



# Pioneering Partnerships for Sustainable Progress

2025 ALLOCATION AND IMPACT REPORT

# ABOUT THE REPORT

This report contains the following annual publications of Rizal Commercial Banking Corporation (RCBC or the Bank):

## 1. ALLOCATION REPORT

In line with RCBC's Sustainable Finance Framework (SFF), this report shows the breakdown of net proceeds from the Sustainable Financing Instruments (SFIs) across the Bank's Eligible Green (which includes a subset of Eligible Blue) and Social Portfolios. This disclosure comes with a Limited Assurance Report.

## 2. IMPACT REPORT

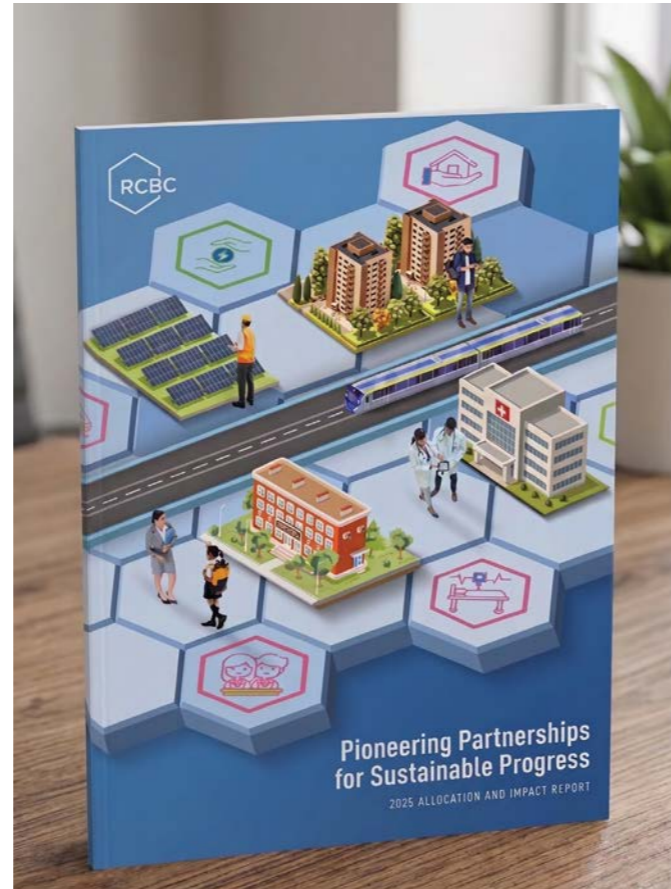
In accordance with the Bank's SFF, this shows the aggregated environmental and social benefits of the Eligible Green (with a subset of Eligible Blue) and Social Portfolio, as well as their specific contributions toward achieving the United Nations Sustainable Development Goals (UN SDGs). This disclosure subscribes to the Harmonized Framework for Impact Reporting developed by the International Capital Market Association (ICMA). The results presented in this report are based on total portfolio allocations. Impact metrics represent the overall results of the projects in the portfolio.

RCBC's Allocation Report and Impact Report are being published for the seventh consecutive year, consistent with the Reporting component of the Bank's SFF. These also conform to the disclosure requirements under the Bangko Sentral ng Pilipinas (BSP) Circular 1085 on Sustainable Finance Framework issued in April 2020. The Circular includes reporting by financial institutions on "products/services aligned with internationally recognized sustainability standards and practices. This shall include the issuance of green, social or sustainability bonds."

## 3. DISCLOSURES AS A SIGNATORY TO THE PARTNERSHIP FOR CARBON ACCOUNTING FINANCIALS (PCAF)

In fulfillment of RCBC's commitment to PCAF, the following are included in this report:

- Financed Emissions, representing RCBC's Scope 3 greenhouse gas (GHG) emissions. This follows the measurement prescribed under PCAF's Global GHG Accounting and Reporting Standard, with RCBC applying PCAF's methodological guidance for asset classes, particularly for business loans, motor vehicle loans and mortgages.



- Avoided Emissions, derived from loans to Renewable Energy projects. In accordance with the PCAF Standard, these projects "can result in emissions being avoided as they displace the emissions that normally would have occurred without the project's implementation."
- Data Quality Scoring, in recognition of data limitations. Inputs in applying the PCAF Standard formula rely on assumptions that depend on the available data. According to the PCAF Standard, this data quality scoring "enables financial institutions to develop a strategy to improve data over time."

RCBC's disclosures using the PCAF methodology are being published for the fourth consecutive year, with the Bank remaining the sole Philippine signatory to PCAF as of the end of 2025.

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## OVERVIEW

### RCBC is a pillar of the Philippine banking industry.

Established in 1960, the Bank started its operations in the province of Rizal under the name Rizal Development Bank. In 1963, RCBC received approvals from the Bangko Sentral ng Pilipinas (BSP) to operate as a commercial bank under its current name and then as a universal bank in 1989. RCBC offers consumer, commercial and corporate lending products, deposits and cash management solutions, treasury products, remittance and mobile banking services among others.

RCBC is a member of the Yuchengco Group of Companies (YGC), a premier business organization in the Philippines covering over 60 businesses involved in a wide range of financial and non-financial services. YGC is recognized as one of the oldest and largest conglomerates in Southeast Asia. RCBC is a publicly-listed company (Stock Code: RCB) in the Philippine Stock Exchange (PSE).

RCBC aligns its business strategy to support the development needs of the environment and society, as articulated in the UN SDGs and the Paris Agreement on Climate Change. RCBC institutionalizes awareness of environmental and social (E&S) issues within the organization, with its clients, and communities served.

The Bank believes that sustainable practices are a key pillar of responsible lending which delivers meaningful impact on the environment and communities. In December 2020, RCBC committed to cease funding of the construction of new coal power plants in the country or anywhere else in the world. The Bank's remaining exposure to coal-fired power projects will be zeroed out by 2031, as initially disclosed in RCBC's 2021 Sustainability Report.

RCBC's commitment to sustainability has been demonstrated through its E&S Management System (ESMS) Policy which requires the vetting of all lending relationships from an E&S perspective, and the Sustainable Finance Framework which articulates the Bank's funding strategy to prioritize sectors that have clear E&S benefits, foremost of which is clean energy.

RCBC is deeply honored in receiving recognitions in sustainability. In 2025, the Bank received the following awards: (i) second-time "Circle of Excellence Awardee for Sustainability Company of the Year" at the Asia CEO Awards 2025, (ii) four-peat Platinum Award at "The Asset Corporate Sustainability Leadership Awards 2025 (formerly The Asset ESG Corporate Awards)" and (iii) the "Best Sustainability Drive" at the 6th Bank Marketing Awards of the Bank Marketing Association of the Philippines (BMAP).



RCBC's commitment to sustainability has been demonstrated through its E&S Management System Policy which requires the vetting of all lending relationships from an E&S perspective, and the Sustainable Finance Framework which articulates its funding strategy to prioritize sectors that have clear E&S benefits, foremost of which is clean energy.

## RCBC SUSTAINABLE FINANCE FRAMEWORK

The RCBC Sustainable Finance Framework articulates the Bank's strategy to prioritize fundraising for specific sectors.

Under this Framework, RCBC can issue SFIs to fund loans and projects that have clear environmental and/or social benefits. SFIs include Green Bonds, Blue Bonds, Social Bonds, Sustainability Bonds, Green Loans, Blue Loans, and other debt financing instruments which fund Eligible Green (with subset of Blue) and Social Assets. RCBC's Sustainable Finance Framework subscribes to the global bond standards<sup>1</sup> which are continually updated to remain relevant and connected with global ESG practices:

- RCBC's Framework obtained a Second Party Opinion (SPO) from Sustainalytics which opined that the eligible green and social projects and lending activities defined in the Framework contribute to the decreasing environmental footprint of the Philippines, advancing employment generation, and improving access to essential services of vulnerable groups in Philippines. Under the SPO, Sustainalytics cited RCBC's Framework as "credible and impactful." These documents are published on RCBC's website.<sup>2</sup>
- The Framework recognizes the project evaluation performed per RCBC's ESMS Policy. It also prescribes an Exclusionary Criteria which identify certain projects as ineligible for the use of proceeds from the SFIs. Foremost of this is fossil fuel power generation – an exclusionary criterion consistent with the ASEAN Green Bond Standards and ASEAN Sustainability Bond Standards.
- RCBC allocates the proceeds of SFIs to finance and/or refinance loans to customers or its own operating activities. RCBC's Allocation Report discloses the Bank's Eligible Sustainable Portfolio and Sustainable Funding. The allocation report covering 2025 data underwent limited assurance procedures by Punongbayan & Araullo (P&A). P&A has confirmed that RCBC's application of funds from its sustainability bond issuances and Peso Green Time Deposits are in accordance with the Eligibility Criteria described in its Sustainable Finance Framework. The allocation of the proceeds is as follows:
  - Proceeds of RCBC's Green Bond or Green Loan go to Eligible Green Categories
  - Proceeds of RCBC's Blue Bond or Blue Loan go to Eligible Blue Categories

RCBC's Sustainable Finance Framework is structured with the following key pillars:

### USE OF PROCEEDS

RCBC will allocate proceeds to finance and refinance RCBC's loans to customers in Eligible Green (and its subset of Eligible Blue) Categories and/or Eligible Social Categories.

### PROJECT EVALUATION & SELECTION

The green (and its subset of blue) and social assets will be selected following the eligibility criteria and evaluated by the Sustainable Finance Committee.

### MANAGEMENT OF PROCEEDS

The proceeds will be managed in a portfolio approach.

### REPORTING

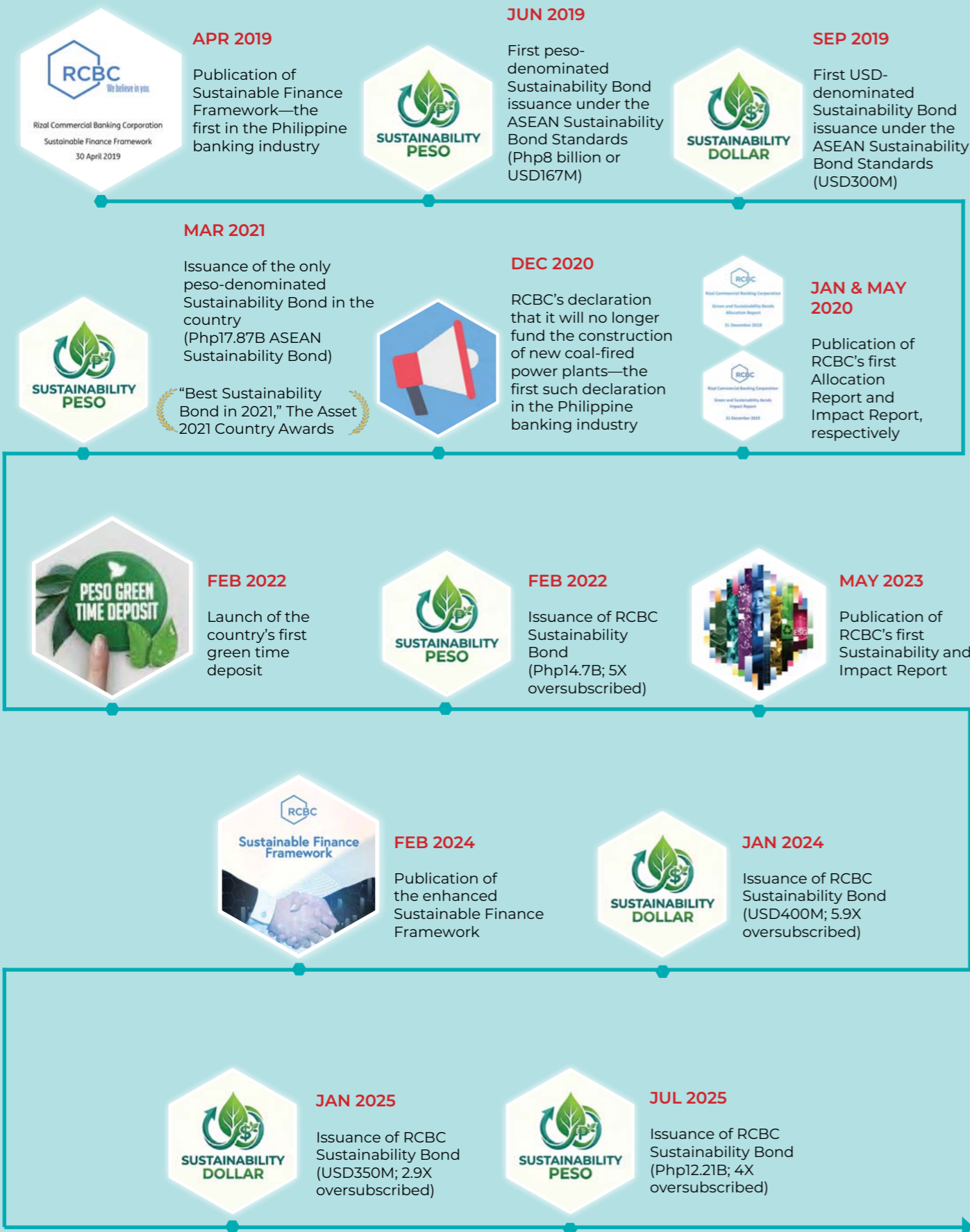
RCBC will report on the allocation of the net proceeds to the Eligible Green (and its subset of Eligible Blue) and Social Portfolio, and their environmental and social impact.

- Proceeds of RCBC's Social Bond or Social Loan go to Eligible Social Categories
- Proceeds of RCBC's Sustainability Bond go to Eligible Green Categories and Eligible Social Categories
- Since 2019, RCBC has issued over USD2 billion worth of SFIs. In 2025, the Bank successfully raised nearly Php32 billion from the back-to-back sustainability bond issuances—USD350 million in January (2.9x oversubscribed) and Php12.21 billion in July (4x oversubscribed)—reflecting continued market confidence in RCBC and its credit.
- RCBC's total sustainable portfolio consisted of around 18,000 projects as of 31 December 2025. These projects contribute to 12 of the 17 UN SDGs. Funding for Renewable Energy accounted for nearly half of the Bank's total sustainable portfolio surpassing the remaining exposure to coal-fired power projects by almost three times.

<sup>1</sup> ICMA Green Bond Principles 2021 (GBP), Social Bond Principles 2023 (SBP), Sustainability Bond Guidelines 2021; ASEAN Capital Markets Forum (ACMF) ASEAN Green Bond Standards 2018, ASEAN Social Bond Standards 2018, ASEAN Sustainability Bond Standards 2018; Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and Loan Syndications and Trading Association (LSTA) Green Loan Principles 2023 and Social Loan Principles 2023

<sup>2</sup> RCBC. Sustainability. <https://www.rcbc.com/sustainability>

# RCBC SUSTAINABLE FINANCE MILESTONES



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**Rizal Commercial Banking Corporation**  
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## Independent Limited Assurance Report on the 2025 Allocation Report

### Conclusion

We have performed limited assurance procedures on the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio included in the RCBC Allocation Report (hereafter the “Allocation Report”) as at December 31, 2025, of Rizal Commercial Banking Corporation (the Bank or RCBC).

Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio presented in the Allocation Report as at December 31, 2025 are not, in all material respects, prepared in accordance with the Eligibility Criteria as set out in the RCBC Sustainable Finance Framework dated February 27, 2024 (hereafter the “Framework”).

### Basis for Conclusion

We conducted our limited assurance procedures in accordance with the Philippine Standard on Assurance Engagements (PSAE) 3000 (Revised), *Assurance Engagements other than Audits and Review of Historical Financial Information*. Our responsibilities under this standard are further described in the *Our Responsibilities on Limited Assurance Report on the Allocation Report* section of our report.

We are independent of the Bank in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our assurance engagements in the Philippines. We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We apply Philippine Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and maintain a comprehensive system of quality management that includes documented policies and procedures addressing ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide the basis for our conclusion.

**Certified Public Accountants**  
 Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd.  
 Offices in Cavite, Cebu, Davao  
 BOA/ PRC Cert of Reg. No. 0002  
 SEC Accreditation No. 0002

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### **Subject Matter Information**

The subject matter of this engagement is the application of the Eligibility Criteria to the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and the Eligible Social Loan Portfolio included in the Allocation Report as of December 31, 2025.

### **Reporting Criteria**

The Allocation Report has been evaluated against the Eligibility Criteria described in the Framework. These criteria form the basis for our assessment and should be read together with the Allocation Report.

### **Responsibilities of Management and Those Charged with Governance for the Allocation Report**

Management is responsible for the preparation of the Allocation Report, which includes the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio, in accordance with the Eligibility Criteria as described in the Framework, and for such internal control as management determines is necessary to enable the preparation of the Allocation Report that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Bank's reporting process.

### **Our Responsibilities on Limited Assurance Report on the Allocation Report**

Our responsibility is to plan and perform the engagement to obtain sufficient and appropriate assurance evidence to form a conclusion on whether anything has come to our attention that would indicate that the Allocation Report is materially misstated.

Procedures performed in limited assurance engagements are designed to determine the plausibility of information presented and are substantially narrower in scope than those performed in a reasonable assurance or audit engagement. Consequently, the level of assurance obtained is significantly lower than that obtained in audit.

Misstatements can arise from fraud or errors and are considered material if they could, individually or in the aggregate, reasonably be expected to influence the decisions of users made on the basis of the Allocation Report. Materiality influences the nature, timing and extent of our procedures, as well as the evaluation of the effect of any identified misstatements on our conclusion.

As part of our procedures in accordance with PSAE, we exercise professional judgment and maintain professional skepticism throughout the engagement.

### **Approach**

The procedures we performed were designed and executed using our professional judgment, and we believe that the procedures undertaken, and the assurance evidence obtained are sufficient and appropriate to provide a basis for our conclusion.

As part of our limited assurance procedures, we obtained and reviewed information available on the Bank's official website to corroborate documentation supporting the application of the Eligibility Criteria, as well as other relevant reporting. Our work was directed toward assessing the plausibility of information presented in the Allocation Report in line with the requirements of a limited assurance engagement.

Our work included, among other things, the following procedures:

### **General Procedures**

- Identified areas within the Allocation Report where a material misstatement, whether due to fraud or error, would be most likely to occur, and designed and performed assurance procedures responsive to these areas to obtain sufficient and appropriate assurance evidence for our conclusion;
- Considered the internal control relevant to the preparation of the Allocation Report for the purpose of determining assurance procedures appropriate for the engagement; however, our work was not performed for the purpose of expressing a conclusion on the effectiveness of the Bank's internal control;
- Performed inquiries with relevant RCBC staff and officers responsible for managing, reporting, and consolidating the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio;
- Obtained documentation and reviewed the application of the Eligibility Criteria used in preparing the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio for inclusion in the Allocation Report;
- Evaluated internal and external documentation, on limited sampling, to determine whether the information in the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio is plausible and consistent with the Eligibility Criteria set out in the Framework; and,
- Reviewed the allocation of the Bank's sustainable bonds proceeds and Peso Green Time Deposits used to finance Eligible Green (including its subset of Eligible Blue), and Eligible Social projects in accordance with the Framework.

### **Specific Procedures**

#### *Nominated Assets/Projects*

- Reviewed the stated objectives of the sustainability bonds and green time deposits (SFI), which are the sources of funds for the Eligible Green Loan (including its subset of Eligible Blue) Portfolio and Eligible Social Loan Portfolio; and,
- Reviewed nominated assets or projects to assess whether they meet the objectives and Eligibility Criteria of the Framework.

#### *Use of Proceeds*

- Reviewed the percentage of net proceeds allocated to Eligible Green (including Eligible Blue) and Eligible Social categories; and,
- Assessed whether there were any overlaps of nominated assets or projects with other SFI.

#### *Reporting*

- Reviewed the consistency of information captured in the Bank's internal systems with the information consolidated and disclosed in the Allocation Report as of December 31, 2025.



**Restriction of Use of Limited Assurance Report**

Our limited assurance report is intended solely for the Board of Directors of RCBC and the Holders of Sustainable Financing Instruments issued by RCBC. It should not be distributed to other parties or used for any other purposes. Accordingly, we do not accept or assume responsibility for any other purpose or to any other person or organization.

**PUNONGBAYAN & ARAULLO**

**By: Maria Isabel E. Comedia**  
Partner

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SEC Group A Accreditation  
Partner - No. 92966-SEC (until financial period 2027)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-021-2025 (until August 6, 2028)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until August 12, 2027)

April 1, 2026

**Allocation Report**  
**December 31, 2025**

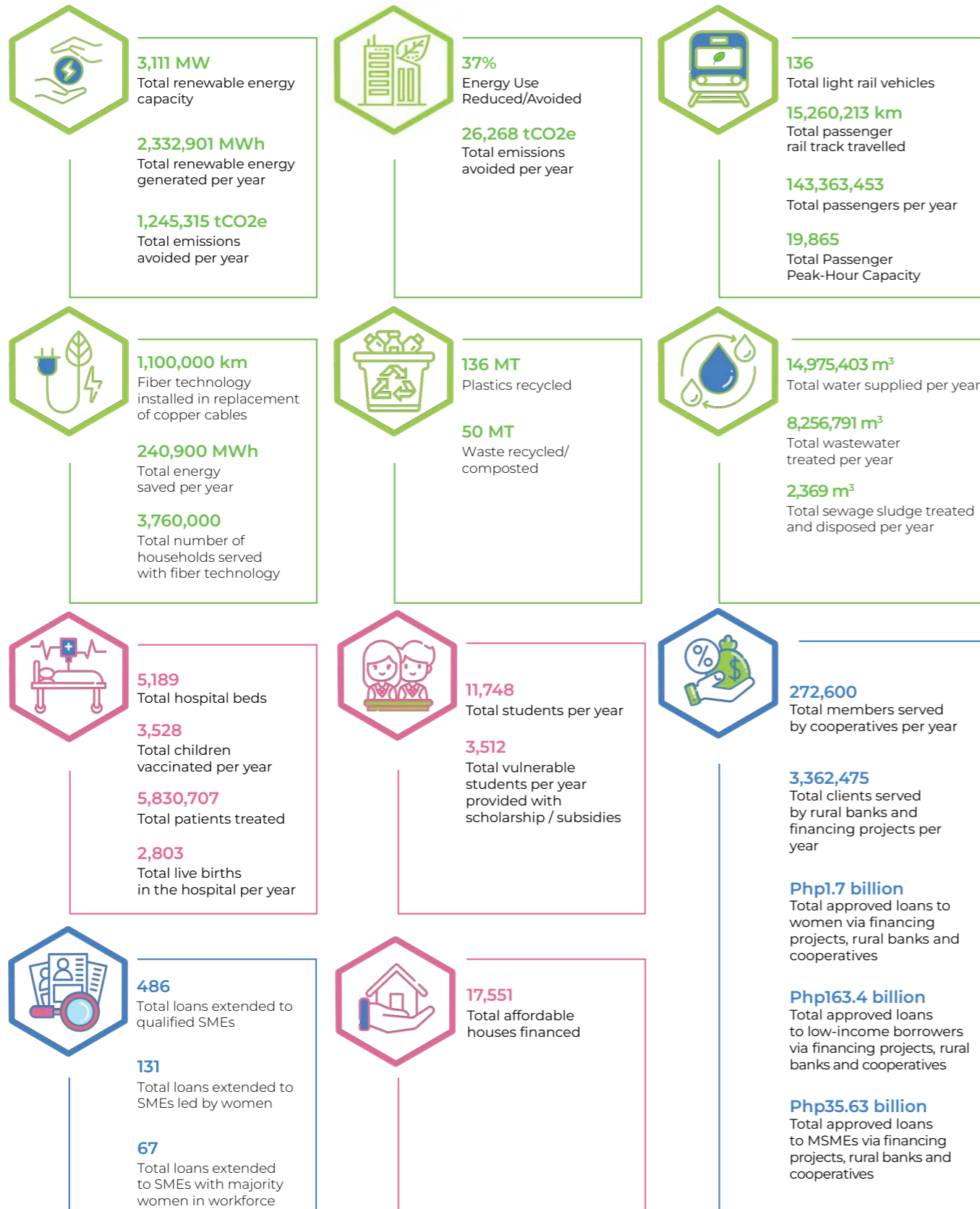
ELIGIBLE SUSTAINABLE PORTFOLIO				SUSTAINABLE FUNDING						
	Number of Projects	Amount (Php M)	%	Instrument	Maturity Date	Amount (Php M)	Allocation			
							Green	%	Social	%
<b>Eligible Green</b>	<b>34</b>	<b>98,182</b>	<b>73%</b>	<b>Sustainability Bond (USD)</b>	<b>1/18/2029</b>	<b>22,372</b>	<b>17,898</b>	<b>80%</b>	<b>4,474</b>	<b>20%</b>
Renewable Energy	27	66,726	49%	<b>Sustainability Bond (Php)</b>	<b>6/30/2026</b>	<b>4,130</b>	<b>3,304</b>	<b>80%</b>	<b>826</b>	<b>20%</b>
Green Buildings	1	5,775	4%	<b>Sustainability Bond (USD)</b>	<b>1/29/2030</b>	<b>20,432</b>	<b>14,302</b>	<b>70%</b>	<b>6,130</b>	<b>30%</b>
Clean Transportation	1	9,664	7%	<b>Sustainability Bond (Php)</b>	<b>1/17/2028</b>	<b>12,213</b>	<b>7,328</b>	<b>60%</b>	<b>4,885</b>	<b>40%</b>
Energy Efficiency	1	15,345	11%	<b>Green TDs (Php)</b>		<b>86</b>	<b>86</b>	<b>100%</b>	<b>-</b>	<b>0%</b>
Pollution Prevention and Control	1	3	0%							
<b>Eligible Blue</b>										
Sustainable Water Management	3	668	0%							
<b>Eligible Social</b>	<b>18,078</b>	<b>36,817</b>	<b>27%</b>							
Affordable Housing	17,551	18,000	13%							
Employment Generation	486	3,037	2%							
Access to Essential Services	22	5,356	4%							
Socioeconomic Advancement and Empowerment	19	10,424	8%							
<b>Total Eligible Sustainable</b>	<b>18,112</b>	<b>134,998</b>	<b>100%</b>	<b>Total Funding</b>		<b>59,232</b>	<b>42,917</b>	<b>72%</b>	<b>16,315</b>	<b>28%</b>

Percentage of Eligible Sustainable Portfolio Allocated (Usage) 44%  
Percentage of Net Proceeds of Sustainable Funding Allocated to Eligible Sustainable Portfolio 100%

Buffer  
Eligible Green Portfolio 55,264 56%  
Eligible Social Portfolio 20,502 56%  
Total Eligible Sustainable Portfolio 75,766 56%

# SUSTAINABILITY IMPACTS AT A GLANCE

RCBC helped fund projects that have made environmental and social impacts.



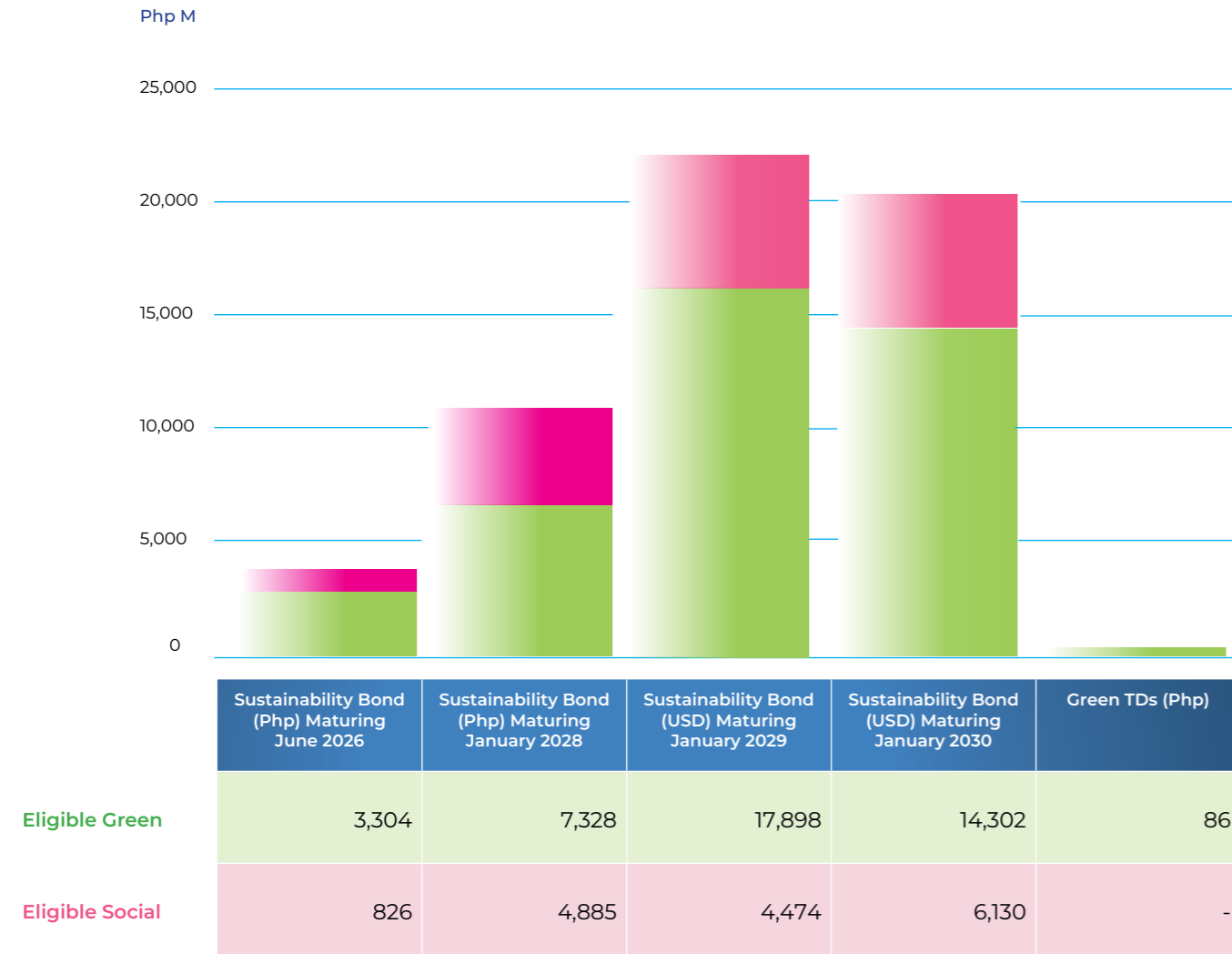
## CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

