

AYALA LAND, INC.

SUSTAINABILITY-LINKED FINANCING PROGRAM

ANNUAL MONITORING REPORT (AMR)

REPORTING PERIOD: 1 JANUARY 2024 – 31 DECEMBER 2025

RELEASE DATE: 23 APRIL 2026

1. INTRODUCTION AND BACKGROUND

Ayala Land, Inc. (ALI) integrates sustainability into its corporate strategy, risk management, and capital allocation decisions. To support this approach, ALI established the Ayala Land Sustainability-Linked Financing Framework, dated 9 May 2024 (the “Ayala Land SLF Framework”), which provides a unified basis for the Company’s sustainability-linked financing activities across loans and capital markets instruments.

Under this single Sustainability-Linked Financing (SLF) Program, Ayala Land is able to:

- enter into sustainability-linked loan facilities with development finance institutions and commercial lenders; and
- issue sustainability-linked bonds in the domestic and/or international capital markets,

with financial characteristics that are linked to the achievement of predefined Sustainability Performance Targets (SPTs) measured through material Key Performance Indicators (KPIs).

The Ayala Land SLF Framework aligns with the 2023 Sustainability-Linked Loan Principles (SLLP) and Sustainability-Linked Bond Principles (SLBP) issued by ICMA, LMA, APLMA, and LSTA. Unlike use-of-proceeds instruments, sustainability-linked instruments allow proceeds to be used for general corporate purposes while incentivizing continuous improvements in environmental performance.

For Ayala Land, sustainability-linked financing is a core enabler of its climate transition strategy and supports the Company’s commitment to:

- achieve absolute reductions in greenhouse gas (GHG) emissions across its commercial property portfolio;
- scale up high-performance, low-carbon, and net-zero-ready buildings; and
- contribute to the Ayala Group’s ambition to achieve net-zero GHG emissions by 2050, aligned with a 1.5°C pathway.

This Annual Monitoring Report (AMR) has been prepared in accordance with the reporting requirements under the IFC Sustainability-Linked Loan and the disclosure commitments under the Ayala Land SLF Framework. It presents performance against the selected KPIs and SPTs, progress achieved during the reporting period, and forward-looking actions.

2. OVERVIEW OF SUSTAINABILITY-LINKED FINANCING INSTRUMENTS

2.1 SUSTAINABILITY-LINKED FINANCING FRAMEWORK

The Ayala Land SLF Framework applies to Ayala Land, Inc. and its subsidiaries and establishes the governance, KPI selection, SPT calibration, reporting, and verification requirements for all sustainability-linked loans and bonds issued under the Program.

The Framework identifies two material, core, and measurable environmental KPIs that reflect Ayala Land's most significant climate-related impacts and transition levers across its commercial properties portfolio (malls, offices, and hotels). These KPIs and their corresponding SPTs were assessed in an independent Second-Party Opinion (SPO) issued by DNV (Thailand) Co., Ltd. on 9 May 2024, which confirmed their relevance, ambition, and alignment with market best practice.

2.2 SUSTAINABILITY-LINKED LOAN WITH IFC

In July 2024, Ayala Land entered into a Sustainability-Linked Loan (SLL) with the International Finance Corporation (IFC) with the following key terms:

- Borrower: Ayala Land, Inc.
- Lender: International Finance Corporation (IFC)
- Maximum facility amount: USD 250 million (or PHP 14.5 billion equivalent)
- Tenor: Eight (8) years from first disbursement
- Use of proceeds: General corporate purposes, including the reinvention and refurbishment of selected commercial malls (Ayala Center Cebu, Glorietta 1–5, Greenbelt 2–5, and TriNoma)

In August 2025, Ayala Land entered into a second Sustainability-Linked Loan (SLL2) with the IFC with the following key terms:

- Borrower: Ayala Land, Inc.
- Lender: International Finance Corporation (IFC)
- Maximum facility amount: PHP 12.87 billion
- Tenor: Six (6) years from first disbursement
- Use of proceeds: General corporate purposes, including the redevelopment and construction of Greenbelt 1 and EvoCity Mall

The loan incorporates sustainability-linked financial characteristics, including:

- a step-up margin linked to the achievement of Sustainability KPI #2; and
- a one-time Sustainability Penalty Fee linked to Sustainability KPI #1 in the event of non-achievement.

