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THE FUTURE

WE FIND WAYS

2025 SUSTAINABILITY REPORT

About the Report

2-1, 2-2, 2-3

This report is BDO Unibank's eighth Sustainability Report outlining the Bank's economic, environmental, social, and governance performance from January to December 2025. It is a substantiation of BDO's commitment to the United Nations Sustainable Development Goals (UN SDGs), the principles of the United Nations Global Compact, and the Greenhouse Gas Protocol (GhG Protocol). This report has been prepared in accordance with the GRI Standards 2021. For the Content Index–Essential Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. The report was also prepared in reference to the International Financial Reporting Standards (IFRS) 1 and 2, the Task Force for Climate-related Financial Disclosures (TCFD) recommendations, the Sustainability Accounting Standards Board (SASB) standards, and the ASEAN Corporate Governance Scorecard (ACGS).

This report covers the sustainability efforts of BDO Unibank and its subsidiaries and affiliates, including BDO Private Bank, BDO Network Bank, BDO Capital & Investment, BDO Life, BDO Insure, BDO Finance, and Dominion Holdings, Inc.

This report should be read in tandem with the 2025 BDO Annual Report and expanded disclosures on the BDO website at www.bdo.com.ph.

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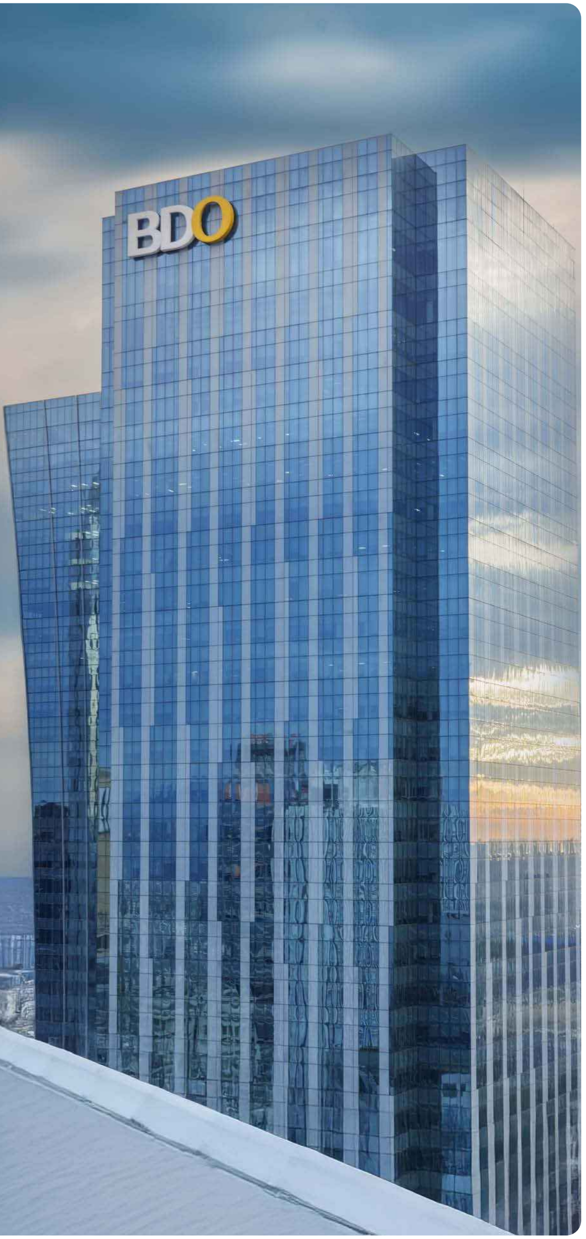
Scan the QR code to view and download Appendix II on the BDO website.



BDO's Footprint 2-1, 2-6

BDO is a full-service universal bank in the Philippines, providing a complete array of industry-leading products and services including Lending (corporate and consumer), Deposit-taking, Foreign Exchange, Brokering, Trust and Investments, Credit Cards, Retail Cash Cards, Corporate Cash Management, and Remittances. Through its local subsidiaries, the Bank offers Investment Banking, Private Banking, Leasing and Finance, Thrift Banking, Life Insurance, Property and Casualty Insurance Brokerage, and Online and Traditional Stock Brokerage Services.

BDO's institutional strengths and value-added products and services hold the key to its successful business relationships with customers. Its branches remain at the forefront of setting high standards as a sales- and service-oriented, customer-focused force. The Bank has the largest distribution network with 1,996 branches and banking offices and 7,716 teller machines nationwide. BDO has 15 international offices (including full-service branch offices in Hong Kong and Singapore) spread across Asia, Europe, North America, and the Middle East. The Bank also offers digital banking solutions to make banking easier, faster, and more secure for its clients.

Through selective acquisitions and organic growth, BDO has positioned itself for increased balance sheet strength and continued expansion into new markets. As of December 31, 2025, BDO is the country's largest bank in terms of total resources, customer loans, deposits, assets under management and capital, as well as branch and ATM network nationwide.

BDO is a member of the SM Group, one of the country's largest and most successful conglomerates with businesses spanning retail, mall operations, property development (residential, commercial, hotels and resorts), and financial services. Although part of a conglomerate, BDO's day-to-day operations are handled by a team of professional managers and bank officers. Further, the Bank has one of the industry's strongest Board of Directors, composed of professionals with extensive experience in various fields that include banking and finance, accounting, law, and business.

Corporate Mission 2-1

To be the preferred bank in every market we serve.

Corporate Vision 2-1

To be the leading Philippine bank and financial services company that empowers customers to achieve their goals and aspirations, combining our entrepreneurial spirit, international perspective, and intense customer focus to deliver a personalized banking experience that is easy, straightforward, and convenient, while taking pride in building long-term relationships and finding better ways to deliver offerings of the highest standard.

Core Values 2-1

Commitment to Customers.

We are committed to delivering products and services that surpass customer expectations in value and every aspect of customer service, while remaining prudent and trustworthy stewards of their wealth.

Commitment to a Dynamic and Efficient Organization.

We are committed to creating an organization that is flexible, responds to change, and encourages innovation and creativity; we are committed to the process of continuous improvement in everything we do.

Commitment to Employees.

We are committed to our employees' growth and development and we will nurture them in an environment where excellence, integrity, teamwork, professionalism, and performance are valued above all else.

Commitment to Shareholders.

We are committed to providing our shareholders with superior returns over the long term.

₱288.6 billion
(US$4.9 billion)
Direct Economic Value Generated

₱3.7 trillion
(US$62.2 billion)
Gross Customer Loans

₱4.2 trillion
(US$71.3 billion)
Total Deposits

₱644.1 billion
(US$11 billion)
Capital

₱5.4 trillion
(US$92.4 billion)
Total Resources

₱87.2 billion
(US$1.5 billion)
Net Income

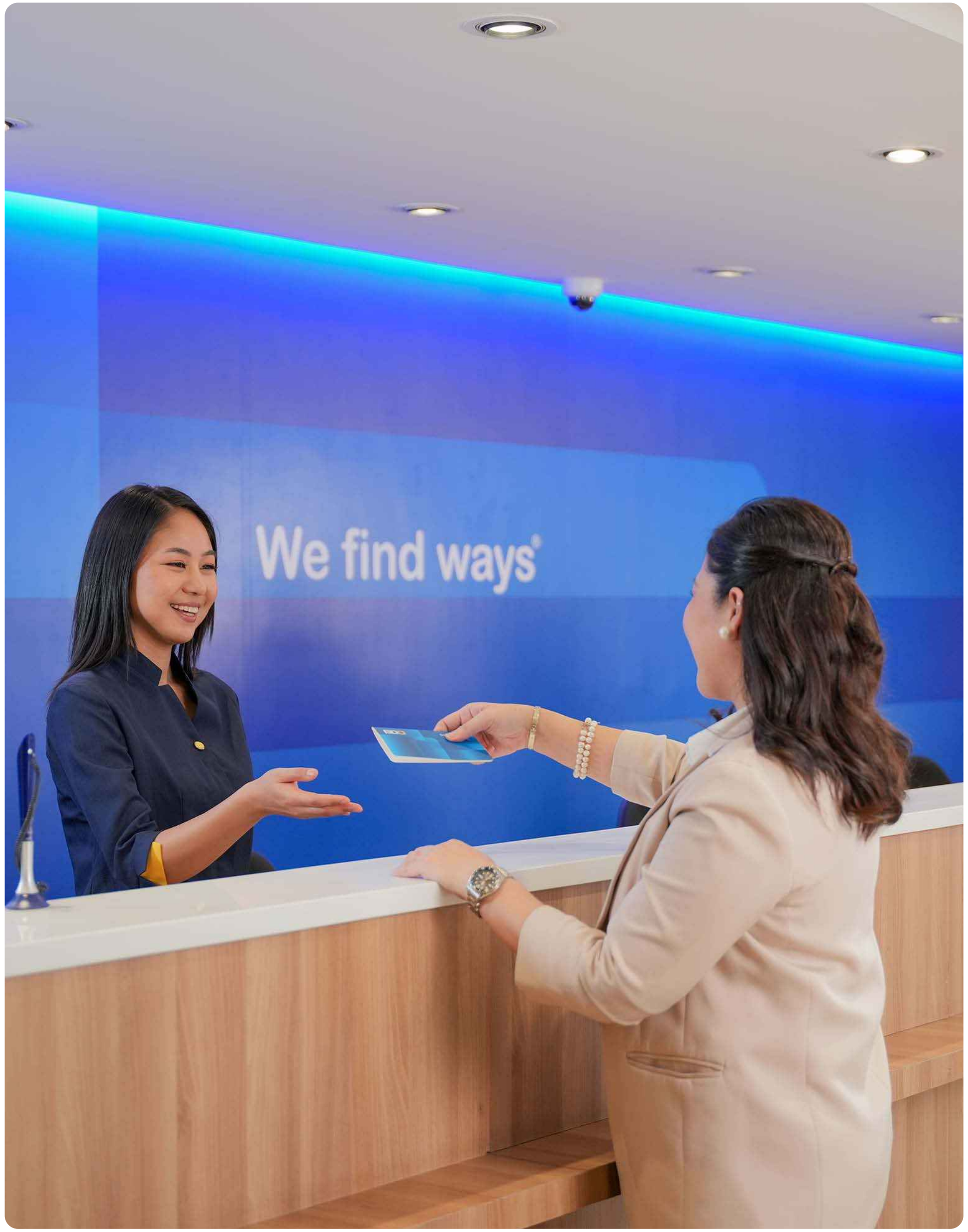
₱718.0 billion
(US$12.2 billion)
Market Capitalization

₱1.21 trillion
(US$20.9 billion)
Total Sustainable Finance Funded to date

1,996 2-1
Branches and Banking Offices including foreign branches in Hong Kong and Singapore

7,716 2-1
Teller Machines Nationwide (ATMs, Cash Accept Machines, Universal Teller Machines, Corporate Cash Deposit Machines)

US$1=₱58.79



Message from the Chairperson 2-22

“We remain committed to supporting industries and communities that fuel national development and resilience, while continuing to create long-term value for our stakeholders.”

Dear Clients and Shareholders,

Sustainability at BDO is grounded in our responsibility to the future. By integrating environmental and social risk management into our core strategy, we ensure that our financial performance translates into lasting economic development.

Since 2010, BDO has supported projects in renewable energy, energy efficiency, and the country's first green buildings. As we mark the 15th year of our Sustainable Finance Program, our work has evolved into a more disciplined and structured approach—embedding sustainability into governance, risk management, and lending decisions, allowing us to support industries that drive inclusive and sustainable economic growth.

We also recognize that banking operates within a broader national ecosystem. Through partnerships and initiatives supported by BDO Foundation, we help address pressing social needs and enhance community resilience:

- **Expand access to primary healthcare**
  Transformed community care as BDO Foundation rehabilitated 228 rural health units nationwide, helping improve access to primary healthcare in underserved communities

- **Strengthen financial literacy**
  Delivered financial education programs in partnership with the Bangko Sentral ng Pilipinas and 14 government agencies, including the integration of over 300 Department of Education-approved learning resources into the K–12 curriculum, reaching over 10 million learners and teachers nationwide; expanded the outreach to include critical sectors—including farmers, fisherfolk, overseas Filipinos, uniformed personnel (military, police, firefighters), and government employees

- **Provide disaster recovery**
  Implemented timely response and recovery support to communities affected by major typhoons and earthquakes through nationwide partnerships

- **Empower MSMEs**
  Developed 8 business competency modules and trained over 80 master trainers from the Department of Trade & Industry, local government units, and non-government organizations to equip MSMEs to optimize operations and profitability

We remain committed to supporting industries and communities that fuel national development and resilience, while continuing to create long-term value for our stakeholders.

On behalf of BDO, I extend my appreciation to our employees, clients, investors, shareholders, regulators, and partners for their continued confidence and support. We value the trust and remain focused on fulfilling our responsibilities toward a more equitable and sustainable future.

Yours truly,

Teresita T. Sy
Chairperson

Message from the President and CEO 2-22

Dear Stakeholders,

Sustainability at BDO has evolved from early adoption to disciplined, organization-wide execution. What began as pioneering initiatives are now fully embedded in how we do business—shaping the way we manage risk, allocate capital, serve our clients, and strengthen long-term resilience for all our stakeholders.

Our Sustainable Finance Framework, one of the most comprehensive in the region, guides how we deploy capital, assess risks, and engage clients across industries. It ensures that our financing decisions support sustainable development while balancing economic, environmental, and social considerations.

But it is our execution that defines our commitment. We finance energy transition, critical infrastructure, and inclusive economic growth. We raise capital for sustainable projects and participate in transactions that help build national resilience.

In recent years, we have taken part in landmark transactions that demonstrate this commitment. We executed the Bank's first Sustainability-Linked Loan, with performance targets for reducing greenhouse gas emissions, increasing renewable energy use, and enhancing green building standards. Through sustainability bonds and sustainability-linked lending, we help clients access funding tied to measurable environmental and social impact.

We also financed the ₱150-billion MTerra Solar syndicated loan, the largest financing in Philippine history for what will become the world's largest integrated solar-and-battery energy storage facility. In addition, we supported the acquisition financing of the 796.64-MW Caliraya-Botocan-Kalayaan hydroelectric complex, a key asset that enhances grid stability as the country accelerates its shift to cleaner energy.

Since 2010, BDO has funded more than ₱1.21 trillion in sustainable projects—the largest sustainable finance portfolio among Philippine banks—supporting sectors essential to national development, including energy, water, transport, agriculture, and livelihoods.

Within our own operations, we continue to adopt best practices to reduce our carbon footprint. Renewable energy now supplies up to 75% of the power used in our key buildings. We have also implemented energy-efficiency initiatives across branches and offices, particularly in electricity consumption and cooling systems.

Our efforts have also been recognized. In 2025, BDO was cited by the ASEAN Capital Markets Forum as the only Philippine bank among the top 50 publicly listed companies in ASEAN for corporate governance excellence. We received the Renewable Energy Financing Programme Award and the Good Governance Award at the ESG Business Awards 2025 for leadership in sustainability, governance, and social impact. For the second consecutive year, Euromoney named BDO the Best Bank for ESG in the Philippines, recognizing our contribution to sustainable development. We were also honored with the Platinum Award for Excellence at The Asset ESG Corporate Awards for the 16th straight year and received the Best Sustainability Team in Asia award for the second year in a row.

Looking ahead, we remain committed to delivering strong business performance grounded in the principles of sustainability. We will continue strengthening our frameworks, building partnerships, and financing projects that support national progress and long-term value creation.

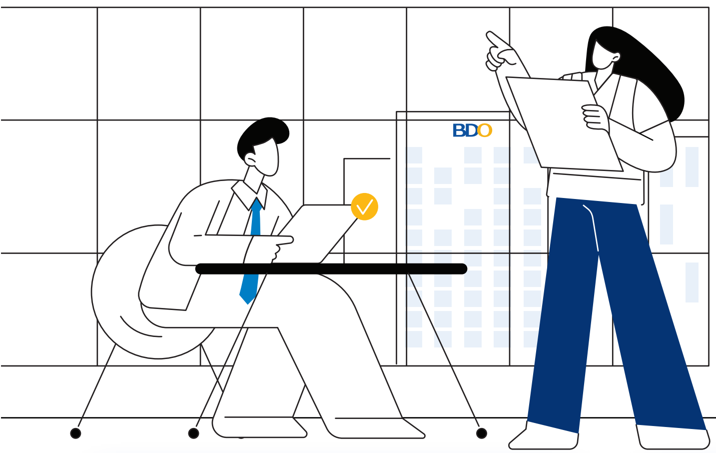
To our employees, clients, investors, shareholders, regulators, partners, and all our stakeholders—thank you for the trust you place in BDO. Your support enables us to lead with discipline, act with purpose, and build systems that endure.

Sincerely,

Nestor V. Tan
President and CEO

> "Since 2010, BDO has funded more than ₱1.21 trillion in sustainable projects—the largest sustainable finance portfolio among Philippine banks—supporting sectors essential to national development, including energy, water, transport, agriculture, and livelihoods."

BDO's Path to Creating Economic, Environmental, and Social Impact 2-6, 2-7, 203-1



Fosters banking habits

1,996
Branches and Banking Offices including foreign branches in Hong Kong and Singapore

7,716
Teller Machines nationwide (ATMs, Cash Accept Machines, Universal Teller Machines, Corporate Cash Deposit Machines)

1,074,479
Lives insured

2,140,061
Total new checking and savings accounts (CASA)

3,495
CASA Protect clients

55,811
Junior Savers accounts opened in 2025

2,420
NexGen Savers accounts in 2025

Accelerates economic growth

₱37B
Taxes paid in 2025

92%
Provinces covered by BDO Network Bank

96%
Municipalities covered by Cash Agad Agents

Helps businesses grow

₱57.9B
Bank-wide outstanding SME Loans

Manages resource consumption in operations

137,952 cu.m.
Water recycled

13,106 MWh
Electricity consumption from renewable energy sources

22% of total
Electricity consumption sourced from renewable energy sources

23,940 kg
Waste recycled

Creates jobs

75%
Employees are women

58%
Women in senior management (Assistant Vice President and up)

37%
Women in top management (Senior Vice President and up)

99%
Senior management hired from local community

₱62.3B
Wages and benefits

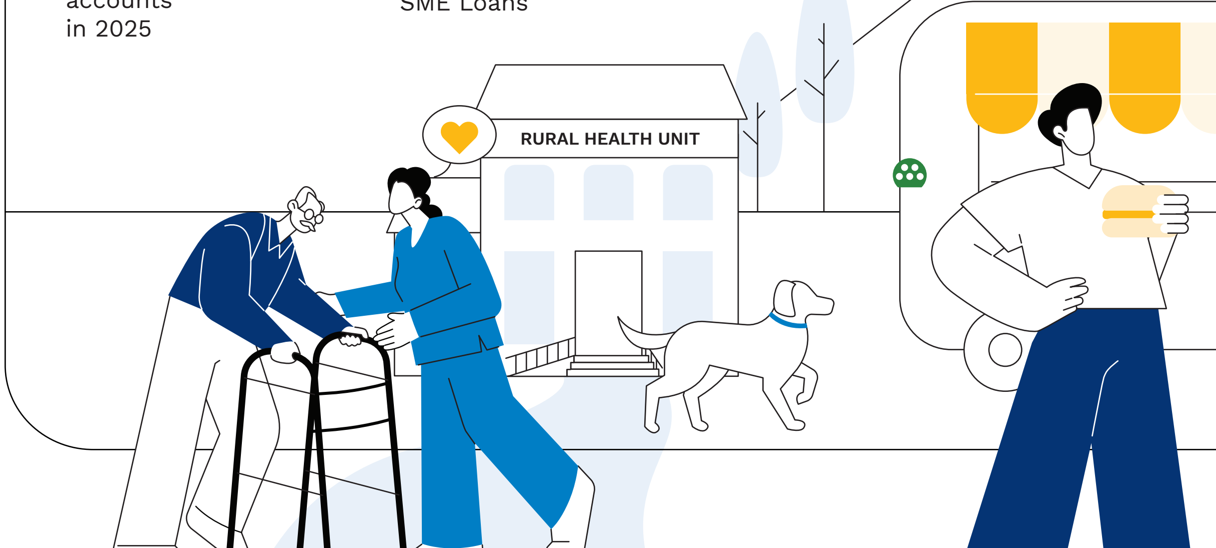
Supports customer expenditure

4%
5-year CAGR* in Auto Financing

7%
5-year CAGR* in Home Financing

13%
5-year CAGR* in Credit Cards (Cards-in-Force)

* Compounded Annual Growth Rate



Finances environment-friendly solutions

₱1.21T
Total Sustainable Finance projects funded to date

8,494,943
Tonnes of carbon dioxide avoided per year

6,165 MW
Total installed renewable energy capacity in megawatts

71
Renewable Energy Projects funded to date

Facilitates infrastructure development

₱125.56B
Loans disbursed to national projects

₱46.87B
Loans disbursed in the past 5 years for airports

₱33.35B
Loans disbursed in the past 5 years for road networks

Champions financial inclusion

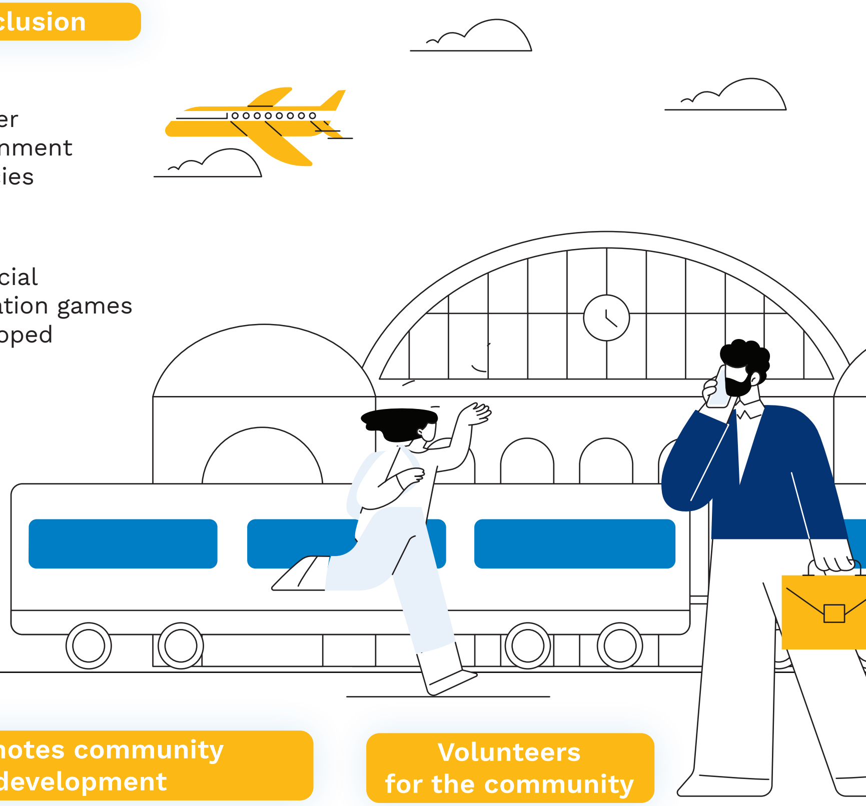
31
Financial education videos developed since 2018

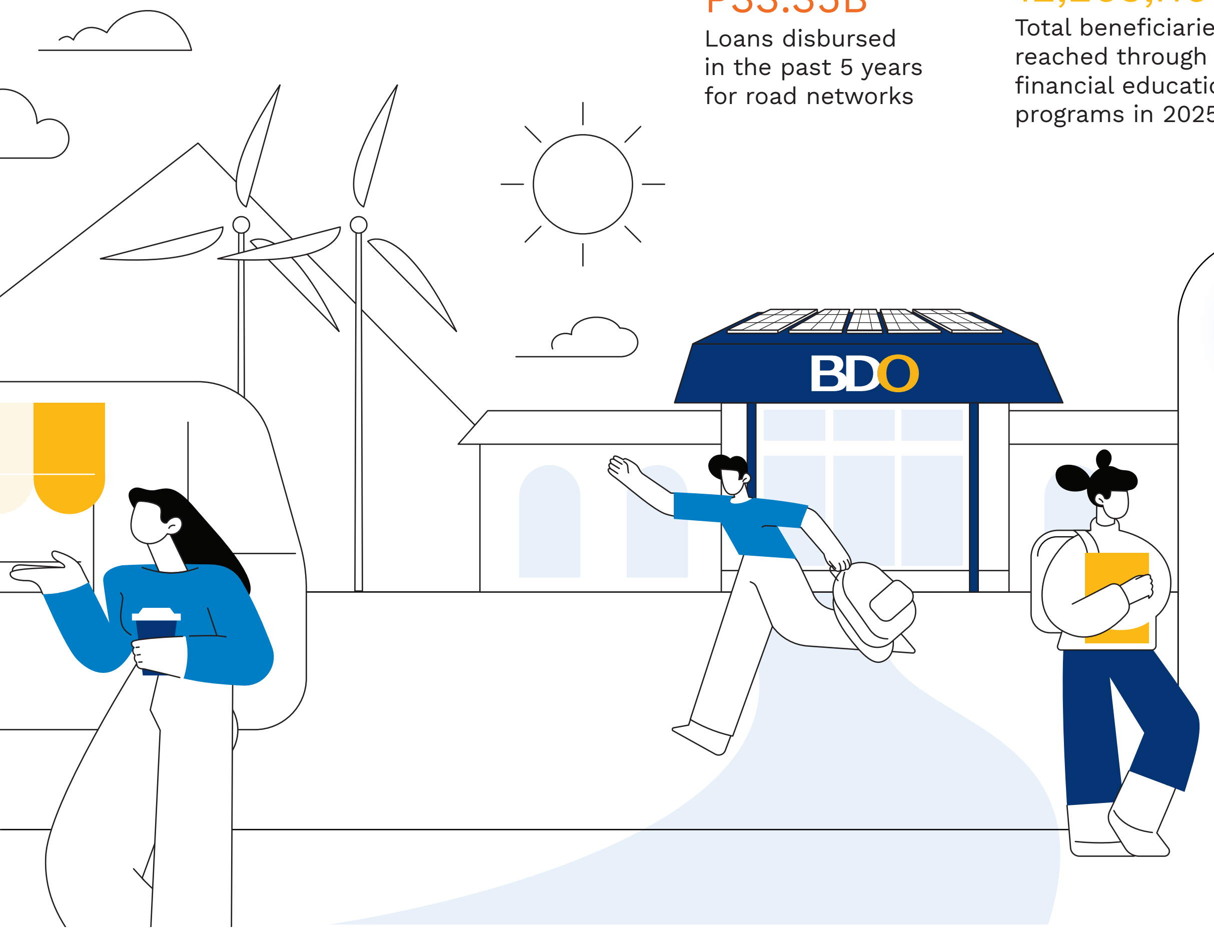
14
Partner government agencies

25,486,814
Total beneficiaries reached through financial education programs since 2018

3
Financial education games developed

12,263,116
Total beneficiaries reached through financial education programs in 2025





Promotes community development

228
Rural health units (RHUs) rehabilitated to date

10,430,975
Total beneficiaries of RHUs rehabilitated to date

37
Rural health units (RHUs) rehabilitated in 2025

1,394,934
Total beneficiaries of RHUs rehabilitated in 2025

Volunteers for the community

36
Volunteer activities

1,863
Employee volunteers in 2025

9,315
Volunteer hours in 2025

Our Commitment to Sustainability

BDO Sustainability Philosophy

We seek to achieve strategic resilience by incorporating sustainability principles in the way we do business and in everything we do—from making business decisions to assessing relationships to creating products.

Alignment with the United Nations Global Compact Principles

BDO supports the principles of the United Nations Global Compact. The Bank upholds:

- Corporate Governance
- Climate-friendly solutions and opportunities for business
- Access to clean, renewable, and reliable energy sources and services
- The adoption of instruments that help quantify, manage, and report the carbon footprint of our businesses
- The responsibility to protect the dignity of every person and uphold human rights
- The recognition of the role of women in achieving economic growth and poverty reduction
- The elimination of all forms of forced, compulsory, and child labor

BDO Sustainability Framework & Strategies

The Bank's Sustainability Framework defines the strategies that serve as guideposts in its journey towards sustainability.

We create products and services which anticipate the evolving needs of our customers and support sustainable development goals.

We develop our capabilities to understand our customers and reach the underserved markets with relevant products and services that meet their unique needs and ways of doing business.

We develop leaders in the sustainability movement. We aim to grow a "can lead" workforce that adopts a sustainability mindset and thrives with innovative thinking and customer-focused attitude.

We support the achievement of national economic goals through financial inclusion and impact financing in infrastructure, eco-friendly solutions, green facilities, and disaster resilience initiatives.

We leverage our resources towards the relief, rehabilitation, and recovery of disaster-stricken communities.

We continuously enhance our corporate governance framework to sustain superior business performance anchored on the principles of accountability, transparency, integrity, and fairness, together with our partners.

Sustainability Governance 2-9, 2-13, 2-24, 3-1

“Sustainability at BDO has evolved from early adoption to disciplined, organization-wide execution. What began as pioneering initiatives are now fully embedded in how we do business—shaping the way we manage risk, allocate capital, serve our clients, and strengthen long-term resilience for all our stakeholders.”

Nestor V. Tan
President and Chief Executive Officer

BDO's commitment to sustainability is fostered at the Board level, role modeled by senior executive leaders, executed by business units and subsidiaries, and brought to life by employees.

In 2025, BDO retained its Sustainability Governance Structure with a streamlined membership and decision-making system that effectively addressed environmental and social impact and governance (ESG), risks, and opportunities. The Board approved the change in the name of the Corporate Governance Committee into the Corporate Governance and Sustainability Committee to more clearly define Board-level oversight accountability for the Bank's sustainability policies, programs, and initiatives. While sustainability-related enterprise climate change risk policies secure approval through the Risk Management Committee, the CorGov and Sustainability Committee perform regular oversight on sustainability matters for the Board as part of its meeting agenda.

Roles and Responsibilities 2-212, 2-13, 2-14

Oversight for sustainability initiatives resides in four BDO Board Committees, aligned to their key responsibilities. The Executive Committee (ExCom) exercises the Board-delegated authority in managing and directing the Bank's affairs, including oversight over the Bank's sustainability framework, strategies, and commitments and how it aligns with regulatory expectations. The ExCom continues to require an environmental and social (E&S) risk assessment for all new and refinanced lending and investment accounts, guided by the Bank's Environmental and Social Risk Management Policy (ESRMS), as well as the Board-approved Energy Transition Finance Statement. The Corporate Governance and Sustainability Committee oversees sustainability initiatives related to the following: culture change towards a sustainability mindset for the organization; stakeholder communication; progress reporting on programs, metrics and targets; and sustainability reporting. The Risk Management Committee oversees enterprise environmental, social, and governance (ESG) risks in the Bank's risk management system, including climate change risks. The Board Audit Committee oversees internal audit reporting on sustainability programs and sustainability reporting, as well as compliance testing against regulatory mandates on sustainability. Across these four Board Committees, all Board Directors are effectively engaged in various capacities and according to their expertise, in driving the Bank's sustainability framework across corporate governance, risk management, strategy, and operations. These are reflected in the committees' respective Terms of Reference and their oversight of activities are disclosed in detail in this report.

The President and CEO provides high-level strategic direction on sustainability—from the articulation of the BDO Sustainability Strategies to key focus areas where the Bank has the most ESG impact. The CEO also approves the Bank's strategic external partnerships and commitments on sustainability on global, regional, and local levels. He is supported by the Sustainability Transition Steering Committee (SteerCo)—and directly represented by the Chief of Staff in the SteerCo—which oversees the Bank's policy formulations, programs review, and recommendations from the Sustainability Technical Working Groups (TWG). The Steering Committee is composed of heads of business groups and support groups whose work cover corporate governance, risk management, business strategy, operations, and compliance. Heads of business units, support groups, and subsidiaries may be invited to join SteerCo meetings based on agenda items that relate to and impact them. The Steering Committee meets on a quarterly basis, fulfilling four (4) meetings in 2025.

Acting as Convenor for the Steering Committee is the Sustainability Office (SO), which drives the integration of the Bank's sustainability strategies and ESG governance through the TWGs and the various business units, support groups, and subsidiaries of the BDO Group. The Sustainability Office also presents Sustainability Updates in every meeting of the Corporate Governance and Sustainability Committee, and in 2025, conducted a sustainability onboarding session with directors who were new to the Board. The SO drives the TWGs and business unit engagement, manages ESG due diligence requests from stakeholders; produces the annual Sustainability Report; and represents BDO in external forums.

The TWGs are assigned a key Focus Area where BDO has the greatest ESG impact and tasked to review and enhance related policies to embed environmental and social impact principles and criteria, articulate practice into policy, and recommend and implement sustainability programs for the Bank. TWG members are composed of representatives from business groups, support groups, and subsidiaries who are chosen for their expertise and experience in their respective fields. At the same time, as sustainability principles have become embedded in the business units and subsidiaries, the SO supports continuous sustainability engagement through capability-building, advisory, and monitoring on the application of the Bank's Environmental and Social Risk Management System (ESRMS) in their work.

Materiality Topics 3-1, 3-2, 3-3

Climate Change, Nature & Biodiversity Loss
How BDO incorporates climate change and nature and biodiversity loss factors into its enterprise risk assessment for lending, investments, and insurance in order to protect shareholder value. How BDO manages (reduces) its impact on the environment, the plant and animal species near its business operations and its capacity to reduce risks and leverage new opportunities now and in the future.

Topic Boundary
Within BDO and with employees and regulators

Financing Sustainable Development
How BDO supports projects and/or organizations that have environmental and social benefits.

Topic Boundary
Within BDO and with customers and regulators

Technology Resilience
How BDO protects systems, networks, and programs from digital attacks and management of customer or user data to avoid data leakages. It includes aspects such as implementing adequate IT infrastructure, staff training, and record-keeping.

Topic Boundary
Within BDO and with customers and regulators

Customer Welfare
How BDO manages customer relations to cover customer satisfaction, customer experience and welfare protection.

Topic Boundary
Within BDO and with customers

Human Rights & Community Relations
How BDO ensures community well-being and respects human rights across its business operations, including in its employment practices.

Topic Boundary
Within BDO and with employees, community partners and beneficiaries

Physical Impacts of Climate Change
How BDO ensures employee preparedness and that of its physical assets to withstand the physical impacts of climate change.

Topic Boundary
Within BDO and with employees

Economic Performance
How BDO generates long-term economic and financial growth for its stakeholders.

Topic Boundary
Within BDO and with employees

Systemic Risk Management
How well BDO is positioned to absorb shocks arising from financial and economic stress, address sustainability and climate risks resulting from interrelated incidents and events, manage business continuity, and meet stronger regulatory requirements.

Topic Boundary
Within BDO and with employees and regulators

Digitalization
How BDO leverages digital technologies to strengthen its business model and create opportunities.

Topic Boundary
Within BDO and with employees

Employee Engagement, Diversity & Inclusion
How BDO embraces the principles of diversity and inclusion in its business practices, related to hiring, training and development, promotion, career development.

Topic Boundary
Within BDO and with employees

Executive Responsibility for ESG
How BDO clearly delineates roles and responsibilities of senior management in achieving ESG goals.

Topic Boundary
Within BDO and with employees

Management of Legal, Regulatory Environment
How BDO engages with regulators and complies with laws and regulations.

Topic Boundary
Within BDO and with regulators

Access & Affordability
How BDO promotes and practices the financial inclusion of the unbanked, underbanked or underserved, complemented with financial literacy to ensure that customers make informed financial decisions.

Topic Boundary
Within BDO and with regulators, customers, and employees

Product Innovation
How BDO transforms and innovates its products and services to include environmental, social, and governance considerations.

Topic Boundary
Within BDO and with employees

Employee Health & Safety
How BDO creates and maintains a safe and healthy workplace environment free of injuries, fatalities, and ill health.

Topic Boundary
Within BDO and with employees

Operational Emissions
How BDO manages its Greenhouse Gas emission-related risks and opportunities.

Topic Boundary
Within BDO and with employees

Business Ethics
How BDO operates in line with principles of accountability, transparency, integrity and fairness.

Topic Boundary
Within BDO and with employees

Supply Chain Management
How BDO manages environmental, social, and governance risks and opportunities within its supply chain.

Topic Boundary
Within BDO and with suppliers

ESG Materiality 3-1, 3-2

BDO conducted an ESG Materiality assessment refresh in 2025 to identify the Environmental, Social and Governance (ESG) topics and metrics that are material to the Bank and its stakeholders on its eighth year of sustainability reporting. This is the third materiality assessment conducted by the Bank since it first started reporting in 2018.

S&P Global Sustainable1 was tasked to determine key and emerging ESG topics for BDO using the GRI Sustainability Reporting Standards, the Sustainability Accounting Standards Board (SASB) framework, and the Task Force for Climate-related Financial Reporting (TCFD) recommendations, along with ESG topics reported on by BDO's peers. Once the topics were identified, S&P worked with BDO to create a bespoke survey in English and Filipino that were deployed to various stakeholder groups in order for them to rate the importance of the ESG topics from their perspective and how they see each topic's importance in relation to BDO's business. The survey results were then discussed with BDO management in focus group discussions to dive deeper into BDO's business landscape, priorities, and ESG performance. The final recommendations were approved by the Board through the Corporate Governance and Sustainability Committee.

This expanded stakeholder groups engagement for materiality assessment aims to better align and prepare BDO for emerging ESG risks to the Bank and its stakeholders, particularly when it comes to reputational risk and business performance. At the same time, focusing on key ESG topics provides the opportunity to positively impact business growth in terms of profits and customers. With these objectives in mind, BDO reframes its ESG Materiality into two categories: ESG Strategic Areas and ESG Fundamentals.

BDO's ESG Strategic Areas focus on topics that present the most significant business risks and opportunities for the Bank. They also show where the Bank can make the strongest positive impact on sustainability. BDO's ESG Fundamentals cover existing initiatives and practices where the Bank has already effectively integrated sustainability principles in everything it does. These topics also present areas that the Bank can further enhance and scale to drive long-term value as a sustainable business and a sustainable organization for its clients, communities, and country.

Legend:
- Environment
- Social
- Governance

ESG Strategic Areas

- Climate Change, Nature & Biodiversity Loss
- Financing Sustainable Development
- Technology Resilience
- Customer Welfare
- Human Rights & Community Relations
- Physical Impacts of Climate Change

ESG Fundamentals

- Economic Performance
- Systemic Risk Management
- Digitalization
- Employee Engagement, Diversity & Inclusion
- Executive Responsibility for ESG
- Management of Legal, Regulatory Environment
- Access & Affordability
- Product Innovation
- Employee Health & Safety
- Operational Emissions
- Business Ethics
- Supply Chain Management

Stakeholder Engagement 2-29

Stakeholder Group	Relevance	Channels of Engagement	Relevant Topics	Our Commitment
Shareholder or Investor	■ Providers of resources essential to BDO's goal to deliver results, enhanced economic returns, and shared value	■ Annual Stockholders' Meeting ■ Investor meetings	■ Access and affordability ■ Systemic Risk Management	■ Continue to promote the financial inclusion and financial literacy of the unbanked, underbanked, or underserved ■ Enhance embedded environmental and social criteria in credit risk and operational risk systems
Employee	■ Proponent of BDO's vision, mission, and objectives	■ Face-to-face meetings ■ Annual performance appraisals	■ Employee health and safety ■ Customer welfare	■ Prioritize occupational health and safety at all times ■ Provide timely feedback to customer concerns
Customer or Client	■ Patrons of BDO's products and services	■ Customer touchpoints ■ Regular visits and briefings	■ Customer Privacy ■ Data Security ■ Greenhouse Gas Emissions	■ Provide guardrails to manage risks related to customer or user data ■ Safeguard the privacy and security of financial data against emerging cybersecurity threats and technologies ■ Disclose our Scope 1, 2 and 3 emissions
Creditor	■ Source of assets that support BDO's business	■ Regular correspondence and updates	■ Business ethics ■ Financing Sustainable Development	■ Meet our contractual obligations ■ Continue to support sustainable financing and sustainable development
Service Provider or Supplier	■ Suppliers and service providers vital to BDO	■ Vendor accreditation process ■ Regular correspondence	■ Business ethics ■ Supply Chain Management	■ Continue to operate on principles of accountability, transparency, integrity, and fairness ■ Manage ESG risks within our supply chain, in partnership with suppliers
Regulator or Policy Maker	■ Driver of regulations and policies that aid BDO in achieving its goals	■ Formal and informal correspondence ■ Regular audit	■ Data Security ■ Access and affordability ■ Business ethics	■ Safeguard the privacy and security of financial data against emerging cybersecurity threats and technologies ■ Continue to promote the financial inclusion and financial literacy of the unbanked, underbanked, or underserved ■ Continue to operate on principles of accountability, transparency, integrity, and fairness
Community Beneficiary	■ Partners in community development and local economic growth	■ Community engagement dialogues ■ Meetings for program implementation	■ Customer Privacy ■ Human rights	■ Provide guardrails to manage risks related to customer or user data ■ Protect human rights in our operations, including our socioeconomic community impact and engagement
Analyst or Research Organization and Media	■ Partners in accurate reporting, upholding transparency and integrity	■ Analysts' briefings ■ Media events	■ Financing Sustainable Development ■ Physical Impacts of Climate Change	■ Continue to support sustainable financing and sustainable development ■ Incorporate climate change into lending analysis and risk mitigation in our businesses to protect shareholder value

Mainstreaming Sustainability in Core Business 2-6, 2-24

We develop and enhance products and services that enable our customers to make sustainable financial decisions and practices wherever they are. We manage our environmental and social risks and create opportunities for our clients, communities, and country. We support sustainable development that incorporates financial inclusion and impact financing to help achieve a low carbon economy that is environmentally responsible and socially equitable.

Managing Climate Change, Biodiversity Loss, and other Environmental and Social Risks and Opportunities 2-23, 102-1, 102-2

The Bank recognizes sustainability as long-term risk management, and manages these risks by embedding sustainability principles in the way it does business across the whole BDO conglomerate. BDO works to transition its core businesses into sustainable banking, embedding Environmental, Social, and Governance (ESG) risk and opportunity considerations when making business decisions, assessing relationships, and creating products and services.

BDO has incorporated assessments of E&S risks and opportunities arising from its activities and that of its clients and suppliers that can potentially have a negative and/or positive financial, legal and/or reputational effect on the Bank. In 2010, the Bank adopted its Social and Environmental Management System (SEMS) Policy that was co-developed with the International Finance Corporation (IFC) and based on IFC's ESG standards. The SEMS Policy was designed to control and address social and environmental risks in the Bank's lending operations by categorizing E&S risks for sustainable finance projects.

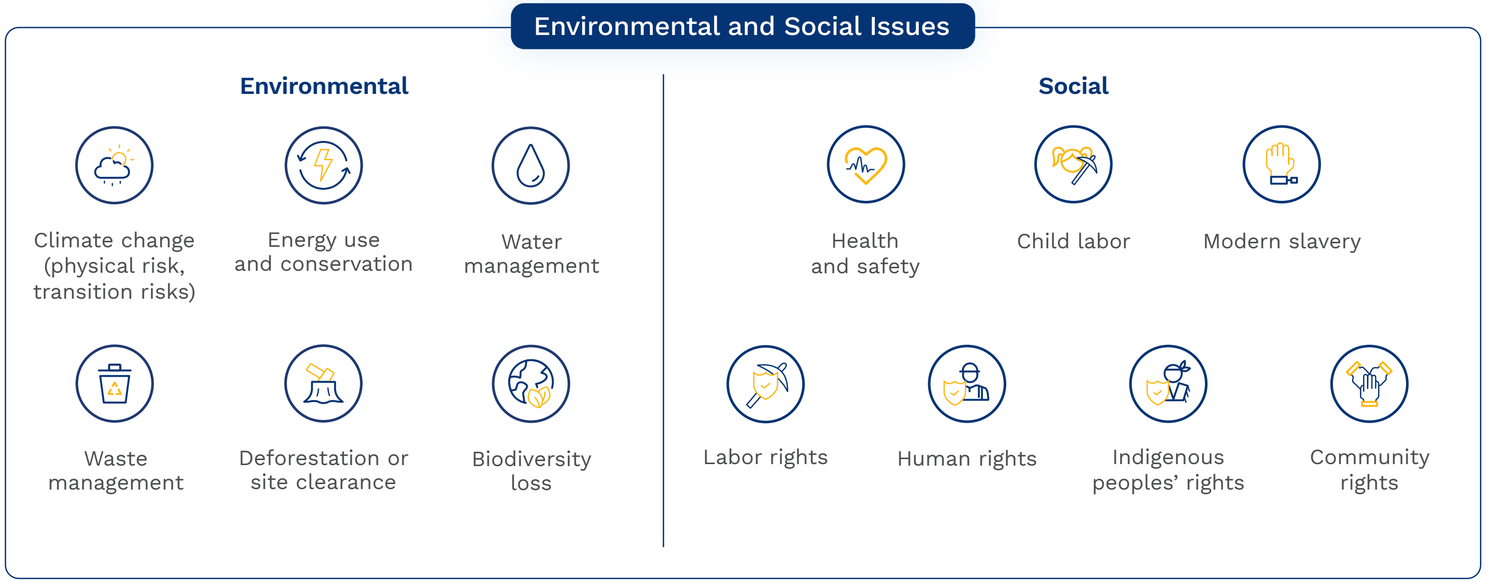
BDO has since evolved the SEMS Policy into the more comprehensive Board-approved Environmental and Social Risk Management System (ESRMS) Framework that will help identify, assess, and manage E&S risks and opportunities associated not only with its lending activities, but also its investment activities and administrative operations. Approved in 2023, this Framework is fully incorporated in BDO's banking policies and procedures and is aligned with the Bank's risk appetite which defines the nature and level of risks that the Bank is willing to take to achieve its sustainability strategies.

Implementing the ESRMS involves BDO integrating a wider E&S risk assessment in its existing processes for credit, investments, and operations using an E&S Due Diligence questionnaire. Developed in-house by the Sustainability Office, the Environment and Social Tool for Risk (EAST4R) for scoring E&S risks, assigns weights to E&S issues considering different factors such as industry issues, and relevant E&S laws and regulations locally, and internationally where it maintains branches and offices.

The environment and climate-related issues considered are climate change physical risk, climate change transition risk, energy use and conservation, water use and conservation, deforestation or site clearance, waste management, and biodiversity loss. The social issues are health and safety, child labor, modern slavery, labor rights, human rights, indigenous peoples' rights, and community rights. The E&S Due Diligence Questionnaire is a work-in-progress and refined and enhanced as necessary to simplify the application. (For a more detailed discussion on the ESRMS, refer to the 2023 BDO Sustainability Report online at www.bdo.com.ph.)

Throughout 2025, the Sustainability Office conducted phase 2 of its Sustainability Capability-Building Roadshow in key regions of the country for workshops on the ESRMS, along with other fundamental courses such as the UN SDGs and Sustainability at BDO. Phase 1 in 2024 prioritized BDO Unibank Relationship Managers, Credit Analysts, and Facilities Managers—to identify and evaluate potential E&S risks associated with its clients and its administrative operations. Phase 2 covered the rest of employees from these groups along with officers based in the provinces and employees from subsidiaries BDO Network Bank, BDO Private Bank, BDO Finance, and BDO Capital.

The ESRMS Framework will be regularly updated to adapt to any applicable developments in the Bank's commitments and in national legislation. The Bank is continuously working towards developing long lasting relationships with its clients by making sure that its businesses, products, and services are resilient and will be able to adapt to the ever-changing environment that the Bank operates in. In doing so, BDO will be in a better position to promote sustainable growth and achieve strategic resilience in all its business operations.



Governance on Enterprise Risk Management 201-2

Risk management at BDO is anchored on the highest level of governance. The Board of Directors sets the foundation for a sound risk management system, and assumes ultimate responsibility for all risks taken by the Bank. It regularly reviews and approves the institution's risk appetite, business strategy, and risk philosophy to ensure alignment with long-term objectives. To reinforce oversight, the Board has established the Risk Management Committee (RMC), which supervises the enterprise-wide risk management program.

Recognizing the critical nature of credit risk, the Board also constituted the Executive Committee to approve credit-specific transactions, while the RMC focuses on approving risk appetite levels, policies, and tolerance limits across a broad spectrum of risks—credit, liquidity, market, interest rate, operational (including operational resilience, business continuity, IT, information security, cybersecurity, data privacy, and social media), consumer protection, and environmental and social risks. This governance structure ensures that both current and emerging risk exposures remain consistent with the Bank's strategic direction and overall risk appetite.

Supporting this framework is the Risk Management Group, which reports to the RMC. Its mandate is to evaluate, manage, and monitor the Bank's overall risk profile across all risk categories, optimizing the balance between risk and return and safeguarding capital. The group also recommends risk policies to the appropriate governing bodies, ensuring comprehensive coverage of the risks to which the Bank is exposed.

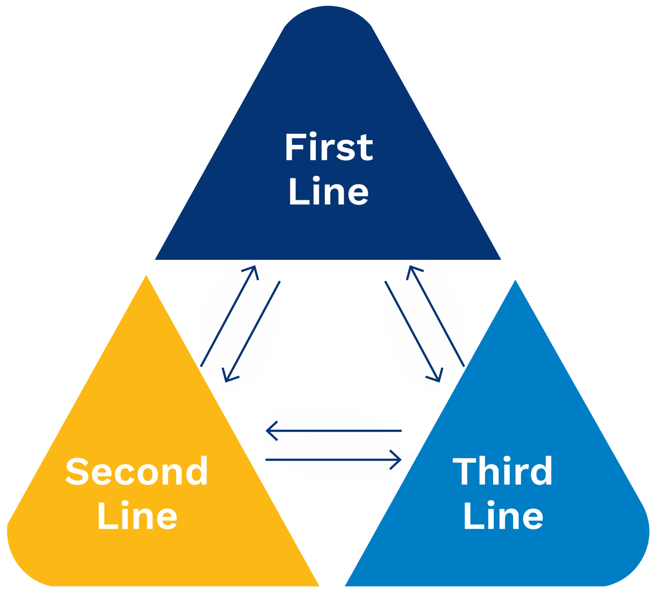
Risk Management Process: Three Lines of Defense

The risk management process is applied at three levels: transaction, business unit, and portfolio. This multi-tiered approach ensures that risks are identified, measured, and analyzed for their potential impact on the Bank's operations and capital deployment. The goal is to maintain rigorous standards for precision in risk measurement and reporting while enabling informed decisions that deliver sustainable returns to shareholders.

BDO's risk governance adheres to the "three lines of defense" model outlined in the Basel Committee's Corporate Governance Principles for Banks. The first line consists of business units that own and manage risks inherent in their products, activities, and processes. The second line comprises independent risk management and compliance functions, along with support units that monitor and assess risk controls. The third line is the internal audit function, which provides independent assurance to Senior Management and the Board. This structure clarifies roles and responsibilities, promotes functional independence, and fosters continuous dialogue across the organization. By embedding these principles, BDO proactively manages risk while remaining focused on its strategic goals.

The Three Lines of Defense

Front-Line Operations
Directly deals with risks in daily activities, identifying, assessing, and mitigating risks in their areas.



Risk Management & Compliance
Establishes policies, monitors risks, and ensures adherence to regulations and internal controls.

Internal Audit
Provides assurance and evaluates effectiveness of risk management and control processes.

On Sustainability and Business Strategy 101-1, 101-2, 101-3, 102-3

Approach to Climate Change and Nature Risks

BDO is committed to mobilize capital towards the achievement of the UN 17 Sustainable Development Goals and the transition to a low carbon economy, in support of the Paris Agreement of 2015 and the Philippines' Nationally Determined Contribution (NDC) to the agreement.

As the country's largest bank, BDO recognizes that the banking industry plays a critical role in financing the transition to affordable, reliable, sustainable and clean energy. BDO believes that this transition is a journey that requires adopting a balanced approach: acknowledging the difficult trade-offs that need to be made along the way among national economic development that depends on affordable and reliable energy, securing the country's energy security, and the relentless pursuit of the broader goal of climate sustainability.

The Bank is investing in the low-carbon transition by providing clients with the products they need to drive change within their businesses. Simultaneously, BDO is committed to managing risks related to climate change and nature so that it may safeguard its clients' assets and the Bank from the effects of climate change and nature and biodiversity loss. The Bank has a low risk appetite for activities that are not contributing to the transition to a low carbon economy, and transition activities should be in line with the BDO Energy Transition Finance statement released in 2022. The Bank has a high risk appetite for clean and renewable energy sources that emit low greenhouse gas emissions in its value chain. On the flipside of risk, BDO is also capitalizing on the opportunities presented by the low carbon transition and the need for adaptation activities in the context of the Philippines' exposure to climate change.

Approach to Nature

BDO manages risks and opportunities related to natural capital and biodiversity across the Bank's activities. BDO recognizes the challenges of transitioning towards a society that can meet both human needs, while living within the constraints of natural resources, with the objective of also generating positive outcomes for our natural environment. Industries such as agriculture, fisheries, construction, and tourism rely on the ecosystem services provided by forests. Without sustainable forest management, these sectors face increased risks of productivity decline, supply chain disruptions, and heightened vulnerability to natural disasters. The Bank is committed to address deforestation and contribute to the preservation and sustainable management of the Philippines' forest resources.

BDO's Climate Change Approach

Mitigating Climate-Related Financial Risks

- Deploying innovative investment and financing solutions
- Protecting the assets of our clients and business
  - Reducing exposure to carbon-related assets and assessing vulnerability to climate risks
  - Supporting transition to green business

Advancing a Sustainable Future

- Reducing BDO's carbon footprint
  - Sourcing of electricity from renewable energy sources
  - Managing energy and water consumption to optimize resources
  - Managing materials waste from operations
  - Managing the supply chain to reduce carbon emissions and mitigate climate change impacts

Climate-related Risks and Opportunities

In 2025, BDO continued to map and monitor its portfolio and operational emissions internally to identify where it needs to focus for its decarbonization efforts. Building on the results of its climate scenario analysis in 2024, the Bank conducted physical risk analysis for eight key hazard types across its assets and collaterals, as well as its facilities and branches nationwide, including branches in Hong Kong and Singapore.

S&P Global conducted the 2024 physical risk assessment on BDO as a corporate entity, as well as the Bank's loan, treasury, and trust portfolios. The assessment provided a better understanding of BDO's total asset value at physical risk in different medium (>2°C Scenario) and high risk scenarios (>4°C Scenario). In the medium and high risk scenarios, BDO's corporate assets were determined to be at low level risk until 2030. The physical risk hazard that may bring the most financial impact to BDO facilities and branches is extreme heat, in medium and high climate scenarios.

In 2025, BDO continued to conduct energy audits of its largest facilities and largest branches to inform its energy management action plan in the short, medium, and long-term and a draft Energy Management Policy under senior management review. In the meantime, the Bank continued to apply energy efficiency measures both for existing and newly constructed offices and branches.

For the loan, treasury, and trust portfolios, physical risk per sector were assessed against four scenarios: Low (1.3-2.4°C), Medium (2.1-3.5°C), Medium-High (2.8-4.6°C), and High (3.3-5.7°C). S&P Global based the four scenarios on the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways and Shared Socioeconomic Pathways, informed by the Task Force on Climate-related Financial Disclosures (TCFD) technical guidelines.

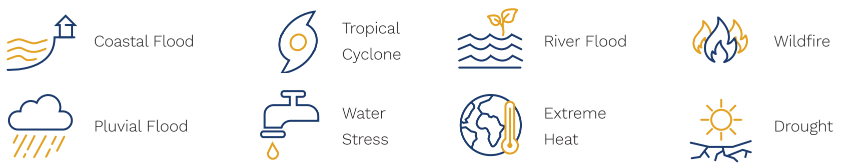
A transition risk assessment was likewise conducted for the Bank's corporate operations, along with the loan, treasury, and trust portfolios. The corporate level transition risk assessment looked at policy risk, market risk, and reputation risk. On the portfolio level, the analysis utilized a combination of climate scenarios across in-scope industry sectors. The analysis assessed the impact on aspects of the business between the 2022 to 2050. BDO engaged with clients in sectors where decarbonization efforts would have the most impact, particularly through financing the acquisition and/or use of renewable energy.

BDO will continually refine the Bank's methods for conducting climate scenario analysis. Insights gained on the effects of physical and transition risks across bank lending portfolios and its own operations have helped BDO improve its understanding of risk exposures and potential climate impacts for the short, medium, and long-term.

Metrics to Assess and Manage Climate-related Risks and Opportunities

BDO continues to track progress in providing sustainable finance investments via BDO's sustainable financial instruments. BDO does not currently disclose the proportion of revenue or proportion of assets, capital deployment, or other business activities aligned with climate-related opportunities, including revenue from products and services designed for a low-carbon economy, and forward looking metrics consistent with BDO's business or strategic planning time horizons.

Physical Risk Hazard Types



Key Focus Areas and Risk Appetite

	Climate Change	Environment	Human Rights	Environment Disaster Risk Management & Response
Commitment	Manage the risks associated with climate change (physical, transition risk) today and in future scenarios. Manage risk associated with supporting the country's transition to a low carbon economy.	Recognizes that environmental degradation will exacerbate destruction and loss of life. Manage and reduce the Bank's	Recognizes and upholds its role to respect human rights among its stakeholders.	Recognizes its critical role in economic development and social inclusion. Focuses resources to mitigate and adapt to the E&S impact of disasters brought about by climate change and human activities.
Risk Appetite	**Low risk appetite** Activities that do not support the transition to a low carbon economy, and in line with the BDO Energy Transition **High risk appetite** Clean and renewable energy activities. Finance statement.	**Low risk appetite** Client activities that have significant adverse **No risk appetite** Any non-compliance with environmental laws and regulations it is being monitored.	**No risk appetite** Activities that violate human rights in the Bank's workforce, clients, investees, and supply chain.	**High risk appetite** Activities that create opportunities, drive socio-economic development, and responds to needs of marginalized sectors of society. **No risk appetite** Activities that significantly disrupt bank operations.

