



Institutional Banking

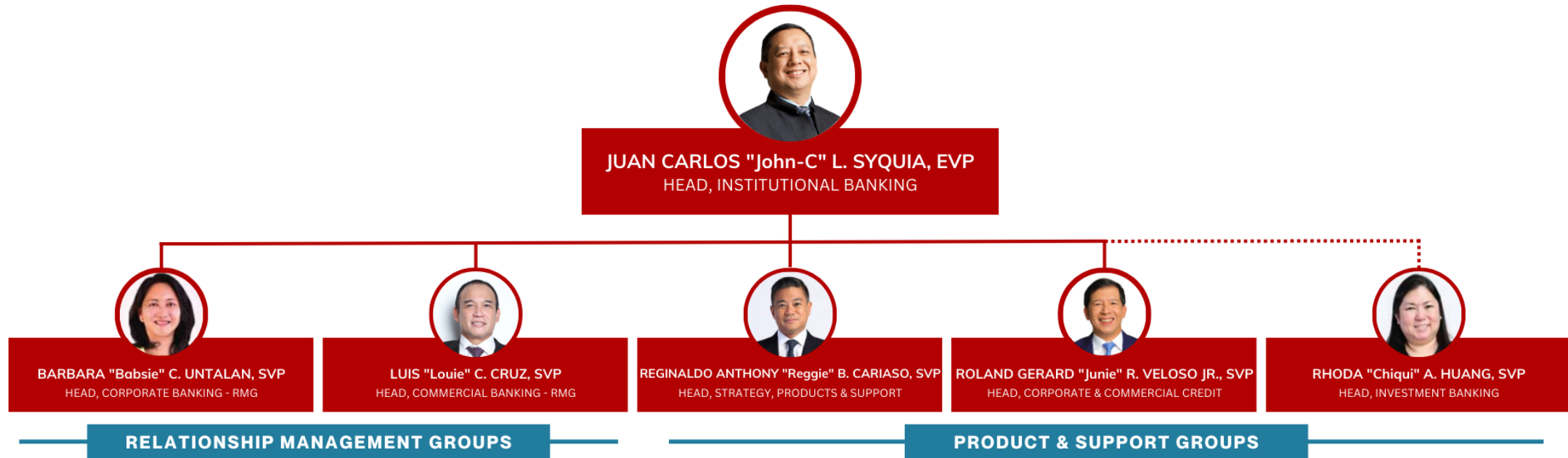
General OTP Track

March 2, 2023

Bank of the Philippine Islands, Makati City

Organization

Institutional Banking



What We Do

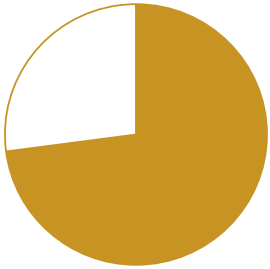
- We take care of the bank's corporate clients, providing them with expert business and financial advice and outstanding solutions for their needs.
- We also manage specific products that cater to all clients of the Unibank.

Key Statistics

Php 1,284,011 Mn

73% of Unibank

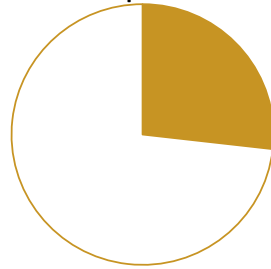
Loans



Php 561,545 Mn

27% of Unibank

Deposits



Php 918,920 Mn

24% of Unibank

Investment Funds



Php 58,143 Mn

47% of Unibank

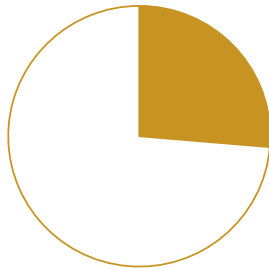
Gross Revenue



Php 31,210 Mn

26% of Unibank

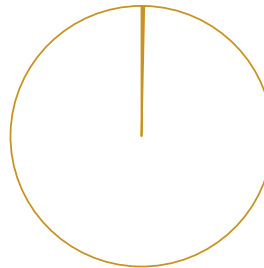
Net Revenue



31K Clients

19K Client Groups

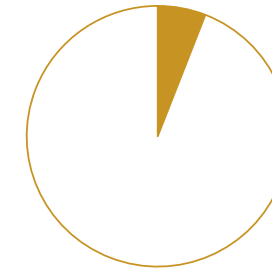
<1% of Unibank Client Count



1,041 Employees

6% of Unibank

Employee Count



Figures as of YTD December 2022 Primary Clients only

Our Mission and Strategies

Our mission is to help our clients execute financial transactions, manage their operations efficiently, grow their businesses, care for their employees and mitigate business risks. We employ the following strategies to achieve this:

CLIENT MANAGEMENT STRATEGY	Customer-centric Relationship Management with strong Advisory element Profit-driven Client Portfolio Management Ecosystem Approach
PRODUCT STRATEGY	Excellence in Transaction Banking (Payments, Liquidity and Digital Solutions) Comprehensive, reliable product suite (TB to Corporate Finance)
CREDIT STRATEGY	Streamlined credit evaluation and approval process Effective program to protect asset quality and recover, manage exposure to risk
PEOPLE STRATEGY	Emphasis on long term people development Employees empowered with connectivity
PROCESS STRATEGY	Make the Best Platforms available to our clients Digitalization of internal and external processes

Relationship Management Group

Relationship Management Group

Manages the Institutional banking relationships with companies with at least Php 500 Million in revenue, as well as these companies' ecosystem.

