



**Making Banking**  
**MEANINGFUL**

## VISION MISSION STATEMENT\*



To be the country's premiere financial conglomerate, empowering our individual and business clients to realize their goals and reach their full potential. By creating and customizing financial solutions in response to our stakeholders' needs, continuously expanding our scope of reach, and leading in community service, we live up to our "You're in Good Hands" promise that embodies who we are and what we do. We are Metrobank.

*\*The Vision Mission Statement (VMS) was approved by the Board in December 2016*

## WE COMMIT TO BE



### THE TRUSTED FINANCIAL PARTNER

Our business relies on the principles of trust, honesty and integrity as we serve our customers and help them attain their financial goals.



### THE EMPLOYER OF CHOICE

We strengthen the organization by continuously developing and enhancing the abilities of our people.

We nurture them into professional individuals with integrity and passion for service and excellence. We ensure their future by providing them with fulfilling careers.



### RESPONSIBLE BANK

We adhere to the highest standards of corporate governance, exercising accountability, fairness, and transparency across all our business operations.

We exercise good management to provide our shareholders with sustainable returns on their investments.



### AN INSTITUTION WITH A HEART

We give back to the communities we serve, committed to making meaningful contributions to the economic and social development of our nation.

## CORE VALUES

- Passion for Results
- Integrity
- Teamwork
- Commitment to Customer Service
- Heart for Community

# MEANINGFUL

(adj.) purposeful; significant;  
to have real value or importance

For over 57 years, Metrobank's **purpose** has always been to keep our customers *in good hands* by delivering what is best for them.

The end of a decade signaled the beginning of our recommitment to put our customers at the heart of all we do.

**In 2019, Metrobank made banking meaningful.**

As the Bank moves forward to this journey of transformation, we aim to create a banking experience that is of unparalleled **significance** in the lives of our customers.

We call this **Meaningful Banking**.

Like a north star that guides every season in the transformation, Meaningful Banking celebrates what is **valuable** for our customers, crafting a beautiful tapestry of overlapping lives where each individual in every community is enriched by the *meaningful work* that we, Metrobankers, do.

Each touchpoint in every financial journey we embark with our customers shines with the values that the Bank has always upheld: *passion for results, integrity, teamwork, commitment to customers service, and heart for community*.

After all, it's not just about offering **product solutions**.  
It's about crafting **personal stories**.

It's not just about **making a profit**.  
It's about **making a difference** in Filipinos' lives.

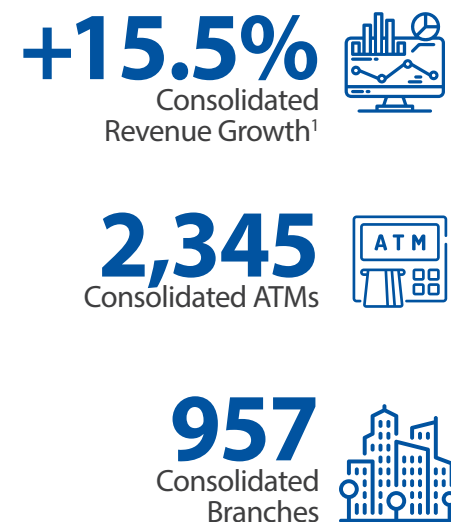
Because ultimately, the essence of Metrobank is rooted in compassion and excellence - the art and science of fulfilling deeply felt human needs - efficiently, effectively, and yes, meaningfully.



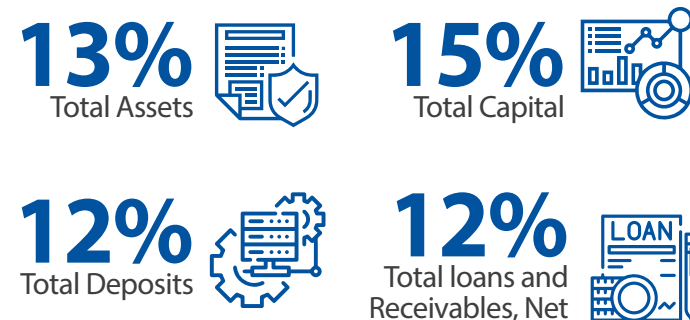
# STRENGTH in numbers

Metrobank's performance in 2019 has been nothing short of phenomenal. The company's overall growth, customer demand, talent recruitment, industry reputation, third-party collected independent rankings and metrics, clearly show our reliability, resilience, and strength. Our numbers do not lie and we are confident that even greater heights are waiting for us in the future.

## Ensuring growth while managing future risks



MBT Parent Market Share<sup>2</sup>

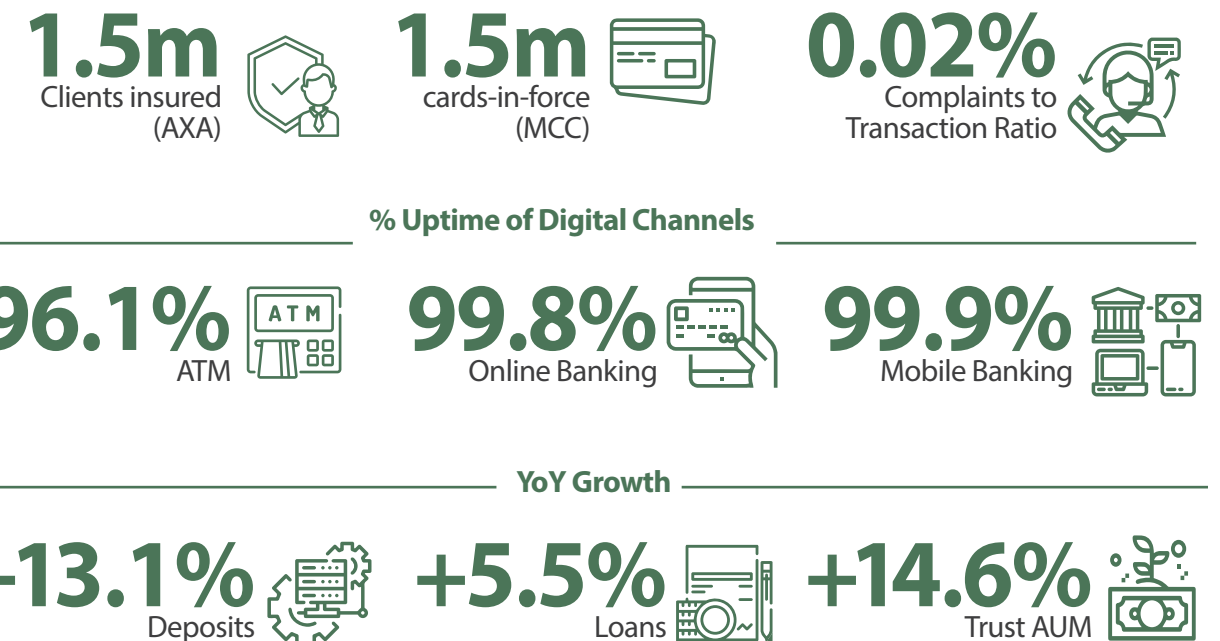


<sup>1</sup> Includes share in net income of subsidiaries, associates and a JV

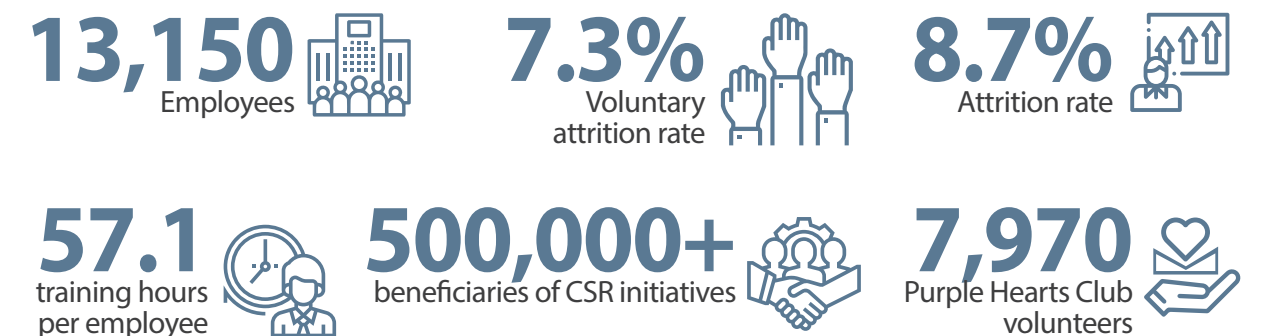
<sup>2</sup> Based on Bangko Sentral ng Pilipinas' Rankings

Note: Unless otherwise stated, these correspond to Parent Bank data.

## Customer Demand



## Attracting and retaining talent



## Brand and Reputation





## CHAIRMAN'S MESSAGE

# We are with you EVERY STEP OF THE WAY.

Dear fellow shareholders,

The Philippine economy capped 2019 strong with full-year GDP growth at 6%. The economy still managed to post solid growth, especially in the last quarter, even amid the negative developments in the global economy and despite the sustained slowdowns in some of our ASEAN peers. The expansion is mainly attributed to solid household spending, accelerated government expenditures, and the vibrant service sector.

Economic growth was also propped up by the easing inflation, with full year average inflation falling to 2.5% from 5.2% with the Rice Tariffication Law and stable global oil prices. The low inflation figure gave the BSP enough room to start unwinding the policy rate hikes implemented in 2018. The loosening of monetary policy helped ease the tightness in domestic liquidity, promoting better growth in the economy.

On the back of strong economic fundamentals, Metrobank delivered a solid performance, with 2019 consolidated net income of Php28.1 billion, up by 27% compared to the same period in the previous year. Total deposits grew 10% to Php1.7 trillion, which supported the growth in our loan portfolio of 7% to Php1.5 trillion. At the end of 2019, our balance sheet remained healthy with total assets of Php2.5 trillion and total equity of Php310 billion. And our capital position remains one of the strongest in the industry, with a total capital adequacy ratio of 17.5%, well-above the regulatory threshold.

The Bank's excellent performance in 2019 did not go unnoticed by the larger banking community. In 2019, Metrobank received high praise for companies in the Asia-Pacific and Gulf regions when it was recognized as the "Best Managed Bank in the Philippines" by the Asian Banker

“It is our work's greatest honor to craft a personal banking experience that moves you to achieve your life goals.”



Leadership Achievement Awards. In addition, we were recognized as one of the "Best Companies to Work for in Asia" at the HR Asia Awards. This award is given to companies that exercise outstanding employer practices and workplace excellence.

We tend to view these accolades as a strong validation of our core values of uncompromising integrity in professionalism and ethics, and a passion for results through anticipating what customers want and proactively addressing them -- the foundations of customer trust and confidence.

This optimism spilled over into the early part of 2020. The Philippines was on strong economic position coming into the new year; however there were many challenges that happened early on, specifically the Taal Volcano eruption and the COVID-19 pandemic. The former weighed heavily on consumption and caused disruptions in domestic supply chains, while the latter halted activity across our, and the world's, economies. The economic fallout from tighter global financial conditions, a deteriorating labor market, weaker remittances, and depressed sentiment is seen to weigh heavily on consumer spending and

investment. Nevertheless, aggressive fiscal and monetary stimulus should buffer the slowdown. GDP growth is expected to rebound from a low 2020 base if the COVID-19 outbreak is successfully contained within the year.

The threat of COVID-19 was declared a global pandemic by the World Health Organization in the first quarter of 2020. The uncertainty of national and global responses in managing the pandemic has resulted in exacerbated market volatility. The impact on multiple sectors, including airlines, tourism, retail and many other industries, as well as disruptions in international supply chains have led the International Monetary Fund to declare the global economy in recession.

By mid-March 2020, the Philippine Government implemented the enhanced community quarantine (ECQ) in Metro Manila as well as other parts of the country. During this time, we focused on three priorities -- our customers, our employees and our community. The Bank had to maintain a fine balancing act between keeping banking services available to clients without compromising the health and safety of its employees, as well as doing our share to help those severely affected by the quarantine.

**In the face of uncertainties, we remain confident in maximizing any growth opportunities, and creating a banking experience that is meaningful, sustainable, and customer-centric.**

On average, about 50% to 60% of branches stayed open, ATMs were well-stocked, and online services were ramped up to make them more accessible to clients. We fully implemented the provisions of the Bayanihan Act, as it applied to our borrowing customers. For our people, we have encouraged work-from-home and split sites arrangements to ensure limited exposure and maximum safety. We have made available protective equipment and instituted various safety protocols, especially for client-facing personnel. We have given special incentives to our skeletal force, and provided financial assistance to our daily wage earners unable to report to work. In support of the efforts to combat the pandemic, the Metrobank Group and GT Capital Group collectively pledged Php 200 million worth of donations, for causes ranging from feeding the poor to funding additional test laboratories. Even as the community quarantine comes to an end, we intend to remain vigilant, keeping a close watch on unfolding events and adapting as new developments arise.

The Bank's performance and growth prospects have always been aligned with the overall economy. This year, the government's economic managers are looking at a possible contraction of the economy, which will translate to slower business activities. Most financial institutions will be prudent on expanding balance sheets at this point, but thankfully the government has been very proactive, putting in place the necessary measures to support system liquidity and to support businesses. These are unprecedented times, and the current situation is still evolving. That said, we will continue to be supportive of the government's efforts to jump start the economy, and to help our clients and partners. In the face of uncertainties, we remain confident in maximizing any growth opportunities, and creating a banking experience that is meaningful, sustainable, and customer-centric.

The business landscape will continue to evolve at a fast pace. We cannot achieve anything unless we are of one mind and of one culture; all that we do and have achieved is always in the spirit of teamwork. I would like to take this chance to thank the stakeholders who have continuously supported and contributed to the continued growth of the company.

To our Board of Directors and Senior Management, thank you for your clear vision and able leadership from the front.

To our partners and shareholders, thank you for your unceasing faith and trust in us.

To our employees and front liners, know that every effort you have rendered for the Bank is truly appreciated.

And finally, to our customers, thank you for your trust and loyalty. It is our work's greatest honor to craft a personal banking experience that moves you to achieve your life goals.



**ARTHUR TY**  
Chairman





“We strive to keep that promise for the years to come as we forge ahead with confidence that we can deliver to our customers a meaningful banking experience.”

## PRESIDENT'S REPORT

# We will take you FROM GOOD TO GREAT.

“You're in good hands.” This has been our promise to our clients since the Bank's inception in 1962. For almost six decades, it's a promise that we have kept and honored. We strive to keep that promise for the years to come as we forge ahead with confidence that we can deliver to our customers a meaningful banking experience.

In 2019, the Philippines attested its strong economic fundamentals by posting a solid full-year GDP growth of 6.0%. The Bangko Sentral ng Pilipinas (BSP) started to relax certain monetary policies to boost local economic growth. Inflation eased to 2.5% from 5.2%, largely attributed to declining prices of key commodities such as rice and fuel. This provided the BSP enough room to start unwinding the policy rates by a total of 75 basis points, amid the need to infuse liquidity into the system and also help stimulate the economy. Reflecting the country's economic backdrop, the banking sector's loan growth expanded to 11%, while improved liquidity in the system and the

multiplier effect of government spending pushed deposit growth to 9%.

In 2019, Metrobank posted a robust 27% growth in net income to Php28.1 billion. Improved profitability, efficiency and sustained business growth are the direct result of our continued mission to deliver what is meaningful to our customers and validates their trust and confidence in our Bank.

Metrobank grew its low-cost deposits by 12%, driving overall deposit growth of 10% to Php1.7 trillion, and improving CASA ratio to 63%. This provided liquidity to support loan growth of 7% to Php1.5 trillion, aligned with that of GDP growth.

Deposit growth was achieved even as our branch network held steady at 957, with more than half located in the high growth areas around the countryside. This is in line with our strategy of optimizing the use of technology, and gradually shifting towards electronic channels.



The Bank's net interest income expanded 12% to Php77.0 billion, accounting for 72% of the Bank's total revenues of Php106.9 billion. Net interest margin improved to 3.84%.

Meanwhile, non-interest income rose 26% to Php29.9 billion, mainly due to service fees and commissions that grew 12% to Php14.3 billion. The Bank benefitted from a favorable financial market environment as fixed income and foreign exchange gains tripled to Php9.3 billion.

With the Bank's continued focus on improving efficiency and productivity, operating expense grew by a modest 8%. Managed costs coupled with relatively strong revenue growth for the period, led to an improvement in the cost-to-income ratio to 55% from 58% in 2018.

Metrobank's consolidated assets and equity stood at Php2.5 trillion and Php309.6 billion, respectively. Capital ratios were comfortably above regulatory requirements, with Total Capital Adequacy Ratio at 17.5% and Common Equity Tier I at 16.2%.

Our subsidiaries in the Metrobank Group likewise posted strong performances in 2019, reflecting healthy demand and economic activities that benefitted their respective areas.

Philippine Savings Bank (PSBank), Metrobank Group's thrift-banking arm, continued to make strides in innovating its products and services to provide simple and reliable banking services to its clients. PSBank's investments in customer experience initiatives garnered awards both locally and internationally. It ended 2019 with an all-time high net income of Php3.0 billion, up 14% year-on-year. Total gross loans reached Php164.1 billion, while total deposits amounted to Php172.5 billion. Even as PSBank continued to develop its digital channels, it maintained a strong physical footprint with 250 branches and 557 ATMs nationwide by the end of 2019.

Metrobank Card Corporation (MCC) remained a strong player in the credit card business. MCC is ranked second in terms of receivables and ranked third in both the total number of cards-in-force and merchant acquiring billings, based on data from the Credit Card Association of the Philippines (CCAP). In 2019, MCC reported Php4.9 billion net income and Php93.8 billion total assets. Metrobank also secured pertinent Board and shareholder approvals, as well as regulatory approvals on the proposal to merge MCC into Metrobank. The merger took effect on January 3, 2020.

In 2019, First Metro Investments Corporation (FMIC), Metrobank's investment banking subsidiary, kept its leadership in the domestic capital markets, successfully completing 18 capital market deals. FMIC supported the National Government on its capital raising activities, specifically on the issuances of the Retail Treasury Bonds Tranche 22 (RTB 22) and the maiden issuance of its Premyo Bonds. FMIC also bagged several awards here and abroad, a testament to the excellence and commitment of our people.

AXA Philippines (AXA), the Group's insurance arm, capped the year with around 1.5 million clients protected under general insurance, and various individual and group life insurance products through its wholly-owned subsidiary Charter Ping An. AXA continued its expansion all over the country, ending the year with more than 8,000 financial advisers and executives located in AXA Advisory corners while also leveraging on the Metrobank and PSBank branches nationwide. Charter Ping An, on the other hand, has 24 branches and more than 2,000 agents.

ORIX METRO Leasing and Finance Corporation (OMLF) managed to register a net income of Php1.1 billion. OMLF further extended its lending activities in nine additional branches in the countryside as it continued to capture opportunities in these growth areas. Meanwhile, OMLF's rental subsidiary ended 2019 with a fleet of over 8,000 vehicles.

When we closed 2019, we were hopeful of better economic prospects in 2020. The year started as a promising chapter for the Philippine economy and banking industry. Unfortunately, the global economy is now facing an unprecedented crisis that is transforming the very processes and ways we conduct business. Economists are forecasting GDP contraction this year due to the expected slowdown in consumer spending and investments. Efforts to contain the pandemic led the government to impose a community quarantine in Metro Manila and Luzon, as well as other parts of the country, thus grinding economic activities to a sudden halt. Amid the challenges brought upon by the pandemic, we will continue to be supportive of the government's efforts to push for economic growth and we will implement the necessary protocols to ensure that we continuously serve the needs of our customers while keeping our employees safe. Our management team and dedicated personnel draws upon the resiliency of the Bank with 57 years in the business as we evolve and adapt to the challenges posed by the pandemic.

Amidst the disruption of this global crisis, our key strategies remain the same: a sustainable culture transformation and change management program; a robust IT infrastructure, with the agility to anticipate and respond to the evolving needs of our customers, and a sound control and risk management philosophy.

In closing, I would like to acknowledge our brave front liners and dependable support teams – thank you for your dedication and diligence in the past year and more so during these past few months. By constantly putting your heart and soul into everything you do, you have made our brand of banking compassionate, customer-centric, and meaningful.

Lastly, my heart felt appreciation to our clients, partners, and stakeholders. Thank you for your unwavering support, and your continued trust in the management and staff of Metrobank. For inspiring us to work harder so we can serve you better, and for empowering us to create banking that's more meaningful, we sincerely thank you.

**While unforeseen challenges are sure to be waiting for us in the years ahead, there is no doubt in my mind that there is no obstacle so dire that we cannot overcome. Together, we will create a more meaningful future for us all.**



**FABIAN S. DEE**  
President



# MEANINGFUL BANKING: A new story

Meaningful Banking is how Metrobank aims to elevate its promise of “You’re in Good Hands.” Since the Bank was founded, our reason for being has always been to serve our customers extraordinarily well by helping them spot opportunities and working together to realize their dreams --- whether to scale up their business or achieve their goals wherever they are in life.

As our customers become more sophisticated and their needs evolve, Metrobank seeks to move, change and grow together with them. Even if we are not yet able to serve them perfectly now, we commit to continuously improving so that we can deliver Meaningful Banking every step of the way, for the customers of today and tomorrow.

As we begin our new journey to Meaningful Banking, we launch our new communication campaign with our customers at the heart and featuring our new Metrobank signature frame that serves as a visual focal point that highlights

our customers’ meaningful stories. In the near future, Metrobank aims to provide new and more relevant products and services that help fulfill their purpose and dreams.

From driving financial literacy to honoring outstanding Filipinos to helping the communities we serve; the bank is also committed to supporting meaningful initiatives which can contribute to nation-building. We go beyond building just a business and aim to make a real difference in Filipinos’ lives, that is banking made truly meaningful.



Over five decades ago, our late Group Chairman,  
Dr. George S.K. Ty founded Metrobank with this belief,

**“The business of banking is not just about reaching the pinnacle of success. It is about helping other people achieve their dreams.”**



This is what Metrobank is all about. This has always been our purpose: to create positive impact in the lives of our customers and ultimately in society.

But in this day and age, we see a lot of developments as our customers continue to evolve. Thus, to keep our promise of keeping our customer in good hands, the bank must evolve as well.

