

PSBANK



SUSTAINABILITY REPORT



2025 FINANCIAL YEAR



ABOUT THE REPORT



The **Sustainability Report of Philippine Savings Bank (PSBank)** provides an overview of the Bank's environmental, social, and governance (ESG) performance. It outlines the commitments, key initiatives and impacts toward sustainable growth, responsible banking, and stakeholder engagement for the period **1 January 2025 to 31 December 2025**.

This Report should be read alongside the PSBank Annual Report 2025 for a holistic understanding of the Bank's financial and non-financial performance. It also discusses the steps the Bank has taken to integrate the Sustainable Finance agenda into its core business strategy.

ABOUT THE REPORT

Reporting Frameworks and Disclosures

PSBank adheres to globally recognized sustainability reporting frameworks and standards to ensure transparency, accountability and comparability. These include:

Bangko Sentral ng Pilipinas (BSP) guidelines and Philippine Securities and Exchange Commission (SEC) guidelines: The Bank complies with local regulatory requirements for reports and sustainable finance.



United Nations Sustainable Development Goals (UN SDGs): PSBank aligns its sustainability initiatives with the relevant UN SDGs to contribute to global development goals.

Global Reporting Initiative (GRI): The report follows the GRI Standards to disclose material sustainability topics, performance indicators, and management approaches.

Philippine Financial Reporting Standards (PFRS): The Bank commenced the alignment of its disclosures to PFRS in preparation for the tiered mandatory adoption of the framework.

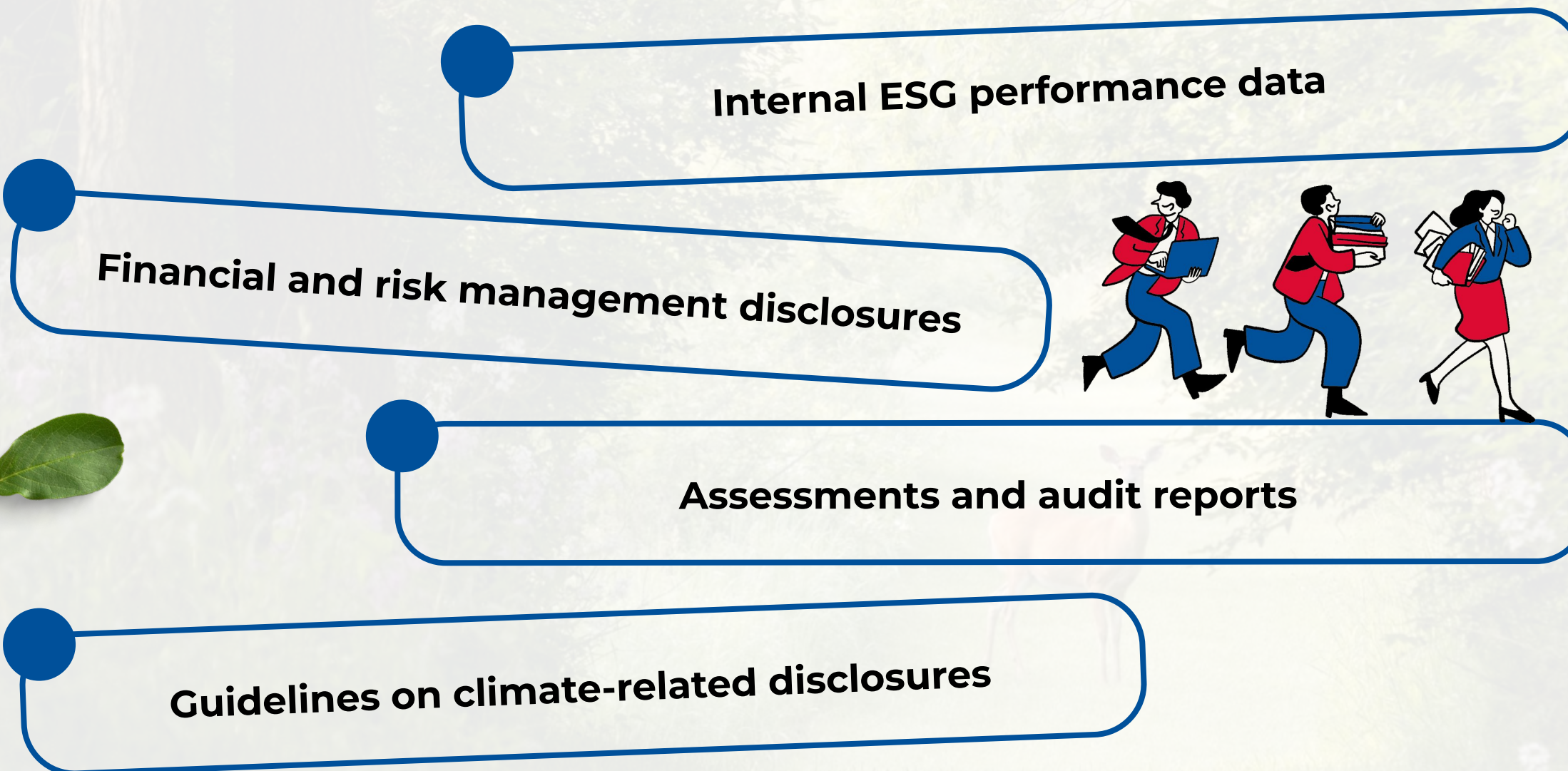


ABOUT THE REPORT



Data Sources

The information presented in this report are derived and verified with internal and external sources covering the period **1 January 2025 to 31 December 2025**. These sources include:



All quantitative and qualitative information for relevant indicators have been disclosed for two years, where applicable, to the best of the Bank's knowledge and in good faith. These may be amended or revised as necessary without prior notice.



ABOUT THE REPORT

Disclosure Principles

PSBank adheres to key disclosure principles to ensure clarity, completeness, and credibility in its sustainability reporting:



- **Materiality:** Prioritizing ESG topics that are significant to the Bank's operations and stakeholders.
- **Completeness:** Providing a comprehensive view of sustainability performance, including progress and challenges.
- **Balance:** Ensuring objectivity by reporting both achievements and areas for improvement.
- **Comparability:** Presenting consistent data to enable trend analysis and benchmarking.
- **Accuracy and Reliability:** Using verified data sources and independent assessments where applicable.

This report reflects PSBank's commitment to sustainability and responsible banking, highlighting its progress, challenges, and future plans in fostering long-term economic, environmental, and social well-being.



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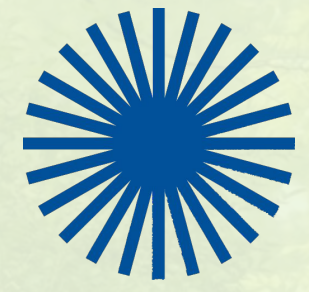
43 SEC AND GRI CONTENT INDEXES



ABOUT PSBANK

Philippine Savings Bank (hereafter referred to as “PSBank” or the “Bank”), a subsidiary of the Metropolitan Bank and Trust Company (Metrobank), is headquartered in Makati City. To date, its physical channel footprint is composed of 250 branches, 509 onsite and offsite ATMs, 1 onsite Cash Acceptance Machine (CAM), 3 warehouses and 2 Business Recovery Centers strategically located nationwide.





It offers a wide range of banking products and services: deposits, loans, treasury products, digital banking services, bancassurance and trust. Its core customers are those in the consumer and retail markets.

Throughout its more than 60 years of operation, the Bank's service philosophy is to always be responsive to the needs of clients and deliver them exceptionally and consistently across all touch points.

As the Bank gears towards being more sustainable and attain its commitments for sustainable finance, it continuously improves its products, service channels and overall customer service experience to provide more positive social and environmental impact.

PSBank takes advantage of available and emerging technologies, not just to introduce innovative product offerings but also to improve on systems and processes for better operational efficiency and lower operating costs. It aims to improve energy efficiency and tap alternative sources to reduce reliance on purchased electricity.



With its customers in mind, the Bank strives to consistently make its banking processes simpler, allowing customers to perform their banking needs the fastest, simplest, and safest way possible. Through its Online and Mobile Banking facilities, existing and new clients can open and maintain their accounts, send money, and pay bills conveniently anytime and anywhere. These allow them to save time and lower their carbon footprint.

The Bank provides affordable and competitively priced loan products that are easily accessible through multiple channels, including its digital platform. It provides convenient means of swift transactions and seamless processing and documentation across its loan products.

- Open an account ✓
- Transfer funds ✓
- Pay bills ✓





It is committed to deliver a credit decision within 24 hours for its Auto Loan and Personal Loan applications, within one day for Home Loans with brand-new condominium units and properties from accredited developers, and within five days or less for other Home Loan applications.

PSBank provides financial literacy to the country’s banking public through its flagship campaign – “Be Aware”. This aims to educate, update, and increase the awareness on the latest scams and modus operandi that try to victimize unsuspecting clients as they perform their financial transactions. This covers campaigns on phishing, pharming, vishing, skimming, SMSing, email scam, social media scam, identity theft, check fraud, clickbaits, shopping scam, travel scam, unwanted loans and obligations, employment scam, and ransomware.

The Bank increasingly considers the economic, environmental, and social impacts of its banking operations, cognizant of the inherent risks and strategic opportunities they may bring. Through continuing education, engagement, community partnerships, and financial inclusion measures, it aims to address and mitigate more complex risks and issues associated with financial assets and investments.

PSBank recognizes the need to manage investments based on local and global norms to prevent reputational harm, brand damage, or even taxes and lawsuits. It continues to intensify the protection of data privacy and security. With these effort, the Bank can, directly or indirectly, reduce the likelihood of extraordinary expenses, improve market share, or even decrease liabilities.

BOARD STATEMENT



Key to our strategy and plan are **initiatives to help make PSBank a more resilient and responsible organization.** Apart from a culture strategy re-imagined to address ongoing disruptions to the world of work, **we are also taking significant strides to embrace Environmental, Social and Governance (ESG) principles in all that we do.**

SUSTAINABILITY AT PSBANK



PSBank's commitment to sustainability is rooted in its mission to enable products, services, and operations that contribute to social and environmental sustainability. In pursuit of this commitment, it reports its environmental, social, and governance (ESG) impacts to promote transparency, accountability, and responsible banking.

