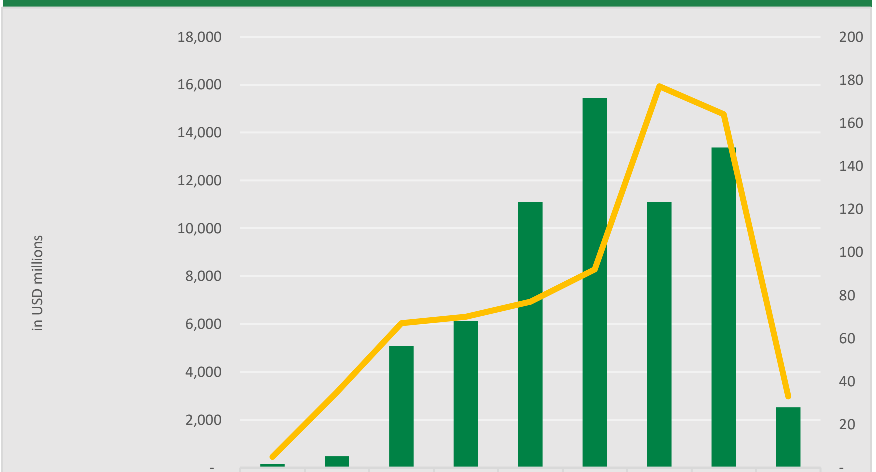
Securities and Exchange Commission PHILIPPINES | ACMF

SUSTAINABLE FINANCE MARKET UPDATE

Markets and Securities Regulation Department | April 2025 | Issue No. 56

IN APRIL, NO NEW THEMATIC BONDS ISSUANCES FROM THE PHILIPPINES. IN CONTRAST, MALAYSIA BELATEDLY REPORTED A SERIES OF UNLISTED SUSTAINABLE THEMATIC BOND ISSUANCES INCLUDING GREEN, SUSTAINABILITY, AND SUSTAINABILITY-LINKED BONDS TOTALING OVER USD888.30 MILLION FROM BOTH CORPORATE AND STATE-OWNED ENTERPRISES. MEANWHILE, THAILAND ISSUED A SUSTAINABILITY-LINKED SOVEREIGN BOND AMOUNTING TO USD449.10 MILLION.

TOTAL ASEAN-LABELED GREEN, SOCIAL, SUSTAINABILITY AND SUSTAINABILITY-LINKED (GSS+) BONDS



	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Amount Issued	160	476	5,077	6,134	11,104	15,438	11,101	13,375	2,517
No. of Issuance	5	35	67	70	77	92	177	164	33

Source: ACMF

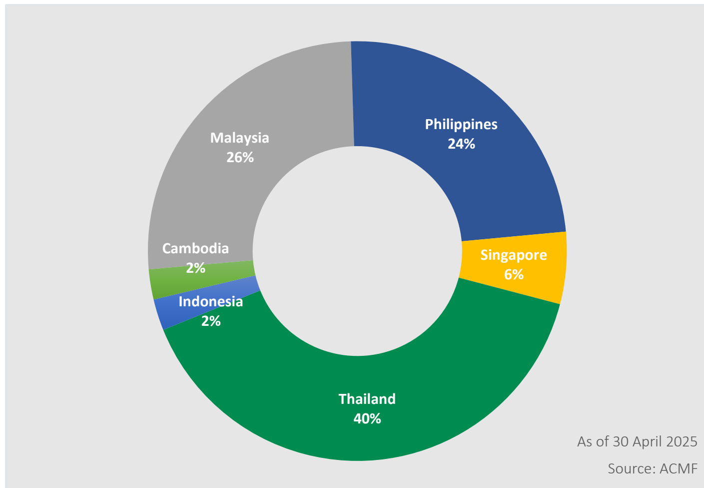
As of 30 April 2025, the total amount of ASEAN-labelled Green, Social, Sustainability and Sustainability-Linked Bonds issued was USD65.38 billion, with Philippine issuers accounting for US$15.70 billion dollars or 24% of the total amount issued.

