



December 8, 2017

PHILIPPINE STOCK EXCHANGE, INC.

Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC - Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Ms. Vina Vanessa S. Salonga**
Head, Issuer Compliance and Disclosure Department (ICDD)

Re: **Press Release - BDO Issues First Green Bond for \$150 Million**
*First Green Bond Investment for IFC in East Asia and
the Pacific*

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Ladies and Gentlemen:

Please be informed that BDO Unibank, Inc. (BDO) is releasing to the press the attached statement regarding BDO's issuance of its first green bond.

Thank you.

Very truly yours,

ELMER B. SERRANO
Corporate Information Officer



In Manila:

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BDO Issues First Green Bond for \$150 Million
First Green Bond Investment for IFC in East Asia and the Pacific

Manila, December 8, 2017— The Philippines' largest bank, BDO Unibank Inc. (BDO), has issued its first green bond, raising \$150 million to expand financing for private sector investments that help to address climate change. This marks the first green bond issued by a commercial bank in the Philippines. IFC, a sister organization of the World Bank and a member of the World Bank Group, is the sole investor in the bond.

This is also IFC's first green bond investment in a financial institution in East Asia and the Pacific. The pioneering green bond will provide an alternative source of long-term green finance in the country and contribute to the Philippines' target of reducing carbon emissions by 70 per cent by 2030 relative to its Business As Usual (BAU) scenario and conditioned on international support.

The funds will be used exclusively to finance climate-smart projects including renewable energy, green buildings, and energy-efficient equipment.

Nestor V. Tan, President & CEO of BDO, said, "Climate change is a very real concern in the Philippines. It is one of the most vulnerable countries globally to the impacts of such change. This bond demonstrates our corporate commitment to come up with business solutions to address the challenges of sustainability. This also aligns with our goal of growing BDO's climate business, and ultimately, fostering the nascent climate finance market in the country. We are glad to partner with IFC, a global expert in green finance."

Vivek Pathak, IFC Director for East Asia and the Pacific, noted, "The issuance is an example of BDO's leadership in developing climate finance in the country. By building on our long-term partnership with BDO, we aim to create a vibrant green bond market in the country and stimulate private sector investment in renewable energy and energy efficiency. Further, by setting the standard and the benchmark for green bonds issued in accordance with the Green Bond Principles which IFC helped develop, we hope to pave the way for other issuers and investors to access financing through this product, at a time when demand for green infrastructure and other sustainable investments are high."

The financing is expected to help save 93,000 tons CO2 emissions per year by 2022.

The issuance is a culmination of an advisory engagement on sustainable energy finance between IFC and BDO that started in 2010. It helped establish sustainable energy finance as a core part of the bank's sustainability strategy. BDO expanded its climate-smart portfolio from zero to over \$500 million, which made it the country's market leader in climate financing.

IFC is one of the world's largest financiers of climate-smart projects for developing countries. Since 2005, IFC has invested \$18.3 billion in long-term financing from its own account, and mobilized another \$11 billion through partnerships with investors for climate-related projects. In all, IFC has issued \$7.25 billion

in green bonds in 12 currencies. These issuances are part of a global strategy to develop the green bond asset class in emerging markets.

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In FY17, we delivered a record \$19.3 billion in long-term financing for developing countries, leveraging the power of the private sector to help end poverty and boost shared prosperity. For more information, visit www.ifc.org.

About BDO

BDO is a full-service universal bank which provides a wide range of corporate and retail banking services. These services include traditional loan and deposit products, as well as treasury, trust and wealth advisory, investment banking, private banking, rural banking, cash management, leasing and finance, remittance, credit card services and insurance and stock brokerage services.

BDO has one of the largest distribution networks, with more than 1,100 operating branches and over 3,900 ATMs nationwide. It also has a branch in Hong Kong as well as 26 overseas remittance and representative offices in Asia, Europe, North America and the Middle East.

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 September 30, 2017. For more information, visit www.bdo.com.ph.

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