



GRBANK

TRUSTED SINCE 1954



ANNUAL REPORT 2024

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Mission, Vision & Values



MISSION

To be the most trusted and preferred bank in the Philippines by delivering innovative products *“Where Service is Best”*, enriching our people with a sense of ownership and commitment, and optimizing share of our stockholders.



VISION

As a responsive and ethical banking institution which values integrity, good governance and professional excellence, we are committed to our customers and fully accountable to our shareholders, partners and employees by delivering optimal results with transparent and efficient management systems.

We are a bank known for its outstanding support and commitment to MSMEs (micro, small and medium enterprises), nurturing and transforming them into viable and competitive business entities.

At the heart of this endeavor is our desire to see the lives of those we serve more enriched and capable of contributing to the success of our country, thereby improving the lives of every Filipino.



VALUES

- S** – Stability
- P** – Professionalism
- I** – Integrity
- R** – Responsiveness
- I** – Innovativeness
- T** – Transparency

CORPORATE PROFILE

In 1954, a group of 14 determined and strong-minded professionals and businessmen from Guagua, Lubao and Sta. Rita led by Mr. Esteban G. Lapid, Dr. Felix M. Coronel and Mr. Jose L. Carlos, Sr. pooled their resources to put up Guagua Rural Bank, Inc., now known as GRBank. It was AMONG THE FIRST TEN RURAL BANKS to be opened in the Philippines when the Bangko Sentral ng Pilipinas (then Central Bank of the Philippines) granted its Certificate of Authority on May 8, 1954. Our founders handed down to us the values of prudence, integrity, and commitment to rural development, thus with 70 years of existence, we aim to be a bank of value, not just a bank of success. Such values have proven their worth as we steadily grow in strength and stability.

Now, GRBank is among the country's largest banks in its category, a private solo bank, and ranks as the no.5 largest rural bank in the country (in terms of total assets*). It is an active and bona-fide member of the Rural Bankers Association of the Philippines, Confederation of Central Luzon Rural Banks (CCLRB), Pampanga Federation of Rural Banks (PFRB), and Pampanga Chamber of Commerce (PamCham). It is a certified partner of DA-ACPC, Philippine Guaranty Corp., Home Guaranty Corp., DBP and LBP. It is also a member of the Philippine Deposit Insurance Corporation (PDIC) and the Philippine Clearing House Corporation (PCHC), Philippine Payments Management, Inc. (PPMI) and PesoNet.

GRBank provides a wide variety of products and services. It has lending services (corporate, consumer loans, agriculture, and MSMEs) that provides fast processing, flexible terms and affordable interest rates. It offers a variety of deposit products – savings, current, special savings, dollar savings and basic savings deposit accounts. Aside from deposits and loans, the bank continues its advocacy of supporting the local MSMEs by providing a one-stop-shop facility by offering other services under GerBilis – fund transfers, remittance, utility bills payments and ATM/POS withdrawals. GRBank is known for its image of friendly and caring aimed to provide personalized service to its clients. It is likewise active in social media using GRBank Facebook Page and its website, www.grbank.com.ph, which aim to provide more information about the bank. All 25 branches, located all over Central Luzon, with one in Quezon City, are well equipped to achieve operational efficiency in the delivery of its services. With the Vision to become the most preferred rural bank in the Philippines, GRBank continues to innovate and reach out to the underserved communities of the country.

During its 60th year, the bank launched its “Empowering MSMEs, Enriching Pinoy Lives” Program that aims to provide opportunities to micro-small-medium entrepreneurs. This program is also in line with the government's call of bringing development to the countryside and achieving financial inclusion initiatives as well. GRBank's MSME Program is a total package that includes financial literacy seminars, handled by the GRBank Academy, and offering credit facilities to micro, small and medium entrepreneurs, including farmers and fisherfolks, making sure they become competent businessmen.

GRBank's core management is known to be one of the well-organized among rural banking institutions in the country today. The bank's Board of Directors is composed of professionals with extensive experience and expertise in various fields – banking, accounting, finance, law, education, business, and marketing. Assisting the GRBank's Board and management on its day to day operations are its highly qualified and competent officers and staff who are treated as “family” and are guided by these corporate concerns:

- Integrity
- Optimum financial Returns
- Stability over Profitability

* as per BSP website 9.30.2024

FINANCIAL HIGHLIGHTS

| | As of December 31, | |
|---|--------------------|------------------|
| | 2024 | 2023 |
| Profitability | | |
| Total Net Interest Income | 436,838,025.00 | 465,515,118.52 |
| Total Non-Interest Income | 61,005,918.36 | 65,209,930.84 |
| Total Non-Interest Expenses | 209,292,519.71 | 248,366,463.77 |
| Pre-provision profit | 278,993,593.26 | 282,358,585.59 |
| Allowance for credit losses | 596,032,748.02 | 579,226,368.86 |
| Net Income | 242,524,115.63 | 263,259,731.99 |
| Selected Balance Sheet Data | | |
| Liquid Assets | 3,052,478,785.79 | 2,139,926,429.96 |
| Gross Loans | 5,910,368,805.55 | 6,193,727,271.46 |
| Total Assets | 8,668,640,699.94 | 8,134,235,508.72 |
| Deposits | 6,674,032,352.49 | 6,358,723,244.04 |
| Total Equity | 1,777,520,655.71 | 1,535,250,803.23 |
| Selected Ratios | | |
| Return on Equity | 14.64% | 18.65% |
| Return on assets | 2.89% | 3.35% |
| Capital Adequacy Ratio | 24.39% | 21.78% |
| Capital Structure and Capital Adequacy | | |
| Tier 1 capital and a breakdown of its components | | |
| Paid up common stock | 855,221,600.00 | 855,221,600.00 |
| Retained Earnings | 922,129,308.39 | 679,966,150.01 |
| Cumulative foreign currency transaction | 169,747.32 | 90,053.01 |
| Total Tier 1 Capital | 1,777,520,655.71 | 1,535,250,803.24 |
| Tier 1 Capital Adequacy Ratio | 23.69% | 21.03% |
| Tier 2 capital and a breakdown of its components | | |
| General Loan Loss Provision | 52,726,416.82 | 54,791,495.27 |
| Deduction from Tier 1(50%) | - | - |
| Deduction from Tier 2(50%) capital | - | - |
| Total Tier 2 Capital | 52,726,416.82 | 54,791,495.27 |
| Total Qualifying Capital | 1,830,247,072.53 | 1,590,042,298.51 |
| Capital Requirements for credit risk | 596,032,748.02 | 579,226,368.76 |
| Capital Requirements for operational risk | | |
| Credit Risk-Weighted Assets | 6,837,834,996.24 | 6,160,601,178.33 |
| Operational Risk-Weighted Assets | 666,772,580.68 | 579,873,726.98 |
| Market Risk-Weighted Assets | - | - |
| Total Risk-Weighted Assets | 7,504,607,576.92 | 6,740,474,905.31 |
| Others | | |
| Cash Dividends Declared | - | - |
| Headcount | | |
| Officers | 70 | 62 |
| Staff | 85 | 75 |

Message from the Chairman



Restituto C. Cruz
Chairman of the Board

Dear Valued Stakeholders,

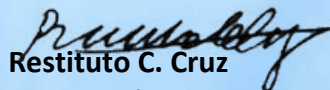
On behalf of the Board of Directors allow me to express my appreciation for the trust and confidence you have placed to Guagua Rural Bank. Your unwavering support drives us to continuously improve and strive for excellence in all aspects of bank operations.

The past year has been especially transformative as we focused on strengthening the Bank's commitment to serve its stakeholders. We have reinforced the Bank's Governance Framework ensuring compliance with banking regulations. Further, we have enhanced the Bank's internal control, fortifying its commitment to transparency and accountability in bank operations.

The achievements we have the past year is a testament to the adaptability and dedication of the Bank's Management team, officers and employees. Their relentless pursuit of excellence to provide the best services to its clients has enabled the Bank to navigate with confidence amidst a competitive banking environment and to continue to deliver sustainable positive results.

The Bank's Board of Directors firmly believe that the groundwork it has laid will further fuel the Bank's progress towards greater efficiency, resilience in serving the banking needs of its valued clients. Moving forward, Guagua Rural Bank will continue to be an Icon of Stability and a continuing Legacy of Strength to the banking community.

Sincerely,


Restituto C. Cruz
Chairman of the Board

Message from the President



Jose Antonio Blas L. Carlos
President/CEO

Dear Stakeholders,

As we reflect on the past year, I am filled with immense pride and gratitude for what we have accomplished together. The challenges we faced were significant, but they provided us with opportunities to demonstrate resilience, innovation, and our unwavering commitment to our mission.

This year's annual report highlights our collective achievements, milestones, and the steps we have taken to position our organization for sustainable growth. From strategic initiatives that propelled us forward to the extraordinary efforts of our team members who embraced our vision, every success story featured here is a testament to the dedication and talent within our organization.

Our financial performance remains robust, a reflection of sound strategic decisions and disciplined execution. Despite global uncertainties, we are proud to report a favorable growth in our total resources, achieving an increase of ₱534.41 million, bringing our total assets to an impressive ₱8.67 billion. This growth reflects our resilience and strategic efforts in navigating challenges while capitalizing on opportunities.

GRBank continues to demonstrate financial stability, maintaining an outstanding Capital Adequacy Ratio (CAR) of 24.39%, significantly above the regulatory threshold of 10%. This positions us to sustain long-term growth and withstand potential market volatilities.

Moreover, with a net income of ₱242.52 million, we have delivered a robust 14.64% Return on Equity (ROE), underscoring our commitment to driving value for our stakeholders through efficient operations and sound financial practices.

Looking ahead, the Philippine economy is projected to maintain a robust growth trajectory. The World Bank forecasts a GDP growth of 6.1% in 2025, driven by strong domestic demand and sustained public investment.

Inflation is expected to stabilize within the Bangko Sentral ng Pilipinas' target range, averaging around 3%, which should provide a conducive environment for economic activities.

In line with the favorable inflation outlook, the Bangko Sentral ng Pilipinas has been gradually easing monetary policy. Recent adjustments include a 25 basis point cut in the policy rate to 5.75%, with further reductions anticipated, potentially bringing the rate down to 5.00% by September 2025.

This monetary easing is expected to lower borrowing costs, stimulate investment, and support economic expansion.

The banking industry stands to benefit from these developments, with lower interest rates likely to boost lending activities and enhance profitability. Our strong financial position, characterized by high CAR and ROE, ensures that we are well-prepared to leverage these opportunities, provide competitive borrowing costs to our clients, and contribute to the nation's economic growth.

As we navigate this dynamic economic landscape, we remain committed to delivering innovative and inclusive financial services, reinforcing our role as a trusted partner in our clients' financial success, and contributing positively to the broader economy.

Beyond financial success, we are proud of the strides we've made in corporate social responsibility. This year, we actively participated in community engagement programs, provided disaster relief to calamity victims, enhanced healthcare access through medical and dental missions, and promoted wellness initiatives, reinforcing our commitment to social impact and sustainable growth.

As we look ahead, our journey remains deeply rooted in our vision—to be the most trusted and preferred bank in the country by delivering innovative products where service is best. More than just a goal, this vision is a promise to our customers, our employees, and our stakeholders. The road ahead holds new opportunities and challenges, but with the same passion, commitment, and unwavering dedication, we are ready to embrace them.

We will continue to listen, innovate, and grow—not just as a financial institution, but as a partner in our customers' success. We take pride in fostering a culture where our people feel a true sense of ownership and purpose, ensuring that every interaction reflects our commitment to excellence, integrity, and service.

Together, we are building a future where banking is more than transactions—it's about relationships, trust, and making a real difference in the lives of those we serve.

To our team members, your dedication and excellence fuel our success, and I am deeply grateful for your contributions. To our partners and stakeholders, thank you for your trust and support. Together, we will continue to build on this year's achievements and create a future defined by growth, impact, and shared success.

Let us move forward with confidence, inspired by what we have achieved and motivated by what lies ahead.

