Securities and Exchange Commission

PHILIPPINES

SUSTAINABLE FINANCE IN THE PHILIPPINES

Markets and Securities Regulation Department
SEC Philippines

Securities and Exchange Commission PHILIPPINES

BAGONG PILIPINAS

THE PHILIPPINE SUSTAINABLE FINANCE ROADMAP

Foundation to Facilitate the Mainstreaming of Sustainable Finance in the Philippines

Launch date

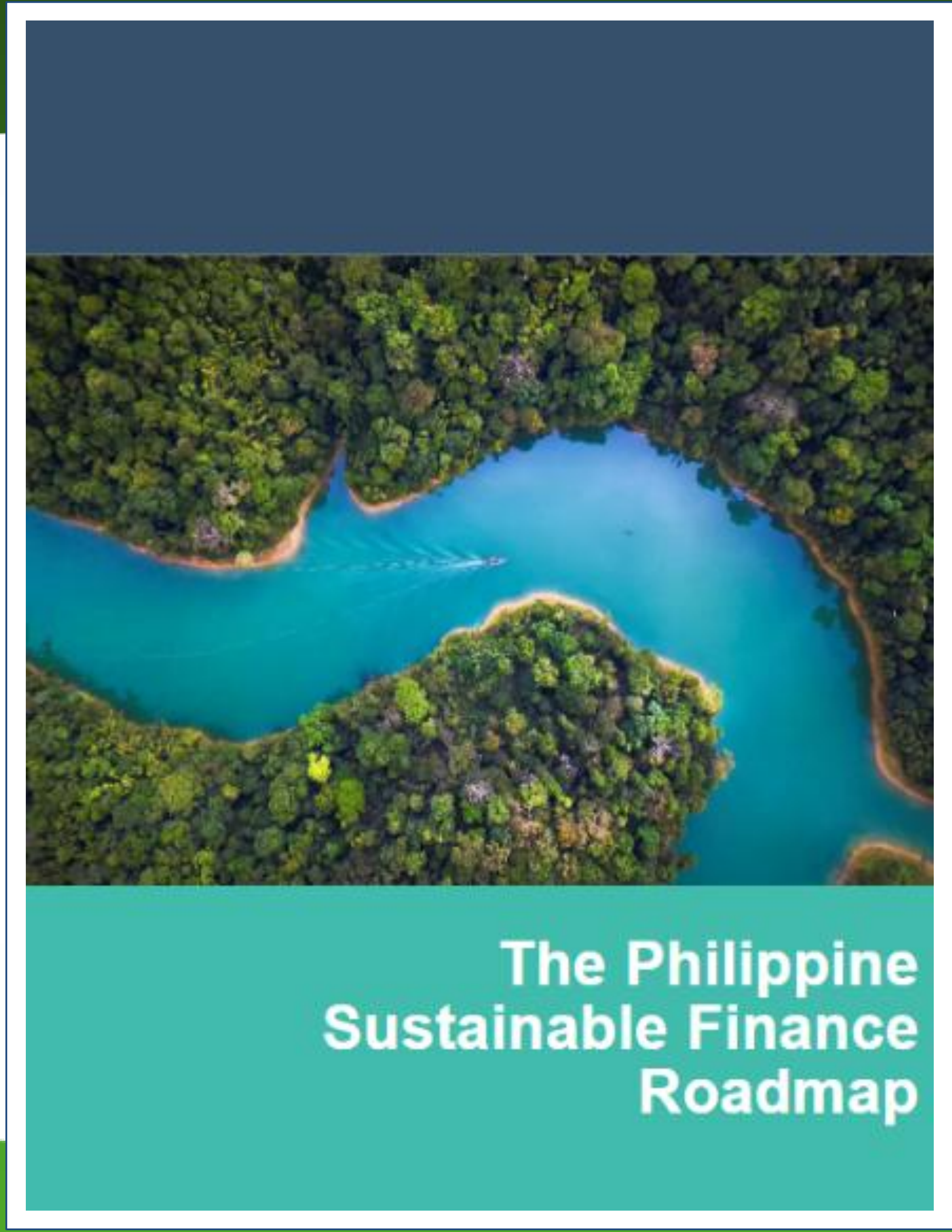
On 20 October 2021, the Philippines introduced its first-ever Sustainable Finance Roadmap

Lead agency

Inter-Agency Task Force for Sustainable Finance (ITSF) or "Green Force", co-chaired by the Department of Finance and Bangko Sentral ng Pilipinas

