

# 4Q & FY 2021 Investor Presentation

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# Macroeconomic Updates



# Economic Highlights



## Global Growth

- Global economy continues to recover ; 2021 global GDP forecast at 5.9% (IMF)
- Major central banks left key rates unchanged but indicated **exit from monetary policy accommodation**
- **Global inflation is at two-decade high**, driven by firming demand, supply chain disruptions, higher commodity prices

## Domestic Growth

- Phil GDP grew 5.6% in 2021, underpinned by the reopening of the economy
- Labor market has improved substantially since the onset of the pandemic
- Consumer and business **sentiment is more optimistic** for the next twelve months

## Interest Rates & Monetary Policy

- Monetary policy rate left unchanged to support growth
- Long-term inflation expectations stayed relatively anchored
- Domestic interest rates increased while the yield curve steepened

## Mobility Restrictions & Vaccination

- High vaccination rate and **economic reopening** give confidence on sustained economic recovery
- December mobility data show above February 2020 baseline activity as **Filipinos and businesses learned to adapt** with Covid 19 and fluid mobility restrictions

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# Performance Highlights



# Performance Highlights



## Profitability

23.88 B  
Net Income

- 11.5% earnings growth driven by sharply lower provisions and record fee income
- NIM at 3.30%, down by 19 bps as asset yields remained low, offset by lower cost of funds
- Higher cost to income ratio at 52%, driven by lower revenues and higher opex, on tech spend

## Asset Quality

2.49% NPL Ratio  
136% NPL Cover

- Asset quality remained resilient during pandemic; better than initially expected and remained better than industry average
- Reduced concerns about asset quality allowed for lower credit cost

## Balance Sheet

4.9% Net Loans  
13.9% Deposits  
6% AUM growth

- Credit cards, mortgage and microfinance led in loan growth
- Strong deposit growth across corporate, SME and retail segments
- Borrowings declined due to bond maturities, reducing funding cost

## Digital

30% growth  
Digital Fees

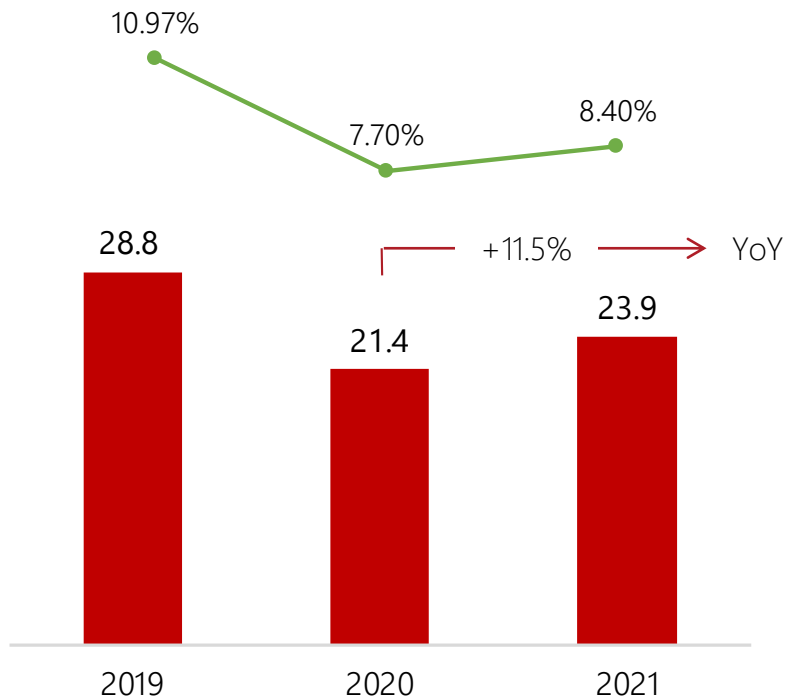
- Increasing digital propensity, with higher transaction count and value in digital vs branch
- Growth in digital fees sustained across all platforms

# Net Income

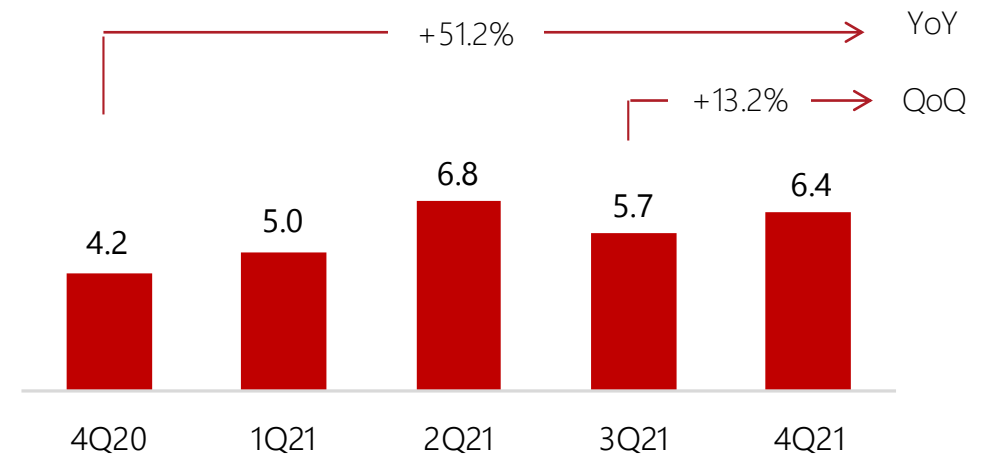
- Higher ROE
- Increased profitability year-on-year and sequential quarter; 4Q21 income second highest since the pandemic
- Rebound in full year net income driven by record fee income, lower provisions and cost control