The Bank's sustainability principles and roles are embedded within its Corporate Governance Committee, Audit Committee, and Risk Oversight Committee Charters. It implements sustainability with the Board of Directors providing strategic oversight. The Chief Risk and Sustainability Officer is responsible to integrate these in the enterprise risk management. The Senior Management executes the sustainability strategies, ensuring alignment of its products, services, and day-to-day operations.

Its Sustainable Finance Framework delineates the guiding principles on environmental sustainability, social sustainability, and good governance in accordance with BSP Circular No. 1085.

These principles support the Philippines Development Plan and UN Sustainable Development Goals by strengthening its capabilities, aligning with local and international standards on limiting adverse effects environmental and social impacts, and supporting financing that promote lasting benefit for both clients and society while reducing pressures on the environment.

Supplement to the Bank's Sustainable Finance Framework is the Environmental and Social Risk Management (ESRM) Policy Manual which provides the guidelines for addressing environmental and social risks in its operations, credit business and investment activities to comply with the requirements under BSP Circular No. 1128 and 1147.

SUSTAINABILITY AT PSBANK



The ESRM system adopts a five-point cycle that includes Risk Identification and Assessment, Risk Measurement, Risk Mitigation and Control, Monitoring, and Reporting of E&S risks. These point enable robust policies, processes, and controls to meet the low appetite for E&S risks and strengthen its capability to withstand disruptions, quickly resume operations, and continue to provide financial services to its clients.

The Bank performs assessment of physical risks involving assets, loans with collateral, and third-party service providers. These consider severity and frequency of climate hazards, enabling to mitigate and further reduce residual risk exposure. In-house tools allow measurement and management of its E&S risk and physical risk exposures based on industry acceptable parameters. It endeavors to extend these tools to cover climate risks.



In addition, Internal Capital Adequacy Assessment Process (ICAAP) exercise includes an assessment of Bank's resilience against transition risk arising from evolving environmental, social, and governance initiatives, as well as geopolitical disruptions. The ICAAP results are reported regularly to the Risk Oversight Committee.

The Bank identifies its Business Loans that contribute to climate change adaptation and mitigation based on Philippines Sustainable Finance Taxonomy Guidelines as set forth in BSP Circular No. 1187. These are likewise reported to the Risk Oversight Committee quarterly, along with the Bank's contributions in the three focus SDGs, outstanding E&S risk and physical risk exposures, and other sustainability-related initiatives.

The Bank has Sustainability Reporting Policy manual that provides guidance and standards for data collection, aggregation, analysis, and reporting of ESG information consistent with the requirements of SEC and BSP.

Focus UN SDGs

The Bank formalized its Sustainable Finance Framework in September 2021 to articulate the integration of environmental, social, and governance criteria into its day-to-day business operations, products and services, and distribution channels. It provides the basis for defining targets and metrics to deliver on its commitment to support sustainable economic growth and the transition to a low-carbon economy through the Bank's identified three focus Sustainable Development Goal (SDG). These are: (1) SDG 8 – Decent Work and Economic Growth, (2) SDG 9 – Industry, Innovation and Infrastructure, and (3) SDG 13 – Climate Action.





**DECENT WORK &
ECONOMIC GROWTH**

Promote sustained, inclusive, and sustainable growth, full and productive employment and decent work for all.



**INDUSTRY, INNOVATION
& INFRASTRUCTURE**

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



CLIMATE ACTION

The urgent action to combat climate change and its impact.

Sustainability Highlights



PSBank considers the economic, environmental, and social impacts of its banking operations, products, and services as they provide strategic opportunities and financial risks.

TOPICS	DISCLOSURES
<p>ECONOMIC</p> <p>Direct Economic Value Generated and Distributed</p>	<p>The Bank generates, distributes and sustains value.</p> <ul style="list-style-type: none"> • Economic Value Generated at PHP 13.68 Bn • Economic Value Distributed: <ul style="list-style-type: none"> ○ Taxes given to government at PHP 2.14 Bn ○ Dividends given to stockholders and interest payments to loan providers at PHP 1.28 Bn ○ Payment to local suppliers at PHP 4.01 Bn ○ Investment to communities at PHP 10.47 Mn
<p>Anti-Corruption</p>	<ul style="list-style-type: none"> • Anti-corruptions policies and procedures communicated to all employees and business partners • Anti-corruption training attended by all employees, directors and management • Zero incidents of corruption
<p>ENVIRONMENT</p> <p>Resource management</p>	<p>The Bank measures and manages its resource consumption and the impact to the environment, and ensures compliance with relevant environmental laws.</p> <ul style="list-style-type: none"> • Energy Consumption <ul style="list-style-type: none"> ○ Renewable sources: 19,630.92 GJ ○ Electricity: 15,078,669.98 kWh ○ Gasoline: 401.73 GJ ○ LPG: 0 GJ ○ Diesel: 5,086.84 GJ • Water Consumption <ul style="list-style-type: none"> ○ Water withdrawal: 855.50 cubic meters ○ Water consumption: 67,833.56 cubic meters ○ Water recycled: 0 cubic meters • Materials Used <ul style="list-style-type: none"> ○ Renewable: 49,517.22 kg ○ Non-renewable: 48.42 kg



TOPICS **DISCLOSURES**

ENVIRONMENT

The Bank measures and manages its resource consumption and the impact to the environment, and ensures compliance with relevant environmental laws.

Resource management

- Ecosystems and Biodiversity
 - No operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
 - No habitats protected or restored
 - No IUCN Red List species and national conservation list species with habitats in areas affected by our operations

Environmental impact management

- Air Emissions - GHG
 - Scope 1 absolute emission at 371.73 tCO₂e, which includes the Bank’s mobile and stationary combustion
 - Scope 2 absolute emission: location-based at 4,560.77 tCO₂e; market-based at 857.21 tCO₂e
 - Scope 3 absolute emission at 147,428.11 tCO₂e, covering the emissions from business travel, leased assets, and auto loans
- Air Emissions - Pollutants
 - Zero NOx, SOx, Persistent organic pollutants (POPs), Volatile organic compounds (VOCs), Hazardous air pollutants (HAPs), Particulate matter (PM)
- Solid Waste: 95,987.40 kg
- Hazardous Waste: 38.00 kg
- Zero effluents discharged and recycled

Environmental compliance

- Zero monetary fines for non-compliance with environmental laws and/or regulations
- Zero non-monetary sanctions for non-compliance with environmental laws and/or regulations
- Zero cases resolved through dispute resolution mechanism

SOCIAL

The Bank continues to advance its social performance through initiatives that support employee development, stakeholder engagement and community well-being

Employee Management

- Employee Hiring
 - Total count: 2,864
 - Attrition rate: -0.31%
 - Ratio of lowest paid employee against minimum wage: Zero
- Employee Benefits
 - Statutory: SSS, PhilHealth, Pag-IBIG
 - Fringe and other benefits: medical, employee loan, burial assistance, group life insurance, death benefit, paid leaves, and other incentives
- Employee Training and Development
 - Total training hours provided to employees: 45,059 hours male; 88,598 hours female
 - Average training hours provided to employees: 48 hours/employee male; 44 hours/employee female
- Labor Management Relations
 - All rank and file employees including probationary employees are covered with Collective Bargaining Agreements.



TOPICS	DISCLOSURES
SOCIAL	The Bank continues to advance its social performance through initiatives that support employee development, stakeholder engagement and community well-being
Employee Management	<ul style="list-style-type: none"> ● Diversity and Equal Opportunity <ul style="list-style-type: none"> ○ 64% female, 36% male ○ 311 employees from vulnerable sector ○ Zero employees from indigenous communities
Workplace Conditions, Labor Standards, and Human Rights	<ul style="list-style-type: none"> ● Occupational Health and Safety <ul style="list-style-type: none"> ○ 5,670,720 safe man-hours ○ 3 work-related injuries ○ Zero work-related fatalities and ill-health ○ 3 safety drills conducted ● Labor Laws and Human Rights <ul style="list-style-type: none"> ○ Zero legal actions or employee grievances involving forced or child labor ○ There are policies on forced labor, child labor, human rights that explicitly disallows of labor laws and human rights in the workplace
Supply Chain Management	<ul style="list-style-type: none"> ● There are policies for supplier accreditation. These consider forced labor, child labor, human rights, bribery and corruption.
Relationship with Community	<ul style="list-style-type: none"> ● No operations with significant impacts on local communities.
Customer Management	<ul style="list-style-type: none"> ● Customer satisfaction study with result of customer effort score at 6 out 7. ● Zero substantiated complaints on product or service health and safety, marketing and labelling and customer privacy ● 1,558 addressed complaints on customer privacy ● Zero customers, users and account holders whose information is used for secondary purposes
Data Security	<ul style="list-style-type: none"> ● Zero data breaches, including leaks, thefts and losses of data that are reportable to NPC
UN SUSTAINABLE DEVELOPMENT GOALS	The Bank has identified three SDGs as its areas of focus.
SDG 8 — Decent Work and Economic Growth	<ul style="list-style-type: none"> ● PHP 7.03Bn outstanding SME loans ● PHP 3.45Bn SME loans extended to new clients
SDG 9 — Industry, Innovation and Infrastructure	<ul style="list-style-type: none"> ● Continued development of sustainability-related technologies focusing on process optimization, automation and digitization ● Improved IT project process to include measurement of sustainability benefits like efficiency gains, cost reduction, stronger controls, and increased system usage.
SDG 13 – Climate Action	<ul style="list-style-type: none"> ● Extended contract for 100% renewable energy source with I-REC for head office ● Los Baños branch installed with solar panels with net metering ● Continued assessment of branches for solar panel installation



Materiality Assessment

The Bank follows an internal process review (Exhibit 1) to identify topics that are material to environmental, social, governance and economic priorities and their impacts to both its business and stakeholders from employees, clients, suppliers, regulators, and investors. With the Board of Directors, Senior Management, and employees, the Bank strategizes to ensure that the high material issues are managed well for its continuous delivery of its sustainable finance commitment. The results of the materiality assessment are summarized in Exhibit 2.