RCBC's Eligible Green and Social Assets as of December 31, 2025 address 12 of the 17 UN SDGs, as follows:



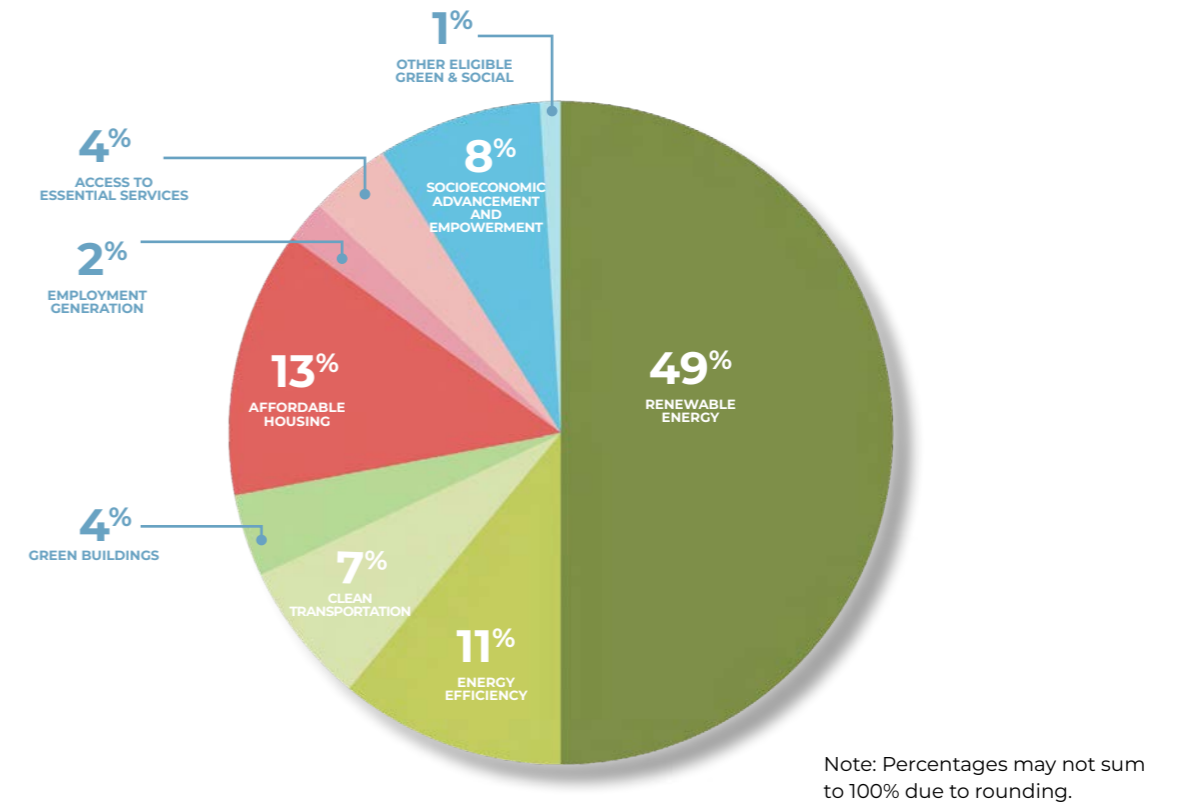
**RCBC SUSTAINABLE FINANCING INSTRUMENTS**

As of December 31, 2025

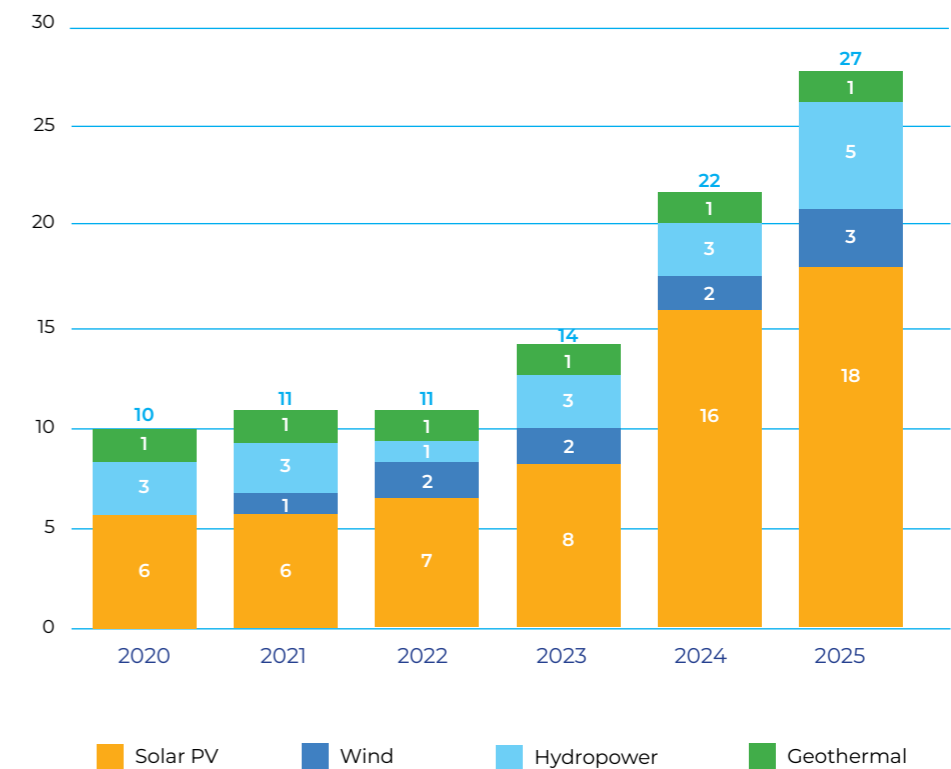


**RCBC SUSTAINABLE PORTFOLIO SIZE AND DISTRIBUTION**

As of December 31, 2025



**RENEWABLE ENERGY PORTFOLIO PROJECTS**



**“** In 2025, the Bank successfully raised nearly Php32 billion from the back-to-back sustainability bond issuances—USD350 million in January (2.9x oversubscribed) and Php12.21 billion in July (4x oversubscribed)—reflecting continued market confidence in RCBC and its credit.

## RCBC SUSTAINABLE PORTFOLIO



### Eligible Green

	No. of Projects	Amount (Php M)	%	Impact			SDG Addressed	
	34	98,182	73%					
Renewable Energy	27	66,726	49%	3,111 MW total renewable energy capacity	2,332,901 MWh total renewable energy generated per year	1,245,315 tCO <sub>2</sub> e total emissions avoided per year		
Green Buildings	1	5,775	4%	37% % of Energy Use Reduced/Avoided		26,268 tCO <sub>2</sub> e total emissions avoided per year		
Clean Transportation	1	9,664	7%	136 Total number of vehicles	15,260,213 Total kilometers travelled per year	143,363,453 Total number of passengers per year	19,865 Total passenger peak-hour capacity	
Energy Efficiency	1	15,345	11%	1,100,000 Kilometers of fiber technology constructed in replacement of copper cables		3,760,000 Total number of households served with fiber technology	240,900 MWh energy savings	
Pollution Prevention and Control	1	3	0.002%	136 MT plastics recycled	50 MT waste recycled/composted			

### Eligible Blue

	No. of Projects	Amount (Php M)	%	Impact			SDG Addressed
Sustainable Water Management	3	668	0.5%	14,975,403 m <sup>3</sup> total water supplied	8,256,791 m <sup>3</sup> total wastewater treated	2,369 m <sup>3</sup> total sewage sludge treated and disposed	



### Eligible Social

	No. of Projects	Amount (Php M)	%	Impact					SDG Addressed
	18,078	36,817	27%						
Access to Essential Services - Healthcare	7	1,846	1%	5,189 Total number of hospital beds	3,528 Total number of children vaccinated per year	5,830,707 Total number of patients treated per year	2,803 Total number of live births in the hospital per year		
Access to Essential Services - Education	15	3,509	3%	11,748 Total number of students per year		3,512 Total number of vulnerable students per year			
Socioeconomic Advancement and Empowerment	19	10,424	8%	272,600 Total number of members served by cooperatives per year	3,362,475 Total number of clients served by rural banks and financing projects per year	Php1.7 billion Total approved loans to women via financing projects, rural banks and cooperatives	Php163.4 billion Total approved loans to low-income borrowers via financing projects, rural banks and cooperatives	Php35.63 billion Total approved loans to MSMEs via financing projects, rural banks and cooperatives	
Employment Generation	486	3,037	2%	486 Total number of loans extended to qualified MSMEs		131 Total number of MSMEs with majority women in senior management /ownership positions	67 Total number of MSMEs with majority women in workforce / supply chain	9 Total number of small-scale food producers	 
Affordable Housing	17,551	18,000	13%	17,551 Total number of affordable houses financed					
<b>Total Eligible Sustainable Portfolio</b>	<b>18,112</b>	<b>134,998</b>	<b>100%</b>						

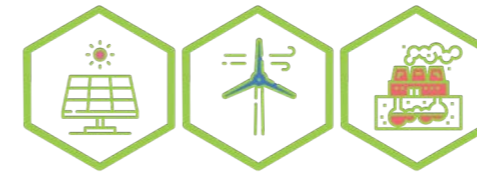
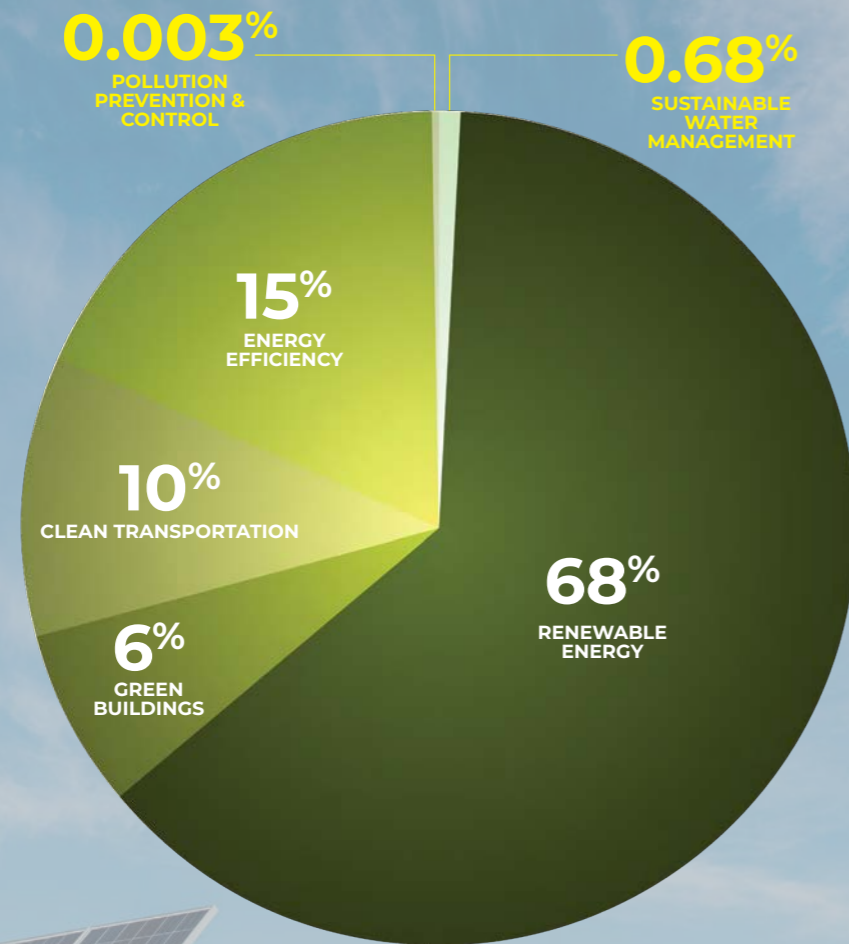
# IMPACT REPORT: ENVIRONMENTAL BENEFITS OF RCBC PORTFOLIO



## ELIGIBLE GREEN PORTFOLIO

As of December 31, 2025, RCBC's Eligible Green Assets portfolio consists of 34 projects, totaling Php98.2 billion. This includes a subset of three projects under the Eligible Blue portfolio amounting to Php668 million. The portfolio is primarily composed of Renewable Energy at 68%, followed by Energy Efficiency (15%), and Clean Transportation (10%). Green Buildings represent a 6% share, while Sustainable Water Management and Pollution Prevention and Control projects collectively make up just under 1%.

Eligible Green Portfolio Distribution



## Renewable Energy

Renewable Energy	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	MW total renewable energy capacity	MWh total renewable energy generated per year	tCO <sub>2</sub> e total emissions avoided per year
Solar Energy	18	44,007	33%	2,526	1,032,466	551,939
Wind Energy	3	9,932	7%	272	442,283	242,846
Hydropower Energy	5	11,544	9%	280	576,369	302,594
Geothermal Energy	1	1,243	1%	32	281,783	147,936
<b>Total Renewable Energy</b>	<b>27</b>	<b>66,726</b>	<b>49%</b>	<b>3,111</b>	<b>2,332,901</b>	<b>1,245,315</b>

These are projects focused on developing the generation and the use of RE, including solar, wind, hydro, geothermal, and bioenergy. Eligible accounts may also refer to fuel cell and other energy storage systems for RE projects/ assets and/or battery facilities that result in substantial GHG emission reductions in transport, stationary and off-grid energy storage, and other industrial applications. Green hydrogen facilities such as electrolyzers powered by RE, and equipment for the production and use of hydrogen powered by RE, are also included under this category.



In a report released by market research firm International Market Analysis Research and Consulting Group (IMARC Group), the Philippines' RE market was valued at USD20,832.31 million in 2025 and is expected to increase at a compound annual growth rate of 8.06% to reach USD41,866.52 million by 2034.<sup>3</sup> Hydropower continues to dominate the country's renewable mix, with a 41% market share in 2025. Meanwhile, residential consumers have emerged as the largest end-user segment at 33%, reflecting wider rooftop solar adoption and heightened sensitivity to electricity prices.

Key factors driving the Philippines' RE market include government-led auctions that optimize existing infrastructures, large-scale private investments that decentralize power generation, and government initiatives that support energy security and climate goals while offering profitability. The removal of foreign ownership restrictions in solar, wind, hydro, and ocean energy projects in 2022 has also enabled greater participation by international developers.

The key challenges that could limit RE market integration, on the other hand, include infrastructure constraints causing transmission bottlenecks, archipelagic geography creating transmission and distribution challenges, and high electricity prices affecting project economics and user affordability.

RCBC is actively supporting RE growth in the country. As of 2025, the Bank's financing of solar, wind and hydro power plant projects amounted to Php65.4 billion. These helped fund a total production capacity of 3,079 megawatts (MW) and total energy output of 2,051,118 megawatt-hours (MWh).

