

2022 Environmental, Social, Governance Highlights

2022 REVENUE (PHP)

4.21 B

2022 NET INCOME (PHP)

1.01 B

STOCK PRICE (PHP)

2.97*

MARKET CAPITALIZATION (PHP)

19 B*

GROSS LAND AREA

1,067 HA

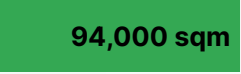
**as of last applicable trading date of the year*

GROSS LEASABLE AREA

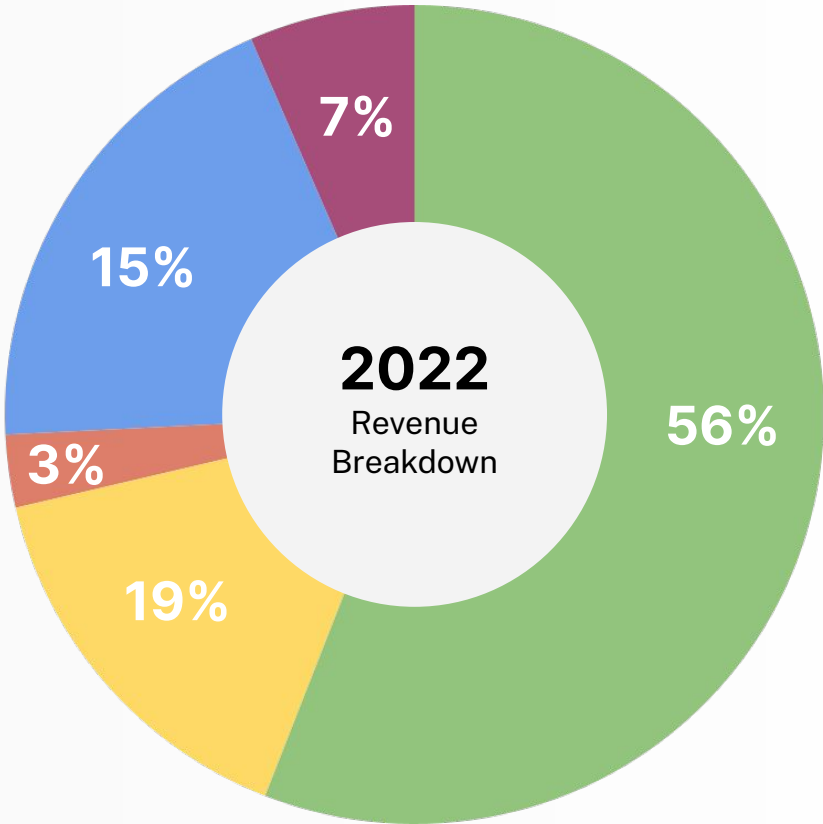
Warehouse Leasing



Commercial Leasing



99% Percentage of procurement budget spent on local suppliers



- Lot Sales
- Warehouse
- Cold Storage
- Power
- Commercial

ESG APPROACH & FOUR FOCUS AREAS

As we continuously transform landscapes to sustainable and resilient business environments, ALLHC remains committed to embedding sustainability practices to monitor economic, environmental, and social impacts of its developments. This allows the company to create long-term value for stakeholders in the communities where it is present.

ALLHC has adopted the four focus areas of Ayala Land's sustainability framework: Site Resilience, Pedestrian Mobility & Transit Connectivity, Resource Efficiency, and Local Economic Development.



