Securities and Exchange Commission PHILIPPINES

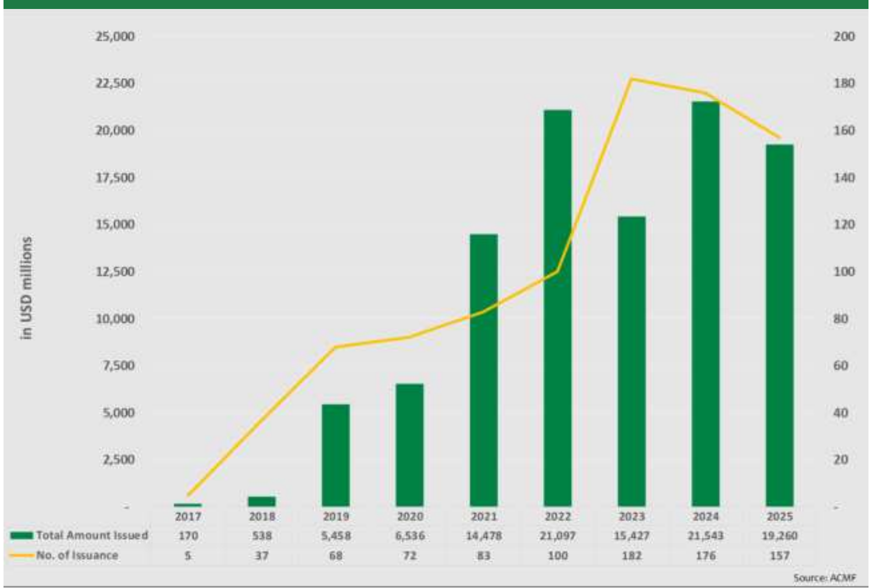
ACMF

SUSTAINABLE FINANCE MARKET UPDATE

Markets and Securities Regulation Department | December 2025 | Issue No. 64

IN DECEMBER 2025, THE PHILIPPINES AND THAILAND REPORTED ISSUANCES OF ASEAN-LABELED SUSTAINABILITY AND SUSTAINABILITY-LINKED BONDS AMOUNTING TO US266.24 MILLION AND USD253.95 MILLION , RESPECTIVELY. TOGETHER WITH MALAYSIA, THE THREE COUNTRIES ALSO BELATEDLY REPORTED MULTIPLE ISSUANCES TOTALING USD7.14 BILLION. THAILAND REMAINED THE LEADING ISSUER OF ASEAN-LABELED BONDS, FOLLOWED BY SINGAPORE, MALAYSIA, AND THE PHILIPPINES.

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



As of 31 December 2025, the total amount of ASEAN-labelled Green, Social, Sustainability and Sustainability-Linked Bonds issued was USD104.51 billion, with Philippine issuers accounting for US$22.72 billion dollars or 22% of the total amount issued.

TOTAL ASEAN–LABELED GSS+ BOND ISSUANCES BY COUNTRY

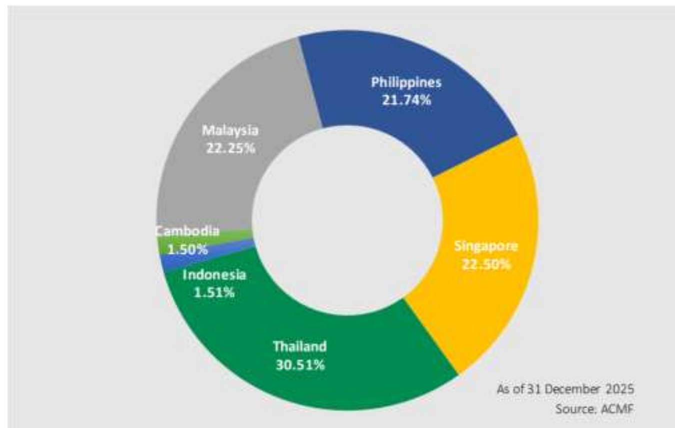
(in USD Millions; figures may vary due to exchange rates)

Country	As of 31 Dec 25	As of 30 Nov 25	% Change	RANK
Philippines	22,715.16*	18,374.32	▲ 23.62%	4th
Thailand	31,881.62**	31,221.35	▲ 2.11%	1st
Malaysia	23,252.61***	20,596.27	▲ 12.90%	3rd
Singapore	23,512.33	23,512.33	0.00%	2nd
Indonesia	1,576.16	1,576.16	0.00%	5th
Cambodia	1,568.41	1,568.41	0.00%	6th

