



Bank of Commerce



BANK OF COMMERCE

(A corporation duly organized and existing under Philippine laws)

FINAL PRICING SUPPLEMENT

dated 29 July 2022

₱7,500,000,000 Series A Bonds
under its ₱20,000,000,000 Bond Programme

5.0263% p.a. Series A Bonds due 2024
At an Offer Price of 100% of Face Value

to be listed and traded through
the Philippine Dealing and Exchange Corporation

Joint Lead Arrangers and Joint Bookrunners and Selling Agents

ING BANK N.V., MANILA BRANCH

PHILIPPINE COMMERCIAL CAPITAL, INC.

**OFFER OF SERIES A BONDS
BY BANK OF COMMERCE
UNDER ITS ₱20,000,000,000 BOND PROGRAMME**

This document constitutes the Pricing Supplement relating to the Series A Bonds being offered and described herein (the "Offer"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "Terms and Conditions") set forth in the Offering Circular dated 24 June 2022 (the "Offering Circular"). This Pricing Supplement contains the final terms of this Offer and the Series A Bonds and must be read in conjunction with the Offering Circular. Full information on BankCom and the Offer is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. All information contained in the Offering Circular are deemed incorporated by reference in this Pricing Supplement.

Issuer	Bank of Commerce (" BankCom ")
Issuer Rating	PRS Aa plus (corp.) with a Stable Outlook from Philippine Rating Services Corporation
Issue	PHP-denominated Senior Fixed-Rate Bonds (the " Bonds ") constituting direct, unconditional, unsecured and unsubordinated obligations of BankCom which shall form part of the Issuer's aggregate proposed ₱20.0 billion Bond Programme
Issue Amount	Minimum of Three Billion Pesos (₱3,000,000,000) in aggregate principal amount, subject to oversubscription option.
Manner of Distribution	Public offering in the domestic market
Use of Proceeds	<p>(1) management of the Bank's net interest margin - matching of long-term assets with long-term funding to reduce the Bank's interest rate risk;</p> <p>(2) diversification of funding sources – more stable funding source for the banks; and</p> <p>(3) general corporate purposes.</p>
Issue Price	Par or 100% of face value.
Offer Period	The offer of the Bonds shall commence at 9:00 a.m. on 11 July 2022 and end at 5:00 p.m. on 22 July 2022, or such other period as may be determined by the Issuer and the Arrangers and Bookrunners
Issue Date	29 July 2022
Maturity Date	29 July 2024 or Two Years after Issue Date
Interest Rate	<ul style="list-style-type: none"> Fixed interest rate of 5.0263% per annum Quarterly payment; 30/360-day count basis
Interest Payment Dates	October 29, January 29, April 29 and July 29 of each year; <u>provided</u> , that for any Interest Payment Date that would otherwise fall on a day which is not a Banking Day, the interest payments which would then

ordinarily fall due shall be actually paid on the next succeeding Banking Day without adjustment to the amount to be paid

Day Count Fraction

30/360 day count basis

Form and Denomination

The Bonds shall be issued in scripless form in denominations of ₱100,000 each, as a minimum, and in multiples of ₱50,000 thereafter, and traded in denominations of ₱50,000 in the secondary market.

Redemption Option

If as a result of a change in law, rule or regulation (or in the interpretation of any of the foregoing) either: (i) payments under any tranche of the Bonds become subject to additional or increased taxes other than those applicable as of the relevant Issue Date; (ii) the Issuer becomes subject to increased reserve requirements against obligations that include such tranche of the Bonds, and such additional or increased taxes or increased reserve requirements cannot be avoided by the use of reasonable measures available to the Issuer; or (iii) if any of the transaction documents (or any provision thereof) becomes invalid, illegal, or unenforceable to the extent that it becomes unlawful for the Issuer to enforce its rights or comply with its obligations thereunder, or the Issuer is prevented or restrained from performing its obligations under the transaction documents, then subject to the applicable regulations, the Issuer may, at its option, redeem all (but not less than all) of the tranche of the Bonds affected by any of the foregoing events on any Interest Payment Date.

Final Redemption

The Bonds will be redeemed at par or 100% face value upon their maturity.

Covenants; Representations and Warranties

Customary covenants and warranties such as but not limited to a negative pledge, compliance with applicable law and regulations, completeness and accuracy of due diligence information provided.

Events of Default

Customary events of default such as but not limited to non-payment, cross-default, breach of covenants or warranties.

Purchase and Cancellation

The Issuer may at any time purchase any of the Bonds at any price in the open market or by tender or by contract at any price, without any obligation to purchase (and the Bondholders shall not be obliged to sell) Bonds pro-rata from all Bondholders. Any Bonds so purchased shall be redeemed and cancelled and may not be re-issued.

