

# **2021 Environmental, Social, Governance Highlights**

2021 REVENUE (PHP)

4.28 B

2021 NET INCOME (PHP)

780 M

STOCK PRICE (PHP)

6.73\*

MARKET CAPITALIZATION (PHP)

42 B\*

GROSS LAND AREA

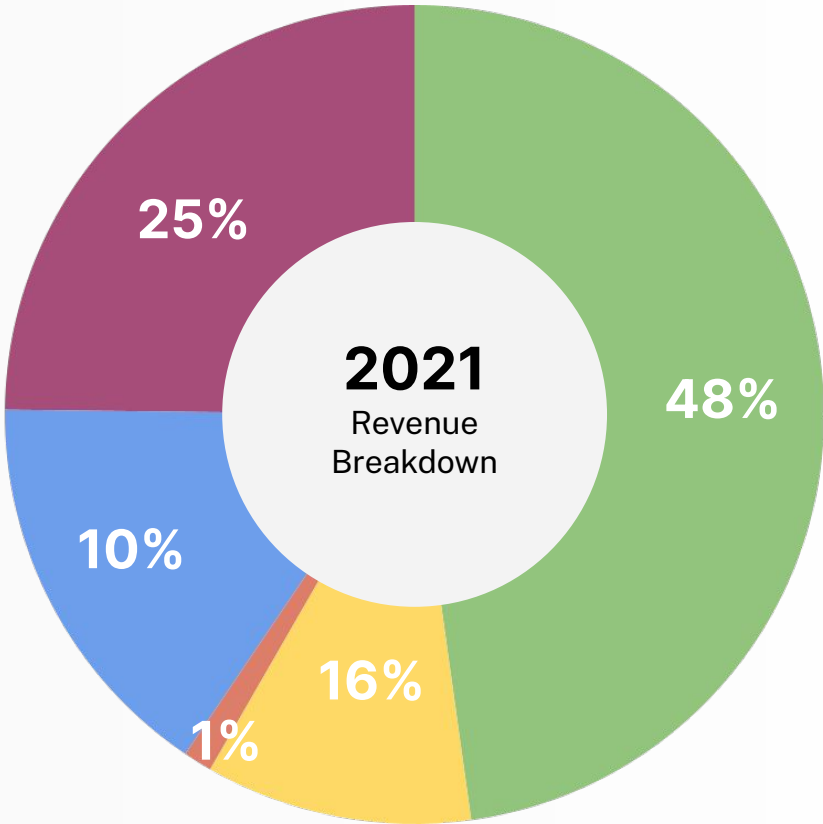
988 HA

*\*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 in monitoring the economic, environmental and social impacts of our developments. ALLHC has four focus areas: Site Resilience, Pedestrian Mobility and Transit Connectivity, Eco-efficiency, & Local Economic Development.

**Integrated in the way we do business, these four focus areas serve as guides in embedding sustainability practices in our project developments and operations while mitigating possible risks.**