CLIMATE CHANGE AND NATURE OPPORTUNITIES AND POTENTIAL FINANCIAL IMPACTS 201-2

Opportunity	BDO Ambition and Risk Appetite	Time Horizon	Potential Financial Impacts on BDO
Supporting the country's transition to a low carbon economy	BDO has an internal target to annually increase renewable energy financing under its Sustainable Finance Program. The Bank has a high risk appetite for clean and renewable energy activities for lending and investments, guided by its Sustainable Finance Framework.	Short-Medium-Long	■ Increase in total sustainable financing, particularly for renewable energy projects ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Full compliance with the Agriculture, Fisheries and Rural Development (AFRD) Law to allocate 25% of loans to AFRD projects, without penalty ■ Reduced balance sheet and exposure to coal financing ■ Decrease in financed carbon emissions ■ Attract investors interested in financing the transition to a low carbon economy ■ Increased access to investors requiring decarbonization commitments
	BDO has ceased lending to new coal capacity since 2019 and aims to reduce its coal exposure by 50% by 2033, while ensuring that coal exposure in its total loan portfolio does not exceed 2% by 2033.	Medium-Long	
	BDO supports the country's energy security priorities and programs today and in future scenarios, and in line with the BDO Energy Transition Finance Statement.	Medium-Long	
Supporting clients' transition to low carbon	BDO commits to support clients as they transition out of fossil fuels and into renewable and clean energy. The Bank supported the Bangko Sentral ng Pilipinas provision and advocated for the extension of the 15% Additional Single Borrowers Limit (SBL) to enable its clients to acquire renewable energy projects and transition out of their coal business.	Short-Medium-Long	■ Increase in total sustainable financing, particularly for renewable energy projects · Increase in transition financing ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Decrease in financed carbon emissions ■ Zero penalty with full compliance to the Agriculture, Fisheries and Rural Development (AFRD) Law ■ Attract investors interested in financing the transition to a low carbon economy ■ Improved trust and relationship with clients which may result in increased business
	BDO will provide access to finance to individuals and communities impacted by the energy transition.	Short-Medium	
Supporting the country's adaptation plans (with mitigation as side benefit) to strengthen resilience to climate and nature risk	BDO will continue to issue sustainability-related financial instruments such as its Blue Bond, ASEAN Sustainability Bond, and Sustainability-Linked Loan to finance adaptation projects that address water scarcity, wastewater pollution, food security, green buildings, clean transport, pollution prevention and control.	Medium-Long	■ Increase in total sustainable financing, especially for projects improving access to affordable basic infrastructure and essential services ■ Increase in balance sheet volumes for green, blue, social, and gender financing ■ Full compliance with the Agriculture, Fisheries and Rural Development (AFRD) Law ■ Attract investors interested in financing resiliency projects
Strengthening Operational Resilience	BDO will increase its electricity sourcing from renewable energy sources each year compared to its 2022 baseline.	Medium-Long	■ Reduced costs from decreased and managed resource consumption (ex. electricity, water, materials such as paper) ■ Increased expenditure to support carbon footprint reduction in operations ■ Attract investors interested in organizations with sustainable practices
	BDO will incorporate energy, water, waste, and fuel efficiency features as standards in all new branches and offices.	Short-Medium-Long	

Environmental and Social Risks Exposure

BDO Unibank E&S Risk Exposure

As of 31 December 2025, BDO Unibank's portfolio exposures in lending and investments were diversified across multiple sectors, with the largest exposures in Activities of Households as Employers; Undifferentiated Goods- and Services-Producing Activities of Households for Own Use at 14.92%, Electricity, Gas, Steam and Air Conditioning Supply at 12.07%, Real Estate Activities at 10.10%, Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 10.00%, and Financial and Insurance Activities at 9.96% of total portfolio exposure.

The Bank continues to monitor its portfolio exposure to four sectors that are deemed high risk for environmental and social. Electricity, Gas, Steam and Air Conditioning Supply accounted for 12.07% of the total portfolio (10.95% in 2024) which also includes lending to renewable energy projects. Transportation and Storage and Construction comprised 3.93% (4.17% in 2024) and 2.07% (same as 2024), respectively, while exposure to Mining and Quarrying was lowest at 0.51% (same as 2024).

In 2025, BDO Unibank continued to integrate environmental and social risk considerations into credit evaluation, investment decision-making, and portfolio monitoring processes. Exposures in sectors with elevated E&S risks are subject to enhanced review and approval requirements under the Bank's Environmental and Social Risk Management System (ESRMS). Regular portfolio assessments and sectoral reviews support the identification and management of emerging risks, reinforcing prudent risk governance while supporting responsible growth and sustainable economic development.

The portfolios per sector of the Bank's overseas branches in Singapore and Hong Kong are also presented in this report. For context, BDO Hong Kong Branch's loan exposure remains less than 1% of BDO Unibank's total loan portfolio, while BDO Singapore Branch's loan exposure is 1.2% of BDO Unibank's total loan exposure.

BDO Private Bank (BDOPB) and BDO Network Bank (BDONB), both subsidiaries of BDO Unibank, are also presented in this report. BDOPB represents 1% of the BDO group's total loan and investment portfolio, while BDONB represents 3% of the BDO Group's total loan portfolio.

BDO UNIBANK (PARENT BANK)

Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (79% of total)	Investment Portfolio (71% of total)	Total Portfolio Exposure
Activities of Households as Employers; Undifferentiated Goods- and Services-producing Activities of Households for Own Use	18.82%	0.00%	14.92%
Electricity, Gas, Steam and Air Conditioning Supply	14.48%	2.89%	**12.07%**
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	12.55%	0.25%	10.00%
Real Estate Activities	12.50%	0.91%	10.10%
Financial and Insurance Activities	9.14%	13.10%	9.96%
Manufacturing	8.17%	0.93%	6.67%
Information and Communication	5.18%	1.12%	4.34%
Transportation and Storage	4.89%	0.26%	**3.93%**
Other Service Activities	2.84%	0.00%	2.25%
Construction	2.50%	0.43%	**2.07%**
Arts, Entertainment and Recreation	2.36%	0.10%	1.89%
Water Supply; Sewerage, Waste Management and Remediation Activities	1.65%	0.04%	1.32%
Human Health and Social Work Activities	1.59%	0.00%	1.26%
Accommodation and Food Service Activities	1.45%	0.88%	1.33%
Mining and Quarrying	0.53%	0.43%	**0.51%**
Agriculture, Forestry and Fishing	0.53%	0.00%	0.42%
Administrative and Support Service Activities	0.30%	0.00%	0.24%
Education	0.25%	0.00%	0.20%
Professional, Scientific and Technical Activities	0.24%	0.00%	0.16%
Public Administration and Defense; Compulsory Social Security	0.03%	78.65%	16.34%
Total	**100.00%**	**100.00%**	**100.00%**

BDO Hong Kong Branch E&S Risks Exposure

BDO Unibank's Hong Kong Branch follows the parent bank's enterprise risk management framework and ESRMS, integrating environmental and social considerations into credit assessment and portfolio monitoring.

The Branch remains aligned with the Hong Kong Monetary Authority's (HKMA) supervisory guidance on climate and environmental risk management. Portfolio exposures are monitored across sectors with varying environmental and social risk profiles, considering potential physical and transition risks.

For 2025, the Hong Kong Branch's total portfolio exposure is primarily concentrated in Financial and Insurance Activities (54.87%) deemed as low risk, largely driven by the investment portfolio. Public Administration and Defense; Compulsory Social Security accounts for 21.92% of total exposure, likewise investment-related. Other exposures include Information and Communication (8.05%,) Manufacturing (4.32%), and Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles (3.22%). Exposure to Electricity, Gas, Steam and Air Conditioning Supply represents 2.90%, while Mining and Quarrying is at 0.70%, and Transportation and Storage is at 0.18% of the total portfolio.

Exposure to sectors with higher environmental and social risk characteristics remains manageable within the Branch's risk management framework and is subject to ongoing monitoring. BDO Hong Kong Branch will continue to work with the HKMA and align with evolving regulatory expectations on environmental and social risk management.

BDO HK PORTFOLIO EXPOSURE PER SECTOR

Industry (based on PSIC 2019)	Loan Portfolio (29% of total)	Investment Portfolio (71% of total)	Total Portfolio Exposure
Accommodation and Food Service Activities	0.00%	1.86%	1.32%
Agriculture, Forestry and Fishing	7.13%	0.00%	2.07%
Construction	0.00%	0.38%	**0.27%**
Electricity, Gas, Steam and Air Conditioning Supply	3.72%	2.56%	**2.90%**
Financial and Insurance Activities	42.18%	60.06%	54.87%
Information and Communication	24.65%	1.27%	8.05%
Manufacturing	13.99%	0.38%	4.32%
Mining and Quarrying	0.00%	0.99%	**0.70%**
Public Administration and Defense; Compulsory Social Security	0.00%	30.87%	21.92%
Real Estate Activities	0.00%	0.25%	0.18%
Transportation and Storage	0.00%	0.25%	**0.18%**
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	8.33%	1.13%	3.22%
Total	**100.00%**	**100.00%**	**100.00%**

BDO Singapore Branch E&S Risks Exposure

BDO Singapore Branch adheres to the regulatory requirements of the Monetary Authority of Singapore (MAS) on Environmental Risk Management and applies the BDO Unibank ESRMS. Environmental and social (E&S) risk considerations are embedded in the Branch's credit assessment and portfolio management processes for both lending and investment activities. The Branch participates in annual regulatory consultations and industry discussions in support of sustainable finance practices in Singapore.

BDO Singapore Branch's portfolio remains predominantly concentrated in Financial and Insurance Activities rated low risk, which account for 60.75% of total portfolio exposure, consistent with the Branch's business focus. Other exposures include Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 7.97%, Education at 3.73%, Transportation and Storage at 1.77%, and Accommodation and Food Service Activities at 0.67%, followed by more limited exposure to Construction at 0.80%.

Exposure to sectors with high E&S risks, such as Electricity, Gas, Steam and Air Conditioning Supply (0.31%), Mining and Quarrying (0.36%), and Construction (0.80%), remains limited relative to the total portfolio. Where applicable, these exposures are subject to enhanced due diligence and risk mitigation measures in accordance with the BDO Unibank ESRMS and the Branch's risk appetite.

Consistent with group-wide policies, BDO Singapore Branch continues to manage sectoral exposures prudently. Ongoing monitoring supports the identification and management of emerging environmental and social risks, including climate-related and regulatory developments.

BDO SG PORTFOLIO EXPOSURE PER SECTOR

Industry (based on PSIC 2019)	Loan Portfolio (50% of total)	Investment Portfolio (50% of total)	Total Portfolio Exposure
Accommodation and Food Service Activities	0.00%	1.33%	0.67%
Construction	1.17%	0.42%	**0.80%**
Education	7.50%	0.00%	3.73%
Electricity, Gas, Steam and Air Conditioning Supply	0.00%	0.62%	**0.31%**
Financial and Insurance Activities	71.94%	49.66%	60.75%
Information and Communication	0.00%	0.18%	0.09%
Mining and Quarrying	0.00%	0.73%	**0.36%**
Other Service Activities	0.27%	0.00%	0.13%
Public Administration and Defense; Compulsory Social Security	0.00%	46.36%	23.29%
Real Estate Activities	0.00%	0.27%	0.13%
Transportation and Storage	3.28%	0.27%	**1.77%**
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	15.84%	0.18%	7.97%
Total	**100.00%**	**100.00%**	**100.00%**

BDO Private Bank E&S Risks Exposure

BDO Private Bank (BDOPB) and the Sustainability Office assessed BDOPB's loan portfolio to determine its sector exposure to environmental and social (E&S) risks inherent at the industry level.

Sectors with relatively higher inherent E&S risks include Real Estate Activities, Construction, Transportation and Storage, Manufacturing, and Agriculture, Forestry and Fishing. In 2025, exposure to these sectors remains limited, with Construction accounting for 10.99%, Transportation and Storage 2.97%, Manufacturing 2.82%, and Agriculture, Forestry and Fishing 0.91% of the total loan portfolio.

The majority of BDOPB's loan portfolio is concentrated in sectors assessed as having low to moderate inherent E&S risks. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles represent the largest exposure at 25.08%, followed by Real Estate Activities at 22.18%, Activities of Households as Employers and Undifferentiated Goods- and Services-Producing Activities of Households for Own Use at 14.63%, and Information and Communication at 12.45%. BDOPB has no exposure to sectors typically associated with high environmental risk, such as Mining and Quarrying, Electricity, Gas, Steam and Air Conditioning Supply, and Water Supply; Sewerage, Waste Management and Remediation Activities.

Overall, BDOPB's loan portfolio reflects a low exposure to high environmental and social risks, consistent with the Bank's risk appetite and prudent portfolio positioning.

The Bank has also assessed its exposure to different physical risk hazards using the government's HazardHunterPH platform. BDOPB wealth centers are located in metropolitan and emerging metropolitan areas and may have varying susceptibility to flooding from storms and typhoons. It mitigates these risks through flood control systems of BDO-owned buildings where the wealth centers are located.

BDO PRIVATE BANK

Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (%)
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	25.08%
Real Estate Activities	22.18%
Activities of Households as Employers; Undifferentiated Goods- and Services-producing Activities of Households for Own Use	14.63%
Information and Communication	12.45%
Construction	**10.99%**
Other Service Activities	6.05%
Transportation and Storage	**2.97%**
Manufacturing	2.82%
Agriculture, Forestry and Fishing	0.91%
Human Health and Social Work Activities	0.85%
Professional, Scientific and Technical Activities	0.57%
Financial and Insurance Activities	0.50%
Accommodation and Food Service Activities	0.00%
Administrative and Support Service Activities	0.00%
Arts, Entertainment and Recreation	0.00%
Education	0.00%
Electricity, Gas, Steam and Air Conditioning Supply	**0.00%**
Mining and Quarrying	**0.00%**
Public Administration and Defense; Compulsory Social Security	0.00%
Water Supply; Sewerage, Waste Management and Remediation Activities	0.00%
Total	**100.00%**

BDO Network Bank E&S Risks Exposure

BDO Network Bank, Inc. (BDONB) continues to adopt a similar ESRMS framework as its parent bank, BDO Unibank, Inc., applicable to its microfinance and small and medium enterprise (MSME) lending operations. BDONB provides financial access to underserved and unbanked adult Filipinos in provincial and remote areas of the country, and the ESRMS guides the identification, assessment, and management of environmental and social (E&S) risks across its loan portfolio.

BDONB's sectors with high E&S risk exposures are the same as its parent bank: Construction; Transportation and Storage; Mining and Quarrying; and Energy-related activities. As of 31 December 2025, these sectors continue to represent only a small portion of the MSME loan portfolio, with exposures at 0.16% and less.

Based on the 2025 portfolio exposure, the MSME loan book is largely concentrated in sectors with relatively low environmental and social risk profiles. The Education sector accounts for 81.84% of the total MSME portfolio, followed by Agriculture, Forestry and Fishing at 9.78%, and Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles at 6.31%. The remaining exposure is distributed across various service and industrial sectors, each comprising less than 1% of the total portfolio.

All MSME borrowers are assessed using BDONB's ESRMS, which applies sector-based E&S risk scoring consistent with the methodology of the BDO Group. Industries are evaluated based on the inherent risks associated with their operations and are classified as low, medium, or high risk.

BDO NETWORK

MSME Portfolio per Sector as of 31 December 2025

Industry (based on PSIC 2019)	Loan Portfolio (%)
Education	81.84%
Agriculture, Forestry and Fishing	9.78%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	6.31%
Other Service Activities	0.64%
Manufacturing	0.53%
Accommodation and Food Service Activities	0.35%
Construction	**0.16%**
Transportation and Storage	**0.10%**
Human Health and Social Work Activities	0.07%
Administrative and Support Service Activities	0.06%
Professional, Scientific and Technical Activities	0.03%
Electricity, Gas, Steam and Air Conditioning Supply	**0.03%**
Information and Communication	0.02%
Mining and Quarrying	**0.02%**
Real Estate Activities	0.02%
Public Administration and Defense; Compulsory Social Security	0.01%
Financial and Insurance Activities	0.01%
Water Supply; Sewerage, Waste Management and Remediation Activities	0.00%
Arts, Entertainment and Recreation	0.00%
Activities of Households as Employers; Undifferentiated Goods- and Services-producing Activities of Households for Own Use	0.00%
Total	**100.00%**

Social, Economic, and Physical Risk Exposure

The Bank assessed potential social, economic, and physical risk exposure of its facilities based on projected provincial risk categorization for 2030 to 2040 under the Shared Socioeconomic Pathway 5–8.5 (SSP5–8.5) scenario of the Philippine National Adaptation Plan. This scenario assumes continued fossil fuel–intensive development and rising greenhouse gas emissions, resulting in more severe projected climate impacts. The assessment approach is commonly used in climate risk analysis to evaluate exposure under high-emissions scenarios and to understand potential operational impacts under intensified climate conditions.

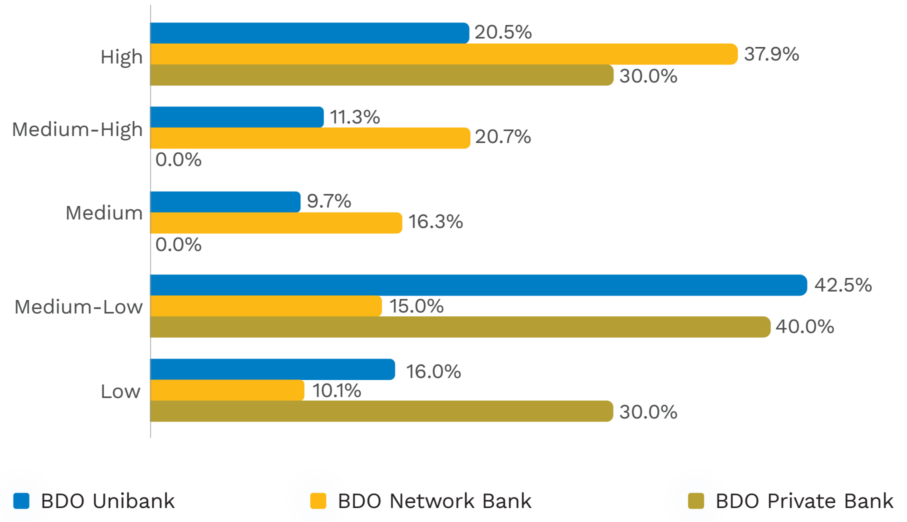
Based on this assessment, more than half of BDO Unibank's facilities are located in provinces projected to have low to medium-low levels of climate-related risk. The remaining facilities are distributed across medium, medium-high, and high risk categories. This distribution reflects the Bank's nationwide footprint and the varying levels of projected social, economic, and physical risk across Philippine provinces.

In comparison, BDO Network Bank facilities show a higher concentration in provinces with medium-high to high projected risk levels. This reflects the Bank's stronger presence in provincial and rural communities, which may be more exposed to climate-related social, economic, and physical hazards.

In response to the increasing frequency and intensity of typhoons, BDO has identified branches that are highly susceptible to flooding and installed flood-gate barriers to mitigate the risk of water intrusion and protect the Bank's and its clients' assets.

In addition, BDO partners with the Philippine Institute of Volcanology and Seismology (PHIVOLCS) to utilize the HazardHunter application, which enables location-specific assessments of physical hazards and supports the identification of measures to enhance the climate and disaster resilience of its facilities.

Taken together, these findings support the Bank's ongoing efforts to strengthen climate resilience and inform risk management actions led by the Corporate Planning, Facilities, and Business Continuity Planning (BCP) teams, as part of the Bank's broader climate risk management and sustainability strategy.

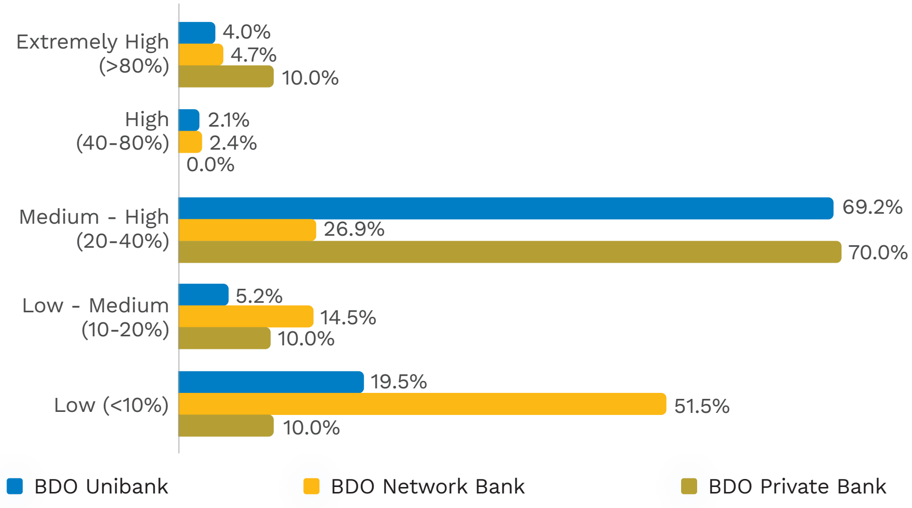


Operations in Water Stressed Areas

The Bank assessed the exposure of its facilities to water stress using the Aqueduct Water Risk Atlas developed by the World Resources Institute. Exposure levels represent the ratio of water demand to available supply in a given area. Lower percentages indicate that water demand is well below available supply, while higher percentages indicate increasing pressure on water resources.

Based on this assessment, a large portion of BDO Unibank's facilities are located in areas classified under medium-high water stress. This reflects the Bank's presence in cities and urban centers, where higher population density and economic activity contribute to greater demand for water resources.

In contrast, facilities of BDO Network Bank are primarily located in provincial areas where water demand is generally lower and water supply remains relatively sufficient. As a result, a significant portion of its branches and offices fall within areas classified under low water stress, with fewer facilities located in areas experiencing higher levels of water stress.



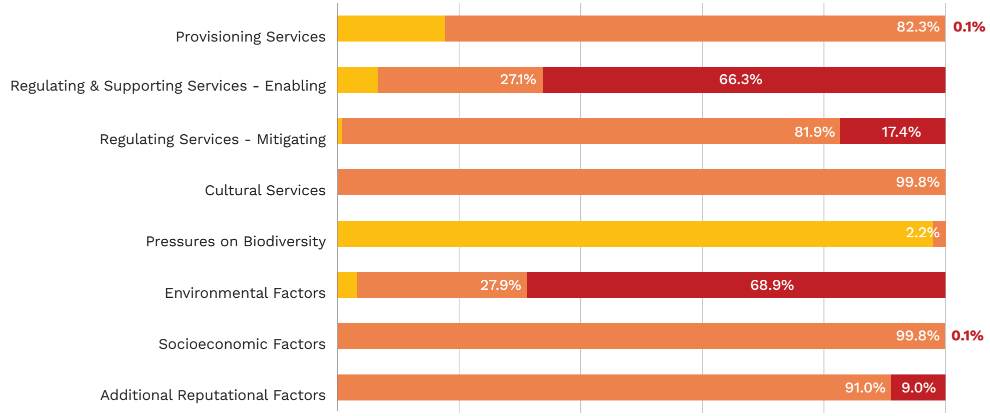
Biodiversity Risk Exposure 101-4, 101-5, 101-6, 101-8

Very Low (1 - 1.79) | Low (1.8 - 2.59) | Medium (2.6 - 3.39) | High (3.4 - 4.19) | Very High (4.2 - 5)

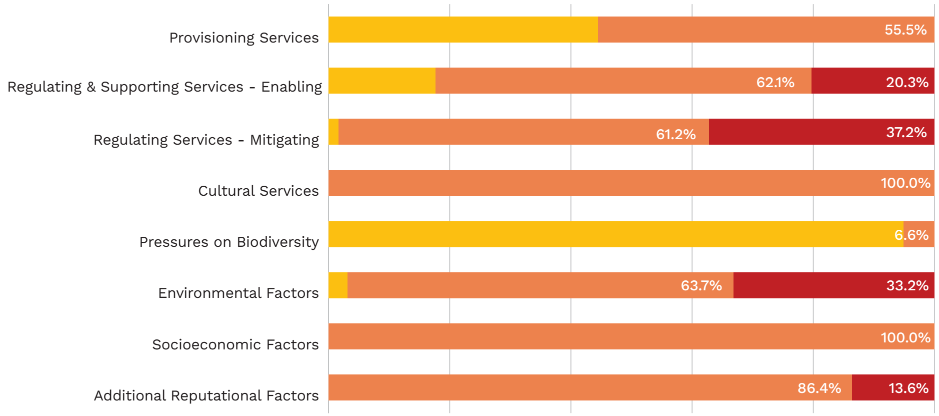
The Bank assessed the biodiversity-related risks associated with its facilities using the Biodiversity Risk Tool developed by the World Wide Fund for Nature. The assessment evaluates potential biodiversity risks linked to the geographic locations of BDO facilities across several ecosystem service and environmental risk categories. Under this assessment, these categories help identify how operational locations may interact with natural ecosystems and environmental conditions.

The Philippines is recognized by Conservation International as one of the 17 megadiverse countries in the world and is identified as a critical global biodiversity hotspot. This reflects its exceptionally high levels of species diversity and endemism alongside significant ecosystem pressures. As a result, the biodiversity-related risk exposure of BDO facilities shows a heavy concentration in medium to very high risk categories across several dimensions. The table below summarizes the biodiversity risk categories used in the assessment.

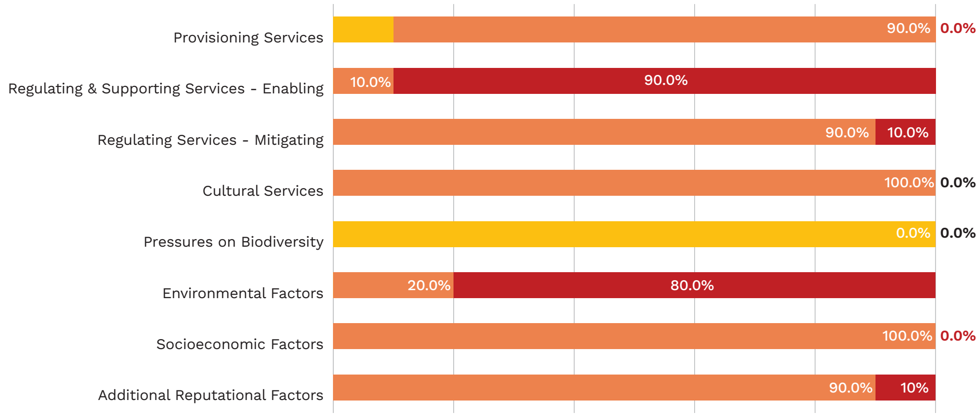
The Bank will map the impact of these biodiversity risk exposure to specific project assets in its portfolios and engage key clients for mitigation and adaptation opportunities.



BDO Unibank branches



BDO Network Bank branches



BDO Private Bank wealth centers

Definition of Terms	
Provisioning Services	refer to ecosystem services that provide tangible natural resources such as food, freshwater, raw materials, and other biological resources
Regulating and supporting services-enabling	refer to ecosystem functions that support and maintain environmental conditions necessary for human activities, such as water regulation, soil formation, nutrient cycling, and habitat provision
Regulating services–mitigating	refer to ecosystem processes that help reduce environmental impacts, including climate regulation, flood control, water purification, and erosion prevention
Cultural Services	relate to the intangible benefits people obtain from the perceived or actual qualities ecosystems, such as recreation, tourism, cultural heritage, and aesthetic values
Pressures on biodiversity	refer to factors that may contribute to ecosystem degradation, such as land-use change, pollution, resource extraction, and habitat fragmentation
Environmental factors	refer to broader ecological conditions that influence biodiversity health, including climate patterns, habitat condition, and ecosystem stability
Socioeconomic factors	relate to human activities and development patterns that may influence biodiversity, such as population density, infrastructure expansion, and economic activities
Additional reputational factors	refer to potential reputational risks associated with biodiversity-sensitive areas, such as proximity to protected areas, key biodiversity areas, or environmentally significant sites

Source: World Wide Fund For Nature (WWF)

Sustainable Finance 2-6, 203-1

Financial Instruments for Sustainability

ASEAN Sustainability Bond IV breaks records

In July 2025, BDO Unibank successfully raised ₱115 billion (USD1.95 billion), the country's largest corporate bond sale to date, for its fourth Peso-denominated ASEAN Sustainability Bond issue, 23 times oversubscribed against the original offer of ₱5 billion. The public offer period was set to run for two weeks, from July 9 to 22, 2025. Strong participation from both retail and institutional investors prompted the early close of the offer period on 14 July 2025, after only four days. The Bank's latest ASEAN Sustainability Bond has a tenor of one-and-a-half (1.5) years and a coupon rate of 5.875% per annum. The issue, settlement, and listing date is on 29 July 2025. The use of proceeds for the issuance are intended to finance and/or refinance eligible assets as defined in the Bank's Sustainable Finance Framework, support the Bank's lending activities, and diversify the Bank's funding sources.

The latest issuance bested all three previous ASEAN Sustainability Bond issuances from the Bank since 2022. The first issuance in January 2022 raised ₱52.7 billion, the second in January 2024 was issued at ₱63.3 billion, while the third raised ₱55.7 billion in July 2024.

₱115 billion
The country's largest corporate bond sale to date

BDO ASEAN SUSTAINABILITY BONDS ISSUANCES

Issuance	Period Offered	Rate (Coupon)	Tenor	Target (Php bn)	Amount raised (Php bn)
ASEAN Sustainability Bond I	January 2022	2.90% p.a.	2 years	5	52.7
ASEAN Sustainability Bond II	January 2024	6.025% p.a.	1.5 years	5	63.3
ASEAN Sustainability Bond III	July 2024	6.325% p.a.	1.5 years	5	55.7
ASEAN Sustainability Bond IV	July 2025	5.875% p.a.	1.5 years	5	115

Sustainable Financing from Pilot to Scale: BDO Institutional Banking Group

BDO has consistently led the commercialization of renewable energy (RE) financing and expanded it through innovative instruments such as green, blue, and sustainability bonds. Proceeds are allocated to landmark transactions, including the ₱150 billion syndicated loan for the MTerra Solar Project of Meralco PowerGen Corporation (MGEN). This is the largest project finance facility in Philippine history and the world's largest integrated solar and battery storage facility, with 3,500 MWp of solar capacity and 4,500 MWh of battery energy storage. The project is expected to deliver clean energy to approximately 2.4 million households and contribute significantly to the country's energy transition targets.

Sustainable financing at BDO also gained traction in acquisition financing and the optimization of sustainable assets, supporting companies transitioning to low-carbon business operations. Another notable transaction in 2025 was the financing of the acquisition of the 796.64 MW Caliraya-Botocan-Kalayaan (CBK) hydroelectric power plant complex by Aboitiz Power through its project company, Cleanergy 9 Power Inc. This acquisition supports the national goal of achieving a 50% RE share in the power mix by 2040 and is integral to the Philippine energy system, as the power plant can reduce peak power prices and support the integration of variable renewable energy sources.

Sustainable Finance Framework

Green Finance

- Renewable Energy
- Green Buildings
- Clean Transportation
- Resource Efficiency and Pollution Prevention and Control
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Sustainable Water and Wastewater Management
- Energy Efficiency
- Climate Change Adaptation

Blue Finance

- Sustainable Water and Wastewater Management
- Offshore Renewable Energy
- Ocean-Friendly and Water-Friendly Products
- Ocean-Friendly Chemicals
- Prevention, Control and Reduction of Waste from Entering the Coastal and Marine Environments
- Sustainable Fisheries, Aquaculture, and Seafood Value Chain
- Ecosystem Management, Protection and Natural Resources Restoration
- Resource Efficiency and Circular Economy
- Sustainable Shipping and Port Logistics Sector Projects
- Sustainable Tourism in the Vicinity of Marine Conservation Areas

Social Finance

- Employment Generation
- Food Security
- Access to Essential Services
- Affordable Basic Infrastructure
- Affordable Housing
- Social and Economic Empowerment

Orange/Gender Finance

- Gender-Responsive Products
- Gender-Diverse and Equitable Workforce
- Women Empowerment
- Gender-Responsive Supply Chain
- Gender-Responsive Services

BDO's first Sustainability-Linked Loan (SLL)

In 2025, BDO granted a ₱1.5 billion sustainability-linked loan facility to real estate developer Arthaland Corporation. The company is committed to being a standard-bearer of green and sustainable real estate solutions in the Philippines and is focused on its long-term goal of creating value for the next generation, while taking into account social, environmental, and economic impacts of its residential and commercial projects. Key Performance Indicators (KPIs) under the SLL include reductions in greenhouse gas (GHG) emissions, an increase in projects powered by renewable energy, and the implementation of professional green building training initiatives. BDO aims to engage more clients by offering targeted financing solutions, advisory support, and capacity-building programs that encourage businesses to adopt sustainable practices. Through these initiatives, the Bank seeks to accelerate and strengthen clients' sustainability journeys.

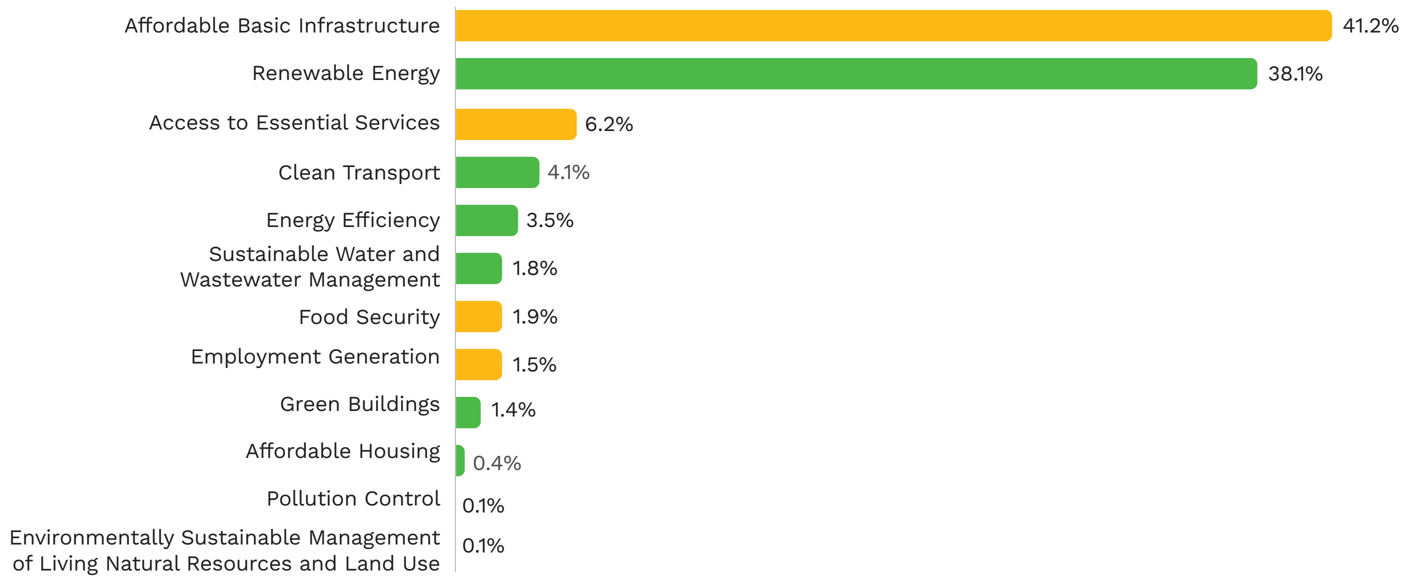
Frameworks and Market Leadership

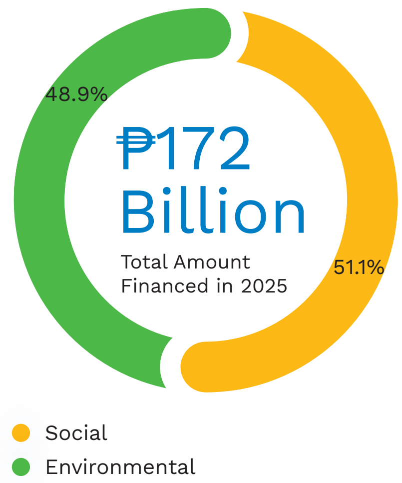
Beyond lending, BDO has built one of the region's most expansive Sustainable Finance Frameworks (SFF), covering Green, Blue, Social, and Gender Finance. The SFF is supported by a Second Party Opinion (SPO) from Morningstar Sustainalytics, which confirms that the expanded eligible categories are credible and aligned with international and ASEAN standards.

BDO continues to strengthen its commitment to sustainable finance by expanding its in-house expertise and reinforcing its leadership in the field. As of 2025, the Institutional Banking Group (IBG) is supported by five Certified Green Finance Specialists through BDO's partnerships with the International Finance Corporation (IFC) and the Renewables Academy AG based in Germany.

Together with a strong Sustainable Finance Desk, composed of technical experts who not only pioneered sustainable financing but continue to trailblaze in the field, IBG delivers inclusive and meaningful support to clients on their sustainability journeys, while ensuring that sustainable finance principles are embedded across all client engagements and internal processes.

GREEN AND SOCIAL FINANCE IN THE IBG PORTFOLIO





ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACT 2-4, 203-1

Description	as of 2024	as of 2025
Total Sustainable Finance Funded	**₱1.0 trillion**	**₱1.21 trillion**
Loans disbursed in the past 5 years	National projects - ₱114.1 billion Airports - ₱46.9 billion Road networks - ₱31.2 billion Railways - ₱15.7 billion	National projects - ₱125.56 billion Airports - ₱46.87 billion Road networks - ₱33.35 billion Railways - ₱22.6 billion
Road Network Development	167.7km	167.7km
Vehicles Served	138.1 million	138.1 million
Carbon emissions annually reduced through efficient roadways	4,260 tonnes	4,260 tonnes
Total Installed Renewable Energy Capacity	**2,679 MW**	**6,165 MW**
Renewable energy projects funded	63	71
Carbon dioxide avoided per year by funded renewable energy projects	4,767,745	8,494,943
Equivalent passenger vehicles taken off roads yearly	1,012,270	1,803,608
Equivalent tree seedlings grown over 10 years	78,835,672	140,465,604
Families Served by Renewable Energy Projects	2,232,107	3,678,756
Biomass Capacity	164 MW	164 MW
Geothermal Capacity	1,179 MW	1,475 MW
Hydro Capacity	598 MW	1,694 MW
Solar Capacity	642 MW	2,736 MW
Wind Capacity	96 MW	96 MW
Disbursed Loan Amount per RE Technology Type	Biodiesel: ₱137 million Bioethanol: ₱920.9 million Biomass: ₱25.4 billion Geothermal: ₱17 billion Hydro: ₱38.2 billion Solar: ₱21 billion Wind: ₱4.1 billion	Biodiesel: ₱137 million Bioethanol: ₱920.9 million Biomass: ₱25.7 billion Geothermal: ₱22.1 billion Hydro: ₱60.3 billion Solar: ₱64.1 billion Wind: ₱4.1 billion
Bioethanol Production	44.1 million liters per year	44.1 million liters per year
Biodiesel Production	60 million liters per year	60 million liters per year

Sustainable Energy Finance Projects 203-1

Biodiesel

60 Installed capacity (ML/Y)	₱137 million Disbursed loan amount	12,000 GHG avoidance per year based in Net (in tonnes CO_2e)
153,723 GHG avoidance per year based in Gross (in tonnes CO_2e)	32,640 Equivalent passenger vehicle off the road per year	2,541,996 Equivalent tree seedlings grown for 10 years

Bioethanol

44.12 Installed capacity (ML/Y)	₱920.9 million Disbursed loan amount	35,296 GHG avoidance per year based in Net (in tonnes CO_2e)
49,540 GHG avoidance per year based in Gross (in tonnes CO_2e)	10,518 Equivalent passenger vehicle off the road per year	819,153 Equivalent tree seedlings grown for 10 years

Biomass

164 Installed capacity (MW)	₱25.7 million Disbursed loan amount	1,075,002.32 Net Energy Generation (MWh/year)
1,194,447.02 Gross Energy Generation (MWh/year)	₱6.96 billion Value of energy generation per year (Billion Php/year)	435,522.09 GHG avoidance per year based on Net (in tonnes CO_2e)
483,913.43 GHG avoidance per year based in Gross (in tonnes CO_2e)	102,742.59 Equivalent passenger vehicle off the road per year	8,001,614.08 Equivalent tree seedlings grown for 10 years
228,555.12 No. of households/families (average of 6 persons per family) supplied by RE	1,572,241.44 Amount of agricultural wastes converted to feedstock/power T/Yr	169,744.62 No. of farmers supported

Geothermal

1,475
Installed capacity (MW)

₱22.1 billion
Disbursed loan amount

6,906,608
Net Energy Generation (MWh/year)

7,674,009
Gross Energy Generation (MWh/year)

₱29.56 billion
Value of energy generation per year (Billion Php/year)

2,798,115
GHG avoidance per year based on Net (in tonnes CO_2e)

3,109,017
GHG avoidance per year based in Gross (in tonnes CO_2e)

660,092
Equivalent passenger vehicle off the road per year

51,408,213
Equivalent tree seedlings grown for 10 years

1,568,258
No. of households/families (average of 6 persons per family) supplied by RE

Hydro

1,694
Installed capacity (MW)

₱60.3 billion
Disbursed loan amount

6,818,593
Net Energy Generation (MWh/year)

7,538,042
Gross Energy Generation (MWh/year)

₱36.55 billion
Value of energy generation per year (Billion Php/year)

2,909,854
GHG avoidance per year based on Net (in tonnes CO_2e)

3,216,881
GHG avoidance per year based in Gross (in tonnes CO_2e)

682,993
Equivalent passenger vehicle off the road per year

53,191,763
Equivalent tree seedlings grown for 10 years

1,576,201
No. of households/families (average of 6 persons per family) supplied by RE

Solar

2,736
Installed capacity (MW)

₱64.1 billion
Disbursed loan amount

2,796,352
Net Energy Generation (MWh/year)

3,107,058
Gross Energy Generation (MWh/year)

₱22.08 billion
Value of energy generation per year (Billion Php/year)

1,238,975
GHG avoidance per year based on Net (in tonnes CO_2e)

1,376,639
GHG avoidance per year based in Gross (in tonnes CO_2e)

292,282
Equivalent passenger vehicle off the road per year

22,763,003
Equivalent tree seedlings grown for 10 years

261,356
No. of households/families (average of 6 persons per family) supplied by RE

Wind

96
Installed capacity (MW)

₱4.1 billion
Disbursed loan amount

224,229
Net Energy Generation (MWh/year)

237,483
Gross Energy Generation (MWh/year)

₱1.79 billion
Value of energy generation per year (Billion Php/year)

99,349
GHG avoidance per year based on Net (in tonnes CO_2e)

105,221
GHG avoidance per year based in Gross (in tonnes CO_2e)

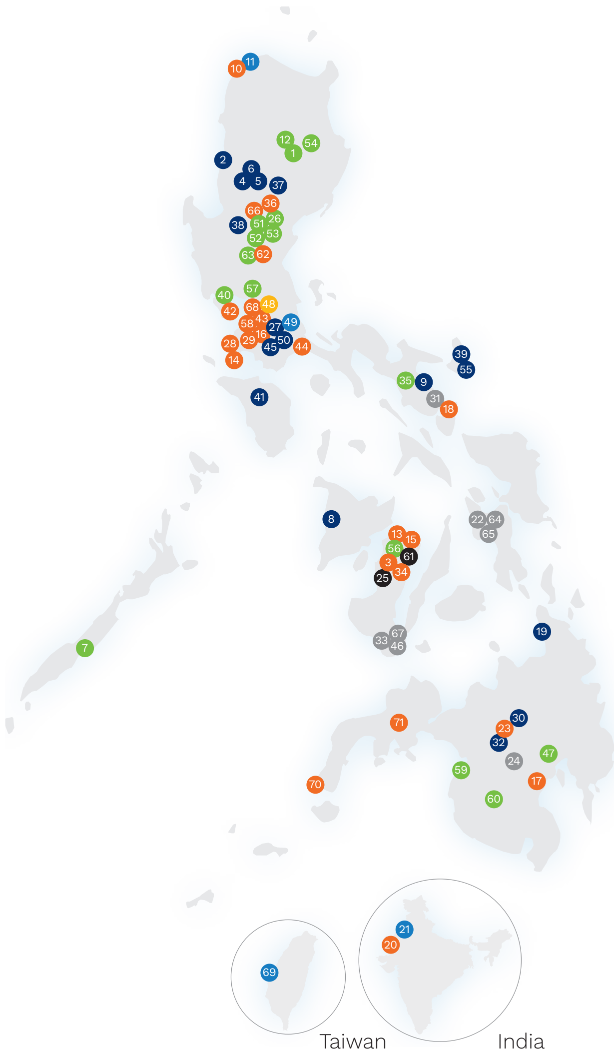
22,340
Equivalent passenger vehicle off the road per year

1,739,863
Equivalent tree seedlings grown for 10 years

44,386
No. of households/families (average of 6 persons per family) supplied by RE

BDO Sustainable Energy Finance Project Map

RE Project	No. of Projects	Capacity
Biodiesel	1	60ML/Y*
Bioethanol	2	44.12ML/Y*
Biomass/Biogas	16	164
Geothermal	8	1,475
Hydro	17	1,694
Solar	23	2,736
Wind	4	96
Total	**71**	**6,165 MW**



① **20 MW**
Alicia, Isabela

② **70 MW**
Alilem, Ilocos Sur

③ **0.3 MW**
Bacolod

④ **140 MW**
⑤ **31.8 MW**
⑥ **19 MW**
Benguet

⑦ **7 ML/Y**
Brooke's Point, Palawan

⑧ **8 MW**
Bugasong, Antique

⑨ **1.8 MW**
Buhi, Camarines Sur

⑩ **6.8 MW**
⑪ **37.5 MW**
Burgos, Ilocos Norte

⑫ **15 MW**
Burgos, Isabela

⑬ **132.5 MW**
Cadiz City, Negros Occidental

⑭ **63.3 MW**
Calatagan, Batangas

⑮ **172.7 MW** NEW
Calatrava, Negros Occidental

⑯ **1.1 MW**
Carmona, Cavite

⑰ **28.6 MW**
Davao Del Sur

⑱ **5.2 MW**
Iloilo, Leyte, Cebu and Sorsogon

⑲ **12.9 MW**
Jabonga, Agusan del Norte

⑳ **28.8 MW**
㉑ **14.1 MW**
Jaisalmer district of Rajasthan, India

㉒ **125 MW**
Kananga, Leyte

㉓ **10.5 MW**
Kibawe, Bukidnon

㉔ **106 MW**
Kidapawan, North Cotabato

㉕ **30 ML/Y**
La Carlota City, Negros Occidental

㉖ **12 MW**
Llanera, Nueva Ecija

㉗ **398.3 MW** NEW
Lumban, Majayjay, and Kalalayaan, Laguna

㉘ **125 MW**
Lumbangan Plant, Tuy, Batangas

㉙ **72 MW**
Luntal Plant and Lumbangan Plant, Tuy, Batangas

㉚ **1.6 MW**
M. Fortich, Bukidnon

㉛ **140 MW**
Manito, Albay

㉜ **2.4 MW**
Maramag, Bukidnon

㉝ **49.4 MW**
Nasulo, Negros Oriental

㉞ **45 MW**
Negros Occidental

㉟ **5 MW**
New San Roque, Pili, Camarines Sur

㊱ **1.8 MW** NEW
Nueva Ecija - Bulacan

㊲ **132 MW**
Nueva Ecija - Pangasinan

㊳ **165 MW**
Nueva Vizcaya, Aurora

㊴ **1.5 MW**
Obi, Catanduanes

㊵ **12 MW**
Orani, Bataan

㊶ **10 MW**
Oriental Mindoro

㊷ **20 MW**
Orion, Bataan

㊸ **0.3 MW**
Ortigas Center, Pasig City

㊹ **136.5 MW** NEW
Pagbilao, Quezon

㊺ **509.6 MW** NEW
Pakil, Laguna

㊻ **172.5 MW** NEW
Palinpinon, Negros Oriental

㊼ **0.4 MW**
Panacan, Davao City

㊽ **60 ML/Y**
Pasig City

㊾ **24 MW**
Pililia, Rizal

㊿ **188.2 MW** NEW
Rodriguez, Rizal

(51) **12 MW**
(52) **12 MW**
(53) **6 MW**
San Jose City, Nueva Ecija

(54) **19 MW**
San Mariano, Isabela

(55) **2.1 MW**
San Miguel, Catanduanes

(56) **20.6 MW**
Silay City, Negros Occidental

(57) **0.3 MW**
Sta. Maria, Bulacan

(58) **0.5 MW**
Sta. Rosa, Laguna

(59) **15 MW**
Sultan Kudarat, Maguindanao

(60) **6 MW**
Surallah, South Cotabato

(61) **14.1 ML/Y**
Talisay City, Negros Occidental

(62) **100 MW**
(63) **2 MW**
Tarlac City, Tarlac

(64) **123 MW** NEW
(65) **586.4 MW**
Tongonan, Leyte

(66) **0.02 MW**
Umingan, Pangasinan

(67) **172.5 MW**
Valencia, Negros Oriental

(68) **1.2 MW**
Western Bicutan, Taguig City

(69) **20 MW**
Yunlin, Taiwan

(70) **0.5 MW**
Zamboanga City

(71) **0.3 MW**
Zamboanga del Sur

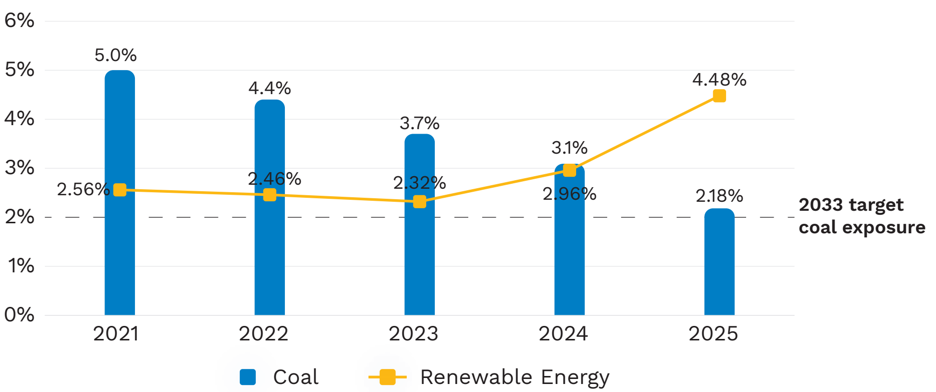
Energy Transition Finance Commitment 2-23, 2-24, 102-1, 102-2, 102-4

BDO will continue its current practice of not lending to new coal-fired power plant capacity, a practice in place since 2019. In its Energy Transition Finance Statement of 2022, BDO committed to cease lending to new coal-fired power plant capacity and reduce its coal exposure by 50% by 2033, while ensuring that its coal exposure does not exceed 2% of its total loan portfolio by 2033. New coal exposure refers to exposure to new capacity, while coal exposure refers to the term loans and does not include short-term working capital. Ultimately, BDO does not intend to finance any new capacity that will increase harmful greenhouse gas (GHG) emissions in the environment.

However, in a situation where the Philippine government implements provisional emergency measures to address an energy crisis, or to the extent that the country's energy resources can no longer meet its energy demand, BDO may reconsider extending capital for coal projects, in the interest of advancing the country's social goals. The Bank anticipates that its position on energy security in general, and on coal-related financing in particular, will evolve along the way in response to the country's economic realities, taking into consideration government's energy-related priorities and programs.

BDO will continue to apply enhanced Environmental and Social risk assessment and due diligence of customers with coal and fossil fuel investments among their businesses. In addition, the Bank will continue to engage with its clients to determine how best it can support them in their low carbon transition journey. The Bank will likewise continue to fund more renewable energy projects under its Sustainable Finance program. As part of its whole of ecosystem approach, the Bank also commits to provide access to finance to individuals and communities that will be impacted by the energy transition. For the full Energy Transition Finance Statement, see http://www.bdo.com.ph/bdo-energy transition-finance-statement.

RENEWABLE ENERGY AND COAL EXPOSURE IN LENDING PORTFOLIO (BANK-WIDE)



Supporting Evolving Consumer Preferences: Consumer Banking Group

Auto Loan

In 2025, BDO Auto Loans advanced its commitment to sustainability with bold strides in green mobility and inclusive access. Auto Loans is no longer just financing vehicles; it is fueling a movement toward cleaner transportation and broader financial inclusion.

Accelerating Green Mobility

The Green Mobility Program remained at the heart of this progress. By offering preferential loan rates for new energy vehicles (NEVs), the program encourages eco-conscious ownership and accelerates the shift to low-emission transport. This initiative not only reduces carbon footprints but also makes sustainable choices more affordable.

In 2025, BDO financed 5,545 NEV units—a 128% increase from the previous year—and booked ₱7.5 billion ($128M) in NEV loans, doubling last year's auto financing volume. This growth translates to thousands of

vehicles emitting fewer greenhouse gases, helping communities breathe cleaner air and support the country's climate goals.

BDO expanded its reach through the Community Marketing Program, targeting underserved regions such as Davao in Mindanao, Bicol in southern Luzon, and Bulacan north of Metro Manila. Through localized campaigns, on-ground engagement, and tailored loan packages, the program equips communities with financial tools that enable sustainable mobility and economic participation.

Digital-First Auto Financing

Financial inclusion through digital access also gained momentum in auto financing. To reduce barriers for remote applicants, BDO introduced lower-rate incentives for online auto loan applications. This digital-first approach not only improves access but also supports sustainability goals by minimizing paper use and travel-related emissions. Every online transaction means fewer trips, less fuel consumed, and a smaller environmental footprint—proof that convenience and sustainability can go hand in hand.

In 2025, 1.7% of auto loan applications (835 of 49,233) were submitted online, up from 1.23% in 2024 (462 of 37,665), demonstrating strong adoption of digital channels and reinforcing BDO's commitment to inclusive, sustainable banking.

Together, these initiatives reflect BDO's vision of driving change, where every auto loan contributes to a cleaner environment, stronger communities, and a more inclusive future.

5,545
Financed NEV units

₱7.5 billion
2025 NEV loans

Personal Loans

BDO's Personal Loan provides flexible financing solutions for a variety of needs, including home improvement, education, travel expenses, and debt payment. With competitive interest rates and fixed monthly installments of up to 36 months, customers can manage their budgets more effectively by spreading expenses over time. This hassle-free and affordable loan option helps make financial planning simpler and more convenient for the borrower.

With BDO's extensive nationwide branch network, the Bank is able to cater to a broad and diverse range of customers. Loan amounts range from ₱10,000 to ₱2,000,000, offering suitable options for young professionals, entrepreneurs, and individuals at different life stages. By providing accessible credit and manageable repayment terms, BDO empowers customers to achieve their personal goals.

Solar Panel Financing via Credit Card

BDO Credit Cards likewise promotes access and affordability of clean, renewable energy to households through partnerships with full-service solar providers Solviva Energy and Rectify Solar Energy. Filipino families can shift to renewable power through 0% interest installment plans for up to 12 months.

This initiative supports the country's transition to cleaner energy while making solar adoption more affordable. It reflects social and environmental responsibility by empowering Filipinos to choose smarter, sustainable solutions for their homes and communities.

Home Loan

Building Responsible Homeownership

In 2025, BDO Home Loan advanced BDO's sustainability agenda through responsible lending, digital transformation, and eco-conscious housing solutions.

The program continued to include solar panel acquisition and installation as an eligible loan purpose, offered either as a standalone housing loan or as a top-up to an existing BDO housing loan. This encourages households to invest in renewable energy.

Partnerships with accredited solar suppliers are underway to make solar financing more accessible, reinforcing BDO's advocacy for clean energy and resource-efficient living. In its early rollout, the initiative has already generated ₱2.2M in bookings, marking a promising start in helping households lower energy costs and reduce carbon emissions.

Home Loan also promoted its Virtual Assist platform and institutionalized regular digital webinars, enabling clients to consult Account Officers online while reducing paper use and travel. Together, about 40% of the approved pipeline went through these digital initiatives, highlighting their growing role as core and sustainable engagement channels.

Internally, the Sustainability Challenge: Paper Bag Collection Drive gathered 660 reusable bags, which were recycled and repurposed for operational use, including the distribution of BDO merchandise to loan centers across Luzon, Visayas, and Mindanao.

Through these initiatives, BDO Home Loan advances sustainable lifestyles and responsible homeownership, while also contributing to long-term housing stability and community well-being.

₱2.2 million
Generated in bookings

Solar Panels Acquisition and Installation added as Eligible Purpose for Home Loans

Multipurpose Loan

The Multipurpose Loan (MPL) program provides entrepreneurs and established businesses with flexible financing solutions to support growth and investment opportunities. Designed to broaden access to credit, MPL offers two key facilities: Term Loan and Ready Check, each tailored to meet different business needs.

Funding Options for Every Business Need

Term Loan gives businesses the capital required for long-term investments, such as acquiring real estate, purchasing new equipment, or financing construction and renovation projects. Funds are disbursed as a lump sum, either in full or in tranches for construction requirements. Repayment is predictable through fixed monthly amortization, and with a tenor of up to 10 years, companies can plan for sustained growth with confidence.

Ready Check ensures immediate access to funds for short-term requirements. This revolving credit facility is best suited for managing seasonal inventory, covering operational expenses, and paying suppliers while awaiting customer collections.