EXHIBIT 1. MATERIALITY PROCESS

1 Stakeholder Analysis

Using the mission, vision, and results of embedded feedback mechanisms, the Bank analyzes issues and concerns raised by its customers, employees, and other stakeholders that directly affect the Bank's operations and business decision-making.

2 Research and Trends

The Bank may conduct ad hoc material issue research, peer benchmarking, trends, or best practice analysis to enhance the materiality assessment.

3 Material Topics Analysis

The Bank ranks and prioritizes topics considering a range of internal and external perspectives through cross-functional meetings, alignment with enterprise risk management, and relevance checking versus sustainability reporting frameworks.

4 Prioritization

The prioritization of topics is based on the significant impact on the Bank's business success or those that would substantively influence the assessments and decisions of stakeholders.



Based on the assessment, the material topics are summarized below.

EXHIBIT 2. MATERIAL TOPICS AND RANKING PER PRIORITY LEVEL

Economic

EC1	Financial Performance and Economic Value
EC2	Market Presence and Economic Value Creation
EC3	Sustainable Investing and ESG-Aligned Products and Services
EC4	Supply Chain Management and Due Diligence
EC5	Systemic and Climate Risk Management
EC6	Business Model Resilience and Innovation

Environmental

EN1	Climate and Resource Resilience
EN2	Environmental Compliance
EN3	Waste and Hazardous Materials Management
EN4	Energy and Resource Efficiency
EN5	Ecological and Biodiversity Impact
EN6	Greenhouse Gas (GHG) Emissions and Carbon Management

Social

S1	Data Security and Customer Privacy
S2	Customer Welfare and Safety
S3	Workplace Health and Safety
S4	Labor Relations and Human Rights
S5	Workforce Engagement, Capability, and Future Readiness
S6	Diversity, Equity, and Inclusion
S7	Community Relations and Social Responsibility in Business Partnerships

Governance

G1	Regulatory Compliance and Adaptation
G2	Anti-Fraud, Anti-Bribery, and Anti-Corruption / Whistleblower
G3	Digital and AI Risk Governance
G4	Business Ethics and Good Governance
G5	Financial and Systemic Risk Governance
G6	Investor and Analyst Engagement

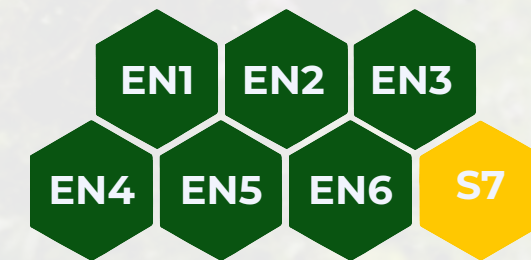
HIGH



MEDIUM



LOW



Note: Material topics are ranked based on their weighted average score derived from stakeholder assessment result.

ECONOMIC

Economic Performance

GRI 201-1, GRI 201-2

Direct Economic Value Generated and Distributed

The Bank generates direct economic value through its core financial activities while investing in internal and external stakeholders who support its operations, creating alignment between business performance and shared growth.



EXHIBIT 3. ECONOMIC VALUE. DECEMBER 2024 VS DECEMBER 2025

ECONOMIC METRIC ¹	2024 DEC 31	2025 DEC 31	% CHANGE
Direct economic value generated (revenue)	15.26	13.68	(10.38%)
Direct economic value distributed:			
Operating Cost	3.70	4.04	9.30%
Employee wages and benefits	4.09	4.09	(0.01%)
Payments to suppliers, other operating costs ²	4.40	4.61	5%
Payments to local suppliers	3.88	4.01	3.27%
Dividends given to stockholders and interest payments to loan providers	1.28	1.28	0.00%
Taxes given to government	2.35	2.14	(8.85%)
Investments to community (e.g. donations, CSR)	0.01	0.01	(9.13%)

¹In PHP billion, except for Investments to community

²Includes supplies and services



Management of Climate-Related Risks and Opportunities

GRI 201-2

The Bank has ESRM framework that aligns with Bangko Sentral ng Pilipinas (BSP) Circular 1128, to effectively identify, measure, manage, monitor, and report environmental-related risks, including physical and transition risks across the Bank.

Physical risks concerning the operations and Bank’s assets generally arise from natural disasters (e.g., flooding, storm surge, landslides, and typhoon). The Bank applies Climate Risk Assessment (CRA) to measure the likelihood and severity of impact across its assets (e.g. head office, branches, warehouses, employee and supplier locations). CRA results are considered in the planning and selection of operation sites. In the event of climate hazards, the Bank’s Business Continuity Plan (BCP) may be initiated to ensure the key business operations are uninterrupted and their supporting technology are functional. The Bank ensures that its BCP stays updated and relevant through continuous testing and incorporating lessons learned from exercises and events.

CRA is likewise utilized for loans secured by real estate property. Physical risk parameters affect the valuation of collateral and the loan terms. For transition risk, scenarios such as stricter government policies are considered in stress testing for financial planning and forecasting of the Bank’s portfolio. Furthermore, the Philippine Sustainable Finance Taxonomy is integrated into the banks' credit assessment framework, ensuring climate change adaptation and mitigation activities are accurately identified within the portfolio.

PSBank remains committed to strengthening its climate risk management strategies, ensuring resilience and sustainability in its operations and services amidst evolving environmental risks and opportunities.



Procurement Practices

GRI 204-1

Proportion of spending on local suppliers

The Bank supports the local economy through purchase of supplies and services from local suppliers.

Transactions are subject to internal procurement policies, outsourcing policies, and Related Party Transactions evaluation to promote ethical practices and prevent any potential conflicts of interest.

EXHIBIT 4. PERCENTAGE OF PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS. FY 2025

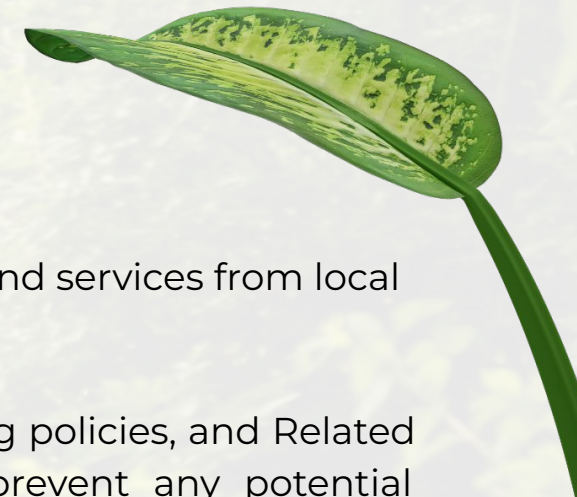
DISCLOSURE	QUANTITY
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	86.97%

Anti-Corruption

GRI 205

Training on Anti-corruption Policies and Procedures

The Bank’s anti-corruption programs and procedures are documented in the Bank’s manuals regarding Reporting of Impropriety or Malpractice and Code of Conduct which include policies against Bribery and Corruption and provisions on (1) Disciplinary process; (2) General policies to establish a professional working environment and secure a favorable reputation for the Bank; (3) Corrective measures for unacceptable behavior or failure to comply with rules, such as on Financial Consumer Protection and on Anti-Money Laundering/Terrorism Financing/Proliferation Financing policies and procedures; (4) Schedule of penalties for attendance and punctuality, required corporate attire, conduct and behavior, dishonesty, health, safety and security, reporting of violations, and information security; and; (5) Provisions on management of personal finances, conflict of interest, bribery and corruption, anti-sexual harassment, non-disclosure of information, data privacy and information, and insider information.



The Bank implements regular anti-corruption training programs and assessments to ensure that all employees as well as individuals with direct contractual agreements with PSBank, are well-informed and continuously reminded of these policies and procedures.

Upon onboarding, all employees are briefed on the Bank’s Code of Conduct. Regular corporate communications and training sessions reinforce the Bank’s zero-tolerance policy on corruption.

EXHIBIT 5. TRAININGS ON ANTI-CORRUPTION POLICIES AND PROCEDURES. FY 2025

DISCLOSURE	QUANTITY
Percentage of employees to whom the organization’s anti-corruption policies and procedures have been communicated	100%
Percentage of business partners to whom the organization’s anti-corruption policies and procedures have been communicated	100%
Percentage of directors and management that have received anti-corruption training	100%
Percentage of employees that have received anti-corruption training	100%

Incidents of Corruptions

The Bank upholds its commitment to integrity and ethical business practices through its strong governance framework and continued efforts promoting transparency and accountability across all operations.

EXHIBIT 6. INCIDENTS OF CORRUPTION. FY 2025

DISCLOSURE	QUANTITY
Number of incidents in which directors were removed or disciplined for corruption	0
Number of incidents in which employees were dismissed or disciplined for corruption	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0

ENVIRONMENT

Resource Management

Energy Consumption

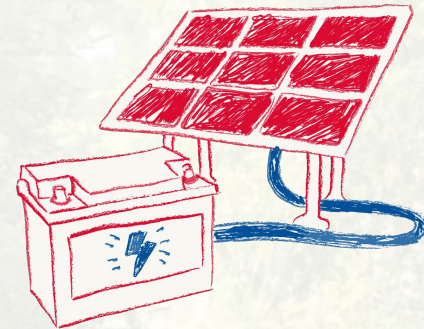
GRI 302-1

The Bank's energy consumption is mainly from its branches, followed by the head office, offsite ATMs, and warehouses. The head office sources its 100% electricity from renewable energy, while a branch in Los Baños, Laguna integrates solar energy into its electricity supply, alongside grid-sourced power.

The Bank monitors and reports fuel consumption from both mobile and stationary sources. Mobile fuel consumption includes fuel used by bank-owned vehicles for loan collection, general services, and other operational activities. On the other hand, stationary fuel consumption is primarily from generator sets that provide backup power to the head office, branches, and warehouses. The Bank also tracks fuel usage by type, specifically gasoline, diesel, and LPG. Gasoline is used exclusively for transportation while diesel is utilized for both transportation and generator sets. The Bank does not consume LPG in its operations.