With warm regards, \



Jose Antonio Blas L. Carlos
President & CEO

2024 OPERATIONAL HIGHLIGHTS



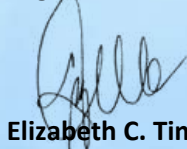
Elizabeth Carlos-Timbol
SEVP/COO

As GRBank navigated through 2024, we remained steadfast in our commitment to operational excellence, innovation, and community empowerment. Our journey this year has been one of resilience, adaptability, and forward-thinking, ensuring that we continue to serve our customers, employees, and stakeholders with the highest level of integrity and dedication.

Amidst an ever-evolving financial landscape, we embraced change as an opportunity for growth. From enhancing digital transformation and strengthening security measures to expanding financial inclusion and fostering social responsibility, every initiative we undertook was driven by our unwavering purpose—to be the most trusted and preferred bank in the country.

This year, our teams have worked tirelessly to refine processes, improve customer experiences, and contribute to the communities we serve. Whether through innovative banking solutions, strategic partnerships, or community engagement, we have strengthened our foundation to create a more efficient, secure, and people-centered banking environment.

The following highlights reflect the collective achievements of our departments, showcasing the significant progress we have made and setting the stage for an even brighter future.


Elizabeth C. Timbol
SEVP/COO

Business Development and IT: Embracing Digital Transformation

Business Development and Information Technology have been instrumental in driving growth and operational efficiency. The department played a key role in the onboarding of the Credit Information System (CIC), which is expected to enhance data management, streamline the credit evaluation process, and improve service delivery once accreditation is finalized. Additionally, the implementation of stringent user access and security protocols for the Core Banking System (CBS) ensured that banking operations remained secure and efficient.

The Data Protection and Cybersecurity Initiatives have fortified our defenses against evolving cyber threats. Through advanced threat detection, next-generation firewalls, and robust encryption protocols, we strengthened our cybersecurity posture, ensuring that sensitive information remains protected.

As we move into 2025, GRBank is set to accelerate its digital transformation with the launch of a mobile banking app, enhancing convenience through peer-to-peer transfers, bill payments, online account opening, and expanded digital support. Business Development and IT will continue to collaborate closely to drive sustained growth, strengthen security, and optimize operational efficiency, building a resilient and future-ready framework for the bank.

Lending Operations: Expanding Support and Financial Access

Despite economic volatility, GRBank continued to support businesses and entrepreneurs, facilitating P2.4 billion in new loan releases, averaging P202 million per month. Enhancements in credit evaluation and underwriting, guided by our Chairman of the Board, led to the introduction of an improved loan recommendation and approval process, ensuring compliance with regulatory standards while minimizing risks.

We expanded our reach through collaborations, including partnerships with ACPC, Agrilever, and BioPrime, benefiting 8,000 farmers under the Palay Farmers Yield Increase Program. Our accreditation with Philippine Guarantee and Home Guarantee for SME and housing loans continued to progress, ensuring broader financial access. Sustainable lending initiatives were also introduced, focusing on financing solar panel installations, promoting environmental responsibility alongside economic growth.



Grace C. Glorioso
Senior Vice President

Our ongoing collaboration with Credit Bureau and TransUnion continues to enhance our credit evaluation procedures, while we finalize our accreditation with CIC to further streamline financial operations. Looking ahead, we remain committed to further research, product development, and refining our loan offerings to support economic recovery and resilience.

Branch Banking: Service Excellence through Strategic Initiatives

In 2024, the Branch Banking Group (BBG) played a crucial role in advancing GRBank's operational goals, driving growth, efficiency, and service excellence through strategic initiatives and teamwork.

By year-end, total deposits reached ₱6.674 billion, achieving 90% of the target, while service fees rose to ₱11.7 million, a 25% increase from the previous year—reflecting BBG's commitment to growth and financial strength. To further enhance our services, GRBank launched the Manager's Check in the latter part of 2024, providing businesses and individuals with a secure and convenient transaction option. This addition reinforces our dedication to comprehensive banking solutions and exceptional customer service.

Key operational enhancements included branch reorganization into clusters, the appointment of a new Group Head, and continuous staff training, ensuring a skilled and efficient workforce. To uphold regulatory integrity, BBG implemented proactive compliance measures, including structured follow-ups and seminars, reinforcing adherence to high standards.

BBG strengthened community engagement through initiatives like GRBank's Piso Swap and financial literacy campaigns, reinforcing its role as a trusted financial partner. In line with our commitment to compliance and customer service, BBG facilitated GRBank's participation in the Bangko Sentral ng Pilipinas' (BSP) Piso Caravan Program through the establishment of the GRBank Piso Swap initiative. This partnership established GRBank as an official BSP Currency Exchange Center, allowing customers and non-customers to swap unfit currency for usable notes and coins. By supporting BSP's efforts, GRBank promotes financial inclusion, literacy, and awareness of clean currency, reinforcing integrity, compliance, and accessibility in banking.

Looking ahead to 2025, BBG will drive GRBank's digital transformation by enhancing mobile banking services, improving accessibility, security, and customer convenience. With a focus on innovation, operational excellence, and customer engagement, BBG is committed to driving sustained success for GRBank in the years ahead.

Accounting and Finance: Strengthening Financial Stability

The Accounting and Finance Group remained the backbone of GRBank's financial health, ensuring sound financial management and reporting. A significant milestone was the annual meeting of all Branch Accountants in November, fostering learning and reinforcing excellence in financial operations. Additionally, the team was honored as the Gold Awardee for 2023, recognizing outstanding performance and commitment to financial transparency and excellence.

The group celebrated its success with a team-building trip to Las Casas Filipinas de Acuzar in Bagac, Bataan, strengthening team cohesion and reflecting on their collective achievements. As we move forward, the Accounting and Finance Group remains dedicated to innovation, integrity, and delivering exceptional value to stakeholders.

Audit, Risk, and Compliance: Strengthening Governance and Operational Resilience

GRBank's Audit, Risk, and Compliance Unit achieved significant milestones in 2024. The Internal Audit Department successfully implemented an enhanced risk-based audit methodology, ensuring compliance with internal controls and completing 62% of the annual audit plan, with continued efforts to reach 100% coverage in 2025. The team strengthened audit follow-ups and resolution tracking, ensuring issues identified during audits were properly addressed.

The Compliance Division maintained rigorous adherence to corporate governance policies and regulatory requirements. Key achievements included the successful implementation of enhanced Anti-Money Laundering (AML) compliance measures, strengthened whistleblowing mechanisms, and an effective monitoring system for regulatory compliance across all branches.

On the Risk Management front, the bank improved credit risk monitoring, particularly focusing on the allowance for credit losses to mitigate financial exposures. Operational risk management enhancements were initiated, focusing on Risk and Control Self-Assessment (RCSA) and Key Risk Indicators (KRIs) to proactively manage and reduce risk exposure.

Human Resources: Fostering Employee Engagement and Growth

2024 marked GRBank's 70th Anniversary, a milestone celebrating decades of service and dedication. The Human Resources team played a crucial role in fostering a positive workplace culture, ensuring a full manpower complement to support our growing operations. Employee engagement was strengthened through various activities, including a company outing, team-building programs, and cultural celebrations such as the Halloween event and Christmas Party themed around Philippine Festivals.

To enhance professional growth, HR conducted extensive training programs, surpassing 250% of the annual target through a combination of internal and external seminars, equipping employees with the necessary skills to excel in their roles.

The commitment to employee well-being and engagement will continue in 2025, ensuring that GRBank remains a workplace of choice where employees thrive and contribute meaningfully to the organization's success.

Corporate Social Responsibility: Enriching Communities

Our dedication to social responsibility was evident in our wide-ranging initiatives. GRBank actively participated in community engagement programs, including fiesta celebrations, symbolizing our commitment to cultural preservation. In response to calamities, we extended relief efforts to victims in the Bicol region, providing essential supplies to aid recovery.

Our Healthier Community Initiative focused on children's welfare, in collaboration with nephrology doctors, providing food and sandals to children in need. Additionally, during Rural Banking Consciousness Week, we co-hosted a medical and dental mission in Lambac, delivering critical healthcare services to underserved communities. A Zumba for Wellness event further promoted physical health and camaraderie within the community.

Every act of service affirms our mission of strengthening communities. We will continue to support disaster relief, healthcare access, and cultural initiatives, making a meaningful difference in the lives of those we serve.

Looking Ahead: A Future of Growth and Innovation

As we close the chapter on 2024, GRBank remains committed to innovation, operational excellence, and community engagement. With a strong foundation built on security, efficiency, and inclusivity, we look forward to furthering financial accessibility, enhancing digital transformation, and strengthening partnerships to support individuals, businesses, and communities alike.

Together, we move forward—driven by purpose, guided by integrity, and committed to a future of sustainable growth and shared success.

RISK MANAGEMENT

At GRBank, we recognize that achieving our strategic objectives involves navigating a spectrum of risks. Effective risk management goes beyond mitigating threats—it is a powerful driver of value creation, leveraging uncertainty and opportunity to strengthen our competitive position. Our approach is shaped by both external factors influencing our operational environment and our internal processes, policies, and culture.

The Board of Directors remains fully committed to aligning with regulatory standards and fostering robust risk management systems that support the Bank's safe and sound operations, safeguarding the interests of all stakeholders.

Overall Risk Management Culture and Philosophy

The Bank's risk management framework is underpinned by principles and directives issued by regulatory authorities. These serve as guiding tools for identifying, mitigating, and managing risks inherent to our strategic initiatives. We have established comprehensive internal policies, approved by the Board, to address key risk areas, including operational, credit, and liquidity risks.

Regular training programs and seminars ensure that all employees are equipped to identify and respond to potential risks effectively. Our commitment to integrity, transparency, and prudence is deeply ingrained in daily operations, fostering a culture that enhances opportunities, reduces threats, and reinforces our competitive advantage.

Risk Appetite and Strategy

The Bank's risk appetite is integral to its risk management framework, encompassing mechanisms for identifying, assessing, monitoring, and mitigating risks. A key element of this strategy is the ongoing evaluation of the Bank's risk profile against its risk appetite, ensuring that resources are allocated effectively to manage exposures.

The Bank's Risk Appetite Statement defines the levels of risk the Bank is willing to accept:

1. No Appetite:

The Bank does not accept risks that could:

- Compromise service continuity or long-term profitability
- Negatively impact stakeholder trust or the Bank's reputation
- Lead to significant regulatory non-compliance, fraud, or major system breakdowns

Robust controls are in place to ensure such risks are avoided.

2. Low Risk Appetite:

The Bank accepts minimal risk in situations where potential downsides outweigh rewards. This includes scenarios that could result in operational disruptions, cost increases, or low-impact incidents.

3. Moderate Risk Appetite:

The Bank is open to moderate risks that are carefully evaluated and deemed manageable, with low potential for adverse impacts on operations, profitability, or reputation.

4. High Risk Appetite:

The Bank is willing to accept elevated risks in pursuit of substantial returns, provided these risks are actively monitored and managed to prevent significant negative impacts on operations, profitability, or reputation.

By clearly defining our risk appetite, we enable informed decision-making and proactive management of risk exposures, ensuring alignment with our strategic objectives and sustained operational resilience.

The table below shows the significant risk areas of the bank and its corresponding level of appetite:

| Areas of Risk | Appetite Score | Level of Appetite |
|--------------------------------|----------------|------------------------|
| OPERATIONAL | | |
| Information Technology | 2 | Low Risk Appetite |
| Cybersecurity | 2 | Low Risk Appetite |
| Operational Fraud | 2 | Low Risk Appetite |
| Physical Security | 2 | Low Risk Appetite |
| Internal Control | 2 | Low Risk Appetite |
| Data Privacy | 2 | Low Risk Appetite |
| AML Compliance | 2 | Low Risk Appetite |
| Reputational | 2 | Low Risk Appetite |
| Succession | 2 | Low Risk Appetite |
| People, Culture and Competency | 2 | Low Risk Appetite |
| CREDIT | 3 | Moderate Risk Appetite |
| FINANCIAL | | |
| Market/Interest | 3 | Moderate Risk Appetite |
| Liquidity | 3 | Moderate Risk Appetite |
| GOVERNANCE | 2 | Low Risk Appetite |
| STRATEGIC | 3 | Moderate Risk Appetite |
| REGULATORY | 2 | Low Risk Appetite |

The Bank recognizes that achieving its strategic objectives requires a measured approach to risk-taking. While we are willing to accept, in certain circumstances, risks that may lead to limited financial exposure, we are steadfast in safeguarding our reputation as a leading institution in the banking industry. We uphold a strict policy of zero tolerance for risks that could harm the safety of our employees, clients, or the public.