In 2019, we announced the start of the next stage of Metrobank's transformation journey as we aim to deliver Meaningful Banking for our customers. This is our re-commitment to put the customer at the heart of everything we do. Meaningful Banking is Metrobank's north star as we start on a transformation journey.

Our people composed of 13,000 Metrobankers, play the most significant role in delivering Meaningful Banking to our customers. For all Metrobankers, it is not just about doing daily tasks but fulfilling the bank's purpose by living our core values daily: passion for results, integrity, teamwork,

customer service and heart for the community. We believe that if we do Meaningful Work every day, this is what ultimately delivers Meaningful Banking to our customers.

Am proud to report that this did not go unnoticed as the bank recently received recognitions from different international award-giving bodies. Metrobank is the Best Managed Bank in the Philippines and is now also one of the Best Companies to work for in Asia. Our product and service offers on cash management, trade finance, foreign exchange, and transaction banking have also been lauded. For us, these are more than just acknowledgement of merit. It is a testament of our long-standing commitment of keeping our customers, our people, and all our other stakeholders in the best hands. These greatly inspire us to give more of our best and create more meaningful banking experiences for our customers.

Thank you for your trust and for sharing our story of Meaningful Banking.

*- Metrobank President Fabian Dee on the launch of Meaningful Banking*





# THE PROMISES of Meaningful Banking

Meaningful Banking is more than just a communication angle.

Meaningful Banking is a platform that concretizes our unique compassionate brand of service through 3 promises to our customers:

We will educate them, we will enable them to make the best use of their time, and we will accelerate their life plans to get them where they aim to be faster and easier.

As their needs evolve and become more sophisticated, Metrobank will grow alongside our customers to provide topnotch service in new and meaningful ways. Rather than focus on selling products, we aim to educate them and raise their level of financial literacy and understanding. We will continuously improve ourselves, our processes, and our services to maximize our value to our customers - making each encounter a meaningful experience. By becoming partners with our customers, we take the journey to their financial goals together, navigating past whatever challenges the future may bring while enriching them, supporting them, and ultimately, making their lives more meaningful.

## 3 MEANINGFUL BANKING PROMISES TO CUSTOMER



**Meaningful bank  
that educates you**

We will aim to **teach** our customers rather than only sell to them.

We will continuously improve ourselves, our processes and our services to enable the best use of our customers' **time** and make dealing with us a **delightful experience**.



**Meaningful bank  
that enables the  
best use of your time**



**Meaningful bank that  
accelerates your life**

We will aim to be their **partner** at every step and in this way, **add value** to their lives.





# We are the bank that EDUCATES.

Smart financial planning simply means making wise decisions about money. From our spending habits, to using credit cards, to making proper investments, we need to always choose the right financial choices. Unfortunately, many Filipinos don't have access to the right tools to be able to make those wise decisions consistently. Many fall victim to investment scams, get buried in debt, or struggle to live within their means and make ends meet.

At Metrobank, we want to change that. But how?

We educate our customers and teach them how to make meaningful financial choices.



Our customers are people, not mere accounts. They have dreams, goals, and plans. As such, we want to be the ones to enable them to live life to the fullest. Through financial education, our customers can make decisions on how they can use their money in smart and meaningful ways.

Enabling our customers to become more financially secure and successful is a mutually beneficial scenario for both parties. In light of this, Metrobank offers two financial education initiatives to get our customers on the right path: MoneyBasics and Earnest.



## Money Basics: Practical Tips for Saving

Money Basics is a collection of simple and creative tips to help customers properly evaluate their spending habits and establish the importance of saving income. The goal of the campaign is to provide first-time employees with bite-sized, easy-to-understand, and easy-to-remember modules that teach smart money management. We teach them how to climb out of debt, get financially stable, and how to start and grow an emergency fund.

To help them in their financial goals, our rookie workforce also gains access to tools like the Metrobank Savings Checker to better help them track both their good and bad spending habits.

At the center of MoneyBasics is #The30DayMetrobank Challenge. First launched in 2019 on Metrobank's social media accounts, the Challenge took form as a monthly Blue Board filled with useful money related information. Customers could download a copy of the forms for themselves and enjoy an entire month's worth of fun and educational guidelines towards making sound financial decisions for free. Each day, there's a different goal, a different lesson, or a different task to complete. Each day, they take one step closer to being financially responsible.

## Earnest: Investing made simple

For people who already have the basics down, with everyday spending under control and a healthy savings account that's thriving, Metrobank offers Earnest. Earnest is a website that contains bite-sized lessons and easy-to-read articles about investment so customers can easily learn at their own pace.

Earnest covers a wide range of topics from why you should invest to explaining compound interest. It also tackles myths and misconceptions around money without the confusing financial jargon. The website doesn't push customers to one specific kind of investment, instead Earnest promotes making meaningful financial choices based on one's life goals.

Finance is not a one-size-fits-all undertaking. Proper financial education takes into account the different needs of customers at different life stages. Instead of promoting specific products, we guide them into the general direction where they can be proactive about achieving their life goals and ambitions.

## Targeted Financial Education Events

In 2019, Metrobank held a series of Financial Market Briefings all over the country to brief attendees about

the promising investment opportunities identified by our analysts despite the volatility stemming from major world events. A three-day seminar was held at the Grand Hyatt Manila which was attended by financial market experts, institutional investors, executives, and other high net worth individuals. Later in the year, another seminar with similar goals, speakers, and attendees was held in Pampanga, the first of its kind for North Luzon.

For customers still in the beginning stages of their investment journey, Metrobank also holds regular Kapihans. A Kapihan is an annual event wherein the Bank gathers 15-20 prominent and successful business owners to a round-table discussion where they can share their knowledge and experience to attendees. In addition, mini-Kapihans with participants numbering ten or less individuals are often held during other parts of the year.





# We are the bank that **ENABLES.**



Our customers are our partners on the road to success. However, it is important to remember that our customers are a diverse group of people with different needs and expectations. We need to tailor our approach and our strategies to each customer category in order to provide better and more meaningful service.

## **Banking Whenever, Wherever**

Our retail customers are an important and valued segment of our customers base. They are the ones who will benefit most from our Meaningful Banking efforts to educate and promote financial literacy.

Most of our encounters with our retail customers happen face-to-face and in-person at one of our Metrobank branches. Improving access to these facilities is critical to supporting our efforts to educate and provide meaningful service to our customers. The Bank closed 2019 with 957 branches all over the country, with about 54% strategically located in the countryside to capture opportunities in the high growth areas. This physical branch network is supported by 2,345 ATMs nationwide.

24/7 access to our e-channels, which includes ATMs, Cash Accept Machines (CAMs), as well as online and mobile banking, provide a convenient alternative for our customers to continue their banking transactions anytime and anywhere.

## **Mobile Banking**

The world has changed. In this new normal, the needs of our customers have changed and

evolved greatly. The Metrobank Mobile App addresses these new needs by giving registered users 24/7 remote access to a host of banking transactions without the need to step foot outside of their homes.

Everything from bills payments to sending or receiving money using mobile numbers only is possible with the app. Cardless withdrawal is another useful feature, one that can become extremely useful during emergencies. All of these services and more are protected by robust digital safety measures like the use of one-time passwords and biometric security.

## **Remittance Services**

Metrobank's remittance services also continue to grow. Supported by a diverse network of remittance centers in Asia, Europe, and North America, we have become a leading provider of remittance services to OFWs.

Metrobank has several remittance arrangements with banks and remittance tie-ups with agents in regions with high concentrations of OFWs. As of December 31, 2019, the Group has 133 remittance tie-ups and approximately 145 remittance agents present in the United States, Europe, the Middle East, Asia, and the Asia-Pacific. As such, we were awarded the Remittance Product of the Year at The Asian Banker Philippine Awards 2019.

## **Shifting Customer Banking Habits**

Over the years, we've seen a sustained shift in our transaction mix from traditional over-the-counter transactions to increased utilization of our e-channels. At least 20% of all transactions last year were already coursed through these alternatives. This further enhanced the Bank's operational efficiency and ensured convenience for our clients, allowing our branch personnel the opportunity to provide more meaningful services to the higher value transactions that continued to be coursed through the traditional channels.

As a result, this coverage mix boosted the Bank's strong deposit franchise and provided the Bank with the funding requirements needed to support its loan growth. Our low-cost CASA deposits increased by a healthy 12%, pushing the CASA ratio to 63%. The Bank's overall deposit level hit a record Php 1.7 trillion pesos.

## **Save without the worry**

Saving is a vital financial discipline. It helps one become financially secure and provides a cushion for unexpected expenses.

However, many Filipinos lack adequate emergency funds, leaving them ill-equipped to survive financially when unforeseen accidents arise.

To help customers deal with this financial threat to their savings, Metrobank, in partnership with AXA, one of the country's leading insurance companies, offered the Metrobank-AXA Free Personal Accident (PA) Insurance Promo.

With the goal of providing a more meaningful method of saving, this partnership offered free PA insurance to new customers in order to provide financial assurance and protection during unfortunate emergencies.

New account holders would get a free P100,000 Personal Accident insurance to help shield them from the financial ramifications of accidental death and permanent disablement. The promo was available to customers aged 18-70 years old who opened a new savings account for as low as P2,000 in any Metrobank branch nationwide.

The goal of this promo was to help customers live more meaningfully by lightening the burden that our customers had to bear in times of dire need. We want to leave them free to prioritize their hard-earned savings for the important things and create more meaningful moments with their loved ones.



Protecting Our Partners

Metrobank considers every customer as a partner; and thus remains committed to making their welfare a top priority. It is the responsibility of every Metrobanker—from the Bank’s Board of Directors, to the Management, down to the rank and file employees—to look out for the customers’ best interest.

Overall Customer Protection

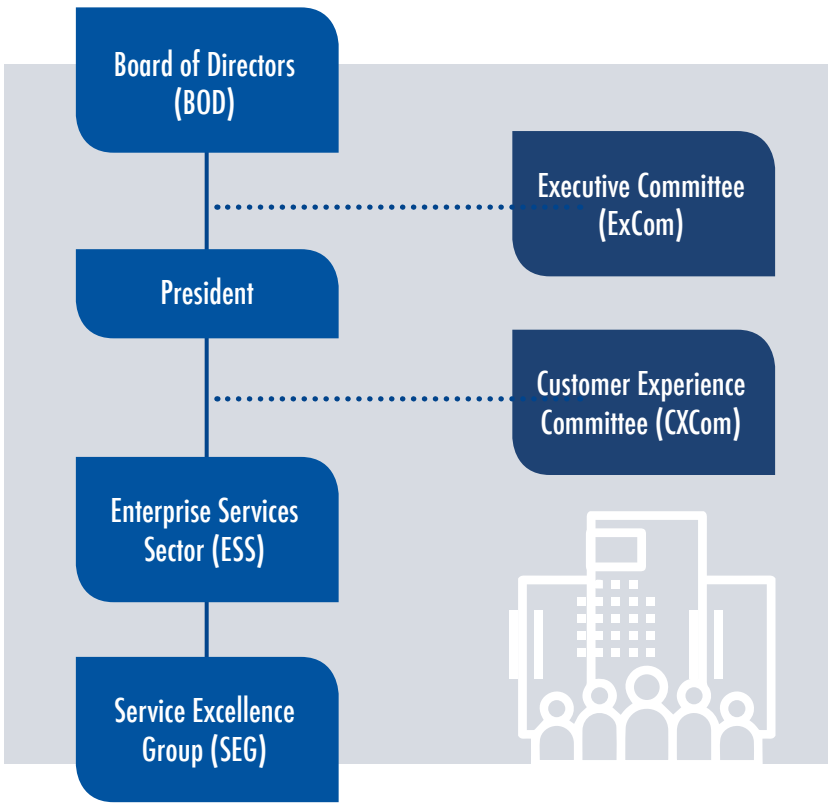
Customer protection is inherent in the Bank’s day-to-day operations and is guided by the Bank Customer Protection Policy Manual (CPPM) that governs the conduct of the Bank in dealing

with its customers. The CPPM ensures that the Bank and its employees comply with customer protection laws, rules, and regulations.

The Bank has identified key entities ultimately responsible for the overall strategy and oversight of the Bank’s desired customer experience

The Board of Directors (BOD), through the Executive Committee (ExCom), provides the effective oversight of the Bank’s Financial Customer Protection program and its implementation in accordance to BSP Circular on Consumer Protection.

The Senior Management, through the Customer Experience Committee (CX Com) ensures that the Bank’s developed Consumer Protection Risk Management System (CPRMS) is maintained and reviewed as it is fully integrated into the overall framework of its entire product and service lifecycle. The responsibilities of the Senior Management through the Customer Experience Committee (CX Com) also includes the formulation of the Bank’s Customer Protection Program as embodied in the Bank’s CPPM and monitoring of the effectiveness of the CX projects under the Customer Protection Program.



The Service Excellence Group works with business and operational units to achieve excellent customer experience through the Voice of the Customer Program, process efficiency initiatives, and manage performance monitoring. The responsibilities of the Service Excellence Group include oversight functions in handling of customer complaints and reporting to Senior Management of performance on key customer metrics.

Customer Assistance / Complaints Handling

Providing immediate assistance is a critical component of the Bank’s Customer Protection Program. Customers have different accessible channels through which they could communicate with the Bank to raise concerns or provide feedback, either through our 24/7 Contact Center, Social Media (Facebook), our MetrobankDirect Online, or Mobile Banking app.

Specific to customer complaints, the Bank has in-place the Customer Incident Management Policy and System, which standardizes the handling of complaints to ensure that these are addressed within a set turnaround time through centralized logging and monitoring. Recurring incidents and emerging complaints are analyzed to identify action plans to address the root cause of the problem.

In 2019, the Bank managed to lower its complaints level by 5% despite the increase in transaction volume. The drop in complaints level is mainly attributed to the implementation of specific initiatives for the top complaints particularly in the use of the electronic channels.

The Bank continued to improve its performance in resolving complaints within a shorter period of time vs. prior years, ensuring communication of the Bank’s commitment to the customer.

Convenient / Hassle-free Customer Experience at Touchpoints

The banking experience was streamlined for the benefit of our customers. The account opening process was simplified and the Bank implemented the initial phase of the Queue Management System. These changes resulted in faster, form-free transactions and greatly reduced waiting time for our customers.

Metrobank also launched the Mobile Remittance app for migrant workers, expanded the Contact Center hotline to accommodate more calls, increased availability of ATMs and Cash Accept Machines (CAMs), and achieved faster resolution of complaints related to the use of ATMs and CAMs.

Product Features/ Enhancements

Existing product features and services were also upgraded. The Bank increased withdrawal limits on ATMs and purchase transaction limits using the EMV contactless card. To protect our customers, 3D security features for online purchases were also implemented. Lastly, approvals for home & car loan applications were expedited for shorter turnaround times.

Consumer Education

Regular financial education campaigns through the Bank’s social media accounts provided tips and instructions on how to protect their personal information and personal accounts from being accessed by unauthorised groups.

Customer Feedback Program

Metrobank is committed to listening to customers to identify opportunities improve overall experience with the Bank. A more frequent conduct of Net Promoter Score (NPS) was implemented to continuously monitor customers’ overall commitment and loyalty to our brand. Regular Branch Customer Satisfaction (CSAT) collected immediate feedback of customers’ experience at the branch. Biannual Mystery Shopping were also done to check service delivery across branches.

	2019	2018	2017	2016
Total Complaints	85,429	89,849	75,348	69,229
Complaints to Transaction Ratio	0.023%	0.026%	0.023%	0.022%





# We are the bank with an eye on your GOAL.

**O**ur customers' success is Metrobank's success as well. This is why we aim to be a permanent partner for all our customers, helping them reach their goals and adding value to their lives. As they grow over the years, so do we.

## Investing for the Future

Managing your expenses and growing your savings are only the beginning of true financial security. With smart and meaningful investments, you can easily put your savings to work for you in order to create another passive income stream.

The Bank's Trust Banking Group's (TBG) Assets Under Management (AUM) closed at Php484.6 billion in December 2019, up 15% from December 2018.

The group's Metro Max-3 Bond Fund was named Best Managed Fund of the Year in the Peso Medium-Term Bond Category by the Chartered Financial Analyst (CFA) Society of the Philippines.

In addition to this accolade, TBG was named as fund manager for fixed income investments by SSS for the next two years

on top of the pure equity fund mandate and local equity fund manager for Pag-IBIG.

Staying true to its promise of meaningful banking, Metrobank pioneered the PHP Bond and Commercial Paper Issuance Program in May 2019 and first utilized in July 2019. The program helped accelerate issuance timelines with streamlined issuance processes and less documentation requirements.

Likewise in the 2nd quarter of 2019, the Bank launched the Metrobank Operations Support Engine (MOSE), a secure web application allowing customers to digitally acknowledge or accept financial market transactions documents through desktop or mobile phone. Aside from convenience, the application secures the transmitted documents by means of Multi-Factor Authentication.

The Bank offered long-term funds thrice in 2019 with P17.50 Billion in April, P11.25 Billion in July and P13.75 Billion in October.

In 2019, the various projects that were being undertaken by the Consumer Lending Group prompted Metrobank to deliberately adopt a conservative lending position. As a result of the major revamp of policies and processes that was undertaken, home and car loan production targets were exceeded by 17% and 1% respectively.

The Upgrade Your Ride Promo was also launched in 2019. Through our offer of free chattel mortgage and amortized car loan insurance, the Bank was able to support our customers' dreams of acquiring a new vehicle while attracting new car loan borrowers who may have been undecided about making such a major purchase beforehand.





Helping businesses grow and prosper has been part of Metrobank's corporate DNA since its founding. To this day, providing proper and meaningful service to our Corporate Customers is a top priority for the Bank. In addition to Corporate Banking, Commercial Banking, and Business Banking services, we also hold engagement events for the benefit of our customers.

### Customer Engagement

Since 1996, Metrobank has been developing alliances with a multitude of businesses from Japan. In that same year, Metrobank became the first local bank to be granted a license to operate in Tokyo and Osaka by the Ministry of Finance. Since then, Metrobank has formed partnerships with over 60 Japanese banking institutions.

In more recent times, Metrobank co-held a seminar with Ogaki Kyoritsu Bank, LTD. The seminar was attended by almost 40 representatives from 32 different companies and focused on the changing business landscape in the country.

To show further support for its Japanese corporate partners and customers, the Bank once again held its Annual Golf Tournament at the Cebu Country Club. The year 2019 marked the sixth iteration of this event.

Metrobank and South Korea's Shinhan Bank also formed a strategic partnership in 2019. The goal is for each company to help its partner grow by exploring and taking advantage of favorable business opportunities through the other's network of contacts. In addition, the event was made more special as the bank recently launched its latest branding campaign, Meaningful Banking, to reiterate its commitment to delivering not just meaningful service but also delightful experiences.

### Corporate Banking

As part of our commitment to Nation Building, our deals in 2019 were all aligned with the Philippine growth story. Through our big clients in telecommunications, real estate, and foreign investments, we supported the expansion strategies of Philippine companies knowing that they created value that would benefit the entire community.

Metrobank signed a USD300 Million 7-year Bilateral Term Loan Facility with ICTSI Global Finance B.V., guaranteed by International Container Terminal Services, Inc. (ICTSI). The proceeds of the loan shall be used to fund capital expenditures and to refinance existing obligations. Metrobank sees the partnership as its way of supporting ICTSI's domestic nation-building and global expansion strategies.

The deal with ICTSI Group is significant because aside from its role in fostering the national progress of developing economies, ICTSI also continues to enhance the image of Filipino companies as global contributors with world-class standards and a passion for environmental sustainability.

### Commercial Banking

Working and supporting small businesses has always been part of Metrobank's purpose since its inception many years ago. When the late Metrobank Group Chairman and Founder, Dr. George S.K. Ty, was just a young man running his family's flour mill business, he found it impossible to secure a loan from any other financial institution. When Dr. Ty later founded MBTC, he wanted to make sure that never happens to anyone again and made it a priority to extend a hand towards other businesses to help them grow. This was the foundation of Meaningful Banking.

From its humble beginning of catering solely to Binondo businesses, Metrobank has now evolved and grown to serve clients big and small, nationwide. We have found the perfect balance between achieving the best outcome for both the client and the Bank.

The Generation Now Leadership Series is rooted in these values. In line with our



goal to support our clients with solutions and not just products, the Leadership Series aims to address the specific needs and concerns of the next generation's business leaders. The third and most recent edition of the Leadership Series was held in Cebu City. The event featured experts tackling family corporation management and executive coaching for the benefit of the attendees.

Metrobank seeks to offer cash management services to these young leaders so they can focus on the more important task of growing their family businesses. In recognition of its excellence, Metrobank was even awarded Best Service Provider in Cash Management at the Asset Triple A Treasury, Trade, Supply Chain, and Risk Management Awards 2019. The award is given to both clients and financial services providers in the Asia Pacific, the Middle East, Europe, and North America.

### Business Banking

The Bank continues to support Small and Medium Enterprises thru its Business Banking Center (BBC). The Center generates new accounts for the Bank via its own sourcing and continuous

synergies with the Bank's branch network. As our SME clients grow and expand, we remain with them in support and fulfill their changing needs every step of the way.

Metrobank sources potential new clients from our extensive network of local branch clients and organizations in specific localities. Once a prospect becomes a BBC client, dedicated Relationship Managers are assigned to assist the customer's growth through financing products that suit the account's needs. The client's Relationship Manager becomes their main liaison with the Bank, creating a more personal and meaningful connection.

Once clients have been nurtured and grown to a certain business or financial level, they are then transferred to the Commercial Banking Group for further development and guidance. Through this system, the BBC was able to obtain 1,300 new clients in 2019.

### Online Growth

Metrobank Business Online Solutions (MBOS) is our recently launched Corporate Internet Banking Platform. The

MBOS is a robust and innovative online banking system that significantly improves upon the features and capabilities of the prior MetrobankDirect Corporate platform.

The MBOS increases day-to-day business transaction speed and efficiency through a number of features. It automatically processes recurring transactions through the enhanced intrabank funds transfer facility without the need for manual key-ins, it allows the enrollment of beneficiaries for interbank transfers to remove the need to input account details per transaction, and it only uploads a single file—regardless of transaction number—through its integrated payments facility.

This increased efficiency results in less foot traffic in branches as clients are empowered to do transactions online, increases productivity when fulfilling branch-related requests, and creates more opportunities to generate new business. In addition, clients who need special attention are more easily accommodated as there is a smaller drain on the branches' manpower resources.