TOTAL ASEAN–LABELLED GSS+ BOND ISSUANCES BY COUNTRY

(in USD Millions; figures may vary due to exchange rates)

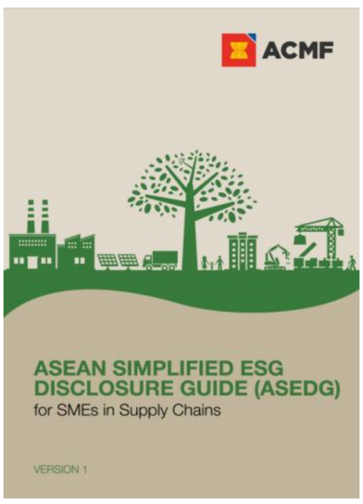
Country	As of 30 Apr 25	As of 31 Mar 25	% Change	RANK
Philippines	15,700.02	15,700.02	0.00%	3rd
Thailand	26,025.30	25,576.20	1.76%	1st
Malaysia	16,930.82*	16,042.53	5.54%	2nd
Singapore	3,632.30	3,632.30	0.00%	4th
Indonesia	1,576.49	1,576.49	0.00%	5th
Cambodia	1,517.78	1,517.78	0.00%	6th

This includes USD888.29 million issuances from Malaysia in April 2025



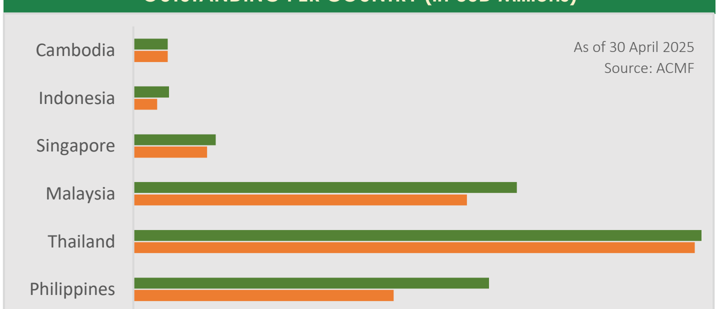
A total of USD888.30 million worth of unlisted sustainability-themed bonds were reported from Malaysia in April, covering green, sustainability, and sustainability-linked bonds issued by both corporate and state-owned enterprises. Notable issuers included Malaysia Rail Link Sdn Bhd, Malaysia Rail Link Sdn Bhd, Sunway Healthcare Treasury Sdn Bhd, and Eiko Logistics Sdn Bhd, among others. Meanwhile, Thailand issued a sustainability-linked sovereign bond amounting to USD 449.10 million, with proceeds earmarked for debt repayment and other budgetary needs. In contrast, no new thematic bond issuances were reported from the Philippines during the month.

ACMF RELEASED ASEAN SIMPLIFIED ESG DISCLOSURE GUIDE FOR SMES IN SUPPLY CHAINS (ASEDG) VERSION 1



The ASEAN Capital Markets Forum (ACMF) launched Version 1 of the ASEAN Simplified ESG Disclosure Guide for SMEs in Supply Chains (ASEDG) on April 11, 2025. This guide is designed to help small and medium enterprises (SMEs) across ASEAN that operate within global and local supply chains to report environmental, social, and governance (ESG) disclosures to stakeholders such as customers, investors, and financiers.The ASEDG consolidates global ESG frameworks, including the IFRS Sustainability Disclosure Standards and the Global Reporting Initiative, as well as the local regulations from all ten ASEAN member states into 38 priority disclosures. These disclosures are organized into Basic, Intermediate, and Advanced categories, reflecting varying levels of sustainability maturity among SMEs. The guide applies across industries, encouraging SMEs to assess the relevance of disclosures to their operations. Developed with inputs from ACMF members and regional stakeholders, the ASEDG supports ASEAN's sustainable finance initiatives and will be regularly updated to remain aligned with evolving global ESG standards. The publication aligns with Malaysia's 2025 ASEAN Chair priorities to catalyze financing for a climate-resilient and just transition.