1. Corporate Banking

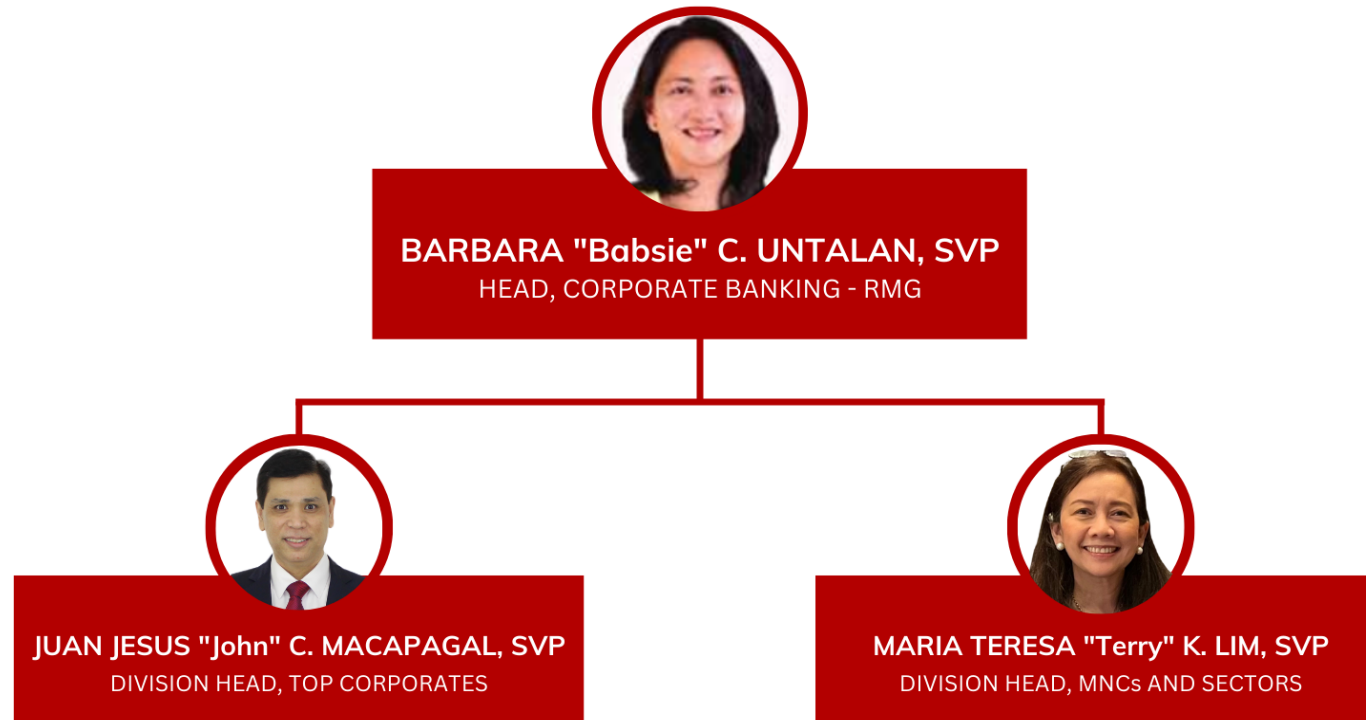
- Top 1,000 corporations in the Philippines, MNCs and certain selected industries or sectors
- Specializes in managing Institutional clients with complex requirements and huge ecosystems
- Sectors are Financial Institutions (FIs), Business Processing Outsourcing companies (BPOs), and Manning

2. Commercial Banking

- Philippine corporations with at least PHP500 Million in annual revenue (ex- Top Corps MNCs)
- Mostly family-owned and managed corporations but are larger, more formally organized than SMEs
- Nationwide coverage and organized geographically -- Metro Manila (1 and 2), Luzon provincial areas, Visayas, and Mindanao

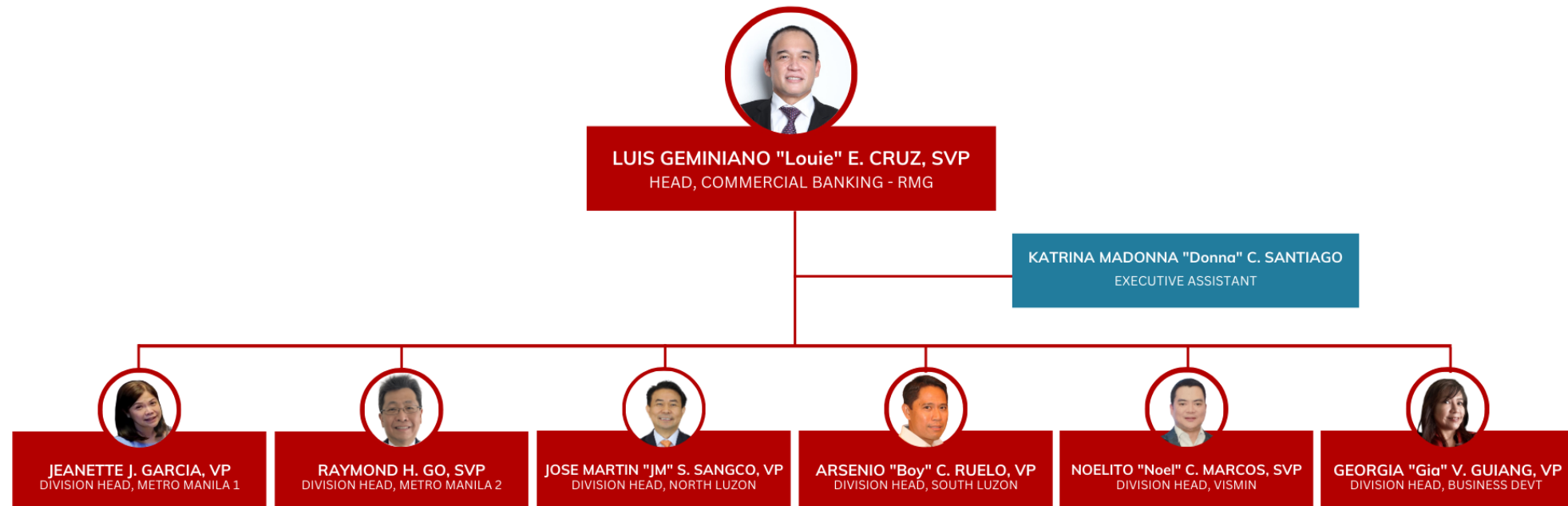
Organization

Corporate Banking Relationship Management



Organization

Commercial Banking Relationship Management



What We Do

We provide advice about a **variety of financial matters** and **provide solutions** to help **clients manage their business**.

We handle a **portfolio of Institutional clients**. We are tasked to **grow our client's business with the bank** and our **portfolio's profitability** by **proactively identifying** and **capturing leads and opportunities** and working with our product partners in closing the sale.

We **handle the day-to-day transactions** of our clients.