*This includes USD4.07 billion worth of issuances from Philippines from September 2024 to February 2025

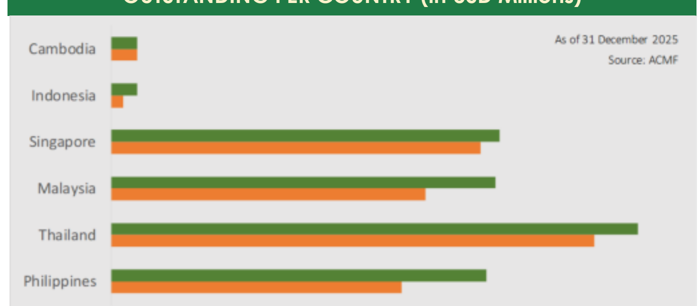
**This includes USD406.32 million worth of issuances from Thailand in November 2025

***This includes USD2.66 billion worth of issuances from Malaysia from October to November 2025



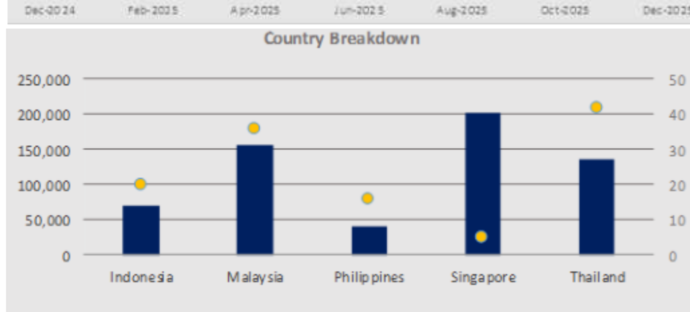
In December 2025, the Philippines and Thailand recorded new ASEAN-labeled bond issuances totaling approximately USD 520.19 million. Philippine issuer Philippine National Bank intends to use the proceeds from its USD 266.24 million sustainability bonds issuance to finance and refinance eligible projects across renewable energy, energy efficiency, green buildings, clean transportation, climate change adaptation, sustainable water management, biodiversity conservation, and other eligible social projects such as affordable basic infrastructure, access to essential services, food security, socioeconomic advancement and empowerment. Meanwhile, Minor International Public Company Limited intends to use the proceeds from its sustainability-linked bonds to support debt repayment and general working capital requirements, consistent with its sustainability-linked financing framework.

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



	Philippines	Thailand	Malaysia	Singapore	Indonesia	Cambodia
Cumulative	22,715.16	31,881.62	23,252.61	23,512.33	1,576.16	1,568.41
Outstanding	17,594.29	29,244.36	19,019.81	22,375.54	748.17	1,568.41

FTSE4GOOD ASEAN 5 INDEX



Data as of 31 December 2025
Source: FTSE Website

SEC ISSUES NEW SUSTAINABILITY REPORTING GUIDELINES

On 22 December 2025, the Securities and Exchange Commission (SEC) issued SEC Memorandum Circular No. 16, series of 2025, or the guidelines for the adoption of Philippine Financial Reporting Standards (PFRS) S1 and S2 on sustainability disclosures for publicly listed companies (PLCs) and large non-listed entities (LNLs). The guidelines aim to align sustainability reporting with international standards, attract environmental, social, and governance (ESG)-focused investors, and support global and national sustainability agendas. Key points include:

(1) **Mandatory Reporting**: PLCs and LNLs must submit sustainability reports alongside annual reports or audited financial statements, reviewed and approved by their boards.

(2) **Tiered Approach**: PFRS S1 and PFRS S2 adoption begins in FY 2026 for Tier 1 PLCs with market capitalization of more than PHP 50 billion, FY 2027 for Tier 2 PLCs with market capitalization of more than PHP 3 billion up to PHP 50 billion, and FY 2028 for Tier 3 PLCs with market capitalization of PHP 3 billion, PLCs with no equities listing but with debt securities listing, and LNLs with annual revenue of more than PHP 15 billion.

(3) **External Assurance**: Mandatory limited assurance on Scope 1 and 2 GHG emissions begins two years after initial adoption for each tier, progressing toward reasonable assurance.