Status and Ranking of the Bonds

The Bonds constitute direct, unconditional, unsecured and unsubordinated Peso denominated obligations of the Bank and shall rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by the law.

Prohibited Bondholders

(a) Persons and entities which are prohibited from purchasing and/or holding any Bonds of the Issuer pursuant to the Governing Regulations, including:

- (1) the Issuer (but excluding for this purpose the Issuer's trust department, which may purchase and/or hold Bonds in the name of and for the account of its clients who are not Prohibited Bondholders);
- (2) any other person or entity that is classifiable as a related party of the Issuer.

For purposes of this definition, a "related party" means, in addition to the Issuer's subsidiaries and affiliates, any person or entity that is in possession or has access to material and non-public information which affects the pricing and marketability of the Bonds or which would substantially impact an investor's decision to buy or sell the Bonds if disseminated among the public; provided, that without limiting the generality of the foregoing, the following persons shall be deemed "related parties" of the Issuer:

(i) With respect to any issuance of the Bonds:

- 1) Any member of the Issuer's board of directors including the Board Advisers, Corporate Secretary, Assistant Corporate Secretary and officers/staff of the Office of the Corporate Secretary and their relatives within the first degree of consanguinity or affinity, or by legal adoption;
- 2) All members of the Bank's Senior Executive Team (SET) (President & CEO; Chief Finance Officer; Heads of Treasury Group, Trust Services Group, Corporate Banking Group I, Corporate Banking Group II, Branch Banking Group, Transaction Banking Group, Credit Card Group, Consumer Group, Executive Support Group, Operations Group, Credit Group, Heads of Human Resources Management and Development Division, Legal Services Division, Corporate Communication and Consumer Protection Division, Information Technology Division, Risk Management Division, Internal Audit Division, Compliance Division); the SET consultants; SET secretariat; the Executive Assistant of the President; the Assistant to the President; and their relatives within the first degree of consanguinity or affinity, or by legal adoption;

- 3) All members of the Asset and Liability Committee (ALCO) including the ALCO secretariat and their relatives within the first degree of consanguinity or affinity, or by legal adoption;
 - 4) Any of the Issuer's personnel in the following Group, Division or Department, including their relatives within the first degree of consanguinity or affinity, or by legal adoption:
 - (A) Treasury Management Group;
 - (B) Trust Services Group;
 - (C) Compliance Division;
 - (D) Office of the Corporate Secretary;
 - (E) Finance and Controllershship Group;
 - (F) Corporate Planning Division;
 - (G) Legal Services Division;
 - (H) Corporate Communication and Consumer Protection Division; and
 - (I) Market and Liquidity Risk Department;
 - 5) The Bank's stockholders, substantial stockholders, subsidiaries, affiliates and other related parties, as defined in Section 131 of the Manual of Regulations for Banks (as the same may be amended, supplemented or replaced at the time of any offering of a Tranche of the Bonds). "Stockholders" shall refer to any stockholder of record of the Bank, whose stockholdings, amount to one percent (1%) or more of the total subscribed capital stock of the Bank, individual and/or collectively with the stockholdings of:
 - a) his spouse and/or relative within the first degree by consanguinity or affinity or legal adoption;
 - b) a partnership in which the stockholder and/or the spouse and/or any of the aforementioned relatives is a general partner; and
 - c) association or firm of which the stockholder and/or his spouse and/or the aforementioned relatives own more than fifty percent (50%) of the total subscribed capital stock of such corporation, association or firm.
- (ii) With respect to any Tranche of the Bonds, the following persons, but only to the extent such persons have performed the services or functions described below in respect of such Tranche:

- 1) The partners and associates of external legal counsel to the Issuer, the Arrangers and Bookrunners; and
- 2) The officers and staff of (x) the Issuer's external auditors, and (y) auditors providing comfort letters in respect of such Tranche;

Provided, further, that a party participating in an Offer as an underwriter or Arranger and Bookrunner of the Bonds may hold such Bonds even if such underwriter or Arranger and Bookrunner is a related party of the Issuer, to the extent that such party is authorized to hold Bonds pursuant to the relevant underwriting or arrangement agreement and otherwise is in compliance with the provisions of the Governing Regulations applicable to such investment.