# Meaningful Banking is our commitment to delivering not just meaningful service but also delightful experiences.



# Meaningful Work

## Meaningful Banking starts with us.

Being committed to doing Meaningful Work means striving to create Meaningful Banking experiences for our customers in every interaction and every transaction. We work to fulfill our promise of “You’re in Good Hands,” to all our clients.

A Metrobanker is a champion of Meaningful Work. They are the people who go above and beyond the minimum requirements. Metrobankers go the extra mile. They anticipate the needs and prioritize the welfare of the customer. Everything they do is intended to help make things easier for customers to fulfill their banking needs. It is never just about finishing the daily workload; they want to make a positive impact in the lives of their customers and in the community.





Meaningful Banking is not only a platform that convinces, compels, and captures the hearts of our customers. It is also the core philosophy that shapes how we care for, grow, and keep the Bank's most significant asset --- our people.

Metrobank is a partner both to its customers as well as its employees in the journey towards success. The Bank employs over 13,100 people and we have embarked on a comprehensive review of our People and Organization processes, and looked externally to adopt and implement best industry practices that ensure Metrobankers are always equipped to accompany and help our clients on their own journeys.

**Talent and Succession Management**

We strive to find talents who have both the dedication and the skills to deliver Meaningful Banking to our customers. In 2019, our Talent Acquisition team took its operational excellence to the next level, by enhancing our recruitment tools and practices in order to widen our reach, identify those that fit not only with job requirements but also our culture and mission, and ensure a positive experience for all our candidates.

Our Talent Management processes leverage HR data and analytics as a basis for talent decisions. Through facilitated talent reviews, business leaders collaborate and align on development assignments that deliberately expose our top talents to the various aspects of managing and leading Metrobank. Given the size and breadth of our

business, our aspiration for each of our top talents is for them to increasingly develop broad and integrative leadership capabilities through each stage of their journey. Our ultimate goal is to maintain a steady supply of credible successors developed and vetted for senior leadership roles by our Senior Management and Board.

**Employee Engagement**

Employee engagement is our key to performance, and leadership is our key to employee engagement. In 2019, we partnered extensively with our Union and their leaders through various programs that strengthened the capability, integrity, and loyalty of our workforce.

We also continued our leader and employee engagement programs by providing coaching and mentoring support for leaders across the Bank. We took this further by

involving our employees in the process through a 360° Feedback tool that was rolled out for supervisors, for them to leverage for their own development as they journey to become the best enablers of their respective teams' performance.

Our aspiration is for every leader to be the good hands, through which Metrobank helps its employees find meaningful work and meaningful careers.

**Senior Management Selection**

The Bank employs a rigorous and disciplined process for selecting its senior leadership cadre, involving assessment tools and processes against the requirements of senior roles. Senior leaders play a critical role in endorsing candidates to our Manpower Committee and Nominations Committee prior to appointment by the Bank's Board of Directors.

**Performance Management**

The Bank's strategic planning, performance goal-setting, and appraisal processes are integrated with both our rewards system and performance improvement program. Employees are engaged on performance expectations, as well as their contribution to the success of the Bank.

**Code of Business Conduct and Ethics**

Integrity is in our DNA, and this core value is sought out and ingrained in Metrobankers from the time they first apply for a job with the Bank through our rigorous screening and assessment process. The Bank's on-boarding program ensures that our employees imbibe our Code of Business Conduct and Ethics from the day they first become Metrobankers, and this is further embedded through our regular and mandatory training programs, employee engagement events, leadership feedback systems, reward and recognition schemes, and disciplinary processes.

**Change and Transformation**

The rapidly evolving landscape of society, technology, and industry calls for change and transformation. We know that the only constants we have are our Core Values and the mission that we have set for ourselves – that of delivering Meaningful Banking to you. We also know that, if we are to succeed in the future, we must embrace change and transformation – for our organization, culture, and ways of doing business. There is no alternative.

Founder and late Group Chairman Dr. George S.K. Ty was once quizzed why he decided to create Metrobank. His simple reply was, "I wanted to help businesses grow." This statement was rooted in his own experience as a businessman, where he felt he could provide other businesses more opportunities to grow.

The outcome of his desire to help produced the Bank's now well-known mantra, "You're in good hands." Simple yet altruistic, the mantra bears the hallmarks of what true

Metrobankers embody, and that is to focus on giving service that is beyond excellent.

"You're in good hands" eventually inspired the bank's Core Values that focus on five things: Passion for Results; Integrity; Teamwork; Commitment to Customer Service; and Heart for Community. Together, the first letters of each core value spells "PITCH."

Every Metrobanker aims to live these values day after day at work and with customers and partners. It is also ingrained in discussions and planning during morning meetings. As former senior advisor to Metrobank Washington Sycip describes it, "Metrobank is a bank where its officers are already working while officers of some other banks are still asleep."

**We are Metrobankers**

At the heart of Metrobank are people dedicated to going above and beyond simply serving their customers. From day one of their on-boarding all the way to retirement, Metrobankers see themselves





as partners to achieving the personal life goals and dreams of their clients while also making a positive impact on the community at large.

In the same way that Metrobankers nurture and protect their customers, Metrobank also puts tremendous importance on the welfare of its employees. This focus has consistently been recognized by local and international award-giving institutions. Metrobank is recognised as one of Asia's Best Companies to Work For.

**A Growth Mindset**

Metrobank is committed to the longterm growth and development of each employee. Various programs are in place to make sure that every Metrobanker can fulfill their full potential and adequately adapt to the evolving needs of our customers.

The Metrobank Academy provides topnotch leadership training and simulation exercises to hone critical decision-making skills that will be needed in the field. MBLearn is also available for employees who prefer an online learning experience that lets employees learn at their own pace.

For those seeking higher formal education, the Metrobank Employees Graduate Assistance Program empowers employees to pursue graduate and post-graduate degrees in recognized learning institutions. In a similar vein, the Metrobank Educational Assistance for Dependents of Employees Program helps employee family members complete their schooling.

**Work-life Happiness**

Metrobank's Go4 Health program conducts regular wellness checks of employees to identify and treat potential problems in advance. Employees also enjoy a comprehensive

health insurance service, extending to immediate family members, that includes free physical examinations at Manila Doctors Hospital.

Metrobank also recognizes that its rank-and-file employees are the backbone of its daily operations. As such, it is tradition for senior officials to show their gratitude towards lower-ranked Metrobankers at the end of calendar year. Just before Christmas break, the Chairman and the President jointly welcome and thank every employee for his or her contributions.

**A Safe Working Space**

Metrobank wants all employees to feel safe, both physically and otherwise, while working in the office. Regularly scheduled office safety inspections are done throughout the year while emergency disaster drills are trained and practiced every year. In addition, all safety equipment are tested regularly, kept up to date, and replaced when required.

For Metrobankers who act as a whistleblower for illegal actions committed by other parties, full legal protection is provided.

**Metrobank @Workplace**

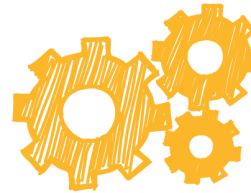
As part of its drive to continually innovate, Metrobank implemented Workplace, a secure enterprise platform designed by Facebook, for the use of employees. Workplace enables the creation of "workgroups" where employees can learn together and collaborate together with full transparency. It also encourages better workforce morale as employees inevitably strengthen their social bonds through regular communication.



PASSION FOR RESULTS



INTEGRITY



TEAMWORK



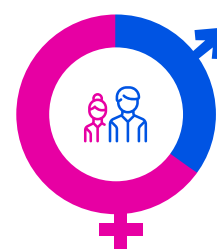
COMMITTMENT TO  
CUSTOMER SERVICE



HEART FOR  
COMMUNITY







GENDER DISTRIBUTION

	S0	J0	RF	TOTAL	PERCENTAGE
MALE	220	2184	2181	4585	34.87%
FEMALE	256	3621	4688	8565	65.13%
TOTAL	476	5,805	6,869	13,150	100.00%

CIVIL STATUS DISTRIBUTION

	S0	J0	RF	TOTAL	%AGE
MARRIED	380	3544	1666	5590	42.51%
SINGLE	90	2230	5197	7517	57.16%
SEPARATED	4	8	2	14	0.11%
WIDOWED	2	23	4	29	0.22%
TOTAL	476	5,805	6,869	13,150	100.00%



AGE DISTRIBUTION - ACTIVE EMPLOYEES



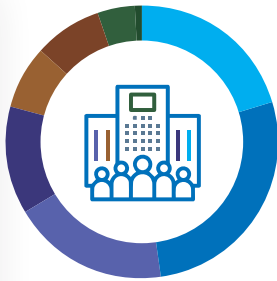
AGE BRACKET	S0	J0	RF	TOTAL	%AGE
≤ 25	0	201	2,779	2,980	22.66%
26-30	0	943	2,333	3,276	24.91%
31-35	10	1,390	918	2,318	17.63%
36-40	31	978	282	1,291	9.82%
41-45	84	844	157	1,085	8.25%
46-50	134	992	252	1,378	10.48%
51-55	140	420	148	708	5.38%
> 55	77	37	0	114	0.87%
TOTAL	476	5,805	6,869	13,150	100.00%

Average Age = 34.08

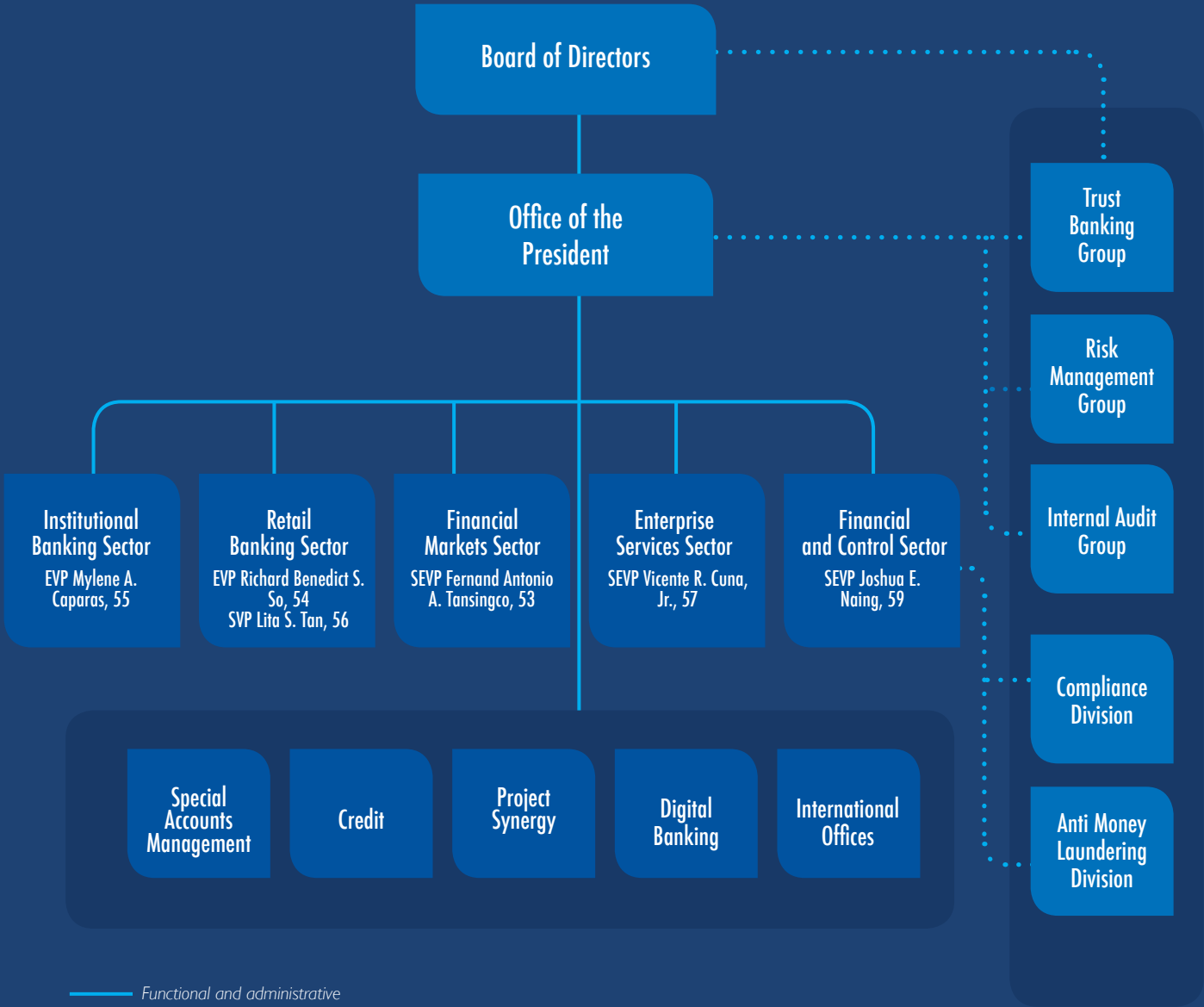
TENURE DISTRIBUTION - ACTIVE EMPLOYEES

TENURE BRACKET	S0	J0	RF	TOTAL	% TENURE
≤ 1	38	529	2,129	2,696	20.50%
2-5	55	927	2,620	3,602	27.39%
6-10	58	1,182	1,222	2,462	18.72%
11-15	77	1,215	363	1,655	12.59%
16-20	84	699	217	1,000	7.60%
21-25	63	798	199	1,060	8.06%
26-30	60	420	119	599	4.56%
> 30	41	35	0	76	0.58%
TOTAL	476	5,805	6,869	13,150	100.00%

Average Tenure =9.36



ORGANIZATIONAL STRUCTURE



— Functional and administrative  
..... Administrative only, reports to the respective Board committees

Note: The President and all Sector Heads are Filipinos.



# Meaningful Contributions

Giving back to the community—especially to the marginalized and most in need—is one of the key advocacies of the Bank that exemplifies the core of Meaningful Banking. Heart for the community is one of the PITCH values, and every Metrobanker strives to fulfill it by helping improve his or her wider community.





### Metrobank Foundation

In 2019, Metrobank Foundation, Inc. (MBFI) continues to forge more partnerships with like-minded organizations that share in the mission of raising the quality of life for marginalized sectors in our society. The Foundation's priority thrusts are captured by the acronym HEAL – health, education, arts, and livelihood – which, along with the United Nations' Sustainable Development Goals, serve as the guiding framework for the organization's activities towards nation-building.

Just like any Metrobanker practicing corporate values in his/her daily work, the Metrobank Foundation Outstanding Filipinos, composed of exemplary teachers, soldiers, and police officers, also breathe life to the values and commitments of the institution. Their passion for results, integrity, teamwork, commitment to customer service, and the heart for community serves as lessons and reminders to us all.

The network of Metrobank Foundation Outstanding Filipinos implemented the first leg of Guro, Pulis at Sundalo na may Galing, Puso

at Sigasig (GPS<sup>2</sup>) project to aid schoolchildren and teachers of Marawi City by turning over learners' and teachers' kits, books, and educational theater facilities. The activity was made possible through the support of DepEd, the AFP, and the PNP.

MBFI continues to promote the arts in the Philippines, by providing an avenue for up-and-coming artists to springboard their work into greater creative fronts through the Metrobank Art & Design Excellence (MADE) program. MADE has recognized, celebrated, and awarded over 400 visual artists in the past three decades. MBFI also supports several education-related programs such as the Metrobank Math Challenge—the longest running math competition in the country with almost half a million participating students nationwide, the Metrobank Scholarship Program, the

National Teachers' Month, and professorial lectures in various fields. Under "Metrobank Group Helping Hands," MBFI has extended aid to 10,715 families who were affected by natural calamities through relief and rehabilitation efforts.

For the year, a total of 50 socio-civic and charitable organizations were provided with grant assistance worth a total of Php20.0 million and caters to 24,115 individuals and 11,397 families. For its tireless service to the community, the Foundation won three Gold Anvils and three Silver Anvils at the 54th Anvil Awards organized by the Public Relations Society of the Philippines, and two Quill Awards of Excellence and two Quill Awards of Merits at the 17th Philippine Quill Awards organized by the International Association of Business Communicators – Philippines.



Photos courtesy of Pilipinas HD

## Metrobank's brand of meaningful service has had an undeniable positive impact on the community, fostering a culture of giving wherever they are called to serve.

### Purple Hearts Club

2019 marks the 17th successful year of the Purple Hearts Club (PHC), the volunteerism arm of Metrobank. Across these years, PHC remains consistent in embodying the culture of helping make lives better through its Core Value, *Heart for Community*. This year, PHC highlights achievements attained towards the growth and expansion of Metrobank's Corporate Social Responsibility (CSR) efforts. This milestone is made possible by strengthened partnerships with institutions and the employee-volunteers' conceptualization and implementation of programs that respond to the changing needs of the community.

Metrobank's employee-volunteers set the bar higher with a remarkable increase in the number of PHC chapters nationwide from 61 to 65 and the participation rate from 64.4% to 71.0%, in 2018 and 2019, respectively. Likewise, average man-hours continues to improve from 9.2 in 2018 to 10.0 in 2019, showing resilience

and passion for service not only by participating in CSR's set thematic programs on education, environmental stewardship and health, but also by engaging in worthwhile causes through their own efforts and initiatives that are in line with the Bank's Core Values. This proves that Metrobank's brand of service continuously extends as it reaches out to the less visible sectors of society.

The reception of PHC initiatives among chapters is positive, enjoying high participation among members for each of the following programs: *Hapag Kainan* which promotes the importance of proper hygiene through tutorial sessions and distribution of hygiene kits, *Bags of Blessing* which involves repacking and distribution of gift packs to thousands of poor families nationwide, *YIGH Activities in the Countryside* which includes tree planting, coastal clean-up, and other efforts for the environment in the countryside, and *Brigada Eskwela* which involves the clean-up, painting and furniture repair of schools nationwide.

Some other notable PHC programs included *Dugong Metrobank, Salamin sa Maliwanag na Bukas, Helping Hands Mindanao, Play It Forward, National Teacher's Month, Pasko sa Paaralan*, among others.

2019 has proven to be a milestone year in Metrobank's Corporate Social Responsibility initiatives. Apart from championing programs that promote sustainable development through the Purple Hearts Club, employee-volunteers continue to embody our readiness to respond to various calls to action, especially in times of need. Through PHC, Metrobankers are constantly reminded of the importance of helping the less fortunate attain hope for better lives. Metrobank's brand of meaningful service has had an undeniable positive impact on the community, fostering a culture of giving wherever they are called to serve.





# THANK YOU for your trust.

You are the reason why we are the **Best Managed Bank in the Philippines\*** and one of the **Best Companies to Work For In Asia\*\***

These recognitions strengthen our commitment to provide meaningful products and services,  
**Remittance Product of the Year**  
*The Asian Banker Philippine Awards 2019*

**Best Managed Funds of the Year**  
*2019 Peso Medium-Term Bond Category*  
*The Chartered Financial Analyst Society of the Philippines*

to find solutions that fit your business needs,  
**Best Service Provider in Cash Management**  
*The Asset Triple A Treasury, Trade, Supply Chain, and Risk Management Awards 2019*

to move the industry with an array of banking and finance portfolio,  
**Best Foreign Exchange Bank in the Philippines**  
**Best Trade Finance Bank in the Philippines**  
**Best Transaction Bank in the Philippines**  
*The Asian Banker Transaction Awards 2019*

**Cesar E.A. Virata Award – Best Securities House**  
*14th Philippine Dealing System Annual Awards*

and to operate with the highest standard of professionalism  
**Best Investor Relations Company**  
**Asia’s Best CEO (Investor Relations)**  
*Asian Excellence Award 2019*

You can always count on Metrobank to keep you in good hands.

\*The Asian Banker Awards 2019  
\*\*HR Asia Awards 2019





# Meaningful Governance

Principled corporate governance is the solid foundation upon which our commitment to Meaningful Banking rests. With it, the Bank creates and fosters relationships built on trust, respect, and partnership with our customers.

Growing beyond traditional banking towards a more sustainable future for Metrobank can only be achieved through a commitment to strong governance. Its corporate governance framework integrates international standards as recommended by the OECD Principles of Good Governance and ASEAN Corporate Governance Scorecard alongside with the regulatory requirements of the SEC Code of Corporate Governance for Publicly-Listed Companies and the BSP Circular No. 969 on Enhanced Corporate Guidelines for BSP Supervised Financial Institutions.





Integrity, accountability, fairness, and transparency are the four pillars upon which the Bank’s governance policies rests. These values are observed across all our operations and dealings. This corporate governance framework is embodied in the Corporate Governance Manual which sets out the roles and responsibilities within the Bank and the practices and procedures that we adopt to ensure we govern our organization to the highest standards of good governance principles.

The Corporate Governance Manual serves as a practical toolkit designed to help implement good governance practices in the institution. It is periodically updated to guarantee that it remains relevant and in alignment with new regulatory issuances and best industry practices. We adopt structures and processes that would ensure that our business is conducted ethically and comply with applicable laws and regulations.

The Board of Directors, Management, Officers, and the staff of the Bank fully commit themselves to the principles and practices contained in the Manual. All acknowledge that it is our guide in the development and achievement of the Bank’s corporate goals. Our staunch duty to safeguard the long-term best interests of our shareholders and all other stakeholders translates into a corporate culture that embraces good governance practices and fiduciary duties made manifest by the Bank’s Board of Directors, the Senior Management, and down to all other employees.

**Board of Directors**

The Board of Directors is the highest authority in the organization. Their key purpose is to ensure the Bank’s prosperity by collectively

directing the company’s affairs, whilst meeting the appropriate expectations of shareholders and stakeholders. The Board’s primary responsibility is ensuring Metrobank’s long-term sustainability and success by leading the process of developing and reviewing the Bank’s strategies annually. It oversees the overall governance framework; approves and oversees strategic objectives of the Bank and its corporate values; spearheads the establishment of guidelines for acceptable level of risk; monitors management’s performance against set targets, major capital expenditures, acquisition, and divestitures; and ensures that appropriate controls and systems of checks and balances are in place and operating effectively. The Board sets the tone from the top of the organization, exemplifying the virtues of good governance as well as Metrobank’s corporate values, codes of conduct, and other ethical standards of appropriate behavior for itself, the Senior Management, and other employees.