Site Resilience



Pedestrian Mobility & Transit Connectivity



Resource Efficiency

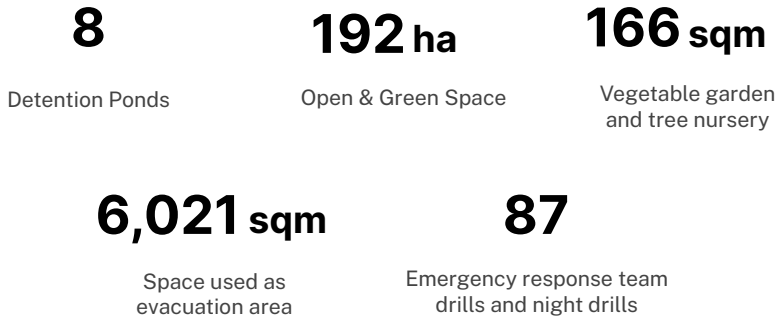


Local Economic Development



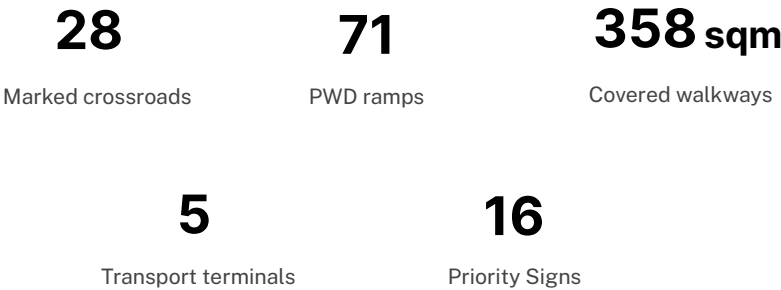
Site Resilience

ALLHC considers the potential dangers that climate change and environmental pressures could bring in the future. To improve site resilience and emergency readiness, site evaluations and technical due diligence are conducted to screen geohazards, disaster-readiness exercises are practiced, spaces for refuge and rainwater absorption are provided through open and green spaces, and native trees are used for landscaping.



Pedestrian Mobility & Transit Connectivity

As people travel from homes to workplaces and places of business, urban mobility becomes a significant concern. ALLHC’s primary focus is the safety, comfort, and convenience of the community. Apart from using motor vehicles, commuters are provided alternatives such as connections to public transport routes and terminals, and walkways for pedestrians.





Resource Efficiency

ALLHC strictly monitors the conscientious use of resources such as energy and water, as well as proper handling of waste in its properties. The company is also committed in supporting Ayala Land's goal of reaching carbon neutrality for all its properties by the end of 2030.

30,041,943 kWh

Energy consumption

375,209 m³

Water Consumption

349,215 kg

Waste collected



Local Economic Development

The company contributes to local economic development by creating job opportunities, providing workforce training and development, and prioritizing the health and safety of its stakeholders.

63

Direct employees

23 hrs

Average training hours

91%

Employee engagement score (latest survey held in 2021)

669

Jobs generated (direct hires & service providers)

Sustainability Four Focus Areas & Other Material Topics

ALLHC uses identified GRI topics and UN SDGs that correspond to Ayala Land's four focus areas to measure and report its own performance and impact. Matters on corporate governance, risk management, labor practices and decent employment are other identified material topics.

Site Resilience	Pedestrian Mobility & Transit Connectivity	Resource Efficiency	Local Economic Development	Corporate Governance & Risk Management	Labor Practices & Decent Employment
303: Water & Effluents 307: Environmental Compliance	203: Indirect Economic Impacts 416: Customer Health & Safety	204: Procurement Practices 302: Energy 303: Water & Effluents 305: Emissions 306: Waste	202: Market Presence 203: Indirect Economic Impacts 401: Employment 404: Training and Education 413: Local Communities	401: Economic Performance 205: Anti-Corruption 206: Anti-Competitive Behavior 418: Customer Privacy	402: Labor Management 403: Occupational Health & Safety 405: Diversity and Equal Opportunity 406: Non-Discrimination 408: Child Labor 409: Forced Labor 412: Human Rights Assessment
13: Climate Action 15: Life on Land	3: Good Health & Well-Being 9: Industry, Innovation, Infrastructure	6: Clean Water and Sanitation 11: Sustainable Cities and Communities 12: Responsible Consumption and Production	1: No Poverty 8: Decent Work and Economic Growth 10: Reduced Inequalities	8: Decent Work and Economic Growth	

GRI

UN SDGs

Environmental Stewardship

Aligning with Ayala Land’s sustainability principles, ALLHC’s initiatives on environmental protection work towards the resilience of its properties while helping mitigate climate change risks. The company’s practices addressing resource efficiency promotes the judicious use of resources for the communities’ long-term shared benefit.

