Securities and Exchange Commission PHILIPPINES

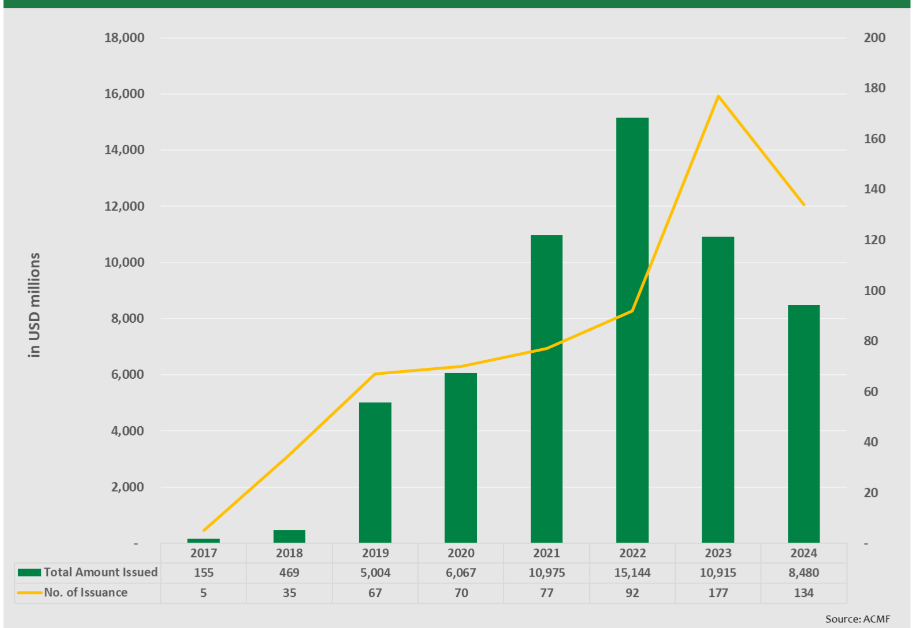
ACMF

SUSTAINABLE FINANCE MARKET UPDATE

Markets and Securities Regulation Department | January 2025 | Issue No. 53

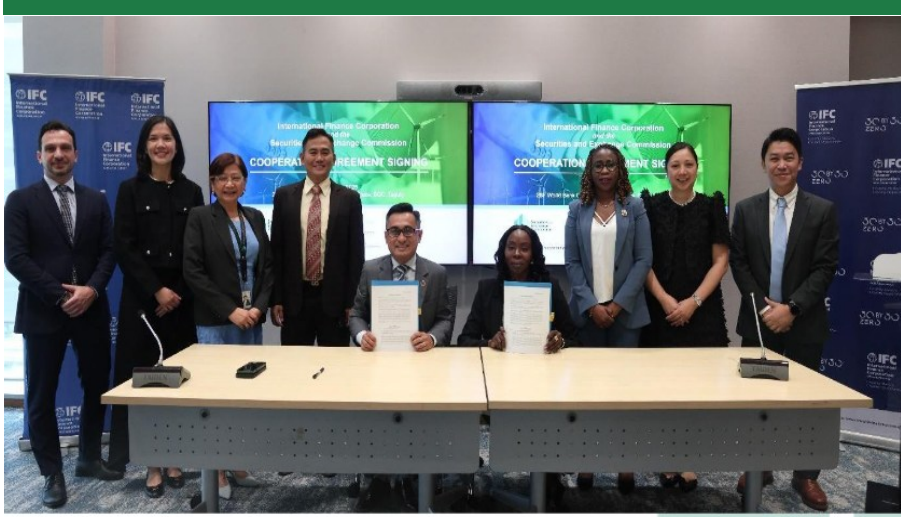
NO NEW ISSUANCES OF ASEAN-LABELED GSS+ BONDS WERE RECORDED IN JANUARY 2025. MEANWHILE, MALAYSIA BELATEDLY REPORTED A TOTAL OF USD428.41 MILLION WORTH OF ASEAN-LABELED GSS+ BONDS. THE PROCEEDS FROM THESE BONDS WILL BE USED TO FINANCE VARIOUS PROJECTS, SUCH AS THE CONSTRUCTION OF GREEN BUILDINGS, PROVISION OF AFFORDABLE HOUSING LOANS, AND CONSTRUCTION OF RAILWAY PROJECTS, AMONG OTHERS.

