Asian Nations (ASEAN) Publicly Listed Companies.

■ Revision of key governance documents

The CG Committee approved and endorsed several revisions to key governance documents. This included amendments to the:

■ Corporate Governance Manual

The 2025 update to BDO's Corporate Governance Manual introduces significant refinements to strengthen board effectiveness and align governance practices with global standards. Key changes include clarifying the Board's oversight of Senior Management, reinforcing independence by removing exemptions for Independent Directors, and embedding sustainability and ESG principles into both Board-level oversight and enterprise-wide governance. The revisions also formalize the adoption of global sustainability reporting frameworks, expand dividend policy guidelines, and rationalize executive remuneration disclosures for greater transparency.

Revisions to the Corporate Governance Manual underscored provisions on real-time voting until the adjournment of the Annual Stockholders' Meeting and the integration of sustainability considerations into the Group's risk management and strategic frameworks. These updates support greater transparency, reinforce sound governance practices, and align the Manual with evolving regulatory and sustainability expectations across the BDO Group.

■ Sustainability Oversight 2-12, 2-14

In 2025, the Board changed the name of the Corporate Governance Committee into Corporate Governance and Sustainability Committee to more clearly define the Board-level oversight accountability for the Bank's sustainability policies, programs, and initiatives. While sustainability-related risk policies are approved by the Risk Management Committee, the Corporate Governance and Sustainability Committee performs regular oversight on sustainability matters—sustainability-related reports, regulatory updates, bank activities and initiatives—as part of its regular agenda.

Sustainability Updates were presented and thoroughly discussed during the seven (7) occasions that the Corporate Governance and Sustainability Committee convened in 2025. The Committee focused on the Bank's key initiatives for sustainable finance and BDO operations with sustainability impact. Among these were: the implementation of the Environmental and Social Risk Management System (ESRMS) across the BDO conglomerate; the Bank's Sustainable Finance and Fossil Fuel Exposures; the Bank's carbon footprint and reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD); the content outline and performance highlights of the 2024 BDO Sustainability Report; and updates on the Bangko Sentral ng Pilipinas 2025 Examination of BDO's sustainability and sustainable finance transition.

The Committee also discussed the impact of the full allocation of ASEAN Sustainability Bonds (ASB) proceeds of P52.7 billion (USD885.3 million). These investments supported solar and wind energy installations, which have significantly reduced greenhouse gas emissions and contributed to the Philippines' transition to cleaner energy sources. The funds also financed energy-efficient infrastructure, such as green buildings, resulting in measurable reductions in energy consumption and promoting sustainable urban development. On the social side, the projects funded under BDO's first ASB issuance align with the 17 United Nations Sustainable Development Goals (SDGs), particularly SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), and SDG 13 (Climate Action). The Committee likewise reviewed the performance of all five BDO Sustainability Bond issuances, and the record-breaking success of the fifth Sustainability Bond, issued at P115 billion (USD1.9 billion) in July 2025.

The Committee also reviewed the Securities and Exchange Commission's Exposure Draft on Philippine Financial Reporting Standards; the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and BDO's early adoption of the said standards in its sustainability reporting; BDO's Energy Management Policy and compliance to the Energy Efficiency and Conservation Act; and the Philippine Energy Plan. Local and regional recognitions that the Bank received for its ESG practices were also highlighted to the Committee: The Retail Banker International Asia Trailblazer Award 2025, the Euromoney Excellence Awards 2025, Asia Corporate Excellence & Sustainability (ACES) Awards 2025, The Asset ESG Corporate Awards 2025, and the 4 Golden Arrows from the Institute of Corporate Directors among others.

Directors who were new to the Board and who are members of the Corporate Governance and Sustainability Committee went through a sustainability onboarding session with the Sustainability Office to bring them up to speed on the Bank's sustainability framework, policies, commitments, and pioneering initiatives.

■ Board Effectiveness Evaluation

The Corporate Governance and Sustainability Committee engaged Isla Lipana & Co./PwC Philippines (PwC) to facilitate the 2024 Board Effectiveness Evaluation (BEE), covering Board conduct, committee performance and director self and peer assessments.

Results of the BEE confirm a consistently strong performance, with upward trends in the performance of Board responsibilities, Board composition, and risk oversight, reinforcing the Board's strategic focus and governance resilience. Interaction and communication with Management also improved, reflecting a culture of constructive engagement and informed decision-making.

Trust Committee

Chairperson: Dioscoro I. Ramos		
Members:	Vipul Bhagat <i>(Independent Director)</i> <i>From April 25, 2025</i>	Josefina N. Tan Nestor V. Tan Manuel Patricio C. Malabanan
	Alfredo E. Pascual <i>(Independent Director)</i> <i>Until April 25, 2025</i>	
	Advisors: Noel Andrada Christopher A. Bell-Knight	

Significant matters taken up by the Committee in 2025 included the review of BDO Trust and Investments Group's (BDO Trust) investment outlook and strategy, business performance, and updates on assets under management (AUM) across institutional and retail segments. The Committee regularly reviewed AUM trends, funds flow, fee performance, and market

conditions, noting sustained year-on-year growth in both AUM and trust fees throughout the year. It also monitored account-level activities and product-related matters, including renewals of issuers' lines, equity broker lines, and the annual review of policies aligned with regulatory requirements.

Risk Management Committee 2-12, 2-13

Chairperson: Vipul Bhagat (*Independent Director*)

Members: Jones M. Castro, Jr.
Alfredo E. Pascual
From April 25, 2025

Dioscoro I. Ramos
Until April 25, 2025

Advisors: Dioscoro I. Ramos
From April 25, 2025; Formerly a Member

Christopher A. Bell-Knight
Nestor V. Tan

- Oversees the Bank's enterprise risk management program (ERM), including the Trust Unit, consistent with the mandate assigned by the Board.
- Approves the Bank's risk appetite and risk tolerance levels, as well as the supporting policies and limits across major risk areas (i.e., credit, market, liquidity, interest rate, operational (including business continuity, IT, information security, data privacy and social media risks), consumer protection, and environmental and social risk, to ensure alignment with the Bank's strategic objectives and overall risk appetite.

The Committee likewise oversaw trust risk exposures and noted that trust asset levels, portfolio diversification, funding concentrations, redemption triggers, and value at risk indicators all remained within approved limits. The Committee endorsed updates to major risk policies and manuals, including market and liquidity risk policies, trust risk limits, and its revised Terms of Reference, ensuring alignment with regulatory expectations and evolving industry practices. During the year, the

Committee also approved refinements to country limits, credit scoring models, and foreign exchange risk parameters and noted the completion of the Bank's self-assessment on operational resilience for regulatory submission. In addition to fulfilling its core risk oversight responsibilities, the Committee continued to monitor emerging environmental, social, and governance related risks to ensure that ESG considerations remain integrated into the Bank's broader risk management framework and aligned with regulatory guidance. These actions supported the ongoing enhancement of the Bank's risk governance structure and reinforced its commitment to maintaining prudent risk discipline and a resilient risk management system in support of sustainable growth.

In 2025, the Risk Management Committee continued to provide comprehensive oversight of the Bank's risk management framework, covering market, liquidity, credit, operational, and trust risks. Throughout the year, the Committee noted that the Bank maintained a strong liquidity position

and sufficient capital to absorb losses under stress scenarios, with no breaches of market or liquidity risk limits reported across all monitoring periods. Regular reviews of portfolio exposures, country risk levels, and loan portfolio quality confirmed the Bank's disciplined approach to credit risk, supported by stable non-performing loan ratios, adherence to concentration and industry limits, and compliance

with the Environmental and Social Risk Management System requirements. The Committee also monitored the outcomes of stress testing exercises and model performance reviews and received updates on operational risk matters, including information security, data privacy, cybersecurity, and customer service, all of which remained within acceptable thresholds.

Nominations Committee 2-10

Chairperson: Franklin M. Drilon (*Independent Director*) *From April 25, 2025*
Estela P. Bernabe (*Lead Independent Director*) *Until April 25, 2025*

Members: George T. Barcelon
(*Independent Director*)
Until April 25, 2025

Vicente S. Pèrez, Jr.
(*Independent Director*)

Estela P. Bernabe
(*Lead Independent Director*)
From April 25, 2025

During 2025, the Nominations Committee reviewed the profiles of various individuals as directors for the term 2025-2026, including the nomination of incumbent regular and independent directors for the 2025 Annual Stockholders' Meeting, ensuring that the Board continues to benefit from a strong mix of experience, independence and sector expertise. In parallel, the Committee evaluated and approved the interlocking and concurrent positions of certain directors to confirm that their external roles remained fully aligned with regulatory requirements and did not conflict with their responsibilities at BDO Unibank.

Building on its governance oversight, the Committee also reviewed and endorsed to the Board for approval several senior

leadership appointments across key business, control and support functions, reflecting the Bank's ongoing efforts to strengthen its talent pipeline. These appointments were complemented by promotions of senior officers and organizational adjustments consistent with the Bank's succession planning framework. In addition, the Committee approved the revised Terms of Reference of the Nominations Committee and reviewed updates on the succession planning process for Group Heads and other critical leadership positions, ensuring continued leadership continuity across the organization.

Compensation Committee 2-20

Chairperson: George T. Barcelon (*Independent Director*)

Members: Franklin M. Drilon
(*Independent Director*)
From April 25, 2025

Dioscoro I. Ramos
Until April 25, 2025

In 2025, the Committee continued to enhance governance over compensation structure and disciplines. The Committee noted the executive compensation disclosures for inclusion in the 2025 Information Statement and the 2024 Annual Report.

The Committee also approved and endorsed a revised Terms of Reference (TOR) to the Board of Directors, ensuring continued alignment with governance best practices while maintaining independence and integrity. The Committee also reviewed the fund performance of the BDO retirement fund, as part of its oversight responsibility over benefit and compensation related matters.

Information Technology Steering Committee 2-9, 2-12, 2-13

Chairperson: George T. Barcelon (*Independent Director*)

Members: Jones M. Castro, Jr.
From April 25, 2025

Dioscoro I. Ramos
Nestor V. Tan
Frederic Mark S. Gomez
Until February 3, 2025

Paul John Siy
From April 25, 2025
until November 3, 2025

Rene B. Morta
From November 3, 2025

For the year 2025, the Information Technology Steering Committee (ITSC) strengthened the Bank's technology governance through its oversight of digital, operational, and cybersecurity priorities, ensuring strong alignment with the Bank's strategic goals.

Throughout the year, the Steering Committee closely tracked the progress of major technology transformation programs aimed at elevating customer experience, streamlining operations, meeting regulatory commitments, and reinforcing the Bank's security and application resiliency. These programs included improvements across digital channels, payment platforms, enterprise

servicing streamlining, generative AI and the modernization of core banking technologies.

A key highlight for 2025 was the Bank's continued progress in cybersecurity and IT resiliency. The Steering Committee noted strong and improving security posture, alongside the successful modernization of critical technology infrastructure—most notably, the migration of essential systems to a next generation, purpose-built data center designed to deliver higher availability, better performance, and more

robust protection.

The Steering Committee also covered the performance and reliability of digital channels, cost optimization initiatives, vendor governance, and the ongoing development of IT talent. These focused efforts reinforced the Bank's commitment to secure, reliable, and future ready technology—enabling innovation, operational excellence, and consistently high-quality service for customers and stakeholders.

Related Party Transactions Committee 2-15

Chairperson: Estela B. Bernabe (*Lead Independent Director*) From April 25, 2025
Dioscoro I. Ramos Until April 25, 2025

Members: Vipul Bhagat
(*Independent Director*)
From April 25, 2025

Jones M. Castro, Jr.
Until April 25, 2025

Vicente S. Pérez, Jr.
(*Independent Director*)
From April 25, 2025

Dioscoro I. Ramos
From April 25, 2025

Advisors: Jones M. Castro, Jr.
Until April 25, 2025

Throughout 2025, the Related Party Transactions Committee (RPTC) conducted a meticulous review and approval process for various material credit and non-credit related party transactions, endorsing them for Board approval. This rigorous oversight ensured that all transactions were thoroughly evaluated, maintaining arms'-length transactions with related parties, transparency and

compliance with regulatory standards. The Committee likewise reviewed the annual non-material related party transactions submitted by various business units for Board confirmation, ensuring that even minor transactions met the necessary governance standards. (See the 2025 BDO Annual report for more details on related party transactions.)

Compliance with the SEC Code of Corporate Governance 205-1

As part of its responsibility as a publicly listed company, the Bank reports its adherence to the SEC Code of Corporate Governance for PLCs and explains any areas where its governance approach differs from the recommended practices. For the year ended December 31, 2025, the Bank confirms that it remains substantially aligned with the Code, with two items where the Bank's governance framework reflects a considered and deliberate approach: 1) Policy on retirement age of directors; and, 2) Disclosure of executive remuneration on an individual basis.

On the retirement age of directors, the Board's governance framework places strong emphasis on director effectiveness, strategic foresight, and stewardship. In this context, the Board has taken a principled view that institutional leadership is best supported by a performance-anchored model rather than a blanket age-based rule.

Instead of imposing a fixed retirement age, the Board relies on established governance mechanism, such as annual evaluation of the Board, committees, and individual directors; fit-and-proper assessments; and succession planning processes, to determine the continuing suitability of each director. This ensures that Board membership remains aligned with the Bank's strategic priorities, risk environment, leadership needs, at any given time. The approach also reflects the Board's conviction that experience remains a strategic asset, particularly in a sector characterized by complex regulatory demands and evolving market risks. The Board maintains both continuity and

accountability by preserving their ability to retain seasoned directors while still subjecting them to rigorous evaluation. It also upholds shareholder rights by allowing them to elect directors based on merit and not age.

In its governance of executive compensation, the Board seeks to balance transparency, competitiveness, and prudent risk oversight. While director compensation is disclosed individually, the Board has determined that reporting executive officers' remuneration on an aggregate basis better supports the Bank's talent retention and acquisition objectives, and mitigates security risks associated with the disclosure of sensitive compensation information. This approach aligns with the Board's responsibility to safeguard the institution's leadership pipeline and to protect sensitive remuneration information that, if disaggregated, could expose the Bank to unnecessary risks such as targeted recruitment by competitors or personal security concerns affecting key executives. At the same time, the Board ensures robust oversight of compensation structures through its governance committees. The remuneration framework remains aligned with the Bank's long-term strategy, risk culture, and performance outcomes, with clear accountabilities embedded across all levels of the organization.

Through these positions, the Board emphasizes a governance philosophy anchored in effectiveness, prudence, and long-term value creation. The Bank remains committed to transparent and accountable governance practices while applying judgment in areas where a more nuanced approach supports institutional resilience and strategic continuity.

Independent Control Functions

Compliance

BDO's Compliance Group, led by the Chief Compliance Officer (CCO), provides independent oversight and advisory support to the Board and Senior Management to ensure that the Bank operates in line with regulatory expectations. Its mandate focuses on maintaining a sound and coherent compliance environment by developing policies, setting internal standards, and establishing monitoring mechanisms that reinforce the Bank's governance framework, oversees the Bank's enterprise-wide compliance framework and ensures strong adherence to applicable laws, rules, and regulations. Through its reporting line to the Board Audit Committee, the Compliance Group offers an objective view of compliance risks, supervisory developments, and the effectiveness of the Bank's control environment, allowing the Board to exercise informed and effective oversight.

The Compliance Group works closely with business units to translate regulatory requirements and compliance queries into practical operational guidance. It evaluates new initiatives and product structures for regulatory implications, supports the enhancement of internal controls, proposes amendments to compliance procedures and guidelines, and facilitates targeted compliance training to strengthen collective adherence across the organization. Clear escalation protocols ensure that significant issues and emerging concerns are promptly communicated to both Senior Management and the Board Audit Committee. Through these governance activities, the Group helps sustain regulatory confidence,

strengthen operational discipline, and contribute to the long-term stability of the institution.

The Anti-Money Laundering Department (AMLDD) under the Compliance Group, provides enterprise-wide governance over financial crime risks by ensuring that controls related to money laundering, terrorist financing, and proliferation financing remain comprehensive, adaptive, and aligned with domestic regulations and international standards. These expectations are anchored in the Board-approved Money Laundering, Terrorist Financing and Proliferation Financing Prevention Program (MTPPP) Manual, which establishes the Bank's risk-based approach and outlines requirements for customer onboarding, transaction monitoring, reporting obligations, record management and training.

The Compliance Group contributes to the strength of the Bank's governance framework by providing clear insights on regulatory and financial crime risks, supporting effective oversight, and reinforcing a disciplined approach to managing emerging issues. Through its coordination with management and Board-level committees, the Group helps ensure that controls function as intended, risk signals are acted upon promptly, and regulatory expectations are consistently met. Its perspective helps shape well-informed decisions, promote accountability across the organization, and sustain the confidence of regulators, customers, and other stakeholders. Together, the Group helps preserve the Bank's integrity, protect its franchise, and support long-term resilience and sustainable growth.

AMLD operationalizes this framework through ongoing customer and transaction risk assessments, proactive monitoring and analytics, and the timely submission of accurate regulatory reports. It issues policies, creates/updates e-learning modules and conducts comprehensive training to reinforce accountability across business units and provides advisory support to strengthen frontline implementation. Its monthly reporting to the Board Audit Committee gives the Board of Directors clear visibility into material risks, control gaps, regulatory concerns, and the status of remediation efforts, helping ensure that financial crime risks receive appropriate Board-level oversight.

At the management level, the Anti-Money Laundering Committee (AMLC) supports AMLD by reviewing significant AML issues, validating risk assessments, and helping ensure consistent implementation of Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Counter-Proliferation Financing (CPF) controls across business groups. AMLC provides cross-functional forum for coordinating management action, facilitating timely resolution of issues that require collaboration among operating units, and reinforcing the Bank's overall financial crime risk governance framework.

The Sustainability Office (SO) also reports to the Chief Compliance Officer, aligned with its role to lead ESG governance with oversight on sustainable finance framework transition, ESG risks and opportunities, sustainability-related regulatory compliance, policy formulations and programs oversight, capability-building, and sustainability advisory

across the BDO Group. The SO produces the Bank's annual Sustainability Report aligned with global reporting standards, and collaborates with external partners on strategic sustainability projects supporting the Bank's Sustainable Finance Framework and the UN Sustainable Development Goals. The SO works across all levels of the organization from the Board to employees in order to drive the embedding of sustainability principles in core business and operations. The SO is also tasked with stakeholder communication on behalf of the Corporate Governance and Sustainability Committee, and in this role, articulates the Bank's sustainability initiatives to stakeholders in various external channels and forums.

Internal Audit 2-14

The BDO Internal Audit (IA) function covers the entire BDO Group, including local and foreign subsidiaries and offices. It is committed to adhering to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework (IPPF), which includes the Global Internal Audit Standards and the Topical Requirements; regulatory requirements such as those prescribed under the Bangko Sentral ng Pilipinas (BSP) Manual of Regulations for Banks (MORB) and relevant circulars; and internationally recognized frameworks such as the COSO Internal Control-Integrated Framework and the Control Objectives for Information and Related Technologies (COBIT).

The purpose of BDO IA is to strengthen BDO and its subsidiaries' ability to create, protect, and sustain value by providing

the Board and Management with objective assurance, advice, insight, and foresight, thereby enhancing the Bank's governance, risk management, and control processes.

As part of its enterprise audit strategy, BDO IA assesses the adherence of relevant units to the BDO Sustainability Finance Framework and the Environmental and Social Risk Management System (ESRMS). In addition, BDO IA reviews the Bank's Sustainability Report to ensure the accuracy, verifiability, and completeness of relevant information and to confirm that disclosures are aligned and compliant with applicable global reporting standards and principles.

The Bank refers to the following local regulations and global standards as authoritative guidance for its sustainability-related activities:

- Securities and Exchange Commission (SEC) Memorandum Circular No. 4, series of 2019 – Sustainability Reporting Guidelines for Publicly Listed Companies
- BSP Circular No. 1085, series of 2020 – Sustainable Finance Framework
- BSP Circular No. 1128, series of 2021 – Environmental and Social Risk Management System (ESRMS)
- BSP Circular No. 1149, series of 2022 – Guidelines on the Integration of Sustainability Principles in Investment Activities of Banks
- BSP Circular No. 1187, series of 2024 – Philippine Sustainable Finance Taxonomy Guidelines
- Global Reporting Initiative (GRI) Sustainability Reporting Standards

- Task Force on Climate-related Financial Disclosures (TCFD)
- International Financial Reporting Standards – International Sustainability Standards Board (IFRS-ISSB) Standards 1 and 2 (S1, S2)
- Sustainability Accounting Standards Board (SASB)

A dedicated IA team has audited the BDO Sustainability Report, Sustainable Finance Framework, and ESRMS since 2020, following the BDO IA's periodic audit cycle and continuous risk assessments. To ensure a deeper understanding of Sustainability and sustainability reporting frameworks as they evolved over the years, IA team members have attended internal and external trainings and workshops on sustainability, sustainable finance, the GRI framework, and international reporting standards.

The results of BDO IA's reviews, including sustainability-related reviews, are reported to the Bank's Board Audit Committee (BAC). Audit findings are tracked until full resolution. In its year-end closing report, BDO IA provides an overall assessment of the Bank's governance, risk management, and control processes.



Corporate Policies & Practices 2-23, 2-25

Code of Conduct and Business Ethics

As a financial institution, BDO believes that practicing right conduct and ethical behavior inspires and strengthens the confidence of all our stakeholders. The BDO Code of Conduct and Business Ethics (the Code) outlines the principles and policies that govern the activities of the Bank and sets forth the rules of conduct in the workplace and the standards of behavior of its directors, officers and employees in their activities and relationship with external stakeholders.

The Bank upholds the virtues of honesty and integrity among its employees and instills a sense of commitment toward duty and responsibility. All employees are expected to observe discipline in attending to their jobs and in interacting with co-workers. Supervisors and managers are expected to foster self-discipline and serve as role models to their subordinates. Bank officers are expected to intelligently and consistently apply the accepted principles of people management. All cases/violations must be reported. Failure to do so either by oversight or deliberate cover up is subject to appropriate disciplinary action. The Human Resources Group is responsible for overseeing the implementation of the Code across the BDO Group. It receives reports of violations and activates the process for undertaking a confidential investigation. As necessary, it may endorse the handling of the investigation to the Cases Review Secretariat for the appropriate action and recommendation.

The Board Audit Committee, at its discretion, may periodically report the Code of Conduct and Business Ethics cases to the Board of Directors. The Compliance Office will address lapses in compliance with regulatory requirements arising from the administrative cases due to the violation of this Code.

Internal Fraud, Breach of the Code, or other Unethical/Illegal Activities 205-1, 205-3

BDO believes that the key to long-term sustainability and success largely depends on having a good name and solid reputation in the industry. Any director or employee who becomes aware of any violations of law, regulations, or policies should report the same to appropriate authorities, with protection from reprisal and discrimination. Reporting of violations should be done in good faith and without malice. This is embodied in the BDO Policy of Disclosure of Sensitive/Confidential Matters to management that governs the policies and procedures in the handling of whistleblower cases.

