

2020 Environmental, Social, Governance Highlights

2020 REVENUE (PHP)

3.72 B

2020 NET INCOME (PHP)

703 M

STOCK PRICE (PHP)

3.40*

MARKET CAPITALIZATION (PHP)

19 B*

GROSS LAND AREA

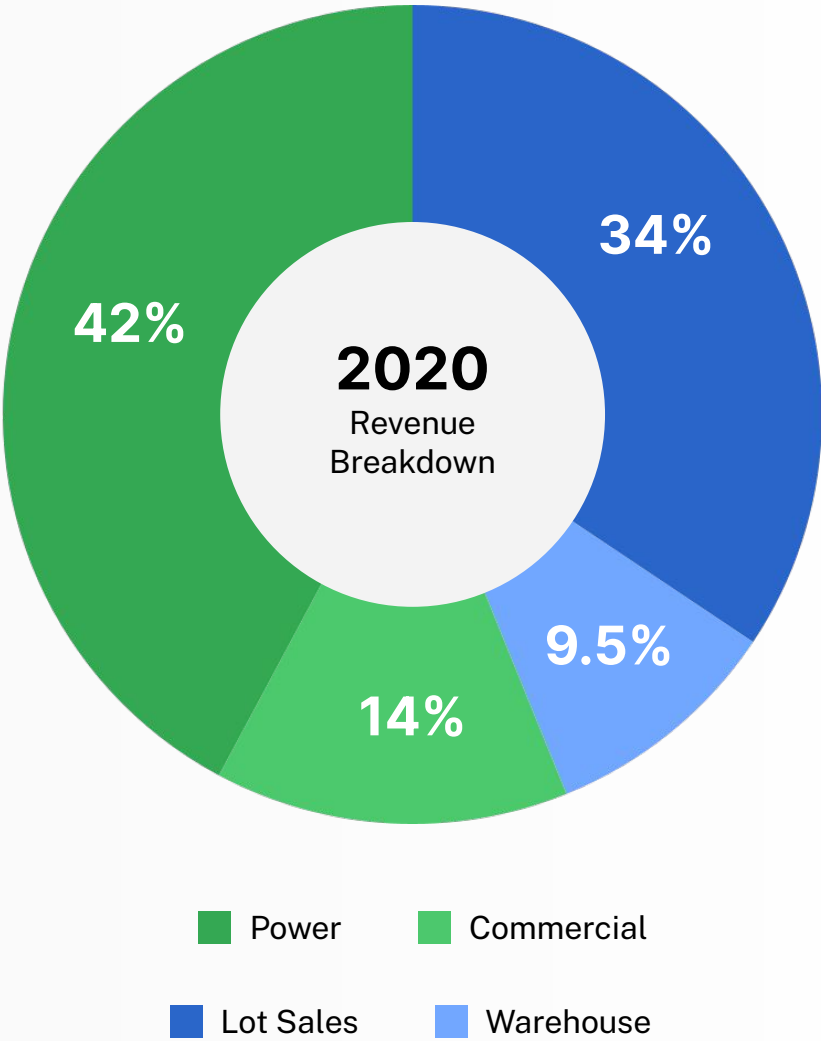
934 HA

**as of last applicable trading date of the year*

GROSS LEASABLE AREA



99% Percentage of procurement budget spent on local suppliers



FOUR FOCUS AREAS

We share with our parent company, Ayala Land, the same commitment to reshape the mindset towards sustainability. To help address the country's sustainability concerns, we focus on four areas: Site Resilience, Pedestrian Mobility and Transit Connectivity, Eco-efficiency, & Local Economic Development.

These four focus areas are integrated in the way we do business, serving as guides to our project developments and operations in implementing practices of sustainability.



