

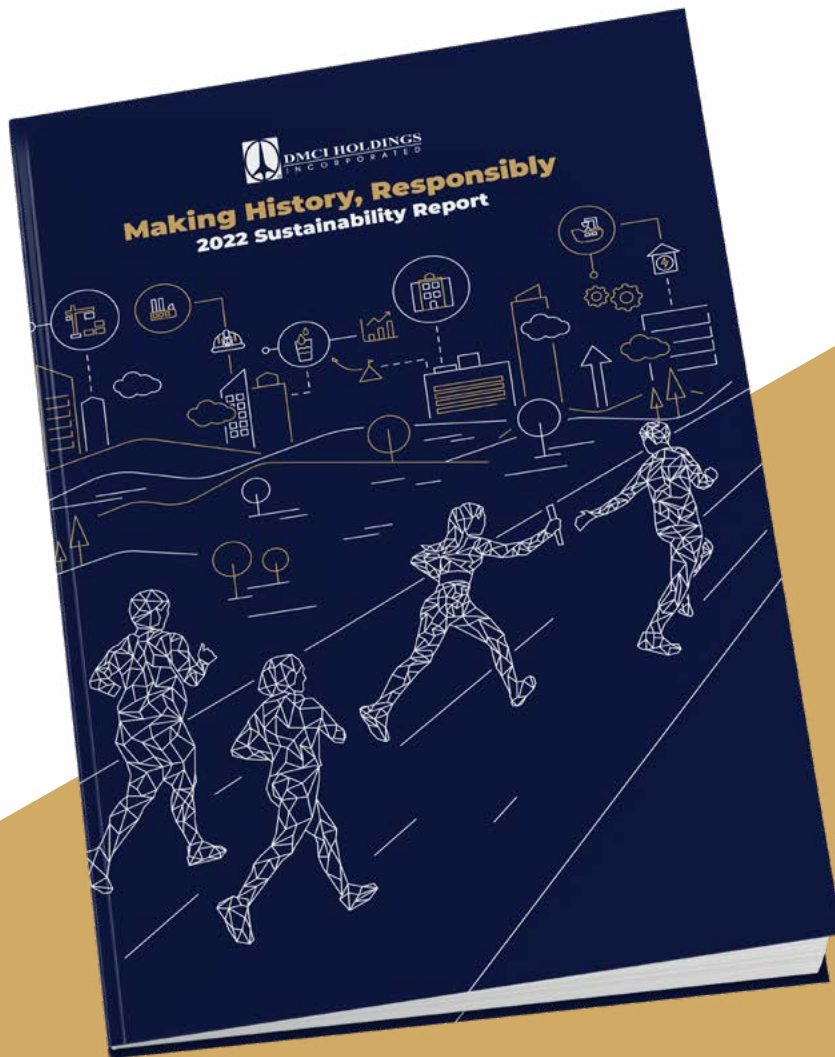


DMCI HOLDINGS
INCORPORATED

Making History, Responsibly

2022 Sustainability Report





About the Cover

The cover features dynamic vector illustrations of DMCI Group employees in motion. These images capture the essence of our diverse workforce, which has been instrumental in our inclusion in the Bloomberg Gender-Equality Index (GEI) for three consecutive years.

In addition, the illustrations signify our ability to persevere and adapt, allowing us to surmount challenges and set new milestones in 2022, despite the ongoing global pandemic, geopolitical tensions and widespread uncertainty.

Complementing the main illustrations are depictions of our core businesses and the rehabilitated Panian mine, once the largest open pit in the Philippines.

Together, these milestones reinforce our vision and mission, inspiring us to continue **Making History, Responsibly.**

About the Report

This Sustainability Report serves as a comprehensive and transparent account of the sustainability performance of DMCI Holdings, Inc. in 2022. Building upon our actions and commitments from prior years, the report encompasses environmental, social and governance (ESG) aspects and impacts.

Scope of the Report

The report aims to provide valuable insights into our initiatives and performance, emphasizing our commitment to responsible operations, while addressing our material sustainability concerns.

In alignment with our Annual Report for the same reporting period, the document encompasses data from all our subsidiaries and affiliate, namely:

- D.M. Consunji, Inc. (DMCI)
- DMCI Homes
- Semirara Mining and Power Corporation (SMPC)
- DMCI Power Corporation (DMCI Power)
- DMCI Mining Corporation (DMCI Mining)
- Maynilad Water Services, Inc. (Maynilad)

Reporting Boundary

The consolidated data presented in the report pertain to the five subsidiaries, unless otherwise specified. Data and information on Maynilad are presented in a separate section.

Our primary objective is to provide a comprehensive report that accurately reflects our sustainability efforts. However, we continue to face challenges in data collection and validation due to the diversified nature and dispersed location of our operations.

While this report covers a wider range of topics compared to our 2021 Sustainability Report, we acknowledge the limitations in our current scope and coverage. To ensure transparency and provide context, we have disclosed these limitations in each section.

As a responsible corporate entity, we are committed to enhancing the scope and coverage of our future reports to better communicate our sustainability progress and align with the expectations of our stakeholders.

Reporting Period

All data and information in this report were recorded between January 1, 2022 and December 31, 2022.

Reporting Standards

This report has been prepared with reference to the GRI (Global Reporting Initiative) Standards 2021.

For questions and clarifications regarding the contents of the report, please contact:

Kent Sydney H. Mercader
ESG Officer
DMCI Holdings, Inc.
khmercader@dmcinet.com

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DMCI Holdings' SID CONSUNJI is MAP Management Man of the Year 2022

The Management Association of the Philippines (MAP) selected Mr. Isidro A. Consunji, chair and president of DMCI Holdings, Inc., as the recipient of the “MAP Management Man of the Year 2022” award.

The “MAP Management Man of the Year” is an award that the MAP confers on individuals in business or government, whether a member of the MAP or not, who have attained unquestioned distinction in the practice of management, and have made valuable contributions to the progress of the country and in re-shaping national values.

It is bestowed on exceptional persons who have posted a record

of achievement and distinction as leaders and managers of organizations, and who are exemplary models who deserve to be emulated by their peers and by the younger leaders and managers.

The conferment of the award follows a thorough, stringent selection process. The distinction of “MAP Management Man of the Year” has only been conferred 46 times in the five-decade history of the award.