Strategic Risk Philosophy

Our risk philosophy is rooted in enhancing shareholder value by sustaining a competitive edge, managing risks effectively, and pursuing strategic growth opportunities with agility, skill, and confidence. The Bank's approach includes:

- Identifying current controls and evaluating their effectiveness to address root causes of risks and mitigate their consequences.
- Aligning principal risks with performance metrics and strategic objectives.
- Integrating risk assessments into the achievement of performance targets.

Enterprise Risk Management Framework

To operationalize this philosophy, the Board of Directors, through the Corporate Governance Committee, has implemented an Enterprise Risk Management (ERM) system. This structured and proactive framework ensures that all business risks are systematically identified, assessed, and managed. A critical element of our risk management environment is the Bank's adherence to high standards of ethics, business conduct, and core values.

Commitment to Stability and Excellence

The Bank is resolutely committed to maintaining a strong financial position, guided by its core values of integrity, transparency, and operational efficiency. In alignment with its vision of becoming the most trusted and preferred rural bank in the country, the Bank prioritizes stability over short-term profitability. Adequate capital ratios are maintained to ensure resilience, and both credit and liquidity risks are rigorously monitored to remain within Board-approved limits.

Policies and Strategic Alignment

The Bank's risk management policies and procedures are designed to strengthen internal controls and align with its long-term strategic map. These policies emphasize:

- Proactive monitoring and management of risks.
- Balancing growth objectives with sound financial discipline.
- Ensuring that the Bank's goals are achieved without compromising its reputation or financial stability.

By embedding these principles into its daily operations, the Bank not only mitigates potential risks but also positions itself as a leader in the banking sector, trusted by stakeholders and admired for its prudent and forward-thinking approach.

RISK GOVERNANCE STRUCTURE



To ensure safe and sound operations, the Bank has implemented a comprehensive risk governance structure. This framework entrusts the Board of Directors with the overarching responsibility for formulating and managing an effective risk management system. The Board conducts regular reviews of the entire risk management process and takes accountability for all risks undertaken.

Key committees, appointed by the Board, are tasked with specific oversight responsibilities to address the various risks inherent to the Bank's operations and ensure efficient resource allocation:

Audit & Compliance Committee:

·Responsible for safeguarding the Bank's assets by ensuring accurate financial reporting, assessing the adequacy and effectiveness of internal controls, supervising both the internal and external audit functions, and overseeing the Bank's risk and compliance activities. This committee also evaluates the internal audit, risk and compliance functions to maintain high governance standards.

Corporate Governance Committee:

·Assists the Board in fulfilling its responsibilities related to the nomination, remuneration, and election of directors including their continuing education. Part of the duties of the committee is to ensure that the DOSRI and RPT Policy is implemented accordingly.

Credit Committee:

Oversees credit risk management by approving credit-specific transactions and monitoring credit risk limits. This committee ensures the proper implementation of credit policies and procedures, working in tandem with the Management Credit Committee (Mgmt. Crecom).

Executive Committee (Execom):

Handles the Bank's day-to-day operations, including loan approvals within its authority. It monitors operational and financial risks, supported by the Management Committee (Mancom).

RISK MANAGEMENT PROCESS

The establishment of these committees and their designated duties has significantly enhanced the Bank's ability to manage risks effectively. Regular risk monitoring activities are conducted to detect deficiencies in policies, procedures, and processes promptly. Identified gaps are addressed through controls and corrective actions.

Each Bank unit performs self-assessments to identify and evaluate risks inherent in their activities, considering their frequency and potential impact. These assessments are reported to the Execom and the Board, enabling the Bank to adapt quickly to emerging risks and respond with agility. The Board has the ultimate responsibility for ensuring that risks are properly identified and mitigated.

While the Bank actively pursues business opportunities, it upholds prudent financial management practices. During the approval process for new products, activities, processes, or systems, the associated risks are carefully identified, assessed, and mitigated. This same rigorous approach is applied to expansion initiatives and IT infrastructure enhancements. The Bank may also utilize insurance policies to address potential losses arising from events such as third-party claims, employee or third-party fraud, and natural disasters.

AML GOVERNANCE AND CULTURE

The Bank is committed to combating money laundering and terrorist financing through its Manual on Money Laundering and Terrorist Financing Program. This program safeguards the integrity and confidentiality of customer accounts and ensures the Bank is not exploited for illicit activities.

Key components of the AML governance structure include:

- Branch Banking Group and Credit Group - These groups manage customer-facing activities and are responsible for implementing customer due diligence procedures, including risk profiling and monitoring transactions.
- Compliance Office - Ensures that covered or suspicious transactions are identified and reported in line with regulatory requirements.

CORPORATE GOVERNANCE

Corporate Governance Structure and Practices

The Bank's core management ranks among the most organized, committed, and stable in the country's rural banking sector. Recognizing that banking operations fundamentally rely on trust, the Bank diligently safeguards its goodwill and maintains strong relationships with the communities it serves. We believe our current standing reflects the trust and confidence we have earned in these communities.

By striking a balance between centralized and decentralized management, the Bank's top officers guide day-to-day operations effectively while upholding best practices in corporate governance. This holistic governance approach governs all relationships between the Bank and its shareholders, customers, employees, suppliers, regulators, and government institutions.

Guided by the Bank's Code of Conduct, the Board of Directors oversees the Bank's activities with utmost integrity and transparency. Its primary objectives include promoting good corporate governance, boosting public confidence, and ensuring that decisions are made in the best interests of the Bank rather than personal agendas. The Board regularly reviews and refines governance practices—conducting annual assessments and aligning with the latest regulatory requirements—to maintain high standards of accountability.

Selection Process for Board and Senior Management

At the start of 2024, the Bank underwent a reorganization that included appointing an additional independent director—bringing the total to three—and updating existing committee charters to meet BSP standards. Responsibility for selecting new directors and senior executives rests with the Board, delegated to the Corporate Governance Committee (CGC).

The CGC evaluates all candidates against the BSP's fit and proper rule as well as the Bank's own criteria for culture, integrity, experience, and professionalism. The Committee also verifies that nominees meet the qualifications under Sections 132 and 134 of the MORB and the Bank's Policy on Nominations and Qualifications of Directors. Successful candidates recommended by the CGC must then be approved by the Board.

During the Annual Stockholders' Meeting, director nominees are presented for election or re-election. Each elected director serves a one-year term or until the next election, reinforcing the Bank's commitment to accountability and excellence in leadership.

Board Composition



Chairperson of the Board

The Chairperson is a non-executive and independent director who does not engage in the Bank's daily operations but instead offers direction and leadership to the Board. He advises senior management on matters related to strategy and policy, risk and governance, fosters trust, and promotes a harmonious relationship among Board members and with management. The Chairperson encourages productive discussions that drive the Bank's growth and promotes continuous education and self-evaluation among directors.

In addition, the Chairperson ensures that the Board:

- Upholds sound governance practices.
- Receives accurate, timely, and relevant information.
- Exercises prudence in decision-making.
- Effectively implements the Bank's strategic plans.

Overall Board Responsibility:

1. Good Governance and Risk Management:

The Board is ultimately responsible for setting the tone of the Bank's culture of professionalism and integrity and for overseeing governance and risk management. This includes ensuring that risk appetites remain within established limits.

2. Strategic Direction and Goals:

It sets the Bank's overall strategies and goals, supervising proper implementation by senior management.

3. Regulatory Compliance:

The Board ensures the Bank fully complies with the rules and regulations set by oversight bodies and government institutions, including AMLA and its Implementing Rules and Regulations, thereby safeguarding all stakeholders' interests.

Each director occupies a position of trust and must remain fit and proper for the role throughout their term. They are expected to act judiciously, honestly, and in good faith, conduct business fairly, and devote sufficient time and attention to their responsibilities. Directors provide meaningful contributions and independent judgment in decision-making, stay updated on issues critical to the Bank, and maintain confidentiality at all times.

Independent and non-executive directors fulfill their duties through their respective committee charters. Notably, one independent director chairs the Audit & Compliance Committee, which is tasked with overseeing the internal audit, risk and compliance functions. Another independent director chairs the Corporate Governance Committee. These committees periodically meet without management present to address internal control and ensure safe and sound banking practices.

Board Meetings

An organizational meeting of the Board is held immediately after each Annual Stockholders' Meeting to elect officers and establish committees. The Board also holds regular monthly meetings, with special meetings called by the Chairperson, who provides reasonable notice to all Directors before convening.

| <u>BOARD OF DIRECTORS - 95%</u> | TOTAL | PRESENCE | % |
|---------------------------------|-------|----------|------|
| CHAIRMAN: | | | |
| RESTITUTO C. CRUZ* | 13 | 13 | 100% |
| MEMBERS: | | | |
| JOSE ANTONIO BLAS L. CARLOS | 13 | 13 | 100% |
| ELIZABETH C. TIMBOL | 13 | 13 | 100% |
| GRACE C. GLORIOSO | 13 | 13 | 100% |
| MICHAEL ANTHONY B. LAPID | 13 | 13 | 100% |
| ILUMINADA M. DIZON | 13 | 13 | 100% |
| WILLIAM D. DAR** | 11 | 11 | 100% |
| CARLOS S. CORONEL | 13 | 13 | 100% |
| EMILIO PHILIP L. CARLOS | 13 | 13 | 100% |
| ANGELO RAYMUNDO Q. VALENCIA*** | 2 | 1 | 50% |
| *from January 31, 2024 | | | |
| **from March 25, 2024 | | | |
| ***up to March 6, 2024 | | | |

Type of Directorship and number and percentage of shares held by Directors
(as of December 31, 2024)

| Name of Director | Position/Type of Directorship | No. of Years as Director (as of Dec. 31, 2024) | Total No. of Direct (D) and Indirect (ID) Shares | Percent to Total Outstanding Shares |
|-----------------------------|--|--|--|-------------------------------------|
| Restituto C. Cruz | Chairman/Independent Director | 11 months starting January 31, 2024 | 1 (D) | 0.00% |
| Emilio Philip L. Carlos | Chairperson/Non-Executive Director | 1 year and 8 months starting April 26, 2023 | 215 (D) | 0.00% |
| Jose Antonio Blas L. Carlos | President & CEO/Executive Director | 40 | 9,269 (D) | 0.11% |
| Elizabeth C. Timbol | Chief Operating Officer/Executive Director | 32 | 215 (D) | 0.00% |
| Grace C. Glorioso | Sr. Vice President/Executive Director | 28 | 215 (D) | 0.00% |
| Michael Anthony B. Lapid | Non-Executive Director | 8 | 199,035 (D) | 2.33% |
| Carlos S. Coronel | Non-Executive Director | 16 | 325 (D) | 0.00% |
| Iluminada M. Dizon | Independent Director | 2 years and 10 months starting Feb. 2022 | 9,049 (D) | 0.11% |
| William D. Dar | Independent Director | 9 months starting March 25, 2024 | 1 (D) | 0.00% |

BOARD OF DIRECTORS



Restituto C. Cruz

Chairperson of the Board
Independent Director
Filipino, 67 years old

Mr. Restituto C. Cruz was elected as an Independent Director of Guagua Rural Bank, Inc. on January 31, 2024, and currently serves as Chairman of the Board of Directors. With his extensive experience in the financial sector, he provides valuable insights that enhance the institution's governance and strategic direction.

Alongside his role at GRBank, Mr. Cruz also serves as an Independent Director of Philippine Payments Management, Inc.

