



Investor Presentation

BDO 1Q23 Results

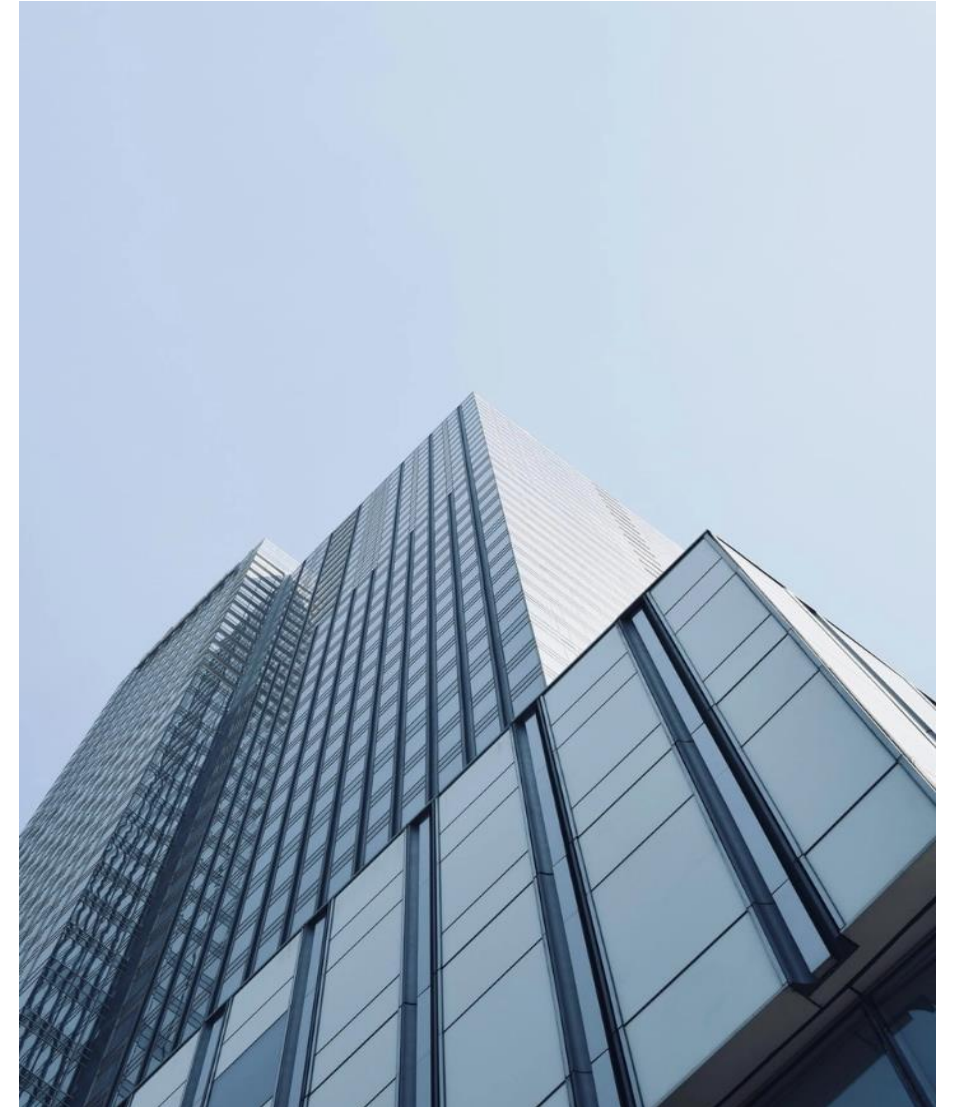
July 2023

Presentation Outline

- I. Overview
- II. Financial Highlights
- III. Ownership, Board and Management
- IV. Sustainability
- V. Awards and Citations

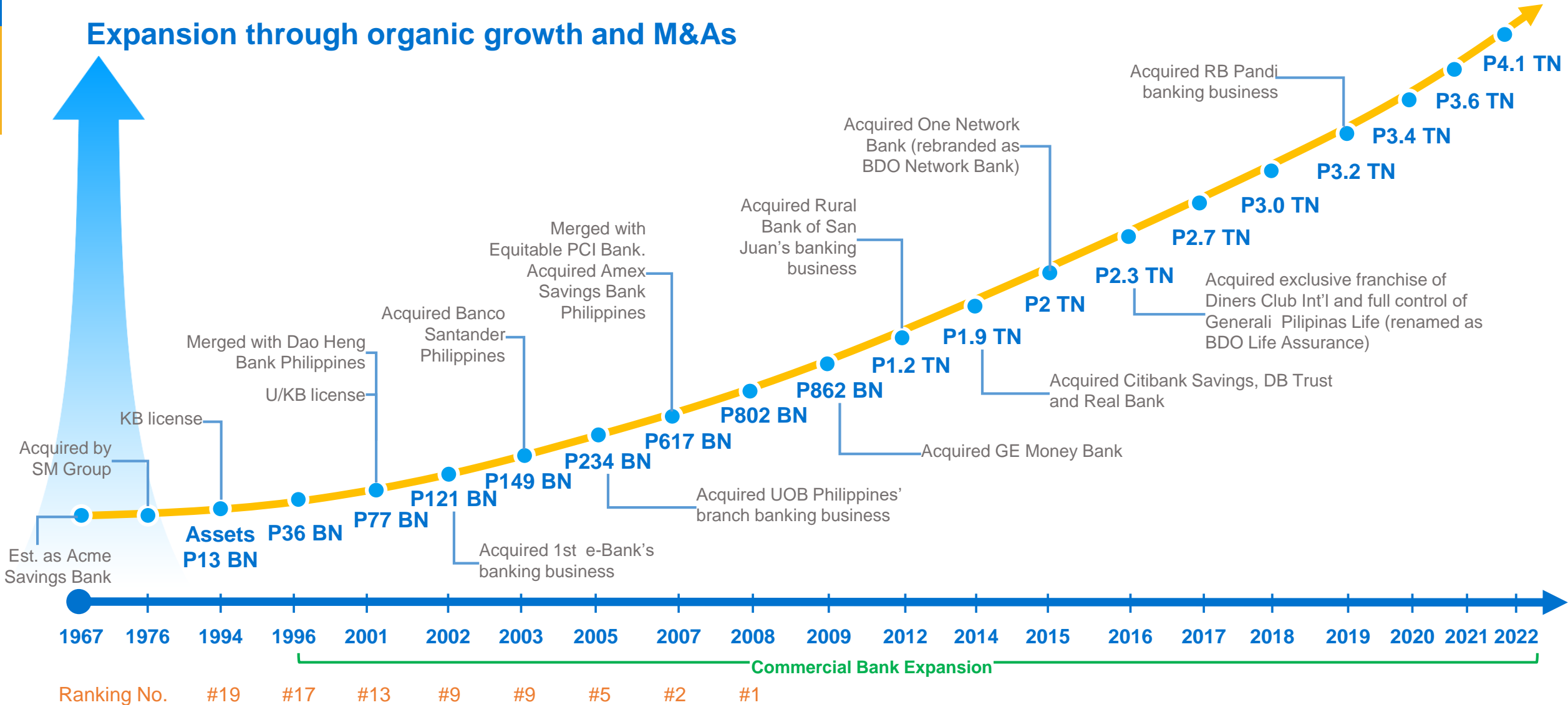
About BDO

- BDO is a full-service universal bank which provides a wide range of corporate and retail banking services.
- Our services include traditional loan and deposit products, as well as treasury, trust banking, investment banking, private banking, rural banking and microfinance, cash management, leasing and finance, remittance, insurance, retail cash cards and credit card services, complemented by digital banking solutions to make banking easier, faster, and more secure for our clients.
- We have one of the largest distribution networks, with more than 1,600 operating branches and over 4,600 ATMs nationwide.
- We also have branches in Hong Kong and Singapore as well as 14 other international offices in Asia, Europe, North America and the Middle East.
- Our groundbreaking services in the Philippines include weekend banking and extended banking hours which have been highly acclaimed by the general public
- BDO ranked as the largest bank in terms of total assets, loans, deposits, and trust funds under management based on published statements of condition as of 31 March 2023.