In 2025, there were eleven (11) decided cases of fraud involving nine (9) Bank employees, who were dismissed accordingly, consistent with existing labor laws, under BDO Unibank Inc. and its subsidiaries. The Bank undertook to file legal cases against these erring employees to demonstrate its zero-tolerance policy on fraud.

Disclosure of Sensitive/Confidential Matters to Management (Whistleblowing) 2-26

BDO Unibank firmly believes that long-term success is built on trust, integrity, and ethical conduct. The Bank values its reputation as a critical asset and is committed to transparency, accountability, and vigilance in all aspects of its operations.

The Policy on Disclosure of Sensitive/Confidential Matters to Management provides a clear framework for reporting any incident of irregularity, or potential violation involving fraud, misconduct, or breach of internal policies. This ensures that such matters are promptly addressed to prevent or mitigate financial losses, protect stakeholder interests, and maintain public confidence in the Bank's operations.

Reports can be submitted through secure channels including short messaging service (SMS), letter, email or phone call and directed to the Office of the President (OP) or the relevant Unit Head. If the concern involves the President and other Executive Directors, it should be escalated to the Board of Directors through the Office of the Chairperson. For issues on Related Party Transactions (RPT), reports must be addressed to the Chairman of Related Party Transactions Committee.

All disclosures are handled with the highest level of confidentiality and

professionalism, ensuring whistleblower protection and thorough, impartial investigation of reported matters.

Acceptance/Solicitation of Gifts, Bribery, Corruption, and Anti-Competitive Behavior 205-1, 205-2, 205-3, 206-1, 415-1

The Bank has zero tolerance for the solicitation and acceptance, directly or indirectly, of any gift (including entertainment services or activities), gratuity, commission or any form of payment from clients, business partners, suppliers and third-party service providers in connection to a service that may, in any way, influence the Director's, Officer's or employee's decision-making in exchange for any unnecessary favorable treatment. Likewise, BDO commits to comply with anti-corruption and bribery laws in all jurisdictions where it operates.

In 2025, there were 11 decided cases of fraud involving nine Bank employees who were then dismissed accordingly, consistent with the existing labor laws, under BDO Unibank Inc. and its subsidiaries. The Bank undertook to file legal cases against these erring employees to demonstrate its zero-tolerance policy on fraud.

BDO prohibits making any political donations to prevent any attempt to encourage favorable treatment of BDO

and/or its directors and employees. The Bank reaffirms that it adheres to the no political contributions policy.

BDO is not involved in any anti-competitive behavior and has no violations of existing anti-trust and monopoly laws. No legal actions, pending or completed, pertaining to anti-competitive and antitrust behavior were filed against the Bank.

Risk Management and Business Continuity

It is BDO's goal to remain a strong Bank that is resilient to possible adverse events. With this, operational resilience is integrated into its activities to sustain the delivery of essential business functions in the event of a disruption. The scope of the Bank's resilience plan is comprehensive, covering the financial, strategic, operational, technological, and cybersecurity domains. The Bank's strategy is to prioritize and focus on critical services across business processes, enabling continued financial strength and customer trust. This includes the Bank's continued support for adequate resources and communication tools, and investments in technology and security infrastructures to strengthen its cybersecurity posture.

Business Continuity Planning (BCP)

Also essential to the Bank's resilience approach is the implementation of an effective business continuity management system. Business continuity plans—containing procedures for communicating with internal and external stakeholders, relocating to alternate sites, recovering business functions and processes, and restoring IT services and

infrastructure—are in place and updated annually. Periodic plan testing exercises are conducted using various methods (e.g., tabletop, live simulation) to ensure they remain accurate, relevant, and operable. Evolving threat landscapes, including those arising from environmental and social risks, are also considered and have influenced continuity planning. Events such as earthquakes and flooding have necessitated contingency measures or BCP activation, reflecting the Bank's commitment to maintaining service continuity even amid climate-related or socio-economic events. These components reinforce BDO's operational resilience and support the Bank's commitment to continuous service delivery, consistent with its risk governance framework and long-term sustainability objectives.

Anti-Money Laundering, Counter-Terrorist Financing, and Counter-Proliferation Financing

BDO upholds the highest standards in Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF), and Counter-Proliferation Financing (CPF). Our enterprise compliance program, approved by the Board of Directors, ensures continuous oversight and accountability.

The Board Audit Committee and the Board receive monthly updates from the Anti-Money Laundering Department (AMLDD) within the Compliance Group, reinforcing transparency and proactive risk management. Significant AML matters are escalated to the AML Committee, a cross-functional management committee

dedicated to ensuring compliance with laws and internal policies. This committee is chaired by the Chief of Staff under the Office of the President and is composed of representatives from Compliance, Legal, Branch Banking, and other Head Office Senior Officers. In 2025, the committee met five times to address top and emerging risks, regulatory changes and identify opportunities for further enhancement of AML controls.

The AMLD implements the Bank's Money Laundering, Terrorist Financing, and Proliferation Financing Prevention Program (MTPP). This includes applying a risk-based approach to Know Your Customer (KYC), and Customer Due Diligence (CDD) reporting covered transactions promptly, identifying and investigating suspicious activities, and delivering targeted training. Dedicated Compliance Units in key business areas—such as Trust, Remittance, and Global Operations—along with Unit Compliance Coordinators across Head Office units and branches, operate a wide range of AML controls with AMLD guidance. These structures ensure strong AML compliance across domestic and international operations.

BDO's local and international branches and subsidiaries comply with Philippine AML regulations, while overseas entities also follow jurisdiction-specific requirements. Independent third-party audits are conducted annually to validate the integrity of our AML/CTF/CPF framework.

Risk Assessment and Client Screening

BDO conducts thorough risk assessments to classify and manage AML and financial crime risks. This process evaluates factors such as country of operation, product offerings, business activities, client

profiles, delivery channels, ownership structures, and affiliations. The Bank does not engage with shell companies or virtual asset service providers and prohibits the establishment of relationships and the facilitation of transactions with individuals or entities listed on sanctions registers maintained by the United Nations Security Council (UNSC), the Office of Foreign Assets Control (OFAC), and the Philippines' Anti-Terrorism Council (ATC). The same standards apply to countries identified as high-risk by the Financial Action Task Force (FATF) and those subject to comprehensive OFAC sanctions. All clients, including beneficial owners of corporate customers, undergo mandatory watchlist screening.

Clients are categorized by AML risk profile, with corresponding levels of Customer Due Diligence (CDD). Standard due diligence applies to normal-risk clients, while enhanced due diligence (EDD) applies to high-risk clients and industries, which are subject to close monitoring and annual review. BDO actively monitors unusual or suspicious activities through its automated transaction monitoring system. Alerts are investigated by dedicated AML team. Suspicious Transaction Reports (STRs) and related information are strictly confidential.

A bi-annual enterprise-wide Institutional Risk Assessment (IRA) identifies and evaluates the Bank's inherent money laundering, terrorist financing, and proliferation financing risks, the effectiveness of existing controls and the residual risk. The IRA informs enhancements to AML/CTF/CPF ensuring alignment with the Anti-Money Laundering Act (AMLA) of the Philippines, its Implementing Rules and Regulations, and relevant Bangko Sentral ng Pilipinas (BSP) circulars.

Anti-Money Laundering Training and Capacity Building

BDO prioritizes continuous learning by providing tailored AML training to frontliners and relationship managers, ensuring they understand key policies, new laws, and regulatory updates. All employees complete e-learning modules, validated by exams, every two years. Training covers transaction reporting, money laundering typologies relevant to the Bank's products and services, and internal policies for preventing financial crime.

As of December 31, 2025, AMLD conducted 28 customized classroom sessions attended by 3,256 employees. Employees covered by the AML online training requirement have successfully completed their assigned online courses with 99% completion rate across 11 e-learning courses available (AML101 to AML111). New modules for implementation include AML 112 on Targeted Financial Sanctions and AML 113 on Ultimate Beneficial Ownership.

Enhanced Controls for Online Sexual Abuse and Exploitation of Children

Recognizing the growing threat of online sexual abuse and exploitation of children (OSAEC), BDO has strengthened controls to mitigate associated risks. The Bank applies data analytics to detect child exploitation activities and includes in its Negative List Database System (NLDS) customers involved in suspicious transaction reports.



Procedures for investigating and resolving alerts continue to be improved to deliver timely, high-quality outcomes. Specialized training on OSAEC (AMLA 109) is mandatory for client-facing units, equipping them to identify and address risks related to OSAEC and comply with AML/CFT controls.

Tax Governance and Compliance

207-1, 207-2, 207-3

BDO observes a tax strategy policy of full compliance and transparency in all the territories where BDO engages in business.

BDO is committed to the nation-building of all the territories in which it operates, and hence, timely pays to the governments of the jurisdictions it operates in the taxes due on the Bank's income, products, and services. BDO recognizes that the timely

payment of taxes due to governments plays a pivotal role in enabling them to develop a sustainable economic, environmental, and socially responsible nation. This leads to a prosperous, functional, and orderly society conducive to job creation and higher demand for the services and products of the Bank.

The BDO Comptrollership Group (Comptrollership Group) is responsible for the timely payment of taxes with respect to the different transactions of the organization. The Comptrollership Group is supported by specialized accounting units responsible for handling tax requirements across the different lines of business of BDO. These accounting units are covered by both internal and external audit processes to ensure compliance with applicable regulations. A Tax Compliance Unit of the Comptrollership Group provides advisory services on applicable

local and international tax laws to the different lines of business of BDO and makes announcements on the latest tax laws and regulations that need to be complied with by the Bank.

BDO also engages its stakeholders on tax concerns applicable to the products and services of the Bank.

The Bank maintains formal communications with the tax authority on a needs-requirement basis. In the Philippines, which is the country of incorporation of BDO, the Bank engages the tax authority through the Bankers' Association of the Philippines (BAP) for industry-related issues. BDO, through the BAP, actively contributes to industry efforts on pending tax bills for legislation and tax rules development, and provides feedback on key tax regulations and policies, with the intent of achieving the policy objectives and intended outcomes.

The Bank discloses adverse material tax findings and material claims for tax refunds, if any, in its Audited Financial Statements and before the Philippine Stock Exchange.

The tax jurisdictions where BDO entities are engaged in business, and which are included in the organization's Audited Financial Statements or in the financial information on public record, or are residents for tax purposes, are the Philippines, Hong Kong, Singapore, and other international locations where BDO maintains a presence (such as the United States of America, Japan, Canada, the Netherlands, and the United Kingdom).

Country-by-country Reporting ²⁰⁷⁻⁴

BDO Unibank, Inc. and Subsidiaries Geographical Segment Reporting
As of December 31, 2025 *(in Php millions)*

	Philippines ^{1/}	Singapore Branch ^{2/}	The Group Hong Kong Branch and Hong Kong Subsidiary ^{3/}	Rest of the World ^{4/}	Total
Net Interest Income	201,100	1,343	793	(135)	203,101
Fee and commission income	59,076	445	127	131	59,779
Other non-interest income	24,538	68	116	134	24,856
Total Income	284,714	1,856	1,036	130	287,736
Total Expenses	163,402	888	560	278	165,128
Impairment Losses	14,967	71	(36)	5	15,007
Profit before Tax	106,345	897	512	(153)	107,601
Income tax expense	19,852	175	95	-	20,122
Net Profit	86,493	722	417	(153)	87,479
Attributable to:					
Shareholders of the Parent Bank	86,188	722	417	(153)	87,174
Non-controlling Interests	305	-	-	-	305
	86,493	722	417	(153)	87,479
Total assets before goodwill and intangibles	5,195,363	147,986	74,923	2,118	5,420,390
Goodwill and intangibles	11,164	2	-	-	11,166
Total Assets	5,206,527	147,988	74,923	2,118	5,431,556
Non-current assets	3,238,524	95,446	49,215	1,677	3,384,862

BDO Unibank, Inc. and Subsidiaries

^{1/} Net profit reported under Parent Bank (excluding BDO Hong Kong and Singapore Branches) and Subsidiaries operating in the Philippines

^{2/} Net profit reported under the Singapore Branch

^{3/} Net profit reported by the Hong Kong Branch and the Hong Kong Subsidiary

^{4/} Net profit reported by the foreign subsidiaries in United Kingdom, USA, Canada, Japan and the Netherlands

Physical Security and Occupational Safety: Enterprise Protection Department

403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8

The Bank's Enterprise Protection Department fulfills its mandate of ensuring physical security and occupational safety as an integral part of the Bank's sustainability initiatives. These efforts align with five of the United Nations Sustainable Development Goals (SDGs): Good Health and Well-Being, Gender Equality, Decent Work and Economic Growth, Responsible Consumption and Production, and Peace, Justice, and Strong Institutions.

Promoting Health and Safety

BDO ensures that all worksites remain free from physical security threats and safety hazards, safeguarding the health and well-being of all individuals on-site. In 2025, the Department recorded only 14 workplace accidents across all BDO worksites, reflecting the effectiveness of the Loss Prevention Manual, which provides a comprehensive framework for implementing necessary procedures in compliance with BSP's Manual of Regulations for Banks (MORB) and government issuances such as RA 11917.

The Bank's Health and Safety Committee, empowered under the Occupational Safety and Health (OSH) Law, RA 11058, implemented programs and systems to ensure workplace safety. Mitigation strategies for natural disasters were

also refined, supported by 37 disaster preparedness drills conducted across its network nationwide.

Advocating Gender Equality in Security Roles

The Enterprise Protection Department upholds gender equality in hiring and promotion. Previously, female employees were limited to administrative desk roles. Today, women have increased representation in the Safety Unit, Physical Security Operations Center (PSOC), and even in the traditionally male-dominated Physical Security–National Capital Region (PSC–NCR), which oversees security guards and service providers. In 2025, female representation in the Department increased to 28.89%.

Two women now hold operational roles in PSOC and Physical Security NCR. Leadership diversity is also evident, with the Department's second-highest-ranking officer being a woman.

Ensuring Fair Work Practices

The Department ensures that all security guards and service providers perform duties strictly aligned with RA 11917, preventing assignments beyond their scope and protecting their physical and emotional well-being. In 2025, partner security agencies demonstrated high compliance with RA 11917 and DOLE standards, ensuring fair labor practices. This level of compliance safeguarded all deployed security personnel under just and equitable work conditions.

Strengthening Incident Reporting and Governance

The Department maintains a structured incident reporting and escalation protocol to ensure rapid response and sound governance. Incident information is immediately verified and elevated to the cognizant officer for prompt resolution. An Incident Report for a Safety Incident is prepared by the Regional Safety Officer and approved by the Unit Head. An Incident Report for a Physical Security incident is prepared by the Security Officer, reviewed by the Regional Security Officer, and approved by the Unit Head before reaching the Department Head. Depending on the severity and potential impact of the incident, information is further escalated to the concerned Business Unit, which determines whether the matter requires Board-level notification.

Advancing Resource Efficiency

The Department advanced its transition to paperless processes, reducing resource consumption and minimizing reliance on tree-based fiber. Throughout 2025, non-essential printing was curtailed by shifting workflows to digital formats, while electricity-saving practices such as switching off lights over unoccupied workstations were strengthened. These efforts reduced paper use and energy consumption, supporting the Bank's broader commitment to responsible consumption and climate action.

Strengthening Ethical Standards and Human Rights

The Department reinforces ethical conduct among security guards and service providers by upholding the highest standards of customer-centric service and actively preventing sexual harassment and human rights violations. In 2025, security personnel completed human rights and anti-harassment training as part of the Department's mandatory capability-building program. These measures strengthen institutional integrity and promote a safe, respectful environment for all.



Building Trust in Technology

The World Economic Forum Global Risks Report 2025 ranks Misinformation and Disinformation and Cyber Espionage and Warfare as the 1st and 5th risks, respectively in its 2-year outlook, reflecting how geopolitical tensions and the spread of false and misleading information continue to reshape the global risk landscape. In its 10-year outlook, these technological issues will continue to persist, with Misinformation and Disinformation ranked 5th, followed by Adverse Outcomes of AI Technologies at 6th, and Cyber Espionage and Warfare as 9th in terms of severity. These developments reinforce the importance of strong digital safeguards for institutions operating in an increasingly complex risk environment. BDO recognizes that trust must go hand-in-hand with technology development and continues to strengthen the protection and resilience of customer data and information entrusted to the Bank, while supporting customers through guidance on scams and digital threats to help them transact safely across the Bank's platforms.

Security, Efficiency, and Access at Scale: Information Technology Group

BDO integrates sustainability into its Information Technology (IT) development and operations, emphasizing ethical governance, digital trust, environmental responsibility, digital inclusion, and workforce development. The IT Steering Committee (ITSC) is the highest governing body of the Information Technology Group.

The ITSC ensures that the Bank's IT functions are effectively managed and aligned with strategic goals. It provides oversight, ratifies IT-related policies and practices, and informs the Board of developments, challenges, risks, and progress. The ITSC endorses best practices, strategic plans, and procedures; manages and mitigates technology risks; and monitors IT performance, including major projects and issues. These measures ensure that the Bank leverages technology effectively while safeguarding against potential risks.

In addition to ITSC oversight, technology-related risks are elevated to Board-level committees through established reporting channels. Significant or high IT Audit findings are reported to the Board Audit Committee through the Internal Audit and Compliance Heads, while key risk indicators (KRI), risk and control self-assessments (RCSA), and security alerts are escalated to the Risk Management

Committee. These governance structures ensure that IT-related risks—including cybersecurity, operational controls, and emerging technology issues—receive appropriate Board attention and oversight.

Securing Digital Trust and Resilience

The Bank maintains compliance with Bangko Sentral ng Pilipinas (BSP) regulations and aligns with the U.S. National Institute of Standards and Technology (NIST) Cybersecurity Framework, earning a high-security posture rating of 94 from independent security rating services.

To strengthen digital trust and resilience, BDO upgraded its cloud security compliance systems and continued modernizing its Security Operations Center (SOC). The Bank enhanced data privacy systems and procedures, successfully deflecting over 111.7 million cyberattacks in 2025 and swiftly mitigating 1,857 security alerts, with no customer impact and no confirmed security breaches.

BDO enforces strict Data Protection Policies across people, processes, and technology, supported by a dedicated Chief Information Security Officer (CISO) and Data Protection Officer (DPO). The Information Security Policy and Program undergo annual review and are enforced through process and technical controls, reflecting a commitment to continuous improvement, data integrity, and effective threat response. Coverage includes business continuity planning,

vulnerability analysis, audits, and security awareness training.

To ensure independent validation of its IT controls, the Bank undergoes third-party audits as part of both the system audit and the annual financial audit, providing external assurance on the robustness and effectiveness of its IT infrastructure and data protection practices.

Reducing Environmental Impact Through IT Solutions

BDO leverages IT to reduce resource use and optimize platforms, artificial intelligence (AI), and infrastructure—focusing on energy-efficient systems, reduced paper consumption, and responsible e-waste handling.

A key initiative is the implementation of the D365 Customer Relationship Management (CRM) platform for customer onboarding. This platform advances sustainability objectives by reducing resource consumption, increasing operational efficiency, and minimizing environmental impact. Through digital-first onboarding for New-to-Bank (NTB) and Existing-to-Bank (ETB) customers, BDO eliminated manual, paper-intensive workflows and introduced electronic Know Your Customer (KYC) and consent management. Portal-, kiosk-, and QR-based onboarding minimized branch paperwork, while automated ID validation reduced manual intervention.

Enterprise servicing also achieved significant gains. By expanding Customer 360 for a unified customer view and integrating the Consolidated Individual Record (CIR), BDO reduced redundant data entry and physical documentation. Branch-assisted services now rely on pre-filled product holdings and digital case management, eliminating paper forms and manual verification steps.

Contact Center modernization further advanced sustainability. The adoption of digital-first case management and Contact Center AI solutions reduced dependency on physical infrastructure. Enhanced D365 CRM integration enabled real-time case logging and resolution without printed documentation, eliminating printed forms and further reducing paper consumption.

Infrastructure and Energy Optimization

BDO continues to optimize its IT infrastructure to reduce environmental impact while improving operational efficiency. A key strategy has been the shift from physical servers to cloud platforms, which provide visibility into emission trends from Cloud Service Providers (CSPs). This capability allows the Bank to identify patterns and make informed decisions to minimize carbon emissions.

To further optimize cloud resources, BDO implemented measures such as shutting down idle virtual machines and right-sizing over-provisioned resources based on actual usage patterns. These actions delivered immediate carbon and cost savings while ensuring systems remain efficient and resilient.

For applications that remain on-premises, BDO introduced virtualization to enable multiple applications to share hardware, consolidated several databases to maximize utilization, and migrated two large-scale applications from proprietary hardware to modern, energy-efficient commodity servers. These initiatives significantly reduced power consumption without compromising performance. Additionally, relocating equipment from the Greenhills Data Center to the Clark co-location facility accelerated the decommissioning of unused servers, avoiding unnecessary transport and further reducing emissions. Hardware reuse was also prioritized, with storage media securely wiped for redeployment—minimizing e-waste and extending equipment life.

End-user devices remain a focus area, as workstations currently consume approximately 250,000 kilowatt-hours (kWh) per month. To address this, BDO launched campaigns encouraging employees to adopt energy-efficient practices and implemented automated power management mechanisms projected to deliver 9% energy savings in the coming months.

Expanding Digital Access and Connectivity

BDO continues to enhance digital access through significant improvements to its mobile and online banking platforms. Backend optimizations have boosted system performance and stability, ensuring seamless operations during high-demand periods such as campaigns and token management.

On the customer-facing side, online channel enhancements now deliver faster application speed, resilient account loading, and improved transaction history. Similarly, upgrades to the Pay channel provide accelerated payment processing, streamlined login and registration, and environmentally friendly credit card e-statements. These improvements make essential services more accessible, allowing customers to activate credit cards, lock or unlock cards, and request cash installment programs directly through the mobile app—reducing the need for branch visits or contact center interactions.

BDO's website complements these efforts with features that simplify loan access, including home loan prequalification, loan status tracking, auto loan calculators, and salary loan applications. Most notably, BDO Network Bank customers can now link their accounts to BDO Pay, enabling digital money transfers and bill payments for the first time—a major step toward financial inclusion.

To extend connectivity to underserved areas, BDO leverages satellite technology to connect branches where traditional telecommunications facilities are unavailable. Currently, 41 BDO Network Bank branches and three Unibank branches use satellite devices, with an additional 140 units pre-positioned nationwide to ensure business continuity during disasters.

Artificial Intelligence (AI) Initiatives

BDO integrates AI ethically and responsibly, prioritizing data privacy, cybersecurity, and bias prevention. In 2025, the Bank trained employees on responsible AI use and maintains transparency by clearly identifying AI-generated content.

The Bank's AI strategy focuses on developing applications tailored to specific user groups, reducing reliance on large language models (LLMs) to minimize computational overhead and energy consumption. This approach improves infrastructure efficiency, accelerates digital transformation, and supports sustainability through energy-conscious systems, reduced paper use, and improved resource management.

AI implementation includes pre-production risk reviews and ongoing assessments across infrastructure, data, and security layers. Third-party models undergo evaluation using detailed vendor questionnaires that address data integrity, accuracy, and regulatory compliance.

Continuous oversight is maintained through model libraries and advanced monitoring tools. For generative AI, BDO uses user feedback and LLM-as-judge metrics to identify risks such as hallucination. Machine learning models undergo robust validation and independent risk reviews, with credit models requiring Board approval.