RESOURCE EFFICIENCY



ENERGY (GRI 302)

36%

Increase from
22m kWh to 30m kWh

111 kWh/sqm



135 kWh/sqm

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



WATER (GRI 303)

54%

Increase from
244k m³ to 375 m³

1.20 m³/sqm



1.62 m³/sqm

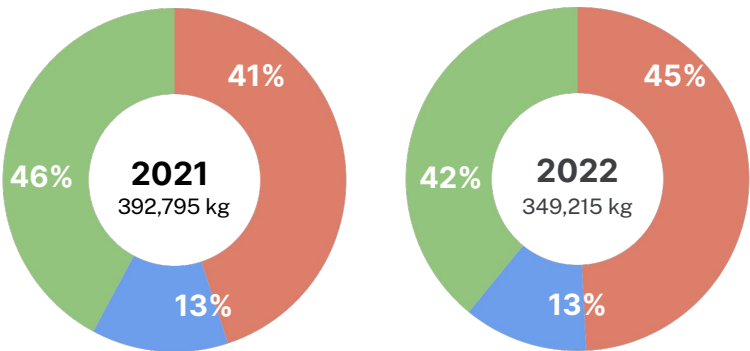
Whole building water intensity
(based on occupancy)
For commercial properties only.



SOLID WASTE (GRI 306)

11%

Decrease from
392,795 kg to 349,215 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 2022,, ALLHC employees contributed a total of 1,082 kg of clean and dry plastics which were then sent to Arca South Eco Hub. ALLHC likewise diverted 80 tons through its purchase of 3,074 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-2022, renewable energy comprises 81% of the company's total energy consumption.

Total net emissions reached 4,274 t-CO₂e, rising 90% mainly due to additional facilities and service vehicles. The additions led to corresponding increases in net emissions across all 3 scopes.

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

81%

Renewable

NET EMISSIONS

4,274

t-CO₂e

(Scope 3 emissions factored in are from tenants' electricity consumption only)

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 Engagement

ALLHC actively engages its stakeholders for their contributions, insights, and feedback for the company to continue creating environments that energize and support businesses.

GRI 401, 405

- ALLHC recognizes the importance of diversity and equal opportunity in the workplace. The company does not tolerate discrimination based on race, gender, age, and religious affiliation.
- Practices are in place to release fair compensation for employees. ALLHC provides compensation and benefits mandated by national labor laws and based on its performance incentive program.
- Worker safety was further prioritized in 2022 with continued vaccination efforts. ALLHC's business units adopted respective tailor-fit working arrangements based on their operational and functional needs. The flexibility balanced their safety and well-being with work productivity.