We **act as our client's advocate** and work with various internal units of the bank **to ensure their needs are understood and satisfied** and their overall customer **experience is exceptional**.

We **create and build a long-term, mutually beneficial trusted advisor** relationships with our Institutional clients, across all contact points.

We **manage the risks attendant** to serving our clients and handling their day-to-day transactions and ensure that **we act in accordance with our internal policies and regulatory framework**.

Addressing Client Needs through BPI Institutional Banking Solutions

Managing Your Cash Flow

- Platforms and Cash Management Solutions
- Corporate Deposits
- Supply Chain Solutions
- Corporate Cards

Executing Business Transactions

- International Trade Services
- Outward Remittance
- Foreign Exchange, Derivatives and Hedging Solutions
- Cashless Payment Acceptance

Financing Your Business

- Credit Lines and Loans
- Sustainable Energy Finance
- Agribusiness Loans
- Leasing Solutions
- Corporate Finance

Growing & Managing Investments

- Fixed Income Securities
- Asset and Investment Management
- Stock Investments

Addressing Client Needs through BPI Institutional Banking Solutions

Caring for Employees

- Retirement Funds
- Life, Accident and Medical Insurance
- Employee Loans (Auto, Housing, Salary)

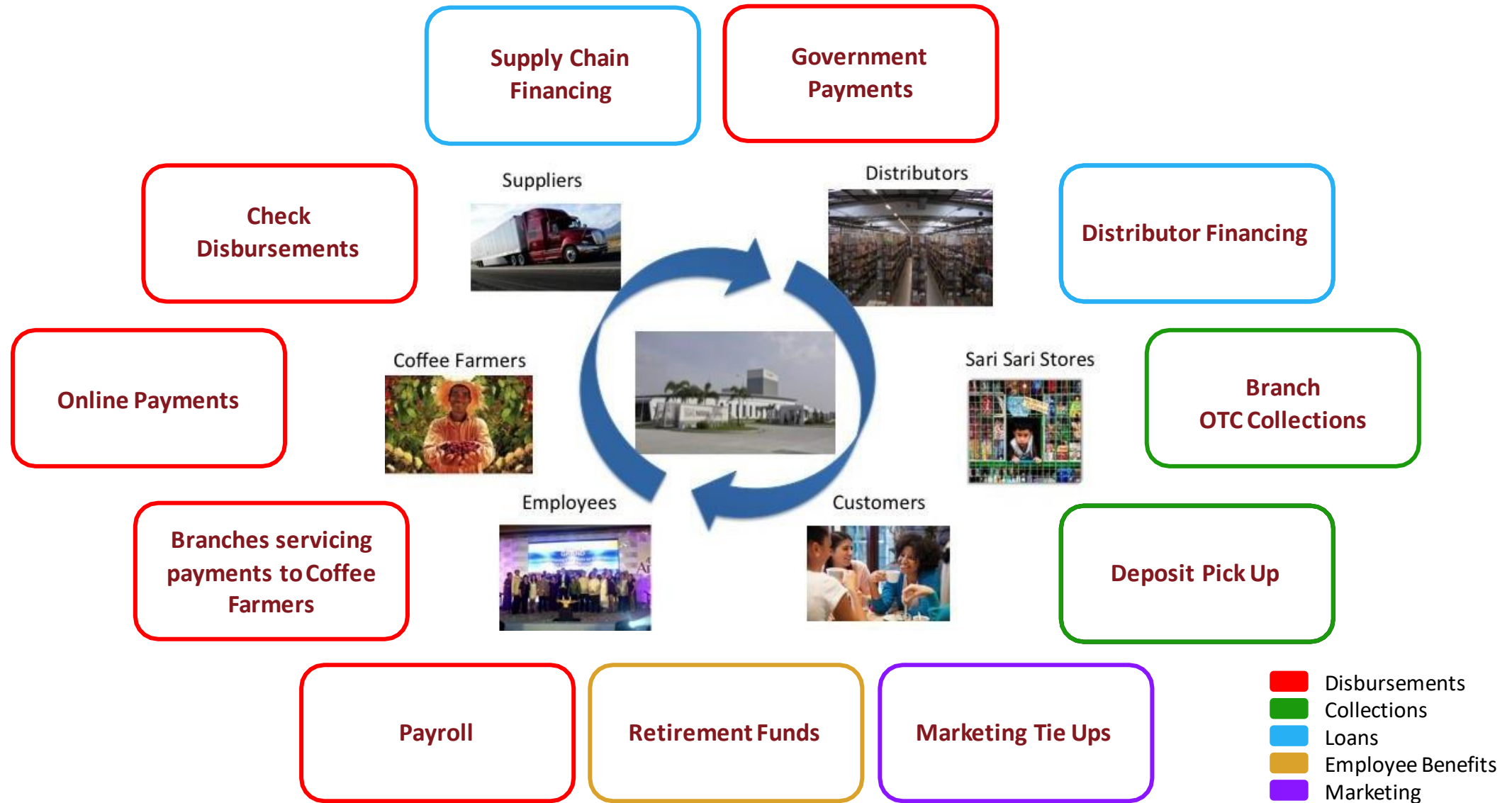
Protecting Assets

- Non-Life Insurance

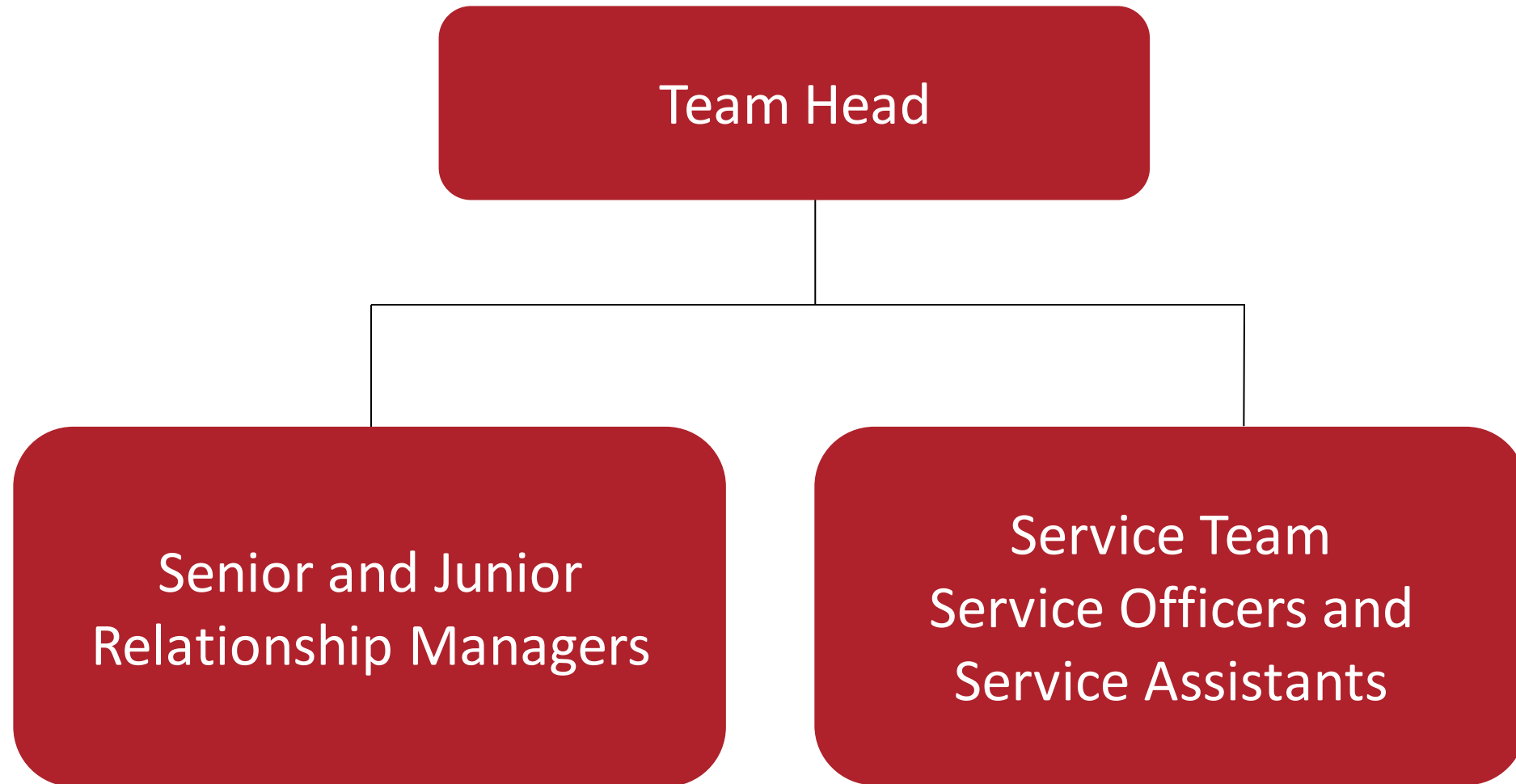
Strategic Needs

- Corporate Restructuring
- Mergers and Acquisition
- Financial Advisory

Capturing our Client's Ecosystem



The RM Team



RMG Jobs

Team Heads

Job Purpose

- Leads a team of senior and junior relationship managers and service officers in serving the needs of a portfolio of large Institutional clients

Key Accountabilities

- Accounts Management (coverage, KYC, AMLA, DOSRI)
- Revenue and Income Growth (account planning, financial solutions, cross selling)
- Customer care (customer feedback, excellent handling of transactions, product and channel issue resolutions)
- People management (training, performance review, career planning, communication)

RMG Jobs

Senior and Junior Relationship Managers

Job Purpose

- Cultivate trust and partnership and be designated as one of the top bankers of their most important clients