Building a Future-Ready IT Workforce

BDO invests strategically in IT workforce development to ensure sustained success and a technologically advanced future. The Bank empowers IT professionals to excel and drive innovation through focused training initiatives that prepare them for both current responsibilities and emerging challenges.

Programs include a comprehensive technical curriculum covering cloud computing, cybersecurity, data analytics, and software development—ensuring IT professionals remain at the forefront of technological advancements. BDO's on-demand Learning Management System offers 74 specialized learning paths and 271 courses to support continuous professional growth. In addition, BDO actively promotes sustainable IT practices, encouraging innovative solutions that minimize environmental impact and optimize operations.

Through these efforts, BDO strengthens its capacity to deliver secure, efficient, and inclusive digital services—advancing the Bank's commitment to sustainability and shaping a technology-proficient and future-ready organization.

Governance of Artificial Intelligence and Emerging Technologies

BDO continues to advance its digital transformation through the responsible adoption of artificial intelligence (AI) and other emerging technologies, including advanced analytics and automation, to enhance operational efficiency, improve customer experience, and support data-driven decision-making. As these technologies continue to evolve, the Bank adopts a balanced and adaptive governance approach that aligns innovation with sound risk management practices. This ensures that emerging technologies are deployed in a secure, ethical, and well-controlled manner, with appropriate accountability and human oversight.

BDO's approach to artificial intelligence is guided by overarching principles that support ethical, secure, and responsible use, aligned with the Bank's broader governance and risk management frameworks. In response to advancing AI, advanced analytics, and emerging technologies, the Bank applies proportionate governance practices to support appropriate use, sound decision-making, and ongoing accountability, including when engaging third-party solutions. Oversight

arrangements are designed to be adaptable and to promote responsible innovation, with an emphasis on human judgment and continuous improvement as technologies, regulations, and industry practices develop.

Sustainability considerations are embedded in the Bank's AI strategy. AI applications are designed to be fit-for-purpose and tailored to specific user groups. By optimizing model usage, centralizing AI platforms, and monitoring compute efficiency, the Bank improves infrastructure utilization while supporting energy-conscious system design, reduced paper use through digital processes, and responsible resource management.

Employee enablement is a key component of BDO's responsible technology adoption. The Bank strengthens employee awareness and capabilities through targeted training and guidance on AI governance, ethical use, and risk management, reinforcing clear boundaries for acceptable use and the continued importance of human judgment. BDO will continue to monitor regulatory developments and industry standards and enhance its governance practices, monitoring capabilities, and controls to support safe, ethical, and sustainable innovation.

Data Privacy Governance and Protection

BDO's Data Privacy Management Program (DPMP) establishes how the Bank safeguards the data privacy rights of its data subjects and ensures compliance with Republic Act No. 10173, or the Data Privacy Act of 2012. The program aligns with the National Privacy Commission's Five Pillars of Data Privacy Accountability and Compliance, providing a structured approach to privacy governance across the organization.

Pillar 1: Data Privacy Leadership

The Bank has appointed a Data Protection Officer (DPO) who is registered with the National Privacy Commission and is responsible for overseeing the implementation and effectiveness of data privacy compliance across the organization.

Pillar 2: Privacy Risk and Impact Assessment

BDO conducts Privacy Impact Assessments (PIAs) for new and existing programs, projects, systems, and processes that involve personal data or may have privacy implications. All business and support units are required to perform and update their PIAs at least annually, consistent with NPC guidance on proactive privacy risk management.

**Pillar 3: Privacy Management Program
and Manual**

The Bank's Privacy Management Program is documented in its Data Privacy Manual, which consolidates the policies, standards, and procedures that guide the proper handling of personal data across all units. This manual serves as a central reference for fulfilling compliance obligations and embedding privacy-by-design into Bank operations.

**Pillar 4: Data Protection Measures
and Practices**

In processing personal and sensitive personal information throughout the data lifecycle, the Bank applies the principles of Transparency, Legitimate Purpose, and Proportionality.

The principle of Transparency guides how the Bank provides clear privacy notices through its forms and documents, including the BDO Group Data Privacy Statement and Data Privacy Consent, to inform customers of processing purposes, involved parties, and their rights as data subjects.

Under the principle of Legitimate Purpose, personal data is processed only for purposes that are clearly defined and communicated to customers in connection with the services or transactions they request or authorize.

The principle of Proportionality ensures that the Bank limits the collection and processing of personal data to information that is relevant, adequate, and necessary for the stated purpose, consistent with its commitment to data subject rights.

**Pillar 5: Data Breach Management
and Awareness**

The Bank maintains procedures for the identification, escalation, and reporting of data privacy incidents and breaches. The DPO conducts regular training to strengthen employee awareness of data privacy risks and reinforce breach reporting obligations in line with NPC regulatory requirements.

Oversight and Accountability

Oversight of data privacy risks forms part of the mandate of the Risk Management Committee (RMC). The DPO regularly reports to the RMC on the Bank's compliance with the DPMP, supporting continued monitoring and governance of data privacy risks at the enterprise level.

Cybersecurity

Cybersecurity is a top priority for BDO Unibank, as it is an essential part of its business to help clients achieve their financial goals. With this priority, the Bank is committed to safeguarding its clients' information and assets entrusted to it, by continuing to invest in cybersecurity and fraud management technologies to give its clients the confidence they would expect from the largest bank in the Philippines.

The Information Security Strategic Plan (ISSP) outlines the overall cybersecurity direction for the Bank. The Information Security Program (ISP) aligns with the business strategy of the Bank and details the strategic programs, operations, technologies and resources needed to ensure alignment to ISSP. Both ISSP and ISP support the business and provide the assurance that its direction and intent are reflected in the cybersecurity posture of BDO.

The Bank utilizes a structured approach following international standards and industry best practices such as ISO 27001 and NIST Cybersecurity Framework in implementing its cybersecurity program. BDO continuously conduct security testing and drills to adhere to the regulatory requirements set forth by the Bangko Sentral ng Pilipinas (BSP).

Oversight for cybersecurity resides in three key groups which report to senior management and the Board. The Information and Cybersecurity Office (ICSO) is responsible for validating the effective implementation and oversight of the ISSP and ISP. The Risk Management Group (RMG) manages and reports the risks, while the Information Technology Group (ITG) handles the implementation and monitoring of the technical controls.

BDO strongly supports the Bangko Sentral ng Pilipinas (BSP) in its mandate to keep abreast with the adoption of technologies that will strengthen the BSP framework for risk supervision. The Bank continuously commits to providing accurate and timely information to BSP for a responsive and effective banking supervision. BDO also supports the cybersecurity initiatives of the Philippines in protecting critical infrastructure by making BDO cyber-resilient and raising awareness on the importance of cybersecurity amongst its employees and clients.

Human Capital Development 2-7, 2-25

Driving a Sustainability Mindset Across the Organization: Human Resources Group

BDO is committed to promoting a work environment that fosters diversity, equity, inclusion, and equal opportunity, where everyone receives fair and equal treatment, equal rights, and access to employment and career opportunities regardless of gender, ethnicity, race, age, religion, sexual orientation, or disability, and where employees are valued for their contributions to BDO's success.

The Bank ensures that employment practices and policies—including recruitment, training, performance evaluation, compensation, promotion, and separation—are applied consistently and are in compliance with applicable labor laws, regulations, and standards in the countries where it operates. BDO seeks the best talents, who are selected, engaged, compensated, and promoted, as the case may be, based on merit, qualifications, performance, and business requirements.

BDO Unibank recognizes that sustainability is inseparable from human capital excellence. The Human Resources Group advances a sustainability mindset through performance management, continuous learning, ethical conduct, and inclusion—reflecting the Bank's We Find Ways spirit of service, excellence, and innovation.

Shaping Experience, Growing Talent

BDO nurtures a culture where the growth of its people is recognized as a vital driver of the Bank's purpose. By opening doors for employees to stretch their potential, spark new ideas, and step into leadership, BDO empowers its workforce to stay bold, agile, and deeply connected to customers and communities. This belief strengthens the mission to make banking easy, meaningful, and accessible, while cultivating enduring relationships built on trust, care, and partnership. As the Bank grows, it remains committed to empowering employees with opportunities to learn, develop, progress, and lead.

BDO operationalizes its people-first culture through an enterprise-wide learning framework aligned to business priorities and role-based capability requirements. Structured learning, coaching, and growth opportunities are provided to selected leaders through the Executive Catalyst Program, Branch Management Training Program, and Wealth Management Leadership Development Program.

Career Progression and Succession for Organizational Resilience

To strengthen the talent pipeline by developing employees' skills, leadership potential, and readiness for future roles,

BDO implements structured development pathways through the Career Accelerator Program (CAP), Officers Development Program (ODP), Fast Track Program, and Management Development Program (MDP). These programs align individual career aspirations with business needs and support consistent standards for leadership readiness across the organization. In 2025, 873 employees completed the ODP and Fast Track Programs, while 714 employees graduated from the MDP, reinforcing leadership depth across key functions.

BDO complements these development pathways with structured succession planning to ensure continuity in critical roles. High-potential employees are identified and assessed for readiness, with customized development plans guiding each successor's progression. This integrated approach minimizes operational disruption, supports business continuity, and sustains a future-ready leadership bench aligned with the Bank's long-term sustainability strategy.

Building and Strengthening Skills

Flagship programs build technical, leadership, and role-based capabilities across the enterprise, supporting readiness in critical banking functions:

- Relationship Manager Training Program (RMTP) – prepares management trainees and selected incumbents

to become Relationship Managers in the Institutional Banking Group; 100% completion for Batch 15, FY2025.

- Credit Training Program – builds foundational credit capabilities and assesses readiness for fast-track promotion; 71 graduates.
- Lead. Excel. Accelerate. Defy Gravity. (LEAD) – a Wealth Management training pathway for high-potential candidates aligned with the BDO Wealth Management Team; 49 graduates.
- Client Service Associate's Journey – supports new hires' transition to the branch environment.
- Branch Operations Training – delivers technical training on core branch processes and policies for the Branch Banking Group.

Fostering a Culture of Continuous Learning

BDO cultivates continuous learning through self-paced platforms, peer learning groups, and internal knowledge-sharing sessions. Beyond internal programs, employees receive external training aligned to their roles to stay current with product innovations, service excellence, systems, and process improvements. The Bank partners with Coursera (approximately 300 licenses for IT-related learnings), HoxHunt (cybersecurity), and Franklin Covey (leadership development) to ensure that employees build the skills required to meet evolving business needs.

Employee engagement in self-paced learning continued to increase in 2025, with the number of employees accessing e-learning courses rising from 44,001 in 2024 to 47,044 in 2025, while participation rates were maintained at above 99% year on year.

Compliance-Driven Learning and Training Completion ²⁰⁵⁻²

In 2025, BDO upheld its commitment to legal, ethical, and operational standards by ensuring timely completion of required regulatory trainings.

During the year, the most accessed self-paced e-learning programs focused on Data Privacy Fundamentals, Social Media Policy, and BDO Information Security, reflecting strong employee engagement in data protection, responsible communication, and information security awareness.

Completion rates for key regulatory and ethical learning programs were as follows:

99.61%

BDO Code of Conduct

99.18%

Anti-Money Laundering 101
(AML Overview)

99.57%

Anti-Money Laundering 102 (AML
Regulations and Bank Policies)

99.35%

Data Privacy Fundamentals

99.31%

Social Media Policy

These results demonstrate strong adherence to governance and compliance requirements and reinforce ethical conduct and responsible operations.

Upgrading the Performance Appraisal System

To enhance employee experience and streamline performance management, BDO has begun transitioning from an in-house application to a new integrated Human Resources platform, SAP SuccessFactors. In 2025, the upgraded platform was piloted for a selected group of employees to support initial implementation and refinement.

The transition is intended to improve transparency, consistency, and user experience in the performance appraisal process. Fairness and equality remain paramount, with policies and standards applied consistently in evaluating eligibility for merit increases and promotions to ensure decisions are guided by clear and uniform parameters.

The broader rollout of performance appraisals through the upgraded platform is targeted for 2026, following the pilot phase. This initiative represents a step toward strengthening a more transparent, consistent, and equitable performance management framework as part of the Bank's ongoing human capital development efforts.

Ethical, Inclusive, and Community-Driven Talent Acquisition

BDO embeds ethical, transparent, and inclusive practices in hiring. BDO integrates Environmental and Social (E&S) criteria into recruitment protocols—ensuring fair hiring, anti-discrimination, and strict adherence to data privacy standards. The Bank expands talent pipelines through campus partnerships in Metro Manila (the Philippines' national capital region), Cebu (Central Philippines), and Davao (Southern Philippines), engages underserved markets—particularly in rural areas across the Philippines—through local job fairs and digital platforms, and reduces paper use by streamlining applications, assessments, and onboarding through digital processes and virtual career fairs to help lower the environmental impact of recruitment activities. Consistent with its community-based hiring approach, 99% of senior officers hired in 2025 were sourced from local communities, in line with disclosures in prior Sustainability Reports.

Promoting Employee Wellbeing

Employee health, safety, and wellbeing are essential to sustainable growth. BDO maintains a comprehensive Health Calendar with monthly webinars and advisories, alongside preventive care such as annual immunizations and blood donation drives. Online wellness sessions are available on demand through the Bank's learning platform.

In 2025, BDO conducted 14 health-focused webinars, with 2,487 employees participating in facilitated sessions, supporting preventive care, health awareness, and employee resilience across the organization.

Internal health data indicated that commonly reported work-related health concerns among employees included respiratory conditions, headaches, hypertension, and gastrointestinal illnesses. Climate-related health conditions observed during the year similarly included allergies, influenza-like illnesses, and vector-borne diseases. These health trends underscore the importance of BDO's preventive care initiatives, regular health advisories, and wellness education programs aimed at supporting employee resilience and well-being amid evolving health and environmental conditions.

Supporting Mental Health

The Bounce Program for mental health wellness, now in its third year, provides 24/7 chat and call support, recording 363 employee consultations in 2025. Targeted sessions address stress management and chronic conditions, while special webinars with psychologists offer post-traumatic support to employees affected by natural calamities.

Reinforcing Workplace Safety and Resiliency

BDO continues to offer Occupational First Aid and Basic Life Support Training for critical personnel through a two-day program that combines virtual and in-person sessions, ensuring compliance with the Department of Labor and Employment (DOLE) and strengthening emergency readiness. In 2025, 2,619 employees completed first aid and life support training, expanding safety coverage across key branches and units.

Celebrating Community and Well-being

The Annual Metro Manila Sportsfest, held at the Mall of Asia Arena in Metro Manila, the Philippines' capital region, drew nearly 9,000 employees for the 2025 kick-off of basketball, volleyball, badminton, and bowling tournaments. Regional Sportsfests engaged 1,761 employees in Cebu (Central Philippines) and 1,678 in Davao (Southern Philippines), representing branches and business units of BDO Unibank and its subsidiaries, for a combined 3,439 participants—strengthening teamwork, engagement, and well-being.

Sustaining Harmonious Labor Relation 2-30

The Collective Bargaining Agreement (CBA) is represented by the Banco De Oro Employees Association (the Union), an affiliate of Associated Labor Unions. The Bank's CBA was renewed for a five-year period from 1 November 2025 to 31 October 2030.

BDO maintains a constructive and collaborative relationship with the Union through open dialogue, transparency, and respect for collective representation. The CBA includes provisions on notice periods, as well as consultation and negotiation mechanisms, for operational changes that may affect employees, in accordance with applicable labor laws. These mechanisms support orderly engagement, protect employee interests, and help ensure business continuity during periods of change.

Ensuring Privacy and Responsible Data Practices

BDO embeds strict data privacy protocols in recruitment to protect candidate information and uphold trust. Across the employee lifecycle, BDO maintains role-based access controls for personnel records in both electronic and hard-copy forms. Access is limited to authorized personnel, and any sharing of data with internal or external stakeholders follows a formal approval process—ensuring responsible, confidential handling of personal information and HR data integrity.

To further safeguard sensitive employee and organizational information, BDO implements an HR Confidentiality Policy that governs the handling and disclosure of confidential and proprietary information. The policy applies across the Bank and its subsidiaries and covers responses to external queries and requests, including those related to sustainability practices and due diligence by clients, suppliers, or other stakeholders. It establishes clear approval requirements, information-sharing limitations, and minimum protection measures—such as data masking, document classification, encryption, and transmission to authorized recipients only—to ensure responsible data management and compliance with the Bank's information protection standards.

Investing in the Workforce for Sustainable Growth

BDO's most critical assets are its people. Through sustained investment in capability-building, leadership readiness, fair and consistent performance management, ethical hiring, employee wellbeing, safety, and harmonious labor relations, the Bank strengthens human capital resilience. Guided by the We Find Ways mindset, employees are empowered to address today's challenges while preparing for the future—affirming that sustainability at BDO begins with its workforce.



Embedding Sustainability in Culture and Mindset

Building Sustainability Capability Across BDO

In 2025, the BDO Sustainability Office (SO) led enterprise-wide initiatives to build the Bank's sustainability capability and strengthen the integration of environmental and social considerations into risk management processes and business decision-making.

The Sustainability Capability-building Roadshow focused on developing both foundational understanding of sustainability; environmental, social, and governance (ESG) matters; as well as technical competence across the BDO workforce nationwide. By equipping employees with a shared set of frameworks, tools, and risk perspectives, BDO strengthened the consistent application of sustainability principles across lending, investment, and operational activities, and encouraged employees to ideate on how they can best apply a sustainability perspective in their work.

Sustainability at BDO and the United Nations Sustainable Development Goals

To broaden access and reinforce learning, the Sustainability Office continued to promote the self-paced Sustainability@BDO onboarding e-course, which recorded 4,635 employee enrollees in 2025. Together with instructor-led trainings, the e-course introduced sustainability and sustainable finance among the Bank's new hires across business units, control functions, support teams, and subsidiaries.

The instructor-led Sustainability at BDO and the United Nations 17 Sustainable Development Goals (UN 17 SDGs) modules established a shared understanding of how global sustainability priorities align with the Bank's Sustainability Framework. The sessions also included a workshop with both real-life and simulated case studies from the Bank's clients designed and facilitated by the Sustainability Office.

The training workshops reached 617 employees from priority teams—including relationship managers, credit analysts, and junior and senior officers—across Metro Manila; selected provinces in Luzon, including Naga City (Camarines Sur), Pampanga, Bulacan, Tarlac, and Nueva Ecija; and key locations in the Visayas, including Iloilo, Aklan, Tacloban, and Cebu.

Participants were asked to ideate on how sustainability principles could be applied in their day-to-day work—whether by enhancing existing products, developing new offerings, or directing financing toward priority sectors aligned with the UN SDGs and their targets. By linking sustainability objectives to concrete business contexts, the training strengthened internal ownership of BDO's long-term commitments and supported more deliberate integration of sustainability considerations into daily operations.

Several initiatives were subsequently advanced following the sustainability modules and workshops. These included the Green Finance and Adopt-a-Tree programs for Auto Loans, solar panel leasing solutions under BDO Finance, and the inclusion of solar panel installation as an eligible purpose for Home Loans. These examples illustrate how sustainability training is translated into practical applications across product development and financing activities.

Environmental and Social Risk Management System

The Sustainability Office refreshed its module on the Board-approved Environmental and Social Risk Management System (ESRMS) to simplify the ESRMS questionnaire and incorporate assessment feedback from training participants. In 2025, 374 employees, primarily from client-facing, credit, and risk functions, completed the refreshed ESRMS training. The module equipped participants to identify environmental and social (E&S) risks, determine when formal assessments are required, and conduct enhanced due diligence for high and very high rated projects. Strengthening these capabilities supported more consistent application of E&S risk controls across lending and investment processes.

Philippine Sustainable Finance Taxonomy Guidelines

As part of preparations for the country's evolving sustainable finance regulatory landscape, the BDO Sustainability Office rolled out training on the Philippine Sustainable Finance Taxonomy Guidelines (PSFTG). The program trained 72 employees from sustainability-related, risk, and product development functions. The module introduced a structured approach to classifying economic activities



based on their environmental and social impacts, including pathways for directing financial flows toward activities that support climate change adaptation, with mitigation benefits as a co-benefit.

This targeted training enhanced the Bank's technical readiness for forthcoming regulatory requirements and supported the integration of sustainability classifications into business decision-making and reporting processes.

Enterprise-wide Rollout

To ensure consistent application of sustainability frameworks across locations, the Sustainability Office conducted sustainability roadshows in Iloilo, Cebu, and Pampanga, engaging frontline and regional teams across multiple business units. Additional sessions were held throughout the year at BDO Corporate Centers in Makati City and Ortigas, expanding coverage among head office teams.

This enterprise-wide rollout promoted alignment across geographic locations, generated better understanding of the strategic importance of transitioning to a sustainable finance framework, and strengthened collaboration between business units and control functions.

Environmental Impact 302-1, 302-4, 302-5

Managing Energy, Water, and Waste for the Long Term

BDO manages energy, water, and waste across its nationwide operations to reduce environmental impact, improve efficiency, and uphold its commitment to responsible resource use. In 2025, the Bank advanced ongoing initiatives on energy efficiency, expanded renewable sourcing, strengthened water conservation, and enhanced waste management.

Tracking Energy and Emissions

As the country's largest bank, with the widest network of branches, facilities, data centers, and corporate offices nationwide, BDO recognizes the significant energy required to sustain its daily operations. To align operational risk management with sustainability goals, the Bank has prioritized energy efficiency as a pillar of its operational sustainability strategy.

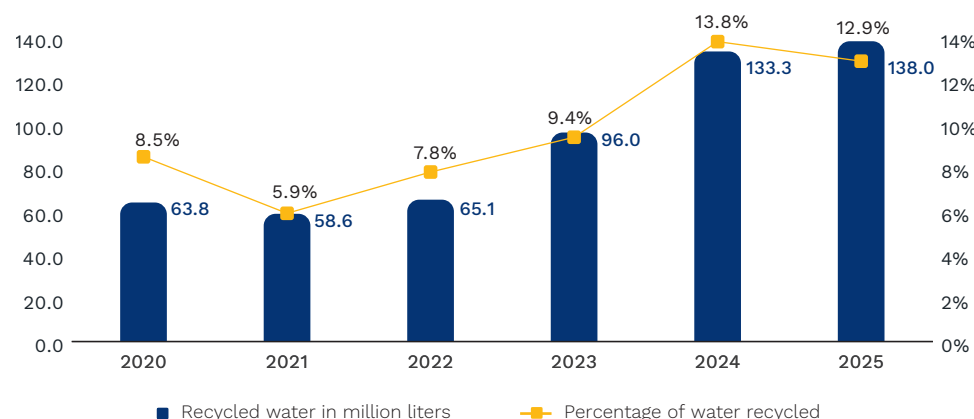
BDO monitors greenhouse gas (GHG) emissions primarily through electricity consumption, its largest source of emissions in its operations. By focusing on high-consumption facilities and consolidating energy data across branches and offices, the Bank assesses the impact of energy-related initiatives and continuously identifies opportunities for improvement.