EXHIBIT 7. ENERGY CONSUMPTION. FY 2024 VS FY 2025

DISCLOSURE	2024	2025	% Change
Energy consumption in GJ (renewable sources)	21,568.42	19,630.92	(8.98%)
Energy consumption in GJ (gasoline)	392.44	401.73	2.37%
Energy consumption in GJ (LPG)	0	0	0
Energy consumption in GJ (diesel)	4,781.46	5,086.84	6.39%
Energy consumption in kWh (electricity)	16,428,522.61	15,078,669.98	(8.22%)



Energy Reduction

GRI 302-4

The Bank measures and monitors its energy reduction with the previous year as the baseline.

EXHIBIT 8. ENERGY REDUCTION. FY 2025

DISCLOSURE	QUANTITY
Energy reduction in GJ (gasoline)	(9.29)
Energy reduction in GJ (LPG)	0
Energy reduction in GJ (diesel)	(305.38)
Energy reduction in kWh (electricity)	1,349,852.63

Energy Intensity

GRI 302-3

The Bank continuously monitors and optimizes its energy consumption across operations based on intensity. Energy intensity is measured in terms of electricity and fuel usage per million PHP revenue, full-time employee, and square meter of premises.

EXHIBIT 9. ENERGY INTENSITY PER METRIC. FY 2024 VS FY 2025

INTENSITY	ELECTRICITY (IN MWH)		FUEL (IN LITERS)	
	2024	2025	2024	2025
Per million PHP Revenue	1.08	1.10	8.87	10.49
Per Full Time Employee	5.72	5.26	47.13	50.12
Per Square Meter of Premises	0.12	0.11	1.00	0.97

Water Consumption

GRI 303-13, GRI 303-5

Water for the Bank’s head office and most of its leased and owned facilities is primarily sourced from local water utility providers. Six branches rely on water extracted from deep wells.

EXHIBIT 10. WATER CONSUMPTION. FY 2024 VS FY 2025 (in cubic meters)

DISCLOSURE	2024	2025	% CHANGE
Water withdrawal	778.48	855.50	9.89%
Water consumption	69,613.55	67,833.56	(2.56%)
Water recycled and reused	0	0	-

The Bank remains committed to responsible water management by monitoring consumption trends and exploring conservation technologies and measures such as installation of more efficient water faucet and regular maintenance.

Materials Used

GRI 301-1, GRI 301-2

The Bank measures the total weight of materials used in its operations. Renewable materials used include paper for bank forms, bank transactions, and correspondences. Non-renewable materials used include plastics for debit cards and flexi loan cards. The Bank seeks to explore sustainable alternatives made from bio-based and recycled plastic materials.

EXHIBIT 11. MATERIALS USED. FY 2025 (in kg)

DISCLOSURE	QUANTITY
Renewable materials	49,517.22
Non-renewable materials	48.42
Percentage of recycled input materials used to manufacture the organization’s primary products and services	0%

The Bank implements various initiatives and develops platforms that promote digitalization to reduce paper usage. These efforts include electronic Statements of Account (SOAs) and correspondence, online account opening, and online form fulfillment.

Ecosystems and Biodiversity

GRI 101-5

PSBank has established policies governing the selection of location for its branches, off-site ATMs, and warehouses.

EXHIBIT 12. ECOSYSTEMS AND BIODIVERSITY

DISCLOSURE	QUANTITY
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None
Habitats protected or restored	None
IUCN* Red List species and national conservation list species with habitats in areas affected by operations	None

*International Union for Conservation of Nature

The Bank recognizes its products and services may have indirect environmental impact. In accordance with its Environmental and Social Risk Management System (ESRMS), all proposals for loans and other credit accommodations undergo a thorough environmental and social risk and impact assessment. This forms part of the overall assessment of borrowers’ eligibility for financing. The Bank also adheres to the Sustainable Finance Taxonomy Guidelines set forth by BSP to identify and grow activities that contribute to climate mitigation, adaptation or both.

Beyond its internal sustainability initiatives, PSBank actively supports community-driven environmental protection and conservation programs, such as clean-up drives and tree-planting activities.

Environmental Impact Management

Greenhouse Gas (GHG) Emissions

GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-6

The Bank’s greenhouse gas (GHG) emissions are calculated in reference with the Global Reporting Initiative (GRI) Standards, IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures. The methodology follows the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) to ensure transparency and comparability. The emission factors used in the calculations are based on the latest values released by the Department of Energy (DOE), the Partnership for Carbon Accounting Financials (PCAF), and the GHG Protocol. Additionally, the Global Warming Potential (GWP) values are derived from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

The Bank’s GHG emissions primarily comprise of Scope 1 emissions from fuel consumption, Scope 2 emissions from purchased electricity, and Scope 3 emissions from financed emissions, leased assets, and employee business travel. For comprehensive disclosure of absolute gross GHG emissions generated during the reporting period, all relevant gases are aggregated into CO₂ equivalent (CO₂e) values and expressed in metric tonnes.

The Bank procures and retires International Renewable Energy Certificates (I-RECs) covering the head office’s electricity use. This allows reporting of lower Scope 2 emissions under the market-based method while maintaining location-based disclosures for transparency.

EXHIBIT 13. ABSOLUTE GHG EMISSIONS GENERATED. FY 2024 VS FY 2025 (in tonnes CO₂e)

DISCLOSURE	2024	2025	% CHANGE
Direct (Scope 1) GHG Emissions	351.09	371.73	5.88%
Energy Indirect (Scope 2 Location-based) GHG Emissions	4990.88	4560.77	(8.62%)
Energy Indirect (Scope 2 Market-based) GHG Emissions	-	857.21	-
Other Indirect (Scope 3) GHG Emissions	121,232.77	147,428.11	15.04%
Emissions of ozone-depleting substances (ODS)	0	0	0
Total	126,574.74	152,360.60	21.05%

Emissions per Type of Gas

GRI 305-1, GRI 305-2, GRI 305-3

The Bank measures greenhouse gases listed under the Kyoto Protocol and aligns reporting with IFRS requirements.

EXHIBIT 14. EMISSION PER TYPE OF GAS. FY 2024 vs FY 2025 (in tonnes)

TYPE OF GAS	2024	2025
Carbon Dioxide (CO ₂)	125,824.42	151,459.86
Methane (CH ₄),	5.09	6.65
Nitrous Oxide (N ₂ O).	2.19	2.57

Scope 3 – Indirect Emissions

GRI 305-3

The Bank calculates its indirect greenhouse gas (GHG) emissions from upstream and downstream activities, also known as Scope 3 emissions.

The key Scope 3 categories include Category 6 (Business Travel) for emissions from transportation and hotel accommodation for business-related activities, Category 8 (Upstream Leased Assets) for emissions from the operation of leased assets, and Category 15 (Financed Emissions) for emissions associated with the Bank’s auto loan portfolio, following the PCAF methodology.

EXHIBIT 15. SCOPE 3 GHG EMISSIONS PER CATEGORY. FY 2024 vs FY 2025 (in tonnes CO₂e)

SCOPE 3 CATEGORY	2024	2025
Category 6 Business Travel	72.09	71.88
Category 8 Upstream Leased Assets	6,516.64	5997.20
Category 15 Financed Loans*	114,644.04	141,359.03

*Emissions from auto loan portfolio only

GHG Emission Intensity

GRI 305-4

The Bank measures GHG emission intensity relative to business metrics, such as revenue, number of full-time employees, and total premises area. This allows understanding of the Bank’s carbon footprint in relation to its operational scale and economic output.

EXHIBIT 16. GHG EMISSION INTENSITY. FY 2024 vs FY 2025

GHG EMISSION INTENSITY	SCOPE 1		SCOPE 2			SCOPE 3	
	2024	2025	2024 Location-based	2025 Location-based	2025 Market-based	2024	2025
Per million Php Revenue	0.023	0.027	0.33	0.33	0.063	8.29	11.20
Per Full Time Employee	0.12	0.13	1.74	1.59	0.30	44.07	53.50
Per Square Meter of Premises	0.0026	0.0025	0.037	0.031	0.058	0.94	1.04

Air Pollutants

GRI 305-7

The Bank does not generate any air pollutants in its operations.

EXHIBIT 17. AIR POLLUTANTS. FY 2025 (in kg)

DISCLOSURE	QUANTITY
NOx	0
SOx	0
Persistent organic pollutants (POPs)	0
Volatile organic compounds (VOCs)	0
Hazardous air pollutants (HAPs)	0
Particulate matter (PM)	0

Solid Waste

GRI 306-3, GRI 306-4, GRI 306-5

The Bank remains committed to responsible waste management by ensuring proper segregation and disposal of physical wastes across head office, branches, and warehouse. Waste management practices are enforced and monitored through the Experience-Driven Workspace. The Bank also engages with a recycling center that collects and repurposes waste such as paper, plastic, e-waste and glass.

EXHIBIT 18: SOLID WASTE GENERATED. FY 2025 (in kg)

DISCLOSURE	QUANTITY
Total Solid Waste Generated	95,987.40
Reusable	5,414.00
Recyclable	50,513.40
Composted	0.00
Incinerated	0.00
Residuals/Landfilled	40,060.00

Non-Hazardous and Hazardous Waste

GRI 306-3, GRI 306-4, GRI 306-5

Both non-hazardous and hazardous wastes are disposed of through city-accredited garbage collectors. The Bank’s third-party service providers are required to certify the proper disposal and handling of hauled wastes from the head office.

EXHIBIT 19: HAZARDOUS WASTE. FY 2025 (in kg)

DISCLOSURE	QUANTITY
Total weight of hazardous waste generated	38.00
Total weight of hazardous waste transported	38.00

Effluents

GRI 306-3, GRI 306-4, GRI 306-5

The Bank does not generate any effluents In its operations.

EXHIBIT 20: EFFLUENTS. FY 2025 (in cubic meters)

DISCLOSURE	QUANTITY
Total volume of water discharges	0
Percent of wastewater recycled	0

Environmental Compliance

GRI 2-27

The Bank remains committed to managing the environmental impact of its owned buildings and operations while ensuring compliance with relevant environmental regulations. For leased properties, environmental management responsibilities are coordinated with the respective lessors.

Amongst the environmental laws the Bank complies with are Republic Act (RA) 8749 (Philippine Clean Air Act of 1999), RA 6969 (Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990), RA 9275 (Philippine Clean Water Act of 2004), and RA 11285 (Energy Efficiency and Conservation Act). Any citation for violation is resolved within acceptable turnaround time.