Businesses can draw against an approved credit line via check issuance, using part or all of the amount as needed. Repayment is convenient—clients pay only on the amount used, with an option to settle the minimum due. Principal payments restore the available credit line, ensuring continuous access to funds.

The program serves a wide range of businesses, from owners planning to expand operations to companies acquiring assets or machinery and enterprises investing in new projects or ventures. By offering both long-term and short-term financing options, MPL empowers businesses to respond to opportunities and challenges with agility.

Embedding Responsible Lending

In November 2025, MPL started to implement the Bank's Environmental and Social Risk Management System (ESRMS), a milestone in embedding responsible practices into the Bank's lending operations. This system enables the team to evaluate credit proposals not only on financial merit but also on environmental and social impact.

By integrating E&S risk assessments into credit decisions, MPL reinforces its dedication to responsible banking, regulatory compliance, and long-term risk resilience. This move aligns with national sustainability goals and BDO's commitment to integrate sustainability principles in everything we do. It also strengthens the Bank's position as a proactive, values-driven lender that supports growth while significantly contributing to positive impact to communities and the environment.

Cards Issuing

BDO remains the Philippines' top credit card issuer, with 3.9 million cards in force, reflecting sustained growth in consumer adoption. This expansion is anchored on the Bank's commitment to offer unsecured loan products that provide customers with financial flexibility anytime, anywhere. A notable portion of new cards went to first-time credit cardholders, reinforcing BDO's thrust toward financial inclusion.

In 2025, we introduced the BDO HOPE Mastercard, a co-branded card with HOPE, the social enterprise behind 'HOPE in a Bottle,' which sells packaged water to raise funds for public school infrastructure in last-mile schools in remote and underserved areas. For every ₱1,000 qualified spend, BDO donates ₱5 to fund classroom construction in public schools, supporting education infrastructure nationwide. In line with our sustainability goals, this card is made from 100% recycled material, reducing plastic waste and promoting circularity. Through this partnership, BDO and HOPE aim to build classrooms that create lasting impact for Filipino learners.

Digitization and Customer Experience

Alongside purpose-driven initiatives, we are advancing solutions in line with BDO's digitization efforts. Our Customer Relationship Management (CRM)-powered online application platform, launched in 2023, continues to deliver a fast, seamless, and paperless onboarding experience. Customers can apply by clicking "Apply Now" on the BDO website or scanning QR codes at branches, partner merchants, and pop-up booths nationwide. Through this platform, we process approximately 43,000 credit card applications monthly, ensuring both a better onboarding journey and operational efficiency through secure digital storage of records.

The shift to digital consent and paperless processing eliminates manual handling and physical storage of printed copies, reducing paper consumption and accelerating turnaround time for card application processing—significantly enhancing the overall customer experience.

BDO actively encourages clients to enroll in electronic statements of account (eSOA) for enhanced security, convenience, and sustainability. As of year-end, 96% of active cardholders are enrolled in eSOA, reducing paper use and providing faster access to monthly transactions.

To improve accessibility, customers may opt to pick up their cards at BDO branches or designated courier hubs, particularly in areas with limited delivery reach or those affected by calamities, ensuring continuity of service even in challenging circumstances.

Operational Sustainability

Beyond issuance, we proactively offer lifestyle-enhancing benefits to qualified customers, including credit limit increases for greater spending power, card upgrades for enhanced rewards and privileges, and supplementary cards to share financial access with loved ones.

The Cards Acceptance Unit has transitioned to digital workflows, eliminating printed forms for requests such as additional cards, annual enhanced due diligence reviews, and employee and secured card processing.

To further reduce carbon footprint, team members are allowed to work from alternate sites closer to home, minimizing travel emissions. Additionally, as part of corporate social responsibility and sustainability programs, our teams actively participate in initiatives like the X-trash Challenge recycling program, bringing in recyclable materials from home to support waste reduction efforts.

Merchant Partnerships

Tech-Driven Green Gains

Merchant Partnerships (MP) actively advances sustainability goals by implementing innovative features in its products and services to enhance customer convenience, reduce operational costs, and align with global sustainability objectives.

Through the BDO Merchant Online Reporting System (MORS), an online portal that allows merchants to view and download daily payment transaction details for reconciliation, MP has eliminated the need for physical copies. This transition improves convenience while delivering measurable environmental and financial benefits. By removing credit notice printing, BDO significantly reduces paper usage, cutting costs and minimizing waste.

In 2025, this initiative generated estimated cost savings of ₱18 million (US$ 306.2K), calculated at an average cost of ₱0.60 per page. Beyond financial efficiency, the shift to digital reporting reduces paper waste and carbon footprint, reinforcing eco-friendly practices across merchant operations. At the same time, it enhances data security by requiring a username and password for access and by masking sensitive information such as credit card numbers. MORS also empowers merchants with secure, up-to-date access to transaction data, reducing reliance on physical documentation, and supporting BDO's broader digital transformation agenda.

This achievement reflects BDO's proactive approach to driving sustainability in 2025 - leveraging technology to minimize environmental impact while optimizing operational efficiency.

Digital Marketing to Reduce Plastic Waste

CBG Marketing strategically reallocated its budget to prioritize digital advertising, allocating 91% of ad spend for digital channels and limiting printed billboard placements to 9%, compared to 80% digital channels and 20% billboards in 2024. This shift significantly reduced reliance on single-use printed materials, such as polyethylene tarpaulins, thereby minimizing plastic use and environmental impact.

The initiative underscores the group's commitment to transitioning marketing efforts from print to digital formats. By adopting this approach, the team achieves greater flexibility, broader audience reach, and a measurable reduction in plastic waste and the Bank's carbon footprint associated with traditional printed materials.

₱18 million

Generated estimated cost savings from shift to digital reporting

₱0.60

Calculated average cost per paper

Executing Strategies for Financial Wellness: BDO Trust and Investments Group

BDO Trust and Investments Group (TIG) sustained its commitment to financial literacy in 2025, advancing efforts to promote inclusive financial growth and wellness among Filipinos. Through its dedicated wealth learning and development team, BDO TIG facilitated 31 free financial education sessions, reaching 1,995 participants from diverse sectors during the year. These seminars covered key topics such as budgeting, investing, and retirement planning.

BDO TIG recognizes that financial literacy empowers individuals to make informed decisions and achieve financial independence at every life stage. Its education initiative encourages Filipinos to build a habit of saving and eventually transition into confident investors equipped with the knowledge to secure their financial future. By leveraging both digital platforms and in-person sessions, BDO TIG delivered training nationwide, ensuring broader and more seamless access to its programs.

Start Small, Grow Big with Easy Investment Plan

The BDO Easy Investment Plan (EIP) allows individuals to regularly and automatically invest a portion of their savings in Unit Investment Trust Funds (UITFs), fostering the discipline of consistent investing to build wealth and achieve long-term financial goals. With EIP, clients can start investing for as little as ₱1,000 per month (or US$200 for dollar-denominated UITFs), gaining access to diversified portfolios of securities such as bonds and equities that typically require higher minimum investments. By offering a simple and flexible way to invest, EIP empowers Filipinos to begin their investment journey and participate in long-term financial growth through their chosen UITF.

Personal Equity and Retirement Account for Building Long-Term Security

BDO TIG emphasizes the importance of long-term financial planning to ensure retirement stability, especially in the Philippines where government pension benefits often fall short of covering living and healthcare expenses later in life. To help address this gap, Retirement Planning is a core module in BDO TIG's Financial Literacy Program, equipping Filipinos with the knowledge to prepare for life beyond employment.

BDO TIG is the first trust entity accredited by both the Bangko Sentral ng Pilipinas (BSP) and the Bureau of Internal Revenue (BIR) as an administrator of the Personal Equity and Retirement Account (PERA)—a voluntary, long-term retirement savings account designed to supplement benefits from the Social Security System, Government Service Insurance System, and employer-sponsored retirement plans.

PERA offers exclusive tax advantages, including a 5% annual tax credit on contributions, tax-exempt investment earnings, and exemption from estate tax. Through PERA, BDO TIG promotes a proactive approach to retirement planning among Filipinos.

Since its launch in 2016, BDO TIG has led efforts to make PERA more accessible. In 2017, it introduced the country's first PERA Online facility, simplifying account opening for contributors. Today, BDO TIG continues to expand market reach by partnering with employers to adopt PERA as part of their employee benefit programs. Through roadshows and consultations, BDO TIG helps organizations implement retirement solutions that are cost-efficient and tax-advantaged, while supporting employee retention and financial well-being. This reflects BDO's broader advocacy for financial wellness and inclusion.

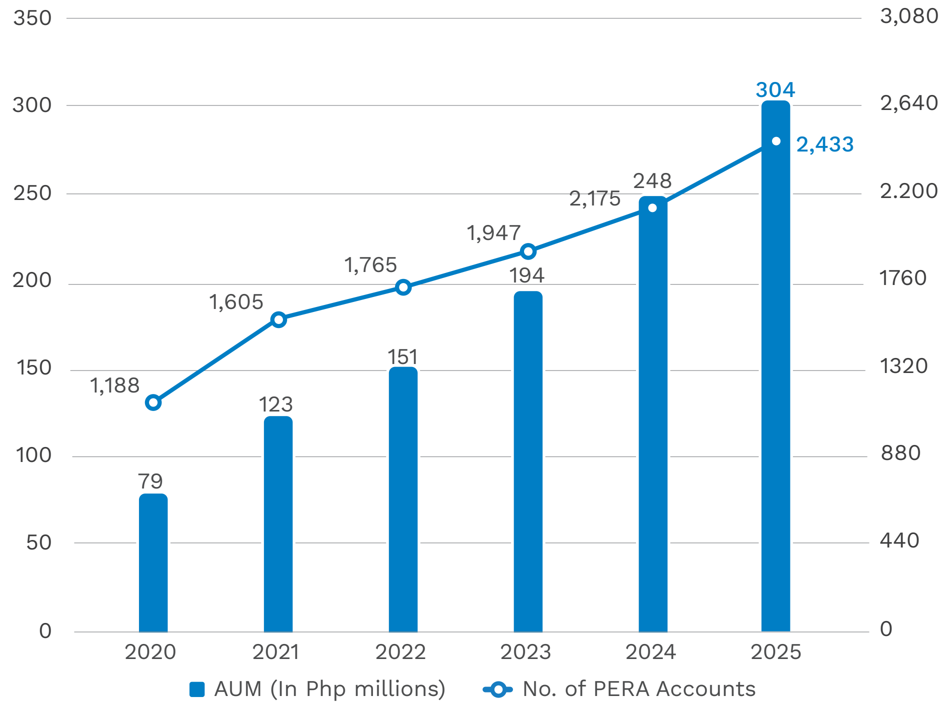
Easy Investment Plan by the Numbers

Assets	₱3,289.50 billion Assets under Management	21,800 Number of EIP Clients	
Gender	40% Male	60% Female	
Area	38% Metro Manila	35% Provincial	27% Invest Online

In 2025, the Capital Markets Efficiency Promotion Act (CMEPA) provided additional incentives for private employers to help employees build retirement savings through PERA. Employers who contribute an amount equal to or greater than their employee's contributions, subject to annual PERA limits, may claim an additional 50% deduction from gross income. BDO TIG leverages this development to drive greater PERA adoption and encourage stronger participation from private companies.

As of end-2025, PERA Assets Under Management (AUM) reached ₱304.36 million, growing by 22.81% or ₱56.52 million. The number of PERA contributors also rose by 11.86%, bringing the total to 2,433. BDO TIG continues to see strong growth as more Filipinos recognize PERA's value in securing their financial future.

PERSONAL EQUITY AND RETIREMENT ACCOUNT



ESG Equity Fund for Investing with Impact

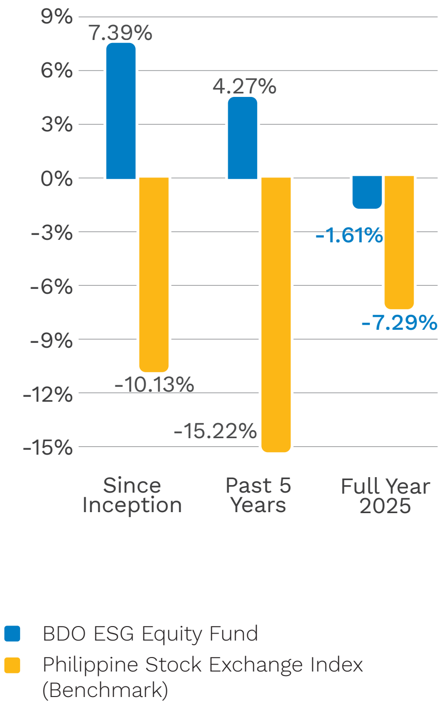
BDO TIG is among the earliest adopters of Environmental, Social, and Governance (ESG) in the Philippine fund management industry, becoming the first entity to formally integrate ESG considerations into its investment products through the BDO ESG Equity Fund—the country's first ESG-themed UITF. The Fund supports companies that demonstrate strong sustainability practices and responsible corporate behavior. It follows ESG investment guidelines set by the International Finance Corporation (IFC) and excludes companies engaged in alcohol or tobacco, gaming, mining and oil exploration, coal-dependent power generation, and those with unethical business conduct. The Fund's holdings are reviewed monthly to ensure continued alignment with ESG criteria.

BDO TIG actively promotes the Fund to clients, including schools, foundations, religious organizations, associations, and other non-profit groups seeking investment portfolios aligned with their mission and values. The Fund aims to deliver long-term capital growth by investing in companies that exemplify ESG principles while supporting broader sustainability objectives. Through the BDO ESG Equity Fund, BDO TIG reinforces its commitment to offering value-driven investment solutions that align financial growth with positive societal impact.

As of end-2025, the Fund's net asset value stood at ₱167.01 million, reflecting a decline mainly due to broader equity market sentiment amid investor concerns over macroeconomic and political factors. Despite this environment, the BDO ESG Equity Fund outperformed the Philippine Stock Exchange Index (PSEi) by 5.68% in 2025. Over the long term, the Fund has delivered positive returns of 4.27% over the past five years and 7.39% since inception, compared to the PSEi's returns of -15.22% and -10.13%, respectively.

₱167 million
Fund's net asset value

BDO ESG EQUITY FUND PERFORMANCE RETURN



Advancing Sustainable Investments for Impact: BDO Treasury Group

The BDO Treasury Group reinforced its commitment to the Bank's Sustainable Finance Framework by expanding investments in green, social, and sustainability-linked bonds from local and international issuers. In 2025, despite bond maturities in the prior year, the Group increased its holdings to 17 labeled issues, up from 14 in 2024. Investment size grew by 30% year over year.

Where eligible bonds exist, the Group prioritizes issuers that align with the United Nations Sustainable Development Goals (SDGs) and uphold strong Environmental, Social, and Governance (ESG) standards.

Preference is given to investments and issuers that demonstrate transparency in their sustainability frameworks and disclose the use of proceeds, project evaluation and selection processes, fund management, and impact reporting. These bonds finance a range of eligible blue, green, and social projects and initiatives.

To strengthen portfolio resilience, the Group requires sustainability risk assessments of its bond holdings. In line with the Bank's commitment to rigorous ESG evaluation, issuers undergo an in-depth environmental and social risk review using an internally developed rating tool. This framework supports ongoing monitoring of issuer controversies, ESG performance, and progress toward stated sustainability objectives. The assessment ensures all investments remain within the Bank's defined Environmental and Social Risk Management System (ESRMS) framework and tolerance thresholds across industries and regions.

The Group is collaborating with other departments to build a more dynamic and accountable system for monitoring and evaluating new and existing investments against ESG performance.

Moving forward, the Treasury Group will continue to pursue sustainability-linked bonds that comply with the Bank's investment guidelines and exclusion list. It aims to broaden its universe of ESG-compliant issuers to diversify exposure across sectors and geographies. With renewed confidence in the Bank's sustainability framework and the portfolio's resilience to sustainability risks, the Group is committed to further increasing its exposure to ESG-labeled investments.

Wealth Stewardship for Tomorrow: BDO Private Bank

BDO Private Bank (BDOPB) actively leverages sustainability initiatives suited to its products, services, and client profile. In pursuing its sustainability goals, the Bank aligns fully with its parent, BDO Unibank, by adopting a structured approach to managing environmental and social (E&S) risks. To this end, BDOPB implements the BDO Unibank Environmental and Social Risk Management System (ESRMS), which enables the identification, assessment, and management of E&S risks across its lending and investment activities, as well as its day-to-day operations.

Integrating Sustainability Principles

To better integrate sustainability principles and achieve its environmental and social goals, BDOPB adopts a three-pronged approach: through products and services, through client engagement, and through internal policies and processes.

Investments in Sustainable Development and Responsible Banking

Through its open-architecture platform, BDOPB provides access to green, social, and sustainability-linked financial instruments. In 2025, clients' investments in green and sustainability bonds reached ₱21 billion, compared to ₱20 billion in 2024. BDOPB clients also participated in BDO's oversubscribed ASEAN Sustainability Bond issuances, with proceeds earmarked for renewable energy, green buildings, energy distribution infrastructure, water management, employment generation, and food security projects.

BDO Private Bank was honored as the Philippines' Best for Sustainability at the Euromoney Private Banking Awards 2025, underscoring its strong commitment to responsible banking and the integration of sustainability, human rights, and governance principles into its operations. The Bank affirms its commitment to national sustainability standards by allocating ₱357 million of its lending portfolio in 2025 to agriculture, fisheries, and rural development (AFRD)–qualified projects that promote inclusive economic growth in rural communities.

The LEAD program—which stands for Lead. Excel. Accelerate. Defy Gravity.—has successfully trained a new generation of wealth managers in ethical and responsible wealth management, reinforcing the Bank's commitment to embedding sustainability into its corporate ethos and leading the way in responsible banking with a lasting positive impact on the environment and society.

Reducing Operational Impact

BDOPB has embedded processes to manage and reduce its carbon footprint, lower energy, water, and fuel consumption, minimize waste—especially paper—and promote reuse and recycling of non-hazardous materials, alongside the safe disposal of hazardous waste in all offices. In 2025, BDOPB marked a 12% reduction in energy and water consumption compared to the previous year, while continuing to track and report these metrics to its parent, BDO Unibank. Employees are also encouraged to support these efforts through volunteer programs, in-house recycling, waste segregation, and energy-saving initiatives.

With this strategy, BDOPB is well-positioned to promote sustainable growth and build strategic resilience—anchored on good governance and guided by accountability, transparency, integrity, and fairness.

Employee Volunteerism

In 2025, BDOPB employees participated in the BDO Employee Volunteer Program through the Rescue Kitchen Volunteer Activity where they prepared, cooked, and distributed good quality surplus food to underprivileged communities. Rescue Kitchen is part of BDO's ongoing partnership with Schools of Sustenance (SOS), a non-government organization dedicated to tackling food waste and food security in Southeast Asia.

Philippines' Best for Sustainability at the Euromoney Private Banking Awards 2025

₱21 billion

Clients' investments in green and sustainability bonds

₱367 million

2025 allocated lending portfolio to agriculture, fisheries, and rural development (AFRD)

Innovating the Capital Markets with Sustainable Financing: BDO Capital

The issuance of sustainability-related financial instruments has been gaining traction in the ASEAN market, growing fifty-fold over the last decade. As of 13 May 2025, a total of US$60.81 billion in ASEAN-labelled Green, Social, Sustainability, and Sustainability-linked Bonds ("GSS+ Bonds"), excluding non-labelled, specifically aligned issuances, had been successfully launched in the region. Sustainability bonds accounted for 66%, or US$40.33 billion, of the total, while green bonds contributed 22%, or US$13.09 billion. Thailand was the top issuer with US$25.67 billion, followed by Malaysia with US$15.57 billion. The Philippines came in third with US$14.25 billion, based on May 2025 data compiled by Sustainable Finance Institute Asia from AsianBondsOnline and ASEAN Capital Markets Forum sources.

In the Philippines, a total of 46 sustainable finance bonds were issued from 2017 to 2024, amounting to US$15.30 billion, with sustainability bonds accounting for 60%, or US$9.19 billion, of the total, based on the Philippine Sustainable Finance Market Update 2024 issued by the Congressional Policy and Budget Research Department (April 2025). Proceeds from the issuances were used to fund affordable basic infrastructure, access to essential services, employment generation, and socio-economic advancement and empowerment. Green bonds followed, accounting for 30%, or US$4.55 billion, of the total, and were geared toward financing renewable energy projects, water and wastewater management, pollution prevention, and green buildings.

The increasing trend in GSS+ bond issuances in the country reflects the strong support and continuing tripartite efforts of issuers, investment banks, and lender-banks working together to provide clients with sustainable financing solutions while maintaining target returns. Deals are structured to integrate ESG principles, reduce carbon footprint, and support a cleaner, greener, and more sustainable environment.

Following BDO's lead in promoting sustainable financing in line with the Bank's Sustainable Finance Framework, BDO Capital & Investment Corporation (BDO Capital) applies ESG factors, as necessary, to its underwriting, arrangement, and advisory services, with particular focus on the environmental, social, and governance impacts of the transactions it brings to the market.

BDO Capital promotes green and sustainable finance initiatives through its underwriting of green, blue, and social bonds, as well as the arrangement of term loans and acquisition and project financing and advisory for projects that support investments in renewable energy, green buildings, and other infrastructure aligned with the country's transition to a more sustainable mode of economic development.

Among BDO Capital's most significant sustainability-themed transactions in 2025 are the following:

Renewable Energy (Solar and Wind)

- MTerra Solar Philippines, Inc. (owned by the Meralco Group) secured a ₱150 billion project financing loan facility to partially finance the construction and development of a 3,500-MW solar power plant with a 4,500-MWh battery energy storage system component located in Nueva Ecija and Bulacan. The project is the world's largest integrated solar and battery storage facility and represents the largest project financing loan facility in the Philippines to date. BDO Capital acted as sole mandated lead arranger and bookrunner. The MTerra Solar transaction was recognized by Project Finance International as Asia Pacific Solar Deal of the Year and by Finance Asia as Best Project Finance Deal in the Philippines for 2025, with a high commendation as Best Syndicated Loan Deal.
- Citicore Solar Quezon Inc. secured up to ₱11.08 billion in project loan facilities to partially finance the development, construction, and operation of a 292.5-MW ground-mounted solar power generation plant and related transmission facilities located in the Municipality of Pagbilao, Quezon. Project offtake will be supported by a 20-year power purchase agreement under the second Green Energy Auction Program, with commercial operations expected to commence in 2026. BDO Capital acted as mandated lead arranger.
- Wayu Energy Philippines, Inc. secured a ₱425 million term loan facility to refinance the acquisition of various solar rooftop projects and fund other fees and costs relating to the facility. BDO Capital acted as mandated lead arranger.

Energy Transition and Grid Reliability

- Cascade Power Inc. ("Cascade") secured a ₱47.07 billion acquisition financing facility for the purchase of a 60% ownership in First Gen Corporation's gas assets, including the 1,000-MW Santa Rita Gas Plant, the 500-MW San Lorenzo Gas Plant, the 450-MW San Gabriel Gas Plant, the 97-MW Avion Gas Plant, the proposed 1,200-MW Santa Maria Gas Plant, and an offshore LNG terminal. Cascade is a subsidiary of Prime Infrastructure Capital, Inc., the infrastructure arm of tycoon Enrique K. Razon. The transaction supports the country's energy transition by enabling investment in flexible, lower-carbon gas assets that enhance grid reliability and facilitate renewable energy integration. BDO Capital acted as mandated lead arranger and bookrunner.
- Olympia Violago Water & Power Inc. secured a ₱63.74 billion project finance facility to construct and operate a 600-MW pumped storage hydroelectric power plant in Rodriguez, Rizal, adjacent to the Upper Wawa Dam. The plant is designed to operate 23.5 hours per day—with 10 hours of power generation and 13.5 hours of pumping. It has been

awarded a 20-year power purchase contract under the third Green Energy Auction Program, with completion expected in January 2030. BDO Capital acted as mandated lead arranger and bookrunner.

Sustainability Bonds

- BDO Unibank, Inc.'s ₱115 billion fixed-rate ASEAN sustainability bonds due in 2027, where BDO Capital acted as advisor. Proceeds from the bond issuance will be used by the Bank to support its lending activities and diversify funding sources and will be allocated to finance and or refinance eligible assets as defined in the Bank's Sustainable Finance Framework.

Financial Inclusion and SME Financing

- Esquire Financing Inc. ("EFI") secured a ₱10 billion revolving working capital facility, of which ₱1.2 billion was drawn in July 2025. EFI's mission is to support entrepreneurs and small and medium enterprises through tailored financial solutions. The company aims to serve the Philippines' approximately 1.1 million emerging small enterprises, 110,000 small enterprises, and 4,800 medium enterprises, primarily through unsecured business loans and rediscounting facilities. BDO Capital acted as sole arranger.

Inclusive Capital Markets Participation

- The Republic of the Philippines (RoP) issued ₱507.16 billion in Retail Treasury Bonds through the Bureau of the Treasury ("BTr"). With a minimum investment amount of ₱5,000, the RTBs provide opportunities for small investors to participate in a low-risk, higher-yielding instrument, relative to deposits, while supporting the government's priority projects in health, education, infrastructure, and agriculture. To further expand participation and improve public awareness, additional locations were included in regional roadshows, and online financial literacy sessions were conducted for overseas Filipino communities, domestic retail investors, and other institutions, including local cooperatives and schools. The RTBs were made available through both traditional banking channels and digital platforms, including the BTr Online Trading Facility, the Bonds.PH mobile application, the Overseas Filipino Bank and Landbank mobile banking applications, the Philippine Digital Asset Exchange, and, most recently, GCash through the GBonds function, to ensure convenient access for investors. BDO Capital acted as joint issue manager.
- The Republic, through the Bureau of Treasury, conducted the inaugural offering of ₱300.0 billion in 10-year Fixed Rate Treasury Notes (FXTNS). The issuance provided an opportunity for investors other than Government Securities Eligible Dealers (GSEDs), including corporates, cooperatives, trust funds, retirement funds, provident funds, and other institutional investors, to subscribe to FXTNs, which are traditionally offered only to GSEDs through auction. The offering also provided the market with an alternative long-term investment channel while supporting the government's priority projects in healthcare, agriculture, infrastructure, and education. BDO Capital acted as joint issue manager.

There remains significant opportunity for sustainable financing as the Philippines transitions to green, renewable, and potentially clean energy. Financing environmentally and socially responsible projects requires substantial capital investment and continued support from both the government and private sectors, which must work hand in hand to adapt to climate change and pave the way for a cleaner and greener environment.

Building Investor Knowledge and Market Participation: BDO Securities

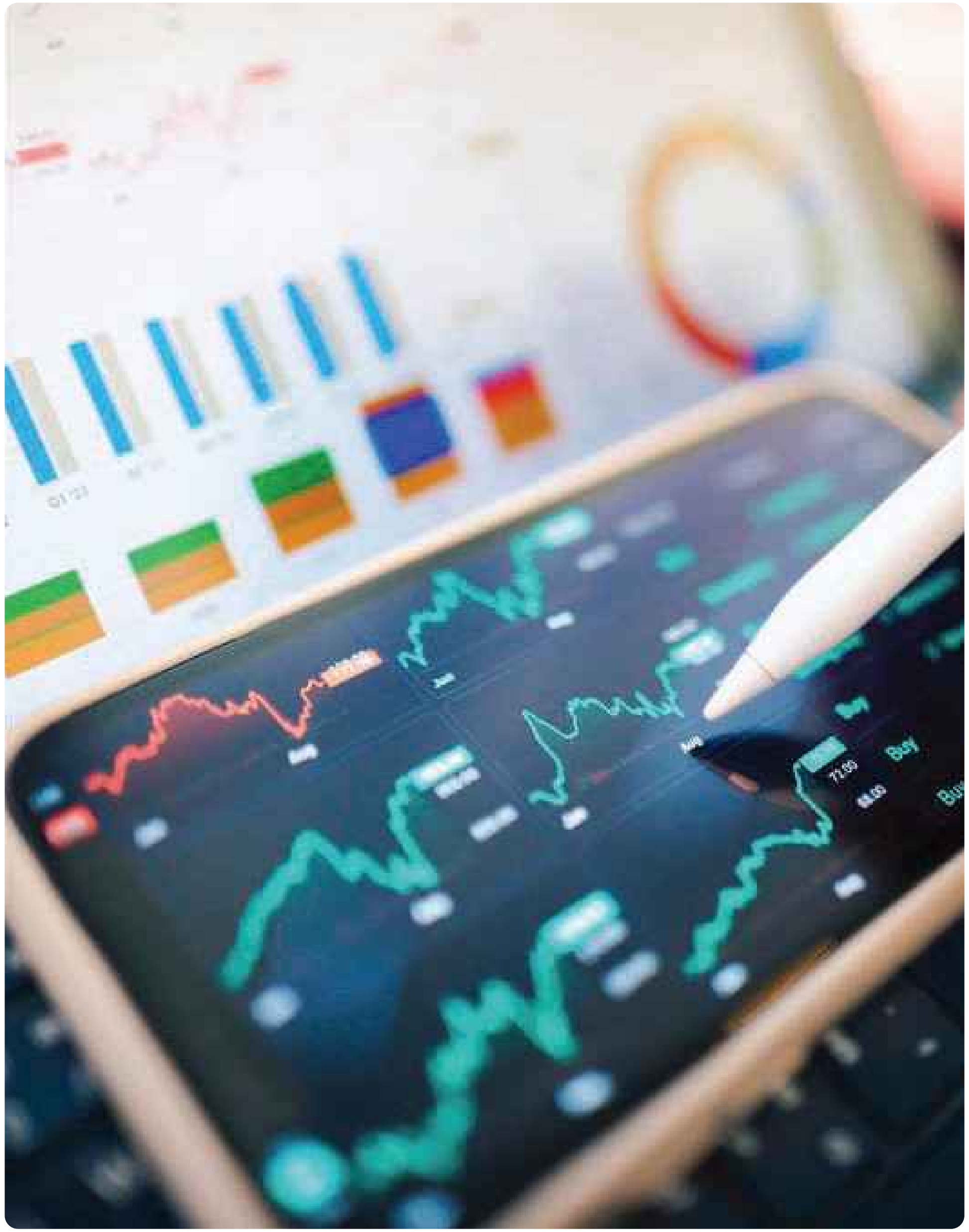
BDO Securities Corporation (BDO Securities) is a Securities and Exchange Commission-licensed broker-dealer and a Trading Participant of both the Philippine Stock Exchange (PSE) and the Philippine Dealing & Exchange Corporation (PDEx).

BDO Securities provides brokerage services through online and mobile platforms, as well as broker-assisted channels. Clients gain access to local equities, including common shares, preferred shares, and real estate investment trusts, along with local and global mutual funds and fixed-income securities, including Philippine peso (PHP)- and United States dollar (USD)-denominated corporate and government bonds, money market instruments, and multi-asset securities.

To promote financial literacy and help clients make informed decisions, BDO Securities publishes daily, weekly, and monthly research reports offering market insights and company metrics. The team also offers learning resources such as webinars, tutorials, and reading materials on its website. These resources guide both novice and experienced investors in navigating the market. Specialized series include sessions on PSE-listed companies' plans and prospects, as well as practical guides to stock market investing.

TradeTalks Webinars provide an interactive venue for investors at all experience levels to learn about market trends. In 2025, BDO Securities reached approximately 1,800 participants through its TradeTalks Webinars, expanding access to market education and supporting informed investment decisions. Guest speakers and hosts discuss timely topics, answer questions, and gather feedback from participants.

For beginners, the Tutorial Series covers fundamentals such as risk and return, asset allocation, diversification, technical analysis, and platform navigation. The Corporate Series connects clients with management teams of PSE-listed companies to discuss business strategies and outlooks. Meanwhile, the Outlook Series delivers updates and forecasts on the Philippine stock market and key sectors from BDO Securities' Research Team.



TradeTalks Webinars

TUTORIAL SERIES

April 30, 2025

Technical Analysis for Beginners

Learn when to take a position, and when to let go using Technical Analysis.

May 14, 2025

What Type of Trader Are You?

Are you a momentum trader, a swing trader, a day trader, or have yet to figure it out? Learn more about the different types of traders and what fits you best in this webinar.

May 29, 2025

Easy Trading Techniques

Unlock 'Easy Mode' for your next trade. Discover the different trading strategies directly from BDO Securities' Technical Analyst. Learn about short-term trading strategies and how to apply them to maximize your profits in the stock market.

June 11, 2025

A Beginner's Guide to Fundamental Analysis

New to investing? This beginner-friendly webinar breaks down the essentials of fundamental analysis - one of the most trusted methods for evaluating stocks.

July 16, 2025

Dividend Investing Made Simple

Watch and discover how to identify high-quality dividend stocks, strike the right balance between income and long-term growth, and build a resilient portfolio that delivers consistent returns.

September 17, 2025

Beginner's Guide to Investing

Gain the knowledge you need to navigate the stock market and the BDO Securities online trading platform.

October 8, 2025

Step-by-Step Guide to Easy Online Trading

Discover how online trading can be as easy as 1-2-3 with BDO Securities! Experience a hands-on walkthrough of the BDO Securities Online Trading platform from setting up and navigating your account to finding and executing informed trades.

November 26, 2025

From Beginner to Investor: A Guide to Online Trading

Want to start investing but not sure where to begin? Discover how simple it can be to start your investing journey with BDO Securities. Be guided every step of the way, from setting up your account to finding investment ideas and making your first trade.

CORPORATE SERIES

February 27, 2025

OceanaGold (Philippines), Inc. (OGPI)

Hear from OGPI's management team as they talk about the latest developments about their business.

March 25, 2025

Top Line Business Development Corp (TOP) Investor Briefing

Get to know Top Line, a Cebu-based company engaged in commercial fuel trading that will soon debut in the Philippine stock market. Join us as the company's management team discusses their business model, prospects, and plans related to their upcoming Initial Public Offering (IPO).

April 2, 2025

SM Prime Holdings, Inc. (SMPH)

Join us as SMPH's head of Investor Relations talk about the latest developments, challenges, strategy, and plans of one of the country's top developer and mall operator.

July 10, 2025

Filinvest Development Corporation (FDC)

Join us for the next TradeTalks Corporate Series webinar and hear directly from FDC's top executives as they share the latest updates and developments about the company.

September 4, 2025

DigiPlus Interactive Corp. (PLUS)

Stay in the know! DigiPlus Interactive, Corp. is the next featured guest in BDO Securities TradeTalks webinar. Learn more about the company, their expansion plans, and their strategy on how to navigate the risks looming in the online gaming arena.

October 21, 2025

Maynilad Water Services Inc. (MYNLD)

Hear from the leadership team of Maynilad Water Services, Inc. Gain valuable insights into the company's operations and wastewater projects as they serve the West Zone of the Greater Metro Manila area in the Philippines.

November 20, 2025

Converge ICT Solutions, Inc.

Gain firsthand updates from the leadership team of Converge! Discover the company's latest business performance, strategic initiatives, and growth outlook as they navigate the connectivity space in the Philippines.

OUTLOOK SERIES

January 30, 2025

Banking and Property Sector

Watch and learn as our analysts discuss the latest updates, key market insights and stock picks for the banking and property sectors.

February 11, 2025

Future of Power

Learn as our analyst delves into the latest trends, key drivers, and pressing challenges that are shaping the power industry.

February 20, 2025

Philippine Telecoms: Bridging the Broadband Gap

Watch and learn as our analyst discuss the latest updates, key market insights and stock picks for the Telecom sector.

March 13, 2025

Decoding the Charts

Watch our technical analyst analyze the charts of trending stocks and research top picks.

June 4, 2025

Where are Philippine Stocks Headed?

Get the latest outlook and forecast of the BDO Securities Research Team on the Philippine stock market.

July 2, 2025

REITs Made Easy: A Beginner's Guide to Earning Stable Dividends

Curious about earning passive income through real estate without owning property? Watch and learn how REITs provide stable dividends and discover which companies are leading the way.

August 13, 2025

Charting the Philippine Market

Dive deep into the Philippine stock market through the lens of technical analysis. Discover key chart patterns, trend signals, and market momentum indicators that could shape the next moves of the PSEi.

September 5, 2025

What's Next for Philippine Stocks?

Our research analysts discuss key market highlights, their latest outlook on the stock market and how to find opportunities amidst uncertainties.

October 29, 2025

Decoding the Charts

Watch our technical analyst analyze the charts of trending stocks and research top picks.

November 12, 2025

A Simple Guide to Philippine Market Trends

Stay ahead of the curve with a clear and simple look at where the Philippine market might be headed. This beginner-friendly webinar offers a straightforward overview of current market trends using technical analysis tools.

December 4, 2025

Philippine Stocks: Poised for Growth or More Turbulence?

Curious about what's next for the Philippine stock market? Explore the trends, risks, and opportunities that could shape the months ahead. Dive into whether PH stocks are poised for growth or facing more turbulence.

December 10, 2025

Charting the Road Ahead for PH Stocks

Ready to see where the charts are pointing next? Let's break down the technical signals driving the PH market and reveal what the charts are saying about our top stock picks.

BDO Securities aligns with BDO's Sustainable Finance Framework and ESG initiatives. Through financial literacy programs, the Company equips clients and prospective investors with knowledge to diversify their portfolios beyond single-asset investments. This approach enables them to include equities, fixed-income instruments, and funds, providing opportunities for enhanced returns while managing market volatility.

Preparing for Life's Unexpected Turns: BDO Life

When it comes to their loved ones, breadwinners strive to provide the comforts their hard-earned money can afford—the security of a home, the dependability of a vehicle to get to work and take the children to school, and the stability of a lifestyle, built through years of perseverance. These aspirations guide every choice they make, all driven by the desire to offer their family the best life possible.

Renato Vergel De Dios, President and CEO of BDO Life, captures this sentiment clearly: "Seeing our loved ones happy and secure inspires us and fills us with joy. It compels us to provide them with every opportunity to realize their dreams, no matter what the future may bring."

Yet in pursuing these goals, many tend to overlook the need for a contingency plan. Illness, accidents, or sudden death can derail even the most carefully laid plans. Without a safety net, these events can undo everything the breadwinner worked so hard to build.

Life insurance is often dismissed as just another expense. Yet to those who have experienced loss, it is the safeguard—the Plan B—that keeps dreams intact when life takes an unexpected turn.

According to an August 2025 press release of the Philippine Insurance Commission, insurance penetration as of June 2025 stood at 1.79% of the Philippine gross domestic product (GDP). While this reflects a slight improvement from the previous year, it remains far below the global average of 7%. Individual coverage is also low. An August 2025 trend report from Inquiro.ph—an analytics and insights platform—shows that only 28% of Filipinos hold any form of life insurance, with adoption remaining negligible in many rural communities due to limited access to products designed for low-income groups.

Driving Insurance Awareness Locally

In early 2025, BDO Life launched the campaign "Tuloy ang Plano" which means "Keep the Plan Going" to expand awareness in underserved regions. Using out-of-home advertising and regional radio placements in local languages, the campaign strengthens trust and familiarity among provincial audiences—key factors in improving financial inclusion.

A post-campaign study conducted in May 2025 through the BDO Life Project Lift Ad Effectiveness Research showed a 10% year-on-year increase in brand awareness in the Philippine regions of Visayas and Mindanao. Nationwide, Unaided Brand Awareness (UBA) for BDO Life rose from 24% in 2024 to 33% in 2025, according to the same study. In addition, the total number of in-force policies grew 9% year-on-year, indicating progress in bridging the protection gap.

In the second half of 2025, the "Kids" Campaign reframed the Plan B message through the perspective of policyholders' children. This narrative highlights insurance as a tool for continuity, preserving family plans, and ensuring stability for future generations.

Expanding Access for Underserved Markets

BDO Life's commitment to inclusion began with its partnership with BDO Network Bank to launch the Kabalikat Plan in July 2022. Kabalikat translates to "a partner in work (or in life)." By the end of 2025, the plan sold 148,244 units (43% vs previous year) and insured 153,342 lives, reflecting strong demand among underserved segments.

To further diversify offerings, BDO Life introduced three complementary products in 2025:

- Kabalikat ng Pamilya (meaning Family Partner) – launched in February, provides accident insurance with hospital confinement and burial assistance for only ₱1,500 per year, covering up to five family members. 7,163 families have been covered in 2025.
- Group Kabalikat Plan (meaning Group Partner) – launched in September, offers similar benefits for ₱500 per employee per year, supporting employee welfare and aligning with BDO's social responsibility goals.

These initiatives demonstrate that affordable, accessible products can narrow protection gaps further and strengthen financial resilience in vulnerable communities.

Reimagining Customer Onboarding

BDO Life introduced eSignature in March 2025 to make onboarding more convenient while reducing environmental impact. This online platform enables Financial Advisors and clients to complete transactions without paper, delivering measurable sustainability benefits.

By eliminating printing, eSignature reduces paper and ink waste and lowers energy consumption. It also minimizes courier services and physical document handling, which helps reduce carbon footprint. Environmental gains aside, eSignature enhances data security and governance by reducing risks associated with mishandled documents. Finally, it improves operational efficiency by cutting down on manual tasks, freeing Financial Advisors to focus on value-adding customer engagement.

Early adoption shows promise: 51% of equipped Financial Advisors have used eSignature. To accelerate progress, the Bancassurance Support Team is investing in more signature pads to achieve full coverage by Q1 2026.

BDO Life's purpose lies at the heart of every initiative: to provide affordable insurance coverage for breadwinners and to protect the dreams of those who rely on them. By reaching underserved communities, creating inclusive products, innovating through technology, and championing financial security, BDO Life contributes to a future where every Filipino can proudly say "Tuloy ang Plano."

Advancing Risk Solutions for Sustainable Assets and Operations: BDO Insure

BDO Insurance and Reinsurance Brokers, Inc. (BDOIRI) is the leading insurance broker in the Philippines, recognized as a benchmark for excellence and trusted by stakeholders. This leadership strengthens its domestic reputation and positions BDOIRI as a potential player in the global insurance and risk management landscape. Its current standing highlights the elements that shape its sustainability framework—a partner in resilience and adaptation, a trusted risk advisor, a conduit for critical data, a market innovator, and an internal change agent.

BDOIRI serves 222,273 individual clients and 55,926 corporate clients, generating a total premium of ₱7.71 billion in 2025.

BDOIRI achieved a total premium production of ₱10.3 billion for the year 2025, which includes new policies, renewals, and endorsements. The generated premium of ₱7.71 billion is attributed to 222,273 individual clients and 55,926 corporate clients. Policies issued may include specific items that require additional coverage, and additional endorsements that incurred extra premiums. The difference between the total premium and the generated premium reflects these additional charges, amounting to ₱2.59 billion.

Partners in Resilience and Adaptation

Natural disasters disrupt businesses by damaging property and infrastructure, breaking supply chains, and causing immediate economic losses.

In 2025, claims related to natural disasters rose significantly as the Philippines experienced more intense impacts of climate change. By the end of December 2025, BDOIRI reported 2,774 claims from floods, typhoons, and earthquakes. Of these, 9.62% were due to flooding, 43.73% to earthquakes, and 46.65% to typhoons. Notably, no claims were filed under parametric coverage during this period.

To strengthen resilience and adaptation, BDOIRI focused on key areas such as expanding access to innovative insurance solutions, facilitating swift recovery for communities and businesses affected by disasters.

Expanding Access to Insurance

In 2024, BDOIRI secured approval from the Insurance Commission for its reinsurance operations, enabling direct communication with international reinsurers. Implemented in 2025, this initiative addresses the "insurance gap" or the disparity between total economic losses and insured losses from disasters.

Parametric insurance helps close this gap by providing pre-agreed payouts when a trigger event occurs, regardless of actual physical loss. This ensures policyholders receive funds for deductibles, operational costs, or urgent needs.

BDOIRI introduced innovative products such as parametric insurance and supported green energy projects, including floating solar coverage, hydropower storage plants, and renewable energy companies. Local insurers often lack capacity for such coverage due to high financial exposure, making BDOIRI's role critical.

Contributing to Policy

BDOIRI has consistently ranked as the leading local insurance broker in the Philippines, based on annual evaluations by the Insurance Commission. This ranking reflects the depth of data BDOIRI provides, which informs stronger insurance policies and aligns risk management practices with banking standards.

Facilitating Recovery

Insurance payouts are vital for swift financial assistance after disasters, enabling faster economic and social recovery. BDOIRI's claims team includes 35 handlers and three team leaders, specializing in property, liability, and recovery claims.

In 2025, the team processed 2,774 disaster-related claims, compared with 2,225 claims in 2024, covering earthquakes, floods, and typhoons. The total value of claims amounted to ₱1.43 billion in 2025, versus ₱1.67 billion in 2024. Settlements facilitated with insurance partners reached ₱392.88 million, compared to ₱995.63 million in the previous year, while the remaining claims are in active documentation and evaluation.

In addition, 40 electric vehicle claims were successfully filed and resolved during the year. Overall, these results demonstrate the team's strong capability to manage climate-related losses while effectively adapting to emerging, technology-driven claim types.

Risk Advisors and ESG Data Conduits

BDOIRI advises clients on the financial implications of Environmental, Social, and Governance (ESG) factors—such as climate change, supply chain vulnerabilities, and social inequality—that may affect their operations and reputation. This advisory support is provided for specified clients, based on client requirements, and is delivered through risk engineering surveys and risk reviews conducted by BDOIRI's Risk Engineers.

The multidisciplinary risk engineering team includes two mechanical engineers, two civil engineers, one electrical engineer, and one mechatronics engineer, all trained in risk assessment. Findings from these engagements are documented in Risk Engineering Survey Reports and, where applicable, translated into Loss Control Recommendations issued to specific clients to support risk mitigation and informed insurance underwriting.

Leveraging this expertise, BDOIRI applies risk engineering to ensure projects and operations remain resilient to climate change, resource scarcity, regulatory shifts, and social expectations. In 2025, its engineers assessed 182 sites, issuing Loss Control Recommendations to 148 (81.32%) of clients.

These reports help strengthen safety programs and guide preventive and mitigation strategies.

Incorporating ESG into Risk Assessment

Risk engineering plays a critical role in corporate sustainability by aligning risk management with ESG goals. In sustainable energy projects, engineers manage uncertainties related to technology performance, supply chain disruptions, and extreme weather events. For example, in solar and wind installations, they assess structural vulnerabilities, forecast climate-related risks, and design systems to withstand environmental stressors. This proactive approach not only protects assets but also enhances investor confidence and project viability.

For infrastructure projects, risk engineering supports sustainable development by integrating environmental risk assessments into planning. Engineers evaluate potential impacts on ecosystems, water resources, and communities, ensuring regulatory compliance and minimizing ecological and social harm.

In 2025, BDOIRI's Risk Engineers conducted 182 risk assessments, demonstrating consistent engagement across client sites and growing demand for risk evaluation services. Risk Engineering Survey reports typically include the client's background, operational details, workforce distribution, and daily production metrics. They also assess risk exposures such as natural catastrophes, liability, business interruption, fire, and construction risks.

Clients receive a Loss Control Recommendation Report and an Action Sheet with timelines, which not only inform underwriting decisions but also demonstrate the client's commitment to addressing risks.

Encouraging Transparency

To enhance transparency and effectiveness, BDOIRI acts as a vital link between clients and insurers, gathering ESG data that influences underwriting and pricing decisions. This process enables insurers to reward clients with strong sustainability practices through improved policy terms. During site visits, insurers frequently request BDOIRI's assistance in understanding client exposures, underscoring their reliance on BDOIRI's reports for fair and transparent risk evaluations.

Market Innovators

BDOIRI collaborates with leading reinsurers to develop innovative products that address sustainability risks, such as parametric insurance. It also introduced pet insurance and electric vehicle (EV) insurance, helping create markets for these offerings even though BDOIRI is not an insurer. Currently, 724 pets are covered under pet insurance, and EV insurance has also started to catch up in BDOIRI's portfolio. By expanding access to these protection solutions—including coverage that supports the health needs of pets, safeguards family assets, and reduces financial stress during unexpected events—BDOIRI helps strengthen the overall well-being and resilience of individuals and households.

In addition to product innovation, BDOIRI connects clients to specialized and eco-friendly insurance solutions.

In 2025, it facilitated placements across renewable energy sectors—including solar, hydro, geothermal, and wind—by engaging international reinsurers to expand opportunities.

Internal Change Agents

In 2025, BDOIRI achieved a significant reduction in paper consumption, cutting usage from 3,700 reams in 2024 to 3,465 reams, a 6.35% decrease. This operational shift was complemented by employee participation in online courses on Waste Management, Anti-Sexual Harassment, and Sustainability, reinforcing the integration of ESG principles into client interactions.

Beyond operational improvements, BDOIRI is advancing strategic initiatives by upskilling underwriting teams to address emerging risks and guide clients toward sustainable strategies. A key initiative was its partnership with a global reinsurance broker, enabling knowledge-sharing and providing access to advanced risk modeling tools during insurance reviews.

To further enhance efficiency, the Analytics and Risk Management Team adopted SharePoint and Power Automate, reducing turnaround times by 50% compared to manual processes. Automation now streamlines critical tasks such as claims aging, insurer scoreboards, and placement reports. In parallel, marketing and operations teams participated in training sessions to ensure alignment and maximize the benefits of these digital tools.

Highlights: Strengthening Client Protection

In 2025, BDOIRI delivered key initiatives that enhanced client protection and advanced sustainable practices:

- **Enhanced climate risk modeling:** Partnered with reinsurers using advanced climate risk models and scenario analysis to improve the accuracy of pricing and assessment of climate-related risks.
- **Expanded sustainable product offerings:** Introduced a broader suite of protection products—Critical Illness Insurance, Dollar Travel Insurance, Hospital Cash Assistance, Dengue Insurance, and the Gold Care Plan—to strengthen client resilience and support well-being.
- **Leveraged innovative technology:** Integrated collaboration platforms, workflow automation, and Business Intelligence tools to streamline business processes, significantly reduce turnaround times, and improve data-driven decision-making.
- **Increased client education and advisory:** Guided small and medium-sized enterprises (SMEs) on integrating ESG principles into their operations during risk surveys and reviews, helping them strengthen preparedness and sustainability practices.
- **Improved governance and disclosure:** Updated corporate governance manuals to reinforce diversity principles and enhance transparency in sustainability reporting.

Financial Services Presence and Impact

Governance, Inclusion, and Growth: Branch Banking Group

Among all groups in BDO, the Branch Banking Group (BBG) is uniquely positioned to advance sustainability across the Bank's five key strategies: Product Sustainability, Sustainability Contribution, Human Capital Sustainability, Disaster Response Sustainability, and Governance-Based Sustainability. Together, these approaches make banking more inclusive, innovative, and resilient.

They ensure that services remain accessible and secure while strengthening financial literacy, digital adoption, community engagement, workforce development, and governance practices. By aligning these priorities, BBG contributes to long-term economic and social progress in line with the Bank's sustainability goals.

Product Sustainability

BBG delivers products and services that anticipate customers' evolving needs while extending financial access to underserved markets. These efforts support the United Nations Sustainable Development Goals (SDGs) by promoting inclusion, resilience, and responsible innovation.

With more than 1,200 branches nationwide—supported by extended hours and weekend banking—BBG ensures convenient access for both existing and potential customers. Guided by data analytics, the Group continues to expand its network in areas with strong deposit potential, reinforcing its commitment to empowering individuals and businesses through meaningful financial solutions. In 2025, the Bank opened 35 new branches, including in underserved locations, further increasing access for millions of potential customers.

Expanding Access Through Products and Campaigns

To encourage financial literacy among the youth, BBG reintroduced NextGen Savers, a savings deposit product designed for teens, with a minimal initial deposit and a maintaining balance of only ₱100. This initiative fosters early financial responsibility among teenagers aged 13 to 19—a segment with strong growth potential. In 2025, NextGen Savers enrolled 2,420 new teen account holders, helping promote financial literacy among young Filipinos.

BBG also launched the CASA Protect Campaign, which offered free life insurance coverage worth ₱3 million to clients who opened and maintained a CASA account with an initial deposit of ₱1 million. This bundled product combines two essentials—an emergency fund and insurance protection—creating an interim "Plan B" for life's uncertainties. In the event of unexpected death, the insurance helps cover final expenses, pay outstanding debts, or sustain a family's income. In 2025, CASA Protect reached 3,495 clients, providing substantial insurance protection alongside savings.

Seasonal deposit campaigns further engaged customers and rewarded loyalty. These included initiatives during Chinese New Year, Father's Day, and the Mooncake Festival, as well as the Holiday Million Rewards Raffle, which gave clients the chance to win one million BDO Rewards points. The raffle winner was an Overseas Filipino Kabayan Savings account holder since 2008 who opened another new account during the promo period. He shared that he initially had no interest in joining the raffle but was encouraged by a branch Marketing Assistant to participate. These programs not only build excitement but also strengthen long-term savings behavior.

Enhancing Customer Experience Through Digital Services

BBG complements its physical network with digital innovations that improve efficiency, accessibility, and convenience.

- **Service Assist Machines (SAM)** in branches allow clients to enter transaction details at kiosks, which tellers then validate for a seamless, paperless process. This streamlines service and enables staff to focus more on customer relationships. Enhanced queue management also allows online appointments and QR code check-ins for quicker and safer branch visits.

- **Account Assist Kiosks** enable clients to input their details for account opening, eliminating the need for manual form-filling. Existing bank clients do not need to re-enter their details, as the system pre-fills existing information. This allows branch personnel to focus more on relationship-building rather than paperwork.
- BDO's **Universal Teller Machines** combine ATM and cash deposit functions, enabling withdrawals, deposits, check processing, and passbook updates—all with cardless access via biometrics or QR codes. Clients may also withdraw cash using QR codes generated through the BDO Mobile Banking App and share these codes with authorized representatives for secure transactions. Biometric authentication further strengthens security by allowing cardless withdrawals through fingerprint or facial recognition.

Customer-Centric Solutions and Branch Innovations

BBG continues to invest in branch innovations that enhance security, convenience, and service quality.

- BDO Connect was introduced in branches to ensure immediate access to expert advice. This live video platform allows customers to speak directly with Product Specialists during branch visits, covering secured and unsecured loans, wealth investment products, insurance offerings, and cash management solutions for small and medium enterprises (SMEs).
- Biometric authentication is now the preferred method of authentication for existing clients when onboarding for another product. This simplifies the process, as customer information is pre-filled, making transactions more convenient.
- The Enterprise Servicing platform enables clients to request transactions through any channel—branch, contact center, or online—with automatic SMS updates that reduce the need for repeat visits.
- BBG also developed the Branch Digital InfoHub, a centralized resource for training materials, frequently asked questions, and performance tools, making it easier for employees to stay updated and adopt new digital initiatives. My Buddy, an AI-powered knowledge assistant, was also implemented to provide instant, guided responses to branch personnel, enabling faster and more efficient handling of customer queries and service requests in line with internal controls.

Other initiatives include onsite ATM card printing for immediate debit card issuance, automated bank certificate generation to reduce turnaround time, and expanded servicing for BDO Network Bank clients in BDO branches to reach underbanked communities. BBG also centralized select accounting functions to standardize processes, improve efficiency, and achieve economies of scale. By combining physical accessibility with innovative products and technologies, BBG ensures that banking remains convenient, secure, and responsive to diverse customer needs—supporting BDO's broader sustainability goals.

Sustainability Contribution

BDO supports national economic development by advancing financial inclusion and impact financing, ensuring that banking services and financial knowledge reach communities where they matter most.

Community Marketing: Bringing Banking Closer to People

To strengthen its presence on the ground, BDO launched Community Marketing, a group-wide initiative designed to capture diverse market segments and promote financial literacy and inclusion. Now in its second year, the program ensures that clients feel the Bank's presence in their communities through activities tailored to local needs.

Community Marketing has evolved into three formats: BDO Fiesta, Mini Fiesta, and Village Fair. Across all formats, BDO offers a wide range of products and services, including deposit account opening, Cash Management Services, Credit Cards, BDO Pay sign-ups, Auto Loans, Home Loans, Multipurpose Loans, Cash Agad, BDO Life, BDO Insure, and Trust services. These events create accessible touchpoints that bring banking closer to underserved and emerging customer segments.

- **BDO Fiesta** is a large-scale engagement initiative that promotes financial literacy and inclusion while creating opportunities to cross-sell BDO products and services. Activities include free BDO tokens for every new CASA (Current Account/Savings Account) and product ent, festive branch décor, and branch personnel wearing blue BDO shirts. Events feature Recorrida—a motorcade with flyer distribution in key community areas—supported by local news coverage, radio features, and social media engagement. The program culminates in a BDO Fiesta concert featuring local celebrities and booths showcasing various products and services. This festive setting provides a welcoming, low-pressure environment that helps break the stereotype of banks as intimidating institutions.
- **Mini Fiesta** mirrors the spirit of BDO Fiesta in a smaller setting. It also offers free tokens for new CASA and product availments and highlights BDO Business Talk, where financial experts share market updates, business solutions, and digital innovations with targeted audiences such as entrepreneurs.
- **Village Fair** brings banking services directly to residential communities. Held in village clubhouses, these interactive sessions teach the basics of banking, promote safe ATM use, and provide access to other BDO products. By meeting people where they live and work, Village Fair makes banking more accessible and convenient for households through cashless banking.

In 2025, these initiatives contributed to 311,814 new accounts and strengthened savings behavior among customers.

Supporting Conservation Through Partnerships

BDO's sustainability contribution also extends to environmental stewardship. Through branches, online channels, and ATMs, the Bank accepts donations for SM and the Department of Environment and Natural Resources' (DENR) "Save From Extinction" campaign. The initiative aims to raise ₱100 million, which DENR will match with an additional ₱100 million, to fund conservation efforts for six endangered Philippine species: the Philippine eagle, Philippine cockatoo, pawikan (sea turtle), tamaraw (Mindoro dwarf buffalo), dugong (sea cow), and pangolin (scaly anteater).