RCBC also helped fund a geothermal power plant project through financing support of Php1.2B with total generation capacity of 32 MW and total energy output of 281,783 MWh in 2025. Altogether, the Bank's support for operational solar, wind, hydro, and geothermal power plants results in an estimated 1,245,315 tons of CO<sub>2</sub> equivalent emissions avoided per year. Following the approval by the Risk Oversight Committee (ROC) in March 2023, the Bank targeted an annual RE portfolio growth of 10% to 15% for the subsequent 12 to 24 months. RCBC surpassed this target, achieving a year-on-year growth of over 80% as of December 2024. This growth momentum continued in 2025, with the RE portfolio posting a further year-on-year increase of over 26%.

<sup>3</sup> IMARC Group. (n.d.). Philippines renewable energy market: Industry trends, share, size, growth, opportunity and forecast 2024-2032. <https://www.imarcgroup.com/philippines-renewable-energy-market>



Green Buildings

Green Buildings	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	% of Energy Use Reduced/Avoided	tCO2e Total Emissions Avoided per Year
Green Building (LEED Platinum)	1	5,775	4%	37%	26,268

These are projects aimed at the construction of buildings (data centers and offices) that have achieved or are expected to achieve certifications/criteria such as LEED V4.0 or V4.1 (Gold, Platinum), Green Globes (3 or 4 Globes), BREEAM (Excellent or Outstanding), BCA Green Mark GoldPlus or better, NABERS 4.5 stars or better, IFC's EDGE (EDGE Certified, EDGE, Advanced, Zero Carbon), Philippines BERDE Green Building Rating System (4-star and above), and data centers with a design average annual Power Usage Effectiveness (PUE) at or below 1.4.

Buildings account for almost 40% of the world's carbon emissions, with embodied carbon — the emissions released during the mining, manufacturing, and construction of a building — expected to make up 50% of new building emissions over the next 25 years. To achieve decarbonization targets, the World Green Building Council has recommended that by 2030, all new projects globally should achieve at least 40 percent reduction in embodied carbon, and that all new buildings reach net-zero embodied carbon emissions by 2050.<sup>4</sup>

Locally, the Quezon City government reinforced its 2009 Green Building Ordinance by launching the Quezon City Green Building Code of 2025. This new code aligns with the targets set by the Enhanced Local Climate Change Action Plan 2021-2050 and the Philippine Green Building Code. Given the city's growing population and the challenge with energy use in buildings—which account for 60% of the city's total GHG emissions—this commitment is a crucial part of the city's strategy to modernize policy and promote sustainable construction across all sectors.<sup>5</sup>

Meanwhile, sustainable design and infrastructure specialist firm Ecotektonika strongly advocates for a shift toward green building practices that integrate sustainability with climate and disaster resilience.



This shift is vital, as the World Bank notes the country's construction sector consumes 54% of national power and will drive 80% of energy demand growth by 2040.<sup>6</sup>

By using specialized materials like wind-resistant roofing and steel-reinforced concrete, structures can withstand extreme weather while naturally regulating temperatures to save energy.<sup>7</sup>

Demonstrating active support toward sustainable infrastructure, RCBC provided financing (Php5.7 billion as of December 2025) for the construction and development of a Green Building project in Metro Manila which achieved a LEED Platinum certification.

This Green Building project is estimated to deliver a 37% reduction in energy consumption compared to the local baseline. It also avoids approximately 26,268 tons of CO<sub>2</sub> equivalent emissions.

<sup>4</sup> Hicks, R. (2025, November 12). Building sector's appetite for sustainability wanes amid cost and geopolitical concerns. Eco-Business. <https://www.eco-business.com/news/building-sectors-appetite-for-sustainability-wanes-amid-cost-and-geopolitical-concerns/>

<sup>5</sup> Quezon City Government. (2025, November 11). Quezon City launches landmark green building code to accelerate climate action. <https://quezoncity.gov.ph/quezon-city-launches-landmark-green-building-code-to-accelerate-climate-action/>

<sup>6</sup> World Bank Group. (2022). Philippines country climate and development report. <https://thedocs.worldbank.org/en/doc/4ec3282919652f7545bc25c49c1811e4-0070012022/original/PHCCDR-FINAL-formatted.pdf>

<sup>7</sup> Albay, R. L. (2025, May 20). Future-proofing the Philippines means rethinking how infrastructure is built and managed. Eco-Business. <https://www.eco-business.com/news/future-proofing-the-philippines-means-rethinking-how-infrastructure-is-built-and-managed/>



Clean Transportation

Clean Transportation	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Vehicles	Total km Travelled per Year	Total No. of Passengers per Year	Total Passenger Peak-Hour Capacity
Passenger Rail Infrastructure	1	9,664	7%	136	15,260,213	143,363,453	19,865

Eligible accounts aim to develop or manufacture low-carbon passenger, freight transportation and/or related infrastructure (subject to various criteria) such as passenger non-public transportation, passenger public transportation, freight rail, and road freight. These may also include projects that develop, manufacture, or recycle rechargeable batteries and fuel cell for clean transportation, and low-carbon infrastructure such as EV charging infrastructure, expansion of metro or train network and station upgrades, hydrogen fuel, and Information Communications and Technology (e.g., smart cards, smart load pricing/charging).

With the transport sector remaining a major contributor to global emissions—accounting for 21.7%<sup>8</sup>—the Philippines is advancing policy actions to curb GHG emissions and accelerate the transition to electric mobility.<sup>9</sup>

The Department of Energy (DOE) has issued Department Circular No. DC2025-08-0012, which directs all distribution utilities to integrate Electric Vehicle Charging Stations (EVCs) into their development plans and prioritize RE sources for power charging facilities.<sup>10</sup> To further lower barriers to entry, the DOE also simplified the process of certifying EV manufacturers, importers, and dealers.<sup>11</sup>

Beyond emissions, the country is simultaneously facing severe mobility inefficiencies. The 2025 TomTom Traffic Index recently identified the Philippines as the most congested country in Asia.<sup>12</sup>



Out of the 492 cities across 62 countries, Metro Manila and Davao City ranked 40th and 12th, respectively, among those with the worst traffic.<sup>13</sup>

The report noted that Filipinos lost an average of 143 hours to traffic in 2025, which is an hour and 16 minutes longer from the 2024 estimates.<sup>14</sup> Mass transit railway system development is one way to address the chronic traffic congestion.

Addressing this urgency, the Department of Transportation (DOTr) reaffirmed its commitment to expedite big-ticket infrastructure projects.<sup>15</sup>

RCBC helped finance a passenger rail infrastructure project, with Php9.7 billion in funding. In 2025, this system accommodated 143 million passengers over a total of 15.2 million kilometers travelled. By channeling funds to public transportation systems, the Bank helps in realizing the dual goals of lowering emissions and expanding the country's mass transit system.

<sup>8</sup> Encarnacion J.I., Mozo M.A., Banaguas V., Odulio C.M. (2025). Evaluation of the Carbon Emissions of Electric Vehicles in the Philippines Considering Local Power Mix. *Chemical Engineering Transactions*, 120, 331–336. <https://doi.org/10.3303/CET25120056>

<sup>9</sup> Department of Energy. (2025, October 23). DOE issues key policies to accelerate EV adoption and expand charging network. [doe.gov.ph/articles/3124035--doe-issues-key-policies-to-accelerate-ev-adoption-and-expand-charging-network](https://www.doe.gov.ph/articles/3124035--doe-issues-key-policies-to-accelerate-ev-adoption-and-expand-charging-network)

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Salcedo, M. (2026, January 22). Torre: MMDA back to drawing board as PH ranked Asia's most congested. *INQUIRER.net*. <https://newsinfo.inquirer.net/2171692/mmda-back-to-drawing-board-as-ph-remains-asias-most-congested-country>

<sup>13</sup> Cruz, J. (2026, January 22). Filipinos lost more hours in Metro Manila, Davao City traffic in 2025. *Rappler* <https://www.rappler.com/philippines/metro-manila-davao-city-traffic-index-data-2025/>

<sup>14</sup> Ibid.

<sup>15</sup> Guzman, J. (2026, January 19). DOTr vows to expedite big-ticket infra, transport systems. *Philippine Information Agency* <https://pia.gov.ph/news/dotr-vows-to-expedite-big-ticket-infra-transport-systems/>



Energy Efficiency

Energy Efficiency	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	km of Fiber Technology Constructed	Total Number of Households served with Fiber Technology	MWh Energy Savings
Connectivity Services (with Fiber Technology)	1	15,345	11%	1,100,000	3,760,000	240,900

These are projects that involve the development or production of products or technologies that reduce industrial energy consumption such as improved chillers, transition to fiber networks, improved lighting technology, and reduced power usage in manufacturing operations (excluding fossil fuel-based technologies).

The Philippines institutionalized energy efficiency and conservation through Republic Act No. 11285 (Energy Efficiency and Conservation Act) in 2019.<sup>16</sup> This established a framework for the judicious use of energy and the promotion of energy-efficient and RE technologies.<sup>17</sup> In June 2025, the DOE reported that these national initiatives had successfully saved 33 gigawatt-hours (GWh) of electricity and 588,000 liters of fuel, avoiding 26 kilotonnes of CO2 emissions.<sup>18</sup> The DOE attributed these energy savings to investments in efficient lighting, RE installations, and equipment retrofits.<sup>19</sup>

To build on these gains, the government is actively driving efficiency within its own operations and upgrading national infrastructure. In October 2025, the DOE adopted a resolution requiring all government agencies to use Energy-Consuming Products (ECPs) that comply with the DOE's Minimum Energy Performance for Products standards. This move aligns with the Philippine Energy Labeling Program and supports the Government Energy Management Program (GEMP), which mandates all government offices to reduce energy consumption.<sup>20</sup>

Beyond upgrading basic office equipment, the national efficiency strategy extends to modernizing the country's communications grid. The shift toward fiber-optic networks is prioritized, as evidenced by the Department of Information and Communications Technology (DICT)'s launch of the National Fiber Backbone project (Phases 2 and 3) in 2025.<sup>21</sup>

In support of the adoption of energy efficiency activities in the country, RCBC extended loans amounting to Php15.3 billion as of 2025 for projects involving transition towards fiber technology, replacing legacy copper technologies. Fiber technology promotes reduced energy consumption, translating to lower CO2 emission and heat generation. By extending these loans, RCBC helped finance projects that reduce energy usage by 240,900 MWh per year.



<sup>16</sup> Congress of the Philippines. (2019, April 12). Republic Act No. 11285. <https://www.pe2.org/republic-act-11285-energy-efficiency-and-conservation-act>

<sup>17</sup> Ibid.

<sup>18</sup> Velasco, M. (2025, June 19). DOE flexes Philippine energy efficiency wins with global peers. Manila Bulletin. <https://mb.com.ph/2025/06/19/doe-flexes-philippine-energy-efficiency-wins-with-global-peers>

<sup>19</sup> Ibid.

<sup>20</sup> Villanueva, J. (2025, October 23). Gov't agencies now directed to use energy-efficient products. Philippine News Agency. <https://www.pna.gov.ph/articles/1261666>

<sup>21</sup> Presidential Communications Office. (2025, July 7). PBBM launches National Fiber Backbone Phases 2 and 3 to digitally connect more Filipinos. [https://pco.gov.ph/news\\_releases/pbbm-launches-national-fiber-backbone-phases-2-and-3-to-digitally-connect-more-filipinos/](https://pco.gov.ph/news_releases/pbbm-launches-national-fiber-backbone-phases-2-and-3-to-digitally-connect-more-filipinos/)



Pollution Prevention and Control

Pollution Prevention and Control	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	MT total plastic recycled	MT total waste recycled / composted per year
Pollution Control Projects	1	3	0.002%	136	50

These are projects aimed at developing or manufacturing infrastructure, transport, equipment and technology for recycling of materials, reuse of materials, and waste management (excluding landfills) such as waste prevention, waste reduction, material recovery with emission abatement technologies.

The Philippines generates 14.6 million tons of municipal solid waste each year, ranking 27th out of 50 countries in the 2025 World Bank What a Waste Global Database.<sup>22</sup> This places the country ahead of wealthier economies such as Australia, Switzerland, and the Netherlands in terms of waste produced.

In the Philippines, the link between garbage and flooding is often underscored, with clogged waterways worsening inundations during heavy rains. Globally, these figures reveal a universal challenge: growing volumes of waste are straining both rich and developing nations alike.

To address this issue, the Philippines is actively pursuing efforts such as the mandated solid waste management (SWM) plans which include strategies for more efficient waste collection, equipment maintenance, and operation of solid waste management facilities.

The Department of Environment and Natural Resources (DENR) reported significant local progress, citing data from its Environmental Management Bureau (EMB) which shows that from July 2022 to June 2025, a total of 328 local government units (LGUs) had their 10-year SWM plans approved, while 41 others had theirs renewed, achieving an 89 percent compliance rate nationwide.

The DENR-EMB also noted tangible progress in waste infrastructure, highlighted by the increase in Materials Recovery Facilities (MRFs) from 11,779 in 2022 to 12,864 in 2025.<sup>23</sup>

To contribute to the country's pollution control efforts and transition to a circular economy, RCBC provided Php3 million in loans to a business engaged in waste management. These helped facilitate the recycling of 136 metric tons (MT) of plastics, and the recycling or composting of 50 MT of wastes.



<sup>22</sup> Dela Peña, K. (2025). PH produces almost 15 million tons of waste every year. INQUIRER.Net. <https://newsinfo.inquirer.net/2118471/ph-produces-almost-15-million-tons-of-waste-every-year>

<sup>23</sup> Moaje, M. (2025, August 28). DENR: Solid waste management improves, nears full compliance. Philippine News Agency. <https://www.pna.gov.ph/articles/1257512>



**ELIGIBLE BLUE PORTFOLIO**



**Sustainable Water Management**

Sustainable Water Management	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Households or Enterprises Supplied with Clean Water	m <sup>3</sup> Total Water Supplied	m <sup>3</sup> Total Wastewater Treated	m <sup>3</sup> Total Sewage Sludge Treated and Disposed
Infrastructure for Clean Water, Wastewater Treatment	3	668	0.5%	1,877	14,975,403	8,256,791	2,369

These are projects on developing or manufacturing infrastructure, equipment, and technology for sustainable infrastructure for clean water, wastewater treatment, sustainable urban drainage systems, and other forms of flooding mitigation; increasing water-use efficiency (e.g., digital water metering, smart control center, leakage prevention and irrigation system to promote water saving recovery), and restoring hydro-ecological systems.

A recent study by the Philippine Institute for Development Studies (PIDS)<sup>24</sup> highlights that despite national access to water security reaching 87.7%, an estimated 12.4 million Filipinos still lack access to safe water, leaving 332 municipalities classified as “water-less.”

A growing population adds heavy pressure to this infrastructure shortage. Between 2000 and 2016, the population increased from 77 million to over 103 million, causing the yearly water supply per person to fall from 1,907 to 1,400 cubic meters. Furthermore, water quality is declining, with only a limited number of the country’s 623 classified water sources meeting safe drinking standards.