TOTAL AMOUNT OF GSS+ BONDS ISSUED AND TOTAL AMOUNT OUTSTANDING PER COUNTRY (in USD Millions)

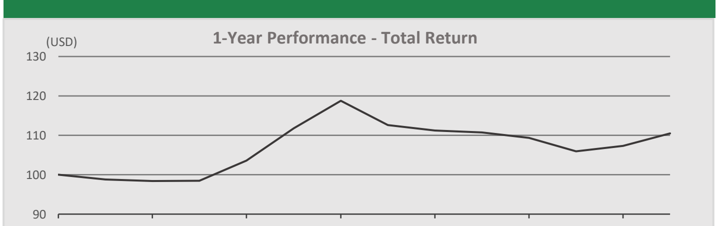


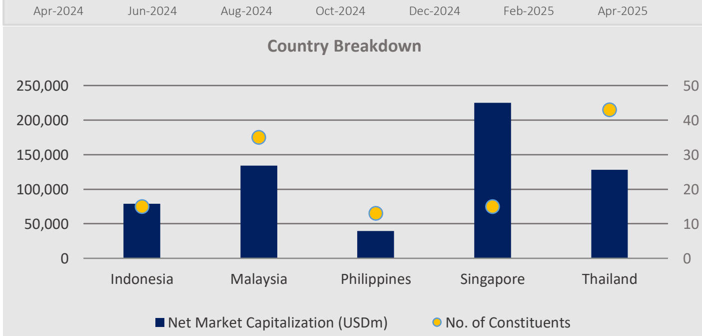
	Philippines	Thailand	Malaysia	Singapore	Indonesia	Cambodia
Cumulative	15,700.02	26,025.30	16,930.82	3,632.30	1,576.49	1,517.78
Outstanding	11,492.80	24,795.25	14,732.79	3,254.48	1,046.66	1,517.78

SEC HIGHLIGHTS ESG COMPLIANCE AS KEY TO SUSTAINABLE GROWTH AT THE 2ND PHILIPPINE SUSTAINABILITY NOW FORUM

The Securities and Exchange Commission (SEC) participated in the 2nd Philippine Sustainability Now Forum on April 23, 2025, which convened leaders from government, business, and sustainability sectors to discuss climate action and sustainable development. Organized by the Italian Chamber of Commerce in the Philippines, the event focused on integrating sustainability into business operations and developing a green workforce. SEC Commissioner Javey Paul D. Francisco emphasized the critical role of Environmental, Social, and Governance (ESG) compliance as a strategic imperative for long-term competitiveness and resilience. He highlighted the importance of embedding sustainable habits within organizational systems to drive meaningful progress toward a greener future.