Instrumental to the Bank’s compliance with the environmental laws are the designated certified Pollution Control Officers and Managing Heads across the head office and branch clusters.

EXHIBIT 21. ENVIRONMENTAL COMPLIANCE. FY 2025

DISCLOSURE	QUANTITY
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0
No. of cases resolved through dispute resolution mechanism	0



SOCIAL

Employee Management



Workforce Diversity

GRI 2-7, GRI 405-1

The Bank believes in the value of diversity to promote innovation, inclusive growth, and a collaborative organizational environment.

EXHIBIT 22. EMPLOYEE DATA. FY 2025

DISCLOSURE	QUANTITY
Total number of employees	2,864
Number of female employees	1,832
Number of male employees	1,032
Attrition Rate	(0.31%)
Ratio of lowest paid employee against minimum wage	0

*Adopted from SEC no. 4 of 2019

Attrition Rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)



New Employee Hires and Employee Turnover

GRI 401-1

PSBank regularly conducts programs to protect and sustain its workforce. It starts with organizational requirements to meet its objectives and long-term goals. Job descriptions are designed to match the different roles and functions that employees perform. Workforce patterns are analyzed to account for changes and better forecast requirements. These consider expected business growth, planned employee retirements, and historical employee separations. Moreover, the Bank strives for employee retention through talent management and professional development programs.

Programs for recruitment include tie-up with reputable universities and colleges to target graduating classes. Prospecting of skilled and experienced personnel is done through reliable professional platforms, online employment market places, and other recruitment initiatives.

HR regularly reviews the roster of employees and their competencies, and prepares for employee movements for a smooth transition for both employee and affected business unit.

EXHIBIT 23. NEW EMPLOYEE HIRES AND TURNOVER COUNT. FY 2025

DISCLOSURE	QUANTITY
Number of New Hires	267
Number of Turnover	276

Employee Benefits

GRI 201-3; GRI 401-2

The Bank provides government-mandated and voluntary benefits to its employees. These include leaves, salary and other loan options, medical benefits, wellness and well-being support, among others. Benefits administration is facilitated through the internal systems for efficiency.

The Bank provides fair compensation in accordance with labor laws. For rank and file employees, the compensation is linked to both performance and the Bank’s contractual obligation under its Collective Bargaining Agreement (CBA). The Bank’s directors and officers are provided with industry competitive compensation packages.

EXHIBIT 24. EMPLOYEE BENEFITS AVAILMENT. FY 2025

LIST OF BENEFITS	PROVIDED? (Y/N)	% OF FEMALE EMPLOYEES WHO AVAILED	% OF MALE EMPLOYEES WHO AVAILED
SSS	Y	28%	18%
PhilHealth	Y	6%	5%
Pag-IBIG	Y	18%	11%
Parental leaves	Y	33%	30%
Vacation leaves	Y	95%	95%
Sick leaves	Y	62%	64%
Medical benefits (aside from PhilHealth) ¹	Y	100%	37%
Housing assistance (aside from Pag-ibig)	Y	-	-
Retirement fund (aside from SSS)	Y	0.87%	0.29%
Further education support	Y	0.16%	0.19%
Company Stock Options	N	-	-
Telecommuting	N	-	-
Flexible work Arrangement	N	-	-
Other Incentives ²	Y	40%	28%

¹ Medical subsidy availment

² Teller’s Incentive, Perfect attendance, Board Passer

Employee Training and Development

GRI 404-1

The Bank recognizes learning and capability development as essential to strengthening employee skills, organizational readiness, and the achievement of growth and efficiency objectives. Targeted and role-based learning programs are designed according to job functions to ensure relevance, effectiveness, and operational impact. These accelerated and immersive learning initiatives are delivered through the PSBank Business Campus (PBC) to support sustained performance and key business priorities.

Below are the PBC employee trainings and development programs:

- New Employees Orientation (NEO)
- Management Trainings: Ladderized Programs for Head Office Units, Information Technology Officership Program (ITOP), Staff Professional Enhancement and Educational Development Accelerated Learning (SPEED AX-L) Program for Branch Banking, Redefining Institutional Sales Efficiency (RISE) Program
- Competency-based programs: NAC Step-Up Program, Branch Operations Upgrade Training (BOU), Branch Elevation Strategic Training (BEST)

EXHIBIT 25. EMPLOYEE TRAINING. FY 2025

EMPLOYEE GROUP	TOTAL TRAINING HOURS PROVIDED (HOURS)	AVERAGE TRAINING HOURS PROVIDED (HOURS/EMPLOYEE)
Gender		
Female	88,598	48
Male	45,059	44
Job Level		
Rank and File	81,562	49
Junior Management	42,223	48
Middle Management	8,641	33
Senior Management	1,231	21

Labor Management Relations

GRI 402-1, GRI 407-1

The Bank continues to ensure that it provides a competitive compensation and benefit package for its employees based on remuneration policies approved by the Board. In addition, it recognizes employees that meet and exceed performance standards. This is determined by measuring output versus committed plans which include activities for the Bank’s sustainable operations, products, and services.

As a unionized organization, the Bank maintains an agreement with the PSBank Employee’s Union (PSBEU) with the intent and purpose of promoting and improving the economic and social relationship between the Bank and the Union through the Collective Bargaining Agreement (CBA) held every three years, the most recent in 2024 for the 2025-2027 cycle.

The CBA covers all rank and file employees including probationary employees. It establishes a better understanding relative to the rates of pay, hours of work and other terms and conditions of employment, providing expeditious means for the amicable adjustment of all industrial disputes, and to otherwise mutually confirm industrial peace and harmony.

EXHIBIT 26. COLLECTIVE BARGAINING AGREEMENT. FY 2025

DISCLOSURE	QUANTITY
% of employees covered with Collective Bargaining Agreements	58
Number of consultations conducted with employees concerning employee-related policies	12

The Bank and PSBEU continue to align regularly through the Labor Management Council’s Talks on Employee Affairs and other Matters (TEAM). The Council is composed of three representatives each from Management and Union and meets once a month to discuss any or all matters affecting the employees of the Bank.

Diversity and Equal Opportunity

The Bank continues to ensure equal opportunities for all employees regardless of gender, while promoting fair and inclusive treatment across different age groups and vulnerable sectors.

EXHIBIT 27. DIVERSITY AND EQUAL OPPORTUNITY. FY 2025

DISCLOSURE	QUANTITY
% of female workers in the workforce	64%
% of male workers in the workforce	36%
Number of employees from indigenous communities and/or vulnerable sector*	311

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

EXHIBIT 28. EMPLOYEE DEMOGRAPHICS BY AGE AND JOB LEVEL. FY 2025

DISCLOSURE	FEMALE	MALE
Age Group		
< 30 y.o.	26%	25%
30-50 y.o.	64%	66%
> 50 y.o.	10%	9%
Job Level		
Rank and File	61%	54%
Junior Management	20%	24%
Middle Management	17%	19%
Senior Management	2%	3%

Workplace Conditions, Labor Standards, and Human Rights

GRI 403

Workplace Conditions and Labor Standards

PSBank commits to provide a healthy and safe working environment for all its employees, contractors, customers and visitors. The Bank’s occupational health and safety policies comply with the requirements of the Department of Labor and Employment (DOLE). These serve as a key reference in managing and controlling the risks and adverse impacts of identified health and safety hazards on the wellness of its covered persons.

The Bank ensures it has adequate pool of first aiders and safety officers and closely monitors its recordable injuries to continuously improve its health and safety practices and reduce risk incidents.

EXHIBIT 29. WORKPLACE SAFETY. FY 2025

HEALTH AND SAFETY METRICS	QUANTITY
Safe Man-Hours	5,670,720 Man-hours
No. of work-related injuries	3
No. of work-related fatalities	0
No. of work-related ill-health	0
No. of safety drills	3

The Bank conducts BCP refresher trainings annually. Safety drills for fire, earthquake, and bomb threats are regularly carried out to ensure safety and minimize casualties. The employees are provided Go Bags designed for immediate evacuation and contain essential survival items needed during unforeseen events.

Employee Well-being and Engagement

GRI 403-6

The over-all employee well-being and workforce wellness remain in the Bank’s top priorities. The Bank organizes campaigns for wellness based on the results of the Annual Physical Exam (APE) and Annual Mental and Emotional Wellbeing checkup (AMEW) of its employees. These are categorized into four programs – Physical Wellness, Mental and Emotional Wellness, Social Wellness, and Spiritual Wellness.

Physical Wellness

Aside from the APE and sports clubs, the Bank conducts initiatives aimed at keeping PSBankers physically fit and active. These include the following.

- Zumba sessions
- *Healthy Eating, Healthy You* branch visits by the wellness team
- Weight loss programs of various units
- Nutritional awareness sessions facilitated by nutritionists and dietitians

Medical assistance and services are accessible to the Bank’s employees through:

- Health insurance plan renewed annually for its employees and enrolled dependents
- Mobile APE availment



Mental and Emotional Wellness

PSBank ensures that the mental and emotional wellness of PSBankers are given attention and action. Among the key initiatives are the following.

- The AMEW check-up using different psychological tests aim to gain insights on employees' mental state, and provide the necessary intervention at the earliest opportunity
- #SelfcareSunday and Mental Health Tuesday contents via the Bank's main platform for employee communication and engagement
- Psychological consultations and other interventions with resident psychologists.



Social Wellness

The Bank's employee clubs and their engagement activities serve to support the social wellness of PSBankers.



Spiritual Wellness

The Bank respects and considers the diversity of religions and spiritual beliefs among its employees by providing access to resources and activities that meet their spiritual needs.



Employee Engagement

The Bank is committed to a better employee engagement and meaningful experience. To know, understand and take action on the voice of the employees, the Bank deploys the internally-developed annual survey called the Workforce Engagement Scale or WES-60. To measure employee loyalty and advocacy, the Bank uses the universal employee-Net Promoter Score or e-NPS.



Through the Bank's main platform for employee communication, employees converse and engage with each other.

Labor Laws and Human Rights

The Bank maintains policies against forced labor, child labor, and human rights violations.