Site Resilience



**Pedestrian Mobility &
Transit Connectivity**



**Resource
Efficiency**

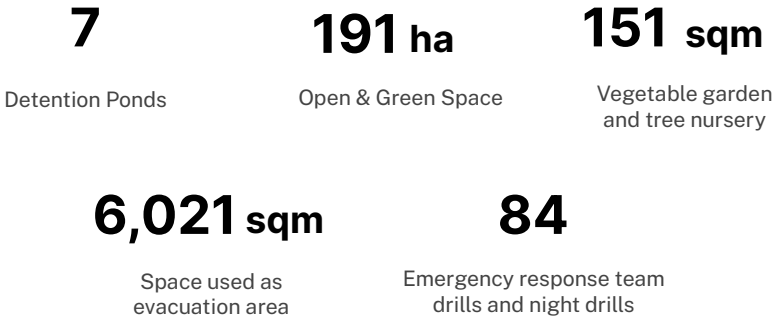


**Local Economic
Development**



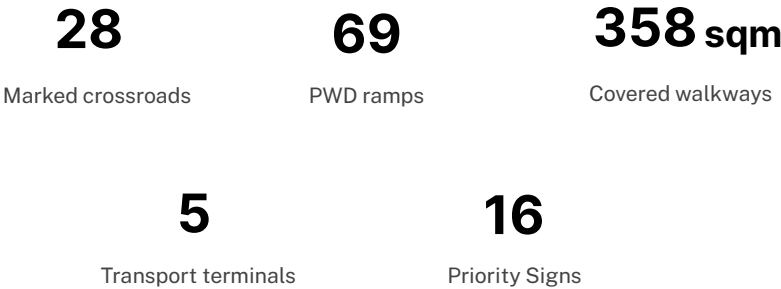
Site Resilience

We take into consideration the long-term risks of climate change and environmental stress. We continue to make our sites and developments resilient and emergency-ready by conducting technical due diligence to screen geohazards, periodically practicing disaster-readiness exercises, providing permeable spaces for rainwater absorption and allocating green spaces.



Pedestrian Mobility & Transit Connectivity

Urban mobility is an important concern as we move from our home to our place of work and business. We prioritize the safety, comfort, and convenience of the community. We provide opportunities for commuters to easily connect to public transport routes and terminals.





Resource Efficiency

We practice strict monitoring of the efficient use of our resources and implement a solid waste management program. We have standard Material Recovery Facilities (MRF) in our developments.

24,504,983 kWh

Energy consumption

386,595 m³

Water Consumption

987,618 kg

Waste collected



Local Economic Development

We spur economic activity to generate employment opportunities in our individual and commercial properties. We contribute to nation-building, creating value for the communities where we are in through projects and initiatives that help uplift lives.

Sustainability Four Focus Areas & Material Topics

Site Resilience

Pedestrian & Transit Connectivity

Resource Efficiency

Local Economic Development

Others

ECONOMIC

204: Procurement Practices

ENVIRONMENTAL

303: Water & Effluents

307: Environmental Compliance

302: Energy

303: Water & Effluents

305: Emissions

306: Effluents & Waste

SOCIAL

416: Customer Health & Safety

401: Employment

403: Occupational Health and Safety

404: Training & Education

405: Diversity and Equal Opportunities

413: Local Communities

418: Customer Privacy

*13 out of 33 GRI Standards

Environmental

Energy and water consumption and waste generation decreased in 2020 due to the slowdown of operations as a consequence of the global pandemic.



ENERGY (GRI 302)

Commercial & Industrial

35%

Decline from
24m kWh to 16m kWh

135.92 kWh/sqm



88.91 kWh/sqm

Energy intensity
(based on occupancy)



WATER (GRI 303)

Commercial & Industrial

40%

Decline from
24m kWh to 16m kWh

1.94 m³/sqm



1.16 m³/sqm

Water intensity
(based on occupancy)

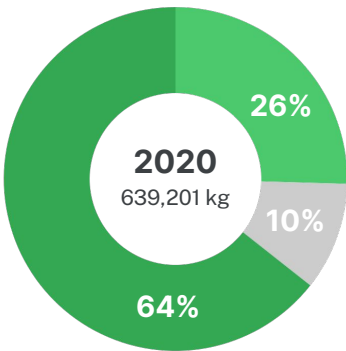
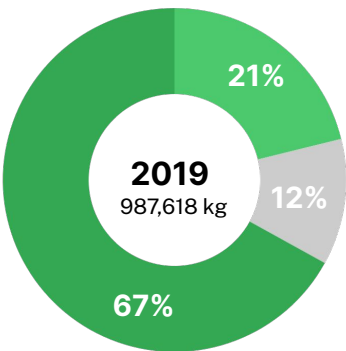