Milestones

Expansion through organic growth and M&As

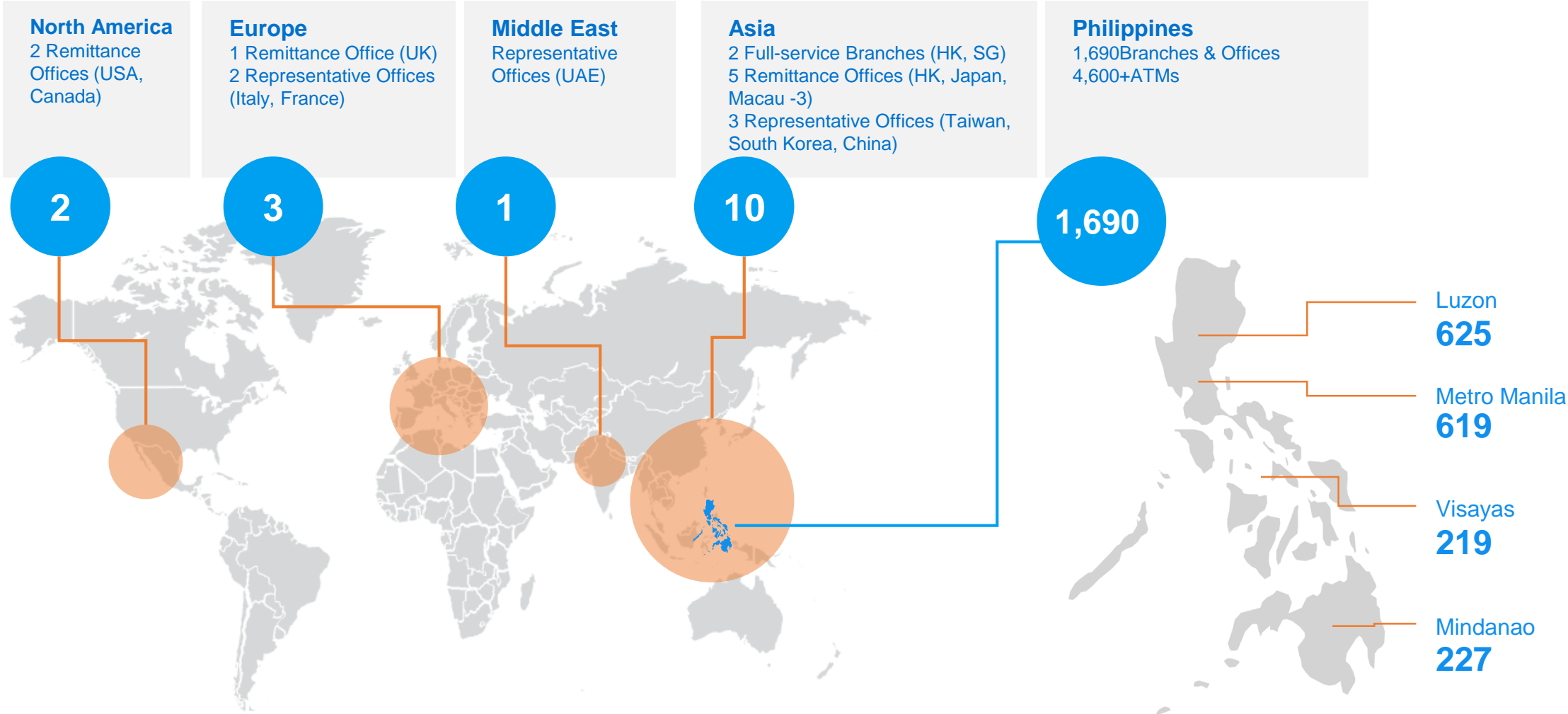


Full Service Bank

- Complete range of financial products and services

Corporate & Institutional Banking	Leasing & Finance	Consumer Banking	Rural Banking & Microfinance	Branch Banking	Treasury Services
<ul style="list-style-type: none"> ➤ Corporate and middle market lending ➤ Trade finance ➤ Specialized lending ➤ Financial institutions ➤ Cross-border financing 	<ul style="list-style-type: none"> ➤ Direct lease, sale and leaseback arrangements ➤ Installment paper purchases ➤ Receivable discounting and factoring 	<ul style="list-style-type: none"> ➤ Auto loans ➤ Mortgage loans ➤ Credit cards ➤ Personal loans ➤ Merchant payment processing 	<ul style="list-style-type: none"> ➤ Salary loans ➤ MSME loans ➤ Deposit products ➤ Cash management ➤ Remittances 	<ul style="list-style-type: none"> ➤ Deposit & related products ➤ Over-the-counter transactions ➤ Cross-selling distribution platform 	<ul style="list-style-type: none"> ➤ Fixed income dealership ➤ Foreign exchange transactions ➤ Portfolio management ➤ Liquidity management
Trust Banking	Private Banking	Investment Banking	Stock Brokerage	Insurance	Transaction Banking
<ul style="list-style-type: none"> ➤ Investment management ➤ Unit investment trust funds ➤ Living trusts ➤ Retirement funds ➤ Special trusts / custodianship 	<ul style="list-style-type: none"> ➤ Wealth advisory ➤ Customized portfolio management 	<ul style="list-style-type: none"> ➤ Underwriting & distribution of fixed income & equity securities ➤ Financial advisory ➤ Project finance ➤ Loan syndication 	<ul style="list-style-type: none"> ➤ Equities trading ➤ Online stock trading 	<ul style="list-style-type: none"> ➤ Non-life insurance brokerage (property & casualty) ➤ Life insurance (individual & group life insurance) 	<ul style="list-style-type: none"> ➤ Cash management ➤ Electronic banking ➤ ATMs ➤ Prepaid cards ➤ Merchant acquiring ➤ Remittances

Wide and Extensive Coverage in Key Areas



* As of 30 June 2023

Business Franchise

Market-leading positions in almost all business lines



#1

Customer
Loans



#1

Deposits



#1

Assets Under
Management



#1

Remittances



#1

Credit Cards¹



Major Player in
Cash
Management³



#1

Investment
Banking⁴



#1

Private
Banking



#1

Life
Insurance⁵



#1

Insurance
Brokerage⁶



Leading Trade
Services
Provider²

Notes:

1 In terms of cardholder base, merchant acquiring gross billings, and credit card receivables

2 According to Asian Banking and Finance, Global Finance

3 According to Alpha South East Asia, Asian Banking and Finance, The Asset

4 In terms of debt and equity capital markets corporate issuances, excluding banks' stock rights offers

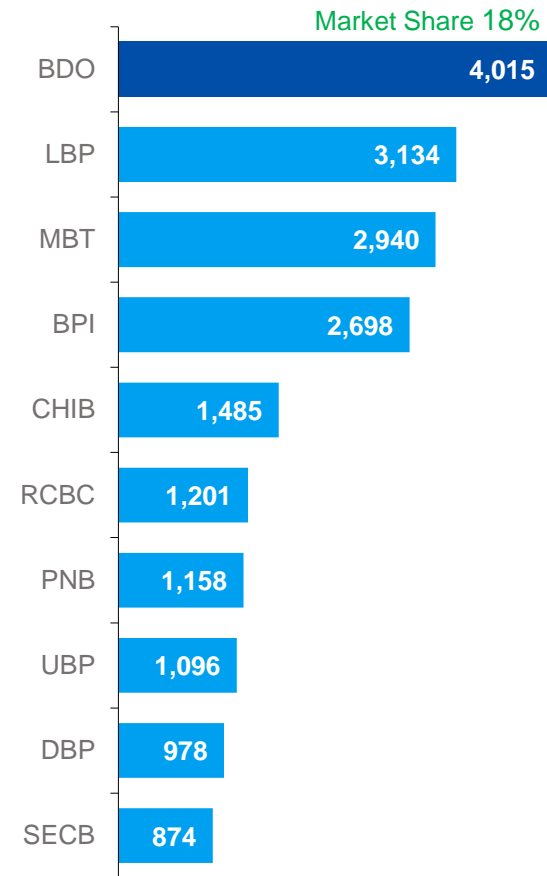
5 Among local life insurance companies in terms of traditional premium income