EXHIBIT 30. LEGAL ACTIONS OR GRIEVANCES INVOLVING CHILD LABOR. FY 2025

DISCLOSURE	QUANTITY
No. of legal actions or employee grievances involving forced or child labor	0

EXHIBIT 31. POLICIES WHICH DISALLOW VIOLATIONS OF LABOR LAWS AND HUMAN RIGHTS.

TOPIC	IN PLACE? (Y/N)	REFERENCE
Forced labor	Yes	Bank's Code of Conduct
Child labor	Yes	Bank's Code of Conduct
Human rights	Yes	Bank's Code of Conduct, CBA provisions, Occupational Safety and Health, Employee Leave Benefits

Supply Chain Management

The Bank maintains outsourcing, in-sourcing and vendor accreditation policies. These consider environmental performance, forced labor, child labor, human rights, and bribery and corruption.

EXHIBIT 32. POLICIES THAT SUPPORT SUPPLIER ACCREDITATION.

TOPIC	IN PLACE? (Y/N)	REFERENCE
Environmental performance	Yes	Vendor environmental and social (e&s) risk self assessment
Forced labor	Yes	Vendor environmental and social (e&s) risk self assessment
Child labor	Yes	Vendor environmental and social (e&s) risk self assessment
Human rights	Yes	Vendor environmental and social (e&s) risk self assessment
Bribery and corruption	Yes	Vendor environmental and social (e&s) risk self assessment

Relationship with Community

Significant Impacts on Local Community

The Bank has no operations with significant impacts on local communities.

EXHIBIT 33. SIGNIFICANT IMPACTS ON LOCAL COMMUNITIES. FY 2025

OPERATIONS WITH SIGNIFICANT IMPACTS ON LOCAL COMMUNITIES	LOCATION	VULNERABLE GROUPS	THE PARTICULAR OPERATIONS HAVE IMPACTS ON INDIGENOUS PEOPLE? (Y/N)	COLLECTIVE OR INDIVIDUAL RIGHTS THAT HAVE BEEN IDENTIFIED THAT OR PARTICULAR CONCERN FOR THE COMMUNITY	MITIGATING MEASURE OR ENHANCEMENT MEASURE
None	N/A	N/A	N/A	N/A	N/A

EXHIBIT 34. CERTIFICATES CONCERNING IMPACTS ON LOCAL COMMUNITIES. FY 2025

CERTIFICATES	QUANTITY
Free, Prior, and Informed Consent process is still undergoing	0
Certificate Pre-conditions secured	0



Customer Management

The Bank’s vision and mission are centered on enhancing the experience of its stakeholders. By leveraging cutting-edge technology and robust customer management processes, the Bank consistently delivers excellent service.

Customer Satisfaction

To ensure ease of access, clients can raise inquiries, requests, or complaints through their preferred touchpoints. These include 24/7 CX support (accessible via chat on the Bank’s digital platforms or through the hotline), two-way SMS, email, official social media accounts, or in-person visits to any branch or the head office.



Customer concerns are addressed and resolved through the Bank’s 4-Step Customer Issues Resolution Process – Acknowledgment, Disposition, Investigation and Tracking, and Closing – within turnaround time (TAT) standards compliant with BSP regulations.

EXHIBIT 35. CUSTOMER SATISFACTION SCORE. FY 2025

DISCLOSURE	SCORE	A THIRD A PARTY CONDUCT THE CUSTOMER SATISFACTION STUDY? (Y/N)
Customer satisfaction	6/7	N

Health and Safety

The Bank implements physical security measures and health protocols in its head office, branches, and warehouses. It ensures its facilities and materials post no health and safety hazard to its employees and visitors.

EXHIBIT 36. HEALTH AND SAFETY RELATED COMPLAINTS. FY 2025

DISCLOSURE	QUANTITY
No. of substantiated complaints on product or service health and safety*	0
No. of complaints addressed	0

Marketing and Labelling

The Bank’s Financial Consumer Protection (FCP) policies provide guidance for implementing its consumer protection standards and strategies. These are reflected in sound and compliant marketing and labelling practices, supported by defined layers of review and approval involving relevant product managers and business units. Third-party service providers engaged for marketing activities undergo an accreditation process and are required to comply with the Bank’s consumer protection standards.

EXHIBIT 37. COMPLAINTS ON MARKETING AND LABELLING. FY 2025

DISCLOSURE	QUANTITY
No. of substantiated complaints on marketing and labelling*	0
No. of complaints addressed	0

*Substantiated complaints include complaints from customers that went through the organization’s formal communication channels and grievance mechanism as well as complaints that were lodged to and acted upon by government agencies.



Customer Privacy

GRI 418-1

The Bank protects customer data through multiple layers of security, as well as policies that are closely intertwined with its business processes. The Data Protection Officer is responsible for ensuring compliance with the guidelines and directives of the country's strict data privacy and confidentiality laws.

EXHIBIT 38. COMPLAINTS ON CUSTOMER PRIVACY. FY 2025

DISCLOSURE	QUANTITY
No. of substantiated complaints on customer privacy*	0
No. of complaints addressed	1,558
No. of customers, users and account holders whose information is used for secondary purposes	0

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanism as well as complaints that were lodged to and acted upon by government agencies.

Data Security

GRI 418-1

The Bank takes data privacy and information security very seriously. It protects its subjects' (i.e. employees, clients and customers, suppliers, and other stakeholders) data through multiple layers of security in its infrastructure and policies, which are closely intertwined with business processes, such as but not limited to the following:

- Bank applications that collect data from clients use strong network encryption and go through a rigorous and regular application security testing by both internal and 3rd-party security testing teams.
- Critical databases in the Bank are actively monitored for suspicious activities.
- Additional approvals from the Data Protection Officer (DPO) and the Chief Information Security Officer (CISO) are required before any client data can be exported, extracted, processed or shared with other groups in the Bank or with third party entities.
- Secure disposal of hard drives is in place such that digital data are securely wiped out and the drives physically destroyed beyond recovery.
- Security controls are in place for remote VPN and Bring Your Own Device (BYOD) users where the Bank utilizes Mobile Device Management (MDM) technologies to separate company data from personal data in the personal devices of employees.

These are aligned with the Bank's processes that adhere to the principles of transparency, legitimate purpose, proportionality, quality and security in compliance with Republic Act No. 10173 otherwise known as "The Data Privacy Act of 2012", its Implementing Rules and Regulations and the related issuances of the National Privacy Commission (NPC).

Aside from the Bank's Information Security and Cyber Security policies and procedures, its regularly updated and Board-approved Data Privacy Policy Manual (DPPM) encapsulates the privacy and data protection protocols/security measures that need to be observed and carried out within the Bank for specific circumstances (i.e. from collection to destruction) directed towards the fulfilment and realization of the rights of its data subjects and protection of personal data against natural dangers such as accidental loss or destruction, and human dangers such as unlawful access, fraudulent misuse, unlawful destruction, alteration and contamination.

Complementing the said DPPM is the Bank's Policy on Retention and Disposal of Records Containing Personal Information which sets forth the standards on how and for how long PSBank retains records containing personal information that are necessary for its ongoing business operations, legal, audit, and regulatory compliance. It likewise prescribes the secure and orderly disposal of such records, thereby promoting efficient records management while safeguarding data subjects' privacy rights. In September 2025, the Bank also adopted a Data Privacy Policy Governing the Use of CCTV Systems in compliance with the requirements of the National Privacy Commission (NPC) Circular No. 2024-02 re: Closed-Circuit Television (CCTV) Systems in order to ensure that its use of CCTV systems adheres to the general privacy principles and upholds data subjects' rights and freedoms.

The Bank's Data Protection Officer (DPO) is responsible for ensuring compliance with the guidelines and directives of the country's strict data privacy laws, and is also tasked with creating a culture of heightened awareness in data privacy within the Bank through annual Data Privacy refresher training courses and continuing awareness campaigns. Its Information Security Group supports this objective with the mandatory information security training for the Bank employees, security awareness campaign for its partners and third party service providers and the "Be Aware!" fraud awareness program for its customers. Security awareness modules are likewise included in the Bank's ladderized program curricula. The learning collaterals are released every month through the Bank's internal media platform. Phishing email simulations are conducted throughout the year to ensure that all employees and business partners remain vigilant and adhere to the Bank's security processes for a more secure banking.

EXHIBIT 39. DATA SECURITY. FY 2025

DISCLOSURE	QUANTITY
No. of data breaches, including leaks, thefts and losses of data	0

GOVERNANCE

Board Oversight

GRI 405-1

The Board is composed of leaders with a range of diverse skills, backgrounds, experience, and viewpoints. Individually and as a whole, the directors hold the necessary qualifications to provide effective oversight and challenge, as well as insightful strategic guidance. It ensures the sustainability strategy is aligned with business goals.

EXHIBIT 40. BOARD DIVERSITY. FY 2025

DIRECTOR'S PROFILE BY GENDER	QUANTITY
Female	2
Male	7



Systemic Risk Management

PSBank conducts an Internal Capital Adequacy Assessment Process (ICAAP), in coordination with its parent company, to determine whether the Bank's qualifying capital can support its mid-term risk asset growth under normal and crisis conditions. Base-case financial projections over the next five years are prepared using business assumptions under normal economic and political environment. Crisis-level indicators per scenario are then applied to stress the base-case financials, including the capital adequacy ratio. The exercise is designed to approximate a "black swan" environment with minimal or no management intervention. The objective of the ICAAP is to proactively assess the Bank's capital strength, resiliency and recoverability under pressures arising from economic, geopolitical, domestic, international or environment-related events. Embedded also in the ICAAP process is the identification of remedial actions to preserve capital adequacy and liquidity during these scenarios.

Stress Scenarios Used in the Past Three Years include:

- The Big One: ≥ 8.0 Magnitude Earthquake in the West Valley Fault Line
- Climate Stress
- Armed Conflict in the Philippines / Geopolitical Crisis
- Trade Blockade in the Philippines
- Consumption Crunch
- Hybrid Electric Vehicle / Full Electric Vehicle Aggressive Push

Results of the current ICAAP exercise show that the Bank maintains a strong capital and liquidity position that can support its mid-term risk asset growth and have recovery strategies in place in cases of adverse conditions to mitigate financial deterioration during these stress events.