This monitoring process enables comparisons with previous years and supports data-driven decisions for future efficiency projects, ultimately contributing to emissions reduction. In 2025, BDO recorded 59,561,612 kilowatt-hours (kWh) of electricity consumption, resulting in 33,809 tonnes of carbon dioxide equivalent (tCO₂e) emissions, a 4.43% decrease compared with 2024.

The Bank has identified internal energy reduction targets in the short, medium, and long term, guided by its Environmental and Social Risk Management System (ESRMS), which affirms its commitment to minimizing environmental impacts. Progress is tracked through indicators such as total energy consumption, renewable energy share, and operational efficiency improvements using the Building Energy Index (BEI). These efforts are reviewed in Technical Working Group (TWG) meetings to ensure alignment with sustainability objectives and evolving regulations.

Integrating Efficiency Initiatives

Over the past five years, BDO has integrated energy-efficient practices across its facilities, including energy-efficient lighting and equipment, optimized air-conditioning and heating systems, and the installation of motion-sensor lights in meeting rooms in select offices to reduce consumption while maintaining operational effectiveness.



In 2025, the Bank continued to replace aging air-conditioning units with inverter models and retrofitted end-of-life light fixtures with LED technology, further reducing electricity consumption across offices and branches. All future BDO offices and branches will also be equipped with inverter air-conditioning units and LED lighting as part of the Bank's standard design and energy-efficiency requirements.

To ensure long-term performance, BDO conducts Periodic Preventive Maintenance (PPM) across its facilities, extending equipment lifespan and optimizing energy efficiency to reduce electricity-related emissions.

In 2024, BDO engaged a third-party energy and engineering consultant to develop its Energy Management System (EnMS) Manual, in line with Republic Act 11285 or the Energy Efficiency and Conservation Act. The manual outlines energy management opportunities and monitoring procedures tailored to the Bank's operations. The Bank began implementing strategies from the manual in 2025, focusing on no-CAPEX energy management opportunities that require minimal investment but deliver measurable reductions in electricity consumption and cost. Through the EnMS, BDO has instilled a proactive mindset among Facilities Managers, encouraging them to actively find ways to make buildings more energy-efficient.

Expanding Renewable Energy Sourcing

Building on its initial efforts in 2022, BDO expanded renewable energy sourcing in 2025 for five of its largest, high-consumption buildings. Previously powered by an average of 60% renewable energy, these buildings now operate with up to 75% of electricity sourced from geothermal and solar energy. This shift was made possible through strategic partnerships with retail electricity suppliers and participation in the Department of Energy's Retail Competition and Open Access (RCOA) Program. This transition resulted in a 2.36% increase in renewable energy share and avoided 8,378 tonnes of carbon dioxide equivalent (tCO₂e) emissions during the 2025 reporting period.

BDO also advanced its on-site solar energy program. The Bank's solar panel pilot at BDO Corinthian Gardens in 2024 produced and consumed 93,810 kWh of clean energy, covering 37% of the facility's electricity requirements and generating estimated savings of ₱600,000. This initiative avoided 63 tCO₂e emissions and demonstrated the viability of on-site solar installations across BDO facilities.

Building on the pilot, three additional buildings—BDO Malolos-Congreso, BDO Bocaue-MacArthur Highway, and BDO Baliwag-JP Rizal—were scheduled for solar installations in Q4 2025. Installation and commissioning for these sites have been completed, and the systems are now ready

for full activation. Once operational, these sites are projected to generate 102,308 kWh of clean energy and deliver ₱1.2 million in cost savings. These installations are expected to avoid 71 tCO₂e emissions.

Currently, 13 facilities have been identified for transition under the Retail Aggregation Program and are scheduled to switch to RAP in 2026, and seven additional branches are slated for solar panel installation over the next two years.

75% renewable energy sourcing for 5 largest buildings

Managing Water Consumption, Discharge, and Effluents

BDO recognizes the importance of responsible water management to conserve precious water resources, environmental impact and ensure sustainable operations.

Among its largest facilities, BDO Corporate Center Ortigas (CCO) features rainwater and condensate harvesting systems, which recycle significant volumes of water for office use. In 2025, CCO recycled 137,952 cubic meters of water, compared with 133,304 cubic meters in 2024.

Elsewhere, the Bank sources water primarily through local water districts, drawing from freshwater resources to

meet operational needs. Conservation efforts include the ongoing installation of waterless urinals in select buildings.

To manage discharge impacts, BDO implemented effluent systems across its facilities to process wastewater responsibly. Buildings are equipped with septic tanks and sewage treatment facilities to filter wastewater prior to discharge. Some facilities are connected to external services that treat wastewater before releasing it into lakes or freshwater outlets. Where such services are unavailable, BDO engages third-party providers to siphon and maintain septic tanks annually, ensuring compliance with environmental standards.

Reducing Fuel Consumption

Diesel consumption is driven by generators on standby as emergency power sources, tested regularly for reliability. In 2025, generators consumed 212,708 liters of diesel, resulting in 622.6 tCO₂e emissions. BDO monitors generator use to keep them in good working condition while minimizing unnecessary runtime.

LPG consumption comes from cafeteria tenants serving employees. In 2025, LPG use totaled 5,641.3 kilograms, equivalent to 16.88 tCO₂e emissions. LPG represents a small share of the Bank's direct fuel-related emissions compared to diesel.

BDO also provides shuttle services between corporate offices to encourage carpooling, reducing fuel costs and minimizing carbon footprint. This initiative saved approximately 495 liters of fuel a month and avoided 145 tCO₂e emissions compared to individual car trips.

Enforcing Waste Management

BDO implements a structured waste management program led by its Facilities Unit, which oversees daily operations to ensure compliance with Republic Act (RA) 9003 or the Ecological Solid Waste Management Act. The Unit coordinates waste collection and segregation at source and disposal through third-party service providers. As part of the vendor accreditation process, BDO verifies the Department of Environment and Natural Resources (DENR) accreditation of waste haulers and hazardous waste transporters.

Waste segregation is enforced through designated bins in common areas and workstations. Non-hazardous waste includes recyclable papers, plastics, metals, and glass, as well as non-recyclables like food waste and soiled packaging. Hazardous waste such as used generator oil, busted lights, and e-waste is safely stored until collected by DENR-accredited haulers for proper treatment and disposal in compliance with RA 6969 or the Toxic Substances and Hazardous & Nuclear Wastes Control Act of 1990.

Random inspections are conducted to maintain cleanliness and ensure proper handling, and waste management performance is reviewed during Technical Working Group meetings to identify opportunities for reduction and recycling.

Waste segregation and monitoring are carried out by third-party janitorial service providers, who weigh and record the volume of waste collected. These records are maintained by facilities managers for each site. The Bank also manages segregation through Materials Recovery Facilities before handing waste over to accredited haulers.

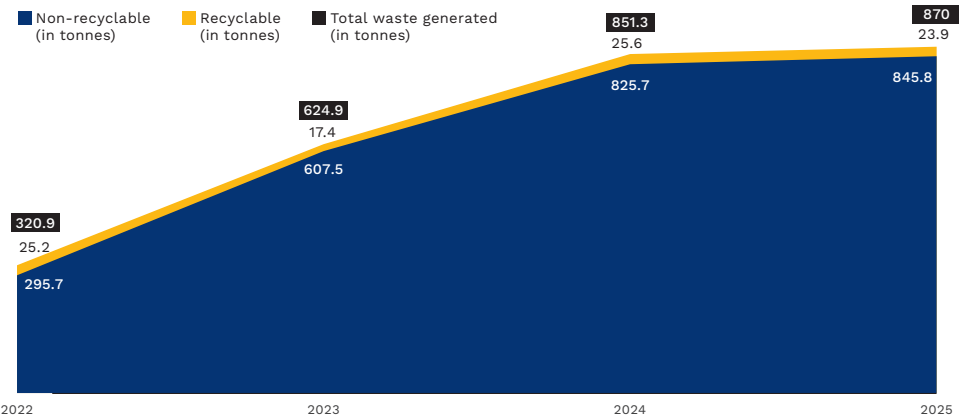
In 2025, BDO generated 845.84 tons of non-recyclable waste and 23.93 tons of recyclable waste, an increase of 2.43% in non-recyclables and a decrease of 6.64% in recyclables compared with 2024.

In addition to solid waste diversion, BDO also diverted two tonnes of electronic waste from landfills through the responsible recovery and preparation of used IT equipment for reuse. These e-waste diversion and environmental impact metrics are based on Humble Sustainability's 2025 Loop Report provided to BDO, which documents the environmental benefits of reusing IT assets rather than disposing of them as waste. The disposal process itself is handled by the Bank's Procurement–Disposal team, and this diversion supported overall waste minimization performance by reducing the demand for raw materials needed for new device production.

Recyclable materials are also processed by vendors into bond papers, seed papers, and plastic products such as furniture, pallets, and trash bins. Vendors issue recycling certificates and plant trees on behalf of the Bank, including five trees planted in 2025. Since the launch of the Waste Busterrr campaign in 2023, a total of 10 trees have been planted through these recycling partnerships. These measures help divert waste from landfills, reducing methane emissions, a greenhouse gas responsible for an estimated 30% of global temperature rise since the Industrial Revolution.

BDO continues to enhance its waste management practices through education initiatives such as the Waste Busterrr campaign, which encourages employees to practice waste segregation at source and reuse, reduce, and recycle waste materials at work and at home. To strengthen employee awareness on responsible waste management, the Waste Busterrr learning eCourse was re-administered to all participating sites in 2025. Completion reached 7,601 out of 9,559 employees (79.51%), reflecting sustained engagement in the Bank's waste reduction initiatives.

TOTAL WASTE GENERATED



Circularity in operations 301-1, 301-2, 301-3

₱2,079,671

total earnings from recycling

₱55,142,660

total cost avoidance



Non-IT furniture, fixtures & equipment refurbished/repaired and re-allocated to BDO Unibank and subsidiaries

Item	Count	Cost avoidance (in '000 Php)
Cabinet	520	₱2,329
Chair	820	₱2,893
Open-type shelves	24	₱189
Others (calculator, ladder, projector screen, refrigerator, rostrum, sofa, wall clock)	242	₱1,099
Reused workstation sets	104	₱1,900
Standee	34	₱222
Table	171	₱1,032
Whiteboard	6	₱55
Grand Total	1,817	₱9,719
IT furniture, fixtures & equipment re-allocated to BDO Unibank and subsidiaries	1,209	₱20,913

Paper

998,366

kilos for recycling by
paper mill

Non-IT FFE

22

non-IT FFEs (ex. sofa and cabinets) donated to various RHUs
through BDO Foundation

Re-used accessories from BDO buildings

Item	Count	Cost avoidance (in '000 Php)
Tempered glass door	8	₱324
Vault doors to various BDO branches	5	₱439
Aircon to various BDO and ONB branches	56	₱5,272
Generator sets reallocated to BDO and BDONB branches	15	₱10,392
Signages reallocated to various BDO Offices/Events	5	₱340
Data cabinets reallocated to BDO and BDONB branches	2	₱86
UEP/Panelboards reallocated to BDO and BDONB branches	16	₱4,243
ISO Transformers reallocated to BDO and BDONB branches	37	₱1,627
Air Purifier reallocated to offices	4	₱546
Air Sprinkler heads reallocated to BDO and BDONB branches	129	₱516
Total	277	₱23,784

Others

Item	Count
Consumable items for recycling	33,997
FFE/IT Equipment items for recycling	76,577
Acrylic desk dividers (converted to acrylic serving and catch all trays for giveaways)	1,894
ATM enclosure	88
Total	112,556

CASE STUDY

Building a Green Center in Cebu

BDO Corporate Center Cebu (BDO CCC) highlights the Bank's commitment to building responsibly and reducing environmental impact in construction. Designed to meet Green Mark Gold certification, an internationally recognized green building standard that originated in Singapore and was adapted to Asian conditions, the building integrates features that promote energy efficiency, renewable energy use, and water recycling.

BDO CCC is powered by a 144 kWp Building-Integrated Photovoltaic (BIPV), generating an average of 5.8 MWh of clean energy per month. This renewable energy output significantly reduces reliance on grid electricity and results in the avoidance of about 48 tonnes of CO₂ per year. Furthermore, its design makes the most of natural light by employing daylight harvesting controls and occupancy sensors, reducing the need for electricity from the grid. Inside, the building uses LED lighting, high-efficiency air-conditioning systems, and a glass curtain wall that helps keep heat out, all of which lower energy use.

To reduce the impact of construction, the building uses cement mixed with fly ash, a recycled material that lessens the environmental footprint. Water conservation is integrated into the design through a rainwater catchment system, which collects rainwater for watering plants. This strategy minimizes overall water use through wastewater recycling and the harvesting of rainwater and condensate drain.

These sustainability features reflect BDO's goal of reducing its environmental footprint and building facilities that meet global standards for green infrastructure.



BDO Resource Consumption (Group-wide)

Fuel Consumption

Diesel (in liters)



Gasoline (in liters)



LPG (in kg)



Refrigerants (in kg)



Electricity Consumption

(in '000 kWh)



Branches



Offices



Non-renewable



Renewable

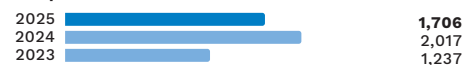


GHG Emissions

(in tonnes CO₂e)



Scope 1



Scope 2



Scope 3*



* Includes scope 3 Categories 5, 6, 13, and 15

Water Consumption

(in '000 cu.m.)

Water Withdrawal (Fresh Water)



■ Branches ■ Offices

Branches



Offices



Business Travel

(one-way flights)

6,230

Non-hazardous Waste

(in tonnes)



Wastes directed to disposal



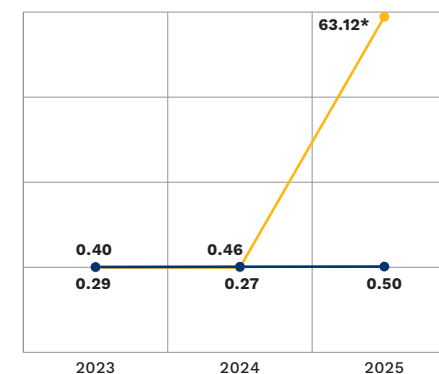
Wastes diverted from disposal (recycled) through BDO's MRF



Wastes diverted from disposal (recycled) through X-Trash



Carbon and Energy Intensity



— Carbon Intensity
(in metric tonnes CO₂e/₱1 million in revenue)*

— Energy Intensity
(in MW/₱1 million in revenue)

Hazardous Waste

(in tonnes)

**Wastes directed to disposal****Wastes diverted from disposal (recycled) through accredited waste collectors****Lightbulbs****Oil****Others****Fuel Consumption of Tenants and Leased Assets**

(in liters)

**Gasoline****Electricity Consumption of Tenants and Leased Assets**

(in '000 kwh)

**Renewable****Non-renewable****Water Consumption**

(in '000 cu.m.)

Water Withdrawal (Fresh Water)**Recycled Water**

(in '000 cu.m.)



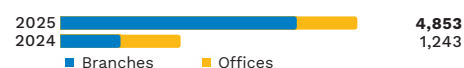
The overall emissions reported above includes BDO Private Bank's and Dominion Holdings' fuel, electricity, and water, as well as its greenhouse gas emissions.

BDO Network Bank Resource Consumption**Fuel Consumption**

(in liters)

**Electricity Consumption**

(in '000 kwh)

**Branches****Offices****Non-renewable****Fuel Consumption of Tenants and Leased Assets**

(in liters)

**Business Travel**

(one-way flights)

586

Hazardous Waste

(in tonnes)

Wastes directed to disposal
0.20

Non-hazardous Waste

(in tonnes)



■ Wastes directed to disposal
■ Wastes diverted from disposal (recycled) through BDO's MRF

Wastes directed to disposal**Wastes diverted from disposal (recycled) through BDO's MRF****GHG Emissions**(in tonnes CO₂e)**Scope 1****Scope 2*****Scope 3******Electricity Consumption of Tenants and Leased Assets**

(in '000 kWh)

Non-renewable
7,230

* Includes scope 2 from BDO Network Bank branch electricity consumption

** Includes Scope 3 Categories 5, 6, and 13

CASE STUDY

Turning Waste into Community Support

BDO's participation in the X-Trash Challenge demonstrates the Bank's commitment to environmental stewardship and waste reduction. Since 2021, BDO has actively joined this competition organized by the Philippine Business for Social Progress (PBSP) and Basic Environmental Services Technology (BEST), which encourages companies to collect recyclable materials such as paper, plastic, and metal waste.

Employees contribute by bringing recyclables from home to designated BDO offices, complementing the Bank's internal Waste Busterrr campaign that promotes proper waste segregation and disposal.

In 2025, these efforts resulted in the collection of 13,683.74 kilograms of recyclable waste, earning BDO a Second Runner-Up award at the X-Trash Challenge. Earnings from the X-Trash Challenge 2024 also funded a ₱52,000 donation of kitchen equipment, including rice cookers and steel racks to beneficiary SOS Philippines. SOS rescues surplus food from restaurants, hotels, retailers, and food manufacturers and redistributes it to vulnerable communities facing food insecurity. These partnerships highlight how initiatives can reduce waste while turning recyclables into practical support for partner communities.



Breakdown of BDO Emissions for Scope 1, 2, and 3 102-5, 102-6, 102-7

SCOPE 1

BDO Unibank	
Fuel Consumption	
Diesel (in liters)	
Standby generator sets	102,376.58
Transport vehicle	206,785.86
Gasoline (in liters)	
Standby generator sets	144.00
Other gasoline fuel consumption	-
Heating and Cooking – LPG (in kg)	5,641.30
Refrigerants (in kg)	
R-32	45.00
R-410A	305.15
R-22	28.55
R-1234ze	1,470.00
Total Scope 1 emissions of BDO Unibank	

BDO Network Bank	
Fuel Consumption	
Diesel (in liters)	
Standby generator sets	1,174.00
Transport vehicle	18,220.77
Total Scope 1 emissions of BDO Network Bank	

Total Scope 1 emissions

Emissions in Metric Tonnes				
Total CO ₂ e	CH ₄ -CO ₂ e	N ₂ O-CO ₂ e	Total CO ₂ e	
297.91	1.09	0.66	299.66	
554.19	0.58	1.13	555.89	
0.33	0.001	0.001	0.33	
-	-	-	-	
16.84	0.04	0.01	16.88	
34.70	-	-	34.70	
688.27	-	-	688.27	
55.96	-	-	55.96	
2.01	-	-	2.01	
				1,653.70

Emissions in Metric Tonnes				
Total CO ₂ e	CH ₄ -CO ₂ e	N ₂ O-CO ₂ e	Total CO ₂ e	
3.42	0.01	0.01	3.44	
48.83	0.05	0.10	48.98	
				52.42

1.706.11

SCOPE 2

BDO Unibank	
Electricity Consumption	
Non-Renewable (in MW)	
Luzon	34,211.85
Visayas	4,077.58
Mindanao	3,313.38
Renewable (in MW)	
Luzon	13,106.18
Total Scope 2 emissions of BDO Unibank	
BDO Network Bank	
Electricity Consumption	
Non-Renewable (in MW)	
Luzon	-
Visayas	343.44
Mindanao	4,509.18
Total Scope 2 emissions of BDO Network Bank	
Total Scope 2 emissions	

Emissions in Metric Tonnes				
Total CO ₂ e	CH ₄ -CO ₂ e	N ₂ O-CO ₂ e	Total Co ₂ e	
23,725.92	-	-	23,725.92	
2,827.80	-	-	2,827.80	
2,823.66	-	-	2,823.66	
350.78			350.78	
			29,728.17	
Emissions in Metric Tonnes				
Total CO ₂ e	CH ₄ -CO ₂ e	N ₂ O-CO ₂ e	Total Co ₂ e	
-	-	-	-	
238.18	-	-	238.18	
3,842.72	-	-	3,842.72	
			4,080.90	
				33,809.06

SCOPE 3

BDO Unibank	
Category 13: Downstream Leased Assets	
Standby generator sets - Diesel (in liters)	109,469.88
Other Gasoline Fuel Consumption (in liters)	583.55
Electricity Consumption	
Non Renewable (in MW)	
Luzon	47,550.65
Visayas	4,279.19
Mindanao	2,782.83
Abroad	241.65
Renewable (in MW)	
Luzon	23,089.94
Category 5: Waste Generated in Operations	
Non-hazardous (in tonnes)	
Waste diverted from landfill	21.48
Waste directed to landfill	823.27
Category 6: Business Travel	
Business travel (one-way)	5644 flights
Category 15: Investments/Financed Emissions	
Loans	
Investments	
Total Scope 3 emissions of BDO Unibank	
BDO Network Bank	
Category 13: Downstream Leased Assets	
Non Renewable (in MW)	
Luzon	4,118.69
Visayas	1,861.19
Mindanao	1,249.79
Category 5: Waste Generated in Operations	
Non-hazardous (in tonnes)	
Waste diverted from landfill	1.95
Waste directed to landfill	8.57
Category 6: Business Travel	
Business travel (one-way)	586 flights
Total Scope 3 emissions of BDO Network Bank	
Total Scope 3 emissions	

Emissions in Metric Tonnes				
Total CO ₂ e		CH4 - CO ₂ e	N ₂ O-CO ₂ e	Total Co ₂ e
318.56		1.161	0.704	320.42
1.34		0.005	0.003	1.34
32,976.38		-	-	32,976.38
2,967.62		-	-	2,967.62
2,371.53		-	-	2,371.53
114.38		-	-	114.38
618.0		-	-	617.99
1.26		-	-	1.26
485.62		-	-	485.62
352.18		-	-	351.25
17,567,889.00				17,567,889.00
514,155.00				514,155.00
				18,122,251.79
Emissions in Metric Tonnes				
Total CO ₂ e		CH4 - CO ₂ e	N ₂ O-CO ₂ e	Total Co ₂ e
2,856.31		-	-	2,856.31
1,290.74		-	-	1,290.74
1,065.07		-	-	1,065.07
0.14		-	-	0.14
4.97		-	-	4.97
35.22		-	-	35.22
				5,252.45
				18,127,504.24

Customer Engagement

Consumer Protection Practices 416-1

BDO's financial consumer protection framework is anchored on disclosure and transparency, protection of client information, fair treatment, effective recourse, and protection of consumer assets against fraud and misuse. The framework ensures that consumer protection practices are embedded in BDO's operations and considered in the development and implementation of the Bank's products and services.

Customer Experience Philosophy

BDO is committed to embodying a We Find Ways mindset as part of its Customer Experience Philosophy. This principle underscores the Bank's dedication to creating a banking experience that extends beyond basic transactions by offering a diverse range of products and providing personalized services. BDO achieves this through a comprehensive understanding of its customers' financial objectives and life circumstances.