6 Among insurance brokers in terms of premiums produced and commissions earned

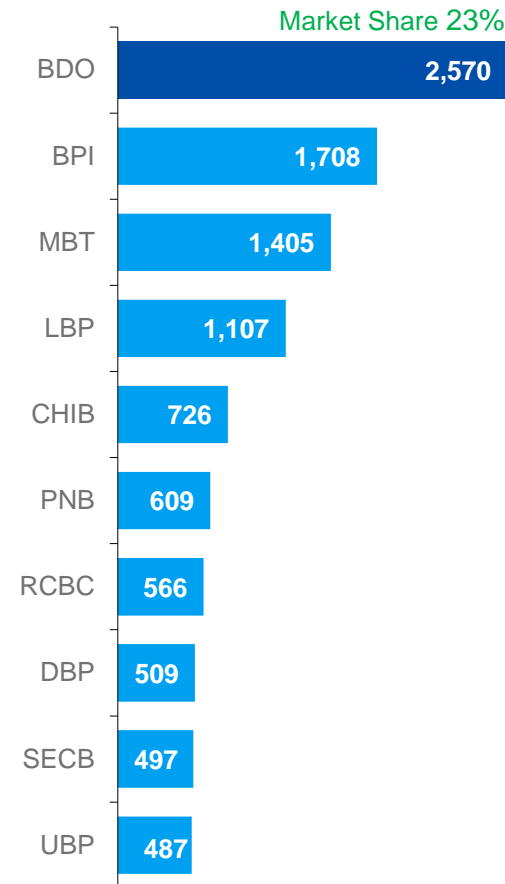
Industry Ranking

No. 1 among Philippine banks

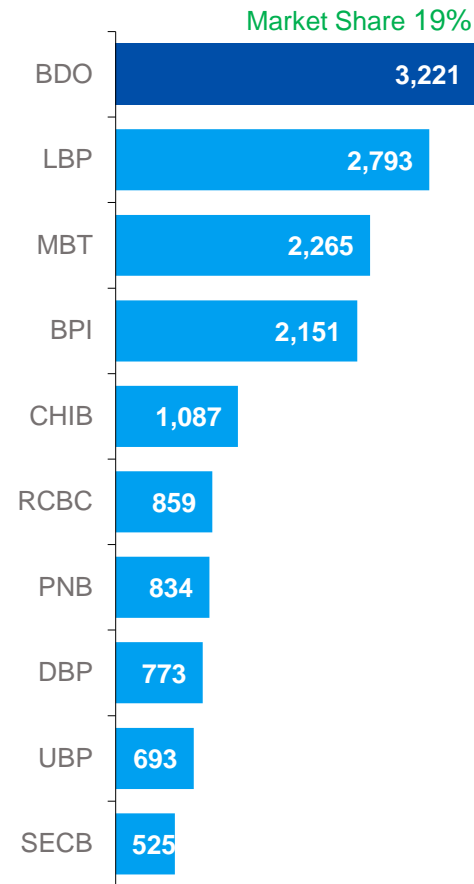
Total Assets
(PHP bn)



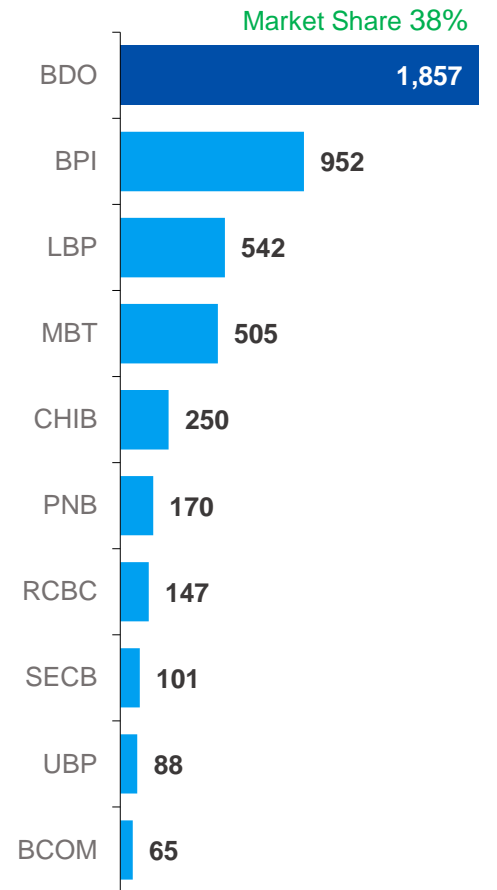
Gross Customer Loans
(PHP bn)



Customer Deposits
(PHP bn)



Assets Under Management
(PHP bn)



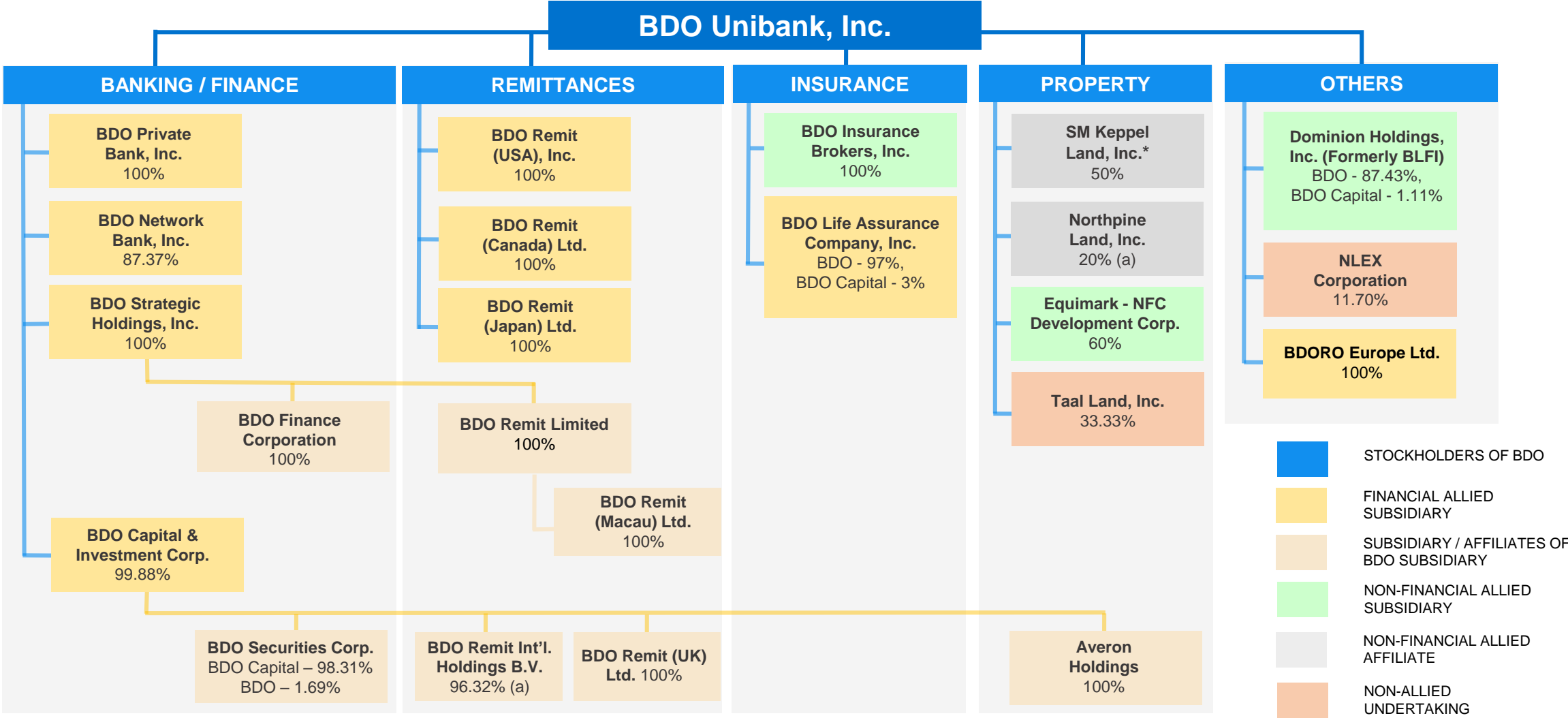
Notes:

Ranking and market share based on compilation of consolidated published statements of condition (SOC) of U/KBs as of 31 Mar 2023.

*Financials prepared by banks under BSP's SOC requirements differ slightly from reported financials under SEC guidelines due to certain differences in accounting rules followed by the two authorities.

Organizational Structure

- With equity investments in allied and non-allied enterprises



*BDO to acquire full ownership of SM Keppel Land, Inc. subject to approval by BSP and PCC.

(a) For dissolution

as of March 31, 2023

Credit Ratings

	Moody's	Fitch
	31-March-2023	*30-May-2023
Outlook	Stable	Stable
Bank Deposits/IDR (Foreign/Local)		
Long Term	Baa2	BBB-
Long Term xgs		BB+(xgs)
Short Term	P-2	F3
Short Term xgs		B(xgs)
Senior Unsecured debt (Foreign)	Baa2	
Other Short Term	(P)P-2	
BCA/Viability Rating		
Baseline Credit Assessment (BCA)	baa2	
Adjusted BCA Rating	baa2	
Viability Rating		bb+
Counterparty Risk Rating (CRR)* (Foreign/Local)		
Long Term	Baa1	
Short Term	P-2	
Counterparty Risk (CR) Assessment (Local)		
Long Term	Baa1(cr)	
Short Term	P-2 (cr)	
Government Support Rating		bbb-
*Outlook revised to Stable; IDR affirmed per Press Release dated 05/30/23 "xgs" refers to Ex-Government Support Ratings		
Source: Moody's, Fitch		

Trading Fact Sheet

Stock Details	
Type	Common Shares
Stock Ticker	BDO
ISIN	PHY077751022
Exchange	Philippine Stock Exchange
Par Value	P10.00
Outstanding No. of Shares*	5,265,453,177
Foreign Ownership	Up to 40%

American Depositary Receipts (ADR) Program Details	
Type	Sponsored Level 1 ADR
ADR Ticker	BDOUY
ISIN	US05537Y3045
Ratio	1 ADR = 10 Ordinary Shares
Depository Bank	Deutsche Bank Trust Company Americas
Contact Details	
ADR Broker Helpline	
Tel (New York)	+ 1 212 250 9100
Tel (London)	+ 44 207 547 6500
Email	adr@db.com
ADR website	www.adr.db.com
Depository Bank's Local Custodian	Deutsche Bank AG, Manila

*as of July 18, 2023

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▶ II. Financial Highlights

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1Q23 P&L

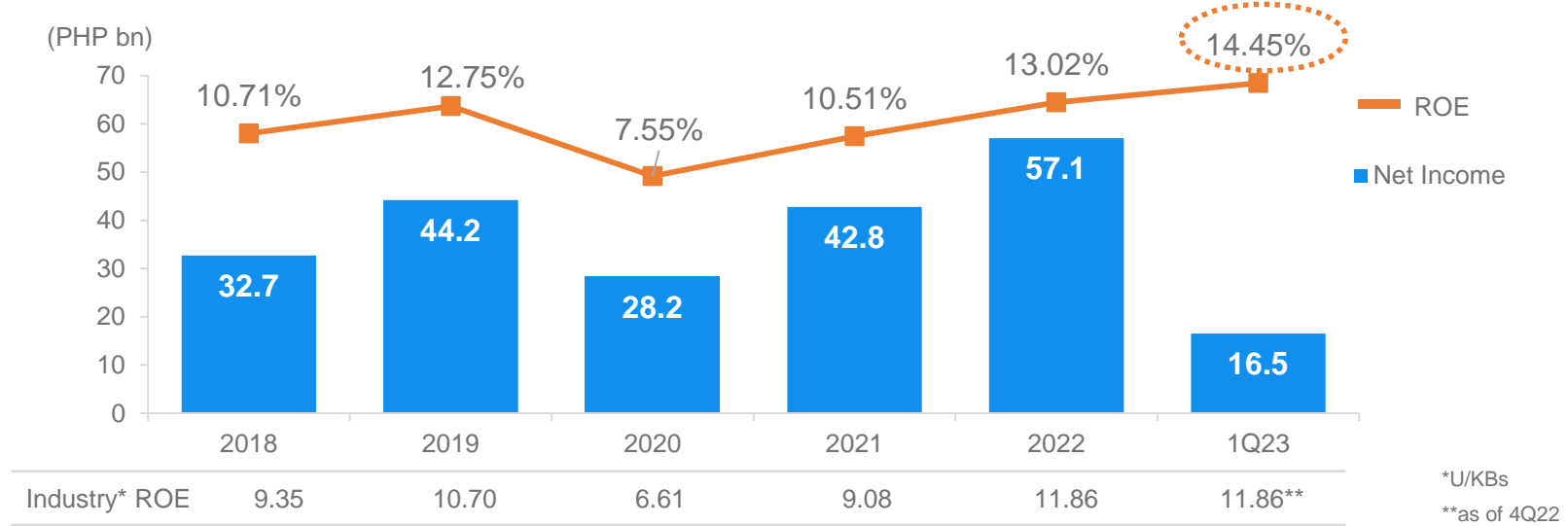
	BDO Conso		
(PHP bn)	1Q23	1Q22	YoY%
Interest Income	53.9	37.2	45%
Interest Expense	10.5	3.3	216%
Net Interest Income	43.4	33.9	28%
Non-interest Income	18.9	16.7	13%
Fee Income	11.3	9.4	20%
Insurance Premiums	5.0	5.0	-1%
Trading & FX	1.5	1.2	25%
Others	1.2	1.1	12%
Gross Operating Income	62.3	50.6	23%
Operating Expense	37.4	31.8	17%
Pre-Provision Operating Profit	24.9	18.7	33%
Provisions	3.2	3.7	-15%
Net Income Before Tax	21.7	15.0	45%
Taxes	5.2	3.2	60%
Net Income	16.5	11.7	41%
Return on Common Equity	14.45%	11.09%	