To adequately fulfill their responsibilities, board members have independent access to management and the corporate secretary, as well as unfettered access to information and records kept by the company.

**Board Composition**

The Bank’s Board is composed of twelve directors, ten of whom are non-executive directors and of which five are independent directors. The BSP requires that not less than two and at least a third of the members of the board must be independent directors. In full compliance of this directive, the Board has gone above and beyond with a full 42% of its members fulfilling the BSP’s quota.

The Board of Directors is comprised of a diverse and multi-talented group who combine insight and good judgment in implementing good governance. The members are diverse in all aspects, from expertise, to experience, to gender, and even ethnicity. Each director possesses moral integrity, physical & mental fitness, executorial competence, exceptional education, financial literacy, and relevant training, knowledge, and background.

The members of the Board are elected annually. In accordance with the Bank’s By Laws, any stockholder may submit nominations for directorial positions to the Nominations Committee. The Committee screens the nominations based on its screening policies and parameters, including among others, alignment with the

strategic directions of the Bank. The Nominations Committee assesses the nominees guided by our By-laws, Corporate Governance Manual, and relevant regulations of the BSP and SEC to ensure the candidate has the optimal mix of skills and qualifications to become a productive member of the Board. When identifying or screening potential candidates, the Committee may use whatever resources it deems appropriate, including but not limited to, referrals from existing directors and officers, recommendations from a third-party search firm, or suggestions from stockholders. They may also make use of the external databases of the Institute of Corporate Directors (ICD) or other professional search firms. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as director.

Directors are expected to devote sufficient time and effort in order to diligently and efficiently perform their duties and responsibilities to the organization. As a rule, the non-executive directors of the Board may concurrently serve as directors to a maximum of five publicly listed companies, making sure however that the shareholders’ legal right to vote and be voted directors remains inviolable.

The independent directors are independent of management and major shareholders. Other than transactions which are conducted at arm’s-length and could not materially interfere with or influence the exercise of their judgment, they have not engaged and do not engage in any transaction with the institution, with any of its related companies, or with any of its substantial shareholders—whether by themselves or with other persons (through a firm of which they are partners

or a company of which they are directors or substantial shareholders). The independent directors, as a rule, may serve for a maximum cumulative term of nine years. After which, the independent director shall be perpetually barred from re-election as such, but may continue to qualify for nomination and election as a regular director.

In April 2019, the Board approved the retirement of Mr. Robin A. King as a director. As his replacement, the Board also approved and welcomed Atty. Angelica “Nenet” Lavares as Independent Non-Executive Director effective April 24, 2019. With extensive experience in general management, legal expertise in banking and in handling investigations vis-à-vis governance issues, Atty. Lavares can bring valuable contributions, experience, skills, and exceptional leadership to the Board.

*The names of the directors serving as at 31 December 2019 and their biographical details are set out on pages 74-75.*

**The Chairman of the Board and the President**

The roles of the Chairman of the Board and the President are separate but complementary positions that work together for the good of the Bank. This split balances power, responsibility, and accountability while preserving the independent decision-making of the Board. Each has clearly defined responsibilities in the Bank’s By-Laws and Corporate Governance Manual.

The Chairman of the Board provides leadership in the Board. He ensures effective functioning of the Board, including maintaining a relationship of trust with board members. In addition,

the Chairman ensures a sound decision-making process and encourages and promotes critical discussions where dissenting views can be expressed and discussed within the decision-making process. On the other hand, the President exercises direct and active management of the business and operations of the Bank, conducting the same according to the orders, resolutions, and instructions of the Board and according to his own discretion wherever the same is not expressly limited by such orders, resolutions, and instructions. He communicates and implements the vision, mission, values, and overall strategy of the Bank; and promotes any organization change in relation to the same. He exercises general superintendence and direction over the other officers and the employees of the Bank and sees to it that their respective duties are properly performed.

**Directors’ Orientation & Continuing Education**

The responsibilities of the directors and senior management have expanded and corporate governance norms have evolved. It is important that the Bank provides the best training available for the directors and senior management to keep them adept in their respective roles and prepared to address emerging opportunities and challenges. The directors and senior management should be capable of seeing company and business issues in a broader perspective.

Directors on-boarding are furnished with a copy of the Bank’s Articles of Incorporation, By-laws, Code of Conduct, and Corporate Governance Manual. They are also provided with the general responsibilities and specific duties of the Board as a whole and of an individual



director. Directors are required to certify under oath that they have received copies of these documents and fully understand and accept their contents. Each director certifies that he or she has all the prescribed qualifications and none of the disqualifications required to be a director.

Pursuant to the Bank’s policy on Continuing Development for Directors, all directors are encouraged to continuously enhance their skills, knowledge, and understanding of the activities that the Bank is engaged in or intends to pursue. Aside from the AML training and the special seminar on corporate governance (at least four hours), the Bank provides continuing education and training on trends and updates necessary to conduct the business. The trainings are conducted by BSP and SEC accredited external service providers. A formal record of the attendance of each of the directors and senior management in the training sessions is maintained.

In October 2019, the Bank arranged a special training seminar conducted by the ICD which was attended by all directors and senior management to update them on significant developments in corporate governance including subject matters dealing with cyber security, data privacy, anti-money laundering, digital governance, and other relevant changes and developments.

Retirement & Succession

Boards are responsible for directing the long-term success of companies and their optimal composition overtime is of key importance to investors. The succession plan is designed to ensure dynamic and relevant leadership continuity for the Bank. As

a general rule, no director may stand for re-election following the calendar year in which that director turned 75 years of age. However, on the recommendation of the Nominations Committee, the Board may waive this requirement if it deems that a waiver is for the best interest of the Company.

Succession or filling up vacancies in the Board is addressed in the Bank’s By-laws. Any vacancies occurring in the Board may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum. Any vacancy that occurs by reason of removal by stockholders, expiration of term or increase in the number of directors shall be filled by the stockholders in a regular or special meeting called for this purpose. Retirement from the service of the Bank is compulsory for employees reaching their 55th birthday or completing a period of continuous service of thirty (30) years, whichever comes first.

Board Meetings

Regularly scheduled Board meeting are held to keep directors up to date on the Bank’s performance as well as approve strategies, appointments, and other decisions requiring their attention. The organizational meeting of the Board is held immediately after the Annual Stockholder’s Meeting. Board-level committees are reconstituted during the organizational meeting. Regular Board meetings are held every second Wednesday of each month. Special meetings may be called at any time by the Chairman, or in the Chairman’s absence, by the Vice Chairman. Special meeting may also be called pursuant to the written request of any four directors.

The directors are encouraged to attend and actively participate in all meetings of the Board, Committees, and shareholders in person or through telecommuting conducted in accordance with all rules and regulations. Directors are allowed to miss a meeting when justifiable causes, such as illness, death in the immediate family or serious accidents, prevent them from attending. The meeting of the Board may be conducted through modern technology such as, but not limited to, teleconferencing or video conferencing as long as the director who is taking part in said meetings can actively participate in the deliberations on matters taken up therein. In Board and committee meetings, directors must review meeting materials, and if called for, ask the necessary questions to seek clarifications and explanations.

The Office of the Corporate Secretary plays a significant role in supporting the Board in discharging its responsibilities. It prepares the agenda of each meeting and sends out notices and materials needed at least five business days before the meeting dates. It also prepares and distributes the minutes of the previous meeting and keeps full minutes of all Board and stockholder meetings.

In 2019, the Board had thirteen meetings with the incumbent directors attending more than 98% of all meetings.

Non-executive directors likewise meet once a year with the external auditor and heads of internal audit, compliance, and risk without any senior executive present to bring independent judgment to issues of strategy, performance, resources, and standards of conduct. In 2019, this was conducted on September 18, 2019.

2019 BOARD ATTENDANCE															
Board	Name	Number of Shares		% to Total Outstanding Shares (As Disclosed)	Board Meetings	Executive Committee	Anti-Money Laundering Committee	Risk Oversight Committee	Trust Committee	Audit Committee	Corporate Governance and Compensation Committee	Related Party Transactions Committee	Overseas Banking Committee	Nominations Committee	IT Steering Committee
		Direct	Indirect												
Group Chairman (ED)	Arthur Ty	15,205,313		0.34%	13/13	(CC) 40/52	7/7				3/4				(A) 7/7
Vice Chairman (NED)	Francisco C. Sebastian	1,442,283		0.03%	12/13	(VC) 47/52		(A) 6/12					(CC) 6/6		
President/ Director (ED)	Fabian S. Dee	734		0.00%	13/13	47/52			11/11				2/2		7/7
Director (NED)	Alfred V. Ty	17,087,722		0.38%	11/13								3/6		
Director (NED)	Edmund A. Go	7,482		0.00%	13/13		2/7	(ED) 12/12	11/11						6/7
Director (ED)	Vicente R. Cuna, Jr	129	32,770	0.00%	13/13	47/52	2/7	(A) 5/12							(CC) 7/7
Independent	Jesli A. Lapus	28,419		0.00%	13/13			(VC) 11/12	(CC) 11/11		4/4			(CC) 8/8	
Independent	Rex C. Drilon II	1,615		0.00%	13/13		5/7		(VC) 10/11		(CC) 4/4	(CC) 14/14			
Independent	Robin A. King (1)	187		0.00%	4/4			(PCC) 3/12		4/4		4/4		2/2	
Independent	Francisco F. Del Rosario, Jr.	146		0.00%	13/13			(CC) 8/12		(VC) 11/12	4/4		6/6		
Independent	Edgar O. Chua	113		0.00%	13/13		7/7			(CC) 12/12		14/14		8/8	
Director (NED)	Solomon S. Cua	113	32,770	0.00%	13/13					7/8			5/6		
Independent	Angelica H. Lavares (2)	113			9/9		5/7			8/8		10/11		6/6	

(1) Mr. King retired in April 2019  
(2) Effective April 2019

Board-level Committees

The Board assigns specific tasks to committees to help them fulfill their wide range of responsibilities. It delegates particular matters or affairs of the Bank to the committees to prepare the groundwork for decision-making and eventually report to the Board for notation or approval. In 2019, the Bank had ten board-level committees that assist the Board in the optimal performance of its roles and responsibilities. Five of the ten committees namely the Audit Committee, Corporate Governance and Compensation Committee, Nominations Committee, Related Party Transaction Committee, Risk Oversight Committee and Trust Committee are chaired by an independent director. The Board-level committees have their own respective charters which set out their mandate, scope, and working procedures which can be viewed at the Bank’s website.

Anti-Money Laundering Committee

The Anti-Money Laundering Committee is a Board-level Committee tasked to assist the Board in fulfilling its oversight responsibility over the Bank’s AML Compliance Management to make sure that the Bank complies with the provisions of the AMLA, as amended, its Revised Implementing Rules and Regulations (RIRR), and BSP regulations.

Audit Committee

As an extension of the Board, the Audit Committee assists the Board in fulfilling its statutory and fiduciary responsibilities, enhancing shareholder value, and protecting shareholders’ interest through effective oversight of internal and external audit functions, transparency and proper reporting. It also oversees compliance with laws, rules, regulations, code of conduct, as well as adequate and effective internal controls.

ANTI-MONEY LAUNDERING COMMITTEE	
Chairman	Angelica H. Lavares, Independent Director
Regular Members	Arthur Ty, Chairman
	Rex C. Drilon II, Independent Director
	Edgar O. Chua, Independent Director

AUDIT COMMITTEE	
Adviser	Cornelio C. Gison, Adviser
Chairman	Edgar O. Chua, Independent Director
Vice Chairman	Francisco F. Del Rosario, Independent Director
Regular Members	Solomon S. Cua, Non-executive Director
	Angelica H. Lavares, Independent Director
Chief Audit Executive	Leo R. Fragante, Head, Internal Audit Group



CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE	
Chairman	Rex C. Drilon II, Independent Director
Regular Members	Arthur Ty, Chairman
	Francisco F. Del Rosario, Independent Director
	Jesli A. Lapus, Independent Director
Corporate Governance Officer	Arnulfo B. Pascoles, Jr., Head, Compliance Division

EXECUTIVE COMMITTEE	
Advisers	James Go, Senior Adviser
	Mary V. Ty, Assistant to the Group Chairman
Chairman	Arthur Ty, Chairman
Vice Chairman	Francisco C. Sebastian, Vice Chairman
Regular Members	Fabian S. Dee, President
	Vicente R. Cuna, Jr., Director
	Mary Mylene A. Caparas, Head, Institutional Banking Sector
	Corazon B. Nepomuceno, Chief Credit Officer, Head, Credit Group
Alternate member in the absence of Credit Group Head	Noel Peter Z. Yuseco, Deputy Head, Credit Group

INFORMATION TECHNOLOGY STEERING COMMITTEE	
Adviser	Arthur Ty, Chairman
Chairman	Vicente R. Cuna, Jr., Director
Regular Members	Fabian S. Dee, President
	Edmund A. Go, Non-executive Director
	Bernardino V. Ramos, Head, Information Technology Group
	Joshua E. Naing, Head, Financial and Control Sector

*Corporate Governance and Compensation Committee*

The Corporate Governance and Compensation Committee assists the Board of Directors in fulfilling its corporate governance responsibilities and in providing oversight on the implementation of the Bank's Compliance System. The Committee is tasked with establishing a formal and transparent procedure in determining the remuneration of directors and officers that is consistent with the Bank's culture, strategy, business environment, and industry practice.

*Executive Committee*

The EXCOM shall primarily review and approve credit proposals and credit policies within the limits of its authority. The Committee may also act on other matters as delegated by the Stockholders and the Board of Directors within its competence and in accordance with the By-Laws of the Bank.

*Information Technology Steering Committee*

The Information Technology Steering Committee ensures that IT strategies are consistent with the overall business objectives. As an extension of the Board, it supervises the IT Risk Management Program of the Bank and the development of policies, controls, and specific accountabilities consistent with the Bank's IT Risk Management Framework. It also regularly provides adequate information to the Board regarding overall IT performance, status of major projects, and other significant issues related to IT risks.

*Nominations Committee*

The Nominations Committee reviews and evaluates the qualifications of all persons nominated to the Board. Moreover, it also reviews the qualifications of those nominated to other positions requiring approval by the Board.

*Overseas Banking Committee*

The Overseas Banking Committee assists the Board in its oversight functions over the operations and financial performance of the overseas branches and subsidiaries, their compliance with the rules and regulations of their respective host countries, and their adherence to the Parent Bank's business and corporate governance policies as prescribed by the BSP and SEC.

*Related Party Transactions Committee*

The Related Party Transactions Committee is a Board-level Committee tasked to ensure that Bank's transactions with related parties are reviewed to assess risks and subjected to appropriate restrictions to ensure that such are conducted at arm's-length terms and that the resources of the Bank are not misappropriated or misapplied.

*Risk Oversight Committee*

The Risk Oversight Committee, as an extension of the Board, is responsible for the development and oversight of the risk management program for the Bank and its Trust Banking Group.

*Trust Committee*

The Trust Committee is responsible for fiduciary accounts as well as the confirmation of acceptance and

NOMINATIONS COMMITTEE	
Chairman	Jesli A. Lapus, Independent Director
Regular Members	Angelica H. Lavares, Independent Director
	Edgar O. Chua, Independent Director

OVERSEAS BANKING COMMITTEE	
Chairman	Francisco C. Sebastian, Vice Chairman
Regular Members	Francisco F. Del Rosario, Independent Director
	Alfred V. Ty, Non-executive Director
	Solomon S. Cua, Non-executive Director

RELATED PARTY TRANSACTIONS COMMITTEE	
Chairman	Rex C. Drilon II, Independent Director
Regular Members	Angelica H. Lavares, Independent Director
	Edgar O. Chua, Independent Director

RISK OVERSIGHT COMMITTEE	
Advisers	Francisco C. Sebastian, Vice Chairman
	Vicente R. Cuna Jr., Director
Chairman	Francisco F. Del Rosario, Jr., Independent Director
Vice Chairman	Jesli A. Lapus, Independent Director
Member	Edmund A. Go, Non-executive Director
Chief Risk Officer	Maritess B. Antonio, Head, Risk Management Group

TRUST COMMITTEE	
Chairman	Jesli A. Lapus, Independent Director
Vice Chairman	Rex C. Drilon II, Independent Director
Regular Members	Fabian S. Dee, President
	Edmund A. Go, Non-executive Director
	Leandro Antonio G. Santillan, Head, Trust Banking Group



closing of trust, the review of assets placed under the Bank's custody, the investment, and reinvestment and disposition of trust funds, and the review and approval of transactions between trust and/or fiduciary accounts.

**Board Performance Evaluation and Self-Assessment**

Board effectiveness can only be gauged if the Board regularly assesses its own performance and the performance of the individual directors. At Metrobank, to determine the effectiveness of the Board, Chairman of the Board, President, Board Committees and each of the individual directors, annual evaluation of their performance is conducted using approved rating sheets. The performance rating sheet normally circulated on paper or online using questionnaires that are tailor-made to the Bank's needs and objectives. This evaluation process allows the Board to consider the accomplishments of individuals and the group of individuals within the Board and this also serves as an avenue to revisit existing process or areas in need of improvement within the Board.

The Board conducts its annual evaluation process through the Corporate Governance and Compensation Committee. It has adopted an internal self-rating system and procedure to determine and measure compliance vis-à-vis good corporate governance principles and practices as prescribed in the Code of Corporate Governance: (i) Each Director self-rates and collectively rates the Board, the Chairman of the Board, and the President; (ii) Corporate Governance, Audit, Risk Oversight and other Board committees conduct self-rating,

The summary results of the performance evaluation are presented to the Corporate Governance and Compensation Committee and endorsed to the Board. For 2019, the overall assessment showed that the Board, Board committees, the individual directors, the Chairman, and the President possess the right mix of backgrounds and competencies to fulfill their duties and the Bank has fully complied with the materials requirements of the SEC Code of Corporate Governance.

**Compliance System**

The Bank, through its Compliance Division, implements an enterprise-wide compliance program which forms an integral part of the Bank's culture and risk governance framework to provide reasonable assurance that the Bank and its directors, officers, and employees comply with all banking and corporate laws, regulations, rules, and standards.

The Compliance Division serves as the core-force of information for regulatory issuances and interpretation of rules and regulations and provides oversight and guidance for a strong compliance culture as it works closely with business and support units to identify, assess, monitor, and manage possible regulatory compliance risks which may impact the Bank's operations and franchise value. The Compliance Division is tasked to promote effective implementation of the compliance system and address breaches that may arise. It ensures that possible compliance issues and key compliance risks are proactively identified, measured, and assessed and that advice and support to Management in managing regulatory and

compliance risk are provided. It also conducts compliance awareness trainings for all employees on a regular basis and issues advisories where appropriate.

The Compliance Division is headed by the Chief Compliance Officer (CCO) who reports functionally to the Corporate Governance and Compensation Committee. The CCO provides effective and proactive upstream and downstream communication within the Bank to address compliance matters and ensure that the same are reported to appropriate levels of management and to the Board of Directors through the Corporate Governance and Compensation Committee.

The Compliance Division continues to actively seek ways to boost compliance and adopt best practices in corporate governance. It also maintains a dynamic interaction with regulators to ensure a balance between having the right compliance culture and a risk-averse environment that will support business growth.

**Codes of Conduct**

The Bank ensures that its directors and employees embrace the Codes of Conduct which set forth the standards for professional and ethical behaviors expected of them when dealing internally and externally. The Codes of Conduct stem directly from the Bank's Core Values, namely Passion for results, Integrity, Teamwork, Commitment to customer service, & Heart for the community (PITCH) and are meant to ensure fairness, accountability and transparency in all actions and decisions of employees and directors.

The members of the Board have adopted the Codes of Conduct and Ethics for Directors. It describes the behavioral standards expected from a director so that he/she can better understand and meet the expectations and requirements of the organization and regulators.

In place also is the Metrobank Code of Conduct for employees which includes policies ensuring the proper discharge of duties and responsibilities, the avoidance of conflict of interest between the Bank's business and personal activities, the preservation of confidential information which mandates adoption of every practicable measure at all times, and the prohibition of direct or indirect offering or receiving by an employee of any gift, gratuity, other payment or entertainment from any person, be it a client, vendor, supplier, business partner or subordinate, when the gift might affect the employee's judgment or actions in the performance of his/her duties.

The Corporate Governance and Compensation Committee and the Human Resources Management Group ensure the observance and adherence of the directors and all employees to the Codes. Breaches are subject to appropriate disciplinary actions in accordance with the principles of due process. To strengthen the implementation of good governance and development of culture within the Group, training of employees regularly include among others, topics on compliance, good governance, and ethics. The Board-approved Corporate Governance Manual and Codes of Conduct are available in the Bank's intranet and posted in the Bank's website for public access.

**Fair Business Transactions & Managing Conflicts of Interest**

The Bank conducts business fairly and sincerely, adhering to ethical principles and refraining from unfair practices and any form of bribery or corruption, to contribute to sound and economic development through fair competition in the market. The Bank champions the fair treatment and protection of all stakeholders, particularly our customers, resource providers, creditors, and the community in which we operate and believe that fair, professional and objective dealings forge enduring relationships. The members of the Board conduct fair business transactions with the Bank and ensure that personal interest does not bias Board decisions. They should not take advantage of their positions for personal gain. All board members are expected to act ethically at all times, notify the Board promptly of any material facts or potential conflicts of interest, and take appropriate corrective action.

The directors are expected to act honestly and in good faith, with loyalty and in the best interest of the Bank, the stockholders (regardless of the amount of their stockholdings), and other stakeholders. Employees are expected to effectively manage their personal affairs and avoid any situation or business endeavor arising from associations, interests, or relationships that may lead to conflict or potential conflict between their personal interest and of the Bank.

All related party transactions are conducted at arm's-length basis. If transactions with the Bank cannot be avoided, it is done in the regular course of

business and upon terms not less favorable to the Bank than those offered to others and subject to the Bank's policy on related party transactions. Transactions with related parties are reviewed by either the Related Party Transactions Management Committee (RPTMC), a management-level committee composed of senior officers or the Related Party Transactions Committee (RPTC), a Board-level committee composed of independent directors, depending on the materiality threshold set by the Bank. Directors and officers with personal interest in the transaction shall abstain from the discussion, approval and management of transaction. No director or officer shall participate in the RPTC or RPTMC or BOD discussion of a related party transaction for which he, she, or any member of his or her close family or related interest is involved, including transactions of subordinates, except in order to provide material information on the related party transaction to the RPTC/BOD. All acts of the Board, including material related party transactions, are confirmed by the majority vote of the Bank's stockholders during the Annual Stockholders' Meeting.

