



SUSTAINABLE INNOVATIONS THAT DELIVER

2021 SUSTAINABILITY BONDS IMPACT REPORT

The Table of Contents is presented as a collection of ten hexagonal tiles arranged in two rows of five. Each tile contains a page number and a title. The tiles are styled in two ways: some are white with a green border, and others are solid green. The page numbers are in a dark blue font, while the titles are in a dark green font. The tiles are arranged in a staggered pattern, with the second row's tiles offset to the left relative to the first row's tiles.

01 Foreword	03 About RCBC	04 About the Report	05 RCBC on Sustainable Finance	08 RCBC Sustainable Finance Framework
09 Eligible Green Portfolio	11 Eligible Social Portfolio	12 RCBC Sustainability Bonds Allocation Report	13 RCBC Sustainability Bonds Impact Report	32 Key Definitions

MESSAGE FROM THE CHAIRPERSON

Banks have been facing intense competition from digital payments, fintechs, telcos, and other providers in recent years. Their role has been diminished in many developed markets. But if there is one area in which banks play a critical role, it is sustainable development. This has never been clearer than during the COVID-19 global pandemic and the extreme weather events we experienced and continue to face.

In the world stage, financial institutions play a lead role in meeting the goal of net zero emissions by 2050. An estimated USD1.5 trillion (roughly equivalent to 5% of global GDP) is needed to finance the transition from a high-carbon dependency economy to a green economy, which would curb emissions that contribute to global warming.

In a developing country like the Philippines, the credit line that financial institutions extends also serves as a lifeline to many.

Due to its geographical location, the Philippines has been ranked 4th among the ten most affected and the most vulnerable to extreme weather events from 2000 to 2019, according to the 2021 Global Climate Risk Index. During these two decades alone, tropical cyclones such as Bopha (2012), Haiyan (2013), and Mangkhut (2018) caused massive devastation in this developing country with nearly 110 million people.

On December 16, 2021, Super Typhoon Rai (locally known as Odette) caused widespread damages to homes, public infrastructure, and power and telecommunications services in over seven provinces across the country. The typhoon dealt a fresh blow on our efforts toward economic recovery after suffering from COVID-19's adverse impact.

It is through this lens that we view our role as important. Being among the country's top ten largest banks, RCBC is heeding the call of the Bangko Sentral ng Pilipinas (BSP) for financial institutions to be an

enabler of environmentally and socially responsible business decisions. In fact, we are not just determined to heed the call — but to lead the charge.

When the BSP issued Circular 1085 mandating banks to integrate sustainability considerations in their governance frameworks, risk management systems, strategies and operations, RCBC has already been building a climate-resilient and low-carbon loan portfolio. We have already established our own Sustainable Finance Framework as early as 2019. Our Environmental and Social Management System (ESMS) has been in place since 2011.

Being at the forefront of sustainable finance not only opens up a world of possibilities for RCBC, but also entails enormous responsibility. We must do our part to reduce global warming, engage our clients to embrace sustainability as a way of life, and ensure that our operations effectively contribute to the achievement of the UN Sustainable Development Goals and the country's commitment to the Paris Agreement.

The road ahead is long and anything but easy. It requires major changes in all our businesses, sectors, and economic and social stakeholders. It demands a change in human behavior and mindsets, as well as systems, infrastructure, and many more. But more than these, it calls for serious determination and steadfast commitment.

RCBC cannot do it alone. A long journey needs enduring partnerships. And only when we reach our final destination — a green and bright future for our children and the succeeding generations — can we claim that our sustainable innovations have truly delivered.



HELEN YUCHENGO-DEE
Chairperson



MESSAGE FROM THE PRESIDENT AND CEO

Banking is a business of trust. A proper banker not only looks out for the investments, but also protects the interests of its clients and the communities it serves.

And in order to do this, transformation is key. As the environment changes, so must banks — transforming how it does business from a brick and mortar, to the more advanced ways of digital banking.

But beyond transforming the way we do business, as bankers, we also need to adapt to important societal advocacies. In our case, we chose problems that we could help solve using our own unique internal capabilities.

Sustainable finance is one such challenge that we are serious about. To be in sustainable finance nowadays is to respond to a true calling. Saving the planet and creating a more sustainable future requires long-term commitment.

This we realized as we struggled with the lingering effects of the COVID-19 global pandemic and extreme weather disturbances like Super Typhoon Odette which caused havoc in many parts of the Philippines in December 2021. If there is one lesson we universally learned from all these events, it is that we cannot solve everything alone.

This is why the Bangko Sentral ng Pilipinas (BSP) has been rallying support for lending or investing in green or sustainable projects. Meeting the country's Nationally Determined Contribution (NDC) to the Paris Agreement, where the country has committed to reduce its projected greenhouse gas emission (GHG) to 75% from 2020 to 2030, demands an all-hands-on-deck approach.

Fully committed to support the BSP's call, we at RCBC have been stepping up our contributions to the reduction of global warming. Since the creation of our Sustainable Finance Framework in 2019, we have already embarked on these pioneering efforts:

- Issuance of green, social or sustainable debt instruments: From 2019 to March 2021, RCBC has raised more than USD1.1 billion in green and sustainability bonds. Our latest issuance, the Php17.87-billion ASEAN Sustainability Bond in March 2021, scored a milestone by becoming the only

Philippine peso-denominated sustainability bond to be issued in the country in 2021, and the largest in our 61-year history.

- Use of ESG tools: In January 2021, RCBC entered into an advisory engagement with the International Finance Corporation (IFC) and 2 Degree Investing Initiative (2DII) for the use of the Paris Agreement Capital Transition Assessment (PACTA) tool and related methodology developed by 2DII. This is the first to be conducted by IFC and 2DII in Asia.
- Climate change risk assessment: In September 2021, RCBC became the first Philippine Bank to join the Partnership for Carbon Accounting Financials (PCAF), an initiative among financial institutions worldwide to enable harmonized assessments and disclosures of GHG emissions financed by loans and investments. This enables us to have a firmer grasp of the climate impact of businesses that we support. As a PCAF participant, we are committed to disclosing the GHG emissions of our loan portfolio within three years from joining the organization.

We expect to play a more active role as we journey with the BSP and the Department of Finance in their roadmap to promote the development of sustainable financing in the country. In the coming years, we plan to grow our portfolio of funding and refinancing support for renewable energy, energy efficiency projects, green buildings, green transportation, and sustainable water management, among others.

As a responsible financial institution determined to be at the forefront of sustainable finance in the local industry, we will ensure that the manner in which we do business can lead to shaping a cleaner and fairer future that leaves no one behind. After all, sustainability is a shared responsibility. And doing good is not only good business, it is the right thing to do.



EUGENE S. ACEVEDO
President and CEO





ABOUT RCBC

Rizal Commercial Banking Corporation (RCBC) is part of a Filipino conglomerate known as the Yuchengco Group of Companies (YGC). With around 60 businesses under its umbrella, YGC is recognized as one of the oldest and largest conglomerates in Southeast Asia.

RCBC was incorporated in 1960 under the name Rizal Development Bank. In 1963, it received approval from the Bangko Sentral ng Pilipinas (BSP) to operate as a commercial bank. It began operations under its present name and acquired a universal banking license in 1989.

As a diversified financial institution, RCBC serves corporate and individual banking needs through multiple customer channels, offering innovative products and services to various markets. The Bank has an inclusive financial business model that expanded in 2009 when it ventured into the microfinance business through Rizal MicroBank to cater to small entrepreneurs and the underserved.

From being a development bank in 1960, RCBC is now among the top 10 major industry players in the Philippines' universal and commercial banking group. Based on the latest BSP report, RCBC ranked 8th in terms of total assets, which reached Php959 billion in 2021.

