



R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

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 Allocation Report as at December 31, 2023.

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 February 27, 2024 (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 September 20, 2026
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 Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services* 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 (and its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio in the Allocation Report.
- Obtained documentation and reviewed the application of the Eligibility Criteria used in the preparation of the Eligible Green Loan (and its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio in the Allocation Report.
- Based on limited sampling, reviewed internal and external documentation, to determine whether the allocation of Eligible Green Loan (and its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio is in line with the Eligibility Criteria of the Framework.
- Reviewed the sustainable bonds proceeds used to acquire Eligible Green (and its subset of Eligible Blue) 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 (and its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio included in the Allocation Report as at December 31, 2023, are not, in all material respects, fairly presented 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

Tax Identification No. 162-411-175

BIR Accreditation No. 08-001987-034-2023

Issued May 25, 2023; valid until May 25, 2026

PTR No. MKT 10075184

Issued January 2, 2024 at Makati City

May 7, 2024

Makati City, Metro Manila



Partners Through Generations

Rizal Commercial Banking Corporation

2023 Allocation Report

RCBC Allocation Report

December 31, 2023

ELIGIBLE SUSTAINABLE PORTFOLIO				SUSTAINABLE FUNDING							
	Number of Projects	Amount (Php M)	%	Instrument	Maturity Date	Amount (Php M)	Allocation				
							Green	%	Social	%	
Eligible Green	22	57,134	58%	Sustainability Bond (USD)	11-Sep-24	16,000	14,400	90%	1,600	10%	
Renewable Energy	14	28,248	29%	Sustainability Bond (Php)	30-Jun-26	4,130	2,891	70%	1,239	30%	
Green Buildings	1	4,960	5%	Sustainability Bond (Php)	21-May-24	14,756	2,951	20%	11,805	80%	
Clean Transportation	1	8,211	8%	Green Time Deposits (Php)		235	235	100%	-	0%	
Energy Efficiency	1	14,740	15%	Total Funding		35,121	20,477	58%	14,644	42%	
Pollution Prevention and Control	2	57	0%								
Eligible Blue											
Sustainable Water Management	3	917	1%								
Eligible Social	18,641	41,009	42%								
Access to Essential Services	24	5,341	5%								
Socioeconomic Advancement and Empowerment	16	11,339	12%								
Employment Generation	730	4,758	5%								
Affordable Housing	17,871	19,572	20%								
Total Eligible Sustainable	18,663	98,143	100%								

Percentage of Eligible Sustainable Portfolio Allocated (Usage) **36%**
 Percentage of Net Proceeds of Sustainable Funding Allocated to Eligible Sustainable Portfolio **100%**

Buffer
 Eligible Green Portfolio **36,657 64%**
 Eligible Social Portfolio **26,366 64%**
 Total Eligible Sustainable Portfolio **63,023 64%**