- Grow the profitability of its portfolio of accounts by providing timely and appropriate financial solutions to these clients
- Ensure positive customer experience with the bank, all within the bank's policies and guidelines. Entails collaboration with product groups, channels, operations, legal and compliance units in the bank.

Key Accountabilities

- Accounts Management (coverage, KYC, AMLA, DOSRI)
- Revenue and Income Growth (account planning, financial solutions, cross selling)
- Customer care (customer feedback, excellent handing of transactions, product and channel issue resolutions)
- Loan negotiation, documentation and administration
- Monitoring loan portfolio credit quality

RMG Jobs

Senior and Junior Service Officers

Job Purpose

- Leads a team of senior and junior service assistants that serve the needs of the bank's Institutional clients
- In carrying out its objective, the Senior Service Officer collaborate closely with the Relationship Manager and counterparties from other of product groups, channels, operations, legal and compliance units in the bank.

Key Accountabilities

- Accounts Maintenance (on-boarding, tagging, enrollment in systems, KYC, AMLA, DOSRI)
- Customer care (timely and accurate handing of day-to-day transactions, monitoring of service client requests for fulfillment of channels, products and operations)
- Loan administration (line implementation, drawdowns and collections)
- Internal reporting
- People Management (training, performance review, career planning, communication)

Strategy, Products & Support Group

Strategy, Products & Support Group

Composed of teams that manage specific products that cater to ***all clients*** of the Unibank as well as units that provide support to the Institutional Banking units:

1. Products

- **Remittance Fund Transfers (RFT)** develops, manages and markets Remittance and Funds Transfer Services to its target clients. RFT covers inward remittance, domestic remittance, outward remittance, and manning
- **Transaction Banking (TB)** develops, manages and markets Cash Management and Trade Finance products and services to BPI's Institutional Banking and Business Banking clients. TB takes care of end-to-end servicing from product education, on-boarding to day-to-day usage.