RCBC is a recognized leader in the sustainability space. The Bank issued a Php17.87-billion ASEAN Sustainability Bond, the only peso-denominated sustainability bond in 2021. It also won several awards and recognition for its sustainability initiatives:

- **Philippines' Domestic Initiative of the Year for Sustainable Financing:** Asian Banking & Finance Awards 2020
- **Best Green Bank Philippines 2020:** Global Banking & Finance Review
- **Best Sustainability Bond:** The Asset 2021 Country Awards Philippines
- **Environmental, Social, and Governance (ESG) - Gold Award:** The Asset 2021 ESG Corporate Awards
- **One of the Top Community-Centric Companies in Asia:** Asia Corporate Excellence & Sustainability (ACES) Awards
- **Finalist for RCBC Impact Report Video:** Global Sustainability Film Awards 2021 (Financing Sustainability category)

Since December 2020, RCBC has maintained an "AA" ESG rating by Morgan Stanley Capital International (MSCI) ESG Ratings, indicating sound business organization and risk mitigation. It has the highest ESG rating of AA in the peer benchmarking published by MSCI. MSCI's research work and due diligence depends on publicly available information such as RCBC's Sustainability Bonds Allocation Report and Impact Report, as well as the Annual and Sustainability Report.

ABOUT THE REPORT

Under its Sustainable Finance Framework, RCBC publishes an Allocation Report and an Impact Report. Reporting takes place a year following the issuance of the Sustainable Financing Instruments (SFIs) and renewed annually until the net proceeds are fully allocated.

Allocation Report

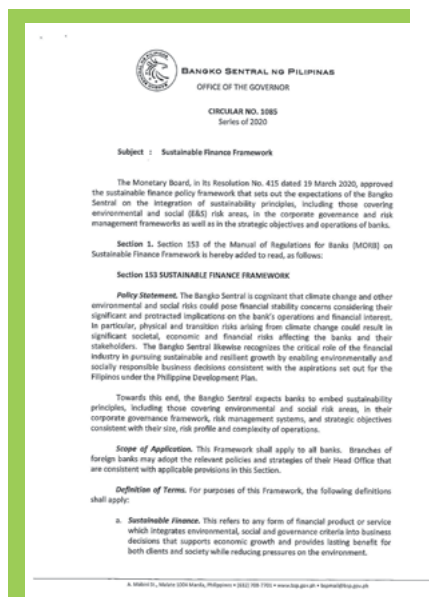
The Allocation Report shows how the net proceeds from the SFI are distributed in the Eligible Green and Social Portfolio. Details of the report include:

1. Eligible projects
2. Eligible Green, Eligible Social, and Total Eligible Sustainable Portfolio amounts and distribution
3. SFI amounts and maturity dates
4. SFI allocation to Eligible Green and Eligible Social Assets
5. Percentage of Eligible Sustainable Portfolio allocated
6. Percentage of net proceeds allocated to Eligible Sustainable Portfolio
7. Eligible Green, Eligible Social, and Total Eligible Sustainable Portfolio buffer

Impact Report

The Impact Report shows the aggregated impact of the Eligible Green and Social Portfolio. Details of the report include:

1. Relevant indicators such as:
 - Renewable Energy: installed capacity and annual energy generation
 - Energy Efficiency: annual emissions avoided
 - Clean Transportation: type and number of public transportation projects funded
 - Sustainable Water Management: annual water supplied, collected, or treated
 - Pollution Prevention and Control: annual septage collected, treated, or recycled
 - Access to Essential Services: number of patients and hospital beds
 - Socioeconomic Advancement and Empowerment: loans to underserved individuals
 - Employment Generation: loans extended to qualified small and medium enterprises
 - Affordable Housing: number of affordable houses financed
2. Impact of the Eligible Green and Social Portfolio based on the United Nations Sustainable Development Goals (SDGs)



These reports conform to the disclosure requirements under the Bangko Sentral ng Pilipinas (BSP) Circular 1085 on Sustainable Finance Framework, issued in April 2020. The Circular includes reporting by financial institutions on “products/services aligned with internationally recognized sustainability standards and practices. This shall include the issuance of green, social or sustainability bonds.”

RCBC ON SUSTAINABLE FINANCE

RCBC has been at the forefront of the Philippine banking industry's move towards building a climate-resilient and low-carbon loan portfolio. Being in a country that is considered among the most vulnerable to climate crisis makes it imperative for the Bank to play a role in reducing carbon emissions through sustainable finance.

The Philippines ranks 4th among the 10 countries most affected by extreme weather events over the last two decades (2000-2019), according to the 2021 Global Climate Risk Index.¹ Due to its geographic location, the country is regularly exposed to tropical cyclones such as Bopha in 2012, Haiyan in 2013, and Mangkhut in 2018. Given this inherent vulnerability, the Philippines was included among countries still recovering from the previous years' impacts.

At the 26th United Nations Climate Change Conference of the Parties (COP26) in November 2021, the Philippines presented its newly established Sustainable Finance Roadmap as a model for other emerging economies to incorporate climate and environmental factors in the deployment of funds in support of a sustainable and resilient economy.²

The Roadmap reinforces the country's Nationally Determined Contribution (NDC) to the Paris Agreement, where it has committed to a projected greenhouse gas emission (GHG) reduction and avoidance of 75% from 2020 to 2030 for agriculture, waste, industry, transport, and energy sectors. This is a marked increase from its initial NDC of 70% to the Paris Agreement in 2015 which urged country parties to limit global warming to 1.5 degrees Celsius. The Roadmap was accomplished through the Philippines' partnership with the British government which supported the creation of the Inter-Agency Technical Working Group for Sustainable Finance (ITSF) led by the Department of Finance (DOF) and the BSP.

The Roadmap promotes the development of sustainable financing on green policies and programs under three strategic pillars:

1. Policy: development of fiscal policies on reversing the adverse impact of climate changes;
2. Financing: promotion of sustainable finance; and
3. Investment: development of a sustainable pipeline.

At the launch of the Sustainable Finance Roadmap in October 2021, BSP Governor Benjamin Diokno said at least seven local Philippine banks have already issued a total of USD1.15 billion and Php85.4 billion in green, social, and sustainability bonds since 2017.³

Proceeds from these bonds are being applied or will be applied as funding and refinancing support for renewable energy, energy efficiency projects, green buildings, green transportation, and sustainable water management, among others.

The BSP underscores the need for banks to be aware of climate change and manage its associated risks to fully maximize the opportunities for lending or investing in green or sustainable projects. Banks have the ability to design SFIs to fund pandemic response and recovery, as well as support other economic activities that contribute to long-term sustainable development.

Sustainable Finance Strategy

RCBC strongly supports the BSP's call for financial institutions to be enablers of environmentally and socially responsible business decisions.

RCBC is one of the earliest adopters of BSP Circular 1085 which mandates Philippine banks to integrate sustainability considerations in their governance frameworks, risk management systems, strategies and operations.

The Bank has been implementing its Environmental and Social Management System (ESMS) since 2011 and its own Sustainable Finance Framework since April 2019.



¹ Eckstein, D., Künzel, V., and L. Schäfer. (2021). GLOBAL CLIMATE RISK INDEX 2021: Who Suffers Most from Extreme Weather Events? Weather-Related Loss Events in 2019 and 2000-2019. Bonn, Germany : Germanwatch e.V. https://germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202021_1.pdf

² Bangko Sentral ng Pilipinas. (2021). "The Philippine Sustainable Finance Roadmap". <https://www.bsp.gov.ph/Regulations/Issuances/2022/CL-2022-011.pdf>

³ BusinessWorld. (2021, October 21). Gov't looking to set up sustainable finance institute. <https://www.bworldonline.com/govt-looking-to-set-up-sustainable-finance-institute/>

Environmental and Social Management Due Diligence

RCBC's ESMS Policy requires all lending relationships or credits, both pipeline and portfolio, to be vetted from an environmental and social risk perspective.

