



PRESS RELEASE

15 May 2019

MS. JANET A. ENCARNACION

Head, Disclosure Department

THE PHILIPPINE STOCK EXCHANGE, INC.

PSE Tower, 5th Avenue cor. 28th Street

Bonifacio Global City

Taguig City

Dear Ms. Encarnacion,

Please be advised that the following information would be made available to the major newspapers. It concerns RCBC to issue First ASEAN Sustainability Bond in the Philippines.

Thank you.

Very truly yours,

MA. CHRISTINA P. ALVAREZ

Senior Vice President and Corporate Information Officer

Rizal Commercial Banking Corporation

cc: Atty. Joseph B. Evangelista, Philippine Dealing and Exchange Corporation

RCBC to issue First ASEAN Sustainability Bond in the Philippines

The Rizal Commercial Banking Corporation (RCBC), one of the Philippines' largest banks, will be pioneering the issuance of a Peso ASEAN Sustainability Bond under its recently established sustainable finance framework. The planned issuance will also be the first Sustainability Bond from the Philippines issued under the ASEAN Sustainability Bond Standards 2018. The bond will also be aligned with the International Capital Market Association's Sustainability Bond Guidelines 2018.

RCBC has mandated ING Bank N.V., Manila Branch as Sole Arranger for the issuance and Sustainable Structuring Advisor for RCBC's sustainable finance framework.

RCBC Senior Executive Vice President and Treasurer Horacio E. Cebrero III said, "The Bank is proud to pioneer another first in the Philippine capital markets after its issuance of green bonds earlier this year. Proceeds from the ASEAN Sustainability Bond will go towards strengthening RCBC's commitment to the sustainable initiatives of its customers." RCBC has set the coupon rate for its ASEAN Sustainability Bond, with a tenor of 2 years, at 6.15% per annum. The target offering size is PHP 5 billion, with option for oversubscription. The public offer period will commence on May 14, 2019 until May 28, 2019, unless such date is adjusted by RCBC in its sole discretion. The bonds will be listed on PDEX on or around June 4, 2019.

RCBC will use the bond proceeds in accordance with the Green and Social Eligible Categories in the following areas: Renewable Energy, Green Buildings, Clean Transportation, Energy Efficiency, Pollution Prevention and Control, Sustainable Water Management, Environmentally Sustainable Management of Living Natural Resources and Land Use, Affordable Basic Infrastructure, Access to Essential Services, Employment Generation, Affordable Housing, and Socioeconomic Advancement and Empowerment. These green and social eligible categories for the use of proceeds are aligned with those recognized by the Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, Green Loan Principles and ASEAN Sustainability Bond Standards 2018.

The bonds provide investors with a means to channel their investible funds towards projects with positive environmental and social impacts. RCBC intends to report the allocation of the net proceeds to the Eligible Green and Social Portfolio. Wherever feasible, RCBC may report on the aggregated impact of the Eligible Green and Social Portfolio on a categorical level. The foregoing will enable investors to see the positive impact of RCBC's financing activities.

This planned issuance also supports the Philippine Securities and Exchange Commission's thrust to further develop sustainable financing in the local market. In 30 April 2019, the SEC issued guidelines on the issuance of social and sustainability bonds in line with the standards of ASEAN. The Commission En Banc on April 25 approved the "Guidelines on the Issuance of Social Bonds Under the Association of Southeast Asian Nations Social Bond Standards" and the "Guidelines on the Issuance of Sustainability Bonds Under the ASEAN Sustainability Bond Standards" through Memorandum Circular Nos. 8 and 9, Series of 2019.

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.