Balance Sheet

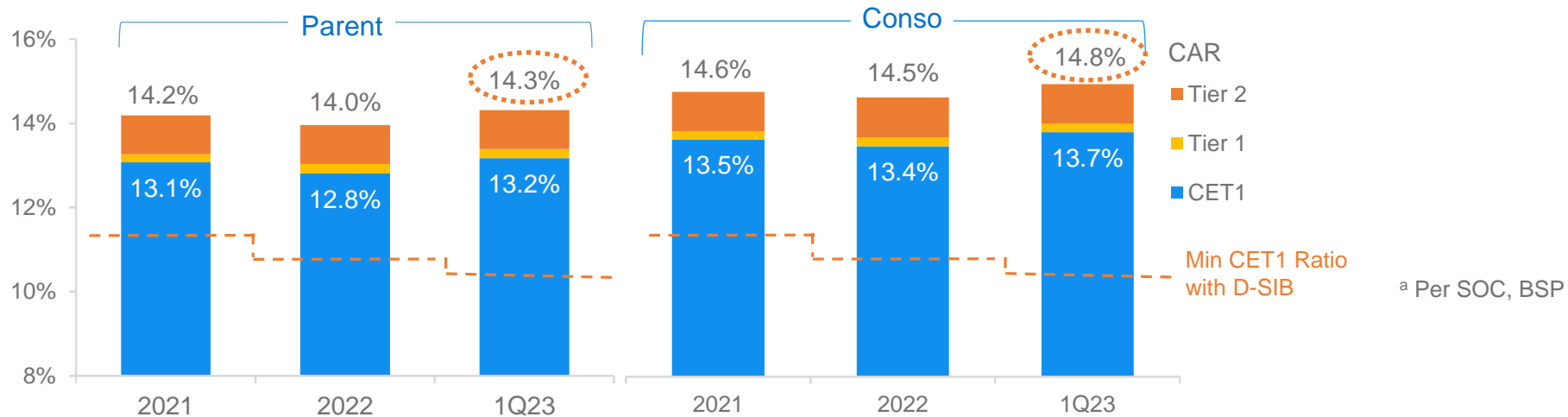
(PHP bn)	BDO Conso		
	1Q23	1Q22	YoY%
Resources			
Liquid Assets	643.9	584.3	10%
Investment Securities	798.4	643.6	24%
Gross Customer Loans	2,579.1	2,383.0	8%
Investment Properties	21.1	18.7	13%
Other Assets	44.3	40.8	8%
Total Resources	4,086.8	3,670.5	11%
Liabilities			
Deposits	3,220.0	2,817.8	14%
CASA	2,458.1	2,420.8	2%
Bills Payable/Sub-Debt	180.7	241.5	-25%
Insurance Contract Liabilities	68.8	65.8	5%
Other Liabilities	139.4	115.5	21%
Total Liabilities	3,610.9	3,240.6	11%
Total Capital	475.9	429.9	11%
Total Liabilities & Capital	4,086.8	3,670.5	11%

Capital & Profitability

Net Income & ROE



Capital Adequacy Ratio^a



Income Statement

(PHP bn)	2018*	2019*	2020	2021	2022	1Q23
Interest Income	129.0	160.6	157.0	144.9	169.1	53.9
Interest Expense	30.7	40.7	23.3	13.5	19.8	10.5
Net Interest Income	98.3	119.9	133.7	131.3	149.2	43.4
Non-interest Income	50.4	60.1	55.2	61.4	71.5	18.9
Fee Income	30.7	35.3	28.6	34.8	43.1	11.3
Insurance Premiums	11.8	14.8	15.0	18.1	18.9	5.0
Trading & FX	2.9	5.2	7.3	3.8	5.5	1.5
Others	5.0	4.9	4.3	4.5	4.0	1.2
Gross Operating Income	148.7	180.0	188.9	192.7	220.8	62.3
Operating Expenses	98.8	114.6	112.6	119.9	131.2	37.4
Pre-Provision Operating Profit	49.9	65.4	76.3	72.8	89.6	24.9
Provisions	6.3	6.2	30.2	17.1	16.4	3.2
Income bef. Pre-Acquisition	43.6	59.2	46.0	55.8	73.2	21.7
Pre-Acquisition Income	-	-	-	-	-	-
Taxes	11.0	15.0	17.8	12.9	16.0	5.2
Net Income	32.7	44.2	28.2	42.8	57.1	16.5

Note: * Restated 2018 and 2019 to align with 2020 AFS presentation of netting out BDO Life VUL-related policy reserves in trading line.

Balance Sheet

(PHP bn)	2018	2019	2020	2021	2022	1Q23
Resources						
Liquid Assets	534.4	450.7	532.2	551.9	669.5	643.9
Investment Securities	385.2	435.9	508.8	616.3	722.8	798.4
Gross Customer Loans	2,020.1	2,208.1	2,263.7	2,400.2	2,613.8	2,579.1
Investment Properties	19.8	16.9	15.9	18.8	21.2	21.1
Other Assets	62.8	77.3	54.4	36.6	47.9	44.3
Total Resources	3,022.2	3,188.9	3,374.9	3,623.7	4,074.7	4,086.8
Liabilities						
Deposits	2,420.0	2,485.2	2,610.2	2,820.9	3,220.9	3,222.0
Bills Payable/Sub-debt	153.7	177.6	209.7	204.4	198.9	180.7
Insurance Contract Liab.	28.5	42.5	58.4	65.3	64.4	68.8
Other Liabilities	92.0	113.0	103.6	108.5	129.1	139.4
Total Liabilities	2,694.1	2,818.3	2,981.9	3,199.2	3,613.3	3,610.9
Total Capital	328.1	370.6	393.0	424.5	461.5	475.9
Total Liabilities & Capital	3,022.2	3,188.9	3,374.9	3,623.7	4,074.7	4,086.8

Financial Performance Indicators

	2018	2019	2020	2021	2022	1Q23
Profitability						
Return on Ave. Common Equity	10.7%	12.8%	7.6%	10.5%	13.0%	14.5%
Return on Average Assets	1.1%	1.4%	0.9%	1.2%	1.5%	1.6%
Margins and Liquidity						
Net Interest Margin (NIM)	3.6%	4.2%	4.4%	4.0%	4.1%	4.6%
Loan to Deposit Ratio	83.5%	88.8%	86.7%	85.1%	81.2%	80.0%
Liquid Assets to Total Assets	30.4%	27.8%	30.8%	32.2%	34.2%	35.3%
Liquidity Coverage Ratio (LCR)		108.4%	127.1%	145.4%	140.7%	137.7%
Cost Efficiency						
Cost to Income Ratio	66.4%	63.7%	59.6%	62.2%	59.4%	60.1%
Cost to Assets Ratio	3.5%	3.7%	3.4%	3.4%	3.4%	3.7%
Asset Quality						
NPL Ratio	0.96% ^a	1.13% ^a	2.65% ^a	2.80% ^a	1.95% ^a	1.98% ^a
NPL Cover	188.7% ^b	168.5% ^b	109.5% ^b	111.2% ^b	166.7% ^b	170.4% ^b
Capital and Leverage^c						
			<i>Basel III</i>			
CET1	12.1%	12.6%	13.2%	13.5%	13.4%	13.7%
Tier 1 Ratio	12.3%	12.8%	13.4%	13.7%	13.6%	13.9%
Capital Adequacy Ratio (CAR)	13.7%	14.2%	14.3%	14.6%	14.5%	14.8%
Basel III Leverage Ratio (BLR)		10.0%	10.2%	10.3%	9.8%	10.1%

^a Per BSP Circ. 941

^b Per BSP Circ. 1011

^c Per SOC, BSP

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Shareholder Structure

- Majority owned by the SM Group

As of 31 March 2023

Name	Nationality	Shareholdings	Percentage of Ownership
SM Investments Corp.	Filipino	2,101,116,778	39.91%
PCD Nominee	Foreign	1,359,085,231	25.82%
PCD Nominee	Filipino	1,208,832,157	22.96%
Multi-Realty Development Corporation	Filipino	339,468,276	6.45%
SM Prime Holdings	Filipino	108,029,274	2.05%
Sub-Total, Top Shareholders		5,116,531,716	97.19%
Total Outstanding Shares*		5,264,457,392	100.00%

Source: BDO Top 100 Shareholders

*Number of shares outstanding subsequently increased to 5,265,453,177 as of July 18, 2023 due to the purchase of additional common shares by the Bank's eligible senior officers pursuant to the Banks employee stock option/grant program.