**Site Resilience**



**Pedestrian Mobility &  
Transit Connectivity**



**Resource  
Efficiency**

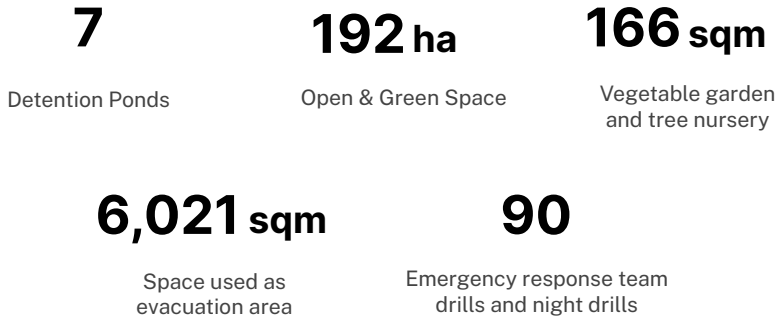


**Local Economic  
Development**



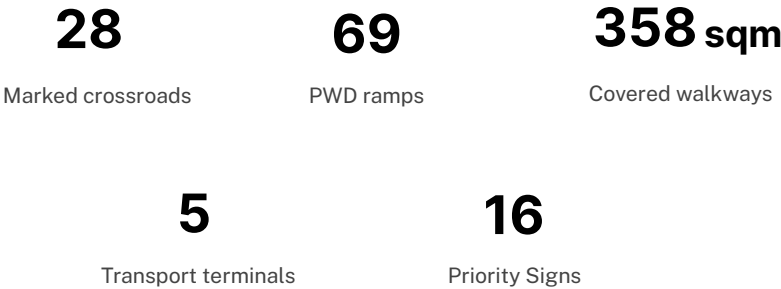
Site Resilience

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, and for pedestrians to walk safely.







Resource Efficiency

We practice strict monitoring of the conscientious use of our resources such as energy and water, and the management of waste in our properties.

22,004,304 kWh

Energy consumption

243,687 m<sup>3</sup>

Water Consumption

392,795 kg

Waste collected



Local Economic Development

We spur economic activity to generate employment opportunities in our industrial 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.

53

Direct employees

37 hrs

Average training hours

91%

Employee engagement score

619

Jobs generated (direct hires & service providers)



# Sustainability Four Focus Areas & Material Topics

## Site Resilience

## Pedestrian & Transit Connectivity

## Resource Efficiency

## Local Economic Development

## Others

### ECONOMIC

204: Procurement Practices

201: Economic Performance

### ENVIRONMENTAL

303: Water & Effluents

307: Environmental Compliance

302: Energy

303: Water & Effluents

305: Emissions

306: Effluents & Waste

### SOCIAL

416: Customer Health & Safety

401: Employment

404: Training & Education

405: Diversity and Equal Opportunity

413: Local Communities

403: Occupational Health and Safety

418: Customer Privacy

\*13 out of 33 GRI Standards

# Environmental

We are aligned with Ayala Land’s principle of using resources efficiently and judiciously in our operations.

## RESOURCE EFFICIENCY



### ENERGY (GRI 302)

14%

Increase from 19m kWh to 22m kWh

93 kWh/sqm



111 kWh/sqm

Whole building electricity intensity (based on occupancy)  
For commercial properties only.



### WATER (GRI 303)

5%

Decline from 256k m³ to 244k m³

1.17 m³/sqm



1.20 m³/sqm

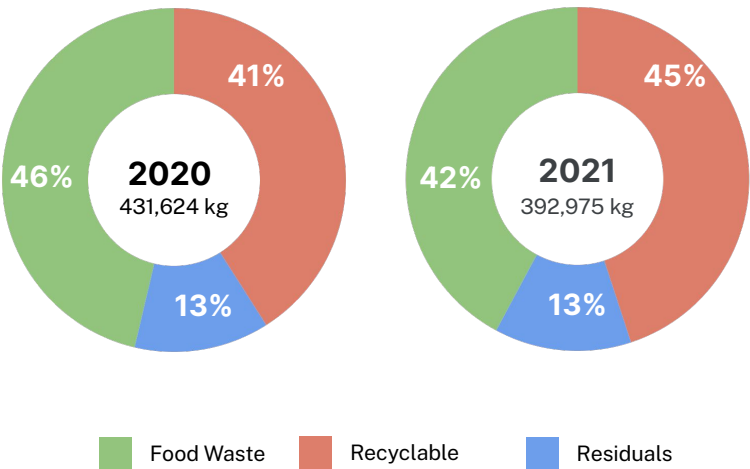
Whole building water intensity (based on occupancy)  
For commercial properties only.



### SOLID WASTE (GRI 306)

9%

Decrease from 987,618 kg to 639,201 kg



### 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 2021, ALLHC employees contributed a total of 908 kg of clean and dry plastics which were then sent to Arca South Eco Hub. ALLHC likewise diverted 36 tons through its purchase of 1,400 pallets, which were made purely from recycled plastics, for use in its cold storage facilities.



## CARBON NEUTRALITY (GRI 305)

ALLHC's commercial properties purchase electricity from renewable energy sources via their retail electricity supplier. By end-2021, renewable energy comprises 85% of the company's total energy consumption.

