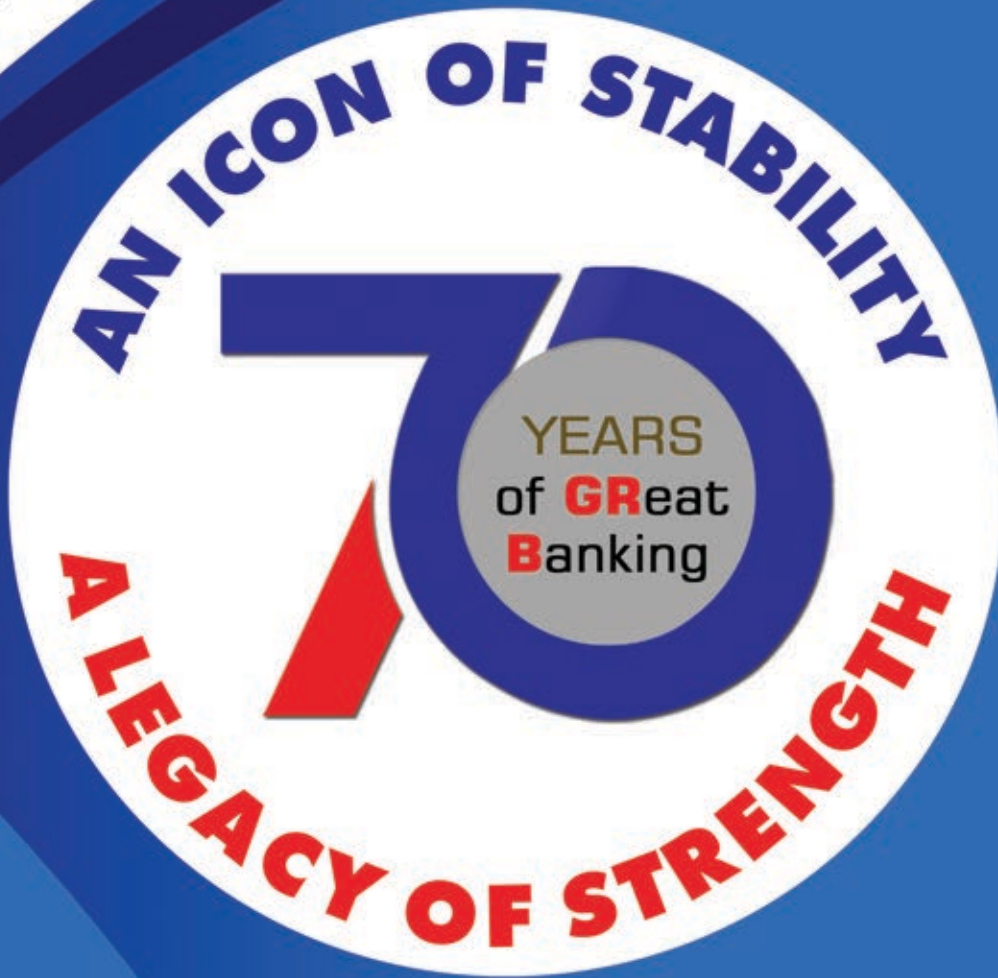




GRBANK
TRUSTED SINCE 1954



ANNUAL **20**
REPORT **21**

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MISSION

To be the most trusted and preferred rural 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 ever 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 rural bank, and ranks no. 6 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, 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 of 12.31.2023, BSP website*

WE PROVIDE...



DEPOSITS

Regular Savings, Golden Kiddie Savings, Basic Savings Account, Smile Checking Account, Golden Check Plus, Special Savings Account, Golden Earner Saving Account, Long Term Deposit, Dollar Savings Account, Dollar Special Savings Account



LOANS

Car Loan, Housing Loan, AGRI/AGRA Loan, Salary Loan, Assignment of Deposit, MSME Loan



GeRBilis SERVICES

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



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

  GRBank  www.grbank.com.ph

MESSAGE *from* **THE CHAIRMAN**

Dear Shareholders,

I am happy to present Guagua Rural Bank's Annual Report for 2023.

The country's economy is facing so many challenges – increased prices of commodities and bank interest rates; rising costs of production; economic and natural challenges and global economic and political dynamics. Against this backdrop, your bank is well prepared with high levels of provision balance, capital, liquidity and funding. We are confident that our unique combination of expertise, experience, and technology will help us navigate the future while remaining centered on achieving our goals. This allows us to help those customers in need.

Furthermore, while the financial services industry continues to change rapidly, your Board recognizes that banking is changing and doing so rapidly and the key to that change is the growing use of digital technology across the business including improved customer assistance, faster application approvals, better operational efficiency and importantly the protection of your information. We have been investing for several years now to enable GRBank to better compete in the emerging world. This

will allow us to help you, our customers, and hopefully create a much larger and better opportunity for your growth as well as ours.

I welcome all our shareholders to take part in this journey and look forward to your continued partnership and support.

Warm regards,



Emilio Philip L. Carlos
Chairman of the Board of Directors

THE PRESIDENT & CEO's Message

Dear Shareholders,

The Philippine economy experienced pressures coming from higher transport charges, increased electricity rates, higher oil prices, coupled with the impact of a relatively weak global recovery and threats of El Niño weather conditions. In addition, the economy had indirect external pressures for the on-going Russia-Ukraine war, the Israel-Palestine war and other industrial threats.

While we remain cautiously optimistic about 2024, GRBank had a sterling performance in 2023 as the Philippines continued to emerge from the impact of the COVID pandemic and on the back of rising interest rates, worldwide and locally. The Bangko Sentral ng Pilipinas (BSP) delivered aggressive rate hikes in order to tame rising inflation and stabilize the peso.

In 2023, we executed our plans against a backdrop of inflation, socio-economic and geopolitical challenges, and the increasing impacts of extreme weather conditions. More importantly, these factors have affected people, businesses and communities deeply over the last few years – including our own employees and customers. Our purpose grounds us – to help people, businesses and society prosper in good times and be resilient in bad times. Our Values guide every decision we make. We are one with the government in tackling the issues affecting our industry and the community for solving the issues of climate change, poverty and inequality does not fall solely on the shoulders of our government.

As we worked to achieve our goals, we completed several initiatives that we started in 2022, strengthening our corporate governance, internal control and risk oversight function. We delivered on our financial targets, especially a record organic growth in our net income. Our 2023 achievements also included the start of our ESG and sustainability commitments.

Boosting our competitive advantage

With a long-term vision to become the most preferred bank in our industry, we continued to deliver the professionalized service giving our clients the banking experience that they love. The acquisition of a new core-banking system is set to give us a competitive advantage and provide better products and services to the communities where we serve.

With the bank's investment to reduce cost, improve efficiency and enhance customer experience, it continues to prepare for its digitalization projects to support Bangko Sentral's various initiatives to shape the country's financial landscape.



THE PRESIDENT &

Recalibrating our processes






With the Bank's new core-banking system, 2023 was focused on reviewing and enhancing our policies and procedures further. We aim to come up with an enhanced and updated GRBank's Manual of Operations for robust banking and will launch it in the 2nd quarter of 2024 in time for our 70th Anniversary. This is part of our commitment to streamline our processes and strengthen our controls to achieve sustainability.

Strengthening our sustainability commitments

We have submitted our Sustainability Framework to the BSP, and it was received positively. We have aimed to support initially these 6 out of the 17 Sustainable Development Goals:



So far, the table below shows the loans released to the following SDGs in 2023 with total funds of P 1.07 billion.

SDGs	Type of Business	Amount Released in 2023
	Agriculture - Palay, Corn, Vegetables, Poultry, Piggery, Fishery	112,800,000.00
	Hospitals, Healthcare, Medicines	5,700,000.00
	Schools	17,000,000.00
	Solar Panels	8,400,000.00
	MSMEs	922,150,000.00

All accounts are current and there have been no record of delayed payments. We are well on our way to achieving our initiatives in support of the long-term economic growth by empowering MSMEs and enriching our people with a sense of commitment to these goals.

CEO's Message

Fostering employee engagement

Our people drive everything we do and we are committed to provide for their growth, both professionally and personally, and a work environment that is conducive. To keep our commitments of best service to our customers, we also recognize that talent recruitment and retention are significant to our success. The different activities and trainings toward building their competencies and fostering a sense of belonging proved to be effective as it lowered our attrition rate by 2.73% from 15.04% in 2022.

Delivering on our financial commitments

Thanks to the collective efforts of our team in 2023, we delivered strong results, including our highest growth in net income.

In comparison to 2022, net income increased by 24% to P263 million by 2023, with a return on equity (ROE) of 18.65%—a higher percentage than the 11.34% average for the RB Industry. The increase in income was due to the rise in interest income from loans by nearly 23%, and rise of interest income from short-term placements with Other Banks by 185% which is more than double the figures from the prior year. Additionally, there was also a notable rise in non-operating income, mostly from gains on sale of assets. Further, even with the high operational costs, particularly interest expense, overall revenue growth still outpaced expense growth.

Liquidity ratio is at a comfortable level of 33.65% and management is confident with its funding operations as this is way above the BSP's requirement of 20%. Total loans increased by 6.6% from 2022 to P 6.194 billion while total deposits had an increase of 8.5% to P 6.359 billion. The bank's CAR of 21.78% remains to be above BSP requirements and has maintained the bank's stability and capability to withstand the potential losses and credit pressure even with a past due ratio of 11.36%. The bank has set aside P 579.2 million allowance for credit losses, or 9.35% coverage of total loan portfolio.

Despite the challenges, we ended the year 2023 in a strong financial position still, with a 19.2% Capital growth and our balance sheet remains strong. We are well positioned to absorb volatility in the external environment and pursue future growth opportunities. Our sights are set firmly on our 70th year and beyond.

2024 may be a challenging year for us but there is nothing that perseverance with a little caution cannot overcome. A key ingredient of our success over the last decade and confidence in our future performance comes from being focused on the deep trends shaping society and our bank. Having a good understanding of how they impact our customers, employees and our communities is fundamental to winning. Strategy is really about using our strengths and competitive advantages to turn these trends into growth opportunities.

I want to thank our shareholders who have been backing our growth over the past decade. Rest assured - we do not take your support for granted. Thank you also to our Board of Directors, Management and Employees for their commitment to living our values and delivering the best service to our customers... And to God be the glory for our success.