(4) **Transition Reliefs**: Temporary reliefs include limited disclosure requirements, delayed reporting, use of method other than GHG Protocol Corporate Accounting and Reporting Standard, and exemptions from Scope 3 GHG emissions.

(5) **Exemptions to Mandatory Reporting**: LNLs may be exempt if their parent company files sustainability reports under acceptable standards, with proper certification.

Source: SEC Website

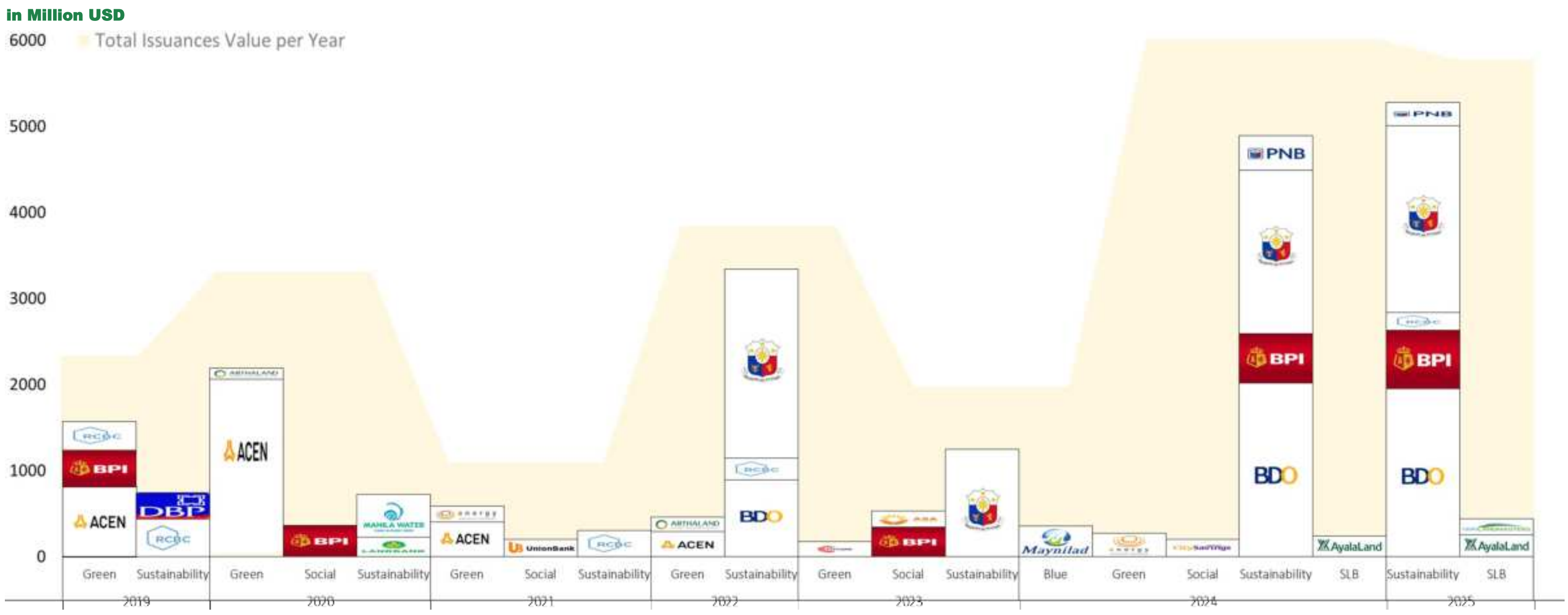
SEC PARTICIPATES ON THE RISK-BASED SUPERVISION FOR RESILIENT, INCLUSIVE AND SUSTAINABLE ASEAN CAPITAL MARKETS SEMINAR

The SEC participated in the hybrid regional seminar on *"Risk-Based Supervision for Resilient, Inclusive and Sustainable ASEAN Capital Markets,"* held on 8–9 December 2025 at the Phnom Penh, Cambodia. The seminar was hosted by the Securities and Exchange Regulator of Cambodia (SERC), in its capacity as Co-Chair of the ASEAN Capital Markets Forum (ACMF) Market Development Programme (A-MDP), with support from the Asian Development Bank (ADB).