His distinguished career spans both the private and public financial sectors. He began as a Staff Auditor at Sycip, Gorres, Velayo & Co. (SGV), where he spent two years refining his skills in financial auditing and regulatory compliance. He then transitioned to the Bangko Sentral ng Pilipinas (BSP), dedicating the majority of his corporate career to the institution. Rising through the ranks from Bank Examiner to Assistant Governor of the Supervision Sector, he played a pivotal role in regulatory oversight and financial supervision until his retirement.

A seasoned finance professional, Mr. Cruz holds a Bachelor of Science in Business Administration, majoring in Accounting, from the University of the East. A Certified Public Accountant, he further advanced his expertise by earning a Master's Degree in Business Administration from the Ateneo Graduate School of Business.

With his depth of experience in banking, finance, and regulatory compliance, Mr. Cruz continues to be a respected leader, contributing to GRBank's long-term stability and success.

Mr. Jose Antonio Blas L. Carlos has been the President & Chief Executive Officer of Guagua Rural Bank, Inc. since 2009. He has been a member of the Board of Directors since 1984 and currently serves as an Executive Director. Additionally, he chairs both the Executive Committee and the Board Credit Committee.

Beyond his leadership at GRBank, Mr. Carlos is the President and a Trustee of Sta. Rita College. He also served as President of the Confederation of Central Luzon Rural Banks (2018-2019) and remains an active member of the Provincial Federation of Rural Banks (PFRB) and the Rural Bankers Association of the Philippines (RBAP).

Mr. Carlos holds a Bachelor of Arts in Economics and a Master's degree from Ateneo de Manila University. A principled leader, he brings extensive expertise in business, banking, and finance, upholding the values of integrity and good governance within the board.

A staunch advocate of Financial Literacy, Mr. Carlos actively promotes financial education through GRBank's CSR Programs in partnership with GRBank Academy. His initiatives empower stakeholders with the knowledge and skills to make informed financial decisions.

Jose Antonio Blas L. Carlos

President & Chief Executive Officer
Executive Director
Filipino, 65 years old



BOARD OF DIRECTORS



Elizabeth C. Timbol

Sr. Executive Vice President/
Chief Operating Officer
Executive Director
Filipino, 54 years old

Ms. Elizabeth Carlos Timbol is a distinguished business leader, entrepreneur, and advocate for countryside development in the Philippines.

She has made significant contributions to the rural banking sector, holding key leadership positions:

- President of the Rural Bankers' Association of the Philippines (RBAP) (2020) – the first Kapampangan and first female to hold the position in the organization's nearly 70-year history. She led transformative initiatives in digitalization, capacity-building, and women empowerment for rural banks.
- Chairman of the Rural Bankers Research and Development Foundation (RBRDFI) (2021-2022) – introduced key reforms, including a generic manual to support smaller rural banks.
- Youngest-ever President of the Pampanga Federation of Rural Banks (PFRB) (1994-1995) and past President of the Confederation of Central Luzon Rural Banks (CCLRB) – strengthening the role of rural banks in economic development.
- Selected by Bangko Sentral ng Pilipinas (BSP) as a member of the Technical Working Group for the Rural Bank Strengthening Program, contributing to policies that fortify the rural banking sector.

Currently, she also serves as:

- President of the Metro Angeles Chamber of Commerce and Industry, Inc. (MACCII) since 2022 – leading efforts to support MSMEs, next-generation entrepreneurs, and economic development. Under her leadership, MACCII has been recognized as the Most Outstanding Chamber in Northern Luzon for three consecutive years (2022, 2023, and 2024).
- Advisor at Pampanga Agricultural State University – contributing to education, research, and community development.

She is a recognized awardee and speaker, having received prestigious accolades:

- Indigenous Crusader Award for her work with the Happy Katutubo Project.
- Governor's Award for Leadership upon serving as inspiring Rotary President (2018-2019).
- Hometown Heroes Award for her contributions to community development.
- Named one of 101 Entrepreneurs in Pampanga by the Department of Trade and Industry (DTI).
- Woman of the year Italian chamber of commerce
- Woman for countryside banking by embassy of Singapore
- Punto's One of five Business Icon of the Year (2023 & 2024)
- Profile Asia Awards: Excellence in Banking Leadership Award

She is also a strong advocate for education and leadership development. She earned her Master of Business Administration (MBA) from the Ateneo Graduate School of Business (AGSB) and was recognized as a "Hero Graduate," embodying the ideals of an Atenean. She was also the first President of the Ateneo Clark Alumni and Student Organization, fostering a network of professionals and leaders.

With 34 years track record of strategic leadership, financial inclusion, and banking community empowerment, Elizabeth Carlos Timbol continues to champion sustainable economic growth, especially in rural areas.

Ms. Grace C. Glorioso is an Executive Director and the Senior Vice President of Guagua Rural Bank, Inc. She was elected to the Board of Directors in January 1996. She is also a member of the Executive Committee and the Board Credit Committee.

Her profile paints a picture of someone highly accomplished in the banking and business sectors. Her leadership role at Guagua Rural Bank, Inc., along with her extensive experience in financial management, showcases her expertise. The fact that she has been with the organization since 1994, and a member of the BOD since 1996, speaks volume of her stability and commitment.

Her educational background, particularly graduating with honors from De La Salle University and earning recognition as one of the Ten Outstanding Students of the Philippines, along with earning MBA units at the Ateneo Business School further highlights her dedication and skill.

Her involvement in the Executive and Board Credit Committees at the bank also suggests that she's deeply engaged in strategic decision-making and oversight. In addition to her role at Guagua Rural Bank, her directorship at Fourteen Stars Realty adds another layer to her diverse professional portfolio.

It seems her proficiency in managing financial institutions and her wide-ranging experience has helped her provide valuable leadership and insight to the organizations she serves.

Grace C. Glorioso

Senior Vice President
Executive Director
Filipino, 50 years old



BOARD OF DIRECTORS



Mr. Michael Anthony B. Lapid has been a Non-Executive Director of Guagua Rural Bank, Inc. since February 2016, having previously served as a Director from 1994 to 1998. He is currently a member of the Board Credit Committee.

Beyond GRBank, Mr. Lapid is a Director of FMLapid and Sons, Inc. and formerly served as Executive Vice President of Bank of Florida (1998–2012).

Mr. Lapid holds a Bachelor of Science in Physics from Don Bosco College and a Diploma in Management from the College of Landau, Germany. He also earned a Master's Degree in Business Economics from the University of Asia and the Pacific, a Master's in Theology from Divine Word, and a Doctorate in Educational Leadership and Management from De La Salle University (2021).

With extensive leadership experience, Mr. Lapid brings valuable expertise in risk management, lending policies, and financial decision-making, contributing to GRBank's strategic direction and governance.

Michael Anthony B. Lapid

Non-Executive Director
Filipino, 62 years old

Mr. Carlos S. Coronel has been a Non-Executive Director of Guagua Rural Bank, Inc. since January 2008 and is an active member of the Board Credit Committee.

Beyond his role at GRBank, Mr. Coronel serves as a Director in multiple corporations, including Allied Concrete Products, Inc., Majestic Shipping Corporation, Corsan Realty Corporation, Kapalaran Realty Development, Inc., and Moikel Realty Corporation.

He holds a Bachelor of Science in Management from Ateneo de Manila University. With extensive leadership experience across various industries, Mr. Coronel brings valuable business acumen and strategic insights to the Board, helping drive informed decision-making and sustainable growth.



Carlos S. Coronel

Non-Executive Director
Filipino, 55 years old

BOARD OF DIRECTORS



Emilio Philip L. Carlos

Non-Executive Director
Filipino, 58 years old

Mr. Emilio Philip L. Carlos has been a Non-Executive Director of Guagua Rural Bank, Inc. since April 26, 2023 and serves as a member of the Audit & Compliance Committee and the Corporate Governance Committee.

In addition to his role at GRBank, he is a Director of Hotel Euroasia, a Trustee of Sta. Rita College of Pampanga, and the proprietor of Jap Building.

Mr. Carlos holds a Bachelor of Science in Mechanical Engineering from De La Salle University. His strong analytical and problem-solving skills enable him to effectively assess risks, strengthen internal controls, and enhance corporate governance practices, contributing to the bank's long-term stability and growth.

Ms. Iluminada M. Dizon has been an Independent Director of Guagua Rural Bank, Inc. since February 2, 2022. With over 40 years of experience in the banking industry, primarily with GRBank, she previously served as Chief Finance Officer until her retirement in 2018. She currently chairs the Audit & Compliance Committee and is a member of the Corporate Governance Committee.

A Certified Public Accountant, Ms. Dizon graduated Cum Laude from the University of the East, Manila.

In addition to her role at GRBank, she serves as Chairman of the Board of Trustees of the Bacolor Water District.

Her extensive banking expertise provides valuable insights to the Board, strengthening the bank's financial oversight, compliance, and governance practices.



Iluminada M. Dizon

Independent Director
Filipino, 76 years old

BOARD OF DIRECTORS

Dr. William D. Dar was elected as an Independent Director of Guagua Rural Bank, Inc. on March 25, 2024. He currently serves as Chairman of the Corporate Governance Committee (CGC) and a member of the Audit and Compliance Committee (ACC). With a distinguished career in agriculture, governance, and public policy, he brings invaluable expertise to the board.

A licensed Agriculturist, Dr. Dar is an Adviser for Prasad Seeds Philippines, Inc. and Go Negosyo's Kapatid Angat Lahat Agri Program, where he actively supports agribusiness and entrepreneurship. His leadership spans both the public and private sectors, having served as Director General of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) in India, Strategic Adviser and Country Representative at Prasad Seeds Philippines, Inc., Founding Director of the Department of Agriculture - Bureau of Agricultural Research (DA-BAR), and Executive Director of the DOST-Philippine Council for Agriculture, Forestry, and Natural Resources Research and Development (PCARRD). He also held key government roles as Secretary of the Department of Agriculture, Ex-Officio Non-Executive Director of Land Bank of the Philippines (LBP), and Chairman of the Agricultural Credit Policy Council (ACPC), where he played a pivotal role in advancing agricultural policies and financial strategies.

Dr. Dar holds a Doctor of Philosophy in Horticulture from the University of the Philippines Los Baños (UPLB), a Master of Science in Agronomy, and a Bachelor of Science in Agricultural Education from Benguet State University. His deep expertise in agricultural policy, corporate governance, and financial oversight continues to make him a respected leader in both the public and private sectors, contributing to GRBank's long-term growth and strategic direction.

Dr. William D. Dar

Independent Director

Filipino, 71 years old



Atty. Daryl G. Liangco was appointed as Corporate Secretary of the Board on February 2, 2022. Prior to this role, he served as GRBank's Legal Counsel and Consultant. A lawyer and a Certified Public Accountant, he brings a strong foundation in both law and finance to the institution.

Currently, Atty. Liangco is a part-time faculty member at Mary the Queen College (Pamp.), Inc. and Don Honorio Ventura State University. He is also a Director and member of the Integrated Bar of the Philippines - Pampanga Chapter. His extensive academic experience includes previous teaching positions at the University of the Assumption, Colegio de Sebastian, Guagua National Colleges, Holy Cross College, and Guagua Community College.

Beyond academia, he has held key positions in various organizations, including JBL Memorial Regional Hospital, the Commission on Appointments, the Coop Center for Development Foundation, Inc., and Molo Sia Velasco Tuazon & Ty Law Offices, where he worked as a Junior Associate. His experience also includes leadership roles in the Cooperative Bank of Pampanga, where he served as Department Manager, Account Officer, and Administrative Assistant.

Atty. Liangco earned his Bachelor of Arts in Psychology from the University of the Philippines - Extension Program in San Fernando, his Bachelor of Laws from San Beda College, Mendiola, and his Bachelor of Science in Accountancy from the University of the Assumption, Pampanga.

His extensive expertise in law, finance, and education makes him a vital asset to GRBank's leadership, ensuring strong corporate governance and legal oversight.

Atty. Daryl G. Liangco

Corporate Secretary

Filipino, 44 years old



Board Committees

The Board has established four committees to facilitate efficient decision-making and oversight, each focused on specific issues requiring specialized expertise. Operating under clearly defined charters, these committees report directly to the Board. Committee members have held office since their election on January 31, 2024, and will continue to serve until their successors are elected and qualified.