Respectfully yours,

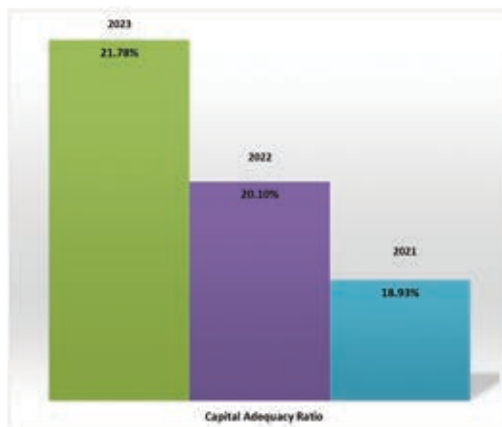
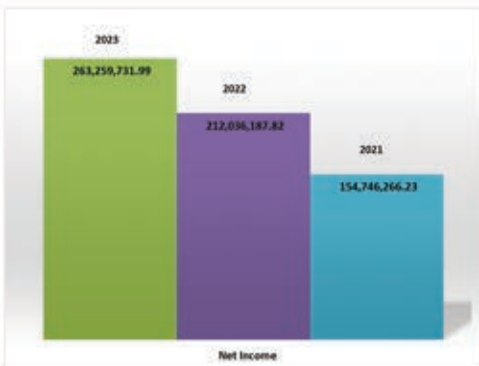
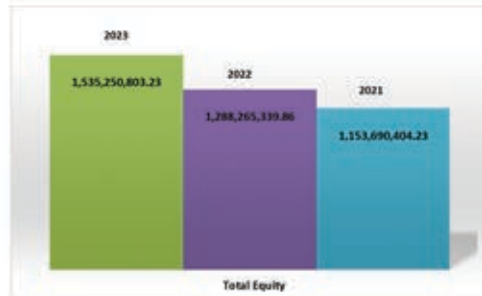
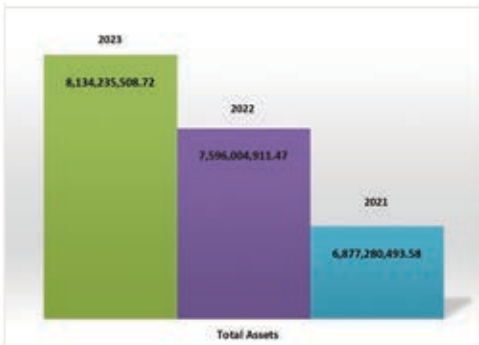
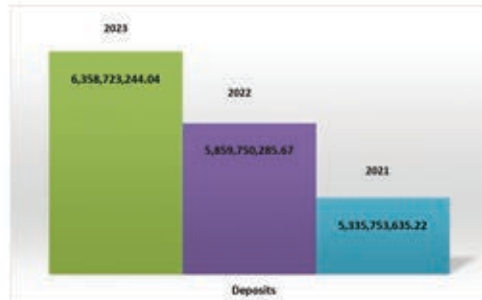
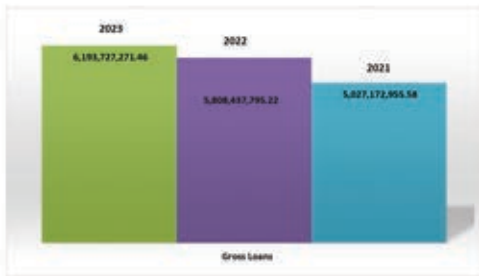

JOSE ANTONIO BLAS L. CARLOS
President & CEO

FINANCIAL Highlights

FINANCIAL SUMMARY/FINANCIAL HIGHLIGHTS

	As of December 31,		
	2023	2022	2021
Profitability			
Total Net Interest Income	465,515,118.52	413,076,915.21	347,156,919.46
Total Non-Interest Income	65,209,930.84	53,059,982.88	40,196,148.81
Total Non-Interest Expenses	248,366,463.77	244,573,154.80	225,360,401.97
Pre-provision profit	282,358,585.59	221,563,743.29	161,992,666.30
Allowance for credit losses	579,226,368.86	536,969,160.17	298,656,091.71
Net Income	263,259,731.99	212,036,187.82	154,746,266.23
Selected Balance Sheet Data			
Liquid Assets	2,139,926,429.96	2,092,967,138.00	1,920,235,424.95
Gross Loans	6,193,727,271.46	5,808,437,795.22	5,027,172,955.58
Total Assets	8,134,235,508.72	7,596,004,911.47	6,877,280,493.58
Deposits	6,358,723,244.04	5,859,750,285.67	5,335,753,635.22
Total Equity	1,535,250,803.23	1,288,265,339.86	1,153,690,404.23
Selected Ratios			
Return on Equity	18.65%	17.37%	13.19%
Return on assets	3.35%	2.93%	2.39%
Capital Adequacy Ratio	21.78%	20.10%	18.93%
Capital Structure and Capital Adequacy			
Tier 1 capital and a breakdown of its components			
Paid up common stock	855,221,600.00	655,221,600.00	505,221,600.00
Retained Earnings	679,966,150.01	633,218,540.99	648,129,318.56
Cumulative foreign currency transaction	90,053.01	98,599.36	9,888.45
Total Tier 1 Capital	1,535,250,803.24	1,288,538,740.35	1,153,360,807.01
Tier 1 Capital Adequacy Ratio	21.03%	19.32%	18.21%
Tier 2 capital and a breakdown of its components			
General Loan Loss Provision	54,791,495.27	52,077,715.18	45,045,843.49
Deduction from Tier 1(50%)	0.00	0.00	0.00
Deduction from Tier 2(50%) capital	0.00	0.00	0.00
Total Tier 2 Capital	54,791,495.27	52,077,715.18	45,045,843.49
Total Qualifying Capital	1,590,042,298.51	1,340,616,455.53	1,198,406,650.50
Capital Requirements for credit risk	579,226,368.76	536,969,160.17	298,656,091.71
Capital Requirements for operational risk			
Credit Risk-Weighted Assets	6,160,601,178.33	6,160,601,178.33	5,874,909,467.35
Operational Risk-Weighted Assets	579,873,726.98	509,340,480.87	457,164,993.29
Market Risk-Weighted Assets	0.00	0.00	0.00
Total Risk-Weighted Assets	6,740,474,905.31	6,669,941,659.20	6,332,074,460.63
Others			
Cash Dividends Declared	-	40,000,000.00	40,000,000.00
Headcount			
Officers	62	62	62
Staff	75	70	71

FINANCIAL Highlights



Sr. EVP/COO's *Message*

I would like to express my sincere gratitude for your unwavering support as valued customers of GRBank. Your continued patronage plays a pivotal role in our success, and we truly appreciate the trust you place in us.

I also want to acknowledge and celebrate the dedication and hard work of our exceptional employees. Their commitment to excellence is the driving force behind the high-quality services we provide. Your diligence, professionalism, and passion for your work contribute immensely to the success of the bank.

As we move forward, we remain committed to delivering the best banking experience for our customers. Your satisfaction is our top priority, and we are continuously working to enhance our services to better meet your needs.

Thank you for being a vital part of the GRBank family. We look forward to serving you with the same level of excellence and dedication in the future.



Elizabeth Carlos-Timbol
Senior Executive Vice President/
Chief Operating Officer



OPERATION'S *Highlights*

Our strong financial position is a result of responsible money management, navigating economic shifts while maintaining liquidity, and managing risks. Our capital management remains compliant, providing a solid foundation for long-term growth.

To our valued bank clients, your satisfaction and success are top priorities. We're dedicated to providing tailored financial solutions, innovative products, and personalized service, always striving to exceed your expectations.

Lending Operations

In the year 2023, still amidst the COVID-19 pandemic, many businessmen are still in the process of recovering but most of them are expanding and venturing into another line of business to cope up with the economic volatility. GRBank as always is ready to lend a hand in helping these businessmen grow and succeed despite the challenges they face every day. As a commitment to our clientele, we continuously process loans in a fast and efficient way to promptly address their urgent need of funds. Thus, many clients have trusted GRBank as evidence of a positive growth which is 59% of our target quota on loans despite the increase in interest rates.

We process Hold-out loans the fastest way together with our Car loan. A new product PVAO Pensioner's Loan has been fully implemented this 2023. The initial budget was fully utilized and through our partner's support, additional budget was approved to cater more to the demands of PVAO pensioners. With the auto-debit facility tie-up with LBP, a 100% collection rate is always achieved.

In 2023, many policies and guidelines in the lending operations were revisited and enhanced; new policies were also formulated to achieve effective credit risk management and to comply with regulatory bodies which will benefit not only the bank but the clientele as well.

Our partnership with the ACPC of the Department of Agriculture is still intact. We have received a total funding of P101,365,358.00 which was released to the beneficiaries of the different ACPC programs. In 2023, we released an additional P5,848,000.00 in funds for 63 beneficiaries coming from Pampanga and Bataan. We were able to help the small farmers, fisherfolks, and other OFWs in returning to the Philippines and starting a business in Agriculture. Through this partnership with the DA-ACPC, we still hope to continue helping the Agriculture Sector as this is the mandate of the Department of Agriculture, to envision a food-secure and resilient Philippines with empowered and prosperous farmers and fisherfolks, "MASAGANANG AGRIKULTURA, MAUNLAD NA EKONOMIYA".



Grace C. Glorioso
Senior Vice President

We have also been accredited by the Philippine Guarantee Corporation for SME Credit Guarantee Facility to strengthen and expand our business reach and our accreditation with the Home Guarantee for our housing loan accounts is still ongoing. Our long-time partnership with the Credit Bureau is beneficial in our lending process. We also made a tie-up with TransUnion to help us in the credit evaluation of our loan applicants. We are now working on our accreditation with CIC especially now that a new loan system NxtBank is CIC ready, thus, it can generate reports that are required by CIC; it can also promptly detect errors that can be corrected before submission to CIC.

As we move forward to the new year of 2024, although still under post-pandemic, we have high hopes for a victorious year for GRBANK as we continue to research, study, and create more loan products that can uplift the lives of every Filipino and help them recover from the economic challenges.



BRANCH BANKING GROUP

Thanks to the marketing efforts of our Branch Managers, the teamwork among staff, and the unwavering support from the Management, deposits reached P6.358 billion by year-end, marking a positive growth of 8.5%.

Despite the challenges encountered during the UAT and test migration in 2022, and the post-pandemic situation, the new Core Banking System was successfully implemented in June 2023 for branch operations. This achievement would not have been possible without the dedicated cooperation and hard work of all officers and staff in Branch Banking, Loans, Accounting, and the Credit Group, who collaborated seamlessly on this project. The introduction of the new Core Banking System has streamlined operations, enabling the generation of certain regulatory reports with just one click.

In 2023, we enhanced numerous policies and procedures within branch banking operations, and concurrently, formulated new ones. Our commitment extends to updating manuals and further enhancing policies and procedures. These measures are geared towards achieving effective operational risk management and ensuring compliance with regulatory bodies.

As part of our ongoing commitment to expanding services and addressing our clients' diverse banking needs, GRBank is pleased to announce that by the first quarter of 2024, we will introduce our own Manager's Check.

OPERATION *Highlights*

FINANCE

Our Finance team is focused on adaptability and innovation, implementing initiatives to enhance efficiency, optimize cash flow, and fortify risk management. These efforts reinforce our commitment to delivering value to stakeholders.

Looking ahead, we remain optimistic about the opportunities before us. Our strategic vision and talented team will pave the way for continued success. We operate with integrity, transparency, and a commitment to excellence.

Our team together with the help of the Audit & Compliance, and HR Group have hosted an annual meeting and training of all branch accountants and officers last 14th of October, 2023 which tackles the new core banking system and have on review of the branch accounting tasks and obligations. Additionally, the Accounting and Finance Group celebrated with a fantastic trip to Cebu while taking advantage of one of the organizational incentives, "The Gold Awardee Year 2022." Creating bonds with one another strengthens our will to carry out our shared mission, assist others, and ascend to the pinnacle of our business while also being a positive influence at work.



Since accounting function affects all part of bank operations, each of us has demonstrated a passion for doing our work properly. Accurate and trustworthy information and reports are necessary to satisfy the needs of clients, shareholders, and authorities. The new accounting system's implementation is currently at the end part of the transitional phase, and we believe as long as everyone moves forward in unison, success will take care of itself.

BUSINESS DEVELOPMENT

Change is never easy, transitioning from one system to another can be challenging. It may result in inefficiencies or errors. However, the bank was able to overcome those challenges. The bank's Core Banking system is the heart of our banking operations and dictates the success of everything from customer interactions to employee workflows.