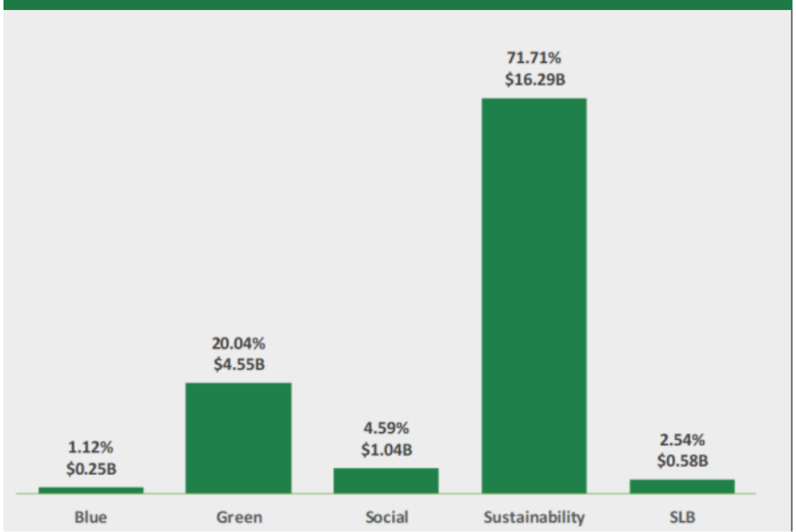
The regional seminar aimed to promote and strengthen the capacity of ASEAN capital market regulators on risk-based supervision (RBS), including the integration of climate-related risks, through experience sharing among ACMF members and subject-matter experts. Discussions focused on effective approaches to risk identification, assessment, and prioritization, underscoring the role of RBS in enhancing supervisory effectiveness and market resilience.

