

July 8, 2020

BPI exceeds target for CARE Bonds, shortens offer period

MAKATI CITY, Philippines – Bank of the Philippine Islands (“**BPI**” or the “Bank”) has concluded on July 8 the offer period of its CARE Bonds, more than a week ahead of original schedule as subscriptions in support of the country’s maiden COVID response bonds exceeded the initially planned issue size of ₱3 Billion. The CARE Bonds have a tenor of 1.75 years and an interest rate of 3.05% p.a., paid quarterly in arrear.

Proceeds of the CARE Bonds, which stands for “COVID Action Response Bonds”, will be used by the Bank to finance and refinance eligible Micro, Small and Medium Enterprises (“**MSMEs**”) under BPI’s Sustainable Funding Framework. The Bank values the significant contribution of MSMEs to the economy and aspires to help these enterprises bounce back from the paralysis caused by the pandemic. More than 60% of the country’s employment is generated by this sector.

The SEC confirmed that the CARE Bonds qualify as Social Bonds under the ASEAN Social Bonds Standards in the Philippines.

The BPI CARE Bonds are slated for issuance and listing on the Philippine Dealing & Exchange Corp. (“**PDEX**”) on August 7, 2020.

BPI Capital Corporation (“**BPI Capital**”), and The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) served as the Joint Lead Arrangers of the CARE Bonds. BPI Capital was Sole Selling Agent, while HSBC was Participating Selling Agent.

ABOUT BPI

The 168-year-old Bank of the Philippine Islands is the first bank in the Philippines and Southeast Asia. We are licensed as a universal bank by the Bangko Sentral ng Pilipinas to provide a diverse range of financial services: deposit taking and cash management, payments, lending and leasing, asset management, bancassurance, investment banking, securities brokerage, and foreign exchange and capital markets. BPI has significant financial strength, with robust Tier 1 capital adequacy ratios and profitability, underpinned by a stringent compliance and risk management regimes. BPI has investment-grade ratings of BBB+ (S&P), Baa2 (Moody’s), and BBB (Capital Intelligence), and BBB- (Fitch).

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