The criteria for the award include integrity, leadership, and management qualities; contribution to nation-building and values formation; effective stewardship within the confines of the highest standard of business and management practice; among others.

Mr. Consunji was chosen for his:

- business acumen and management qualities in transforming a private construction firm into one of the Philippines' biggest and most resilient conglomerates;
- leadership role in his group's substantial contributions to national development, job creation and income generation through huge investments in construction, real estate, mining, energy and water distribution;
- unparalleled commitment to developing, training and sustaining a Filipino management team and staff;
- generous contribution to education, specially in the field of engineering and science;
- significant contribution in the form of innovative solutions to the housing problem of the Philippines;
- expertise in turning problematic assets and distressed companies under seemingly insurmountable situations into very productive investments;
- being an exemplar of the Filipino entrepreneurial spirit without public display and self-promotion; and
- personal contributions to shaping national values and inspiring others through his track record of integrity, managerial competence and professional leadership.

Source: www.map.org.ph

Statement from the Leadership



In recent years, companies have come under increasing scrutiny for their impact on society and the environment. It's no longer enough to just report solid financial performance. Stakeholders now require greater transparency and accountability when it comes to environmental, social, and governance (ESG) issues.

DMCI Holdings has embraced this shift, and has demonstrated its commitment to being a good corporate citizen by taking concrete steps to improve its financial and non-financial reporting.

Since 2019, we have been promoting transparency and accountability by publishing an annual sustainability report, which covers our efforts and progress in our ESG performance.

Historic Financial Performance

In 2022, our Company achieved unprecedented milestones in revenues, earnings, and dividend payout because of robust operating performance across our business segments, coupled with bullish prices for coal, nickel, and spot electricity.

Consolidated revenues accelerated by 32% to Php 142.60 billion, from our previous high of Php 108.34 billion. Meanwhile, reported net income expanded by 69% from Php 18.40 billion to Php 31.09 billion, translating to an earnings per share (EPS) of Php 2.34.

Our 2022 net income is 69% higher than our longstanding profit record of Php 18.94 billion from 2013, when we sold part of our stake in Maynilad to Marubeni of Japan.

Even after an all-time high dividend payout of Php 15.93 billion or Php 1.20 per common share, current ratio went up by 29% from 2.25x to 2.90x, while book value per share expanded by 18% from 6.61 to 7.80.

Excluding dividends paid out during the year, our return on equity (ROE) of 33% is the highest among mid and large-cap conglomerate peers in the Philippines.

On the ESG front, the DMCI group also set a number of milestones.

Environmental

SMPC completed the backfilling operations at Panian pit in just six years, significantly ahead of the initial 10-year mine rehabilitation plan.

Previously the largest open-pit mine in the Philippines, Panian pit was nearly double the size of Bonifacio Global City in Taguig and had a depth equivalent to a 90-story building.

Panian had a mine life of 16 years and generated Php 12.7 billion in royalties for the national government and SMPC host communities.

SMPC is the only mining company in the Philippines to have achieved a feat of this scale with such efficiency and expediency. It is now developing a science-based plan to restore the biodiversity in the area.

Social

Government royalties from coal revenues hit a record high of P15.70 billion. Bulk (60%) of this amount will go to the National Treasury, while the rest (40%) will be shared by the Antique province (20%), Caluya Municipality (45%) and Barangay Semirara (35%).

For the third consecutive year, DMCI Holdings and SMPC were featured in the Bloomberg Gender-Equality Index (GEI). The global index evaluates public companies dedicated to promoting gender equality through policy development, representation, and transparency in their operations. Only four companies from the Philippines made it to the list.

We have appointed a Chief Diversity Officer who will be responsible for creating, leading and monitoring the DMCI group's diversity, equity and inclusion (DE&I) strategies, initiatives and efforts to ensure that employees have a welcoming place to work and learn, regardless of their gender, age, sexual orientation, socioeconomic status, ethnicity and abilities.

Governance

In our 2022 Annual Stockholders Meeting, we elected three new independent directors. With this, one-third of our board is now composed of independent directors.

One of our newly elected directors is Atty. Cynthia Del Castillo, the first female independent director in our corporate history. Her appointment raises the Company's total female board representation to almost half (4 out of 9).

We also created a Strategy and Sustainability Committee to help the board navigate the increasingly complex and uncertain business environment. A Chief Strategy and Sustainability Officer has likewise been appointed to assist the committee.


In Closing

This year, we made a concerted effort to elevate the transparency, relevance, and comprehensiveness of our Sustainability Report. Our goal is to provide our stakeholders with a more in-depth understanding of our approach to managing our ESG performance.

To achieve this, we conducted groupwide assessments, included more material data, and actively involved our operating units in the reporting process. In doing so, we hope to foster a culture of openness and accountability, ultimately allowing us to better address our ESG challenges and seize opportunities for sustainable growth.

We also acknowledge that there is still much work to be done to fully address our ESG challenges, but we remain committed to continuous improvement and recognize that sustainability is an ongoing journey.

We will continue to identify and prioritize initiatives that can drive positive ESG outcomes, and will work to embed sustainable practices across our organization. By taking a proactive and collaborative approach to sustainability, we hope to create shared value for our stakeholders and build a more sustainable future for the communities in which we operate.



Isidro A. Consunji
Chairman and President

About Our Company

Established in March 1995, DMCI Holdings is the only publicly-listed holding company in the Philippines that has construction as its core competency.

It was listed on the Philippine Stock Exchange on December 18, 1995 to extract greater value from the engineering expertise and construction resources of D.M. Consunji, Inc. (DMCI),

the pioneering contractor behind some of the biggest and most complex infrastructures in the Philippines. DMCI Holdings trades under the PSE ticker symbol DMC.

Since its listing, DMC has expanded into other construction and engineering-related industries, namely real estate development, coal and nickel mining, power generation and water services.

Vision

We are the leading integrated engineering and management conglomerate in the Philippines.

Through our investments, we are able to do the following:

D

Deliver

exceptional shareholder value

M

Motivate

and provide employees with opportunities and just rewards to achieve their full potential

C

Cultivate

progress in remote areas, unserved markets, and growth industries

I

Integrate

sustainable development with superior business results through principled contracting and innovative engineering

Mission

To invest in engineering and construction-related businesses that bring real benefits to the people and to the country.



Values

Our values shape the way we work, interact with each other, and deal with our stakeholders.