Source: SERC Website

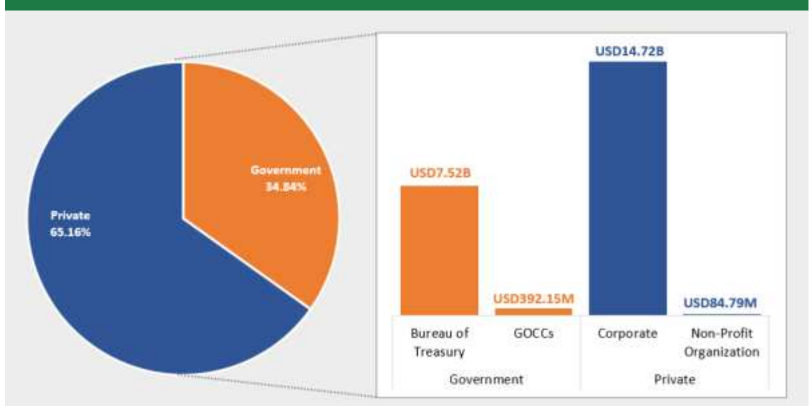
PHILIPPINE GSS+ BOND ISSUANCES



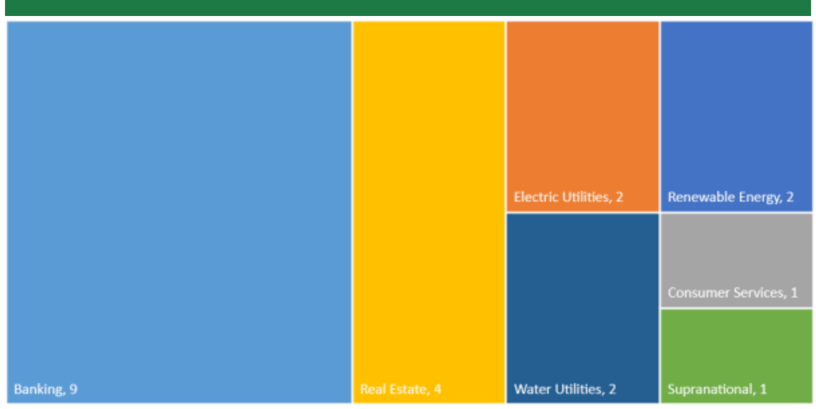
ASEAN-LABELED BONDS ISSUANCES BY PHILIPPINE ISSUERS



ASEAN-LABELED BONDS ISSUANCES BY TYPE OF ISSUER



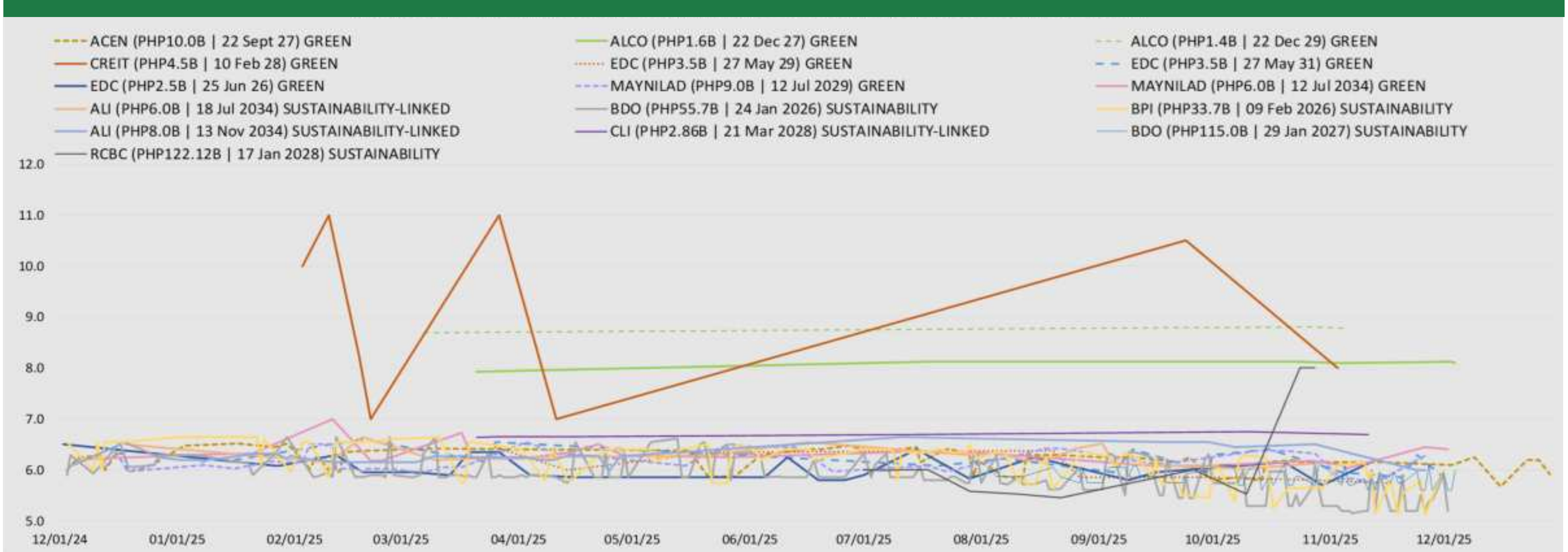
TOTAL NUMBER OF ASEAN-LABELED BOND ISSUERS: 21



As of December 2025, total ASEAN-labeled bonds issued by Philippine entities reached USD22.72 billion, with new issuance from Philippine National Bank amounting to USD 266.24 million. Generally, sustainability bonds continue to dominate at USD16.29 billion (71.71%), led by the Bureau of the Treasury (USD7.52 billion) and BDO Unibank (USD4.86 billion), followed by BPI, RCBC, PNB, Manila Water Company and DBP. Green bonds total USD4.55 billion (20.04%), primarily from Ayala's energy platforms, namely, AC Energy Finance Limited and ACEN Finance Limited, which together represents 75.55% of green bond issuances. Social bonds remain at USD1.04 billion (4.59%) from ASA Philippines Foundation, BPI, City Savings Bank, and UnionBank, while sustainability-linked bonds stand at USD576.57 million (2.54%) from Ayala Land and Cebu Landmasters. Blue bonds, issued solely by Maynilad Water Services, total USD254.37 million (1.12%).

Note: Figures are in USD and may change with exchange rate fluctuations.

YIELD TO MATURITY OF SELECTED PHILIPPINE GSS+ BOND ISSUANCES



Data as of 31 December 2025 | Source: Philippine Dealing & Exchange Corp.

