



2022 BPI Annual Stockholders' Meeting

President's Speech

Jose Teodoro K. Limcaoco

Dear Shareholders,

The year 2022 was a year of recovery and renewed strength. As restrictions eased up and the pandemic became more manageable, our economy recovered, and the world reopened for all sorts of business opportunities. Being prepared for this upturn, we accelerated our efforts and ran ahead in the transition to a more digitally-oriented marketplace.

Anchored on our N.I.C.E core values — which means that we are nurturing, we act with integrity, we are customer-obsessed, and we pursue excellence — we launched various initiatives that would solidify BPI's stance on our key strategic priorities: digitalization, customer obsession, and sustainability.

Digitalization and Expansion

This year, we introduced new digital platforms that affirm the Bank's commitment to provide smart, convenient, and secure financial solutions that meet the evolving needs and wants of our customers.

In the first quarter, we introduced BPI BizKo — a subscription-based platform for Micro, Small, and Medium Enterprises (MSMEs), created to offer an integrated online system for invoicing and collection that aims to help small and medium businesses with their cash flow and other banking needs. We established it as a unique platform that improves operational efficiency, providing business owners savings in terms of time and money.

As part of our digital expansion efforts, we then launched VYBE — a one-stop lifestyle and payment app that enables our clients to do secure, cashless, and quick day-to-day payments and to access the Bank's rewards program. VYBE will also be available for non-BPI clients in 2023 and will soon launch a feature that allows users to send and receive money from other banks, making it part of the bigger ecosystem in the Philippine InstaPay network.



We also established Agency Banking, the latest in our long line of technology-enabled innovations that will change the way BPI engages with customers. We are setting up a network of partners – department stores, supermarkets, convenience stores, gas stations and online partners – to make BPI products and services more accessible. Each partner will be equipped with tech-enabled infrastructure allowing them to act like a branch, changing the way BPI can reach, acquire and serve customers. This distribution channel is already being rolled out, including the formal launch of the BPI Flagship store in Lazada, where clients can open a deposit account, apply for an auto or mortgage loan, or a credit card. Soon insurance and investment products will also be made available in Lazada.

Our digital efforts are truly paying off, with many new customers coming to us through our digital channels, complementing those that come through our branches, bringing us closer to our aspiration of 50 million Filipinos banking with BPI.

Enhanced and Inclusive Customer Experience

The merger of BPI and BPI Family Savings Bank took effect as we began 2022. With a call of “OneBPI”, the absorption of our wholly owned thrift bank subsidiary into the parent bank has enhanced the overall banking experience of customers, who now get access to our full suite of products and services via digital and physical channels.

While we took care of our employees during the pandemic, we focused on customer obsession throughout the year. On top of the digital efforts we initiated, we rolled out an internal “customer obsession” program, with our strategy and direction to always put our customers at the center of everything we do. This strategy will cement our banking leadership.

We organized to put more focus on the SME client segment, which forms the backbone of the Philippine economy. BPI Business Banking offers standardized products which, coupled with a clear client acquisition strategy on both branch and digital channels, should allow us to reach more SME clients. Our intention is to provide them with a helpful business proposition and a pleasant customer experience.



Increased digitalization along with our customer delight programs allowed us to serve more clients, process more transactions and significantly improve our Net Promoter Score with a smaller branch footprint and less manpower. To date, we have reduced our branch count to 752 BPI branches with more branches lined up for co-location or consolidation. Meanwhile, we continued to grow our BPI BanKo

branch count in support of financial inclusion, given the importance of physical presence in the self-employed micro-entrepreneurs and microfinance segment.

We acknowledge the importance and convenience that digitalization brings, but we will continue to strengthen our physical efforts and make perfect the “phygital” strategy that we stand by at BPI.

Pioneering Sustainability Innovations

At the heart of sustainability is change — in our mindset, in our lifestyle, and in our personal commitment to do better, and be better. In line with that, in March, we organized our very first BPI Sustainability Summit, when BPI’s senior management team communicated their respective ESG commitments and launched a mandatory training course, Sustainability 101. In June, we curated a series of activities in partnership with local and international institutions to establish the Philippines’ first Sustainability Awareness Month.

On the business front, BPI undertook a landmark Energy Transition Financing Facility — which reduced the life of a coal generation plant by 15 years; we launched the Philippines’ first Sustainable Fund Suite of green investment options; introduced the Green Savers Time Deposit that offered highly competitive interest rates for deposits supporting green loans; launched BPI-AIA’s Pamilya Protect that offers insurance coverage for the whole family via digital platforms; and made financing more affordable for Self-Employed Micro-Entrepreneurs (SEMEs) via KaNegosyo Lite.

Sustainable banking operations were also part of our journey. We signed an agreement to ensure BPI Buendia Center, BPI Intramuros, and the BPI Consumer Banking Headquarters get 100% of their power supply from renewable energy sources. We also set a new milestone in the Philippine banking industry when our BPI Iloilo Solis branch became the first bank branch in the Philippines to earn the Excellence in Design for Greater Efficiencies (EDGE) certification of the International



Finance Corporation (IFC), a member of the World Bank Group. An IFC-EDGE certified branch means 20% savings in embodied energy in materials used during construction as well as 20% savings in electricity and water consumption during the project's operation. We closed the year with four more branches — BPI Loyola Katipunan, BPI Guiguinto, BPI San Fernando Highway Main, and BPI North Greenhills — having received the same green building certifications, demonstrating our commitment to global sustainability standards.

Sustainability isn't something that any organization or any individual can achieve overnight, it takes serious dedication, hard work, strategic planning, and detailed implementation. We at BPI are committed to ensuring that sustainable growth and development remains at the center of our strategy and activities as we continue to pursue our vision to be a RESPONSIBLE AND SUSTAINABLE BANK.

In closing

If there's anything 2022 has taught us, it is to remain focused on banking excellence anchored on trust and the best digital offers. The new year will be a little more challenging as we need to ride through the global economic issues of inflation and higher interest rates. But despite these circumstances, there are signs that our country will do well, supported by a confident, digitally-oriented population and a business-friendly national administration focused on economic growth for all. We know that BPI will do just as well with your continued trust and support.

To close, I would like to express my sincerest thanks and wholehearted appreciation to our Board of Directors for their guidance and the confidence they have shown us; my fellow Unibankers who have taken our NICE values to heart; and all of you stakeholders – our shareholders, customers, clients, neighbors, and friends.

Let's continue what we started together — let's help build a better Philippines — one family, one community at a time.