Executive Committee

Comprised of three executive directors appointed by the Board, the Executive Committee oversees the Bank's overarching risk management policies and procedures. It also evaluates policy proposals from various management or sub-committees and recommends them for Board approval. Among its primary responsibilities:

- Executing and Monitoring Strategic Plans: Implements the Bank's strategic initiatives and ensures progress is tracked effectively.
- Loan Approvals: Authorizes loan applications up to PHP 2 million for business loans and up to PHP 3 million for housing loans.
- Risk Management: Assists the Board in managing operational, liquidity, market, strategic, IT, and reputational risks.

The Bank President presides as the Chair of this committee, guiding its activities and ensuring alignment with the Bank's overall objectives. In 2024, the Execom had 35 meetings.

| <u>EXECUTIVE COMMITTEE - 100%</u> | TOTAL | PRESENCE | % |
|-----------------------------------|-------|----------|------|
| CHAIRMAN: | | | |
| JOSE ANTONIO BLAS L. CARLOS | 35 | 35 | 100% |
| MEMBERS: | | | |
| ELIZABETH C. TIMBOL | 35 | 35 | 100% |
| GRACE C. GLORIOSO | 35 | 35 | 100% |



Audit and Compliance Committee

The Audit and Compliance Committee (ACC), composed of two independent and one non-executive director (with an independent director as Chair), safeguards the Bank's assets by ensuring accurate financial reporting, assessing the adequacy and effectiveness of internal controls, supervising both the internal and external audit functions, and overseeing the Bank's risk and compliance activities. It also verifies the prompt execution of corrective actions, investigates significant issues as they arise, and maintains a whistleblowing mechanism to promote integrity and transparency. Through these measures, the ACC fosters a culture of accountability and prudent governance across the Bank. The committee conducted 16 meetings in 2024. Ms. Diana C. Cruz was replaced by Mr. Emilio Philip L. Carlos, and upon Atty. Angelo Valencia's resignation, he was replaced by Dr. William D. Dar.

| <u>AUDIT & COMPLIANCE COMMITTEE - 100%</u> | TOTAL | PRESENCE | % |
|--|-------|----------|------|
| CHAIRPERSON: | | | |
| ILUMINADA M. DIZON | 16 | 16 | 100% |
| MEMBERS: | | | |
| ANGELO RAYMUNDO Q. VALENCIA* | 5 | 5 | 100% |
| DIANA C. CRUZ** | 4 | 4 | 100% |
| EMILIO PHILIP L. CARLOS*** | 12 | 12 | 100% |
| WILLIAM D. DAR**** | 10 | 10 | 100% |
| *up to March 6, 2024 | | | |
| **up to Jan. 30, 2024 | | | |
| ***from Jan. 31, 2024 | | | |
| ****from March 25, 2024 | | | |



Corporate Governance Committee

The Corporate Governance Committee consists of three non-executive directors, including two independent directors—one of whom serves as Chair. The Committee oversees nomination, election, remuneration, evaluation, and continuing education for both the Board and senior management, while also overseeing DOSRI and RPT matters. In 2024, the Committee convened 15 times. Atty. Angelo Valencia was replaced by Dr. William D. Dar from March 25, 2024 to December 2024 as Chairman of the committee.

| CORPORATE GOVERNANCE COMMITTEE - 100% | TOTAL | PRESENCE | % |
|---------------------------------------|-------|----------|------|
| CHAIRMAN: | | | |
| ANGELO RAYMUNDO Q. VALENCIA* | 5 | 5 | 100% |
| WILLIAM D. DAR** | 10 | 10 | 100% |
| MEMBERS: | | | |
| ILUMINADA M. DIZON | 15 | 15 | 100% |
| EMILIO PHILIP L. CARLOS | 15 | 15 | 100% |
| * up to March 6, 2024 | | | |
| **from March 25, 2024 | | | |



Credit Committee

The Board Credit Committee, comprising five directors (three executive and two non-executive), oversees loan applications exceeding PHP 2 million. This Committee proposes credit policies to the Board, approves loans in accordance with the Bank's credit risk policies and procedures, and monitors credit exposure limits, including SBL and large exposures. In 2024, the Bank conducted 36 regular committee meetings.

| BOARD CREDIT COMMITTEE - 98% | TOTAL | PRESENCE | % |
|------------------------------|-------|----------|------|
| CHAIRMAN: | | | |
| JOSE ANTONIO BLAS L. CARLOS | 36 | 36 | 100% |
| MEMBERS: | | | |
| ELIZABETH C. TIMBOL | 36 | 36 | 100% |
| GRACE C. GLORIOSO | 36 | 36 | 100% |
| MICHAEL ANTHONY B. LAPID | 36 | 36 | 100% |
| CARLOS S. CORONEL | 36 | 32 | 89% |



KEY OFFICERS



Name: Luzviminda P. Dungca
Position: Vice President-Credit
Years in Service: 19 years
Citizenship: Filipino
Education: BSBA-Accounting, Cum Laude
 Angeles University Foundation



Name: Rod Byron P. Ladea, CPA, MBA
Position: Acting Compliance Officer
Years in Service: 12 years
Citizenship: Filipino
Education: BS-Accountancy, Gordon College; Masters Business Admin (MBA), President Ramon Magsaysay State University



Name: Ryan B. Muñoz, CPA
Position: Acting Internal Audit Head
Years in Service: 12 years
Citizenship: Filipino
Education: BS-Accountancy, Tarlac State University



Name: Rosalina R. Aguilar
Position: Sr. Asst. Vice President-Finance
Years in Service: 45 years
Citizenship: Filipino
Education: BSBA-Accounting, University of the East



Name: Jenifer G. Cayanan
Position: Asst. Vice President II-Accounting
Years in Service: 30 years
Citizenship: Filipino
Education: BS-Accounting, Guagua National Colleges



Name: Gianna Maria I. Arceo
Position: Acting Vice President - Support Services Dept.
Years in Service: 30 years
Citizenship: Filipino
Education: BS-Computer Science, De La Salle University; Chartered Business Administrator (CBA), Chartered Association of Business Administrators, Canada



Name: Myrha E. Rodriguez
Position: Head, Product Management
Years in Service: 31 years
Citizenship: Filipino
Education: BS-Accounting, Guagua National Colleges



Name: Rebecca O. Dizon
Position: Head, Branch Banking
Years in Service: 16 years
Citizenship: Filipino
Education: BSBA-major in Marketing, Angeles University Foundation



Name: Marilou S. Mungcal
Position: Head, Admin and Property Management
Years in Service: 30 years
Citizenship: Filipino
Education: AB Mass Communication, Angeles University Foundation



Name: Garry G. Alfonso
Position: Head, Business Development
Years in Service: 29 years
Citizenship: Filipino
Education: BSBA-major in Accountancy, Holy Angel University

Enhanced Performance Assessment of the Board and Senior Management

Commitment to Governance Excellence

The Board is committed to upholding best practices in corporate governance to fulfill its fiduciary role to the Bank. Fundamental to strong governance is the practice of conducting an annual Board evaluation. This evaluation fosters an open and candid assessment of the Board's performance, promotes collaboration among members, enhances the efficiency of Board operations, and strengthens the Board's effectiveness as a governing body.

Performance Evaluation Framework

The Corporate Governance Committee (CGC) is responsible for evaluating each Director's performance. Additionally, the Board undertakes an annual performance review of its Independent Directors to determine the renewal or extension of their term. Evaluations cover the Board's collective performance, committee effectiveness, and individual contributions, with findings reported in a formal Board meeting.

Evaluation Process

The performance evaluation is conducted annually in the last quarter, initiated by the Chairman of the Board and facilitated by a designated official, with support from the HR Department.

- **Board and Committee Assessments:** Each Board member evaluates the overall Board performance and committee effectiveness.
- **Independent Directors' Review:** The Board, excluding Independent Directors, assesses their contributions and effectiveness.
- **Senior Management Assessment:** The evaluation mirrors the Board assessment, ensuring that management committees fulfill their responsibilities effectively, make timely and informed decisions, and optimize bank resources.
- **Committee-Led Evaluations:** Each Board Committee member is responsible for assessing management committees and self-assessment functions under their jurisdiction.

Results Analysis and Action Planning:

- Evaluation results are compiled, analyzed, and presented to the CGC and the Board.
- Performance ratings (1-5 scale) guide corrective actions, with scores of 3 or below requiring targeted improvements.
- Findings inform governance improvements and policy refinements.
- Board Engagement and Participation
- Board members must maintain a minimum of 50% participation in Board meetings, with at least 25% physical attendance. Directors are expected to contribute strategic insights, safeguards, and controls to support the Bank's objectives.

Ongoing Orientation and Development

- The Bank prioritizes continuous education for Board members and senior management to remain informed about industry trends, regulations, and best practices.
- Onboarding and Orientation: New directors must complete a corporate governance seminar and an orientation on their roles and responsibilities.
- Training and Development: The HR Department curates an annual training roadmap, tracking relevant seminars for directors and senior management. For 2024, the Board, management and employees completed the courses on AML Fundamentals and Targeted Financial Sanctions conducted by the Anti-Money Laundering Council (AMLC), which the bank found to be most critical.
- Industry Engagement: Board members and executives participate in banking conventions, regulatory updates, and governance training hosted by organizations such as RBAP and the regional banking associations.

Retirement and Succession Planning

The Bank's succession strategy ensures leadership continuity, talent development, and alignment with long-term organizational goals.

- Governance Oversight: The Board and CGC oversee succession planning for directors, while the Executive Committee manages succession planning for officers below VP level.
- Periodic Review: The Succession Plan undergoes regular assessment and updates.
- Independent Director Tenure: In compliance with Sec. 132 of the MORB, Independent Directors serve a maximum cumulative term of nine years.
- Director Qualifications: Non-executive directors are eligible to continue serving if they meet the qualifications outlined in the Policy on Board Nomination and Qualification of Directors.
- Retirement Benefits: A structured retirement plan, compliant with the Philippine Labor Code, is in place for all eligible employees, including senior management.

Remuneration and Compensation Policy

The Bank's remuneration policy is designed to attract and retain directors with the requisite skills, experience, and industry knowledge to oversee the Bank's strategic objectives and enhance long-term shareholder value.

- **Compensation Governance:** Remuneration aligns with industry standards, job responsibilities, and individual performance while adhering to Sec. 29 of the Revised Corporation Code, which caps director compensation at 10% of the previous year's net income before tax.
- **Board Compensation:** Directors receive a basic fee for Board membership and additional compensation for committee roles.

Executive Remuneration: Executive Directors, including the President & CEO, receive:

- Fixed salary, allowances, and fringe benefits
- Performance-based incentives and bonuses
- Executive health packages
- Per diems for Board and committee meetings

Top Management Compensation: The four highest-paid executives are the President & CEO, SEVP/COO, SVP, and one VP, ensuring competitive remuneration aligned with market trends and labor regulations.

The Bank's commitment to governance excellence, leadership development, and a robust evaluation process reinforces its mission to operate with accountability, strategic foresight, and regulatory compliance. Through structured performance assessments, continuous education, and a well-defined remuneration framework, the Bank ensures its leadership remains agile, competent, and aligned with the institution's long-term success.

POLICIES AND PROCEDURES

Related Party Transactions

The Bank, under the oversight of the Board, upholds a policy ensuring strict compliance with applicable laws, rules, and regulations governing related party transactions. The objective is to prevent any undue advantage to stakeholders, including directors, officers, stockholders, their related interests (DOSRI), the Bank's affiliates, and other related parties. All credit extensions and other transactions involving related parties must adhere to an arm's length principle, be conducted in a prudent and sound manner, uphold integrity, and conform to the Bank's credit granting criteria and other applicable policies. These transactions should be in the regular course of business and must not be on terms less favorable than those available to non-related borrowers.

Directors and officers with a personal interest in any transaction are prohibited from participating in deliberations, approvals, or voting on the matter.