Securities and Exchange Commission Philippines | ACMF
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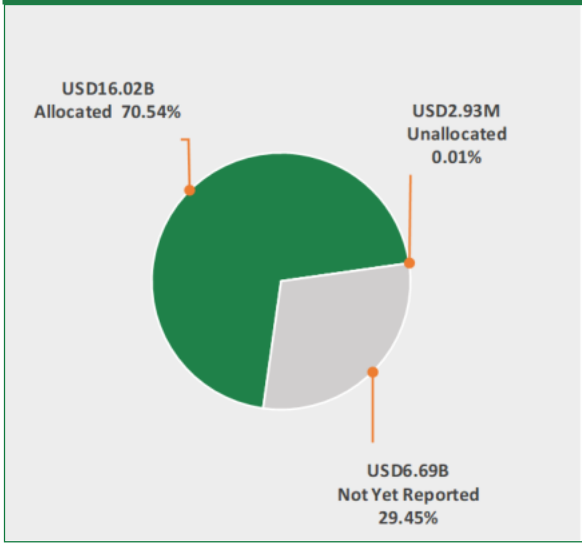
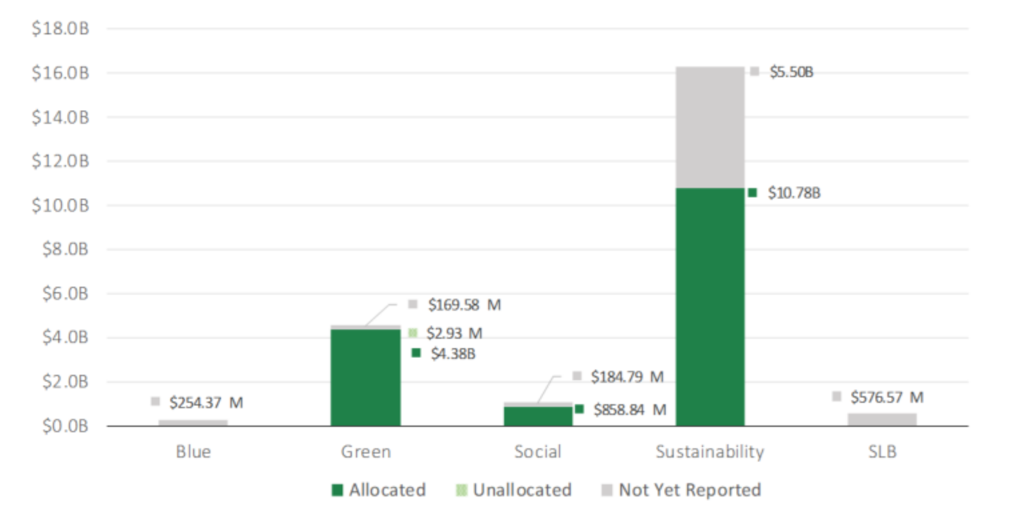
ALLOCATION OF ASEAN-LABELED BONDS FROM PHILIPPINE ISSUERS





Out of the USD22.72 billion ASEAN-Labeled GSS+ Bonds issued by Philippine companies, approximately USD16.02 billion (70.54%) has been successfully disbursed to eligible projects while USD2.93 million (0.01%) is yet to be disbursed to projects. Further, approximately USD6.69 billion (29.45%) is classified as "Not Yet Reported," since either the Allocation or Impact Report for these relatively recent issuances are not yet available. Within these categories, Green bonds have the highest disbursement rate, with 96.21% of proceeds already directed to eligible Green projects.

Note: Figures are converted in USD and are subject to change due to fluctuations in exchange rates.

TURNING PROCEEDS INTO PROGRESS: ACTUAL PROJECTS FUNDED THROUGH ASEAN-LABELED BONDS | QUARTERLY HIGHLIGHTS

SOVEREIGN SUSTAINABILITY BONDS ISSUED BY BUREAU OF THE TREASURY

2022 Mar USD 1.0B ESG Tranche 25Y | 2022 Apr JPY 70.1B Multi-Tranche 5Y, 7Y, 10Y, 20Y | 2022 Oct USD 750M ESG Tranche 25Y | 2023 Jan USD 1.25B ESG Tranche 25Y

The **Republic of the Philippines** allocated the proceeds from its USD- and JPY-denominated Sustainability Bond issuances between March 2022 and January 2023, amounting to an equivalent total of PHP195.64 billion, to finance and refinance priority social and green expenditures across key national programs, including eligible expenditures incurred in earlier fiscal years. Specifically, 95% of the cumulative expenditures constituted refinancing of prior-year disbursements, with the remaining 5% allocated to new financing. Of the total disbursements, 53.46% supported social programs, while 46.54% funded green initiatives.

The government deployed funds to the **Commission on Higher Education's Universal Access to Quality Tertiary Education Program**, which represented 22.61% of total allocations. This supported free higher education in state and local universities and colleges, tertiary education subsidies, and student loan programs, benefitting millions of Filipino learners nationwide.