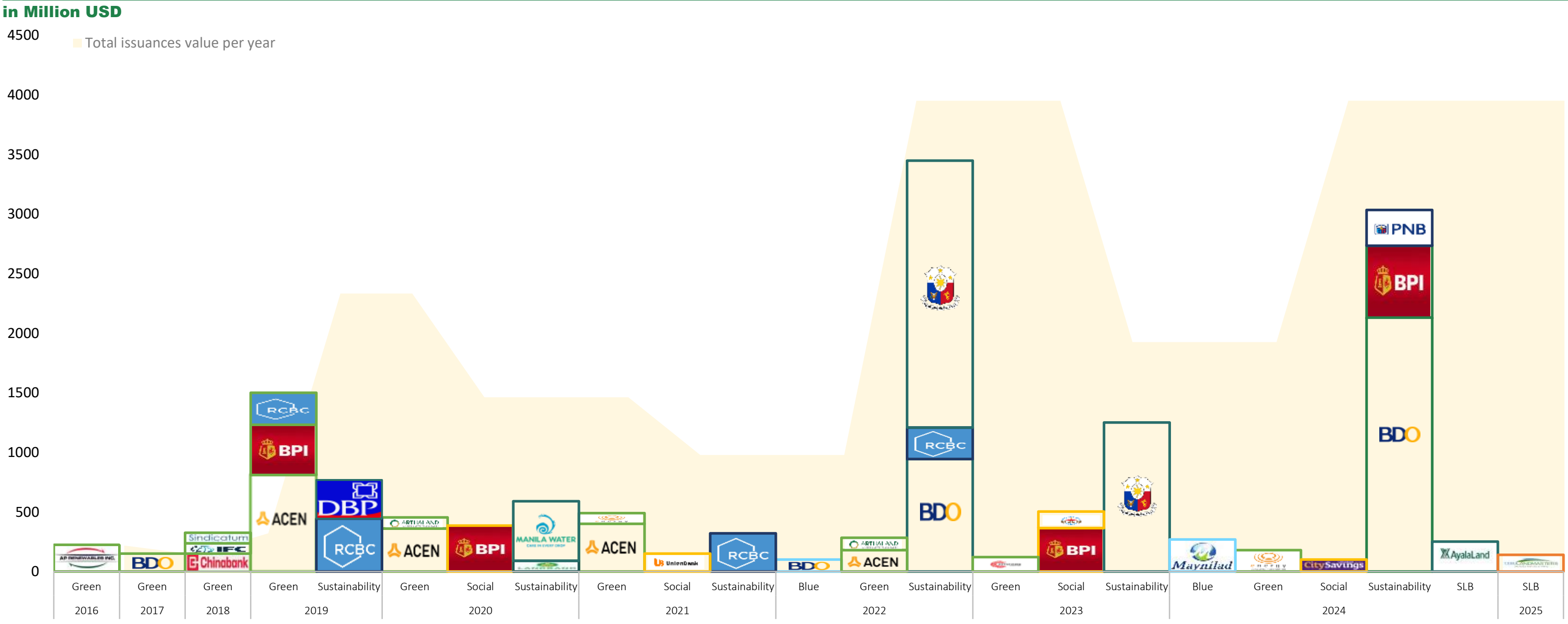
FTSE4GOOD ASEAN 5 INDEX





As of 30 April 2025
Source: FTSE Website

PHILIPPINE GSS+ BOND ISSUANCES*



*Includes Green Bonds that are issued prior to the release of the SEC GSS Bond Guidelines, as well as Sustainability and Blue Bonds that are not ASEAN-labelled.

PHILIPPINE SUSTAINABILITY NEWS UPDATE

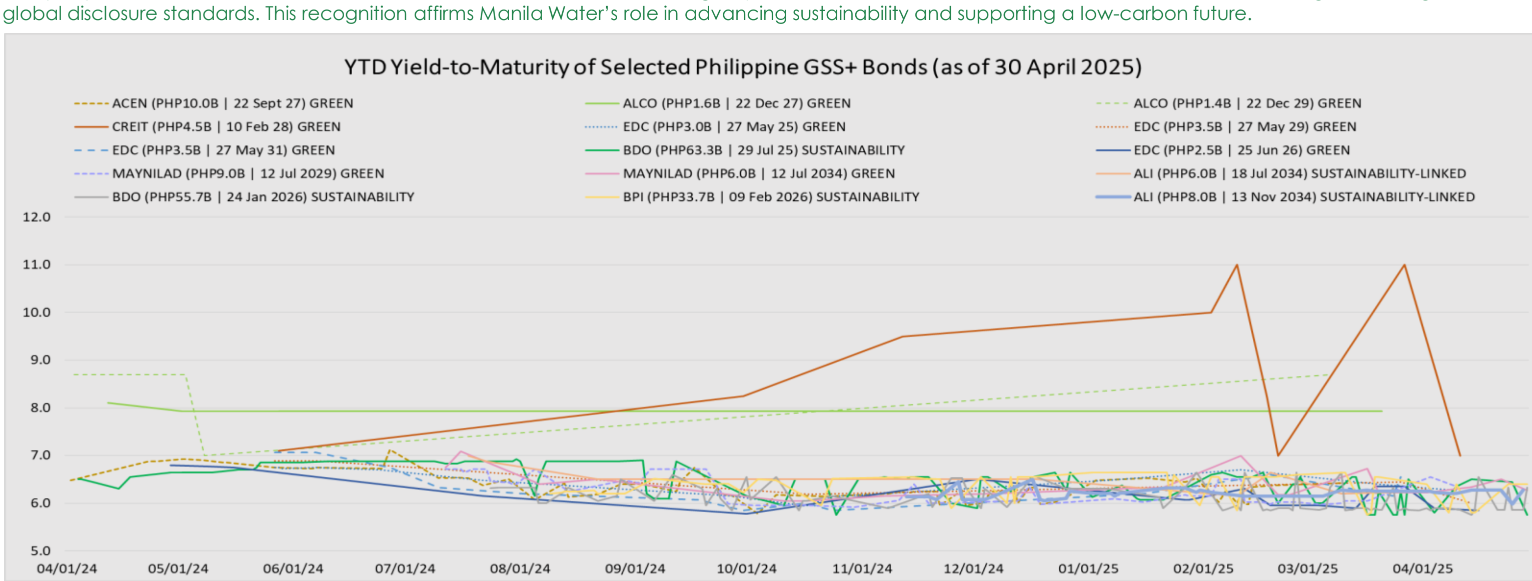
- RCBC's sustainability portfolio hits P120 billion in 2024.[1] Rizal Commercial Banking Corp. (RCBC) reported that its sustainability portfolio reached ₱120 billion by the end of 2024, financing around 19,000 green, blue, and social initiatives that promote inclusive growth and environmental resilience. According to its 2024 Sustainability Report, RCBC's efforts align with 12 of the 17 United Nations Sustainable Development Goals and are guided by its updated sustainable finance framework. Key focus areas include clean energy, affordable housing, healthcare, education, and support for MSMEs. The bank raised $400 million and $350 million in sustainability bonds in January 2024 and 2025, respectively, reflecting strong investor confidence. Notably, its renewable energy lending surged over 80% in 2024, with RE loans now comprising 6.8% of its total portfolio. RCBC reaffirmed its commitment to fully divest from coal by 2031, with renewable energy now dominating its power generation loan portfolio.