The ESMS assessment takes place before a lending decision is made and continues during the life cycle of the loan agreement with the client. Through its implementation of the ESMS policy, the Bank is able to share its sustainability principles to help clients stay compliant with E&S regulations.

Sustainable Finance Risks and Opportunities

Banks and financial institutions have a vital role in reducing global warming, supporting the government in meeting its sustainability objectives, and effectively contributing to the UN Sustainable Development Goals (SDGs) and the Paris Agreement.

In a report completed in May 2021, international credit ratings agency Moody's said major banks in the Philippines have the second-largest exposures to credit risks that are linked to environmental factors, particularly climate change. It said there are five critical sectors to focus on: mining, energy, oil and gas, surface transportation and logistics, steel and chemicals, and building / construction materials. Moody's disclosed that major Philippine banks have a total exposure of 22% to these five sectors, one of the highest in the Asia-Pacific region. It further noted that countries with inadequate healthcare systems (low patient coverage, few physicians, and insufficient facilities) are expected to be more vulnerable to climate shocks as these can drastically increase the demand for healthcare support and may lead to a collapse of the healthcare infrastructure.

As a leading domestic financial institution and a responsible corporate entity, RCBC is committed to doing its part in the national effort.

Since the creation of its Sustainable Finance Framework in 2019 until end-2021, RCBC has raised a total of USD1.1 billion in green and sustainability bonds, with the largest issuance completed amidst the pandemic in March 2021. The Bank continued to provide funding support to address urgent needs in clean energy and public healthcare. Its bond issuances aimed to increase awareness among peer banks and promote a concerted effort towards preventing further damage to the environment and communities.

In December 2020, RCBC announced it will no longer extend financing to new coal-fired power projects in the Philippines. Its investments in coal exposure will also taper off and remain in the Bank's books only until 2031. This is a clear demonstration of RCBC's leadership in shifting financing towards clean energy, supporting the government's moratorium on endorsements for greenfield coal power plants, and building a more sustainable power supply mix.

Since 2012, the Bank has supported around 3 gigawatts (GW) of renewable energy projects (solar, wind, hydropower, and geothermal). It intends to reinforce funding support for renewable energy projects by tapping 12 projects with combined capacity of about 1.6 GW in 2022 and 2023.

In addition, RCBC has embarked on the following pioneer capacity-building activities that allow the Bank to contribute to the Philippine commitment to the Paris Agreement:

- January 2021: Advisory engagement with the International Finance Corporation (IFC) and 2 Degree Investing Initiative (2DII) for the use of the Paris Agreement Capital Transition Assessment (PACTA) tool and related methodology developed by 2DII. This advisory engagement for RCBC is the first to be conducted by IFC and 2DII in Asia. The results of the PACTA evaluation will be integrated into the Bank's stress testing results that will be reported to the BSP.
- September 2021: Participation in the Partnership for Carbon Accounting Financials (PCAF), an initiative among financial institutions worldwide to enable harmonized assessments and disclosures of GHG emissions financed by loans and investments. RCBC is the first Philippine Bank to join PCAF. RCBC's participation in PCAF is a decisive step in understanding the climate impact of the businesses that the Bank supports. As a PCAF participant, RCBC commits to disclose the GHG emissions of its portfolio within three years from joining the organization.

RCBC's openness to global tools on climate risk analysis (PACTA and PCAF) that have not been previously tapped in Asia or in the Philippines is an indication of the Bank's resolve to lead the banking industry towards deeper understanding of a bank's role in rebalancing its portfolio toward sustainability.

⁴ Moody's Investors Service. (2021, May 27). Research Announcement: Moody's - Asia-Pacific's large, diversified banks better positioned to cope with climbing climate risks. https://www.moody's.com/research/Moodys-Asia-Pacific-large-diversified-banks-better-positioned-to-cope--PBC_1287668

Below are RCBC's initiatives to lower its carbon footprint and support sustainable finance activities to help meet the UN SDGs:



Green Building

Transformed its Corporate Head Office in Manila into a LEED Gold-certified building in 2018



Green Projects

Funded Green Projects that support the UN SDGs, in particular, Clean Water and Sanitation, Affordable and Clean Energy, Industry, Innovation and Infrastructure, Sustainable Cities and Communities, Responsible Consumption and Production, Climate Action, and Life Below Water

PHP49B

Estimated funding for projects and loans that contribute to reducing the carbon footprint of the Philippines



Social Projects

Funded Social Projects that support the UN SDGs, in particular, Good Health and Well-being, Quality Education, Decent Work and Economic Growth, Industry, Innovation, and Infrastructure, Reduced Inequalities, and Sustainable Cities and Communities

>PHP18B

Funding for projects and loans that provide access to social needs, directly improving the living conditions of Filipinos



RCBC SUSTAINABLE FINANCE FRAMEWORK

Under RCBC's Sustainable Finance Framework, the Bank can issue green, social or sustainable debt instruments. Since the creation of this Framework in 2019 until March 2021, RCBC has raised around USD1.1 billion in green and sustainability bonds.

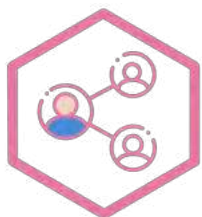
The most recent issuance of Php17.87 billion ASEAN Sustainability Bond was listed in dual-tenor 2.5- and 5.25-year ASEAN Sustainability bonds in the Philippine Dealing Exchange. This transaction was the only Php-denominated Sustainability bond to be issued in the country in 2021, and the largest in RCBC's 61-year of banking history.

Eligible Project Categories

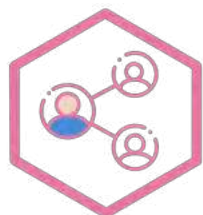
RCBC allocates the proceeds of SFIs to finance and/or refinance loans to customers or its own operating activities. The allocation of the proceeds is as follows:



Proceeds of RCBC's Green Bond or Green Loan go to Eligible Green Categories.



Proceeds of RCBC's Social Bond or Social Loan go to Eligible Social Categories.



Proceeds of RCBC's Sustainability Bond go to Eligible Green Categories and Eligible Social Eligible Categories.

RCBC SUSTAINABILITY BOND ISSUANCES

As of December 31, 2021



	Sustainability Bond (Php) Maturing Sept. 2023*	Sustainability Bond (USD) Maturing Sept. 2024**	Sustainability Bond (Php) Maturing June 2026*
Eligible Green	8,246	14,400	2,065
Eligible Social	5,497	1,600	2,065

* Issued in March 2021

** Issued in September 2019

ELIGIBLE GREEN CATEGORIES

RCBC's Eligible Green Portfolio may include Eligible Green Assets in these categories:



Renewable Energy

Projects such as solar, wind, hydropower (25MW and below), geothermal, and biomass (source must be certified as sustainably managed by recognized third-party standards and excludes those that compete with food production)



Energy Efficiency

Development or production of products or technologies that reduce industrial energy consumption such as improved chillers, transition to fiber networks, improved lighting technology, and reduced power usage in manufacturing operations (excluding fossil fuel-based technologies)



Green Buildings

Buildings that meet recognized standards, such as the Philippines' BERDE Green Building Rating System (4-star and above), LEED (Gold and above), or those belonging to the top 15% of low-carbon buildings in their respective category and local context