Under the employment generation category, the government channeled significant resources into programs aimed at stabilizing incomes and expanding livelihood opportunities for vulnerable segments of the workforce.

The government channeled a total of Php16.37 billion, or 8.36%, by funding **DOLE Integrated Livelihood and Emergency Employment Program (DILEEP)** and TUPAD or the **Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers**, collectively supporting vulnerable workers affected by socio-economic disruptions.

On the environmental front, the government funded multiple green initiatives aligned with climate adaptation, biodiversity conservation, and renewable energy development. The **DENR National Greening Program**, representing 5.15% of total allocations, supported reforestation and maintenance of forestlands, while complementary funds strengthened the management of protected areas in accordance with the National Integrated Protected Areas System (NIPAS) Act of 1992 as amended by RA 11038, and the conservation of coastal and marine ecosystems, including 244 protected areas and various biodiversity-friendly enterprises.

Source: Republic of the Philippines Sustainability Bond Allocation and Impact Report

PHILIPPINE GREEN EQUITY

FIRMS WITH GREEN EQUITY LABEL
AS OF 31 DECEMBER 2025

- MAYNILAD WATER SERVICES, INC.
- ALTERNERGY HOLDINGS CORPORATION

SECTOR DISTRIBUTION
AS OF 31 DECEMBER 2025

Water Utilities	1
Power Generation	1

EXTERNAL REVIEWERS
AS OF 31 DECEMBER 2025

- S&P Global Ratings
- SGV & Co.

TAXONOMY
AS OF 31 DECEMBER 2025

ASEAN Taxonomy for Sustainable Finance	0
Philippine Sustainable Finance Taxonomy Guidelines	2

PHILIPPINE SUSTAINABILITY NEWS UPDATE

- Manila Water, Rockwell forge sustainability partnership.[1] Manila Water launched *"EcoSpark: Igniting Synergies for the Environment,"* an initiative that brings business partners together to promote environmental stewardship and sustainability. The inaugural event included a tree-planting activity at La Mesa Ecopark, where 250 seedlings were planted in an area dedicated to Rockwell Property Management Corporation (RPMC) and Rockwell Workspaces. The program also featured a fellowship lunch and messages of partnership from Manila Water executives and EZBO leadership, with RPMC reaffirming its commitment to collaborative sustainability efforts. Attended by 45 participants from RPMC and Rockwell Workspaces, the event concluded with the awarding of a certificate of appreciation. EcoSpark is envisioned as a recurring platform to integrate conservation efforts into business partnerships and advance Manila Water's sustainability goals.

- UK and Philippines launch climate fund to boost renewable energy transition.[2] The United Kingdom and the Philippines have launched the Philippines Country Fund under the UK Partnering for Accelerated Climate Transitions (UK PACT) programme to support the Philippines' clean energy transition. The fund, overseen by the UK Foreign, Commonwealth and Development Office and the Department for Energy Security and Net Zero, provides targeted technical assistance to advance low-carbon development, with the energy sector identified as the priority focus in its initial year. Aligned with the Philippines' commitment to reduce greenhouse gas emissions by 75% by 2030 and its Energy Plan 2023–2050, the initiative supports the country's renewable energy targets, including achieving a 35% renewable energy share by 2030, 50% by 2040, and a majority share by 2050. The fund focuses on four key interventions: updating offshore wind pricing models and assessing sector readiness to strengthen the green energy auction system; introducing marine spatial planning to support sustainable offshore wind development; developing an electric power system cost simulation tool for data-driven energy planning; and accelerating microgrid deployment in underserved areas to expand energy access and promote inclusive growth.

- Globe unveils solar-powered home broadband – first in Asia Pacific.[3] Globe Telecom has introduced a household broadband service powered by solar energy and supported by AI-managed battery backup, positioned as the first of its kind in the Asia-Pacific region. The service, delivered through fiber-to-the-room (FTTR) technology, was developed in partnership with solar energy provider FusionSolar to integrate renewable energy and artificial intelligence into home connectivity solutions. The system enables households to generate solar power to support internet connectivity, ensuring continuous service during power outages while reducing electricity consumption costs. AI-driven backup batteries automatically activate in the event of grid failure, enhancing reliability and resilience. Globe stated that the initiative reflects its commitment to combining innovation, sustainability, and inclusive connectivity, with GFiber postpaid plans offering broadband speeds of up to 2.5 gigabits per second.