2. Institutional Banking Platforms

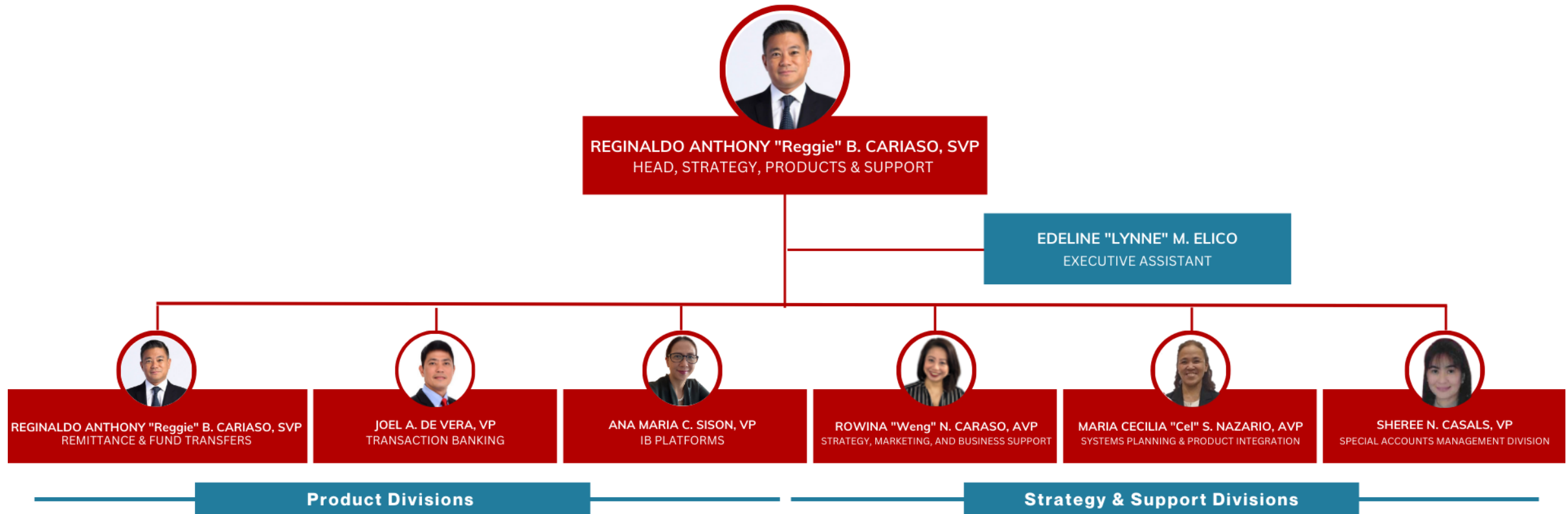
Ensures the growth, usage and success of the corporate platforms, BizLink and BizKo. Platforms Division is responsible for the development of functional roadmaps, defining which customers are the audience of the platforms, which products are served, and what customer journeys are intended to be fulfilled by the platforms.

3. Support

- **Strategy, Marketing, and Business Support** takes care of managing the strategy development process in the segment, new program incubation in aid of strategy, and business support activities such as marketing, customer care, and employee engagement and support
- **Systems Planning & Product Integration (SPPI)** handles the management of application systems and systems project management, and acts as system liaison for IB
- **Special Accounts Management Department (SAMD)** reviews and evaluates NPL accounts for repayment or restructuring, collects payments, endorses accounts to Legal for case filing and recommends accounts for write-off

Organization

Strategy, Products & Support



Remittance & Fund Transfers

- Develops, manages and markets Remittance and Funds Transfer services to its target clients
- **Products and Services**

**INWARD
REMITTANCE:**
Transfer of funds
from anywhere in
the world to BPI



**OUTWARD
REMITTANCE:**
Transfer of funds
from BPI to
anywhere in the
world



**DOMESTIC
REMITTANCE:**
Transfer of funds
anywhere in the
Philippines through
BPI



**MANNING
REMITTANCE:**
Remittances/Upload
from manning
agencies to its BPI
allottee/ beneficiary
accounts

Remittance & Fund Transfers

Scale of Business (FY 2022)

- **Inward Remittance**
 - Tran count: 15,552,598
 - Land-based: 12,309,218
 - Sea-based: 3,243,380
 - Unique no. of Beneficiaries: 2,246,779
 - Unique no. of Remitters: 1,593,716
- **Outward Remittance**
 - Tran count: 110,020
 - Unique no. of Remitters: 44,895
 - Unique no. of Beneficiaries: 50,860
- **Total Revenues (Non-interest income): PHP2.47B**
 - Inward: PHP1.697B
 - Outward: PHP0.374B

Transaction Banking

- Develops, manages and markets Transaction Services to BPI's Institutional Banking and Business Banking clients, taking care of end-to-end servicing from on-boarding to day-to-day usage
- **Products and Services**
 - Cash Management
 - Trade Finance and Services
 - Supply Chain Finance
- **Scale of our Business (FY 2022)**
 - Client Count: Cash Management Customer base of over 48,000 companies
 - Transaction Count: 74.88 Million digital financial transactions in BizLink
 - Revenue: Php10.84B

Cash Flow Cycle



Collections

Anything that involves funds coming in

Collections from Customers, Outlets, Distributors Agents, Employees, etc.



Liquidity

Anything that involves monitoring the funds or moving them around within your company's own accounts

Real-time and accurate account and transaction information



Disbursements

Anything that involves the funds going out

Payments to Employees, Suppliers, Service Providers, and the Government

Cash Management

Product Portfolio

1 COLLECTIONS

- Cash and Check Pick-up
- Institutional Cash Deposit Machine
- Motorized Check Collection
- PDC Warehousing
- Remote Deposit Capture
- Auto Debit Arrangement
- E-ADA Enrollment
- Bills Collection
- Bills Collection – with Generic Modulo Templates
- Electronic Presentment & Payment (EIPP)

2 DISBURSEMENTS

- Pay Bills
- Government Payments
- Pay Employees (Payroll)
- Pay BPI (Online Supplier Payments) – Enrolled and Unenrolled
- Self-Service Check Disbursement
- Outsourced Check Disbursement
- Pay Non-BPI (Pesonet)
- Pay Foreign Accounts
- Institutional ATM

3 LIQUIDITY

- Deposit Account Inquiry
- Collection Reports
- Bank Statement Download
- Special Bank Statements
- Transfer to Own (Funds Transfer)
- Account Sweeping

Trade Finance and Services



Trade Finance and Services are financial products that are used by companies to facilitate international trade and commerce.

- These solutions facilitate payment by the Buyer/Importer to the Supplier/Exporter.
- The Bank only deals with documents, not in goods.