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



As of 31 January 2025, the total amount of ASEAN-labeled Green, Social, Sustainability, and Sustainability-Linked Bonds issued was US$57.21 billion, with Philippine issuers accounting for US$15.26 billion dollars or 27% of the total amount issued.

SEC PARTNERS WITH IFC TO ADVANCE PH SUSTAINABLE FINANCE: SIGNS COOPERATION AGREEMENT FOR FLAGSHIP CLIMATE INITIATIVE



On 21 January 2025, the SEC and the International Finance Corporation (IFC) formally entered into a Cooperation Agreement to advance sustainable finance in the country through the 30 by 30 Zero Philippines Program, an initiative developed by the IFC and the World Bank with funding support from the German government's International Climate Initiative.

Under the agreement, the SEC and IFC will collaborate on capacity-building programs to enhance the capabilities and knowledge of thematic bond issuers, investors, and other relevant stakeholders. Moreover, knowledge resources, including a thematic finance market survey and a capital market toolkit, will be developed to provide valuable insights into market trends and best practices with the goal of strengthening and expanding the sustainable capital market in the Philippines.

The ceremonial signing at One Global Place brought together SEC Commissioner McJill Bryant T. Fernandez and IFC Regional Manager for East Asia and the Pacific Christina Ongoma as official representatives.

During his speech, SEC Commissioner McJill Bryant T. Fernandez highlighted the urgency of the Philippines' climate challenges and emphasized the partnership's pivotal role in driving sustainable progress. Commissioner Fernandez noted that it would help mobilize long-term funding for climate-focused initiatives that balance economic growth with environmental stewardship. Echoing this sentiment, IFC Regional Manager Christina Ongoma expressed deep appreciation for the SEC's steadfast support since 2023, emphasizing that the formalized collaboration would enable both organizations to co-host specialized technical workshops and training sessions aimed at boosting awareness and capacity in sustainable finance.

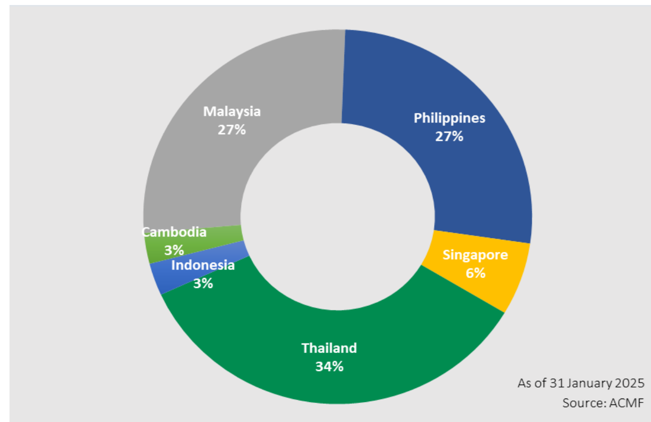
Source: SEC website

TOTAL ASEAN–LABELED GSS+ BOND ISSUANCES BY COUNTRY

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

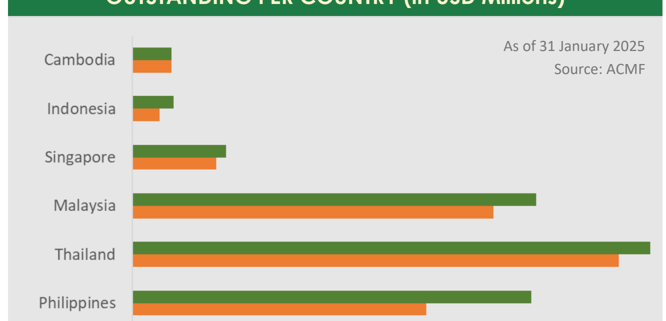
Country	As of 31 Jan 25	As of 31 Dec 24	% Change	RANK
Philippines	15,256.81	15,256.81	0.00%	3rd
Thailand	19,795.18	19,795.18	0.00%	1st
Malaysia	15,452.36*	15,023.95	2.85%	2nd
Singapore	3,593.15	3,593.15	0.00%	4th
Indonesia	1,593.86	1,593.86	0.00%	5th
Cambodia	1,517.78	1,517.78	0.00%	6th