Annual performance reporting and independent external verification are required under the loan agreement.

2.3 SUSTAINABILITY-LINKED BONDS ISSUED THROUGH THE CAPITAL MARKETS

Under the same Ayala Land SLF Framework, Ayala Land issued the following ASEAN Sustainability-linked Bonds (SLBs) in the domestic and/or international capital markets during the period 2024–2025. These issuances are aligned with the SLBP 2023 and reference the same core KPIs and SPTs defined in the Framework.

Key features of these instruments include:

- Issuer: Ayala Land, Inc.
- Instrument type: Sustainability-Linked Bonds:
 - 2024:
 - Tranche 1
 - Amount: PHP 6.0 billion
 - Tenor and coupon rate: 10 years at 6.99% p.a.
 - Issue Date: July 18, 2024
 - Maturity Date: July 18, 2034

- Tranche 2
- Amount: PHP 8.0 billion
- Coupon rate: 6.13%
- Tenor: 10 years
- Issue Date: November 13, 2024
- Maturity Date: November 13, 2034

2025

Amount: Total of PHP 15.0 billion comprising two tenors of PHP 7.5 billion each

Tenors and coupon rates: 5 years at 6.07% p.a. and 10 years at 6.32% p.a.

Issue Date: October 23, 2025

Maturity Date: October 23, 2030 and October 23, 2035

- Use of proceeds: General corporate purposes
- Financial characteristics: Coupon step-up and/or step-down features linked to KPI and SPT performance

Ayala Land's environmental performance contributes directly to the assessment of KPI achievement under these capital markets instruments.

3. SUSTAINABILITY PERFORMANCE TARGETS AND KEY PERFORMANCE INDICATORS

3.1 KPI 1 – MALL, OFFICE, AND HOTEL EMISSIONS

Definition and scope

KPI 1 measures the absolute greenhouse gas emissions associated with Ayala Land's commercial properties portfolio, comprising malls, offices, and hotels. The KPI covers:

- **Scope 1 emissions:** Direct fuel use (e.g., diesel for back-up generators only);
- **Scope 2 emissions:** Purchased electricity for common areas; and
- **Relevant Scope 3 emissions:** Electricity consumption by tenants.

Emissions are quantified in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Scope 3 Standard, ensuring methodological consistency, comparability, and external verifiability.

Baseline and target

- Baseline year: **2021**
- Baseline emissions: **86,809 tCO₂e**

- Target: **42% absolute reduction by 2030**
- Target observation date: **31 December 2030**

Relevance

This KPI is material to Ayala Land’s business because electricity consumption is the dominant source of operational emissions in commercial real estate. Absolute emissions reductions (rather than intensity) ensure that climate performance improves even as the portfolio grows.

3.2 KPI 2 – EDGE ZERO CARBON–CERTIFIED OFFICE GROSS FLOOR AREA (GFA)

Definition and scope

KPI 2 measures the cumulative gross floor area (GFA) of office buildings within Ayala Land’s portfolio that have achieved EDGE Zero Carbon certification under the IFC’s Excellence in Design for Greater Efficiencies (EDGE) framework.

EDGE Zero Carbon certification requires:

- high levels of energy and resource efficiency;
- supply of electricity from renewable energy sources; and
- compensation of remaining operational emissions through eligible offsets.

Baseline and target

- Baseline year: 2023 (zero certified GFA)
- Target: 1.5 million square meters of EDGE Zero Carbon–certified office GFA by 2025 (cumulative)
- Target observation date: 31 December 2025

Relevance

This KPI reflects Ayala Land’s strategy to mainstream net-zero-ready buildings and directly complements emissions reduction efforts under KPI 1. Scaling EDGE Zero Carbon–certified assets also enhances climate resilience, asset value, and long-term competitiveness of the office portfolio.

3.3 SUMMARY OF SUSTAINABILITY PERFORMANCE TARGETS

- **SPT 1 (Climate Mitigation):** Reduce operational Scope 1, 2, and 3 GHG emissions of Ayala Land’s commercial properties by 42% by 2030, relative to the 2021 baseline.
- **SPT 2 (Green Buildings):** Achieve **EDGE Zero Carbon certification for at least 1.5 million sqm of office GFA by 2025.**

DNV has concluded that both SPTs are ambitious, meaningful, and exceed business-as-usual trajectories.