For 2023 we were able to implement fully the CASA module of our new Cloud-based Core Banking System wherein we can take advantage of an open Application Programming Interface (API) to easily integrate solutions from other providers and third-party fintechs.

The new CBS can be configured easily and will serve as a vehicle for collecting data because CIF has now migrated with the Core Banking System. It can navigate easily for it is automated and Windows based plus our servers are now on the cloud (AWS), a digital-ready core banking solution for our soon to be launched GRBank Mobile App.

HUMAN RESOURCES DEPARTMENT

In the dynamic landscape of 2023, a year marked by change and growth, GRBank remains steadfast in its commitment to serving the community. The Human Resource Department plays a pivotal role in fostering the professional development and well-being of our dedicated employees. We recognize the importance of creating a harmonious work environment, and to this end, we organize various activities and seminars that not only promote cohesiveness but also provide valuable opportunities for individual growth.

At GRBank, we believe in celebrating the diverse facets of life. Throughout the year, our employees partake in a range of events, from commemorating milestones like the 69th Year Anniversary to embracing the spirit of love on Valentine's Day. Our festivities extend to Halloween and Christmas parties, creating an atmosphere that transcends the confines of the workplace. These social gatherings serve as platforms for employees to relax, interact, and showcase their unique talents and creativity.

GRBank recognizes and values the hard work and dedication of its employees. As we move forward in this transformative year, we remain committed to creating an environment where our employees can thrive both personally and professionally.



Marketing & Social Media

At GRBank, our commitment goes beyond mere transactions; we are dedicated to fostering a community where financial empowerment is accessible. We pride ourselves on offering personalized service that meets each individual's financial needs.

Our marketing events are a blend of interactive sessions, spreading awareness and enjoyment through motorcades, MSME bazaar and exhibits, and other social and corporate events.

Our social media channel and website is constantly updated to keep you informed about current bank offerings, event schedules and other activities.

Financial Literacy

The bank recognizes the pivotal role of financial education in shaping a prosperous future for individuals and communities alike. With an unwavering commitment to fostering financial literacy, GRBank is spearheading a dynamic campaign to embed financial education at the core of our community.

Comprehending finances is not just a skill; it's an essential that influences both personal and communal prosperity. Through this campaign, our goal is to equip individuals from various backgrounds and of all ages with the necessary tools and knowledge to make informed financial decisions. GRBank is embarking on an array of engaging activities deliberately crafted to make the journey of financial learning enjoyable and easily accessible. Together, we are building a foundation where financial knowledge becomes a powerful catalyst for individual empowerment and collective progress.



RISK *Management*

GRBank believes that its business strategies and objectives entail risks. Managing the risk can be more than just protecting the value by avoiding the downsides; it can actually help create value by taking advantage of uncertainty and opportunity to maximize gains and improve the bank's competitive position. The bank is likewise influenced by the developments of the external environment in which it is called to operate, as well as by its internal organization, procedures and processes. The board is aware and is therefore apt in aligning with the BSP's thrust of promoting the adoption of effective risk management systems to sustain the safe and sound operations of the bank to protect the interest of all stakeholders.

Overall Risk Management Culture and Philosophy

Risk Management principles and directives set by the BSP have been the guiding tools of GRBank to manage and mitigate the risks involved pertaining to the implementation of its strategic plans. Formulation of internal policies as approved by the Board to mitigate the different identified risks such as operational, credit and liquidity, are also implemented. Regular training and seminars are provided to increase the awareness of the potential risks involved in the execution of routine processes. Inculcation and embodiment of integrity, transparency and prudence in the day-to-day operations involving all members of the organization are all part of the measures being taken to enhance opportunities, reduce threats and gain competitive advantage.

Risk Appetite and Strategy

The Bank's risk appetite is integral to its overall risk management approach which comprises amongst others; measures for identifying and assessing risk, implementing and monitoring the adequacy of control measures, managing incidents and breaches, reporting the status of risk, control and remedial actions to the Corporate Governance Committee. Assessing the Bank's risk profile against its risk appetite provides a basis for determining the adequacy of these risk management activities. The purpose of a risk appetite is to specify the amounts and types of risk the Bank is willing to accept and informs decisions on the allocation of resources to managing risk exposures. The bank has defined its risk appetite statement as follows:

[1] No Appetite. The Bank is not willing to accept risk in any situation that may result in loss in service/ operation, long term profitability of the Bank being compromised, any impact on the Bank's reputation with stakeholders, excessive increase in costs, major breakdown in information system or information integrity, significant incident (s) of regulatory non-compliance or any fraudulent activities. Any item marked with a 1 should have positive controls in place to ensure that the risk does not materialize.

[2] Low Risk Appetite. The Bank is not willing to accept risk in most circumstances that may result in loss in service/ operation, the long term profitability of the Bank being compromised, any impact on the Bank's reputation with stakeholders, significant increase in costs, breakdown in information system or information integrity, incident (s) of regulatory non-compliance or any fraudulent activities. A 2 score usually means that the Bank sees more risk than potential reward in an initiative.

[3] Moderate Appetite. The Bank is willing to accept some risk in certain circumstances that may result in minimal loss in service/operation, low impact on the Bank's profitability, low impact on the Bank's reputation with stakeholders, low increase in costs, no breakdown in information system or information integrity, no incident (s) of regulatory non-compliance or any fraudulent activities. A 3 score usually means that the Bank is able to properly evaluate and balance out potential risk against potential reward.

[4] High Risk Appetite. The Bank is willing to accept a higher than normal risk appetite in the pursuance of its objectives provided that the return on investment forecasted has been properly weighted against the opportunity gain/loss and that loss in services/ operations, and the long-term profitability of the Bank is not being compromised. This will also mean that risks will have to be actively monitored to prevent any impact on the Bank's reputation with stakeholders, and that any increase in costs will not be detrimental to bank's operations. Further to that, there should be no major breakdown in information system or information integrity, and no significant incident (s) of regulatory non-compliance. A score of 4 usually means the Bank is willing to take on more risks than normal, provided the return is substantial in order to fulfill its objectives.

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

In pursuit of its objectives, the Bank is willing to accept, in some circumstances, risks that may result in some financial exposure. The Bank wants to be seen as the best and reputable institution in the banking industry. It will not accept any negative impact on reputation with any of its key stakeholders, and will only tolerate minimum exposure. The Bank is not willing to take on safety risks that could endanger the lives of its employees, clients, or the general public.

The Bank adopts a risk philosophy aimed at enhancing shareholder value by sustaining competitive advantage, managing risks, and enabling the pursuit of strategic growth opportunities with greater speed, skills and confidence over its competitors. For each risk, we identify current controls and their effectiveness to manage underlying causes and minimize consequences. All principal risks are mapped to performance reporting and strategic objectives. The assessment of risk is informed by the performance targets.

To put this philosophy into action, the Board, through its Corporate Governance Committee, adopted an Enterprise Risk Management (ERM) system that ensures all business risks are identified, measured and managed effectively and continuously within a structured and proactive framework. An essential component of the internal environment for risk management is the values and standards of business behavior and ethics.

To ensure a strong financial position, the bank ensures to carry out its value of integrity, transparency and efficient management systems and live up to its vision of becoming the most trusted and preferred rural bank in the country. The Bank also sees to it that stability is not compromised over profitability and adequate capital ratios are maintained. Credit and liquidity risks are well monitored and within approved-limits of the Board. Risks are managed well by policies and procedures to ensure internal control. The foregoing, which are given emphasis, are part of the Bank’s goals and plans as written in the Bank’s strategic map.

Bank-wide Risk Governance Structure



To sustain safe and sound operations, GRBank has adopted a suitable structure where the Board of Directors is responsible for the over-all formulation and management of an effective risk management system. It regularly reviews the entire risk management process and takes responsibility for all risks taken. The different board and management committees tasked by the Board are responsible for the oversight of the different risks inherent to the bank and to monitor the systems to ensure proper allocation of resources. The Audit Committee is responsible for the oversight of the financial reporting framework, monitoring and evaluating the adequacy and effectiveness of internal system and the internal audit function . The Corporate Governance Committee assists the Board in fulfilling its duty in the nomination, remuneration and election of directors, compliance and risk oversight. The Credit Committee is responsible for approving credit-specific transactions and monitors the credit risk limits and other credit risks. It oversees the proper implementation of credit policies and procedures together with the Mgmt. Crecom. The Executive committee is responsible for the day to day operations of the bank, including approval of loans within their level of authority, and oversees the operational and financial risks assisted by the FinAACom.

Risk Management Process

The establishment of the different committees and their respective duties is attributed for the continuous improvement in the management of the Bank's risks. Among others, these committees/departments shall regularly perform risk monitoring activities, in order to promptly detect deficiencies in the policies, procedures and processes, and propose controls and other corrective actions. All units of the Bank shall conduct self-assessment exercises of the specific risks inherent in their activities, including their identification and assessment with regard to their frequency of occurrence and materiality, and shall report the identified events to the Execom. This shall allow the Bank to identify changing risks upon their occurrence and respond to them promptly.

Although known to be proactive when it comes to business opportunities, GRBank ensures that it carries out prudent financial management practices and principles at all times. During a new product approval process, the risk related to each new product, activity, process and system, or their amended versions, will be identified and assessed, and mitigating controls will be established. The same shall be done for expansion initiatives and IT infrastructure enhancements. Insurance policies may be used to confront losses which may occur as a result of events such as third-party claims resulting from errors and omissions, employee or third-party fraud and natural disasters.

AML Governance and Culture

The Bank's Manual on Money Laundering and Terrorist Financing Program, ensures to protect and preserve the integrity and confidentiality of bank accounts. It also ensures that GRBank shall not be used as a money laundering site for the proceeds of any unlawful activity, thereby contributing to the safety, soundness and integrity of the national banking and financial system. The Branch Banking Group and Credit Group, where customer front-end activities start, are responsible for the proper implementation of customer due diligence procedures including risk profiling. Both heads see to it that transactions are properly monitored while the compliance office sees to it that covered or suspicious transactions are reported properly. The Board shall ensure that oversight of the Bank's anti-money laundering and combating the financing of terrorism compliance management is adequate.

CORPORATE GOVERNANCE

Corporate Governance Structure and Practices

GRBank's core management is one of the well-organized, committed and stable among rural banking institutions in the country today. Since banks operate mainly on the value of trust, GRBank is equally careful in maintaining its goodwill at all times. Given our present standing, we believe that GRBank has gained the trust and confidence of communities where we are present.

Combining the right balance of centralized and decentralized management, GRBank's top officers devote hands-on management style to provide crucial decisions.

GRBank practices good corporate governance in a broad umbrella concept, extending to all relationships between the bank and its shareholders, customers, employees, suppliers, regulators and other government institutions. The Board oversees the activities of the Bank and acts with utmost integrity and transparency and in accordance with the Bank's code of conduct to promote good corporate governance, increase public confidence, and seeing to it that the actions are in the best interests of the Bank and their own interest are put behind those of the Bank. The bank continuously improves its governance practices through yearly assessment and to align with regulations.

Selection Process for Board and Senior Management

Since the bank's reorganization in 2022, the additional independent director made it possible for the bank to create another committee that complies with BSP standards. The screening of new directors and senior management is the responsibility of the Board and is now being handled by the Corporate Governance Committee (CGC). The CGC leads the process by evaluating the candidates to the fit and proper rule of the BSP and aligns as well with the standards of the bank as to culture, integrity, experience and professionalism. They likewise see to it that candidates pass the qualifications set in Section 132 and 134 of the MORB and the bank's Policy on Nominations and Qualifications of Directors. Candidates that are recommended by the committee are approved by the Board. The candidates for Directors are presented for election and/or re-election of directors held during the Annual Stockholders' Meeting. Directors serve for one year until the next election.