Clean Transportation

Electric vehicles, infrastructure for electric vehicles such as charging stations, as well as public mass-passenger transportation, passenger and freight rail infrastructure (excluding rail transport dedicated to fossil fuels), and non-motorized transportation



Pollution Prevention & Control

Reduction of air emissions, greenhouse gas control (excluding investments directly linked to fossil fuel technology), soil remediation, waste management (excluding landfills) such as waste prevention, waste reduction, waste recycling and energy- or emission-efficient waste to energy (municipal waste to energy to include emission abatement technology)



Sustainable Water Management

Sustainable infrastructure for clean water, wastewater treatment, sustainable urban drainage systems, and other forms of flooding mitigation



Environmentally Sustainable Management of Living Natural Resources & Land Use

Environmentally sustainable agriculture, environmentally sustainable fishery and aquaculture, environmentally sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural landscapes

The proceeds may also be used to fund assets or projects in RCBC operations that have positive environmental impact such as:



Renewable Energy

Installation of solar panels or other renewable energy equipment



Energy Efficiency

Purchase and installation of products or technologies that reduce energy consumption in office buildings and facilities, such as improved lighting technology (excluding efficiency improvements in fossil fuel-based technologies)



Pollution Prevention & Control

Purchase and installation of recycling infrastructure (excluding landfills), including waste minimization, management, recycling, and reuse



Green Buildings

Construction or lease of office space in buildings that meet recognized standards, such as the Philippines' BERDE Green Building Rating System (4-star and above), LEED (Gold and above), or those belonging to the top 15% of low-carbon buildings in their respective category and local context

ELIGIBLE SOCIAL CATEGORIES

RCBC's Eligible Social Portfolio may include Eligible Social Assets in these categories:



Affordable Basic Infrastructure

Construction, operation or upgrading of basic infrastructure, such as clean drinking water, sewers, and sanitation



Access to Essential Services

Healthcare for the underserved (e.g., hospitals accredited by PhilHealth, elderly care, pharmaceutical manufacturers where at least minimum 80% of the revenues are from the sale of generic medicines, distributors and traders, and drugstores) and education (schools, universities, vocational training, sheltered workshops)



Employment Generation

Loans to small and medium enterprises, as defined by the BSP



Affordable Housing

Loans for the development or purchase of socialized housing and economic housing, as defined by the Housing and Land Use Regulatory Board of the Philippines



Socioeconomic Advancement and Empowerment

Loans to minority, underserved, and low-income individuals, including those disbursed by rural banks (as defined by the BSP's Manual of Regulation for Banks), and cooperatives (as defined by Republic Act 9520)

RCBC SUSTAINABILITY BONDS ALLOCATION REPORT

As of December 31, 2021

ELIGIBLE SUSTAINABLE PORTFOLIO				SUSTAINABLE FUNDING						
	No. of Projects	Amount (Php M)	%	Instrument	Maturity Date	Amount (Php M)	Allocation			
							Green	%	Social	%
Eligible Green	20	48,729	73%	Sustainability Bond (USD)	11-Sep-24	16,000	14,400	90%	1,600	10%
Renewable Energy	11	25,366	38%	Sustainability Bond (Php)	30-Sep-23	13,743	8,246	60%	5,497	40%
Energy Efficiency	2	14,860	22%	Sustainability Bond (Php)	30-Jun-26	4,130	2,065	50%	2,065	50%
Clean Transportation	3	7,390	11%							
Sustainable Water Management	2	1,089	2%							
Pollution Prevention and Control	2	24	0%							
Eligible Social	9,155	18,296	27%							
Access to Essential Services	33	5,513	8%							
Socioeconomic Advancement and Empowerment	1	1,227	2%							
Employment Generation	741	5,314	8%							
Affordable Housing	8,380	6,243	9%							
Total Eligible Sustainable	9,175	67,026	100%	Total Funding		33,873	24,711	73%	9,162	27%

Percentage of Eligible Sustainable Portfolio Allocated (Usage) 51%

Percentage of Net Proceeds of Sustainable Funding Allocated to Eligible Sustainable Portfolio 100%

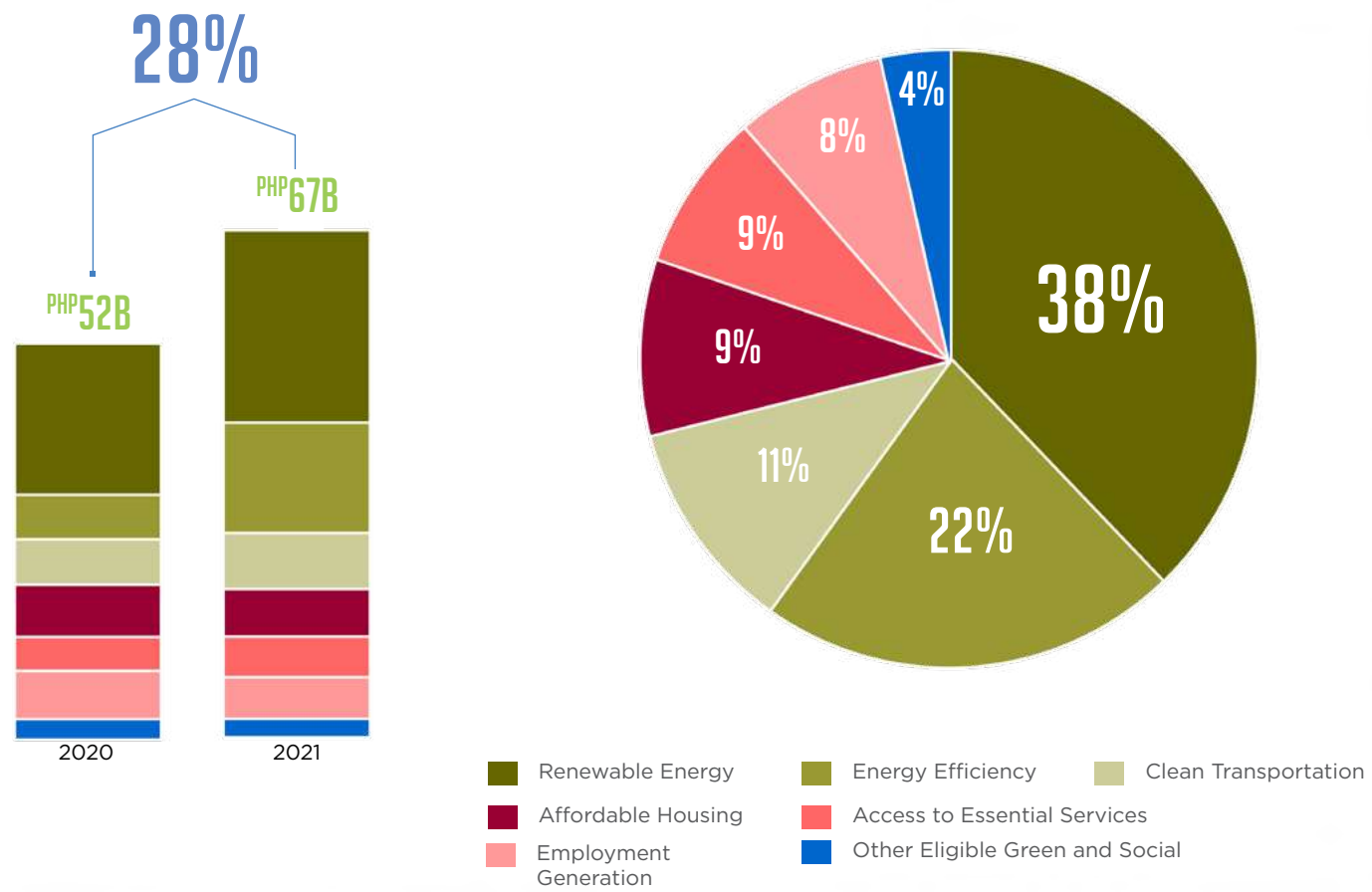
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Eligible Green Portfolio	24,019	49%
Eligible Social Portfolio	9,134	50%
Total Eligible Sustainable Portfolio	33,153	49%

RCBC SUSTAINABLE PORTFOLIO SIZE AND DISTRIBUTION

As of December 31, 2021

Total eligible sustainable portfolio increased by **28% to Php67 billion** in 2021. Renewable energy and energy efficiency projects were the main drivers of this growth, comprising 60% of the total sustainable portfolio (vs. 49% in 2020).