Total net emissions reached 2,250 t-CO<sub>2</sub>e, rising 170% due to increases in net Scope 1 and Scope 3 emissions. In 2021, fuel use monitoring started and a cold storage property was added.

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).

### ENERGY SOURCE

**85%**

Renewable

### NET EMISSIONS

**2,250**

t-CO<sub>2</sub>e

## 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.

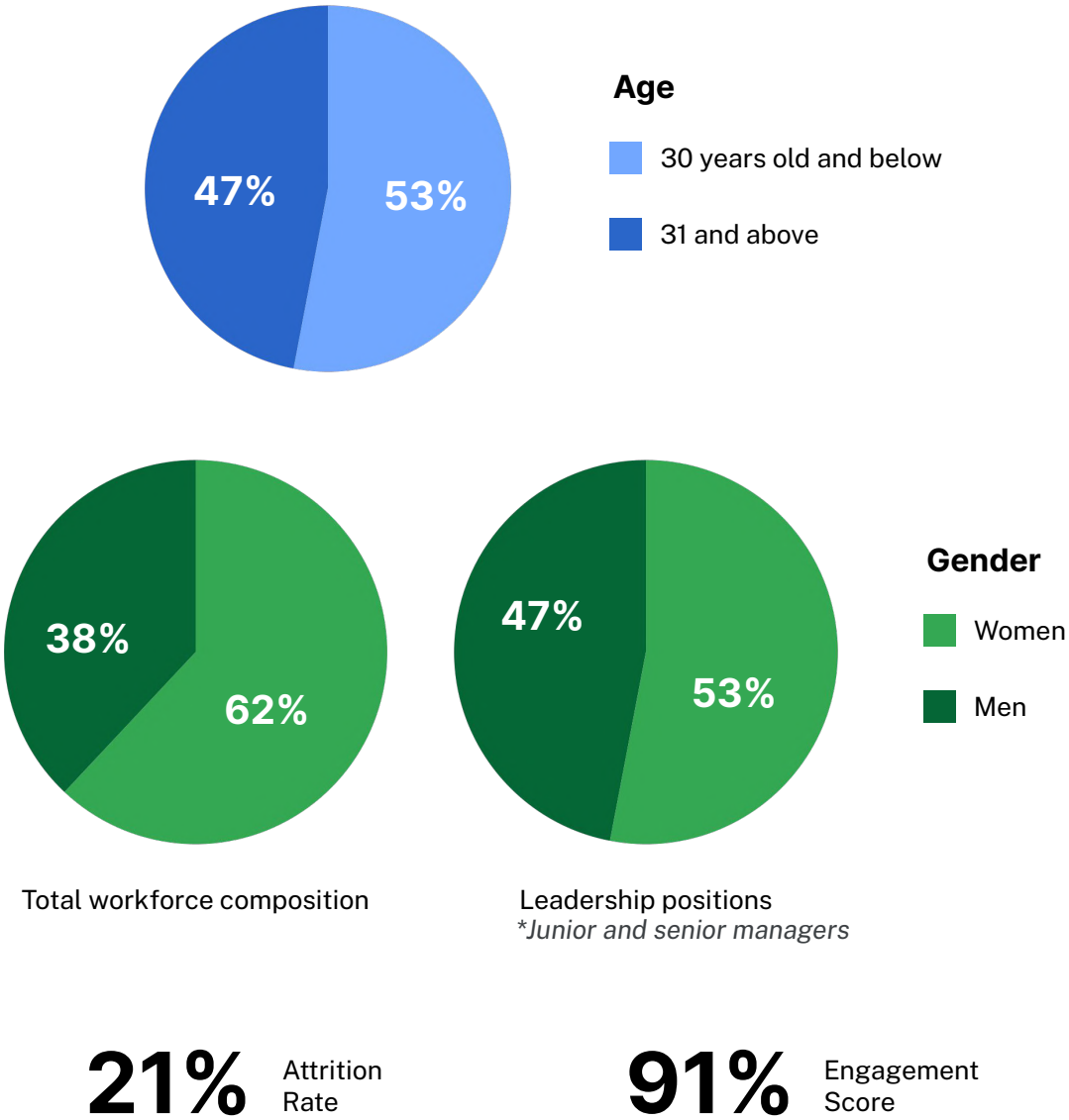


## People Engagement & Development

Our employees are at the heart of the company. We recognize our employees and workers as integral to the attainment of our goals, and that their welfare is our primary concern. Behind our workforce is a team of competent & highly committed professionals. We continuously maintain open lines of communication between management and employees through regular town halls, periodic updates, and performance reviews.