Board Composition

GRBank's Board of Directors is composed of 9 directors, majority of whom are non-executive directors including two (2) independent directors. Members of the Board are all professionals with extensive experience and expertise in various fields- banking, accounting, finance, law, education, entrepreneurship, business management and marketing. This provides independent, diversified views and judgment to ensure that corporate matters are discussed openly for transparency. Strategies are provided with objective views and ideas.



Chairperson of the Board

The Chairperson is a non-executive director and is not involved in the day-to-day operations of the bank but provides the direction and leadership in the Board and advises senior management on matters related to strategy and policy. Fosters trust and promotes a harmonious relationship within the board and with management and encourages healthy discussions that are constructive and beneficial for the growth of the bank. The Chair encourages their continuous education and self-evaluation. He takes a lead role in ensuring that the Board promotes good governance, receives accurate, timely and relevant information and acts with prudence in the decision-making and effective execution of the strategic plans of the bank.

Over-all Board responsibility

- * The Board of Directors shall be ultimately responsible for setting the tone of the bank's culture of professionalism and integrity and the overall good governance and risk management, ensuring that risk appetites are within the limits set.

- * It shall set the over-all strategies and goals of the bank and overseeing its proper implementation by the senior management.

- * It shall oversee the full compliance of the Bank with the rules and regulations of regulators and other government institutions including provisions of the AMLA and its Implementing Rules and Regulations to protect all stakeholders of the Bank.

Each director assumes a position of trust and shall therefore see to it that he shall remain fit and proper for the position during his term, to act judiciously, honestly and in good faith and conduct business fairly, to devote time and attention in the proper discharge of duties and responsibilities. Significant contributions and independent judgment in the decision-making process is expected. Each director is expected to keep himself updated in matters important for the bank and shall observe confidentiality at all times. The Independent and Non-executive directors are able to execute their duties through their respective committee charters. The independent director is head of the audit & compliance committee whose charter dictates that it is responsible in overseeing the internal audit function and compliance function. These committees conduct meetings without the presence of management and discuss matters that are pertinent to improving internal control and ensure safe and sound banking practices.

Board Meetings

The Board holds a meeting for organizational purposes immediately after election held during the Annual Stockholders' Meeting and has regular meetings once a month. Special meetings of the Board may be called for by the Chairman giving notice to the Directors at a reasonable time prior to the meeting.



Board Attendance

The Bank held 13 Board meetings in 2023, broken down as: 12 Regular Meetings and one Special Meeting. The table below shows the Board attendance in 2023 and overall they got an average of 97%.

BOARD OF DIRECTORS - 97%	TOTAL	PRESENCE	%
AMANDA L. CARLOS*	4	3	75%
JOSE ANTONIO BLAS L. CARLOS	13	13	100%
ELIZABETH C. TIMBOL	13	13	100%
GRACE C. GLORIOSO	13	13	100%
MICHAEL B. LAPID	13	13	100%
ANGELO RAYMUNDO Q. VALENCIA	13	13	100%
ILUMINADA M. DIZON	13	13	100%
DIANA C. CRUZ	13	13	100%
CARLOS S. CORONEL	13	12	92%
EMILIO PHILIP L. CARLOS**	9	9	100%
*deceased April 14, 2023			
**joined April 26, 2023			

Type of Directorship and number and percentage of shares held by Directors

Name of Director	Position/Type of Directorship	No. of Years as Director (As of Dec. 31, 2023)	Total No. of Direct (D) and Indirect (I) Shares	Percent to Total Outstanding Shares
AMANDA L. CARLOS	Chairperson/ Non-Executive Director	50 years and 4 months up to April 14, 2023	5 (D)	0.00%
EMILIO PHILIP L. CARLOS	Chairperson*/ Non-Executive Director	8 months and 5 days starting April 26, 2023	215 (D)	0.00%
JOSE ANTONIO BLAS L. CARLOS	President & CEO/ Executive Director	39	9,269 (D)	0.11%
ELIZABETH C. TIMBOL	Chief Operating Officer/ Executive Director	31	215 (D)	0.00%
GRACE C. GLORIOSO	Sr. Vice President/ Executive Director	27	215 (D)	0.00%
MICHAEL ANTHONY B. LAPID	Non-Executive Director	7	199,035 (D)	2.33%
CARLOS S. CORONEL	Non-Executive Director	15	325 (D)	0.00%
ANGELO RAYMUNDO Q. VALENCIA	Independent Director	3	1 (D)	0.00%
ILUMINADA M. DIZON	Independent Director	1 year and 10 months starting Feb. 2022	9,049 (D)	0.11%
DIANA C. CRUZ	Non-Executive Director	8	35,237 (D)	0.41%

* Starting Nov. 8, 2023

BOARD OF DIRECTORS



Mrs. Amanda L. Carlos was a non-executive member of the Board of Directors of Guagua Rural Bank, Inc. from 1972 to April 14, 2023. She served as the Chairperson of the Board from 2009 to April 14, 2023. She served as member of the Corporate Governance Committee from February 2022 to April 14, 2023. A graduate of St. Michael's College with a degree of Bachelor of Science in Education, Mrs. Carlos has always maintained and encouraged a relationship of trust with and among members of the board of directors. She brought to the board her inner prowess, impactful insights and wisdom that kept the bank growing steadily.

Amanda L. Carlos
Chairperson of the Board
Non-Executive Director

Mr. Emilio Philip L. Carlos is a non-executive member of the Board of Directors since April 26, 2023. He was later elected as Chairperson on November 8, 2023. He likewise served as non-executive director of the bank in 2013 and 2019, and served as Board Adviser in 2022. He is currently a member of the Corporate Governance committee, a position that he was appointed into since April 26, 2023. Concurrently, he is the proprietor of Jap Building and he is a Technical Consultant for Mr. Kool Airconditioning Service. He is also a Director of Hotel EuroAsia and a Trustee at Sta. Rita College of Pampanga. Mr. Carlos holds a degree in BS Mechanical Engineering at the De La Salle University.



Emilio Philip L. Carlos
Chairperson of the Board
Non-Executive Director
Filipino, 57 years old

BOARD OF DIRECTORS



Mr. Jose Antonio Blas L. Carlos is the President & Chief Executive Officer of Guagua Rural Bank, Inc. since 2009. He has been elected as a Board of Director in 1984. Apart from this, he is also the Chairman of the Executive Committee and the Board Credit Committee. Concurrently, Mr. Carlos serves as the Chairman of Sta. Rita College. He is a stockholder of Yellow Green Global Corporation, Fourteen Stars Realty, Inc., and CARLAN Corporation. He served as President of the Confederation of Central Luzon Rural Banks in 2018-2019 and is an active member of the provincial (PFRB) as well as national association of Rural Banks (RBAP).

A Bachelor of Arts in Economics and Master's degree holder of the Ateneo De Manila University, Mr. Carlos leads by example and shares his diverse expertise in business, banking and finance to the board.

Mr. Carlos is also an advocate of Financial Literacy. Through GRBank's CSR Programs, Mr. Carlos is able to impart awareness and educate our stakeholders to become smart in handling their finances.

Jose Antonio Blas L. Carlos
President & Chief Executive Officer
Executive Director
Filipino, 64 years old

Being the first Kapampangan President of the Rural Bankers Association of the Philippines (RBAP), she propelled the organization to greater heights through her projects on helping the up and coming rural banks in the Philippines. As the RBAP Pandemic President in 2020 - 2021, she was able to pivot the big challenge of rural banks in our country.

After her stint as the president, she continues her profound service to the RBAP as the current Chairman of the Rural Bankers Research and Development Foundation, Inc. (RBRDFI) Past President and Chairman Liza's never-ending contribution to the national organization with the crafted strengthening and capacity building, digitization and women empowerment, and established the RBAP new generation bankers aged 40 and below to solve the concern of succession planning of rural banks in the Philippines.

She was a member of the technical working group of strengthening Rural Banks which MB Bruce Tolentino headed. In 2024 Liza is a trustee of RBRDFI as the committee chair for training, and RBAP Director where she is concurrently the committee chair for compliance and internal audit, upholding continuous professional education and training for all rural bankers. With all of these, her achievements are recognized in the business community as she is recently awarded the prestigious Italian Chamber of Commerce Leadership Award, Women in Business of the Year 2023.

Internationally, she is acclaimed to be a mover and shaker in the banking industry as she is bestowed in Singapore Embassy with excellence as an empowered Woman for Countryside Banking Leadership Award in 2021. In 2019, she received an award for Woman of the Year for Countryside Development. Peers from The Rotary Club of Business District in Makati hailed her as Rotary International Presidential Citation and Indigenous Tribes Welfare Crusader, Rotary District 3830 Governor's 5-Star & Leadership Excellence Award. Topping these awards is her being proclaimed as one of the Ten Hometown Heroes National Awards of Benito and Catalina Yap Foundation.

Her leadership strength is extended in the business community being the President of the Metro Angeles Chamber of Commerce and Industry, Inc. (MACCII) where her governance made MACCII as the Most Outstanding Chamber in the Philippines (Region Category) for two consecutive years, 2022 and 2023.

Liza earned her Master's Degree in Business Administration (MBA) at the Ateneo Graduate School of Business with conferment as Ateneo Hero Graduate and Bachelor's Degree in Commerce major in Legal Management at the De La Salle University.

With her 33 banking years full of energy, enthusiasm, and business acumen, ECT brings great positioning of GRBank to consistently be as the #1 Family-Owned bank in the whole of the Philippines with the team concerted effort of the ExeCom, ManCom, Staff and Frontliners of GRBank.



Elizabeth C. Timbol
Chief Operating Officer
Sr. Executive Vice President
Executive Director
Member- ExeCom
Filipino, 54 years old

BOARD OF **DIRECTORS**



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.

Ms. Glorioso is a Director of Fourteen Stars Realty, Inc. Ms. Glorioso has a Bachelor's degree in Commerce major in Management of Financial Institutions at the De La Salle University and some units earned in Masters in Business Administration at the Ateneo Graduate School of Business. Her proficiency in the management of financial institutions gives added value to the bank.

Grace C. Glorioso
Senior Vice President
Executive Director
Filipino, 49 years old

Ms. Diana C. Cruz is a Non-Executive Director of Guagua Rural Bank, Inc. since 2015. She is a member of the Audit Committee. Concurrently, she is the President of CREDSI Marketing Corporation.

Ms. Cruz is a Certified Public Accountant and has a BS Commerce-Accounting degree at St. Paul's College Manila.



Diana C. Cruz
Non-Executive Director
Filipino, 66 years old

BOARD OF **DIRECTORS**



Mr. Michael Anthony B. Lapid is a Non-Executive Director of Guagua Rural Bank, Inc. since February 2016 and was a Director in 1994-1998. Currently, he is a member of the Board Credit Committee

Concurrently, he is a Director of FMLapid and Sons, Inc. and was previously the Executive Vice President of Bank of Florida from 1998 to 2012.

Mr. Lapid graduated with a degree of BS Physics at Don Bosco College. He also has a Diploma in Management at the College of Landau, Germany. Moreover, he has a Master's Degree in Business Economics at the University of Asia and the Pacific as well as Masters in Theology at the Divine World. Lastly, Mr. Lapid obtained his Doctorate Degree in Educational Leadership and Management at the De La Salle University in 2021.