The SM Group

Harnessing synergies with the country's largest conglomerate



Board of Directors

- One of the strongest Board of Directors in the industry with extensive banking and finance, legal and business backgrounds
- Independent directors comprise 5 out of the 10-member Board

Experienced Bankers

Eight directors have an average of 38 years of banking experience, including a former Partner and Head of Asia Financials Research at Goldman Sachs and former CIO in PPP Advisory Services at IFC

Successful Entrepreneur

One director is a successful businessperson with diverse expertise in banking and finance, retail merchandising, mall and real estate development

Legal Expertise

One director is a former Supreme Court Associate Justice and has more than 40 years' experience in public and private legal practice

Board of Directors

- With broad business and professional experience



TERESITA T. SY
CHAIRPERSON

- First appointed to the Board in 1977
- Serves as Director in multiple subsidiaries of BDO
- Vice Chairperson of SMIC and Director of other SM Group companies



WALTER C. WASSMER
NON-EXECUTIVE DIRECTOR

- First appointed to the Board in 2022
- Former head of BDO Institutional Banking Group
- Former Director of Dominion Holdings, BDO Finance Corporation, and BDO Capital & Investment Corporation
- Former Chairman and OIC of BDO Elite Savings Bank, Inc.



VIPUL BHAGAT
INDEPENDENT DIRECTOR

- First appointed to the Board in 2022
- Independent board advisor of BDO Unibank & Independent advisor to BDO Risk Mgt. & Corp. Gov. Committees
- Former CIO in PPP Advisory Services Department at IFC in Washington, DC.



NESTOR V. TAN
PRESIDENT AND CEO

- First appointed to the Board in 1998
- Former COO of the Financial Institution Services Group of BZW, the investment banking subsidiary of the Barclays Group
- Holds Directorships at numerous BDO subsidiaries
- MBA Wharton School



DIOSCORO I. RAMOS
LEAD INDEPENDENT DIRECTOR

- First appointed to the Board in 2016 and appointed lead independent director in 2021
- CIO of RY&S Investments Ltd., Hong Kong since 2011
- Former Partner and Head of Asia Financials Research from 1994 to 2011 at Goldman Sachs



VICENTE S. PEREZ, JR.
INDEPENDENT DIRECTOR

- First appointed to the Board in 2019
- Served as Secretary of the Department of Energy 2001-2005
- Chairman of Altenergy and Solar Pacific
- MBA Wharton School



JONES M. CASTRO, JR.
NON-EXECUTIVE DIRECTOR

- First appointed to the Board in 2012
- Served as Head for South Asia and SEA at Wells Fargo Bank
- MBA Stanford University



GEORGE T. BARCELON
INDEPENDENT DIRECTOR

- First appointed to the Board in 2019
- Currently Chairman of the Philippine Chamber of Commerce and Industry
- The visionary behind Integrated Computer Systems Inc., a Top 1000 company



JOSEFINA N. TAN
NON-EXECUTIVE DIRECTOR

- First appointed to the Board in 2007
- Former President of BDO Private Bank
- Former Director of EPCIB from 2005 to 2007
- Former Director of Banco de Oro from 2001 to 2005



ESTELA P. BERNABE
INDEPENDENT DIRECTOR

- First appointed to the Board in 2022
- Former Senior Associate Justice of the Supreme Court of the Philippines
- With more than 40 years' experience in public and private legal practice

Senior Management Team

- With extensive professional banking expertise



NESTOR V. TAN

President and CEO

- With BDO since 1997
- Over 40 years of banking experience

INTERMEDIATION



CECILIA LUZ L. TAN

Lead Co-head of Business Lending

- With BDO since 2014
- Over 41 years of banking experience



MA. CORAZON A. MALLILLIN

Head of Branch Banking

- With BDO since 2005
- Over 41 years of banking experience



GERARD LEE B. CO

Co-head of Business Lending

- With BDO since 1993
- Over 30 years of banking experience



DALMACIO D. MARTIN

Head of Treasury

- With BDO since 2009
- Over 34 years of banking experience



JEANETTE S. JAVELLANA

Co-head of Business Lending

- With BDO since 2001
- Over 23 years of banking experience



JESUS ANTONIO S. ITCHON

President of BDO Network Bank, Inc.

- With BDO since Sep. 15, 2017
- Over 35 years of banking experience



ROLANDO C. TANCHANCO

Head of Consumer Banking

- With BDO since 2004
- Over 29 years banking experience

SERVICES



RAFAEL G. AYUSTE JR.

Head of Trust and Investments

- With BDO since 2014
- Over 36 years of banking experience



MARIA THERESA L. TAN

General Manager of BDO Insurance, Inc.

- With BDO since 2009
- 25-year banking and insurance experience



EDUARDO V. FRANCISCO

Head of Investment Banking

- With BDO since 1999
- 34 years banking experience



RENATO A. VERGEL DE DIOS

President & CEO of BDO Life Assurance Co. Inc.

- With BDO since 2016
- Over 45 years of experience in insurance



CARLO B. NAZARENO

Senior Vice President for Transaction Banking Group

- Over 25 years banking experience



ALBERT S. YEO

President of BDO Private Bank, Inc.

- With BDO since 2017
- Over 36 years banking experience



GENEVA T. GLORIA

Head of BDO Remittance

- With BDO for over 20 years
- Over 30 years banking experience

Senior Management Team, continued

- With extensive professional banking expertise



NESTOR V. TAN
President and CEO
 > With BDO since 1997
 > Over 40 years of banking experience

CORPORATE SUPPORT




LUCY CO DY
Head of Comptrollership
 > With BDO since 1985
 > Over 34 years of banking experience



JOSEPH ALBERT L. GOTUACO
Head of Central Operations Group
 > With BDO since 2019
 > Over 37 years of banking experience



EVELYN C. SALAGUBANG
Head of Human Resources
 > With BDO since 2011
 > Over 29 years experience in HR



ALVIN C. GO
Head of Legal Services
 > With BDO since 2013
 > In the practice of law for 34 years



LAZARO JEROME C. GUEVARRA
Chief of Staff, Office of the President
 > With BDO since 2001
 > Over 32 years of banking experience



FEDERICO P. TANCONGCO
Head of Compliance and Legal Services
 > With BDO since 2005
 > Over 28 years of banking experience



FREDERIC MARK S. GOMEZ
Head of Information Technology
 > With BDO since 2017
 > Over 33 years financial services experience



ESTRELLITA V. ONG
Head of Internal Audit
 > With BDO since 2012
 > Over 27 years experience in audit




EVELYN L. VILLANUEVA
Head of Risk Management
 > With BDO since 2002
 > Over 40 years of banking experience



LUIS S. REYES JR.
Head of Investor Relations and Corporate Planning
 > With BDO since 2003
 > Over 43 years of banking experience

