

**BANK OF COMMERCE – TRUST SERVICES GROUP****BANK OF COMMERCE DIVERSITY DOLLAR BOND FUND**
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT*For the Quarter ended March 31, 2026***FUND FACTS**

Classification	Dollar Bond Fund	Net Asset Value per unit (NAVpu)	2.050388
Launch Date	March 11, 2005	Total Fund NAV	USD 441,197.72
Minimum Investment/ Maintaining Participation	USD 1,000	Dealing Day	11:30 AM
Minimum Additional	USD 100	Redemption Settlement	T + 1
Minimum Holding period	30 days	Early Redemption Fee	5% on redeemed amount

FEES*

*TRUSTEE FEE: 1.00% p.a. *based on the Net Asset value (NAV) accrued daily	CUSTODIAN FEE: N/A BankCom - Treasury	*EXTERNAL AUDITOR FEE: USD1,364.22 Punongbayan and Araullo *based on 2025 External Audit Fee	OTHER FEES: N/A N/A
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INVESTMENT OBJECTIVE & STRATEGY

The Fund intends to achieve for its participant's total returns consisting of current income and capital growth. The fund aims to achieve a rate of return higher than the bid price of 10-year Republic of the Philippines (ROP) Bonds from Bloomberg Generic (BGN) at the start of the quarter.

CLIENT SUITABILITY

The Bank of Commerce Diversity Dollar Bond Fund is suitable only for investors who:

- Have a **MODERATE** risk profile
- With an investment horizon of more than 5 years

KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

Interest Rate Risk: This is the possibility that an investor may experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing interest rates.

Market Price Risk: This is the possibility that an investor may experience losses due to changes in market prices of securities (e.g., bonds and equities). It is the exposure to the uncertain market value of a portfolio due to price fluctuations.

Liquidity Risk: This is the possibility that an investor may experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss. These may be caused by different reasons such as trading in securities with small or few outstanding issues, absence of buyers, limited buy/sell activity or underdeveloped capital market.

Credit/Default Risk: This is the possibility that an investor may experience losses due to a borrower's failure to pay principal and/or interest payments/amortizations in a timely manner on instruments such as bonds, loans, or other forms of security which the borrower issued. This inability of the borrower to make good on its financial obligations may have resulted from adverse changes in its financial condition thus, lowering credit quality of the security, and consequently lowering the price (market/price risk) which contributes to the difficulty in selling such security. It also includes risk on a counterparty (a party the Trustee trades with) defaulting on a contract to deliver its obligation either in cash or securities.

Reinvestment Risk: This is the possibility that an investor may experience losses due to probable lower returns or earnings when maturing funds or the interest earnings of the Fund are reinvested.

Country Risk: This is the possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries. These are risks in foreign investments due to the possible internal and external conflicts, currency devaluations, foreign ownership limitations and tax increases of the foreign country involved which are difficult to predict but must be taken into account in making such

- THE UIT FUND IS NOT A DEPOSIT AND NOT INSURED BY PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/FLUCTUATIONS ONLY.
- WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.
- THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.

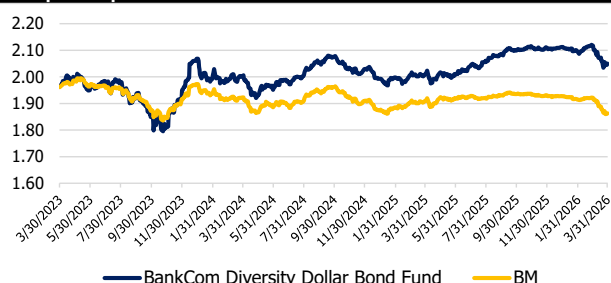
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FUND PERFORMANCE AND STATISTICS / 03/31/26

(Purely for reference purposes and is not a guarantee of future results)

NAVpu Graph

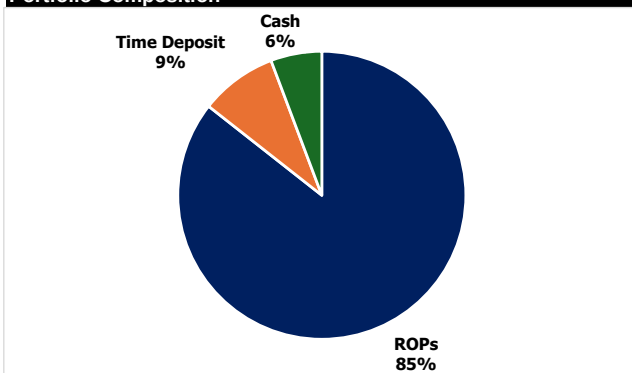


Cumulative Performance (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	-3.3084%	-2.9274%	-2.3789%	1.9894%	4.3341%
Benchmark	-3.0684%	-3.3585%	-3.7526%	-2.5032%	-5.1171%

Note: Benchmark is bid price of 10-Year ROP Bonds from Bloomberg (BGN).

Portfolio Composition



NAVpu over the past 12 months

Highest	2.120545
Lowest	1.975509

Statistics

Wtd. Ave. Duration	6.07
Volatility*	5.63%
Sharpe Ratio**	(0.20)
Information Ratio***	1.26

*Volatility measures the degree to which the Fund fluctuates vis-a-vis its average return over a period of time.

**Sharpe ratio is used to characterize how well the return of the Fund compensates the investor for the level of risk taken.

***Information ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

Top Ten Holdings (%)

Holdings	Weight
PHILIP 5 37	60.79
PHILIP 7.75 31	17.65
TD	8.66
Cash	5.74
PHILIP 9.5 30	4.48

Note: Percentage (%) of holdings is based on market values.

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

N/A

OUTLOOK AND STRATEGY

US treasury yields rose sharply in March primarily driven by a surge in global oil prices stemming from the escalation of the Iran war and disruptions in the Strait of Hormuz, which significantly lifted inflation expectations and forced markets to reprice a higher-for-longer interest rate environment. While geopolitical tensions initially supported safe-haven demand, the inflationary nature of the shock quickly dominated, pushing yields higher as investors reduced expectations for Federal Reserve rate cuts. At the same time, weaker labor market data introduced stagflation concerns, but these were insufficient to offset rising inflation pressures. Frequent swings in ceasefire headlines further contributed to volatility, but the overall trend remained upward as markets increasingly priced persistent inflation, delayed monetary easing, and diminished safe-haven demand for treasuries. For this month, treasury yields surged by an average of 28 bps.

Global oil prices dominated sentiment. Oil prices surged toward/above \$100 per barrel, leading markets to recalibrate higher inflation expectations and demand higher yields as compensation for inflation risk. Rising inflation expectations led markets to scale back rate-cut expectations. The Fed's cautious stance, which was reinforced during the March FOMC meeting, signaled that policy would remain restrictive for longer.

The Fund has underperformed its benchmark by 0.24% on a month-on-month basis, but outperformed by 0.43% on a year-to-date basis. This is mainly driven by the core holdings in ROPs.

With the mounting uncertainties on geopolitical threats, macro trends, and hawkish Fed rhetoric, yields may continue to trend with an upward bias in the near term. Global oil prices trading above \$100 per barrel may prompt investors to remain wary of US bonds. Markets will be on a close lookout for any signs of de-escalation before repositioning.