TOTAL ELIGIBLE SUSTAINABLE PORTFOLIO

As of December 31, 2021

RCBC's Eligible Green and Social Assets amounted to a total of **Php67.026 billion**. These assets are all aligned with the Sustainable Finance Framework.

The impact of projects for the aggregated portfolio of Eligible Assets is shown here:



2,089 MW

Total renewable energy capacity

10,413,147 MWh

Total renewable energy generated per year

5,137,485 tCO₂

Total emissions avoided per year



154,395 MWh

Total energy saved per year



15.58 MILLION CUBIC METERS (CBM)

Total water supplied per year

1.95 MILLION CBM

Total wastewater treated per year



130,567 CBM

Total amount of septage collected and treated



120

Total light rail vehicles

21 KMS

Total passenger rail track

42.57 MILLION

Total passengers per year



557

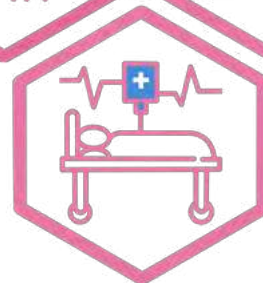
Total buses

70 MILLION KMS

Total distance travelled per year

18 MILLION

Total passengers per year⁵



233

Total drugstores carrying generic

1,820

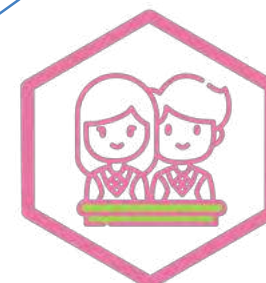
Total hospital beds

6,835

Total children vaccinated per year

520,006

Total patients treated per year



177,066

Total students per year

⁵ Total number of passengers is attributed to the year 2019, considered to be representative of the asset's impact/capacity under normal circumstances. According to the Nordic Public Sector Issuers (NPSI): "When possible, reporting should be normalized to reflect a representative year... Normalization may not be applicable for all project categories, and in the case of clean transportation may be complicated..." Source: NPSI. (2020). Position Paper on Green Bonds Impact Reporting: February 2020. 10. https://www.kuntarahoitus.fi/app/uploads/sites/2/2020/02/NPSI_Position_paper_2020_final.pdf

TOTAL ELIGIBLE SUSTAINABLE PORTFOLIO

As of December 31, 2021



296,080

Total clients served per year via rural banks and cooperatives



741

Total loans extended to qualified SMEs



8,380

Total affordable houses financed

















CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

RCBC's Eligible Green and Social Assets as of December 31, 2021 address 11 of the 17 UN SDGs, as follows:










RCBC SUSTAINABILITY BONDS IMPACT REPORT

As of December 31, 2021

	No. of Projects	Amount (Php M)	%	Impact			SDG Addressed
Eligible Green	20	48,729	73%				
Renewable Energy	11	25,366	38%	2,089 MW renewable energy capacity	10,413,147 MWh renewable energy generated per year	5,137,485 tCO2 emissions avoided per year	 
Energy Efficiency	2	14,860	22%	154,395 MWh energy saved per year			   
Clean Transportation - Rail	1	6,843	10%	120 light rail vehicles	21 kms of passenger rail track	42.57 million passengers per year	  
Clean Transportation - Bus	2	547	1%	557 buses	70 million kms distance travelled per year	18 million passengers per year	  
Sustainable Water Management	2	1,089	2%	15.58 million cbm water supplied per year	1.95 million cbm wastewater treated per year		 
Pollution Prevention and Control	2	24	0%	130,567 cbm septage collected per year			 

RCBC SUSTAINABILITY BONDS IMPACT REPORT

As of December 31, 2021

	No. of Projects	Amount (Php M)	%	Impact				SDG Addressed
Eligible Social	9,155	18,296	27%					
Access to Essential Services - Healthcare	16	3,126	5%	233 Drugstores carrying generic medicines	1,820 Hospital beds	6,835 Children vaccinated per year	520,006 Patients treated per year	
Access to Essential Services - Education	17	2,386	4%	177,066 Students per year				
Socioeconomic Advancement and Empowerment	1	1,227	2%	296,080 Clients served per year via rural banks and cooperatives				 
Employment Generation	741	5,314	8%	741 Loans extended to qualified SMEs				 
Affordable Housing	8,380	6,243	9%	8,380 Affordable houses financed				
Total Eligible Sustainable = Eligible Green + Eligible Social	9,175	67,026	100%					



ELIGIBLE GREEN PORTFOLIO

RCBC has 20 projects in its Eligible Green Assets portfolio, amounting to Php48.729 billion as of December 31, 2021.

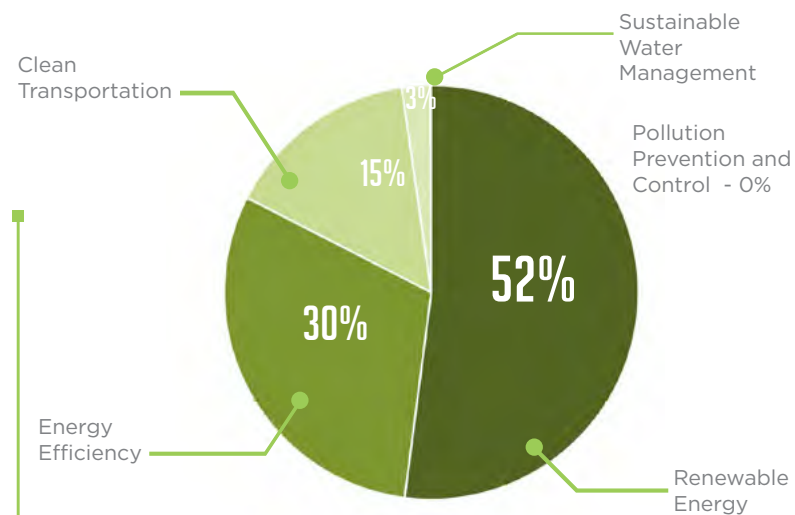
Projects in the categories Renewable Energy and Energy Efficiency accounted for 52% and 30% of the Eligible Green Portfolio, respectively.

Clean Transportation had a 15% share, while Sustainable Water Management together with Pollution Prevention and Control projects made up 3%.

PHP 48.7B

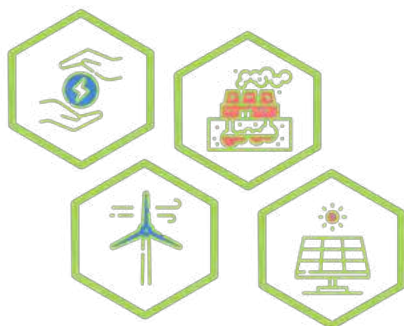
Total amount of 20 projects in RCBC's Eligible Green Assets Portfolio

ELIGIBLE GREEN PORTFOLIO DISTRIBUTION





RENEWABLE ENERGY



Renewable Energy	Number of Projects	Amount (Php M)	%	MW total renewable energy capacity	MWh total renewable energy generated per year	tCO ₂ total emissions avoided per year
Solar Energy	6	12,071	18%	447	764,160	414,939
Wind Energy	1	5,644	8%	109	77,624	42,150
Geothermal Energy	3	4,982	7%	1,509	9,571,363	4,680,397
Hydropower Energy	1	2,670	4%	25	-	-
Total Renewable Energy	11	25,366	38%	2,089	10,413,147	5,137,485

According to the Independent Electricity Market Operators of the Philippines (IEMOP), power consumption in 2021 grew by 5.74% to 80,697 GWh.⁶ Of this, the share of coal-fired power plants increased from 53.37% in 2020 to 55.33% in 2021. The Philippines remains significantly dependent on coal-fired power plants.