RCBC continues to support the country’s needs for clean and safe sources of water through its extension of Php668 million in loans as of 2025 to clean water and wastewater treatment infrastructure projects. These helped support the supply of 15 million cubic meters of clean water to over 1,800 households and enterprises and the treatment of 8.3 million cubic meters of wastewater.

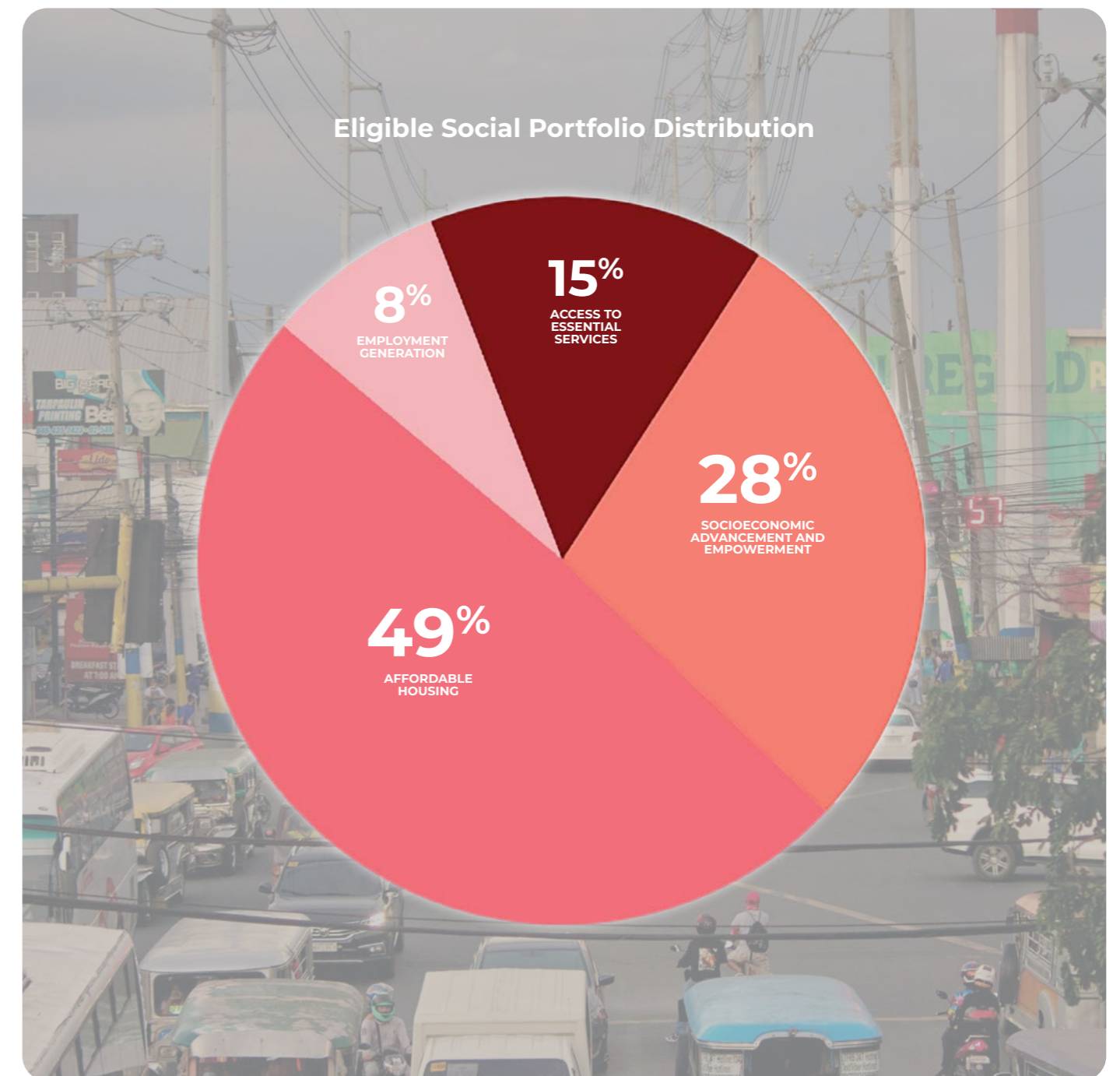
<sup>24</sup> Agbon, Adrian D. (2025). Securing Tomorrow’s Water: Insights on Groundwater, Surface Water, and the Role of Water Districts in the Philippines. Philippine Institute for Development Studies. <https://doi.org/10.62986/dp2025.50>

## IMPACT REPORT: SOCIAL BENEFITS OF RCBC PORTFOLIO



**ELIGIBLE SOCIAL PORTFOLIO**

RCBC has 18,078 projects in its Eligible Social investment portfolio as of December 31, 2025, amounting to Php36.8 billion. Affordable Housing and Socioeconomic Advancement and Empowerment accounted for 49% and 28% of the portfolio, respectively. Access to Essential Services comprised 15%, while Employment Generation had an 8% share.





Affordable Housing

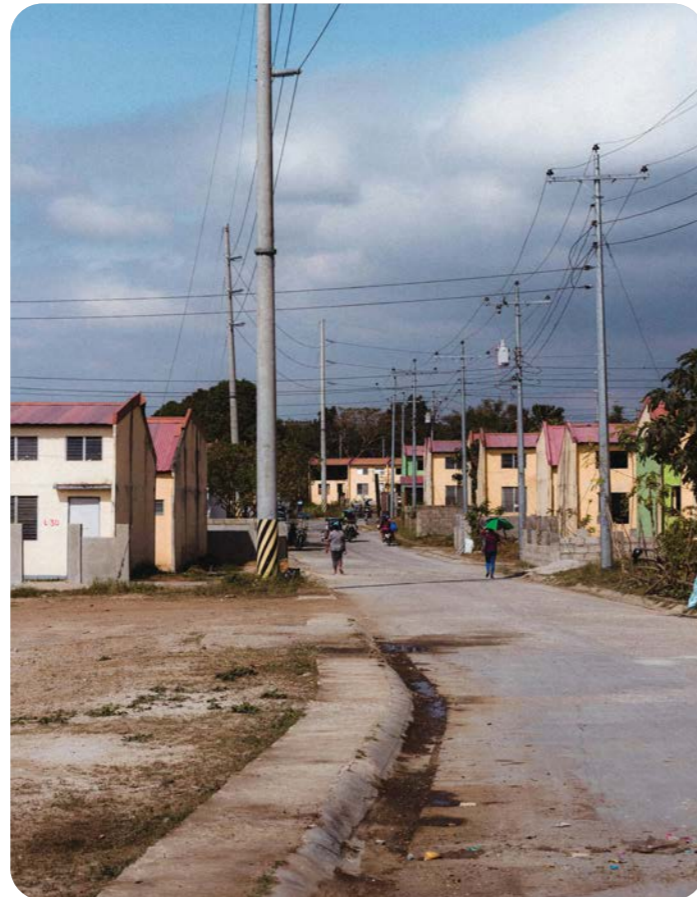
Affordable Housing	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Affordable Houses Financed
Economic/Socialized Housing Loans	17,551	18,000	13%	17,551

Eligible accounts refer to loans for the development or purchase of “Socialized Housing” and “Economic Housing,” as defined by the Department of Human Settlements and Urban Development (DHSUD) of the Philippines.

The Philippines faces a severe housing shortage, with projected housing needs of 3.7 million units from 2022 to 2028.<sup>25</sup> Under the government’s flagship Pambansang Pabahay para sa Pilipino (4PH) program, over 420,000 housing units have been built since 2022. However, due to construction delays and budgetary constraints, the DHSUD revised its initial 6-million-unit target to just over a million by 2028<sup>26</sup>, with about 90,000 units slated for completion in 2026<sup>27</sup>.

To accelerate production and address this backlog, the government is expanding its strategies. The DHSUD has partnered with local government units to construct medium-rise, in-city rental housing equipped with basic utilities for informal settler families<sup>28</sup>. Furthermore, the Pag-IBIG Fund is actively supporting the Expanded 4PH program by offering lower interest rates to consumers and providing developmental loans and investments to top contractors<sup>29</sup>.

Heading the call to help address the country’s housing backlog, RCBC extended affordable loans amounting to nearly Php18 billion as of end-2025. This financing directly supported the purchase of 17,551 houses.



<sup>25</sup> Ager, M. (2025, November 13). Escudero: Govt housing data ‘adjusted to look good,’ to ‘fool ourselves’. INQUIRER.net. <https://newsinfo.inquirer.net/2193407/escudero-govt-housing-data-adjusted-to-look-good-to-fool-ourselves>

<sup>26</sup> Senate of the Philippines. (2024, November 13). Housing backlog at alarming level. <https://senate.gov.ph/media/photo-release/housing-backlog-at-alarming-level>

<sup>27</sup> Galvez, J. P. (2026, February 16). Marcos promises affordable homes at 4PH turnover. BusinessWorld. <https://www.bworldonline.com/the-nation/2026/02/16/730963/marcos-promises-affordable-homes-at-4ph-turnover/>

<sup>28</sup> GMA Integrated News (2026, February 16). DHSUD, QC gov’t ink deals for in-city rental housing projects for informal settlers. GMA News Online. <https://www.gmanetwork.com/news/topstories/metro/975420/dhsud-qc-gov-t-ink-deals-for-in-city-rental-housing-projects-for-informal-settlers/story/>

<sup>29</sup> Cahiles-Magkilat, B. (2026, February 18). Pag-IBIG talks with top developers for socialized housing boost. Philstar.com. <https://www.philstar.com/business/2026/02/18/2508662/pag-ibig-talks-top-developers-socialized-housing-boost>



Employment Generation

Employment Generation	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Loans Extended to Qualified MSMEs	Total No. of MSMEs with Majority Women in Senior Management / Ownership Positions	Total No. of MSMEs with Majority Women in Workforce/ Supply Chain	Total No. of Small-scale Food Producers
Employment Generation	486	3,037	2%	486	131	67	9

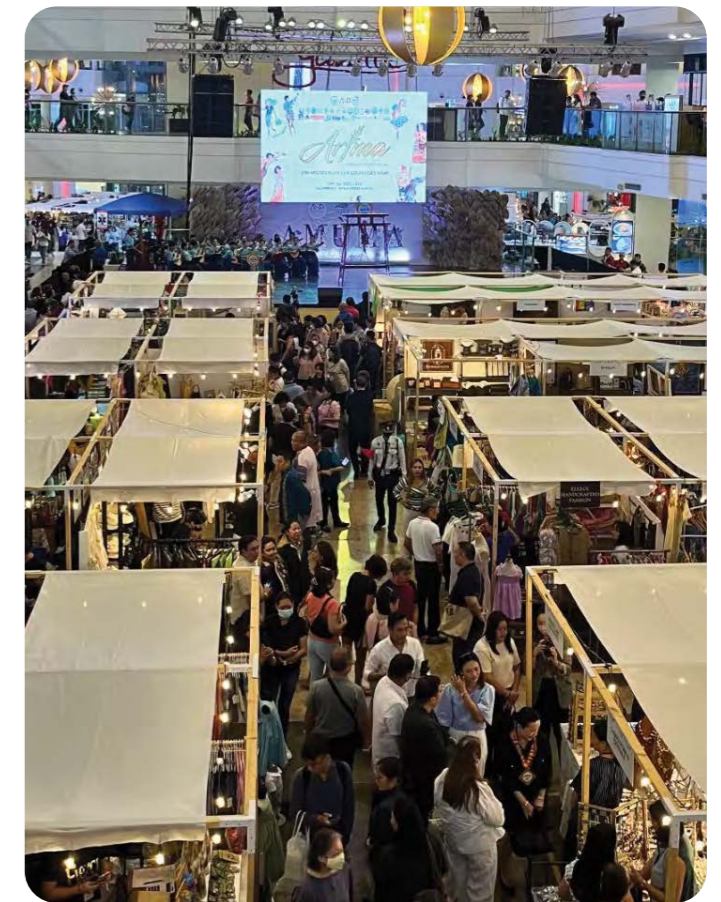
These are loans to micro, small, and medium enterprises (MSME) as defined by the BSP, including those that promote women entrepreneurship, and/or small-scale food production.

Reports from the recent administration’s economic team cite the unemployment rate dropping to 4.7% in 2025, from 10.3% reported in 2020<sup>30</sup>. Despite this noted improvement, institutionalizing government support for MSMEs - such as the proposed Senate Bill No. 1155 or the MSME Stimulus Act - can help support their expansion, regional job creation, and continued operations.<sup>31</sup>

MSMEs form the backbone of the Philippine economy, comprising over 99.6% of all businesses and generating 6.4 million jobs, which accounts for nearly 67% of the total employment in the country.<sup>32</sup>

To further support these enterprises, the government, particularly the Department of Trade and Industry (DTI) continues to expand programs that address their operational, distribution, and logistics needs.<sup>33</sup>

Affirming its commitment to support MSME growth, RCBC provided loans amounting to over Php3 billion to 486 MSMEs as of December 31, 2025. These included financing for 131 women-led MSMEs, 67 MSMEs whose workforce is primarily composed of women, and nine small-scale food producers.

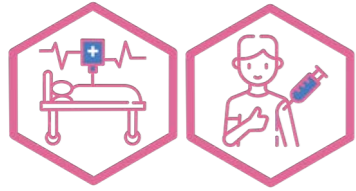


<sup>30</sup> Senate of the Philippines. (2026, February 10). Gov’t exceeds 2025 targets on job creation, poverty reduction – Palace. Electronic Clipping System. <https://eclips.senate.gov.ph/malacanang/govt-exceeds-2025-targets-on-job-creation-poverty-reduction--palace>

<sup>31</sup> Senate of the Philippines. (2026, March 18). Villanueva: Bring back focus on MSMEs. <https://senate.gov.ph/media/news-release/villanueva-bring-back-focus-on-msmes>

<sup>32</sup> PSA, 2023 List of Establishments

<sup>33</sup> Villanueva, J. (2026, February 11). DTI boosts MSME support with 11 new logistics partners. Philippine News Agency. <https://www.pna.gov.ph/articles/1268882>



Access to Essential Services – Healthcare

Access to Essential Services - Healthcare	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Hospital Beds	Total No. of Children Vaccinated per Year	Total No. of Patients Treated per Year	Total No. of Live Births in the Hospital per Year
Hospitals	7	1,846	1%	5,189	3,528	5,830,707	2,803

These are loans to hospitals, clinics or healthcare centers providing free or subsidized care, including those accredited by PhilHealth.

Access to affordable healthcare remains a challenge for Filipinos, who continue to bear the burden of high medical costs.<sup>34</sup> According to the PIDS, out-of-pocket healthcare spending increased 1.6 times from 2014 to 2024.<sup>35</sup>

Despite the government's Zero Balance Billing policy in Department of Health (DOH) hospitals, many Filipinos are still unable to benefit from such policy due to insufficient bed capacity and a lack of DOH hospitals in the provinces.<sup>36</sup> Furthermore, DOH reported that there are only 28,153 hospital beds available in public hospitals—a shortage of more than 90,000 compared to the 118,528 beds the laws can provide nationwide.<sup>37</sup>

The private sector continues to play a significant role in the Philippine healthcare system, accounting for 856 out of 1,312 total hospitals as of 2024, according to data from the Philippine Statistics Authority.<sup>38</sup>

Continuing its support for the healthcare sector, RCBC provided Php1.8 billion in loans to PhilHealth-accredited hospitals in 2025. These loans helped finance 5,189 hospital beds and healthcare services benefiting over 5.8 million patients, including the vaccination of 3,528 children.