SOLID WASTE (GRI 306)

Commercial only

35%

Decrease from
987,618 kg to 639,201 kg



Food Waste Recyclable Residuals

CIRCULAR WASTE SYSTEMS

We practice the circular waste model of continually using materials in other useful forms. Aside from the regular recycling of materials, ALLHC sends its plastic discards to Ayala Land’s sustainability partner, Green Antz Builders, a manufacturer that converts plastic wastes into eco-pavers and eco-bricks. These eco-materials are used as construction materials in Ayala Land projects. In 2020, ALLHC employees contributed a total of 305 kg of clean and dry plastics which were then sent to Arca South Eco Hub.

EMISSIONS (GRI 305)

Emission tests and air ambient monitoring procedures are conducted where applicable to ensure results are within set limits by the Department of Natural Resources (DENR) and the National Pollution Control Commission (NPCC).

GHG EMISSIONS

19,807

co2e (scope 2)



12,985

co2e (scope 1 & 2)

No Scope 1 data available in 2019

EFFLUENTS (GRI 303)

No discharges from results from industrial processes as locator-companies are responsible for their own discharges. All discharges from our commercial properties are collected rainwater and domestic discharges only.

We treat and recycle wastewater for safe discharging. We ensure the presence of sewerage treatment plant (STP) in our developments and avail third-party services for wastewater treatment.



ENVIRONMENTAL COMPLIANCE (GRI 307)

Total amount of monetary fines for non-compliance with environmental laws and/or regulations: **PHP 0**

No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations: **0**

ALLHC complies with applicable codes implemented by national and local government units.

Social

We are committed to attracting, developing, and retaining the best employees.

GRI 401, 405

- We maintain non-discrimination policy for equal employment opportunity and workforce diversity.
- Practices are in place to release fair compensation for employees. Compensation packages are based on organization, skill and experience, with variable pay based on individual contribution and performance.
- We continue to monitor and adapt to the challenges brought about by the ongoing pandemic to ensure employees' health, safety and well-being. The company transitioned to a work-from-home arrangement to protect the workforce.