- (b) persons defined as U.S. Persons under the Foreign Account Tax Compliance Act of the United States, as such statute may be amended from time to time ("**FATCA**"), including, but not limited to, (1) a U.S. citizen (including a dual citizen who may have another citizenship besides having U.S. citizenship), (2) a U.S. resident alien for tax purposes, which includes a person who has substantial presence in the U.S. ("substantial presence" is defined as more than 31 days in the current calendar year or a total of 183 days over the previous three years from the current tax year), (3) a U.S. partnership, U.S. corporation, or U.S. entity, (4) a U.S. estate, (5) a U.S. trust if a court within the United States is able to exercise primary supervision over the administration of the trust, or one or more U.S. persons who have the authority to control all substantial decisions of the trust, (6) a passive non-financial foreign entity with U.S. controlling persons, or (7) any other person that is not a non-U.S. person under the FATCA; and
- (c) any Restricted Party (as defined in the Terms and Conditions).

Taxation

If any payments of principal and/or interest on the Bonds shall be subject to deductions or withholding for or on account of any present taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") that may be levied, collected, withheld or assessed by or within the Philippines or any authority therein or thereof having the power to tax, including but not limited to documentary stamp, income, value-added or similar taxes, then all such Taxes shall be for the account of the Bondholder concerned; and if the Issuer shall be required by law or regulation to deduct or withhold such Taxes, then the Issuer shall make the necessary withholding or deduction for the account of the Bondholder concerned; provided, that all sums payable by the Issuer to tax-exempt persons shall be paid in full

without deductions for Taxes or other duties, assessments or government charges, subject to the submission by the relevant Bondholder claiming the exemption of the documents required in Clause 2(b)(iii) of the Terms and Conditions and such other evidence as may be acceptable to the Issuer; and provided, further, that documentary stamp tax for the primary issue of the Bonds, if any, shall be for the Issuer's account.

Ranking	The Series A Bonds constitute direct, unconditional, unsecured, and unsubordinated obligations of the Bank, enforceable according to the Terms and Conditions, and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves and at least <i>pari passu</i> with all other present and future direct, unconditional, unsecured, and unsubordinated obligations of the Bank, except for any obligation enjoying a statutory preference or priority established under Philippine laws
Registration Requirement	The Bonds are classifiable as exempt securities under Section 9.1(e) of the Securities Regulation Code (Republic Act No. 8799) and do not need to be registered with the Securities and Exchange Commission.
Listing	The Issuer shall list the Bonds in PDEX on the Issue Date.
Transfer of the Bonds	Trading of the Bonds will be coursed through a PDTC Participant under the Scripless Book-entry System of the PDTC. Trading, transfer and/or settlement of the Bonds shall be performed in accordance with the PDTC rules and procedures to be set by the Issuer and the Registrar. Upon any assignment, title to the Bonds will pass by recording of the transfer from the transferor to the transferee in the electronic register of bondholders to be maintained by the Registrar.
Governing Law	Philippine Law

PARTIES TO THE TRANSACTION

Joint Lead Arrangers and Joint Bookrunners	ING Bank N.V., Manila Branch Philippine Commercial Capital, Inc.
Selling Agents	Bank of Commerce ING Bank N.V., Manila Branch Philippine Commercial Capital, Inc.
Trustee	Rizal Commercial Banking Corporation – Trust and Investments Group
Market Maker	Philippine Commercial Capital, Inc.
Registrar and Paying Agent	Philippine Depository & Trust Corporation
Listing Agent and Exchange	Philippine Dealing & Exchange Corporation

Counsel to the Issuer Picazo Buyco Tan Fider & Santos

***Counsel to the Joint
Lead Arrangers and
Joint Bookrunners*** SyCip Salazar Hernandez & Gatmaitan Law Offices

For inquiries or complaints, you may contact the Bank at +632 8632 2265 or at customerservice@bankcom.com.ph or the BSP Financial Consumer Protection Department at telephone no. +632 8708-7087.

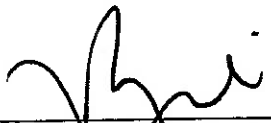
THE SERIES A BONDS REFERRED TO IN THIS PRICING SUPPLEMENT ARE EXEMPT FROM REGISTRATION UNDER SECTION 9.1(e) OF THE SECURITIES REGULATION CODE (REPUBLIC ACT NO. 8799) AND CONSEQUENTLY, HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION.

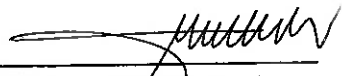
RESPONSIBILITY

The Bank accepts responsibility for the information contained in this Pricing Supplement.

BANK OF COMMERCE

By:



Michelangelo R. Aguilar
President and CEO

Felipe Martin F. Timbol
Executive Vice President/Treasurer

ANNEX A

CONDENSED INTERIM FINANCIAL STATEMENTS

As of March 31, 2022 (Unaudited) and December 31, 2021 (Audited) and for the quarters ended
March 31, 2022 and 2021 (Unaudited)