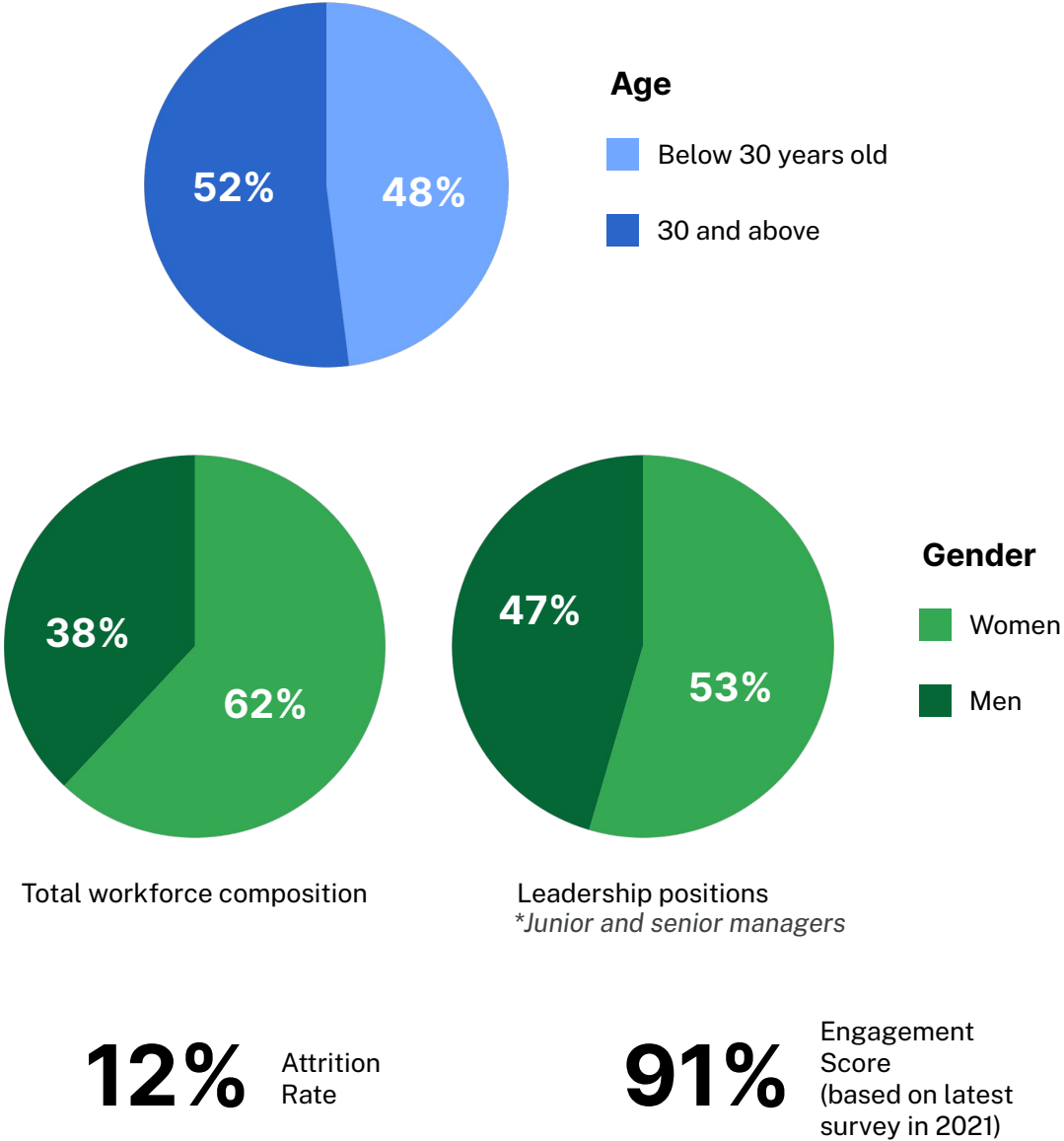


People Engagement & Development

Behind ALLHC is a team of highly committed and competent professionals. The company places importance on employee welfare through capacity-building programs, fostering a culture of excellence, and ensuring their safety and well-being. Open lines of communication between management and employees are maintained through regular town halls, periodic updates, individual performance reviews.

Headcount By Gender

	Men	Women	Total
Corporate	3	8	11
Industrial Parks and Real Estate Logistics	12	17	29
Commercial Leasing	9	14	23
Total	24	39	63
Percentage	38%	62%	100%



We are committed to the continued development of our people



TOTAL TRAINING HOURS

Men: 524 hours
Women: 945 hours



AVG. TRAINING HOURS

Men: 22 hours
Women: 24 hours

ALLHC recognizes that providing employees with opportunities with professional growth and opportunities for reskilling and capacity building is crucial to the organization. In 2022, ALLHC employees had a total of 1,469 training hours. The average training hours for women was at 24, while average training hours for men was at 22.

Employees participated in online learning sessions covering various topics and areas such as digitalization and technology, marketing and communications, management, ethics, corporate governance, and personal mental health and well-being.





Helping Divisoria SMEs through TutuBuy



Missionaries of Charity in Tondo, Manila



Brigada Ayala Kaakay



Brigada Eskwela in Dungan Elementary School, Mabalacat, Pampanga



Brigada Eskwela in Santos Ventura National High School, Mabalacat, Pampanga



Donation and distribution of food packs to nearby communities

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](#).

