



6 September 2019

**MS. JANET A. ENCARNACION**

Head, Disclosure Department

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6<sup>th</sup> Floor, PSE Tower

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Bonifacio Global City, Taguig City

Dear Ms. Encarnacion,

We are writing to inform the Exchange that the information set forth in Appendix 1 will be made available to the press. Such information relates to Rizal Commercial Banking Corporation's US\$ Senior Unsecured Fixed Rate Reg S Sustainability Notes offering under its US\$2,000,000,000 Medium Term Note Program.

Thank you.

Very truly yours,

**MA. CHRISTINA P. ALVAREZ**

First Senior Vice President and Corporate Information Officer  
Rizal Commercial Banking Corporation

cc: Atty. Marie Rose M. Magallen-Lirio, Philippine Dealing and Exchange Corp.  
Encl: Press Release



## Appendix 1

### Press Release

#### Rizal Commercial Banking Corporation raises US\$300 MILLION 5-YEAR SENIOR UNSECURED SUSTAINABILITY NOTES

On 4 September 2019, Rizal Commercial Banking Corporation (the “**Bank**” or “**RCBC**”) returned to the U.S. dollar bond markets, successfully pricing its inaugural US\$300 million 5-year Senior Unsecured Fixed Rate Sustainability Bonds (the “**Notes**”) via a drawdown under its US\$2,000,000,000 Medium Term Note Program. The Notes, rated Baa2 by Moody’s, will be issued at 99.751 with a coupon of 3.000% per annum and a maturity date of 11 September 2024. The Notes will be issued under the Sustainable Finance Framework of RCBC.

The Notes, in denominations of US\$200,000 and increments of US\$1,000 thereafter, will settle on 11 September 2019. The Notes will be listed on the Singapore Exchange Securities Trading Limited, similar to the Bank’s other three outstanding USD-denominated bonds.

Capitalizing on the conducive market backdrop, the Bank announced a USD Sustainability Bond transaction during Asia morning of 4 September 2019. The joint syndicates released terms and initial price guidance for a new 5-year bond at a spread of 195 bps over the 5-year U.S. Treasury yield. The transaction saw strong interest from a wide range of high quality Asian and European investors, which allowed the Bank to tighten final price guidance to 170 -175 bps over the 5-year U.S. Treasury yield. The Notes eventually priced at the tight end of price guidance, at a spread of 170bps, over the 5-year U.S. Treasury yield representing price tightening of 25bps from initial guidance. Worthy to note is that the final orderbook remained 5x oversubscribed, with orders from more than 100 accounts – clearly reflecting global investors’ continued confidence in RCBC and their positive outlook on the credit.

The orderbook was well diversified with 74% allocated to asset managers and fund managers, 18% to bank treasury and insurance and 8% to corporates, private bank and other investors.

“We are very happy about the global market’s reception of our Sustainability Bonds, the first of such bond out of the Philippines. We are particularly pleased with the investor diversification that was achieved in this offering. RCBC is extremely proud of the interest this issuance received from SRI investors, further strengthening our resolve to promote sustainable practices and support our clients’ sustainability goals” said RCBC Senior Executive Vice President and Treasurer Horacio E. Cebrero III.

The net proceeds from the issue of the Notes will be applied by RCBC to support and finance and/or refinance the RCBC’s loans to customers or its own operating activities in eligible green and social categories as defined in the RCBC’s Sustainable Finance Framework. **Sustainalytics** has provided a second party opinion on the RCBC’s Sustainable Finance Framework and has



concluded that the eligible categories for the use of proceeds are aligned with those recognized by the Green Bond Principles 2018, the Social Bond Principles 2018 and the Sustainability Bond Guidelines 2018, administered by the International Capital Markets Association and the ASEAN Green Bond Standards, the ASEAN Social Bond Standards and the ASEAN Sustainability Bond Standards 2018 administered by the ASEAN Capital Markets Forum. A copy of the Bank's Sustainable Finance Framework and the second party opinion can be found at RCBC's website (<https://www.rcbc.com/Others/Sustainability>).

BofA Merrill Lynch, Citigroup, ING and SMBC Nikko acted as Joint Bookrunners for the Drawdown. ING acted as the Sole Sustainability Bond Structurer.

## About RCBC

*RCBC is a leading financial services provider in the Philippines offering a wide range of banking and financial products and services. RCBC is engaged in all aspects of traditional banking, investment banking, microfinance, retail financing (auto, mortgage and housing loans, and credit cards), remittance, leasing, foreign exchange, and stock brokering. RCBC is a member of the Yuchengco Group of Companies (YGC), one of the oldest and largest conglomerates in South East Asia. For more information, please visit <https://www.rcbc.com> or email [investor\\_relations@rcbc.com](mailto:investor_relations@rcbc.com).*