BANK OF COMMERCE – TRUST SERVICES GROUP

BANK OF COMMERCE PESO MONEY MARKET FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

For the Quarter ended ***March 31, 2026***

FUND FACTS				
Classification	**Money Market Fund**	**Net Asset Value per unit (NAVpu)**		**1.327684**
Launch Date	August 16, 2013	**Total Fund NAV**	**PHP**	**1,007,257,407.87**
Minimum Initial Investment	PhP 5,000.00	**Dealing Day**	11:30 AM	
Minimum Additional	PhP 1,000.00	**Redemption Settlement**	T + 1	
Minimum Holding period	0 days	**Early Redemption Fee**	N/A	

FEES*			
TRUSTEE FEE:	**CUSTODIAN FEE:**	***EXTERNAL AUDITOR FEE:**	**OTHER FEES:**
0.50% p.a. based on the Net Asset value (NAV) accrued daily	**PHP1,912.59**	**PHP83,368.83**	**N/A**
		Punongbayan and Araullo	**N/A**
	Bureau of Treasury	***based on 2025 External Audit Fee**	

INVESTMENT OBJECTIVE & STRATEGY

The Fund intends to achieve for its participant's total returns consisting of current income and capital growth by investing in fixed-income securities and deposits with maximum terms to maturity of up to three (3) years and has a weighted average portfolio life of one (1) year or less. The Fund is suitable for individual and institutional investors with a "Conservative" risk profile who prefers a low level of risk and have an investment horizon of less than one (1) year. The Fund aims to achieve a rate of return higher than the Bloomberg Philippine Sovereign Bond Money Market Index

CLIENT SUITABILITY

The Bank of Commerce Diversity Money Market Fund is suitable only for investors who:

- Have a **CONSERVATIVE** risk profile
- With an investment horizon of less than one (1) year
- Who are Philippine Residents Only

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 is defined as the potential for an investor to experience losses due to changes in market interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of the debt instrument changes inversely with prevailing interest rates. The UITF portfolio, being marked-to-market, is affected by changes in interest rates thereby affecting the value of fixed income investments such as bonds. Interest rate changes may affect the prices of fixed income securities inversely, i.e. as interest rates rise, bond prices fall and when interest rates decline, bond prices rise. As the prices of bonds in a Fund adjust to a rise in interest rates, the UITF's NAVpu may decline.

Market Price Risk is defined as the potential for an investor to 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. Market/Price Risk is closely related to Interest Rate Risk. For investments in the UITF, it is the risk that the value of the UITF may decline in view of the decline in securities prices, which may sometimes happen rapidly or unpredictably. The value of investments fluctuates over a given time period because of general market conditions, economic changes or other events that impact large portions of the market such as political events, natural calamities, etc. As a result, the NAVpu may either increase or decrease.

Liquidity Risk is defined as the inability to sell or convert assets into cash quickly or in instances where conversion to cash is possible but made at a loss. It is 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. In UITF, liquidity risk occurs when certain securities in the UITF portfolio may be difficult or impossible to sell at a particular time which may prevent the redemption of the investment in UITF until its assets can be converted to cash. Even government securities which are the most liquid of fixed income securities may be subjected to liquidity risk particularly if a sizeable volume is involved.

Credit/Default Risk is defined as the risk of loss due to a borrower's failure to repay principal and/ or interest 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 resulting in the lowering of the market price (market/price risk), and consequently, resulting in the difficulty in selling such security. It also includes risk on a counterparty (a party the Fund Manager trades with), defaulting on a contract to deliver its obligation either in cash or securities. For UITF, this is the risk of a possible decrease in the value of the UITF portfolio in the event that the borrower defaults on his obligation, or in the case of a counterparty default, when it fails to deliver on the agreed trade. The decline in the value of the UITF happens because the default/ failure would decrease the price of the security and may make the security difficult to sell. In such case, the UITF's NAVpu will be affected by a decline in value.

Reinvestment Risk is defined as the risk of having lower returns or earnings when maturing funds or the interest earnings of funds are reinvested. Investors in the UITF who redeem and realize their gains run the risk of reinvesting their funds in an alternative investment outlet with lower yields. Similarly, BankCom-TSG, the UITF manager, is faced with the risk of not being able to find good or better alternative investment outlets as some of the securities in the fund matures.

