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The Board of Directors and Holders of Sustainable Financing Instruments
Rizal Commercial Banking Corporation
Yuchengco Tower, RCBC Plaza
6819 Ayala Avenue cor. Sen. Gil Puyat Avenue
Makati City

Independent Limited Assurance Report on Rizal Commercial Banking Corporation's Allocation Report

We were engaged by Rizal Commercial Banking Corporation (RCBC or the Bank) to perform an independent limited assurance on the Bank's Sustainability Bonds Allocation Report (the Allocation Report) as at December 31, 2022.

Management Responsibilities

Management is responsible for the preparation and presentation of the Allocation Report in accordance with the Eligibility Criteria as described in the RCBC Sustainable Finance Framework dated April 30, 2019 (the Framework) and for the information contained herein.

This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation and presentation of the Allocation Report that is free from material misstatement, whether due to fraud or error. It also includes implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments; and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Allocation Report.

Management is also responsible for preventing and detecting fraud and for identifying and ensuring that the Bank complies with laws and regulations applicable to its activities.

Management is responsible for ensuring that responsible parties and staff involved with the preparation and presentation of the Allocation Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until November 21, 2023

SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)

IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



Our Responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our limited assurance procedures in accordance with the Philippine Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits and Review of Historical Information*. That Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Allocation Report is free from material misstatement.

The firm applies the Philippine Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of the Bank in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our assurance engagements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Procedures Performed

A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Allocation Report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Inquiries of management to gain an understanding of the Bank's processes related to the preparation and presentation of the Allocation Report and the relevant internal controls.
- Interviews with officers and relevant staff at the Bank responsible for the preparation and reporting the Eligible Green Loan Portfolio and Eligible Social Loan Portfolio in the Allocation Report.
- Obtaining documentation and reviewing the application of the Eligibility Criteria used in the preparation of the Eligible Green Loan Portfolio and Eligible Social Loan Portfolio in the Allocation Report.
- Based on limited sampling, review internal and external documentation, to determine whether the allocation of Eligible Green Loan Portfolio and Eligible Social Loan Portfolio is in line with the Eligibility Criteria of the Framework.
- Reviewing the sustainable bonds proceeds used to acquire Eligible Green and Eligible Social projects in accordance with the Bank's Sustainable Finance Framework.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.



Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Allocation Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Allocation Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion

Based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Eligible Green Loan Portfolio and Eligible Social Loan Portfolio included in the Allocation Report as at December 31, 2022, are not, in all material respects, prepared in accordance with the Eligibility Criteria as described in the Framework.

Restriction of Use of Limited Assurance Report

Our report has been prepared for the Board of Directors of the Bank and the holders of sustainable financing instruments for the purpose of providing an assurance conclusion on the Allocation Report and may not be suitable for another purpose. Any party other than the Board of Directors of the Bank and the holders of sustainable financing instruments who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Bank and the holders of sustainable financing instruments for our work, for this independent limited assurance report, or for the conclusions we have reached.

R.G. Manabat & Co.

TIRESO RANDY F. LAPIDEZ

Partner

CPA License No. 0092183

BSP Accreditation No. 92183-BSP, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements

SEC Accreditation No. 92183-SEC, Group A, valid for five (5) years
covering the audit of 2022 to 2026 financial statements

Tax Identification No. 162-411-175

BIR Accreditation No. 08-001987-034-2020

Issued July 20, 2020; valid until July 19, 2023

PTR No. MKT 9563831

Issued January 3, 2023 at Makati City

May 8, 2023

Makati City, Metro Manila



Partners Through Generations

Rizal Commercial Banking Corporation

2022 Allocation Report

RCBC Allocation Report

December 31, 2022

ELIGIBLE SUSTAINABLE PORTFOLIO				SUSTAINABLE FUNDING						
	Number of Projects	Amount (Php M)	%	Instrument	Maturity Date	Amount (Php M)	Allocation			
							Green	%	Social	%
Eligible Green	21	51,160	72%	Sustainability Bond (USD)	11-Sep-24	16,000	14,400	90%	1,600	10%
Renewable Energy	11	27,385	38%	Sustainability Bond (Php)	30-Sep-23	13,743	8,246	60%	5,497	40%
Energy Efficiency	2	12,850	18%	Sustainability Bond (Php)	30-Jun-26	4,130	2,478	60%	1,652	40%
Clean Transportation	3	8,889	12%	Sustainability Bond (Php)	21-May-24	14,756	9,591	65%	5,165	35%
Sustainable Water Management	3	1,993	3%	Green TDs (Php)		459	459	100%	-	0%
Pollution Prevention and Control	2	44	0%	Total Funding		49,087	35,173	72%	13,914	28%
Eligible Social	8,255	20,044	28%							
Access to Essential Services	27	4,731	7%							
Socioeconomic Advancement and Empowerment	2	4,699	7%							
Employment Generation	703	4,990	7%							
Affordable Housing	7,523	5,624	8%							
Total Eligible Sustainable	8,276	71,204	100%							

Percentage of Eligible Sustainable Portfolio Allocated (Usage) 69%

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

Buffer

Eligible Green Portfolio	15,987	31%
Eligible Social Portfolio	6,131	31%
Total Eligible Sustainable Portfolio	22,117	31%