Funds are channeled through reputable non-government organization partners, including the World Wide Fund for Nature Philippines, Philippine Eagle Foundation, Zoological Society of London, D'Aboville Foundation, and Katala Foundation. These partnerships ensure that contributions directly support biodiversity protection and sustainable ecosystems.

Human Capital Sustainability

BDO develops leaders with a sustainability mindset—professionals who thrive on innovative thinking and maintain a customer-focused attitude. Through targeted programs, BBG invests in employee engagement, capability building, and governance structures that sustain performance and adaptability.

Empowering Frontline Teams Through Training and Engagement

BBG launched IGNITE: Fueling Passion and Performance, a workshop for Customer Relations Officers (CROs) and Customer Relations Assistants (CRAs) aimed at strengthening service culture, customer empathy, and employee motivation. In 2025, IGNITE trained 2,650 branch staff nationwide.

BBG also rolled out the Enterprise Servicing (ES) System Power-Up Lecture to help branches adapt to system upgrades. These sessions provide targeted knowledge for Marketing personnel and support continuous learning, covering customer information updates, certifications, loan recomputations, and credit card requests. The program trained 2,510 employees across branches.

Through these initiatives, BBG demonstrates its commitment to building a resilient, future-ready workforce aligned with the Bank's sustainability goals.

Disaster Response Sustainability

BDO leverages its resources to support relief, rehabilitation, and recovery efforts for disaster-stricken communities, ensuring continuity of essential banking services during crises.

Building Branch Resilience and Service Continuity

The Branch Resiliency Project establishes multi-dimensional processes and systems that enable critical functions to continue during and after major disruptions. In 2025, the project equipped strategically located branches nationwide, ensuring uninterrupted service during localized disruptions.

Extending Access Through Mobile Banking Solutions

BDO's ATM on Wheels provides mobile banking services in areas with limited access to branches or standard ATMs, particularly during disasters. Services include cash withdrawals, balance inquiries, and bill payments. In 2025, ATM on Wheels supported branches with high withdrawal volumes and served concerts, school fairs, local government activities, and Village Fairs.

Governance-Based Sustainability

BDO anchors superior business performance on accountability, transparency, integrity, and fairness. Through governance-driven initiatives, BBG ensures strong compliance, operational efficiency, and effective risk management.

Strengthening Compliance and Risk Management

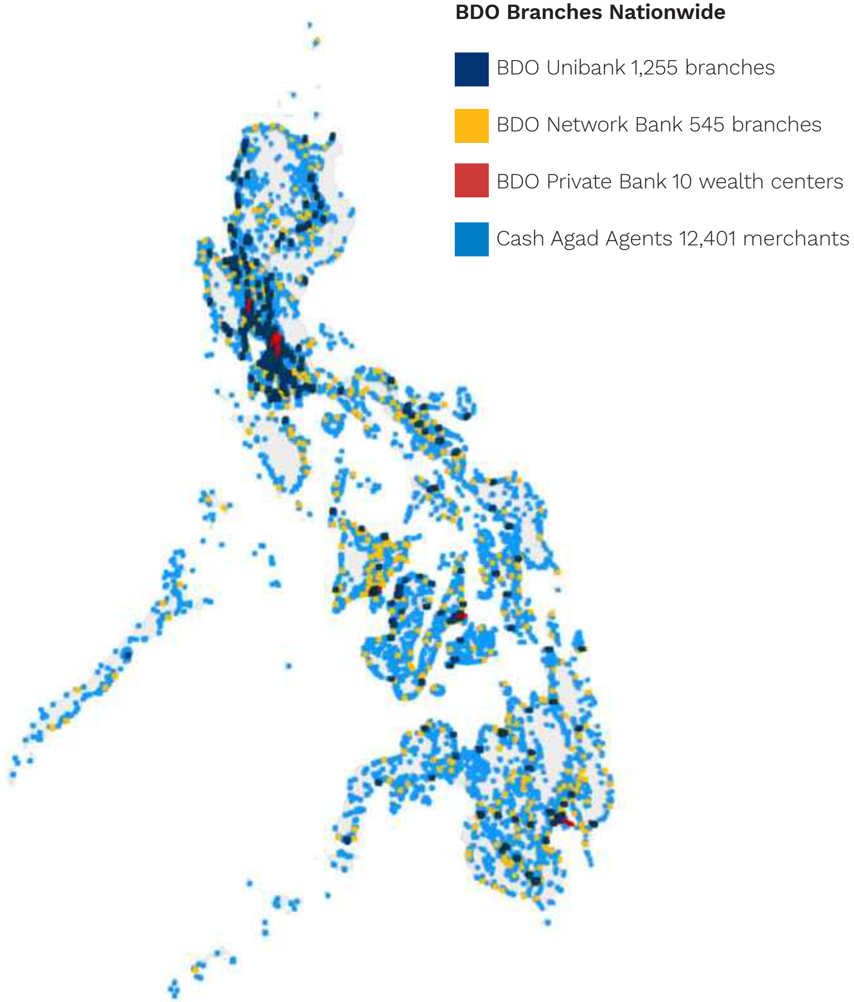
BBG provides Anti-Money Laundering (AML) refresher training for branches, covering Know-Your-Customer (KYC) requirements, risk profiling, suspicious transaction reporting, and exit procedures. In 2025, approximately 1,700 branch officers in Metro Manila completed the training.

Enhancing Governance Through Technology

In October 2025, BBG launched the Ultimate Beneficial Owner (UBO) Database System, enabling branches to track customers' corporate links and comply with regulatory requirements on beneficial ownership and AML.

BBG also automated garnishment letter processing using robotics, eliminating manual steps and reducing errors. These initiatives reinforce BBG's commitment to strong governance, regulatory alignment, and sustainable performance.

BDO's Nationwide Presence 2-6



Strengthening Networks, Supporting Financial Inclusion: BDO Cash & Check Services

Branch-Lite Units and new cash hubs expanded BDO's cash and check logistics network in 2025, strengthening geographic coverage and promoting financial inclusion. Two new units—one in Sorsogon in Southern Luzon and another in Tagum City in Mindanao—were established to improve access for underserved communities. These units support BDO Unibank and BDO Network Bank branches while ensuring reliable cash availability for local businesses and clients.

Branch-Lite Units, similar to regular cash hubs, are operated by bank employees but are not necessarily collocated with a BDO host branch. They serve as an alternative option to expand cash-logistics services in areas without a BDO branch. These units offer nearly the same services, such as cash pickup and delivery, cash sorting, ATM replenishment, and branch servicing. Secondary Branch-Lite Units, which do not provide cash pickup or delivery, focus instead on outsourced cash-handling functions.

All cash hubs uphold the Bangko Sentral ng Pilipinas (BSP), the Philippines' central bank, Clean Banknotes and Coins Policy, which requires fit bills to remain in circulation while unfit and mutilated currency is withdrawn. Through the Cash Service Alliance (CSA), BDO reduces deposits of fit bills to the BSP, improving currency management and minimizing waste. CSA is a BSP initiative designed to maximize the circulation of fit bills among banks without requiring their deposit to the central bank. Through this program, BDO helps reduce the volume of fit bills that need to be recounted and verified. In return, BSP recognizes participating banks through annual awards and provides Rebates, Returns, and Incentives (RRI), based on the volume of unfit and mutilated notes deposited.

BDO's operational footprint now includes 61 regular cash hubs and six Branch-Lite Units, up from 59 cash hubs and four Branch-Lite Units in 2024, previously located in Pasig City (Metro Manila), Cebu City (Visayas), Tagaytay City (Southern Luzon), and Clark (Central Luzon). This expanded network reflects a continued focus on operational efficiency and service reliability for branches and clients.

61
Regular cash hubs

6
Branch-Lite Units

This expanded network reflects a continued focus on operational efficiency and service reliability for branches and clients.

Expanding Access: BDO Digital

BDO's online applications saw strong growth in users and transactions in 2025, with user numbers up by 21% and transactions increasing by 38%, driven by money transfer and payment services. App improvements reduced downtime by 15% compared to previous years, giving customers uninterrupted access anytime, anywhere. Loan customers can now compute amortization amounts, while account and card applicants can apply for BDO products on the go. These enhancements help new and existing customers meet financial needs and payment obligations with ease.

Managing Portfolios with Ease on BDO Online

BDO Online expanded its features in 2025, enabling customers to manage their banking portfolios more efficiently through My Account Groups and perform cross-border transfers via Send Money through Wire Transfer. It also directs customers to other services, such as scheduling branch appointments, checking remittance status, and accessing trust services through a convenient and secure BDO Trust portal login.

Early in the year, BDO launched BDO Online Web, giving users who prefer browser-based banking access on laptops, tablets, and other devices. The web version maximizes screen space and offers an easy-to-use interface that guides customers through seamless transactions.

In 2025, BDO Online recorded a 39% increase in active users and a 34% rise in cross-border transactions, reflecting growing customer adoption of digital banking solutions.

Simplifying Payments and Onboarding with BDO Pay

To improve financial access for the unbanked, BDO enhanced its Basic Account, allowing customers to open an account in 10 minutes via the BDO Pay app. The process is fully online and requires only one valid ID and minimal KYC information. Onboarding now includes underserved segments such as cooperative members and manpower agency workers. The Basic Account has zero maintaining balance and offers free bills payment, merchant payments, and fund transfers, helping customers maximize complementary digital services.

The BDO Pay app complements the Basic Account by providing convenient services such as remittance status inquiry for OFWs sending money to their beneficiaries in the Philippines, transaction dispute filing, and access to vouchers and gift certificates through BDO Rewards. BDO Pay also helps customers manage spending with enhanced transaction details and installment options, making services available at their own convenience.

In 2025, BDO Pay signed up 128% more customers and processed 50 million transactions, expanding financial access for underserved segments and improving digital payment adoption. With these apps, BDO continues to broaden its range of financial products while ensuring customer security and regulatory compliance through backend safeguards and anti-scam education.

Making Banking Presence felt with Agency Banking

Agency Banking is a cornerstone of financial inclusion in the countryside, bringing essential banking services to remote and underserved communities beyond the reach of traditional branches. Through the Cash Agad mobile banking application, local businesses such as sari-sari stores, groceries, pharmacies, gas stations, water refilling stations, and other MSMEs serve as trusted Cash Agad agents. With over 12,000 agent sites operating in all provinces and 96% of municipalities nationwide, Cash Agad breaks geographic barriers, bridges infrastructure gaps, and provides the widest coverage for basic banking service in the country.

From simple balance inquiries to cash withdrawals, Cash Agad agents are a lifeline for millions. As of 2025, they have processed 142 million withdrawal transactions, totaling ₱629 billion (around USD 10.84 billion) in cash. The network continues to grow, adding agents equipped for cash-in deposits and bill payments, making everyday banking even more accessible.

Grassroots initiatives remain central to Agency Banking. Through community events such as Ka-Partner Day, organized in collaboration with BDO Remit and BDO Network Bank, residents are encouraged to open savings accounts and experience the convenience of their local Cash Agad agent as a financial hub. Building on last year's success, these events now reach more partner locations, with a target of over 130 sites in 2025. Each two-day gathering, complete with giveaways and free ice cream, delivers strong results: from March to September 2025, more than 25,000 new savings accounts were opened, with initial deposits totaling ₱28 million. Notably, 95% of these accounts are Kabayan Savings Accounts, designed specifically for Overseas Filipinos and their families.

By expanding account ownership in rural communities, Agency Banking empowers more people to receive remittances directly into their accounts and withdraw cash from their neighborhood sari-sari store. Depositing savings is easier than ever, and paying utility bills is as simple as visiting their trusted neighborhood store. With Cash Agad, financial access is not just a service; it is a way of life.

By reducing the need for long-distance travel to branches, Agency Banking also lowers carbon emissions while strengthening local economies. It advances BDO's commitment to inclusive and sustainable finance and supports UN Sustainable Development Goals on reducing inequalities and promoting economic growth.

CASE STUDY

Aligo's Store Powers Local Banking in the Cordilleras

One of the main goals of expanding Ka-Partner Day events is to bring financial services closer to underserved communities. A prime example is Pinukpuk, a municipality in the landlocked province of Kalinga in the Cordillera Administrative Region of the Philippines. The name "Pinukpuk" comes from a Kalinga term meaning "to be placed or put down," likely reflecting indigenous traditions of settling in fertile or strategic locations.

The area is known for traditional weaving and vibrant festivals. Its landscape features rolling hills, rice terraces, and agricultural lands. Transportation relies on local jeepneys and tricycles, which operate on limited routes and schedules, making mobility difficult and costly. For full banking services, residents typically travel more than 30 kilometers, or nearly 19 miles, to Tabuk City, the provincial capital, a journey that highlights the need for accessible financial solutions within the community.

One long-established business in Pinukpuk is Aligo's Store, managed by a husband-and-wife team. Located on the ground floor of their two-story building, this general merchandise shop has long served the needs of the local community.

Beyond grocery items, it offers cooked meals with limited seating, along with telco load, cellphone accessories, school supplies, and other essential goods.

Partnering with Cash Agad agent Aligo's Store and host branch BDO Network Bank Kalinga–Tabuk, the Ka-Partner Day event held on July 12 to 13, 2025, was warmly received by residents. The activity resulted in 201 newly opened accounts from a diverse mix of clients – including farmers, students, business owners, senior citizens, Overseas Filipino beneficiaries, and employees from both the LGU and private sectors.

Building on this strong community engagement, Aligo's Store continues to serve as a vital access point for financial services. The store averages more than 600 withdrawal transactions each month, and with the additional services introduced during Ka-Partner Day, the owners expect transaction volumes to grow even further in the coming months.

By enabling residents to bank within their own community, Aligo's Store reduces the need for long trips to Tabuk City, saving fuel and travel costs while keeping economic activity local. This strengthens livelihoods in Pinukpuk and supports BDO's commitment to inclusive growth and sustainable finance.

Empowering Businesses with Integrated Cash Management and Supply Chain Solutions: BDO Cash Management Services

BDO Cash Management Services (CMS) has been a trusted partner for enterprises of all sizes, delivering innovative cash management and trade finance solutions that optimize liquidity, streamline operations, and strengthen supply chains. Through tailored services, such as efficient payment and collection platforms and supply chain financing programs, CMS has helped businesses manage working capital more effectively, reduce costs, and improve financial resilience. These solutions enable companies to focus on growth while ensuring stability across their ecosystems—from large enterprises to their networks of suppliers and service providers.

Improving Access and Operational Efficiency

In 2025, the Bank partnered with the Palawan Group of Companies (Palawan Pawnshop, Palawan Pay), a leading non-bank financial services provider in the Philippines, to enable real-time bank transfers for its mobile wallet, Palawan Pay. As a result, over 22 million Palawan Pay users now enjoy instant fund transfers to any bank or e-wallet—delivering convenience and advancing financial inclusion at scale. For Palawan Group of Companies, the partnership improves operational efficiency and strengthens customer loyalty; for Palawan Pay users, it means faster, more accessible financial services. BDO also partnered with Dragonpay, a pioneer in alternative payment solutions, to enhance the payment experience of its users through BDO's API-driven Cash Management Services. Customers of all merchants under Dragonpay can now pay online directly from its checkout page, with transactions processed instantly via secure API calls. This real-time integration eliminates delays, accelerates cash flow, and provides Dragonpay with detailed transaction data for automated reconciliation. For Dragonpay, this means not only improved customer satisfaction but also operational agility and scalability as they onboard more merchants and payment options.

These partnerships benefit retail customers by reducing travel time and costs, while helping corporate clients streamline collections and improve cash flow visibility. By promoting digital transactions and reducing reliance on cash, these initiatives support SDG 9 Industry, Innovation, and Infrastructure, as well as SDG 12 Responsible Consumption and Production, through more efficient resource use and a reduced carbon footprint.

As part of its trade and supply chain financing solutions, BDO leverages anchor-led structures to extend inclusive financing across supply chains. In this context, the Bank structured a revolving Supply Chain Finance (SCF) facility for Solid Cement to empower its network of suppliers. More than a transactional program, the Bank worked closely with the anchor company to identify, onboard, and educate suppliers on the benefits of SCF. By leveraging Solid Cement's credit strength, the facility provides supplier financing based on approved invoices, enabling suppliers—from small enterprises to large logistics and raw material providers—to access affordable credit.

The initiative enhances liquidity for suppliers, supports the anchor's working capital needs by extending Days Payable Outstanding (DPO), an industry measure of payment terms, and fosters long-term partnerships through deeper engagement and cross-sell opportunities. By democratizing access to financing, the SCF program advances the SDG 8 on Decent Work and Economic Growth, as well as SDG 17 on Partnerships for the Goals, driving inclusive growth and strengthening supply chain resilience.

Reflecting the scale and reach of these cash management and supply chain financing solutions, as of December 2025, BDO Cash Management Services processed 147.9 million transactions, with a combined value of ₱23.9 trillion, across collections and payments. The Bank implemented approximately 67,000 deals, representing an 11% increase from the previous year.

As of December 2025, CMS onboarded over 38,100 new SME clients, contributing to 30% year-on-year client base growth.

Creating Value Beyond Banking through CMS Volunteerism

Beyond financial solutions, CMS actively champions sustainability and community development through volunteering in the community. In collaboration with Scholars of Sustenance (SOS), CMS supported the Rescue Kitchen initiative's on food rescue and community feeding to address food insecurity while reducing food waste. The CMS team organized three volunteer activities where employees prepared and packed 1,000 nutritious meals using surplus ingredients. This effort with SOS provided immediate relief to underprivileged communities and reinforced BDO's commitment to responsible resource management and social impact. Through this approach, the program advances SDG 2 Zero Hunger, as well as SDG 12 Responsible Consumption and Production, promoting efficiency, reducing waste, and fostering community well-being.

CMS also partnered with ICCP Group Foundation, Inc. (IGFI) to roll out Magnegosyo Tayo! (Let's Do Business!), a financial literacy program for micro and aspiring women entrepreneurs in Sto. Tomas, Batangas. Modules on self-awareness, opportunity identification, customer engagement, and sustainable business strategies equipped participants with essential skills to start and manage small businesses. With 93% of participants being women, 81% of whom already own or lead small enterprises, the program with IGFI promotes financial resilience and inclusive growth. These efforts support SDG 5 Gender Equality, as well as SDG 8 Decent Work and Economic Growth, by empowering women, strengthening entrepreneurial confidence, and enabling sustainable livelihoods.

Driving Sustainable Good Health and Well-Being: BDO Finance

BDO Finance Corporation (BDOFC), the leasing and financing arm of the BDO Group, provides financing alternatives not offered by BDO Unibank. Its product suite includes finance leases, mortgage loans, factoring, installment paper purchase, floor stock financing, and amortized commercial loans. Through leasing and amortized commercial loans, BDOFC enables customers to acquire trucks, motor vehicles, machinery, and other essential capital equipment at affordable terms—helping businesses grow without straining their budgets. In 2025, BDOFC continued to strengthen its sustainability focus by aligning its financing operations with the United Nations Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG) principles. In line with SDG 3 Good Health and Well-Being, BDOFC prioritized initiatives that enhance healthcare access while fostering a cleaner and healthier environment. BDO Finance extended more than ₱298 million in finance leases to hospitals and multi-specialty and surgical ambulatory facilities for the acquisition of advanced medical equipment and laboratory analyzers.

Part of this financing supported a well-known hospital in Las Piñas City, which added four ultrasound machines and acquired a fully digital two-in-one X-ray system capable of imaging dynamic processes such as swallowing and gastrointestinal motility. Meanwhile, in Cebu City, one of the country's largest hospitals invested in a state-of-the-art laser surgical system that ensures precision, reduces infection risk by minimizing contact, and offers versatility for cutting, removing, and sealing tissues. BDOFC also financed a linear accelerator for a medical clinic to destroy cancer cells. In addition, two multi-specialty clinics obtained a new ophthalmic machine and an ophthalmic microscope, while another clinic in Makati City acquired various laboratory analyzers through BDOFC.

These investments strengthened diagnostic and treatment capabilities, improved patient care, and reinforced the resilience of the nation's healthcare infrastructure. An estimated 270,000 patients are expected to benefit from these upgrades annually. Complementing its healthcare initiatives, BDO Finance extended ₱228 million in finance leases for electric vehicles (EVs) to BDO officers and corporate clients in pharmaceuticals, trading, manufacturing, distribution, construction, logistics, real estate, services, and renewable energy. This move supports the transition to cleaner transportation, reduces carbon emissions, and mitigates air pollution—key factors for healthier communities and a sustainable environment. About 123 EV units were financed, contributing to lower transport-related emissions and improved air quality. The financing of electric vehicles (EVs) aligns with SDG 13 Climate Action and underscores BDOFC's role in promoting low-carbon transportation solutions.

In addition, BDO Finance provided ₱40 million in finance leases to manufacturing, services, and trading companies for the acquisition of solar panel systems. These installations enable clients to transition to renewable energy sources and reduce reliance on fossil fuels. The adoption of solar energy contributes to lower carbon emissions, reduced operational energy costs, and improved environmental performance. These initiatives support SDG 7 Affordable and Clean Energy and SDG 12 Responsible Consumption and Production, reinforcing the positive link between environmental protection and long-term public health outcomes.

BDO Finance remains committed to sustainable finance as a catalyst for inclusive growth and societal progress. By embedding ESG principles into its operations, the Company ensures its financial solutions contribute meaningfully to economic development, environmental protection, and the well-being of Filipinos.

₱298 million

Finance leases to hospitals

270,000

Patients expected to benefit

₱228 million

Finance leases for electric vehicles (EVs) to BDO employees and corporate clients

CASE STUDY

Genace Pharma:

Greening Healthcare Distribution with Electric Mobility

As healthcare companies strive to meet growing patient needs while reducing their environmental footprint, BDO Finance plays a critical role in enabling this transformation. Genace Pharma, a major pharmaceutical distributor, demonstrates how strategic financing can support both business expansion and sustainability goals.

Genace Pharma specializes in the trading and distribution of oncology (anti-cancer) drugs, as well as treatments for hypertension, infections, and nutritional health. It maintains long-term contracts with leading manufacturers in the Philippines and India, supplying products to major drugstores such as Mercury Drug, Southstar Drug, and St. Joseph Drugstore, and to hospitals including East Avenue Medical Center, Philippine General Hospital, and Baguio General Hospital. An affiliate, Greatstar Laboratories, manufactures alcohol, povidone iodine, and other essential products for infection prevention and treatment. Genace Pharma also operates 14 retail drugstores across Pangasinan, Bukidnon, and Misamis Oriental, expanding access to critical medicines nationwide.

Under the leadership of founder Charles Basuel, a former District Manager of two global pharmaceutical firms, the company plays a vital role in strengthening the country's healthcare system while upholding quality, safety, and ethical standards.

To address the environmental impact of its nationwide distribution network, Genace Pharma started transitioning to electric vehicles for its logistics operations. This initiative aligns with SDG 13 Climate Action and significantly reduces carbon emissions, mitigates air pollution, and promotes sustainable mobility.

The company's EV fleet now enables cleaner and more efficient deliveries of life-saving medicines nationwide.

Through ethical distribution, sustainable manufacturing, and green logistics, Genace Pharma shows how a healthcare enterprise can balance growth with social responsibility and environmental care. BDO Finance remains a trusted partner in supporting these initiatives, with future plans including renewable energy adoption and an expanded EV fleet, reinforcing its commitment to sustainability.

Financial Inclusion

Expanding Access to the Unbanked and Underserved: BDO Network Bank

BDO Network Bank (BDONB) continued to strengthen its presence and impact in 2025, closing the year with 545 branches and 92 loan offices nationwide. This expansion strengthened BDONB's reach across rural communities, extending access to formal banking services where they are needed most. With an expanded presence across more provinces, the Bank continues to reinforce financial inclusion and support local economic activity through its growing network of branches, loan offices, and access points.

In May 2025, BDONB received approval to operate as a savings bank serving micro, small, and medium enterprises (MSMEs), government employees, and the general public—especially in rural areas—and bringing modern, innovative, and relevant banking products and services to communities nationwide. This transition strengthened BDONB's deposit base and improved financial resilience for rural families.

Financial inclusion remains a core priority. National data highlight ongoing efforts to expand access to financial services across the country. BDONB contributed to these efforts by onboarding new clients, including first-time account holders, helping reduce reliance on informal lenders and improve access to formal financial services in rural communities.

Continuing Network and Digital Transformation

Apart from expanding its branches and loan offices nationwide, BDONB has access to all 591 BDO Unibank ATMs located within BDONB branch premises and in strategic high-traffic areas. BDONB clients can also use all BDO Unibank ATMs nationwide. Partnerships with 12,401 Cash Agad merchants offering deposit pick-up further extend BDONB's reach, especially in rural communities where formal banking infrastructure is limited. BDONB complements its physical presence with digital engagement through social media and its website, ensuring accessibility anytime. Its digital initiatives include deploying tablets to field personnel and introducing a Document Collection Solution, which streamlined loan processing, improved customer experience, and enhanced data security. To ensure uninterrupted service in areas with poor connectivity, BDONB also deployed satellite-based internet services, enabling continued transactions in remote communities.

Products that Transform Lives

BDONB's loan products are designed not only for lending but also for capital buildup, helping clients improve their lives and supporting local economic growth. In 2025, the Bank recorded a 15% increase in account volume from the previous year, driven by its low minimum initial deposit requirement. Micro-insurance products continued to provide hospitalization allowance, with coverage spanning ages 18–70, an average insured age of 40, and 67.9% of insured clients are female—reflecting BDONB's commitment to women's empowerment. MSME financing remained a growth driver, with loan bookings up 22% from 2024 and a 10% increase in offices offering MSME loans. Female clients accounted for 62% of total bookings. Beyond lending, MSME teams advised clients on business improvement, reinforced financial literacy, and connected entrepreneurs to banking solutions. These efforts supported businesses, generated jobs, and contributed to local economies. Teachers in Mindanao in Southern Philippines accounted for 34% of existing borrowers. BDONB's customer base increased by 15% as the Bank reached more rural areas. Salary loan reach rose by 42%, supported by a 13% increase in staff assigned to this segment, enabling faster processing and improved service for government employees as well.

Notably, 77% of active salary loan clients are female. These loans helped educators manage household needs and sustain teaching continuity, indirectly benefiting students.

Collaborations to Serve More Communities

Beyond financial services, BDONB empowers clients through financial literacy programs that help them manage money and use loans responsibly. In 2025, BDONB organized Negosyante Days in various communities, reaching entrepreneurs and promoting better budgeting and savings habits.

BDONB also partnered with the Department of Education (DepEd) to support annual Brigada Eskwela and Balik-Eskwela programs, providing school supplies to participating schools and benefiting teachers and students nationwide. Supplemental support from BDO Foundation expanded these efforts. BDONB likewise supported Teacher's Day Month and World Teacher's Day celebrations, reinforcing its commitment to educators.

Collaborations with SM Foundation delivered medical and dental missions to areas needing health service support, while Felicidad T. Sy Foundation helped serve the spiritual and religious needs of communities. BDONB also partnered with SM Supermalls through Sunday Market and SM for MSMEs initiatives, providing an avenue to reach more clients and showcase products for entrepreneurs.

Through these initiatives, BDONB reinforced its commitment to inclusive growth—supporting livelihoods, promoting financial resilience, and empowering women across rural communities. Partnerships and programs extended access to financial services and essential resources, helping entrepreneurs, educators, and families improve their quality of life.

In 2025, BDO Network Bank was recognized for its ongoing commitment to client-centric practices and responsible finance across the communities it serves. BDONB was featured by global rating agency MFR (MicroFinanza Rating) among its Top-Rated Financial Institutions Worldwide for the second semester of 2025, a list highlighting financial institutions operating across four continents that have demonstrated strong performance in Social and Environmental Rating (SER) and Client Protection Certification (CPC).

These assessments evaluate alignment with internationally recognized standards for responsible and inclusive finance, including the quality of social and environmental performance management systems and the delivery of financial services in a safe, fair, and responsible manner.

BDONB received an sBB- Social and Environmental Rating (SER), reflecting adequate social performance management and client protection systems, and a Bronze-level Client Protection Certification (CPC), confirming that it meets the client protection standards in the Universal Standards for Social and Environmental Performance Management across seven dimensions, including strategy, governance, client-centric product design, client protection, responsible human resource development, responsible growth and profits, and environmental performance.

Global rating agency MicroFinanza Rating (MFR) named BDONB among its Top-Rated Financial Institutions Worldwide in Q2 2025

CASE STUDY

Roadside Stall to Rural Distributor:

A Woman Entrepreneur Scaling Livelihoods in the Visayas

With only 15,000 pesos in starting capital, Ann Luna opened a small vegetable stall outside her home in Brgy. Igtambo, San Miguel, Iloilo. As families began to rely on her, she and her husband reinvested earnings and gradually expanded into Nicole Store, stocking essentials that nearby households needed daily.

The business encountered major pressures as it grew. During the pandemic, Ann had to travel to nearby towns to secure goods and deliver essentials to communities under lockdown. Later, a national supplier switched to a cash on delivery system that required upfront payments. Without additional capital, Ann risked losing access to products that her customers depended on.

A BDO Network Bank loan helped her meet supplier requirements while continuing her flexible "sell first, pay later" arrangements that many microentrepreneurs relied on. Nicole Store now supplies over 200 outlets and supports more than 100 sari sari stores and school vendors, making it a reliable distribution point in an area where small retailers often struggle with inventory consistency.

Guided by her commitment to help others start or sustain their own small ventures, Ann shared, "Hindi lahat ng negosyo para sa sarili lang. Kailangan makatulong ka rin sa iba." ("Not all businesses are just for yourself. You have to help others too.")

Ann plans to strengthen her cold storage and expand delivery capacity so her partner stores can maintain steady pricing and avoid shortages. Her work contributes to SDG 5 Gender Equality, SDG 8 Decent Work and Economic Growth, and SDG 10 Reduced Inequalities.

With BDONB as partner, Ann built a distribution network that keeps more than 100 small stores running, showing how one woman's business can hold an entire rural supply chain together.

CASE STUDY

From Classroom to Farmland:

A Teacher's Path to Resilience in Rural Mindanao

In rural Sultan Kudarat, Teacher III Nimrod P. Loria faced two parallel needs that were difficult to pursue at the same time. He wanted to complete the graduate education required for career progression while his family also needed a source of long-term livelihood. With limited income and limited access to financing, investing in both felt beyond reach.

Through a BDO Network Bank teacher salary loan, Nimrod finished his Master of Arts in Education and began working toward a Doctor of Education in Educational Leadership. This strengthened his teaching practice and improved learning outcomes for 65 students each year, a significant gain for a school that depends on teachers with advanced training.

The same access to financing allowed him to reclaim a 1.25 hectare family farmland, turning idle land into a productive asset that increased household income by 5%. Nimrod plans to use the farm for small group learning sessions on basic sustainable agriculture, giving families practical skills they can use at home.

Reflecting on his journey, he shared, "BDO Network Bank didn't just give me a loan; they gave me the confidence to dream bigger and the means to make those dreams real."

Nimrod aims to complete his doctorate so that he can introduce classroom activities that link agriculture, budgeting, and daily decision making. These steps connect his students' lessons to the realities of rural life and strengthen the outcomes aligned with SDG 4 Quality Education, SDG 8 Decent Work and Economic Growth, and SDG 10 Reduced Inequalities.

With the support of BDONB, Nimrod is the teacher who turned a salary loan into both a graduate degree and a working farm, proving that progress in rural schools can begin with one person who invests in both learning and land.

Building Financial Futures Beyond Borders: BDO Remit

BDO Remit is a key enabler of BDO Unibank Inc.'s (BDO) sustainability journey, advancing the Bank's commitment to inclusive growth, responsible finance, and community empowerment. Guided by BDO's Sustainability Framework and the United Nations Sustainable Development Goals (SDGs), BDO Remit plays an integral role in strengthening economic and social resilience among overseas Filipinos and their families.

In 2025, 40% of the Philippines' total cash remittances were credited to BDO accounts, making the Bank uniquely positioned to promote financial inclusion and help transform remittance flows into long-term financial security for Filipino families.

Guided by the brand promise of Alagang Kabayan, the dedicated care and service for our fellow Filipinos working overseas, BDO Remit's mission goes beyond remittance. We empower dreams, strengthen financial capability, and foster sustainable livelihoods that drive national development.

Anchored on the BDO Sustainability Framework and the UN SDGs

BDO Remit's initiatives directly support several Sustainable Development Goals (SDGs)—SDG 1 No Poverty, SDG 8 Decent Work and Economic Growth, SDG 9 Industry, Innovation and Infrastructure, SDG 13 Climate Action, and SDG 17 Partnerships for the Goals—by promoting financial inclusion, economic empowerment, and social resilience. Through education, access, and innovation, BDO Remit enables overseas Filipinos to manage, grow, and sustain their resources responsibly even from thousands of miles away.

Financial Solutions for Overseas Filipinos

Under BDO's Product Sustainability Strategy, BDO Remit continuously innovates its financial products to meet the evolving needs of overseas Filipinos. Kabayan Savings offers a safe, accessible channel for saving and managing remittances, while Kabayan Loan and Negosyante Loan—offered in partnership with BDO Network Bank—provide returning overseas Filipinos and microentrepreneurs with capital to start or grow small businesses.

Digital transformation is central to this strategy. Through BDO Online and BDO Pay, BDO Remit delivers seamless, paperless, and eco-friendly banking experiences. As of December 2025, 70% of Kabayan Savings account holders have been onboarded to digital banking. Overseas Filipinos can monitor accounts, send money, pay bills, and manage finances from anywhere in the world, thereby advancing SDG 9 Industry, Innovation and Infrastructure and SDG 13 Climate Action.

Access to Financial Education and Livelihoods

Aligned with BDO's Sustainability Contribution Strategy, BDO Remit empowers overseas Filipinos through financial education and livelihood opportunities. In partnership with the Department of Migrant Workers (DMW), the Overseas Workers Welfare Association (OWWA), and the Commission on Filipinos Overseas (CFO), BDO Remit delivers Pre-Departure and Post-Arrival Orientation Seminars covering saving, insurance, investment, responsible borrowing, and fraud prevention. In 2025, these efforts reached almost 339,000 participants through more than 9,600 domestic and international sessions, equipping overseas Filipinos and their families with financial literacy skills that support long-term wellness.

As a complement to financial education initiatives, BDO Remit conducted Stress Management Workshops in 2025. These sessions helped overseas Filipinos, particularly domestic helpers headed to the Middle East, prepare mentally, emotionally, and culturally, helping them gain confidence to work abroad and complete contracts successfully.

By collaborating with DMW and OWWA, BDO Remit further supported returning overseas Filipinos as they transitioned into entrepreneurship, providing access to microfinancing options through Kabayan and Negosyante Loans. These initiatives created pathways to sustainable livelihoods and supported SDG 1 No Poverty, SDG 8 Decent Work and Economic Growth, and SDG 17 Partnerships for the Goals.

Global Teams Serving Filipinos Everywhere

In line with BDO's Human Capital Sustainability Strategy, BDO Remit's strength as an organization continues to grow because of its people: dedicated employees in the Philippines and expats abroad who live out the values of Alagang Kabayan. They bring financial education directly to Filipino communities worldwide, facilitate account opening, explain investment options, and guide overseas Filipinos in using digital tools like BDO Pay, empowering them to manage finances independently across time zones. BDO Remit also integrated remittance status inquiry into its app ecosystem, giving remitters and beneficiaries a real-time view of the status of their remittance.

Support When Disasters Strike

Aligned with BDO's Disaster Response Sustainability Strategy, BDO Remit waived remittance fees for donations to various organizations that assisted victims of natural disasters in 2025, including the Philippine Red Cross, BDO Foundation, ABS-CBN Lingkod Kapamilya Foundation, and GMA Kapuso Foundation.

Governance for Secure and Trusted Transactions

Under BDO's Governance-based Sustainability Strategy, BDO Remit upholds principles of accountability, transparency, integrity, and fairness across its operations. Its remittance and financial services are aligned with global standards and are continuously enhanced to ensure security, efficiency, and customer trust. With this governance-driven approach, BDO Remit strives to ensure that every remittance contributes not only to financial progress but also to a sustainable future for Filipino families.

Economic, Environmental, and Social Impact

BDO Remit's financial inclusion initiatives fueled sustainable economic growth in 2025 by turning remittances into investments and entrepreneurial ventures. Kabayan deposit accounts grew by 10%, while average savings increased by 9%—clear evidence of stronger financial habits among overseas Filipinos.

Beyond economic impact, BDO Remit fostered social cohesion through community programs such as the annual Pamaskong Handog Christmas program, BDO Fiesta, Cash Agad Partners Agents Day, Community Marketing Roadshows, Stress Management Workshops, and International Women's Month celebrations. These events celebrated Filipino culture while offering direct access to financial services. BDO Remit also contributed to national development by partnering with agencies to honor outstanding Overseas Filipino Workers' families through the Model OFW Family of the Year Awards (MOFYA).

Project ENDOW: Reintegration Through Enterprise Development

In partnership with the DMW, BDO Remit supports the reintegration of overseas Filipino workers (OFWs) and seafarers through Project ENDOW (Enterprise Development for Overseas Filipino Workers & Seafarers and Their Family Members).

The program equips returning migrants and their families with practical skills to build sustainable livelihoods in the Philippines, providing alternatives to re-migration while strengthening local economic participation.

Project ENDOW is a two-day enterprise development training conducted with the DMW, BDO Network Bank, the Department of Trade and Industry (DTI), the Department of Labor and Employment (DOLE), and local government units. Participants learn business registration, financial management, labor compliance, and access to financing, culminating in a mentored business plan presentation and coaching on bank requirements.

Project ENDOW Program Modules	
Module I	Business Registration and Licensing Permits (LGU representative)
Module II	Employment and Labor/Employee Relations (DOLE representative)
Module III	Basic Accounting and Taxation
Module IV	Cash Management and Financial Projections
Module V	Starting a Business (DTI Representative)
Module VI	Making a Business Plan
Module VII	Working Abroad, Coming Home, Fears, Uncertainties
Module VIII	Going into Business as Alternative to Re-Migration and to Augment Current Employment Income
Module IX	Critique Presentation of Business Ideas with Projections (Panel with BDO representative)
Module X	Opening and Managing Your Bank Account; Requirements for Bank Loan (BDO Network Bank representative)

Beyond entrepreneurship training, the program supports the social transition of returning migrants, helping them manage uncertainty and confidently pursue local opportunities.

By enabling overseas Filipinos to establish businesses, the program transforms overseas experience into domestic economic value. Participants create income for their families while generating jobs for fellow Filipinos, allowing skills, discipline, and innovation gained abroad to benefit local communities.

To complement the training, DMW launched the LIKHA Business Plan Competition to provide viable enterprises with startup or expansion capital. LIKHA stands for Linangin ang Kakayahan sa Kabuhayan Award, which means Skill Development for Livelihood Award. The competition was held across key Philippine cities to reach different migrant communities—beginning in Makati, the country's primary business district, where 32 participants joined Likhang Kababaihan in June 2025. It continued in Tacloban, a major city in Eastern Visayas, where 24 seafarers took part in Likhang Marino in September. The program then expanded to Pasay, part of Metro Manila's urban hub, bringing together 39 overseas Filipinos from across the world for Likhang Global in December 2025.

In 2025, a total of 176 overseas Filipinos benefited from the reintegration initiatives supported by BDO. Through Project ENDOW, BDO Remit advances financial inclusion and economic empowerment by helping overseas Filipinos transition from remittance dependence to enterprise ownership. This fosters resilient households and stronger local economies.

SPECIAL REPORT

Championing Children's Rights Across Our Value Chain

BDO lives up to its Environmental and Social Risk Management System (ESRMS) Policy by embedding the Children's Rights and Business Principles (CRBP), developed by the United Nations International Children's Emergency Fund (UNICEF), into our business, operations, and partnerships to address social risks and opportunities. With children and youth making up more than half of the Philippine population, protecting their well-being is a core responsibility.

The UNICEF Children's Rights and Business Principles focus on the following:

Principle 1: **Respect and support children's rights.** Business should integrate children's rights into policies and management systems and conduct human rights due diligence, including remediation of adverse impacts

Principle 2: **Eliminate child labor.** Business should not engage in or tolerate child labor and should take steps to identify and eliminate it across operations and business relationships.

Principle 3: **Provide decent work for young workers, parents, and caregivers.** Business should promote decent work and support work-life balance and family responsibilities.

Following a capacity-building session hosted by the Securities and Exchange Commission and UNICEF on Child Rights and Corporate Sustainability in October 2025, BDO mapped the Bank's policies and practices against the CRB principles.

- On Policy: BDO maintains a strict zero-tolerance policy for child labor across its operations and supply chain. Through its Board-approved ESRMS, the Bank identifies Human Rights—including children's rights—as a key focus area and classifies Child Labor as a priority social risk across lending, investments, and supplier assessments.
- On Products for Children: BDO strengthened its youth-focused banking offerings through the BDO Junior Savers (0 to 12 years old) and NextGen Savers (13 to 19 years old) programs for children and young adults, respectively. Both types of accounts are designed for safe banking for minors, with parent or guardian consent requirements, age-appropriate account features, and built-in financial education to promote safe and responsible saving among minors. To further safeguard children from online exploitation, the Bank enhanced its controls to address Online Sexual Abuse and Exploitation of Children (OSAEC), including the integration of strengthened transaction-monitoring alert scenarios to detect human trafficking and child exploitation activities, and the implementation of mandatory OSAEC-specific training (AMLA 109) for all client-facing units.
- On Education Access through Personal Financing: BDO's Personal Loan includes education expenses as an eligible purpose, providing families with accessible credit and predictable repayment terms to cover tuition, school supplies, and other learning-related costs. By easing financial barriers to education, the loan helps ensure that children and youth can continue their studies uninterrupted, reinforcing the Bank's commitment to uphold their right to learning and development.

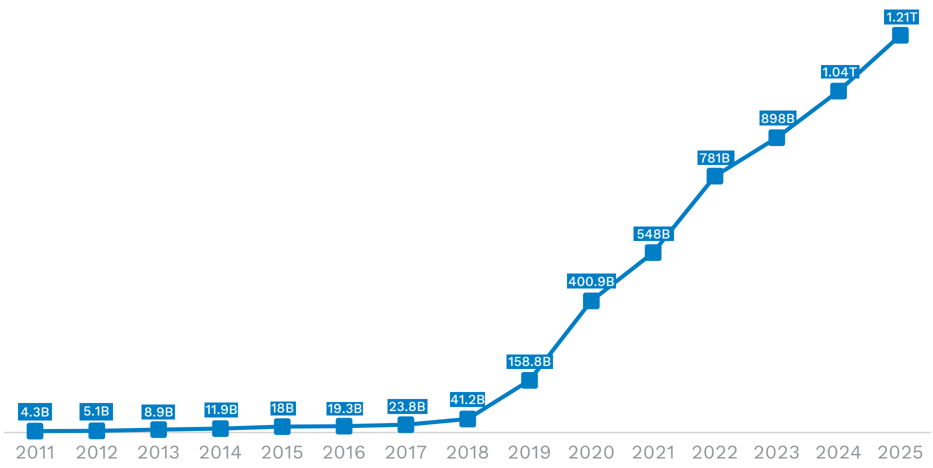
- **On Social Protection:** BDO Life supports children's well-being by helping reinforce the long-term stability of families through accessible insurance protection. In 2025, the Kids Campaign illustrated this commitment by presenting the value of insurance from the perspective of policyholders' children. This approach served as an indicator of BDO Life's continued efforts to communicate the importance of financial protection in ways that resonate with families and highlight its role in ensuring continuity for future generations. Through inclusive offerings such as the Kabalikat ng Pamilya (Family Partner) plan, which provides accident insurance, hospital confinement benefits, and burial assistance for up to five family members, BDO Life strengthens household resilience so that children remain supported even during periods of loss or crisis.
- **On Supporting Families:** BDO Remit strengthens the well-being of children in overseas Filipino households by helping ensure stable and secure financial support reaches families. Through its Pre-Departure Orientation Seminars and Post-Arrival Orientation Seminars delivered with the Department of Migrant Workers, the Overseas Workers Welfare Association, and the Commission on Filipinos Overseas, BDO Remit equips overseas Filipino parents with financial literacy on saving, budgeting, responsible borrowing, and fraud prevention—reinforcing household financial planning and resilience that strongly focus on children's education, health, and future needs. Its reintegration initiatives, such as Project Enterprise Development for Overseas Filipino Workers and Seafarers and Their Family Members (Project ENDOW), help returning overseas Filipinos establish sustainable livelihoods that support long-term family needs. Digital channels like BDO Online and BDO Pay further ensure safe and convenient access to remittances, while fee waivers during emergencies help children and their families receive timely assistance during crises.
- **On Capability-building:** Apart from mandatory OSAEC Training, the Bank, through the Sustainability Office, conducts the UN Sustainable Development Goals Workshop that emphasizes the protection of children's rights under SDG 8 (Decent Work and Economic Growth—protection from modern slavery) and SDG 10 (Reduced Inequalities—anti-violence against women and children). The Sustainability Office also trains employees on identifying social risks related to child labor and children's rights in its ESRMS Workshop on E&S risk assessment and opportunity mapping on the Bank's clients and projects assets.
- **On Responsible Marketing and Communications:** BDO's external communications and marketing practices are guided by Philippine consumer-protection, banking, advertising, and child-protection regulations. In line with OSAEC Act or Republic Act No. 11930, the Advertising Standards Council (ASC) Code of Ethics, and Bangko Sentral ng Pilipinas (BSP) financial consumer protection regulations, the Bank ensures that marketing content across physical and digital channels is truthful, age-appropriate, non-exploitative, and protective of children, including in online environments.
- **On Education and Financial Literacy:** BDO advanced its youth-focused initiatives by delivering financial education programs that foster long-term financial capability and support the overall well-being of children and adolescents. Employees regularly volunteered for the annual Brigada Eskwela Program of the Department of Education that rehabilitated classrooms and public schools before the start of each school year to promote a conducive learning environment for grade school students.
- **On Emergency Support, Health, and Well-being:** In 2025, BDO provided targeted relief assistance to children and their families affected by crises, ensuring timely support during periods of heightened vulnerability. Through the Employee Volunteer Program, BDO employees contributed to community feeding and food rescue activities, while BDO Foundation's rehabilitation of Rural Health Units (RHUs) incorporated child-focused features and pediatric-friendly spaces that improve access and enhance the experience for mothers, infants, and children.

All these efforts are driven by BDO's governance and safety policies—ensuring the Bank's commitment to children's rights is cohesive, credible, and embedded across its operations and communications.

SPECIAL REPORT

15 Years of Sustainable Finance Leadership

BDO SUSTAINABLE FINANCE
(2011-2025)



As early as 2010, well before climate change became a mainstream financial concern in the Philippines, BDO had a forward-looking vision for sustainable finance. Recognizing its responsibility as the largest bank in the Philippines, BDO viewed the nascent renewable energy technologies and the emerging climate change risks as an opportunity to lead the country towards energy security and sustainability. The Bank positioned itself as an enabler and catalyst, mobilizing capital toward activities that support environmental resilience, social well-being, and long-term economic stability.

This pioneering commitment laid the groundwork for integrating sustainability into its core strategy and for developing financing solutions that empower businesses and communities to transition to a low-carbon, climate-resilient future. Over the past 15 years, BDO's Institutional Banking Group (IBG) has built a robust Sustainable Finance portfolio that aligns with policy shifts, evolving technologies, and changing market trends. What began in 2010 as the Sustainable Energy Finance program, focused solely on financing renewable energy (RE) projects, has evolved into an enabler of sustainable development across all industries.

With the expertise and dedication that helped mainstream RE projects in the Philippines and across Asia, IBG is also funding large-scale water and wastewater projects, clean transport, and community infrastructure nationwide. As of 2025, BDO has disbursed ₱1.21 trillion to sustainable projects and businesses, the largest amount for any Philippine bank to date.

As BDO marks its 15th year of delivering sustainable financial products and services, the Bank reflects with humility and pride on the lessons learned as a pioneer and today's market leader.

Raising the Bar and Shaping Policies

As a market leader, BDO leverages the influence that comes with scale and embraces the responsibility to help advance banking policies and market practices toward more sustainable banking. BDO's Energy Transition Finance Statement, issued in 2022, publicly declared the Bank's intent not to support new coal capacity and committed to reducing coal exposure by 50%, while ensuring that it does not exceed 2% of the Bank's total loan portfolio by 2033. As a Bank, BDO actively aligns with the Bangko Sentral ng Pilipinas (BSP) on policies, guidelines, and incentives related to sustainable finance. The Bank provides practical market insights to help ensure that policies are both ambitious and implementable, while managing stakeholder expectations.

Fifteen Years of Sustainable Finance Leadership (2010–2025)

Since 2010, BDO has built one of the most expansive and diversified Sustainable Finance portfolios in the Philippine banking sector, supporting the country's transition toward a low-carbon, climate-resilient, and socially inclusive economy. What began as a renewable-energy-focused initiative has evolved into a comprehensive platform that mobilizes capital toward environmental resilience, social well-being, and long-term national development. This sustained leadership reflects BDO's commitment to enabling businesses and communities to invest in climate solutions and pursue a more sustainable future.

2010

Establishing the Foundation

- Launched the Sustainable Energy Finance (SEF) Program with the International Finance Corporation (IFC).
- Established the Social and Environmental Management System (SEMS).

2011

First SEF Project and Capability Building

- Conducted intensive SEF capacity-building for lending, credit, and branch officers to strengthen awareness of sustainable energy financing and help clients identify energy-efficiency and renewable energy opportunities.
- Financed first SEF-eligible project: a 19 MW cogeneration plant in Isabela, supported by a **₱4.3 billion** loan.

2012

Pioneering Green Buildings

- Financed Zuellig Building, first LEED® Platinum–certified green building in the Philippines and first green building in Makati City, featuring energy- and water-efficient systems, double-glazed Low-E glass, rainwater harvesting, and low-flow plumbing fixtures.
- Financed an energy-efficiency project for cold storage of onions.
- Financed 0.318 MW rice husk biomass project in Nueva Ecija.
- SEF funded as of 2012: **₱5.1 billion**.

2013

Scaling Renewable Energy and Energy Efficiency

- Financed Starmall Alabang HVAC retrofit, winner of the UNFCCC Energy Efficiency Project Award; delivered P3 million monthly savings, improved indoor air quality, and avoided 3,774 tCO_2 annually.
- Financed 12 MW rice husk–fired biomass plant in San Jose, Nueva Ecija, first of its kind accredited under the Feed-in-Tariff (FIT) program; generated 74,880 MWh/year, equivalent to ~2,600 homes, and avoided 31,000 tCO_2 annually.
- Marked second partnership with the International Finance Corporation (IFC).
- SEF funded as of 2013: **₱8.9 billion**.

2014

Expanding Wind and Biomass

- Participated in syndicated loan for the 150 MW Burgos Wind Project.
- Financed 20 MW rice husk biomass facility in Isabela.
- Participated in syndicated loan for the 54 MW Pililla Wind Project.
- SEF funded as of 2014: **₱11.9 billion**

2015

Deepening Geothermal and Mini-Hydro

- Financed 8 MW mini-hydro in Antique.
- Financed 140 MW geothermal in Albay.
- Financed 112.5 MW geothermal in Leyte.
- Financed 192.5 MW geothermal in Negros Oriental.
- Financed a 300 kW solar rooftop installation at a BDO facility in Ortigas.
- SEF funded as of 2015: **₱18 billion**.

2016

Strengthening Solar and Biogas Technologies

- Financed 63.29 MW Calatagan Solar Farm in Batangas.
- Financed first state-of-the-art 2 MW biogas plant in Tarlac.
- Marked third partnership phase with the IFC
- SEF funded as of 2016: **₱19.3 billion**

2017

First Green Bond in the Philippines and East Asia Pacific

- Issued a US$150 million Green Bond, the first by a Philippine private-sector bank and a landmark transaction in the East Asia Pacific region, with IFC as sole anchor investor.
- The issuance catalyzed financing for eligible renewable energy projects and inspired other financial institutions and corporations to issue their own green bonds, strengthening local and regional sustainable finance markets.
- Financed 12 MW rice husk biomass (San Jose Phase 2) in Nueva Ecija.
- SEF funded as of 2017: **₱23.8 billion**

2018

Green Bond Grant and Proceeds Allocation

- Fully allocated the US$150 million Green Bond, supportir renewable energy projects totaling 95 MW across bioma and wind.
- Achieved 270,000 tonnes of CO_2 emissions avoided annu 57,800 vehicles off the road or seven million trees growi
- Financed key biomass projects:
  - → 20 MW rice husk & corn biomass in Cagayan
  - → 15 MW rice husk & coco biomass in Maguindanao
  - → 6 MW multi-feedstock biomass in South Cotabato (first o
- SEF funded as of 2018: **₱41.2 billion**

2024

Crossing the ₱1 Trillion Sustainable Finance Threshold

- Sustainable Finance funded as of 2024: **₱1.04 trillion** (US$17.9 billion).
- 63 renewable energy projects as of 2024.
- Financed renewable energy projects across biomass, biogas, hydro, solar, and wind, contributing to 2,679 MW of installed RE capacity, and 4,767,745 tonnes of carbon dioxide avoided per year by funded renewable energy projects.
- BDO issues its second and third ASEAN Sustainability Bonds, raising ₱63.3 billion and ₱55.7 billion respectively, with beneficiaries from IBG's loan portfolio.
- Fully allocated proceeds from the US$100 million Blue Bond, financing water and wastewater management, bulk water operations, and treatment facilities in water-stressed coastal communities.

2025

Trailblazing Sustainable Finance

- Sustainable Finance funded as of 2025: **₱1.21 trillion**, largest of its kind among Philippine banks.
- Arranged the ₱150 billion MTerra Solar Project, largest project finance facility in Philippine history and world's largest integrated solar + battery storage facility (3,500 MWp solar, 4,500 MWh storage), projected to supply clean energy to 2.4 million households.
- Financed acquisition of the 796.64 MW Caliraya-Botocan-Kalayaan (CBK) hydro complex.
- Granted the Bank's first Sustainability-Linked Loan, amounting to ₱1.5 billion.
- Issued its fourth ASEAN Sustainability Bond, raising ₱115 billion, highest sustainability-related issuance by a Philippine bank as of 2025.
- Strengthened internal expertise with five Certified Green Finance Specialists.

2023

Expanding Renewable Energy Financing and Strengthening the Sustainable Finance Framework

- Sustainable Finance funded reached **₱898 billion** as of 2023.
- 59 renewable energy projects as of 2023.
- Financed renewable energy projects across biomass, biogas, hydro, solar, and wind, contributing to 2,377 MW of installed RE capacity and 4,382,572 tonnes Carbon dioxide avoided per year by funded renewable energy capacity.
- The Board approved additional categories for green, social, and blue finance, as well as a new orange/gender financing category, expanding the Bank's Sustainable Finance Framework into a broader set of eligible project categories.

2022

Energy Transition Commitment and New Instruments

- Sustainable Finance funded reached **₱781 billion** as of 2022.
- 58 renewable energy projects as of 2022
- BDO issued the Bank's first Blue Bond, the first in the Philippines and in the region in partnership with IFC.
- BDO issued its first ASEAN Sustainability Bond for a record-breaking P52.7 billion (US$955 million), with beneficiaries from IBG's loan portfolio
- Board–approved Energy Transition Finance Statement (ETFS) commits to:
  - → No new coal capacity
  - → 50% coal exposure reduction
  - → Coal exposure capped at 2% of the loan portfolio by 2033.
- Financed renewable energy projects in biomass, hydro, biogas, solar, and wind, contributing to 2,252 MW total installed RE capacity and 4,302,502 tonnes of CO_2 avoided annually by funded renewable energy capacity.

2019

Formalizing Sustainable Finance Governance

- Issued Environmental and Social Risk Management Guidelines supported by capacity-building activities.
- Renamed SEF Desk to the Sustainable Finance (SF) Desk, expanding its scope to all industries with environmental and social impacts.
- Authored the BDO Sustainable Finance Framework, aligned with BDO's Sustainability Strategies and the UN SDGs.
- Published first BDO Sustainability Report (May 2019).
- Financed 12 MW biomass in Nueva Ecija and 12 MW biomass in Bataan.
- ₱110.2 billion in SEF loans and **₱158.8 billion** in Sustainable Finance (SF) loans as of 2019.

2020

Geothermal Leadership and Framework Certification

- Financed 2.2 GW (2,184 MW) of the Philippines' installed renewable energy capacity.
- The Sustainable Finance Framework (SFF) received a Second-Party Opinion (SPO) from Sustainalytics, confirming alignment with international sustainability bond and loan standards..
- Strengthened climate-risk mitigation through WWF-facilitated internal training using the Philippine government's HazardHunterPH physical risk assessment tool.
- ₱119.4 billion in SEF loans and **₱400.9 billion** in SF loans funded as of 2020.

2021

Scaling Impact and Reach

- Sustainable Finance funded reached **₱548 billion** as of 2021.
- Reached 54 renewable energy projects funded
- Annual SEF impact included:
- 2,230 MW in total installed renewable energy capacity
- 4,266,687 tonnes of carbon dioxide avoided annually
- 1,994,189 families served by renewable energy projects
- 3,052 smallholder farmers supported under SDG 2 Zero Hunger
- 167.73 km of road network development enabled with **₱19.3 billion** in financing

CASE STUDY

Financing MTerra Solar, the World's Largest Integrated Solar–Battery Facility

The Philippines faces the dual challenge of rising power demand and climate vulnerability. MTerra Solar project is strategically sited at the provinces of Nueva Ecija and Bulacan in Central Luzon—an agricultural and load-center region north of Metro Manila and in one of the country's fastest-growing economic corridors, where demand for stable, affordable power continues to rise. MTerra Solar is the world's largest integrated solar and battery facility and responds at system scale: a 3,500-megawatt-peak (MWp) solar installation integrated with 4,500 megawatt-hours (MWh) of battery energy storage. Upon completion, it is expected to supply clean electricity to approximately 2.4 million households, strengthening energy security while advancing national renewable energy goals.