Amounts in P bn

## Year-on-Year



## Quarter-on-Quarter



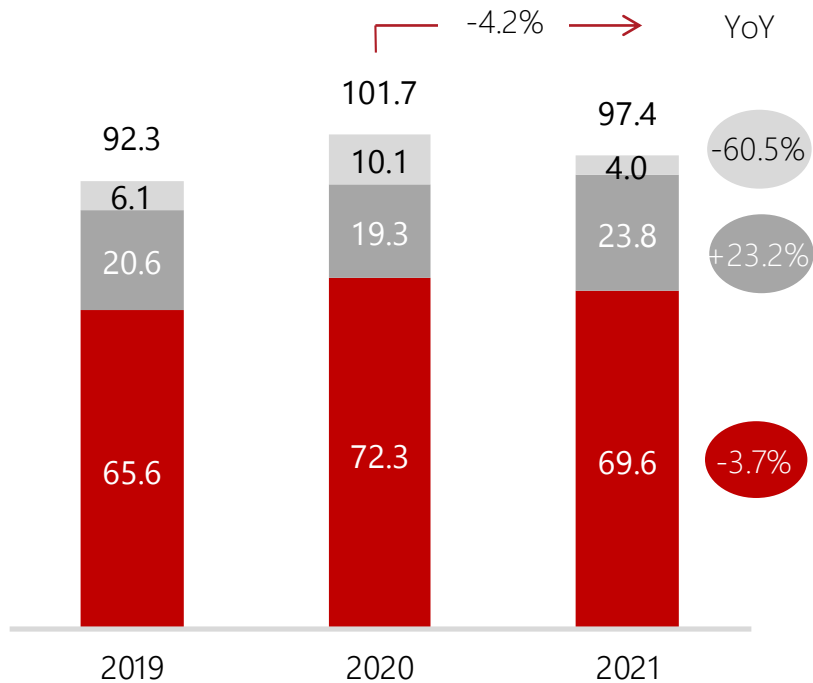
■ Net Income ■ ROE

# Revenues

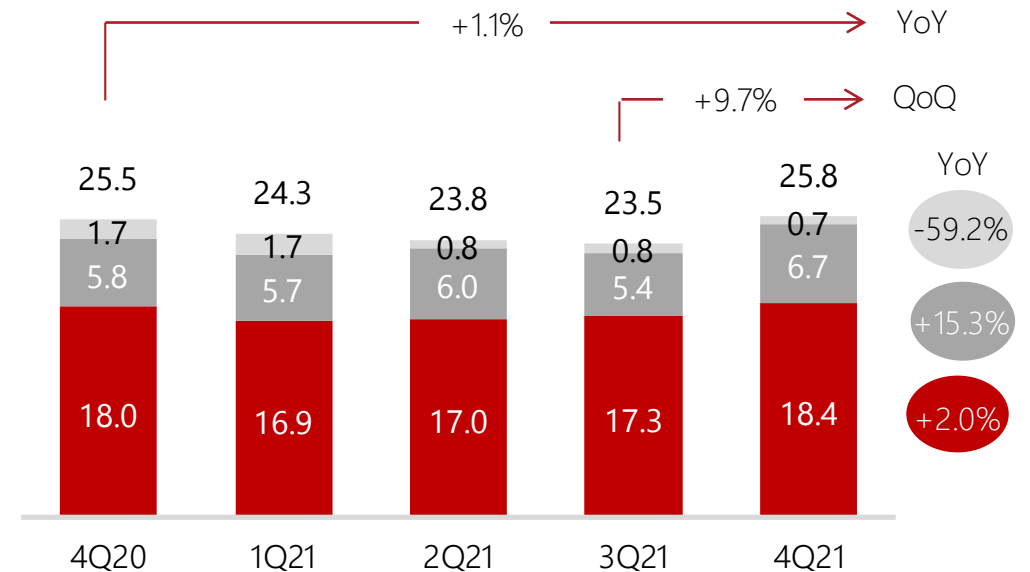
- 4Q21 revenue of 25.8B is at a record high, and up 9.7% QoQ
- 4Q21 fee income was up 15.3% YoY with each quarter showing sequential gains
- Full year fee income of 23.8B, up 23.2%, provided revenue stability during a period of weak trading income and NIM contraction

Amounts in P bn

## Year-on-Year

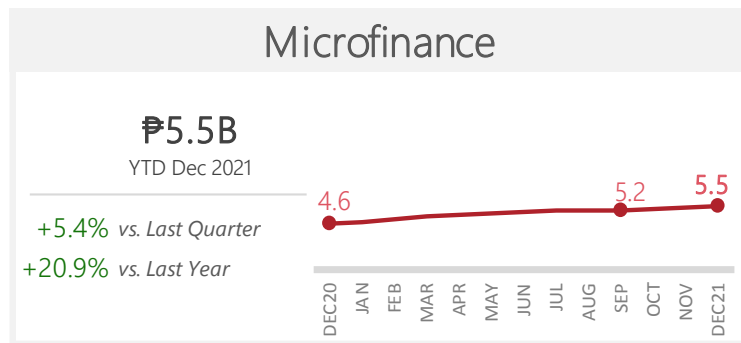
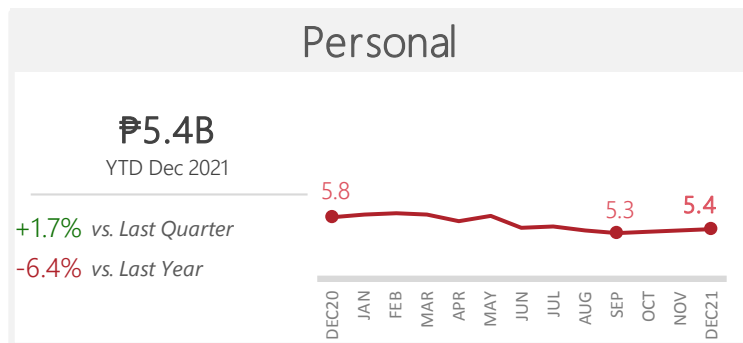
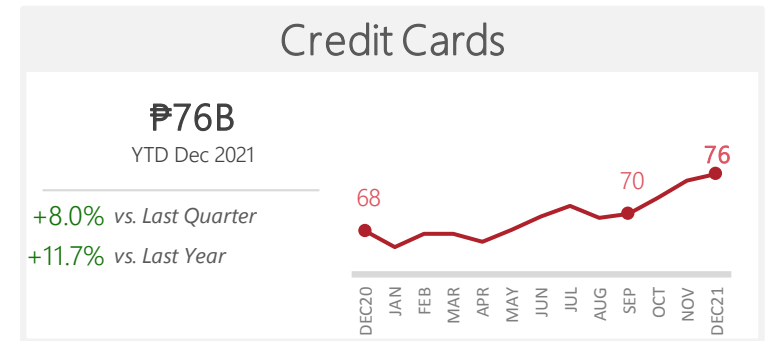
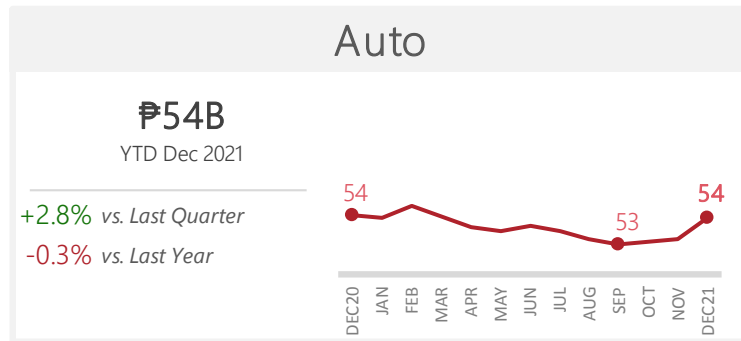
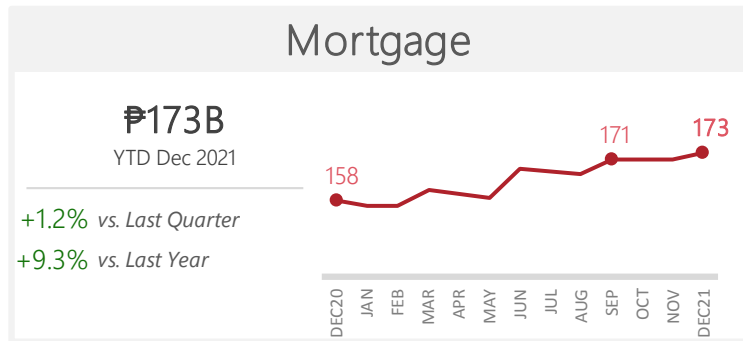
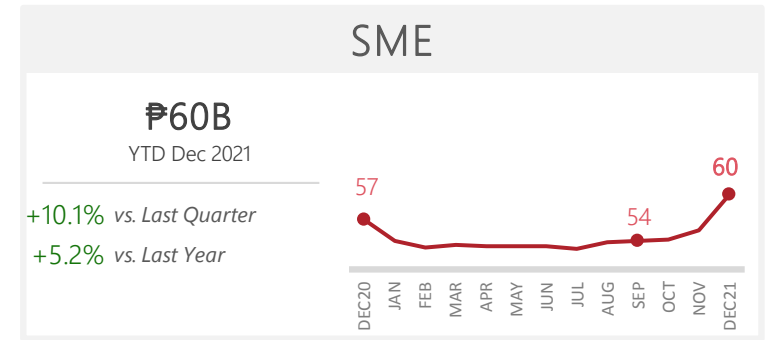
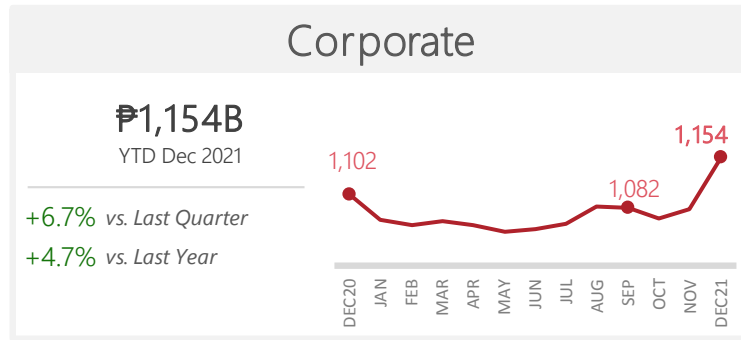
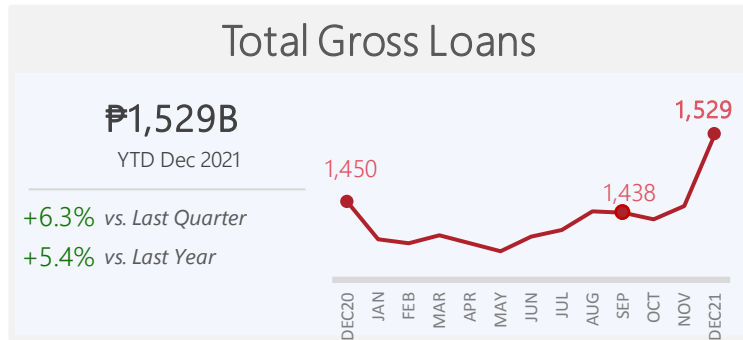