4. PERFORMANCE PROGRESS AGAINST SPTS

4.1 KPI 1 – MALL, OFFICE, AND HOTEL EMISSIONS

| Year | Emissions (tCO ₂ e) | %age Reduction vs 2021 | Status |
|------------------------|--------------------------------|------------------------|----------|
| 2021 (Baseline) | 86,809 | - | Baseline |
| 2022 | 76,986 | 11% | Achieved |

| | | | |
|--------|--------|-----|----------|
| 2023 | 56,959 | 34% | Achieved |
| 2024 * | 40,201 | 54% | Achieved |
| 2025 * | 15,210 | 82% | Achieved |

* Subject to verification by an independent Second-Party Opinion (SPO)

Ayala Land achieved and exceeded its 2030 target of a 42% reduction in emissions. This is a result of the increased renewable energy sourcing, energy efficiency retrofits, and portfolio-wide demand-side management, despite the increase in operational footprint and commercial tenant activity. By the end of 2025, 98% of the gross floor area of our malls, offices, and hotels will be powered by renewable energy.

4.2 KPI 2 – EDGE ZERO CARBON–CERTIFIED OFFICE GFA

| Year | Annual Certified GFA (sqm) | Cumulative GFA (sqm) |
|------|----------------------------|----------------------|
| 2023 | 0 | 0 |
| 2024 | 448,357 | 448,357 |
| 2025 | 1,080,822 | 1,529,179 |

As of December 2025, Ayala Land has achieved the SPT of 1.5 million sqm of EDGE Zero Carbon–certified office GFA, in line with public disclosures and the DNV-reviewed trajectory.

Refer to Annex A on the **List of EDGE Zero Carbon Certified Properties**.

5. FORWARD-LOOKING OUTLOOK TO 2030

Ayala Land’s pathway to 2030 is underpinned by continued procurement of renewable energy, the integration of the EDGE Zero Carbon standards into new developments and major retrofits, and tenant engagement to address Scope 3 emissions. Based on the current trajectory, the Company remains on track to achieve the 2030 SPT for emissions reduction.

6. GOVERNANCE, REPORTING, AND VERIFICATION

Performance against KPIs and SPTs is overseen through Ayala Land’s sustainability governance structures, in accordance with the Ayala Land SLF Framework and relevant financing documentation. KPI performance is subject to independent external verification, and any recalculation of baselines or KPI scope is disclosed transparently.

Ayala Land’s integrated reporting and disclosures for the 2025 reporting period have undergone an independent limited assurance verification by DNV.

The assurance engagement was performed in accordance with DNV’s VeriSustain™ Protocol, Version 6.0, which draws upon DNV’s professional expertise, international assurance practices, and the requirements of *ISAE 3000 (Revised)—Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. For indicators related to greenhouse gas emissions, the assurance process applied *ISO 14064-3: Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements*.

Data used for the calculation of KPI 1 were derived from the overall report of Ayala Land for the relevant properties covered by this KPI. The above report shall be subjected to a review process and verification by an independent Second-Party Opinion (SPO) within the next three (3) months.

7. CONCLUSION

Ayala Land's Sustainability-Linked Financing Program demonstrates a coherent, credible link between its financing strategy and its climate transition objectives. As of the end of 2025, the Company has achieved its EDGE Zero Carbon SPT and remains on a credible path toward meeting its 2030 emissions-reduction target.

This report contains forward-looking statements subject to risks and uncertainties.