Presentation Outline

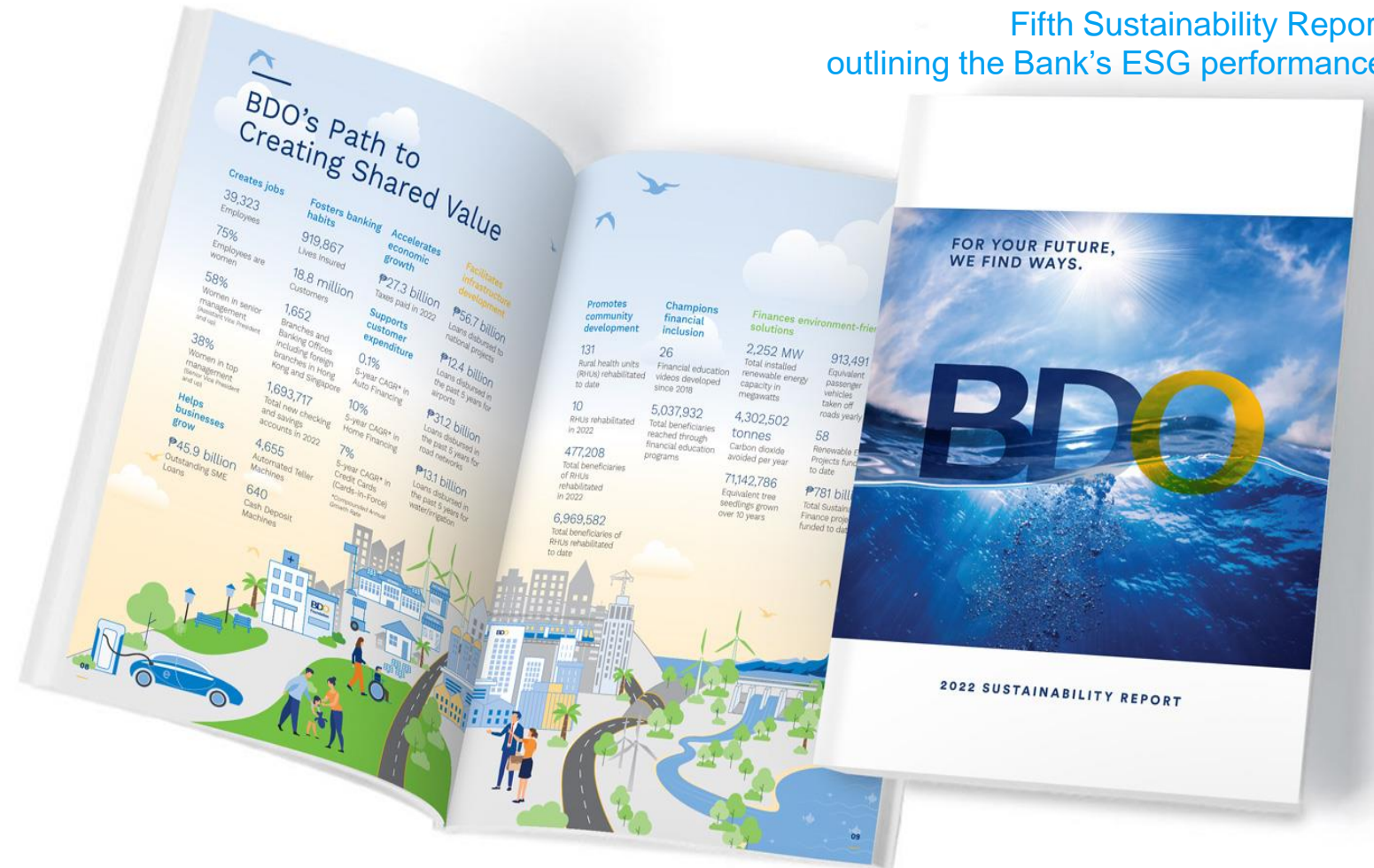
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2022 Sustainability Report

BDO Sustainability Philosophy

- We seek to achieve strategic resilience by incorporating sustainability in the way we do business.
- We aim to embed sustainability principles when making decisions, assessing relationships, and creating products.

Fifth Sustainability Report outlining the Bank's ESG performance



Access the [2022 BDO Sustainability Report](http://www.bdo.com.ph) at www.bdo.com.ph.

Translating Goals Into Actions

United Nations Sustainable Development Goals



Product Sustainability



10,429

Partner Agents

90%

of Philippine
Municipalities
Covered

Teachers Loan

- Loan from PHP10k to PHP1M
- No co-maker required
- Free credit life insurance

Kabuhayan Loan

- Zero Collateral
- Affordable loans from PHP30k to PHP1M
- 65% MSMEs financed are women-owned

Kabayan Loan

- Multi-purpose loan
- Affordable loans from PHP30k to PHP300k

BDO life[®]



Kabalikat Plan

Personal accident insurance for only PHP500

BDO Trust and Investments Group

35 Financial
Literacy
Seminars

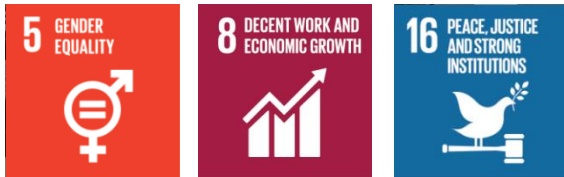
1,681 Participants

BDO ESG Equity Fund

The first ESG-themed Unit Investment Trust Fund

Translating Goals Into Actions

United Nations Sustainable Development Goals



Human Capital Sustainability

- **39,323 employees** nationwide and abroad; **75% females** in the workforce
- **58% female** representation in **senior management**
- **45% employees** covered by **Collective Bargaining Agreement**



Disaster Response Sustainability

Relief Operations	761,761 families provided with immediate relief operations
Rural Health Units	131 rehabilitated to benefit over 6.9mn Filipinos
School Buildings	124 classrooms built to date
Tech-Voc Training Facility	706 beneficiaries every year



Governance-Based Sustainability

- **BDO's commitment to sustainability is fostered at the Board Level**
- **Asia's Top Sustainability Advocates** (*Asia Corporate Excellence & Sustainability Awards (ACES) 2022*)
- **PH's Top 20 publicly-listed companies scoring highest in corporate governance** (*ASEAN Corporate Governance Scorecard*)
- **Platinum Awardee for the 13th consecutive year** (*The Asset's ESG Corporate Awards 2022*)

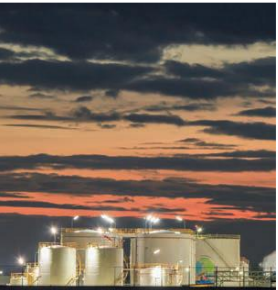


Translating Goals Into Actions

United Nations Sustainable Development Goals



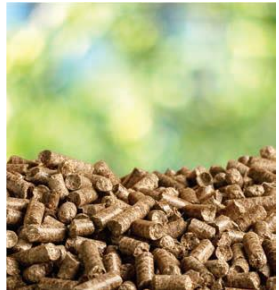
Sustainability Contribution to National Economic Goals



Biodiesel
60 ML/Y



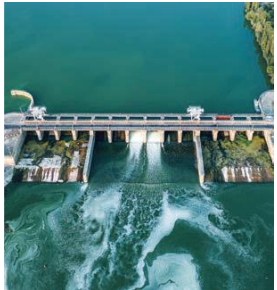
Bioethanol
44.12 ML/Y



Biomass
164 MW



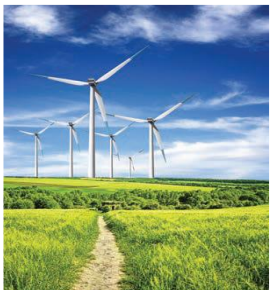
Geothermal
1,179 MW



Hydro
433 MW



Solar
380 MW

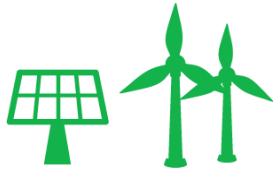


Wind
96 MW

Installed Capacity

Translating Goals Into Actions

The SEF program financed renewable energy, energy efficiency and green building projects



PHP781 bn

Total sustainable finance projects funded to date



58

Renewable Energy projects funded to date



71,142,786

Equivalent tree seedlings grown over 10 years



2,252 MW

Total installed renewable energy capacity in megawatts



913,491

Equivalent passenger vehicles taken off roads yearly



4,302,502

Tonnes Carbon dioxide avoided per year

Sustainable Finance Leader since 2010

The first local bank to establish (in 2010) the risk-based Social and Environmental Management System (SEMS) policy in the country in partnership with the IFC

Green Bond (USD150 million) in 2018:
maiden issuance in the Philippines and East Asia Pacific

ASEAN Sustainability Bond (PHP52.7 billion) in 2022:
largest issuance for any Philippine company

Blue Bond (USD100 million) in 2022:
first commercial bank issuance in Southeast Asia

Sustainable Finance Framework

Objectives

- Achieve strategic resilience by incorporating sustainability in the way BDO conducts business
- Integrate environmental, social and governance (ESG) and sustainability principles in financial products and services
- Embed sustainability principles when making decisions, assessing relationships and creating products
- Align business operations with the SDGs
- Support the principles of the United Nations Global Compact
- Strengthen leadership in Responsible Finance locally, regionally, and globally

Access the [BDO Sustainable Finance Framework](http://www.bdo.com.ph) at www.bdo.com.ph.