## Quarter-on-Quarter



■ Net Interest Income ■ Fee Income ■ Trading Income

# Loan Book



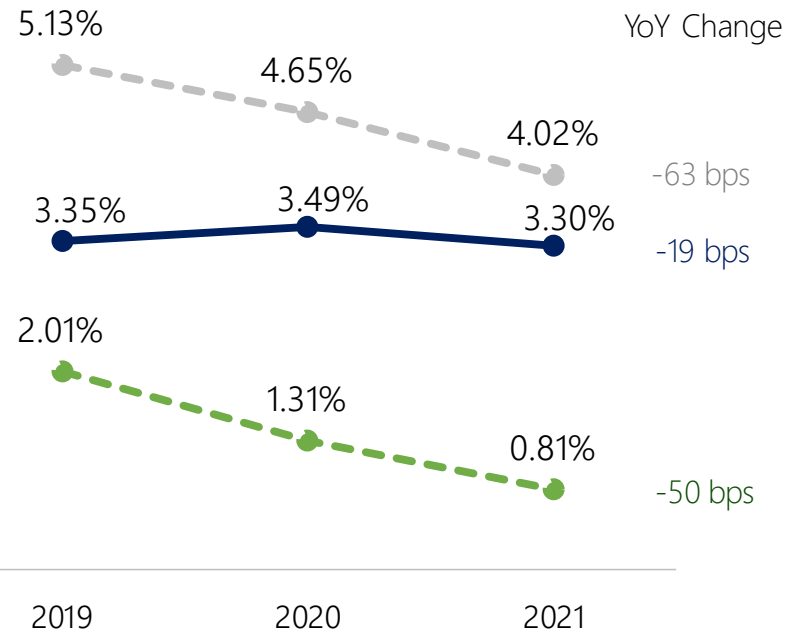
- Modest growth in loan portfolio, predominantly from strong recovery in 4Q2021
- Mortgage, credit cards & microfinance loans have rebounded to 2019 levels



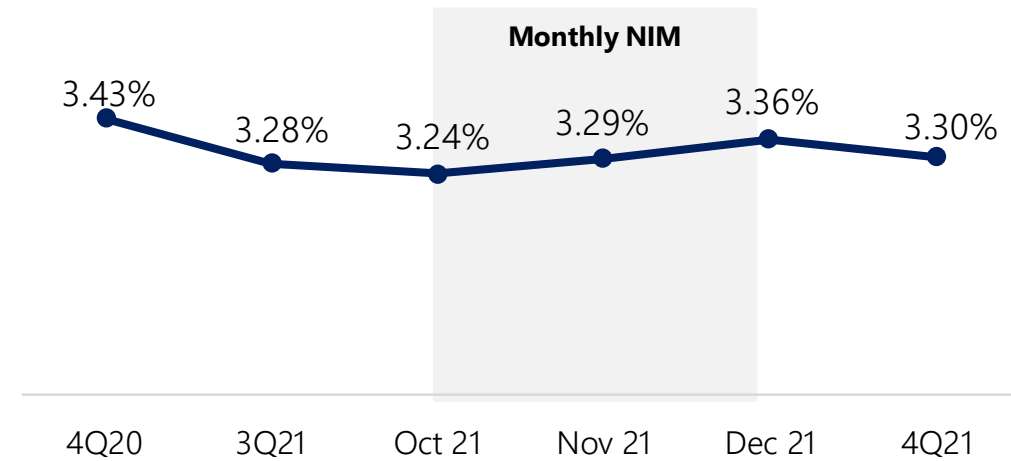
# Net Interest Margin

- NIM for the month of December was the highest for the year
- Sustained NIM recovery expected in a rising interest rate environment

Year-on-Year



Quarter-on-Quarter

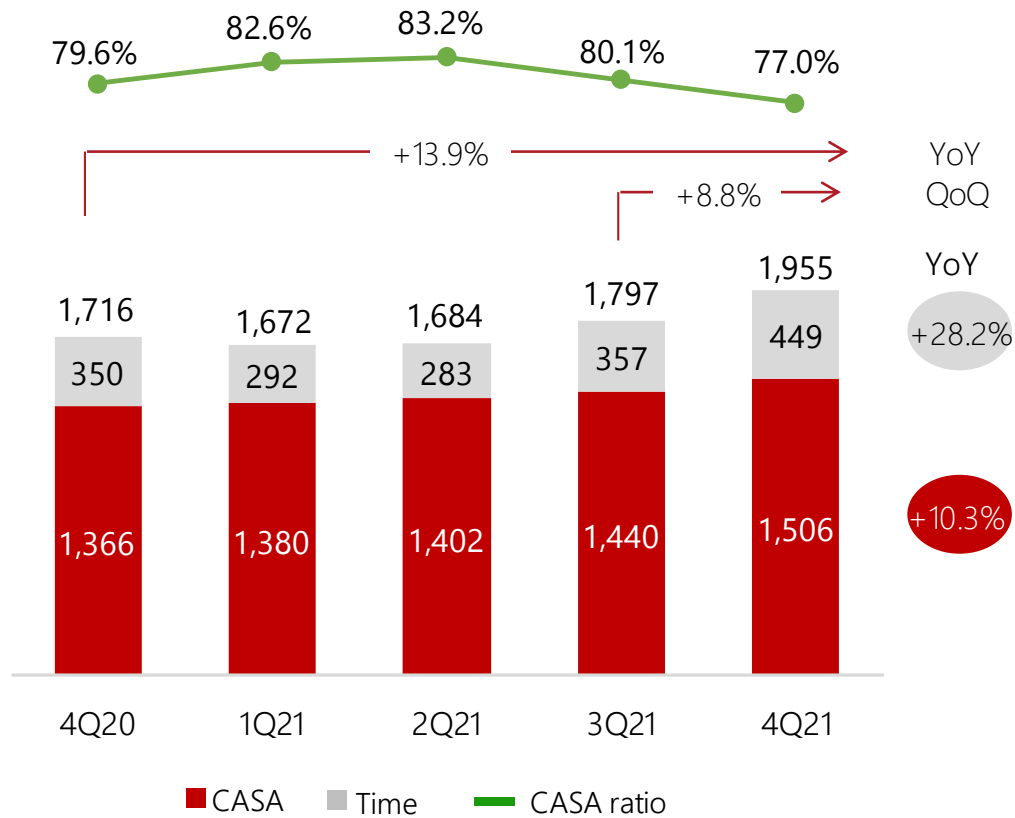


■ Asset Yield ■ NIM ■ Cost of Funds

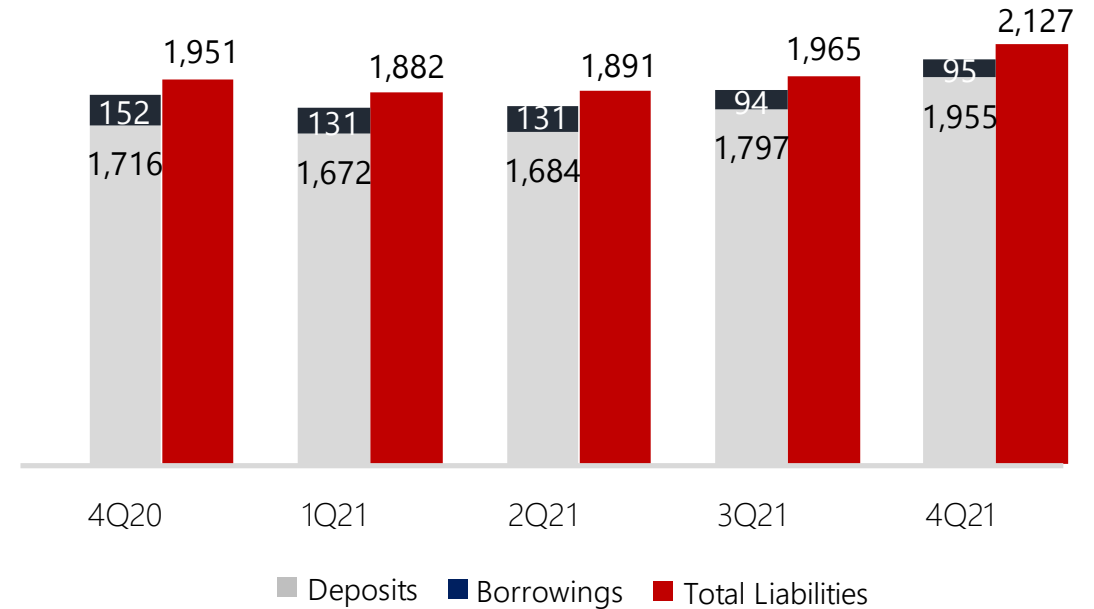
# Funding

- Strong growth in deposit year-on-year, with each quarter showing sequential growth
- Increase in deposit recorded across all client segments
- Borrowings declined year-on-year on bond maturities, improving funding cost