BDO provided the largest commitment in the ₱150 billion project finance facility and took on multiple leadership roles: Sole Mandated Lead Arranger and Bookrunner via BDO Capital, Facility Agent and Security Trustee via BDO Trust and Investments Group, and main account bank to support day-to-day requirements. This comprehensive structure demonstrates BDO's capability in renewable energy financing that can mobilize global clean energy.

Future-Proofing Energy Infrastructure and Grid Reliability

The project spans 3,500 hectares across the two provinces and includes a 13-kilometer, 500 kilovolt (kV) transmission line to connect to the national grid—future-proofing integration as load and renewables expand. The choice of Central Luzon as the project site also places MTerra Solar close to key transmission routes serving Luzon, the country's highest-demand grid region, enabling more efficient integration of large-scale renewable capacity. Project sponsors highlighted the importance of deep domestic banking expertise to navigate the project's scale, complexity, and execution requirements. The integrated battery energy storage system (BESS) enables the delivery of renewable power even beyond daylight hours, supporting grid stability and improving power quality. Estimated benefits include an estimated 4.3 million tons in annual carbon emissions avoided, roughly equivalent to removing at least 3 million gasoline-powered cars off roads.

Driving Local Development and Community Impact

Community-level benefits extend beyond energy generation. Programs such as brighTER (solar streetlights, improving safety and mobility), TERRAnsform (skills training for scholars with job placement under Engineering, Procurement and Construction contractors), and carTER (community marketplaces supporting local businesses) further reinforce the project's socio-economic contribution.

CASE STUDY

Scaling ACEN Onshore Wind Power Through Sustainable Finance

Wind complements solar to create a balanced renewable energy mix. ACEN's onshore wind development—positioned to become the largest wind power facility in the Philippines—is designed to deliver clean, reliable power to the Luzon grid, the country's largest and most energy-demanding island region, while supporting the national target of a 35% renewable energy mix by 2030. Located across four municipalities in Southern Luzon—Mauban and Real in Quezon Province, and Paete and Kalayaan in Laguna—the ACEN Onshore Wind Power Project spans coastal and upland areas with strong wind resources and direct connection to the Luzon grid.

BDO serves as a long-standing partner to ACEN, financing P12.04 billion, or 35% of the P34.41 billion total loan facility on a 15-year term. The Bank's role includes comprehensive financing and structuring support: Senior Lender (BDO Unibank), Joint Lead Arranger (BDO Capital), and Facility Agent and Security Trustee (BDO Trust and Investments Group). This integrated participation was cited by ACEN's leadership as critical to advancing a landmark renewable energy project.

Structuring Long-term Financing for Utility-Scale Renewables

The project highlights the importance of well-structured long-term capital in scaling renewable energy in the Philippines. By supplying clean power directly into the Luzon grid, the project helps stabilize the country's most heavily loaded transmission network as it is home to the largest central business districts, industrial centers, and key economic zones. As a utility-scale asset, the wind facility is expected to contribute meaningfully to grid decarbonization and stability, providing clean energy during hours when solar output naturally tapers. The focus on long-tenor financing reinforces investor confidence by matching capital terms with the project's operational life cycle.

Strengthening Local Economic Participation and the Energy Transition

Beyond its climate value, the project is expected to stimulate employment and enterprise activity during construction and operations—benefits highlighted by ACEN as part of its broader renewable expansion strategy. Wind projects of this scale typically require extensive land preparation, transport logistics, and community coordination, which in turn generate local jobs and supply-chain activity in host areas of Luzon.

CASE STUDY

Strengthening Community Resilience Through Richli Water's Sustainable Surface-Water Solutions

Water scarcity in Bohol, an island province in the Central Visayas region known for chronic groundwater depletion, has long forced communities to rely heavily on groundwater, contributing to saltwater intrusion and increasing the risk of contamination. Because many of Bohol's municipalities sit along coastal zones and depend on aquifers that are highly vulnerable to over-extraction, the province faces recurring water insecurity, especially during dry months. Richli Water addresses this development challenge by sourcing surface water from rivers and springs and treating it to high standards for safe, reliable distribution to households.

BDO's financing enabled Richli Water to expand its pipeline network and construct a new water treatment facility, boosting its capacity to serve Tagbilaran City—the province's main urban center—and neighboring municipalities. The choice of Bohol as a project site is critical, as the island has limited large-scale water infrastructure and faces ongoing demand pressures from tourism, population growth, and urbanization. The company's President described the loan as a "game changer"—precisely the kind of long-term capital smaller water utilities need to adopt sustainable, environmentally responsible methods.

Ensuring Water Quality Through Rigorous Monitoring and Compliance

Richli Water maintains strong operational governance. It conducts hourly water quality testing at its treatment plant for turbidity, chlorine levels, and pH balance, and undergoes third-party testing twice yearly to comply with Department of Health (DOH) standards. Looking ahead, the company plans to build additional water treatment facilities and is exploring the development of wastewater treatment plants to offer more comprehensive water solutions to communities across the island.

Delivering Environmental, Health, and Economic Benefits for Communities

The impact of this investment is both environmental and social. By reducing dependence on groundwater, the project helps protect aquifers, lowers the risk of waterborne illnesses, and enhances public health. Reliable clean water also supports local economic resilience, enabling households, businesses, and essential institutions to operate more sustainably. For an island province like Bohol, where water security underpins tourism, agriculture, and community wellbeing, the added reliability of treated surface water is especially valuable. This also illustrates how sustainable finance can unlock essential infrastructure that directly enhances community wellbeing.

CASE STUDY

Decarbonizing Urban Logistics Through Mober Electric Fleets and Charging Infrastructure

Freight and last-mile logistics are significant contributors to urban emissions. Mober is pioneering all-electric logistics with a fleet of 60 electric vehicle (EV) trucks financed by BDO—demonstrating a replicable pathway to decarbonize delivery operations while improving reliability and efficiency for enterprise clients. Based in Metro Manila, the Philippines' most densely populated and commercially active region, Mober operates in an environment where traffic congestion, air-quality concerns, and high logistics intensity heighten the need for cleaner transport solutions.

Mober's transition is anchored by Mober Central Charge, a purpose-built EV charging hub in Pasay City and one of Metro Manila's busiest logistics and commercial gateways, spanning 3,000 square meters with 56 charging ports. Using a three-shift operating model, the facility can charge up to 200 EV trucks daily, enabling round-the-clock logistics operations. Pasay's proximity to major business districts, retail centers, and transport corridors makes it an optimal base for large-scale electric logistics operations, supporting clients such as Ikea, SM Appliances, Nestlé Philippines, and Danish shipping and logistics company Maersk, further embedding clean transport in supply chain operations.

Scaling Clean Mobility Through Digital Transformation

BDO's support extends well beyond fleet financing. The Bank implemented tailored cash-management solutions that shifted Mober from manual processes to fully digital payments, improving real-time reconciliation, strengthening operational controls, and enhancing security. This digital backbone is critical for scaling EV logistics, where fast-moving operations depend on seamless, automated financial workflows.

A Replicable Model for Decarbonizing Hard-to-Abate Sectors

This case demonstrates the combined value of clean transport, enabling infrastructure, and digital readiness. Metro Manila's heavy daily freight movements, concentrated delivery zones, and high vehicle density make it one of the most challenging environments in the Philippines to decarbonize, strengthening the relevance of Mober's EV-based model. This integrated approach—fleet + charging + digitalization—shows how sustainable finance can unlock emissions-reduction pathways in one of the most challenging sectors to decarbonize. With BDO's backing, Mober is strengthening its role as a first mover in electric logistics, contributing to a more resilient and environmentally responsible urban mobility system.

SPECIAL REPORT

BDO Capital Powers Growth, Enables Progress at 25

As BDO Capital & Investment Corporation (BDO Capital) marked its 25th anniversary, it reflects on a track record focused on enabling business growth, supporting employment, and contributing to the Philippines' economic progress. From its early years as a small investment banking player, BDO Capital has grown into a leading firm in the sector, helping shape the Philippine financial landscape by enabling enterprises to expand and thrive.

Growth Alongside the Philippine Economy

BDO Capital has evolved alongside the Philippine economy, continuously strengthening its capabilities to respond to the changing needs of businesses. Since the early 2000s and up to the end of 2025, it has facilitated a cumulative transaction volume of ₱13.9 trillion (~US$278.6 billion), averaging approximately ₱536.4 billion (US$10.7 billion) in deals annually. These transactions, spanning equity, debt, and advisory services, reflect BDO Capital's role in enabling access to capital and supporting long-term business growth. From 12 officers and staff, BDO Capital employee headcount has grown to 41 as of end-December 2025, providing a full-range of investment banking services to its clients.

Adapting to a Dynamic Market

As capital markets have evolved, BDO Capital has expanded from providing traditional lending products to delivering more complex, structured financing solutions designed to meet changing market demands. Beyond funding requirements, businesses increasingly require strategic financial solutions tailored to their industries, cash-flow profiles, long-term objectives, and prevailing market conditions.

Through its affiliation with BDO Unibank, Inc., BDO Capital leverages the Group's strong balance sheet, extensive branch network, diversified financial products, and broad client base. This integrated platform enables BDO Capital to underwrite and arrange a wide range of financing transactions and provide advisory services, reinforcing its role as a trusted financial partner to corporates, issuers, and institutional stakeholders.

Delivering Through Market Cycles

Despite periods of market volatility, BDO Capital has remained a reliable partner to its clients delivering tailored financial solutions since the pandemic era. In 2025, BDO Capital facilitated its largest transaction volume to date, reaching ₱1.5 trillion (US$25.7 billion). During this period, heightened market volatility and rising interest rates created opportunities for issuers to access the debt capital markets with larger offerings, enabling them to secure long-term financing amid economic uncertainty.

Powering Philippine Businesses and Nation-Building

Beyond corporate finance, BDO Capital plays a vital role in supporting national development. It has enabled infrastructure projects that strengthen connectivity and mobility, facilitated mergers and acquisitions that contribute to industry development, and supported Philippine enterprises as they expand both domestically and internationally.

In recent years, capital-intensive sectors operating in a high-interest-rate environment have focused on optimizing their financial structures. BDO Capital has supported these efforts through innovative financing solutions, including sale-and-leaseback transactions, enabling companies to unlock liquidity while maintaining operational stability.

As BDO Capital enters its next chapter, it remains focused on strengthening partnerships and delivering financial solutions aligned with clients' long-term needs, in support of economic development and a sustainable business environment.

BDO Capital: 25 Years of Impact

Early 2000s

Foundation and Early Growth

BDO Capital began operations as an investment banking platform supporting Philippine businesses through access to capital.

2005–2024

Sustained Capital Formation

BDO Capital facilitated a cumulative transaction value of ₱13.9 trillion, averaging approximately ₱536.4 billion in transactions annually across equity, debt, and advisory services.

Expansion of Financial Capabilities

BDO Capital evolved from traditional lending products to more complex, structured financing solutions tailored to changing market conditions and client needs.

Leveraging Group Synergies

BDO Capital strengthened its underwriting, financing, and advisory capabilities by leveraging BDO Unibank's balance sheet, branch network, diversified product offerings, and client reach.

Supporting Nation-Building

BDO Capital enabled infrastructure projects, facilitated mergers and acquisitions, and supported balance-sheet optimization initiatives to strengthen industries and economic resilience.

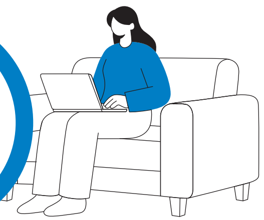
2025

25th Anniversary with record transaction volume

BDO Capital marked 25 years of operations and reaffirmed its commitment to empowering enterprises and supporting sustainable economic development. BDO Capital facilitated its largest transaction volume to date at ₱1.5 trillion, enabling issuers to secure long-term financing amid continuing market volatility.

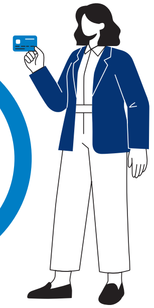
Empowering Women as Consumers and Entrepreneurs

44%



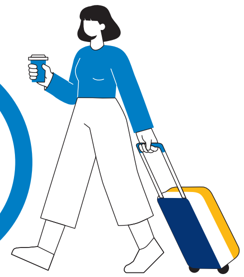
Bank accounts opened through online account application

60%
of Credit Cards Issued



Access to credit card facility

60%
of Easy Investment Plans



Investment plans availed by women

Individual loans availed by women

48%
of Home Loans

61%
of Mortgage Loans

50%
of First-time Home Loaners

47%
of Auto Loans

49%
of Car Leases

31%
of Personal Loans

77%
of Salary Loans

62%
of Micro/Small/Medium Enterprise Loans

43%
of Outstanding Multipurpose Loans by sole proprietors for Consumer Banking Group

Individual insurance availed by women

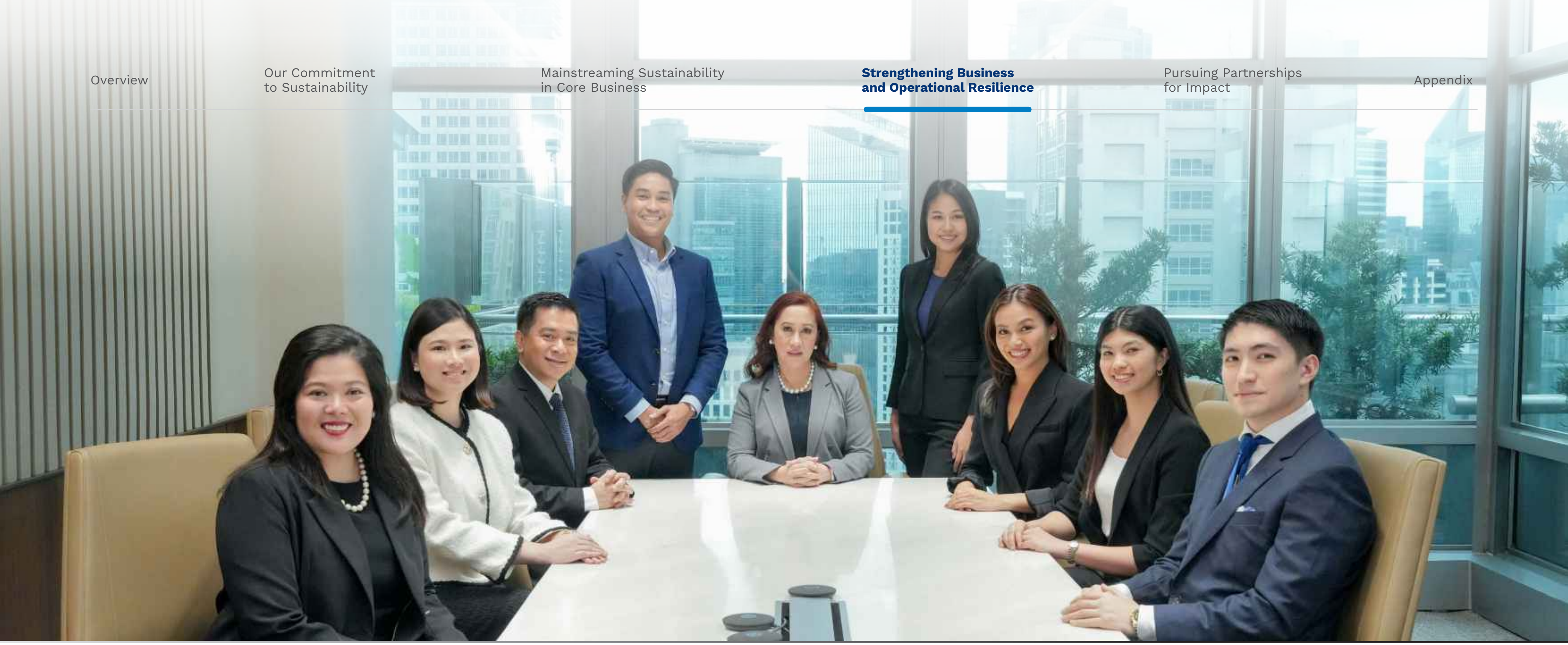
59%
of Ordinary Life insurance

59%
of Variable Life insurance

47%
of Accident insurance

63%
of Health insurance

59%
of Total Insured Lives



Strengthening Business and Operational Resilience 2-6, 2-24

We consciously manage our environmental and social impacts through good governance that sustains superior business performance anchored on accountability, transparency, integrity, and fairness. We develop BDO bankers with a sustainable mindset who thrive on finding ways to innovate, find solutions to sustainability challenges, and live up to the Bank's sustainability commitments.

Economic Impact 201-1

BDO further strengthened its position as the country's leading full-service bank, remaining fully committed to addressing the diverse banking needs of Filipinos. During the year, the Bank expanded its branch and teller machines network, with a focus on underserved and remote areas, in support of broader financial inclusion. It also advanced its digital capabilities to enhance accessibility, security, and ease of use across its products and services. Collectively, these initiatives contributed to the Bank's ability to generate and distribute economic value, thereby supporting economic activity and development nationwide.

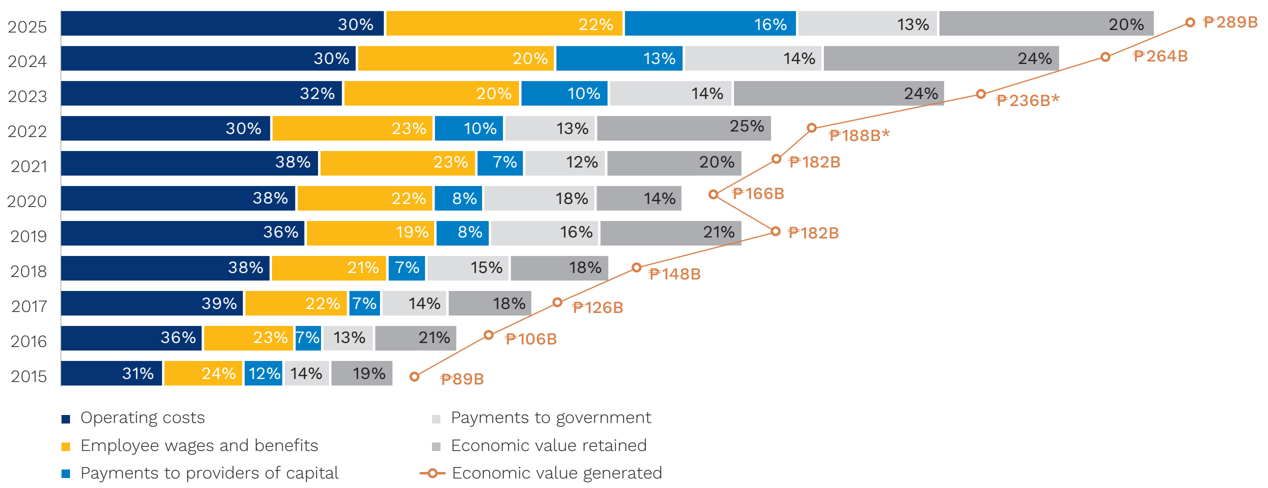
Economic Value Table

BDO's direct economic value generated (DEVG) reached ₱289 billion in 2025, a 9% year-on-year increase driven by resilient consumer and business activity despite a challenging economic environment.

The Bank distributed 80% of the economic value it generated, totaling to ₱231 billion, a 15% increase compared to the previous year. Of this distributed value, ₱62 billion or 22% was allocated to wages and benefits for BDO's workforce of more than 47,000 employees, helping stimulate domestic consumption. Other operating expenses also increased by 9%, amounting to ₱86 billion. BDO's total tax payments reached ₱37 billion, underscoring its role as a significant contributor to government revenues and broader national development. The Bank also invested ₱136 million in community initiatives, supporting financial education programs, delivering relief operations to disaster-affected communities, and rehabilitating and reconstructing schools and rural health units. These programs were implemented through BDO Foundation, the Bank's corporate social responsibility arm.

These efforts reflect BDO's commitment to generating and distributing economic value while advancing social welfare and inclusive development across the Philippines.

Economic Value Table 201-1



BOARD COMPOSITION 2-9


Teresita T. Sy


Nestor V. Tan


Estela P. Bernabe


George T. Barcelon


Vipul Bhagat


Franklin M. Drilon


Alfredo E. Pascual


Vicente S. Pérez, Jr.


Jones M. Castro, Jr.


Dioscoro I. Ramos


Josefina N. Tan

Good Corporate Governance

Good Governance for a Sustainable Future

Corporate governance at BDO reflects a steadfast commitment to effective oversight, rigorous regulatory compliance and sustainable value creation. More than a matter of compliance, it embodies accountability, fairness, and transparency. These principles safeguard stakeholder interests and drive long-term growth through an ethical, balanced, and forward-looking approach to business operations and governance.

BDO consistently applies the highest standards of corporate governance across the organization, anchored on accountability, fairness, integrity, and transparency. This disciplined approach has strengthened BDO's market reputation, built on a foundation of sound corporate culture and responsible business conduct, underpinned by a well-structured and effective system of governance.

The Bank adheres to the Securities and Exchange Commission (SEC) Code of Corporate Governance for Publicly Listed Companies and the Enhanced Corporate Governance Guidelines for BSP-Supervised Financial Institutions. It also aligns with international corporate governance best practices issued by globally recognized standards-setting bodies such as the Organisation for Economic Co-operation and Development (OECD) and the ASEAN Corporate Governance Scorecard (ACGS), which serve as key benchmarks.

Governance Structure

Board of Directors

The Board carries the primary role in ensuring good governance, providing effective leadership and strategic direction to secure the Bank's long-term success. It oversees the Bank's business affairs, including review of the strategic plans, performance targets, financial plans and budgets, key operational initiatives, capital expenditures, acquisitions and divestments, annual and interim financial statements, and corporate governance practices.

To maintain alignment with the Bank's corporate mission and vision, the Board periodically reviews the Bank's strategic objectives. Its responsibilities also include evaluating management performance, enterprise risk management, internal control systems, financial reporting and compliance, related party transactions, and the continuing education of directors. Additionally, the Board manages succession planning for itself, the President and Chief Executive Officer (CEO), and Senior Management.

In support of sustainable banking, the Board incorporates environmental, social and governance (ESG) considerations into its decision-making. This holistic approach ensures that the Bank achieves financial success while contributing positively to society and the environment.

Board Composition 2-9, 2-11

The Board's composition embodies diversity and independence, the anchors of its ability to provide strategic oversight, uphold integrity, and deliver balanced perspective and judgement that advance stakeholder value. The Board consists of eleven (11) members and is supported by three (3) advisors. Leadership rests with a Non-Executive Chairperson. The Board is composed of six (6) Independent Directors, four (4) Non-Executive Directors including the Chairperson, and one (1) Executive Director who is the President and CEO.

Independent and Non-Executive Directors account for 91% (10 of 11) of the Board, exceeding regulatory requirements that mandate at least a majority. With six (6) of the eleven (11) Board seats held by Independent Directors, the Bank surpasses the one-third (1/3) minimum threshold set by the Bangko Sentral ng Pilipinas (BSP) and the Securities and Exchange Commission (SEC). Independent, objective, and balanced judgement decision-making is reinforced as Independent Directors chair seven (7) of nine (9) board-level committees, namely, Board Audit, Corporate Governance and Sustainability, Risk Management, Related Party Transactions, IT Steering, Nominations, and Compensation. This structure ensures that critical issues and strategies are objectively reviewed, constructively challenged, thoroughly discussed, and rigorously examined. Board Advisors support the Board, with their insights and recommendations being highly valued by the Board members. The three (3) advisors are experts in their own fields, offering independent perspectives that enrich deliberations, add depth and objectivity to Board discussions, that strengthen the overall effectiveness of the Board.

Screening of Directors 2-10

The Board, through the Nominations Committee, is responsible for screening and evaluating new director nominees. In line with the Bank's Board Diversity Policy, it oversees the process of identifying and assessing the qualified candidates against defined roles and key attributes that would balance the skills, knowledge and experience of the existing Board membership and the strategic needs of the Bank. The Nominations Committee receives recommendations for potential candidates and to the extent possible, engages external search firms or refers to external databases (i.e., ICD List of Members) in selecting the pool of candidates for the new members of the Board. The Nominations Committee then recommends the most suitable candidate to the Board for appointment, when a vacancy occurs, or for election at the Annual Stockholders' Meeting (ASM).

For re-election of incumbent directors, the Nominations Committee also considers the results of the most recent annual evaluation of the performance of the Board and Board-level Committees facilitated by an independent third-party evaluator, attendance record in meetings, participation in Board activities, and overall contribution to the effective functioning of the Board. These results, along with regulatory fit-and-proper requirements, form part of the Nominations Committee's formal endorsement of incumbent directors seeking re-election during the ASM.

Board Diversity 405-1

BDO views diversity as an essential element in maintaining strong corporate governance through a strong and effective Board. The Bank's Board Diversity Policy reflects its recognition that diversity in skills, experience, gender, sexual orientation, age, education, race, religion, business, and other related expertise among its directors helps foster critical discussion and supports balanced decision-making by the Board.

The Board is resolute in continuously promoting and upholding diversity in its membership. As a whole, the Board, through its members, should possess all the necessary skills, experience and functional expertise to oversee the fulfillment of the strategic direction of the Bank. In determining the optimum composition of the Board and in filling its vacancies, the Nominations Committee uses as primary reference the Bank's Diversity Policy to maintain an appropriate balance of skills, background, gender, experience, and knowledge in the Board composition. The Committee takes into account the relevant qualifications of every candidate nominated for election, with competence and integrity as the primary factors.

The present members of the Board have extensive experience in banking, credit management, investment management, accounting and finance, insurance, legal management, business management, and strategy formulation, bank regulations including anti-money laundering, information technology, sustainability, and risk management, both globally and locally. More than half of the board members have significant international education and/or work experiences, which bring global perspectives to the Board. The appointment of the Bank's female Lead Independent Director in 2025 underscores the Board's strong commitment to gender diversity and further enhances the collective perspectives represented within the Board.

The Board believes that its current size and composition provide sufficient diversity among its directors and enable it to bring about effective leadership and maintain strong corporate governance that is attuned to the Bank's growth, complexity and scope of business.

Selection and Appointment of Senior Executive Management

The Board plays a critical role in shaping leadership by approving the selection and appointment of a highly competent senior executive team, led by the President and CEO, and key control function heads such as the Chief Compliance Officer, Chief Risk Officer, and Chief Audit Executive. In selecting these officers, the Board applies rigorous fit and proper standards, prioritizing integrity, proven technical expertise, and deep banking industry experience to ensure strong governance and sustainable performance.

Review of Bank's Mission, Vision, and Strategic Plans 2-16

The Board, being the highest governance body, approves and updates the Bank's mission, vision, objectives and strategies on a continuing basis. It also oversees management's implementation thereof, taking into account the Bank's long-term financial interests, its level of risk tolerance, and its capacity to manage risks effectively. It is actively engaged in the affairs of the Bank and monitors material changes in the Bank's business and regulatory environment to ensure that the Bank continues to have a positive influence on the economy. The Board similarly governs the implementation of policies relating to major areas of the Bank's operations and holds special meetings to discuss strategic matters and critical concerns.

During the year, the Board approved, reviewed, and oversaw the Bank's financial budget and capital funding, business targets and strategies, quarterly declaration of dividends, and the release of the 2024 audited financial statements within 57 days from year end, consistent with the ASEAN Corporate Governance Scorecard (ACGS) best practice standard. Its oversight functions include the review of operational and financial performance of Senior Management and the work of the various committees in accordance with their Terms of Reference. The Board also discussed macroeconomic and industry trends, regulatory developments, sustainability, digital transformation, and cybersecurity.

Improving Board Effectiveness 2-16, 2-18

Board Performance

The Corporate Governance and Sustainability Committee oversees the conduct of a yearly Board assessment that focuses on the performance of the Board, directors, Board-level Committees and Senior Management. The assessment is facilitated by an external firm annually, which is beyond the regulatory requirement of every three (3) years. To the Committee, engaging an independent party every year, rather than every three years as recommended by the SEC, continues to provide valuable governance insights and ensures stronger comparability, consistency, and ongoing improvement. The performance evaluation process begins with sending out customized Board Evaluation Questionnaires to each director and advisor who are required to complete them and provide additional context, as applicable. The results are independently tabulated and assessed by the external facilitator, supplemented by interviews with the directors, advisors and selected Senior Management officers.

The Bank re-engaged Isla Lipana & Co./ PwC Philippines (PwC) as external facilitator for the Bank's 2024 Board Effectiveness Evaluation (BEE). PwC facilitated and conducted a peer and self-evaluation process on the Board, Board-level Committees and individual directors, with additional insights from the Board Advisors and selected Senior Management officers.

Based on the Board's self-assessment and PwC's report, the Board sustained a strong level of performance across all key dimensions, while its members continue to demonstrate proactive involvement in crucial governance areas. Their diverse skills and perspectives enable comprehensive analysis and robust strategic guidance thereby reinforcing the Bank's commitment to effective governance and sustainable business practices. Since 2018, the Board has actively performed oversight, and provided directions on ESG initiatives, including comments and suggestions on further enhancing ESG and sustainability practices. The Board's self-assessment results further indicate strong oversight and active engagement between the Board and Senior Management, contributing to effective decision-making and execution. PwC's assessment report highlighted that the Chairperson and CEO continue to exemplify strong leadership, fostering an environment of transparency, collaboration, and disciplined execution across the organization.

The Board-level Committees likewise demonstrated their consistent strong performance. The evaluation highlighted their high-level of engagement and effective oversight in their respective mandates. Evaluation results also underscored strong leadership exhibited by the Board-level Committee chairpersons, who effectively guide their respective committees, foster collaboration, and drive impactful decision-making. Their leadership is instrumental in maintaining the Board's overall effectiveness and ensuring robust, risk sensitive, and responsive governance practices.

Continuing Education for Directors and Senior Management 2-17

To ensure the enhancement of directors' skills and knowledge, the Board undergoes a continuing education program. Each year, all directors and key officers of the BDO Group are updated, briefed and required to attend a corporate governance seminar on relevant topics to ensure that they are attuned with the developments in the business and regulatory environments, including emerging opportunities and risks in the financial industry. In 2025, all incumbent directors of BDO Unibank complied with the annual corporate governance training requirement of four (4) hours.

The 2025 Corporate Governance Seminar featured Professor Ian Goldin (Director of Oxford Martin School, University of Oxford), Mr. Steve Martin (CEO, Influence at Work (UK)) and Mr. Shai Ganu (Managing Director, Willis Towers Watson) who are global thought leaders that provided them with unique insights on the impact of innovation on business operations and governance, ethical considerations in technology adoption, and strategies for aligning leadership with sustainability and stakeholder trust. The topics included artificial intelligence and ethical governance, consumer trust and digital engagement, and stewardship as a foundation for accountability and long-term value creation.

Remuneration of Directors and Senior Management 2-20

BDO's remuneration policy is designed to attract, retain, and motivate top talents, ensuring that both employees and members of the Board are aligned with the Bank's long-term success.

The remuneration framework for Senior Management includes fixed pay, performance-based bonuses and the Employee Stock Option Plan (ESOP) as a long-term incentive program. A clawback mechanism is in place where the benefits and rights accruing from the ESOP can be forfeited, if an eligible employee is terminated from service for cause or in the event of imposition of an administrative or disciplinary sanction or penalty against the employee at any time during and after the vesting period prior to exercise. This conditional eligibility mechanism underscores accountability and alignment of employee interest with the Bank's long-term goals.

The remuneration framework is closely linked to corporate and individual performance, based on an objective appraisal of Senior Management. The same framework equally applies to the President and CEO. Annually, qualified employees receive merit-based salary increases, which have a long-term compounding effect on the fixed pay and serves as the basis for their retirement benefit. By rewarding performance and fostering a culture of excellence, this policy supports sustainable growth and organizational success.

Non-Executive Directors (NEDs) receive per diem for attending board and committee meetings, with no distinction between committee chairpersons or members. In accordance with applicable laws, the Bank grants additional directors' fees on top of meeting per diems to ensure that the remuneration reflects the effort, time spent, and responsibilities of NEDs. The total remuneration of each Board member is disclosed in the Bank's Definitive Information Statement and SEC Form 17-A (Annual Report).

Chairperson of the Board 2-11

The Chairperson plays a central role in guiding the Board and ensuring its effectiveness. She offers visionary leadership, fosters strong collaboration among directors, and creates an environment that encourages open dialogue, critical thinking, and constructive debate on key issues and long-term priorities. She ensures that the Board of Directors exercises robust oversight of the Bank's operations and Senior Management performance. Additionally, she leads efforts to uphold high standards of governance and independence, with the full support of all directors.

Independent and Non-Executive Directors' Meeting

Independent and Non-Executive Directors (INED) regularly convene meetings with the heads of the control functions (i.e. Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive) as well as the external auditor. These sessions are held without the presence of management or any bank executive, providing an opportunity for candid discussions on various matters outside the formal meetings of Board Audit Committee and Risk Management Committee. INEDs also engage with the heads of business and operating units to gain deeper insights and promote more comprehensive dialogue with the Bank's management. These meetings are chaired by the Lead Independent Director to ensure structured and effective discussions.

In 2025, the INED held three (3) sessions with the Bank's key control functions and reviewed the Bank's governance, risk, compliance, and audit posture, focusing on the institution's ability to remain resilient and forward-looking amid evolving regulatory requirements and market conditions. These discussions enable the INED to assess whether the Bank's control frameworks and risk management continue to support long-term stability and organizational agility.

Complementing these governance reviews, the INED conducted focused strategic dialogues with key business, operational, and support groups within the Bank. These sessions provided deeper visibility into the Bank's digital transformation progress, evolving client needs, and opportunities in key domestic and offshore markets. Insights from these engagements were subsequently relayed by the INED in a separate meeting to the Executive Director. This ensured alignment across governance and management, which reinforced the Board's commitment to strong oversight, strategic readiness, and long-term value creation.

Board Level Committees

2-12, 2-16

To effectively discharge its duties and responsibilities, the Board has established nine (9) committees. These committees operate under the authority of the Board and report directly to it. Their respective mandates and scopes are defined in their Terms of Reference, which undergo annual review and may be revised to align with the Board's evolving needs or regulatory requirements. The Board retains discretion to adjust the number and composition of these committees, in accordance with applicable laws or regulations, particularly those governing the majority membership and chairmanship of Independent Directors. As of December 31, 2025, seven (7) of nine (9) board-level committees are chaired by Independent Directors.

For the full functions and compositions of the standing committees of the Board, please refer to the 2025 BDO Annual Report.

Executive Committee

Chairperson:	Teresita T. Sy	
Members:	Josefina N. Tan Nestor V. Tan Mario B. Palou	Edmundo S. Soriano Cecilia Luz L. Tan

The Executive Committee exercises the Board delegated authority in managing and directing the Bank's affairs, including oversight over the Bank's sustainability program.

- Serves as the primary approving body for loans, credit facilities, advances or commitments and property-related proposals.
- Reviews and recommends for Board approval credit and investment proposals beyond its delegated limits; major credit policies and amendments, including changes to credit approval authorities; establishment of branches, extension offices, and domestic or foreign subsidiaries; and amendments to the Bank's Articles of Incorporation and/or By-Laws.

Throughout the year, the Committee exercised its Board-delegated authority to approve significant actions, including:

- Loans and credit facilities for clients' financing requirements.
- Proposals to resolve or remediate problem accounts.
- Leases and acquisitions of branch sites to support the Bank's expansion strategy and enhance operational efficiency.

As part of its ongoing oversight responsibilities, the Executive Committee remains mindful of the Bank's ESG programs, commitments and regulatory expectations. In line with this, it continues to require an environmental and social (E&S) risk assessment for all new and refinanced lending and investment accounts, in accordance with the ESRMS policy. This framework guides BDO bankers to stay conscious of these commitments and to identify, assess, and manage E&S risks and opportunities across credit, investments and administrative operations.

Board Audit Committee

Chairperson:	Vicente S. Pérez, Jr. *(Independent Director)*
Members:	Estela P. Bernabe *(Independent Director)* Jones M. Castro, Jr.
Advisors:	Vipul Bhagat *(Independent Director)* *From April 25, 2025*

- Empowered by the Board to oversee the financial reporting process, internal control and risk management systems, internal and external audit functions, and compliance with applicable laws and regulations, the Committee discharged its oversight functions independently in accordance with its Terms of Reference, which are annually reviewed and updated, when necessary. The BAC assessment indicated that the Bank's internal controls, financial reporting processes and systems are generally adequate and effective.
- On compliance, it recommends the approval of the Compliance Charter and reviews annually the performance of the Chief Compliance Officer and the compliance function. It also reviews the annual plans of the Compliance Group including the Anti-Money Laundering Department (AMLD) and evaluates the effectiveness of the regulatory compliance framework of the Bank to ensure that these are consistently applied and observed throughout the institution. It reviews the report of examination of the BSP and other regulators including replies to such reports for endorsement to the Board for approval, in line with its mandate to oversee the Bank's compliance requisites as required by regulatory bodies.
- The BAC also reviews the Internal Compliance Testing results on the Sustainability Office for sustainability-related circulars and memorandums of the BSP and the SEC.

Corporate Governance and Sustainability Committee

2-12, 2-13, 2-14

Chairperson:	Alfredo E. Pascual *(Independent Director) From April 25, 2025* Estela P. Bernabe *(Lead Independent Director) Until April 25, 2025*	
Members:	George T. Barcelon *(Independent Director)* *From April 25, 2025* Franklin M. Drilon *(Independent Director)*	Vicente S. Pérez, Jr. *(Independent Director)* *Until April 25, 2025*
Advisors:	Estela P. Bernabe *(Lead Independent Director)* *From April 25, 2025* Jones M. Castro, Jr. *Until April 25, 2025*	George T. Barcelon *(Independent Director)* *Until April 25, 2025*

- **Annual Continuing Education of Directors**

  The Corporate Governance and Sustainability Committee played a pivotal role in ensuring that directors continue to be equipped with appropriate knowledge and skills to govern effectively in the rapidly changing business environment. For 2025, the Committee approved the topics and resource speakers for the Bank's Corporate Governance Seminar, and all eleven (11) members of the Board completed the mandatory four (4) hour training requirement. The seminar held on July 25, 2025, was attended by directors and key officers of BDO's subsidiaries, reflecting the bank's commitment to inclusive and comprehensive governance education across the Group. The completion of this seminar adheres to the regulatory requirement for an annual corporate governance training. (See Continuing Education for Directors and Senior Management)

- **Adherence to Corporate Governance Standards**

  Throughout the year, the Corporate Governance and Sustainability Committee implemented several initiatives to elevate corporate governance standards. Notably, the Committee approved the 2024 Integrated Annual Corporate Governance Report and the Bank's report on compliance with leading governance practices, which were incorporated into the 2025 Information Statement (SEC Form 20-IS). Additionally, the Committee endorsed the revised 2024 ASEAN Corporate Governance Scorecard (ACGS) Self-Assessment Document, providing guidance for ACGS assessors to identify the Bank's disclosures aligned with ACGS recommendations. The Bank likewise continued to receive significant regional governance and sustainability recognitions, including Best Bank for ESG Philippines from Euromoney and The Asset, and multiple awards from Retail Banker International and ESG Business. The Bank also received the Best Sustainability Team Award in Asia from The Asset for the second consecutive year. For its conformity with the best practice recommendations of the ASEAN Corporate Governance Scorecard (ACGS), the Bank also earned a spot as one of the Top 50 Association of Southeast Asian Nations (ASEAN) Publicly Listed Companies.

- **Revision of key governance documents**

  The CG Committee approved and endorsed several revisions to key governance documents. This included amendments to the:

  - **Corporate Governance Manual**
    The 2025 update to BDO's Corporate Governance Manual introduces significant refinements to strengthen board effectiveness and align governance practices with global standards. Key changes include clarifying the Board's oversight of Senior Management, reinforcing independence by removing exemptions for Independent Directors, and embedding sustainability and ESG principles into both Board-level oversight and enterprise-wide governance. The revisions also formalize the adoption of global sustainability reporting frameworks, expand dividend policy guidelines, and rationalize executive remuneration disclosures for greater transparency.

Revisions to the Corporate Governance Manual underscored provisions on real-time voting until the adjournment of the Annual Stockholders' Meeting and the integration of sustainability considerations into the Group's risk management and strategic frameworks. These updates support greater transparency, reinforce sound governance practices, and align the Manual with evolving regulatory and sustainability expectations across the BDO Group.

- **Sustainability Oversight** 2-12, 2-14

  In 2025, the Board changed the name of the Corporate Governance Committee into Corporate Governance and Sustainability Committee to more clearly define the Board-level oversight accountability for the Bank's sustainability policies, programs, and initiatives. While sustainability-related risk policies are approved by the Risk Management Committee, the Corporate Governance and Sustainability Committee performs regular oversight on sustainability matters—sustainability-related reports, regulatory updates, bank activities and initiatives–as part of its regular agenda.

  Sustainability Updates were presented and thoroughly discussed during the seven (7) occasions that the Corporate Governance and Sustainability Committee convened in 2025. The Committee focused on the Bank's key initiatives for sustainable finance and BDO operations with sustainability impact. Among these were: the implementation of the Environmental and Social Risk Management System (ESRMS) across the BDO conglomerate; the Bank's Sustainable Finance and Fossil Fuel Exposures; the Bank's carbon footprint and reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD); the content outline and performance highlights of the 2024 BDO Sustainability Report; and updates on the Bangko Sentral ng Pilipinas 2025 Examination of BDO's sustainability and sustainable finance transition.

The Committee also discussed the impact of the full allocation of ASEAN Sustainability Bonds (ASB) proceeds of P52.7 billion (USD885.3 million). These investments supported solar and wind energy installations, which have significantly reduced greenhouse gas emissions and contributed to the Philippines' transition to cleaner energy sources. The funds also financed energy-efficient infrastructure, such as green buildings, resulting in measurable reductions in energy consumption and promoting sustainable urban development. On the social side, the projects funded under BDO's first ASB issuance align with the 17 United Nations Sustainable Development Goals (SDGs), particularly SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), and SDG 13 (Climate Action). The Committee likewise reviewed the performance of all five BDO Sustainability Bond issuances, and the record-breaking success of the fifth Sustainability Bond, issued at P115 billion (USD1.9 billion) in July 2025.

The Committee also reviewed the Securities and Exchange Commission's Exposure Draft on Philippine Financial Reporting Standards; the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and BDO's early adoption of the said standards in its sustainability reporting; BDO's Energy Management Policy and compliance to the Energy Efficiency and Conservation Act; and the Philippine Energy Plan. Local and regional recognitions that the Bank received for its ESG practices were also highlighted to the Committee: The Retail Banker International Asia Trailblazer Award 2025, the Euromoney Excellence Awards 2025, Asia Corporate Excellence & Sustainability (ACES) Awards 2025, The Asset ESG Corporate Awards 2025, and the 4 Golden Arrows from the Institute of Corporate Directors among others.

Directors who were new to the Board and who are members of the Corporate Governance and Sustainability Committee went through a sustainability onboarding session with the Sustainability Office to bring them up to speed on the Bank's sustainability framework, policies, commitments, and pioneering initiatives.

- **Board Effectiveness Evaluation**

  The Corporate Governance and Sustainability Committee engaged Isla Lipana & Co./PwC Philippines (PwC) to facilitate the 2024 Board Effectiveness Evaluation (BEE), covering Board conduct, committee performance and director self and peer assessments.

  Results of the BEE confirm a consistently strong performance, with upward trends in the performance of Board responsibilities, Board composition, and risk oversight, reinforcing the Board's strategic focus and governance resilience. Interaction and communication with Management also improved, reflecting a culture of constructive engagement and informed decision-making.

Trust Committee

Chairperson:	Dioscoro I. Ramos	
Members:	Vipul Bhagat *(Independent Director)* *From April 25, 2025* Alfredo E. Pascual *(Independent Director)* *Until April 25, 2025*	Josefina N. Tan Nestor V. Tan Manuel Patricio C. Malabanan
Advisors:	Noel Andrada Christopher A. Bell-Knight	

Significant matters taken up by the Committee in 2025 included the review of BDO Trust and Investments Group's (BDO Trust) investment outlook and strategy, business performance, and updates on assets under management (AUM) across institutional and retail segments. The Committee regularly reviewed AUM trends, funds flow, fee performance, and market conditions, noting sustained year-on-year growth in both AUM and trust fees throughout the year. It also monitored account-level activities and product-related matters, including renewals of issuers' lines, equity broker lines, and the annual review of policies aligned with regulatory requirements.

Risk Management Committee 2-12, 2-13

Chairperson:	Vipul Bhagat *(Independent Director)*	
Members:	Jones M. Castro, Jr. Alfredo E. Pascual *From April 25, 2025*	Dioscoro I. Ramos *Until April 25, 2025*
Advisors:	Dioscoro I. Ramos *From April 25, 2025; Formerly a Member* Christopher A. Bell-Knight Nestor V. Tan	

- Oversees the Bank's enterprise risk management program (ERM), including the Trust Unit, consistent with the mandate assigned by the Board.
- Approves the Bank's risk appetite and risk tolerance levels, as well as the supporting policies and limits across major risk areas (i.e., credit, market, liquidity, interest rate, operational (including business continuity, IT, information security, data privacy and social media risks), consumer protection, and environmental and social risk, to ensure alignment with the Bank's strategic objectives and overall risk appetite.

The Committee likewise oversaw trust risk exposures and noted that trust asset levels, portfolio diversification, funding concentrations, redemption triggers, and value at risk indicators all remained within approved limits. The Committee endorsed updates to major risk policies and manuals, including market and liquidity risk policies, trust risk limits, and its revised Terms of Reference, ensuring alignment with regulatory expectations and evolving industry practices. During the year, the Committee also approved refinements to country limits, credit scoring models, and foreign exchange risk parameters and noted the completion of the Bank's self-assessment on operational resilience for regulatory submission. In addition to fulfilling its core risk oversight responsibilities, the Committee continued to monitor emerging environmental, social, and governance related risks to ensure that ESG considerations remain integrated into the Bank's broader risk management framework and aligned with regulatory guidance. These actions supported the ongoing enhancement of the Bank's risk governance structure and reinforced its commitment to maintaining prudent risk discipline and a resilient risk management system in support of sustainable growth.

In 2025, the Risk Management Committee continued to provide comprehensive oversight of the Bank's risk management framework, covering market, liquidity, credit, operational, and trust risks. Throughout the year, the Committee noted that the Bank maintained a strong liquidity position and sufficient capital to absorb losses under stress scenarios, with no breaches of market or liquidity risk limits reported across all monitoring periods. Regular reviews of portfolio exposures, country risk levels, and loan portfolio quality confirmed the Bank's disciplined approach to credit risk, supported by stable non-performing loan ratios, adherence to concentration and industry limits, and compliance with the Environmental and Social Risk Management System requirements. The Committee also monitored the outcomes of stress testing exercises and model performance reviews and received updates on operational risk matters, including information security, data privacy, cybersecurity, and customer service, all of which remained within acceptable thresholds.

Nominations Committee 2-10

Chairperson:	Franklin M. Drilon *(Independent Director) From April 25, 2025* Estela P. Bernabe *(Lead Independent Director) Until April 25, 2025*	
Members:	George T. Barcelon *(Independent Director)* *Until April 25, 2025* Estela P. Bernabe *(Lead Independent Director)* *From April 25, 2025*	Vicente S. Pèrez, Jr. *(Independent Director)*

During 2025, the Nominations Committee reviewed the profiles of various individuals as directors for the term 2025-2026, including the nomination of incumbent regular and independent directors for the 2025 Annual Stockholders' Meeting, ensuring that the Board continues to benefit from a strong mix of experience, independence and sector expertise. In parallel, the Committee evaluated and approved the interlocking and concurrent positions of certain directors to confirm that their external roles remained fully aligned with regulatory requirements and did not conflict with their responsibilities at BDO Unibank.

Building on its governance oversight, the Committee also reviewed and endorsed to the Board for approval several senior leadership appointments across key business, control and support functions, reflecting the Bank's ongoing efforts to strengthen its talent pipeline. These appointments were complemented by promotions of senior officers and organizational adjustments consistent with the Bank's succession planning framework. In addition, the Committee approved the revised Terms of Reference of the Nominations Committee and reviewed updates on the succession planning process for Group Heads and other critical leadership positions, ensuring continued leadership continuity across the organization.

Compensation Committee 2-20

Chairperson:	George T. Barcelon *(Independent Director)*	
Members:	Franklin M. Drilon *(Independent Director)* *From April 25, 2025* Dioscoro I. Ramos *Until April 25, 2025*	Teresita T. Sy

In 2025, the Committee continued to enhance governance over compensation structure and disciplines. The Committee noted the executive compensation disclosures for inclusion in the 2025 Information Statement and the 2024 Annual Report.

The Committee also approved and endorsed a revised Terms of Reference (TOR) to the Board of Directors, ensuring continued alignment with governance best practices while maintaining independence and integrity. The Committee also reviewed the fund performance of the BDO retirement fund, as part of its oversight responsibility over benefit and compensation related matters.

Information Technology Steering Committee 2-9, 2-12, 2-13

Chairperson:	George T. Barcelon *(Independent Director)*	
Members:	Jones M. Castro, Jr. *From April 25, 2025* Dioscoro I. Ramos Nestor V. Tan Frederic Mark S. Gomez *Until February 3, 2025*	Paul John Siy *From April 25, 2025* *until November 3, 2025* Rene B. Morta *From November 3, 2025*

For the year 2025, the Information Technology Steering Committee (ITSC) strengthened the Bank's technology governance through its oversight of digital, operational, and cybersecurity priorities, ensuring strong alignment with the Bank's strategic goals.

Throughout the year, the Steering Committee closely tracked the progress of major technology transformation programs aimed at elevating customer experience, streamlining operations, meeting regulatory commitments, and reinforcing the Bank's security and application resiliency. These programs included improvements across digital channels, payment platforms, enterprise servicing streamlining, generative AI and the modernization of core banking technologies.

A key highlight for 2025 was the Bank's continued progress in cybersecurity and IT resiliency. The Steering Committee noted strong and improving security posture, alongside the successful modernization of critical technology infrastructure—most notably, the migration of essential systems to a next generation, purpose-built data center designed to deliver higher availability, better performance, and more robust protection.

The Steering Committee also covered the performance and reliability of digital channels, cost optimization initiatives, vendor governance, and the ongoing development of IT talent. These focused efforts reinforced the Bank's commitment to secure, reliable, and future ready technology—enabling innovation, operational excellence, and consistently high-quality service for customers and stakeholders.

Related Party Transactions Committee 2-15

Chairperson:	Estela B. Bernabe *(Lead Independent Director) From April 25, 2025* Dioscoro I. Ramos *Until April 25, 2025*	
Members:	Vipul Bhagat *(Independent Director)* *From April 25, 2025* Jones M. Castro, Jr. *Until April 25, 2025*	Vicente S. Pèrez, Jr. *(Independent Director)* *From April 25, 2025* Dioscoro I. Ramos *From April 25, 2025*
Advisors:	Jones M. Castro, Jr. *Until April 25, 2025*	

Throughout 2025, the Related Party Transactions Committee (RPTC) conducted a meticulous review and approval process for various material credit and non-credit related party transactions, endorsing them for Board approval. This rigorous oversight ensured that all transactions were thoroughly evaluated, maintaining arms'-length transactions with related parties, transparency and compliance with regulatory standards. The Committee likewise reviewed the annual non-material related party transactions submitted by various business units for Board confirmation, ensuring that even minor transactions met the necessary governance standards. (See the 2025 BDO Annual report for more details on related party transactions.)

Compliance with the SEC Code of Corporate Governance 205-1

As part of its responsibility as a publicly listed company, the Bank reports its adherence to the SEC Code of Corporate Governance for PLCs and explains any areas where its governance approach differs from the recommended practices. For the year ended December 31, 2025, the Bank confirms that it remains substantially aligned with the Code, with two items where the Bank's governance framework reflects a considered and deliberate approach: 1) Policy on retirement age of directors; and, 2) Disclosure of executive remuneration on an individual basis.

On the retirement age of directors, the Board's governance framework places strong emphasis on director effectiveness, strategic foresight, and stewardship. In this context, the Board has taken a principled view that institutional leadership is best supported by a performance-anchored model rather than a blanket age-based rule.

Instead of imposing a fixed retirement age, the Board relies on established governance mechanism, such as annual evaluation of the Board, committees, and individual directors; fit-and-proper assessments; and succession planning processes, to determine the continuing suitability of each director. This ensures that Board membership remains aligned with the Bank's strategic priorities, risk environment, leadership needs, at any given time. The approach also reflects the Board's conviction that experience remains a strategic asset, particularly in a sector characterized by complex regulatory demands and evolving market risks. The Board maintains both continuity and accountability by preserving their ability to retain seasoned directors while still subjecting them to rigorous evaluation. It also upholds shareholder rights by allowing them to elect directors based on merit and not age.

In its governance of executive compensation, the Board seeks to balance transparency, competitiveness, and prudent risk oversight. While director compensation is disclosed individually, the Board has determined that reporting executive officers' remuneration on an aggregate basis better supports the Bank's talent retention and acquisition objectives, and mitigates security risks associated with the disclosure of sensitive compensation information. This approach aligns with the Board's responsibility to safeguard the institution's leadership pipeline and to protect sensitive remuneration information that, if disaggregated, could expose the Bank to unnecessary risks such as targeted recruitment by competitors or personal security concerns affecting key executives. At the same time, the Board ensures robust oversight of compensation structures through its governance committees. The remuneration framework remains aligned with the Bank's long-term strategy, risk culture, and performance outcomes, with clear accountabilities embedded across all levels of the organization.

Through these positions, the Board emphasizes a governance philosophy anchored in effectiveness, prudence, and long-term value creation. The Bank remains committed to transparent and accountable governance practices while applying judgment in areas where a more nuanced approach supports institutional resilience and strategic continuity.

Independent Control Functions

Compliance

BDO's Compliance Group, led by the Chief Compliance Officer (CCO), provides independent oversight and advisory support to the Board and Senior Management to ensure that the Bank operates in line with regulatory expectations. Its mandate focuses on maintaining a sound and coherent compliance environment by developing policies, setting internal standards, and establishing monitoring mechanisms that reinforce the Bank's governance framework, oversees the Bank's enterprise-wide compliance framework and ensures strong adherence to applicable laws, rules, and regulations. Through its reporting line to the Board Audit Committee, the Compliance Group offers an objective view of compliance risks, supervisory developments, and the effectiveness of the Bank's control environment, allowing the Board to exercise informed and effective oversight.

The Compliance Group works closely with business units to translate regulatory requirements and compliance queries into practical operational guidance. It evaluates new initiatives and product structures for regulatory implications, supports the enhancement of internal controls, proposes amendments to compliance procedures and guidelines, and facilitates targeted compliance training to strengthen collective adherence across the organization. Clear escalation protocols ensure that significant issues and emerging concerns are promptly communicated to both Senior Management and the Board Audit Committee. Through these governance activities, the Group helps sustain regulatory confidence, strengthen operational discipline, and contribute to the long-term stability of the institution.

The Anti-Money Laundering Department (AMLD) under the Compliance Group, provides enterprise-wide governance over financial crime risks by ensuring that controls related to money laundering, terrorist financing, and proliferation financing remain comprehensive, adaptive, and aligned with domestic regulations and international standards. These expectations are anchored in the Board-approved Money Laundering, Terrorist Financing and Proliferation Financing Prevention Program (MTPP) Manual, which establishes the Bank's risk-based approach and outlines requirements for customer onboarding, transaction monitoring, reporting obligations, record management and training.

The Compliance Group contributes to the strength of the Bank's governance framework by providing clear insights on regulatory and financial crime risks, supporting effective oversight, and reinforcing a disciplined approach to managing emerging issues. Through its coordination with management and Board-level committees, the Group helps ensure that controls function as intended, risk signals are acted upon promptly, and regulatory expectations are consistently met. Its perspective helps shape well-informed decisions, promote accountability across the organization, and sustain the confidence of regulators, customers, and other stakeholders. Together, the Group helps preserve the Bank's integrity, protect its franchise, and support long-term resilience and sustainable growth.

AMLD operationalizes this framework through ongoing customer and transaction risk assessments, proactive monitoring and analytics, and the timely submission of accurate regulatory reports. It issues policies, creates/updates e-learning modules and conducts comprehensive training to reinforce accountability across business units and provides advisory support to strengthen frontline implementation. Its monthly reporting to the Board Audit Committee gives the Board of Directors clear visibility into material risks, control gaps, regulatory concerns, and the status of remediation efforts, helping ensure that financial crime risks receive appropriate Board-level oversight.

At the management level, the Anti-Money Laundering Committee (AMLCom) supports AMLD by reviewing significant AML issues, validating risk assessments, and helping ensure consistent implementation of Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Counter-Proliferation Financing (CPF) controls across business groups. AMLCom provides cross-functional forum for coordinating management action, facilitating timely resolution of issues that require collaboration among operating units, and reinforcing the Bank's overall financial crime risk governance framework.

The Sustainability Office (SO) also reports to the Chief Compliance Officer, aligned with its role to lead ESG governance with oversight on sustainable finance framework transition, ESG risks and opportunities, sustainability-related regulatory compliance, policy formulations and programs oversight, capability-building, and sustainability advisory across the BDO Group. The SO produces the Bank's annual Sustainability Report aligned with global reporting standards, and collaborates with external partners on strategic sustainability projects supporting the Bank's Sustainable Finance Framework and the UN Sustainable Development Goals. The SO works across all levels of the organization from the Board to employees in order to drive the embedding of sustainability principles in core business and operations. The SO is also tasked with stakeholder communication on behalf of the Corporate Governance and Sustainability Committee, and in this role, articulates the Bank's sustainability initiatives to stakeholders in various external channels and forums.