Related party transactions are discussed in the Audited Financial Statements, particularly under Notes to the Financial Statements No. 31 on Related Party Transactions.

**Insider Trading Policy**

Metrobank as a publicly traded company is governed by securities laws and regulations. The Bank strictly enforces and monitors compliance with its Insider Trading Policy to uphold applicable laws, ensure



shareholders' protection, and prevent individuals from benefitting from knowledge which is not generally available to the market. The policy requires that the disclosure of material non-public information about any of the companies within the Metrobank Group or any partner shall be made on a reasonable need-to-know basis and in furtherance of a legitimate business purpose.

The policy prohibits trading during black-out periods by covered persons i.e. all directors and employees within the Metrobank Group including their immediate family members residing with them in the same household as well as corporations and other entities or funds subject to their influence or control. It requires the reporting insiders to confirm their respective beneficial ownership of listed shares of stock in their respective companies, if any, and report any changes thereto on the next trading day from the date of the change pursuant to the requirements of the SEC and the PSE.

**Whistle-Blowing Policy**

The Bank's culture of trust and integrity is key to providing a safe space for all employees and stakeholders. The Whistle-Blowing Policy provides an avenue to raise concern and report acts of fraud, malpractice, conflict of interest, or violation of internal/regulatory policies, procedures, and control to the Chief Audit Executive. The policy also provides for the protection of the reporting entity. The Bank shall maintain the identity of the reporting entity as confidential and retaliation against any reporting entity shall not be allowed.

Complaints/concerns may be filed through the Bank's

website or sent via email (whistleblowing@metrobank.com.ph) or text hotline (+639427471359).

**Dividend Policy**

The Bank's dividend policy is an integral component of its capital management policy rather than a stand-alone process. Its fundamental and overriding policy is sustainability.

Dividends are declared and paid out of unrestricted retained earnings of the Bank at such intervals as the Board of Directors may determine and in accordance with the provisions of law and the regulations of the BSP and the SEC. Historically, the Bank has declared annual cash dividends equal to Php 1.00 per common share, equivalent to 5% of par value. The payment of dividends in the future will depend on the Bank's earnings, cash flow, financial condition, regulatory requirements for capital, and other factors. The Board of Directors may, at any time, modify the Bank's dividend payout ratio depending on the results of current operations as well as future projects and plans of the Bank.

Cash dividends are subject to approval by at least a majority of the Board of Directors. On the other hand, stock dividend requires prior clearance from the BSP, the SEC and the PSE.

**Compensation Policy**

The Bank adopts a compensation package that is aligned with the Bank's operating and risk culture, long-term strategic and financial interest and labor laws and regulations, promotes good performance and competitive with industry standards, with a goal to attract, motivate and retain the best people.

**Directors' Compensation Package**

The members of the Board of Directors receive a fixed remuneration package based on market, experience, professional background, level of responsibilities, and attendance in Board and committee meetings.

**Executive and Employee Compensation**

The Bank pays salaries commensurate to the individual's qualifications & experience, nature of the job, position, and level of responsibility with reference to an approved salary scale. The Bank's compensation package is reviewed regularly and benchmarked against competition through participation in annual industry compensation and benefit surveys to ensure its competitiveness vis-à-vis industry and other market considerations.

**Pay for Performance**

The Bank aims to achieve a performance-driven work culture by providing meaningful rewards for performance. Annual performance scorecards are structured to support business strategies and provide competitive rewards. Thus, the Bank grants annual merit increase and performance bonus (non-guaranteed) based on the Bank's overall performance, Group and individual performance, and market conditions.

**Fair Compensation**

The Bank ensures that its compensation package for non-officers or rank and file employees is in accordance with the labor law requirements. They receive salaries linked

to both performance and the Bank's contractual obligation under a collective bargaining agreement which include loyalty bonuses for long-term employees.

**Interest of Stakeholders**

Metrobank has a responsibility to all its stakeholders to address their needs. The Bank has policies that safeguard the interests of customers, creditors, suppliers, employees, shareholders, and the environment.

**Customers and Creditors**

The Bank is committed to safeguarding its customers' and creditors' welfare, fulfilling their needs, and helping them achieve their financial goals. To this end, the Bank views Consumer Protection as a priority and a responsibility for every single person in the organization, from the Directors down to the rank and file employees.

The Board of Directors provides effective oversight of the Bank's financial customer protection program. As such, the Bank has a board-approved Customer Protection Policy Manual which provides basic principles and ethical business practices that govern the conduct of the Bank in dealing with its customers, setting out the standards of consumer protection in the areas of disclosure and transparency, protection of client information, fair treatment, effective recourse and financial education. It provides assurance that the Bank and its employees comply with consumer protection laws, rules, and regulations, thus ensuring that consumer protection practices are embedded in the Bank's business operations which address and prevent identified risks to the Bank and

associated risk of financial harm or loss to its customers. The Manual is created to ensure that customer protection is inherent in the Bank's day-to-day operations, providing the foundation that ensures the Bank's adherence to customer protection standards of conduct.

**Stockholders' Rights and Protection of Minority Stockholders' Interests**

The Board respects the rights of the stockholders as provided for in the Corporation Code. It promotes the rights of the stockholders, removes impediments to the exercise of those rights, and provides an adequate avenue for them to seek timely redress for the breach of their rights.

The Board makes available to the stockholders accurate and timely information to enable the latter to make sound judgments on all matters brought to their attention for consideration or approval. All material information about the Bank is disclosed in a timely manner to the SEC and PSE.

The Board is transparent and fair in the conduct of the annual stockholders' meetings of the Bank. The Bank encourages the stockholders to personally attend such meetings. If they cannot attend, they are informed ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of this right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the stockholder's favor.

Every stockholder entitled to vote on a particular question or matter involved shall be entitled to one (1) vote for each share of stock in his name. Cumulative voting is allowed provided that the total votes

cast by a stockholder shall not exceed the number of shares registered in his name as of the record date multiplied by the number of directors to be elected. Matters submitted to stockholders for ratification shall be decided by the required vote of stockholders present in person or by proxy. All shareholders shall have the opportunity to obtain effective redress for violation of their rights.

**Supplier & Contract Selection**

To mitigate the risk of dealing with unqualified suppliers/contractor, the Bank maintains policies and guidelines in the accreditation/re-accreditation and selection process of supplier and contractor that is in accordance and compliant with BSP regulations. Annual performance evaluation is conducted as part of appropriate controls in determining the ability and performance of the contractor/service provider.

The Bank practices the policy of canvassing and bidding services in the conduct of purchase of products or contracts for services to ensure that the Bank secures the best deal in terms of price, quality of materials or work services, delivery time frame, and related terms and conditions.

**Health, Safety, and Welfare of Employees**

The safety and security of its clients and employees is of paramount importance to the Bank. The Bank actively promotes a safe, healthy, and drug-and-alcohol-free work environment that is conducive to the well-being and professional development of its employees. In doing so, employee morale as well as productivity is greatly improved.



Regular wellness checks are held to enable the Bank to institute the best and most relevant health interventions for the workforce. Lectures on bank security and safety are likewise conducted to properly equip personnel in handling situations that may compromise the safety and security of the Bank's people, property, and information.

Employee welfare also involves guiding employees to achieve their full potential. Through the Metrobank Academy, employees have access to a wide range of suitable programs to assist in their continuing professional development. The Bank recognizes that having the people with the right skills, knowledge, and work ethic is the secret to future sustainable success for the organization.

**Economic & Social Development**

Metrobank is an institution with a heart. The bank is committed to making meaningful contributions to the economic and social development of the larger community to which it belongs by giving back through a number of programs. Success is not only measured via financial performance but also through the completion of its social objectives.

Metrobank has a host of comprehensive community and social responsibility programs conducted by the Metrobank Foundation, its corporate social responsibility arm, and the employees through the Purple Hearts Club. Employees participate in an array of CSR programs that focus on education, environmental stewardship, and health. The Purple Hearts Club also collaborates with partners

across several industries to introduce employees to new opportunities for volunteerism that benefit and support other marginalized sectors of society.

**Environment Protection**

As part of Metrobank's core value of being a responsible corporate citizen, it believes that sustainable development is a fundamental aspect of sound business management and recognizes that this must rank among the top priorities of its lending portfolio.

Metrobank is focused on developing a loan portfolio that directly protects and promotes environmental and social care, and likewise instilling in the borrowers the awareness that social and environmental care are inextricable to economic growth in order to achieve sustainable development.

Sound environmental stewardship begins at home. To this end, the Bank seeks to promote the conservation of energy, water, and other natural resources in its own operations. Various policies on optimizing the use of paper, the shutdown of office equipment to minimize resource usage and to save on electricity costs, encouraging the use of vehicles for carpools, and the regular maintenance and servicing of vehicles to reduce transportation cost and carbon emissions are in place.

The restoration of our green habitats is another issue that the Bank aims to support through the You're In Green Hands program. Headed by the Purple Hearts Club, You're In Green Hands runs multiple tree planting, mangrove planting, and coastal clean-up drives throughout the year.

**Risk Management**

Metrobank acknowledges that the business of banking is fundamentally that of managing risk vs. reward, as various risks are inherent across all of its business lines. As a financial institution entrusted with the responsibility of providing as well as protecting value for all its stakeholders especially depositors, Metrobank does not take risks that it does not understand, cannot manage, mitigate, or accept. It conducts its business following a risk management framework suited to its scope and complexity, and consistent with international and regulatory standards.

As risks emanate from most, if not all, processes in the conduct of its business, the Bank engenders its risk culture across all its employees—from client-facing units to middle and back offices, from staff personnel to senior management—and all its products and services.

**Risk Management Principles**

Ultimately, the philosophy of balancing risk and reward translates to the following risk management principles:

- 1. Because risk is native to the banking business, the Bank manages risks that correspond to its goals and objectives as an ongoing business;
- 2. As the business landscape evolves, the Bank's risk management practices must likewise remain appropriate and practicable, but always in consonance with standards set by its regulators;
- 3. The Bank must ensure that it has the right risk governance structure in order to minimize the chances of risks becoming real losses while exploiting the

gains that may accrue from business opportunities; and

- 4. Risk management is everyone's concern—from the Board which sets the overall tone, to the officers and staff who execute the Bank's risk management strategy.

**Risk Management Process**

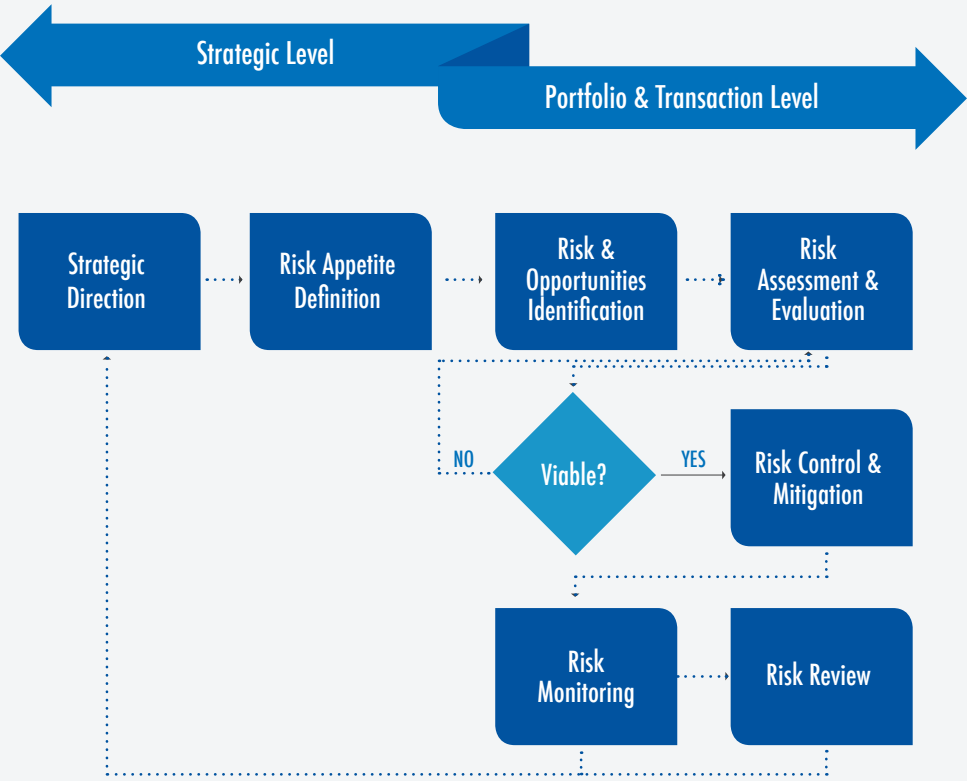
The Bank's risk management process focuses on the interplay among business, concomitant risks, and required capital with the goal of sustaining the franchise through the rise and ebb of the business cycle. The risk management process provides the engine for the determination of the Bank's strategic goals, its material risks, and its appetite for said risks. Risk exposure identification, measurement, management, and monitoring provide the support on which business budgets are afforded the chance of being achieved and for which capital adequacy to support the effort is continuously assured.

Metrics and risk assessment tools, both adopted from regulation and best practice and internal to the Bank, are used to measure identified risks. The use of these tools complements the conduct of business to help prevent risks from being realized into serious issues, as well as cue the possibility of any instance that capital may be called to absorb losses.

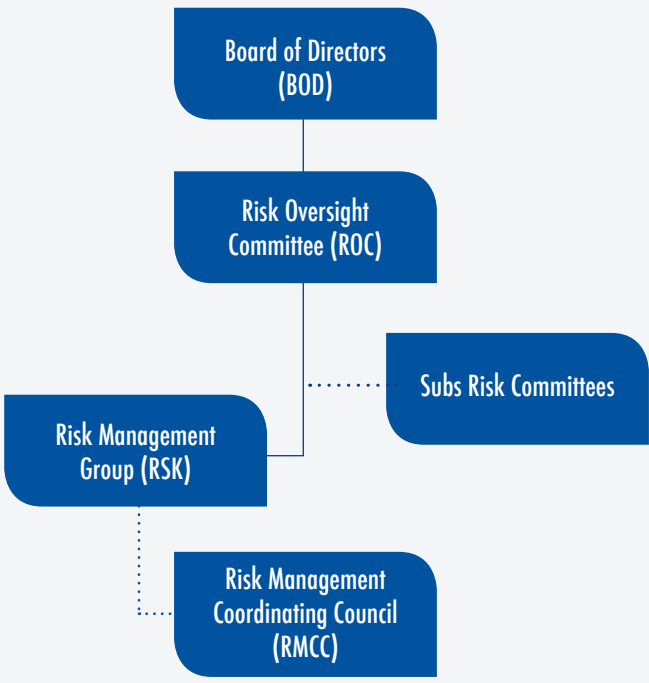
**Risk Governance**

The Board of Directors, through the Risk Oversight Committee (ROC) which is composed primarily of independent members of the Board, plays an active role in setting the risk culture and overseeing the risk infrastructure, operating policies, and exposures to ensure a good balance between risk appetite and prudence.

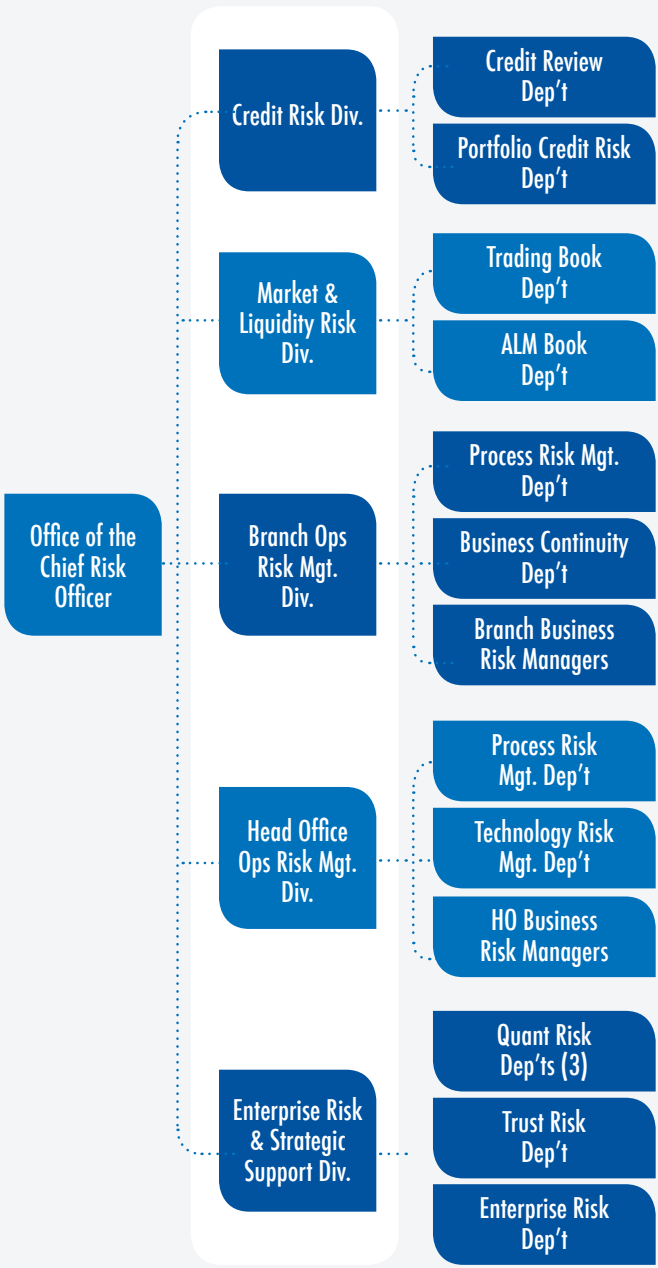
**RISK MANAGEMENT PROCESS**



**RISK GOVERNANCE**







Supporting and reporting directly to the ROC is the Risk Management Group (RSK). The RSK is an independent unit of the Bank that identifies, analyzes, measures, and monitors identified material risks in close coordination with other business units. It exercises oversight on the risk management units of various subsidiaries and affiliates. It is also responsible for convening the Risk Management Coordinating Council quarterly, with the goal of ensuring compliance with relevant regulations, and the implementation of a consistent risk management framework across the Metrobank Group.

Functionally, the RSK is structured such that separate divisions are set-up for a dedicated management of the Bank's largest financial risks: Credit, Market and Liquidity, and Operations. An Enterprise Risk and Strategic Support division is likewise present to execute RSK's risk supervision mandate, manage the Bank's Internal Capital Adequacy Assessment Process (ICAAP), and provide

the quantitative support in the building of models and other risk metrics.

Notwithstanding a defined risk management function, the Bank recognizes that the core banking activity of managing risks is not the sole province of the RSK. It is a function that cuts across the entire organization as manifested in the Bank's three (3) lines of defense: risk-taking unit, risk management, and audit functions. To further the risk management practice in the organization, and as a direct response to the vision of BSP Circular 900 on Operational Risk, the Bank has Business Risk Managers (BRM) embedded in its various business units, with full-time BRMs functionally reporting to the RSK. Such a set-up is central to risk management, as it expresses everyone's role in ensuring that risk exposures are managed and within the Bank's risk appetite.

Also implementing the risk culture that the Board sets are the various management committees which consider specific risks in the course of business.

RISK AREA	MANAGEMENT OVERSIGHT <sup>1</sup>
Credit	Sr CreCom, CreCom, Sr NPAC, NPAC, ALCO
Credit Concentration	Sr CreCom, CreCom, Sr NPAC, NPAC, ALCO
Market	ALCO
Interest Rate	ALCO
Liquidity	ALCO
Operations, including Legal	PolCom, ITGC, SAC, EmCom, ManCom, Sec Com
Compliance (including ML/TF)	AMLCC
Technology	ITGC, EmCom
Reputation	ALCO <sup>2</sup> , EmCom, CX Com
Strategic	BudCom, ALCO, ITGC, CX Com, ManCom

<sup>1</sup> SrCreCom = Senior Credit Committee; NPAC = Non-Performing Accounts Committee; ALCO = Asset & Liability Committee; PolCom = Policy Committee; ITGC = IT Governance Committee; EmCom = Emergency Committee; SAC = Special Action Committee; ManCom = Manpower Committee; CX Com = Customer Experience Committee; Sec Com = Security Committee

<sup>2</sup> As it relates to impact on liquidity risk

Material Risks

As a Domestic Systemically Important Bank (DSIB), Metrobank faces a broad range of risks reflecting such a status. These risks include those resulting from its lending activity, treasury operations, and extensive client-facing network, including its branches. The Bank recognizes that it is not possible or necessarily desirable to eliminate some of the risks inherent in its activities. Acceptance of some risk, therefore, is often necessary to foster growth and efficiencies within business practices. At all times, however, the Bank ensures that any risk-taking activity is aligned with its corporate objectives and capabilities, and that an effective risk management process is in place. The following are some of the material risks the Bank faces and the strategies for managing the same. Supplemental discussions and disclosures are likewise found under Note 4 of the accompanying 2019 Audited Financial Statements (AFS).

Credit Risk

Credit Risk is the risk that the borrower, issuer or counterparty in a transaction may default and cause potential loss to the Bank. It arises from lending, trade finance, treasury, derivatives, and other similar activities. The Bank's appetite for this risk is low-to-moderate, reflective of its core business and the social responsibility that comes with being one of the financial system's largest lenders.

As a matter of general strategy, the Bank manages this risk through a system of policies, metrics, and authorities that govern the processes and practices of all credit-originating and relationship management units, as well as other units involved in the credit cycle. On

the transactional and portfolio levels, to ensure that financial undertakings are balanced with prudential control, the Bank is guided by a credit process that begins with the Bank's defined strategies and risk appetite driving the ensuing steps of origination, evaluation, approval, availment, and monitoring.

The Bank holds collateral against loans and advances to customers in the form of mortgage interests over property, other registered securities over assets and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing and are updated regularly following internal and regulatory guidelines. Generally, collateral is not held over loans and advances to other banks, except when securities are held as part of reverse repurchase and securities borrowing activities. Collateral usually is not held against investment securities. The Bank also holds collateral against loans and receivables in the form of hold-out on deposits, real estate mortgage, standby letters of credit or bank guaranty, government guaranty, chattel mortgage, assignment of receivables, pledge of shares, personal and corporate guaranty, and other forms of security.