Amounts in P bn  
Deposits

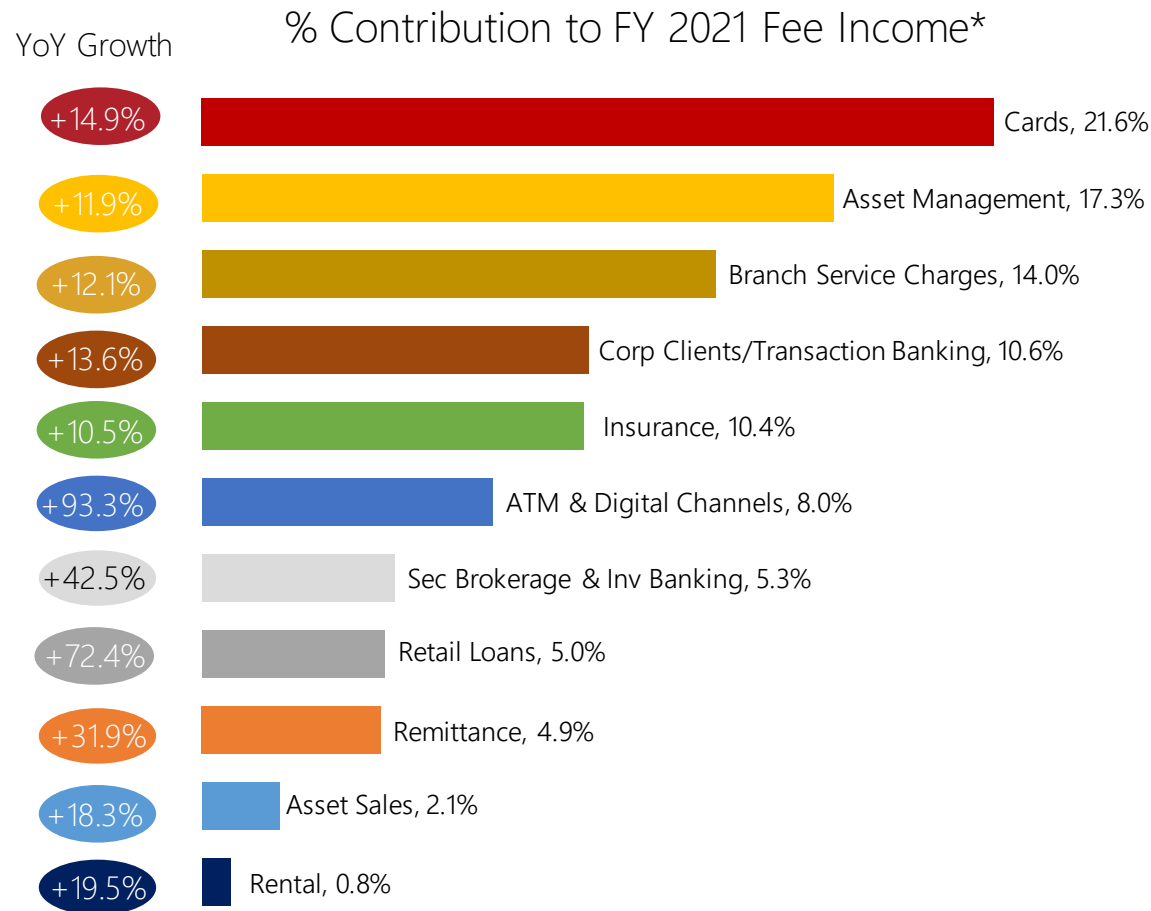


Borrowings

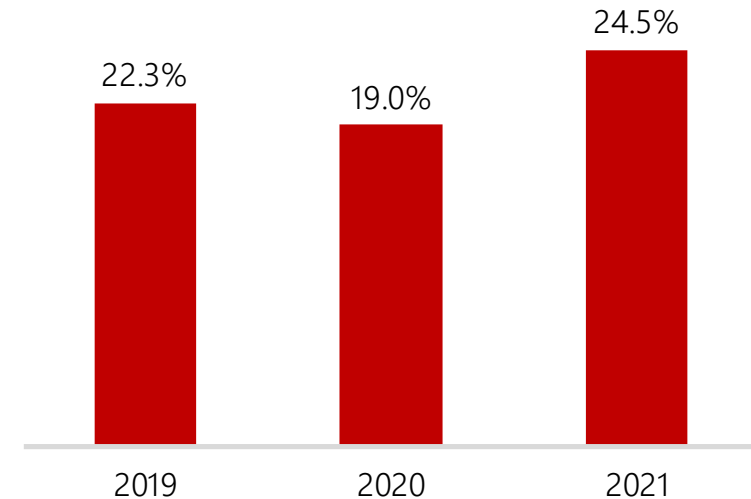


# Fee Income

- Fee income evolving as a solid revenue stream
- Record fee income is reflective of strong growth across all businesses
- Record high in wealth management fees, investment banking fees, and credit card fees



% of Fee Income to Revenue

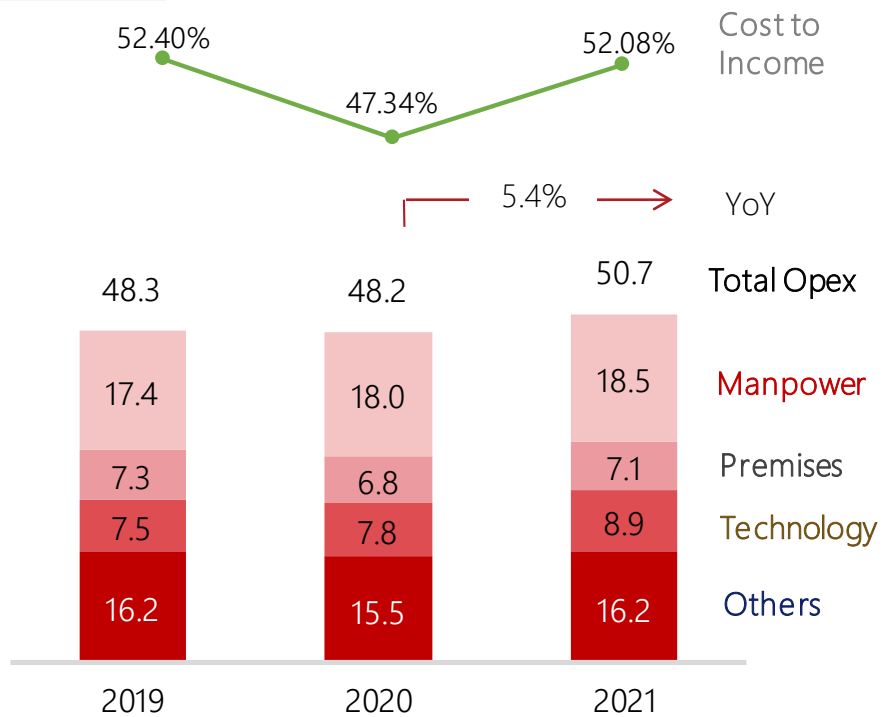


# Operating Expenses

- Modest increase in operating expenses, mainly on technology spend
- Cost-to-income retraced 2019 level
- Continued reduction in branch footprint as clients migrate to digital channels

Amounts in P bn

Opex



	2019	2020	2021
1. Headcount	21,429	19,952	19,181
2. Total no. of local branches (Physical Locations)			
-BPI and BFB	867	866	814
-BanKo	300	304	307