Internal Audit 2-14

The BDO Internal Audit (IA) function covers the entire BDO Group, including local and foreign subsidiaries and offices. It is committed to adhering to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework (IPPF), which includes the Global Internal Audit Standards and the Topical Requirements; regulatory requirements such as those prescribed under the Bangko Sentral ng Pilipinas (BSP) Manual of Regulations for Banks (MORB) and relevant circulars; and internationally recognized frameworks such as the COSO Internal Control–Integrated Framework and the Control Objectives for Information and Related Technologies (COBIT).

The purpose of BDO IA is to strengthen BDO and its subsidiaries' ability to create, protect, and sustain value by providing the Board and Management with objective assurance, advice, insight, and foresight, thereby enhancing the Bank's governance, risk management, and control processes.

As part of its enterprise audit strategy, BDO IA assesses the adherence of relevant units to the BDO Sustainability Finance Framework and the Environmental and Social Risk Management System (ESRMS). In addition, BDO IA reviews the Bank's Sustainability Report to ensure the accuracy, verifiability, and completeness of relevant information and to confirm that disclosures are aligned and compliant with applicable global reporting standards and principles.

The Bank refers to the following local regulations and global standards as authoritative guidance for its sustainability-related activities:

- Securities and Exchange Commission (SEC) Memorandum Circular No. 4, series of 2019 – Sustainability Reporting Guidelines for Publicly Listed Companies
- BSP Circular No. 1085, series of 2020 – Sustainable Finance Framework
- BSP Circular No. 1128, series of 2021 – Environmental and Social Risk Management System (ESRMS)
- BSP Circular No. 1149, series of 2022 – Guidelines on the Integration of Sustainability Principles in Investment Activities of Banks
- BSP Circular No. 1187, series of 2024 – Philippine Sustainable Finance Taxonomy Guidelines
- Global Reporting Initiative (GRI) Sustainability Reporting Standards
- Task Force on Climate-related Financial Disclosures (TCFD)
- International Financial Reporting Standards - International Sustainability Standards Board (IFRS-ISSB) Standards 1 and 2 (S1, S2)
- Sustainability Accounting Standards Board (SASB)

A dedicated IA team has audited the BDO Sustainability Report, Sustainable Finance Framework, and ESRMS since 2020, following the BDO IA's periodic audit cycle and continuous risk assessments. To ensure a deeper understanding of Sustainability and sustainability reporting frameworks as they evolved over the years, IA team members have attended internal and external trainings and workshops on sustainability, sustainable finance, the GRI framework, and international reporting standards.

The results of BDO IA's reviews, including sustainability-related reviews, are reported to the Bank's Board Audit Committee (BAC). Audit findings are tracked until full resolution. In its year-end closing report, BDO IA provides an overall assessment of the Bank's governance, risk management, and control processes.

Corporate Policies & Practices 2-23, 2-25

Code of Conduct and Business Ethics

As a financial institution, BDO believes that practicing right conduct and ethical behavior inspires and strengthens the confidence of all our stakeholders. The BDO Code of Conduct and Business Ethics (the Code) outlines the principles and policies that govern the activities of the Bank and sets forth the rules of conduct in the workplace and the standards of behavior of its directors, officers and employees in their activities and relationship with external stakeholders.

The Bank upholds the virtues of honesty and integrity among its employees and instills a sense of commitment toward duty and responsibility. All employees are expected to observe discipline in attending to their jobs and in interacting with co-workers. Supervisors and managers are expected to foster self-discipline and serve as role models to their subordinates. Bank officers are expected to intelligently and consistently apply the accepted principles of people management. All cases/violations must be reported. Failure to do so either by oversight or deliberate cover up is subject to appropriate disciplinary action. The Human Resources Group is responsible for overseeing the implementation of the Code across the BDO Group. It receives reports of violations and activates the process for undertaking a confidential investigation. As necessary, it may endorse the handling of the investigation to the Cases Review Secretariat for the appropriate action and recommendation.

The Board Audit Committee, at its discretion, may periodically report the Code of Conduct and Business Ethics cases to the Board of Directors. The Compliance Office will address lapses in compliance with regulatory requirements arising from the administrative cases due to the violation of this Code.

Internal Fraud, Breach of the Code, or other Unethical/ Illegal Activities 205-1, 205-3

BDO believes that the key to long-term sustainability and success largely depends on having a good name and solid reputation in the industry. Any director or employee who becomes aware of any violations of law, regulations, or policies should report the same to appropriate authorities, with protection from reprisal and discrimination. Reporting of violations should be done in good faith and without malice. This is embodied in the BDO Policy of Disclosure of Sensitive/Confidential Matters to management that governs the policies and procedures in the handling of whistleblower cases.

In 2025, there were eleven (11) decided cases of fraud involving nine (9) Bank employees, who were dismissed accordingly, consistent with existing labor laws, under BDO Unibank Inc. and its subsidiaries. The Bank undertook to file legal cases against these erring employees to demonstrate its zero-tolerance policy on fraud.

Disclosure of Sensitive/ Confidential Matters to Management (Whistleblowing) 2-26

BDO Unibank firmly believes that long-term success is built on trust, integrity, and ethical conduct. The Bank values its reputation as a critical asset and is committed to transparency, accountability, and vigilance in all aspects of its operations.

The Policy on Disclosure of Sensitive/ Confidential Matters to Management provides a clear framework for reporting any incident of irregularity, or potential violation involving fraud, misconduct, or breach of internal policies. This ensures that such matters are promptly addressed to prevent or mitigate financial losses, protect stakeholder interests, and maintain public confidence in the Bank's operations.

Reports can be submitted through secure channels including short messaging service (SMS), letter, email or phone call and directed to the Office of the President (OP) or the relevant Unit Head. If the concern involves the President and other Executive Directors, it should be escalated to the Board of Directors through the Office of the Chairperson. For issues on Related Party Transactions (RPT), reports must be addressed to the Chairman of Related Party Transactions Committee.

All disclosures are handled with the highest level of confidentiality and professionalism, ensuring whistleblower protection and thorough, impartial investigation of reported matters.

Acceptance/ Solicitation of Gifts, Bribery, Corruption, and Anti-Competitive Behavior 205-1, 205-2, 205-3, 206-1, 415-1

The Bank has zero tolerance for the solicitation and acceptance, directly or indirectly, of any gift (including entertainment services or activities), gratuity, commission or any form of payment from clients, business partners, suppliers and third-party service providers in connection to a service that may, in any way, influence the Director's, Officer's or employee's decision-making in exchange for any unnecessary favorable treatment. Likewise, BDO commits to comply with anti-corruption and bribery laws in all jurisdictions where it operates.

In 2025, there were 11 decided cases of fraud involving nine Bank employees who were then dismissed accordingly, consistent with the existing labor laws, under BDO Unibank Inc. and its subsidiaries. The Bank undertook to file legal cases against these erring employees to demonstrate its zero-tolerance policy on fraud.

BDO prohibits making any political donations to prevent any attempt to encourage favorable treatment of BDO and/or its directors and employees. The Bank reaffirms that it adheres to the no political contributions policy.

BDO is not involved in any anti-competitive behavior and has no violations of existing anti-trust and monopoly laws. No legal actions, pending or completed, pertaining to anti-competitive and antitrust behavior were filed against the Bank.

Risk Management and Business Continuity

It is BDO's goal to remain a strong Bank that is resilient to possible adverse events. With this, operational resilience is integrated into its activities to sustain the delivery of essential business functions in the event of a disruption. The scope of the Bank's resilience plan is comprehensive, covering the financial, strategic, operational, technological, and cybersecurity domains. The Bank's strategy is to prioritize and focus on critical services across business processes, enabling continued financial strength and customer trust. This includes the Bank's continued support for adequate resources and communication tools, and investments in technology and security infrastructures to strengthen its cybersecurity posture.

Business Continuity Planning (BCP)

Also essential to the Bank's resilience approach is the implementation of an effective business continuity management system. Business continuity plans—containing procedures for communicating with internal and external stakeholders, relocating to alternate sites, recovering business functions and processes, and restoring IT services and infrastructure—are in place and updated annually. Periodic plan testing exercises are conducted using various methods (e.g., tabletop, live simulation) to ensure they remain accurate, relevant, and operable. Evolving threat landscapes, including those arising from environmental and social risks, are also considered and have influenced continuity planning. Events such as earthquakes and flooding have necessitated contingency measures or BCP activation, reflecting the Bank's commitment to maintaining service continuity even amid climate-related or socio-economic events. These components reinforce BDO's operational resilience and support the Bank's commitment to continuous service delivery, consistent with its risk governance framework and long-term sustainability objectives.

Anti-Money Laundering, Counter-Terrorist Financing, and Counter-Proliferation Financing

BDO upholds the highest standards in Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF), and Counter-Proliferation Financing (CPF). Our enterprise compliance program, approved by the Board of Directors, ensures continuous oversight and accountability.

The Board Audit Committee and the Board receive monthly updates from the Anti-Money Laundering Department (AMLD) within the Compliance Group, reinforcing transparency and proactive risk management. Significant AML matters are escalated to the AML Committee, a cross-functional management committee dedicated to ensuring compliance with laws and internal policies. This committee is chaired by the Chief of Staff under the Office of the President and is composed of representatives from Compliance, Legal, Branch Banking, and other Head Office Senior Officers. In 2025, the committee met five times to address top and emerging risks, regulatory changes and identify opportunities for further enhancement of AML controls.

The AMLD implements the Bank's Money Laundering, Terrorist Financing, and Proliferation Financing Prevention Program (MTPP). This includes applying a risk-based approach to Know Your Customer (KYC), and Customer Due Diligence (CDD) reporting covered transactions promptly, identifying and investigating suspicious activities, and delivering targeted training. Dedicated Compliance Units in key business areas—such as Trust, Remittance, and Global Operations—along with Unit Compliance Coordinators across Head Office units and branches, operate a wide range of AML controls with AMLD guidance. These structures ensure strong AML compliance across domestic and international operations.

BDO's local and international branches and subsidiaries comply with Philippine AML regulations, while overseas entities also follow jurisdiction-specific requirements. Independent third-party audits are conducted annually to validate the integrity of our AML/CTF/CPF framework.

Risk Assessment and Client Screening

BDO conducts thorough risk assessments to classify and manage AML and financial crime risks. This process evaluates factors such as country of operation, product offerings, business activities, client profiles, delivery channels, ownership structures, and affiliations. The Bank does not engage with shell companies or virtual asset service providers and prohibits the establishment of relationships and the facilitation of transactions with individuals or entities listed on sanctions registers maintained by the United Nations Security Council (UNSC), the Office of Foreign Assets Control (OFAC), and the Philippines' Anti-Terrorism Council (ATC). The same standards apply to countries identified as high-risk by the Financial Action Task Force (FATF) and those subject to comprehensive OFAC sanctions. All clients, including beneficial owners of corporate customers, undergo mandatory watchlist screening.

Clients are categorized by AML risk profile, with corresponding levels of Customer Due Diligence (CDD). Standard due diligence applies to normal-risk clients, while enhanced due diligence (EDD) applies to high-risk clients and industries, which are subject to close monitoring and annual review. BDO actively monitors unusual or suspicious activities through its automated transaction monitoring system. Alerts are investigated by dedicated AML team. Suspicious Transaction Reports (STRs) and related information are strictly confidential.

A bi-annual enterprise-wide Institutional Risk Assessment (IRA) identifies and evaluates the Bank's inherent money laundering, terrorist financing, and proliferation financing risks, the effectiveness of existing controls and the residual risk. The IRA informs enhancements to AML/CFT/CPF ensuring alignment with the Anti-Money Laundering Act (AMLA) of the Philippines, its Implementing Rules and Regulations, and relevant Bangko Sentral ng Pilipinas (BSP) circulars.

Anti-Money Laundering Training and Capacity Building

BDO prioritizes continuous learning by providing tailored AML training to frontliners and relationship managers, ensuring they understand key policies, new laws, and regulatory updates. All employees complete e-learning modules, validated by exams, every two years. Training covers transaction reporting, money laundering typologies relevant to the Bank's products and services, and internal policies for preventing financial crime.

As of December 31, 2025, AMLD conducted 28 customized classroom sessions attended by 3,256 employees. Employees covered by the AML online training requirement have successfully completed their assigned online courses with 99% completion rate across 11 e-learning courses available (AML101 to AML111). New modules for implementation include AML 112 on Targeted Financial Sanctions and AML 113 on Ultimate Beneficial Ownership.

Enhanced Controls for Online Sexual Abuse and Exploitation of Children

Recognizing the growing threat of online sexual abuse and exploitation of children (OSAEC), BDO has strengthened controls to mitigate associated risks. The Bank applies data analytics to detect child exploitation activities and includes in its Negative List Database System (NLDS) customers involved in suspicious transaction reports.

Procedures for investigating and resolving alerts continue to be improved to deliver timely, high-quality outcomes. Specialized training on OSAEC (AMLA 109) is mandatory for client-facing units, equipping them to identify and address risks related to OSAEC and comply with AML/CFT controls.

Tax Governance and Compliance

207-1, 207-2, 207-3

BDO observes a tax strategy policy of full compliance and transparency in all the territories where BDO engages in business.

BDO is committed to the nation-building of all the territories in which it operates, and hence, timely pays to the governments of the jurisdictions it operates in the taxes due on the Bank's income, products, and services. BDO recognizes that the timely payment of taxes due to governments plays a pivotal role in enabling them to develop a sustainable economic, environmental, and socially responsible nation. This leads to a prosperous, functional, and orderly society conducive to job creation and higher demand for the services and products of the Bank.

The BDO Comptrollership Group (Comptrollership Group) is responsible for the timely payment of taxes with respect to the different transactions of the organization. The Comptrollership Group is supported by specialized accounting units responsible for handling tax requirements across the different lines of business of BDO. These accounting units are covered by both internal and external audit processes to ensure compliance with applicable regulations. A Tax Compliance Unit of the Comptrollership Group provides advisory services on applicable local and international tax laws to the different lines of business of BDO and makes announcements on the latest tax laws and regulations that need to be complied with by the Bank.

BDO also engages its stakeholders on tax concerns applicable to the products and services of the Bank.

The Bank maintains formal communications with the tax authority on a needs-requirement basis. In the Philippines, which is the country of incorporation of BDO, the Bank engages the tax authority through the Bankers' Association of the Philippines (BAP) for industry-related issues. BDO, through the BAP, actively contributes to industry efforts on pending tax bills for legislation and tax rules development, and provides feedback on key tax regulations and policies, with the intent of achieving the policy objectives and intended outcomes.

The Bank discloses adverse material tax findings and material claims for tax refunds, if any, in its Audited Financial Statements and before the Philippine Stock Exchange.

The tax jurisdictions where BDO entities are engaged in business, and which are included in the organization's Audited Financial Statements or in the financial information on public record, or are residents for tax purposes, are the Philippines, Hong Kong, Singapore, and other international locations where BDO maintains a presence (such as the United States of America, Japan, Canada, the Netherlands, and the United Kingdom).

Country-by-country Reporting 207-4

BDO Unibank, Inc. and Subsidiaries Geographical Segment Reporting
As of December 31, 2025 *(in Php millions)*

	The Group				
	Philippines [1/]	Singapore Branch [2/]	Hong Kong Branch and Hong Kong Subsidiary [3/]	Rest of the World [4/]	Total
Net Interest Income	201,100	1,343	793	(135)	203,101
Fee and commission income	59,076	445	127	131	59,779
Other non-interest income	24,538	68	116	134	24,856
Total Income	284,714	1,856	1,036	130	287,736
Total Expenses	163,402	888	560	278	165,128
Impairment Losses	14,967	71	(36)	5	15,007
Profit before Tax	106,345	897	512	(153)	107,601
Income tax expense	19,852	175	95	-	20,122
Net Profit	**86,493**	**722**	**417**	**(153)**	**87,479**
Attributable to:					
Shareholders of the Parent Bank	86,188	722	417	(153)	87,174
Non-controlling Interests	305	-	-	-	305
	86,493	**722**	**417**	**(153)**	**87,479**
Total assets before goodwill and intangibles	5,195,363	147,986	74,923	2,118	5,420,390
Goodwill and intangibles	11,164	2	-	-	11,166
Total Assets	**5,206,527**	**147,988**	**74,923**	**2,118**	**5,431,556**
Non-current assets	**3,238,524**	**95,446**	**49,215**	**1,677**	**3,384,862**

BDO Unibank, Inc. and Subsidiaries

1/ Net profit reported under Parent Bank (excluding BDO Hong Kong and Singapore Branches) and Subsidiaries operating in the Philippines
2/ Net profit reported under the Singapore Branch
3/ Net profit reported by the Hong Kong Branch and the Hong Kong Subsidiary
4/ Net profit reported by the foreign subsidiaries in United Kingdom, USA, Canada, Japan and the Netherlands

Physical Security and Occupational Safety: Enterprise Protection Department

403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8

The Bank's Enterprise Protection Department fulfills its mandate of ensuring physical security and occupational safety as an integral part of the Bank's sustainability initiatives. These efforts align with five of the United Nations Sustainable Development Goals (SDGs): Good Health and Well-Being, Gender Equality, Decent Work and Economic Growth, Responsible Consumption and Production, and Peace, Justice, and Strong Institutions.

Promoting Health and Safety

BDO ensures that all worksites remain free from physical security threats and safety hazards, safeguarding the health and well-being of all individuals on-site. In 2025, the Department recorded only 14 workplace accidents across all BDO worksites, reflecting the effectiveness of the Loss Prevention Manual, which provides a comprehensive framework for implementing necessary procedures in compliance with BSP's Manual of Regulations for Banks (MORB) and government issuances such as RA 11917.

The Bank's Health and Safety Committee, empowered under the Occupational Safety and Health (OSH) Law, RA 11058, implemented programs and systems to ensure workplace safety. Mitigation strategies for natural disasters were also refined, supported by 37 disaster preparedness drills conducted across its network nationwide.

Advocating Gender Equality in Security Roles

The Enterprise Protection Department upholds gender equality in hiring and promotion. Previously, female employees were limited to administrative desk roles. Today, women have increased representation in the Safety Unit, Physical Security Operations Center (PSOC), and even in the traditionally male-dominated Physical Security–National Capital Region (PSC–NCR), which oversees security guards and service providers. In 2025, female representation in the Department increased to 28.89%.

Two women now hold operational roles in PSOC and Physical Security NCR. Leadership diversity is also evident, with the Department's second-highest-ranking officer being a woman.

Ensuring Fair Work Practices

The Department ensures that all security guards and service providers perform duties strictly aligned with RA 11917, preventing assignments beyond their scope and protecting their physical and emotional well-being. In 2025, partner security agencies demonstrated high compliance with RA 11917 and DOLE standards, ensuring fair labor practices. This level of compliance safeguarded all deployed security personnel under just and equitable work conditions.

Strengthening Incident Reporting and Governance

The Department maintains a structured incident reporting and escalation protocol to ensure rapid response and sound governance. Incident information is immediately verified and elevated to the cognizant officer for prompt resolution. An Incident Report for a Safety Incident is prepared by the Regional Safety Officer and approved by the Unit Head. An Incident Report for a Physical Security incident is prepared by the Security Officer, reviewed by the Regional Security Officer, and approved by the Unit Head before reaching the Department Head. Depending on the severity and potential impact of the incident, information is further escalated to the concerned Business Unit, which determines whether the matter requires Board-level notification.

Advancing Resource Efficiency

The Department advanced its transition to paperless processes, reducing resource consumption and minimizing reliance on tree-based fiber. Throughout 2025, non-essential printing was curtailed by shifting workflows to digital formats, while electricity-saving practices such as switching off lights over unoccupied workstations were strengthened. These efforts reduced paper use and energy consumption, supporting the Bank's broader commitment to responsible consumption and climate action.

Strengthening Ethical Standards and Human Rights

The Department reinforces ethical conduct among security guards and service providers by upholding the highest standards of customer-centric service and actively preventing sexual harassment and human rights violations. In 2025, security personnel completed human rights and anti-harassment training as part of the Department's mandatory capability-building program. These measures strengthen institutional integrity and promote a safe, respectful environment for all.

Building Trust in Technology

The World Economic Forum Global Risks Report 2025 ranks Misinformation and Disinformation and Cyber Espionage and Warfare as the 1st and 5th risks, respectively in its 2-year outlook, reflecting how geopolitical tensions and the spread of false and misleading information continue to reshape the global risk landscape. In its 10-year outlook, these technological issues will continue to persist, with Misinformation and Disinformation ranked 5th, followed by Adverse Outcomes of AI Technologies at 6th, and Cyber Espionage and Warfare as 9th in terms of severity. These developments reinforce the importance of strong digital safeguards for institutions operating in an increasingly complex risk environment. BDO recognizes that trust must go hand-in-hand with technology development and continues to strengthen the protection and resilience of customer data and information entrusted to the Bank, while supporting customers through guidance on scams and digital threats to help them transact safely across the Bank's platforms.

Security, Efficiency, and Access at Scale: Information Technology Group

BDO integrates sustainability into its Information Technology (IT) development and operations, emphasizing ethical governance, digital trust, environmental responsibility, digital inclusion, and workforce development. The IT Steering Committee (ITSC) is the highest governing body of the Information Technology Group.

The ITSC ensures that the Bank's IT functions are effectively managed and aligned with strategic goals. It provides oversight, ratifies IT-related policies and practices, and informs the Board of developments, challenges, risks, and progress. The ITSC endorses best practices, strategic plans, and procedures; manages and mitigates technology risks; and monitors IT performance, including major projects and issues. These measures ensure that the Bank leverages technology effectively while safeguarding against potential risks.

In addition to ITSC oversight, technology-related risks are elevated to Board-level committees through established reporting channels. Significant or high IT Audit findings are reported to the Board Audit Committee through the Internal Audit and Compliance Heads, while key risk indicators (KRI), risk and control self-assessments (RCSA), and security alerts are escalated to the Risk Management Committee. These governance structures ensure that IT-related risks—including cybersecurity, operational controls, and emerging technology issues—receive appropriate Board attention and oversight.

Securing Digital Trust and Resilience

The Bank maintains compliance with Bangko Sentral ng Pilipinas (BSP) regulations and aligns with the U.S. National Institute of Standards and Technology (NIST) Cybersecurity Framework, earning a high-security posture rating of 94 from independent security rating services.

To strengthen digital trust and resilience, BDO upgraded its cloud security compliance systems and continued modernizing its Security Operations Center (SOC). The Bank enhanced data privacy systems and procedures, successfully deflecting over 111.7 million cyberattacks in 2025 and swiftly mitigating 1,857 security alerts, with no customer impact and no confirmed security breaches.

BDO enforces strict Data Protection Policies across people, processes, and technology, supported by a dedicated Chief Information Security Officer (CISO) and Data Protection Officer (DPO). The Information Security Policy and Program undergo annual review and are enforced through process and technical controls, reflecting a commitment to continuous improvement, data integrity, and effective threat response. Coverage includes business continuity planning, vulnerability analysis, audits, and security awareness training.

To ensure independent validation of its IT controls, the Bank undergoes third-party audits as part of both the system audit and the annual financial audit, providing external assurance on the robustness and effectiveness of its IT infrastructure and data protection practices.

Reducing Environmental Impact Through IT Solutions

BDO leverages IT to reduce resource use and optimize platforms, artificial intelligence (AI), and infrastructure—focusing on energy-efficient systems, reduced paper consumption, and responsible e-waste handling.

A key initiative is the implementation of the D365 Customer Relationship Management (CRM) platform for customer onboarding. This platform advances sustainability objectives by reducing resource consumption, increasing operational efficiency, and minimizing environmental impact. Through digital-first onboarding for New-to-Bank (NTB) and Existing-to-Bank (ETB) customers, BDO eliminated manual, paper-intensive workflows and introduced electronic Know Your Customer (KYC) and consent management. Portal-, kiosk-, and QR-based onboarding minimized branch paperwork, while automated ID validation reduced manual intervention.

Enterprise servicing also achieved significant gains. By expanding Customer 360 for a unified customer view and integrating the Consolidated Individual Record (CIR), BDO reduced redundant data entry and physical documentation. Branch-assisted services now rely on pre-filled product holdings and digital case management, eliminating paper forms and manual verification steps.

Contact Center modernization further advanced sustainability. The adoption of digital-first case management and Contact Center AI solutions reduced dependency on physical infrastructure. Enhanced D365 CRM integration enabled real-time case logging and resolution without printed documentation, eliminating printed forms and further reducing paper consumption.

Infrastructure and Energy Optimization

BDO continues to optimize its IT infrastructure to reduce environmental impact while improving operational efficiency. A key strategy has been the shift from physical servers to cloud platforms, which provide visibility into emission trends from Cloud Service Providers (CSPs). This capability allows the Bank to identify patterns and make informed decisions to minimize carbon emissions.

To further optimize cloud resources, BDO implemented measures such as shutting down idle virtual machines and right-sizing over-provisioned resources based on actual usage patterns. These actions delivered immediate carbon and cost savings while ensuring systems remain efficient and resilient.

For applications that remain on-premises, BDO introduced virtualization to enable multiple applications to share hardware, consolidated several databases to maximize utilization, and migrated two large-scale applications from proprietary hardware to modern, energy-efficient commodity servers. These initiatives significantly reduced power consumption without compromising performance. Additionally, relocating equipment from the Greenhills Data Center to the Clark co-location facility accelerated the decommissioning of unused servers, avoiding unnecessary transport and further reducing emissions. Hardware reuse was also prioritized, with storage media securely wiped for redeployment—minimizing e-waste and extending equipment life.

End-user devices remain a focus area, as workstations currently consume approximately 250,000 kilowatt-hours (kWh) per month. To address this, BDO launched campaigns encouraging employees to adopt energy-efficient practices and implemented automated power management mechanisms projected to deliver 9% energy savings in the coming months.

Expanding Digital Access and Connectivity

BDO continues to enhance digital access through significant improvements to its mobile and online banking platforms. Backend optimizations have boosted system performance and stability, ensuring seamless operations during high-demand periods such as campaigns and token management.

On the customer-facing side, online channel enhancements now deliver faster application speed, resilient account loading, and improved transaction history. Similarly, upgrades to the Pay channel provide accelerated payment processing, streamlined login and registration, and environmentally friendly credit card e-statements. These improvements make essential services more accessible, allowing customers to activate credit cards, lock or unlock cards, and request cash installment programs directly through the mobile app—reducing the need for branch visits or contact center interactions.

BDO's website complements these efforts with features that simplify loan access, including home loan prequalification, loan status tracking, auto loan calculators, and salary loan applications. Most notably, BDO Network Bank customers can now link their accounts to BDO Pay, enabling digital money transfers and bill payments for the first time—a major step toward financial inclusion.

To extend connectivity to underserved areas, BDO leverages satellite technology to connect branches where traditional telecommunications facilities are unavailable. Currently, 41 BDO Network Bank branches and three Unibank branches use satellite devices, with an additional 140 units pre-positioned nationwide to ensure business continuity during disasters.

Artificial Intelligence (AI) Initiatives

BDO integrates AI ethically and responsibly, prioritizing data privacy, cybersecurity, and bias prevention. In 2025, the Bank trained employees on responsible AI use and maintains transparency by clearly identifying AI-generated content.

The Bank's AI strategy focuses on developing applications tailored to specific user groups, reducing reliance on large language models (LLMs) to minimize computational overhead and energy consumption. This approach improves infrastructure efficiency, accelerates digital transformation, and supports sustainability through energy-conscious systems, reduced paper use, and improved resource management.

AI implementation includes pre-production risk reviews and ongoing assessments across infrastructure, data, and security layers. Third-party models undergo evaluation using detailed vendor questionnaires that address data integrity, accuracy, and regulatory compliance.

Continuous oversight is maintained through model libraries and advanced monitoring tools. For generative AI, BDO uses user feedback and LLM-as-judge metrics to identify risks such as hallucination. Machine learning models undergo robust validation and independent risk reviews, with credit models requiring Board approval.

Building a Future-Ready IT Workforce

BDO invests strategically in IT workforce development to ensure sustained success and a technologically advanced future. The Bank empowers IT professionals to excel and drive innovation through focused training initiatives that prepare them for both current responsibilities and emerging challenges.

Programs include a comprehensive technical curriculum covering cloud computing, cybersecurity, data analytics, and software development—ensuring IT professionals remain at the forefront of technological advancements. BDO's on-demand Learning Management System offers 74 specialized learning paths and 271 courses to support continuous professional growth. In addition, BDO actively promotes sustainable IT practices, encouraging innovative solutions that minimize environmental impact and optimize operations.

Through these efforts, BDO strengthens its capacity to deliver secure, efficient, and inclusive digital services—advancing the Bank's commitment to sustainability and shaping a technology-proficient and future-ready organization.

Governance of Artificial Intelligence and Emerging Technologies

BDO continues to advance its digital transformation through the responsible adoption of artificial intelligence (AI) and other emerging technologies, including advanced analytics and automation, to enhance operational efficiency, improve customer experience, and support data-driven decision-making. As these technologies continue to evolve, the Bank adopts a balanced and adaptive governance approach that aligns innovation with sound risk management practices. This ensures that emerging technologies are deployed in a secure, ethical, and well-controlled manner, with appropriate accountability and human oversight.

BDO's approach to artificial intelligence is guided by overarching principles that support ethical, secure, and responsible use, aligned with the Bank's broader governance and risk management frameworks. In response to advancing AI, advanced analytics, and emerging technologies, the Bank applies proportionate governance practices to support appropriate use, sound decision-making, and ongoing accountability, including when engaging third-party solutions. Oversight arrangements are designed to be adaptable and to promote responsible innovation, with an emphasis on human judgment and continuous improvement as technologies, regulations, and industry practices develop.

Sustainability considerations are embedded in the Bank's AI strategy. AI applications are designed to be fit-for-purpose and tailored to specific user groups. By optimizing model usage, centralizing AI platforms, and monitoring compute efficiency, the Bank improves infrastructure utilization while supporting energy-conscious system design, reduced paper use through digital processes, and responsible resource management.

Employee enablement is a key component of BDO's responsible technology adoption. The Bank strengthens employee awareness and capabilities through targeted training and guidance on AI governance, ethical use, and risk management, reinforcing clear boundaries for acceptable use and the continued importance of human judgment. BDO will continue to monitor regulatory developments and industry standards and enhance its governance practices, monitoring capabilities, and controls to support safe, ethical, and sustainable innovation.

Data Privacy Governance and Protection

BDO's Data Privacy Management Program (DPMP) establishes how the Bank safeguards the data privacy rights of its data subjects and ensures compliance with Republic Act No. 10173, or the Data Privacy Act of 2012. The program aligns with the National Privacy Commission's Five Pillars of Data Privacy Accountability and Compliance, providing a structured approach to privacy governance across the organization.

Pillar 1: Data Privacy Leadership

The Bank has appointed a Data Protection Officer (DPO) who is registered with the National Privacy Commission and is responsible for overseeing the implementation and effectiveness of data privacy compliance across the organization.

Pillar 2: Privacy Risk and Impact Assessment

BDO conducts Privacy Impact Assessments (PIAs) for new and existing programs, projects, systems, and processes that involve personal data or may have privacy implications. All business and support units are required to perform and update their PIAs at least annually, consistent with NPC guidance on proactive privacy risk management.

Pillar 3: Privacy Management Program and Manual

The Bank's Privacy Management Program is documented in its Data Privacy Manual, which consolidates the policies, standards, and procedures that guide the proper handling of personal data across all units. This manual serves as a central reference for fulfilling compliance obligations and embedding privacy-by-design into Bank operations.

Pillar 4: Data Protection Measures and Practices

In processing personal and sensitive personal information throughout the data lifecycle, the Bank applies the principles of Transparency, Legitimate Purpose, and Proportionality.

The principle of Transparency guides how the Bank provides clear privacy notices through its forms and documents, including the BDO Group Data Privacy Statement and Data Privacy Consent, to inform customers of processing purposes, involved parties, and their rights as data subjects.

Under the principle of Legitimate Purpose, personal data is processed only for purposes that are clearly defined and communicated to customers in connection with the services or transactions they request or authorize.

The principle of Proportionality ensures that the Bank limits the collection and processing of personal data to information that is relevant, adequate, and necessary for the stated purpose, consistent with its commitment to data subject rights.

Pillar 5: Data Breach Management and Awareness

The Bank maintains procedures for the identification, escalation, and reporting of data privacy incidents and breaches. The DPO conducts regular training to strengthen employee awareness of data privacy risks and reinforce breach reporting obligations in line with NPC regulatory requirements.

Oversight and Accountability

Oversight of data privacy risks forms part of the mandate of the Risk Management Committee (RMC). The DPO regularly reports to the RMC on the Bank's compliance with the DPMP, supporting continued monitoring and governance of data privacy risks at the enterprise level.

Cybersecurity

Cybersecurity is a top priority for BDO Unibank, as it is an essential part of its business to help clients achieve their financial goals. With this priority, the Bank is committed to safeguarding its clients' information and assets entrusted to it, by continuing to invest in cybersecurity and fraud management technologies to give its clients the confidence they would expect from the largest bank in the Philippines.

The Information Security Strategic Plan (ISSP) outlines the overall cybersecurity direction for the Bank. The Information Security Program (ISP) aligns with the business strategy of the Bank and details the strategic programs, operations, technologies and resources needed to ensure alignment to ISSP. Both ISSP and ISP support the business and provide the assurance that its direction and intent are reflected in the cybersecurity posture of BDO.

The Bank utilizes a structured approach following international standards and industry best practices such as ISO 27001 and NIST Cybersecurity Framework in implementing its cybersecurity program. BDO continuously conduct security testing and drills to adhere to the regulatory requirements set forth by the Bangko Sentral ng Pilipinas (BSP).

Oversight for cybersecurity resides in three key groups which report to senior management and the Board. The Information and Cybersecurity Office (ICSO) is responsible for validating the effective implementation and oversight of the ISSP and ISP. The Risk Management Group (RMG) manages and reports the risks, while the Information Technology Group (ITG) handles the implementation and monitoring of the technical controls.

BDO strongly supports the Bangko Sentral ng Pilipinas (BSP) in its mandate to keep abreast with the adoption of technologies that will strengthen the BSP framework for risk supervision. The Bank continuously commits to providing accurate and timely information to BSP for a responsive and effective banking supervision. BDO also supports the cybersecurity initiatives of the Philippines in protecting critical infrastructure by making BDO cyber-resilient and raising awareness on the importance of cybersecurity amongst its employees and clients.

Human Capital Development 2-7, 2-25

Driving a Sustainability Mindset Across the Organization: Human Resources Group

BDO is committed to promoting a work environment that fosters diversity, equity, inclusion, and equal opportunity, where everyone receives fair and equal treatment, equal rights, and access to employment and career opportunities regardless of gender, ethnicity, race, age, religion, sexual orientation, or disability, and where employees are valued for their contributions to BDO's success.

The Bank ensures that employment practices and policies—including recruitment, training, performance evaluation, compensation, promotion, and separation—are applied consistently and are in compliance with applicable labor laws, regulations, and standards in the countries where it operates. BDO seeks the best talents, who are selected, engaged, compensated, and promoted, as the case may be, based on merit, qualifications, performance, and business requirements.

BDO Unibank recognizes that sustainability is inseparable from human capital excellence. The Human Resources Group advances a sustainability mindset through performance management, continuous learning, ethical conduct, and inclusion—reflecting the Bank's We Find Ways spirit of service, excellence, and innovation.

Shaping Experience, Growing Talent

BDO nurtures a culture where the growth of its people is recognized as a vital driver of the Bank's purpose. By opening doors for employees to stretch their potential, spark new ideas, and step into leadership, BDO empowers its workforce to stay bold, agile, and deeply connected to customers and communities. This belief strengthens the mission to make banking easy, meaningful, and accessible, while cultivating enduring relationships built on trust, care, and partnership. As the Bank grows, it remains committed to empowering employees with opportunities to learn, develop, progress, and lead.

BDO operationalizes its people-first culture through an enterprise-wide learning framework aligned to business priorities and role-based capability requirements. Structured learning, coaching, and growth opportunities are provided to selected leaders through the Executive Catalyst Program, Branch Management Training Program, and Wealth Management Leadership Development Program.

Career Progression and Succession for Organizational Resilience

To strengthen the talent pipeline by developing employees' skills, leadership potential, and readiness for future roles, BDO implements structured development pathways through the Career Accelerator Program (CAP), Officers Development Program (ODP), Fast Track Program, and Management Development Program (MDP). These programs align individual career aspirations with business needs and support consistent standards for leadership readiness across the organization. In 2025, 873 employees completed the ODP and Fast Track Programs, while 714 employees graduated from the MDP, reinforcing leadership depth across key functions.

BDO complements these development pathways with structured succession planning to ensure continuity in critical roles. High-potential employees are identified and assessed for readiness, with customized development plans guiding each successor's progression. This integrated approach minimizes operational disruption, supports business continuity, and sustains a future-ready leadership bench aligned with the Bank's long-term sustainability strategy.

Building and Strengthening Skills

Flagship programs build technical, leadership, and role-based capabilities across the enterprise, supporting readiness in critical banking functions:

- Relationship Manager Training Program (RMTP) – prepares management trainees and selected incumbents to become Relationship Managers in the Institutional Banking Group; 100% completion for Batch 15, FY2025.
- Credit Training Program – builds foundational credit capabilities and assesses readiness for fast-track promotion; 71 graduates.
- Lead. Excel. Accelerate. Defy Gravity. (LEAD) – a Wealth Management training pathway for high-potential candidates aligned with the BDO Wealth Management Team; 49 graduates.
- Client Service Associate's Journey – supports new hires' transition to the branch environment.
- Branch Operations Training – delivers technical training on core branch processes and policies for the Branch Banking Group.

Fostering a Culture of Continuous Learning

BDO cultivates continuous learning through self-paced platforms, peer learning groups, and internal knowledge-sharing sessions. Beyond internal programs, employees receive external training aligned to their roles to stay current with product innovations, service excellence, systems, and process improvements. The Bank partners with Coursera (approximately 300 licenses for IT-related learnings), HoxHunt (cybersecurity), and Franklin Covey (leadership development) to ensure that employees build the skills required to meet evolving business needs.

Employee engagement in self-paced learning continued to increase in 2025, with the number of employees accessing e-learning courses rising from 44,001 in 2024 to 47,044 in 2025, while participation rates were maintained at above 99% year on year.

Compliance-Driven Learning and Training Completion 205-2

In 2025, BDO upheld its commitment to legal, ethical, and operational standards by ensuring timely completion of required regulatory trainings.

During the year, the most accessed self-paced e-learning programs focused on Data Privacy Fundamentals, Social Media Policy, and BDO Information Security, reflecting strong employee engagement in data protection, responsible communication, and information security awareness.

Completion rates for key regulatory and ethical learning programs were as follows:

99.61%
BDO Code of Conduct

99.18%
Anti-Money Laundering 101 (AML Overview)

99.57%
Anti-Money Laundering 102 (AML Regulations and Bank Policies)

99.35%
Data Privacy Fundamentals

99.31%
Social Media Policy

These results demonstrate strong adherence to governance and compliance requirements and reinforce ethical conduct and responsible operations.

Upgrading the Performance Appraisal System

To enhance employee experience and streamline performance management, BDO has begun transitioning from an in-house application to a new integrated Human Resources platform, SAP SuccessFactors. In 2025, the upgraded platform was piloted for a selected group of employees to support initial implementation and refinement.

The transition is intended to improve transparency, consistency, and user experience in the performance appraisal process. Fairness and equality remain paramount, with policies and standards applied consistently in evaluating eligibility for merit increases and promotions to ensure decisions are guided by clear and uniform parameters.

The broader rollout of performance appraisals through the upgraded platform is targeted for 2026, following the pilot phase. This initiative represents a step toward strengthening a more transparent, consistent, and equitable performance management framework as part of the Bank's ongoing human capital development efforts.

Ethical, Inclusive, and Community-Driven Talent Acquisition

BDO embeds ethical, transparent, and inclusive practices in hiring. BDO integrates Environmental and Social (E&S) criteria into recruitment protocols—ensuring fair hiring, anti-discrimination, and strict adherence to data privacy standards. The Bank expands talent pipelines through campus partnerships in Metro Manila (the Philippines' national capital region), Cebu (Central Philippines), and Davao (Southern Philippines), engages underserved markets—particularly in rural areas across the Philippines—through local job fairs and digital platforms, and reduces paper use by streamlining applications, assessments, and onboarding through digital processes and virtual career fairs to help lower the environmental impact of recruitment activities. Consistent with its community-based hiring approach, 99% of senior officers hired in 2025 were sourced from local communities, in line with disclosures in prior Sustainability Reports.

Promoting Employee Wellbeing

Employee health, safety, and wellbeing are essential to sustainable growth. BDO maintains a comprehensive Health Calendar with monthly webinars and advisories, alongside preventive care such as annual immunizations and blood donation drives. Online wellness sessions are available on demand through the Bank's learning platform.

In 2025, BDO conducted 14 health-focused webinars, with 2,487 employees participating in facilitated sessions, supporting preventive care, health awareness, and employee resilience across the organization.

Internal health data indicated that commonly reported work-related health concerns among employees included respiratory conditions, headaches, hypertension, and gastrointestinal illnesses. Climate-related health conditions observed during the year similarly included allergies, influenza-like illnesses, and vector-borne diseases. These health trends underscore the importance of BDO's preventive care initiatives, regular health advisories, and wellness education programs aimed at supporting employee resilience and well-being amid evolving health and environmental conditions.

Supporting Mental Health

The Bounce Program for mental health wellness, now in its third year, provides 24/7 chat and call support, recording 363 employee consultations in 2025. Targeted sessions address stress management and chronic conditions, while special webinars with psychologists offer post-traumatic support to employees affected by natural calamities.

Reinforcing Workplace Safety and Resiliency

BDO continues to offer Occupational First Aid and Basic Life Support Training for critical personnel through a two-day program that combines virtual and in-person sessions, ensuring compliance with the Department of Labor and Employment (DOLE) and strengthening emergency readiness. In 2025, 2,619 employees completed first aid and life support training, expanding safety coverage across key branches and units.

Celebrating Community and Well-being

The Annual Metro Manila Sportsfest, held at the Mall of Asia Arena in Metro Manila, the Philippines' capital region, drew nearly 9,000 employees for the 2025 kick-off of basketball, volleyball, badminton, and bowling tournaments. Regional Sportsfests engaged 1,761 employees in Cebu (Central Philippines) and 1,678 in Davao (Southern Philippines), representing branches and business units of BDO Unibank and its subsidiaries, for a combined 3,439 participants—strengthening teamwork, engagement, and well-being.

Sustaining Harmonious Labor Relation 2-30

The Collective Bargaining Agreement (CBA) is represented by the Banco De Oro Employees Association (the Union), an affiliate of Associated Labor Unions. The Bank's CBA was renewed for a five-year period from 1 November 2025 to 31 October 2030.

BDO maintains a constructive and collaborative relationship with the Union through open dialogue, transparency, and respect for collective representation. The CBA includes provisions on notice periods, as well as consultation and negotiation mechanisms, for operational changes that may affect employees, in accordance with applicable labor laws. These mechanisms support orderly engagement, protect employee interests, and help ensure business continuity during periods of change.

Ensuring Privacy and Responsible Data Practices

BDO embeds strict data privacy protocols in recruitment to protect candidate information and uphold trust. Across the employee lifecycle, BDO maintains role-based access controls for personnel records in both electronic and hard-copy forms. Access is limited to authorized personnel, and any sharing of data with internal or external stakeholders follows a formal approval process—ensuring responsible, confidential handling of personal information and HR data integrity.

To further safeguard sensitive employee and organizational information, BDO implements an HR Confidentiality Policy that governs the handling and disclosure of confidential and proprietary information. The policy applies across the Bank and its subsidiaries and covers responses to external queries and requests, including those related to sustainability practices and due diligence by clients, suppliers, or other stakeholders. It establishes clear approval requirements, information-sharing limitations, and minimum protection measures—such as data masking, document classification, encryption, and transmission to authorized recipients only—to ensure responsible data management and compliance with the Bank's information protection standards.

Investing in the Workforce for Sustainable Growth

BDO's most critical assets are its people. Through sustained investment in capability-building, leadership readiness, fair and consistent performance management, ethical hiring, employee wellbeing, safety, and harmonious labor relations, the Bank strengthens human capital resilience. Guided by the We Find Ways mindset, employees are empowered to address today's challenges while preparing for the future—affirming that sustainability at BDO begins with its workforce.

Embedding Sustainability in Culture and Mindset

Building Sustainability Capability Across BDO

In 2025, the BDO Sustainability Office (SO) led enterprise-wide initiatives to build the Bank's sustainability capability and strengthen the integration of environmental and social considerations into risk management processes and business decision-making.

The Sustainability Capability-building Roadshow focused on developing both foundational understanding of sustainability; environmental, social, and governance (ESG) matters; as well as technical competence across the BDO workforce nationwide. By equipping employees with a shared set of frameworks, tools, and risk perspectives, BDO strengthened the consistent application of sustainability principles across lending, investment, and operational activities, and encouraged employees to ideate on how they can best apply a sustainability perspective in their work.

Sustainability at BDO and the United Nations Sustainable Development Goals

To broaden access and reinforce learning, the Sustainability Office continued to promote the self-paced Sustainability@ BDO onboarding e-course, which recorded 4,635 employee enrollees in 2025. Together with instructor-led trainings, the e-course introduced sustainability and sustainable finance among the Bank's new hires across business units, control functions, support teams, and subsidiaries.

The instructor-led Sustainability at BDO and the United Nations 17 Sustainable Development Goals (UN 17 SDGs) modules established a shared understanding of how global sustainability priorities align with the Bank's Sustainability Framework. The sessions also included a workshop with both real-life and simulated case studies from the Bank's clients designed and facilitated by the Sustainability Office.

The training workshops reached 617 employees from priority teams—including relationship managers, credit analysts, and junior and senior officers—across Metro Manila; selected provinces in Luzon, including Naga City (Camarines Sur), Pampanga, Bulacan, Tarlac, and Nueva Ecija; and key locations in the Visayas, including Iloilo, Aklan, Tacloban, and Cebu.

Participants were asked to ideate on how sustainability principles could be applied in their day-to-day work—whether by enhancing existing products, developing new offerings, or directing financing toward priority sectors aligned with the UN SDGs and their targets. By linking sustainability objectives to concrete business contexts, the training strengthened internal ownership of BDO's long-term commitments and supported more deliberate integration of sustainability considerations into daily operations.

Several initiatives were subsequently advanced following the sustainability modules and workshops. These included the Green Finance and Adopt-a-Tree programs for Auto Loans, solar panel leasing solutions under BDO Finance, and the inclusion of solar panel installation as an eligible purpose for Home Loans. These examples illustrate how sustainability training is translated into practical applications across product development and financing activities.

Environmental and Social Risk Management System

The Sustainability Office refreshed its module on the Board-approved Environmental and Social Risk Management System (ESRMS) to simplify the ESRMS questionnaire and incorporate assessment feedback from training participants. In 2025, 374 employees, primarily from client-facing, credit, and risk functions, completed the refreshed ESRMS training. The module equipped participants to identify environmental and social (E&S) risks, determine when formal assessments are required, and conduct enhanced due diligence for high and very high rated projects. Strengthening these capabilities supported more consistent application of E&S risk controls across lending and investment processes.

Philippine Sustainable Finance Taxonomy Guidelines

As part of preparations for the country's evolving sustainable finance regulatory landscape, the BDO Sustainability Office rolled out training on the Philippine Sustainable Finance Taxonomy Guidelines (PSFTG). The program trained 72 employees from sustainability-related, risk, and product development functions. The module introduced a structured approach to classifying economic activities based on their environmental and social impacts, including pathways for directing financial flows toward activities that support climate change adaptation, with mitigation benefits as a co-benefit.

This targeted training enhanced the Bank's technical readiness for forthcoming regulatory requirements and supported the integration of sustainability classifications into business decision-making and reporting processes.

Enterprise-wide Rollout

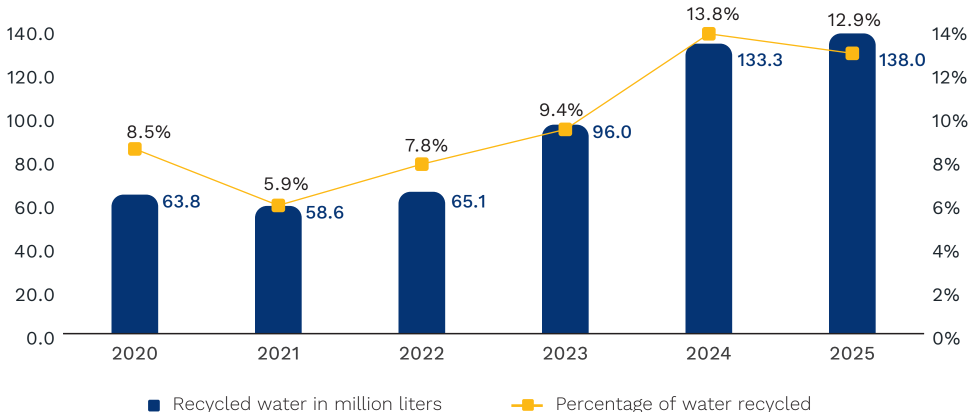
To ensure consistent application of sustainability frameworks across locations, the Sustainability Office conducted sustainability roadshows in Iloilo, Cebu, and Pampanga, engaging frontline and regional teams across multiple business units. Additional sessions were held throughout the year at BDO Corporate Centers in Makati City and Ortigas, expanding coverage among head office teams.

This enterprise-wide rollout promoted alignment across geographic locations, generated better understanding of the strategic importance of transitioning to a sustainable finance framework, and strengthened collaboration between business units and control functions.

Environmental Impact 302-1, 302-4, 302-5

Managing Energy, Water, and Waste for the Long Term

BDO manages energy, water, and waste across its nationwide operations to reduce environmental impact, improve efficiency, and uphold its commitment to responsible resource use. In 2025, the Bank advanced ongoing initiatives on energy efficiency, expanded renewable sourcing, strengthened water conservation, and enhanced waste management.



Tracking Energy and Emissions

As the country's largest bank, with the widest network of branches, facilities, data centers, and corporate offices nationwide, BDO recognizes the significant energy required to sustain its daily operations. To align operational risk management with sustainability goals, the Bank has prioritized energy efficiency as a pillar of its operational sustainability strategy.

BDO monitors greenhouse gas (GHG) emissions primarily through electricity consumption, its largest source of emissions in its operations. By focusing on high-consumption facilities and consolidating energy data across branches and offices, the Bank assesses the impact of energy-related initiatives and continuously identifies opportunities for improvement.

This monitoring process enables comparisons with previous years and supports data-driven decisions for future efficiency projects, ultimately contributing to emissions reduction. In 2025, BDO recorded 59,561,612 kilowatt-hours (kWh) of electricity consumption, resulting in 33,809 tonnes of carbon dioxide equivalent (tCO_2e) emissions, a 4.43% decrease compared with 2024.

The Bank has identified internal energy reduction targets in the short, medium, and long term, guided by its Environmental and Social Risk Management System (ESRMS), which affirms its commitment to minimizing environmental impacts. Progress is tracked through indicators such as total energy consumption, renewable energy share, and operational efficiency improvements using the Building Energy Index (BEI). These efforts are reviewed in Technical Working Group (TWG) meetings to ensure alignment with sustainability objectives and evolving regulations.

Integrating Efficiency Initiatives

Over the past five years, BDO has integrated energy-efficient practices across its facilities, including energy-efficient lighting and equipment, optimized air-conditioning and heating systems, and the installation of motion-sensor lights in meeting rooms in select offices to reduce consumption while maintaining operational effectiveness.

In 2025, the Bank continued to replace aging air-conditioning units with inverter models and retrofitted end-of-life light fixtures with LED technology, further reducing electricity consumption across offices and branches. All future BDO offices and branches will also be equipped with inverter air-conditioning units and LED lighting as part of the Bank's standard design and energy-efficiency requirements.

To ensure long-term performance, BDO conducts Periodic Preventive Maintenance (PPM) across its facilities, extending equipment lifespan and optimizing energy efficiency to reduce electricity-related emissions.

In 2024, BDO engaged a third-party energy and engineering consultant to develop its Energy Management System (EnMS) Manual, in line with Republic Act 11285 or the Energy Efficiency and Conservation Act. The manual outlines energy management opportunities and monitoring procedures tailored to the Bank's operations. The Bank began implementing strategies from the manual in 2025, focusing on no-CAPEX energy management opportunities that require minimal investment but deliver measurable reductions in electricity consumption and cost. Through the EnMS, BDO has instilled a proactive mindset among Facilities Managers, encouraging them to actively find ways to make buildings more energy-efficient.

Expanding Renewable Energy Sourcing

Building on its initial efforts in 2022, BDO expanded renewable energy sourcing in 2025 for five of its largest, high-consumption buildings. Previously powered by an average of 60% renewable energy, these buildings now operate with up to 75% of electricity sourced from geothermal and solar energy. This shift was made possible through strategic partnerships with retail electricity suppliers and participation in the Department of Energy's Retail Competition and Open Access (RCOA) Program. This transition resulted in a 2.36% increase in renewable energy share and avoided 8,378 tonnes of carbon dioxide equivalent (tCO2e) emissions during the 2025 reporting period.

BDO also advanced its on-site solar energy program. The Bank's solar panel pilot at BDO Corinthian Gardens in 2024 produced and consumed 93,810 kWh of clean energy, covering 37% of the facility's electricity requirements and generating estimated savings of ₱600,000. This initiative avoided 63 tCO_2e emissions and demonstrated the viability of on-site solar installations across BDO facilities.

Building on the pilot, three additional buildings—BDO Malolos-Congreso, BDO Bocaue-MacArthur Highway, and BDO Baliwag-JP Rizal—were scheduled for solar installations in Q4 2025. Installation and commissioning for these sites have been completed, and the systems are now ready for full activation. Once operational, these sites are projected to generate 102,308 kWh of clean energy and deliver ₱1.2 million in cost savings. These installations are expected to avoid 71 tCO_2e emissions.

Currently, 13 facilities have been identified for transition under the Retail Aggregation Program and are scheduled to switch to RAP in 2026, and seven additional branches are slated for solar panel installation over the next two years.

75% renewable energy sourcing for 5 largest buildings

Managing Water Consumption, Discharge, and Effluents

BDO recognizes the importance of responsible water management to conserve precious water resources, environmental impact and ensure sustainable operations.

Among its largest facilities, BDO Corporate Center Ortigas (CCO) features rainwater and condensate harvesting systems, which recycle significant volumes of water for office use. In 2025, CCO recycled 137,952 cubic meters of water, compared with 133,304 cubic meters in 2024.

Elsewhere, the Bank sources water primarily through local water districts, drawing from freshwater resources to meet operational needs. Conservation efforts include the ongoing installation of waterless urinals in select buildings.

To manage discharge impacts, BDO implemented effluent systems across its facilities to process wastewater responsibly. Buildings are equipped with septic tanks and sewage treatment facilities to filter wastewater prior to discharge. Some facilities are connected to external services that treat wastewater before releasing it into lakes or freshwater outlets. Where such services are unavailable, BDO engages third-party providers to siphon and maintain septic tanks annually, ensuring compliance with environmental standards.

Reducing Fuel Consumption

Diesel consumption is driven by generators on standby as emergency power sources, tested regularly for reliability. In 2025, generators consumed 212,708 liters of diesel, resulting in 622.6 tCO_2e emissions. BDO monitors generator use to keep them in good working condition while minimizing unnecessary runtime.

LPG consumption comes from cafeteria tenants serving employees. In 2025, LPG use totaled 5,641.3 kilograms, equivalent to 16.88 tCO_2e emissions. LPG represents a small share of the Bank's direct fuel-related emissions compared to diesel.

BDO also provides shuttle services between corporate offices to encourage carpooling, reducing fuel costs and minimizing carbon footprint. This initiative saved approximately 495 liters of fuel a month and avoided 145 tCO_2e emissions compared to individual car trips.

Enforcing Waste Management

BDO implements a structured waste management program led by its Facilities Unit, which oversees daily operations to ensure compliance with Republic Act (RA) 9003 or the Ecological Solid Waste Management Act. The Unit coordinates waste collection and segregation at source and disposal through third-party service providers. As part of the vendor accreditation process, BDO verifies the Department of Environment and Natural Resources (DENR) accreditation of waste haulers and hazardous waste transporters.

Waste segregation is enforced through designated bins in common areas and workstations. Non-hazardous waste includes recyclable papers, plastics, metals, and glass, as well as non-recyclables like food waste and soiled packaging. Hazardous waste such as used generator oil, busted lights, and e-waste is safely stored until collected by DENR-accredited haulers for proper treatment and disposal in compliance with RA 6969 or the Toxic Substances and Hazardous & Nuclear Wastes Control Act of 1990.

Random inspections are conducted to maintain cleanliness and ensure proper handling, and waste management performance is reviewed during Technical Working Group meetings to identify opportunities for reduction and recycling.