Integrity

Accountability

Teamwork

Sustainability

Customer Focus

Fairness

Innovation

Corporate Strategy

We choose industries that allow us to leverage our engineering and management expertise and construction resources, while promoting development.



We engage and retain our employees by investing in skills development and career opportunities.

We pursue businesses with unrealized value that could be unlocked through innovative engineering and management.



We manage our businesses in accordance with relevant government standards on environment, safety, quality, and corporate governance practices.

The DMCI Creed

We believe that:

Construction is a noble profession whose activities are vital to economic development and national progress;

Fair competition is essential to the growth and stability of the construction industry;

A contractor's primary responsibility to his client is to give his best in faithful compliance with their agreement;

Labor and capital should cooperate with one another so that labor may live with dignity and capital may find its just rewards;

The ill-gotten violates business ethics and the ill-conceived wreaks havoc on the public good;

The ultimate objectives are to serve not only man but humankind, and to build not only an enterprise but an institution that will serve society.

2022 in Review

CONSOLIDATED FINANCIAL HIGHLIGHTS

Key Figures as of and for the period ending 31 December 2022

PHP 142.6 billion

Revenue

PHP 31.1 Billion

Net Income

PHP 53.5 Billion

EBIT

PHP 31.2 Billion

Core Net Income

33%

ROE – Parent

18%

Net Debt to Equity

PHP 2.34

Per Share EPS

PHP 15.9 Billion

Dividend Payout

7.80

BVPS

PHP 28.4 Billion

Consolidated
Cash Balance

PHP 22.7 Billion

Capital Expenditures

PHP 491 Million

Net Loan Payment

2022 Highlights

Environment

- SMPC completed the backfilling operations at Panian pit in just six years, spending PHP 12.35 billion and 11.5 million man-hours
- The DMCI Group planted 775,958 mangroves, reforested 1,414 hectares of land, and conserved and protected 1,618 hectares of natural habitats
- DMCI Homes launched three projects equipped with full water reuse capability
- BNC began its comprehensive 6-year final rehabilitation plan for the Berong mine in Quezon, Palawan
- Expanded GHG accounting efforts to include Scope 3 emissions

Social

- DMCI Holdings and SMPC included in the 2023 Bloomberg Gender-Equality Index
- Over 99% Filipino representation across senior, middle and junior management levels, and in total workforce
- DMCI Holdings adopted a Diversity, Equality and Inclusion (DEI) policy, and appointed a Chief Diversity Officer
- Community investment spending reached PHP 211 million
- Injury frequency rate below industry average (0.2 employees, 0.02 contractors vs 0.34 Philippine construction industry pre-pandemic average)

Economy and Governance

- DMCI Holdings Chairman and President Isidro A. Consunji declared Management Association of the Philippines (MAP) Management Man of the Year 2022
- Record high consolidated revenues (PHP 142.60 billion) and consolidated net income (PHP 31.09 billion)
- Government royalties from coal revenues at an all-time high of PHP 15.96 billion while excise taxes from nickel sales reached PHP 29 million; proceeds from ER 1-94 totalled PHP 38.5 million.
- Appointed three independent directors (ID) including first female ID; Board independence now at 33%
- Created the Strategy and Sustainability Committee to assist and advise the Board, and appointed a Chief Strategy and Sustainability Officer

Awards, Recognition and Certifications

DMCI Holdings

Asiamoney 2022 Asia's Outstanding Companies Poll

- Most Outstanding Company in the Philippines – Construction & Engineering Sector

D.M. Consunji, Inc.

CEMEX Building Award 2022

- First Place, Infrastructure International Category for the Cebu-Cordova Link Expressway (CCLEX), a joint venture of Spain-based Acciona Construccion, S.A., First Balfour and DMCI

Pag-IBIG Fund Stakeholders' Accomplishment Report (StAR) Awards

- Top Employers in NCR (1st and 3rd Quarter)

Certification International Philippines (CIP)

- ISO-certified 9001: 2015 (Quality Management System), 14001: 2015 (Environmental Management System), 45001:2018 (Occupational Health and Safety Management System)
-

Semirara Mining and Power Corporation

Asiamoney 2022 Asia's Outstanding Companies Poll

- Most Outstanding Company in the Philippines for the Materials Sector

Alpha Southeast Asia Magazine

12th Institutional Investor Corporate Awards 2022

- Most Organized Investor Relations (3rd place)
- Best Senior Management Investor Relations Support (2nd place)
- Most Consistent Dividend Policy (3rd place)
- Most Improved Investor Relations (sole winner)

ASEAN Capital Markets Forum

- ASEAN Asset Class Award 2022

19th Philippine Quill Merit Award

- 2020 ASR Powering Sustainable Change

PwC Philippines

- 2022 External Quality Assessment (EQA) of internal audit functions – Generally Conforms

Certification International Philippines (CIP)

- SMPC, SCPC and SLPGC – ISO-certified 9001: 2015 (Quality Management System), 14001: 2015 (Environmental Management System), 45001:2018 (Occupational Health and Safety Management System)

GRI ASEAN

- Top 10 (out of 100) Philippine PLC in Climate-related Reporting



Berong Nickel Corporation

2022 Mayor's Award (Puerto Princesa, Palawan)

- Commendation for debris clearing operation

Provincial Disaster Risk Reduction and Management Council

- Plaque of Commendation for emergency response assistance to the victims of typhoon

Quezon, Palawan Local Governance Unit

- Gawad Parangal para sa Kalikasan 2022

Zambales Diversified Metals Corporation

- Recertification of ISO 14001:2015 (Environment Management System)



Maynilad Water Services, Inc.

Environmental Systems Research Institute (ESRI)
2022 Special Achievement in Geographic Information System (SAG)

2022 FIDIC Contract Users' Project of the Year Award
(Maynilad LMTP1) - International Federation of Consulting Engineers

Philippine Quill Awards

- Eight awards for various communication programs, tools and campaigns

Anvil Awards

- Six Anvil Awards for various public relations tools and programs

Department of Environment and Natural Resources–Environmental
Management Bureau-National Capital Region (DENR-EMB-NCR)
recognition for various environmental programs

ISO 22301:2019 recertification in Business Continuity
Management Systems (BCMC)

Investors in People (IiP) Gold Level accreditation

Department of Labor and Employment (DOLE) Safety Seal



D.M. CONSUNJI, INC.
ENGINEERS • CONTRACTORS

DMCI was founded in 1954 by Engr. David M. Consunji, the Grandfather of the Philippine Construction Industry.