**This includes USD428.41 million issuances from Malaysia in December 2024.*



In January 2025, Malaysia rose to the second spot in the ASEAN-labeled GSS+ bond market as the country belatedly reported USD428.41 million bond issuances. This included USD69.53 million in green bonds from Exsim Capital Resources Berhad, USD11.22 million from Global Vision Logistics Sdn Bhd, USD112.15 million in social bonds from Cagamas Berhad, USD168.23 million in sustainability bonds from Malaysia Rail Link Sdn Berhad, and USD67.29 million in sustainability-linked bonds from SunREIT Bond Berhad. A balanced mix of contributors fueled Malaysia's strong performance, with state-owned enterprises accounting for half of the issuances and the remaining half driven by corporate players. Meanwhile, the Philippines, despite not reporting any new labeled bond issuances in January, remained a competitive force in the region. The country secured the third spot in the ASEAN-labeled GSS+ bond rankings, trailing Malaysia by a margin of USD195.55 million.

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



	Philippines	Thailand	Malaysia	Singapore	Indonesia	Cambodia
Cumulative	15,256.81	19,795.18	15,452.36	3,593.15	1,593.86	1,517.78
Outstanding	11,246.60	18,595.86	13,800.02	3,225.26	1,063.20	1,517.78

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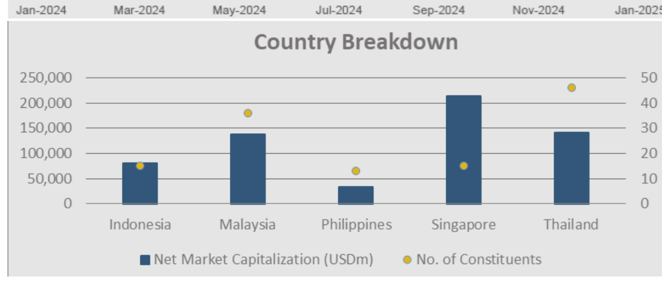

Data as of 31 January 2025
Source: FTSE Website

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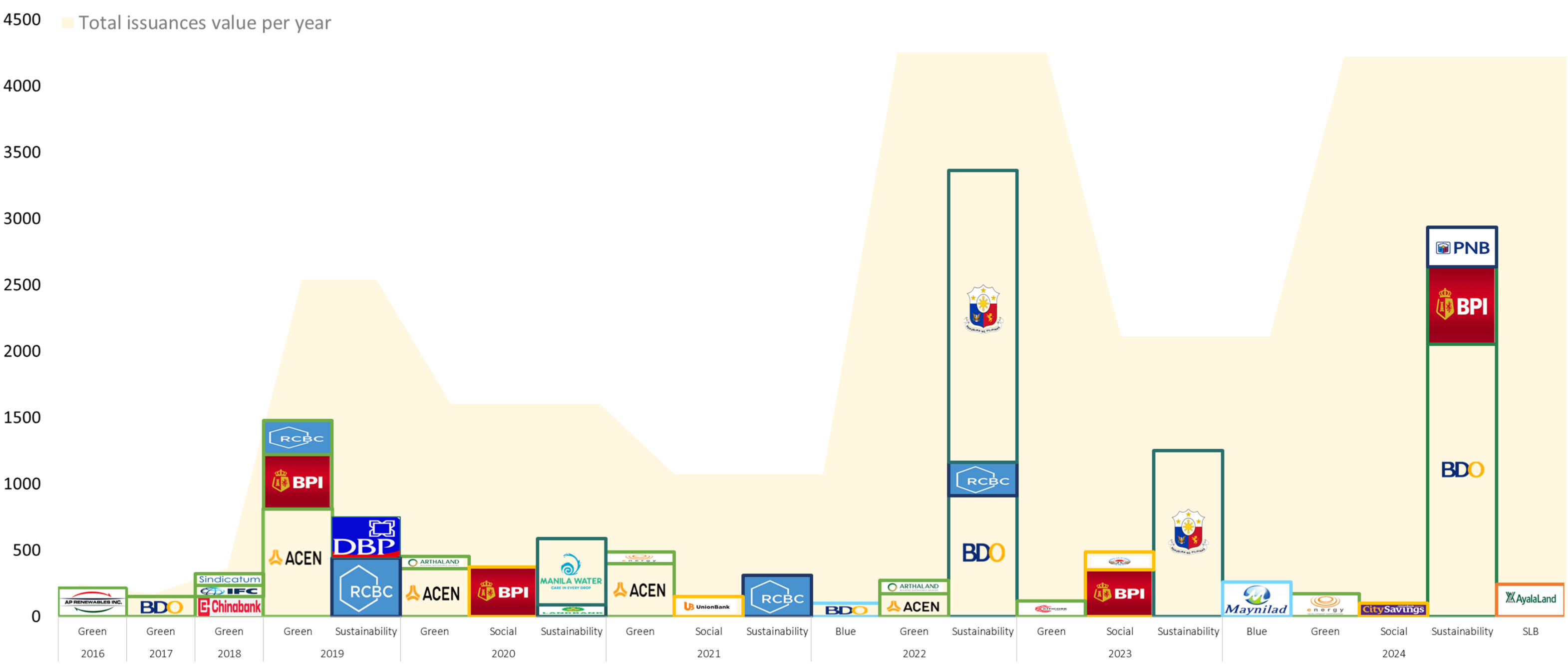
PHILIPPINE GSS+ BOND ISSUANCES*