Supply Chain Finance



- Supply Chain Finance represents the financial products that aims to help companies **optimize working capital** and liquidity tied up in supply chain processes.
- Receivable Finance and Supplier Finance always start with an **underlying agreement / document covering the supply of goods or services between a Supplier/Vendor and Buyer.**

Trade Finance and Services

1 IMPORT SERVICES

A. Remittances

- Advanced Payment
- Direct Remittance
- Open Account

B. Bills for Collection

- Documents Against Payment
- Documents Against Acceptance

C. Letters of Credit

- Foreign
- Domestic

D. Loans

- Trust Receipt Financing

2 EXPORT SERVICES

A. Cable Payment Order

B. Outward Bills for Collection

- Documents Against Payment
- Documents Against Acceptance

C. Exporting Letters of Credit

- LC Advising
- Confirmation
- Transfer
- Negotiation and/or Purchase of Export Bills

D. Loans

- Export Advance Loan
- Export Bills Purchase

3 OTHER SERVICES

A. Standby Letters of Credit

- Bid Guarantees
- Performance Guarantees
- Financial Guarantees
- Counter Guarantees

B. Payment of Custom Duties Tax

C. Shipping/Bank Guarantees

IB Platforms

The Institutional Platforms Division is responsible for the *growth, usage and success of the corporate platforms*, BizLink and Bizko. To this end, the Division is responsible for the *development and deployment of the functional roadmaps* for the platforms. These would include defining which customers are the audience for each platform, which products are served and what customer journeys are intended to be fulfilled by the platforms.

Depending on its profile/persona, a corporate and SME client can be in either BizLink or Bizko. Each platform allows the customers to complete their Jobs To Be Done in a digital manner. These jobs are disbursements, collections and reconciliation. Aside from the traditional banking products, the platforms will provide tools to further engagements with corporates and in the process achieve the Main Operating Bank status.

IB Platforms

BizLink is the Institutional Banking's premier digital platform, designed and created to make BPI's products and services more accessible to its corporate and SME clients. It aims to secure the main transaction flows by becoming the clients platform of choice by providing omni-channel availability, critical financial deployments, seamless integration and onboarding and all while aligning to the banks sustainability targets.

BizKo provides Micro, Small and Medium Sized Enterprises (MSMEs) with an efficient, inclusive, safe, and secure digital payments ecosystem to reinforce its commitment to be the MSMEs' partner-of-choice. BizKo addresses the pain points and eases the challenges of MSMEs in cash and liquidity management so they can focus on keeping their businesses afloat, finding opportunities to increase profitability, and supporting their employees, partners, customers, and their own families and communities. It aims to help our MSMEs recover and stay competitive in the new business and economic environment.



Strategy, Marketing & Business Support (StraMaBus)



- Acts as the segment's guardian of strategic direction, business facilitator, problem solver and employee engagement catalyst
- Functions:
 - Strategy development
 - New program incubation
 - Marketing
 - Customer care
 - Employee engagement and support

Systems Planning & Product Integration (SPPI)



- Manages the various systems owned by Institutional Banking and spearheads the segment's system projects
- Functions:
 - Management of application systems
 - Project Management
 - System liaison

Managed Systems:

- Corporate Credit Approval Processing System
- Bills Purchase System
- IMEX
- PAS6

Special Accounts Management Division (SAMD)



- Responsible for reducing the Bank's non-performing loans
- Functions:
 - Review and evaluation of NPL accounts for repayment or restructuring
 - Collection of payments
 - Endorsement of accounts to Legal for case filing
 - Recommendation of accounts for write-off

Corporate and Commercial Credit

Corporate and Commercial Credit

Takes care of Institutional Banking's asset quality by performing sound and timely evaluation of Institutional credit facility proposals

Functions:

- Credit Investigation & Evaluation
- Economic & Industry Research
- Specialized Loan Products

Corporate and Commercial Credit

Takes care of Institutional Banking's asset quality by performing sound and timely evaluation of Institutional credit facility proposals

1. Corporate Credit Division

- Institutional Credit Divisions (composed of six divisions) work in tandem with the Institutional Relationship Management Group for the credit evaluation and preparation of the credit memoranda for the Institutional borrowing clients

2. Product Divisions

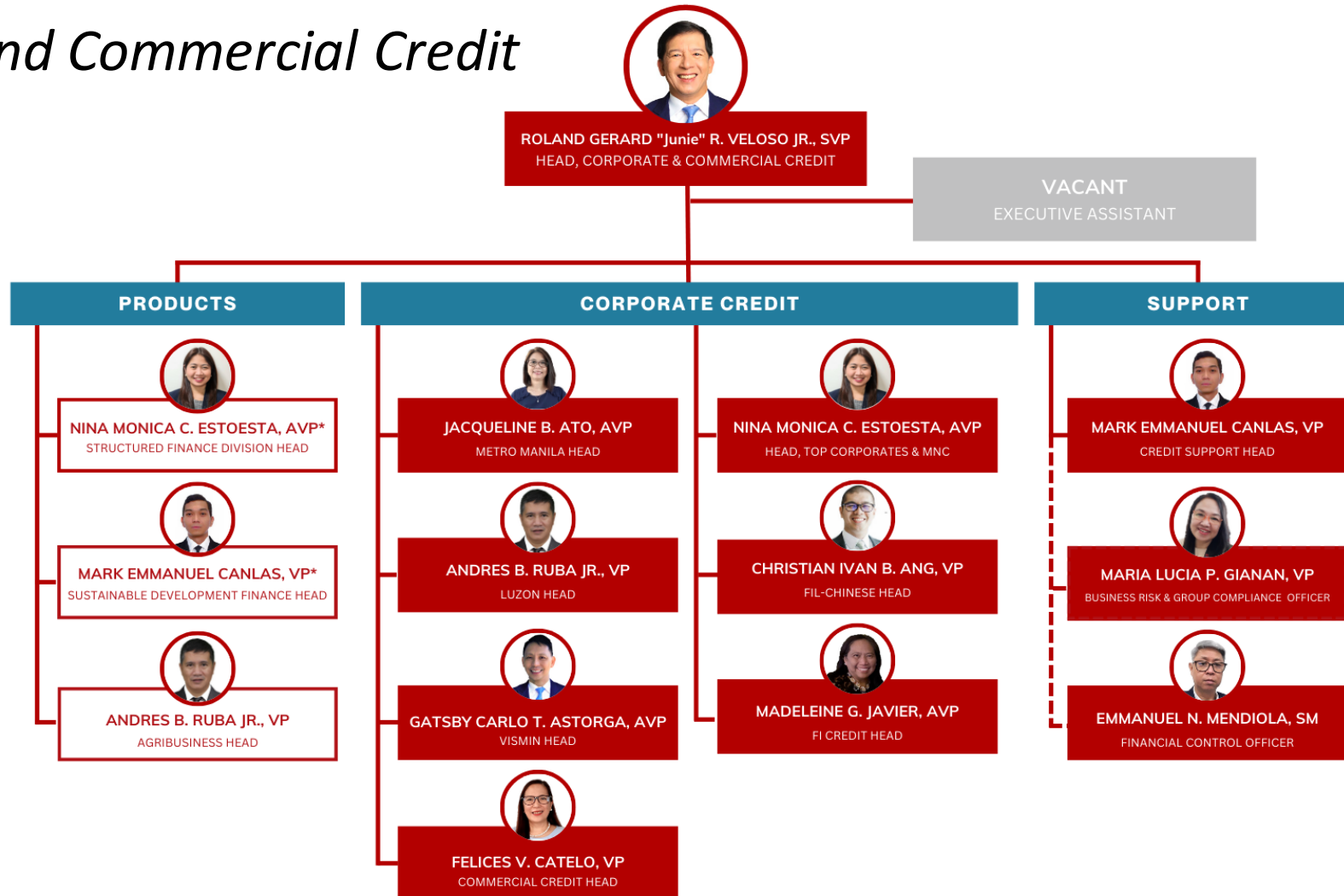
- Manages respective loan portfolios and provides product expertise in the credit evaluation process:
 - Agribusiness Division
 - Sustainable Development Finance
 - Structured Finance Division