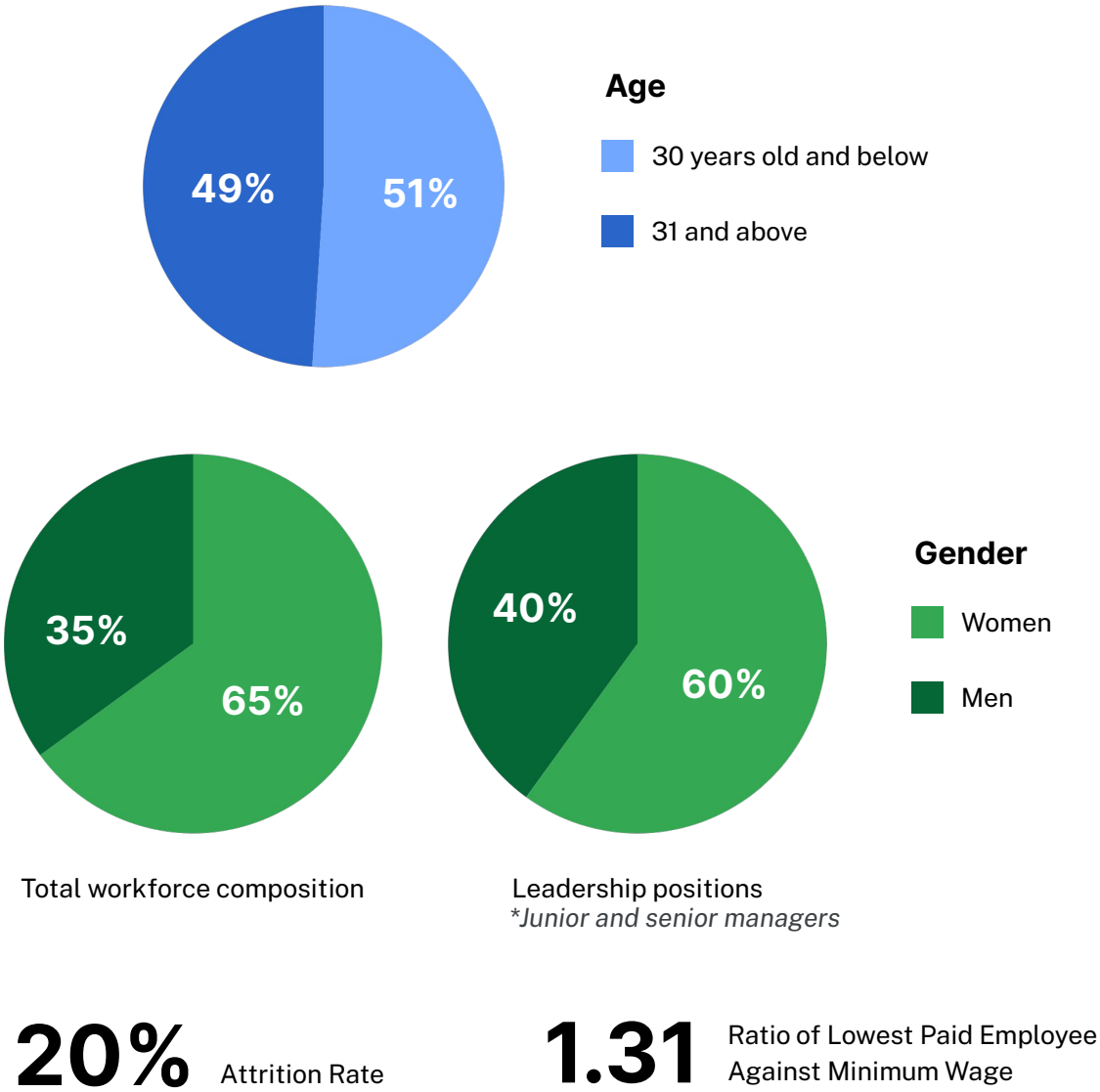


People Engagement & Development

Our employees are at the heart of the company. Behind our workforce is a team of competent & highly committed professionals; each individual is a valued contributor to the group’s corporate goals. We continuously maintain open lines of communication between management and employees through regular town halls, periodic meetings and updates, and performance feedback.

Headcount By Gender

	Men	Women	Total
Corporate	1	6	7
Industrial Parks and Real Estate Logistics	8	13	21
Commercial Leasing	7	13	20
Insurance	2	1	3
Total	18	33	51
Percentage	35%	65%	100%



We are committed to the continued development of our people



TOTAL TRAINING HOURS

Men: 661 hours
Women: 1,579 hours



AVG. TRAINING HOURS

Men: 37 hours
Women: 48 hours

We recognize the importance of giving employees professional development to hone their skills and realize their potential. In 2020, ALLHC conducted a total of 2,240 training hours despite under a flexible work arrangement.

Online training channels were rolled out to employees during the quarantine period in coordination with Ayala Land’s Corporate Learning Center. Among the learning and development programs were self-paced online courses through Degreed and Coursera, live online courses, and various webinars on leadership, management, corporate governance and health & wellness.



RELATIONSHIP WITH COMMUNITIES (GRI 413) Our thrust for countryside development inspires us to work together with the community on various projects.



Donation of basic necessities to various communities for Laguna Technopark's 30th Anniversary



Donation of public convenience facilities of the Kartilya ng Katipunan Park



Donation of medical supplies & equipment to beneficiary hospitals



Relief efforts for victims of the Taal Volcano eruption



Missionaries of Charity outreach



Assistance to our frontliners in our properties

LABOR LAWS AND HUMAN RIGHTS

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

We comply with RA 9231 – An Act Providing for the Elimination of the Worst Forms of Child Labor and Affording Stronger Protection for the Working Child.