The Philippines' Department of Energy plans to increase the share of renewables in the overall power generation mix to 50% by 2050. This demands the addition of up to 73,868 GW in total renewable energy capacity.⁷ To help the country rebalance its power sources mix towards cleaner energy, RCBC helped fund solar, wind, and hydro power plant projects, with a total production capacity of 581 MW in 2021 involving funds of Php20.4 billion.

In addition, RCBC extended Php5 billion in financing support to geothermal power plant projects (accounting for 30-50% of total project costs) with a total capacity of 1,509 MW and generating total energy of 9,571,363 MWh in 2021.

Funding towards the operational solar, wind, and geothermal projects corresponds to an estimated 5,137,485 tons of CO₂ emissions avoided per year.⁸

⁶ Independent Electricity Market Operators of the Philippines. 2021. Publications. <https://www.iemop.ph/home-media/publications/>

⁷ Department of Energy. (2022). Strategic Focus Areas. Philippine Energy Plan 2020-2040: Towards a Sustainable and Clean Energy Future. Taguig City: 168. https://www.doe.gov.ph/sites/default/files/pdf/pep/PEP_2020-2040_signed_01102022.pdf

⁸ Based on PCAF methodology (as confirmed by PCAF on March 23, 2022)



ENERGY EFFICIENCY

Energy Efficiency	Number of Projects	Amount	%	km of Fiber Technology Constructed (as of December 31, 2021)	MWh Energy Savings
Connectivity Services (with Fiber Technology)	2	14,860	22%	705,000	154,395.00
Total Energy Efficiency	2	14,860			

According to the ITSF's Sustainable Finance Roadmap, assistance towards energy efficiency from the private banking sector remains lacking. To help augment the sector's contribution, RCBC extended loans of Php14.86 billion to businesses that use or are transitioning towards fiber technology. Fiber technology promotes reduced energy consumption, translating to lower CO₂ emission and heat generation. By extending the loans, RCBC helped financed projects that reduce energy usage by 154,395 MWh per year.⁹

⁹Studies have shown that fiber optic technology only uses 10 watts over 1 KM while coaxial cables take up to 35 watts. Source: Nexus-net. (2019, May 20). Fiber Optics: Road to an Eco-Friendly Network. <https://nexus-net.info/fiber-optics-road-to-an-eco-friendly-network/>

CLEAN TRANSPORTATION



Clean Transportation - Rail	Number of Projects	Amount (Php M)	%	Total Number of Light Rail Vehicles	Total Kms of Passenger Rail Track	Total Number of Passengers per Year
Passenger Rail Infrastructure	1	6,843	10%	120	21	42.57 million

Clean Transportation - Bus ¹⁰	Number of Projects	Amount (Php M)	%	Total Number of Buses	Total Kms Travelled per Year	Total Number of Passengers per Year
Public Mass-Passenger Transportation	2	547	1%	557	70 million	18 million

According to a study by the Japan International Cooperation Agency (JICA), the Philippines will lose Php5.4 billion to traffic daily by year 2035 if there is no effective intervention in Metro Manila.¹¹

Motor vehicles contribute to 80% of the air pollution in the country, according to the Department of Environmental and Natural Resources.¹² The agency also estimated that poor air quality leads to 0.8% to 1.9% loss in GDP due to its adverse effects on employees' health and productivity. To address this, experts recommend the use of a mass transportation system, not only to decongest the roads but also to help lower fuel waste and emissions.

To contribute in the effort, RCBC provided almost Php7 billion for financing passenger rail infrastructure and public mass passenger transportation with total passengers reaching 160 million and 18 million, respectively in 2019. By channelling funds to public transportation systems and high-occupancy vehicles, the Bank helps in lowering fuel waste and CO₂ emissions.

The ongoing COVID-19 pandemic, however, reduced public transportation ridership. Despite the easing of mobility restrictions, the number of passengers for rail infrastructure reached 42.57 million in 2021 versus 160 million in 2019 (pre-pandemic). As of this writing, the 2021 passenger count for bus entities has not yet been finalized.

¹⁰ Total number of passengers is attributed to the year 2019, considered to be representative of the asset's impact/capacity under normal circumstances. According to the Nordic Public Sector Issuers (NPSI): "When possible, reporting should be normalized to reflect a representative year... Normalization may not be applicable for all project categories, and in the case of clean transportation may be complicated..." Source: NPSI. (2020). Position Paper on Green Bonds Impact Reporting: February 2020. 10. https://www.kuntarahoitus.fi/app/uploads/sites/2/2020/02/NPSI_Position_paper_2020_final.pdf

¹¹ CNN Philippines Staff. (2018, September 18). PH traffic may worsen, to cost P5.4 billion daily – JICA. CNN Philippines. <https://www.cnnphilippines.com/news/2018/09/19/JICA-study-traffic-5-billion.html>

¹² Sabillo, K. (2020, May 20). Beyond lockdown: Can the Philippines sustain low air-pollution levels?. ABS-CBN News. <https://earthjournalism.net/stories/beyond-lockdown-can-the-philippines-sustain-low-air-pollution-levels>



SUSTAINABLE WATER MANAGEMENT

Sustainable Water Management	Number of Projects	Amount	%	cbm Total Water Supplied	cbm Total Wastewater Treated
Infrastructure for Clean Water, Wastewater Treatment	2	1,089	2%	15.58 million	1.95 million

To ensure that bodies of water are protected from pollution and remain safe for public health, the Philippine government mandates the treatment of wastewater through the Clean Water Act of 2004. However, a 2018 study by ARCOWA SA found that only 10% of the country's wastewater is being treated and less than 10% of Filipinos have access to piped sewerage systems.¹³ The vast majority of the population still rely on septic tanks and pit latrines which have the potential to be breeding grounds for pathogens that pose a threat to human health.

RCBC helped the country address water pollution problems by funding Php1.089 billion in infrastructure used for clean water and wastewater treatment. In 2021, The Bank supported the supply of 15.58 million cbm of clean water and the treatment of 1.95 million cbm of wastewater.

¹³ ARCOWA. (2018). Wastewater management and resource recovery in the Philippines: current status and opportunities. Nyon, Switzerland. http://seaknowledgebank.net/sites/default/files/wastewater_management_and_resource_recovery_in_Philippines_0.pdf

POLLUTION PREVENTION AND CONTROL



Pollution Prevention and Control	Number of Projects	Amount (Php M)	%	cbm Total Septage Collected and Treated
Pollution Control Projects	2	24	0%	130,567

Solid waste management has become even more challenging during the COVID-19 pandemic as packaging materials such as plastic wrappers used to ensure the safety of some products and healthcare waste have piled up in sanitary landfills, materials recovery facilities, and transfer stations.¹⁴ The Philippines was estimated to have generated 3.47 million metric tons of garbage in 2021.¹⁵

To contribute to the country's pollution control efforts, RCBC provided Php24 million in loans to businesses in pollution control, allowing for the collection and treatment of 130,567 cbm of septage in 2021.