Business Ethics

GRI 205

The Bank subscribes to and adopts the State's policy to protect the: (1) integrity and confidentiality of accounts and to ensure that it shall not be used as a vehicle to legitimize the proceeds of unlawful activity, facilitate/finance terrorism, or proliferate/finance the proliferation of weapons of mass destruction; and (2) life, liberty and property from acts of terrorism by condemning such acts and those who support and finance it as a crime against the Filipino people, against humanity and against the law of nations. It ensures that it executes all transactions with its customers in accordance with the Anti-Money Laundering (AML) / Counter Financing of Terrorism (CFT) / Counter Proliferation Financing (CPF) policy guidelines, procedures, tools, and controls set forth in its regularly updated Money Laundering and Terrorism Financing Prevention Program (MTPP). Its MTPP, as posted in its intranet site for the guidance of all implementing personnel, primarily revolves around the basic AML/CFT/CPF controls required under existing AML/CFT/CPF laws, rules and regulations, namely:

1. Know Your Customer (KYC)/Customer Due Diligence (CDD) and Know Your Employee (KYE);
2. Ongoing monitoring of customers and their transactions;
3. Covered and Suspicious Transactions Reporting;
4. Records keeping and retention;
5. Employee training and continuing education; and
6. Compliance with Freeze Orders, KYC requests, bank inquiries, Targeted Financial Sanctions and other AML/CFT/CPF rules and regulations of the Anti-Money Laundering Council (AMLC) and the BSP.

Compliance with the requirements of the MTPP is continuously monitored by the Board-designated AML Compliance Officer (AMLCO) under the Compliance Office as the lead implementer.

There were no monetary losses as a result of legal proceedings associated with money laundering in 2025.

Grievance Mechanism for Whistleblowers

GRI 2-25

The Bank encourages all stakeholders to communicate, confidentially and without the risk of reprisal, legitimate concerns about illegal, unethical or questionable practices and transactions entered by any of its employees and officers.

The Bank has guidelines on reporting impropriety or malpractice, dishonesty or fraud committed by co-employee/s or third party or parties to anyone of Human Resources Group head, Fraud Management Group head, or Chief Audit Executive/Internal Audit Group head, or informant's Group head, for evaluation if it would warrant an investigation. Under the Code of Conduct, concealment or non-reporting is considered as an impropriety or malpractice in itself.

A whistleblowing report must be made in good faith, believing it is true and not made maliciously or for personal gain. The whistleblower's identity and right to privacy is protected by the Bank to ensure that he/she is protected from any form of harassment. The policies consider any attempt to determine the whistleblower's identity as a breach of confidentiality which is subject to disciplinary sanctions.



Stakeholder Management



The Bank is dedicated to leveraging its resources and relationships to encourage stakeholders to embrace and integrate sustainable business practices. These stakeholders are categorized based on their interests and needs.

For its customers, PSBank delivers products and services known for being simple and *maaasahan* (reliable). With a nationwide network of 250 branches and 509 ATMs, the Bank ensures accessibility through its 24/7 digital banking channels, including PSBank Mobile and PSBank Online. Customers can also reach PSBank via its Customer Experience Hotline, PSBank LiveChat, ISSA Chatbot, official social media accounts, and two-way SMS.

PSBank is also committed to financial literacy through its award-winning campaign, Be Aware! It upholds stringent information security and data protection policies in compliance with regulatory and industry standards on data privacy, cybersecurity, and financial consumer protection.

The Bank considers the well-being, diversity, and growth of its employees among its top priorities. It fosters a safe and collaborative work environment that promotes work-life balance and professional development. Employees benefit from comprehensive compensation packages, talent management programs, and career advancement opportunities. The Bank's Personnel Committee evaluates performance, oversees career progression, addresses employee-related cases, and reviews personnel policies, including the Code of Conduct. Meanwhile, its Retirement Committee manages the Gratuity and Retirement Benefit Plan.

For service providers, PSBank follows Board-approved policies governing third-party engagements, including accreditation, outsourcing, performance monitoring, and contract renewal. A materiality assessment framework is applied to outsourced services, evaluating factors such as importance, impact, cost efficiency, service provider exposure, compliance controls, and data protection. The outsourcing scorecard also incorporates environmental and social risk assessment criteria.

EXHIBIT 41. STAKEHOLDER MANAGEMENT.

Customers



- Products that are known for being simple and *maaasahan* (reliable)
- Superior and seamless customer service through the Customer Experience Management
- Reliable and secured digital services through PSBank Mobile and PSBank Online Banking
- Data privacy
- Financial literacy

Employees



- Continuous growth through training and development programs
- A workplace that promotes safety, teamwork, work-life balance and overall well-being
- Comprehensive and competitive compensation and benefit packages
- Recognition for contributions

Service Providers



- Fair and compliant engagements
- Effective collaboration through regular correspondence

Investors



- Active dialogue
- Long term commitment
- Value creation
- Adequate information and relevant disclosures

Communities



- Financial literacy
- Corporate responsibility through contributions to education, health, society, and environment

Regulators



- Compliance and risk management
- Strategic engagement and communication
- Continuous relationship building



UN SDG CONTRIBUTIONS



EXHIBIT 42. SME LOAN PORTFOLIO BY SDG CONTRIBUTION. FY 2025

SDG 8 – Decent work and economic growth

The Bank’s contribution to SDG 8 – Decent Work and Economic Growth as defined in its Sustainable Finance Framework is to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all by increasing its non-retail portfolio specially its Small and Medium Enterprise (SME) loan portfolio.

The Bank offers term loans, credit lines, letters of credit and trust receipts, bills purchase, and discounting lines which are integral to support SME capital requirements, acquisition of fixed assets, and funding for day-to-day operations. By financing the requirements of the country’s SME sector, the Bank indirectly supports employment growth and boosts production of goods and services which in part contributes to the Philippine’s National Development Goals to lower the country’s unemployment rate by 2030.

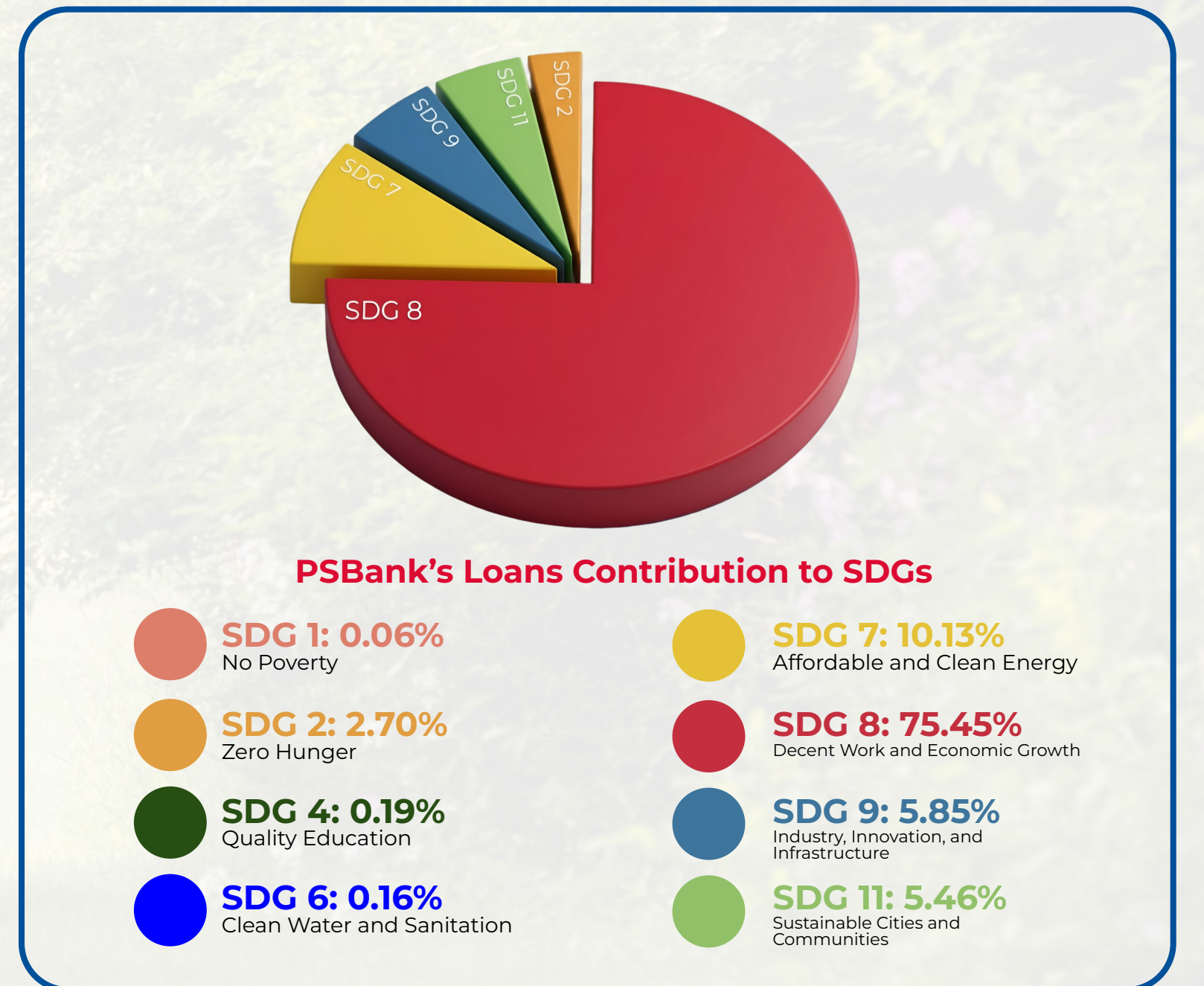


EXHIBIT 43. SME LOANS E&S RISK RATING BY ECONOMIC ACTIVITY. FY 2025



The Bank assesses environmental and social risks associated with financed activities. It classifies exposures into low, medium or high E&S risk following recognized industry frameworks.

SDG 9 - Industry, Innovation, and Infrastructure

The Bank strives to build sustainable industrialization and foster innovation that creates lasting value for stakeholders covering key areas, including the following.