Board and Management Oversight on Customer Concerns 2-26

The Board holds the primary responsibility for maintaining effective oversight of the Bank's consumer protection policies and programs. Senior management is tasked with implementing strategies

approved by the Board and ensuring that appropriate control mechanisms are in place. Governance and oversight functions are further reinforced through the various roles that involve ownership, management, or provision of independent assurance regarding Consumer Protection activities, such as:

- **Senior Management:** Senior Management ensures that the approved Consumer Protection policies and procedures are clearly documented, properly understood, and consistently implemented across all levels and business units.
- **Compliance and Internal Audit:** The Compliance Office and Internal Audit, both of which take their authority from the Board's Audit Committee, support the Board of Directors in overseeing the Bank's adherence to the Consumer Protection policies as well as in ensuring the effectiveness of its application or implementation across all financial product and service offerings.
- **Operational Risk Management Unit (ORMU):** ORMU is responsible for assisting management in embedding the operational risk culture, awareness, framework, and implementation throughout the Bank. Top complaint drivers, along with the corresponding corrective and preventive measures, are reported to the Board on a quarterly basis. This ensures that Consumer Protection-related risks and concerns are mitigated, compliance with Consumer Protection standards and

requirements is maintained, and any other significant developments affecting the Bank's consumers are disclosed.

Consumer Assistance Management System (CAMS) 2-25

BDO enforces and monitors the Consumer Assistance Management System or CAMS through a combination of established policies, streamlined processes, and dedicated teams. This system aims to deliver customer satisfaction through compliance with regulations.

- **Internal policies:** Consumer Protection policies, as outlined in the CAMS Manual, provide clear guidelines for managing customer assistance. These policies define procedures for complaint resolution, escalation protocols, and standards for effective communication. Consistent application of these protocols, ensures that customer concerns are addressed promptly, fairly, and with care across all service channels.
- **Dedicated Teams:** Specialized teams, including Customer Service and Service Fulfillment Units, are responsible for implementing and supervising CAMS. These teams work collaboratively to manage consumer inquiries, requests, and complaints with efficiency and accuracy.
- **Monitoring and Reporting:** The CAMS is a comprehensive tracking system, which records and oversees client interactions,

complaints, and resolutions. This system enables BDO to identify trends, evaluate service performance, and address emerging issues. Regular reporting provides senior management and the Board with insights to assess and enhance the effectiveness of CAMS.

- **Continuous Improvement:** CAMS is regularly reviewed and enhanced, incorporating customer feedback, adapting to regulatory changes, and aligning with industry best practices. This ongoing commitment ensures that the system remains effective and responsive to the evolving needs of customers.

Process for Handling of Customer Concerns 2-25

BDO prioritizes efficient resolution of customer concerns. Upon receipt of a complaint, frontliners acknowledge and record the concern. If it can be resolved immediately, the client receives prompt assistance at the point of contact. Otherwise, the issue is referred to the appropriate service fulfillment unit for further investigation. Once the root cause is identified, the service fulfillment unit determines a suitable solution which may include refunds, corrections, or customer education. Throughout the process, clear communication and transparency are maintained to ensure that the customers feel heard and are satisfied with the outcome.

Training for Customer Assistance 2-25

BDO employees are required to complete the Financial Consumer Protection eLearning course. This training is designed to acquaint them with the concept of CAMS, its procedures, customer service standards, and applicable regulatory requirements. The training is based on the Consumer Protection Standards of Conduct, which outlines the expected behavior of Bank employees when interacting with customers.

Listening to Customer Needs 2-25, 2-26

In order to deliver exceptional banking services, BDO collects and utilizes valuable input from customers, understanding their needs, and continuously improving their overall experience. The Bank has a robust and comprehensive engagement and feedback mechanism, employing multiple channels to ensure that the voice of the customer resonates throughout its operations.

- **Multi-faceted Customer Service:** Dedicated customer service teams, which may be reached via call, email, and social media private messaging, have been pivotal in addressing any product, process, or system-related inquiries and providing timely resolutions to concerns. The direct communication channels allow the Bank to promptly respond to concerns and offer personalized support.

- **Branch-level Interaction:** Physical branches serve as touchpoints for direct engagement. This brick-and-mortar approach allows us to establish deeper relations with the public at large and strengthens our understanding of a locale's wants, needs, and concerns.
- **Website:** The Bank's web page offers a secure messaging system where clients can provide feedback, report issues, and seek customer service support. Please visit <https://www.bdo.com.ph/contact-us>.
- **Social Media Engagement:** Active monitoring of social media platforms enables us to promptly address customer concerns. Our commitment to social media listening reflects our agility in responding to emerging trends and issues within the digital landscape.

Customer Contact Center

2-26, 418-1

BDO's Customer Contact Center (CCC) demonstrates a sincere commitment to protecting client information and delivering timely and effective assistance. Guided by the regulatory and legal frameworks on financial consumer protection and the data privacy, CCC ensures that customer data is collected, stored, and used solely to support customers with appropriate solutions to their inquiries and concerns.

To safeguard the confidentiality, integrity, and availability of personal data, CCC maintains strict physical, organizational, and technical controls. Collaboration among the CCC, Cybersecurity, and Fraud



Management teams is continuously strengthened to address emerging risks, such as money muling and social engineering attacks. Security advisories are incorporated into contact center protocols, and frontline representatives routinely provide education on protecting personal information during customer interactions.

Recognizing the evolving risks associated with digitalization, BDO has introduced voice biometrics as a secure and efficient authentication feature. This innovation enables faster and more secure verification of customer identity, offering enhanced protection against fraud and unauthorized access when customers call the BDO hotline.

As part of BDO's ongoing commitment to enhancing customer experience, several key initiatives have been implemented. The institutionalization of Customer Record Management has strengthened the ability of the Customer Contact Center to address customer concerns in a more coordinated and consistent manner across service channels, supporting a more unified approach to issue resolution. In addition, process enhancements have been introduced for various customer transactions to reduce manual handling, improve turnaround times, and enhance overall servicing efficiency. Furthermore,

improvements to the Bank's customer contact and call-handling capabilities support faster resolution of common inquiries and more efficient routing of customer requests, contributing to shorter wait times and improved overall customer satisfaction.

In 2025, Customer Assistance Management System logged some 9.63 million customer cases of which only 0.64 million or 7% were problem-related in nature. Majority of the cases were inquiries at 4.56 million and requests at 4.42 million.

Consumer Protection: Built Into Every Interaction

BDO's consumer protection framework is anchored on transparency, fair treatment, data security, effective recourse, and safeguarding assets against fraud and misuse. These principles are embedded in our operations and guide the design and delivery of all products and services.

Oversight That Safeguards Customer Interests

BDO retains ultimate accountability for consumer protection, ensuring policies and programs are embedded across the Bank. Senior Management translates these strategies into action, supported by strong controls and governance mechanisms. They ensure that approved policies are clearly documented, well understood, and consistently applied throughout all business units.



Compliance and Internal Audit, reporting to the Board Audit Committee, monitor adherence to consumer protection standards and validate the effectiveness of implementation across products and services.

The Operational Risk Management Unit (ORMU) reinforces risk awareness and culture across the Bank. It tracks top complaint drivers and reports corrective and preventive measures to the Board's Risk Management Committee (RMC) quarterly, ensuring risks are mitigated, compliance is maintained, and significant developments affecting customers are disclosed.

Customer Experience Designed Around Life Goals

Our We Find Ways mindset shapes a banking experience that goes beyond transactions. By combining data insights with human understanding, we deliver products and services tailored to financial goals and life stages—making banking simpler, safer, and more relevant.

Fast, Fair Resolution through the Customer Assistance Management System (CAMS)

BDO enforces and monitors the Customer Assistance Management System through clear policies, streamlined processes, and dedicated teams. CAMS ensures every concern is resolved promptly and in full compliance with regulatory

standards. Internal policies outlined in the CAMS Manual set precise guidelines for complaint resolution, escalation, and communication. These standards ensure consistency across all service channels and reinforce our commitment to fairness and transparency.

Specialized teams, including Customer Service and Service Fulfillment Units, oversee CAMS implementation. Working collaboratively, they manage inquiries, requests, and complaints with accuracy and efficiency. A centralized tracking system records all interactions, enabling BDO to identify trends, measure performance, and respond to emerging issues. Regular reports provide senior management and the Board with actionable insights to strengthen CAMS effectiveness.

CAMS undergoes continuous review and enhancement, integrating customer feedback, adapting to regulatory changes, and aligning with industry best practices. This commitment ensures the system remains responsive to evolving customer needs and expectations.

Handling Customer Concerns with Care

BDO prioritizes swift and transparent resolution of customer concerns. When a complaint is received, frontliners immediately acknowledge and record it. If the issue can be resolved at the point of contact, assistance is provided promptly. If not, it is escalated to the appropriate

service fulfillment unit for investigation. Once the root cause is identified, the unit determines the most suitable solution, which may involve a refund, correction, or customer education. Throughout the process, communication remains clear and consistent to ensure customers feel heard and confident in the outcome.

Training That Builds Service Excellence

BDO requires all employees to complete the Financial Consumer Protection eLearning course every two years. This program familiarizes them with CAMS procedures, customer service standards, and applicable regulatory requirements. It is anchored on the Consumer Protection Standards of Conduct, which defines the expected behavior of employees in every customer interaction.

Listening That Drives Action

BDO actively gathers and applies customer feedback to enhance banking experiences. Our engagement framework uses multiple channels to ensure the voice of the customer informs service improvements across the organization. Customer service teams are accessible via phone, email, and private social media messaging, providing timely responses to inquiries and concerns. These direct channels enable personalized support and quick resolution.

Physical branches remain important touchpoints for deeper engagement, allowing us to understand local needs

and strengthen relationships within communities. This is complemented by the Bank's website which offers a secure messaging system for feedback, issue reporting, and service support at www.bdo.com.ph/about-bdo/learn/help-and-support/contact-us, where customer assistance hotlines and dedicated email channels are listed.

Active monitoring of social media platforms ensures rapid response to emerging issues. Our commitment to social media listening reflects agility in addressing trends and maintaining customer trust in the digital space.

Secure, Responsive Support from the Customer Contact Center

BDO's Customer Contact Center (CCC) upholds a strong commitment to protecting client information while delivering timely, effective assistance. Guided by Financial Consumer Protection principles and Data Privacy regulations, CCC ensures that customer data is collected, stored, and used exclusively to provide appropriate solutions to inquiries and concerns.

To safeguard confidentiality, integrity, and availability of personal data, CCC applies strict physical, organizational, and technical controls. Collaboration with Cybersecurity and Fraud Management teams is continuously reinforced to address emerging risks such as money muling and social engineering attacks. Security advisories are embedded in protocols, and frontline representatives regularly educate customers on protecting personal information during interactions. Among the most significant initiatives:

- **First in Voice Biometrics.** Recognizing the evolving risks of digitalization, BDO introduced voice biometrics as a secure and efficient authentication feature. This innovation enables faster identity verification and strengthens protection against fraud and unauthorized access when customers call the BDO hotline.

- **Single Customer Record Across All Channels.** The institutionalization of Customer Record Management (CRM) has strengthened the ability of the Bank to address customer concerns in a more coordinated and consistent manner across service channels, supporting a more unified approach to issue resolution.

To drive efficiency and convenience, process enhancements have been introduced for various customer transactions to reduce manual handling, improve turnaround times, and enhance overall servicing efficiency. Improvements to the Bank's hotline capabilities enable faster resolution of common inquiries and more efficient routing of customer requests, contributing to shorter wait times and improved overall customer satisfaction.

In 2025, the Customer Assistance Management System logged 9.63 million cases, of which only 0.64 million or 6.6% were classified as complaints. The majority were inquiries at 4.57 million and requests at 4.42 million, indicating that complaints represent only a small fraction of overall customer engagements.

Supply Chain Engagement 204-1

Responsible Procurement and Resource Stewardship

In 2025, BDO further enhanced operational efficiency through its Integrated Procurement System (IPS), which allows suppliers to consolidate multiple purchase orders (POs) into a single invoice. This web-based requisition-to-payment platform reduces the traditional one-order-one-invoice process, minimizes paper use, and simplifies billing and documentation requirements.

The IPS also includes a supplier portal called the Zycus Supplier Network, which is used primarily for supplier onboarding, PO receipt and confirmation, and invoice creation and submission. Through this platform, the Bank eliminated the need for hardcopy submission of supplier documents and the manual filing that accompanied it. Suppliers now enter their company information through an online form and upload the required documents directly into the system.

Managing Internal Consumption and Circularity

Paper remained one of the Bank's most used materials, with 2025 consumption trends showing mixed patterns across types. Short-sized paper increased by

26.60%, A4 paper increased by 30.17%, while long-sized paper increased by 12.14% versus 2024. These shifts occurred alongside BDO's ongoing expansion of digital workflows for requisitions and approvals, which continue to moderate growth in paper usage even as certain operational activities expand.

BDO also strengthened its circularity practices by maximizing reuse, refurbishment, and responsible recycling across furniture, fixtures, equipment, and IT assets. Although paper sent for recycling decreased by 2.92%, other recovery channels expanded significantly. IT equipment and peripherals donated to public schools through BDO Foundation increased by 24.87%, and IT asset reallocation within Unibank increased by 30.58%, reflecting improved recovery of reusable units from technology refresh cycles.

In 2025, 33,997 consumable items were routed to accredited recyclers as part of the Bank's established recovery procedures. Comparable volumes were processed in 2024 (45,178 items), underscoring the consistency of the Bank's materials-recovery system. Some reuse categories declined due to fewer facility decommissions in 2025. Reused workstation sets decreased by 68.10%, while non-IT furniture refurbishment and reallocation within Unibank decreased by 49.28%. Despite these reductions, BDO continued to practice resource



stewardship through refurbishment, reallocation, and responsible disposal of remaining recoverable assets. Circularity efforts also included the trade-in of used batteries to accredited suppliers and sustained use of printer-leasing arrangements, wherein suppliers collect toner cartridges for refill and reuse—reducing waste from consumables and avoiding unnecessary procurement of new materials.

Engineering teams also contributed to circularity by extending the useful life of major assets across facilities. Activities in 2025 included the reuse of ATM enclosures (23.94% growth), air-conditioning units (330.77% growth), generator sets (7.14% growth), and other equipment such as vault doors, panelboards, transformers, and air purifiers. These interventions significantly reduced the volume of materials requiring disposal and helped avoid new purchases.

Fleet Resource Efficiency

Fleet fuel use improved in 2025. For BDO Unibank, annual totals indicate lower diesel consumption and fuel costs versus 2024, aligned with improved routing efficiency and optimized deployment of armored and non-armored units. For BDO Network Bank, planned fleet rationalization in Mindanao resulted in even more substantial improvements, with diesel consumption decreasing from 41,762 liters to 18,221 liters, and total fuel costs improving from ₱2.49 million to ₱1.04 million—a major operational efficiency gain.

These reductions contributed directly to lower resource use and supported BDO's broader operational efficiency strategy.

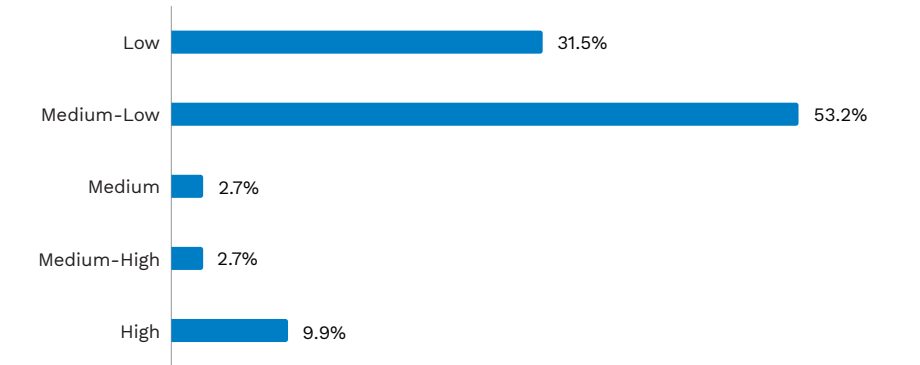
Strengthening Supplier Oversight

BDO maintained a strong local supplier base in 2025. While the share of spend with local suppliers declined—moving from 0.93 in 2024 to 0.86 in 2025—the Bank continued to source the majority of goods and services domestically, with 95% of accredited suppliers classified as local.

All suppliers remained subject to BDO's accreditation process, which verifies compliance with environmental requirements for hazardous-waste handlers and labor-standards certifications for manpower and security service providers. BDO also enforces compliance through billing-hold measures for service providers with unresolved labor-related cases, ensuring alignment with its governance and procurement principles.

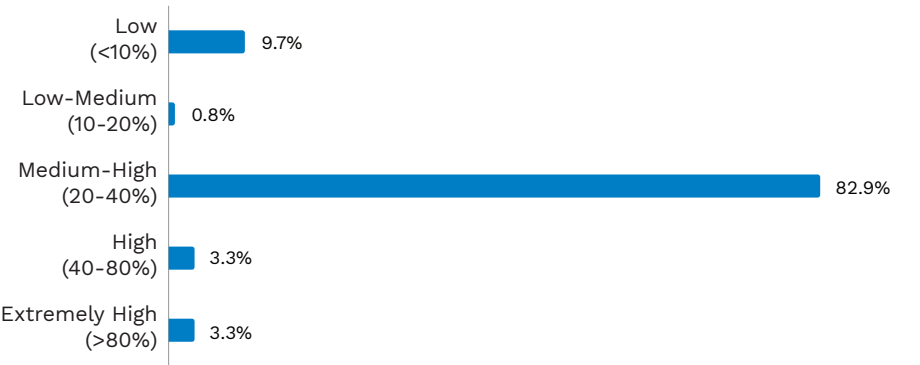
Suppliers' Exposure to Physical Risk

From the projected provincial risk categorization between 2030-2040, SP5-8.5, National Adaptation Plan



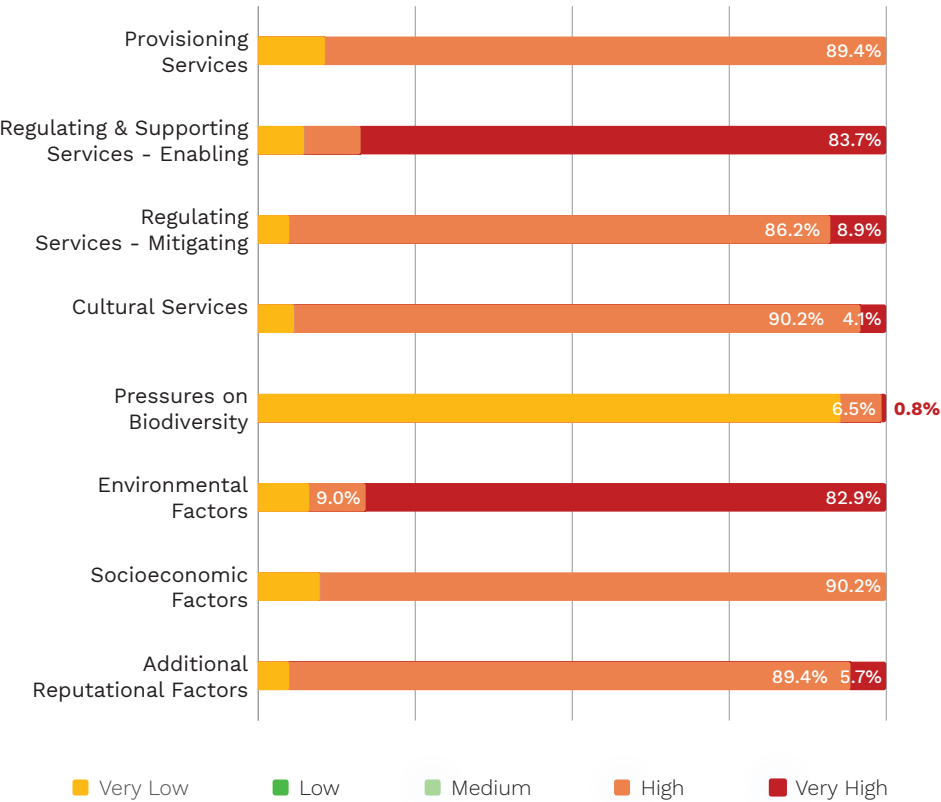
Supplier Operations in Water Stressed Areas

From World Resources Institute's Aqueduct Water Risk Atlas



Suppliers' Exposure to Biodiversity Risk 101-4, 101-5, 101-6, 101-8

From World Wide Fund for Nature (WWF) Biodiversity Risk Tool





Pursuing Partnerships for Impact 2-6, 2-24

We value collaboration and partnerships where we can make best use of our expertise and resources to scale collective impact. We engage with our stakeholders to ensure that we bring everyone along in our sustainability journey.



BDO Foundation

2-6, 203-1, 203-2, 413-1

Handog sa 'Yo ng BDO Foundation Food Assistance

Beneficiaries in 2025
51,335
Families

Beneficiaries to date
201,235
Families



Blood Center

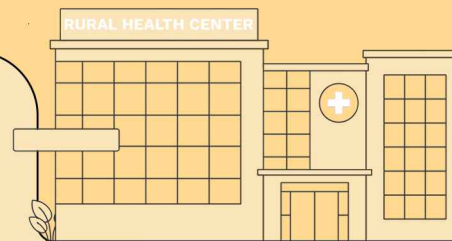
1,328
Population covered



Rural Health Units (RHUs)

37
Rehabilitated
RHUs in 2025
228
Rehabilitated
RHUs to date

1,394,934
Population
covered in 2025
10,430,975
Population
covered to date



Relief Operations

Beneficiaries in 2025
55,590
Families

Beneficiaries to date
933,133 **164**
Families Schools
2,086 **47** **27**
Students School Elderly
Employees



Tech-Voc Training Facilities

1,006
Total
Beneficiaries

6 **3**
Classrooms Workshops
built (to date) built (to date)

School Buildings and Classrooms

School Buildings Built (to date)

19	15	1
Elementary Schools	High Schools	College

Classrooms Built (to date)

63	60	4
Elementary Schools	High Schools	College

Beneficiaries per year

15,800	16,788	1,589
Elementary School Students	High School Students	College Students

Beneficiaries in 2025

10,498,686
Students

12,684
OFWs

1,108,200
Members of the General Public

528,206
Teachers and Non-teaching Personnel

11,700
Online Armed Forces Personnel

51,613
Firefighters

22,680
Police personnel

2,876
Fisherfolks

Financial Education

476
Civil servants, CSC and LGU personnel

2,051
Farmers

709
BDO employees

542
BSP employees

45
NGO workers

150
LGU Personnel

40
DTI Personnel

40
Social workers

Beneficiaries to date

21,577,619
Students

1,530,742
OFWs

1,315,859
Members of the General Public

866,406
Teachers and Non-teaching Personnel

85,276
Armed Forces

55,992
Firefighters

22,680
Police personnel

17,872
Fisherfolks

3,493
Civil servants, CSC and LGU personnel

2,921
Farmers

1,956
Rellocatees

837
OFW Trainers

709
BDO employees

542
BSP employees

439
NGO workers

230
HR Practitioners

212
LGU Personnel

63
Nano-entrepreneurs

40
DTI Personnel

40
Social workers

326
Lesson exemplars uploaded
in DepEd's learning portal

BDO Foundation

Translating Advocacy Into Meaningful Action: BDO Foundation

In 2025, BDO Foundation continued to implement programs focused on disaster response, rehabilitation and rebuilding, and financial inclusion. The corporate social responsibility arm of BDO Unibank leaned on its core values—competency, compassion, community-centricity, contribution to national development, and collaboration—as it worked to ensure its programs made a difference in the lives of communities and sectors while contributing to national and global goals. Strengthened by partnerships with public and private sectors, as well as BDO branches and business units, the Foundation delivered on these programs, mindful of its commitment to sustainable development and nation-building.