CUSTOMER MANAGEMENT (403, 418)

No. of substantiated complaints on customer privacy: 0

No. of substantiated complaints on product or service health and safety: 0

Emergency response drills are mandated to be done weekly in our properties. Preventive maintenance checks are conducted regularly to avoid controllable incidents.



SUPPLY CHAIN MANAGEMENT

ALLHC currently follows Ayala Land's supplier accreditation process and policy, and exercises due diligence in accrediting suppliers and vendors.

Topics such as environmental performance, forced labor, child labor, human rights, bribery and corruption are discussed in the [Vendors' Code of Ethics](#).



COVID-19 RESPONSE

Supporting our Colleagues

- Continuously monitored the safety and well-being of our employees and service providers
- Transitioned to a work-from-home arrangement, and provided online development training programs for continuous growth
- Provided our frontliners basic necessities and allowances

Supporting our Clients and Customers

- Ensured that strict health and safety protocols were in place across all our properties.
- Granted rent reprieve during the ECQ period to mall merchants who temporarily stopped operations.
- Waived parking fees for the customers of essential establishments

Supporting our Communities

- Participated in the Ayala Land Pays-It-Forward campaign and Project Ugnayan
- Reached out to marginalized communities in Laguna, Cavite, Pampanga, Laguindingan in Misamis Oriental, and Metro Manila.
- Assisted in the procurement of medical supplies and equipment, which were donated by the Ayala Land Group to beneficiary hospitals.
- Constructed and donated public convenience facilities in the *Kartilya ng Katipunan* Park for the benefit of the local community.

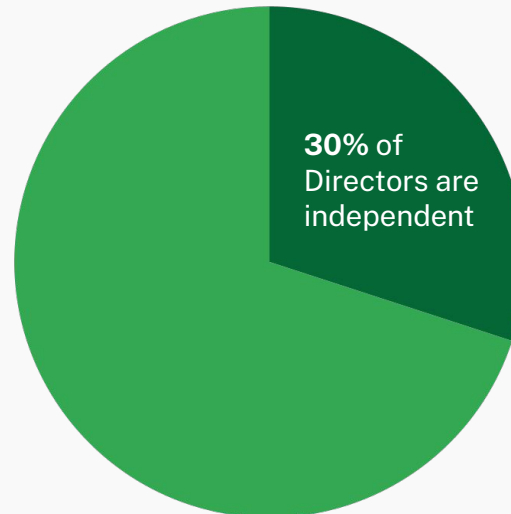


Governance

The Board of Directors is composed of nine (9) members, more than half of whom are non-executive directors.

The Board of Directors hold office for a period of one year & serve until the election & acceptance of their duly qualified successors.

- Overall Board and committee meeting attendance: 99%
- Declassified board with all directors elected annually
- Annual self-assessments of the Board and committees; periodic evaluations by an independent 3rd party
- Effective oversight of risks and opportunities



Board of Directors



Jose Emmanuel H. Jalandoni

- Director and Chairman
- Senior Vice President, ALI
- Head, ALI Commercial Business Group (malls, offices, hotels)



Felipe U. Yap

- Director and Vice-Chairman
- Chairman and CEO, Lepanto Consolidated Mining Company



Bernard Vincent O. Dy

- Director
- President and CEO, ALI



Maria Rowena M. Tomeldan

- Vice President, ALI
- President and CEO, ALLHC
- Head, ALI Real Estate Logistics and Special Investments Group



Nathanael C. Go

- Director
- President, United Harvest Corporation & Mighty and Strong (MAS) Food Corporation



Jaime Alfonso E. Zobel de Ayala

- Director
- Director, ACE Exenor, Inc.
- Former Head of Business Development and Head of Fixed-Mobile Convergence, Globe Telecom



Rex Ma. A. Mendoza

- Lead Independent Director
- Lead Independent Director, Globe Telecom
- Independent Director, ALI
- President and CEO, Rampver Financials



Atty. Renato O. Marzan

- Independent Director
- Former General Counsel, Managing Director, and Group Head of Corporate Governance and Legal Affairs, Ayala Corporation



Cassandra Lianne S. Yap

- Independent Director
- Vice President and Corporate Secretary, Zamcore Realty & Development Corp.
- Executive Vice President, Ferenzo Holdings and Development Corp. and FelCris Hotels & Resorts Corp.