It is one of the country's leading engineering-based integrated construction companies, with expertise in building residential, commercial and infrastructure projects. It also has project support capabilities such as concrete products, equipment management and steel fabrication.

To date, DMCI has completed over 1,000 projects of varying scale and magnitude. Some of these projects include the Royal Palace of Brunei, Cultural Center of the Philippines, Dambana ng Kagitingan, Philippine International Convention Center, Enchanted Kingdom, Light Rail Transit Line 1, Solaire Resort and Casino, Tarlac - Pangasinan - La Union Expressway, Ikea Pasay among others.

Key Figures

PHP 19.5 Billion
Revenues

PHP 17.6 Billion
Total Cash Cost

9.6%
Core EBITDA Margin

PHP 815 Million
Core Net Income

PHP 863 Million
Net Income

PHP 0.2 Billion
Capex

PHP 35.2 Billion
Order Book

PHP 222 Million
Debt





Launched in 1999, DMCI Homes is one of the leading mid-segment developers in the Philippines, offering best-in-class amenities and value-for-money properties in Metro Manila and other key urban areas.

The company is known for its innovative and sustainable design approach, which incorporates green spaces, open areas, and natural ventilation to create a comfortable and healthy living environment for residents. It also prides itself on its quality craftsmanship, attention to detail and customer-centric approach to property development.

The first Quadruple A developer in the country, DMCI Homes has a portfolio of over 80 projects, with over 70,000 units sold. It has been expanding into other segments, particularly premium, mixed-use and leisure.

Key Figures

PHP 21.9 Billion
Revenues

PHP 17.6 Billion
Total Cash Cost

19.6%
Core EBITDA Margin

PHP 4.5 Billion
Net Income

PHP 15.8 Billion
Capex

PHP 7.7 Billion
Sales and Reservations

217.9 Hectares
Total Landbank

PHP 35.8 Billion
Debt





SMPC is the largest and most modern coal producer in the Philippines, accounting for 99% of the country's coal production and export. Since 1983, its shares have been listed in the Philippine Stock Exchange under the ticker SCC.

A vertically integrated energy company, SMPC is the only power producer in the country that runs on its own fuel. Its two wholly owned subsidiaries—Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC)—generate affordable baseload electricity for the Luzon-Visayas grid.

SMPC also supplies coal to other local power plants, cement manufacturers and small boiler users. Its excess inventory is exported to China, South Korea, Thailand, Cambodia, Vietnam, Brunei and India.

Key Figures

PHP 91.1 Billion
Revenues

PHP 43.8 Billion
Total Cash Cost

PHP 16.0 Billion
Government Share

PHP 40.0 Billion
Core Net Income

PHP 39.9 Billion
Net Income

PHP 4.3 Billion
Capex

14.8 MMT
Coal Shipments

3,596 GWh
Total Power Sales

PHP 35.2 Million
ER 1-94





Established in 2006, DMCI Power is the largest off-grid energy company in the Philippines. It contributes to the National Government's energy security program by bringing affordable electricity to unserved and underserved smaller islands and remote locations in the country.

DMCI Power supplies electricity through long-term power supply agreements with Masbate Electric Cooperative (MASELCO), Oriental Mindoro Electric Cooperative (ORMECO) and Palawan Electric Cooperative (PALECO). As of year-end 2022, it had a total installed capacity of 136.4 MW.

The company currently operates and maintains thermal, bunker and diesel power plants in parts of Masbate, Oriental Mindoro and Palawan. A four (4) megawatt solar plant is also set to rise in Masbate in 2023.

Key Figures

PHP 7.5 Billion

Revenues

PHP 6.2 Billion

Total Cash Cost

PHP 3.3 Million

ER 1-94

PHP 742 Million

Net Income

PHP 1.9 Billion

Capex

PHP 5.6 Billion

Debt

447.3 GWh

Gross Power Generation

426.0 GWh

Total Power Sales





Formed in May 2007, DMCI Mining is primarily involved in the exploration, mining, and development of mineral resources, particularly nickel ore, which is an essential component in the production of stainless steel and electric vehicle batteries.

Its subsidiaries—Berong Nickel Corporation (BNC) and Zambales Diversified Metals Corporation (ZDMC)—have nickel assets in Palawan and Zambales. Both have an annual production capacity of 1 million wet metric tons and utilize the surface mining technique in their extraction operations.

BNC fully depleted its Berong mine in December 2021, leaving ZDMC as the sole operating mine of DMCI Mining. Efforts are underway to fully permit over 8,000 hectares of nickel resource in Palawan and Zambales.

Key Figures

PHP 3.8 Billion
Revenues

PHP 1.6 Billion
Total Cash Cost

PHP 1.4 Billion
Core Net Income

PHP 1.4 Billion
Net Income

PHP 459 Million
Capex

PHP 350 Million
Debt

1.3 Million WMT
Total Production

1.4 Million WMT
Total Shipments





Maynilad is the largest water service provider in terms of customer base in the Philippines, with over 1.5 million water service connections. It is managed by Maynilad Holdings Corporation, which is jointly owned by Metro Pacific Investments Corporation (52.8%), DMCI Holdings (27%), Marubeni Corporation (20%) and eligible employees (0.2%).

Under Republic Act 11600, Maynilad has a 25-year franchise to establish, operate and maintain the waterworks system and sewerage and sanitation services in the West Zone service area of Metro Manila and the Province of Cavite.

The company currently operates and maintains 5 water treatment plants, 23 wastewater plants, 38 pumping stations, 37 reservoirs, 35 in-line boosters and over 10,000 kilometers of water pipeline.

Key Figures

PHP 22.9 Billion
Revenues

PHP 8.6 Billion
Total Cash Cost

PHP 6.0 Billion
Core Net Income

PHP 5.9 Billion
Reported Net Income

PHP 1.5 Billion
DMC Net Income Share

PHP 15.3 Billion
Capex

526.9 MCM
Billed Volume

10 Million
Population Served



A man with glasses and a smile, wearing a blue and grey striped sweater and a high-visibility vest, holds two small potted plants in a nursery. The nursery is filled with rows of similar plants under a green mesh canopy. The background shows more plants and a blue fence.