Relief Operations for Calamity-Stricken Communities

In line with its disaster response advocacy, BDO Foundation provided swift, coordinated assistance to Filipinos affected by calamities across the country, advancing the Sustainable Development Goals of Zero Hunger and Partnerships for the Goals.

In 2025, the Foundation responded to five disaster events, including typhoons, earthquakes, and flooding, extending support to affected communities nationwide.

The Foundation mounted relief operations in provinces under a state of calamity, mobilizing volunteers for the immediate distribution of relief goods in affected communities. In 2025, these efforts enabled the delivery of thousands of relief packs across multiple disaster-affected areas nationwide, providing urgent assistance to communities most impacted by calamities.

Working together in the spirit of bayanihan—a Filipino tradition of communal unity and cooperation—volunteers from partner organizations, local government personnel, and BDO employees distributed relief packs containing food, rice, and drinking water. In some areas, hygiene kits were also provided.

The relief efforts aided families affected by major natural disasters in the Philippines, including a magnitude 6.9 earthquake in northern Cebu—an island province in the country's central region—and Typhoon Tino and Super Typhoon Uwan, two powerful storms that struck wide areas of the country in close succession.

These disasters caused severe flooding, widespread damage, and large-scale displacement from the central Philippines to northern and eastern Luzon, with parts of Cebu receiving more than a month's worth of rain in a single day and Uwan affecting over a million people nationwide. Together, they resulted in loss of life, damage to homes and infrastructure, and prolonged power and water disruptions.

The disaster response efforts were made possible by partners, which included parishes, diocesan social action centers,

non-governmental organizations, local government units, the military, and the police. The relief operations were also supported by employees of BDO and BDO Network Bank branches, who helped BDO Foundation assess situations, determine the number of affected families, and coordinate logistics. Backed by the BDO Unibank community and its partners, the Foundation reached disaster-affected Filipinos in their time of need across 18 provinces.

Upgrading Rural Health Facilities to Enhance Primary Care

As part of continuing efforts to help improve the primary healthcare delivery system in the Philippines, BDO Foundation rehabilitated rural health units (RHUs) or primary care facilities (PCFs) in disadvantaged areas across the country, benefiting 35 municipalities and two cities. The Foundation reached a major milestone in 2025 with the turnover of its 200th rehabilitated rural health unit, surpassing this benchmark as it continued to rehabilitate additional facilities in support of Universal Health Care goals and SDG 3 Good Health and Well-Being.

Through these rehabilitation efforts, the Foundation upgraded both exterior and interior spaces to improve functionality and patient flow. Enhancements covered lobbies and waiting areas, offices, birthing clinics, consultation and treatment rooms, and pharmacies.

The Foundation also installed new signage, furniture, and fixtures to help health workers accommodate more patients. In

rural health units with available space, it built breastfeeding stations for nursing mothers, play areas for children, and waiting lounges for the elderly.

The rehabilitation of health facilities empowered doctors, nurses, and midwives to serve their communities more effectively. It enabled them to provide primary healthcare services more efficiently to their constituents. The program benefited mothers; infants and children; adolescents; persons with disabilities; senior citizens; and indigenous peoples living in remote areas—serving 1,394,934 beneficiaries annually. The initiative helped improve the health and well-being of the people.

Like other BDO Foundation projects, the rehabilitation program was backed by officers of BDO and BDO Network Bank branches, who recommended health facilities in need of assistance. The initiative was also implemented in partnership with local government leaders and health officers, as well as Department of Health (DOH) regional and provincial offices, which provided technical guidance on the renovations.

As a result of the initiative, BDO Foundation helped health centers receive high assessment scores and obtain accreditation from the DOH and the Philippine Health Insurance Corporation. The Foundation helped improve the primary healthcare delivery system in the country—one of the goals under the Philippine health agenda and Universal Health Care. It gave disadvantaged Filipinos access to high-quality primary healthcare.

Financial Literacy Through Multi-Sector Partnerships

BDO Foundation continued implementing financial education programs in support of the National Strategy for Financial Inclusion of the Bangko Sentral ng Pilipinas (BSP), reaching diverse sectors from farmers to overseas Filipino workers. These initiatives aim to improve financial literacy and economic well-being across the country, contributing to SDG 4 Quality Education and SDG 10 Reduced Inequalities.

Together with BSP, the Foundation worked with national government agencies across the agriculture, education, labor, social protection, housing, and public safety sectors to institutionalize financial education within existing public-sector programs. Representatives of these partner institutions, officers of BSP's Economic and Financial Learning Office, and BDO Foundation managers worked closely to integrate financial education into agency initiatives and delivery mechanisms.

Through the financial education programs, partners shared practical lessons on saving, budgeting and financial planning, fraud and scam awareness, debt management, investments, entrepreneurship, insurance, and retirement planning.

Beneficiaries included students, teachers and non-teaching personnel, overseas Filipino workers, civil servants, uniformed personnel, fisherfolk, farmers, technical-vocational learners, micro-entrepreneurs, families displaced by railway projects, and the investing public.

BDO Foundation and its financial education partners accomplished the following in 2025:

Partner	Achievements
Agricultural Credit Policy Council (ACPC)	■ Farmers training ■ Rollout of KITA Mo Na! financial education game in Bacolod, Pangasinan, and Siargao
Armed Forces of the Philippines (AFP)	■ Continuous implementation of financial education program for AFP personnel
Bureau of Fire Protection (BFP)	■ Development of trainer's manual ■ Finalization of monitoring and evaluation (M&E) framework ■ Completion of knowledge-level survey ■ Continuous implementation of financial education program for BFP personnel
Bureau of Fisheries and Aquatic Resources (BFAR)	■ Ongoing implementation of Fish N' LEarn financial education game for fisherfolk ■ Training of trainers for Fish N' LEarn in Benguet, Bohol, and Siargao
Civil Service Commission (CSC)	■ Continuous implementation of financial education program for civil servants
Department of Education (DepEd)	■ Training of teachers during National Teachers Month ■ Completion and upload of more than 300 financial education lesson exemplars on DepEd's learning portal ■ Pilot run of e-learning financial education modules for teachers and non-teaching personnel
Department of Migrant Workers (DMW) and Overseas Workers Welfare Administration (OWWA)	■ Enhancement of financial education program in Pre-Migration Orientation Seminar (PMOS) and Pre-Employment Orientation Seminar (PEOS) modules ■ Review of PMOS implementation in Camarines Norte ■ Continuing use of PiTaKa (Pinansyal na Talino at Kaalaman) in Pre-Departure Orientation Seminars (PDOS)
Department of Transportation (DOTr), NIRAS, and Social Housing Finance Corporation (SHFC)	■ Signing of memorandum of understanding (MOU) ■ Training of families affected by North and South Railway projects
Department of Social Welfare and Development (DSWD)	■ Training of trainers for LGU social welfare officers ■ Inclusion of financial education modules as part of DSWD Academy program offerings
Department of Trade and Industry (DTI)	■ Training of DTI central and regional trainers
Social Housing Finance Corporation (SHFC)	■ Rollout of KITAbuhayan financial education program
Philippine National Police (PNP)	■ Pre-production of financial education videos for police personnel ■ Finalization of monitoring and evaluation (M&E) framework
Securities and Exchange Commission (SEC)	■ Participation in National Teachers Month training of teachers ■ Support for Investor Protection Week ■ Launch of two videos on investor protection
Technical Education and Skills Development Authority (TESDA)	■ Upload of e-learning modules on TESDA Online Program

In 2025, BDO Foundation and BSP conducted Kita-Kita: A Financial Education Town Hall, attended by BDO Foundation trustees and BSP officials led by Deputy Governor Bernadette Romulo-Puyat, with around 117 stakeholders present. Heads of partner government agencies and private institutions implementing financial education programs for various sectors of society were also in attendance. Kita-Kita is a deliberate play on words: in Filipino, it means “to come together,” while kita also refers to earnings or income—reflecting the town hall’s dual focus on collaboration and financial empowerment.

Co-organized by BDO Foundation and BSP’s Economic and Financial Learning Office, Kita-Kita served as a venue for partners to share insights, challenges, and lessons learned in implementing their financial education programs. The event featured a town hall discussion among officers directly involved in program implementation and a presentation of key takeaways.

Discussions centered on three key aspects: effectiveness, which ensures financial literacy lessons are learned through sector-appropriate resources and training methods; scale, which focuses on expanding access to financial education nationwide; and sustainability, which emphasizes institutionalizing programs for long-term impact. Ahead of the town hall, technical working groups implementing financial education programs held a series of discussions on these aspects.

BDO Foundation and BSP completed the development of the Financial Education E-learning Modules in 2025. The modules were launched at a BSP event led by BDO Foundation trustees and BSP Deputy Governor Bernadette Romulo-Puyat,

alongside officers of other government institutions, including TESDA—the first to use the modules for its learners.

The modules cover nine courses grouped into three batches: Batch One focuses on financial planning, saving and budgeting, and debt management; Batch Two covers the basics of investing, fraud and scam prevention, and financial consumer protection; while Batch Three includes digital financial literacy, the Personal Equity and Retirement Account (PERA), and relevant economic indicators.

Available on-demand and free of charge, the online courses expand coverage and accelerate the implementation of BDO Foundation and BSP’s partnership programs. Lessons are delivered through videos, interactive activities, and end-of-session assessments. Through these modules, BDO Foundation and BSP aim to transform the financial education landscape by making learning digital, borderless, and accessible to Filipinos in the country and abroad.

BSP made the modules available on its BSP E-Learning Academy (BELA), an online platform offering courses on personal finance, economics, and central banking. TESDA uploaded the modules for its personnel and technical-vocational learners via the TESDA Online Program, while BDO made them accessible through its own learning portal. The modules attracted 102,764 learners, expanding access to financial literacy nationwide.

The modules will eventually be accessible to target beneficiaries and the public through partner government institutions and other education and private-sector partners. Users can access courses via personal computers, laptops, and mobile devices.

In 2025, KITA (Kapital at Ipon Tungo sa Asenso) Mo Na!—a financial education game for farmers co-developed by BDO Foundation, ACPC, and BSP—received recognition from Singapore-based Asian Banking & Finance (ABF). ABF conferred the Financial Inclusion Initiative of the Year award to BDO Foundation at the Retail Banking Awards, citing its efforts to improve the economic well-being of Filipino farmers, benefiting over 1,800 farmers nationwide in 2025.

Aligned with the Agricultural Credit Policy Council’s (ACPC) advocacies to support agricultural modernization, promote food security, and alleviate poverty, KITA Mo Na! is designed to improve the financial literacy of farmers and livestock raisers.

The program equips them with the knowledge to make sound financial decisions and maintain good credit standing.

Beneficiaries include recipients of ACPC’s credit assistance programs. ACPC, an attached agency of the Department of Agriculture, oversees rural finance policy and implements agricultural programs that provide small farmers with access to credit.

To broaden the reach of its programs, BDO Foundation partnered with various local government units to implement initiatives aimed at improving the financial literacy of LGU personnel, their constituents, and other beneficiaries. The Foundation partnered with two LGUs, reaching 194 individuals, accomplishing the following:



Partner LGUs	Achievements	Impact
Bohol	Financial education activities for farmers, government employees, and city college students	114 beneficiaries reached
Pangasinan	Implementation of KITA Mo Na! for farmers in the municipality of Alcala	80 beneficiaries reached

The Foundation also collaborated with non-government organizations and private sector institutions to help develop a financially literate citizenry. These partnerships achieved the following:

Partners	Achievements	Impact
Don Bosco One TVET	On-going implementation of Financial Stewardship Course for all Don Bosco schools	3,639 technical-vocational learners reached
LINK Center for the Deaf	Unlocking Entrepreneurial Potential training for Department of Trade and Industry (DTI) employees	40 employees reached
National University	Improvement of the Entrepreneurial Mindset course through integration of e-learning and MSME modules	5,012 students reached

In support of BSP’s financial inclusion advocacy, BDO Foundation participated in the BSP Financial Education Stakeholders Congress for the eighth consecutive year, with participants from the public and private sectors.

Conducted at the BSP Complex in Malate, Manila, the congress was themed “The Journey to Financial Success: Financial Learning that Connects, Transforms and Sustains.” The two-day event served as a platform to build a network of financial inclusion advocates, promote programs, and share lessons.

The congress was highlighted by the launch of two new initiatives by BDO Foundation: a financial education program for the Boy Scouts of the Philippines (BSop), designed to integrate financial education into scouting activities, and a financial education program with the Department of Human Settlements and Urban Development (DHSUD) to promote sustainable homeownership and financial resilience. These initiatives reflect BDO Foundation’s commitment

to empowering communities through financial literacy, fostering responsible money management, and supporting long-term economic stability.

Working with the Marketing Communications Group, BDO Foundation also contributed to the learning session “Money Mindset, Financial Habits and Personal Barriers: Strategies for Overcoming Challenges.” At the session, BDO brand ambassador Alden Richards shared insights on achieving financial wellness. The session was moderated by financial inclusion advocate and business journalist Salve Ibañez and sponsored by the Foundation.

BDO Foundation was conferred the Exemplary Financial Education Partner award by BSP at the financial education congress. BSP Deputy Governor Bernadette Romulo-Puyat led BSP officials in recognizing the Foundation, which was cited for “its outstanding leadership and exemplary commitment to advancing financial education through

sustained, institution-wide initiatives that demonstrate innovation, measurable impact, and integration into organizational programs and policies.”

For all its efforts to advance BSP’s National Strategy for Financial Inclusion and foster collaboration with public and private sector partners, BDO Foundation was recognized at the 2025 Outstanding BSP Stakeholders Appreciation Ceremony. BSP Monetary Board member Romeo Bernardo, representing BSP Governor Eli Remolona Jr., presented a certificate of appreciation to the Foundation in an event attended by central bank officials and financial education advocates.

Spurred by this recognition, BDO Foundation will continue working with partners to institutionalize financial education in capacity-building programs, uplift the economic well-being of beneficiaries, and improve the financial literacy of the Filipino citizenry.

Fostering Development Through Strategic Collaborations

One of the most trusted organizations in the Philippines, UNICEF provides humanitarian and developmental aid to children in more than 190 countries worldwide. The agency advocates for the rights of Filipino children to education and works with public and private sector partners to implement social welfare programs. In line with these efforts, BDO Foundation forged a partnership with UNICEF to implement a program aimed at enhancing the employability and entrepreneurial skills of youth in selected provinces within the Bangsamoro Autonomous Region in

Muslim Mindanao (BARMM). This initiative supports SDG 10 Reduced Inequalities by empowering marginalized youth and SDG 17 Partnerships for the Goals through strong multisector collaboration.

This two-year initiative is expected to benefit 3,000 young people in Basilan, Maguindanao, and Tawi-Tawi, while strengthening collaboration between BDO Foundation, local government units, and the BARMM Ministry of Basic, Higher and Technical Education. The project will enable the training of teachers, the construction of community learning centers, and the development of learning resources that incorporate financial literacy and entrepreneurship modules created by the Foundation. It will also provide technical assistance in formulating municipal-level education plans, ensuring sustainable impact.

BDO Foundation also entered into an agreement with the Institute for Solidarity in Asia (ISA) to support the Performance Governance System (PGS).

Set for implementation in selected local government units and institutions over the next three years, PGS is a holistic and collaborative framework for designing and executing roadmaps for long-term reform. The project is expected to benefit two provincial governments and five schools division offices of the Department of Education, fostering stronger governance and accountability.

These partnerships affirm BDO Foundation’s commitment to inclusive development and good governance, aligning with the Bank’s ESG strategy to empower communities, reduce inequalities, and strengthen institutions through collaborative action.

Spreading Holiday Cheer Through Nationwide Giving

For the sixth consecutive year, BDO Foundation brought holiday cheer to communities nationwide through Handog sa ‘Yo (A Gift for You), its annual Christmas gift-giving initiative. The Foundation organized the distribution of *noche buena* food packs—traditional Filipino Christmas Eve meals shared by families—to help households in 163 municipalities celebrate the season with dignity and joy, advancing SDG 2 Zero Hunger by addressing food insecurity during the holidays.

To make this effort more impactful, BDO Foundation partnered with respected non-governmental organizations—Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation—to ensure that assistance reached those who needed it most. These partners serve marginalized and at-risk groups through a mix of community-based, faith-based, and humanitarian delivery networks, including persons experiencing poverty and illness, families displaced by conflict or disasters, and communities affected by food insecurity. This collaborative approach reflects SDG 17 Partnerships for the Goals, demonstrating the power of multisector cooperation to uplift vulnerable communities.

In addition, BDO Foundation launched a donation drive to enable employees to contribute to the initiative. Proceeds from the campaign were used to purchase additional food packs, extending support to even more families in need.

This program reflects BDO Foundation’s commitment to addressing hunger and fostering solidarity, reinforcing the Bank’s ESG strategy to promote social well-being and strengthen partnerships for inclusive development.

Employee Volunteer Program

Employee Volunteers for Education, Environment, and Empowerment

BDO Foundation, together with the Human Resources Group, Marketing Communications Group, and Sustainability Office, implemented the BDO Employee Volunteer Program to promote employee engagement and participation in the Bank’s corporate citizenship initiatives.



The program focused on activities addressing poverty and hunger, environmental protection, education, and financial inclusion—advancing SDG 1 No Poverty, SDG 2 Zero Hunger, SDG 4 Quality Education, and SDG 11 Sustainable Cities and Communities through community-driven action.

In collaboration with selected partners, the volunteer program carried out the following activities:

The Employee Volunteer Program demonstrates BDO’s commitment to social responsibility and collaborative action, reinforcing the Bank’s ESG strategy to reduce inequalities, promote education, and strengthen partnerships for sustainable development.

Partners	Volunteer events	Impact
Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation	Handog sa ‘Yo ng BDO Foundation: Nationwide distribution of <i>noche buena</i> food packs	163 municipalities reached
Department of Education	Brigada Eskwela: ■ Cagayan De Oro City Central School, Misamis Oriental ■ Jose Rizal Elementary School, Pasay City ■ Nabua National High School, Nabua, Camarines Sur ■ Nagkaisang Nayon Elementary School, Quezon City ■ Pasong Tamo Elementary School, Quezon City ■ Quezon City High School, Quezon City ■ Sapang Uwak Elementary School, Porac, Pampanga ■ Sta. Cruz Elementary School, Butuan City ■ Villa Maria Elementary School, Porac, Pampanga	[Data not available]
Haribon Foundation	■ Coastal clean-up: Pasay and Las Piñas – Parañaque Wetland Park ■ Native tree nursery activities: Nueva Ecija, Quezon, Rizal, and Zambales	[Data not available]
ICCP Group Foundation	Financial literacy for Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries in Batangas, Cebu, and Misamis Oriental	2,181 beneficiaries trained
National University	Financial literacy sessions for students	1,506 students reached
Scholars of Sustenance	Rescue kitchen activities in Quezon City, Manila, and Pampanga	4 cities served

CASE STUDY

Bohol Health Center Overcomes Adversity to Serve the Community

Like many rural health units rehabilitated by BDO Foundation, Loon RHU 1 and Birthing Center in Bohol, an island province in the central Philippines, has faced repeated disasters. Over the past several years, the province has been subjected to strong earthquakes and super typhoons that severely damaged the facility and placed heavy demands on its health workers.

Loon Municipal Health Officer Dr. Maria Victoria Lamparas recalled the challenges they faced. “In 2013, a 7.8-magnitude earthquake damaged our building, medical supplies, and equipment. As Loon was among the hardest-hit areas, we operated from a makeshift tent for three years before transferring to a modest structure made of light materials provided by the World Health Organization.”

She added, “In 2013, Super Typhoon Haiyan (locally known as Typhoon Yolanda) devastated Eastern Visayas and severely affected parts of Central Visayas, including Bohol. In 2021, Super Typhoon Rai (locally known as Typhoon Odette) destroyed our roof, ceiling, and floors. When disasters strike the province, the delivery of health services is often disrupted.”

Learning about the situation of Loon RHU 1 and Birthing Center from the BDO Bohol–Tubigon branch, BDO Foundation immediately coordinated

with Dr. Lamparas, worked on the health facility, and completed its rehabilitation after three months. The Foundation enhanced the layout, interiors and exteriors, offices, consultation and treatment rooms, and birthing clinic of the RHU. It installed new signage, furniture, and fixtures. Maximizing available space, the Foundation also constructed a new play area for children.

As a result, BDO Foundation made the structure more functional for both health workers and patients. In 2025, the rehabilitation of Loon RHU 1 and Birthing Center improved facilities for local health workers and enabled better service delivery to more than 45,000 residents across 67 barangays. This upgrade ensures safer and more efficient maternal, child, and elderly care services, strengthening primary healthcare for thousands of families in the community.

One of 37 RHUs turned over in 2025, Loon RHU 1 and Birthing Center was among 228 health centers successfully rehabilitated by the Foundation since 2012. BDO Foundation has improved access to quality healthcare for hundreds of communities, benefiting thousands of residents across the country.

“BDO Foundation has made our Rural Health Unit more welcoming for health workers, patients, and visitors. We are

grateful for this support, which comes at a timely moment as we begin implementing Universal Health Care in the Province of Bohol,” said Dr. Lamparas. “We remain committed to providing quality healthcare services to every Loonanon, with the continued support of our local government partners.”

BDO Foundation continues to rehabilitate RHUs in different parts of the country, helping empower health workers to serve their constituents more effectively.

“After years of damage from earthquakes and typhoons, Loon RHU 1 and Birthing Center in Bohol was rehabilitated by BDO Foundation, restoring safe and efficient primary healthcare services for more than 45,000 residents.”



Stakeholder Communication 2-29

Stakeholder Communications to Foster Understanding and Participation

In 2025, BDO continued to advance a robust and strategic communication plan that reflects its responsibility to communicate with all stakeholders and its steadfast commitment to a low-carbon future. Through targeted and compelling storytelling, the Bank amplified awareness and understanding of how its sustainability initiatives stimulate economic growth, protect the environment, support community development, and foster positive social and environmental impact across the Philippines.

BDO's communications approach reinforces that sustainability is not only a strategic priority but also a shared journey. By engaging stakeholders through multiple channels—traditional and digital media, social platforms, direct employee communications, in-person forums, and high-level leadership roundtables—the Bank encourages broader participation in its sustainability programs.

This was reinforced by findings from BDO's 2025 Materiality Assessment, conducted by S&P Global Sustainable¹, in which stakeholders recognized the Bank's effectiveness in informing and engaging audiences through multiple communication channels—including in-person engagements, public forums, online platforms, and print and broadcast media—as well as the transparency of its sustainability and impact disclosures.

These stories showcase BDO's role in financing green, renewable, and social projects, supporting community development, enabling disaster recovery, and promoting responsible business practices, inspiring a collective effort toward a sustainable future.

Key themes for 2025 sustainability stories included:

- Sustainability bond issuances highlighting how bond proceeds were allocated to renewable energy, clean transport, water infrastructure, and livelihood projects;
- Sustainable finance showcasing BDO's support for clients' transformational projects that promote inclusive growth, environmental stewardship, and long-term economic resilience;
- Corporate social responsibility activities demonstrating the Bank's continued commitment to community development; and
- Partnerships to advance sustainability initiatives emphasizing collaboration with local and global partners to scale impact.