- BDO's sustainable financing breaches P1 trillion mark in 2024.[2] BDO Unibank Inc. reported that its sustainable financing portfolio reached a record of ₱1.04 trillion in 2024, marking a 15.8 percent increase from ₱898 billion in 2023 and making it the largest among Philippine banks. The bank's sustainable finance supports projects in renewable energy, green infrastructure, water sanitation, microfinance, and gender-focused enterprises. BDO has financed 63 renewable energy projects with a combined capacity of 2,679 megawatts, expected to reduce carbon emissions by nearly 4.8 million tons annually—equivalent to removing over one million cars from the road. The bank's strategy aligns with the United Nations Sustainable Development Goals and the Philippines' commitments under the Paris Agreement. BDO has expanded its sustainable finance framework and incorporated climate risk assessments to support a balanced transition to a low-carbon economy while maintaining economic development goals.

- Earth Day: DENR pushes shift to renewable energy.[3] The Department of Environment and Natural Resources (DENR), led by Secretary Maria Antonia Yulo Loyzaga, emphasized the urgent need for a unified multi-sectoral approach to combat climate change and accelerate the Philippines' transition to renewable energy during Earth Day 2025. Loyzaga highlighted that this shift must ensure social and environmental justice, stressing the responsible use of natural resources and inclusive development. Environmental groups encouraged families to engage children in eco-friendly activities to foster environmental stewardship. Meanwhile, the Kabataan party-list renewed calls for Congress to pass the People's Green New Deal to promote a green and just economic recovery, criticizing the government's current target of 50% renewable energy by 2040 as insufficient. Advocates urge stronger political will to achieve a full clean energy transition by 2030 in line with the country's climate commitments.

- PH banks eager to back offshore wind projects.[4] Several Philippine banks are increasingly eager to finance offshore wind energy projects, which are still in early development but aim to deliver their first power by 2028. Juan Paolo Colet of China Bank Capital Corp. noted strong domestic liquidity and government initiatives that make the energy market attractive for offshore wind investments. Other banks like BPI and Security Bank also expressed interest, though with caution regarding early-stage risks. The Department of Energy supports 16 proponents for offshore wind projects, with potential capacity exceeding 16 GW, while the World Bank estimates the Philippines' offshore wind potential at over 178 GW. The upcoming fifth round of the Green Energy Auction (GEA-5) is expected to facilitate market access and secure long-term demand. Banks highlighted the need for continued government support to improve infrastructure, streamline permitting, and provide financial incentives to attract investments and reduce risks.