Our Sustainability Strategy



Sustainability Framework

DMCI Holdings follows a comprehensive, multi-faceted approach designed to guide our organization in achieving its sustainability goals. This framework is delineated by five key pillars that encompass the diverse aspects of our commitment to sustainable development and corporate responsibility.



1

Environmental Stewardship:

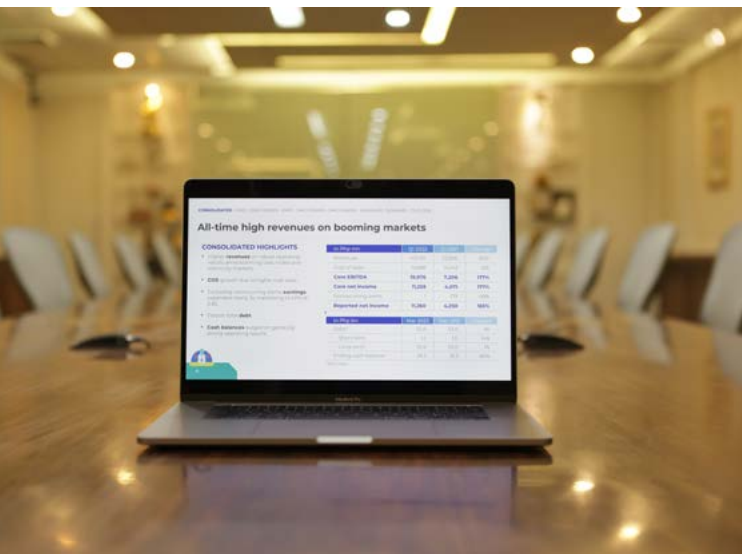
Our commitment to mitigating our environmental footprint is a top priority. We strive to optimize resource use, minimize waste generation, and incorporate eco-friendly practices throughout our operations. We invest in mine rehabilitation, carbon offsetting and sustainable architecture, in addition to implementing rigorous environmental management systems to ensure compliance with Philippine government standards.

2

Social Responsibility:

We recognize the importance of fostering a positive impact on our host communities and other key stakeholders. Our focus on social responsibility includes promoting employee well-being, providing equal opportunities, and upholding fair labor practices. Additionally, we collaborate with residents, community leaders and local government units to support community development initiatives, education, and healthcare programs.





3

Economic Prosperity:

We pursue sustainable growth by balancing our economic objectives with environmental and social considerations. Our aim is to create long-term value for our stakeholders while minimizing negative externalities. We prioritize ethical business practices, good corporate governance, and diligent risk management to ensure financial stability and responsible growth.



4

Innovation and Adaptation:

We support innovation by investing in tools and technologies that could aid better performance across our business units. We foster a culture of continuous improvement and performance management, encouraging employees to develop new ideas and adapt existing processes to improve efficiency, reduce waste, and minimize environmental impact.



5

Stakeholder Engagement:

Open communication and collaboration with our stakeholders are essential to our sustainability. We actively engage with employees, customers, suppliers, regulators, and local communities to gather feedback, identify areas of improvement, and find a way to meet their expectations.

By incorporating these key pillars into our daily operations and decision-making processes, we aim to create a lasting positive impact on the environment, society, and economy while ensuring the long-term success of our organization.

Our Sustainability Pillars



Environmental Stewardship

Environmental Management

Climate

Energy

Air Emissions

Water and Effluents

Waste

Biodiversity and Land Use Management

Power Generation

Supply Chain Management



Social Responsibility

Employment Practices

Diversity, Equality, and Inclusion

Training and Development

Talent Attraction and Retention

Occupational Health and Safety

Human Rights

Supply Chain Management

Corporate Citizenship and Philanthropy

Community Impacts and Involvement

Customer Relationship Management

Ethical Marketing and Brand Management



Economic Prosperity

Economic and Financial Performance

Corporate Governance

Business Ethics and Compliance

Risk Management

Crisis Management and Business Continuity



Innovation and Adaptation

Technology and Innovations

Information Security and Cybersecurity

Sustainable Human Settlements

Training and Development



Stakeholder Engagement

Approach to Stakeholder Engagement

Stakeholder Engagement Channels

Stakeholder Concerns

Stakeholder Engagement Initiatives



Environmental Stewardship

Given the broad nature of our operations, we recognize that our activities can have a considerable and lasting impact on the environment. As a result, we strive to be mindful of our actions in areas such as climate change-related emissions, resource management—including water, energy, materials, and waste—biodiversity preservation, and supply chain management. Our goal is to manage our environmental footprint while maintaining sustainable business practices.

Relevant material topics in this area are categorized into themes as shown below.



Global Warming

- **Climate Change**
GRI 305: Emissions (GHG)
- **Energy**
GRI 302: Energy
- **Power Generation and Energy Transition**
Non-GRI: Plan for renewable energy transition in the future / current practices on increasing RE share
- **Air Quality**
GRI 305: Emissions (Air)



Resource Conservation

- **Water**
GRI 303: Water and Effluents
- **Waste**
GRI 306: Effluents and Waste
GRI 306: Waste 2020
- **Material Efficiency and Sustainability**
GRI 302: Materials



Impact on Value Chain

- **Biodiversity and Land Use Management**
GRI 304: Biodiversity
- **Procurement Practices / Supply Chain Sustainability**
GRI 204: Procurement Practices
GRI 208: Supplier Environmental Assessment



Social Responsibility

We recognize the vital role played by our employees and believe that a motivated and empowered workforce contributes to our success. Our Company is committed to creating an inclusive environment that provides equal opportunities for all employees, where everyone feels safe, supported, and respected regardless of their gender identity, religion, role in the company, or any other factors that differentiate them.

DMC promotes workplace diversity, employee development, human rights protection and workplace safety through equitable employment practices. At the same time, we do our best to meet the needs of our external stakeholders by considering their opinions and suggestions to improve our operations and identify new business opportunities. This is accomplished through customer relationship management, community involvement, and government relations. A summary of the essential material topics follows.