These stories were shared across national broadsheets, tabloids, provincial and foreign publications, online news sites, business and consumer blogs, and social media platforms—reaching both domestic and international audiences and ensuring broad visibility and engagement among the Bank's diverse stakeholders.

Internally, employees were kept informed and encouraged to participate through *The Wayfinder* newsletter and *eNewsgram*, reaching a large number of employees and cultivating a volunteerism and sustainability mindset. BDO also leveraged its official website (www.bdo.com.ph), through a dedicated Sustainability Section, to provide stakeholders with detailed insights into its sustainability philosophy and framework; sustainability and impact reports; infographics on its sustainability

bond issuances; demographic data on client diversity; its materiality matrix; its sustainable finance approach; and ESG commitments. These disclosures not only strengthen transparency but also invite stakeholder feedback on sustainability-related financing and initiatives.

In 2025, BDO celebrated significant achievements that reinforced its leadership in sustainable finance and corporate governance:

- Platinum Award for ESG Excellence from *The Asset* for the 16th consecutive year
- Best Bank for ESG in the Philippines by *Euromoney* for the second year
- Recognized among the Top Community-Centric Companies in Asia by the Asia Corporate Excellence & Sustainability Awards (ACES)
- Best Advance in Responsible Finance in the Philippines from *Retail Banker International* for the second year
- Global Good Governance Award from *ESGBusiness Awards*
- Renewable Energy Financing Programme Award from *ESGBusiness Awards*
- The only Philippine bank included in ASEAN's Top 50 for Good Governance, recognized by the ASEAN Capital Market Forum

The Bank's sustainability leadership was further affirmed through individual and team awards. Atty. Federico P. Tancongo, Senior Vice President and Chief Compliance Officer of BDO Unibank, received the 2025 WFIS (World Financial Innovation Series) Governance, Risk, and Compliance Advocate of the Year award, a distinction bestowed on an outstanding professional who demonstrates exceptional ability in keeping an organization secure and on track for growth and scalability. BDO was also recognized with the Best Sustainability Team award at The Asset Corporate Sustainability Leadership Awards for the second consecutive year, affirming BDO Sustainability Office's commitment and efforts in engaging stakeholders and advancing the Bank's proactive role in implementing sustainability strategies that deliver environmental, social, and governance (ESG) impact while upholding good corporate governance.

Through its support for high-impact projects, BDO played a pivotal role in accelerating the country's energy transition. These efforts included supporting MTerra Solar, the world's largest solar power plant; enabling the Ayala Group's ACEN onshore wind power project—set to become the largest wind power facility in the Philippines; strengthening energy security in the Visayas; expanding sustainable water access in Bohol and Mactan; and powering the growth of electric mobility. These initiatives contributed to BDO surpassing ₱1.21 trillion in sustainable financing, reinforcing the Bank's long-term commitment to a greener, more inclusive, and resilient future.

External Collaborations and Partnerships

International Labour Organization (ILO) with Steward Redqueen Assessing the integration of Just Transition principles at BDO Unibank

In late 2024, the International Labour Organization (ILO) held a 3-day training and workshop with banks and corporates in the Philippines to better understand and incorporate just transition principles in sustainable finance. After the training, BDO collaborated with the ILO to assess how well just transition principles are embedded in the Bank's frameworks for risk, sustainability, and transition finance.

Just transition refers to addressing socio-economic impacts of the energy transition to avoid risks of inequality and unfairness during the shift to a sustainable global economy. Examples of these impacts are job loss, threats to livelihood of local communities, threats to indigenous people's rights—social issues that BDO identified in its ESRMS as potential social risks in the sectors financed by the Bank.

ILO, through its Just Transition Programme, engaged the services of Steward Redqueen, an Amsterdam-based sustainability consultant that helped create the ILO's Just Transition Toolkit for financial institutions. Steward Redqueen conducted an assessment for BDO, based on publicly available documents such as

the BDO sustainability reports and annual reports. The final report was an action plan that recommended practical insights to further strengthen just transition principles in the Bank's policy, lending, and investment activities.

Asia Transition Finance Study Group Supporting a Just and Orderly Transition in Asia

BDO is a founding core member of the Asian Transition Finance (ATF) Study Group, a private-led initiative whose core participants are large banks with operations in Asia. Since 2021, the ATF Study Group has recognized the critical role of transition finance (TF) in helping Asian economies achieve net-zero emissions while addressing challenges. The group aims to develop practical recommendations to supplement existing frameworks, including global standards and taxonomies, to help financial institutions better assess transition finance cases. The group also seeks to better understand the challenges and identify potential enablers of transition finance.

Each year, the study group produces a summary report of all its discussions for the year. The ATF Annual Report 2025 took a targeted look at key sectors and systems with strong transition potential in Southeast Asia, such as Sustainable

Aviation Fuel (SAF), Battery Energy Storage Systems (BESS), distributed networks, carbon pricing, and the voluntary carbon market. It also provided country-specific insights on energy transition strategies in Malaysia, Indonesia, and Thailand, and explored the growing role of Islamic finance in Muslim-majority economies. Building on previous years' reports, the report incorporated months of discussion among core members, alongside contributions from development banks, export credit agencies, public agencies and finance associations who joined as observers and knowledge contributors. Energy and industry players, insurance and guarantee providers, and advisors also participated as guest speakers to share their perspectives.

BDO contributes annually to the development of the ATF Annual Report as part of its continuing commitment to advancing climate transition efforts in the region and in the Philippines' energy transition and energy security strategy. The ATF Annual Report 2025 is available at this link: <https://www.atfsg.org/report/asia-transition-finance-study-group-atf-sg-annual-report-2025>

Eco-Business Unlocking capital for sustainability Advancing inclusive growth and credible transition in Southeast Asia (Philippines and Singapore)

BDO has sponsored Eco-business' annual Unlocking capital for sustainability forums (Ucfs) in the Philippines and Singapore since 2021, recognizing the need for ongoing conversations and collective action to ideate and finance solutions for the world's sustainable development and energy transition. In 2025, First Vice President and Head of the Sustainability Office Marla Garin-Alvarez gave the keynote speech at the Philippines Ucfs, on the role of finance in inclusive and sustainable development. Senior Vice President and Chief Compliance Officer Atty. Federico P. Tancongco joined the fireside chat on unlocking the green and blue economy, while balancing conservation with development goals, with BDO's blue bond and ASEAN sustainability bonds as innovative financial instruments. For the Singapore Ucfs, Atty. Tancongco also joined the opening plenary panel discussion on financing the energy transition and how to ensure safeguards are set, goals met. Eco-business' Ucfs flagship forums in various Asian countries are among the most anticipated events in the region for their well-curated topics and speakers, backed by research and excellent moderators.

Humble Sustainability

Extending the Life of Technology Through Circularity

BDO collaborated in 2025 with Humble Sustainability, a Philippine climate technology company that securely processes, refurbishes, and redeploys IT equipment to reduce electronic waste and bring technology back into circularity.

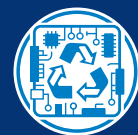
Through this collaboration, BDO turned over 1,227 IT assets, consisting of 374 laptops, 63 desktops, and 790 peripherals and other devices, for secure handling and preparation for reuse. Humble's processing ensured full chain-of-custody management and the responsible recovery of IT equipment that remained viable for continued use.

According to the impact metrics from Humble Sustainability's 2025 Loop Report provided to BDO, extending the life of these devices avoided 180 tonnes of CO₂, equivalent to growing 3,252 tree seedlings over ten years, powering 23 homes for a year, or removing 43 gasoline-powered cars from the road. The report also notes that device reuse avoided approximately 47 million liters of water typically consumed in chip manufacturing. In addition, reuse kept materials in circulation, reducing demand for raw materials needed to manufacture new devices.

Beyond environmental outcomes, the Loop Report documents how refurbished devices enabled wider access to technology across different sectors. Devices were used by students requiring affordable laptops, small entrepreneurs integrating digital tools into their operations, community organizations expanding digital literacy, and technicians and micro-enterprises engaged in refurbishment. These applications are detailed through impact stories documented by Humble Sustainability, illustrating how the reused devices helped meet practical learning and livelihood needs in real settings.

The results presented in Humble's 2025 Loop Report highlight how responsible IT asset recovery can complement BDO's broader sustainability objectives. By enabling reuse pathways for its IT equipment, BDO contributes to reduced environmental impact while supporting individuals and organizations that benefit from access to affordable technology.

BDO's Impact Snapshot with Humble



100%

Circularity
achievement through
device reused



1,227

Total devices
processed with 100%
data-secure handling



180 tons

Estimated carbon
emissions prevented



4 tons

E-waste with
hazardous materials
diverted from landfill

Snapshot of Devices

374

Laptops

63

Desktops

790

Other IT devices

330k+

Value recovered
(in PHP)

Institute for Solidarity in Asia (ISA)

Strengthening Education Governance through the Performance Governance System

BDO Foundation partnered with the Institute for Solidarity in Asia (ISA) to support the implementation of the Performance Governance System (PGS) across two provincial governments and five Schools Division Offices (SDOs) of the Department of Education of the Philippines, the national authority responsible for public basic education.

The PGS is a holistic, multi-year governance reform framework that strengthens strategic planning, performance management, and accountability within public institutions. Through this partnership, BDO Foundation contributes to institutional capacity building in the education sector, supporting SDG 16 Peace, Justice and Strong Institutions while reinforcing long-term progress toward SDG 4 Quality Education.

In 2025, a total of 204 education leaders and personnel participated in structured governance activities under the program. The Schools Division Office of Balanga City, located in Bataan Province, Central Luzon, Philippines, engaged 161 individuals and completed the PGS Initiation Stage, earning the Gold Trailblazer Award, the highest distinction at this stage of the PGS pathway.

The Schools Division Office of Baguio City, located in the Cordillera Administrative Region in northern Philippines, engaged 43 individuals through governance boot camps and strategic roadmapping activities, culminating in the kickoff of its PGS Initiation Stage. In addition, the Provincial Governments of Iloilo (Western Visayas, central Philippines) and Eastern Samar (Eastern Visayas, central Philippines) completed preparatory alignment activities in 2025, positioning both local governments for full PGS implementation in the succeeding year.

United Nations Children's Fund (UNICEF Philippines)

Supporting Alternative Learning Pathways for Out-of-School Youth

BDO Foundation partnered with UNICEF Philippines to support the government-led Alternative Learning System (ALS) in selected areas of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), a self-governing region in the southern Philippines. Program areas include the island provinces of Basilan and Tawi-Tawi, as well as areas in Maguindanao, located on the Mindanao mainland.

The partnership focuses on enabling out-of-school children, adolescents, and youth to re-engage with education through flexible, non-formal learning pathways, contributing to SDG 4 Quality Education and SDG 10 Reduced Inequalities. The collaboration forms part of a two-year initiative designed to benefit up to

3,000 young people, implemented in coordination with the Bangsamoro Ministry of Basic, Higher and Technical Education. In 2025, activities concentrated on initial groundwork and engagement with local stakeholders, laying the foundation for future program implementation.

Human-interest accounts from Tawi-Tawi, an island province at the southernmost edge of the Philippines, highlight the importance of alternative learning options for learners facing barriers related to poverty, geographic isolation, displacement, and family responsibilities. These point to the role of ALS in restoring access to education in underserved communities and in contexts where formal schooling may not always be accessible.



SM Supermalls, Zonta Club of Makati and Environs, and Airspeed

Sining Filipina All-Female Art Competition

BDO co-sponsored the Sining Filipina 2026 Art Competition together with SM Supermalls, for the benefit of the Zonta Club of Makati and Environs. The competition was launched in December 2025 to put a spotlight on women's creative perspective as they explored the theme on "Babae Para sa Bayan: Women Leading Change from Home to Nation." Now on its third year, the theme celebrates women as nation-builders—molding values at home, empowering communities, and driving meaningful progress for the country. The competition was open to all Filipinas, regardless of age, experience, or status and welcomed original artwork submissions for both figurative and non-figurative categories to encourage exploration. It is the first and only all-female national art contest in the Philippines.

BDO's support covered the cash prizes for three top winners and seven finalists. To encourage more females artists to participate, all sponsors covered the cost of shipping the artworks. BDO branches all over the country served as drop-off points for the artwork submissions, and from there were delivered in Manila for free by another co-sponsor, Airspeed, a logistics and express courier. SM Supermalls, in turn, will exhibit the artworks in its malls throughout International Women's Month in March 2026.



"Helping Hands" by Marte Goyon of Manila, first place winner



"Liwanag ni Maria" by Mary Joy Go of Bulacan, second place winner



"From Home, Outward" by Gerlynnia Aprille Galgo of Cebu, third place winner

Employee Profile

Employee Demographics ²⁻⁷

Full-time employees	2025				2024				2023			
Employee count by gender												
Male	11,614		25%		10,877		25%		10,316		25%	
Female	35,503		75%		33,167		75%		31,331		75%	
Total	47,117				44,044				41,647			
Employee count by citizenship												
Filipino	47,026		99.9%		43,980		99.9%		Not monitored			
Non-Filipino	70		0.1%		51		0.1%		Not monitored			
Dual-Citizenship	21		0.0%		13		0.0%		Not monitored			
Total	47,117				44,044							
Employee count by location	Male		Female		Male		Female		Male		Female	
Luzon	8,590	74%	27,731	78%	8,094	74%	26,192	79%	7,666	74%	24,800	79%
Visayas	1,205	10%	3,754	11%	1,106	10%	3,374	10%	1,046	10%	3,134	10%
Mindanao	1,754	15%	3,921	11%	1,620	15%	3,509	11%	1,565	15%	3,322	11%
Abroad	65	1%	97	0.3%	57	1%	92	0.3%	39	0%	75	0%
Total	11,614		35,503		10,877		33,167		10,316		31,331	
Employee count by age	Male		Female		Male		Female		Male		Female	
<30 years old	2,071	18%	13,487	38%	2,018	19%	12,816	39%	1,989	19%	12,240	39%
Between 30 to 50 years old	8,268	71%	19,455	55%	7,705	71%	18,008	54%	7,232	70%	16,974	54%
>50 years old	1,275	11%	2,561	7%	1,154	11%	2,343	7%	1,095	11%	2,117	7%
Total	11,614		35,503		10,877		33,167		10,316		31,331	
Employee count by rank	Male		Female		Male		Female		Male		Female	
Rank-and-File	2,981	26%	18,845	53%	2,916	27%	17,807	54%	2,891	28%	17,071	54%
Junior Management	4,457	38%	10,087	28%	4,184	38%	9,379	28%	4,019	39%	8,741	28%
Middle Management	3,230	28%	5,274	15%	2,912	27%	4,748	14%	2,608	25%	4,386	14%
Senior Management	946	8%	1,297	4%	865	8%	1,233	4%	798	8%	1,133	4%
Total	11,614		35,503		10,877		33,167		10,316		31,331	

Fixed-term employees		2025				2024				2023	
Employee count by gender											
Male		13		10%		4		8%		Not monitored	
Female		112		90%		49		92%		Not monitored	
Total		125				53				0	
Employee count by location		Male		Female		Male		Female		Male	Female
Luzon		13	100%	107	96%	4	100%	48	98%	Not monitored	Not monitored
Visayas		-	0%	4	4%	-	0%	1	2%	Not monitored	Not monitored
Mindanao		-	0%	1	1%	-	0%	-	0%	Not monitored	Not monitored
Abroad		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
Total		13		112		4		49			
Employee count by age		Male		Female		Male		Female		Male	Female
<30 years old		13	100%	112	100%	4	100%	48	100%	Not monitored	Not monitored
Between 30 to 50 years old		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
>50 years old		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
Total		13		112		4		48			
Employee count by rank		Male		Female		Male		Female		Male	Female
Rank-and-File		13	100%	112	100%	4	100%	48	100%	Not monitored	Not monitored
Junior Management		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
Middle Management		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
Senior Management		-	0%	-	0%	-	0%	-	0%	Not monitored	Not monitored
Total		13		112		4		48			
Workers who are not employees 2-8		2025				2024				2023	
Janitorial services				2,384				2,039		1,942	
Security personnel		5,140	97%	146	3%			5,246		5,189	

New Hires 401-1

2025					2024				2023							
New hires count by gender																
Male	1,572		25%		1,449		24%		1,361		25%					
Female	4,714		75%		4,586		76%		4,030		75%					
Total	6,286				6,035				5,391							
New hires count by location					Male		Female		Male		Female		Male		Female	
Luzon	1,153	73%	3,470	74%	1,126	78%	3,607	79%	1,068	78%	3,085	77%				
Visayas	184	12%	612	13%	139	10%	475	10%	149	11%	502	12%				
Mindanao	212	13%	613	13%	170	12%	475	10%	137	10%	422	10%				
Abroad	23	1%	19	0%	14	1%	29	1%	7	1%	21	1%				
Total	1,572		4,714		1,449		4,586		1,361		4,030					
New hires count by age					Male		Female		Male		Female		Male		Female	
<30 years old	682	18%	3,841	38%	728	19%	3,897	39%	617	45%	3,365	84%				
Between 30 to 50 years old	855	71%	839	55%	701	71%	657	54%	718	53%	648	16%				
>50 years old	35	11%	34	7%	20	11%	32	7%	26	2%	17	0%				
Total	1,572		4,714		1,449		4,586		1,361		4,030					
New hires count by rank					Male		Female		Male		Female		Male		Female	
Rank-and-File	334	21%	3,164	67%	411	28%	3,403	74%	310	23%	2,912	72%				
Junior Management	763	49%	1,093	23%	622	43%	792	17%	632	46%	755	19%				
Middle Management	387	25%	387	8%	328	23%	319	7%	332	24%	297	7%				
Senior Management	88	6%	70	1%	88	6%	72	2%	87	6%	66	2%				
Total	1,572		4,714		1,449		4,586		1,361		4,030					

Separations 401-1

2025					2024					2023				
Employee separations count by gender														
Male	83026%				88225%				1,01627%					
Female	2,34874%				2,71075%				2,69673%					
Total	3,178				3,592				3,712					
Employee separations count by location		Male		Female		Male		Female		Male		Female		
Luzon		645	78%	1,873	80%	675	77%	2,148	79%	Not monitored		Not monitored		
Visayas		94	11%	225	10%	87	10%	261	10%	Not monitored		Not monitored		
Mindanao		85	10%	237	10%	114	13%	287	11%	Not monitored		Not monitored		
Abroad		6	1%	13	1%	6	1%	14	1%	Not monitored		Not monitored		
Total		830	2,348			882	2,710							
Employee separations count by age		Male		Female		Male		Female		Male		Female		
<30 years old		212	26%	1,201	51%	257	29%	1,443	53%	259	25%	1,316	49%	
Between 30 to 50 years old		507	61%	957	41%	511	58%	1,104	41%	647	64%	1,225	45%	
>50 years old		111	13%	190	8%	114	13%	163	6%	110	11%	155	6%	
Total		830	2,348			882	2,710			1,016	2,696			
Employee separations count by rank		Male		Female		Male		Female		Male		Female		
Rank-and-File		137	17%	1,358	58%	224	25%	1,806	67%	Not monitored		Not monitored		
Junior Management		397	48%	623	27%	401	45%	592	22%	Not monitored		Not monitored		
Middle Management		247	30%	290	12%	192	22%	248	9%	Not monitored		Not monitored		
Senior Management		49	6%	77	3%	65	7%	64	2%	Not monitored		Not monitored		
Total		830	2,348			882	2,710							

Benefits 401-2, 401-3

	2025		2024		2023	
Leave availments 401-3	Male	Female	Male	Female	Male	Female
Parental Leave (out of total availments) 401-3	12%	88%	12%	88%	2%	98%
Return to Work Rate (after Parental Leave) 401-3	100%	100%	100%	100%	100%	100%
Remain to be employed 12 months after return to work from Parental Leave 401-3	95%	94%	100%	100%	100%	100%
Vacation Leave (out of eligible employees*)	87%	85%	92%	93%	92%	91%
Sick Leave (out of eligible employees*)	78%	84%	80%	73%	73%	79%

* Eligible employees are employees with earned leaves

Other benefits	Male	Female	Male	Female	Male	Female
Employees covered by Social Security System (SSS)	100%	100%	100%	100%	100%	100%
Employees covered by retirement fund other than SSS	2%	3%	Not monitored		Not monitored	
Employees covered by Philippine Health Insurance Corporation (PhilHealth)	100%	100%	100%	100%	100%	100%
Employees covered by medical benefits other than PhilHealth	77%	46%	Not monitored		Not monitored	
Employees covered by Home Development Mutual Fund (Pag-Ibig)	100%	100%	100%	100%	100%	100%

* Eligible employees are employees with earned leaves

Training and Development 205-2, 403-5

	2025				2024				2023			
	Male		Female		Male		Female		Male		Female	
Average training hours per employee	16		24		19		30		32		41	
	22				27				38			
Total training hours	189,612		851,452		203,306		985,585		333,754		1,269,546	
	1,041,064				1,188,891				1,603,300			
Total sustainability training hours	2,055		3,100		3,053		4,520		7,691		14,481	
	5,563				7,573				22,172			
Count of transition assistance programs participants	59		34		24		32		23		27	
	93				56				50			
Skills Upgrade	Male		Female		Male		Female		Male		Female	
Officership Development Program (ODP)	128	15%	745	85%	160	16%	830	84%	130	12%	962	88%
Management Development Program (MDP)	218	31%	496	69%	211	36%	379	64%	193	35%	364	65%
Relationship Manager Training Program (RMTP)	4	50%	4	50%	5	38%	8	62%	3	16%	16	84%
Mandatory Training	Male		Female		Male		Female		Male		Female	
Employees who've taken the Anti-Corruption training	29%				84%				99.6%			
Employees who've taken the Code of Conduct and Business Ethics training	99.6%				99.7%				99.6%			
Employees who've taken the Occupational Health and Safety training*	23%				21%				86%			

* Training on OHS is required every three (3) years

Training hours by type	Male	Female	Male	Female	Male	Female
Leadership/Management	33,631		134,445		Not monitored	
Skills/Technical	508,002		496,960		Not monitored	
Occupational Health and Safety	51,790		27,397		Not monitored	
Code of Conduct and Business Ethics	4,307		28,767		Not monitored	
Other mandatory, including new joiners, training	435,496		493,750		Not monitored	
Others (please specify)	7,671		7,573		Not monitored	

Employee Performance Appraisal and Promotions

	2025		2024		2023	
Performance Appraisal	Male	Female	Male	Female	Male	Female
Employees appraised (out of eligible employees*)	99%	99%	97%	97%	100%	100%

* Eligible employees refer to full-time permanent employees

Performance Appraisal by rank	Male	Female	Male	Female	Male	Female
Rank-and-File	99%	99%	97%	97%	100%	100%
Junior Management	99%	99%	97%	98%	100%	100%
Middle Management	99%	99%	98%	98%	100%	100%
Senior Management	99%	99%	97%	99%	100%	100%

Promotions	Male	Female	Male	Female	Male	Female
Count of promoted employees	1,836	7,161	1,704	6,919	1,371	6,689

Level After Promotion	Male	Female	Male	Female	Male	Female
Rank-and-File	4,351		4,316		Not monitored	
Junior Management	2,776		2,587		Not monitored	
Middle Management	1,613		1,424		Not monitored	
Senior Management	257		296		Not monitored	

Occupational Health and Safety 403-9, 403-10

	2025		2024		2023	
Basis of hours worked	1,000,000		1,000,000		1,000,000	
Number of safety drills conducted for the year	37		38		37	
Occupational Health and Safety	Male	Female	Male	Female	Male	Female
Incidents of work-related injuries	3	11	-	10	-	6
Fatality as a result of work-related injury	-	-	-	-	-	-
Lost-time injury (hours)	72	864	264	384	-	47
Safe man hours	7,173,600	22,569,456	3,696,000	2,808,000	13,440,000	51,840,000
Total Hours worked	17,086,000	62,004,000	14,000,000	54,000,000	13,447,000	51,867,000
Work-related ill health incidents	5,648	3,177	2,225	3,721	Not monitored	

Collective Bargaining Agreement (CBA)

	2025	2024	2023
Collective Bargaining Agreement (CBA) 2-30			
Percentage of total employees covered by CBA	42%	43%	44%
Percentage of eligible employees* covered by CBA	92%	91%	91%

* Eligible employees refer to rank-and-file employees

Other Social Metrics 401-3, 405-2

2025					2024				2023			
Science, Technology, Engineering, and Mathematics (STEM)-Related and Revenue-Generating Positions	Male		Female		Male		Female		Male		Female	
Information Technology (IT)	1,414	67%	688	33%	1,278	68%	598	32%	1,076	71%	450	29%
Engineering	239	83%	48	17%	225	86%	38	14%	210	88%	29	12%
Sales	6,887	19%	29,365	81%	6,494	19%	27,578	81%	6,150	19%	25,775	81%
Wage Metrics												
Ratio of local minimum wage compared to standard entry level wage	1 : 1.22		1 : 1.22		1 : 1.04		1 : 1.04		1 : 1.1		1 : 1.1	
Percentage of workers paid at least a minimum wage	100%		100%		100%		100%		100%		100%	
Ratio of basic salary and remuneration of men to women	1 : 1.02				Not monitored				Not monitored			
Other Social Metrics												
Senior officer hired from local communities			99%				99%				99%	
Absentee rate			2.43%				2.4%				1.67%	
Minimum number of weeks’ notice provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them			4 weeks				4 weeks				4 weeks	
Count of nursing stations			13				Not monitored				Not monitored	
Count of lactation cloaks (branches)			1,255				Not monitored				Not monitored	
Paid parental leave for mothers (in days) ⁴⁰¹⁻³			105 days				105 days				105 days	
Paid parental leave for fathers (in days) ⁴⁰¹⁻³			7 days				7 days				7 days	
Paid family or care leave beyond parental leave (ex. emergency leave) (in days) ⁴⁰¹⁻³			5 days				5 days				5 days	
Open positions filled by internal candidate			5%				9%				Not monitored	

GRI Content Index


**CONTENT INDEX
ESSENTIALS SERVICE**
2026

BDO Unibank, Inc. has reported in accordance with the GRI Standards for the period January 1 to December 31, 2025.