¹⁴ Department of Environment and Natural Resources. 2021. DENR DELIVERS MAJOR FEAT IN SOLID WASTE MANAGEMENT IMPLEMENTATION WITH CLOSURE OF DUMPSITES IN 2021. <https://www.denr.gov.ph/index.php/news-events/press-releases/3446-denr-delivers-major-feat-in-solid-waste-management-implementation-with-closure-of-dumpsites-in-2021>

¹⁵ Mayuga, J. L. 2021. The garbage conundrum. *BusinessMirror*. <https://businessmirror.com.ph/2021/01/10/the-garbage-conundrum/>



ELIGIBLE SOCIAL PORTFOLIO

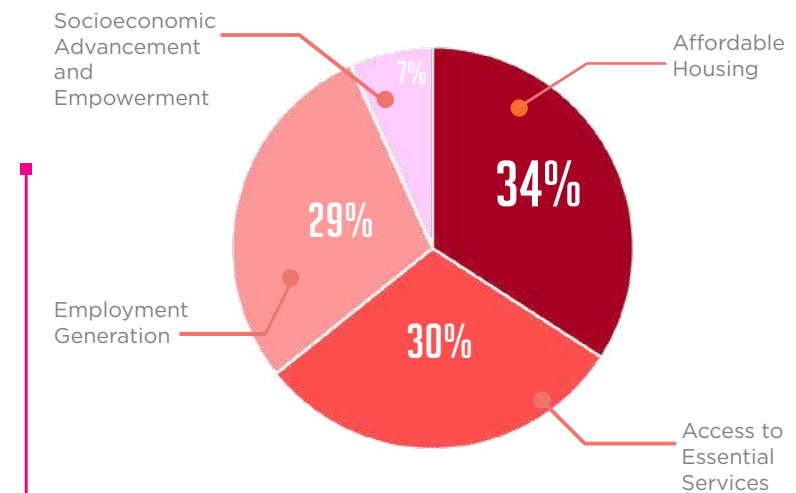
RCBC has 9,155 projects in its Eligible Social investment portfolio as of December 31, 2021, amounting to Php18.296 billion.

Affordable Housing and Employment Generation projects accounted for 34% and 30% of the portfolio, respectively. Access to Essential Services comprised 29% while Socioeconomic Advancement and Empowerment had a 7% share.

PHP18.3B

Total amount of 9,155 projects in RCBC's Eligible Social Portfolio

ELIGIBLE SOCIAL PORTFOLIO DISTRIBUTION



AFFORDABLE HOUSING



Affordable Housing	Number of Projects	Amount	%	Total Number of Affordable Houses Financed
Affordable Housing	8,380	6,243	9%	8,380

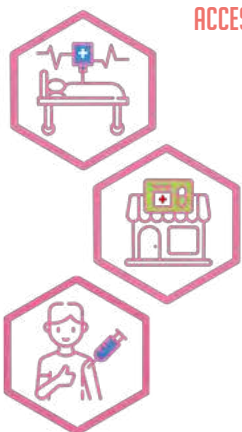
The Philippine government projects that the country's housing requirements will reach 6.8 million units by 2022.¹⁶ The figure includes the accumulated backlog of 1.4 million units which comprises the housing needs of the homeless, informal settler families, and Filipinos currently in shared living arrangements.

To help address the country's housing backlog, RCBC extended affordable loans of more than Php6 billion for a total of 8,380 houses as of December 31, 2021.

¹⁶ House of Representatives Congressional Policy and Budget Research Department. (2021, June). The Philippine Housing and Household Statistics. Facts in Figures, No. 40. https://cpbrd.congress.gov.ph/images/PDF%20Attachments/Facts%20in%20Figures/FF2021-40_Phil_Housing_and_Household_Stats.pdf

ACCESS TO ESSENTIAL SERVICES

ACCESS TO ESSENTIAL SERVICES - HEALTHCARE



Access to Essential Services - Healthcare	Number of Projects	Amount	%	Total Number of Drugstores Carrying Generic Medicines	Total Number of Hospital Beds	Total Number of Children Vaccinated per Year	Total Number of Patients Treated per Year
Hospitals	13	3,015	4%		1,820	6,835	520,006
Generic Medicines	3	111	0%	233			
Total Access to Essential Services - Healthcare	16	3,126	5%	233	1,820	6,835	520,006

With the ongoing COVID-19 pandemic, the provision of healthcare services in the country remains a challenge. According to the Department of Health (DOH), the country had 105,000 hospital beds in 2020.¹⁷ Upper middle-income and high-income countries, which the Philippines aspires to be by 2040, have bed densities of 4 per 1,000 population on the average. This means the Philippines needs an additional 400,000 beds, majority of which are Level 1 beds, to meet the projected hospital care requirements by 2040.

The national government also recognizes that the country remains largely import-dependent on medicines despite the three decades-old Republic Act No. 6675 or the Generics Act of 1988. Public awareness and financial support toward the manufacture and distribution of affordable generic medication are still wanting.¹⁸

In support of the healthcare system in the Philippines, RCBC provided Php2 billion in loans to hospitals and manufacturers of generic medicines. The loans to hospitals financed 1,820 beds, benefiting over half a million patients in 2021.

¹⁷ Department of Health. (2021, September 28). Philippine Healthcare Facility Development Plan 2020-2040: Investing in resilient and sustainable health facilities towards Universal Health Care. <https://doh.gov.ph/node/33029>

¹⁸ Department of Health. (2021, September 23). Department of Health and national partners and stakeholders celebrate the Generic Awareness Month through the Virtual Philippine Generics Summit to encourage the strengthening of local pharmaceutical generic industry. <http://pharma.doh.gov.ph/2021/09/24/philippine-generics-summit-2021/>

ACCESS TO ESSENTIAL SERVICES - EDUCATION



Access to Essential Services - Education	Number of Projects	Amount	%	Total Number of Students per Year
Schools	17	2,386	4%	177,066

According to the Department of Education, around one million more students entered the basic education system in School Year 2021-2022, with total enrollment of 27.232 million as of November 15, 2021.¹⁹ The data also indicate that 15 out of 17 regions achieved more than 100% enrollment rate, showing that students who did not enroll in the previous year due to limitations caused by the pandemic were coming back to school.

To help the country cope with the challenges in the education sector, RCBC provided Php2.4 billion in funding support to educational institutions, benefiting close to 177,066 students.

¹⁹ Department of Education (2021, November 18). DepEd posts 4% increase in enrollment for basic education in SY 2021-2022.



EMPLOYMENT GENERATION

Employment Generation	Number of Projects	Amount	%	Total Number of Loans Extended to Qualified SMEs
Employment Generation	741	5,314	8%	741

The COVID-19 pandemic worsened the plight of micro, small, and medium enterprises (MSMEs). As of December 2021, the unemployment rate in the country was estimated at 6.6%, with 3.27 million unemployed persons.²⁰ The service sector also held the largest share of the underemployed, i.e., those working at least 40 hours in a week but still expressed willingness to have more hours of work, comprising 46.7% of the 6.81 million underemployed. Based on the COVID-19 Business Impact Survey conducted by PwC Philippines, 44% of MSMEs needs working capital while 39% needs cash to finance pressing needs amidst the pandemic.²¹

Helping MSMEs recover from the pandemic is crucial as they account for approximately 99.6% of the establishments in the Philippines.²² In its updated Philippine Development Plan 2017-2022, the National Economic and Development Authority²³ (NEDA) highlighted the importance of increasing total investments and improving MSMEs' access to finance and production networks in order to enhance their productivity, efficiency and resilience.

Affirming its commitment to support MSME growth and recovery, RCBC provided 741 loans amounting to Php5.3 billion as of December 31, 2021.