Our People

- **Employment Practices**

GRI 401: Employment

- **Diversity, Equality and Inclusion**

GRI 405: Diversity and Equal Opportunity

GRI 406: Non-discrimination

- **Employee Training and Development**

GRI 404: Training and Education

- **Talent Attraction and Retention**

Non-GRI: Practices followed to create a congenial work environment



Worker Welfare

- **Occupational Health & Safety**

GRI 403: Occupational Health and Safety

- **Human Rights**

GRI 402: Labour / Management Relations

GRI 407: Freedom of Association and Collective Bargaining

GRI 408: Child Labour

GRI 409: Forced or Compulsory Labour

GRI 410: Security Practices

GRI 411: Rights of Indigenous Peoples



Goodwill

- **Ethical Marketing and Brand Management**
GRI 417: Marketing and Labelling
- **Customer Relationship Management**
GRI 416: Customer Health and Safety
- **Sustainability Promotion among Customers**
Non-GRI: Advocacy on promoting sustainability practices among customers
- **Quality Management System**
GRI 416: Customer Health and Safety
Non-GRI: Ensuring product safety and quality



Local Engagement

- **Environmental Impact on Surrounding Communities**
GRI 413: Local Communities
- **Corporate Citizenship and Philanthropy**
GRI 203: Indirect Economic Impacts
- **Relations with Local Communities**
GRI 413: Local Communities
- **Political Engagement and Policy Influence**
GRI 415: Public Policy



Impact on Value Chain

- **Procurement Practices / Supply Chain Sustainability**
GRI 414: Supplier Social Assessment



Economic Prosperity

Our business viability is hinged on our ability to recognize risks, develop strategies to address and adapt to those risks, and in the process deliver real value to our stakeholders.

As a result, we consistently work towards integrating a culture of resilience into our operations. This is demonstrated through our focus on crisis management and business continuity, information security, stable economic performance, and adherence to anti-corruption measures and business ethics.

The visual below maps these areas to relevant GRI and non-GRI indicators.



Long-term survival

- **Crisis Management & Business Continuity**

GRI 202: Market Presence

- **Risk Management**

Non-GRI: Efforts to estimate impacts of sustainability risks, risk management framework, table of risks



Financial Performance

- **Economic and Financial Performance**

GRI 201: Economic Performance

GRI 207: Tax

- **Business Ethics, Anti-Corruption and Compliance**

GRI 205: Anti-Corruption

GRI 206: Anti-Competitive Behavior



Innovation and Adaptation

Our businesses invest in innovation and adaptation initiatives to stay competitive and maintain sustainable growth in their respective industries.

By adopting advanced technologies, digital tools and e-learning management systems, we are able to streamline operations, upskill our workforce, and enhance overall efficiency. Fostering a culture of continuous improvement also allows us to develop new ideas and refine existing processes, thereby enhancing employee welfare, customer experience and environmental management.



Our People

- **Employee Training and Development**
GRI 404: Training and Education



Customer Experience

- **Technology, Innovation, and Modernization**
Non-GRI: Innovations over the years, instances of adoption of new technology
- **Information Security & Cybersecurity**
GRI 417: Customer Privacy
- **Sustainable Human Settlements**
GRI 203: Indirect Economic Impacts



Stakeholder Engagement

Our focus on achieving both financial and non-financial goals includes a strong commitment to our stakeholders and their well-being. By regularly communicating and collaborating with them, we gain insights into their expectations and concerns, especially regarding sustainability.

Consistent with our previous approaches, we have continued to engage with our stakeholders, collecting their valuable input to determine and prioritize essential material topics. DMC follows the GRI Standards 2021 and meets the guidelines provided by the Securities and Exchange Commission (SEC), ensuring our actions align with industry practices and regulatory standards.

Our stakeholder engagement initiatives are discussed in detail in the succeeding sections of the report.

Below is a summary of our key stakeholders, the common engagement channels and a list of concerns identified and addressed during the course of the reporting year.



Government Agencies

Engagement Channel/s

- Email, virtual, phone, face- to-face meetings

2022 Concerns

- Compliance to government requirements



Customers

Engagement Channel/s

- Customer Satisfaction Survey
- Social Media/SMS Advisories
- Email, Phone, Face-to-Face Meetings by appointment

2022 Concerns

- Timely and safe delivery of quality projects amidst the COVID-19 pandemic
- Payment concerns and collection efficiency
- Meeting Service Level Agreements (SLA)



Employees

Engagement Channel/s

- Email, phone, virtual meetings, face-to face-meetings, Postman, Meetings, Bulletin Board, Video, Orientation / Trainings

2022 Concerns

- Workplace health and safety
- Employee Wellness and Mental Health
- Learning and Development
- On-site and Work-from-Home
- Job security and Company resiliency
- Employee Engagement
- Compliance and support to mitigate Organizational risks



Community

Engagement Channel/s

- Property Management
- Phone, Email, and Social Media
- Virtual and Face-to-Face Meetings

- Meetings and dialogue with concerned community and barangay officials, and relevant departments
- Open discussion through public scoping

2022 Concerns

- Health and safety concerns
- Maintenance concerns
- Building concerns (technical, maintenance, amenities)
- Dust generation during hauling operations
- Local employment
- Residents Engagement
- Online Payment Channels



Investors and Analysts

Engagement Channel/s

- Quarterly briefings, roadshows, phone, Messenger/Viber, email, virtual and face-to-face meetings, surveys

2022 Concerns

- Financial and operating results, market outlook, dividends, ESG, growth prospects



Media

Engagement Channel/s

- Email, SMS, Phone Messenger/Viber
- Media briefings and events (face-to-face)

2022 Concerns

- Information dissemination
- Corporate Communication
- Prompt response to issues
- Assistance to service complaint
- Updates on company developments
- Access to senior management



Electric Cooperatives

Engagement Channel/s

- Video conferencing through different platforms
- Email, teleconferencing

2022 Concerns

- Continuous power generation to avoid power outbreak



Materiality Assessment

For the year 2022, DMC conducted an extensive materiality assessment exercise involving key stakeholders from all our subsidiaries. The approach was based on the modified materiality assessment process required by the GRI Standards 2021, as shown in the next page.



The **process** started with the initial identification of material topics based on in-depth industry research, consideration of organization context including law of the land, nature of products and services, supply chain characteristics, inputs from stakeholders in the recent past and articulated business goals.

The **material topics** were identified through a comprehensive process that began with an intensive workshop for key stakeholders, which focused on the materiality assessment process and its associated tool. Subsequently, an online survey was conducted to gather inputs on the actual and potential positive and negative impacts on the economy, environment, and society, including human rights. These impacts were then ranked based on their severity and likelihood.

Using the organization's existing **risk-based approach**, we managed to incorporate this process smoothly, creating a clear and structured method for determining material topics and addressing stakeholder concerns.