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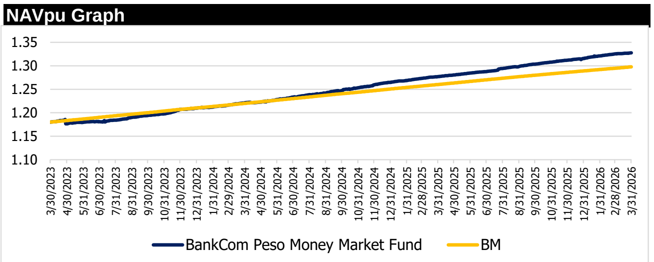
FUND PERFORMANCE AND STATISTICS AS OF ***03/31/26***

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

NAVpu Graph

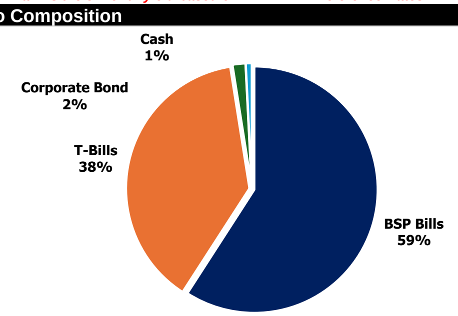


Cumulative Performance (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	0.1832%	0.9187%	1.8503%	3.9646%	12.4860%
Benchmark	0.2352%	0.6936%	1.3972%	2.9913%	9.9481%

Note: Benchmark is the 3-month yield based on PHP BVAL Reference Rates.

Portfolio Composition



NAVpu over the past 12 months

Highest	1.327684
Lowest	1.277249

Statistics

Wtd. Ave. Duration	0.23
Volatility*	0.68%
Sharpe Ratio**	0.30
Information Ratio***	1.43

**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
BSPBIL 0 04/14/26 28	33.67
RPTB 0 10/21/26 364	10.84
RPTB 0 11/18/26 364	10.84
BSPBIL 0 04/07/26 28	10.11
BSPBIL 0 04/28/26 28	8.90
BSPBIL 0 04/21/26 28	6.43
RPTB 0 08/12/26 364	3.91
RPTB 0 09/23/26 364	3.70
RPTB 0 07/22/26 364	2.94
RPTB 0 05/27/26 364	2.33

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

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

N/A

OUTLOOK AND STRATEGY

The local bond market faced a challenging month in March as yields gapped higher. The surge in inflation expectation, lack of market liquidity, and perceived pause or halt in the Central Bank’s easing cycle all contributed to the sharp selloff in the secondary market. Selloff momentum continued all throughout the month. Yields in the 1mo.-1yr curve increased by an average of 52 bps.

In reaction to the global developments, the BSP has conducted an off-cycle meeting to provide insights and recalibrations on key economic data. On this meeting, the Central Bank opted to keep the key rate unchanged at 4.25%. The main driver for the decision was that since the expected surge of inflation is supply-driven, monetary policy intervention will have limited effectiveness. Further, implementing a premature rate hike may further derail the Philippines from its already weak growth trajectory. The BSP said its inflation expectations remain well-anchored but raised its forecast for 2026 to 5.1% from 3.6% previously. BSP also trimmed its GDP growth estimate to 4.4% from 4.6% for this year.

The Fund has underperformed its benchmark by 0.05% on a month-on-month basis, but outperformed by 0.23% on a year-to-date basis. This stems from the shift in holdings to longer-tenored T-bills as we are already seeing some value in the 6-9 month tenors.

For our outlook, we expect that the local bond market will continue to be headline-driven. We have already seen some ease in market worries after Iran has assured the Philippines that its vessels and seafarers will be allowed safe and unhindered passage through the Strait of Hormuz. Although this is an important positive development, this will not immediately bring pump prices down. Inflation expectations especially in 2Q2026 will remain elevated. We will continue to be on the lookout for other positive developments. For our strategy, we are still inclined to maintain an underweight duration strategy and will wait for yields to stabilize before rebalancing.