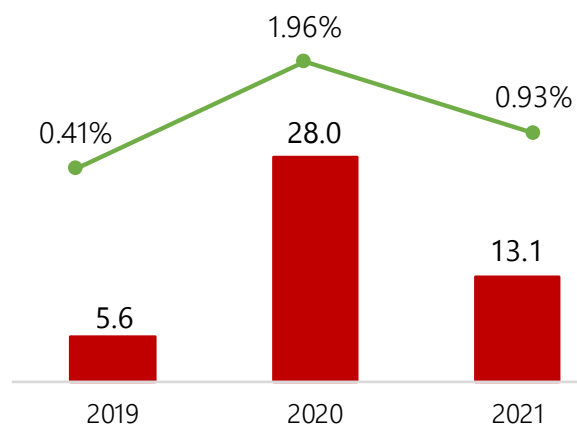
# Credit Cost & Asset Quality



- Sustained improvement in asset quality
- Credit cost trending down which bodes well for earnings growth

## Provisions & Credit Cost

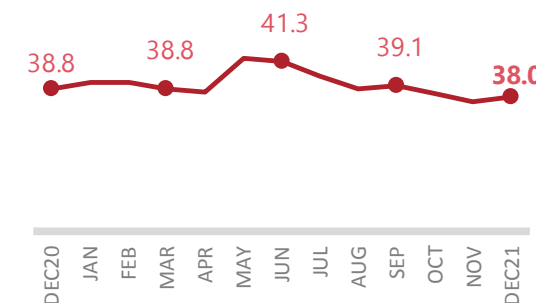
in ₱ bn



## NPL Level

**₱38.0B**

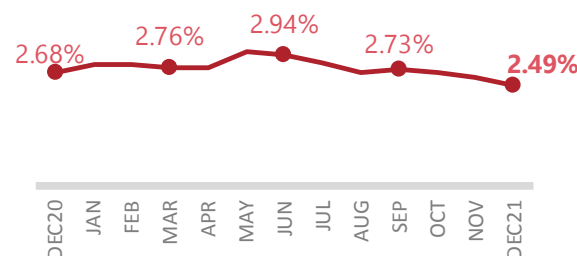
-2.9% vs. Last Quarter  
-2.1% vs. Last Year



## NPL Ratio

**2.49%**

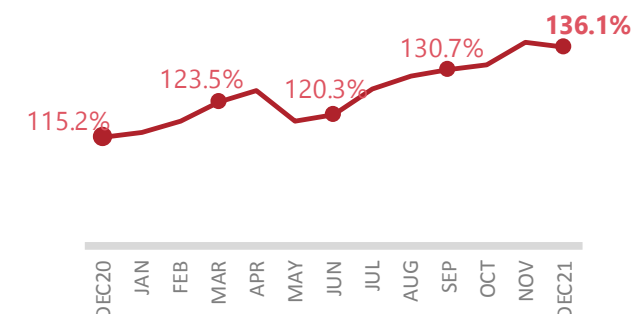
-24bps vs. Last Quarter  
-19bps vs. Last Year



## NPL Cover

**136.1%**

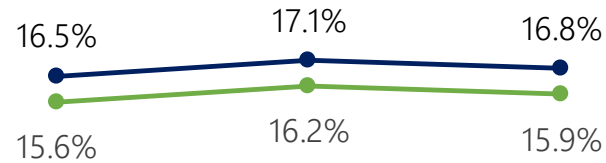
539ppts vs. Last Quarter  
21ppts vs. Last Year



# Capital Position & Dividends

- Robust capital position maintained notwithstanding the increase in credit risk weighted assets
- Consistently paid fixed dividend per share; one of the highest dividend payouts in the industry
- Strong capital buffer for further loan growth and strategic initiatives

## Capital Ratios

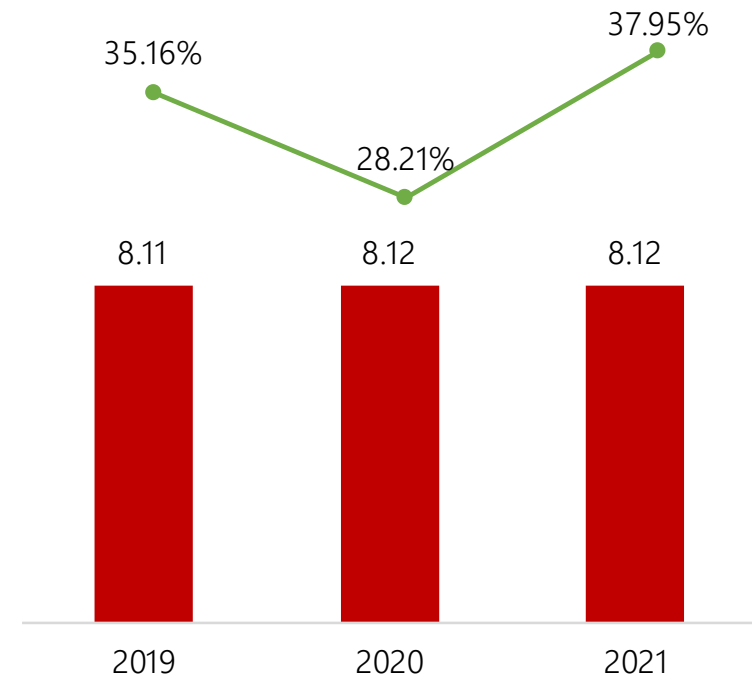


10% Regulatory Minimum

2019                      2020                      2021\*

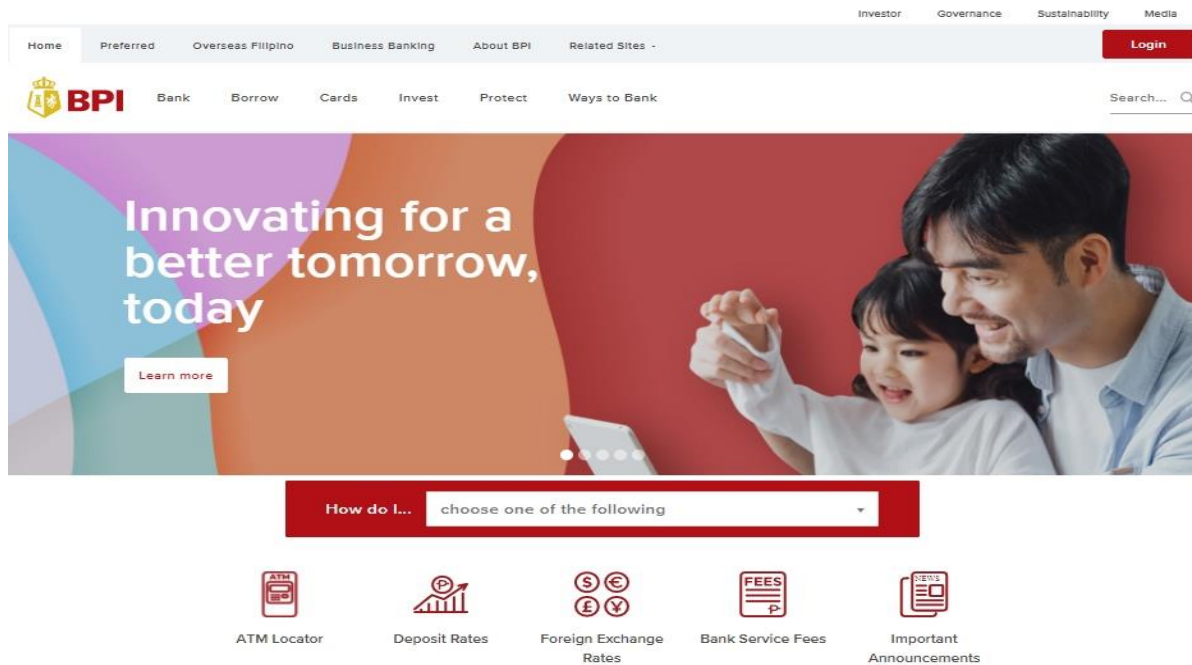
— CAR    — CET1

## Dividends



■ Dividends    — Payout Ratio

<https://www.bpi.com.ph/>



The screenshot shows the BPI website homepage. At the top, there is a navigation bar with links for Home, Preferred, Overseas Filipino, Business Banking, About BPI, and Related Sites. A 'Login' button is visible on the right. Below the navigation bar is the BPI logo and a search bar. The main banner features a family (a man, a woman, and a child) looking at a tablet, with the text 'Innovating for a better tomorrow, today' and a 'Learn more' button. Below the banner is a dropdown menu labeled 'How do I...' with the text 'choose one of the following'. Below the dropdown are five icons representing different services: ATM Locator, Deposit Rates, Foreign Exchange Rates, Bank Service Fees, and Important Announcements.