As this is our first report based on the new GRI standard, we focused on insights from internal stakeholders while still taking into account the input received from external stakeholders during regular and previous engagement sessions.

We **analyzed and prioritized** the gathered inputs using an agreed-upon ranking system, which defined the scope of our reporting. The table below outlines our high, medium, and low priority material topics.

High Priority	Medium Priority	Low Priority
Occupational Health & Safety	Biodiversity & Land Use Management	Employee Training & Development
Climate Change	Waste	Quality Management System
Customer Relationship Management	Crisis Management & Business Continuity	Political Engagement & Policy Influence
Economic & Financial Performance	Environmental Impact on Surrounding Communities	Ethical Marketing & Brand Management
Environmental Management	Technology, Innovations, and Modernization	Human Rights
Water	Employment Practices	Diversity, Equality, & Inclusion
Business Ethics, Anti-Corruption, Compliance		Sustainable Human Settlements
Air Quality (other emissions)		Material Efficiency & Sustainability
Risk Management		Sustainability Promotion among Customers
Procurement Practices / Supply Chain Sustainability		
Power Generation / Energy Transition		
Relations with Local Communities		
Energy (Fuel and Electricity)		
Information Security & Cybersecurity		
Talent Attraction & Retention		
Corporate Citizenship & Philanthropy		

The table below seeks to explain why these topics are material to us and how they contribute to the United Nations Sustainable Development Goals (SDGs).

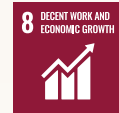
Long-term survival

Crisis Management & Business Continuity

GRI 202: Market Presence

As a result of the pandemic, having a business resilience plan is necessary to avoid shutdowns and job losses.

Within and outside DMC

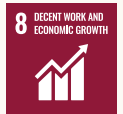


Risk Management

Non-GRI: Efforts to estimate impacts of sustainability risks, risk management framework, table of risks

Accurately estimating potential risks to business survival, especially those related to ESG, are crucial for business continuity.

Within DMC



Customer Experience

Technology, Innovation, Modernization

Non-GRI: Innovations over the years, instances of adoption of new technology

Keeping up with the shifts in technology is essential to maintain competitiveness and cost-efficiency.

Within DMC



Information Security Cybersecurity

GRI 417: Customer Privacy

Maintaining customer trust and loyalty hinges on ensuring the security of their information.

Within and outside DMC



Sustainable Human Settlements

GRI 203: Indirect Economic Impacts

Safe, climate-resilient and affordable green housing leads to better social and economic opportunities to residents.

Within DMC



Financial Performance

Economic and Financial Performance

GRI 201: Economic Performance

GRI 207: Tax

Economic and financial outcomes are critical drivers of sustainable growth and development.

Within DMC



Business Ethics, Anti-Corruption, Compliance

GRI 205: Anti-Corruption

GRI 206: Anti-Competitive Behavior

Compliance and ethical practices create a positive impact on ESG, enhancing sustainability.

Within and outside DMC



Global Warming

Climate Change

GRI 305: Emissions (GHG)

Our operations and equipment emit greenhouse gases, one of the main drivers of climate change.

Within and outside DMC



Energy

GRI 302: Energy

Energy is a vital component in our operations, and increased usage could lead to higher costs and energy insecurity.

Within and outside DMC



Power Generation and Energy Transition

Non-GRI: Plan for renewable energy transition in the future / current practices on increasing RE share

DMC sees coal as critical in the Philippine energy mix, but also recognizes the need for renewable energy investments.

Within and outside DMC



Air Quality

GRI 305: Emissions (Air)

Our operations comply with air emissions limits, and we work to minimize emissions whenever possible.

Within and outside DMC



Resource Conservation

Water

GRI 303: Water and Effluents

Water is a crucial resource in our operations, and we are conscious of our consumption and adherence to effluent discharge standards.

Within and outside DMC



Waste

GRI 306: Effluents and Waste
GRI 306: Waste 2020

Waste generation and discharges can significantly impact soil and groundwater, which could lead to water quality and stakeholder relationship issues for our businesses.

Within and outside DMC



Material Efficiency and Sustainability

GRI 302: Materials

Overuse of renewable and non-renewable materials could contribute to scarcity, thereby increasing overall material cost.

Within DMC



Impact on Value Chain

Biodiversity and Land Use Management

GRI 304: Biodiversity

Construction and mining can disrupt or damage the ecosystem, requiring careful planning, restoration and reforestation.

Within and outside DMC



Procurement Practices / Supply Chain Sustainability

GRI 204: Procurement Practices
GRI 208: Supplier Environmental Assessment
GRI 414: Supplier Social Assessment

We promote sustainability among our diverse suppliers to minimize negative impact and optimize shared value.

Within and outside DMC

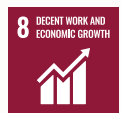


Our People

Employment Practices

GRI 401: Employment

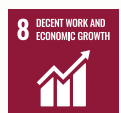
Our workplace policies and practices promote employee well-being, which significantly contributes to business results.



Diversity, Equality, and Inclusion

GRI 405: Diversity and Equal Opportunity
GRI 406: Non-discrimination

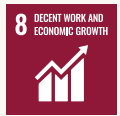
We foster talent diversity and inclusion to increase productivity and create a healthy work environment.



Employee Training and Development

GRI 404: Training and Education

Employee training and development enhance skills, job satisfaction, and retention, benefiting both our workforce and businesses.



Talent Attraction and Retention

Non-GRI: Practices followed to create a congenial work environment

Opportunities for growth and collaboration, supportive leadership and recognition enable us to attract and retain talent.



Worker Welfare

Occupational Health & Safety

GRI 403: Occupational Health and Safety

We uphold the welfare of our employees by minimizing the risk of accidents and illnesses in the workplace.



Human Rights

GRI 402: Labour / Management Relations

GRI 407: Freedom of Association and Collective Bargaining

GRI 408: Child Labour

GRI 409: Forced or Compulsory Labour

GRI 410: Security Practices

GRI 411: Rights of Indigenous Peoples



To maintain our stakeholder relationships and social license to operate, we adhere to human rights practices and conventions.

Goodwill

Ethical Marketing and Brand Management

GRI 417: Marketing and Labelling

Avoiding unethical marketing practices is necessary for ensuring long-term trust, business survival and customer base expansion.



Customer Relationship Management

GRI 416: Customer Health and Safety

We place high priority on our customers and strive to continuously improve our understanding of their expectations to serve them better.