The policy comprehensively defines related parties, outlines the scope of related party transactions (RPTs), ensures arm's length terms, identifies and mitigates potential conflicts of interest, sets materiality thresholds, and establishes both individual and aggregate exposure limits. It also details procedural and reporting requirements, including a whistle-blowing mechanism and remedial measures for abusive RPTs.

As of December 31, 2024, the Bank has 3 accounts with a total of P 34,073,448.38 loan balance to DOSRI and related parties. These accounts are in compliance with the materiality threshold as set by the board in the Amended Related Party Transactions Policy, fully secured, are within the individual ceiling and materiality threshold, have no past due records and are monitored by the CGC. The bank submits the required certification under Cir. 1110 that it has fully complied with the provisions of Part III.D of the Manual of Loans and other Credit Accommodations to DOSRI.

The Board is responsible for oversight, ensuring effective control mechanisms to mitigate potential abuses that could be detrimental to the Bank, its depositors, creditors, fiduciary clients, and other stakeholders.

Self-Assessment Function

Compliance

The Bank's Compliance Group, directly supervised by the Audit and Compliance Committee (ACC) through the Compliance Officer (CO), is responsible for designing, implementing, and ensuring adherence to an effective compliance system. It is also tasked with addressing any compliance breaches that may arise.

Additionally, the Compliance Group ensures the integrity and accuracy of all regulatory submissions and reports to the BSP and other relevant regulatory agencies. A structured monitoring and assessment framework, including periodic reviews, guarantees compliance with banking laws, regulations, and standards. The ACC is mandated to review the compliance system at least annually.

The Compliance Officer (CO) maintains an updated repository of all applicable laws, rules, and regulations. These legal provisions are systematically incorporated into a compliance matrix and cross-checked against the Bank's practices, policies, and procedures through rigorous testing. Compliance testing reports are submitted to the ACC for Board review and action.

The CO also ensures that the BSP examination reports are addressed and that compliance measures are approved by the Board.

Internal Audit

The Internal Audit Group (IAG) operates under the principles established by the International Standards for the Professional Practice of Internal Auditing, employing a risk-based internal audit approach that aligns with the Bank's overall risk management framework. The IAG reports directly to and is supervised by the Audit and Compliance Committee (ACC).

By adhering to these standards, the IAG seeks to:

- Provide a structured framework for conducting value-added audit services,
- Establish criteria for evaluating internal audit performance,
- Enhance organizational processes and operational efficiency.

The IAG designs an audit program that employs a disciplined, systematic approach to assessing and improving risk management, internal controls, and governance structures. The ACC ensures the effective implementation of the audit program and its periodic review within each audit cycle.

Dividends

At the conclusion of each fiscal year, the Bank allocates its earnings exceeding operational expenses towards the following: (1) A capital retirement fund to gradually retire the government's equity investment, if applicable; (2) Establishing and maintaining reserves for bad and doubtful accounts; (3) Replenishing any impairments to capital.

Any remaining sum is distributed as dividends to stockholders, subject to a maximum of 20% per annum. The Board approves the declaration of dividends, specifying the record and distribution dates, which are subsequently confirmed by stockholders during the annual meeting. In 2024, no dividends were declared.

Consumer Protection

The Bank prioritizes customer satisfaction and protection, leveraging nearly 70 years of dedicated and exemplary banking service. The implementation of a Customer Assistance and Protection Program (CAPP) underscores the Bank's commitment to enhancing customer experience, ensuring transparency, and promoting trust.

Roles and Responsibilities

The Board is primarily responsible for the oversight and approval of consumer protection policies, including mechanisms to ensure adherence. Its responsibilities include:

- Approving Consumer Protection policies;
- Endorsing Risk Assessment Strategies for effective customer recourse;
- Allocating resources for Consumer Protection initiatives;
- Periodically reviewing applicable policies.

The Executive Committee (Execom) is tasked with the proper implementation of consumer protection policies and procedures, ensuring efficient management of daily consumer protection activities.

The CAPP facilitates a structured approach to handling customer concerns, complaints, and feedback. The Customer Assistance and Protection Group (CAPG) is responsible for processing and resolving customer concerns received via branch managers, department heads, the Bank's official mobile number, corporate email, or website. Customers receive timely feedback, and well-formulated resolutions are provided. The CAPG also monitors and analyzes customer complaints to recommend preventive measures. Monthly reports with recommendations are submitted to the Execom for risk mitigation.

Program Enhancements in 2024

On July 31, 2024, the Consumer Assistance and Protection Program was finally revised and approved by the Board with the following key amendments:

- Revised definitions for complex complaints, aligning turn-around time and a resolution within 30 working days;
- Through these policies and initiatives, the Bank reaffirms its dedication to fostering ethical banking practices, ensuring regulatory compliance, and delivering an enhanced customer experience.

Sustainability Framework

Sustainability Objectives and Principles

Sustainability is more than an opportunity—it is a core mission for GRBank, driving its commitment to excellence in the rural banking industry. The Bank integrates sustainable business practices into its operations, recognizing the growing impact of industrial processes on society and the environment.

GRBank's Sustainable Finance Framework, guided by the Board, focuses on environmental and social responsibility across credit, operational risk management, and investment activities. The Bank is committed to resilient and responsible growth, enabling sustainable business decisions that benefit communities and the environment.

Rooted in legacy and purpose, GRBank envisions a better future, fostering economic empowerment, community development, and financial inclusion. The Bank will continue fueling dreams, supporting MSMEs, strengthening communities, and uplifting families across the nation.

Sustainability Strategies

Aligned with the United Nations Global Compact, GRBank adopts the following sustainability strategies:

- Promote environmentally friendly solutions for businesses.
- Support access to clean, renewable, and reliable energy for both the Bank and its clients.
- Improve water sustainability through financial support for water conservation initiatives.
- Enhance agricultural sustainability by backing Department of Agriculture projects for farmers and fisherfolks.
- Strengthen healthcare accessibility by financing hospitals, medical facilities, and wellness programs.
- Support education through financing of educational institutions and related services.
- Empower MSMEs with financial literacy, fostering employment and economic resilience.
- Enhance workplace conditions, advocating for work-life balance, fair wages, and equal opportunities.

These strategies are reviewed annually and will be progressively embedded into the Bank's best practices over the next 5 to 10 years.

Linkage to the Sustainable Development Goals (SDGs)

GRBank aligns its sustainability framework with the United Nations Sustainable Development Goals (SDGs), prioritizing six key areas where it can create a meaningful social and environmental impact.



Environmental & Social Risk Management

GRBank proactively identifies and mitigates environmental and social (E&S) risks across its credit, operational, and investment activities. The Bank regularly assesses branch locations for vulnerabilities to floods, typhoons, and fault lines, ensuring disaster preparedness and business continuity.

Key risk mitigation measures include:

- Branch contingency planning, including relocation strategies for disaster-affected areas.
- Data protection with secure, elevated storage and system backups.
- Comprehensive insurance coverage to safeguard assets.
- Real-time monitoring of weather advisories to minimize operational disruptions.
- Beyond internal risk management, the Bank also assesses its clients' exposure to environmental risks, enabling better support through sustainable financing solutions.

Sustainability Portfolio

As of December 31, 2024, GRBank released a total of ₱ 1.7 billion toward sustainability-driven initiatives a 7.5% growth from 2023, bringing the total sustainability portfolio to P 5.4 billion. This covers the six sustainability development goals that the bank has embarked in, empowering communities, supporting businesses, and fostering long-term environmental and social resilience.

| CATEGORY | GRBank's Sustainable Portfolio as of December 31, 2024 | | | ELIGIBLE GREEN PROJECTS |
|-----------------------------|--|---|------------------|---|
| | No. of Accounts | Type of Business/Purpose | LOAN BALANCE | |
| Clean Water | 5 | Water Station, Waterworks, Irrigation construction | 46,637,355.05 | SDG 6 - Clean Water and Sanitation |
| Renewable Energy | 3 | Solar Panels | 7,888,067.07 | SDG 7 - Affordable and Clean Energy |
| | | | | ELIGIBLE SOCIAL PROJECTS |
| Access to Health Services | 11 | Hospitals/Healthcare/ Distributor of Generic Medicines | 344,667,739.50 | SDG 3 - Good Health and Well-being |
| Access to Quality Education | 10 | Schools | 263,557,505.45 | SDG 4 - Quality Education |
| Access to Food | 44 | Agri - Palay, Corn, Vegetables, Poultry, Piggery, Fishery | 674,432,608.69 | SDG 2 - Zero Hunger |
| Employment Generation | 135 | MSME Loans | 4,062,469,189.04 | SDG 8 - Decent Work and Economic Growth |

Commitment to a Sustainable Future

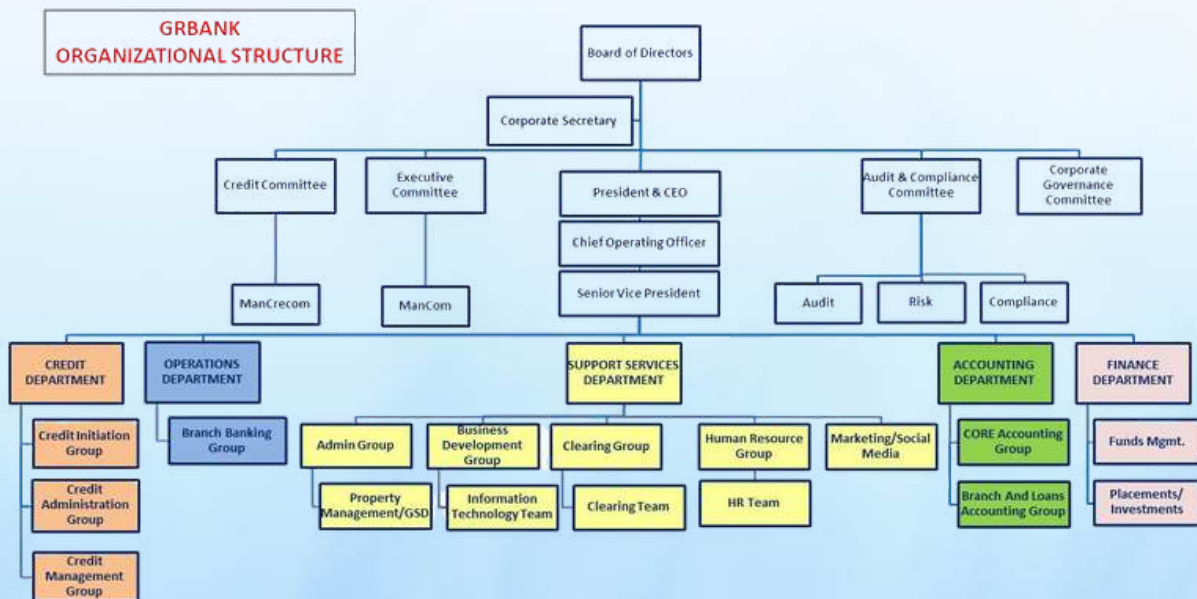
GRBank is dedicated to embedding sustainability into its long-term business strategy, ensuring that financial growth remains responsible, inclusive, and resilient. By investing in sustainable initiatives, strengthening risk management, and championing community development, the Bank continues to be a catalyst for positive change in the rural banking sector and beyond.