### Headcount By Gender

	Men	Women	Total
Corporate	4	6	10
Industrial Parks and Real Estate Logistics	9	16	25
Commercial Leasing	7	11	18
Total	20	33	53
Percentage	38%	62%	100%



# We are committed to the continued development of our people



**TOTAL TRAINING HOURS**

**Men:** 831 hours  
**Women:** 1,129 hours



**AVG. TRAINING HOURS**

**Men:** 42 hours  
**Women:** 34 hours

Giving our employees professional development and capacity building opportunities is imperative to the organization. In 2021, ALLHC conducted a total of 1,960 training hours despite under a flexible work arrangement.

In coordination with Ayala Land’s Corporate Learning Center, learning and development programs, such as Coursera self-paced courses and webinars tackling various topics, were rolled out to employees. Online learning sessions were also conducted featuring topics on personal growth, mental health and spiritual awareness, and personal finance and business. Other training programs covered technical knowledge, values, ethics, management, and corporate governance.







Helping Divisoria SMEs through TutuBuy



Missionaries of Charity in Tondo, Manila



COMELEC Voter Registration



Muntlupa Mega Vaccination Site



Philippine Red Cross Saliva RT-PCR Testing Site





Donation and distribution of food packs to nearby communities



Mabalacat e-Library Donation



PhilSys National ID Registration Site



Community pantries held in Laguna



## 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](#).



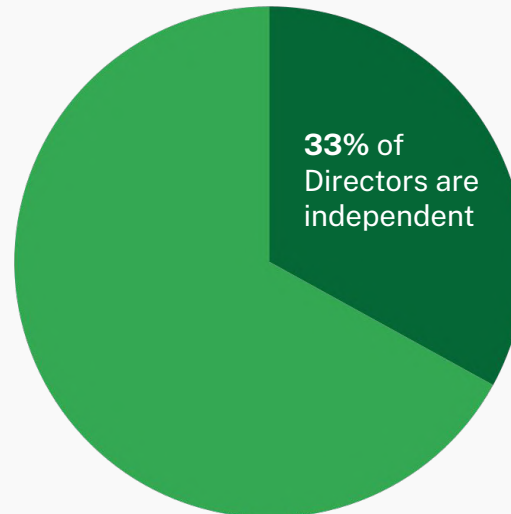


# Governance

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 3<sup>rd</sup> 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 and resorts)
- Chairman, AREIT



**Felipe U. Yap**

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



**Bernard Vincent O. Dy**

- Director
- President and CEO, ALI
- Director, AREIT



**Maria Rowena M. Tomeldan**

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



**Jaime Alfonso E. Zobel de Ayala**

- Director
- Director, ACE Enexor
- Head, Ayala Corp. Business Development & Innovation Unit
- Co-Deputy Head, AC Corporate Strategy Group



**Nathanael C. Go**

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



**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
- Chairman, UBS Securities Philippines
- Former General Counsel, Managing Director, and Group Head of Corporate Governance and Legal Affairs, Ayala Corp.