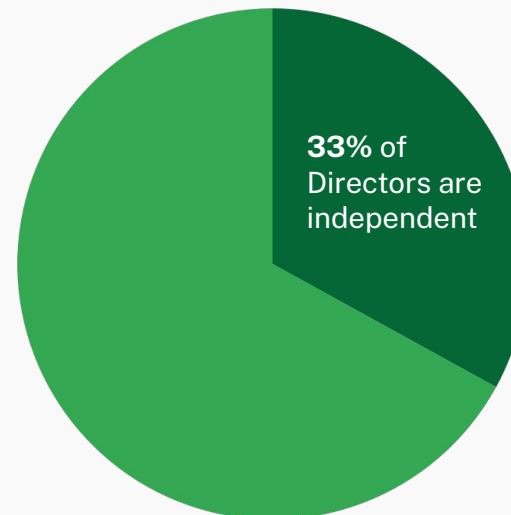


Corporate Governance

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

The Board of Directors is the supreme authority in matters of governance and management of the business of the corporation. The Board holds office for a period of one year & serve until the election & acceptance of their duly qualified successors.

- Overall Board meeting attendance: 98%
- 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



Bernard Vincent O. Dy

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



Felipe U. Yap

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



Jose Emmanuel H. Jalandoni

- Director
- President and CEO, ALLHC
- Senior Vice President, ALI
- Head, ALI Commercial Business Group (malls, offices, ohtel and resorts)
- Chairman, AREIT



Maria Rowena M. Tomeldan

- Director
- Former Vice President, ALI
- Former Head, ALI Real Estate Logistics and Special Investments Group
- Former President, Ayala Malls



Jaime Alfonso E. Zobel de Ayala

- Director
- Director, Globe Telecom
- Director, ACEN
- Chairman, Makati Business Club Global Ideas Committee
- Head, Ayala Corp. Business Development & Innovation Unit



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, National Reinsurance Corporation of the Philippines
- Independent Director, ALI
- Chairman, 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 Skills, Competency & Diversity

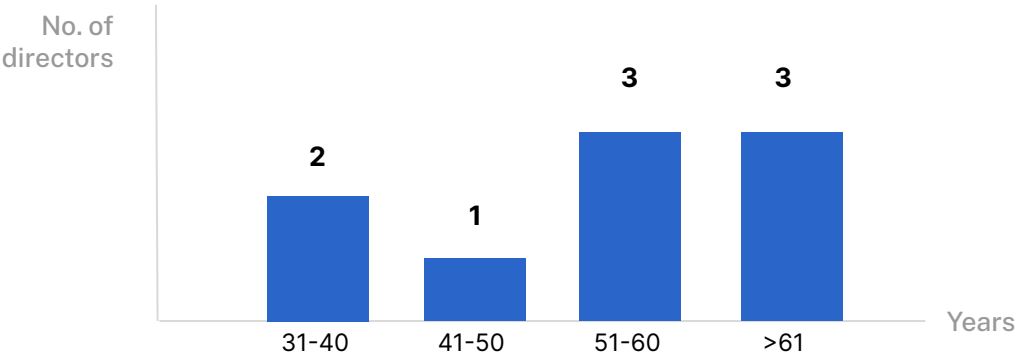
The Board as a group has the necessary knowledge, skills, competencies, and experience to perform its duties.

The Board is composed of individuals with diverse professional backgrounds in the fields of management, real estate, business development, marketing, legal, finance, and risk management, each contributing independent judgment and value in making sound corporate strategies and policies.

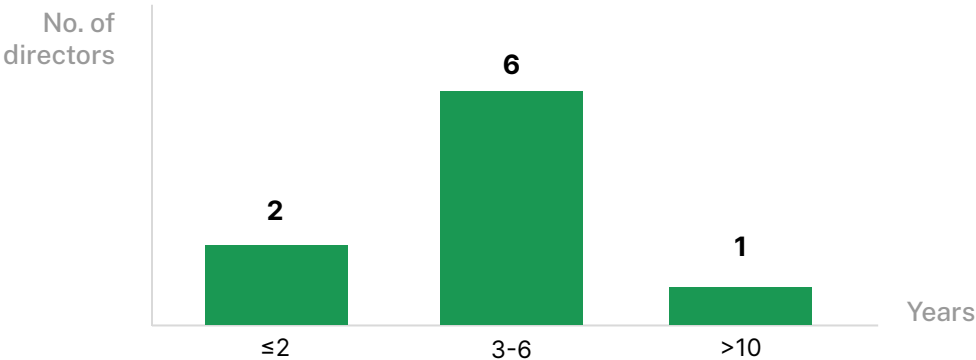
Diversity in the Board covers gender, age, ethnicity, culture, skills, competence, and knowledge. The Board regularly reviews its composition to be responsive to the requirements of the Corporation. With respect to gender, the Corporation shall strive that its Board shall have at least two female directors by 2025.