Main objective

Designed to lay-out high-level action plans of the government to promote sustainable finance in the Philippines



KEY PILLARS OF THE PH SUSTAINABLE FINANCE ROADMAP

Recognizes the importance of creating an environment of transparency and risk management

PILLAR A

Creating a conducive environment

Aims to promote sustainable financial products through: incentives and penalties, leverage on available financing, and establishing a sustainable insurance mechanism

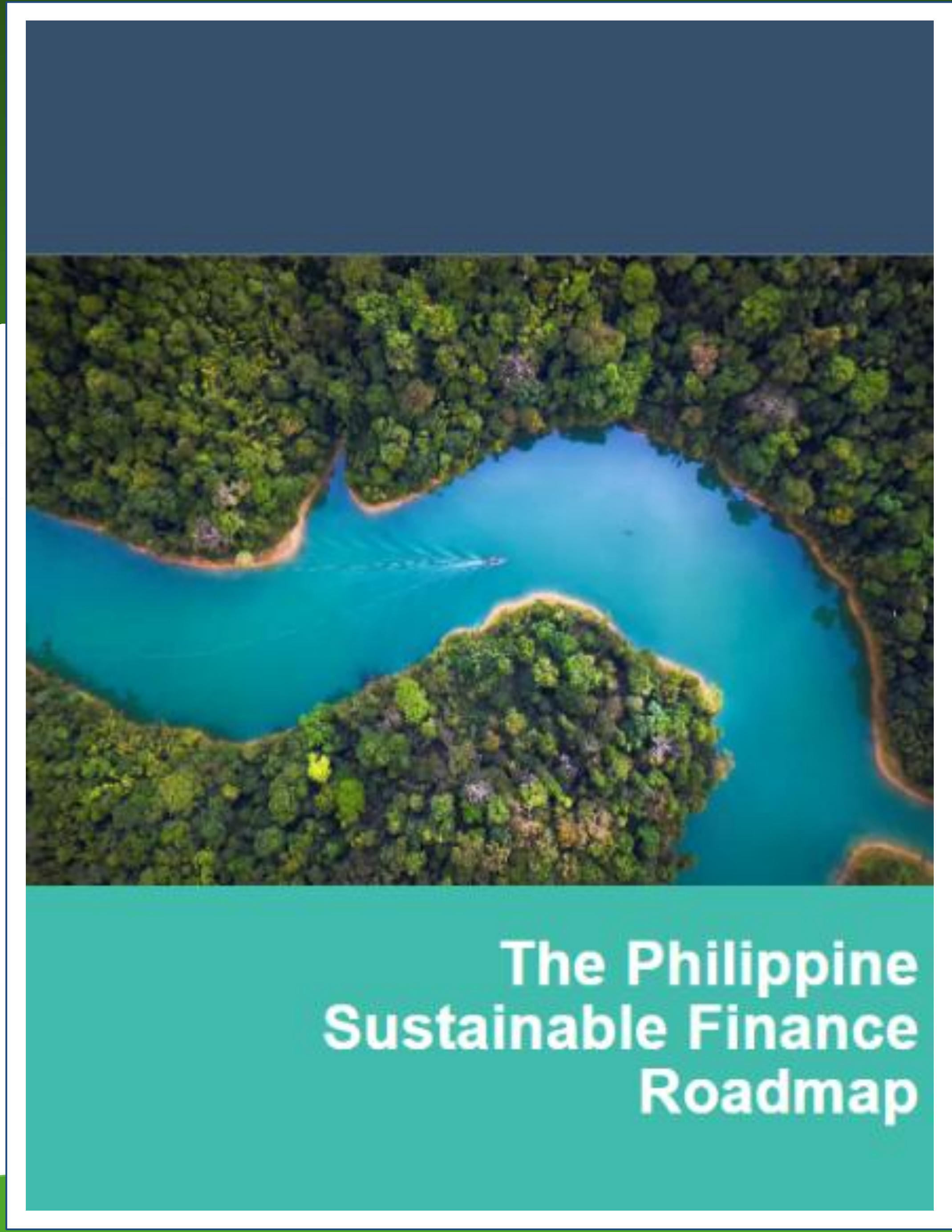
PILLAR B

Mainstreaming sustainable finance

Aims to establish a sustainable pipeline database for the public and private sector and monitor progress and updates