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

GRI Standard	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
GRI 1: Foundation 2021		
General Disclosures		
GRI 2: General Disclosures 2021	The organization and its reporting practices	
	2-1 Organizational details	pg. 2, 4-5
	2-2 Entities included in the organization's sustainability reporting	pg. 2
	2-3 Reporting period, frequency and contact point	pg. 2, 159
	2-4 Restatements of information	No restatements during the reporting period.
	2-5 External assurance	pg. 154-156
	Activities and workers	
	2-6 Activities, value chain and other business relationships	pg. 4-5, 8-9, 17-79, 81-124, 125-138
	2-7 Employees	pg. 8, 103-105, 139-146
	2-8 Workers who are not employees	pg. 140
	Governance	
	2-9 Governance structure and composition	pg. 12, 83-91
	2-10 Nomination and selection of the highest governance body	pg. 84, 90

GRI Standard	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
	2-11 Chair of the highest governance body	pg. 84
	2-12 Role of the highest governance body in overseeing the management of impacts	pg. 84-91
	2-13 Delegation of responsibility for managing impacts	pg. 12-13, 87-89
	2-14 Role of the highest governance body in sustainability reporting	pg. 12-13, 87-89
	2-15 Conflicts of interest	pg. 91
	2-16 Communication of critical concerns	pg. 85-91
	2-17 Collective knowledge of the highest governance body	pg. 85
	2-18 Evaluation of the performance of the highest governance body	pg. 85
	2-19 Remuneration policies	Confidentiality Constraints: Remuneration is considered competitive information and a security risk for bank personnel.
	2-20 Process to determine remuneration	pg. 86, 91

GRI Standard	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
	2-21 Annual total compensation ratio	Confidentiality Constraints: Remuneration is considered competitive information and a security risk for bank personnel.
	Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	pg. 6-7, 10-11
	2-23 Policy commitments	pg. 18-30, 94-96
	2-24 Embedding policy commitments	pg. 12-16, 17-79, 81-124, 125-138
	2-25 Processes to remediate negative impacts	pg. 94, 103-105, 118-124
	2-26 Mechanisms for seeking advice and raising concerns	pg. 118-124
	2-27 Compliance with laws and regulations	Confidentiality Constraints: Compliance with laws and regulations are considered confidential as they may be under review with regulators and may open the Bank to security risks if disclosed.
	2-28 Membership associations	pg. 157
	Stakeholder engagement	
	2-29 Approach to stakeholder engagement	pg. 16, 134-138
	2-30 Collective bargaining agreements	pg. 105, 146

Material Topics

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
GRI 3: Material Topics 2021	Disclosures on material topics		
	3-1	Process to determine material topics	pg. 14-15
	3-2	List of material topics	pg. 14-15
Climate Change, Nature, and Biodiversity Loss			
GRI 3: Material Topics 2021 GRI 101: Biodiversity 2024	3-3	Management of material topics	pg. 20-30, 57
	101-1	Policies to halt and reverse biodiversity loss	pg. 20-22
	101-2	Management of biodiversity impacts	pg. 20-22
	101-3	Access and benefit-sharing	pg. 20-27
	101-4	Identification of biodiversity impacts	pg. 29, 124
	101-5	Locations with biodiversity impacts	pg. 29, 124
	101-6	Direct drivers of biodiversity loss	pg. 29, 124
	101-7	Changes to the state of biodiversity	Not monitored at the time of reporting.
	101-8	Ecosystem services	pg. 29, 124
GRI 102: Climate Change 2025	102-1	Transition plan for climate change mitigation	pg. 18-22, 39
	102-2	Climate change adaptation plan	pg. 18-22, 39
	102-3	Just Transition	pg. 20-22
	102-4	GHG emissions reduction targets and progress	pg. 39
	102-5	Scope 1 GHG emissions	pg. 113-115
	102-6	Scope 2 GHG emissions	pg. 113, 116
	102-7	Scope 3 GHG emissions	pg. 113, 117
	102-8	GHG emissions intensity	pg. 112

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
GRI 102: Climate Change 2025	102-9 GHG removals in the value chain	pg. 99-100, 107-111
	102-10 Carbon credits	No carbon credits at the time of reporting.
Financing Sustainable Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 31-79
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	pg. 31-79
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	pg. 8, 33-38, 73,79
Technology Resilience		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 91, 95, 99-102
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	pg. 91
	2-12 Role of the highest governance body in overseeing the management of impacts	pg. 91
	2-13 Delegation of responsibility for managing impacts	pg. 91
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 118-122
Customer Welfare		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 99-102, 118-122
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable. No identified non-compliance with regulations and/or voluntary codes in relation to health and safety impacts of product and services.

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Zero (0) incidents of non-compliance concerning the health and safety impacts of products and services reported.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 119-120
Human Rights & Community Relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 57-72, 94-96, 103-105, 126-134
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	pg. 126-133
	203-2 Significant indirect economic impacts	pg. 57-70, 126-133
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Information unavailable: Information on security personnel training on human rights was not available during the reporting period covered. BDO is preparing a roadmap for coordinating with vendors in 2026.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	pg. 57-70, 126-133
	413-2 Operations with significant actual and potential negative impacts on local communities	Zero (0) significant actual and potential negative impacts recorded during the reporting period covered.

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Physical Impacts of Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 19-30
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	pg. 19-30
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	pg. 19-30, 39
	102-2 Climate change adaptation plan	pg. 19-30, 39
	102-3 Just Transition	pg. 20-22
	102-4 GHG emissions reduction targets and progress	pg. 39
	102-5 Scope 1 GHG emissions	pg. 113-115
	102-6 Scope 2 GHG emissions	pg. 113, 116
	102-7 Scope 3 GHG emissions	pg. 113, 117
	102-8 GHG emissions intensity	pg. 112
	102-9 GHG removals in the value chain	pg. 99-100, 107-111
	102-10 Carbon credits	No carbon credits at the time of reporting.
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 4-5, 8-9, 22, 82
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	pg. 82
	201-2 Financial implications and other risks and opportunities due to climate change	pg. 22
	201-3 Defined benefit plan obligations and other retirement plans	Confidentiality constraints: We do not disclose this matter due to confidentiality constraints and competitive information issues.
	201-4 Financial assistance received from government	₱0.00

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Systemic Risk and Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 19-30, 82, 94-96
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	pg. 82
	201-2 Financial implications and other risks and opportunities due to climate change	pg. 22
	201-3 Defined benefit plan obligations and other retirement plans	Confidentiality constraints: We do not disclose this matter due to confidentiality constraints and competitive information issues.
	201-4 Financial assistance received from government	₱0.00
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pg. 94-96
	205-2 Communication and training about anti-corruption policies and procedures	pg. 96, 104
	205-3 Confirmed incidents of corruption and actions taken	pg. 94
GRI 207: Tax 2019	207-1 Approach to tax	pg. 96-97
	207-2 Tax governance, control, and risk management	pg. 96
	207-3 Stakeholder engagement and management of concerns related to tax	pg. 96
	207-4 Country-by-country reporting	pg. 96
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	pg. 97

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Information unavailable: Information on supplier risk for incidents of forced or compulsory labor was not available during the reporting period covered. BDO is preparing a roadmap for coordinating with vendors in 2026.
Digitalization		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 53-59, 91, 99-102, 104, 118-119, 121-122
Employee Engagement, Diversity, and Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 84, 103-107, 139-146
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	pg. 141-142
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	pg. 143
	401-3 Parental leave	pg. 143, 146
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	pg. 84, 139-146
	405-2 Ratio of basic salary and remuneration of women to men	pg. 146
Executive Responsibility for ESG		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 12-13, 87-89
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	pg. 12-13
	2-14 Role of the highest governance body in sustainability reporting	pg. 87-89, 93

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Management of Legal, Regulatory Environment		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 92-97, 104
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pg. 92-93
	205-2 Communication and training about anti-corruption policies and procedures	pg. 96, 104
	205-3 Confirmed incidents of corruption and actions taken	pg. 94-96
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	pg. 94-97
GRI 207: Tax 2019	207-1 Approach to tax	pg. 96-97
	207-2 Tax governance, control, and risk management	pg. 96
	207-3 Stakeholder engagement and management of concerns related to tax	pg. 96
	207-4 Country-by-country reporting	pg. 97
GRI 415: Public Policy 2016	415-1 Political contributions	₱0.00
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 119-120
Access & Affordability		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 31-52, 58-60, 65-79, 126-133
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	pg. 31-52, 58-60, 65-79, 126-133

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Product Innovation		
GRI 3: Material Topics 2021	3-3	Management of material topics pg. 31-40, 53, 63-64, 68-70
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported pg. 32-40, 47-48, 59, 62, 64, 76-79
	203-2	Significant indirect economic impacts pg. 32-40, 47-48, 59, 62, 64, 76-79
Employee Health & Safety		
GRI 3: Material Topics 2021	3-3	Management of material topics pg. 98, 105
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system pg. 98
	403-2	Hazard identification, risk assessment, and incident investigation pg. 98
	403-3	Occupational health services pg. 98, 105
	403-4	Worker participation, consultation, and communication on occupational health and safety pg. 98
	403-5	Worker training on occupational health and safety pg. 144
	403-6	Promotion of worker health pg. 98, 105
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships pg. 98, 105
	403-8	Workers covered by an occupational health and safety management system pg. 98, 105
	403-9	Work-related injuries pg. 145
	403-10	Work-related ill health pg. 145

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Operational Emissions		
GRI 3: Material Topics 2021	3-3	Management of material topics pg. 22, 107-111, 114
GRI 301: Materials 2016	301-1	Materials used by weight or volume pg. 110, 112-113
	301-2	Recycled input materials used pg. 110, 112-113
	301-3	Reclaimed products and their packaging materials pg. 110, 112-113
GRI 302: Energy 2016	302-1	Energy consumption within the organization pg. 107-108, 112-113, 115-117
	302-2	Energy consumption outside of the organization pg. 107-108, 112-113, 115-117
	302-3	Energy intensity pg. 112-113
	302-4	Reduction of energy consumption pg. 107-108, 112-113
	302-5	Reductions in energy requirements of products and services pg. 107-108, 112-113
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions pg. 113-115
	305-2	Energy indirect (Scope 2) GHG emissions pg. 113, 116
	305-3	Other indirect (Scope 3) GHG emissions pg. 113, 117
	305-4	GHG emissions intensity pg. 112-113
	305-5	Reduction of GHG emissions pg. 107-111, 114
	305-6	Emissions of ozone-depleting substances (ODS) pg. 112-113, 115-117
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions pg. 112-113, 115-117

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	pg. 109-110, 112, 114, 117
	306-2 Management of significant waste-related impacts	pg. 109-110, 112, 114, 117
	306-3 Waste generated	pg. 109-110, 112, 114, 117
	306-4 Waste diverted from disposal	pg. 109-110, 112, 114, 117
	306-5 Waste directed to disposal	pg. 109-110, 112, 114, 117
Business Ethics		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 94
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	pg. 6-7
	2-23 Policy commitments	pg. 18-21, 39, 94-96
	2-24 Embedding policy commitments	pg. 18-21, 39, 94-96
	2-25 Processes to remediate negative impacts	pg. 94, 104-105, 118-119
	2-26 Mechanisms for seeking advice and raising concerns	pg. 94
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pg. 94-96
	205-2 Communication and training about anti-corruption policies and procedures	pg. 96, 144
	205-3 Confirmed incidents of corruption and actions taken	pg. 94
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	pg. 94-96

GRI Standard	Disclosure	Page Number(s), Direct Answer and/or URLs
Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	pg. 122-123
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	pg. 122-123
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	pg. 124
	308-2 Negative environmental impacts in the supply chain and actions taken	pg. 124
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Zero incidence of discrimination during the reporting period.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information unavailable: BDO did not have sufficient data collection in place to collect supplier environmental and social data during the reporting period. BDO is preparing a roadmap for coordinating with vendors in 2026.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Information unavailable: Procurement wasn't able to track social risk during 2025. Capacity-building on screening to be continued in 2026.
	414-2 Negative social impacts in the supply chain and actions taken	Information unavailable: Procurement wasn't able to track social risk during 2025. Capacity-building to be continued in 2026.



Certificate No: C770583

Independent Assurance Statement²⁻⁵

Introduction

DNV AS Philippine Branch ('DNV'), has been commissioned by BDO Unibank, Inc. (Securities and Exchange Commission Identification Number: 34001, hereafter referred to as 'BDO or 'the Company') to undertake an independent assurance of the Company's sustainability/non-financial disclosures in its Sustainability Report covering the calendar year 2025 (hereafter referred to as 'Report').

The disclosures have been prepared by BDO in accordance with the Global Reporting Initiatives (GRI) Standards 2021 and the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. The report was also prepared in reference to the International Financial Reporting Standards (IFRS) S1 and 2, the Task Force on Climate-Related Disclosures (TCFD) recommendations on climate-related financial disclosures, Sustainability Accounting Standards Board (SASB) Standards, and the ASEAN Corporate Governance Scorecard (ACGS).

DNV has carried out assurance engagement in accordance with DNV's VeriSustainTM protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's VerisustainTM Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VerisustainTM protocol, the DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; to evaluate indicators wrt greenhouse gases.

The intended user of this assurance statement is the Management of BDO Unibank, Inc.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

Responsibilities of the Management of BDO and of the Assurance Provider

The Management of BDO has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information, as well as ensuring the quality and consistency of the information presented in the Report. BDO is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included a limited level of assurance of the information on non-financial performance which was disclosed in the Report prepared by BDO based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 1 January 2025 to 31 December 2025. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company's operations as described in the 'ESG Materiality' section of the report.

Boundary of the assessment covers the performance of BDO operations globally that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of assurance covers BDO Unibank offices and branches, and BDO Network Bank branches within the Philippines.

Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV does not take any responsibility of the financial data reported in the Sustainability reports of the Company.
- The assessment is limited to data and information within the defined reporting period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.

- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of BDO. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

Limited Level of Assurance

Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.

Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.

Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.

Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.

Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees. We interviewed those with overall responsibility for monitoring, data collation and reporting the selected indicators.

The DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.

Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

On the basis of the Limited level of assessment undertaken, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in accordance with the reporting criteria. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™:

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The Report explains the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders. Materiality topics were determined from inputs from peers and the industry, which were then assessed for relevance in terms of impact for BDO's business. The list of topics has been prioritized, reviewed and validated.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report presents the stakeholders who have been identified as significant to BDO, as well as the channels of engagement established by the Company to interact with these stakeholder groups. The key topics of concern and needs of each stakeholder group which have been identified through these channels are further described in the Report.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report outlines the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with BDO's management teams and process owners at the Corporate Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction, and the related disclosures were reviewed post correction.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported?

The Report presents the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report describes the disclosures related to BDO's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – *Conformity assessment – General principles are requirements for validation and verification bodies*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of BDO.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV AS Philippine Branch,

Gangwar, Vishal  Digitally signed by Gangwar, Vishal Date: 2026.04.13 18:10:37 +08'00'	Yun, Chang Rok  Digitally signed by Yun, Chang Rok Date: 2026.04.13 22:27:18 +09'00'
Vishal Gangwar Lead Verifier, Sustainability Services	Chang Rok Yun Assurance Reviewer, Sustainability Services
Justine Repalam (Verifier)	

13 April 2026

DNV AS Philippine Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>

Memberships in Associations ²⁻²⁸

ACI Philippines the Financial
Markets Association Inc.

Association of Bank Compliance
Officers Inc.

Association of Bank Remittance
Officers, Inc.

Association of Credit Executives
in the Tourism Industry Inc.

Association of Philippine
Correspondent Bank Officers, Inc.

Australia Philippines Business
Council Ltd.

Australian - New Zealand Chamber
of Commerce Philippines, Inc.

Bank Marketing Association
of the Philippines

Bank Security Management
Association of the Philippines
Incorporated

Bankers Association
of the Philippines

Bankers Institute
of the Philippines, Inc.

British Chamber of Commerce
of the Philippines, Inc.

Clearing Officers Club, Inc.

Contact Centers Association
of the Philippines Inc.

Credit Card Association
of the Philippines, Inc.

Dutch Chamber of Commerce
in the Philippines, Inc.

Employers Confederation
of the Philippines

Financial Executives Institute
of the Philippines

French Chamber of Commerce
in the Philippines - Le Club Inc.

Fund Managers Association
of the Philippines, Inc. (FMAP)

German-Philippine Chamber
of Commerce & Industry Inc.

Information Security Officers
Group (ISOG) Inc.

Information Systems Audit and
Control Association, Inc. (ISACA)

Institute of Internal Auditors
- Philippines, Inc.

International Monetary
Conference

Japanese Chamber of Commerce
and Industry of Cebu, Inc.

Korean Chamber of Commerce
Philippines (KCCP) Inc.

Makati Business Club Inc.

Malaysia Chamber of Commerce
and Industries Philippines, Inc.

Management Association
of the Philippines

Money Market Association
of the Philippines, Inc. (MART)

National Association of Securities
Broker Salesmen, Inc.

Nordic Chamber of Commerce
of the Philippines, Inc.

People Management Association
of the Philippines

Philippine Association of National
Advertisers, Inc.

Philippine Association of Stock
Transfer And Registry Agencies,
Inc.

Philippine Chamber of Commerce
& Industry, Inc.

Philippine Payments
Management, Inc.

Shareholders Association
of the Philippines, Inc.

Singapore Philippines
Association Inc.

Spanish Chamber of Commerce
in the Philippines

The American Chamber of
Commerce of the Philippines, Inc.
(AMCHAM Philippines)

The Canadian Chamber of
Commerce of the Philippines, Inc.

The Japanese Association
Manila Inc.

The Japanese Chamber
of Commerce and Industry
of the Philippines, Inc.

The Philippines-Japan Society, Inc.

Trust Officers Association
of the Philippines, Inc.

Sustainability and ESG Awards and Recognition

Top Community Centric Companies in Asia

*Asia Corporate Excellence &
Sustainability Awards (ACES) 2025*

Best Bank for ESG in the Philippines

*(2024–2025)
Euromoney Awards for
Excellence 2025*

BDO Private Bank: Best for Sustainability in the Philippines

*Euromoney Private
Banking Awards 2025*

Four Golden Arrows

*ASEAN Corporate Governance
Scorecard (ACGS)
2025 Golden Arrow Awards*

Platinum Awardee

(2010–2025)

Best Sustainability Team

*(2024–2025)
The Asset ESG Corporate
Awards 2025*

Best Advance in Responsible Finance

*Retail Banker International Asia
Trailblazer Awards 2025*

BDO Network Bank: Top-Rated Financial Institutions Worldwide (Social and Environmental Performance and Client Protection)

MicroFinanza Rating 2025

Renewable Energy Financing

*Programme Award – Philippines
Good Governance Award –
Philippines
ESGBusiness Awards 2025*

The only Philippine bank in the Top 50 Publicly-Listed Companies in ASEAN for Good Governance

ASEAN Capital Market Forum

BDO Foundation for Financial Inclusion Initiative of the Year – Philippines

*(2023–2025)
Asian Banking & Finance
Retail Banking Awards 2025*

BDO Unibank, Asian Excellence awardee

(2011–2025)

Best Investor Relations Company (Philippines) awardee

(2011–2025)

Best Corporate Communications awardee

(2014–2015, 2017–2025)

Asia's Best CSR Awardee

(2020–2025)

Sustainable Asia Awardee

(2020–2025)

Best Environmental Responsibility

*Corporate Governance Asia
15th Asian Excellence
Award 2025*

Corporate Information ²⁻³

COMPANY HEADQUARTERS

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INVESTOR AND SUSTAINABILITY INQUIRIES

BDO Unibank, Inc. welcomes inquiries from analysts, investors, and the financial community.

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The 2025 BDO Sustainability Report is produced by the Sustainability Office and can be viewed and downloaded online at www.bdo.com.ph/sustainability-report. The 2025 BDO Annual Report and the Financial Supplements can be viewed and downloaded online at www.bdo.com.ph/annual-report.

BDO Unibank is regulated by the Bangko Sentral ng Pilipinas.
<https://www.bsp.gov.ph>

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