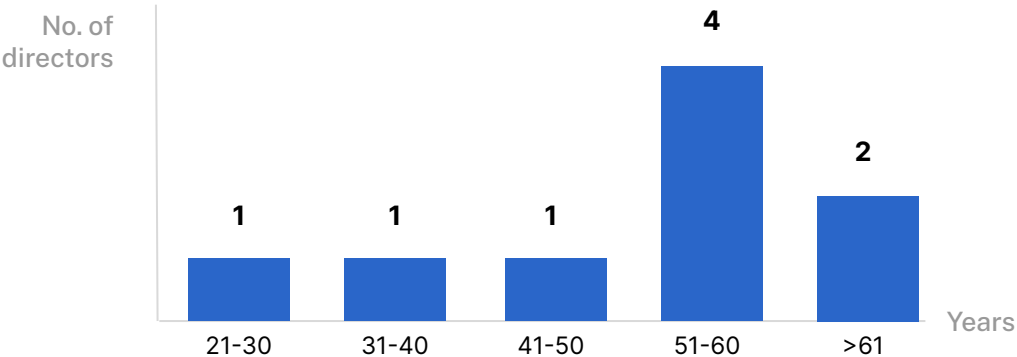
Board Competency & Diversity

The Board is a diverse mix of competent individuals with knowledge, skills & experience in business, management, legal, finance, marketing, business development & real estate, each contributing independent judgment and value in making sound corporate strategies & policies. The board members' diverse professional backgrounds are essential to the execution and corporate governance management of the Corporation.

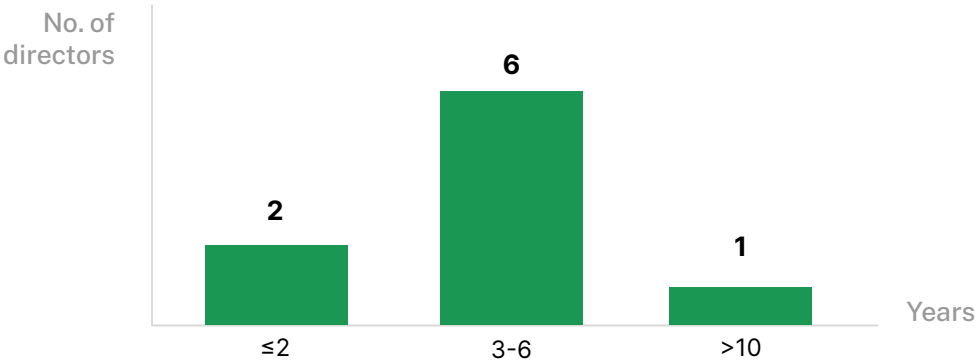
Diversity in the Board covers not only gender, but also age, ethnicity, culture, skills, competence, and knowledge. The Board regularly reviews its composition, considering the company's requirements & best practices in corporate governance. With respect to gender, the Corporation shall strive that its Board shall have at least two female directors by 2025. With the election of a female independent director in April 2020, the Company is compliant with its gender policy of female directors in the Board.

ALLHC requires all board members to attend relevant professional trainings and education programs. New directors attend an orientation program which provides information about the Corporation so that they can effectively perform their functions.