*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-labeled.

PHILIPPINE SUSTAINABILITY NEWS UPDATE

- ALI construction arm spearheads sustainable development. Makati Development Corp. (MDC), the construction arm of Ayala Land Inc., is leading the way in sustainable construction with the country's first electric vehicle (EV) heavy equipment and charging station. According to MDC, the newly acquired EV machinery and charging facility will enhance operations at its construction sites, pre-casting facilities, and concrete manufacturing plants while contributing to a more sustainable construction sector. Using its 2021 emissions as a baseline, MDC estimates that once fully implemented, the transition could prevent around 10,000 tons of carbon emissions annually. The company is actively integrating EVs and renewable energy into its operations to help Ayala Land achieve its Carbon Neutrality Target by 2030 and support the Ayala Group's goal of reaching net-zero greenhouse gas emissions by 2050.
- DoTr's push for safe and sustainable mobility. The Department of Transportation (DoTr) is actively promoting sustainable and efficient mobility through various active transport initiatives, including bike lanes, pedestrian-friendly infrastructure, and Public Utility Vehicle (PUV) stops. Despite these efforts, the country still faces challenges such as inadequate bike lanes, unsafe pedestrian crossings, and car-centric road designs. To address these issues, the DoTr has launched projects in Metro Manila, Cebu, Davao, Intramuros, Quezon City, and Marikina, enhancing cycling facilities, expanding bike lanes, and integrating sustainable transport infrastructure. Additionally, the agency is developing the Active Transport Strategic Master Plan (ATSMP) in collaboration with Palafox Associates to ease traffic congestion, promote sustainable urban mobility, and support economic growth through improved transport solutions.
- Globe helps supply chain adopt sustainable practices. Globe is strengthening sustainability across its supply chain by equipping vendors with training, tools, and technology to meet global environmental, social, and governance (ESG) standards. Through its Sustainability Academy and a partnership with Givvable, the company provides capacity-building initiatives and data-driven insights to help suppliers adopt sustainable practices and comply with evolving regulatory requirements. A recent webinar, co-hosted by Globe and Givvable, gathered nearly 170 participants from over 50 vendors to discuss carbon reduction strategies, ESG diligence, and greenhouse gas (GHG) accounting. Looking ahead, Globe aims to expand its Sustainability Academy, introduce advanced training modules, and further engage suppliers in building a more sustainable supply chain.
- DMCI Homes bolsters sustainability initiatives. DMCI Homes has strengthened its commitment to good governance and sustainability by partnering with the Institute for Solidarity in Asia (ISA) in a five-year collaboration. Under this agreement, DMCI Homes will support ISA's multi-year program, which mobilizes organizations to drive long-term governance and societal reforms. As part of ISA's Foundation Builders Program, the company will help expand governance initiatives to more government institutions and underserved communities. The partnership also aims to foster collaboration with like-minded organizations dedicated to nation-building and social responsibility. Through this initiative, DMCI Homes reinforces its sustainability and corporate social responsibility agenda while contributing to ISA's vision of transformative governance in the Philippines by 2028.

NUMBER OF ISSUERS BY INDUSTRY : 21