<sup>34</sup> De Leon, N. (2025, November 21). Higher gov't share fails to lower medical costs. INQUIRER.net <https://newsinfo.inquirer.net/2143879/higher-govt-share-fails-to-lower-medical-costs>

<sup>35</sup> Ibid.

<sup>36</sup> Villianueva, G. (2025, Sept. 10). DOH says lack of hospitals, beds hinder access to Zero Balance Billing. INQUIRER.net <https://newsinfo.inquirer.net/2107016/doh-says-lack-of-hospitals-beds-hinder-access-to-zero-balance-billing>

<sup>37</sup> Senate of the Philippines. (2025, September 25). Hontiveros: Shift part of flood control funds to add 90K public hospital beds. [https://legacy.senate.gov.ph/press\\_release/2025/0925\\_hontiveros1.asp#:~:text=Republic%20Acts,added%20during%20the%20committee%20hearing](https://legacy.senate.gov.ph/press_release/2025/0925_hontiveros1.asp#:~:text=Republic%20Acts,added%20during%20the%20committee%20hearing)

<sup>38</sup> Philippine Statistics Authority. p. 408. 2025 Philippine Statistical Yearbook. [https://psa.gov.ph/system/files/psy/2025%20PSY%20Final\\_signed.pdf](https://psa.gov.ph/system/files/psy/2025%20PSY%20Final_signed.pdf)



Access to Essential Services – Education

Access to Essential Services - Education	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total No. of Students per Year	Total No. of Vulnerable Students per Year
Schools	15	3,509	3%	11,748	3,512

These are loans to public and private educational institutions. Those for private institutions include enterprises that serve vulnerable populations and charge a nominal fee that is affordable to all in the local context.

According to the Department of Education (DepEd), enrollment for the school year 2025-2026 stood at 24.9 million, marking a 5% drop from the previous year.<sup>39</sup> The figure includes students from kindergarten through senior high school, with the number of enrolled elementary students seeing the largest decrease—a drop of nearly 1 million enrollees.<sup>40</sup>

Meanwhile, DepEd reported a shortage of approximately 165,000 classrooms nationwide as of February 2026.<sup>41</sup> To address this longstanding issue, the government is increasing efforts to complete unfinished classroom projects from previous years and Congress has approved a 2026 budget sufficient to fund the completion of 2,067 classrooms.<sup>42</sup>

To help the country cope with the challenges in the education sector, RCBC provided Php3.5 billion in funding support to educational institutions, benefiting 11,748 students including 3,512 beneficiaries of scholarships, subsidies and discounts offered by the schools.



<sup>39</sup> Cariaso, B. (2025, September 5). DepEd bares 1.2 million enrollment drop for SY 2025-2026. Philstar.com. <https://www.philstar.com/headlines/2025/09/05/2470606/deped-bares-12-million-enrollment-drop-sy-2025-2026>

<sup>40</sup> Ibid.

<sup>41</sup> Hernando-Malipot. (2026, February 5). 165,000-classroom backlog: DepEd taps LGUs to speed up school infrastructure. Manila Bulletin. <https://mb.com.ph/2026/02/05/165000-classroom-backlog-deped-taps-igus-to-speed-up-school-infrastructure>

<sup>42</sup> Ecosio, J. (2026, February 5). DepEd presses for completion of classrooms, delivery options for 2026. INQUIRER.net <https://newsinfo.inquirer.net/2178281/deped-presses-for-completion-of-classrooms-delivery-options-for-2026>



Socioeconomic Advancement and Empowerment

Socioeconomic Advancement and Empowerment	Number of Projects	Amount (Php M)	% of Total Eligible Sustainable Portfolio	Total Number of Members Served by Cooperatives per Year	Total Number of Clients Served by Rural Banks and Financing Projects per Year	Total Approved Loans to Women via Financing Projects, Rural Banks and Cooperatives	Total Approved Loans to Low-Income Borrowers via Financing Projects, Rural Banks and Cooperatives	Total Approved Loans to MSMEs via Financing Projects, Rural Banks and Cooperatives
Accessto Finance	19	10,424	8%	272,600	3,362,475	Php1.7 billion	Php163.4 billion	Php35.63 billion

Eligible loans include those granted to cooperatives as defined by the Republic Act 9520 and loans to entities which improve access to financial services for minority, underserved, and low-income individuals or MSMEs, including rural and cooperative banks as defined by the Philippine Central Bank’s Manual of Regulation for Banks.

Following the decline in the national poverty rate from 18.1% in 2021 to 2023, the World Bank’s latest Philippines Economic Update (PEU) for December 2025<sup>43</sup>, entitled “Growth Corridors: Pathways Out of Poverty,” projects that the poverty rate will further fall to around 12.5% by 2027. The World Bank emphasized, however, that sustaining this decline will heavily depend on stronger job creation and real wage growth.

To address this, the Philippine Development Plan (PDP) 2023-2028<sup>44</sup> explicitly targets accelerating poverty reduction and key strategy highlighted in the broadening and deepening of financial inclusion to provide marginalized sectors with better economic opportunities.

In support of the country’s poverty alleviation program and the global call to eradicate poverty, RCBC extended Php10.4 billion worth of loans to rural banks, cooperatives and firms supporting inclusive finance, serving a total of 272,600 cooperative members, over three million rural bank clients, and providing support to affordable credit by supporting entities which loaned a total of Php1.7 billion to women, Php163.4 billion to low-income borrowers, and Php35.63 billion to MSMEs in 2025.



<sup>43</sup> Austria, Ricardo M. (2025, December 11). Philippine poverty-reduction gains still at risk—World Bank. <https://mb.com.ph/2025/12/11/philippine-poverty-reduction-gains-still-at-riskworld-bank>

<sup>44</sup> Philippine Development Plan: <https://pdp.depdev.gov.ph/philippine-development-plan-2023-2028/>

# RCBC PORTFOLIO CARBON ACCOUNTING: PCAF METHODOLOGY

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

A decade since the historic Paris Agreement in the UN Climate Change Conference (also known as Conference of Parties or COP) in December 2015 (COP21), much still needs to be done to meet the target of limiting global warming to well below 2°C and achieve 1.5°C by the end of the century<sup>45</sup>. In the 2025 COP30, participating countries focused on how to meet the major targets and commitments made in the past years. Climate financing, adaptation indicators and gender action plans are among the critical topics discussed in COP30<sup>46</sup>.

In the same year, UNICEF Philippines and the DENR reinforced the call for action toward inclusive solutions to also incorporate children-focused services<sup>47</sup>. In a joint report entitled “Climate Landscape Analysis for Children in the Philippines”, the two agencies provided additional perspective on the criticality of providing long lasting and effective solutions to the growing climate-related risks on health, nutrition, education, and sanitation among others. UNICEF highlighted that by 2050, almost all children will experience at least five annual heat strokes, more typhoons and shifting rainfall patterns. These events would also impact food supply and access to clean water.

The BSP remains committed to bringing together various stakeholders recognizing the critical role of the finance industry in catalyzing climate change solutions. The Philippines is chairing the Association of Southeast Asian Nations (ASEAN) in 2026 and among the government’s call to action is towards a regional collaboration on climate and energy finance<sup>48</sup>. The Philippines is known to be among the most vulnerable to climate change and the same can be said for the neighboring countries in Southeast Asia. Existential threats such as flooding, intense typhoons, temperature rise, droughts and rising sea levels could potentially impact the lives and livelihood of the group of countries. This is aligned with the BSP’s Sustainability Agenda acknowledging how climate change and nature loss pose material risks to financial stability<sup>49</sup>.



### RCBC AS PCAF SIGNATORY

RCBC recognizes the important role of financial institutions in supporting a sustainability-driven economy. As early as 2021, the Bank decided to make a commitment to PCAF, with the Bank completing its PCAF on-boarding training program in early October 2021. As of the end of 2025, RCBC remains the lone PCAF signatory from the Philippines. PCAF is an industry-led initiative, established in 2015, to collaborate with financial institutions (FIs) to measure and disclose their respective GHG emissions linked to loans and investments, referred to as financed emissions.

Globally, there are now over 700 FIs that are committed signatories to PCAF. PCAF advocates transparency and accountability as signatories are made to commit to disclosing their financed GHG emissions within three years for becoming a signatory. The institution also provides signatories with accreditation and capacity building courses to equip the team in conducting and reporting financed emissions assessment for their portfolio.

This fourth annual reporting of RCBC’s portfolio carbon accounting follows the Bank’s maiden disclosure in the 2022 Sustainability and Impact Report – published in May 2023, a year ahead of the three-year commitment to PCAF. Since then, RCBC has continually updated its portfolio carbon accounting with a view to establishing the appropriate baseline data for target-setting.

<sup>45</sup> <https://unfccc.int/news/first-btr-synthesis-report-shows-countries-implementing-paris-agreement-with-practical-real-world>

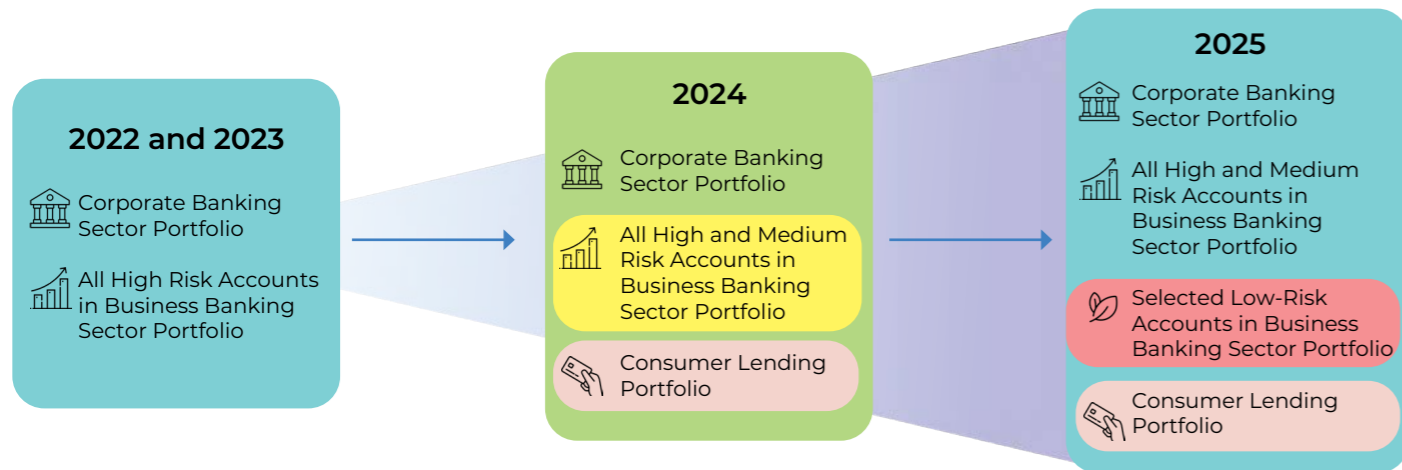
<sup>46</sup> <https://www.iisd.org/articles/insight/cop-30-outcome-what-it-means-and-whats-next>

<sup>47</sup> <https://www.unicef.org/philippines/press-releases/unicef-denr-study-reveals-deep-impact-philippines-climate-vulnerability-children>

<sup>48</sup> <https://www.eco-business.com/news/philippines-will-champion-regional-framework-to-scale-blended-finance-as-asean-chair-central-bank-sustainability-head/>

<sup>49</sup> <https://www.bsp.gov.ph/Pages/Sustainability%20Office/SO%20OSA.aspx>

RCBC DISCLOSURES — PORTFOLIO CARBON ACCOUNTING COVERAGE PROGRESSION



RCBC PORTFOLIO AND THE PCAF METHODOLOGY

RCBC's GHG measurements covering FY2024 remain faithful to The Global GHG Accounting and Reporting Standard: Part A Financed Emissions (Second Edition)<sup>50</sup> or "the PCAF Standard". The process supports the GHG Protocol Corporate Accounting and Reporting Standard on Scope 3 Category 15.

For this report on data for the Financial Year ending 2024 (FY2024), RCBC retains the prior year's scope in covering business loans and consumer loans. The Bank has, however, expanded its coverage within the business loans portfolio to include selected accounts considered to have low E&S risks. Under RCBC's ESMS Policy, such accounts are rated as Environmental Risk Category (ERC) C (low risk).

This year's reporting also references the effective total loan portfolio (TLP) carving out components which are not among the assets covered by the PCAF Standard (e.g. personal and salary loans). Consistent with the PCAF Standard, RCBC's reported Financed Emissions cover only those asset classes for which PCAF provides methodologies. As asset classes such as credit card receivables, personal loans, and salary loans are not currently included in the Standard, the Bank's disclosed coverage reflects the share of loan portfolio aligned with PCAF's defined scopes (e.g., business loans, listed and unlisted equity, project finance, mortgages, and motor vehicle loans).

Consistent with the PCAF Standard, RCBC uses financial control consolidation approach to account for the emissions.

Financed emissions calculations cover the following business loans as of end FY2024:

- Institutional Banking Group (IBG) portfolio including
  - High Risk (ERC A) accounts

- Medium Risk (ERC B) accounts
- Significant Low Risk (ERC C) accounts
- Consumer Lending Group (CLG) portfolio including:
  - Motor Vehicle (Car) Loans
  - Mortgage (Housing) Loans

Table 1. Key Assumptions and Coverage

Reporting Scope	85% of the effective TLP <sup>51</sup> as of December 31, 2024 including 24 borrowers engaged in high E&S risk projects where carbon-intensive activities fall under (ERC A)
Business Loan Type	<ul style="list-style-type: none"> <li>• Business loans to listed companies</li> <li>• Business loans to private companies with unlisted equity</li> </ul>
PCAF Methodology Emission Calculation Option – Business Loan Type	<ul style="list-style-type: none"> <li>• Reported emissions</li> <li>• Economic activity-based emissions</li> </ul>
Consumer Loan Type	<ul style="list-style-type: none"> <li>• Motor Vehicle (Car) Loans</li> <li>• Mortgage (Housing) Loans</li> </ul>
PCAF Methodology Emission Calculation Option – Consumer Loan Type	<ul style="list-style-type: none"> <li>• Vehicle-specific emissions (based on vehicle make and model)</li> <li>• Estimated building emissions</li> </ul>
Reporting Period (Financial Data)	Fiscal Year-end 2024
Emission Factor Source	PCAF Database <sup>52</sup>
Overall Data Quality Score (1 as highest, 5 as lowest)	Business Loans: 3.83 (weighted average) Motor Vehicle (Car) Loans: 3.00 Mortgage (Housing) Loans: 4.00

<sup>50</sup> In December 2025, PCAF has published the standard's Third Edition introducing methodologies to four new asset classes. In its Technical Webinar, PCAF indicates no fixed deadline and allows for gradual adoption.