DIRECTOR AGE



DIRECTOR TENURE



INDEPENDENCE OF BOARD



3 of 9 Directors are independent

DIVERSITY AND COMPETENCIES MATRIX					
Director	Designation	Year Appointed (No. of years in the board)	Expertise	Year of Birth	Gender
Jose Emmanuel H. Jalandoni	Non-Executive, Chairman	March 2016 (4)	General management, real estate, finance	1967	M
Felipe U. Yap	Non-Executive, Vice Chairman	November 1993 (27)	General management, mining, real estate, securities	1937	M
Bernard Vincent O. Dy	Non-Executive	March 2016 (4)	General management, real estate, accounting, finance	1963	M
Maria Rowena M. Tomeldan	Executive, President & CEO	March 2016 (4)	General management, industrial parks, mall & retail management, real estate	1961	F
Jaime Alfonso E. Zobel de Ayala	Non-Executive	May 2020 (7 months)	Business development, product development, marketing & general management	1990	M
Nathanael C. Go	Non-Executive	January 2017 (4)	General management, retail business, manufacturing, marketing	1975	M
Rex Ma. A. Mendoza	Non-Executive, Lead Independent	March 2016 (4)	Finance & investments, marketing, real estate, insurance, risk management	1962	M
Renato O. Marzan	Non-Executive, Independent	January 2017 (4)	Legal, corporate governance, general management	1948	M
Cassandra Lianne S. Yap	Non-Executive, Independent	April 2020 (8 months)	Real estate management, hotel & resorts management, marketing	1989	F

BOARD COMMITTEE COMPOSITION AND FUNCTIONS

Executive Committee

- 3 directors
- Exercise any of the powers and attributes of the Board of Directors to the extent allowed by law
- Actions of the committee are reported to the Board

Board Risk Oversight Committee

- 3 non-executive directors, majority being independent directors including the Chairman
- Chairman of the committee cannot be the chairman of the Board or any other committee
- Responsible for the development and implementation of an enterprise risk management plan.

Sustainability Committee

- 3 directors with at least 1 independent director
- Oversees the company’s sustainability initiatives and practices

Audit Committee

- 3 non-executive, all being independent directors
- Chairman cannot be the chairman of the Board or any other committee
- Duties include financial reporting, internal and external audit
- Responsible for the appointment and removal of the internal auditor and independent auditor
- Ensures rotation of the independent auditor every 5 years

Board of Directors

- Responsible for promoting the company’s long-term success and sustained competitiveness
- Sets the vision, mission, strategic objectives and key management policies and procedures

Related Party Transactions Review Committee

- 3 non-executive directors, all being independent directors
- Tasked with the review of all related party transactions (RPTs)
- Ensures that all material RPTs are not undertaken on more favorable economic terms.

Personnel and Compensation Committee

- 3 directors, majority being independent directors
- Responsible for all matters pertaining to board, management, and overall company remuneration.

Corporate Governance & Nomination Committee

- 3 independent directors
- Oversees all corporate governance-related matters, and the nomination and election of the corporation’s directors

Business Ethics

- Our Code of Business Conduct & Ethics represents our values and dedication to conduct business in a responsible and honest manner.
- Anti-corruption programs and procedures are in place such as policies on Trading Blackout, Related Party Transactions, Whistleblowing, and Business Gifts.
- We maintain business integrity channels through which stakeholders can raise a concern confidentially and anonymously. All reported concerns are reviewed and, as necessary, investigated.
- In 2020, 100% of our directors and employees received business ethics and compliance training. There were zero incidents of corruption.

Risk Management

- Through the company's enterprise-wide risk management (EWRM) program, close coordination and collaboration between the business units and top management are ensured.
- Key risks and its drivers are identified and mitigation strategies are developed for each identified risk.
- This “top down, bottom up” approach provides a more holistic and rounded analysis of the organization's risk profile.



ALLHC's identified **top 3** risks, with the COVID-19 pandemic amplifying said risks, are as follows:

Key Risk	Risk Descriptions	Mitigating Measures
Government & Political Risk	The organization acknowledges that the country's economic & political situation drives the growth of the real estate industry. Political developments may cause volatilities in the market which may affect our operations or forward plans	Ensured compliance with relevant laws, policies & regulations, & actively monitored changes in pertinent policies & amendments
Risk of Being Marginalized by Competitors	As the organization grew its portfolio of developments, competition has likewise grown & undertaken similar expansions	Continuously monitored price competitiveness of our products Reviewed merchant mix of our malls & studied conversion to new leasing formats & non-traditional concepts
Financial Risk	To support business operations & project launches, it is crucial that the organization has the financial capacity to fund its growth in the short & long terms	Ensured efficient management of the organization's spend & cash flows