MAJOR STOCKHOLDERS

As of December 31, 2024, below are the major stockholders of Guagua Rural Bank, Inc. owning more than 5% of common stocks.

| Name of Stockholder | Voting Status | Citizenship | Percentage (%) |
|------------------------------------|---------------|-------------|----------------|
| Carlan Realty & Dev. Corp. | Voting | Filipino | 19.76% |
| Fourteen Stars Realty, Inc. | Voting | Filipino | 20.71% |
| Yellow Green Global Corp. | Voting | Filipino | 14.92% |
| CORSAN Realty Corp. | Voting | Filipino | 14.79% |
| Kapalaran Realty Development, Inc. | Voting | Filipino | 7.59% |

ORGANIZATIONAL STRUCTURE



DEPARTMENTS



SUPPORT SERVICES DEPARTMENT



AUDIT, RISK & COMPLIANCE DEPARTMENT



ACCOUNTING AND FINANCE DEPARTMENT

DEPARTMENTS



MANAGEMENT COMMITTEES



MANAGEMENT COMMITTEE



MANAGEMENT CREDIT COMMITTEE

BRANCH BANKING GROUP



MAIN OFFICE



GUAGUA MARKET BRANCH



BETIS BRANCH



STA. RITA BRANCH



SAN FERNANDO BRANCH



AC HENSON BRANCH



DINALUPIHAN BRANCH



MEXICO BRANCH

BRANCH BANKING GROUP



ORANI BRANCH



BALIBAGO BRANCH



APALIT BRANCH



CAPAS BRANCH



OLONGAPO BRANCH



LUBAO BRANCH



AC FRIENDSHIP BRANCH



PORAC BRANCH

BRANCH BANKING GROUP



FLORIDABLANCA BRANCH



SINDALAN BRANCH



BALANGA BRANCH



MALOLOS BRANCH



MAGALANG BRANCH



CONCEPCION BRANCH



MABALACAT BRANCH



KAMIAS BRANCH



TARLAC CITY BRANCH



2024 AUDITED FINANCIAL STATEMENTS

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of GUAGUA RURAL BANK, INC. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended 31 December 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 misstatements, whether due to fraud or error.


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

The Board of Directors is responsible for overseeing the Company'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.

Sicangco Menor Villanueva and Company, the independent auditor appointed by the stockholders, has audited the financial statements of the Company for the years ended 31 December 2024 and 2023, in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


Restituto C. Cruz
Chairman


Jose Antonio Blas L. Carlos
President


Michael Anthony B. Lapid
Treasurer

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors

GUAGUA RURAL, BANK, INC.

Plaza Burgos, Guagua, Pampanga

Opinion

We have audited the financial statements of GUAGUA RURAL BANK, INC, which comprise the statements of financial position as at 31 December 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying, financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Qualified Opinion

The Bank, as per PAS 19, was unable to provide a basis for the recognition of its outstanding benefit obligation as of the reporting dates.

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs), Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Prepare the financial statements in accordance with a fair presentation framework, to evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent underlying transactions and events in a manner that achieves fair presentation.

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

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, actions taken to eliminate threats or safeguards applied.


ARLYN S. VILLANUEVA & CO.
Partner, Sicangco Menor Villanueva & CO.

AUDITOR'S LETTER OF COMMENT

The review and evaluation of the accounting records, systems and controls is done corollary to our audit of financial statements of GUAGUA RURAL BANK, INC. conducted annually at the bank's offices. Based on our observation and follow-up procedures, we are of the opinion that the Bank's affairs and records for the year ended 31 December 2024 have been generally fair, except for the matter noted in the auditor's report which qualifies our opinion on the fair presentation of the financial statements. While an independent actuarial evaluation of the Bank's retirement plan was provided, it did not fully align with the recognition and measurement requirements of Philippine Accounting Standards (PAS) 19. Consequently, this limits the basis for recognizing the Bank's retirement liability as of 31 December 2024 and 2023.


ARLYN S. VILLANUEVA & CO.
Partner, Sicangco Menor Villanueva & CO.

GUAGUA RURAL BANK, INC.
STATEMENTS OF FINANCIAL POSITION

By: **December 31**

| | Notes | 2024 | 2023 |
|---|--------------|------------------------|------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Cash and other cash items | 2/4/5/6 P | 47,797,047 | P 49,295,843 |
| Due from other banks | 2/3/4/5/6 | 1,617,709,396 | 1,403,385,736 |
| Due from BSP | 2/3/4/5/6 | 291,035,046 | 312,403,167 |
| Loans and Receivables - net | 2/3/4/5/7 | 5,330,682,444 | 5,614,500,902 |
| Sales Contract Receivables - net | 2/3/4/5/8 | 43,947,425 | 58,086,120 |
| Financial Assets at Amortized Cost | 2/3/4/5/9 | 1,044,068,815 | 304,392,778 |
| Financial Assets at FVOCI | 2/3/4/5/10 | - | 14,973,000 |
| Property and Equipment | 2/3/11 | 134,291,712 | 121,189,854 |
| Non-current Assets Held for Sale - net | 2/3/12 | 93,642,481 | 110,785,206 |
| Other Assets | 2/13 | 29,318,098 | 27,520,790 |
| | | P 8,632,492,464 | P 8,016,533,396 |
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Deposit Liabilities | 2/3/4/5/15 P | 6,641,252,162 | P 6,306,052,152 |
| Current tax payable | 11/21 | 4,789,917 | 1,976,428 |
| Dividends payable | 2/18 | 400 | 400 |
| Other Liabilities | 2/3/4/5/17 | 212,286,736 | 175,036,512 |
| | | 6,858,329,215 | 6,483,065,492 |
| Equity | | | |
| Share capital | 2/18 | 855,221,600 | 855,221,600 |
| Surplus free | 2 | 872,384,349 | 618,173,304 |
| Surplus reserves | | 46,557,300 | 60,100,000 |
| Net unrealized gain (losses) on FVOCI | 10 | - | (27,000) |
| | | 1,774,163,249 | 1,533,467,904 |
| | | P 8,632,492,464 | P 8,016,533,396 |

See Notes to Financial Statements

GUAGUA RURAL BANK, INC.
STATEMENTS OF COMPREHENSIVE INCOME

Years Ended: **December 31**

| | Notes | 2024 | 2023 |
|--|-------|--------------------|----------------------|
| INTEREST INCOME | | | |
| Loans and receivables | P | 579,880,881 | P 571,037,145 |
| Due from BSP and other banks | | 65,660,598 | 53,583,424 |
| Financial assets | | 34,590,152 | 10,970,921 |
| | | 680,131,631 | 635,591,490 |
| INTEREST EXPENSE | | | |
| Deposit liabilities | | 244,667,346 | 163,712,745 |
| Other borrowings | | 119,167 | 7,011,778 |
| | | 244,786,513 | 170,724,523 |
| NET INTEREST INCOME | | 435,345,118 | 464,866,967 |
| NON-INTEREST INCOME | | | |
| Gain on sale of other financial & non-financial assets | 11/12 | 23,312,167 | 34,105,961 |
| Service charges | | 11,764,829 | 9,400,434 |
| Rental income | | 6,933,540 | 6,430,226 |
| Others | | 18,992,779 | 15,271,293 |
| Foreign exchange gain (loss) | | - | (198) |
| | | 61,003,315 | 65,207,716 |
| TOTAL OPERATING INCOME | | 496,348,433 | 530,074,683 |
| ADMINISTRATIVE EXPENSES | | | |
| Compensation and other benefits | 19 | 107,595,931 | 94,415,857 |
| Provision for impairment and credit losses | 14 | 9,557,830 | 44,537,717 |
| Depreciation and amortization | 11 | 18,088,139 | 13,180,088 |
| Taxes and licenses | 20 | 8,885,966 | 10,461,947 |
| Others | 21 | 74,722,483 | 85,770,856 |
| | | 218,850,349 | 248,366,465 |
| NET INCOME BEFORE TAX | | 277,498,084 | 281,708,218 |
| DEFERRED TAX EXPENSE (BENEFIT) | 22 | 36,468,778 | 19,097,751 |
| NET INCOME | | 241,029,306 | 262,610,467 |
| OTHER COMPREHENSIVE INCOME | 9 | 27,000 | 246,400 |
| TOTAL COMPREHENSIVE INCOME | P | 241,056,306 | P 262,856,867 |

See Notes to Financial Statements

GUAGUA RURAL BANK, INC.
STATEMENTS OF CHANGES IN EQUITY

Years Ended: **December 31**

| | Notes | 2024 | 2023 |
|--|-------|---------------|-----------------|
| SHARE CAPITAL | | | |
| Balance at beginning of year | P | 855,221,600 | P 655,221,600 |
| Issuance of share capital | 18 | - | 200,000,000 |
| Balance at end of year | | 855,221,600 | 855,221,600 |
| SURPLUS FREE | | | |
| Balance at beginning of year, as reported | | 618,173,304 | 572,075,623 |
| Prior year's adjustments | 18 | (360,960) | (16,512,786) |
| Balance at beginning of year | | 617,812,344 | 555,562,837 |
| Net income | | 241,029,306 | 262,610,467 |
| Dividends declared | 18 | - | (200,000,000) |
| Reversal of appropriation during the year | | 13,542,700 | - |
| Balance at end of year | | 872,384,349 | 618,173,304 |
| SURPLUS RESERVE | | | |
| | 18 | | |
| Balance at beginning of year | | 60,100,000 | 60,100,000 |
| Reversal of appropriation during the year | | (13,542,700) | - |
| Balance at end of year | | 46,557,300 | 60,100,000 |
| NET UNREALIZED GAIN (LOSSES) ON FVOCI | | | |
| Balance at beginning of year | | (27,000) | (273,400) |
| Unrealized gain (losses) on FVOCI | 10 | 27,000 | 246,400 |
| Balance at end of year | | - | (27,000) |
| | P | 1,774,163,249 | P 1,533,467,904 |

See Notes to Financial Statements

GUAGUA RURAL BANK, INC.
STATEMENTS OF CASH FLOWS

Years Ended: **December 31**

| | Notes | 2024 | 2023 |
|---|-------|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income before tax | P | 277,498,084 | P 281,708,219 |
| Adjustments for: | | | |
| Depreciation and amortization | 11 | 18,088,139 | 13,180,088 |
| Provision for impairment loss and credit loss | 14 | 9,557,830 | 44,537,717 |
| Gain on sale of non-financial assets | | (23,312,167) | (34,105,961) |
| Prior period's adjustments | | (360,960) | (16,512,787) |
| Operating income before working capital changes | | 281,470,926 | 288,807,276 |
| Changes in operating assets and liabilities: | | | |
| Decrease (increase) in: | | | |
| Loans and receivables | 7 | 283,358,465 | (385,289,477) |
| Sales contract receivables | 8 | 5,040,857 | (36,515,073) |
| Other assets | 13 | (1,797,308) | (2,939,132) |
| Increase (decrease) in: | | | |
| Deposit liabilities | 15 | 335,200,010 | 499,912,457 |
| Other liabilities | 17 | 37,250,224 | (31,527,978) |
| Net cash generated from (used in) operations | | 940,523,174 | 332,448,073 |
| Income taxes paid | 23 | (33,655,289) | (18,533,447) |
| Net cash provided by (used in) operating activities | | 906,867,885 | 313,914,626 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of property and equipment | 11 | (22,733,108) | (10,674,289) |
| Acquisition of non-current assets held for sale | 12 | (14,909,505) | (87,680,492) |
| Proceeds from sale of non-financial assets | 11/12 | 46,907,509 | 70,441,520 |
| Net proceeds (acquisition) of financial assets | | | |
| at amortized cost | 9 | (739,676,038) | 112,151,981 |
| Net proceeds (acquisition) of financial assets at OCI | 10 | 15,000,000 | - |
| Net cash provided by (used in) investing activities | | (715,411,142) | 84,238,720 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net proceeds from (repayments of) bills payable | | - | (200,000,000) |
| Payment of dividends | 18 | - | (40,000,000) |
| Net cash provided by financing activities | | - | (240,000,000) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | 191,456,743 | 158,153,346 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | | | |
| Cash and other cash items | 6 | 49,295,843 | 57,241,763 |
| Due from Bangko Sentral ng Pilipinas | 6 | 312,403,167 | 414,301,058 |
| Due from other banks | 6 | 1,403,385,736 | 1,135,388,579 |
| | | 1,765,084,746 | 1,606,931,400 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | | |
| Cash and other cash items | 6 | 47,797,047 | 49,295,843 |
| Due from Bangko Sentral ng Pilipinas | 6 | 291,035,046 | 312,403,167 |
| Due from other banks | 6 | 1,617,709,396 | 1,403,385,736 |
| | P | 1,956,541,489 | P 1,765,084,746 |

See Notes to Financial Statements



2024 AUDITED FINANCIAL STATEMENTS

IN FOREIGN CURRENCY DEPOSITORY UNIT (FCDU)

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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors

GUAGUA RURAL BANK, INC.