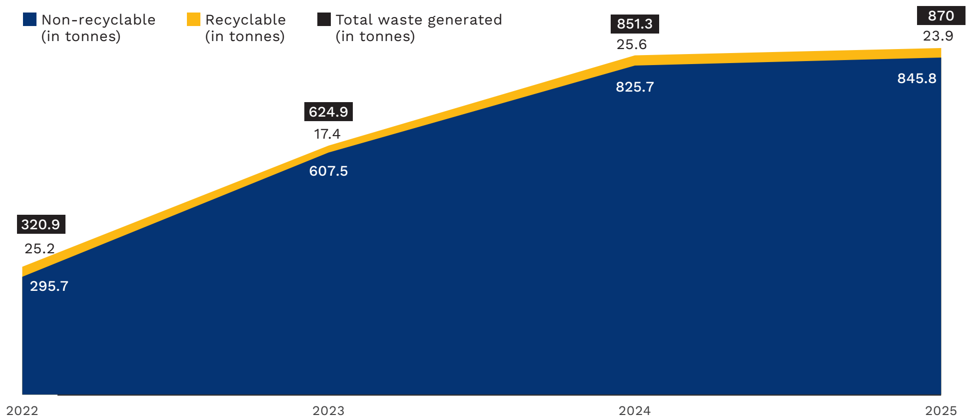
Waste segregation and monitoring are carried out by third-party janitorial service providers, who weigh and record the volume of waste collected. These records are maintained by facilities managers for each site. The Bank also manages segregation through Materials Recovery Facilities before handing waste over to accredited haulers.

In 2025, BDO generated 845.84 tons of non-recyclable waste and 23.93 tons of recyclable waste, an increase of 2.43% in non-recyclables and a decrease of 6.64% in recyclables compared with 2024.

In addition to solid waste diversion, BDO also diverted two tonnes of electronic waste from landfills through the responsible recovery and preparation of used IT equipment for reuse. These e-waste diversion and environmental impact metrics are based on Humble Sustainability's 2025 Loop Report provided to BDO, which documents the environmental benefits of reusing IT assets rather than disposing of them as waste. The disposal process itself is handled by the Bank's Procurement–Disposal team, and this diversion supported overall waste minimization performance by reducing the demand for raw materials needed for new device production.

Recyclable materials are also processed by vendors into bond papers, seed papers, and plastic products such as furniture, pallets, and trash bins. Vendors issue recycling certificates and plant trees on behalf of the Bank, including five trees planted in 2025. Since the launch of the Waste Busterrr campaign in 2023, a total of 10 trees have been planted through these recycling partnerships. These measures help divert waste from landfills, reducing methane emissions, a greenhouse gas responsible for an estimated 30% of global temperature rise since the Industrial Revolution.

TOTAL WASTE GENERATED



BDO continues to enhance its waste management practices through education initiatives such as the Waste Busterrr campaign, which encourages employees to practice waste segregation at source and reuse, reduce, and recycle waste materials at work and at home. To strengthen employee awareness on responsible waste management, the Waste Busterrr learning eCourse was re-administered to all participating sites in 2025. Completion reached 7,601 out of 9,559 employees (79.51%), reflecting sustained engagement in the Bank's waste reduction initiatives.

Circularity in operations 301-1, 301-2, 301-3

₱2,079,671
total earnings from recycling

₱55,142,660
total cost avoidance

Paper

998,366
kilos for recycling by paper mill

Non-IT FFE

22
non-IT FFEs (ex. sofa and cabinets) donated to various RHUs through BDO Foundation

Non-IT furniture, fixtures & equipment refurbished/repaired and re-allocated to BDO Unibank and subsidiaries

Item	Count	Cost avoidance (in '000 Php)
Cabinet	520	₱2,329
Chair	820	₱2,893
Open-type shelves	24	₱189
Others (calculator, ladder, projector screen, refrigerator, rostrum, sofa, wall clock)	242	₱1,099
Reused workstation sets	104	₱1,900
Standee	34	₱222
Table	171	₱1,032
Whiteboard	6	₱55
Grand Total	**1,817**	**₱9,719**
IT furniture, fixtures & equipment re-allocated to BDO Unibank and subsidiaries	1,209	**₱20,913**

Re-used accessories from BDO buildings

Item	Count	Cost avoidance (in '000 Php)
Tempered glass door	8	₱324
Vault doors to various BDO branches	5	₱439
Aircon to various BDO and ONB branches	56	₱5,272
Generator sets reallocated to BDO and BDONB branches	15	₱10,392
Signages reallocated to various BDO Offices/Events	5	₱340
Data cabinets reallocated to BDO and BDONB branches	2	₱86
UEP/Panelboards reallocated to BDO and BDONB branches	16	₱4,243
ISO Transformers reallocated to BDO and BDONB branches	37	₱1,627
Air Purifier reallocated to offices	4	₱546
Air Sprinkler heads reallocated to BDO and BDONB branches	129	₱516
Total	**277**	**₱23,784**

Others

Item	Count
Consumable items for recycling	33,997
FFE/IT Equipment items for recycling	76,577
Acrylic desk dividers (converted to acrylic serving and catch all trays for giveaways)	1,894
ATM enclosure	88
Total	**112,556**

CASE STUDY

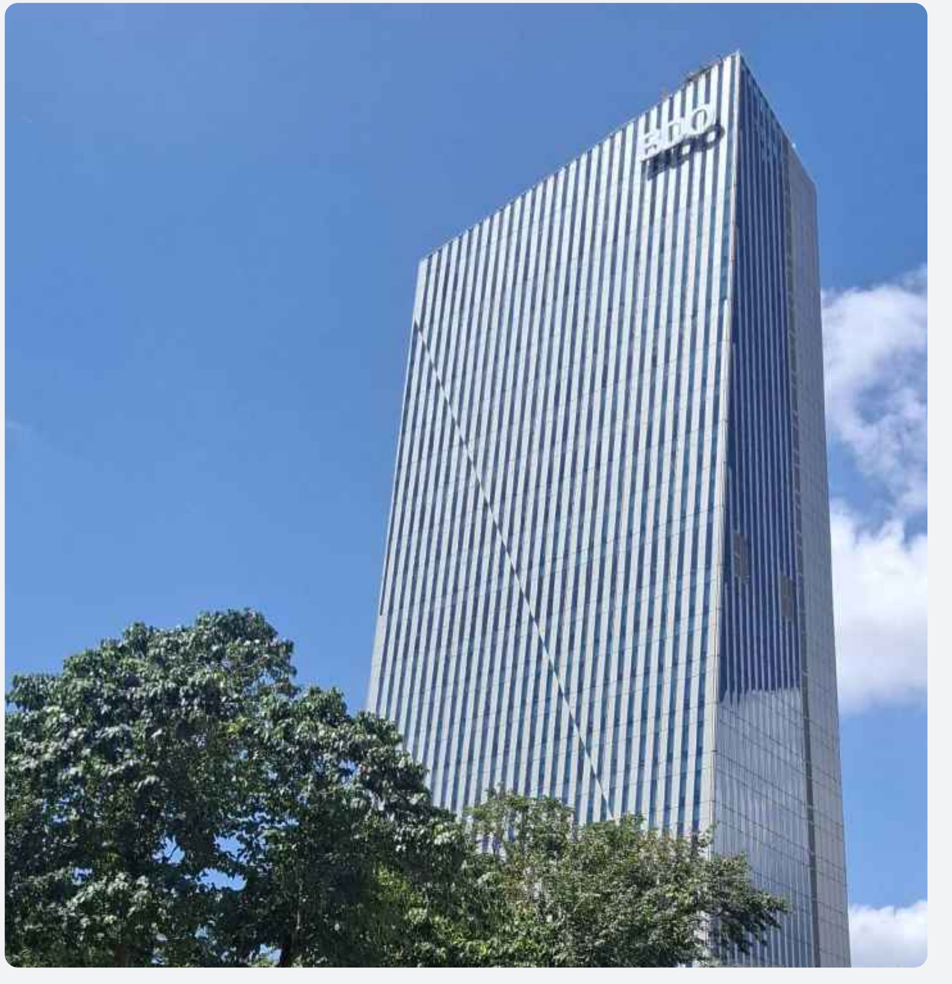
Building a Green Center in Cebu

BDO Corporate Center Cebu (BDO CCC) highlights the Bank's commitment to building responsibly and reducing environmental impact in construction. Designed to meet Green Mark Gold certification, an internationally recognized green building standard that originated in Singapore and was adapted to Asian conditions, the building integrates features that promote energy efficiency, renewable energy use, and water recycling.

BDO CCC is powered by a 144 kWp Building-Integrated Photovoltaic (BIPV), generating an average of 5.8 MWh of clean energy per month. This renewable energy output significantly reduces reliance on grid electricity and results in the avoidance of about 48 tonnes of CO2 per year. Furthermore, its design makes the most of natural light by employing daylight harvesting controls and occupancy sensors, reducing the need for electricity from the grid. Inside, the building uses LED lighting, high-efficiency air-conditioning systems, and a glass curtain wall that helps keep heat out, all of which lower energy use.

To reduce the impact of construction, the building uses cement mixed with fly ash, a recycled material that lessens the environmental footprint. Water conservation is integrated into the design through a rainwater catchment system, which collects rainwater for watering plants. This strategy minimizes overall water use through wastewater recycling and the harvesting of rainwater and condensate drain.

These sustainability features reflect BDO's goal of reducing its environmental footprint and building facilities that meet global standards for green infrastructure.



BDO Resource Consumption (Group-wide)

Fuel Consumption

Diesel (in liters)

2025	**328,557**
2024	368,924
2023	424,832

Gasoline (in liters)

2025	**144**
2024	48
2023	31,057

LPG (in kg)

2025	**5,641**
2024	8,062
2023	7,422

Refrigerants (in kg)

2025	**1,849**
2024	550
2023	–

Electricity Consumption

(in '000 kWh)

2025	**59,562**
2024	61,090
2023	94,900

Branches

2025	**15,516**
2024	12,905
2023	48,818

Offices

2025	**44,045**
2024	48,185
2023	46,082

Non-renewable

2025	**46,455**
2024	49,087
2023	84,215

Renewable

2025	**13,106**
2024	12,003
2023	10,685

GHG Emissions

(in tonnes CO_2e)

2025	**18,163,021**
2024	72,273
2023	70,638

Scope 1

2025	**1,706**
2024	2,017
2023	1,237

Scope 2

2025	**33,809**
2024	35,377
2023	66,784

Scope 3*

2025	**18,127,505**
2024	34,894
2023	2,617

* Includes scope 3 Categories 5, 6, 13, and 15

Water Consumption

(in '000 cu.m.)

Water Withdrawal (Fresh Water)

2025	**1,030**
2024	966
2023	1,021

Branches · Offices

Branches

2025	**452**
2024	390
2023	374

Offices

2025	**578**
2024	576
2023	647

Business Travel

(one-way flights)

6,230

Non-hazardous Waste

(in tonnes)

2025	**870**
2024	851
2023	625

Wastes directed to disposal

2025	**846**
2024	826
2023	608

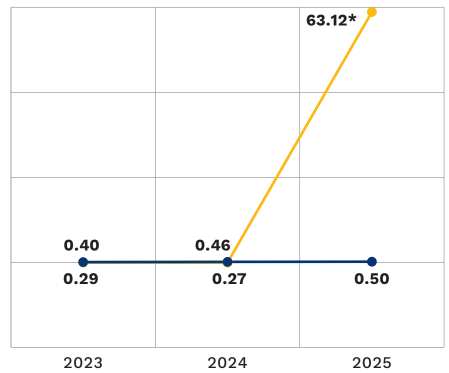
Wastes diverted from disposal (recycled) through BDO's MRF

2025	**10**
2024	8
2023	7

Wastes diverted from disposal (recycled) through X-Trash

2025	**14**
2024	18
2023	10

Carbon and Energy Intensity



Carbon Intensity (in metric tonnes CO_2e/₱1 million in revenue)*

Energy Intensity (in MW/₱1 million in revenue)

Hazardous Waste

(in tonnes)

2025	2.76
2024	1.10
2023	14.70

Wastes directed to disposal

2025	2.76
2024	-
2023	12.40

Wastes diverted from disposal (recycled) through accredited waste collectors

2025	-
2024	1.10
2023	2.30

Lightbulbs

2025	0.09

Oil

2025	2.21

Others

2025	0.46

Fuel Consumption of Tenants and Leased Assets

(in liters)

Diesel

2025	109,552
2024	65,293
2023	1,000

Gasoline

2025	584
2024	345
2023	–

Electricity Consumption of Tenants and Leased Assets

(in '000 kwh)

Renewable / Non-renewable

2025	85,174
2024	60,323
2023	3,294

Renewable

2025	23,090
2024	12,319
2023	1,655

Non-renewable

2025	62,084
2024	48,025
2023	1,639

Water Consumption

(in '000 cu.m.)

Water Withdrawal (Fresh Water)

Offices

2025	84
2024	19

Recycled Water

(in '000 cu.m.)

2025	138
2024	133
2023	96

The overall emissions reported above includes BDO Private Bank's and Dominion Holdings' fuel, electricity, and water, as well as its greenhouse gas emissions.

BDO Network Bank Resource Consumption

Fuel Consumption

(in liters)

Diesel

2025	19,395
2024	42,130

Electricity Consumption

(in '000 kwh)

Branches / Offices

2025	4,853
2024	1,243

Branches

2025	3,609
2024	-

Offices

2025	1,243
2024	1,243

Non-renewable

2025	4,853
2024	1,243

Fuel Consumption of Tenants and Leased Assets

(in liters)

Diesel

2025	82

Business Travel

(one-way flights)

586

Hazardous Waste

(in tonnes)

Wastes directed to disposal

0.20

Non-hazardous Waste

(in tonnes)

2025	11
2024	8

- Wastes directed to disposal
- Wastes diverted from disposal (recycled) through BDO's MRF

Wastes directed to disposal

2025	8.57
2024	6.80

Wastes diverted from disposal (recycled) through BDO's MRF

2025	2.46
2024	1.10

GHG Emissions

(in tonnes CO_2e)

2025	9,386
2024	1,172

Scope 1

2025	52
2024	113

Scope 2*

2025	4,081
2024	1,055

Scope 3**

2025	5,253
2024	4

Electricity Consumption of Tenants and Leased Assets

(in '000 kWh)

Non-renewable

7,230

* Includes scope 2 from BDO Network Bank branch electricity consumption

** Includes Scope 3 Categories 5, 6, and 13

CASE STUDY

Turning Waste into Community Support

BDO's participation in the X-Trash Challenge demonstrates the Bank's commitment to environmental stewardship and waste reduction. Since 2021, BDO has actively joined this competition organized by the Philippine Business for Social Progress (PBSP) and Basic Environmental Services Technology (BEST), which encourages companies to collect recyclable materials such as paper, plastic, and metal waste.

Employees contribute by bringing recyclables from home to designated BDO offices, complementing the Bank's internal Waste Busterrr campaign that promotes proper waste segregation and disposal.

In 2025, these efforts resulted in the collection of 13,683.74 kilograms of recyclable waste, earning BDO a Second Runner-Up award at the X-Trash Challenge. Earnings from the X-Trash Challenge 2024 also funded a ₱52,000 donation of kitchen equipment, including rice cookers and steel racks to beneficiary SOS Philippines. SOS rescues surplus food from restaurants, hotels, retailers, and food manufacturers and redistributes it to vulnerable communities facing food insecurity. These partnerships highlight how initiatives can reduce waste while turning recyclables into practical support for partner communities.

Breakdown of BDO Emissions for Scope 1, 2, and 3 102-5, 102-6, 102-7

SCOPE 1

BDO Unibank		Emissions in Metric Tonnes			
Fuel Consumption		Total CO_2e	CH4-CO_2e	N_2O-CO_2e	Total Co_2e
Diesel (in liters)					
Standby generator sets	102,376.58	297.91	1.09	0.66	**299.66**
Transport vehicle	206,785.86	554.19	0.58	1.13	**555.89**
Gasoline (in liters)					
Standby generator sets	144.00	0.33	0.001	0.001	**0.33**
Other gasoline fuel consumption	-	-	-	-	**-**
Heating and Cooking – LPG (in kg)	5,641.30	16.84	0.04	0.01	**16.88**
Refrigerants (in kg)					
R-32	45.00	34.70	-	-	**34.70**
R-410A	305.15	688.27	-	-	**688.27**
R-22	28.55	55.96	-	-	**55.96**
R-1234ze	1,470.00	2.01	-	-	**2.01**
Total Scope 1 emissions of BDO Unibank					**1,653.70**

BDO Network Bank		Emissions in Metric Tonnes			
Fuel Consumption		Total CO_2e	CH_4-CO_2e	N_2O-CO_2e	Total Co_2e
Diesel (in liters)					
Standby generator sets	1,174.00	3.42	0.01	0.01	**3.44**
Transport vehicle	18,220.77	48.83	0.05	0.10	**48.98**
Total Scope 1 emissions of BDO Network Bank					**52.42**

Total Scope 1 emissions	**1.706.11**

SCOPE 2

BDO Unibank		Emissions in Metric Tonnes			
Electricity Consumption		Total CO_2e	CH4-CO_2e	N_2O-CO_2e	Total Co_2e
Non-Renewable (in MW)					
Luzon	34,211.85	23,725.92	-	-	**23,725.92**
Visayas	4,077.58	2,827.80	-	-	**2,827.80**
Mindanao	3,313.38	2,823.66	-	-	**2,823.66**
Renewable (in MW)					
Luzon	13,106.18	350.78			**350.78**
Total Scope 2 emissions of BDO Unibank					**29,728.17**

BDO Network Bank		Emissions in Metric Tonnes			
Electricity Consumption		Total CO_2e	CH_4-CO_2e	N_2O-CO_2e	Total Co_2e
Non-Renewable (in MW)					
Luzon	-	-	-	-	**-**
Visayas	343.44	238.18	-	-	**238.18**
Mindanao	4,509.18	3,842.72	-	-	**3,842.72**
Total Scope 2 emissions of BDO Network Bank					**4,080.90**

Total Scope 2 emissions	**33,809.06**

SCOPE 3

BDO Unibank		Emissions in Metric Tonnes			
Category 13: Downstream Leased Assets		Total CO_2e	CH4 - CO_2e	N_2O-CO_2e	Total Co_2e
Standby generator sets - Diesel (in liters)	109,469.88	318.56	1.161	0.704	**320.42**
Other Gasoline Fuel Consumption (in liters)	583.55	1.34	0.005	0.003	**1.34**
Electricity Consumption					
Non Renewable (in MW)					
Luzon	47,550.65	32,976.38	-	-	**32,976.38**
Visayas	4,279.19	2,967.62	-	-	**2,967.62**
Mindanao	2,782.83	2,371.53	-	-	**2,371.53**
Abroad	241.65	114.38	-	-	**114.38**
Renewable (in MW)					
Luzon	23,089.94	618.0	-	-	**617.99**
Category 5: Waste Generated in Operations					
Non-hazardous (in tonnes)					
Waste diverted from landfill	21.48	1.26	-	-	**1.26**
Waste directed to landfill	823.27	485.62	-	-	**485.62**
Category 6: Business Travel					
Business travel (one-way)	5644 flights	352.18	-	-	**351.25**
Category 15: Investments/Financed Emissions					
Loans		17,567,889.00			**17,567,889.00**
Investments		514,155.00			**514,155.00**
Total Scope 3 emissions of BDO Unibank					**18,122,251.79**

BDO Network Bank		Emissions in Metric Tonnes			
Category 13: Downstream Leased Assets		Total CO_2e	CH4 - CO_2e	N_2O-CO_2e	Total Co_2e
Non Renewable (in MW)					
Luzon	4,118.69	2,856.31	-	-	**2,856.31**
Visayas	1,861.19	1,290.74	-	-	**1,290.74**
Mindanao	1,249.79	1,065.07	-	-	**1,065.07**
Category 5: Waste Generated in Operations					
Non-hazardous (in tonnes)					
Waste diverted from landfill	1.95	0.14	-	-	**0.14**
Waste directed to landfill	8.57	4.97	-	-	**4.97**
Category 6: Business Travel					
Business travel (one-way)	586 flights	35.22	-	-	**35.22**
Total Scope 3 emissions of BDO Network Bank					**5,252.45**
Total Scope 3 emissions					**18,127,504.24**

Customer Engagement

Consumer Protection Practices 416-1

BDO's financial consumer protection framework is anchored on disclosure and transparency, protection of client information, fair treatment, effective recourse, and protection of consumer assets against fraud and misuse. The framework ensures that consumer protection practices are embedded in BDO's operations and considered in the development and implementation of the Bank's products and services.

Customer Experience Philosophy

BDO is committed to embodying a We Find Ways mindset as part of its Customer Experience Philosophy. This principle underscores the Bank's dedication to creating a banking experience that extends beyond basic transactions by offering a diverse range of products and providing personalized services. BDO achieves this through a comprehensive understanding of its customers' financial objectives and life circumstances.

Board and Management Oversight on Customer Concerns 2-26

The Board holds the primary responsibility for maintaining effective oversight of the Bank's consumer protection policies and programs. Senior management is tasked with implementing strategies approved by the Board and ensuring that appropriate control mechanisms are in place. Governance and oversight functions are further reinforced through the various roles that involve ownership, management, or provision of independent assurance regarding Consumer Protection activities, such as:

- **Senior Management:** Senior Management ensures that the approved Consumer Protection policies and procedures are clearly documented, properly understood, and consistently implemented across all levels and business units.
- **Compliance and Internal Audit:** The Compliance Office and Internal Audit, both of which take their authority from the Board's Audit Committee, support the Board of Directors in overseeing the Bank's adherence to the Consumer Protection policies as well as in ensuring the effectiveness of its application or implementation across all financial product and service offerings.
- **Operational Risk Management Unit (ORMU):** ORMU is responsible for assisting management in embedding the operational risk culture, awareness, framework, and implementation throughout the Bank. Top complaint drivers, along with the corresponding corrective and preventive measures, are reported to the Board on a quarterly basis. This ensures that Consumer Protection-related risks and concerns are mitigated, compliance with Consumer Protection standards and requirements is maintained, and any other significant developments affecting the Bank's consumers are disclosed.

Consumer Assistance Management System (CAMS) 2-25

BDO enforces and monitors the Consumer Assistance Management System or CAMS through a combination of established policies, streamlined processes, and dedicated teams. This system aims to deliver customer satisfaction through compliance with regulations.

- **Internal policies:** Consumer Protection policies, as outlined in the CAMS Manual, provide clear guidelines for managing customer assistance. These policies define procedures for complaint resolution, escalation protocols, and standards for effective communication. Consistent application of these protocols, ensures that customer concerns are addressed promptly, fairly, and with care across all service channels.
- **Dedicated Teams:** Specialized teams, including Customer Service and Service Fulfillment Units, are responsible for implementing and supervising CAMS. These teams work collaboratively to manage consumer inquiries, requests, and complaints with efficiency and accuracy.
- **Monitoring and Reporting:** The CAMS is a comprehensive tracking system, which records and oversees client interactions, complaints, and resolutions. This system enables BDO to identify trends, evaluate service performance, and address emerging issues. Regular reporting provides senior management and the Board with insights to assess and enhance the effectiveness of CAMS.
- **Continuous Improvement:** CAMS is regularly reviewed and enhanced, incorporating customer feedback, adapting to regulatory changes, and aligning with industry best practices. This ongoing commitment ensures that the system remains effective and responsive to the evolving needs of customers.

Process for Handling of Customer Concerns 2-25

BDO prioritizes efficient resolution of customer concerns. Upon receipt of a complaint, frontliners acknowledge and record the concern. If it can be resolved immediately, the client receives prompt assistance at the point of contact. Otherwise, the issue is referred to the appropriate service fulfillment unit for further investigation. Once the root cause is identified, the service fulfillment unit determines a suitable solution which may include refunds, corrections, or customer education. Throughout the process, clear communication and transparency are maintained to ensure that the customers feel heard and are satisfied with the outcome.

Training for Customer Assistance 2-25

BDO employees are required to complete the Financial Consumer Protection eLearning course. This training is designed to acquaint them with the concept of CAMS, its procedures, customer service standards, and applicable regulatory requirements. The training is based on the Consumer Protection Standards of Conduct, which outlines the expected behavior of Bank employees when interacting with customers.

Listening to Customer Needs 2-25, 2-26

In order to deliver exceptional banking services, BDO collects and utilizes valuable input from customers, understanding their needs, and continuously improving their overall experience. The Bank has a robust and comprehensive engagement and feedback mechanism, employing multiple channels to ensure that the voice of the customer resonates throughout its operations.

- **Multi-faceted Customer Service:** Dedicated customer customer service teams, which may be reached via call, email, and social media private messaging, have been pivotal in addressing any product, process, or system-related inquiries and providing timely resolutions to concerns. The direct communication channels allow the Bank to promptly respond to concerns and offer personalized support.
- **Branch-level Interaction:** Physical branches serve as touchpoints for direct engagement. This brick-and-mortar approach allows us to establish deeper relations with the public at large and strengthens our understanding of a locale's wants, needs, and concerns.
- **Website:** The Bank's web page offers a secure messaging system where clients can provide feedback, report issues, and seek customer service support. Please visit https://www.bdo.com.ph/contact-us.
- **Social Media Engagement:** Active monitoring of social media platforms enables us to promptly address customer concerns. Our commitment to social media listening reflects our agility in responding to emerging trends and issues within the digital landscape.

Customer Contact Center

2-26, 418-1

BDO's Customer Contact Center (CCC) demonstrates a sincere commitment to protecting client information and delivering timely and effective assistance. Guided by the regulatory and legal frameworks on financial consumer protection and the data privacy, CCC ensures that customer data is collected, stored, and used solely to support customers with appropriate solutions to their inquiries and concerns.

To safeguard the confidentiality, integrity, and availability of personal data, CCC maintains strict physical, organizational, and technical controls. Collaboration among the CCC, Cybersecurity, and Fraud

Management teams is continuously strengthened to address emerging risks, such as money muling and social engineering attacks. Security advisories are incorporated into contact center protocols, and frontline representatives routinely provide education on protecting personal information during customer interactions.

Recognizing the evolving risks associated with digitalization, BDO has introduced voice biometrics as a secure and efficient authentication feature. This innovation enables faster and more secure verification of customer identity, offering enhanced protection against fraud and unauthorized access when customers call the BDO hotline.

As part of BDO's ongoing commitment to enhancing customer experience, several key initiatives have been implemented. The institutionalization of Customer Record Management has strengthened the ability of the Customer Contact Center to address customer concerns in a more coordinated and consistent manner across service channels, supporting a more unified approach to issue resolution. In addition, process enhancements have been introduced for various customer transactions to reduce manual handling, improve turnaround times, and enhance overall servicing efficiency. Furthermore, improvements to the Bank's customer contact and call-handling capabilities support faster resolution of common inquiries and more efficient routing of customer requests, contributing to shorter wait times and improved overall customer satisfaction.

In 2025, Customer Assistance Management System logged some 9.63 million customer cases of which only 0.64 million or 7% were problem-related in nature. Majority of the cases were inquiries at 4.56 million and requests at 4.42 million.

Consumer Protection: Built Into Every Interaction

BDO's consumer protection framework is anchored on transparency, fair treatment, data security, effective recourse, and safeguarding assets against fraud and misuse. These principles are embedded in our operations and guide the design and delivery of all products and services.

Oversight That Safeguards Customer Interests

BDO retains ultimate accountability for consumer protection, ensuring policies and programs are embedded across the Bank. Senior Management translates these strategies into action, supported by strong controls and governance mechanisms. They ensure that approved policies are clearly documented, well understood, and consistently applied throughout all business units.

Compliance and Internal Audit, reporting to the Board Audit Committee, monitor adherence to consumer protection standards and validate the effectiveness of implementation across products and services.

The Operational Risk Management Unit (ORMU) reinforces risk awareness and culture across the Bank. It tracks top complaint drivers and reports corrective and preventive measures to the Board's Risk Management Committee (RMC) quarterly, ensuring risks are mitigated, compliance is maintained, and significant developments affecting customers are disclosed.

Customer Experience Designed Around Life Goals

Our We Find Ways mindset shapes a banking experience that goes beyond transactions. By combining data insights with human understanding, we deliver products and services tailored to financial goals and life stages—making banking simpler, safer, and more relevant.

Fast, Fair Resolution through the Customer Assistance Management System (CAMS)

BDO enforces and monitors the Customer Assistance Management System through clear policies, streamlined processes, and dedicated teams. CAMS ensures every concern is resolved promptly and in full compliance with regulatory standards. Internal policies outlined in the CAMS Manual set precise guidelines for complaint resolution, escalation, and communication. These standards ensure consistency across all service channels and reinforce our commitment to fairness and transparency.

Specialized teams, including Customer Service and Service Fulfillment Units, oversee CAMS implementation. Working collaboratively, they manage inquiries, requests, and complaints with accuracy and efficiency. A centralized tracking system records all interactions, enabling BDO to identify trends, measure performance, and respond to emerging issues. Regular reports provide senior management and the Board with actionable insights to strengthen CAMS effectiveness.

CAMS undergoes continuous review and enhancement, integrating customer feedback, adapting to regulatory changes, and aligning with industry best practices. This commitment ensures the system remains responsive to evolving customer needs and expectations.

Handling Customer Concerns with Care

BDO prioritizes swift and transparent resolution of customer concerns. When a complaint is received, frontliners immediately acknowledge and record it. If the issue can be resolved at the point of contact, assistance is provided promptly. If not, it is escalated to the appropriate service fulfillment unit for investigation. Once the root cause is identified, the unit determines the most suitable solution, which may involve a refund, correction, or customer education. Throughout the process, communication remains clear and consistent to ensure customers feel heard and confident in the outcome.

Training That Builds Service Excellence

BDO requires all employees to complete the Financial Consumer Protection eLearning course every two years. This program familiarizes them with CAMS procedures, customer service standards, and applicable regulatory requirements. It is anchored on the Consumer Protection Standards of Conduct, which defines the expected behavior of employees in every customer interaction.

Listening That Drives Action

BDO actively gathers and applies customer feedback to enhance banking experiences. Our engagement framework uses multiple channels to ensure the voice of the customer informs service improvements across the organization. Customer service teams are accessible via phone, email, and private social media messaging, providing timely responses to inquiries and concerns. These direct channels enable personalized support and quick resolution.

Physical branches remain important touchpoints for deeper engagement, allowing us to understand local needs and strengthen relationships within communities. This is complemented by the Bank's website which offers a secure messaging system for feedback, issue reporting, and service support at **www.bdo.com.ph/about-bdo/learn/help-and-support/contact-us**, where customer assistance hotlines and dedicated email channels are listed.

Active monitoring of social media platforms ensures rapid response to emerging issues. Our commitment to social media listening reflects agility in addressing trends and maintaining customer trust in the digital space.

Secure, Responsive Support from the Customer Contact Center

BDO's Customer Contact Center (CCC) upholds a strong commitment to protecting client information while delivering timely, effective assistance. Guided by Financial Consumer Protection principles and Data Privacy regulations, CCC ensures that customer data is collected, stored, and used exclusively to provide appropriate solutions to inquiries and concerns.

To safeguard confidentiality, integrity, and availability of personal data, CCC applies strict physical, organizational, and technical controls. Collaboration with Cybersecurity and Fraud Management teams is continuously reinforced to address emerging risks such as money muling and social engineering attacks. Security advisories are embedded in protocols, and frontline representatives regularly educate customers on protecting personal information during interactions. Among the most significant initiatives:

- **First in Voice Biometrics.** Recognizing the evolving risks of digitalization, BDO introduced voice biometrics as a secure and efficient authentication feature. This innovation enables faster identity verification and strengthens protection against fraud and unauthorized access when customers call the BDO hotline.
- **Single Customer Record Across All Channels.** The institutionalization of Customer Record Management (CRM) has strengthened the ability of the Bank to address customer concerns in a more coordinated and consistent manner across service channels, supporting a more unified approach to issue resolution.

To drive efficiency and convenience, process enhancements have been introduced for various customer transactions to reduce manual handling, improve turnaround times, and enhance overall servicing efficiency. Improvements to the Bank's hotline capabilities enable faster resolution of common inquiries and more efficient routing of customer requests, contributing to shorter wait times and improved overall customer satisfaction.

In 2025, the Customer Assistance Management System logged 9.63 million cases, of which only 0.64 million or 6.6% were classified as complaints. The majority were inquiries at 4.57 million and requests at 4.42 million, indicating that complaints represent only a small fraction of overall customer engagements.

Supply Chain Engagement 204-1

Responsible Procurement and Resource Stewardship

In 2025, BDO further enhanced operational efficiency through its Integrated Procurement System (IPS), which allows suppliers to consolidate multiple purchase orders (POs) into a single invoice. This web-based requisition-to-payment platform reduces the traditional one-order-one-invoice process, minimizes paper use, and simplifies billing and documentation requirements.

The IPS also includes a supplier portal called the Zycus Supplier Network, which is used primarily for supplier onboarding, PO receipt and confirmation, and invoice creation and submission. Through this platform, the Bank eliminated the need for hardcopy submission of supplier documents and the manual filing that accompanied it. Suppliers now enter their company information through an online form and upload the required documents directly into the system.

Managing Internal Consumption and Circularity

Paper remained one of the Bank's most used materials, with 2025 consumption trends showing mixed patterns across types. Short-sized paper increased by 26.60%, A4 paper increased by 30.17%, while long-sized paper increased by 12.14% versus 2024. These shifts occurred alongside BDO's ongoing expansion of digital workflows for requisitions and approvals, which continue to moderate growth in paper usage even as certain operational activities expand.

BDO also strengthened its circularity practices by maximizing reuse, refurbishment, and responsible recycling across furniture, fixtures, equipment, and IT assets. Although paper sent for recycling decreased by 2.92%, other recovery channels expanded significantly. IT equipment and peripherals donated to public schools through BDO Foundation increased by 24.87%, and IT asset reallocation within Unibank increased by 30.58%, reflecting improved recovery of reusable units from technology refresh cycles.

In 2025, 33,997 consumable items were routed to accredited recyclers as part of the Bank's established recovery procedures. Comparable volumes were processed in 2024 (45,178 items), underscoring the consistency of the Bank's materials-recovery system. Some reuse categories declined due to fewer facility decommissions in 2025. Reused workstation sets decreased by 68.10%, while non-IT furniture refurbishment and reallocation within Unibank decreased by 49.28%. Despite these reductions, BDO continued to practice resource

stewardship through refurbishment, reallocation, and responsible disposal of remaining recoverable assets. Circularity efforts also included the trade-in of used batteries to accredited suppliers and sustained use of printer-leasing arrangements, wherein suppliers collect toner cartridges for refill and reuse—reducing waste from consumables and avoiding unnecessary procurement of new materials.

Engineering teams also contributed to circularity by extending the useful life of major assets across facilities. Activities in 2025 included the reuse of ATM enclosures (23.94% growth), air-conditioning units (330.77% growth), generator sets (7.14% growth), and other equipment such as vault doors, panelboards, transformers, and air purifiers. These interventions significantly reduced the volume of materials requiring disposal and helped avoid new purchases.

Fleet Resource Efficiency

Fleet fuel use improved in 2025. For BDO Unibank, annual totals indicate lower diesel consumption and fuel costs versus 2024, aligned with improved routing efficiency and optimized deployment of armored and non-armored units. For BDO Network Bank, planned fleet rationalization in Mindanao resulted in even more substantial improvements, with diesel consumption decreasing from 41,762 liters to 18,221 liters, and total fuel costs improving from ₱2.49 million to ₱1.04 million—a major operational efficiency gain.

These reductions contributed directly to lower resource use and supported BDO's broader operational efficiency strategy.

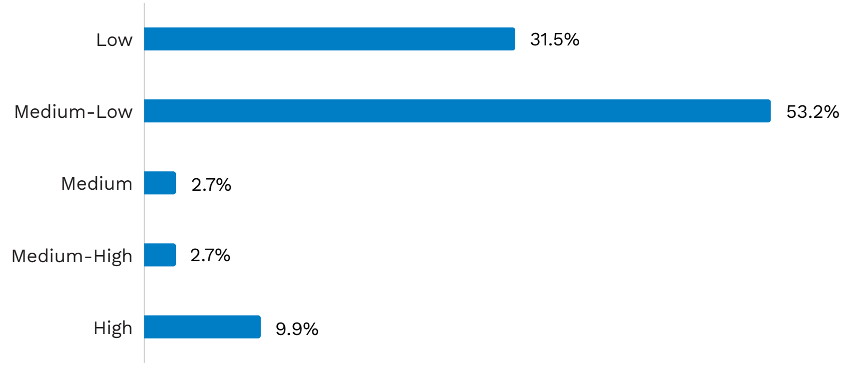
Strengthening Supplier Oversight

BDO maintained a strong local supplier base in 2025. While the share of spend with local suppliers declined—moving from 0.93 in 2024 to 0.86 in 2025—the Bank continued to source the majority of goods and services domestically, with 95% of accredited suppliers classified as local.

All suppliers remained subject to BDO's accreditation process, which verifies compliance with environmental requirements for hazardous-waste handlers and labor-standards certifications for manpower and security service providers. BDO also enforces compliance through billing-hold measures for service providers with unresolved labor-related cases, ensuring alignment with its governance and procurement principles.

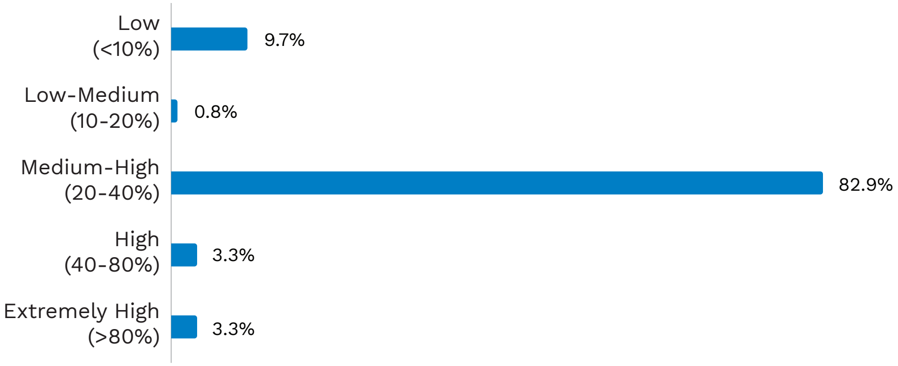
Suppliers' Exposure to Physical Risk

From the projected provincial risk categorization between 2030-2040, SP5-8.5, National Adaptation Plan



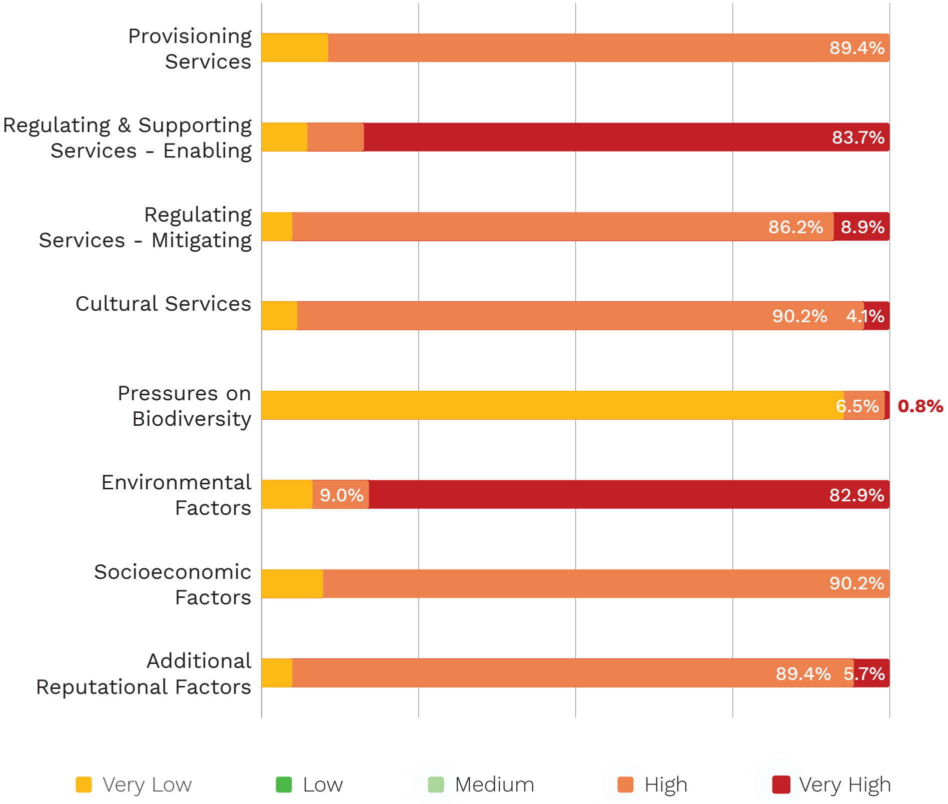
Supplier Operations in Water Stressed Areas

From World Resources Institute's Aqueduct Water Risk Atlas



Suppliers' Exposure to Biodiversity Risk 101-4, 101-5, 101-6, 101-8

From World Wide Fund for Nature (WWF) Biodiversity Risk Tool



Pursuing Partnerships for Impact 2-6, 2-24

We value collaboration and partnerships where we can make best use of our expertise and resources to scale collective impact. We engage with our stakeholders to ensure that we bring everyone along in our sustainability journey.

BDO Foundation 2-6, 203-1, 203-2, 413-1

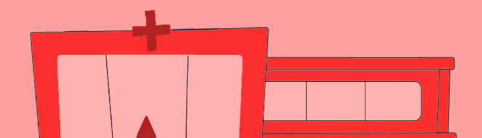
Handog sa 'Yo ng BDO Foundation Food Assistance

Beneficiaries in 2025
51,335
Families

Beneficiaries to date
201,235
Families

Blood Center

1,328
Population covered



Rural Health Units (RHUs)

37
Rehabilitated RHUs in 2025

1,394,934
Population covered in 2025

228
Rehabilitated RHUs to date

10,430,975
Population covered to date

Relief Operations

Beneficiaries in 2025
55,590
Families

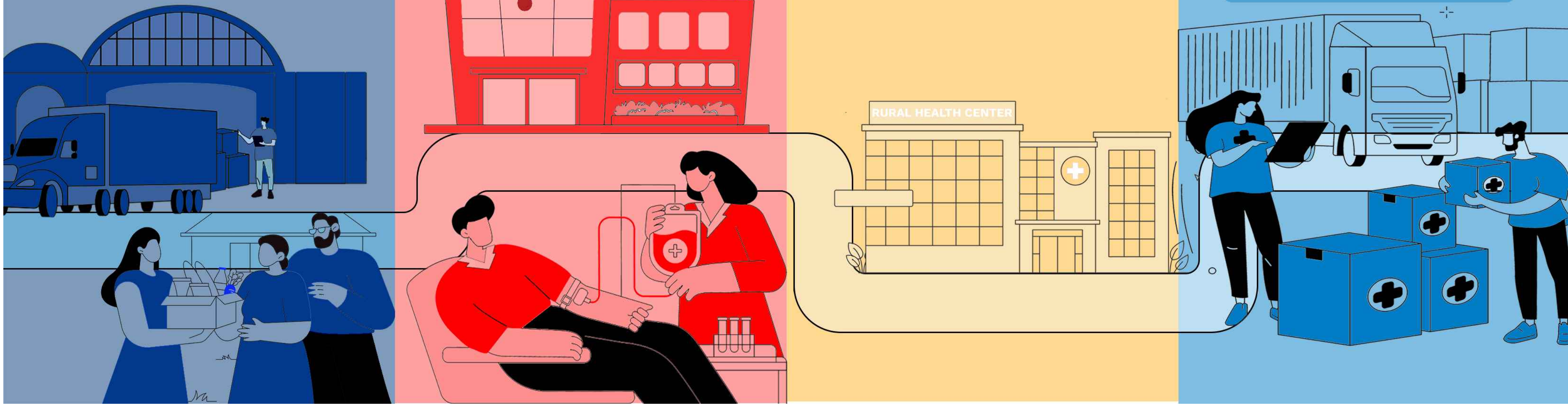
Beneficiaries to date
933,133
Families

164
Schools

2,086
Students

47
School Employees

27
Elderly



Tech-Voc Training Facilities

1,006
Total Beneficiaries

6
Classrooms built (to date)

3
Workshops built (to date)

School Buildings and Classrooms

School Buildings Built (to date)

19
Elementary Schools

15
High Schools

1
College

Classrooms Built (to date)

63
Elementary Schools

60
High Schools

4
College

Beneficiaries per year

15,800
Elementary School Students

16,788
High School Students

1,589
College Students

Financial Education

Beneficiaries in 2025

10,498,686
Students

12,684
OFWs

1,108,200
Members of the General Public

528,206
Teachers and Non-teaching Personnel

11,700
Online Armed Forces Personnel

51,613
Firefighters

22,680
Police personnel

2,876
Fisherfolks

476
Civil servants, CSC and LGU personnel

2,051
Farmers

709
BDO employees

542
BSP employees

45
NGO workers

150
LGU Personnel

40
DTI Personnel

40
Social workers

Beneficiaries to date

21,577,619
Students

1,530,742
OFWs

1,315,859
Members of the General Public

866,406
Teachers and Non-teaching Personnel

85,276
Armed Forces

55,992
Firefighters

22,680
Police personnel

17,872
Fisherfolks

3,493
Civil servants, CSC and LGU personnel

2,921
Farmers

1,956
Rellocatees

837
OFW Trainers

709
BDO employees

542
BSP employees

439
NGO workers

230
HR Practitioners

212
LGU Personnel

63
Nano-entrepreneurs

40
DTI Personnel

40
Social workers

326
Lesson exemplars uploaded in DepEd's learning portal

BDO Foundation

Translating Advocacy Into Meaningful Action: BDO Foundation

In 2025, BDO Foundation continued to implement programs focused on disaster response, rehabilitation and rebuilding, and financial inclusion. The corporate social responsibility arm of BDO Unibank leaned on its core values—competency, compassion, community-centricity, contribution to national development, and collaboration—as it worked to ensure its programs made a difference in the lives of communities and sectors while contributing to national and global goals. Strengthened by partnerships with public and private sectors, as well as BDO branches and business units, the Foundation delivered on these programs, mindful of its commitment to sustainable development and nation-building.

Relief Operations for Calamity-Stricken Communities

In line with its disaster response advocacy, BDO Foundation provided swift, coordinated assistance to Filipinos affected by calamities across the country, advancing the Sustainable Development Goals of Zero Hunger and Partnerships for the Goals.

In 2025, the Foundation responded to five disaster events, including typhoons, earthquakes, and flooding, extending support to affected communities nationwide.

The Foundation mounted relief operations in provinces under a state of calamity, mobilizing volunteers for the immediate distribution of relief goods in affected communities. In 2025, these efforts enabled the delivery of thousands of relief packs across multiple disaster-affected areas nationwide, providing urgent assistance to communities most impacted by calamities.

Working together in the spirit of bayanihan—a Filipino tradition of communal unity and cooperation—volunteers from partner organizations, local government personnel, and BDO employees distributed relief packs containing food, rice, and drinking water. In some areas, hygiene kits were also provided.

The relief efforts aided families affected by major natural disasters in the Philippines, including a magnitude 6.9 earthquake in northern Cebu—an island province in the country's central region—and Typhoon Tino and Super Typhoon Uwan, two powerful storms that struck wide areas of the country in close succession.

These disasters caused severe flooding, widespread damage, and large-scale displacement from the central Philippines to northern and eastern Luzon, with parts of Cebu receiving more than a month's worth of rain in a single day and Uwan affecting over a million people nationwide. Together, they resulted in loss of life, damage to homes and infrastructure, and prolonged power and water disruptions.

The disaster response efforts were made possible by partners, which included parishes, diocesan social action centers, non-governmental organizations, local government units, the military, and the police. The relief operations were also supported by employees of BDO and BDO Network Bank branches, who helped BDO Foundation assess situations, determine the number of affected families, and coordinate logistics. Backed by the BDO Unibank community and its partners, the Foundation reached disaster-affected Filipinos in their time of need across 18 provinces.

Upgrading Rural Health Facilities to Enhance Primary Care

As part of continuing efforts to help improve the primary healthcare delivery system in the Philippines, BDO Foundation rehabilitated rural health units (RHUs) or primary care facilities (PCFs) in disadvantaged areas across the country, benefiting 35 municipalities and two cities. The Foundation reached a major milestone in 2025 with the turnover of its 200th rehabilitated rural health unit, surpassing this benchmark as it continued to rehabilitate additional facilities in support of Universal Health Care goals and SDG 3 Good Health and Well-Being.

Through these rehabilitation efforts, the Foundation upgraded both exterior and interior spaces to improve functionality and patient flow. Enhancements covered lobbies and waiting areas, offices, birthing clinics, consultation and treatment rooms, and pharmacies.

The Foundation also installed new signage, furniture, and fixtures to help health workers accommodate more patients. In rural health units with available space, it built breastfeeding stations for nursing mothers, play areas for children, and waiting lounges for the elderly.

The rehabilitation of health facilities empowered doctors, nurses, and midwives to serve their communities more effectively. It enabled them to provide primary healthcare services more efficiently to their constituents. The program benefited mothers; infants and children; adolescents; persons with disabilities; senior citizens; and indigenous peoples living in remote areas—serving 1,394,934 beneficiaries annually. The initiative helped improve the health and well-being of the people.

Like other BDO Foundation projects, the rehabilitation program was backed by officers of BDO and BDO Network Bank branches, who recommended health facilities in need of assistance. The initiative was also implemented in partnership with local government leaders and health officers, as well as Department of Health (DOH) regional and provincial offices, which provided technical guidance on the renovations.

As a result of the initiative, BDO Foundation helped health centers receive high assessment scores and obtain accreditation from the DOH and the Philippine Health Insurance Corporation. The Foundation helped improve the primary healthcare delivery system in the country—one of the goals under the Philippine health agenda and Universal Health Care. It gave disadvantaged Filipinos access to high-quality primary healthcare.

Financial Literacy Through Multi-Sector Partnerships

BDO Foundation continued implementing financial education programs in support of the National Strategy for Financial Inclusion of the Bangko Sentral ng Pilipinas (BSP), reaching diverse sectors from farmers to overseas Filipino workers. These initiatives aim to improve financial literacy and economic well-being across the country, contributing to SDG 4 Quality Education and SDG 10 Reduced Inequalities.

Together with BSP, the Foundation worked with national government agencies across the agriculture, education, labor, social protection, housing, and public safety sectors to institutionalize financial education within existing public-sector programs. Representatives of these partner institutions, officers of BSP's Economic and Financial Learning Office, and BDO Foundation managers worked closely to integrate financial education into agency initiatives and delivery mechanisms.

Through the financial education programs, partners shared practical lessons on saving, budgeting and financial planning, fraud and scam awareness, debt management, investments, entrepreneurship, insurance, and retirement planning.

Beneficiaries included students, teachers and non-teaching personnel, overseas Filipino workers, civil servants, uniformed personnel, fisherfolk, farmers, technical-vocational learners, micro-entrepreneurs, families displaced by railway projects, and the investing public.

BDO Foundation and its financial education partners accomplished the following in 2025:

Partner	Achievements
Agricultural Credit Policy Council (ACPC)	■ Farmers training ■ Rollout of KITA Mo Na! financial education game in Bacolod, Pangasinan, and Siargao
Armed Forces of the Philippines (AFP)	■ Continuous implementation of financial education program for AFP personnel
Bureau of Fire Protection (BFP)	■ Development of trainer's manual ■ Finalization of monitoring and evaluation (M&E) framework ■ Completion of knowledge-level survey ■ Continuous implementation of financial education program for BFP personnel
Bureau of Fisheries and Aquatic Resources (BFAR)	■ Ongoing implementation of Fish N' LEarn financial education game for fisherfolk ■ Training of trainers for Fish N' LEarn in Benguet, Bohol, and Siargao
Civil Service Commission (CSC)	■ Continuous implementation of financial education program for civil servants
Department of Education (DepEd)	■ Training of teachers during National Teachers Month ■ Completion and upload of more than 300 financial education lesson exemplars on DepEd's learning portal ■ Pilot run of e-learning financial education modules for teachers and non-teaching personnel
Department of Migrant Workers (DMW) and Overseas Workers Welfare Administration (OWWA)	■ Enhancement of financial education program in Pre-Migration Orientation Seminar (PMOS) and Pre-Employment Orientation Seminar (PEOS) modules ■ Review of PMOS implementation in Camarines Norte ■ Continuing use of PiTaKa (Pinansyal na Talino at Kaalaman) in Pre-Departure Orientation Seminars (PDOS)
Department of Transportation (DOTr), NIRAS, and Social Housing Finance Corporation (SHFC)	■ Signing of memorandum of understanding (MOU) ■ Training of families affected by North and South Railway projects
Department of Social Welfare and Development (DSWD)	■ Training of trainers for LGU social welfare officers ■ Inclusion of financial education modules as part of DSWD Academy program offerings
Department of Trade and Industry (DTI)	■ Training of DTI central and regional trainers
Social Housing Finance Corporation (SHFC)	■ Rollout of KITAbuhayan financial education program
Philippine National Police (PNP)	■ Pre-production of financial education videos for police personnel ■ Finalization of monitoring and evaluation (M&E) framework
Securities and Exchange Commission (SEC)	■ Participation in National Teachers Month training of teachers ■ Support for Investor Protection Week ■ Launch of two videos on investor protection
Technical Education and Skills Development Authority (TESDA)	■ Upload of e-learning modules on TESDA Online Program

In 2025, BDO Foundation and BSP conducted Kita-Kita: A Financial Education Town Hall, attended by BDO Foundation trustees and BSP officials led by Deputy Governor Bernadette Romulo-Puyat, with around 117 stakeholders present. Heads of partner government agencies and private institutions implementing financial education programs for various sectors of society were also in attendance. Kita-Kita is a deliberate play on words: in Filipino, it means "to come together," while kita also refers to earnings or income—reflecting the town hall's dual focus on collaboration and financial empowerment.

Co-organized by BDO Foundation and BSP's Economic and Financial Learning Office, Kita-Kita served as a venue for partners to share insights, challenges, and lessons learned in implementing their financial education programs. The event featured a town hall discussion among officers directly involved in program implementation and a presentation of key takeaways.

Discussions centered on three key aspects: effectiveness, which ensures financial literacy lessons are learned through sector-appropriate resources and training methods; scale, which focuses on expanding access to financial education nationwide; and sustainability, which emphasizes institutionalizing programs for long-term impact. Ahead of the town hall, technical working groups implementing financial education programs held a series of discussions on these aspects.

BDO Foundation and BSP completed the development of the Financial Education E-learning Modules in 2025. The modules were launched at a BSP event led by BDO Foundation trustees and BSP Deputy Governor Bernadette Romulo-Puyat, alongside officers of other government institutions, including TESDA—the first to use the modules for its learners.

The modules cover nine courses grouped into three batches: Batch One focuses on financial planning, saving and budgeting, and debt management; Batch Two covers the basics of investing, fraud and scam prevention, and financial consumer protection; while Batch Three includes digital financial literacy, the Personal Equity and Retirement Account (PERA), and relevant economic indicators.

Available on-demand and free of charge, the online courses expand coverage and accelerate the implementation of BDO Foundation and BSP's partnership programs. Lessons are delivered through videos, interactive activities, and end-of-session assessments. Through these modules, BDO Foundation and BSP aim to transform the financial education landscape by making learning digital, borderless, and accessible to Filipinos in the country and abroad.

BSP made the modules available on its BSP E-Learning Academy (BELA), an online platform offering courses on personal finance, economics, and central banking. TESDA uploaded the modules for its personnel and technical-vocational learners via the TESDA Online Program, while BDO made them accessible through its own learning portal. The modules attracted 102,764 learners, expanding access to financial literacy nationwide.

The modules will eventually be accessible to target beneficiaries and the public through partner government institutions and other education and private-sector partners. Users can access courses via personal computers, laptops, and mobile devices.

In 2025, KITA (Kapital at Ipon Tungo sa Asenso) Mo Na!—a financial education game for farmers co-developed by BDO Foundation, ACPC, and BSP—received recognition from Singapore-based Asian Banking & Finance (ABF). ABF conferred the Financial Inclusion Initiative of the Year award to BDO Foundation at the Retail Banking Awards, citing its efforts to improve the economic well-being of Filipino farmers, benefiting over 1,800 farmers nationwide in 2025.

Aligned with the Agricultural Credit Policy Council's (ACPC) advocacies to support agricultural modernization, promote food security, and alleviate poverty, KITA Mo Na! is designed to improve the financial literacy of farmers and livestock raisers.

The program equips them with the knowledge to make sound financial decisions and maintain good credit standing.

Beneficiaries include recipients of ACPC's credit assistance programs. ACPC, an attached agency of the Department of Agriculture, oversees rural finance policy and implements agricultural programs that provide small farmers with access to credit.

To broaden the reach of its programs, BDO Foundation partnered with various local government units to implement initiatives aimed at improving the financial literacy of LGU personnel, their constituents, and other beneficiaries. The Foundation partnered with two LGUs, reaching 194 individuals, accomplishing the following:

Partner LGUs	Achievements	Impact
Bohol	Financial education activities for farmers, government employees, and city college students	114 beneficiaries reached
Pangasinan	Implementation of KITA Mo Na! for farmers in the municipality of Alcala	80 beneficiaries reached

The Foundation also collaborated with non-government organizations and private sector institutions to help develop a financially literate citizenry. These partnerships achieved the following:

Partners	Achievements	Impact
Don Bosco One TVET	On-going implementation of Financial Stewardship Course for all Don Bosco schools	3,639 technical-vocational learners reached
LINK Center for the Deaf	Unlocking Entrepreneurial Potential training for Department of Trade and Industry (DTI) employees	40 employees reached
National University	Improvement of the Entrepreneurial Mindset course through integration of e-learning and MSME modules	5,012 students reached

In support of BSP's financial inclusion advocacy, BDO Foundation participated in the BSP Financial Education Stakeholders Congress for the eighth consecutive year, with participants from the public and private sectors.

Conducted at the BSP Complex in Malate, Manila, the congress was themed "The Journey to Financial Success: Financial Learning that Connects, Transforms and Sustains." The two-day event served as a platform to build a network of financial inclusion advocates, promote programs, and share lessons.

