

# Philam invests P3B to fund infra projects

PHILAM Life, the country's premier life insurer, continues to support nation building and economic development by investing in fixed income securities that will fund infrastructure and green energy projects.

Philam Life and its asset management arm, Philam Asset Management Inc (PAMI), recently extended a loan to Metro Pacific Investments Corporation (MPIC). MPIC is a leading infrastructure holding company in the Philippines, with diverse investments in power generation and distribution (Global Business Power Company and Meralco), water distribution (Maynilad Water Services, Inc.), toll road operations (Metro Pacific Tollways Corporation and NLEX Corporation), logistics, and light rail operations, among others.

Philam Life and PAMI likewise participated in the bond issuance of MPIC's subsidiary, NLEX Corporation. Proceeds of the bonds will be predominantly used to fund the construction of the R-10 Section Project, a 2.6-km elevated toll road that will extend the C-3 road exit ramp of Segment 10 to R-10 road near the port area, providing an alternative route to motorists who have to go through the worsening traffic congestion in the port area.

Philam Life also supports the development of green energy in the country through its venture into green bond financing. The first is through its participation in the International Finance Corporation's (IFC) Mabuhay Bonds, while the other is through Sindicatum Renewable Energy Company Pte Limited's USD bond (credit-guaranteed by GuarantCo) led by ING.

IFC, a sister organization of the World Bank and a member of the World Bank Group, is considered as the largest global development institution in the world with focus on

developing countries to help end extreme poverty and promote shared prosperity. The net proceeds from the issuance of its Mabuhay Bonds will be for on-lending to IFC-eligible climate projects.

Sindicatum, on the other hand, is a renewable energy independent power producer based in Singapore with diversified operations in India, Indonesia, Thailand, and the Philippines. Funded by US foundations, private equity groups and development banks, its power portfolio is made up of solar, wind, waste-to-energy and bagasse co-generation facilities. The proceeds from its green bonds will be used to fund the construction and acquisition of solar and wind projects in the Philippines.

GuarantCo is part of the Private Infrastructure Development Group (PIDG) and mobilises local currency investment for infrastructure projects whilst supporting the development of financial markets in low income countries. GuarantCo is supported by the governments of the UK, Switzerland, Sweden, the Netherlands and Australia and is rated AA- by Fitch and A1 by Moody's.

"By providing financing to key industries involved in major infrastructure and green energy projects in the country, we are doing our share in building the nation, a practice that we've been doing for the past 71 years. While we are fully committed to honoring our future financial commitments to our policyholders, in the process we also help spur economic development in the Philippines by investing in such projects," said Philam Life Chief Investment Officer Arleen Guevara. "We have always been a strong advocate for these kinds of undertaking and we remain committed to participating in investment programs that will help Filipinos live better lives," she added.