- People**
 To enhance the experience of its employees, the Bank continues to implement in-house system enhancements. These include digital tools for HR support, training, communication and engagement.
- Systems, Policies and Procedures**
 To strengthen governance and risk management through digital transformation, the Bank's system upgrade initiatives help address risks associated with obsolescence or unsupported application, while improving security, performance and reliability. It continues to strengthen capabilities to improve efficiency, accuracy, and data consistency across critical processes, reducing manual intervention and operational risk. It also continues to enhance the monitoring tools for security risk assessments to remain aligned with the changing risk environment. It improves access to policies, procedures and operational guidelines with AI-enabled information retrieval tool.
- Products and Services**
 To develop innovative, inclusive and accessible sustainable financial solutions to meet evolving customer market needs, the Bank continues to enhance its products and services. Improvements in its mobile and digital platforms provide clients with more convenient access to transaction information, account services, and self-service features. The Bank continues to strengthen customer notifications to support immediate, automated, personalized, and actionable messages.

The Bank's Information Technology Group is composed of highly skilled personnel up to date with the latest and more effective technology solutions. They undergo professional development programs relevant to the product or project requirements. They ensure that the system enhancements and developments follow governance policies and have adequate documentations that include sustainability benefits of these initiatives.

SDG 13 – Climate Action

GRI 303-4

Low Carbon Operations and Renewable Energy

The Bank's head office sources its electricity from 100% renewable energy, reducing carbon emissions and operational costs compared to traditional non-renewable energy sources. This is formalized through a contracted renewable energy supply supported with International Renewable Energy Certificates (I-RECs).

The branch in Los Baños, Laguna reduces its carbon footprint and reliance on non-renewable power through its solar panels. It has net metering that allows excess energy generated to be fed back to the grid and thus generates additional cost savings. The Bank conducts technical site assessment, financial viability analysis, operational and impact evaluation, regulatory and legal scoping for other bank-owned branches for solar panel installation.

The Bank continues its energy-saving measures with the opportunistic conversion to LED light fixtures and signages, transparent roofing for warehouses, turning off lights during lunch breaks in different head office units, and seeking for additional renewable energy alternatives. These initiatives are aligned with the Bank's commitment to SDG 13 Climate Action.



Sustainable Finance and Climate-Aligned Investments

In support of sustainable finance, the Bank refined its taxonomy guidelines for its financial products and investments in accordance with BSP Circular 1187 on Philippine Sustainable Finance Taxonomy Guidelines. This helps classify activities that contribute to climate change adaptation and mitigation while meeting regulatory expectations.

The Bank considers transition risk in E&S risk evaluation by industry classification. Accounts classified as high E&S risk are subject to stress testing based on internal policies.

The Bank also supports the Philippine government's move towards a greener mobility by financing hybrid and electric vehicles (EV) through its Auto loan facility.

EXHIBIT 44. HYBRID AND EV AUTO LOANS. DECEMBER 2025

HYBRID AND EV AUTO LOANS	2025 DEC 31
Count	4,455
Outstanding Balance (in billion PHP)	4.03
Growth (YOY)	61.35%

In terms of investments, the Bank has successfully invested a total of Php110 Mn in sustainability-linked bonds.

PSBank's approach to address climate change risks in its lending business continues to evolve. Diligent review of its existing processes, policies, and tools is carried out with the collaboration of the Bank's Credit, Risk Management and business units to ensure continued relevance, comprehensiveness and effectiveness.

The Bank annually conducts Sustainable Finance training to its employees. The materials include climate change adaptation and mitigation, climate-related risks and opportunities, environmental and social risks, environmental laws, and sustainable finance taxonomy.



Sustainability Data Mapping

PER SEC AND GRI REQUIREMENTS

Below is a mapping of the Bank’s Sustainability Report discussions against the SEC and GRI requirements.



SEC STANDARD DISCLOSURE	GRI CONTENT INDEX	PSBANK SR SECTION NAME
GENERAL DISCLOSURES		
Company Details	GRI 2-1: Organizational details	About PSBank
Materiality Process	GRI 3-1: Process to determine material topics	Materiality Assessment
ECONOMIC		
Economic Performance – Direct Economic Value Generated and Distributed	GRI 201-1: Direct economic value generated and distributed	Economic Performance – Direct Economic Value Generated and Distributed
Climate-related Risks and Opportunities	GRI 201-2: Financial implications and other risks and opportunities due to climate change	Economic Performance – Management of Environmental Risks and Opportunities
Procurement Practices – Proportion of Spending on Local Suppliers	GRI 204-1: Proportion of spending on local suppliers	Procurement Practices – Proportion of Spending on Local Suppliers
Anti-corruption – Training on Anti-Corruption Policies and Procedures	GRI 205-2: Communication and training about anti-corruption policies and procedures	Anti-corruption – Training on Anti-Corruption Policies and Procedures
Anti-corruption – Incidents of Corruption		Anti-corruption – Incidents of Corruption



SEC STANDARD DISCLOSURE	GRI CONTENT INDEX	PSBANK SR SECTION NAME
ENVIRONMENT		
Resource Management – Energy Consumption within the Organization	GRI 302-1: Energy consumption within the organization	Resource Management – Electricity Consumption
Resource Management – Reduction of Energy Consumption	GRI 302-1: Energy consumption within the organization	Resource Management – Energy Reduction
Resource Management – Water Consumption within the Organization	GRI 303-1: Interactions with water as a shared resource GRI 303-3: Water withdrawal	Resource Management – Water Consumption
Resource Management – Materials Used by the Organization	GRI 301-1: Materials used by weight or volume GRI 301-2: Recycled input materials used	Resource Management – Materials Used
Resource Management – Ecosystems and Biodiversity	GRI 101-5: Locations with biodiversity impacts	Resource Management – Ecosystems and Biodiversity
Environmental Impact Management – Air Emissions - GHG	GRI 305-1: Direct (Scope 1) GHG emissions GRI 305-2: Energy indirect (Scope 2) GHG emissions GRI 305-3: Other indirect (Scope 3) GHG emissions GRI 305-4: GHG emissions intensity GRI 305-6: Emissions of ozone-depleting substances (ODS)	Environmental Impact Management – Greenhouse Gas (GHG) Emissions, Emissions per Type of Gas, Scope 3 – Indirect Emissions, GHG Emission Intensity
Environmental Impact Management – Air Emissions – Air Pollutants	GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environmental Impact Management – Air Emissions – Air Pollutants
Solid and Hazardous Wastes – Solid Wastes	GRI 306-3: Waste generated GRI 306-4: Waste diverted from disposal GRI 306-5: Waste directed to disposal	Environmental Impact Management – Solid Waste
Solid and Hazardous Wastes – Hazardous Wastes	GRI 306-3: Waste generated GRI 306-4: Waste diverted from disposal GRI 306-5: Waste directed to disposal	Environmental Impact Management – Hazardous and Non-Hazardous Wastes

Sustainability Data Mapping

PER SEC AND GRI REQUIREMENTS

Below is a mapping of the Bank’s Sustainability Report discussions against the SEC and GRI requirements.

SEC STANDARD DISCLOSURE	GRI CONTENT INDEX	PSBANK SR SECTION NAME
ENVIRONMENT		
Solid and Hazardous Wastes – Effluents	GRI 306-3: Waste generated GRI 306-4: Waste diverted from disposal GRI 306-5: Waste directed to disposal	Environmental Impact Management – Effluents
Environmental Compliance – Non-compliance with Environmental Laws and Regulations	GRI 2-27: Compliance with laws and regulations	Environmental Compliance – Compliance with Environmental Laws and Regulations
SOCIAL		
Employee Management – Employee Hiring and Benefits – Employee data	GRI 2-7: Employees GRI 405-1: Diversity of governance bodies and employees GRI 401-1: New employee hires and employee turnover	Employee Management – Workforce Diversity, New employee Hires and Employee Turnover
Employee Management – Employee Hiring and Benefits – Employee benefits	GRI 201-3: Defined benefit plan obligations and other retirement plans GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part time employees	Employee Management – Employee Benefits
Employee Management – Employee Training and Development	GRI 404-1: Average hours of training per year per employee	Employee Management – Employee Training and Development
Employee Management – Labor-Management Relations	GRI 402-1: Minimum notice periods regarding operational changes GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Management – Labor Management Relations
Employee Management – Diversity and Equal Opportunity	GRI 405-1: Diversity of governance bodies and employees	Employee Management – Diversity and Equal Opportunity
Workplace Conditions, Labor Standards, and Human Rights – Occupational Health and Safety	GRI 403: Occupational safety and health	Workplace Conditions, Labor Standards, and Human Rights– Occupational Safety and Health

SEC STANDARD DISCLOSURE	GRI CONTENT INDEX	PSBANK SR SECTION NAME
SOCIAL		
Workplace Conditions, Labor Standards, and Human Rights – Labor Laws and Human Rights	GRI 408: Child labor GRI 409: Forced or compulsory labor	Employee Management – Labor Laws and Human Rights
Supply Chain Management	GRI 204-1: Proportion of spending on local Suppliers	Supply Chain Management
Relationship with Community – Significant Impacts on Local Communities	GRI 413-1: Operations with local community engagement, impact assessments, and development programs	Relationship with Community – Significant Impacts on Local Communities
Customer Management – Customer Satisfaction	–	Customer Management – Customer Satisfaction
Customer Management – Health and Safety	GRI 416: Customer health and safety	Customer Management – Health and Safety
Customer Management – Marketing and Labelling	GRI 417: Marketing and labelling	Customer Management – Marketing and Labelling
Customer Management – Customer Privacy	GRI 418: Customer privacy	Customer Management – Customer Privacy
Data Security	GRI 410: Security practices GRI 418: Customer privacy	Data Security
GOVERNANCE		
–	GRI 2-12: Role of the highest governance body in overseeing the management of impacts	Board Oversight
–	–	Systemic Risk Management
–	GRI 205-2: Communication and training about anti-corruption policies and procedures	Business Ethics
–	GRI 2-25: Processes to remediate negative impacts GRI 2-29: Stakeholder engagement	Grievance Mechanism for Whistleblowers Stakeholder Management
UN SUSTAINABLE DEVELOPMENT GOALS		
Product or Service Contribution to UN SDGs	–	Contributions to UN Sustainable Development Goals





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