PILLAR C

Developing a sustainable pipeline



SEC Championing the Development of the Philippine Sustainable Capital Market

SEC GUIDELINES ON SUSTAINABLE FINANCE

Green Bonds

SEC Memorandum Circular No.12, series of 2018

Social Bonds

SEC Memorandum Circular No. 09, series of 2019

Sustainability Bonds

SEC Memorandum Circular No. 08, series of 2019

SEC GUIDELINES ON SUSTAINABLE FINANCE

Sustainability-linked Bonds

SEC Memorandum Circular No. 03, series of 2023

Blue Bonds

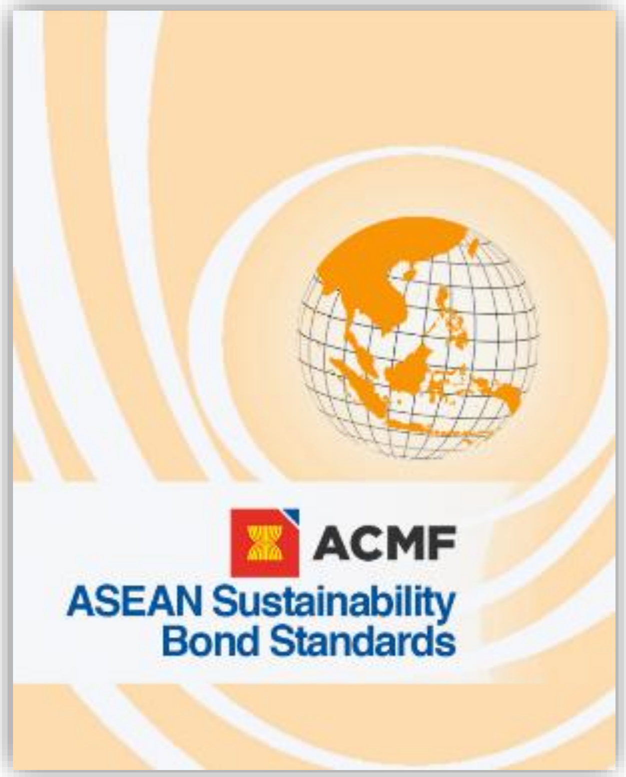
SEC Memorandum Circular No. 15, series of 2023

Philippine Sustainable Finance Taxonomy Guidelines

SEC Memorandum Circular No. 05, series of 2024

SEC's ASEAN Thematic Bond Labelling

As a member of the ASEAN Capital Markets Forum (ACMF) and co-chair of the ACMF Sustainable Finance Working Group (SFWG), **the PH SEC has the authority to certify bonds to carry the ASEAN label** (i.e. ASEAN Green, ASEAN Social, ASEAN Sustainability and ASEAN Sustainability-Linked bonds)