Plaza Burgos, Guagua, Pampanga

Opinion

We have audited the financial statements on foreign currency depository unit (FCDU) of GUAGUA RURAL BANK, INC., which comprise the statements of financial position as at 31 December 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Responsibilities of Management and Those Charged with Governance for the Financial Statements Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Prepare the financial statements in accordance with a fair presentation framework, to evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent underlying transactions and events in a manner that achieves fair presentation.

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

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, actions taken to eliminate threats or safeguards applied.


ARLYN S. VILLANUEVA & CO.
Partner, Sicangco Menor Villanueva & CO.

STATEMENT OF FINANCIAL POSITION (FCDU/EFCDU)

GUAGUA RURAL BANK, INC.

STATEMENTS OF FINANCIAL POSITION

(FCDU/EFCDU)

As of 31 December 2024 and 2023

| | 2 0 2 4 | | 2 0 2 3 | |
|---|-------------------|---------------------|-------------------|---------------------|
| | In US \$ | In PHP | In US \$ | In PHP |
| ASSETS | | | | |
| Cash | \$ 19,134 | P 1,106,827 | \$ 54,769 | P 3,032,551 |
| Due from other banks | 605,781 | 35,041,409 | 928,997 | 51,438,574 |
| Total Assets | \$ 624,915 | P 36,148,236 | \$ 983,766 | P 54,471,125 |
| LIABILITIES AND EQUITY | | | | |
| Liabilities | | | | |
| Deposit liabilities | \$ 566,690 | P 32,780,190 | \$ 951,257 | P 52,671,092 |
| Other liabilities | 184 | 10,639 | 309 | 17,133 |
| | 566,874 | 32,790,829 | 951,566 | 52,688,225 |
| Equity | | | | |
| Surplus free | 58,041 | 3,187,658 | 32,200 | 1,692,846 |
| Cumulative foreign currency translation gain (loss) | - | 169,749 | - | 90,054 |
| Total Equity | 58,041 | 3,357,407 | 32,200 | 1,782,900 |
| Total Liabilities and Equity | \$ 624,915 | P 36,148,236 | \$ 983,766 | P 54,471,125 |

See Notes to Financial Statements

STATEMENT OF INCOME (FCDU/EFCDU)

GUAGUA RURAL BANK, INC.

STATEMENTS OF INCOME

(FCDU/EFCDU)

For the Years Ended 31 December 2024 and 2023

| | 2 0 2 4 | | 2 0 2 3 | |
|-------------------------------|-------------|-----------|-------------|---------|
| | In US \$ | In PHP | In US \$ | In PHP |
| INTEREST INCOME | \$ 28,634 P | 1,658,909 | \$ 13,830 P | 765,754 |
| INTEREST EXPENSE | 2,826 | 163,400 | 2,124 | 117,603 |
| NET INTEREST INCOME | 25,808 | 1,495,509 | 11,706 | 648,151 |
| NON-INTEREST INCOME | | | | |
| Fees and Commissions | 45 | 2,603 | 40 | 2,215 |
| TOTAL OPERATING INCOME | 25,853 | 1,498,112 | 11,746 | 650,366 |
| INCOME TAX EXPENSE | 12 | 698 | 20 | 1,102 |
| NET INCOME | \$ 25,841 P | 1,497,414 | \$ 11,726 P | 649,264 |

See Notes to Financial Statements

STATEMENT OF CHANGES IN EQUITY (FCDU/EFCDU)

GUAGUA RURAL BANK, INC.

STATEMENTS OF CHANGES IN EQUITY

(FCDU/EFCDU)

For the Years Ended 31 December 2024 and 2023

| | 2 0 2 4 | | 2 0 2 3 | |
|--|-------------|--------------|----------|-----------|
| | In US \$ | In PHP | In US \$ | In PHP |
| SURPLUS FREE | | | | |
| Balance at beginning of year | \$ 32,200 P | 1,692,846 \$ | 20,474 P | 1,042,919 |
| Net income | 25,841 | 1,497,414 | 11,726 | 649,264 |
| Adjustments | - | (2,602) | - | 663 |
| Balance at end of year | 58,041 | 3,187,658 | 32,200 | 1,692,846 |
| CUMULATIVE FOREIGN CURRENCY TRANSLATION GAIN (LOSS) | | | | |
| Balance at beginning of year | - | 90,054 | - | 98,599 |
| Foreign currency translation gain (loss) | - | 79,695 | - | (8,545) |
| Balance at end of year | - | 169,749 | - | 90,054 |
| TOTAL EQUITY | \$ 58,041 P | 3,357,407 \$ | 32,200 P | 1,782,900 |

See Notes to Financial Statements

STATEMENT OF CASH FLOWS (FCDU/EFCDU)

GUAGUA RURAL BANK, INC.

STATEMENTS OF CASH FLOWS

(FCDU/EFCDU)

For the Years Ended 31 December 2024 and 2023

| | 2 0 2 4 | | 2 0 2 3 | |
|---|------------|--------------|------------|--------------|
| | In US \$ | In PHP | In US \$ | In PHP |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Total operating income | \$ 25,853 | P 1,498,112 | \$ 11,746 | P 650,366 |
| Changes in operating assets and liabilities: | | | | |
| Increase (decrease) in: | | | | |
| Deposit liabilities | (384,567) | (19,890,902) | (10,282) | (939,499) |
| Other liabilities | (125) | (6,494) | 89 | 4,861 |
| Net cash generated from (used in) operations | (358,839) | (18,399,284) | 1,553 | (284,272) |
| Income tax paid | (12) | (698) | (20) | (1,102) |
| Adjustments | - | (2,602) | - | 663 |
| Net cash provided by (used in) operating activities | (358,851) | (18,402,584) | 1,533 | (284,711) |
| FOREIGN CURRENCY TRANSLATION | | | | |
| GAIN (LOSS) | - | 79,695 | - | (8,545) |
| NET INCREASE (DECREASE) IN CASH | (358,851) | (18,322,889) | 1,533 | (293,256) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | | | | |
| Cash | 54,769 | 3,032,551 | 24,169 | 1,347,538 |
| Due from other banks | 928,997 | 51,438,574 | 958,064 | 53,416,843 |
| | 983,766 | 54,471,125 | 982,233 | 54,764,381 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | | | |
| Cash | 19,134 | 1,106,827 | 54,769 | 3,032,551 |
| Due from other banks | 605,781 | 35,041,409 | 928,997 | 51,438,574 |
| | \$ 624,915 | P 36,148,236 | \$ 983,766 | P 54,471,125 |

See Notes to Financial Statements

PRODUCTS AND SERVICES

Deposits are insured by PDIC up to P500,000.00 per depositor

DEPOSIT PRODUCTS

REGULAR SAVINGS ACCOUNT

Safe, convenient and affordable way to save your money.
Initial Deposit & Maintaining Balance: Php 100.00 ONLY
Features: Savings account with passbook, Interest bearing

GOLDEN KIDDIE SAVINGS ACCOUNT

For children 12 years old and below: teach your children the value of saving.
Initial Deposit & Maintaining Balance: Php 100.00 ONLY
Features: Savings account with passbook, Interest bearing

BASIC SAVINGS ACCOUNT

Simple Requirements
Initial Deposit & Maintaining Balance: Below P100.00
Features: Savings account with passbook, Interest bearing at Php 5,000.00, No Maintaining balance and no dormancy, no check deposits allowed.

SMILE CHECKING ACCOUNT

Small & Medium Industry Local Entrepreneurs Checking Account (SMILE) is designed for businesses with low and predictable monthly transaction activity.

Initial Deposit & Maintaining Balance: Php 5,000.00
Features: Non-Interest bearing, Checking account with passbook, Initial check booklet (25pcs) upon application

GOLD CHECK PLUS

Full-featured business banking checking account with affordable cash management services.

Easily access services that are often used by larger business.

Initial Deposit: Php 30,000.00
Maintaining Balance: Php 25,000.00

Features: Interest bearing, Checking account with passbook, Initial check booklet (25pcs) upon application

SPECIAL SAVINGS ACCOUNT

Initial Deposit & Maintaining Balance: Php 10,000.00
Features: High interest-bearing account, Maturity terms range from 30 days, 60 days and 90 days, and 1 year, Pre-termination of account without service charge

LONG TERM DEPOSIT

Let GRBank earn for your future
Initial Deposit & Maintaining Balance: Php 10,000.00
Features: Tax-free deposit, High interest-bearing account, Maturity term is five (5) years, Back-to-back loan facility

GOLDEN EARNER SAVINGS ACCOUNT

Special savings account wherein interest for 1 year is automatically withdrawn upon placement.

Initial Deposit & Maintaining Balance: Php 10,000.00
Features: High interest-bearing account, Maturity term is one (1) year, Advance interest for one (1) year

DOLLAR SAVINGS ACCOUNT

A US Dollar denominated savings account, deposit/withdrawal allowed through passbook

Initial Deposit & Maintaining Balance: US \$ 100.00
Features: Interest bearing, Minimum balance to earn interest - \$ 500.00

DOLLAR SPECIAL SAVINGS ACCOUNT

A US Dollar denominated savings account that has tiered interest rates which are higher than regular dollar savings account, deposit/withdrawal allowed through passbook, interest rates are based on the Market price

Initial Deposit & Maintaining Balance: US \$ 1,000.00
Features: High interest-bearing account, Maturity term is 30 days

LOANS

CAR LOAN

Drive your dream car now without stress on your budget

- ✓ Guaranteed competitive interest rate
- ✓ Fast Processing of loan approval
- ✓ Amortized payment terms
- ✓ Requisite down payment of 20% of the brand new unit cost
- ✓ Available for brand new and second hand vehicles

Loan Term: Up to five (5) years loan term

Payment Terms: Issuance, of post dated checks, Auto Debit from your GRBank account

HOUSING LOAN

Let GRBank finance your construction/ renovation of residential units, apartments and development of subdivisions. Even purchase of lot, house and lot and condo units

- ✓ Guaranteed competitive interest rates
- ✓ Fast Processing of loan approval
- ✓ Flexible payment terms

Payment Terms: Over the counter payment at any GRBank branch, Issuance of post dated checks, Auto Debit from your GRBank account

AGRI/AGRA LOAN

For business customers who need financing for livestock, crops, agricultural land, buildings or equipment.

Financial assistance to increase the resources and expertise for all agricultural businesses.

- ✓ Guaranteed competitive interest rate
- ✓ Fast Processing of loan approval
- ✓ Flexible payment terms

Payment Terms: Over the counter payment at any GRBank branch, Issuance of post dated check, Auto Debit from your GRBank account

SALARY LOAN

Loan intended to meet employees' short-term credit needs such as credit card balance, long planned home appliances or well-deserved vacation trip with family.

- ✓ Guaranteed competitive interest rate
- ✓ Fast Processing of loan approval
- ✓ Amortized payment terms

Payment Terms: Auto Debit from your GRBank account

ASSIGNMENT OF DEPOSIT

Use your term deposit to increase your financial needs and at the same time you can earn more because of our competitive term deposit interest rates.

- ✓ Guaranteed competitive interest rate
- ✓ Fastest Loan release in less than an hour upon loan application
- ✓ Flexible payment terms
- ✓ Loan amount up to 80% of available daily balance

Payment Terms: Over the counter payment at any GRBank branch, Issuance of post dated checks, Auto Debit from your GRBank account

MSME LOAN

The GRB MSME Loan aids in lending working capital for business. Expand your business, improve cash flow or refinance your existing debt.

- ✓ Guaranteed competitive interest rate
- ✓ Fast Processing of loan approval
- ✓ Flexible payment terms

Loan Terms: Up to five (5) years of loan term

Payment Terms: Over the counter payment at any GRBank branch, Issuance of post dated checks, Auto Debit from your GRBank account

Nagmamadali ka?

Mag-**GERBILIS** na!



GRBank



www.grbank.com.ph

- ✓ ATM Card Withdrawals
- ✓ Fund to other banks
- ✓ Payments (bills, credit cards, loans; insurance, gov't services, loading)
- ✓ Remittances (International & Domestic)