- Manila Water leads the way: The first Philippine company to enter CDP's Corporate A List for Water.[5] Manila Water became the first Philippine company to be included in Carbon Disclosure Project's (CDP) prestigious Corporate A List for Water, marking a historic achievement in environmental leadership. The upgrade from its previous 'A-' rating reflects the company's strong strategic direction, effective initiatives, and commitment to transparency in water stewardship. Among over 22,700 companies assessed globally, Manila Water stood out for its responsible water management practices and continued service to over 12 million people. The company also maintained a 'B' score in climate assessment, underscoring its proactive stance on interconnected environmental challenges and alignment with global disclosure standards. This recognition affirms Manila Water's role in advancing sustainability and supporting a low-carbon future.

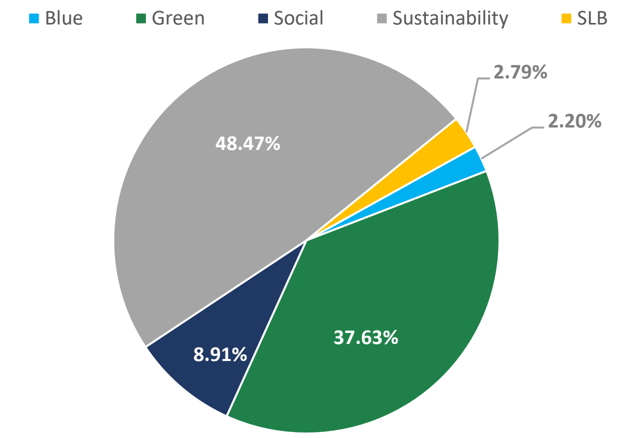


[1]The Philippine Star.. (2025, April 11). *RCBC's sustainability portfolio hits P120 billion in 2024*. **https://www.philstar.com/business/2025/04/11/2435048/rcbcs-sustainability-portfolio-hits-p120-billion-2024**
[2]The Philippine Star.. (2025, April 21). *BDO's sustainable financing breaches P1 trillion mark in 2024.* **https://www.philstar.com/business/2025/04/21/2437073/bdos-sustainable-financing-breaches-p1-trillion-mark-2024**
[3]The Philippine Star.. (2025, April 23). *Earth Day: DENR pushes shift to renewable energy.* **https://www.philstar.com/headlines/2025/04/23/2437677/earth-day-denr-pushes-shift-renewable-energy**
[4]BusinessWorld.. (2025, April 21). *PHL banks eager to back offshore wind projects. BusinessWorld.* **https://www.bworldonline.com/top-stories/2025/04/21/666780/phl-banks-eager-to-back-offshore-wind-projects/**
[5]Manila Water. (2025, April 22). *Manila Water leads the way: The first Philippine company to enter CDP's Corporate A List for Water.* **https://www.manilawater.com/news/sustainability/manila-water-leads-the-way-the-first-philippine-company-to-enter-cdps-corporate-a-list-for-water**

SUSTAINABLE FINANCE MARKET UPDATE

Markets and Securities Regulation Department | April 2025 | Issue No. 56

ASEAN-Labeled Bonds Issuances by Philippine Issuers

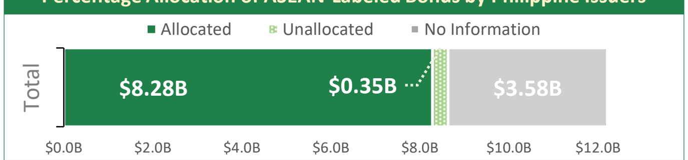


Blue	Green	Social
USD268.53M	USD4.60B	USD1.09B

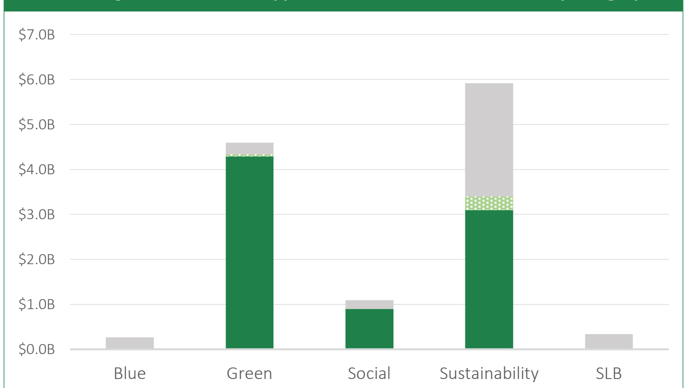
Sustainability	Sustainability-Linked
USD5.92B	USD340.14M