The standards of acceptability, valuation, enforceability, and monitoring/reporting of sufficiency of risk mitigants are covered by Board approved policies and procedures. Notes 4 and 9 of the accompanying 2019 AFS present an estimate of the fair values of collaterals held against loans and receivables.

To ensure that the portfolio remains within the defined strategy and risk appetite, constant monitoring is performed by both front and

middle offices. Lending units, in coordination with Credit Group, evaluate the performance of their accounts, and make regular presentations on watch-listed/ classified accounts to the Non-Performing Asset Committee (NPAC) which provides direction on the next steps for the concerned problem accounts.

Independently, the RSK-Credit Risk Division monitors the Bank's credit portfolio against set limits, and reviews sample accounts of the various business groups, focusing on credit quality and policy compliance, to provide assurance and control over the effectiveness of the credit risk management process throughout the Bank. The results of these activities are regularly reported to the ROC.

Credit Concentration Risk

Credit Concentration Risk is the current and prospective negative impact to earnings and capital arising from over-exposure to specific industries and/or borrowers or counterparties. The Bank has a moderate appetite for this risk, recognizing that specific growth areas may need credit support more than others, and that lending to highly integrated customers often lead to pockets of concentration. The Bank manages this risk via adherence to processes relating to industry and counterparty assessments, observance of regulatory ceilings, and setting of internal limits. Additional discussions and disclosures may be found in Note 4 of the accompanying 2019 AFS.

Market Risk

Market Risk results from adverse movements in the general level of or volatility of market rates or commodity/ equity prices possibly affecting



the Bank's financial condition. With due consideration of macroeconomic conditions, financial markets trends, and possible events/regulations that would affect these, and of the risk appetite set by the Board of Directors, Senior Management, through the Asset and Liability Committee (ALCO), sets a general business model for its trading portfolio. This is implemented by the Financial Markets Sector which originates transactions and/or crafts new products needed by clients, whilst keeping itself updated on the financial environment and working within set limits and policies.

The Bank's appetite for this risk is low, and manages this risk via a process of identifying, analyzing, measuring, and controlling relevant market risk factors, and establishing appropriate limits for the various products and exposures. Quantitative expressions of this appetite include Value-at-Risk limits, rolling 21-day P/L triggers, rolling 21-day stop loss limits, YTD trigger/limits, product caps, sensitivity limits, tenor limits, and qualitative limits. These limits are always set against the expected returns to ensure that the risk taken is commensurate to the benefit that the Bank will reap from such trading activity. To remain relevant, they are reviewed at least annually, with possible changes within the year as dictated by the emergence of new regulations, developments in the market risk management landscape, complexity of the products being traded, and other major movements in the business environment.

The Bank maintains Limits Monitoring and Reporting Guidelines which detail how the risk measures are compared against the approved limits. Included in the guidelines are the set of standard procedures in handling excesses or

breaches in limits and loss trigger hits. On a daily basis, the RSK-Market and Liquidity Risk Division provides the limits compliance reports to key officers of the business units and RSK. The results of the limits monitoring process are also reported to ALCO on a weekly basis and to the ROC and BOD on a monthly basis.

Further discussions and disclosures are found under Note 4 of the accompanying 2019 AFS.

Interest Rate Risk in the Banking Book (IRRBB)

Interest Rate Risk in the Banking Book is the current and prospective negative impact to earnings and capital arising from movements or shifts in interest rates. The risk becomes inherent in the current and prospective interest gapping of the Bank's balance sheet, as the Bank's core business involves intermediation activities such as deposit-taking and lending that inadvertently creates both maturity and rate mismatch. This translates to a possible negative impact to the Net Interest Income (NII) and economic value, as interest rate movements affect interest earned/paid as well as the value of assets, liabilities, and off-balance sheet items. Thus, before embarking on any new asset and liability management (ALM) strategy, both the Financial Markets Sector and RSK perform separate assessments on profitability and risks considering the impact of movements in rates. This ensures that the strategy will not result to a risk level higher than what is deemed to be the appetite of the Bank.

The appetite for this risk is low. The Bank follows a set of policies on managing its assets and liabilities so as to ensure that exposure to fluctuations

in interest rates are kept within acceptable limits. This set of limits is a major tool in monitoring and controlling the degree of interest rate risk that the banking book is exposed to at any given point in time. Limits include Earnings-at-Risk (NII-at-Risk) limits, management action triggers (MAT), Delta Economic Value of Equity ( $\Delta$ VEE) limits, FVOCI MtM loss triggers, position limits, and tenor limits.

The limits are proposed by the RSK, in coordination with the Strategic Planning Division and Treasury Group, against the expected income and capital, to ensure that risk taken is commensurate to the returns the Bank will generate from its banking book positions. Also considered are the actual NII, strategies, economic forecasts, and results of stress testing.

The limits are reviewed annually or on an interim basis to ensure that these reflect the business environment, changes in strategies, and regulations.

The Bank maintains Limits Monitoring and Reporting Guidelines which detail how the related risk measures are compared against the approved limits. Included in the guidelines are the set of standard procedures in handling excesses or breaches in limits and loss trigger hits.

On a daily basis, the RSK-Market and Liquidity Risk Division provides the IRRBB limits compliance reports to key officers of the business units and RSK. The results of the limits monitoring process are also reported to ALCO on a weekly basis and the ROC and BOD on a monthly basis.

Liquidity Risk

Liquidity Risk is the risk to earnings or capital arising from the Bank's inability to meet its

obligations when they become due. The Bank considers liquidity risk as the most important considering that liquidity is the lifeline of any bank. As such, the appetite for liquidity risk is low.

The Bank's strategy for managing this risk is generally via limiting the maturity mismatch between assets and liabilities, improving the stickiness of its deposit and liabilities profile, and by holding sufficient liquid assets of appropriate quality and marketability.

The Bank's liquidity management practice is guided by a Funding Strategy Framework that serves as a blueprint for the utilization of the Bank's funding sources under both BAU and stress scenarios, while taking into consideration various internal and regulatory limits. The Bank's Macro Funding Strategy is to reduce liquidity risk by increasing the Bank's base for long term funding, which is put into motion with the Bank's Term Funding Plan over the next three years. In terms of short term funding, the Bank monitors various indicators of liquidity, including the Bank's usage of its BAU Funding Capacity and Intraday Liquidity. The Bank also maintains a Contingency Funding Plan to ensure preparedness to withstand stress scenarios.

The Bank recognizes that liquidity risk is one of its most important risks, and that it has to be managed promptly and properly as any mistake can lead to a bank run and, ultimately, its insolvency which could further trickle down to the financial industry considering its role as a DSIB. As such, it sets limits or triggers on cashflows over specific periods of time (Maximum Cumulative Outflow limit), available funding sources (Liquidity Coverage Ratio MAT, Net Stable Funding Ratio MAT,

Funding Utilization MAT) and funding concentration (Funding Concentration MAT) to ensure that the level of the Bank's liquidity is adequate to support funding requirements at all times.

Similar with other risks, the liquidity risk limits and policy guidelines are reviewed annually or on an interim basis, as deemed necessary to ensure that they remain prudent and relevant

The Treasury Group-Asset & Liability Management Division (TG-ALMD) is the primary unit responsible for managing the liquidity of the Bank, its foreign branches and selected subsidiaries. It manages and closely monitors the daily, as well as short-to-medium term liquidity positions of the Regular Banking Unit (RBU) and Foreign Currency Deposit Unit (FCDU) books. It also ensures that the Bank complies with regulatory liquidity and reserve requirements.

On the other hand, the RSK-Market and Liquidity Risk Division generates liquidity risk reports on a daily basis. At a minimum, the reports provide the exposures and established thresholds to determine compliance with limits and identify emerging concerns on liquidity. The exposures and profiles are provided to TG-ALMD on a daily basis and reported to the ALCO on a weekly basis, and to the ROC and the BOD monthly. Any breach in liquidity risk limits are reported to the appropriate level of management for immediate action.

Operational Risk

Operational Risk arises from the potential that inadequate information system, operations or transactional problems (related to service or product

delivery), breaches in internal controls, fraud or unforeseen catastrophes will result in unexpected loss.

The Bank's operational risk management framework seeks to constantly identify, assess, monitor, mitigate, and control key areas where losses would most probably materialize or where losses would be significant. It espouses a mitigation and control culture of risk management being everyone's responsibility, and is to be performed by three (3) lines of defense:

- a. First Line of Defense – Business Units
- b. Second Line of Defense – RSK's Head Office Operational Risk Management Division (HOORMD) and Branch Operational Risk Management Division (BORMD)
- c. Third Line of Defense – Internal Audit Group

Operational risk management tools include the following:

- a. Process Risk and Control Self-Assessment (Process RCSA)
- b. Risk Event Database (RED)
- c. Results of internal/external audit and supervisory issues raised in the BSP Report of Examination (ROE)
- d. Risk Incident Report (RIR)
- e. System Risk and Control Self-Assessment (System RCSA)
- f. Business Process Mappings
- g. Disaster Risk Assessment
- h. Business Impact Analysis

The Bank's appetite for operational risk is low, and is managed via a framework involving various tools that promote a strong control environment, escalation, monitoring and reporting of risk events, and adequate mitigation of assessed risks. In particular, this appetite is manifested



in the thresholds it sets for institutional and business unit level key risk indicators (KRIs) and key performance indicators (KPIs). KRIs are used to monitor main drivers of exposures associated with key risks; while KPIs give insight into the status of operational processes which may, in turn, provide an understanding of the operational weaknesses, failures, and potential losses. Both are used with escalation triggers to warn when risk levels approach or exceed acceptable ranges, and prompt mitigation plans.

Mitigation and control of the Bank’s identified operational risks call for the preparation of a Risk Treatment Plan which identifies, assesses, prepares, and implements a range of risk treatment options. Depending on the availability/feasibility of preventive/corrective measures, and the benefits that come from an exposure, the Bank may choose from the following approaches to treat risks: Acceptance, Avoidance, Transfer, and Reduction.

Following the general risk management framework where risks are monitored in both individual and portfolio bases, institutional and business unit level KRIs and KPIs are regularly monitored and reported to appropriate management committees and to the Board of Directors through the Risk Oversight Committee.

At the micro level, business/ operating units, as the Bank’s first line of defense, are responsible for identifying, measuring, controlling, monitoring, managing, and reporting operational risks on day-to-day basis. As risk incidents affecting their area of operation occur, they are mandated to report such within 24 hours through the Risk

Incident Report (RIR). The units are further assisted by their Business Risk Managers (BRMs) who are expected to monitor the effectiveness of the internal controls in all activities and of the established KRIs.

On a bank-wide level, the HOORMD and BORMD monitor the operational risk profiles, material exposures, and current status of established KRIs and KPIs of Head Office units and of the branches, respectively; and report these to senior management and the BOD through the ROC.

Technology Risk

Technology Risk is the current and prospective negative impact to earnings arising from failure of the Bank’s IT systems, including information and cyber security. The Bank’s appetite for IT risk is low. Its strategy in managing this risk is embodied in a comprehensive information technology management policy that encompasses IT risk assessment, vulnerability testing, monitoring, controls, and mitigation.

Reputation Risk

Reputation Risk is the current and prospective negative impact to earnings and capital arising from negative public opinion. As a bank essentially survives on its reputation, the Bank has very low appetite for reputation risk and always aims to proactively build on its good name. The Bank holds that reputation risk is a consequence of other risks. Its management therefore is tied closely to the manner by which it manages its other risks. By ensuring effective identification, assessment, control, monitoring, and reporting of the other material risks, reputation risk is likewise effectively managed.

Compliance and Regulatory Risk

Compliance and Regulatory Risk is the current and prospective negative impact to earnings and capital arising from failure to comply with all applicable laws, regulations, and standards of good governance and practice. The appetite for this risk is low, and is managed via the conduct of a defined Compliance program. Specific to Money Laundering & Terrorist Financing (ML/TF) Risk, the Bank has zero tolerance for the same, and is managed separately by the Bank’s Anti-Money Laundering Division (AMLD) reporting directly to the Board’s AML Committee.

Strategic Risk

Strategic Risk is the current and prospective negative impact to earnings arising from adverse business decisions, improper implementation of decisions, and/or lack of responsiveness to industry changes. The Bank’s strategy in managing this risk is to embed the same in the various business functions as espoused in its strategic and business planning processes.

Risk Reporting

To ensure that exposures are within the Board-approved risk appetite, and that management is able to lead the Bank to the fulfillment of its strategies and targets whilst remaining within acceptable risk ranges, the RSK and specialized Bank units report the following risks to both management and the Board:

MATERIAL RISKS	SAMPLE RISK EXPOSURE INDICATORS
1. Credit risk	NPL; PD/ITL; Expected Credit Loss (ECL); Weighted Average Risk Rating (WARR)
2. Market risk	VaR; P&L; Position and sensitivity limits
3. Operational risk	Key Performance Indicators (KPIs); Key Risk Indicators (KRIs); Risk Incident Reports (RIR); Disaster Risk Assessment (DRA); Business Impact Analysis (BIA)
4. Credit concentration risk	Large exposure share; SBL; RE; Industry and country share
5. Interest Rate Risk In the Banking Book	Interest rate repricing gap (IRRG); Earnings-at-Risk (EaR); Delta EVE
6. Compliance risk (including Money Laundering)	Compliance testing;  Penalties; BSP ROE;  AML reports (e.g., STRs; CTRs; red flag reports); Internal audit reports
7. Legal risk	Cases; Court decisions
8. Cybersecurity risk	Various KPIs & KRIs
9. Strategic risk	Scenario assessment; ICAAP runs
10. Liquidity risk	Maximum Cumulative Outflow (MCO); Funding utilization; Liquidity Coverage Ratio (LCR)
11. Reputational risk	Social media listening; Customer complaints

Anti-Money Laundering

The Bank’s AML compliance program, which is designed to identify and mitigate business and regulatory risks, is being implemented through sound risk management practices and adherence to applicable rules and regulations on the prevention of money laundering and terrorist financing.

The sound risk management practices of the Bank are well established to ensure adequate and active board and senior management oversight, acceptable policies and procedures embodied in a money laundering and terrorist financing prevention compliance program, appropriate monitoring and management of information systems, as well as comprehensive internal controls and audits. These practices, together with effective communication, training, and

risk-based compliance testing, promote a robust, dynamically-responsive, and appropriate compliance system along with a culture of compliance towards a sound and stable financial franchise. The Bank’s robust and sound risk management practices, strong commitment to good corporate governance practices, and adherence to the principles of safe and sound banking practices means regulatory, money laundering, and terrorist financing risks are effectively managed.

Internal Audit

The Internal Audit Group is established by the Board of Directors, and its responsibilities are defined by the Audit Committee as part of its oversight function. The Audit Committee and Management take all the necessary measures to provide the appropriate resources and staffing, including

free access to all functions, records or documents, information, properties, and personnel that would enable Internal Audit to fully carry out its functions and achieve its objectives while adhering to the principles required by the International Standards for the Professional Practice of Internal Auditing (Standards) and Code of Ethics.

The mission of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

The scope of work of the Internal Audit Group ensures that risks are appropriately identified and managed and interaction with the various governance groups occurs, as needed, through validation on whether significant financial, managerial, and operating



information is accurate, reliable, and timely; operations and system functionalities are in compliance with Bank's code of conduct, policies, standards, procedures, and applicable laws and regulations, including adequacy and effectiveness of controls associated with money laundering and terrorist financing; resources are acquired economically, used efficiently, and adequately protected; Bank's programs, plans, and objectives are achieved; quality and continuous improvement are fostered in the Bank's control process; and, significant operational risks and issues are addressed.

The Internal Audit Group maintains its independence and objectivity in performing and delivering audit works, as the Internal Audit Group Head or Chief Audit Executive reports functionally to the Board of Directors through the Audit Committee and administratively to the Office of the President. All internal audit activities remain free of influence by any element in the Bank and internal auditors have no direct responsibility or involvement over any Bank operating activities.

Over the years, the Internal Audit function has become more relevant and firm in adding value to the Bank, as internal auditing is performed by professional auditors with deep appreciation of the importance of strong governance and with in-depth understanding of the Bank products, services, systems, and processes. It enables the business by providing meaningful services to the Bank and valuable insights through its constructive inputs and recommendations to Management that resulted to significant improvements in the Bank's operational processes and control environment.

The completion of risk-based Internal Audit plan, which includes fundamental audit activities and initiatives such as risk-based assurance activities; consulting and advisory works; and fact-finding or case analysis, and, group supervisory activities over the internal audit units of covered Metrobank Subsidiaries, among others, permitted the Internal Audit Group Head to provide an overall evaluation on the adequacy and effectiveness of the Bank's risk management, internal control, and governance

processes. The Internal Audit Group ensures that its audit works are aligned with Senior Management's strategic and operational objectives, and takes into account the Bank's initiative to move towards transformation.

To keep up with the increasing business challenges and growing array of risks, Internal Audit Group will continually strive to be dynamic and responsive to emerging issues; fortify its workforce by investing in competency development programs; optimize use of electronic data and integrate data analytics in the audit process; elevate effectiveness through enhanced work programs; and constantly look for ways and strategy on delivering expanded review coverage and augmenting confidence in the quality of audit services. Internal Audit further commits to evolve and pursue realization of transformational goals in the coming years to deliver a more impactful assurance and consulting services which shall intensify and proliferate good corporate governance practices across the Bank.

Internal Audit further commits to evolve and pursue realization of transformational goals in the coming years to **deliver a more impactful assurance and consulting services which shall intensify and proliferate good corporate governance practices across the Bank.**

# AUDIT COMMITTEE REPORT TO THE BOARD OF DIRECTORS

The Audit Committee (Committee) has represented and assisted the Board of Directors in fulfilling its statutory and fiduciary responsibilities, as well as in enhancing and protecting the value and interests of shareholders. It has effectively performed its duties and responsibilities, as defined in the Board-approved Committee Charter; by working closely with the Internal Audit team, External Auditors, and Senior Management.

The Committee is composed of five qualified non-executive members duly appointed by the Board of Directors. An independent director chairs the Committee, with three of its four members as independent directors as well. All Committee members are with relevant background and experiences, and possess appropriate knowledge and skills necessary in carrying out their functions. These directors also hold membership positions in other Board-level Committees of the Bank, through which, they are apprised of significant developments and are able to provide advice on risk taking and management activities.

The Committee held a total of twelve regular meetings in 2019. Each Committee meeting was attended by Heads of Internal Audit to report on the status of accomplishments and significant issues arising from audit reviews. The Controller and External Auditors were invited to attend these scheduled meetings, as required. In addition, the Committee Chairman also had

a private session with the Chief Audit Executive and discussed strategic plans for Internal Audit.

The Committee regularly reported result of its reviews and activities to the Board of Directors, and had a special meeting with all other independent and non-executive Board members, together with the External Auditor; Chief Audit Executive; Chief Compliance Officer; and Chief Risk Officer; without the presence of any Senior Executive, and discussed relevant internal control matters, including risk and governance issues of the Bank.

The Committee in the discharge of its oversight responsibilities carried out the following activities in 2019:

## 1. Financial Reporting and Disclosure:

Reviewed and discussed with Management and External Auditor the audited financial statements and related disclosures for the year ended December 31, 2019, and reported the same to the Board of Directors for approval. In carrying out the review, the Committee ensured that the financial reporting process and disclosure requirements are in compliance with applicable accounting standards and regulations, with special focus on review of unusual events, complex transactions and key areas in which major estimates and judgement had been applied.

## 2. Risk Management and Internal Controls:

Performed a robust assessment of the Bank's risk profile, and evaluated adequacy and monitored effectiveness of the Bank's risk management system and internal controls through evaluation of audit assessment results on high priority risk controls and critical operational areas. Proactively engaged and involved the Management in monitoring timely resolution of audit observations and recommendations, effectively conveying the culture of risk ownership within the organization.

## 3. Regulatory Compliance:

Monitored compliance of the Bank with various laws and regulations promulgated by the Bangko Sentral ng Pilipinas (BSP) and of other regulatory government agencies, internal policies and procedures, and codes of conduct through review of internal audit reports issued covering assessment of Bank's compliance on anti-money laundering, governance frameworks, financial consumer protection, related party transactions, information systems, and fraud management, among others. Provided appropriate guidance to Management on addressing observations and recommendations issued by regulatory authorities

affecting internal control function, and monitored timely implementation of committed action plans.

## 4. Management and Internal Audit:

Confirmed the effectiveness of the internal audit function, including audit activities and services provided to Bank's subsidiaries and associates. Among the oversight activities performed by the Committee for the internal audit function are the following: (i) reviewed and approved risk assessment framework and annual audit plan, ensured adequacy of scope and activities, and monitored audit plan completion; (ii) reviewed and approved Internal Audit charter and manual, and oversee its implementation; (iii) reviewed the audit reports received on a regular basis, including the regulatory reports, to assess the overall condition of the Bank's and covered subsidiaries' internal control system; (iv) discussed significant matters with Senior Management, as necessary, and monitored timely resolution of control weaknesses and non-compliance issues identified; (v) recommended enhancements in the audit processes for continuous improvement.

Throughout the year, the Committee ensured that the internal audit function is



independent, has adequate and competent resources, and has appropriate authority to effectively discharge its duties. The Committee also provided independent evaluation on the overall performance of the Chief Audit Executive, and reported the result to the Board of Directors accordingly.

5. External Audit:

Ensured the External Auditor's objectivity, independence and compliance with ethical and professional standards; approved the reappointment of SGV & Co. as the Bank's

independent auditor; ensured that the appointed auditor is selected from the List of Selected External Auditors for BSP-Supervised Financial Institutions; ensured that the lead audit partner is periodically rotated in accordance with regulatory requirement; discussed and agreed to the terms of audit engagement, coverage and audit fees; reviewed and approved all non-audit services of the External Auditor and related fees to ensure no conflict or threat to independence; reviewed the audit plan, approach and scope of work; reviewed the results of audit and recommendations in

the External Auditor's Management Letter; reviewed and approved the Management Representation Letter and monitored disposition and corrective actions taken by Management on reported issues; and, assessed the overall performance of SGV & Co. and the effectiveness of its processes.