**Cassandra Lianne S. Yap**

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

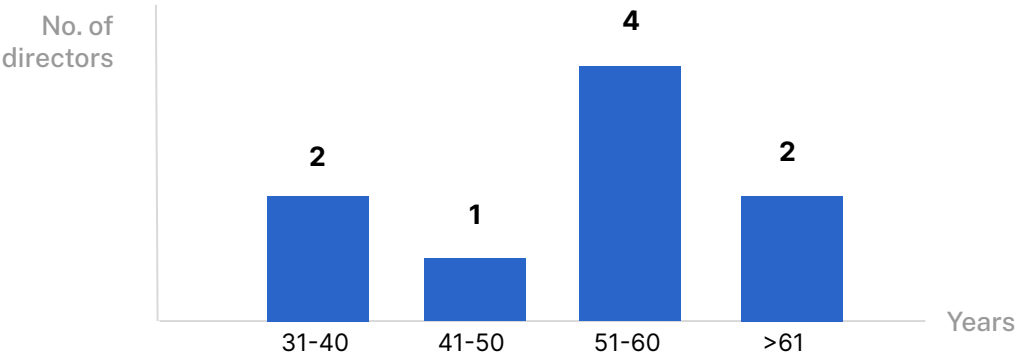
# Board Competency & Diversity

The Board is a diverse mix of competent individuals with knowledge, skills & experience in management, business development, real estate, legal, finance, marketing, and risk management, 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.

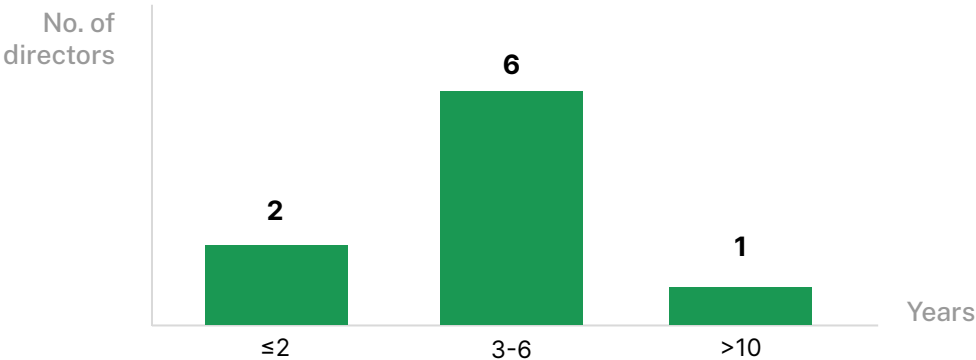
Diversity in the Board covers not only gender, but also age, ethnicity, culture, skills, competence, and knowledge. The Board regularly reviews its composition to be responsive to the evolving requirements of the Corporation. With respect to gender, the Corporation shall strive that its Board shall have at least two female directors by 2025. At present, the Corporation is compliant with this gender policy by having two female directors, an independent director and an executing director, in the Board.

ALLHC requires all board members to attend relevant professional trainings and education programs. Directors attend an annual four-hour corporate governance seminar. New directors attend an orientation program so 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	February 2016 (5)	General management, real estate, finance	1967	M
Felipe U. Yap	Non-Executive, Vice Chairman	November 1993 (28)	General management, mining, real estate, securities	1937	M
Bernard Vincent O. Dy	Non-Executive	February 2016 (5)	General management, real estate, accounting, finance	1963	M
Maria Rowena M. Tomeldan	Executive, President & CEO	February 2016 (5)	General management; industrial parks, mall & retail management; real estate	1961	F
Jaime Alfonso E. Zobel de Ayala	Non-Executive	May 2020 (1)	Business development, product development, innovation, and 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	February 2016 (5)	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 (1)	Real estate management, hotel & resorts management, marketing	1989	F

## 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

### 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

### 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

### Risk Management and Related Party Transactions 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, and review of all material RPTs.