ANNEX A

EDGE ZERO CARBON CERTIFIED PROPERTIES

| Property Name | Name in the EDGE App | Official GFA in EDGE APP (in sqms) | Date Certification Acquired |
|------------------------|---|------------------------------------|-----------------------------|
| The 30th Office | The 30th Corporate Center | 59,583 | 10-Jan-24 |
| Glorietta 1 BPO | ALO - Glorietta Corporate Center 1 | 22,890 | 11-Jan-24 |
| Glorietta 2 BPO | ALO - Glorietta Corporate Center 2 | 23,080 | 12-Jan-24 |
| Solaris One | Solaris One | 80,150 | 12-Jan-24 |
| MECC | McKinley Exchange Corporate Center | 15,341 | 12-Jan-24 |
| Vertis 1 BPO | Vertis North Corporate Center 1 | 51,806 | 12-Jan-24 |
| Vertis 3 BPO | Vertis North Corporate Center 3 | 50,752 | 12-Jan-24 |
| Vertis 2 BPO | Vertis North Corporate Center 2 | 52,469 | 13-Jan-24 |
| OAA1 | One Ayala Offices - West Tower | 39,691 | 25-Nov-24 |
| OAA2 | One Ayala Offices - East Tower | 52,595 | 25-Nov-24 |
| Cebu E-Bloc 4 | AREIT INC. - Ebloc 4 Tower | 31,644 | 20-Jan-25 |
| Cebu E-Bloc 2 | EBLOC 2 TOWER | 50,038 | 26-Jan-25 |
| ATG2 | Ayala Triangle Gardens Tower 2 Office | 77,912 | 29-Jan-25 |
| Cebu E-Bloc 1 | AREIT INC. - Ebloc 1 Tower | 38,580 | 05-Mar-25 |
| ANE HQ | Ayala North Exchange Tower 1 (HQ) | 24,125 | 24-Mar-25 |
| ANE Retail | Ayala North Exchange Retail | 59,027 | 24-Mar-25 |
| ANE BPO | Ayala North Exchange Tower 2 (BPO) | 48,960 | 08-Apr-25 |
| MSE Building | ALO - Makati Stock Exchange Building | 26,800 | 25-May-25 |
| Cebu E-Bloc 3 | AREIT Ebloc 3 Tower - 2023 | 32,819 | 16-Jul-25 |
| ACC Cebu | AREIT Inc. - Ayala Center Cebu Tower | 49,516 | 28-Jul-25 |
| Glorietta 5 BPO | ALO - Glorietta 5 BPO | 24,687 | 13-Oct-25 |
| ALOI KLM | ALOI - UP AyalaLand Technohub (Bldg K, L, M) | 33,338 | 13-Nov-25 |
| ALOI NO | ALOI - UP AyalaLand Technohub (Bldg N and O) | 21,044 | 27-Nov-25 |
| Central Bloc 2 | Central Bloc Corporate Center-2 | 54,597 | 08-Dec-25 |
| UP North A-F | UNPHI - UP AyalaLand Technohub (Bldg A, B, D, E, F) | 56,687 | 09-Dec-25 |
| UP North G-J | UNPHI - UP AyalaLand Technohub (Bldg G, H, I, J) | 45,189 | 14-Dec-25 |
| Tower One | Tower One and Exchange Plaza | 94,008 | 19-Dec-25 |
| UP North HSBC | UNPHI - UP AyalaLand Technohub (HSBC Building) | 21,541 | 19-Dec-25 |
| ALOI P | ALOI - UP AyalaLand Technohub (Bldg P) | 10,373 | 20-Dec-25 |
| Iloilo BPO Technohub | ILOILO TECHNOHUB - AYALA LAND, INC. | 10,402 | 21-Dec-25 |
| 6750 BPO | 6750 Ayala Avenue Joint Venture | 63,873 | 22-Dec-25 |
| Baguio Technohub A & B | Baguio Ayala Land TechnoHub | 15,710 | 23-Dec-25 |
| Circuit 2 | Circuit Corporate Center Two | 44,266 | 23-Dec-25 |
| Northpoint Technohub | Northpoint Technohub BPO1 | 5,051 | 23-Dec-25 |
| Bacolod Capitol | BACOLOD CAPITOL CORPORATE CENTER | 16,463 | 24-Dec-25 |
| Circuit 1 | Circuit Corporate Center 1 | 55,864 | 24-Dec-25 |
| Central Bloc 1 | Central Bloc Corporate Center | 39,964 | 25-Dec-25 |
| One Evotech | One Evotech | 14,624 | 25-Dec-25 |
| Two Evotech | Two Evotech | 13,720 | 25-Dec-25 |
| TOTAL GFA | | 1,529,179 | |