<sup>51</sup> Starting with this disclosure, the effective total loan portfolio has been updated to reflect only components whose assets have GHG emissions. This excludes credit card loans, salary and personal loans among other similar assets.

<sup>52</sup> For the purpose of this assessment, the PCAF database from FY2023 has been retained for FY2024.

RCBC follows the PCAF guidelines in assigning the data quality score depending on the type and source of data on hand, with 1 being the highest data quality score and 5 being the lowest data score.

For business loans, the Bank computed for the weighted data quality score per industry and for the business loan asset class. For this disclosure, the majority of estimated financed Scopes 1, 2 and 3 emissions received a data quality score of 4 as these were primarily derived using revenue (economic activity-based).

Table 2. PCAF Data Quality Score for Business Loans and Unlisted Equity<sup>53</sup>

Data Quality Score	Data Quality Description	When to Use
1	Reported emissions in the borrowers' Sustainability Report or publicly available disclosure	Reported emissions are verified by a third-party auditor
2	Physical-activity based emissions	Reported emissions are not verified by a third-party auditor
3		Emissions data estimated using the company's energy consumption and emission factors
4	Economic-activity based emissions	Emissions data estimated using the company's production and emission factor
5		Emissions data estimated using the company's revenue and emission factors (e.g. tCO2e per revenue in USD or EUR earned in a sector)
		Emissions data estimated using the company's total asset value and emission factors (e.g. tCO2e per total assets in USD or EUR in a sector)

Similar to the previous year, the calculations for Motor Vehicle Loans and Housing Loans have consistent data quality score based on the information available to the Bank. Financed emissions from Motor Vehicle Loans received a data quality score of 3 as these were based on the vehicle efficiency and fuel type according to the known vehicle make and model, with distance traveled estimated from regional statistics data. Housing Loans received a data quality score of 4 as the estimated building energy consumptions were derived from the location-specific statistical data (based on building type) and the respective unit's floor area.

Table 3. PCAF FY2024 Results for 85% of the effective TLP

	FY2024 (amounts in Tons CO <sub>2</sub> equivalent or tCO <sub>2</sub> e)	Breakdown / Applicable Portfolio
<b>RCBC Scope 3: Absolute Financed Emissions (Scopes 1 to 3)</b>	<b>8,824,334</b>	
Scope 1 and Scope 2 of covered portfolio	4,627,394	<ul style="list-style-type: none"> <li>• Business Loans = 97%</li> <li>• Motor Vehicle Loans = 1%</li> <li>• Housing Loans = 2%</li> </ul>
Scope 3 <sup>54</sup> of covered portfolio	4,196,140	Business Loans Only
RCBC Scope 2	9,629	
Absolute Financed Emissions (Scope 1 and 2 of covered portfolio) versus RCBC Scope 2	481x	
<b>RCBC Avoided Financed Emissions</b>	<b>521,053</b>	<b>Business Loans – Renewable Energy Only</b>

RCBC's Avoided Financed Emissions amounted to 455,611 tCO<sub>2</sub>e in the previous year's disclosure. The increase in this year's disclosure reflects the growth in the Bank's RE portfolio from 2023 to 2024 (up by over 80%).

<sup>53</sup> PCAF Standard

<sup>54</sup> Per the PCAF Standard, the Financed Emissions Scope 3 for all sectors is required for reports published starting 2025.

Table 4. Financed Emissions per Asset Class for FY2024 for 85% of the Effective TLP

Asset Class	Financed Emissions (in tCO2e)		Weighted Average Data Quality Score
	Scope 1 and 2	Scope 3	
Business Loans			
• Listed equity	113,107	56,474	3.38
• Unlisted equity	4,222,607	4,140,467	3.92
Consumer Loans			
• Motor Vehicle Loans	114,643	-	3.00
• Housing Loans	177,037	-	4.00
<b>Total</b>	<b>4,627,394</b>	<b>4,196,940</b>	

Table 5. Outstanding Balance (O/S) and Financed Emissions for Listed and Unlisted Equity per Industry for FY2024 for 85% of the Effective TLP

Industry	O/S with RCBC as of end-2024 (Php M)	% to Total Covered O/S	Listed Equity		Unlisted Equity		Economic emissions intensity (tCO2e/USD M)	Weighted Average Data Quality Score
			Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3		
<b>Business Loans</b>								
Energy	68,308	18.52%	0.16	11,748	3,169,892	1,730,071	4,172	3.7
Real Estate Activities	48,468	13.14%	2,231	19,648	2,541	22,380	56	3.9
Manufacturing	40,562	11.00%	101,470	1,413	544,165	620,956	1,814	3.4
Financial and Insurance Activities	69,900	18.96%	4,453	11,077	10,163	24,262	41	4.0
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	50,247	13.63%	2,085	5,882	369,510	1,225,245	1,850	4.0
Transportation and Storage	24,581	6.67%	1,524	5,910	54,673	30,833	219	4.0
Information and Communication	17,700	4.80%	269.78	792.41	3,461	8,923	44	3.9
Construction	29,525	8.01%			38,237	386,839	835	4.0
Water Supply; Sewerage, Waste Management and Remediation Activities	901	0.24%			145.58	823.32	62	4.0
Agriculture, Forestry and Fishing	3,242	0.88%			13,281	3,930	308	4.0
Education	3,913	1.06%			2,152	968.42	46	4.0
Accommodation and Food Service Activities	1,956	0.53%			616.35	1,426	61	4.0
Human Health And Social Work Activities	1,634	0.44%			7,514	48,120	1,975	4.0
Mining And Quarrying	4,476	1.21%	1,073	2.65	1,064	4,166	82	3.0

Industry	O/S with RCBC as of end-2024 (Php M)	% to Total Covered O/S	Listed Equity		Unlisted Equity		Economic emissions intensity (tCO2e/USD M)	Weighted Average Data Quality Score
			Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3		
<b>Business Loans</b>								
Arts, Entertainment and Recreation	365	0.10%			153.57	1,501	263	4.0
Other Service Activities	519	0.14%			2,155	13,909	1,797	4.0
Administrative and Support Service Activities	2,169	0.59%			2,883	16,105	508	4.0
Professional, Scientific and Technical Activities	0	0.00%			1.35	7.54	1,126	4.0
Activities of Households as Employers	286	0.08%			0	0	-	-
<b>Total for Business Loans</b>	<b>368,752</b>	<b>100%</b>	<b>113,107</b>	<b>56,474</b>	<b>4,222,607</b>	<b>4,140,467</b>	<b>1,342</b>	<b>3.83</b>
<b>Consumer Loans</b>								
Motor Vehicles	55,977	41%	114,643	-				3.00
Housing Loans	79,244	59%	177,037	-				4.00
<b>TOTAL</b>	<b>135,222</b>	<b>100%</b>	<b>291,680</b>	<b>-</b>				

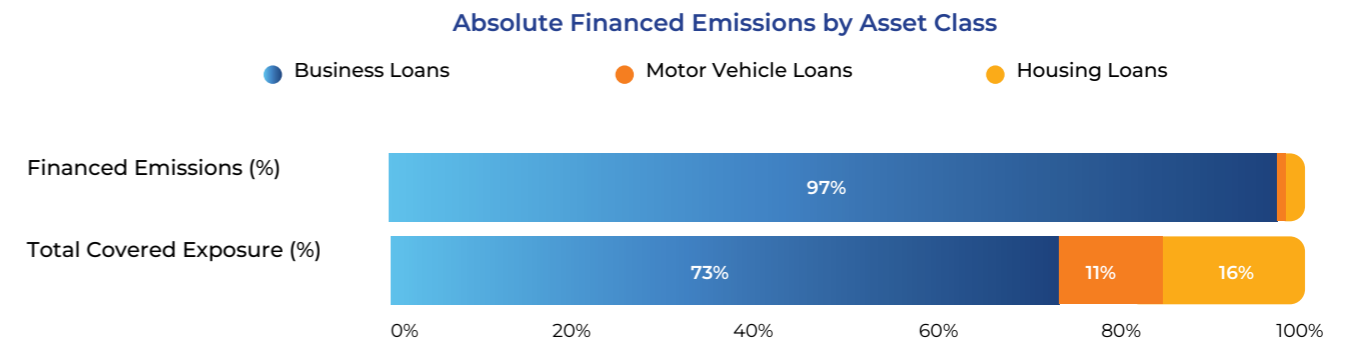


Figure 1. Distribution of Financed Emissions and Covered Exposure for Business Loans and Consumer Loans for FY2024

Financed Emissions and Exposure Breakdown: Business Loans and Consumer Loans

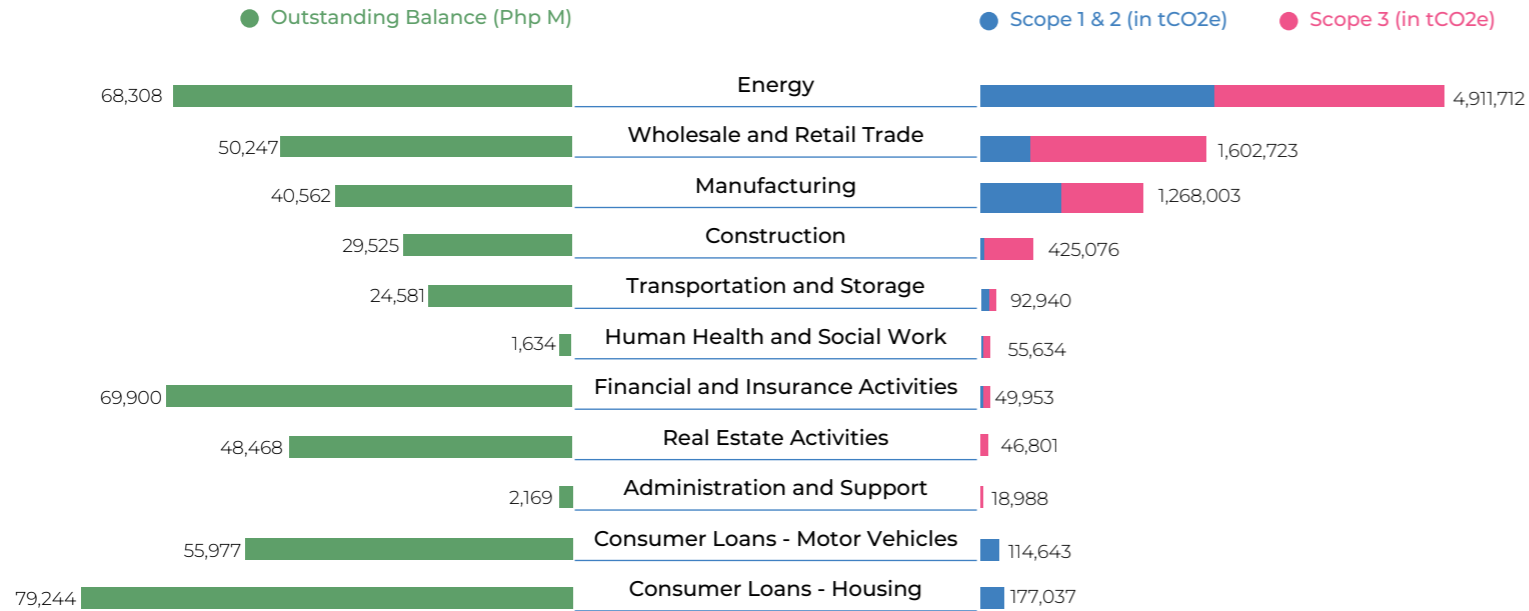
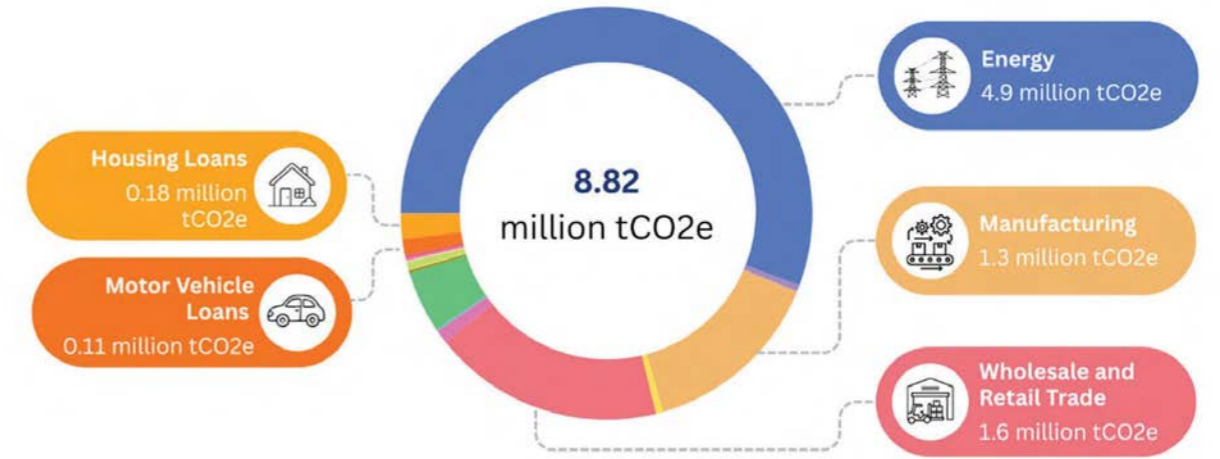


Figure 2. Financed Emissions and Exposure Breakdown of the Top Industries for Business Loans and Consumer Loans for FY2024

Financed Emissions Distribution for Business Loans and Consumer Loans



Financed Emissions by Sector - Business and Consumer Loans  
Financed Emissions (%)

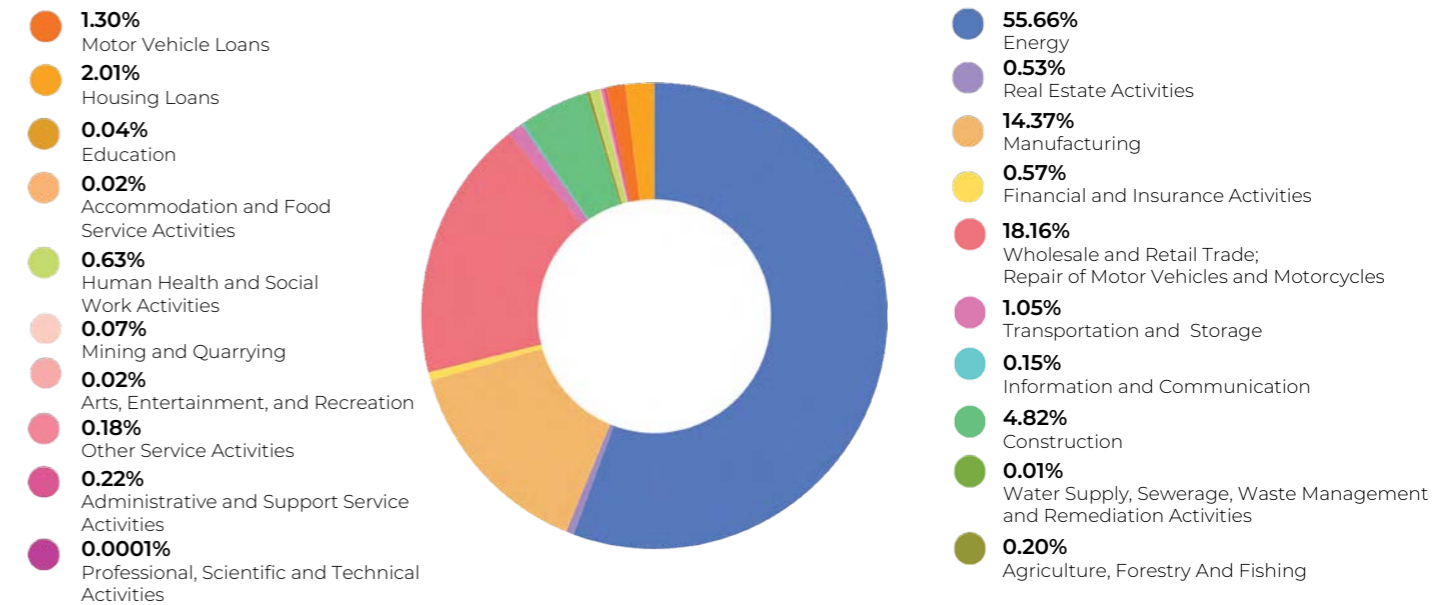


Figure 4. Distribution of Financed Emissions for Business Loans and Consumer Loans