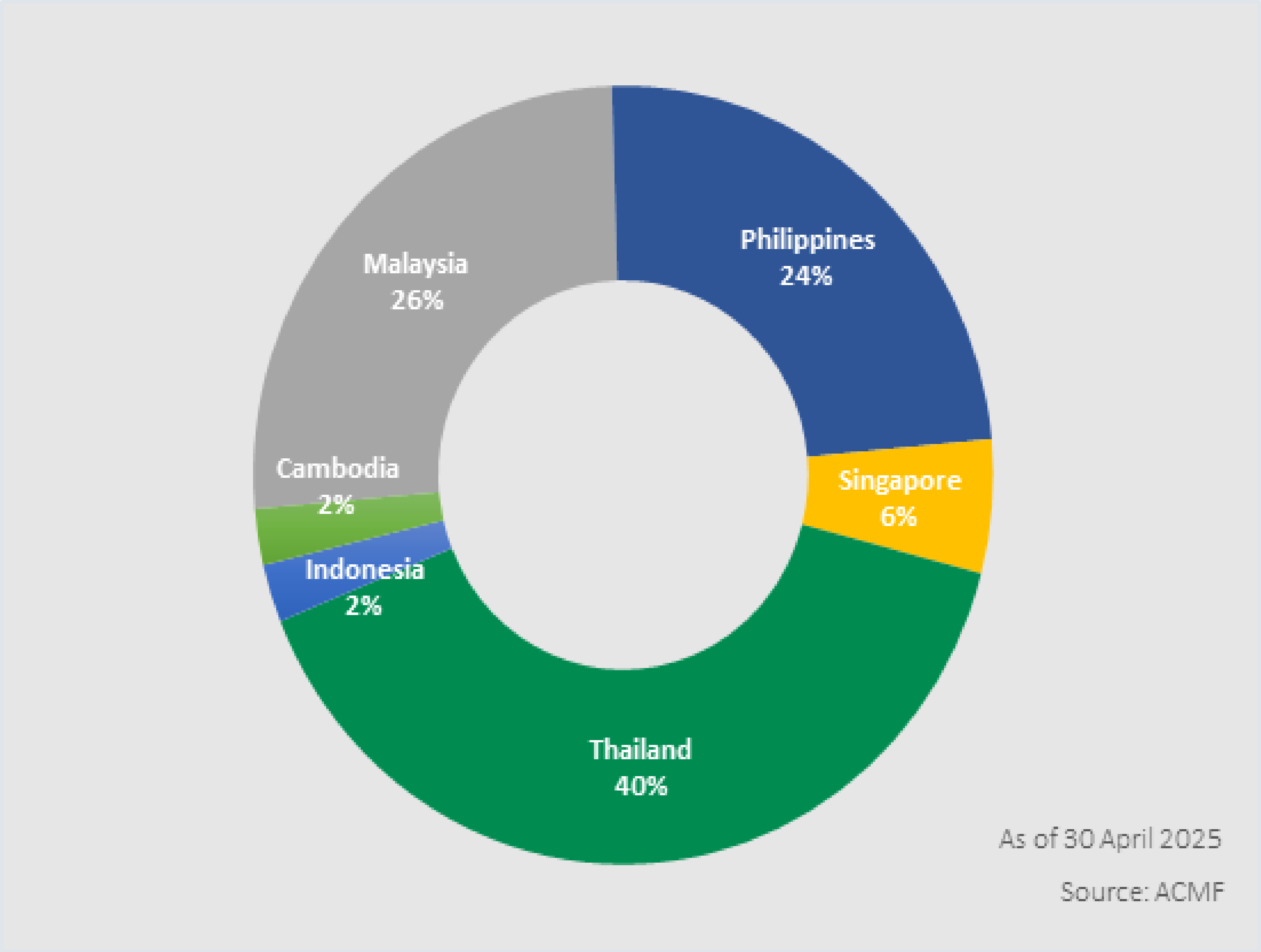
IN A NUTSHELL

SEC ISSUED THEMATIC BOND GUIDELINES	ISSUANCES	REQUIREMENTS	EXTERNAL VERIFICATION/REVIEW
SEC ASEAN Green Bond	Green projects	Framework that includes the ff: 1.Use of Proceeds 2.Management of Proceeds 3.Process for Project Selection and Evaluation 4.Reporting	Not required but recommended
SEC Blue Bond	Blue projects		
SEC ASEAN Social Bond	Social projects		
SEC ASEAN Sustainability Bond	Green + Social		
SEC ASEAN Sustainability-Linked Bond (SLB)	ESG objectives	Framework that includes the ff: 1.Selection of KPIs 2.Calibration of SPTs 3.Bond Characteristics 4.Reporting 5.Verification	Required pre and post issuance

ASEAN-LABELED THEMATIC BOND ISSUANCES BY COUNTRY

PHILIPPINES: 3RD LEADING ISSUER OF ASEAN-LABELED THEMATIC BONDS

As of 30 April 2025, the total amount of ASEAN-labeled Green, Social, Sustainability and Sustainability-Linked (GSS+) Bonds issued was US$65.38 billion, with Philippine issuers accounting for US$15.70 billion dollars or 24% of the total amount issued.



FUNDING WITH PURPOSE :

Use Cases of SEC ASEAN-Labeled Bonds

ASA PHILIPPINES' SOCIAL BONDS

ASA Philippines Foundation Inc. issued a Social (Gender) Bond aimed at supporting social projects that promote gender equality and women empowerment. The bond proceeds are allocated to exclusively finance women-led microenterprises in the Philippines to promote financial inclusion and address gender inequality. Funds will be used for lending to women entrepreneurs, supporting income-generating projects, and expanding access to essential goods and services.

CITY SAVINGS BANK'S SOCIAL BONDS

In November 2024, the SEC officially confirmed CitySavings' Php5.86 billion bonds with the ASEAN Social Bond label.