3. Credit Support Division

- Provides industry research for the credit evaluation of an account
- Reports credit information obtained from internal and external sources
- Performs overall management and supervision of the Group's systems and system-related projects

Organization

Corporate and Commercial Credit



Corporate Loans

- **Revolving Promissory Note Line (RPNL)**

A short-term financing for working capital gap, availed via Promissory Note of up to a maximum term of 360 days.

- **Term Loans**

Short, medium or long-term loans for fixed asset acquisition, investments or business expansion. They have fixed terms and cannot be re-availed.

- **Bills Purchase Line**

Checks received from the company's customers are purchased and credited to the company's account, allowing them to withdraw the funds without waiting for the one-day clearing period.

Institutional Loans

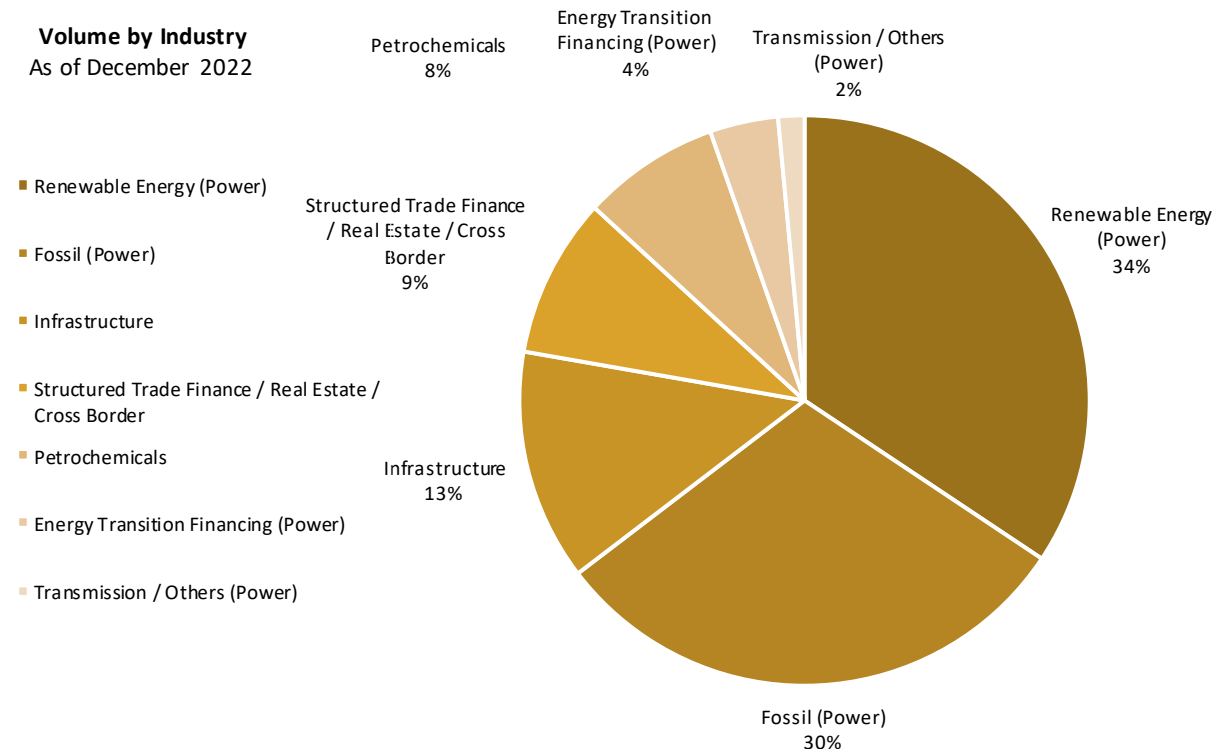
- **FX Trading line/ FX Credit Line** – to cover Settlement and Pre settlement Risk to cover actual and direct exposure arising from clean risk at liquidation when spot and forward contracts are settled on delivery dates.
- **Institutional Guaranty Line**
This is used to earmark Corp Card usage of corporates.

Specialized Loan Products

- Structured Finance (“SF”)
 - The SF product team is primarily responsible for the credit assessment, underwriting, and monitoring of the Bank's large energy and infrastructure project financing loans, cross-border credit exposures (investments and tradeable loans) and other structured credits.
 - In line with the Bank’s sustainability thrust, SFD is keen on further expanding its Renewable Energy power portfolio. As of end-2022, SFD’s Renewable Energy portfolio stands at 34%.