Economic Emissions Intensity: Business Loans  
Top Industries (in tCO2e/USD M)

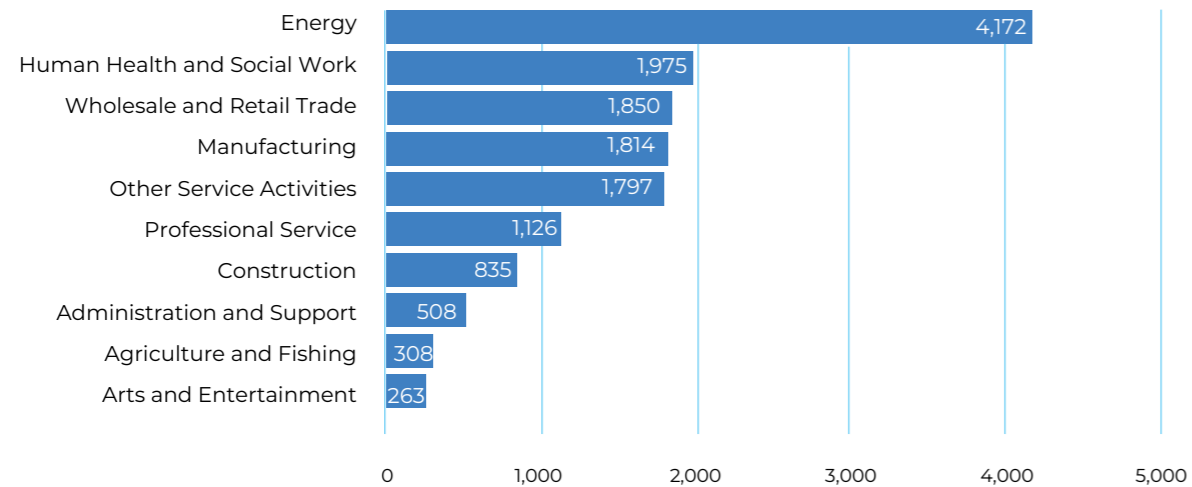


Figure 3. Industries with the Highest Economic Emissions Intensity in Business Loans for FY2024

## WAY FORWARD

RCBC continues to conduct Financed Emissions calculations in accordance with the PCAF Standard with the eventual goal of identifying climate-related targets to reduce the Bank's total GHG footprint. This strategic application of the PCAF methodology remains part of discussions in the Bank's management (Sustainable Finance Committee) and Board-level (Risk Oversight Committee) governance bodies. With Financed Emissions recognized as the largest portion of an FI's overall emissions, it is anticipated that an FI's commitment in target-setting would be gradual, requiring careful and updated assessments.

RCBC's adherence to the quantitative analysis and disclosures based on the PCAF methodology continues to be aligned with its established commitments under the Bank's coal policy statement and support for projects with clear environmental benefits as identified under its Sustainable Finance Framework. With coal power known to release more GHG per unit of energy produced compared to other power technologies, it is expected that RCBC's coal exit strategy by 2031 will significantly reduce the Bank's computed Financed GHG Emissions. RCBC's strong support for renewable energy, on the other hand, is projected to translate to higher Avoided Financed Emissions.

RCBC remains the sole Philippine signatory to PCAF as of the end of 2025. The Bank has continually updated its portfolio carbon accounting with a view to establishing the appropriate baseline data for target-setting.

## NOTICE OF DISCLAIMER

The material information in the Impact Reporting portions is based on data collected from RCBC-financed projects as of December 31, 2025. However, their accuracy has not been validated by a third party. All information in this Report is provided to the best of RCBC's knowledge and in good faith. While RCBC endeavors to keep information up to date and correct, the Bank makes no representation or warranties of any kind, expressed or implied, about the completeness, accuracy, reliability, suitability, or availability with respect to the information, bonds, assets, and graphics contained herein. Readers should not rely upon the material and information in this Report as a basis for making any business, legal or any other decisions. The material and information in this Report is subject to amendments or revisions at any time without prior notice. RCBC is not responsible for any errors or omissions, or for the results obtained from the use of the material and information in the Report. RCBC or any of its officers shall not be held liable for any costs, losses or damages that may arise with the use of this Report.

## KEY DEFINITIONS

### Bangko Sentral ng Pilipinas (BSP)

Formerly Central Bank of Philippines, the BSP was established on 3 January 1949 as the country's central monetary authority. It enjoys fiscal and administrative autonomy from the National Government in the pursuit of its mandated responsibilities.

### Department of Education (DepEd)

The agency that formulates, implements, and coordinates policies, plans, programs and projects in the areas of formal and non-formal basic education. It supervises all elementary and secondary education institutions, both public and private.

### Department of Environment and Natural Resources (DENR)

The primary agency responsible for the conservation, management, development, and proper use of the country's environment and natural resources, as well as the licensing and regulation of all natural resources.

### DENR-Environmental Management Bureau

Responsible for the protection and proper management of the quality of air, water and land in Metro Manila in accordance with the principles of sustainable development. It is tasked to regulate industrial and commercial establishments and proposed development projects through the issuance of permits and clearances as mandated under existing laws and regulations.

### Department of Information and Communications Technology (DICT)

DICT is the primary policy, planning, coordinating, implementing, and administrative entity of the Executive Branch of the government that will plan, develop, and promote the national ICT development agenda.

### Department of Energy (DOE)

The DOE is the executive department of the Philippine government responsible for planning, coordinating, and supervising all plans, programs, projects and activities relative to energy exploration, development, utilization, distribution and conservation.

### Department of Health (DOH)

DOH is the executive department of the government of the Philippines responsible for ensuring access to basic public health services by all Filipinos through the provision of quality health care, the regulation of all health services and products.

### Department of Transportation (DOTr)

DOTr is the primary policy, planning, programming, coordinating, implementing and administrative entity of the executive branch of the government on the promotion, development and regulation of a dependable and coordinated network of transportation systems, as well as in the fast, safe, efficient and reliable transportation services.

### Department of Trade and Industry (DTI)

DTI is the executive department of the Philippine government tasked as the main economic catalyst that enables innovative, competitive, job generating, inclusive business, and empowers consumers.

### Department of Human Settlements and Urban Development (DHSUD)

DHSUD sets the price ceiling for economic housing to Php2,500,000 while a tiered classification is provided for socialized housing.

### Environmental, Social, and Governance (ESG)

ESG is the set of standards for a company's operations that promote environmental and social responsibility.

### Global Warming

This refers to the long-term heating of the Earth's average surface temperature observed since the pre-industrial period (between 1850 and 1900) due to human activities.

### GHG Emissions, Scope 1, 2, 3

This refers to gases in the earth's atmosphere that trap heat. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

### Greenhouse Gas (GHG)

GHG is gas that contributes to the greenhouse effect by absorbing infrared radiation. Carbon dioxide and chlorofluorocarbons are examples of greenhouse gases.

### International Finance Corp. (IFC)

IFC is the largest global development institution focused on the private sector in developing countries. It is a member of the World Bank Group that advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries.

### International Capital Market Association (ICMA)

This is a self-regulatory organization and trade association for participants in the capital markets.

### Leadership in Energy and Environmental Design (LEED)

This is a U.S. Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.

### Local Government Unit (LGU)

LGUs oversee local governance in 81 provinces, 144 cities, 1,490 municipalities, and 42,028 barangays across the country. LGU officials are responsible for providing direct and basic services to the people and ensuring peace and order within communities.

### Micro, Small and Medium Enterprise (MSME)

As defined by the Magna Carta for MSMEs, these are business activity or enterprise with total assets having value under the following categories: micro (less than Php3 million), small (from above Php3 million to Php15 million), and medium (from above Php15 million to Php100 million).

### Net Zero

This refers to the balance between the amount of greenhouse gas emitted and the amount removed from the atmosphere.

### Pambansang Pabahay para sa Pilipino (4PH) program

This is the national housing program of the Philippines. It was launched in September 2022 which aims to develop housing units to bridge the country's 6.5 million housing gap.

### Paris Agreement

This is a legally binding international treaty on climate change, adopted by 196 parties at the COP 21 in Paris on 12 December 2015 and enforced on 4 November 2016. It aims to limit global warming to preferably below 1.5 degrees Celsius compared to pre-industrial level.

### Partnership for Carbon Accounting Financials (PCAF)

PCAF aims to help financial institutions assess and disclose the GHG emissions emanating from their loans and investments through a standardized GHG accounting approach. This allows financial institutions to make transparent climate disclosures on their GHG emissions exposure, identify climate-related transition risks and opportunities, and set targets to align themselves with the goals of the Paris Agreement.

### Philippine Development Plan (PDP) 2023-2028

The PDP 2023-2028 is a plan for deep economic and social transformation to reinvigorate job creation and accelerate poverty reduction by steering the economy back on a high-growth path.

### Renewable Energy

This refers to energy from a source that is not depleted when used, such as wind or solar power.

### Sustainable Finance

This refers to any form of financial product or service which integrates ESG criteria into business decisions that supports economic growth and provides lasting benefit for both clients and society while reducing pressures on the environment.

This also covers green finance which is designed to facilitate the flow of funds towards green economic activities and climate change mitigation and adaptation projects.

### Sustainalytics

Sustainalytics is a global leader in ESG research and data, serving the world's leading institutional investors and corporations.

### United Nations Sustainable Development Goals (UN SDGs)

This is a universal call to action to end poverty, protect the planet, foster peace, and ensure that all people enjoy prosperous and fulfilling lives.

### Universal Bank

This refers to a commercial bank with the additional authority to exercise the powers of an investment house and invest in non-allied enterprises.

# PHOTO CREDITS

SECTION	IMAGE CREDIT	SOURCE
Eligible Green	Zbynek Burival on Unsplash	<a href="https://unsplash.com/photos/blue-solar-panel-boards-V4ZY-JZJ3W4M">https://unsplash.com/photos/blue-solar-panel-boards-V4ZY-JZJ3W4M</a>
Eligible Social	Josue Isai Ramos Figueroa on Unsplash	<a href="https://unsplash.com/photos/people-working-on-building-during-daytime-qvBYnMuNJ9A">https://unsplash.com/photos/people-working-on-building-during-daytime-qvBYnMuNJ9A</a>
Eligible Green Portfolio	American Public Power Association on Unsplash	<a href="https://unsplash.com/photos/solar-panel-under-blue-sky-XGAZzyLzn18">https://unsplash.com/photos/solar-panel-under-blue-sky-XGAZzyLzn18</a>
Renewable Energy	Moritz Lange on Unsplash	<a href="https://unsplash.com/photos/a-field-of-green-grass-with-wind-turbines-in-the-background-jlpTrVUVy9Q">https://unsplash.com/photos/a-field-of-green-grass-with-wind-turbines-in-the-background-jlpTrVUVy9Q</a>
Green Buildings	Danist Soh on Unsplash	<a href="https://unsplash.com/photos/gray-concrete-building-covered-trees-dqXiw7nCb9Q">https://unsplash.com/photos/gray-concrete-building-covered-trees-dqXiw7nCb9Q</a>
Clean Transportation	Light Rail Manila Corporation	<a href="https://www.railway-technology.com/wp-content/uploads/sites/13/2020/01/Image-5-Manila-Light-Rail-Transit-Line-1-LRT-1-Cavite-Extension.jpg">https://www.railway-technology.com/wp-content/uploads/sites/13/2020/01/Image-5-Manila-Light-Rail-Transit-Line-1-LRT-1-Cavite-Extension.jpg</a>
Energy Efficiency	John Adams on Unsplash	<a href="https://unsplash.com/photos/a-large-display-of-blue-lights-in-a-dark-room-1xIN4FMR78A">https://unsplash.com/photos/a-large-display-of-blue-lights-in-a-dark-room-1xIN4FMR78A</a>
Pollution Prevention and Control	Gaurav Ranjitkar on Pexels	<a href="https://www.pexels.com/photo/plastic-bottles-pressed-into-cubes-14370990/">https://www.pexels.com/photo/plastic-bottles-pressed-into-cubes-14370990/</a>
Sustainable Water Management	Jimmy Chang on Unsplash	<a href="https://unsplash.com/photos/water-drop-NP8gd2KUnfw">https://unsplash.com/photos/water-drop-NP8gd2KUnfw</a>
Eligible Social Portfolio	Raynand Yray II on Pexels	<a href="https://www.pexels.com/photo/vehicles-on-road-6490680/">https://www.pexels.com/photo/vehicles-on-road-6490680/</a>
Affordable Housing	Nathaniel Sison on Unsplash	<a href="https://unsplash.com/photos/people-walking-on-street-during-daytime-ze4aWeXUjM0">https://unsplash.com/photos/people-walking-on-street-during-daytime-ze4aWeXUjM0</a>
Employment Generation	Negros Trade Fair	<a href="https://metro.style/food/features/negros-trade-fair-behind-timeless-appeal/38925">https://metro.style/food/features/negros-trade-fair-behind-timeless-appeal/38925</a>
Access to Essential Services - Healthcare	Adhy Savala on Unsplash	<a href="https://unsplash.com/photos/empty-hospital-bed-in-side-room-zbpgmGe27p8">https://unsplash.com/photos/empty-hospital-bed-in-side-room-zbpgmGe27p8</a>
Access to Essential Services - Education	Department of Education	<a href="https://www.pids.gov.ph/details/news/press-releases/pids-study-pinpoints-critical-improvement-areas-to-bridge-ph-education-gap">https://www.pids.gov.ph/details/news/press-releases/pids-study-pinpoints-critical-improvement-areas-to-bridge-ph-education-gap</a>
Socioeconomic Advancement and Empowerment	Elmer Domingo on Pexels	<a href="https://www.pexels.com/photo/transportation-system-in-the-rural-area-9881179/">https://www.pexels.com/photo/transportation-system-in-the-rural-area-9881179/</a>
RCBC Portfolio Carbon Accounting	Corina Ciocirlan	<a href="https://www.canva.com">https://www.canva.com</a>



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