### Corporate Governance & Nomination Committee

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

### Personnel and Compensation Committee

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

### Sustainability Committee

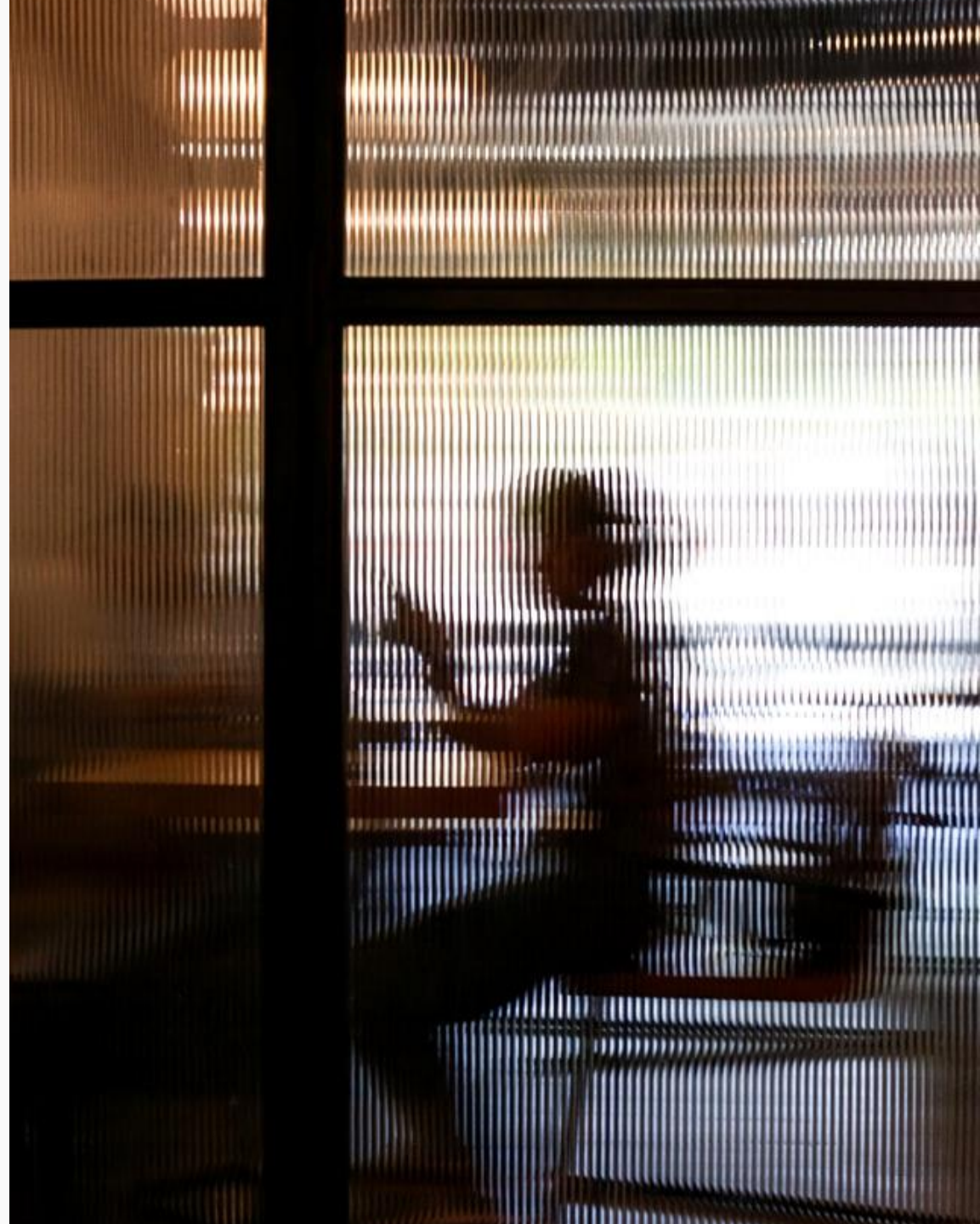
- 3 directors with at least 1 independent director
- Oversees the company's sustainability initiatives and practices

## 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 and Gratuities.
- 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 2021, 100% of our directors and employees received business ethics and compliance training. There were zero (0) incidents of corruption.

## Risk Management

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





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

Key Risk	Risk Descriptions	Mitigating Measures
<b>Government &amp; Political Risk</b>	ALLHC 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	Upheld compliance with relevant laws, policies & regulations, & actively monitored changes in pertinent policies & amendments.
<b>Risk of Being Marginalized by Competitors</b>	As the organization grew its product portfolio, competition has likewise grown & undertaken similar expansions	Continuously monitored price competitiveness of our products and developments and quality of customer service.  Reviewed merchant mix of our malls & studied conversion to new leasing formats & non-traditional concepts.
<b>Financial Risk</b>	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 judicious management of the organization's spend & cash flows.

Read the full 2021 Annual Report [here](#).

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