Michael Anthony B. Lapid
Non-Executive Director
Filipino, 61 years old

Mr. Carlos S. Coronel has been serving Guagua Rural Bank, Inc. as a Non-Executive Director since January 2008 and he sits as a member of the Board Credit Committee.

Apart from his position in GRBank, Mr. Coronel is also a Director of Allied Concrete Products, Inc., Majestic Shipping Corporation, Corsan Realty Corporation, Kapalaran Realty Development Corporation, and Moikel Realty Corporation.

Mr. Coronel has a BS Management degree at the Ateneo De Manila University and he shares his expertise and strategic insights in business during board meetings.

Carlos S. Coronel
Non-Executive Director
Filipino, 53 years old



BOARD OF **DIRECTORS**



Ms. Iluminada M. Dizon is one of the Independent Directors of Guagua Rural Bank. She was elected on February 2, 2022. She has more than 40 years experience in the banking industry, mostly with GRBank. She previously held the position of Chief Finance Officer prior to her retirement in 2018. She sits as the Chairman of the Audit Committee and is a member of the Corporate Governance Committee.

She is a Certified Public Accountant and graduated Cum Laude at the Eastern University in Manila.

She is concurrently holding the position of Chairman of the Board of Trustee of the Bacolor Water District.

Her banking experience brings insights to the Board that is beneficial to the bank.

Iluminada M. Dizon
Independent Director
Filipino, 75 years old

Atty. Angelo Raymundo Q. Valencia was elected as an Independent Director of Guagua Rural Bank, Inc. in February 2021. He is currently the Chairman of the Corporate Governance Committee and is a member of the Audit Committee.

Concurrently, he sits as an Independent Director of Nickel Asia Corporation, Country Bankers Insurance Corporation.

Atty. Valencia served as Senior Corporate and Tax Counsel for the Lucio Tan Group of Companies from November 2, 1998 to September 30, 2012. He also served as the COO of Mindanao Grains Corporation, La Filipina Uygongco Group of Companies from November 1, 2012 to January 31, 2016.

He graduated with a Bachelor of Arts degree at Lacson College and Juris Doctor at the Ateneo School of Law.



Atty. Angelo Raymundo Q. Valencia
Independent Director
Filipino, 55 years old



Mr. Edward Carlos was appointed as Board Adviser in February 2023. He previously served as a non-executive director of GRBank in 2005, 2014, and 2019.

Concurrently, he is the President of SmartGrid, Inc. and the President of Makati One Plaza Hotel Corp. He is also a Director and Treasurer of Fastrack Multi-Purpose Services, at the same time sits as Director of Fourteen Stars Realty Inc., Yellow Green Corporation, and EuroAsia International Hotel.

Mr. Carlos served as a consultant for the General Manager of Laguna Lake Development Authority (LLDA) from 2012 to 2016.

He has a degree in BS in Computer Science from De La Salle University. He earned also a double Post Baccalaureate Diplomas in Building and Property Management in 2018 and at the same time in Executive Diploma Program in Real Estate Management in 2019, both at De La Salle-College of Saint Benilde. In addition to these, he has attended and finished several short courses in Banco Sentral ng Pilipinas for Basic Rural Banking, in Ateneo Graduate School of Business for Accounting for non-Accountant, at University of the Philippines on How to Start a Lending Investor, and his most recent, a course of study offered by HarvardX, an online learning of Harvard University for Technology Entrepreneurship in 2020.

Mr. Edward L. Carlos

Board Adviser
Filipino, 55 years old

Atty. Daryl G. Liangco was appointed as Corporate Secretary of the Board on February 2, 2022. He previously served as GRBank's Legal Counsel/Consultant. He is a lawyer and a Certified Public Accountant.

He is currently a part-time faculty at the Mary the Queen College (Pamp.), Inc. and Don Honorio Ventura State University. Also, a member and Director of the Integrated Bar of the Philippines – Pampanga Chapter and the Philippine Institute of Certified Public Accountants – Pampanga Chapter. His previous positions are former faculty member of the University of the Assumption, Colegio de Sebastian, Guagua National Colleges, Holy Cross College and Guagua Community College. He also held previous positions at the JBL Memorial Regional Hospital, Commission on Appointment, Coop Center for Development Foundation, Inc, a Junior Associate at Molo Sia Velasco Tuazon & Ty Law Offices, and Department Manager, Account Officer and Admin Asst. at Cooperative Bank of Pampanga. Atty. Liangco is a graduate of Bachelor of Arts in Psychology at the University of the Philippines – Ext. Program in San Fernando, a Bachelor of Laws at the San Beda College, Mendiola and Bachelor of Science in Accountancy at the University of the Assumption.

Atty. Daryl G. Liangco
Corporate Secretary
Filipino, 43 years old



Board Committees

The Board established 4 committees to assist in the execution of its duties to ensure efficiency, focus and responsiveness to deal with specific issues that require specialized areas of expertise. These committees run under the guidance of their charters and report directly to the Board. Each member of the respective committees has been holding office since their election last February 8, 2023, until their successors shall have been elected and qualified.

Executive Committee

The Executive Committee is composed of three executive directors appointed by the Board and oversees the overall risk management policies and procedures of the Bank. It recommends policies proposed by different management/sub-committees for approval of the Board. This committee is in-charge of executing and monitoring the strategic plans. Acts and approves loan applications up to P 2 million for business loans and up to P 3 million for housing loans. It also assists the board in the management of risks related to operations, liquidity, market, strategy, IT and reputation. The President sits as chairman of this committee.

EXECUTIVE COMMITTEE - 100%	TOTAL	PRESENCE	%
JOSE ANTONIO BLAS L. CARLOS	36	36	100%
ELIZABETH C. TIMBOL	36	36	100%
GRACE C. GLORIOSO	36	36	100%

Chairman

Jose Antonio Blas L. Carlos

Members

Elizabeth C. Timbol

Grace C. Glorioso



Chairman

Iluminada M. Dizon

Members

Angelo Raymundo Q. Valencia

Diana C. Cruz

Audit Committee

The Audit Committee is composed of three non-executive directors. Sitting as Chairman, is one of the independent directors, whose main function is to protect the Bank's assets by playing a key role in financial control and reporting. The Committee examines the major risk exposures of the bank with regard to management's accountability on monitoring and controlling such risk exposures. It also oversees the functions of the internal audit group to ensure that they are always relevant to the operations of the Bank.

AUDIT COMMITTEE - 100%	TOTAL	PRESENCE	%
ILUMINADA M. DIZON	12	12	100%
ANGELO RAYMUNDO Q. VALENCIA	12	12	100%
DIANA C. CRUZ	12	12	100%

Corporate Governance Committee

The Corporate Governance Committee is composed of three non-executive directors with two independent directors, one of whom sits as Chairman. The committee is responsible for the nomination and election, remuneration, evaluation and continuing education of the Board and senior management as well as the oversight of compliance and risk, DOSRI and RPT.

In 2023, 12 meetings were conducted and attended by the members, Mrs. Amanda L. Carlos was replaced by Mr. Emilio Philip L. Carlos starting May, 2023 until December 2023*.

CORPORATE GOVERNANCE COMMITTEE - 100%	TOTAL	PRESENCE	%
ANGELO RAYMUNDO Q. VALENCIA	12	12	100%
EMILIO PHILIP L. CARLOS*	8	8	100%
ILUMINADA M. DIZON	12	12	100%

**from May 2023 - Dec. 2023*

Chairman
Angelo Raymundo Q. Valencia
Members
Illuminada M. Dizon
Amanda L Carlos
Emilio Philip L. Carlos



Credit Committee

The Board Credit Committee, composed of five directors (3 executives and 2 non-executives) assisted by two advisers, takes care of the deliberation of loan applications of more than P 2 million. The committee recommends policies to the Board, approves loans in accordance with the credit risk policies and procedures of the Bank, and is responsible in monitoring credit exposure limits, SBL and large exposures. In 2023, the bank held 38 regular credit committee meetings.



BOARD CREDIT COMMITTEE-97%	TOTAL	PRESENCE	%
JOSE ANTONIO BLAS L. CARLOS	38	37	97%
ELIZABETH C. TIMBOL	38	38	100%
GRACE C. GLORIOSO	38	38	100%
MICHAEL B. LAPID	38	38	100%
CARLOS S. CORONEL	38	33	87%

Chairman
Jose Antonio Blas L. Carlos
Members
Elizabeth C. Timbol
Grace C. Glorioso
Michael B. Lapid
Carlos S. Coronel

KEY OFFICERS



Name: Luzviminda P. Dungca
Position: Vice President-Credit
Years in Service: 18 years
Citizenship: Filipino
Education: BSBA-Accounting, Cum Laude
 Angeles University Foundation



Name: Elisa M. Laqui, CPA-Lawyer
Position: Chief Compliance Officer/ Internal Audit Head
Years in Service: 2 years
Citizenship: Filipino
Education: BS-Commerce,
 Sta. Rita College
 Bachelor of Law,
 Far Eastern University



Name: Rod Byron P. Ladea, CPA, MBA
Position: Vice President-Accounting
Years in Service: 11 years
Citizenship: Filipino
Education: BS-Accounting,
 Gordon College
 Masters Business Admin (MBA)
 President Ramon Magsaysay State University



Name: Rosalina R. Aguilar
Position: Sr. Asst. Vice President-Finance
Years in Service: 44 years
Citizenship: Filipino
Education: BSBA-Accounting,
 University of the East



Name: Jenifer G. Cayanan
Position: Asst. Vice President II-Accounting
Years in Service: 29 years
Citizenship: Filipino
Education: BS in Accountancy,
 Guagua National Colleges



Name: Gianna Maria I. Arceo
Position: Sr. Asst. Vice President II
 Asst. Compliance Officer
Years in Service: 29 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, Operations/Product Management
Years in Service: 30 years
Citizenship: Filipino
Education: BS in Accountancy
 Guagua National Colleges



Name: Garry G. Alfonso
Position: Head, Business Development/IT
Years in Service: 28 years
Citizenship: Filipino
Education: BSBA-major in Accountancy,
 Holy Angel University



Name: Marilou S. Mungcal
Position: Head, Admin and Property Management
Years in Service: 29 years
Citizenship: Filipino
Education: AB Mass Communication,
 Angeles University Foundation

Performance Assessment of the Board and Senior Management

The Board acknowledges its intention to establish and follow “best practices” in Board governance in order to fulfill its fiduciary role to the Bank. Fundamental to sound governance is the practice of undertaking a Board evaluation on an annual basis. The objective of the evaluation is to give all Board members an opportunity to evaluate and discuss the Board’s performance with candor and from multiple perspectives. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

The Corporate Governance Committee (CGC) is required to carry out evaluation of every Director’s Performance. Further the Board is also required to undertake a performance evaluation of its Independent Directors on an annual basis for determining whether to extend or continue the term of appointment of the independent director. The annual evaluation made by the Board of its own performance and that of its committees and Individual Directors shall be reported in a Board meeting.

Process for Evaluation

The performance evaluation will be done once a year during the last quarter of every year (the evaluation period) to be initiated by the Chairman of the Board. At the Board’s discretion, a person designated by the Board, to be assisted the HR department, will coordinate the evaluation process.

The performance evaluation of Independent Directors shall be carried out by the entire Board excluding the Independent Directors. In the overall Board and Committees evaluation, each Board member will be asked to assess the Board as a whole and each board committee. Senior management assessment follows the same process in evaluation of board committees, where they are assessed for the fulfillment of their roles and responsibilities in line with regulations, making decision using timely and accurate information, and proper use of the bank’s resources, among others in the execution of their day-to-day duties. Each Board Committee member will take charge of assessing the management committees and/or the personnel performing self-assessment functions that are in their charge.

