



AYALA LAND ENVIRONMENTAL POLICY

Ayala Land, including its subsidiaries and business lines, regards protecting the environment as integral to achieving its long-term goals and is therefore committed to integrating sustainability into its business practices.

Aligned with Ayala Land's commitment to achieving Net Zero by 2050, the company has pledged to support the Business Ambition for 1.5°C by setting science-based targets for reducing greenhouse gas (GHG) emissions across Scope 1, 2, and 3. ALI commits to reduce its absolute GHG emissions 42% by 2030 and 90% by 2050 from a 2021 base year. This target has been verified and approved by the Science-based Targets initiative (SBTi).

OBJECTIVE

To uphold a culture of environmental responsibility across the ALI Group of Companies and its value chain, we aim to implement the following:

- **Reduce greenhouse gas emissions** in line with the Science Based Targets initiative (SBTi) and manage climate risks through operational adaptation.
- **Apply green building principles and certifications** to all projects to ensure environmental performance and climate resilience.
- **Identify and manage environmental risk** through the implementation of effective management systems and full regulatory compliance.
- **Engage employees, business partners, customers, and suppliers** to promote shared environmental goals.
- **Monitor, measure, and report on environmental data** in accordance with the latest reporting frameworks and standards to ensure progress and drive continuous improvement.

CORE COMMITMENT

A. Climate Change and Emissions Management

We recognize the growing threats of climate change and the crucial role businesses play in addressing these challenges.

Our strategy focuses on the following:

- Reducing emissions across our value chain while enhancing project resilience to climate impacts.
- Integrating climate risk assessments to identify vulnerabilities, mitigate potential risks, and strengthen adaptation measures.
- Regular reviews and updating our climate action targets aligned with evolving challenges and best practices.

B. Biodiversity Management

Philippine biodiversity and natural ecosystems are essential factors that are critical in ensuring sustainability and enhancing the uniqueness of our developments. We promote conservation and protection of indigenous biodiversity through our business model, development plans, and operations.

Our commitment includes the following:

- Conducting Environmental Impact Assessment (EIA) and High Conservation Value (HCV) assessment before the development.
- Restoring and rewilding natural ecosystems within our landbank through the afforestation, revegetation, and reforestation efforts of our carbon forest program, which will also address the remaining 10% hard-to-abate or residual emissions in 2050.
- Enhancing green spaces and native landscaping in our developments.
- Collaborating with environmental organizations, local communities, and social enterprises to sustain and strengthen supply chains for appropriate reforestation practice using native tree species.
- Raising awareness and supporting conservation efforts among employees, customers, suppliers, and other stakeholders.

C. Energy Management

Energy efficiency is as much a business decision as it is an environmental concern for Ayala Land. We implement energy management programs across all properties, incorporating energy conservation in planning, construction, and operations.

Our goals are the following:

- Prioritize renewable energy for our projects, ensuring all new developments are connected to renewable energy sources.
- Expand our green building portfolio through green certification, investing in energy-efficient technologies, and optimizing energy use.
- Continuously set and review energy conservation targets to drive performance and efficiency.

D. Water Management

We acknowledge the importance of water management and conservation measures in addressing potential future water risks.

To promote water conservation and resilience, the following actions are implemented:

- Adopt new technologies and make behavioral adjustments to minimize water consumption and achieve maximum water efficiency while maintaining a level of comfort in our developments.
- Ensure compliance with water quality and pollution standards to guarantee that all water discharged into the environment remains safe and environmentally sound.
- Provide all employees with access to safe and potable water, as well as sanitation and hygiene facilities.

E. Materials, Supply Chain, and Waste Management

We recognize the significant material use and waste generation in the real estate sector and continuously innovate to use construction materials efficiently while minimizing waste.

Our strategy focuses on the following:

- Prioritizes the reduction, reuse, and recycling of both solid and hazardous waste across our developments.
- Engage vendors to adopt sustainable practices in their business.
- Increase the utilization of low-carbon construction materials to reduce the embodied carbon in our developments.
- Implement a comprehensive waste management approach, including construction and demolition waste management, by identifying waste streams, enforcing waste segregation at the source, eliminating single-use plastics, and promoting landfill diversion.
- Promote circular economy principles by recovering, repurposing, and reprocessing waste materials for use in new construction.
- Review and audit waste reduction targets regularly to achieve zero waste in landfills by 2030.

F. Mobility

Principles of pedestrian mobility and transport connectivity guide our master plans to create alternatives to car use in our developments and address urban mobility issues.

Our mobility initiatives focus on:

- Develop pedestrian-only areas and walkways to provide more opportunities for walking, biking, and commuting.
- Designate transit stops and terminals across Ayala Land properties and ensure connectivity during construction and operations.
- Provision of electric charging stations in our developments in support of green transport

G. Green Buildings

ALI also pledges that newly launched properties will pursue green certifications, such as USGBC's LEED, WELL, PhilGBC's BERDE, IFC's EDGE, and other green building labels, for our developments, where practicable, and further commit to sustainable development.

This Policy has been reviewed and approved by the Sustainability Council on June 24, 2025, and shall be effective immediately.