- MAP, DOE sign pact to advance Philippines Energy Plan.[4] The Management Association of the Philippines (MAP) and the Department of Energy (DOE) have entered into a partnership through the signing of the Joint Energy Action Agenda (JEAA) for 2026–2028 to promote access to affordable, reliable, and sustainable electricity. The agreement, signed during the MAP Energy CEO Forum on December 1, provides a framework for strengthened public–private collaboration in support of the Philippine Energy Plan (PEP) 2023–2050. The JEAA outlines a roadmap to accelerate the country's energy transition by increasing the share of renewable energy in the power mix while reducing dependence on fossil fuels. It identifies priority actions across four pillars: accelerating delivery of the energy mix, addressing infrastructure bottlenecks, refining the energy market to enhance competition and financing, and managing the costs of the energy transition. Key initiatives include streamlining approvals through the Energy Virtual One Stop Shop, unlocking waste-to-energy opportunities, exploring cost-effective solutions for off-grid areas, addressing transmission constraints through industry dialogue, strengthening retail competition and open access, and advancing innovative and diversified financing mechanisms.

- $500 Million ADB Loan to Help Advance the Philippines' Blue Economy Development.[5] Asian Development Bank (ADB) has approved a US$500 million policy-based loan to support the Philippines' blue economy, with a focus on strengthening marine ecosystem protection against climate-related risks and plastic pollution. The program will be co-financed by Agence Française de Développement and Germany's KfW Development Bank, each contributing approximately US$235 million. This initiative, ADB's first comprehensive cross-sector blue economy program in the region, aims to enhance ecological resilience as the Philippines develops ocean-based industries such as fisheries, tourism, and offshore energy. Key components include measures to reduce marine plastic pollution, including strengthened implementation of the Extended Producer Responsibility law through standardized labeling, harmonized waste management guidelines, and the promotion of a circular economy. The program also seeks to reinforce legal and institutional frameworks for coastal and marine resource management, supporting the Philippines' climate resilience and low-carbon objectives amid increasing exposure to extreme weather events and rising sea levels.

- Philippines' ACEN finishes shift to 100% renewables generation.[6] ACEN Corp., the renewable energy arm of the Philippines' Ayala Group, has completed its transition to 100% renewable energy generation across its portfolio, achieving this milestone in 2025. The company's renewable energy portfolio now exceeds 7 gigawatts of attributable capacity, including solar, wind, geothermal, and battery energy storage projects, with operations in the Philippines as its primary market and a regional presence in Australia, Vietnam, India, and Lao PDR. ACEN aims to achieve net-zero greenhouse gas emissions by 2050. In 2025, the company advanced multiple projects totaling 4,634 megawatts of solar, 1,957 MW of wind, 115 MW of geothermal, and 304 MW of battery storage. This represents a significant shift from 2016, when ACEN had 1,000 MW of capacity dominated by coal. The company has also secured loan agreements of up to PHP 15 billion to finance and refinance renewable energy projects.

[1] **Philippine Daily Inquirer (2025, December 03).** *Manila Water, Rockwell forge sustainability partnership via EcoSpark*. https://newsinfo.inquirer.net/2150305/manila-water-rockwell-forge-sustainability-partnership-via-ecospark

[2] **NS Energy (2025, December 03).** *UK and Philippines launch climate fund to boost renewable energy transition.* https://www.nsenergybusiness.com/news/uk-and-philippines-launch-climate-fund-to-boost-renewable-energy-transition/

[3] **Philippine Daily Inquirer (2025, December 04).** *Globe unveils solar-powered home broadband – first in Asia Pacific.* https://business.inquirer.net/561905/globe-unveils-solar-powered-home-broadband-first-in-asia-pacific

[4] **Philippine Star Global (2025, December 07).** *MAP, DOE sign pact to advance Philippines Energy Plan*. https://www.philstar.com/business/2025/12/07/2492391/map-doe-sign-pact-advance-philippines-energy-plan

[5] **Asian Development Bank (2025, December 11).** *$500 Million ADB Loan to Help Advance the Philippines' Blue Economy Development.* https://www.adb.org/news/500-million-adb-loan-help-advance-philippines-blue-economy-development

[6] **Bloomberg Finance L.P. (2025, December 30).** *Philippines' ACEN finishes shift to 100% renewables generation.* https://blinks.bloomberg.com/news/stories/T835EYBSWSG0