Results will be tabulated and analyzed, with the assistance of HR, prior to the meeting and presented in a summary to the CGC and the Board for evaluation. The tabulated scores will be averaged. An overall rating of 4 or 5 is a favorable outcome and is what the bank desires.

The Board will discuss areas that are working well and those that need attention and may decide on changes that affect governance practices and policies that need to be made or amended going forward. Mgmt. Committees and/or Department heads may work with the Board to implement necessary changes.

Part of the assessment includes attendance to meetings, each Director is responsible in ensuring that they participate at least 50% and has been physically present in at least 25% of Board meetings every year. They are encouraged to contribute valuable ideas and strategies, controls and safeguards for the good of the Bank.

Orientation and Education

The Board of Directors supports the continuing education of its entire workforce, including the Board and senior management. They too keep themselves abreast with the latest trends, developments and regulations surrounding the banking industry by attending different conventions on banking, business, finance and technology. All new directors are required to attend a corporate governance seminar as required prior to on-boarding and when on-boarded they are given a short orientation about the bank and given a copy of their duties & responsibilities. Every year, the HR department provides a list of relevant seminars that the Board and senior management can attend and has a training map to keep track of seminars attended. Directors and senior management are likewise given updates on business and regulatory environments which are discussed during board meetings. They likewise attend conventions and webinars conducted by the RBAP and the regional association of rural banks who provide training on risk management and other relevant topics, and refresher courses on corporate governance and AML matters. For this year, webinars on Related Party Transactions and Corporate Governance were among those attended.

Retirement and Succession

GRBank succession plan focuses at the top of the organization, particularly the Board of Directors, the President and CEO, and going down to the lowest level given the retention value of offering development opportunities as well as the increase in profitability associated with competent and motivated workforce. The bank is guided by its Succession Plan and Policy, as amended.

The Board of Directors shall be responsible for implementing this policy and its related procedures, with the assistance of the Nom/Rem Committee for directors, and the Executive Committee for officers of rank below VP. Regular assessment to the policy is done and is updated accordingly. It ensures that successors are identified and that appropriate exposure and trainings are done so they become qualified and capable successors for the position. For succession planning in the Board, it has adopted the maximum cumulative term of nine (9) years for independent directors, as per Sec. 132 of the MORB. The bank's non-executive directors other than the independent directors may serve as directors as long as they still possess the necessary criteria to fulfill his/her duty as director of the bank according to the guidelines set forth in the bank's Policy on Board Nomination and Qualification of Directors, as amended.

GRBank has created a retirement plan, aligned with the Philippine Labor Code, which will provide retirement to all eligible employees of the bank, including senior management.

Remuneration Policy

The remuneration principles in GRBank are designed to attract and retain Directors that possess relevant skills, industry knowledge and experience to oversee the bank's achievement of its performance and strategy goals with emphasis on long-term shareholder value creation. It is also focused on providing fair compensation and remuneration in accordance with industry standards, job requirements and work performance that are aligned with the Bank's values and objectives.

It is likewise aligned with Sec. 29 of the Revised Corporation Code of the Philippines on Compensation of Directors, which states that the total yearly remuneration of Directors shall not exceed 10% of the net income before income tax of the bank during the preceding year and that Directors shall not participate in the determination of their own per diems or compensation.

All Directors receive a basic fee for their duties as a Board member. Additional fees are paid for added responsibilities such as membership of committees.

Remuneration for Executive Directors, including the President & CEO, include a fixed pay, allowances, fringe benefits approved by the BSP, bonuses and incentives based on performance of the preceding year and an executive health package by an HMO. This is based on the bank's salary scale which is adjusted yearly to consider industry standards, and labor laws. They also receive per diems during Board and committee meetings.

The four (4) most highly compensated management officers of the Bank are the President & CEO, SEVP/COO, SVP and one(1) SAVP.

POLICIES AND PROCEDURES

Related Party Transactions

It is the policy of the Bank and the responsibility of the Board to ensure that there is an effective compliance with existing laws, rules and regulations and that no stakeholder is unduly disadvantaged in handling transactions with directors, officers, stockholders, their related interests (DOSRI), the Bank's affiliates and other related parties. All extensions of credit and other bank related transactions to related parties shall be on an arm's length basis, handled in a sound and prudent manner, with integrity and in accordance with the Bank's credit granting criteria and other policies in relation to the transaction, and in the regular course of business, and upon terms not less favorable to the Bank than those offered to non-related borrowers. Directors and officers with personal interest in a transaction do not participate in any deliberation, approval or voting on the transaction.

Section 13 of the bank's RPT policy ensures that all credit and non-credit Related Party Transactions go through the normal approval processes of the Bank. All RPTs are referred to the CorpGov Committee (CGC) with all the supporting documents for their review and endorsement to the Board for approval, if warranted. To ensure that RPTs are entered into at terms that promote the best interest of the bank and its stakeholders, effective price discovery mechanism

shall be resorted to, such as but not limited to, acquiring external services or requiring 3 different sets of quotations or publication of a property available for sale. The Committee shall likewise consider the following factors to the extent relevant to the RPT in conducting an independent review:

- a. The identities of the parties involved in the transaction or relationship;
- b. The terms of the transactions are fair and on arms-length basis to the Bank;
- c. The impact on Director's or Senior Officer's independence; and
- d. Whether the Related Party Transaction would present an improper conflict of interest for any Director, Stockholder or Senior Officer of the Bank.

The Board of Directors approves and confirms all RPTs endorsed by the CGC. This shall follow the same approving process as DOSRI Loans. Existing RPTs that have changes in terms and conditions shall be subject to the same procedure. Transactions previously entered into with a non-related party that subsequently becomes a related party shall be subjected to this procedure, only if there are changes in the terms and conditions of the transaction. Otherwise, the RPT shall only be declared and included in the RPT database. Any member of the Board or CGC who has interest in the transaction must abstain from participation in the review and approval of any Related Party Transaction. As of December 31, 2023, there are existing RPT transactions that are not material and are managed and monitored by the CGC.

The Board shall exercise appropriate oversight and implement effective control systems for managing said exposures as these may potentially lead to abuses that are disadvantageous to the bank and its depositors, creditors, fiduciary clients, and other stakeholders.

Self-Assessment Function

Compliance

The bank's Compliance Group reports to and is under the direct supervision of the Corporate Governance Committee (CGC) and, through the Chief Compliance Officer (CCO), oversees the design of an appropriate compliance system, promote its effective implementation and address breaches that may arise. The Compliance Group is also responsible for ensuring the integrity and accuracy of all reportorial requirements to the BSP, and other regulatory agencies. It is likewise responsible for establishing a monitoring and assessment process and periodic review to ensure compliance of all units of the bank with the banking standards, laws and regulations. This shall form part of the compliance system. The compliance system shall be review at least once a year by the CGC.

The CCO keeps a library of all laws, rules and regulations of governing bodies and sees to it that it is updated and disseminated properly to all units of the bank. Such laws, rules and regulations are then placed in a matrix to be checked accordingly against practices, policies and procedures of the bank through testing to ensure the bank's compliance. Testing reports are submitted to the CGC for proper action of the Board. The CCO is likewise responsible for ensuring that BSP report on examinations is likewise complied with and approved by the Board.

Internal Audit

The Internal Audit Group (IAG) is guided by the principles required by the International Standards for the Professional Practice of Internal Auditing and applies the risk based internal auditing as a methodology that links internal auditing to an organization's overall risk management processes and managing risks effectively in relation to the risk appetite. The IAG reports directly and is supervised by the Audit Committee (AC). In following the standards, it aims to provide a framework for performing and promoting a broad range of value-added internal auditing services, establish a basis for the evaluation of internal audit performance, and foster improved organizational processes and operations. Its role is to create an audit program that brings a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, control and governance processes. The AC is responsible in ensuring that the audit program is effectively implemented and review is done every audit cycle.

Dividends

The Bank shall, at the end of each fiscal year, apply the amount of its earnings, in excess of operating expenses during such fiscal year to (1) a capital retirement fund to provide for the gradual retirement of the government's equity investment in the Bank, if any (2) establishing and maintaining a reserve for bad and doubtful accounts, (3) replenishing any impairment to its capital. Any sums remaining shall be distributed as dividends to stockholders, but no dividends in excess of 20% per annum shall be paid. The Board approves the declaration of dividends as of record date and specifies the date of distribution. This is confirmed by the Stockholders during the annual stockholders' meeting. In 2023, there was no declaration of dividends.

Consumer Protection

GRBank values its customers. Thus with more than 60 years of dedicated untarnished banking service excellence, the Bank continues to innovate and usher in a more improved banking service by implementing its Customer Assistance and Protection Program to further complement the well-being of its customers.

The Board shall be primarily responsible for approving and overseeing the implementation of policies governing major areas of the Bank's consumer protection program, including the mechanism to ensure compliance with the set policies.

The Roles of the Board shall include the following:

- a. Approve the Consumer Protection policies;
- b. Approve Risk Assessment Strategies relating to Effective Recourse by the Consumer;
- c. Provide adequate resources devoted to Consumer Protection;
- d. Review the applicable policies periodically

The Execom shall be responsible for proper implementation of the Consumer protection policies and procedures duly approved by the Board. Also, its role shall focus on ensuring effective management of day-to-day consumer protection activities.

The program is set to cater the concerns, complaints and appreciate compliments to further enhance the delivery of its banking service and promote transparency in all transactions with the Bank. There is a Customer Assistance and Protection Group (CAPG) that is in charge of processing customer concerns received through any of the branch managers or department heads. Aside from personal channels, concerns may be coursed through the bank's official mobile number, through the official corporate email or the bank's website. Feedback is given within a specified timeframe and resolutions, which are well formulated, are suggested to the customer. The Bank values both the customer and relationship thus we ensure that the motto "Where Service is Best" is practiced faithfully. The CAPG is in-charge of monitoring the customer assistance process so that the bank is able to keep track, identify, and analyze the nature of complaints and recommend solutions to avoid recurrence. A report with the recommendations is provided to the Execom on a monthly basis for proper action as part of mitigating the risks that may arise.

In 2023, the bank made some amendments to the Consumer Assistance and Protection Program and was approved by the Board of Directors on June 29, 2023. The amendment includes a revised Objective where it was added that the policy that sets out the protection of client information, fair treatment, effective recourse and financial education. It also revised the definition of simple complaints, which must be acknowledged and resolved within 24 hours. It also provided a detailed list of the functions of the Board and Senior Management and a cooling-off period was added under Fair treatment which provides the customer with a two (2) banking days cooling-off period to change his mind but on reasonable terms, not when there has been a drawdown of a facility or loan has been booked.

SUSTAINABILITY FRAMEWORK

GRBank's Sustainability Objectives and Principles

Sustainability is not just an opportunity but a genuine mission for GRBank to represent a model of excellence in the rural banking industry by adopting an effective approach to business that is at the core of our underlying principles to be able to respond to the challenges that is increasingly sensitive to the impacts generated by industrial processes on society and the environment. GRBank's Sustainable Finance Framework is fostered at the Board level and is focused on initiatives that the bank finds value and relevance as part of its commitment to environmental and social responsibility which cut across credit and operational risk management, and investment activities where the bank is allowed to venture in. It recognizes its role in pursuing sustainable and resilient growth by enabling environmentally and socially responsible business decisions. Built by the legacies of the past, GRBank moves forward with the promise of a better tomorrow. It shall continuously be in the service of the Filipino people. It shall fuel dreams, empower MSMEs, energize communities and take care of families.