Under the Bank's Sustainability Finance Framework, the proceeds will be directed toward impactful social projects that benefit micro, small, and medium enterprises (MSMEs), low-income individuals, and underserved communities—including those in rural and geographically isolated areas.

a UNIONBANK subsidiary
CitySavings

FUTURE AND ONGOING INITIATIVES

- Guidelines on Philippine Green Equity
- Adoption of local transition finance guidelines following the ASEAN transition finance guidance
- Guidelines for transition-labelled financial instruments
- Feasibility study on the guidelines for the voluntary carbon markets in the Philippines
- Further developments of the Philippine Sustainable Finance Taxonomy Guidelines

SEC Advancing the Adoption of ESG Practices in the Corporate Sector

Sustainability Reporting (SURE) Guidelines for Publicly-Listed Companies (SEC Memorandum Circular No. 04, series of 2019)

The Guidelines is intended to help PLCs assess and manage non-financial performance across Economic, Environmental and Social aspects of their organization and enable PLCs to measure and monitor their contributions towards achieving universal targets of sustainability, such as the United Nations Sustainable Development Goals, as well as national policies and programs, such as AmBisyon Natin 2040.

SEC PARTNERS WITH KOMUNIDAD FOR SUSTAINABILITY REPORT SUBMISSION

The SEC has teamed up with climate data and analytics software company,Komunidad Global Services & Operations Philippines Inc.,to facilitate the submission of sustainability reports by publicly listed companies (PLCs).

The customized web application will streamline the data collection, verification, management, and analysis of sustainability data, improving the monitoring capabilities of the Commission on sustainability reporting compliance of the PLCs.

Source: SEC Website

Small and Medium Industries and Large Enterprises Embracing Sustainability (SMILEES)

The SEC Small and Medium Industries and Large Enterprises Embracing Sustainability (SMILEES) Roadshow is an initiative of the Commission to promote sustainable practices among businesses. The SMILEES Roadshows feature interactive sessions, showcasing local government and entrepreneurial sustainability initiatives, and include panel discussions with business leaders and sustainability advocates.

Source: SEC Website

SEC wins third UN sustainability award for Philippines

The SEC received the ISAR Honours 2024 for the third time in recognition of its efforts to promote sustainability reporting, particularly through its SMILEES Roadshow, which educates small, medium, and large enterprises (SMLEs) in the Philippines about contributing to sustainable development goals. Previously honored in 2019 and 2022 for its work with publicly listed companies (PLCs), the SEC's initiatives have significantly boosted compliance with sustainability reporting, reaching 95% in 2023.

Looking ahead, the SEC plans to further expand its sustainability efforts, including developing a standardized reporting template for SMLEs and enhancing its eSECnature platform to encourage collaboration for a sustainable business sector.

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SEC Exemplifying its Commitments through Action

GREEN BANC

a once a month Commission meeting which discuss the Commission's sustainability initiatives and projects

GREEN BANC Initiative: Sustainable Enterprise Collaboration Network (eSECnature) Launching

On 15 July 2024, the SEC launched the Sustainable Enterprise Collaboration Network (eSECnature) to unite corporations, government bodies, and civil society in advancing sustainability, fostering collaboration, and supporting the Philippines' digital transformation and the achievement of the United Nations' Sustainable Development Goals.

Source: SEC Website

SEC Exemplifying its Commitments through Action

SEC Digitalization (SEC Memorandum Circular No. 18, series of 2023)

- issued to advocate sustainability in the Commission and adhere to the principles of sustainability with protection of the economy, society and environment

- The Commission introduced an **electronic filing and monitoring** system to support a zero-contact policy and automate business transactions, promoting sustainability by reducing paper use and energy consumption. This initiative aligns with the Philippine Development Plan 2023-2028, which focuses on the government's digitalization and transformation.

- Electronic Filing and Submission Tool (eFAST), Electronic Simplified Processing of Application for Registration of Company, and Electronic System for Payment to SEC (eSPAYSEC)

The SEC has adopted a 10-hectare lot in the Angat River Watershed in San Mateo, Norzagaray, Bulacan called the “SEC FoRest”. Several SEC staff participated in a two-day tree planting event on June 25 and July 5, 2024, and with the ongoing support of its partner organizations and agencies in Bulacan, the Commission has successfully planted 16,000 trees in the SEC FoRest.

THANK YOU!

The views and opinions that are expressed in relation to this presentation are only that of the presenter and do not necessarily reflect those of the Commission, the Commissioners, or the other staff members.