Use of Proceeds

The net proceeds of Green/Sustainability Bonds will finance or refinance eight (8) eligible green, blue, sustainability and social projects based on:

- ICMA Green Bond Principles
- ICMA Social Bond Principles,
- ICMA Sustainability Bond Principles
- ASEAN Green Bond Standards
- ASEAN Green, Social, Sustainability Bond Standards
- LMA, APLMA Green Loan Principles
- IFC Guidelines for Blue Finance

Four Components

- Use of Proceeds
- Project Evaluation and Selection Process
- Management of Proceeds
- Reporting and External Review

Environmental Project Category

- Renewable Energy
- Green Buildings
- Clean Transportation
- Resource Efficiency and Pollution Prevention and Control
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Sustainable Water and Waste Water Management

Blue Project Category

- Sustainable Water and Waste Water Management
- Offshore Renewable Energy

Social Project Category

- Employment Generation
- Food Security

Exclusion List

- Production or trade in weapons and munition
- Online gaming and equivalent enterprises
- Hydroelectric plant with weir height >50m
- Illegal logging, illegal mining, illegal fishing, forced labor and child labor
- Production of tobacco products and palm oil
- Fossil-fuel power generation or transmission, and activities dedicated to support expansion of fossil fuel-based technologies

Certified by Sustainalytics

Green Bond Framework:

“BDO’s Sustainable Finance Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles (2021), Social Bond Principles (2021), Green Loan Principles (2021) and the ASEAN Sustainability Bond Standards (2018).”

Blue Finance Framework:

The SPO also confirms alignment with the International Capital Market Association (ICMA) Green Bond Principles as well as the IFC’s recently released Blue Finance Guidelines.

* A leading independent Environmental, Social and Governance (ESG) research and ratings provider

Energy Transition Finance Statement



FINANCING

 **Since 2019**
No new coal-fired powerplant capacity

 **Sustainable Finance Program**
More renewable energy projects

DIVESTMENT

 **By 2033**
Reduce coal exposure* by 50%

 **Coal exposure* does not exceed 2%** of loan portfolio
*Coal exposure refers to the term loans and does not include short-term working capital.

 **Risk Assessment and Due Diligence**
Increased requirements for customers with coal and fossil fuel investments

CAVEATS

 **In the event of an energy crisis**
BDO may reconsider extending capital for coal projects, to support the country's social goals

ENERGY TRANSITION SUPPORT

 **Expand Sustainable Finance**
For renewable energy capacity and GHG avoidance

 **Provide access to capital**
Support customer's transition to lower GHG emissions
Support communities affected by the energy transition

CLIMATE-RELATED DISCLOSURE AND TRANSPARENCY



TCFD

Report progress based on Task Force on Climate-related Financial Disclosures (recommendations)

OVERALL GOAL/RESULT

 **Increased renewable energy capacity**
Decreased GHG emission



Environmental & Social Risk Management System (ESRMS)

BDO has built on the SEMS Policy and developed it into a comprehensive ESRMS that will help identify, assess, and manage E&S risks associated with its lending, investments, and administrative operations

Fully incorporates the Bank's:

- ❖ key focus areas;
- ❖ key focus sectors with high probability of E&S risk;
- ❖ approach to lending, investments, and administrative operations, including its supply chain;
- ❖ enhanced due diligence, implementation, monitoring, and reporting

The ESRMS provides the Bank's risk appetite for key sectors, defining the nature and level of risk that BDO is willing to take in order to achieve its sustainability strategies

Environmental Responsibility and Social Equity

BDO will not finance any activity engaged in the following:



Any product or activity deemed illegal under host country laws



Gambling, casinos, and equivalent enterprises



Harmful or exploitative forms of forced labor/harmful child labor



Weapons and munitions



Online gaming and equivalent enterprises



Commercial logging operations for use in primary tropical moist forest



Alcoholic beverages (excluding beer and wine)



Radioactive materials. (This does not apply to the purchase of medical equipment).



Wood or other forestry products other than from sustainably managed forests



Tobacco



Unbonded asbestos fibers




Any business related to pornography and/or prostitution



Drift net fishing in the marine environment using nets in excess of 2.5 km. in length

Presentation Outline

- I. Overview
- II. Financial Highlights
- III. Ownership, Board and Management
- IV. Sustainability
-  V. Awards and Citations

Awards & Recognition

Best Bank in the Philippines

Alpha Southeast Asia
(2010-2016, 2018, 2020-2023)

AsiaMoney
(2020)

The Asian Banker
(2022)

The Asset
(2011, 2013-2021)

The Banker
(2021)

Enterprise Asia
(2020-2021)

FinanceAsia
(2010-2021)

Forbes
(2021)

Global Finance
(2014-2017, 2019-2022)

International Banker
(2020)

Reader's Digest
(2021)



Awards & Recognition

Sustainability and ESG



ASEAN Corporate Governance Scorecard (ACGS)

Four Golden Arrows awardee (2022)

Asia Corporate Excellence & Sustainability Awards (ACES)

Top Sustainability Advocates in Asia awardee (2021-2022)
Industry Champions of the Year awardee (2019, 2022)

The Asset

Platinum Award (2010-2022)

Corporate Governance Asia

The Best of Asia awardee, Asian ESG Award (2005-2019, 2021)
Asian Excellence awardee (2011-2022)
Asia's Best CSR awardee (2020-2023)
Best Corporate Communications awardee (2014-2015, 2017-2023)
Best IR Company (Philippines) awardee (2011-2023)
Best Environmental Responsibility Awardee (2023)

FinanceAsia

Best Investor Relations, Philippines (2020 – Gold, 2022 - Silver)
Best Corporate Governance (2020 – 2nd)

BDO Unibank is a constituent of the FTSE4Good Index of FTSE Russell (2019-Present)



FTSE4Good

Awards & Recognition

Sustainability and ESG (con't)

International Association of Business Communicators (IABC) Philippines

Excellence Award for Communication Skills - BDO 2020 Sustainability Report (2022)

Asian Banking & Finance

BDO Foundation, COVID Management Initiative of the Year – Philippines (2020-2021)

Enterprise Asia

BDO Foundation (Category: Health Promotion)
Asia Responsible Enterprise Awards (2021)

Global Good Governance Awards (3G)

3G Championship Award in Transparency (2021)
3G Championship Award in Service Excellence (2021)
3G Excellence Award in Education & Literacy Programme (2021)

MORS Group

Top Sustainability Advocates in Asia awardee (2021)



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<https://m.facebook.com/BDOUnibank/>

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<https://www.youtube.com/user/BDOPhilippines>

Other Relevant Links:

[BDO 2022 Annual Report](#)

[BDO 2022 Annual Report Financial Supplements](#)

[BDO 2022 Audited Financial Statements](#)

[BDO First Quarter 2023](#)

[BDO 2022 Sustainability Report](#)



Thank you.
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