Sustainability Strategies

GRBank supports and upholds the following sustainability principles aligned with the United Nations Global Compact thru the following strategies:

- * Support environmental-friendly solutions and opportunities for business
- * Support to initiatives that provide access to clean, renewable and reliable energy sources and services for the bank and for businesses.
- * Improve water quality and/or water use efficiency by providing financial support to residents and businesses.
- * Improve sustainability of agricultural processes by supporting DA projects for farmers and fisherfolks.
- * Support medical facilities, hospitals and supplies of affordable medicine and promote wellness among employees.
- * Access to quality education and services through support of educational institutions.
- * Support MSMEs by providing financial literacy for competence and sustainability for employment and economic growth.
- * Provide enhanced employment conditions through work-life balance, fair compensation and equal opportunities for growth.

These strategies shall be done and reviewed per year within a 5-10 year horizon until it is fully imbedded into the bank's best practices for sustainability. Its appetite is linked to the SDGs mentioned below and intends to allocate an amount equivalent to 10% of the Bank's total loan portfolio.

Linkage to the Sustainable Development Goals

GRBank, anchors its sustainable development strategy to the United Nations Sustainable Goals focusing on 6 SDGs where we believe GRBank can have an effective approach using our underlying principles to respond to the challenges and create an impact on society and the environment where we serve.



Overview of Environment and Social Risk Management System

The bank has identified and assessed the following environmental and social risks that may affect the bank and it is committed to implement environment and social consideration into its credit, operations and investment activities.

The bank has reviewed the locations of its branches, if any is located in flood prone areas, typhoon belt or fault lines. Any damage brought about by natural causes will cause setbacks in the plans of the bank. Aside from operations risks, it may also cause market risk and reputation risk if the bank is unable to immediately open its doors for business after the catastrophe. In 2023, all branches were open even with the floods and typhoons that occurred.

The bank is prepared for contingency or relocation should any of its branches be affected, like ensuring that computers and records are stored in elevated and secured sections of the bank, and that proper backups are done before the storm arrives. A proper insurance coverage monitoring system is also instituted. Worst-case scenario is to relocate to nearby branches with due notice to clients.

To be able to take extra precautions to safeguard the lives of its employees, protect bank properties and be of service to the community, the bank has started referring to weather bulletins every time a weather disturbance is reported. This way, the severity of the damage may be lessened.

Below is the breakdown of the E&S risks that the bank has identified. We believe that our clients may be exposed to as well. By identifying them, we are able to assist them better.

Environmental Risks			Bank	Client	Social Risks			Bank	Client
1	Damage to buildings caused by calamities like earthquakes, floods, volcanic eruptions		✓	✓	1	Non-compliance with labor standards, and other occupational safety and health standards	✓	✓	
2	Damage to crops caused by calamities			✓	2	High employee turn-over/Job insecurity	✓	✓	
3	Water Shortage/Contamination		✓	✓	3	Lack of training/incompetent staff	✓	✓	
4	Improper waste disposal		✓	✓	4	Inadequate procedures/controls	✓	✓	
5	Oil & Gas Shortage		✓	✓	5	Employee disruption		✓	
6	Business Shutdown			✓	6	Non-compliance with LGU laws; Unregistered Business	✓	✓	
7	Supply Chain problems			✓	7	High crime rate in community	✓	✓	
8	Agri-Agra viruses and diseases			✓	8	Data Breach	✓	✓	
9	Frequent power interruption		✓	✓	9	On-line gaming/illegal gambling		✓	
10	Fire damage		✓	✓	10	Misleading product labelling/branding	✓	✓	
11	Air pollution			✓	11	Poor Management	✓	✓	
12	Natural resource exploitation like illegal logging, illegal mining and illegal fishing			✓					
13	Telecom/Internet disruption/breakdown		✓	✓					

In 2022, the bank has reviewed the composition of its exposure limits on industries taking into consideration the environmental risks the industries are exposed to.

CATEGORY	GRBank's Sustainable Portfolio as of December 31, 2022			ELIGIBLE GREEN PROJECTS
	No. of Accounts	Type of Business/Financing	LOAN BALANCE	
Clean water	1	Water station	7,096,446.33	6 - Clean water and sanitation
Renewable energy	3	Solar Panels	19,638,300.95	7 - Affordable and clean energy
				ELIGIBLE SOCIAL PROJECTS
Access to health services	18	Hospitals/ healthcare / distributor of generic medicines	348,038,927.71	3 - Good health and well-being
Access to quality education	13	Schools	299,265,496.52	4 - Quality education
Access to food	41	Agri - Palay, Corn, Vegetables, Poultry, Piggery, Fishery	561,078,887.51	2 - Zero hunger
Employment generation	337	MSME LOANS	4,276,658,416.87	8 - Decent work and economic growth

The table below shows the bank's Sustainability Portfolio as of Dec. 31, 2023 and the bank has released funds in the amount of P 1.07 billion in support of its initiatives.

CATEGORY	GRBank's Sustainable Portfolio as of December 31, 2023			EUGIBLE GREEN PROJECTS
	No. of Accounts	Type of Business/Purpose	LOAN BALANCE	
Clean Water	1	Water Station	6,569,837.65	SDG 6 - Clean Water and Sanitation
Renewable Energy	4	Solar Panels	10,196,292.68	SDG 7 - Affordable and Clean Energy
				EUGIBLE SOCIAL PROJECTS
Access to Health Services	21	Hospitals/Healthcare/ Distributor of Generic Medicines	296,211,580.71	SDG 3 - Good Health and Well-being
Access to Quality Education	40	Schools	315,613,939.56	SDG 4 - Quality Education
Access to Food	44	Agri - Palsay, Corn, Vegetables, Poultry, Piggery, Fishery	371,759,947.09	SDG 2 - Zero Hunger
Employment Generation	529	MSME Loans	4,023,069,439.73	SDG 8 - Decent Work and Economic Growth

Corporate Social Responsibility

Moreover, GRBank extends its support by facilitating a Community Outreach program aimed at aiding underprivileged and undereducated children in nearby communities. We firmly believe in the transformative power of education and seek to empower these children with knowledge and resources to build a brighter future.

Our goal is to not only offer immediate relief to those affected by the disaster but also to invest in the long-term well-being of the community, especially its future generations. Through these initiatives, we stand in solidarity with these communities, striving to make a meaningful difference during these challenging times.

Together, we strive to be a beacon of support and compassion, embodying the spirit of unity and resilience in the face of adversity.

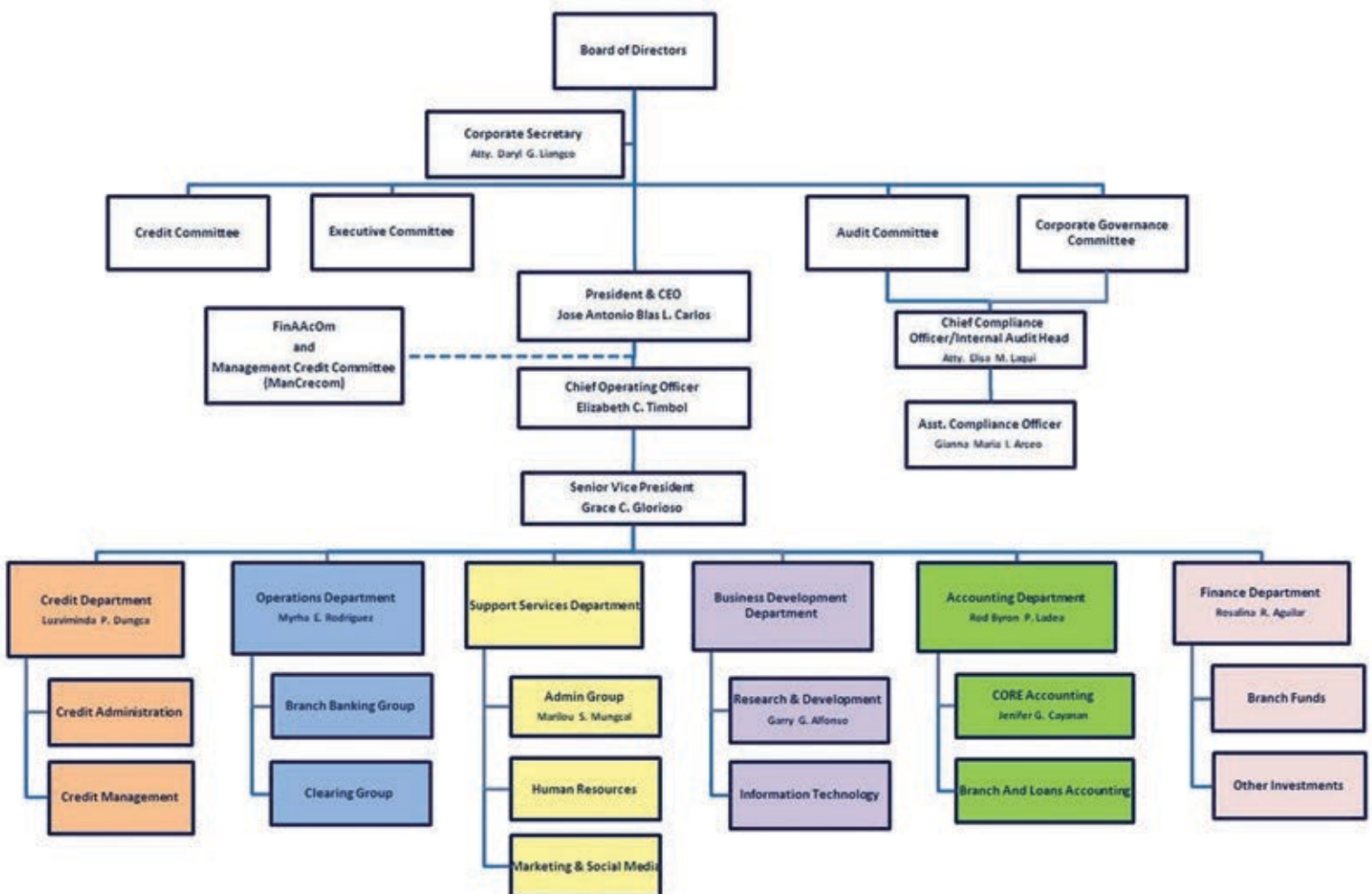


MAJOR STOCKHOLDERS

As of December 31, 2023, 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 CHART



DEPARTMENTS



**BUSINESS
DEVELOPMENT
SUPPORT SERVICES
AND OPERATION
DEPARTMENT**



**AUDIT &
COMPLIANCE
DEPARTMENT**

**ACCOUNTING &
FINANCE
DEPARTMENT**



MANAGEMENT COMMITTEES



**CREDIT
DEPARTMENT**



**MANAGEMENT
CREDIT
COMMITTEE**

FINAACOM



BRANCH BANKING **GROUP**



BRANCH BANKING **GROUP**



BRANCH BANKING **GROUP**





GRBANK
TRUSTED SINCE 1954

**2023 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 December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 operation, 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 2023 and 2022 in accordance with Philippine Standards on Auditing, and in her report to the stockholders, has expressed her 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 2023 and 2022, 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 significant 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 2023 and 2022, 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 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.



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 during our audit and follow-up with our findings, we are of the opinion that the affairs and records of the bank for the ended 31 December 2023 have been fairly handled, except for our findings noted in the auditor's report, which qualifies our opinion on the fair presentation of the Bank's financial statements, due to which the Bank, was unable to provide the basis for the recognition of its outstanding retirement liability under PAS 19 as of the years ended 31 December 2023 and 2022.