As of April 2025, the total ASEAN-labelled bonds issued by Philippine entities, as confirmed by the SEC, amounted to USD12.21 billion. Sustainability bonds remain the dominant category, accounting for USD 5.92 billion or 48.47% of total issuances—driven largely by banks such as BDO Unibank, RCBC, BPI, and PNB. Green bonds followed closely at USD 4.60 billion (37.63%), with major contributions from AC Energy Finance, ACEN Finance, and EDC. Social bonds reached USD 1.09 billion (8.91%), supporting inclusive finance initiatives led by issuers such as BPI, ASA Philippines Foundation, and UnionBank. While Sustainability-linked bonds (SLBs) remain limited at USD 340.14 million (2.79%), recent issuances by Cebu Landmasters, Inc. and Ayala Land, Inc. signal a growing interest among property developers in linking financing with sustainability performance. Additionally, a new category—Blue bonds—emerged with USD 268.53 million (2.20%) issued by Maynilad Water Services, Inc., reflecting increasing attention to marine and freshwater sustainability.

Percentage Allocation of ASEAN-Labeled Bonds by Philippine Issuers

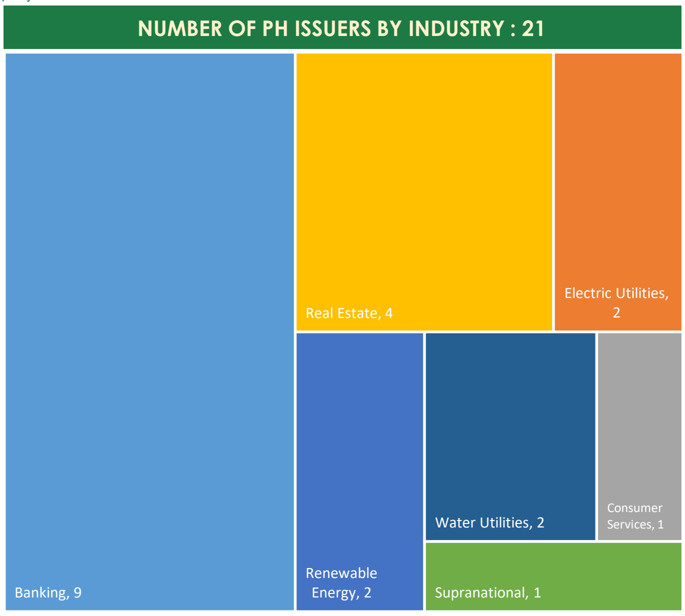


Percentage Allocation of Philippine-Issued ASEAN-labeled Bonds by Category



Out of the USD12.21 billion ASEAN-Labeled GSS+ Bonds issued by Philippine companies, approximately USD8.28 billion (67.83%) has been successfully disbursed to eligible projects while USD349.98 million (2.87%) is yet to be disbursed to projects. A substantial USD3.58 billion (29.30%) is classified as "No Information," since the Impact Report for these issuances are not yet available. Within these categories, Green bonds have the highest disbursement rate, with 93.30% of proceeds already directed to eligible Green projects.

NUMBER OF PH ISSUERS BY INDUSTRY : 21



Turning Proceeds into Progress: Actual Projects Funded through ASEAN-Labeled Bonds

GREEN BONDS HIGHLIGHTS

Issuer: AC Energy Finance International Limited and ACEN Finance Limited


133MW Cagayan North Solar
Lal-lo, Cagayan, Philippines


120MW Alaminos Solar Plant
Alaminos, Laguna, Philippines


81MW N. Luzon Renewables Wind
Pagudpud, Ilocos Norte, Philippines


80MW La Carlota & Manapla Solar Plant
Negros Occidental, Philippines


405MW Ninh Thuan Solar
Ninh Thuan, Vietnam


252MW Quang Binh Wind
Quang Binh, Vietnam

The proceeds from green bond issuances of AC Energy Finance International Limited and its affiliate, ACEN Finance Limited, included large-scale renewable energy projects across Southeast Asia, featuring solar and wind plants in the Philippines and Vietnam, and a major geothermal facility in Indonesia. In the Philippines, among the solar projects they backed are located in Cagayan (133 MW), Laguna (120 MW), Negros Occidental (80 MW), and the 81 MW Ilocos Norte wind farm. In Vietnam, some of the projects they financed are the 405 MW Ninh Thuan solar farm and and the 252 MW Quang Binh wind farm.