In addition, the Committee reviewed the Audit Committee Charter to ensure that it is updated and aligned with new regulatory mandates, and performed the annual self-assessment to evaluate their performances against the requirements of the Charter.

Based on the Committee's accomplishments, representation letter from the Bank Management, External Auditor's unqualified opinion on the financial statements, and the Chief Audit Executive's overall satisfactory assessment on the general adequacy and effectiveness of the Bank's internal controls, risk management, and governance processes, the Committee conclude that the business risks are managed in accordance with the policies set by the Board of Directors and in compliance with relevant regulatory requirements, and that the Management is fully aware of its responsibility for consistent implementation of internal controls.

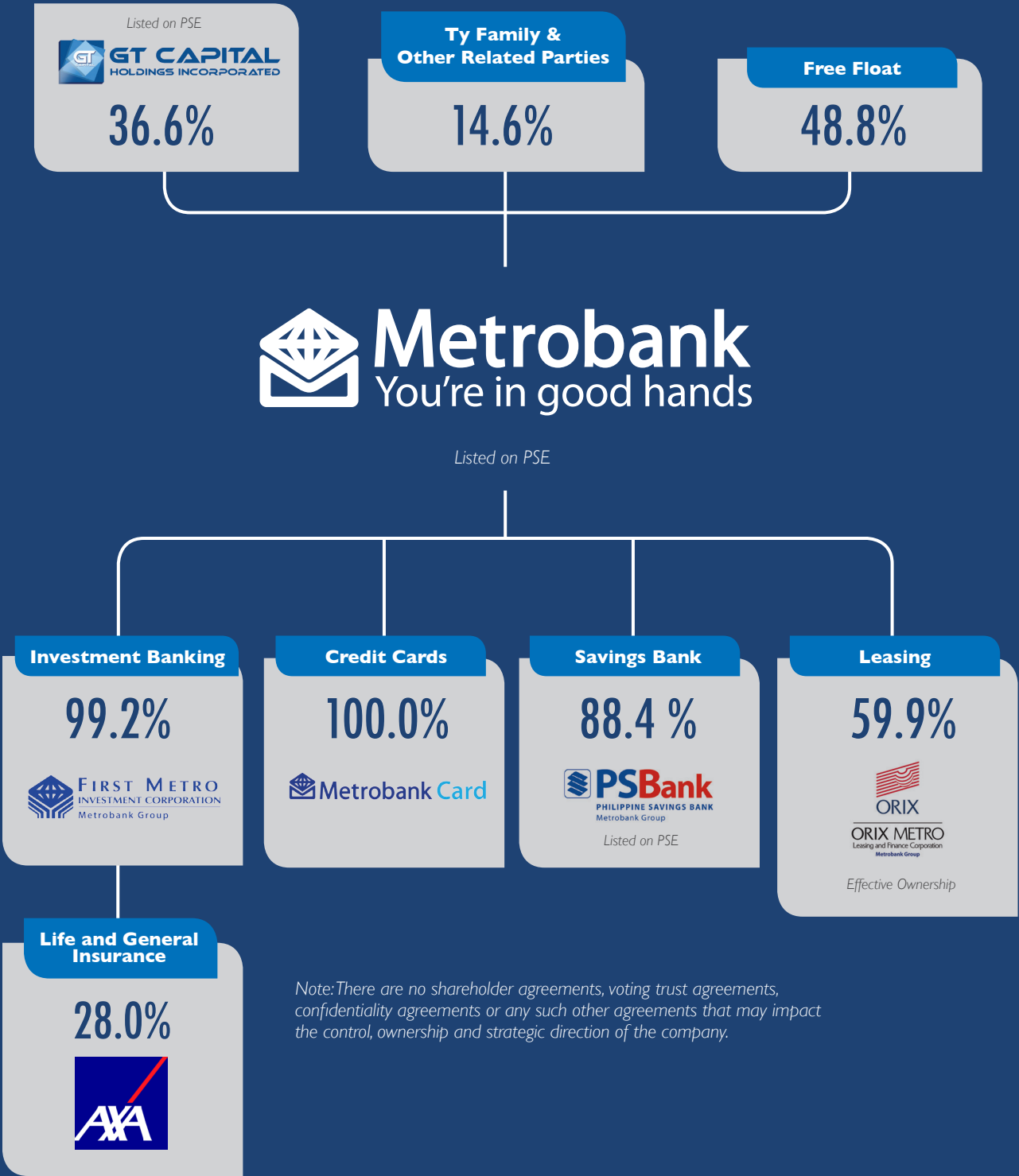
  
**Edgar O. Chua**  
Chairman

  
**Francisco F. del Rosario, Jr.**  
Vice Chairman

  
**Solomon S. Cua**  
Member

  
**Angelica H. Lavares**  
Member

# GROUP OWNERSHIP





# Meaningful Progress

The Metrobank Group is far larger and far greater than what is commonly assumed by the common public. The company possesses interests in multiple industries such as Personal Insurance, Securities Brokerage, Capital Investment, Leasing, and so much more. With the rapidly evolving needs of the coming years' new normal, we are ideally positioned to take advantage of the strength and flexibility that our diverse portfolio provides to contribute meaningfully to making our nation stronger.







Taking-off from a high-interest rate environment in the last quarter of 2018 and volatility in the market that marked most of 2019, PSBank was able to take advantage of opportunities to improve yields, generate savings out of operational efficiencies, and double-up on sales efforts while staying true to its brand promise of providing exceptional customer experience at every touchpoint.

PSBank registered an all-time high net income of Php 3.0 billion in 2019, up 14% from the previous year. This translated to a return-on-equity of 10.3% and a return-on-asset of 1.3%. Total gross loans reached Php 164.1 billion, significantly higher by Php 7.4 billion or a 4.7% increase year-on-year.

Total deposits closed at Php 172.5 billion which was lower by 14% versus 2018 as the Bank continued to rebalance its funding mix by tapping into other non-deposit funding alternatives. Total assets stood formidable at Php 224.9 billion by year-end.

In the first quarter of 2019, PSBank had a stock rights offering which successfully raised PhP 8 billion. The shares were taken up entirely by existing shareholders with support seen across the shareholder base, thus resulting in oversubscription. By mid-year, the Bank also launched its maiden Peso Fixed Rate Bond Issuance which generated Php 6.3 billion, more than double of the planned initial offering of Php 3 billion. In just 5 days, the order book was 4 times oversubscribed. Due to the strong demand, the Bank had to cut short the offer period.

The Bank pursued more aggressively its digital transformation roadmap with initiatives focused on making customer experiences more seamless, automating internal processes for better efficiency, and launching breakthrough services for customers. It launched the 4th version of its Mobile Banking App which featured innovative services such as the Mobile Check Deposit and PaSend. The Mobile Check Deposit service, a first in the local banking industry, allows PSBank Mobile users to deposit local checks by just simply taking a photo of them thus eliminating the need to go to the bank to get checks cleared. PaSend is a mobile remittance service that enables PSBank depositors to conveniently send instant cash to anyone 24/7 that can be withdrawn from any PSBank or Metrobank ATM nationwide. It likewise upgraded its website with a fresher look and better user experience. The Bank's e-Bid system was rolled-out for prospective auto buyers to bid on-site for their chosen repossessed vehicles at the PSBank Automart.

PSBank's first Robotics Process Automation was implemented in the monitoring of ATMs

which got rid of the tedious process of downloading configurations as well as enabling the sending of notifications to service teams thus significantly increasing ATM service availability. The Mobile APPraisal System (MAPPS) automated the manual processes involved in the preparation, review, and encoding of report details needed for mortgage loan applications. The integrated loan application processing system (ILAPS) interfaced with TransUnion for expanded cross-credit validation processes. Structural improvements were likewise made in PSBank's payment gateway utilizing KAFKA and API design. This open-source stream-processing software platform provides a unified, high throughput, and low-latency platform in the handling of real-time processing of transactions.

In compliance with the Bangko Sentral ng Pilipinas's mandate to adopt an electronic AMLA system, PSBank implemented Base60 – an Anti-Money Laundering Act (AMLA) system which detects, raises alerts, and reports accounts that fall in the category of covered transactions.

Apart from the increasing patronage and loyalty of its customers, PSBank's efforts were recognized by the regulators and other award-giving organizations. In 2019, the Bangko Sentral ng Pilipinas (BSP) conferred the prestigious 'Pagtugon Award' for the fourth time to PSBank for its consistency and exceptional standards in addressing customer service concerns. BSP likewise named the Bank as "Outstanding Partner in Digital Transformation".

PSBank also bagged 4 major awards at the 2019 Customer Experience (CX) Asia Excellence Awards. PSBank won the Gold recognition for Best Customer Experience and Best Digital Experience; Silver for Best CX Team; and Bronze for Best Social Media Experience. Locally, the Bank Marketing Association of the Philippines (BMAP) awarded PSBank's Social Media Program as the best in the industry.

Even as PSBank continued to develop its digital channels, it remained to have a strong physical footprint with 250 branches and 557 ATMs nationwide by the end of 2019.



The Metrobank Card Corporation (MCC) is one of the leading payment solutions providers in the Philippines. The Metrobank Card remains a strong contender for top performance in its category based on the latest data from the Credit Card Association of the Philippines (CCAP).

In 2019, MCC ranked 2nd in terms of Receivables, and 3rd in terms of both Total Number of Cards in Force and Merchant Acquiring Billings.

As a result of its strong market positions, MCC's Net Income After Tax reached Php 4.9 billion, translating to return on equity at 28.6%. Meanwhile, Total Assets stood at Php 93.8 billion, increasing 13.3% versus its 2018 level.

MCC launched the Metrobank Interactive Assist (MIA) in September 2019. It is Metrobank Card's new Chatbot on Facebook Messenger that allows users to easily apply for a credit card through Facebook Messenger.

In October 2019, MCC launched the all-new credit Metrobank Vantage Card, Metrobank Titanium Mastercard, and Metrobank Rewards Plus Visa, which will replace select Metrobank credit cards. MCC partnered with the country's top media publications, including ABS-CBN, Summit Media, and MEGA, to promote the launch of the new cards through exclusive features and articles both online and in print.

MCC established new partnerships with New City Commercial Center (NCCC),

Ardeur World Marketing Corporation (Ardeur), JAC Liner, WeEvolve, and KNM Uniprint Corp. to produce the NCCC Mastercard, Ardeur Bonus Card, JAC Liner MyRide Card, WeE Prepaid VISA, and Uniprint Elite Card.

To further enhance its merchant acquiring facilities, MCC introduced a Dynamic Currency Conversion (DCC) facility, Mastercard Payment Gateway Services (MPGS), and MCC Online Installment. DCC offers international cardholders the option to pay for their purchases in local currency (Php) or their home currency (card billing currency) at the point of sale. MPGS provides acquiring banks and partners with a white label technology product for payment processing and fraud prevention. MCC Online Installment allows e-commerce merchants to offer Metrobank card holders flexible payment options.

Another testament to its excellence, MCC was recognized for three regional awards – CX Asia Excellence Bronze Award for "Best Brand Experience," and Digital Banker's Global Retail Banking Innovation Winner for "Best Social Media Marketing Initiative" and the Highly Acclaimed "Outstanding Digital Marketing Initiative."

Reflective of its continuing success in strengthening employee engagement throughout the organization, MCC was awarded the People Program of the Year - NCR (Private Sector) by the People Management Association of the Philippines (PMAP) for its Employee Engagement Champion (E-Champ) Model. The E-Champ Model encourages collaborations and partnerships across other business units and helps cultivate a corporate culture where employee engagement is everyone's responsibility.

On October 25, 2019, the Monetary Board of the Bangko Sentral ng Pilipinas (BSP) approved the merger of Metrobank with its wholly-owned subsidiary, MCC. The merger is expected to expand the bank's retail capabilities and to further strengthen its sustainable growth plan.





First Metro Investment Corporation successfully completed 18 capital markets deals in 2019, which included the following companies: Philippine Savings Bank; Sureste Properties, Inc. and Bloomberry Hotels and Resorts, Inc.; Ayala Land, Inc.; SM Prime Holdings, Inc.; Aboitiz Equity Ventures, Inc.; Petron Corporation; Sumifru Singapore Pte. Ltd.; GT Capital Holdings, Inc.; Axelum Resources Corp.; Metropolitan Bank & Trust Company; Aboitiz Power Corporation; Asia United Bank Corporation; ORIX METRO Leasing and Finance Corporation; Fruitas Holdings, Inc.; Ayala Corporation; and AC Energy Finance International Limited.

First Metro also helped raise capital for the national government when it participated in its two issuances – the Retail Treasury Bonds Tranche 22 (RTB 22) and the first-ever Premyo Bonds – where it acted as joint issue manager and selling agent. The Bureau of the Treasury (BTr) was able to raise P236 billion from the sale of 5-year Retail Treasury Bonds. At the time, this was the second largest RTB issuance with a 7.9x oversubscription from the initial planned issue size of P30 billion. The Premyo Bonds, a government security that gives investors a chance to win cash prizes and non-cash rewards, was equally successful with its 65% oversubscription. The BTr was able to raise P4.96 billion from the sale of Premyo Bonds.

First Metro was awarded the Best Corporate & Investment Bank by international finance publication *Asiamoney*. The magazine cited First Metro for its innovation in the capital markets and timely execution

of deals, which were highlighted by a couple of transactions during the awards coverage period – the P1 billion fixed rate corporate notes issuance of Aeon Credit Service (Philippines), Inc. and the P8 billion stock rights offering (SRO) of PSBank. The latter deal in which First Metro was the sole issue manager, bookrunner, and lead underwriter was also the reason behind its winning the Best Equity House in the Philippines by regional investment magazine *Alpha Southeast Asia*.

First Metro and its stockbrokerage arm First Metro Securities Brokerage Corporation (FirstMetroSec) reaped awards at the 2019 PDS Annual Awards. First Metro bagged the Top Corporate Securities Market Maker and ranked fifth in both the Top 5 Fixed Income Dealing Participant and Top 5 Corporate Issue Managers/Arrangers, while FirstMetroSec got the fourth spot in the Top 5 Depository Brokering Participant.

First Metro also received recognition at the 19th FMAP (Fund Managers Association of the Philippines) Awards. It ranked third in the Best Fixed Income House category and its officers were recognized as among the top traders and salespersons.

First Metro remained the country's leading bond house as it received another slew of awards from The Asset Benchmark Research (ABR) of Hong Kong. In ABR's 2019 Asia Local Currency Bond Benchmark Review, First Metro ranked first as Top Sell-Side Firms in Secondary Market – Corporate Bonds and as Top Sell-Side Firms in Secondary Market – Government Bonds. It ranked second as Top Arrangers – Investors' Choice for Primary Issues – Government Bonds and fourth as Top Arrangers – Investors' Choice for Primary Issues.



Celebrating its 20th anniversary in 2019, AXA Philippines is one of the largest and fastest growing life insurance companies in the country. It offers financial security to more than 1.5 million individuals through its group and individual life insurance as well as general insurance products through its wholly-owned subsidiary Charter Ping An.

AXA offers a complete range of products for all its customers' insurance and financial protection needs, including savings and investments, health plans, income protection, and health coverage; and through its general insurance subsidiary: fire, motor car; marine cargo, personal accident, bonds, casualty, and engineering insurance products.

AXA Philippines closed 2019 with Php2.52 billion in consolidated net income from both its life and general insurance businesses. It inaugurated its Makati and Binondo Service Centers to be able to cater to both life and non-life customers more efficiently. Today, AXA has more than 6,000 financial advisers in more than 40 branches, and 1,000 financial executives in over 900 Metrobank and PSBank branches nationwide. Charter Ping An, on the other hand, has 24 branches nationwide and more than 2,000 agents.

The company continued to grow its already-robust product portfolio by adding Health Start, an affordable health plan that offers financial

protection against the top three critical illnesses and some of their minor forms. AXA also improved the features of existing products including adding domestic trip coverage to Smart Traveller; its travel insurance product.

AXA continued its strategic partnership with the National Basketball Association (NBA) Philippines and struck a new one with the University Athletic Association of the Philippines (UAAP) – both aiming to reach more Filipinos and instill a sense of self-belief in them through their passion for sports.

In 2019, AXA also embarked on a global brand campaign that saw tennis icon Serena Williams espousing AXA's new tagline "Know You Can," which highlights triumph against long odds and the importance of self-belief among Filipinos. Billboards and video ads bearing the message "Know You Can" spread throughout traditional as well as online spaces nationwide.

AXA reinforced its commitment to its customers to be there for them at every step of their life journey with

the launch of Rescue Line, granting free access to 24/7 emergency services such as roadside, ambulance, fire, and police assistance even without a wi-fi connection. Rescue Line services may be obtained by downloading the new Emma by AXA app through the Google Play Store or the App Store. Aside from the Rescue Line feature, the Emma by AXA app also lets customers view their complete policy information, monitor their account value and fund performance, view their payment history, and get in touch with their agent quickly.

As part of its continuing efforts to give back to the community, AXA held its annual Corporate Responsibility Week this year with employee volunteers making Liter of Light solar lamps for women in Mindoro who do not have access to light and to help some of them generate extra income. In addition to solar lamp-making, there was also a blood donation drive, safety drills training, family day activities, and financial literacy sessions for high school students held in Cebu and Davao.





Fiscal year 2019 was a challenging year for ORIX METRO Leasing and Finance Corporation (OMLF) as it confronted complex economic and political developments. ORIX METRO started the year on the heels of high inflation and interest rates as the country reeled from the then shortage in rice inventory and higher fuel prices during the last quarter of 2018.

The situation was compounded by the delayed enactment of the 2019 Philippine national budget and the customary ban on new public works prior to the May 2019 mid-term elections. ORIX METRO likewise had to deal with various regulatory issuances from regulators, including Bangko Sentral ng Pilipinas (BSP), that pushed up our cost of funds in particular. To address these developments, the company made a lot of adjustments fully aware of their impact on operating performance for 2019.

It has been indeed a tough year for ORIX METRO but in spite of the much higher cost of funds and lower volume of business, the company registered a net income after tax of P1.092 billion. This is equivalent to a Return on Average Equity or ROE of 13.13 percent.

The total group resources grew from Php51.7 billion in 2018 to Php53.2 billion in 2019. Total new bookings for the year amounted to Php29.5 billion. Stockholders' equity increased to Php8.5 billion in 2019 from Php8.1 billion in 2018.

While the cost of funds increased by 53 percent, ORIX METRO was able to limit the drop in its income to only 16 percent. The company attributes this result from its efforts to manage operating and overhead expenses as it implemented cost control measures such as managing headcounts necessary to support the operations.

ORIX METRO opened nine additional branches during the year but this was all part of our previous strategy to further strengthen our presence in the countryside. ORIX METRO decided to defer branch expansion for the meantime until market conditions improves. ORIX METRO has also enhanced credit and collection infrastructure to address gaps in this regard.

ORIX METRO also ramped up the operations of its subsidiaries, in particular ORIX Rental Corporation (ORC), with the total fleet under full service operating lease (FSOL) and fleet management now composed of 8,104 cars, pick-ups, vans and light trucks.

ORIX METRO continues to aggressively market our FSOL product, particularly the truck maintenance lease, which has the potential to meet unique market demands that will unlock new business opportunities. ORIX METRO is also making headway with its automation efforts to improve internal processes and provide faster delivery of products and services to our clients.

ORIX METRO continues to be agile in order to adapt and respond quickly to the evolving realities in the market and the changing needs of our clients.