STRUCTURED FINANCE

Volume by Industry
As of December 2022



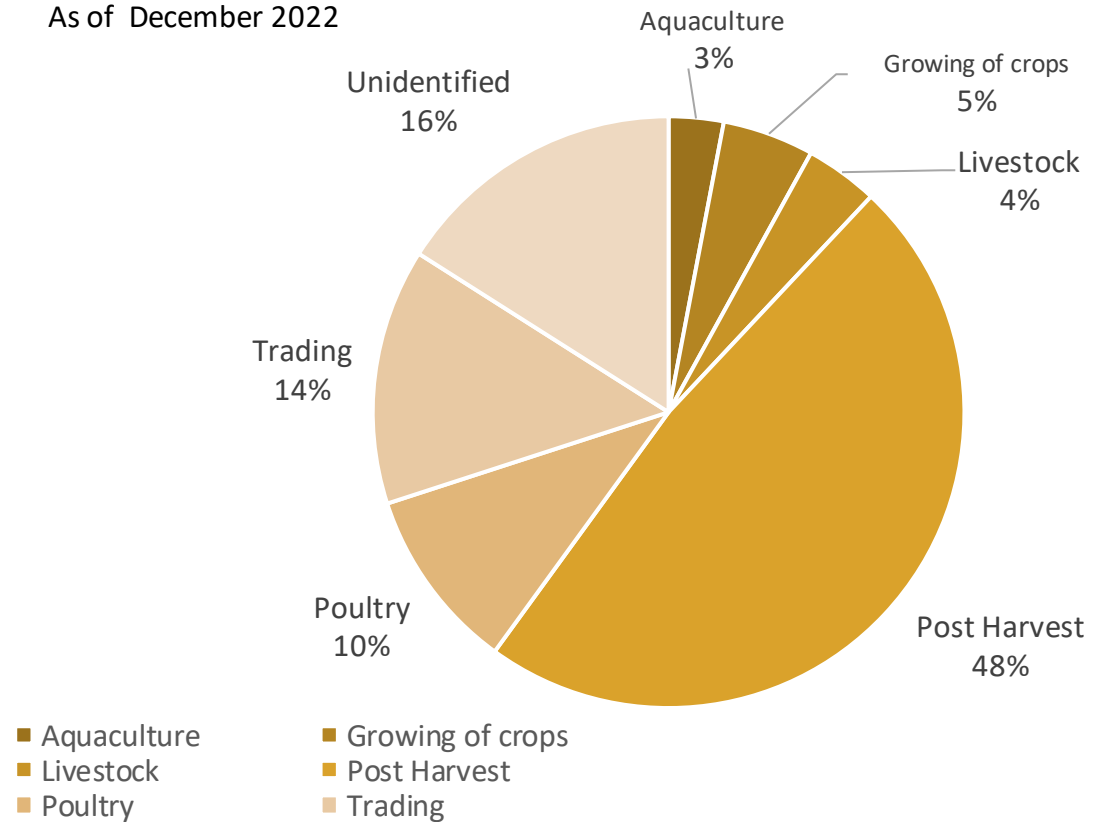
**This figure pertains to the Bank’s Renewable Energy / Fossil ratio as a whole and not SF alone*

Specialized Loan Products

- Agribusiness Solutions
 - CCPG targets to sustain its position as the leading private sector bank for Agri financing, supported by expertise provided by a dedicated Agribusiness unit.

AGRIBUSINESS

Volume by Sub-Industry
As of December 2022

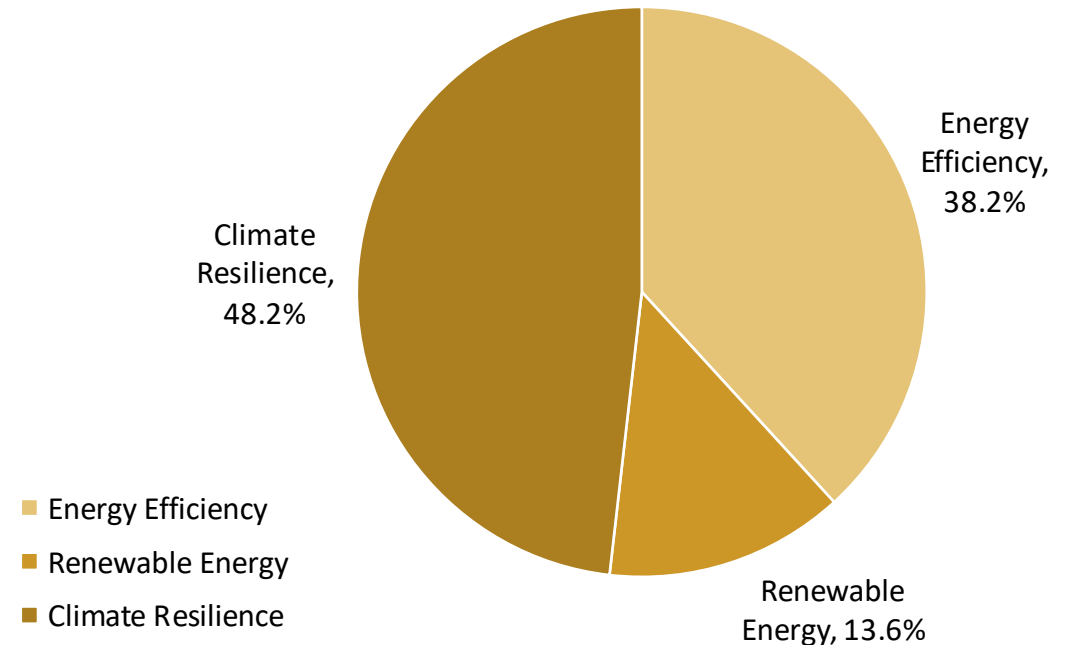


Specialized Loan Products

- Sustainable Development Finance
 - Regulations such as the Energy Efficiency & Conservation Act and the newly enacted Agriculture, Fisheries, and Rural Development Financing Enhancement Act of 2022 have the potential to drive growth in sustainable development finance. We see more companies tapping the bank's offerings, particularly the free technical and financial evaluation of projects.

SUSTAINABLE DEVELOPMENT FINANCE

Volume by Project Type
As of December 2022





Q and A

General OTP Track: Institutional Banking

March 2, 2023 / Bank of the Philippine Islands, Makati City