

2024 Integrated Report

BPI Group: 2024 Integrated Report Summary

The "2024 Integrated Report" offers a comprehensive view of the BPI Group's performance across environmental, social, governance, and economic dimensions, covering the period from January 1 to December 31, 2024. The report is prepared in alignment with globally recognized frameworks, including the International Integrated Reporting Council's (IIRC) Framework, Global Reporting Initiative's (GRI) Standards, and Sustainability Accounting Standards Board (SASB) Standards, as well as Bangko Sentral ng Pilipinas (BSP) and Securities and Exchange Commission (SEC) guidelines. DNV AS Philippine Branch provided external assurance for sustainability disclosures, while Isla Lipana and Co. audited the financial statements.

Core Vision and Values

In 2021, BPI reinvented its Vision, Mission, and Values to be more **customer-centered**, which were refreshed in 2024 to reflect its highest aspirations. The Bank reinforced its **N.I.C.E. core values**: Nurturing, acting with Integrity, being Customer Obsessed, and pursuing Excellence, which guide and unify its workforce. BPI aims to foster a society where individuals are financially secure and make informed decisions, making investing simple, accessible, and attainable for every investor.

2024 Financial and Operating Performance Highlights

The year 2024 was another period of **solid performance and significant growth** for the BPI Group:

- **Net Income:** Reached a record **Php 62.05 billion**, reflecting a **20% growth** from the previous year, marking the third consecutive year of record net income.
- **Total Assets:** Grew to **Php 3.3 trillion**, an increase of **14.9%**.
- **Revenues:** Posted **Php 170.1 billion**, up **23.0%** year-on-year, driven by a 22.3% increase in net interest income and a 25.3% increase in non-interest income from areas like credit cards, wealth management, and bancassurance.
- **Loans Outstanding:** Grew by **18.2% to Php 2.3 trillion**, including the portfolio acquired from the Robinsons Bank merger.

- **Deposits:** Total deposits surged to **Php 2.6 trillion**, a **13% year-on-year increase**, with the Robinsons Bank merger contributing Php 142 billion.
- **Client Base:** Welcomed **over five million new clients**, bringing the total client count to **16 million**, doubling the base from 2021.
- **Digital Adoption:** The BPI App ended 2024 with **about 7 million enrollees and 4.2 million active users**.
- **Customer Experience:** Maintained the **#1 Net Promoter Score (NPS) ranking** among full-scale banks for the second consecutive year. Customer issue resolution rates improved from 96% to **99%** in 2024.
- **Capital Ratios:** Consolidated Capital Adequacy Ratio (CAR) stood at **14.63%** and CET1 ratio at **13.86%**, both well above regulatory requirements. The Leverage Ratio was 10.75% consolidated.
- **Liquidity Ratios:** Consolidated Liquidity Coverage Ratio (LCR) was **159.07%** and Net Stable Funding Ratio (NSFR) was **145.70%**, both significantly exceeding the 100% minimum regulatory limit.

Strategic Initiatives and Business Growth

BPI focused on innovation, digitalization, and financial inclusion to drive its performance:

- **Robinsons Bank (RBank) Merger:** The merger with RBank became effective on January 1, 2024, contributing to loan and deposit growth and solidifying BPI's market position. BPI Wealth also received the RBank trust business.
- **Digitalization:** Continued to enhance digital onboarding, integrate portfolio viewing into the BPI app, and launched **BPI Wealth Online in April 2024**, offering clients a holistic view and seamless wealth management. Other platforms like BPI Trade, Banko app, BPI BizKo, and BPI BizLink saw significant activity and enhancements.
- **Financial Inclusion:** BPI Banko and Legazpi Savings Bank (LSB) served **880,889 underbanked Filipinos and MSMEs**. New products such as **Green Solutions, Salary-on-Demand, Agri-NegosyoKo, Go Teacher's Loan, Lav Loans, and InstaCashKo Personal Loan** were launched. The **Salary-on-Demand** initiative facilitated over 57,000 availments amounting to Php 221.5 million for more than 25,000 employees across 95 partner companies.

- **Wealth Management (BPI Wealth):** Maintained its position as the **largest investment fund manager and standalone trust corporation in the Philippines**. Its Assets Under Management (AUM) grew by **25.6% to Php 1.53 trillion**. The innovative **BPI Wealth Builder** fund was launched, making investing accessible with a minimum of Php 1,000 and offering lifestyle, health, medical, and life protection benefits.
- **Sustainability:** Expanded its suite of sustainable funds, with the **BPI Sustainable Fund Suite growing by 60%**. BPI is committed to channeling funds towards projects promoting environmental protection and social equity, targeting **PHP 1 trillion in corporate and SME portfolio supporting UN SDGs by 2026**. Initiatives included IFC EDGE-certified bank branches, shifting to Sustainable Aviation Fuel, and using recycled PVC for credit cards.

Governance and Risk Management

BPI demonstrates a strong commitment to corporate governance and robust risk management:

- **Corporate Governance:** The Board of Directors comprises **15 members**, with **14 Non-Executive Directors** safeguarding independent oversight. In 2024, the board-level Corporate Governance Committee was reconstituted as the **Corporate Governance and Sustainability Committee** to provide focused oversight on ESG matters. The Board received a total of **Php 85.34 million** in fees and compensation. The average attendance rate for board meetings was 96%.
- **Risk Management:** BPI's risk management framework is overseen by the Board through the Risk Management Committee (RMC), setting risk appetite and policies. The Compliance Office functions as the second line of defense, monitoring and improving compliance.
- **Compliance:** BPI maintained **full compliance with regulatory requirements** including the General Banking Act and BSP regulations on DOSRI loans. There were **no confirmed incidents of bribery or corruption** in 2024. The complaint resolution rate was consistently strong at **98.2%**.

Leadership

Key leadership figures of BPI Group as mentioned in the report include:

- **Chairman:** Jaime Augusto Zobel De Ayala.
- **President and Chief Executive Officer:** Jose Teodoro K. Limcaoco.

BPI remains dedicated to building a stronger and more secure future for all, focusing on inclusive investing, accessible advice, and exceptional client experiences in 2025 and beyond.