ALLHC requires all board members and key officers to attend relevant professional trainings and education programs. Directors attend an annual four-hour corporate governance seminar or training. New directors attend an orientation program which provides information they need to 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
Bernard Vincent O. Dy	Non-Executive, Chairman	February 2016 (6)	General management, real estate, accounting, finance	1963	M
Felipe U. Yap	Non-Executive, Vice Chairman	November 1993 (29)	General management, mining, real estate, securities	1937	M
Jose Emmanuel H. Jalandoni	Executive	February 2016 (6)	General management, real estate, finance	1967	M
Maria Rowena M. Tomeldan	Non-Executive	February 2016 (6)	General management; industrial parks, mall & retail management; real estate	1961	F
Jaime Alfonso E. Zobel de Ayala	Non-Executive	May 2020 (2)	Business development, product development, innovation, and general management	1990	M
Nathanael C. Go	Non-Executive	January 2017 (5)	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 (5)	Legal and corporate governance, general management	1948	M
Cassandra Lianne S. Yap	Non-Executive, Independent	April 2020 (2)	Real estate management, hotel & resort 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 during the intervening period between board meetings, 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 Chief Audit Executive, assessment of the independence and qualifications of the independent auditor, and recommendation of the appointment, remuneration and removal of the independent auditor.

Risk Management and Related Party Transactions Committee

- 3 non-executive directors, majority being independent directors including its Chairman
- Chairman of the committee cannot be the chairman of the Board or any other committee
- Responsible for the development and implementation of a formal enterprise risk management plan, monitoring risks and mitigation strategies, and review of all material related party transactions.