Source: ACEN Renewables Website

Issuer: Energy Development Corporation


28.9 MW Palayan Bayan Binary Project (Steamfield), Albay


3.6 MW Mindanao 3 Binary Project Kidapawan City, Cotabato

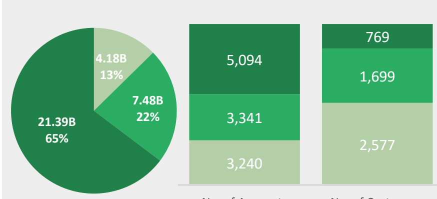
The proceeds from EDC's green bond issuances have been fully allocated to operational renewable energy initiatives, particularly in the geothermal sector. The funds supported the operation of the 28.9 MW Palayan Bayan Binary Project in Albay and 3.6 MW Mindanao 3 Binary Project in Kidapawan, Cotabato City. Proceeds were also used for geothermal capital expenditures, including the acquisition of critical spare parts and investments to enhance natural catastrophe (NatCat) resiliency across EDC's facilities. These efforts contributed to 3.6 MW of additional installed renewable energy capacity and the avoidance of 5,769.8 metric tons of CO_2e emissions.

Source: EDC and First Balfour Websites

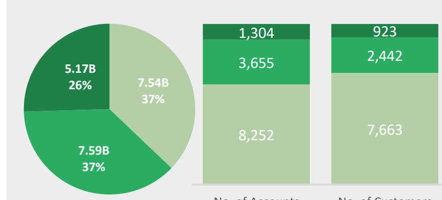
SOCIAL BONDS HIGHLIGHTS

Issuer: Bank of the Philippine Islands

PHP21.5B BPI COVID-Action Response (CARE) Bonds: Financed/refinanced eligible MSMEs



PHP20.3B BPI Reinforcing Inclusive Support for MSMEs (RISE) Bonds: Financed/refinanced eligible MSMEs



Microenterprises | Small Enterprises | Medium Enterprises

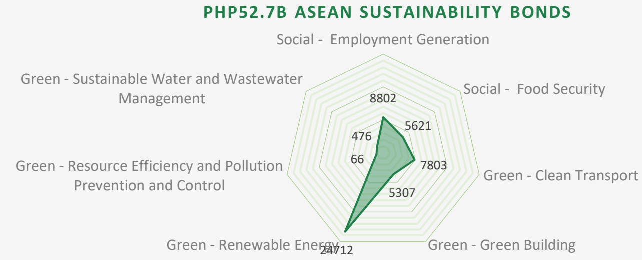
BPI has successfully issued social bonds to support micro, small, and medium enterprises (MSMEs) through COVID-19 Action Response (CARE) Bonds and Reinforcing Inclusive Support for MSMEs (RISE) Bonds. The PHP21.5 billion CARE Bonds, issued in August 2020 as the country's first peso-denominated COVID-response bonds, financed 5,045 eligible MSMEs across 11,675 loan accounts, with a total earmarked portfolio of PHP33.04 billion. This was followed by the PHP20.3 billion RISE Bonds, which expanded financial access to over 11,000 MSME customers through 13,211 accounts, with microenterprises receiving the largest share.

Source: BPI Integrated Reports

SUSTAINABILITY BONDS HIGHLIGHTS

Issuer: BDO Unibank, Inc.

PHP52.7B ASEAN SUSTAINABILITY BONDS



BDO's PHP52.7 billion ASEAN Sustainability Bonds reflect the bank's strong commitment to advancing both environmental sustainability and social development. Of the total proceeds, PHP33.4 billion was allocated to green projects, including significant investments in renewable energy (PHP24.7B), clean transportation (PHP7.8B), green buildings (PHP5.3B), and sustainable water and waste management. On the social side, PHP14.4 billion supported initiatives focused on employment generation (PHP8.8B) and food security (PHP5.6B).

Source: BDO ASEAN Impact Report