Scan the QR code to download the 2020 Integrated Report or visit <http://bit.ly/BPI-IR-2020>



## Thank you

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# Appendices





# Macroeconomic & Industry Indicators



Indicators, as of end-of-period in %, except USD/PHP	2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021
GDP Growth (YoY)	5.9	-0.7	-17.0	-11.6	-8.3	-3.9	12.0	6.9	7.7
Current Account (% to GDP)	-0.1	0.3	6.2	4.8	3.9	-0.3	-1.4	-1.0	
Inflation	2.5	2.5	2.5	2.3	3.5	4.5	4.1	4.8	3.6
M3 Growth (YoY) <sup>1</sup>	11.5	12.8	14.5	12.2	9.6	8.5	6.5	8.3	7.7
91D T-bill - average	3.12	3.16	2.52	1.26	1.05	1.02	1.23	1.07	1.13
Overnight RRP	4.0	3.6	2.7	2.3	2.0	2.0	2.0	2.0	2.0
BVAL - 3 months	3.20	3.29	1.90	1.17	1.12	1.28	1.17	1.13	1.09
BVAL - 10 years	4.46	4.87	2.80	2.98	3.00	4.41	3.92	4.50	4.82
USD/PHP	50.744	51.044	49.851	48.465	48.036	48.466	48.544	50.959	50.774

Industry, as of end-of-period Amounts in Php Bn	2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021
Total Assets	18,338.24	18,404.05	18,627.17	18,724.80	19,457.05	19,439.94	19,811.17	20,088.30	20,821.01
Customer Loans <sup>2</sup>	10,082.25	10,159.24	9,949.40	9,647.61	9,804.64	9,589.48	9,681.04	9,819.64	10,204.05
Deposits	13,669.47	13,917.91	14,262.65	14,377.42	14,895.02	15,015.10	15,346.10	15,650.76	16,236.14
Capital	2,318.65	2,301.38	2,370.40	2,407.52	2,431.12	2,459.22	2,509.95	2,549.92	2,573.92
Assets Growth (YoY)	8.4%	8.1%	8.0%	5.9%	6.1%	5.6%	6.4%	7.3%	7.0%
Loan Growth (YoY)	9.4%	10.9%	6.2%	0.5%	-2.8%	-5.6%	-2.7%	1.8%	4.1%
Deposits Growth (YoY)	7.1%	9.6%	10.9%	9.5%	9.0%	7.9%	7.6%	8.9%	9.0%
Capital Growth (YoY)	12.1%	7.4%	7.7%	6.7%	4.9%	6.9%	5.9%	5.9%	5.9%

Source: Bangko Sentral ng Pilipinas & Philippine Statistics Office

<sup>1</sup> preliminary

<sup>2</sup> Customer Loans (Loans and Receivables, net of Allowance for Credit Losses)

# Historical Milestones of BPI



- Founded in **1851**, as Banco Español Filipino de Isabel II, by Catholic charities
  - Antonio de Ayala inaugural member of board
- Named **Bank of the Philippine Islands** (Banco de las Islas Filipinas) after Treaty of Paris (1898)
- **Ayala y Compañía** (present day Ayala Corp.) assumes strategic stake in 1969
- **Morgan Guaranty Trust Company** purchases stake in People's Bank, a predecessor, in 1974



*Pesos Fuertes, 1883*



*BPI Iloilo, 1897*



*BPI ₱10 note, 1933*

Strategic Partnerships formed over the years, actively entering into diverse business joint ventures in the last decade

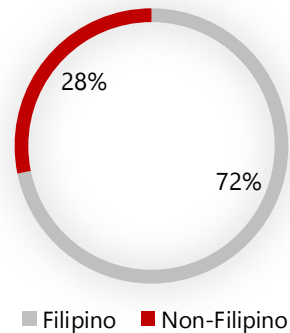
Year	Firm	Description
1974	People's Bank & Trust	Retail banking
1981	Commercial Bank & Trust	Expands BPI's middle market presence
1982	Ayala Inv & Dev't (AIDC)	Adds investment banking—precursor of BPI Capital
1982	Makati Leasing	JV with U.S. Leasing—precursor of BPI Leasing
1984	Family Bank & Filinvest Credit	Expands consumer banking franchise
1996	CityTrust Banking Corp.	Former Philippine retail operations of Citibank
2000	Far East Bank & Trust	Consolidation
2000	Ayala Life, FGU Insurance	BPI becomes first bancassurance platform in Philippines
2001	DBS Philippines	Consumer and middle markets
2002	BPI/MS	51%-owned non-life insurance JV with Mitsui Sumitomo,
2005	Prudential Bank	Expands BPI's middle market presence
2009	BPI-Philam Life Assurance	49%-owned life insurance JV with Philam Life
2009	BPI Globe BankO	Microfinance JV with Globe Telecom, Ayala Corp
2011	ING Asset Management	Trust & investment management
2014	Century Tokyo Leasing	51%-owned leasing JV with Century Tokyo Leasing
2015	Global Payments	49% JV with Global Payments
2016	BPI Direct BankO	BPI acquires 100% of BPI Globe BankO, merges with BPI Direct
2022	BPI Family Savings Bank	BPI and BFSB merger

# BPI at a glance

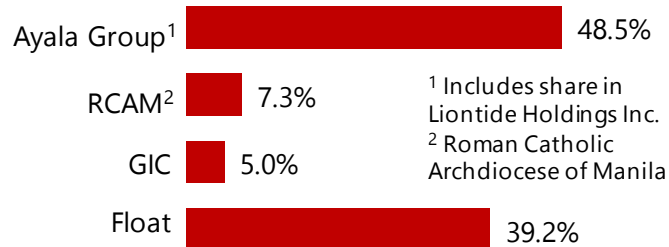
- ✓ The first bank in the Philippines and Southeast Asia, and the longest tenured bank with almost 170 years of continuous operating history, with highly reputable shareholders, the largest of which include the Ayala Group, the Roman Catholic Church and GIC
- ✓ Award winning, universal banking franchise licensed by the Bangko Sentral ng Pilipinas, offering a broad range of financial solutions catering to both retail and corporate clients
- ✓ Customer base has almost doubled since 2010 to 8.5 million customers in December 2021 owing to the Bank's strong brand recognition

## Ownership Structure

December 31, 2021 Citizenship Composition



December 31, 2021 Shareholder Profile



## Investment Information

Fundamentals	
Stock Price	P92.15 per share
BV per share	P64.94
P-B Ratio	1.4x
P-E Ratio	17.4x
Dividends	P1.80 per share
Market Cap	P415.88
Trading Fact Sheet	
Type	Common
Stock Ticker	BPI
ISIN	PHY0967S1694
Exchange	Philippine Stock Exchange
Par Value	10.00
Outstanding Shares	4,513,128,255
Foreign Ownership	28%

## Investment Ratings

Credit Ratings			
S&P	BBB+	Long term Issuer Credit Rating	Sep 2021
Moody's	Baa2	Baseline Credit Assessment	May 2021
Fitch	BBB-	Long term Issuer Default Rating	Jan 2022
Capital Intelligence	BBB	Long term Foreign Currency	July 2021
ESG Ratings			
MSCI		BBB <sup>1</sup>	June 2021
Sustainalytics		27 <sup>1</sup>	Oct 2021
SAM (S&P)		51 <sup>1</sup>	Nov 2021
V.E. (Moody's)		49 <sup>2</sup>	Aug 2021

<sup>1</sup> Ranked 1<sup>st</sup> vs peers  
<sup>2</sup> Higher than 2020 score of 48

# Operating Franchise

BPI has a leading deposit franchise and expansive reach through its network of traditional channels and unparalleled digital banking platform

One of the largest branch & ATM networks (as of Dec 2021)

1,179 Branches:

872 BPI/BFB<sup>1</sup>

307 BanKo<sup>2</sup>

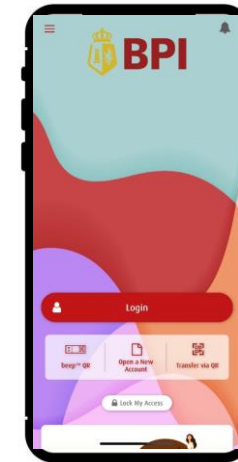
2,457 ATMs & CAMs

19,181 Employees

Main Operating Business Segments



BPI's digital banking platform is Amongst the best in the country



Digital Channels

As of December 2021

Enrollments  
4.90 mn

Active Users<sup>3</sup>  
3.2 mn

Digital Propensity  
91.3%

<sup>1</sup> 869 local branches (total branch licenses) and 3 international offices; Total physical locations is 814, with 55 branches co-located; <sup>2</sup> Branches and branch-lite units (BLUs)

<sup>3</sup> Rolling 3 months on a growing client base

# Financial Highlights



	Dec 2020	Sep 2021	Dec 2021	△ YoY	△ QoQ
<b>Balance Sheet (in P bn)</b>					
Assets	2,233.4	2,260.4	2,421.9	8.4%	7.1%
Net Loans	1,407.4	1,387.2	1,476.5	4.9%	6.4%
Deposits	1,716.2	1,797.0	1,955.1	13.9%	8.8%
CASA	1,365.9	1,440.2	1,506.3	10.3%	4.6%
Capital	279.8	291.8	293.1	4.7%	0.4%
AUM	1,049.2	1,105.0	1,112.0	6.0%	0.6%
<b>Key Metrics</b>					
				△ bps	
Quarter NIM	3.43%	3.28%	3.30%	(13)	2
Quarter Asset Yield	4.31%	4.01%	3.94%	(37)	(7)
Quarter Cost of Funds	0.97%	0.83%	0.73%	(24)	(11)
Quarter Cost to Income	50.61%	52.72%	55.24%	463	252
YTD Cost of Deposits	1.12%	0.59%	0.59%	(53)	(1)
YTD Cost to Assets	2.20%	2.23%	2.28%	8	5
YTD ROE	7.70%	8.25%	8.40%	70	14
YTD ROA	0.98%	1.07%	1.08%	10	1
CASA Ratio	79.59%	80.15%	77.04%	(255)	(311)
Loan-to-Deposit Ratio	82.01%	77.20%	75.52%	(649)	(168)
Credit Cost	1.96%	0.97%	0.93%	(103)	(4)
NPL Ratio	2.68%	2.73%	2.49%	(19)	(24)
NPL Coverage Ratio	115.21%	130.72%	136.11%	2,090	539
CAR	17.06%	17.64%	16.77%	(29)	(87)
CET1	16.17%	16.76%	15.88%	(29)	(88)

	FY 2020	3Q 2021	4Q 2021	FY 2021	△ QoQ	△ YoY
<b>Profitability (in P bn)</b>						
Net Interest Income	72.3	17.3	18.4	69.6	6.4%	-3.7%
Non-Interest Income	29.4	6.2	7.4	27.8	18.8%	-5.5%
Trading Income	10.1	0.8	0.7	4.0	-16.2%	-60.5%
Non-Interest Income	19.3	5.4	6.7	23.8	24.0%	23.2%
Revenues	101.7	23.5	25.8	97.4	9.7%	-4.2%
Operating Expenses	48.2	12.4	14.2	50.7	14.9%	5.4%
PPOP	53.6	11.1	11.5	46.7	3.8%	-12.9%
Provisions	28.0	3.7	2.9	13.1	-23.1%	-53.1%
NIBT	25.6	7.4	8.7	33.5	17.6%	31.2%
Income Taxes	3.9	1.6	2.2	9.4	33.2%	141.3%
Net Income	21.4	5.7	6.4	23.9	13.2%	11.5%

# Financial Highlights (in USD)



	Dec 2020	Sep 2021	Dec 2021	△ YoY	△ QoQ
<b>Balance Sheet (in USD bn)</b>					
Assets	46.5	44.4	47.7	2.6%	7.5%
Net Loans	29.3	27.2	29.1	-0.7%	6.8%
Deposits	35.7	35.3	38.5	7.8%	9.2%
CASA	28.4	28.3	29.7	4.3%	5.0%
Capital	5.8	5.7	5.8	-0.9%	0.8%
AUM	21.8	21.7	21.9	0.3%	1.0%
<b>Key Metrics</b>					
				△ bps	
Quarter NIM	3.43%	3.28%	3.30%	(13)	2
Quarter Asset Yield	4.31%	4.01%	3.94%	(37)	(7)
Quarter Cost of Funds	0.97%	0.83%	0.73%	(24)	(11)
Quarter Cost to Income	50.61%	52.72%	55.24%	463	252
YTD Cost of Deposits	1.12%	0.59%	0.59%	(53)	(1)
YTD Cost to Assets	2.20%	2.23%	2.28%	8	5
YTD ROE	7.70%	8.25%	8.40%	70	14
YTD ROA	0.98%	1.07%	1.08%	10	1
CASA Ratio	79.59%	80.15%	77.04%	(255)	(311)
Loan-to-Deposit Ratio	82.01%	77.20%	75.52%	(649)	(168)
Credit Cost	1.96%	0.97%	0.93%	(103)	(4)
NPL Ratio	2.68%	2.73%	2.49%	(19)	(24)
NPL Coverage Ratio	115.21%	130.72%	136.11%	2,090	539
CAR	17.06%	17.64%	16.77%	(29)	(87)
CET1	16.17%	16.76%	15.88%	(29)	(88)

	FY 2020	3Q 2021	4Q 2021	FY 2021	△ QoQ	△ YoY
<b>Profitability (in P bn)</b>						
Net Interest Income	1,504.4	339.5	362.7	1,370.4	6.8%	-8.9%
Non-Interest Income	613.0	121.7	145.1	547.9	19.2%	-10.6%
Trading Income	210.5	15.8	13.2	78.7	-15.9%	-62.6%
Non-Interest Income	402.5	106.0	131.9	469.3	24.4%	16.6%
Revenues	2,117.4	461.3	507.8	1,918.4	10.1%	-9.4%
Operating Expenses	1,002.5	243.2	280.5	999.2	15.4%	-0.3%
PPOP	1,115.0	218.1	227.3	919.2	4.2%	-17.6%
Provisions	582.9	73.6	56.8	258.7	-22.8%	-55.6%
NIBT	532.1	144.5	170.5	660.5	18.0%	24.1%
Income Taxes	81.3	32.2	43.1	185.7	33.7%	128.3%
Net Income	445.7	111.0	126.2	470.3	13.6%	5.5%

# BPI Management Team



As of December 31, 2021



Jose Teodoro "TG"  
Limcaoco  
*President & CEO*

13 years with BPI



Tere  
Marcial  
*EVP & CFO*

26 years with BPI



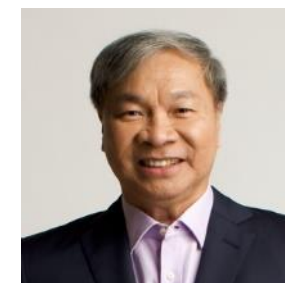
John-C  
Syquia  
*EVP*

5 years with BPI



Jojo  
Ocampo  
*EVP*

25 years with BPI



Mon  
Jocson  
*EVP & COO*

5 years with BPI



Ginbee  
Go  
*EVP*

17 years with BPI

- Elected President and CEO on April 22, 2021
- Previously served as President of BPI Family Bank from 2010-2015
- Former President of BPI Capital Corporation from 2007-2010
- Officer-in-Charge for Ayala Life Assurance, Inc. in 2009 and Director and Chairman of Ayala Plans, Inc. in 2010-2011

- Chief Finance Officer and Head of Strategy and Finance since April 2017
- Serving on the Board of BPI Europe, PLC., BPI MS, BPI Global Payments, BPI Payment Holdings
- Previously served on the BPI Trust Committee and Board of BPI Investment Management, Inc.
- Previously held senior positions in Corporate Banking and Asset Management & Trust
- 26 years of banking experience