SUMMARY OF FINANCIAL STATEMENTS

(In Million Pesos, Except Per Share Amounts and Foreign Exchange Rates)

At Year End	Consolidated		Parent	
	2019	2018	2019	2018
Total Assets	2,450,813	2,243,693	2,087,435	1,863,664
Loans and Receivables – Net	1,483,568	1,391,034	1,177,101	1,116,257
Investment Securities	516,015	416,353	454,870	334,917
Others	451,230	436,306	455,464	412,490
Total Liabilities	2,132,322	1,952,989	1,767,443	1,570,901
Deposit Liabilities	1,714,144	1,556,753	1,500,292	1,325,991
Demand	411,873	355,473	372,303	322,371
Savings	665,634	609,471	630,946	577,815
Time	592,897	548,019	461,713	390,475
Long-Term Negotiable Certificates of Deposit	43,740	43,790	35,330	35,330
Others	418,178	396,236	267,151	244,910
Total Equity	318,491	290,704	319,992	292,763
Attributable to:				
Equity Holders of the Parent Company	309,554	282,960	319,992	292,763
Non-Controlling Interest	8,937	7,744	-	-
Book Value Per Share (BVPS)	68.84	71.11	71.17	73.57
Foreign Exchange (USD:PHP)				
BAP Closing Rate	50.64	52.58		
BAP Weighted Average Rate	51.79	52.68		
(BAP: Bankers Association of the Philippines)				

For the Year	Consolidated		Parent	
	2019	2018	2019	2018
Net Interest Income	76,997	68,822	49,921	42,328
Interest Income	116,183	97,186	76,233	60,321
Interest Expense	39,186	28,364	26,312	17,993
Non-interest Income	29,922	23,784	23,692	18,426
Service Charges, Fees and Commissions	14,266	12,695	5,145	4,954
Trading and Securities Gain - Net	5,472	2,541	4,352	3,041
Foreign Exchange Gain (Loss) - Net	3,798	210	3,521	(66)
Leasing	2,122	2,252	210	224
Income from Trust Operations	1,241	1,290	1,204	1,259
Other Non-interest Income <sup>1</sup>	3,023	4,796	9,260	9,014
Total Operating Income	106,919	92,606	73,613	60,754
Total Operating Expenses	67,984	61,426	38,949	34,262
Provision for Credit and Impairment Losses	10,078	7,770	1,644	807
Other Operating Expenses	57,906	53,656	37,305	33,455
Provision for Income Tax	10,061	7,745	6,609	4,484
Net Income	28,874	23,435	28,055	22,008
Attributable to:				
Equity Holders of the Parent Company	28,055	22,008		
Non-controlling Interest	819	1,427		
Basic/Diluted Earnings Per Share (EPS)				
Attributable to Equity Holders of the Parent Company	6.24	5.16 <sup>2</sup>		
<sup>1</sup> Includes share in net income of subsidiaries, associates and a joint venture				
<sup>2</sup> Restated to show the effect of stock dividends issued in 2019				

For the Year	Consolidated		Parent	
	2019	2018	2019	2018
Net Interest Margin	3.8%	3.8%	3.1%	3.0%
Return on Average Equity	9.5%	9.1%	9.2%	8.8%
Return on Average Assets	1.2%	1.0%	1.4%	1.2%
Non-performing Loans Ratio	1.3%	1.2%	0.9%	0.7%
Capital Adequacy Ratio	17.5%	17.0%	15.5%	15.8%
Tier I Capital	16.2%	14.6%	14.1%	13.3%
Common Equity Tier I	16.2%	14.6%	14.1%	13.3%



# BOARD OF DIRECTORS



**Arthur Ty**  
Chairman  
Director since April 2002  
53 years old  
Chairman, GT Capital Holdings, Inc.\*  
Vice Chairman, Philippine Savings Bank\*  
Vice Chairman, First Metro Investment Corp.  
Vice Chairman, AXA Philippines  
Chairman, Metropolitan Bank (China) Ltd.  
MBA, Columbia University, New York

**Francisco C. Sebastian**  
Vice Chairman  
Director since April 2002  
65 years old  
Co-Vice Chairman, GT Capital Holdings, Inc.\*  
Director, Metro Pacific Investments Corporation\*  
Chairman, First Metro Investment Corp.  
Chairman, First Metro Asset Management Inc.  
Director, Property Company of Friends Inc.  
Director, Federal Land, Inc.  
AB Economics, Ateneo de Manila

**Fabian S. Dee**  
President/Director  
President/Director since April 2012  
(also served as Director from September 2007 to March 2011)  
57 years old  
Chairman, Metrobank Card Corporation  
Chairman, Metro Remittance Singapore PTE Ltd.  
Chairman, LGU Guarantee Corporation  
Director, Bancnet, Inc.  
Trustee, Metrobank Foundation, Inc.  
BS Management Engineering, Ateneo de Manila

**Alfred V. Ty**  
Director  
Director since September 2015  
52 years old  
Co-Vice Chairman, GT Capital Holdings, Inc.\*  
Vice Chairman, Metro Pacific Investments Corporation\*  
Vice Chairman, Toyota Motor Philippines Corporation  
Chairman, Lexus Manila, Inc.  
Chairman, Federal Land, Inc.  
Chairman, Property Company of Friends, Inc.  
BS Business Administration, University of Southern California

**Solomon S. Cua**  
Director  
Director since April 2018  
64 years old  
Vice Chairman/Director, Philippine Racing Club, Inc.\*  
Chairman, Philippine AXA Life, Inc.  
Chairman, Charter Ping-An Insurance Corp.  
Director, Profriends Developer, Inc.  
Director, Grand Titan Capital Holdings, Inc.  
Former Undersecretary of The Department of Finance  
Masters of Laws, London School of Economics  
& Political Science

**Vicente R. Cuna, Jr.**  
Director  
Director since April 2014  
58 years old  
Head, Enterprise Services Sector  
Former President, Philippine Savings Bank\*  
Former Director, First Metro Investment Corporation  
AB Economics, De la Salle University

\*Listed on PSE  
Note: All directors are Filipinos.



**Angelica H. Lavares**  
Independent Director  
Director since April 2019  
66 years old  
Teaching Fellow, Institute of Corporate Directors  
Independent Director, Metrobank Card Corporation  
Independent Director, Inter-Asia Development Bank  
Former Executive Vice President, Bank Of Commerce  
Former Chief Legal Counsel and  
Compliance Officer, Metrobank  
Bachelor of Laws, University of the Philippines

**Edmund A. Go**  
Director  
Director since May 2007  
69 years old  
Advisor, Philippine Savings Bank\*  
Director for Investments, Ateneo de Manila University  
Director, Metropolitan Bank (China) Ltd.  
Investment Consultant, St. Peter Life Group  
MBM, Asian Institute of Management

**Edgar O. Chua**  
Independent Director  
Director since April 2017  
63 years old  
Independent Director, Integrated Micro-electronics, Inc.\*  
Trustee, Pilipinas Shell Foundation, Inc.  
Chairman, De La Salle University Board  
Chairman, Makati Business Club  
President and CEO, Cavite Holdings Inc.  
BS Chemical Engineering, De La Salle University

**Dr. Jesli A. Lapus**  
Independent Director  
Director since August 2010  
70 years old  
Independent Director, STI Education Systems Holdings Inc.\*  
Chairman, STI Education Services Group Inc.  
Chairman – Center for Tourism,  
Asian Institute of Management  
Independent Director, Philippine Life  
Financial Assurance Corporation  
Chairman, LBP Service Corporation  
Former Secretary, Department of Trade and Industry  
Former Secretary, Department of Education  
Former President/CEO, Landbank of the Philippines  
MBM, Asian Institute of Management

**Rex C. Drilon II**  
Independent Director  
Director since August 2012  
73 years old  
Vice Chairman, Institute of Corporate Directors  
Trustee, Institute for Solidarity in Asia  
Former President/Director, Cebu Holdings, Inc.\*  
Former President/Director, Cebu Property Ventures and  
Development Corporation\*  
Former Chief Operating Officer, Ortigas & Company  
Former Independent Director, First Metro Investment Corp.  
Chairman, Keyland Corporation  
Chairman, YLD Holdings, Inc.  
BS Business Administration, University of the East

**Francisco F. Del Rosario, Jr.**  
Independent Director  
Director since April 2013  
72 years old  
Director, DMCI Homes, Inc.  
Trustee, ABS-CBN Foundation  
Chairman, Institute for Solidarity in Asia  
Senior Executive Director, PWC Isla Lipana  
Former Cabinet Member, Habitat for Humanity Philippines  
Former President, Management Association of the Philippines  
Former Vice Chairman/President/CEO, Development Bank  
of the Philippines  
Former Undersecretary for Finance, Department of National Defense  
MBM, Asian Institute of Management

# SENIOR ADVISERS

**Hon. Fidel V. Ramos**  
Senior Adviser  
Former President, Republic of the Philippines



**Hon. Artemio V. Panganiban**  
Senior Adviser  
Retired Chief Justice, Supreme Court of the Philippines  
Chairman, Board of Advisers, Metrobank Foundation, Inc.



**Dr. David K.P. Li**  
Senior Adviser



**Gabriel Chua**  
Senior Adviser  
President, Solid State Multi Products Corp.



**Carlos S. Chan**  
Senior Adviser  
Chairman, Liwayway Marketing Corp.  
Chairman, Chan C. Bros, Inc.  
Chairman, Liwayway (China) Co., Ltd.  
Special Envoy of the President for the People's Republic of China



**James Go**  
Senior Adviser  
Adviser, Metrobank Foundation, Inc.



# ADVISERS

**Mary V. Ty**  
Adviser  
Adviser, GT Capital Holdings, Inc.  
Adviser, Federal Land, Inc.  
Adviser, Manila Medical Services, Inc.  
Trustee, Metrobank Foundation, Inc.



**Cornelio C. Gison**  
Adviser  
Former Undersecretary, Department of Finance



**David O. Chua**  
Adviser  
President, Cathay Pacific Steel Corp.  
Vice Chairman, University of the East  
Trustee, University of the East – Ramon Magsaysay Memorial Medical Center, Inc.  
Vice President, Federation of Filipino-Chinese Chambers of Commerce and Industry, Inc.  
Former Director, Philippine Stock Exchange



**Tan Tian Siong**  
Adviser  
Chairman/President, Nation Paper Products & Printing Corp.





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**EVP Paul Robert Y. Murga**



**SVP Digs A. Dimagiba**



**SVP Homer Gerrard L. Ortega**



**SVP Bernardino D. Ramos**



**SVP Stephen S. See**



**EVP Aniceto M. Sobrepeña**  
President, MBFI

**METROBANK**  
FOUNDATION, INC.

# FINANCIAL MARKETS SECTOR



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**SVP Jette C. Gamboa**



**SVP Edgar Allan P. Guerrero**



**SVP Ma. Lizette B. Perez**



**SVP Angelica S. Reyes**



**SVP Leandro Antonio G. Santillan**



**SVP Anthony Paul C. Yap**



**SVP Rommel Enrico C. Dionisio**

# RETAIL BANKING SECTOR



EVP Richard Benedict S. So



SVP Lita S. Tan



SVP Susan L. Niere



SVP Emmeline D. Go



SVP Melizza Doris L. Guiao



SVP David Peter B. Holmes

SVP Teresita L. Dy - not in photo

# CARDS AND PERSONAL CREDIT SECTOR



SVP Ramon Jaime Vivencio L. Del Rosario

# FINANCIAL AND CONTROL SECTOR



SEVP Joshua E. Naing



SVP Marilou B. Cirilo



SVP Christine W. Yang

SVP Quintin T. Medrano, Jr. - not in photo

# OFFICE OF THE PRESIDENT



EVP Maritess B. Antonio



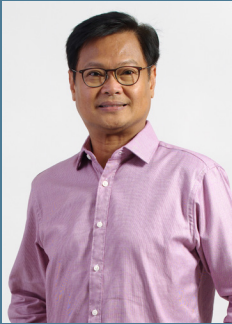
EVP Corazon Ma. Theresa B. Nepomuceno



INSTITUTIONAL  
BANKING SECTOR



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A. Caparas



SVP Louie I.  
Evangelista



SVP Antonio R.  
Ocampo, Jr.



SVP Pocholo V.  
Dela Peña



SVP Mary Rose  
S. Tiamson



SVP Leopoldo  
M. Ubaldo



SVP Nelson  
G. See

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Antonio, Leilani Anacleta F.  
Arjonillo, Carolina K.  
Buenavista, Grace C.  
Burgos, Reynaldo C.  
Cabrál, Emmanuel R.  
Capili, Judy Grace D.  
Capulong, Jovencio R.  
Centena, Mía S.  
Chan, Marie Chorie Candice R.  
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De Vera, Rosanna F.  
Esguerra, Samuel D.  
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Malagar, Kathryn Kay T.  
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Mariano, Federico T.  
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Ong, David S.  
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Oxales, Maria Lourdes Veronica C.  
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Palao, Katherine G.  
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Que, Winny S.  
Reyes, Christopher Hector L.  
Reyes, Ma. Imelda A.  
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Tan, Roseanne T.  
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Ty, Zandra M.  
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Villanueva, Paul Donato V.  
Wong, Jay S.  
Xu, May Sherri M.  
Yuseco, Noel Peter Z.  
Zamora, Anthony Albert M.  
Zamora, Ruben L.

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Ponce, Anna Katrina Y.  
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Ramos, Anna Victoria B.  
Ramos, Randolph John C.  
Resurreccion, Cynthia C.  
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Reyes, Maurita C.  
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Rubiano, Susanna L.  
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Salonga, Enmar S.  
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Sanchez, Irish G.  
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Santos, Ma. Milagros Laureta D.  
Sayo, Leonel C.  
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Sierra, Diana O.  
Sinay, Jeanilyn A.  
Sinay, Roseminia R.  
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Sioson, Michelle Odette D.  
Siy, Vida Jordana C.  
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Suarez, Alma V.  
Suarez, Maria Victoria A.  
Suplico, Maria Ava Sharone S.  
Sy, Janet U.  
Tan, Andrew S.  
Tan, Catherine C.  
Tan, Vivien V.  
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Teodoro, Denny L.  
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Tuason, Geoffrey V.  
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Varquez, Esther T.  
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Yap, Francisco P.  
Yap, Jose Conrado Ildefonso R.  
Yapson, Ma. Socorro L.  
Yrureta, Daisy C.  
Yuson, Jr. Inocencio Y.

# PRODUCTS AND SERVICES

DEPOSIT SERVICES

Regular Debit Account  
Regular Passbook Account  
Regular Checking Account  
Account One  
Fun Savers Club Savings Account  
USD & 3rd Currency Savings Accounts  
Short & Long-Term Time Deposit  
Flexi Ascend Time Deposit  
Spark Savings Account  
OFW Savings Account (with debit card/  
passbook)  
SSS and US Pensioner Accounts

CONSUMER LENDING

Car Loan  
Home Loan

CARD PRODUCTS

EMV Debit Mastercard  
EMV Prepaid Mastercard  
EMV Paycard

ELECTRONIC BANKING FACILITIES

Automated Teller Machine  
Affiliated with Cirrus-Maestro/BancNet  
Visa Plus/Electron Cash  
Withdrawal and Credit Card Advances  
China Union Pay Withdrawal  
Cardless Withdrawal  
Balance Inquiry  
Bills Payment  
Inter-bank Funds Transfer  
Intra-bank Funds Transfer  
Purchase of Prepaid Load  
Checkbook Request  
Statement Request (Last 5 Transactions)  
BancNet Point-of-Sale (Accredited BancNet  
Merchants)  
Payslip Viewing/Printing

Cash Accept Machine

Balance Inquiry  
Cash Deposit  
Prepaid Card Loading

Metrobankdirect Retail

Balance Inquiry  
View/Download Statement  
Bills Payment  
Fund Transfer  
Checkbook Request  
View Deposit Interest Rates  
View Foreign Exchange Rates  
Enroll New/Existing Own Account/  
Third Party Account  
Manage Tax Payments  
Manage Enrolled Accounts  
New Account Opening

Metrobank Mobile Banking

Balance Inquiry  
Bills Payment  
Fund Transfer (Send and Request Money)  
Prepaid Reload (Send and Request Load)  
InstaPay  
PESONet  
Checkbook Request  
Enroll New/Existing Own Account/  
Third Party Account  
View Foreign Exchange Rates  
Branch Locator  
Account Personalization

Metrophone

Balance Inquiry  
Bills Payment  
Fund Transfer  
Checkbook Request  
Request Last 10 Transactions via Fax

MISCELLANEOUS OVER-THE-  
COUNTER SERVICES

Fun Savers Club Gift Checks  
Manager's Check

CUSTODIAL SERVICES

Safety Deposit Boxes

DOMESTIC REMITTANCE

Remittance-To-Account

ELECTRONIC FUND TRANSFER

InstaPay

CASH MANAGEMENT SERVICES

Metrobank Business Online Solutions  
Metrobankdirect Corporate  
Statement of Account Transaction History  
Account Inquiry & Statement  
Check Status Inquiry  
Checkbook Reorder  
Loan Inquiry

Liquidity Solutions

Account Sweep  
Reverse Sweep

Collection Solutions

Deposit Pick-Up (DPU)  
Cash Delivery  
Metro Check Collect (MCC)  
Direct Debit  
Check Warehousing  
Bills Payment Collection Arrangement  
(BPCA)  
Present and Pay  
Business Payment Gateway  
Collect Anywhere

Payment Solutions

Funds Transfer  
Manager's check  
Corporate Check

Payroll Solutions

Regular Payroll Services  
Payroll Plus

CollectAnywhere – Domestic  
CollectAnywhere – International

GOVERNMENT COLLECTION AND  
OTHER PAYMENT SERVICES

*(Available to Corporates & Retail)*  
BIR Tax Payments  
Philhealth Premiums  
Pag-ibig Payments  
SSS Contributions, Sickness, Maternity and  
Employees Compensation (SMEC)  
Bureau of Customs (BOC) Duties

TRADE SERVICES (EXPORT)

Export Letters of Credit (LC) and Non-LC:  
Advising, Confirmation, Negotiation, Settlement

TRADE SERVICES (IMPORT)

Commercial Letters of Credit (LC)

Guarantees

Standby LC, Bank Guarantee, CLCU  
Shipping Guarantee/AWB/BL Endorsement

Certificate of Cash Deposit

Non-LC Trade Transactions

Documents Against Payment  
Documents Against Acceptance  
Open Account  
Direct Remittance  
Advance Payment

Collection of Import Advance and Final Duties

TRADE FINANCE

Supplier Financing Program  
Dealer Financing Program  
Receivables Factoring  
Trust Receipt Financing  
Floor Stock Financing Trust Receipt  
Export Packing Credit Line  
Export Bills Purchase and Collection

SPECIALIZED LENDING FACILITIES

Special Project Financing Program  
Industry Loan Program  
Working Capital Loans  
FCDU Loans

Rural Power Projects for:

Type A Beneficiaries (RESCO, QTP, NGO,  
Cooperatives & LGUs)  
Type B Beneficiaries (RET Purchasers/Suppliers)  
Type C Beneficiaries (Electric Cooperative)  
Type D Beneficiaries (Private Sectors  
Proponents and LGUs)

Overseas Filipino Products

OFW PHP Savings Account (Passbook)  
OFW PHP Savings Account (ATM)  
OFW USD Savings Account (Passbook)

OVERSEAS FILIPINO SERVICES

Credit to Metrobank Account  
Credit to Account with Other Philippine Banks  
Door-to-Door Cash Delivery  
Cash Pick-up at Metrobank Branches  
Cash Pick-up Anywhere  
Bills Payment (Includes payment services for  
SSS and PAG-IBIG Contributions)  
Shipping Payroll Services

TREASURY PRODUCTS

Government Securities

Peso Treasury Bills  
Peso Fixed Rate Treasury Notes  
Peso Retail Treasury Bonds  
Foreign Currency denominated  
Sovereign Bonds  
Long Term Negotiable Certificates of Deposits  
Bank Subordinated Notes

Corporate Securities

Peso Corporate Bonds/Notes  
Foreign Currency denominated  
Corporate Bonds

Foreign Exchange and Derivatives

Spot Foreign Exchange  
Forward Foreign Exchange (Deliverable/Non  
Deliverable)  
Foreign Exchange Swaps  
Cross Currency Swaps  
European Vanilla Foreign Exchange Options  
Forward Rate Agreement  
Interest Rate Swaps  
Credit Default Swaps  
Bond Forwards  
Asset Swaps  
Interest Rate Options  
Bond Options  
Deposit Plus  
Treasury Time Deposit

UNIT INVESTMENT TRUST FUNDS (UITFS)

Peso Feeder Funds

Metro Aspire Bond Feeder Fund  
Metro Aspire Balanced Feeder Fund  
Metro Aspire Equity Feeder Fund

Peso and Dollar Fixed Income Funds

Metro Money Market Fund  
Metro Short Term Fund  
Metro Max-3 Bond Fund  
Metro Max-5 Bond Fund  
Metro Corporate Bond Fund  
Metro Unit Paying Fund  
Metro\$ Money Market Fund  
Metro\$ Short Term Fund  
Metro\$ Max-3 Bond Fund  
Metro\$ Max-5 Bond Fund  
Metro\$ Asian Investment Grade Bond Fund

Peso Balanced & Equity Funds

Metro Balanced Fund  
Metro Equity Fund  
Metro Philippine Equity Index Tracker Fund  
Metro High Dividend Yield Fund

Dollar Feeder Funds

Metro\$ World Equity Feeder Fund  
Metro\$ US Equity Feeder Fund  
Metro\$ Eurozone Equity Feeder Fund  
Metro\$ Japan Equity Feeder Fund  
Metro\$ US Investment Grade Corporate Bond

PERSONAL WEALTH MANAGEMENT SERVICES

Personal Management Trust  
Investment Management Arrangement

INSTITUTIONAL FUND MANAGEMENT

Management of Corporate and Institutional Funds  
Corporations  
Educational Institutions  
Religious Organizations  
Foundations

Management of Pension and Provident Funds

Other Fiduciary Services

Escrow Services  
Other Agency Arrangements

PRIVATE BANKING SERVICES

Portfolio Advisory  
Discretionary Mandates  
Investment and Hedging Recommendation  
Wealth & Estate Planning



# MEMBERSHIP OF INDUSTRY ASSOCIATIONS

- 1 ACI PHILIPPINES THE FINANCIAL MARKETS ASSO., INC.
- 2 ASSOCIATION OF BANK COMPLIANCE OFFICERS INC.
- 3 ASSOCIATION OF BANK REMITTANCE OFFICERS, INC.
- 4 ASSOCIATION OF CERTIFIED FRAUD EXAMINERS (ACFE) PHIL. CHAPTER INC.
- 5 ASSOCIATION OF PHILIPPINE CORRESPONDENT BANK OFFICERS INC.
- 6 BANK SECURITY MANAGEMENT ASSOCIATION, INC.
- 7 BANKERS ASSOCIATION OF THE PHILIPPINES
- 8 BANKERS INSTITUTE OF THE PHILIPPINES, INC.
- 9 CLEARING OFFICERS CLUB, INC. (COCI)
- 10 CREDIT MANAGEMENT ASSOCIATION
- 11 EMPLOYERS CONFEDERATION OF THE PHILS. (ECOP)
- 12 FEDERATION OF INDIAN CHAMBERS OF COMMERCE (PHIL) INC.
- 13 FINANCIAL EXECUTIVES INSTITUTE OF THE PHIL.
- 14 FUND MANAGERS ASSOCIATION OF THE PHILIPPINES, INC.
- 15 INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION, INC.
- 16 INSTITUTE OF INTERNAL AUDITORS
- 17 INTEGRATED BAR OF THE PHILIPPINES
- 18 IT & BUSINESS PROCESS ASSOCIATION OF THE PHILIPPINES, INC.
- 19 MAKATI BUSINESS CLUB INC.
- 20 MANAGEMENT ASSOCIATION OF THE PHILS.
- 21 MONEY MARKET ASSOCIATION OF THE PHILIPPINES (MART)
- 22 NATIONAL ASSOCIATION OF SECURITIES BROKER SALESMEN, INC. (NASBI)
- 23 PEOPLE MANAGEMENT ASSOCIATION OF THE PHILS. INC.
- 24 PHILIPPINE ASSOCIATION OF NATIONAL ADVERTISERS, INC.
- 25 PHILIPPINE CHAMBER OF COMMERCE & INDUSTRY, INC.
- 26 PHILIPPINE PAYMENTS MANAGEMENT, INC.
- 27 THE AMERICAN CHAMBER OF COMMERCE OF THE PHILS. INC.
- 28 THE JAPANESE CHAMBER OF COMMERCE & INDUSTRY OF THE PHIL. INC.
- 29 THE PHILIPPINE STOCK EXCHANGE INC.
- 30 TRUST OFFICERS ASSOCIATION OF THE PHILS., INC.

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**TO FIND A METROBANK BRANCH OR ATM NEAR YOU:**

[www.metrobank.com.ph/atm-and-branch-locator](http://www.metrobank.com.ph/atm-and-branch-locator)

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