²⁰ Philippine Statistics Authority. (2022, February 10). Unemployment Rate in December 2021 is Estimated at 6.6 Percent. <https://psa.gov.ph/content/unemployment-rate-december-2021-estimated-66-percent>

²¹ Galicia-Dorado, J.C. (2020, June 15). Towards resilience: A practical guide for MSMEs. PwC Philippines: Business Unusual. <https://www.pwc.com/ph/en/business-unusual/towards-resilience-a-practical-guide-for-msmes.html>

²² Philippine Statistics Authority. (2022, January 6). More than 1.08 million Establishments Operated in 2021 which Generated Total Employment of 8.57 million (2021 Updating of the List of Establishments Preliminary Results). <https://psa.gov.ph/content/more-108-million-establishments-operated-2021-which-generated-total-employment-857-million>

²³ National Economic and Development Authority. (2021, December 24). Chapter 9C: Expanding Access to Economic Opportunities in I&S for Startups, MSMEs, and Cooperatives. Philippine Development Plan 2017-2022. Taguig City: 157-168. <https://pdp.neda.gov.ph/updated-pdp-2017-2022/>



SOCIOECONOMIC ADVANCEMENT AND EMPOWERMENT

Socioeconomic Advancement and Empowerment	Number of Projects	Amount	%	Total Number of Clients Served per Year
Access to Finance: Loans to Cooperatives, Rural Banks	1	1,227	2%	296,080

According to NEDA, rural poverty incidence in the country improved to 24.5% in 2018 from 34% in 2015.²⁴ However, given the impact of the COVID-19 pandemic, this substantial decline was not sustained. Thus, rural banks and cooperatives must play a vital role in poverty reduction by providing basic financial services to rural communities, enabling inclusive economic growth.

In support of the country's poverty alleviation program, RCBC extended Php1.2 billion worth of loans to cooperatives and rural banks, serving a total of 296,080 clients.

²⁴ National Economic and Development Authority. (2021, December 24). Chapter 1: Overview. Philippine Development Plan 2017-2022. Taguig City: 5-20. <https://pdp.neda.gov.ph/updated-pdp-2017-2022/>

KEY DEFINITIONS

2-DEGREE INVESTING INITIATIVE (2DII)

2DII is an independent, non-profit think tank working to align financial markets and regulations with the Paris Agreement goals. Globally focused with offices in Paris, New York, Berlin, London, and Brussels, 2DII coordinates some of the world's largest research projects on sustainable finance.

BANGKO SENTRAL NG PILIPINAS (BSP)

Formerly Central Bank of Philippines, the BSP was established on 3 January 1949 as the country's central monetary authority. The BSP enjoys fiscal and administrative autonomy from the National Government in the pursuit of its mandated responsibilities.

COP26

COP26 is the common name for the 26th United Nations Climate Change Conference (UNCCC) held in the United Kingdom from 31 October to 13 November 2021. It is widely regarded as the most important climate change conference since 2015's COP21.

DEPARTMENT OF FINANCE (DOF)

The DOF is the Philippine government's steward of sound fiscal policy. It formulates revenue policies to ensure funding for critical government programs that promote people's welfare and accelerate economic growth and stability.

ECONOMIC AND SOCIALIZED HOUSING

The Housing and Land Use Regulatory Board defines "socialized housing" as projects costing Php450,000 and below while "economic housing" covers those from Php450,000 to Php1,700,000.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

ESG is the set of standards for a company's operations that promote environmental and social responsibility.

GLOBAL WARMING

This refers to the long-term heating of the Earth's average surface temperature observed since the pre-industrial period (between 1850 and 1900) due to human activities.

GREENHOUSE GAS (GHG)

Gas that contributes to the greenhouse effect by absorbing infrared radiation. Carbon dioxide and chlorofluorocarbons are examples of greenhouse gases.

INTERNATIONAL FINANCE CORP. (IFC)

IFC is the largest global development institution focused on the private sector in developing countries. It is a member of the World Bank Group that advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries.

LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED)

A U.S. certification system for residential and commercial buildings used worldwide, LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.

MICRO, SMALL AND MEDIUM ENTERPRISE (MSME)

As defined by the Magna Carta for MSMEs, these are business activity or enterprise with total assets having value under the following categories: micro (less than Php3 million), small (from above Php3 million to Php15 million), and medium (from above Php15 million to Php100 million).

MSCI INC.

MSCI is an American finance company (headquartered in New York City) that provides equity, fixed income, hedge fund stock market indexes, multi-asset portfolio analysis tools and environmental, social and governmental (ESG) products, with over 50 years of expertise in research, data and technology.

NATIONALLY DETERMINED CONTRIBUTIONS (NDCS)

Commitments made by party countries of the Paris Agreement to cut emissions and adapt against climate change. For the Philippines, this primarily involves the reduction and avoidance of 75% of its GHG emissions.

NET ZERO

The balance between the amount of greenhouse gas emitted and the amount removed from the atmosphere.

PARIS AGREEMENT

This is a legally binding international treaty on climate change, adopted by 196 parties at the COP 21 in Paris on 12 December 2015 and enforced on 4 November 2016. It aims to limit global warming to preferably below 1.5 degrees Celsius compared to pre-industrial level.

PARTNERSHIP FOR CARBON ACCOUNTING FINANCIALS (PCAF)

An initiative among financial institutions worldwide to enable harmonized assessments and disclosures of GHG emissions financed by loans and investments. Since 2015, PCAF members (i.e. commercial banks, development banks, asset owners/managers, insurance companies, etc.) have been actively collaborating to develop and implement GHG accounting in their organizations.

PHILIPPINE SUSTAINABLE FINANCE ROADMAP

The strategic action plan of the Philippine government to promote sustainable finance and to address climate change and other environmental and social risks in the country.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

This is a universal call to action to end poverty, protect the planet, foster peace, and ensure that all people enjoy prosperous and fulfilling lives.

SUSTAINABLE FINANCE

This refers to any form of financial product or service which integrates ESG criteria into business decisions that supports economic growth and provides lasting benefit for both clients and society while reducing pressures on the environment. This also covers green finance which is designed to facilitate the flow of funds towards green economic activities and climate change mitigation and adaptation projects.

RENEWABLE ENERGY

This refers to energy from a source that is not depleted when used, such as wind or solar power.

NOTICE OF DISCLAIMER

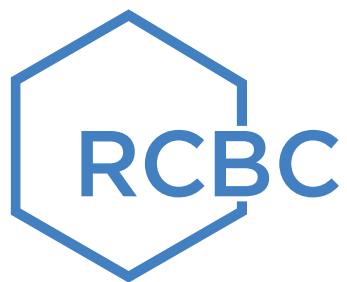
This Sustainability Bonds Impact Report is published in compliance with the RCBC Sustainable Finance Framework, the ASEAN Sustainability Bonds Standards, and the ICMA Harmonized Framework for Impact Reporting. The material information in the Report is based on data collected from RCBC-financed projects as of December 31, 2021. However, their accuracy has not been validated by a third party. All information in this Report is provided to the best of our knowledge and in good faith. While we endeavor to keep information up to date and correct, RCBC makes no representation or warranties of any kind, expressed or implied, about the completeness, accuracy, reliability, suitability, or availability with respect to the information, bonds, assets, and graphics contained herein. Readers should not rely upon the material and information in this Report as a basis for making any business, legal or any other decisions. The material and information in this Report is subject to amendments or revisions at any time without prior notice. RCBC is not responsible for any errors or omissions, or for the results obtained from the use of the material and information in the Report. RCBC or any of its officers shall not be held liable for any costs, losses or damages that may arise with the use of this Report.

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