The congress was highlighted by the launch of two new initiatives by BDO Foundation: a financial education program for the Boy Scouts of the Philippines (BSoP), designed to integrate financial education into scouting activities, and a financial education program with the Department of Human Settlements and Urban Development (DHSUD) to promote sustainable homeownership and financial resilience. These initiatives reflect BDO Foundation's commitment to empowering communities through financial literacy, fostering responsible money management, and supporting long-term economic stability.

Working with the Marketing Communications Group, BDO Foundation also contributed to the learning session "Money Mindset, Financial Habits and Personal Barriers: Strategies for Overcoming Challenges." At the session, BDO brand ambassador Alden Richards shared insights on achieving financial wellness. The session was moderated by financial inclusion advocate and business journalist Salve Ibañez and sponsored by the Foundation.

BDO Foundation was conferred the Exemplary Financial Education Partner award by BSP at the financial education congress. BSP Deputy Governor Bernadette Romulo-Puyat led BSP officials in recognizing the Foundation, which was cited for "its outstanding leadership and exemplary commitment to advancing financial education through sustained, institution-wide initiatives that demonstrate innovation, measurable impact, and integration into organizational programs and policies."

For all its efforts to advance BSP's National Strategy for Financial Inclusion and foster collaboration with public and private sector partners, BDO Foundation was recognized at the 2025 Outstanding BSP Stakeholders Appreciation Ceremony. BSP Monetary Board member Romeo Bernardo, representing BSP Governor Eli Remolona Jr., presented a certificate of appreciation to the Foundation in an event attended by central bank officials and financial education advocates.

Spurred by this recognition, BDO Foundation will continue working with partners to institutionalize financial education in capacity-building programs, uplift the economic well-being of beneficiaries, and improve the financial literacy of the Filipino citizenry.

Fostering Development Through Strategic Collaborations

One of the most trusted organizations in the Philippines, UNICEF provides humanitarian and developmental aid to children in more than 190 countries worldwide. The agency advocates for the rights of Filipino children to education and works with public and private sector partners to implement social welfare programs. In line with these efforts, BDO Foundation forged a partnership with UNICEF to implement a program aimed at enhancing the employability and entrepreneurial skills of youth in selected provinces within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). This initiative supports SDG 10 Reduced Inequalities by empowering marginalized youth and SDG 17 Partnerships for the Goals through strong multisector collaboration.

This two-year initiative is expected to benefit 3,000 young people in Basilan, Maguindanao, and Tawi-Tawi, while strengthening collaboration between BDO Foundation, local government units, and the BARMM Ministry of Basic, Higher and Technical Education. The project will enable the training of teachers, the construction of community learning centers, and the development of learning resources that incorporate financial literacy and entrepreneurship modules created by the Foundation. It will also provide technical assistance in formulating municipal-level education plans, ensuring sustainable impact.

BDO Foundation also entered into an agreement with the Institute for Solidarity in Asia (ISA) to support the Performance Governance System (PGS).

Set for implementation in selected local government units and institutions over the next three years, PGS is a holistic and collaborative framework for designing and executing roadmaps for long-term reform. The project is expected to benefit two provincial governments and five schools division offices of the Department of Education, fostering stronger governance and accountability.

These partnerships affirm BDO Foundation's commitment to inclusive development and good governance, aligning with the Bank's ESG strategy to empower communities, reduce inequalities, and strengthen institutions through collaborative action.

Spreading Holiday Cheer Through Nationwide Giving

For the sixth consecutive year, BDO Foundation brought holiday cheer to communities nationwide through Handog sa 'Yo (A Gift for You), its annual Christmas gift-giving initiative. The Foundation organized the distribution of noche buena food packs—traditional Filipino Christmas Eve meals shared by families—to help households in 163 municipalities celebrate the season with dignity and joy, advancing SDG 2 Zero Hunger by addressing food insecurity during the holidays.

To make this effort more impactful, BDO Foundation partnered with respected non-governmental organizations—Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation—to ensure that assistance reached those who needed it most. These partners serve marginalized and at-risk groups through a mix of community-based, faith-based, and humanitarian delivery networks, including persons experiencing poverty and illness, families displaced by conflict or disasters, and communities affected by food insecurity. This collaborative approach reflects SDG 17 Partnerships for the Goals, demonstrating the power of multisector cooperation to uplift vulnerable communities.

In addition, BDO Foundation launched a donation drive to enable employees to contribute to the initiative. Proceeds from the campaign were used to purchase additional food packs, extending support to even more families in need.

This program reflects BDO Foundation's commitment to addressing hunger and fostering solidarity, reinforcing the Bank's ESG strategy to promote social well-being and strengthen partnerships for inclusive development.

Employee Volunteer Program

Employee Volunteers for Education, Environment, and Empowerment

BDO Foundation, together with the Human Resources Group, Marketing Communications Group, and Sustainability Office, implemented the BDO Employee Volunteer Program to promote employee engagement and participation in the Bank's corporate citizenship initiatives.

The program focused on activities addressing poverty and hunger, environmental protection, education, and financial inclusion—advancing SDG 1 No Poverty, SDG 2 Zero Hunger, SDG 4 Quality Education, and SDG 11 Sustainable Cities and Communities through community-driven action.

In collaboration with selected partners, the volunteer program carried out the following activities:

The Employee Volunteer Program demonstrates BDO's commitment to social responsibility and collaborative action, reinforcing the Bank's ESG strategy to reduce inequalities, promote education, and strengthen partnerships for sustainable development.

Partners	Volunteer events	Impact
Ako Ang Saklay, Ako Bakwit, Caritas Philippines, and Tanging Yaman Foundation	Handog sa 'Yo ng BDO Foundation: Nationwide distribution of *noche buena* food packs	163 municipalities reached
Department of Education	Brigada Eskwela: ■ Cagayan De Oro City Central School, Misamis Oriental ■ Jose Rizal Elementary School, Pasay City ■ Nabua National High School, Nabua, Camarines Sur ■ Nagkaisang Nayon Elementary School, Quezon City ■ Pasong Tamo Elementary School, Quezon City ■ Quezon City High School, Quezon City ■ Sapang Uwak Elementary School, Porac, Pampanga ■ Sta. Cruz Elementary School, Butuan City ■ Villa Maria Elementary School, Porac, Pampanga	[Data not available]
Haribon Foundation	■ Coastal clean-up: Pasay and Las Piñas – Parañaque Wetland Park ■ Native tree nursery activities: Nueva Ecija, Quezon, Rizal, and Zambales	[Data not available]
ICCP Group Foundation	Financial literacy for Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries in Batangas, Cebu, and Misamis Oriental	2,181 beneficiaries trained
National University	Financial literacy sessions for students	1,506 students reached
Scholars of Sustenance	Rescue kitchen activities in Quezon City, Manila, and Pampanga	4 cities served

CASE STUDY

Bohol Health Center Overcomes Adversity to Serve the Community

Like many rural health units rehabilitated by BDO Foundation, Loon RHU 1 and Birthing Center in Bohol, an island province in the central Philippines, has faced repeated disasters. Over the past several years, the province has been subjected to strong earthquakes and super typhoons that severely damaged the facility and placed heavy demands on its health workers.

Loon Municipal Health Officer Dr. Maria Victoria Lamparas recalled the challenges they faced. "In 2013, a 7.8-magnitude earthquake damaged our building, medical supplies, and equipment. As Loon was among the hardest-hit areas, we operated from a makeshift tent for three years before transferring to a modest structure made of light materials provided by the World Health Organization."

She added, "In 2013, Super Typhoon Haiyan (locally known as Typhoon Yolanda) devastated Eastern Visayas and severely affected parts of Central Visayas, including Bohol. In 2021, Super Typhoon Rai (locally known as Typhoon Odette) destroyed our roof, ceiling, and floors. When disasters strike the province, the delivery of health services is often disrupted."

Learning about the situation of Loon RHU 1 and Birthing Center from the BDO Bohol–Tubigon branch, BDO Foundation immediately coordinated with Dr. Lamparas, worked on the health facility, and completed its rehabilitation after three months. The Foundation enhanced the layout, interiors and exteriors, offices, consultation and treatment rooms, and birthing clinic of the RHU. It installed new signage, furniture, and fixtures. Maximizing available space, the Foundation also constructed a new play area for children.

As a result, BDO Foundation made the structure more functional for both health workers and patients. In 2025, the rehabilitation of Loon RHU 1 and Birthing Center improved facilities for local health workers and enabled better service delivery to more than 45,000 residents across 67 barangays. This upgrade ensures safer and more efficient maternal, child, and elderly care services, strengthening primary healthcare for thousands of families in the community.

One of 37 RHUs turned over in 2025, Loon RHU 1 and Birthing Center was among 228 health centers successfully rehabilitated by the Foundation since 2012. BDO Foundation has improved access to quality healthcare for hundreds of communities, benefiting thousands of residents across the country.

"BDO Foundation has made our Rural Health Unit more welcoming for health workers, patients, and visitors. We are grateful for this support, which comes at a timely moment as we begin implementing Universal Health Care in the Province of Bohol," said Dr. Lamparas. "We remain committed to providing quality healthcare services to every Loonanon, with the continued support of our local government partners."

BDO Foundation continues to rehabilitate RHUs in different parts of the country, helping empower health workers to serve their constituents more effectively.

> "After years of damage from earthquakes and typhoons, Loon RHU 1 and Birthing Center in Bohol was rehabilitated by BDO Foundation, restoring safe and efficient primary healthcare services for more than 45,000 residents."

Stakeholder Communication 2-29

Stakeholder Communications to Foster Understanding and Participation

In 2025, BDO continued to advance a robust and strategic communication plan that reflects its responsibility to communicate with all stakeholders and its steadfast commitment to a low-carbon future. Through targeted and compelling storytelling, the Bank amplified awareness and understanding of how its sustainability initiatives stimulate economic growth, protect the environment, support community development, and foster positive social and environmental impact across the Philippines.

BDO's communications approach reinforces that sustainability is not only a strategic priority but also a shared journey. By engaging stakeholders through multiple channels—traditional and digital media, social platforms, direct employee communications, in-person forums, and high-level leadership roundtables—the Bank encourages broader participation in its sustainability programs.

This was reinforced by findings from BDO's 2025 Materiality Assessment, conducted by S&P Global Sustainable1, in which stakeholders recognized the Bank's effectiveness in informing and engaging audiences through multiple communication channels—including in-person engagements, public forums, online platforms, and print and broadcast media—as well as the transparency of its sustainability and impact disclosures.

These stories showcase BDO's role in financing green, renewable, and social projects, supporting community development, enabling disaster recovery, and promoting responsible business practices, inspiring a collective effort toward a sustainable future.

Key themes for 2025 sustainability stories included:

- Sustainability bond issuances highlighting how bond proceeds were allocated to renewable energy, clean transport, water infrastructure, and livelihood projects;
- Sustainable finance showcasing BDO's support for clients' transformational projects that promote inclusive growth, environmental stewardship, and long-term economic resilience;
- Corporate social responsibility activities demonstrating the Bank's continued commitment to community development; and
- Partnerships to advance sustainability initiatives emphasizing collaboration with local and global partners to scale impact.

These stories were shared across national broadsheets, tabloids, provincial and foreign publications, online news sites, business and consumer blogs, and social media platforms—reaching both domestic and international audiences and ensuring broad visibility and engagement among the Bank's diverse stakeholders.

Internally, employees were kept informed and encouraged to participate through *The Wayfinder* newsletter and *eNewsgram*, reaching a large number of employees and cultivating a volunteerism and sustainability mindset. BDO also leveraged its official website (www.bdo.com.ph), through a dedicated Sustainability Section, to provide stakeholders with detailed insights into its sustainability philosophy and framework; sustainability and impact reports; infographics on its sustainability bond issuances; demographic data on client diversity; its materiality matrix; its sustainable finance approach; and ESG commitments. These disclosures not only strengthen transparency but also invite stakeholder feedback on sustainability-related financing and initiatives.

In 2025, BDO celebrated significant achievements that reinforced its leadership in sustainable finance and corporate governance:

- Platinum Award for ESG Excellence from *The Asset* for the 16th consecutive year
- Best Bank for ESG in the Philippines by *Euromoney* for the second year
- Recognized among the Top Community-Centric Companies in Asia by the Asia Corporate Excellence & Sustainability Awards *(ACES)*
- Best Advance in Responsible Finance in the Philippines from *Retail Banker International* for the second year
- Global Good Governance Award from *ESGBusiness Awards*
- Renewable Energy Financing Programme Award from *ESGBusiness Awards*
- The only Philippine bank included in ASEAN's Top 50 for Good Governance, recognized by the ASEAN Capital Market Forum

The Bank's sustainability leadership was further affirmed through individual and team awards. Atty. Federico P. Tancongco, Senior Vice President and Chief Compliance Officer of BDO Unibank, received the 2025 WFIS (World Financial Innovation Series) Governance, Risk, and Compliance Advocate of the Year award, a distinction bestowed on an outstanding professional who demonstrates exceptional ability in keeping an organization secure and on track for growth and scalability. BDO was also recognized with the Best Sustainability Team award at The Asset Corporate Sustainability Leadership Awards for the second consecutive year, affirming BDO Sustainability Office's commitment and efforts in engaging stakeholders and advancing the Bank's proactive role in implementing sustainability strategies that deliver environmental, social, and governance (ESG) impact while upholding good corporate governance.

Through its support for high-impact projects, BDO played a pivotal role in accelerating the country's energy transition. These efforts included supporting MTerra Solar, the world's largest solar power plant; enabling the Ayala Group's ACEN onshore wind power project—set to become the largest wind power facility in the Philippines; strengthening energy security in the Visayas; expanding sustainable water access in Bohol and Mactan; and powering the growth of electric mobility. These initiatives contributed to BDO surpassing ₱1.21 trillion in sustainable financing, reinforcing the Bank's long-term commitment to a greener, more inclusive, and resilient future.

External Collaborations and Partnerships

International Labour Organization (ILO) with Steward Redqueen

Assessing the integration of Just Transition principles at BDO Unibank

In late 2024, the International Labour Organization (ILO) held a 3-day training and workshop with banks and corporates in the Philippines to better understand and incorporate just transition principles in sustainable finance. After the training, BDO collaborated with the ILO to assess how well just transition principles are embedded in the Bank's frameworks for risk, sustainability, and transition finance.

Just transition refers to addressing socio-economic impacts of the energy transition to avoid risks of inequality and unfairness during the shift to a sustainable global economy. Examples of these impacts are job loss, threats to livelihood of local communities, threats to indigenous people's rights—social issues that BDO identified in its ESRMS as potential social risks in the sectors financed by the Bank.

ILO, through its Just Transition Programme, engaged the services of Steward Redqueen, an Amsterdam-based sustainability consultant that helped create the ILO's Just Transition Toolkit for financial institutions. Steward Redqueen conducted as assessment for BDO, based on publicly available documents such as the BDO sustainability reports and annual reports. The final report was an action plan that recommended practical insights to further strengthen just transition principles in the Bank's policy, lending, and investment activities.

Asia Transition Finance Study Group

Supporting a Just and Orderly Transition in Asia

BDO is a founding core member of the Asian Transition Finance (ATF) Study Group, a private-led initiative whose core participants are large banks with operations in Asia. Since 2021, the ATF Study Group has recognized the critical role of transition finance (TF) in helping Asian economies achieve net-zero emissions while addressing challenges. The group aims to develop practical recommendations to supplement existing frameworks, including global standards and taxonomies, to help financial institutions better assess transition finance cases. The group also seeks to better understand the challenges and identify potential enablers of transition finance.

Each year, the study group produces a summary report of all its discussions for the year. The ATF Annual Report 2025 took a targeted look at key sectors and systems with strong transition potential in Southeast Asia, such as Sustainable Aviation Fuel (SAF), Battery Energy Storage Systems (BESS), distributed networks, carbon pricing, and the voluntary carbon market. It also provided country-specific insights on energy transition strategies in Malaysia, Indonesia, and Thailand, and explored the growing role of Islamic finance in Muslim-majority economies. Building on previous years' reports, the report incorporated months of discussion among core members, alongside contributions from development banks, export credit agencies, public agencies and finance associations who joined as observers and knowledge contributors. Energy and industry players, insurance and guarantee providers, and advisors also participated as guest speakers to share their perspectives.

BDO contributes annually to the development of the ATF Annual Report as part of its continuing commitment to advancing climate transition efforts in the region and in the Philippines' energy transition and energy security strategy. The ATF Annual Report 2025 is available at this link: https://www.atfsg.org/report/asia-transition-finance-study-group-atf-sg-annual-report-2025

Eco-Business Unlocking capital for sustainability

Advancing inclusive growth and credible transition in Southeast Asia (Philippines and Singapore)

BDO has sponsored Eco-business' annual Unlocking capital for sustainability forums (Ucfs) in the Philippines and Singapore since 2021, recognizing the need for ongoing conversations and collective action to ideate and finance solutions for the world's sustainable development and energy transition. In 2025, First Vice President and Head of the Sustainability Office Marla Garin-Alvarez gave the keynote speech at the Philippines Ucfs, on the role of finance in inclusive and sustainable development. Senior Vice President and Chief Compliance Officer Atty. Federico P. Tancongco joined the fireside chat on unlocking the green and blue economy, while balancing conservation with development goals, with BDO's blue bond and ASEAN sustainability bonds as innovative financial instruments. For the Singapore Ucfs, Atty. Tancongco also joined the opening plenary panel discussion on financing the energy transition and how to ensure safeguards are set, goals met. Eco-business' Ucfs flagship forums in various Asian countries are among the most anticipated events in the region for their well-curated topics and speakers, backed by research and excellent moderators.

Humble Sustainability

Extending the Life of Technology Through Circularity

BDO collaborated in 2025 with Humble Sustainability, a Philippine climate technology company that securely processes, refurbishes, and redeploys IT equipment to reduce electronic waste and bring technology back into circularity.

Through this collaboration, BDO turned over 1,227 IT assets, consisting of 374 laptops, 63 desktops, and 790 peripherals and other devices, for secure handling and preparation for reuse. Humble's processing ensured full chain-of-custody management and the responsible recovery of IT equipment that remained viable for continued use.

According to the impact metrics from Humble Sustainability's 2025 Loop Report provided to BDO, extending the life of these devices avoided 180 tonnes of CO_2, equivalent to growing 3,252 tree seedlings over ten years, powering 23 homes for a year, or removing 43 gasoline-powered cars from the road. The report also notes that device reuse avoided approximately 47 million liters of water typically consumed in chip manufacturing. In addition, reuse kept materials in circulation, reducing demand for raw materials needed to manufacture new devices.

Beyond environmental outcomes, the Loop Report documents how refurbished devices enabled wider access to technology across different sectors. Devices were used by students requiring affordable laptops, small entrepreneurs integrating digital tools into their operations, community organizations expanding digital literacy, and technicians and micro-enterprises engaged in refurbishment. These applications are detailed through impact stories documented by Humble Sustainability, illustrating how the reused devices helped meet practical learning and livelihood needs in real settings.

The results presented in Humble's 2025 Loop Report highlight how responsible IT asset recovery can complement BDO's broader sustainability objectives. By enabling reuse pathways for its IT equipment, BDO contributes to reduced environmental impact while supporting individuals and organizations that benefit from access to affordable technology.

BDO's Impact Snapshot with Humble

100%
Circularity achievement through device reused

1,227
Total devices processed with 100% data-secure handling

180 tons
Estimated carbon emissions prevented

4 tons
E-waste with hazardous materials diverted from landfill

Snapshot of Devices

374
Laptops

63
Desktops

790
Other IT devices

330k+
Value recovered (in PHP)

Institute for Solidarity in Asia (ISA)

Strengthening Education Governance through the Performance Governance System

BDO Foundation partnered with the Institute for Solidarity in Asia (ISA) to support the implementation of the Performance Governance System (PGS) across two provincial governments and five Schools Division Offices (SDOs) of the Department of Education of the Philippines, the national authority responsible for public basic education.

The PGS is a holistic, multi-year governance reform framework that strengthens strategic planning, performance management, and accountability within public institutions. Through this partnership, BDO Foundation contributes to institutional capacity building in the education sector, supporting SDG 16 Peace, Justice and Strong Institutions while reinforcing long-term progress toward SDG 4 Quality Education.

In 2025, a total of 204 education leaders and personnel participated in structured governance activities under the program. The Schools Division Office of Balanga City, located in Bataan Province, Central Luzon, Philippines, engaged 161 individuals and completed the PGS Initiation Stage, earning the Gold Trailblazer Award, the highest distinction at this stage of the PGS pathway.

The Schools Division Office of Baguio City, located in the Cordillera Administrative Region in northern Philippines, engaged 43 individuals through governance boot camps and strategic roadmapping activities, culminating in the kickoff of its PGS Initiation Stage. In addition, the Provincial Governments of Iloilo (Western Visayas, central Philippines) and Eastern Samar (Eastern Visayas, central Philippines) completed preparatory alignment activities in 2025, positioning both local governments for full PGS implementation in the succeeding year.

United Nations Children's Fund (UNICEF Philippines)

Supporting Alternative Learning Pathways for Out-of-School Youth

BDO Foundation partnered with UNICEF Philippines to support the government-led Alternative Learning System (ALS) in selected areas of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), a self-governing region in the southern Philippines. Program areas include the island provinces of Basilan and Tawi-Tawi, as well as areas in Maguindanao, located on the Mindanao mainland.

The partnership focuses on enabling out-of-school children, adolescents, and youth to re-engage with education through flexible, non-formal learning pathways, contributing to SDG 4 Quality Education and SDG 10 Reduced Inequalities. The collaboration forms part of a two-year initiative designed to benefit up to 3,000 young people, implemented in coordination with the Bangsamoro Ministry of Basic, Higher and Technical Education. In 2025, activities concentrated on initial groundwork and engagement with local stakeholders, laying the foundation for future program implementation.

Human-interest accounts from Tawi-Tawi, an island province at the southernmost edge of the Philippines, highlight the importance of alternative learning options for learners facing barriers related to poverty, geographic isolation, displacement, and family responsibilities. These point to the role of ALS in restoring access to education in underserved communities and in contexts where formal schooling may not always be accessible.

SM Supermalls, Zonta Club of Makati and Environs, and Airspeed

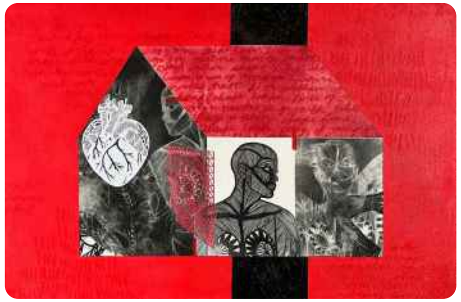
Sining Filipina All-Female Art Competition

BDO co-sponsored the Sining Filipina 2026 Art Competition together with SM Supermalls, for the benefit of the Zonta Club of Makati and Environs. The competition was launched in December 2025 to put a spotlight on women's creative perspective as they explored the theme on "Babae Para sa Bayan: Women Leading Change from Home to Nation." Now on its third year, the theme celebrates women as nation-builders—molding values at home, empowering communities, and driving meaningful progress for the country. The competition was open to all Filipinas, regardless of age, experience, or status and welcomed original artwork submissions for both figurative and non-figurative categories to encourage exploration. It is the first and only all-female national art contest in the Philippines.

BDO's support covered the cash prizes for three top winners and seven finalists. To encourage more females artists to participate, all sponsors covered the cost of shipping the artworks. BDO branches all over the country served as drop-off points for the artwork submissions, and from there were delivered in Manila for free by another co-sponsor, Airspeed, a logistics and express courier. SM Supermalls, in turn, will exhibit the artworks in its malls throughout International Women's Month in March 2026.

"Helping Hands" by Marte Goyon of Manila, first place winner

"Liwanag ni Maria" by Mary Joy Go of Bulacan, second place winner



"From Home, Outward" by Gerlynnia Aprille Galgo of Cebu, third place winner

Employee Profile

Employee Demographics 2-7

Full-time employees	2025				2024				2023			
Employee count by gender												
Male		11,614		25%		10,877		25%		10,316		25%
Female		35,503		75%		33,167		75%		31,331		75%
Total		**47,117**				**44,044**				**41,647**		
Employee count by citizenship												
Filipino		47,026		99.9%		43,980		99.9%	*Not monitored*			
Non-Filipino		70		0.1%		51		0.1%	*Not monitored*			
Dual-Citizenship		21		0.0%		13		0.0%	*Not monitored*			
Total		**47,117**				**44,044**						
Employee count by location	Male		Female		Male		Female		Male		Female	
Luzon	8,590	74%	27,731	78%	8,094	74%	26,192	79%	7,666	74%	24,800	79%
Visayas	1,205	10%	3,754	11%	1,106	10%	3,374	10%	1,046	10%	3,134	10%
Mindanao	1,754	15%	3,921	11%	1,620	15%	3,509	11%	1,565	15%	3,322	11%
Abroad	65	1%	97	0.3%	57	1%	92	0.3%	39	0%	75	0%
Total	**11,614**		**35,503**		**10,877**		**33,167**		**10,316**		**31,331**	
Employee count by age	Male		Female		Male		Female		Male		Female	
<30 years old	2,071	18%	13,487	38%	2,018	19%	12,816	39%	1,989	19%	12,240	39%
Between 30 to 50 years old	8,268	71%	19,455	55%	7,705	71%	18,008	54%	7,232	70%	16,974	54%
>50 years old	1,275	11%	2,561	7%	1,154	11%	2,343	7%	1,095	11%	2,117	7%
Total	**11,614**		**35,503**		**10,877**		**33,167**		**10,316**		**31,331**	
Employee count by rank	Male		Female		Male		Female		Male		Female	
Rank-and-File	2,981	26%	18,845	53%	2,916	27%	17,807	54%	2,891	28%	17,071	54%
Junior Management	4,457	38%	10,087	28%	4,184	38%	9,379	28%	4,019	39%	8,741	28%
Middle Management	3,230	28%	5,274	15%	2,912	27%	4,748	14%	2,608	25%	4,386	14%
Senior Management	946	8%	1,297	4%	865	8%	1,233	4%	798	8%	1,133	4%
Total	**11,614**		**35,503**		**10,877**		**33,167**		**10,316**		**31,331**	

Fixed-term employees	**2025**				**2024**				**2023**	
Employee count by gender										
Male		13		10%		4		8%	*Not monitored*	
Female		112		90%		49		92%	*Not monitored*	
Total		**125**				**53**			**0**	
Employee count by location	Male		Female		Male		Female		Male	Female
Luzon	13	100%	107	96%	4	100%	48	98%	*Not monitored*	*Not monitored*
Visayas	-	0%	4	4%	-	0%	1	2%	*Not monitored*	*Not monitored*
Mindanao	-	0%	1	1%	-	0%	-	0%	*Not monitored*	*Not monitored*
Abroad	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
Total	**13**		**112**		**4**		**49**			
Employee count by age	Male		Female		Male		Female		Male	Female
<30 years old	13	100%	112	100%	4	100%	48	100%	*Not monitored*	*Not monitored*
Between 30 to 50 years old	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
>50 years old	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
Total	**13**		**112**		**4**		**48**			
Employee count by rank	Male		Female		Male		Female		Male	Female
Rank-and-File	13	100%	112	100%	4	100%	48	100%	*Not monitored*	*Not monitored*
Junior Management	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
Middle Management	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
Senior Management	-	0%	-	0%	-	0%	-	0%	*Not monitored*	*Not monitored*
Total	**13**		**112**		**4**		**48**			

Workers who are not employees 2-8	**2025**				**2024**	**2023**
Janitorial services				2,384	2,039	1,942
Security personnel	5,140	97%	146	3%	5,246	5,189

New Hires 401-1

	2025				2024				2023			
New hires count by gender												
Male		1,572		25%		1,449		24%		1,361		25%
Female		4,714		75%		4,586		76%		4,030		75%
Total		**6,286**				**6,035**				**5,391**		
New hires count by location	Male		Female		Male		Female		Male		Female	
Luzon	1,153	73%	3,470	74%	1,126	78%	3,607	79%	1,068	78%	3,085	77%
Visayas	184	12%	612	13%	139	10%	475	10%	149	11%	502	12%
Mindanao	212	13%	613	13%	170	12%	475	10%	137	10%	422	10%
Abroad	23	1%	19	0%	14	1%	29	1%	7	1%	21	1%
Total	**1,572**		**4,714**		**1,449**		**4,586**		**1,361**		**4,030**	
New hires count by age	Male		Female		Male		Female		Male		Female	
<30 years old	682	18%	3,841	38%	728	19%	3,897	39%	617	45%	3,365	84%
Between 30 to 50 years old	855	71%	839	55%	701	71%	657	54%	718	53%	648	16%
>50 years old	35	11%	34	7%	20	11%	32	7%	26	2%	17	0%
Total	**1,572**		**4,714**		**1,449**		**4,586**		**1,361**		**4,030**	
New hires count by rank	Male		Female		Male		Female		Male		Female	
Rank-and-File	334	21%	3,164	67%	411	28%	3,403	74%	310	23%	2,912	72%
Junior Management	763	49%	1,093	23%	622	43%	792	17%	632	46%	755	19%
Middle Management	387	25%	387	8%	328	23%	319	7%	332	24%	297	7%
Senior Management	88	6%	70	1%	88	6%	72	2%	87	6%	66	2%
Total	**1,572**		**4,714**		**1,449**		**4,586**		**1,361**		**4,030**	

Separations 401-1

	2025				2024				2023			
Employee separations count by gender												
Male		830		26%		882		25%		1,016		27%
Female		2,348		74%		2,710		75%		2,696		73%
Total		**3,178**				**3,592**				**3,712**		
Employee separations count by location	**Male**		**Female**		**Male**		**Female**		**Male**		**Female**	
Luzon	645	78%	1,873	80%	675	77%	2,148	79%	*Not monitored*		*Not monitored*	
Visayas	94	11%	225	10%	87	10%	261	10%	*Not monitored*		*Not monitored*	
Mindanao	85	10%	237	10%	114	13%	287	11%	*Not monitored*		*Not monitored*	
Abroad	6	1%	13	1%	6	1%	14	1%	*Not monitored*		*Not monitored*	
Total	**830**		**2,348**		**882**		**2,710**					
Employee separations count by age	**Male**		**Female**		**Male**		**Female**		**Male**		**Female**	
<30 years old	212	26%	1,201	51%	257	29%	1,443	53%	259	25%	1,316	49%
Between 30 to 50 years old	507	61%	957	41%	511	58%	1,104	41%	647	64%	1,225	45%
>50 years old	111	13%	190	8%	114	13%	163	6%	110	11%	155	6%
Total	**830**		**2,348**		**882**		**2,710**		**1,016**		**2,696**	
Employee separations count by rank	**Male**		**Female**		**Male**		**Female**		**Male**		**Female**	
Rank-and-File	137	17%	1,358	58%	224	25%	1,806	67%	*Not monitored*		*Not monitored*	
Junior Management	397	48%	623	27%	401	45%	592	22%	*Not monitored*		*Not monitored*	
Middle Management	247	30%	290	12%	192	22%	248	9%	*Not monitored*		*Not monitored*	
Senior Management	49	6%	77	3%	65	7%	64	2%	*Not monitored*		*Not monitored*	
Total	**830**		**2,348**		**882**		**2,710**					

Benefits 401-2, 401-3

	2025		2024		2023	
Leave availments 401-3	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Parental Leave (out of total availments) 401-3	12%	88%	12%	88%	2%	98%
Return to Work Rate (after Parental Leave) 401-3	100%	100%	100%	100%	100%	100%
Remain to be employed 12 months after return to work from Parental Leave 401-3	95%	94%	100%	100%	100%	100%
Vacation Leave (out of eligible employees*)	87%	85%	92%	93%	92%	91%
Sick Leave (out of eligible employees*)	78%	84%	80%	73%	73%	79%

* *Eligible employees are employees with earned leaves*

Other benefits	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Employees covered by Social Security System (SSS)	100%	100%	100%	100%	100%	100%
Employees covered by retirement fund other than SSS	2%	3%	*Not monitored*		*Not monitored*	
Employees covered by Philippine Health Insurance Corporation (PhilHealth)	100%	100%	100%	100%	100%	100%
Employees covered by medical benefits other than PhilHealth	77%	46%	*Not monitored*		*Not monitored*	
Employees covered by Home Development Mutual Fund (Pag-Ibig)	100%	100%	100%	100%	100%	100%

* *Eligible employees are employees with earned leaves*

Training and Development 205-2, 403-5

	2025		2024		2023	
	Male	Female	Male	Female	Male	Female
Average training hours per employee	16	24	19	30	32	41
	22		27		38	
Total training hours	189,612	851,452	203,306	985,585	333,754	1,269,546
	1,041,064		1,188,891		1,603,300	
Total sustainability training hours	2,055	3,100	3,053	4,520	7,691	14,481
	5,563		7,573		22,172	
Count of transition assistance programs participants	59	34	24	32	23	27
	93		56		50	

Skills Upgrade	Male		Female		Male		Female		Male		Female	
Officership Development Program (ODP)	128	15%	745	85%	160	16%	830	84%	130	12%	962	88%
Management Development Program (MDP)	218	31%	496	69%	211	36%	379	64%	193	35%	364	65%
Relationship Manager Training Program (RMTP)	4	50%	4	50%	5	38%	8	62%	3	16%	16	84%

Mandatory Training	Male / Female (2025)	Male / Female (2024)	Male / Female (2023)
Employees who've taken the Anti-Corruption training	29%	84%	99.6%
Employees who've taken the Code of Conduct and Business Ethics training	99.6%	99.7%	99.6%
Employees who've taken the Occupational Health and Safety training*	23%	21%	86%

* *Training on OHS is required every three (3) years*

Training hours by type	Male / Female (2025)	Male / Female (2024)	Male / Female (2023)
Leadership/Management	33,631	134,445	*Not monitored*
Skills/Technical	508,002	496,960	*Not monitored*
Occupational Health and Safety	51,790	27,397	*Not monitored*
Code of Conduct and Business Ethics	4,307	28,767	*Not monitored*
Other mandatory, including new joiners, training	435,496	493,750	*Not monitored*
Others (please specify)	7,671	7,573	*Not monitored*

Employee Performance Appraisal and Promotions

	2025		2024		2023	
Performance Appraisal	Male	Female	Male	Female	Male	Female
Employees appraised (out of eligible employees*)	99%	99%	97%	97%	100%	100%

* *Eligible employees refer to full-time permanent employees*

Performance Appraisal by rank	Male	Female	Male	Female	Male	Female
Rank-and-File	99%	99%	97%	97%	100%	100%
Junior Management	99%	99%	97%	98%	100%	100%
Middle Management	99%	99%	98%	98%	100%	100%
Senior Management	99%	99%	97%	99%	100%	100%
Promotions	Male	Female	Male	Female	Male	Female
Count of promoted employees	1,836	7,161	1,704	6,919	1,371	6,689
Level After Promotion	Male	Female	Male	Female	Male	Female
Rank-and-File	4,351		4,316		*Not monitored*	
Junior Management	2,776		2,587		*Not monitored*	
Middle Management	1,613		1,424		*Not monitored*	
Senior Management	257		296		*Not monitored*	

Occupational Health and Safety 403-9, 403-10

	2025		2024		2023	
Basis of hours worked	1,000,000		1,000,000		1,000,000	
Number of safety drills conducted for the year	37		38		37	
Occupational Health and Safety	Male	Female	Male	Female	Male	Female
Incidents of work-related injuries	3	11	-	10	-	6
Fatality as a result of work-related injury	-	-	-	-	-	-
Lost-time injury (hours)	72	864	264	384	-	47
Safe man hours	7,173,600	22,569,456	3,696,000	2,808,000	13,440,000	51,840,000
Total Hours worked	17,086,000	62,004,000	14,000,000	54,000,000	13,447,000	51,867,000
Work-related ill health incidents	5,648	3,177	2,225	3,721	*Not monitored*	

Collective Bargaining Agreement (CBA)

	2025	2024	2023
Collective Bargaining Agreement (CBA) 2-30			
Percentage of total employees covered by CBA	42%	43%	44%
Percentage of eligible employees* covered by CBA	92%	91%	91%

* *Eligible employees refer to rank-and-file employees*

Other Social Metrics 401-3, 405-2

	2025				2024				2023			
Science, Technology, Engineering, and Mathematics (STEM)-Related and Revenue-Generating Positions	Male		Female		Male		Female		Male		Female	
Information Technology (IT)	1,414	67%	688	33%	1,278	68%	598	32%	1,076	71%	450	29%
Engineering	239	83%	48	17%	225	86%	38	14%	210	88%	29	12%
Sales	6,887	19%	29,365	81%	6,494	19%	27,578	81%	6,150	19%	25,775	81%
Wage Metrics												
Ratio of local minimum wage compared to standard entry level wage	1 : 1.22		1 : 1.22		1 : 1.04		1 : 1.04		1 : 1.1		1 : 1.1	
Percentage of workers paid at least a minimum wage	100%		100%		100%		100%		100%		100%	
Ratio of basic salary and remuneration of men to women	1 : 1.02				*Not monitored*				*Not monitored*			
Other Social Metrics												
Senior officer hired from local communities	99%				99%				99%			
Absentee rate	2.43%				2.4%				1.67%			
Minimum number of weeks' notice provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	4 weeks				4 weeks				4 weeks			
Count of nursing stations	13				*Not monitored*				*Not monitored*			
Count of lactation cloaks (branches)	1,255				*Not monitored*				*Not monitored*			
Paid parental leave for mothers (in days) 401-3	105 days				105 days				105 days			
Paid parental leave for fathers (in days) 401-3	7 days				7 days				7 days			
Paid family or care leave beyond parental leave (ex. emergency leave) (in days) 401-3	5 days				5 days				5 days			
Open positions filled by internal candidate	5%				9%				*Not monitored*			

GRI Content Index

CONTENT INDEX ESSENTIALS SERVICE 2026

BDO Unibank, Inc. has reported in accordance with the GRI Standards for the period January 1 to December 31, 2025.

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

GRI Standard	Disclosure		Page Number(s), Direct Answer, URLs, or Reason for omission
GRI 1: Foundation 2021			
General Disclosures			
GRI 2: General Disclosures 2021	**The organization and its reporting practices**		
	2-1	Organizational details	pg. 2, 4-5
	2-2	Entities included in the organization's sustainability reporting	pg. 2
	2-3	Reporting period, frequency and contact point	pg. 2, 159
	2-4	Restatements of information	No restatements during the reporting period.
	2-5	External assurance	pg. 154-156
	Activities and workers		
	2-6	Activities, value chain and other business relationships	pg. 4-5, 8-9, 17-79, 81-124, 125-138
	2-7	Employees	pg. 8, 103-105, 139-146
	2-8	Workers who are not employees	pg. 140
	Governance		
	2-9	Governance structure and composition	pg. 12, 83-91
	2-10	Nomination and selection of the highest governance body	pg. 84, 90
	2-11	Chair of the highest governance body	pg. 84
	2-12	Role of the highest governance body in overseeing the management of impacts	pg. 84-91
	2-13	Delegation of responsibility for managing impacts	pg. 12-13, 87-89
	2-14	Role of the highest governance body in sustainability reporting	pg. 12-13, 87-89
	2-15	Conflicts of interest	pg. 91
	2-16	Communication of critical concerns	pg. 85-91
	2-17	Collective knowledge of the highest governance body	pg. 85
	2-18	Evaluation of the performance of the highest governance body	pg. 85
	2-19	Remuneration policies	Confidentiality Constraints: Remuneration is considered competitive information and a security risk for bank personnel.
	2-20	Process to determine remuneration	pg. 86, 91

GRI Standard	Disclosure		Page Number(s), Direct Answer, URLs, or Reason for omission
	2-21	Annual total compensation ratio	Confidentiality Constraints: Remuneration is considered competitive information and a security risk for bank personnel.
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	pg. 6-7, 10-11
	2-23	Policy commitments	pg. 18-30, 94-96
	2-24	Embedding policy commitments	pg. 12-16, 17-79, 81-124, 125-138
	2-25	Processes to remediate negative impacts	pg. 94, 103-105, 118-124
	2-26	Mechanisms for seeking advice and raising concerns	pg. 118-124
	2-27	Compliance with laws and regulations	Confidentiality Constraints: Compliance with laws and regulations are considered confidential as they may be under review with regulators and may open the Bank to security risks if disclosed.
	2-28	Membership associations	pg. 157
	Stakeholder engagement		
	2-29	Approach to stakeholder engagement	pg. 16, 134-138
	2-30	Collective bargaining agreements	pg. 105, 146

Material Topics

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
GRI 3: Material Topics 2021	**Disclosures on material topics**		
	3-1	Process to determine material topics	pg. 14-15
	3-2	List of material topics	pg. 14-15
Climate Change, Nature, and Biodiversity Loss			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 20-30, 57
GRI 101: Biodiversity 2024	101-1	Policies to halt and reverse biodiversity loss	pg. 20-22
	101-2	Management of biodiversity impacts	pg. 20-22
	101-3	Access and benefit-sharing	pg. 20-27
	101-4	Identification of biodiversity impacts	pg. 29, 124
	101-5	Locations with biodiversity impacts	pg. 29, 124
	101-6	Direct drivers of biodiversity loss	pg. 29, 124
	101-7	Changes to the state of biodiversity	Not monitored at the time of reporting.
	101-8	Ecosystem services	pg. 29, 124
GRI 102: Climate Change 2025	102-1	Transition plan for climate change mitigation	pg. 18-22, 39
	102-2	Climate change adaptation plan	pg. 18-22, 39
	102-3	Just Transition	pg. 20-22
	102-4	GHG emissions reduction targets and progress	pg. 39
	102-5	Scope 1 GHG emissions	pg. 113-115
	102-6	Scope 2 GHG emissions	pg. 113, 116
	102-7	Scope 3 GHG emissions	pg. 113, 117
	102-8	GHG emissions intensity	pg. 112

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
GRI 102: Climate Change 2025	102-9	GHG removals in the value chain	pg. 99-100, 107-111
	102-10	Carbon credits	No carbon credits at the time of reporting.
Financing Sustainable Development			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 31-79
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	pg. 31-79
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	pg. 8, 33-38, 73,79
Technology Resilience			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 91, 95, 99-102
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	pg. 91
	2-12	Role of the highest governance body in overseeing the management of impacts	pg. 91
	2-13	Delegation of responsibility for managing impacts	pg. 91
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 118-122
Customer Welfare			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 99-102, 118-122
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Not applicable. No identified non-compliance with regulations and/or voluntary codes in relation to health and safety impacts of product and services.
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Zero (0) incidents of non-compliance concerning the health and safety impacts of products and services reported.
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 119-120
Human Rights & Community Relations			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 57-72, 94-96, 103-105, 126-134
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	pg. 126-133
	203-2	Significant indirect economic impacts	pg. 57-70, 126-133
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Information unavailable: Information on security personnel training on human rights was not available during the reporting period covered. BDO is preparing a roadmap for coordinating with vendors in 2026.
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	pg. 57-70, 126-133
	413-2	Operations with significant actual and potential negative impacts on local communities	Zero (0) significant actual and potential negative impacts recorded during the reporting period covered.

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Physical Impacts of Climate Change			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 19-30
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	pg. 19-30
GRI 102: Climate Change 2025	102-1	Transition plan for climate change mitigation	pg. 19-30, 39
	102-2	Climate change adaptation plan	pg. 19-30, 39
	102-3	Just Transition	pg. 20-22
	102-4	GHG emissions reduction targets and progress	pg. 39
	102-5	Scope 1 GHG emissions	pg. 113-115
	102-6	Scope 2 GHG emissions	pg. 113, 116
	102-7	Scope 3 GHG emissions	pg. 113, 117
	102-8	GHG emissions intensity	pg. 112
	102-9	GHG removals in the value chain	pg. 99-100, 107-111
	102-10	Carbon credits	No carbon credits at the time of reporting.
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 4-5, 8-9, 22, 82
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	pg. 82
	201-2	Financial implications and other risks and opportunities due to climate change	pg. 22
	201-3	Defined benefit plan obligations and other retirement plans	Confidentiality constraints: We do not disclose this matter due to confidentiality constraints and competitive information issues.
	201-4	Financial assistance received from government	₱0.00

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Systemic Risk and Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 19-30, 82, 94-96
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	pg. 82
	201-2	Financial implications and other risks and opportunities due to climate change	pg. 22
	201-3	Defined benefit plan obligations and other retirement plans	Confidentiality constraints: We do not disclose this matter due to confidentiality constraints and competitive information issues.
	201-4	Financial assistance received from government	₱0.00
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	pg. 94-96
	205-2	Communication and training about anti-corruption policies and procedures	pg. 96, 104
	205-3	Confirmed incidents of corruption and actions taken	pg. 94
GRI 207: Tax 2019	207-1	Approach to tax	pg. 96-97
	207-2	Tax governance, control, and risk management	pg. 96
	207-3	Stakeholder engagement and management of concerns related to tax	pg. 96
	207-4	Country-by-country reporting	pg. 96
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	pg. 97

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Information unavailable: Information on supplier risk for incidents of forces or compulsory labor was not available during the reporting period covered. BDO is preparing a roadmap for coordinating with vendors in 2026.
Digitalization			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 53-59, 91, 99-102, 104, 118-119, 121-122
Employee Engagement, Diversity, and Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 84, 103-107, 139-146
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	pg. 141-142
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pg. 143
	401-3	Parental leave	pg. 143, 146
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	pg. 84, 139-146
	405-2	Ratio of basic salary and remuneration of women to men	pg. 146
Executive Responsibility for ESG			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 12-13, 87-89
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	pg. 12-13
	2-14	Role of the highest governance body in sustainability reporting	pg. 87-89, 93

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Management of Legal, Regulatory Environment			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 92-97, 104
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	pg. 92-93
	205-2	Communication and training about anti-corruption policies and procedures	pg. 96, 104
	205-3	Confirmed incidents of corruption and actions taken	pg. 94-96
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	pg. 94-97
GRI 207: Tax 2019	207-1	Approach to tax	pg. 96-97
	207-2	Tax governance, control, and risk management	pg. 96
	207-3	Stakeholder engagement and management of concerns related to tax	pg. 96
	207-4	Country-by-country reporting	pg. 97
GRI 415: Public Policy 2016	415-1	Political contributions	₱0.00
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 119-120
Access & Affordability			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 31-52, 58-60, 65-79, 126-133
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	pg. 31-52, 58-60, 65-79, 126-133

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Product Innovation			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 31-40, 53, 63-64, 68-70
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	pg. 32-40, 47-48, 59, 62, 64, 76-79
	203-2	Significant indirect economic impacts	pg. 32-40, 47-48, 59, 62, 64, 76-79
Employee Health & Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 98, 105
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	pg. 98
	403-2	Hazard identification, risk assessment, and incident investigation	pg. 98
	403-3	Occupational health services	pg. 98, 105
	403-4	Worker participation, consultation, and communication on occupational health and safety	pg. 98
	403-5	Worker training on occupational health and safety	pg. 144
	403-6	Promotion of worker health	pg. 98, 105
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pg. 98, 105
	403-8	Workers covered by an occupational health and safety management system	pg. 98, 105
	403-9	Work-related injuries	pg. 145
	403-10	Work-related ill health	pg. 145

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Operational Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 22, 107-111, 114
GRI 301: Materials 2016	301-1	Materials used by weight or volume	pg. 110, 112-113
	301-2	Recycled input materials used	pg. 110, 112-113
	301-3	Reclaimed products and their packaging materials	pg. 110, 112-113
GRI 302: Energy 2016	302-1	Energy consumption within the organization	pg. 107-108, 112-113, 115-117
	302-2	Energy consumption outside of the organization	pg. 107-108, 112-113, 115-117
	302-3	Energy intensity	pg. 112-113
	302-4	Reduction of energy consumption	pg. 107-108, 112-113
	302-5	Reductions in energy requirements of products and services	pg. 107-108, 112-113
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	pg. 113-115
	305-2	Energy indirect (Scope 2) GHG emissions	pg. 113, 116
	305-3	Other indirect (Scope 3) GHG emissions	pg. 113, 117
	305-4	GHG emissions intensity	pg. 112-113
	305-5	Reduction of GHG emissions	pg. 107-111, 114
	305-6	Emissions of ozone-depleting substances (ODS)	pg. 112-113, 115-117
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	pg. 112-113, 115-117

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	pg. 109-110, 112, 114, 117
	306-2	Management of significant waste-related impacts	pg. 109-110, 112, 114, 117
	306-3	Waste generated	pg. 109-110, 112, 114, 117
	306-4	Waste diverted from disposal	pg. 109-110, 112, 114, 117
	306-5	Waste directed to disposal	pg. 109-110, 112, 114, 117
Business Ethics			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 94
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	pg. 6-7
	2-23	Policy commitments	pg. 18-21, 39, 94-96
	2-24	Embedding policy commitments	pg. 18-21, 39, 94-96
	2-25	Processes to remediate negative impacts	pg. 94, 104-105, 118-119
	2-26	Mechanisms for seeking advice and raising concerns	pg. 94
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	pg. 94-96
	205-2	Communication and training about anti-corruption policies and procedures	pg. 96, 144
	205-3	Confirmed incidents of corruption and actions taken	pg. 94
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	pg. 94-96

GRI Standard	Disclosure		Page Number(s), Direct Answer and/or URLs
Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	pg. 122-123
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	pg. 122-123
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	pg. 124
	308-2	Negative environmental impacts in the supply chain and actions taken	pg. 124
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Zero incidence of discrimination during the reporting period.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information unavailable: BDO did not have sufficient data collection in place to collect supplier environmental and social data during the reporting period. BDO is preparing a roadmap for coordinating with vendors in 2026.
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Information unavailable: Procurement wasn't able to track social risk during 2025. Capacity-building on screening to be continued in 2026.
	414-2	Negative social impacts in the supply chain and actions taken	Information unavailable: Procurement wasn't able to track social risk during 2025. Capacity-building to be continued in 2026.

DNV

Certificate No: C770583

Independent Assurance Statement 2-5

Introduction

DNV AS Philippine Branch ('DNV'), has been commissioned by BDO Unibank, Inc. (Securities and Exchange Commission Identification Number: 34001, hereafter referred to as 'BDO or 'the Company') to undertake an independent assurance of the Company's sustainability/non-financial disclosures in its Sustainability Report covering the calendar year 2025 (hereafter referred to as 'Report').

The disclosures have been prepared by BDO in accordance with the Global Reporting Initiatives (GRI) Standards 2021 and the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. The report was also prepared in reference to the International Financial Reporting Standards (IFRS) S1 and 2, the Task Force on Climate-Related Disclosures (TCFD) recommendations on climate-related financial disclosures, Sustainability Accounting Standards Board (SASB) Standards, and the ASEAN Corporate Governance Scorecard (ACGS).

DNV has carried out assurance engagement in accordance with DNV's VeriSustainTM protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's VerisustainTM Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VerisustainTM protocol, the DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; to evaluate indicators wrt greenhouse gases.

The intended user of this assurance statement is the Management of BDO Unibank, Inc.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

Responsibilities of the Management of BDO and of the Assurance Provider

The Management of BDO has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information, as well as ensuring the quality and consistency of the information presented in the Report. BDO is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included a limited level of assurance of the information on non-financial performance which was disclosed in the Report prepared by BDO based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 1 January 2025 to 31 December 2025. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company's operations as described in the 'ESG Materiality' section of the report.

Boundary of the assessment covers the performance of BDO operations globally that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of assurance covers BDO Unibank offices and branches, and BDO Network Bank branches within the Philippines.

Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV does not take any responsibility of the financial data reported in the Sustainability reports of the Company.
- The assessment is limited to data and information within the defined reporting period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.

- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of BDO. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

Limited Level of Assurance
Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.
Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees. We interviewed those with overall responsibility for monitoring, data collation and reporting the selected indicators.
The DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

On the basis of the Limited level of assessment undertaken, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in accordance with the reporting criteria. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™:

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The Report explains the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders. Materiality topics were determined from inputs from peers and the industry, which were then assessed for relevance in terms of impact for BDO's business. The list of topics has been prioritized, reviewed and validated.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report presents the stakeholders who have been identified as significant to BDO, as well as the channels of engagement established by the Company to interact with these stakeholder groups. The key topics of concern and needs of each stakeholder group which have been identified through these channels are further described in the Report.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report outlines the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with BDO's management teams and process owners at the Corporate Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction, and the related disclosures were reviewed post correction.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported?

The Report presents the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report describes the disclosures related to BDO's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – *Conformity assessment – General principles are requirements for validation and verification bodies*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct[1] during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of BDO.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV AS Philippine Branch,

Gangwar, Vishal — Digitally signed by Gangwar, Vishal Date: 2026.04.13 18:10:37 +08'00'	Yun, Chang Rok — Digitally signed by Yun, Chang Rok Date: 2026.04.13 22:27:18 +09'00'
Vishal Gangwar Lead Verifier, Sustainability Services	**Chang Rok Yun** Assurance Reviewer, Sustainability Services
Justine Repalam (Verifier)	

13 April 2026

DNV AS Philippine Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

[1] DNV Corporate Governance & Code of Conduct - https://www.dnv.com/about/in-brief/corporate-governance.html

Memberships in Associations 2-28

ACI Philippines the Financial Markets Association Inc.

Association of Bank Compliance Officers Inc.

Association of Bank Remittance Officers, Inc.

Association of Credit Executives in the Tourism Industry Inc.

Association of Philippine Correspondent Bank Officers, Inc.

Australia Philippines Business Council Ltd.

Australian - New Zealand Chamber of Commerce Philippines, Inc.

Bank Marketing Association of the Philippines

Bank Security Management Association of the Philippines Incorporated

Bankers Association of the Philippines

Bankers Institute of the Philippines, Inc.

British Chamber of Commerce of the Philippines, Inc.

Clearing Officers Club, Inc.

Contact Centers Association of the Philippines Inc.

Credit Card Association of the Philippines, Inc.

Dutch Chamber of Commerce in the Philippines, Inc.

Employers Confederation of the Philippines

Financial Executives Institute of the Philippines

French Chamber of Commerce in the Philippines - Le Club Inc.

Fund Managers Association of the Philippines, Inc. (FMAP)

German-Philippine Chamber of Commerce & Industry Inc.

Information Security Officers Group (ISOG) Inc.

Information Systems Audit and Control Association, Inc. (ISACA)

Institute of Internal Auditors - Philippines, Inc.

International Monetary Conference

Japanese Chamber of Commerce and Industry of Cebu, Inc.

Korean Chamber of Commerce Philippines (KCCP) Inc.

Makati Business Club Inc.

Malaysia Chamber of Commerce and Industries Philippines, Inc.

Management Association of the Philippines

Money Market Association of the Philippines, Inc. (MART)

National Association of Securities Broker Salesmen, Inc.

Nordic Chamber of Commerce of the Philippines, Inc.

People Management Association of the Philippines

Philippine Association of National Advertisers, Inc.

Philippine Association of Stock Transfer And Registry Agencies, Inc.

Philippine Chamber of Commerce & Industry, Inc.

Philippine Payments Management, Inc.

Shareholders Association of the Philippines, Inc.

Singapore Philippines Association Inc.

Spanish Chamber of Commerce in the Philippines

The American Chamber of Commerce of the Philippines, Inc. (AMCHAM Philippines)

The Canadian Chamber of Commerce of the Philippines, Inc.

The Japanese Association Manila Inc.

The Japanese Chamber of Commerce and Industry of the Philippines, Inc.

The Philippines-Japan Society, Inc.

Trust Officers Association of the Philippines, Inc.

Sustainability and ESG Awards and Recognition

Top Community Centric Companies in Asia
Asia Corporate Excellence & Sustainability Awards (ACES) 2025

Best Bank for ESG in the Philippines
(2024–2025)
Euromoney Awards for Excellence 2025

BDO Private Bank: Best for Sustainability in the Philippines
Euromoney Private Banking Awards 2025

Four Golden Arrows
ASEAN Corporate Governance Scorecard (ACGS) 2025 Golden Arrow Awards

Platinum Awardee
(2010–2025)

Best Sustainability Team
(2024–2025)
The Asset ESG Corporate Awards 2025

Best Advance in Responsible Finance
Retail Banker International Asia Trailblazer Awards 2025

BDO Network Bank: Top-Rated Financial Institutions Worldwide (Social and Environmental Performance and Client Protection)
MicroFinanza Rating 2025

Renewable Energy Financing
Programme Award – Philippines
Good Governance Award – Philippines
ESGBusiness Awards 2025

The only Philippine bank in the Top 50 Publicly-Listed Companies in ASEAN for Good Governance
ASEAN Capital Market Forum

BDO Foundation for Financial Inclusion Initiative of the Year – Philippines
(2023–2025)
Asian Banking & Finance Retail Banking Awards 2025

BDO Unibank, Asian Excellence awardee
(2011–2025)

Best Investor Relations Company (Philippines) awardee
(2011–2025)

Best Corporate Communications awardee
(2014–2015, 2017–2025)

Asia's Best CSR Awardee
(2020–2025)

Sustainable Asia Awardee
(2020–2025)

Best Environmental Responsibility
Corporate Governance Asia 15th Asian Excellence Award 2025

Corporate Information 2-3

COMPANY HEADQUARTERS

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BDO Unibank, Inc. welcomes inquiries from analysts, investors, and the financial community.

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The 2025 BDO Sustainability Report is produced by the Sustainability Office and can be viewed and downloaded online at www.bdo.com.ph/sustainability-report. The 2025 BDO Annual Report and the Financial Supplements can be viewed and downloaded online at www.bdo.com.ph/annual-report.

BDO Unibank is regulated by the Bangko Sentral ng Pilipinas. https://www.bsp.gov.ph

For concerns, please visit any BDO branch near you or reach us through any of the channels listed in the Consumer Assistance page of our website: https://www.bdo.com.ph/consumer-assistance. Deposits are insured by PDIC up to ₱1 Million per depositor.