Corporate Governance & Nomination Committee

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

Sustainability Committee

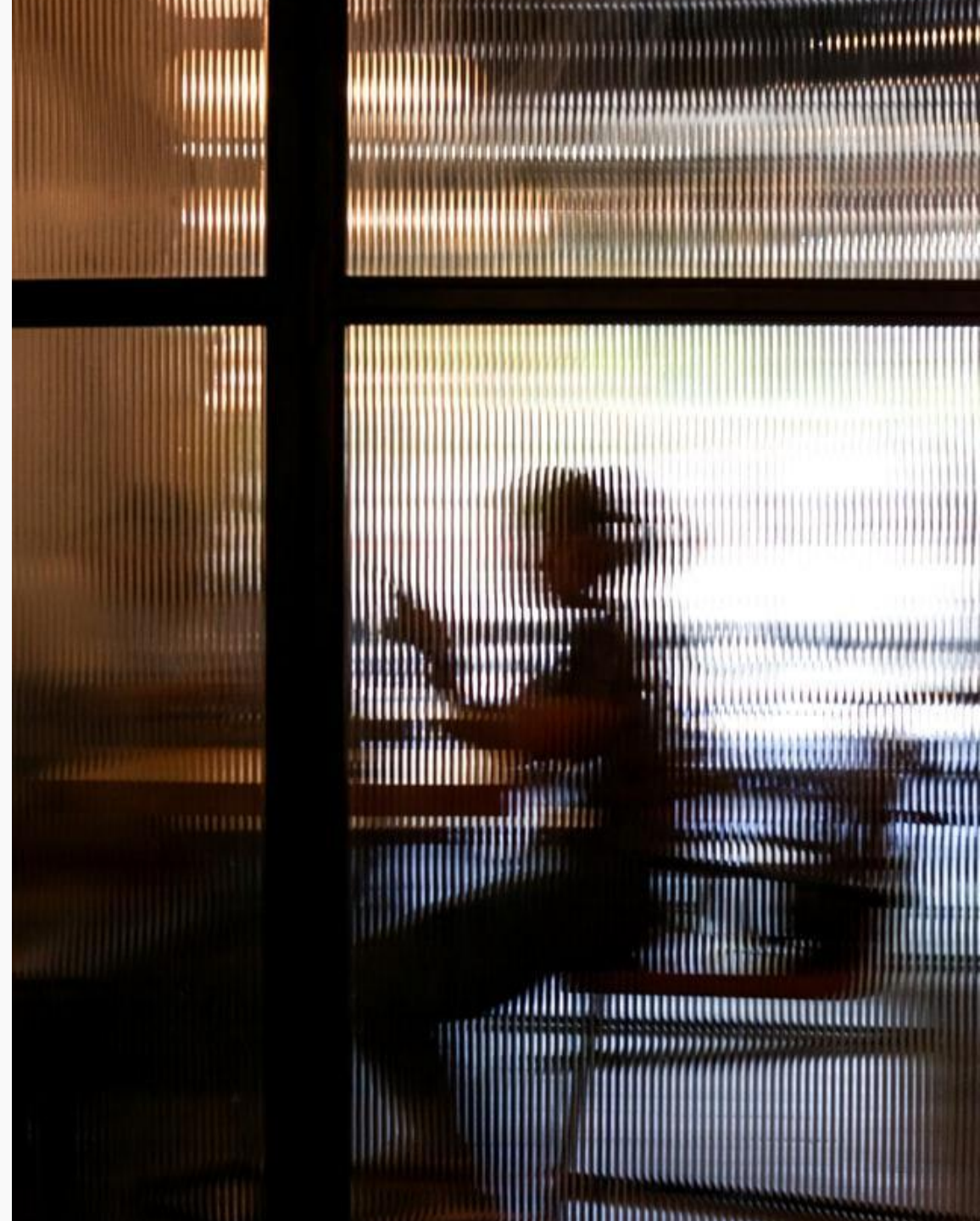
- 3 directors with at least 1 independent director
- Oversees the company's sustainability initiatives and practices

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 2022, 100% of our directors and employees received business ethics and compliance training. There were zero (0) incidents of corruption.

Risk Management

- ALLHC's enterprise risk management (ERM) program ensures close coordination and collaboration between top management and business units through a "top down, bottom up" approach for a holistic analysis of the company's risk profile.
- The ERM program assures that key risks are identified and that risk ownership of the different business units are established.
- Mitigation plans and activities for identified key risks are also monitored for adequate and proper implementation.



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

Key Risk	Risk Descriptions	Mitigating Measures
Risk of Being Marginalized by Competitors	As the company expanded its product portfolio, the level of competition also increased with competitors following suit and growing their own product offerings,	<ul style="list-style-type: none"> • Continuous monitoring of product and price competitiveness of our developments and the quality of customer service. • Exploring new business platforms to add to the company's portfolio to further market differentiation • Reviewing and refining the merchant mix of our malls and studied conversion to new leasing formats and non-traditional concepts
Project Execution and Timely Delivery Risk	Macroeconomic and geopolitical challenges have brought about rising material prices and manpower scarcity, thus driving more pressure on project costs, quality standards and delivery commitments.	<ul style="list-style-type: none"> • Implementing pre-construction initiatives and aggressive catch-up plans • Conducting on-the-spot checks and audits to ensure diligent project monitoring • Enhancing procurement by improving contracts to contain provisions and safeguards against delays
Government & Political Risk	ALLHC observed heightened political risk arising from the 2022 national and local elections. Political developments may cause volatilities in the market and changes in government's policies and programs may affect operations or forward plans,	<ul style="list-style-type: none"> • Maintained open lines of communication with government units and agencies, especially newly-elected officials and representatives • Ensuring compliance with relevant laws, policies and regulations, and actively monitored changes in pertinent policies and amendments • Exercising transparency by disclosing necessary business information in an accurate and timely manner

Read the full 2022 Integrated Report [here](#).

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