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

STATEMENTS OF FINANCIAL POSITION

				By: December 31
	Notes	2023	2022	
ASSETS				
Cash and Cash Equivalents				
Cash and other cash items	2/4/5/6 P	49,295,843 P	57,241,763	
Due from other banks	2/3/4/5/6	1,403,385,736	1,135,388,579	
Due from BSP	2/3/4/5/6	312,403,167	414,301,058	
Loans and Receivables - net	2/3/4/5/7	5,614,500,902	5,271,468,635	
Sales Contract Receivables - net	2/3/4/5/8	58,086,120	21,571,047	
Financial Assets at Amortized Cost	2/3/4/5/9	304,392,778	416,544,759	
Financial Assets at FVOCI	2/3/4/5/10	14,973,000	14,726,600	
Property and Equipment	2/3/11	121,189,854	119,616,897	
Non-current Assets Held for Sale - net	2/3/12	110,785,206	63,519,029	
Other Assets	2/13	27,520,790	26,862,165	
		P 8,016,533,396 P	7,541,240,532	
LIABILITIES AND EQUITY				
Liabilities				
Deposit Liabilities	2/3/4/5/15 P	6,306,052,152 P	5,806,139,695	
Bills Payable	2/3/4/5/16	-	200,000,000	
Current tax payable	11/21	1,976,428	1,412,124	
Dividends payable	2/18	400	40,000,400	
Other Liabilities	2/3/4/5/17	175,036,512	206,564,490	
		6,483,065,492	6,254,116,709	
Equity				
Share capital	2/18	855,221,600	655,221,600	
Surplus free	2	618,173,304	572,075,623	
Surplus reserves		60,100,000	60,100,000	
Net unrealized gain (losses) on FVOCI	10	(27,000)	(273,400)	
		1,533,467,904	1,287,123,823	
		P 8,016,533,396 P	7,541,240,532	
<i>See Notes to Financial Statements</i>				

STATEMENTS OF COMPREHENSIVE INCOME

Years Ended: December 31			
	Notes	2023	2022
INTEREST INCOME			
Loans and receivables	P	571,037,145	P 465,952,736
Due from BSP and other banks		53,583,424	11,958,388
Financial assets		10,970,921	10,816,035
		635,591,490	488,727,159
INTEREST EXPENSE			
Deposit liabilities		163,712,745	75,611,352
Other borrowings		7,011,778	139,931
		170,724,523	75,751,283
NET INTEREST INCOME		464,866,967	412,975,876
NON-INTEREST INCOME			
Gain on sale of other financial & non-financial assets	11/12	34,105,961	7,374,796
Service charges		9,400,434	13,151,470
Rental income		6,430,226	5,812,788
Others		15,271,293	26,714,420
Foreign exchange gain (loss)		(198)	3,721
		65,207,716	53,057,195
TOTAL OPERATING INCOME		530,074,683	466,033,071
ADMINISTRATIVE EXPENSES			
Compensation and other benefits	19	94,415,858	84,304,994
Provision for impairment and credit losses	14	44,537,717	72,813,874
Depreciation and amortization	11	13,180,088	12,821,877
Taxes and licenses	20	10,461,947	9,090,709
Others	21	85,770,854	65,541,701
		248,366,464	244,573,155
NET INCOME BEFORE TAX		281,708,219	221,459,916
DEFERRED TAX EXPENSE (BENEFIT)	22	19,097,751	9,525,280
NET INCOME		262,610,468	211,934,636
OTHER COMPREHENSIVE INCOME	9	246,400	-
TOTAL COMPREHENSIVE INCOME	P	262,856,868	P 211,934,636

See Notes to Financial Statements

STATEMENTS OF CHANGES IN EQUITY

Years Ended: December 31				
	Notes	2023		2022
SHARE CAPITAL				
Balance at beginning of year	P	655,221,600	P	505,221,600
Issuance of share capital	18	200,000,000		150,000,000
Balance at end of year		855,221,600		655,221,600
SURPLUS FREE				
Balance at beginning of year, as reported		572,075,623		587,427,437
Prior year's adjustments	18	(16,512,787)		(187,286,450)
Balance at beginning of year		555,562,836		400,140,987
Net income		262,610,468		211,934,636
Dividends declared	18	(200,000,000)		(40,000,000)
Balance at end of year		618,173,304		572,075,623
SURPLUS RESERVE				
Balance at beginning of year	18	60,100,000		60,100,000
Appropriation during the year		-		-
Balance at end of year		60,100,000		60,100,000
NET UNREALIZED GAIN (LOSSES) ON FVOCI				
Balance at beginning of year		(273,400)		(273,400)
Unrealized gain (losses) on FVOCI	10	246,400		-
Balance at end of year		(27,000)		(273,400)
		P 1,473,394,904	P	1,227,297,223

See Notes to Financial Statements

STATEMENTS OF CASH FLOWS

Years Ended: December 31				
	Notes	2023		2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income before tax	P	281,708,219	P	221,459,916
Adjustments for:				
Depreciation and amortization	11	13,180,088		12,821,877
Provision for impairment loss and credit loss	14	44,537,717		72,813,874
Gain on sale of non-financial assets		(34,105,961)		(7,374,796)
Prior period's adjustments		(16,512,787)		(20,990,451)
Operating income before working capital changes		288,807,276		278,730,420
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Loans and receivables	7	(385,289,477)		(781,264,838)
Sales contract receivables	8	(36,515,073)		6,438,134
Other assets	13	(2,939,132)		(7,529,307)
Increase (decrease) in:				
Deposit liabilities	15	499,912,457		539,764,081
Other liabilities	17	(31,527,978)		60,304,423
Net cash generated from (used in) operations		332,448,073		96,442,913
Income taxes paid	23	(18,533,447)		(9,685,154)
Net cash provided by (used in) operating activities		313,914,626		86,757,759
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment	11	(10,674,289)		(2,703,548)
Acquisition of non-current assets held for sale	12	(87,680,492)		(17,433,584)
Proceeds from sale of non-financial assets	11/12	70,441,520		11,953,370
Net proceeds (acquisition) of financial assets at amortized cost	9	112,151,981		(193,736,700)
Net proceeds (acquisition) of financial assets at OCI	10	-		10,329,597
Net cash provided by (used in) investing activities		84,238,720		(191,590,865)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net proceeds from (repayments of) bills payable		(200,000,000)		150,000,000
Net proceeds from issuance of share capital	18	-		150,000,000
Payment of dividends	18	(40,000,000)		(190,000,000)
Net cash provided by financing activities		(240,000,000)		110,000,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
		158,153,346		5,166,894
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
Cash and other cash items	6	57,241,763		45,957,793
Due from Bangko Sentral ng Pilipinas	6	414,301,058		346,620,609
Due from other banks	6	1,135,388,579		1,209,186,104
		1,606,931,400		1,601,764,506
CASH AND CASH EQUIVALENTS AT END 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
	P	1,765,084,746	P	1,606,931,400

See Notes to Financial Statements



GRBANK

TRUSTED SINCE 1954

2023 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, Pampang

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 2023 and 2022, 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 significant 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 2023 and 2022, 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.


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

STATEMENTS OF FINANCIAL POSITION (FCDU/EFCDU)

As of 31 December 2023 and 2022

	2 0 2 3		2 0 2 2	
	In US \$	In PHP	In US \$	In PHP
ASSETS				
Cash	\$ 54,769	P 3,032,551	\$ 24,169	P 1,347,538
Due from other banks	928,997	51,438,574	958,064	53,416,843
Total Assets	\$ 983,766	P 54,471,125	\$ 982,233	P 54,764,381
LIABILITIES AND EQUITY				
Liabilities				
Deposit liabilities	\$ 951,257	P 52,671,092	\$ 961,539	P 53,610,591
Other liabilities	309	17,133	220	12,272
	951,566	52,688,225	961,759	53,622,863
Equity				
Surplus free	32,200	1,692,846	20,474	1,042,919
Cumulative foreign currency translation gain (loss)	-	90,054	-	98,599
Total Equity	32,200	1,782,900	20,474	1,141,518
Total Liabilities and Equity	\$ 983,766	P 54,471,125	\$ 982,233	P 54,764,381

See Notes to Financial Statements

STATEMENTS OF INCOME (FCDU/EFCDU)

For the Years Ended 31 December 2023 and 2022

	2 0 2 3		2 0 2 2	
	In US \$	In PHP	In US \$	In PHP
INTEREST INCOME	\$ 13,830	P 765,754	\$ 2,870	P 160,028
INTEREST EXPENSE	2,124	117,603	1,058	58,989
NET INTEREST INCOME	11,706	648,151	1,812	101,039
NON-INTEREST INCOME				
Fees and Commissions	40	2,215	50	2,788
TOTAL OPERATING INCOME	11,746	650,366	1,862	103,827
INCOME TAX EXPENSE	20	1,102	41	2,275
NET INCOME	\$ 11,726	P 649,264	\$ 1,821	P 101,552

See Notes to Financial Statements

STATEMENTS OF CHANGES IN EQUITY (FCDU/EFCDU)

For the Years Ended 31 December 2023 and 2022						
		2 0 2 3		2 0 2 2		
		In US \$	In PHP	In US \$	In PHP	
SURPLUS FREE						
Balance at beginning of year	\$	20,474	P	1,042,919	\$	18,653 P 941,367
Net income		11,726		649,264		1,821 101,552
Adjustments		-		663		- -
Balance at end of year		32,200		1,692,846		20,474 1,042,919
CUMULATIVE FOREIGN CURRENCY TRANSLATION GAIN (LOSS)						
Balance at beginning of year		-		98,599		- 9,888
Foreign currency translation gain (loss)		-		(8,545)		- 88,711
Balance at end of year		-		90,054		- 98,599
TOTAL EQUITY	\$	32,200	P	1,782,900	\$	20,474 P 1,141,518

See Notes to Financial Statements

STATEMENTS OF CASH FLOWS (FCDU/EFCDU)

For the Years Ended 31 December 2023 and 2022

	2 0 2 3		2 0 2 2	
	In US \$	In PHP	In US \$	In PHP
CASH FLOWS FROM OPERATING ACTIVITIES				
Total operating income	\$ 11,746	P 650,366	\$ 1,862	P 103,827
Changes in operating assets and liabilities:				
Increase (decrease) in:				
Deposit liabilities	(10,282)	(939,499)	(398,841)	(15,767,430)
Other liabilities	89	4,861	142	8,282
Net cash generated from (used in)				
operations	1,553	(284,272)	(396,837)	(15,655,321)
Income tax paid	(20)	(1,102)	(41)	(2,275)
Adjustments	-	663	-	-
Net cash provided by (used in)				
operating activities	1,533	(284,711)	(396,878)	(15,657,596)
FOREIGN CURRENCY TRANSLATION				
GAIN (LOSS)	-	(8,545)	-	88,711
NET INCREASE (DECREASE)				
IN CASH	1,533	(293,256)	(396,878)	(15,568,885)
CASH AND CASH EQUIVALENTS				
AT BEGINNING OF YEAR				
Cash	24,169	1,347,538	20,393	1,039,990
Due from other banks	958,064	53,416,843	1,358,718	69,293,276
	982,233	54,764,381	1,379,111	70,333,266
CASH AND CASH EQUIVALENTS				
AT END 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	P 54,471,125	\$ 982,233	P 54,764,381

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!

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





GRBANK
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ANNUAL REPORT 2023