- Head of Corporate Banking since January 2018
- Former President of BPI Capital Corp.
- Previously, Country Head of Corporate Clients for Standard Chartered Bank, Head of Corporate Finance at ING Bank Manila, and Head of Strategy and Business Development at ING Asia Pacific Ltd
- Over 29 years of experience in financial services

- Head of Mass Retail, Former Chief Marketing Officer
- Serving on the Boards of BPI Payment Holdings Inc, BPI Global Payments, BPI Direct Banko, AF Payments Inc, and Zalora
- Previously held several positions in Unsecured Lending Cards, Payments, Remittances, Deposits, Kiosk Banking & Customer Segments
- 25 years of banking experience

- Chief Operating Officer since January 2019, and Head of Enterprise Services
- Formerly Vice President & General Manager of IBM Global Services and Managing Director of IBM Philippines
- Served on the Economic Development Board of Singapore
- Vice-Chairman, CyberSecurity Committee of the Bankers Association of the Philippines

- Head of Consumer Banking since January 2022
- President of BPI Family Savings Bank from June 2017 until Dec 2021
- Headed Credit Cards, Payments and Unsecured Lending, Preferred and Personal Segments, and Retail Loans in her 17 years with BPI
- Director of Transunion Phils & Chairman of BPI Payment Holdings, Inc.
- Secretary & Trustee of Chamber of Thrift Banks
- 20 years of banking experience

# BPI Management Team



As of December 31, 2021



Olga Ang  
SVP

33 years with BPI



Eric Luchangco  
SVP

7 years with BPI



Sheila Tan  
AMTC President

7 years with BPI



Dino Gasmen  
SVP & Treasurer

7 years with BPI



Cathy Santamaria  
SVP & CMO

9 years with BPI



Jovi Alonso  
SVP & CCO

24 years with BPI



Mayette Gayares  
SVP & CRO

36 years with BPI

- Head of Branches Sales and Service Channels effective August 1, 2021
- Served as Branch Division Head of Southern Manila (2018-July 2021), Southern Luzon (2015-2017), Chinese Desk (2013-2014)
- Joined the Bank as Sales Director of Divisoria Business Center upon Far East Bank merger in August 2000
- 33 years of banking experience

- Head of Business Banking since June 2019
- Previously headed Corporate Credit Products Group, was head of Debt Capital Markets for BPI Capital and served on the Board of BPI Securities
- Previously worked with Daiwa Capital Markets
- 24 years of experience in financial services

- Joined BPI Asset Management and Trust Corp in 2017; Chief Operating Officer (2017-2018)
- Previously headed Strategic Advisory at BPI Capital (2013-2017)
- Former Co-Managing Director of Ayala Group Legal and Chief Legal Counsel of Ayala Land, Inc
- In the practice of law for more than 26 years

- Assumed position of Treasurer and Head of the BPI's Global Markets in January 2020
- Chairman of BPI's Asset & Liability Committee
- 17 years in HSBC Manila with stints in the UK, Indonesia, and Vietnam
- 27 years of banking experience

- Chief Marketing Officer since November 2018
- Previously segment head of Globe Telecom Touch Mobile and Mobile Business
- Former Marketing Director, Kraft Food Philippines; Kraft Foods International Head of Business Development and General Manager
- Vice President, Bank Marketing Association of the Philippines (2018)
- Over 31 years of marketing experience

- Chief Credit Officer since January 2017
- Previously involved in Corporate Relationship Management Asian Corporations and PEZA Divisions
- Serving on the Boards of BPI Century Tokyo Lease & Rental Corps
- Formerly Japan Desk Head in the World Corporation Group of Citibank, N.A. Manila Branch
- 31 years of banking experience

- Chief Risk Officer since January 2018, Former Chief Compliance Officer (2012-2017)
- Member, Risk Management Committee of the Bankers Association of the Philippines
- Previously served as Director and Treasurer of ABCOMP, Voting Member of the Bankers Institute of the Philippines
- 36 years of banking experience



# BPI Sustainable Funding Framework



## USE OF PROCEEDS

**Green Bond** : used for eligible green projects e.g. Renewable Energy, Energy Efficiency, Sustainable Water, Pollution Prevention/Control & Green Buildings

**Social Bond** : eligible social

## MANAGEMENT OF PROCEEDS

Internal systems for:

- tracking of proceeds
- policy for deployment of unallocated proceeds
- substitution of assets



## PROJECT EVALUATION AND SELECTION

Involves:

- Pre-qualification
- Inclusion in the Green and Social Finance Portfolio
- Governance by **Sustainable Funding Committee**

## REPORTING

- **Annual** progress and impact reporting
- **External audit** on BPI's reporting and management of proceeds in accordance with this Framework

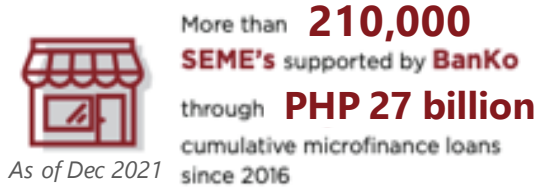
*BPI's Sustainable Funding Framework is aligned with leading industry practices and supports our long-term environmental and social commitments*

# Sustainable Banking



We are committed to Responsible Banking and Responsible Operations


Becoming the most financially inclusive Bank



Robust Business Model

- Rates: 2.3% per month
- Active Borrowers: 124.4K
- Branches and BLUs: 307
- Manpower: 2,748

 **BanKo Mobile App:**  
Digitalizing Microfinance

Embedding ESG in our culture 

 Board approval and implementation of the **BPI Sustainability Agenda**

**ESG KRA Setting** based on Short, Medium-, and Long-term Goals, Action Plans, and Metrics to be monitored starting 2022

**Sustainability Training** for all employees

- Real-time and online courses
- Learning bytes/webinars

**Environmental and climate risk awareness** of employees with objective of health and safety and business continuity

Sustainability Commitments 

 **1st Philippine bank to sign up as a supporter of the Task-Force on Climate-related Financial Disclosures**

**First bank** to incorporate a **TCFD segment** in the Integrated Report

 **Zero-out coal generation financing by 2032**

**No additional** greenfield coal power generation projects

# Awards and Recognitions



## Institutional

<p>"HR Asia Best Companies to Work For" Awards 2021</p>	<p>Outstanding Leadership in Resource Management Regional Awards – Asia Pacific 2021</p>	<p>Best IR Program: 5<sup>th</sup> in All-Asia 3<sup>rd</sup> in Small &amp; Midcap 2020</p>
<p>Best Sustainable Bank 2021</p>	<p>Best Cash Management Best Trade Finance Provider – PH 2021</p>	<p>Best Trade Finance Bank 7<sup>th</sup> consecutive year 2021</p>
<p>Best FX Bank Corporates, Fis-4<sup>th</sup> win Retail Clients-3<sup>rd</sup> win 2021</p>	<p>Best Bank in the Philippines 2020</p>	<p>Best Sustainable Bank 3<sup>rd</sup> Best in Corporate Governance 2020</p>
<p>WWF Sustainability Trailblazer Award (Phils) 2020</p>	<p>House of the Year - PH Bank Risk Manager of the Year 2020</p>	<p>Best Social Bond BPI CARE Bonds 2020</p>

## BPI Foundation

<p>Best Bank For Corporate Social Responsibility in PH 2021</p>	<p>Most Distinguished Corporate Partner 2020</p>	<p>WWF Climate Support Award (Phils) 2020</p>
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## Bancassurance

<p>Best Life Insurance Company in the Phils. BPI-Philam Life Assurance Corp. 2020</p>
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## BPI AMTC

<p>Best Managed Fund of the Year – Dollar Equity Fund (5<sup>th</sup> consecutive win) 2021</p>	<p>Best Overall Asset &amp; Fund Manager 2021</p>	<p>Best Asset Manager (Fixed Income &amp; Equity) 2021</p>	<p>Sustainable Investing as Asset Management Company of the Year (Highly Commended)</p>	<p>Best Asset Manager Philippines (4<sup>th</sup> straight win)</p>
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## BPI Capital

<p>Best Investment Bank Best Equity and Debt Market House 2021</p>	<p>Best Investment Bank 3<sup>rd</sup> consecutive year 2021</p>	<p>Best of Southeast Asia BPI Capital 2020</p>
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## BPI Family Savings Bank

<p>Best SME Bank in PH 8<sup>th</sup> win in 15 years 2021</p>
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