Sustainability Promotion Among Customers

Non-GRI: Advocacy on promoting sustainability practices among customers

Our businesses are committed to implementing projects and initiatives that improve quality of life and promote sustainable customer lifestyles.



Quality Management System

GRI 416: Customer Health and Safety

Non-GRI: Ensuring product safety and quality

Ensuring product safety and quality is paramount, as it directly affects customer trust and retention, which serve as the foundation of our businesses.



Local Engagement

Environmental Impact on Surrounding Communities

GRI 413: Local Communities

We manage our environmental impact by adopting sustainable practices and technologies, demonstrating our commitment to local communities.



Corporate Citizenship and Philanthropy

GRI 203: Indirect Economic Impacts

As a responsible corporate citizen, we actively support and engage in community projects and initiatives to make a positive social impact.



Relations with Local Communities

GRI 413: Local Communities

We value our relationships with local communities and strive to maintain open dialogue and mutually beneficial partnerships.



Political Engagement and Policy Influence

GRI 415: Public Policy

We adhere to ethical political engagement and support policies that promote the long-term well-being of local communities.



Our Contribution to the United Nations Sustainable Development Goals



We contribute to poverty reduction by providing employment opportunities, supporting local economic activity, and promoting corporate social responsibility initiatives that enhance local and national gross domestic product.

Our coal, nickel and power businesses also contribute to the National Treasury, local government and/or host communities through their royalty, excise tax and ER 1-94 payments.

PHP 16 billion

Combined remittance of SMPC, DMCI Power and DMCI Mining in 2022



We contribute to zero hunger by generating jobs and ensuring regular payments to our employees, suppliers and the government. We also support livelihood projects, feeding programs and disaster relief efforts in the areas where we operate.

PHP 56.2 Billion

Total payment to suppliers, sub-contractors and service providers in 2022

**3 GOOD HEALTH
AND WELL-BEING**



We prioritize employee health and safety and hold an ISO 45001 certification. We provide Health Maintenance Organization (HMO) coverage, invest in personal protective equipment (PPE) and conduct wellness seminars.

Employees: 0.53 Contractors: 0.13

**Total Recordable Incident Rate
per 200,000 working hours in 2022**

**4 QUALITY
EDUCATION**



Our businesses fund public and private schools, vocational training centers, scholars and public school teachers to promote quality education, particularly in remote and marginalized areas. We also regularly donate school supplies and other learning materials to our host communities.

976

Total number of scholars in 2022

**5 GENDER
EQUALITY**



Guided by our diversity and inclusion policy, we do not discriminate based on gender, race, or caste in any aspect of our core operations. Our recruitment, onboarding, and ongoing employment practices ensure equal opportunities for our female employees.

DMC and SCC included in
Bloomberg Gender Equality Index



We adhere to regulations governing the discharge of effluents into oceans and other water bodies. Recognizing the importance of preserving clean water sources, we have also taken steps to prioritize coastal and river clean-up initiatives through our CSR programs.

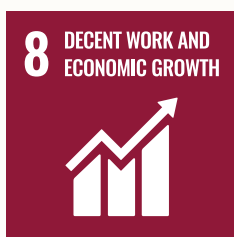
In addition, we prioritize the health and safety of our employees by ensuring the availability of clean drinking water and hygienic toilet facilities.

DMCI Power assumed responsibility of improving the cleanliness and quality of Tugbo creek.



SMPC and DMCI Power are committed to providing affordable and reliable electricity to their customers. As such, they invest in maintaining and optimizing their facilities to meet environmental standards, avoid wastage and reduce downtime. DMCI Power is also building a 4 megawatt solar plant in Masbate.

DMCI Power has a 15 MW hybrid power plant that can run on coal and biomass, providing affordable energy to its host community.



We prioritize a positive work environment that aligns with our code of conduct and human resource policies. Our employee benefits are competitive and encourage financial sustainability. Our economic performance contributes to local economic growth.

Employee grievance mechanism available and accessible through the code of conduct



DMCI and DMCI Homes are the first in their industries to secure “Quadruple A” classification, the highest level of standard given by the Philippine Contractors Association Board (PCAB). The classification is based on financial capacity, building experience, and technical expertise.

Lumiventt® Design Technology patented by DMCI Homes



We promote a discrimination-free workplace, ensuring equal treatment for all employees. We provide fair pay, reducing societal inequalities. Our community contributions promote equitable income distribution.

DMCI Power was adjudged as the Corporate Social Responsibility (CSR) Initiative of the Year in the Asian Power Awards.

We promote sustainable construction through value engineering, green projects and environmental initiatives. As an integrated contractor, DMCI identifies ways to improve the value of a project by analyzing its functions and reducing costs while maintaining or improving performance, quality, and safety.



DMCI Homes dedicates around 60% of its total project land area to green open spaces, which includes landscaped gardens, parks, playgrounds, and other recreational amenities.

DMCI Homes launched three projects in 2022, all of which will have full water reuse capability.



We continuously monitor and manage environmental and social performance, specifically air quality, raw material and energy consumption, water use, waste generation, and community sentiment. This data helps us make responsible resource usage and improvement decisions.

Operational sustainability data is monitored closely according to the ISO 14001:2015 environmental management system guidelines.



We recognize the importance of climate change adaptation and mitigation. As such, we invest in technologies and initiatives that will allow us to better monitor and eventually reduce our GHG emissions.

3,737 thousand metric tons CO₂e

Scope 1 GHG emissions in 2022



SMPC invests in the Semirara Marine Hatchery Laboratory (SMHL), which spearheads marine rehabilitation efforts in Semirara Island. SMHL is one of the few facilities worldwide to propagate bivalve mollusks, and the only private facility among four in the Philippines to breed eight species of giant clams.

SMHL has successfully spawned over 182,000 bivalves from an initial brood stock of 96.



Our mining businesses actively manage their impact on biodiversity and land resources by investing in mine rehabilitation and biodiversity conservation programs

BNC has spent nearly PHP 28 million to produce 201,606 seedlings and plant 42,806 trees in its Berong mine.



We prioritize ethical corporate governance and a harmonious workplace for our employees. Our conflict resolution measures are outlined in this report.



To achieve organizational and sustainability goals, our businesses regularly partner with a number of stakeholders. We partner with other companies, academic institutions, professional organizations, local government units and non-government organizations to enhance our research, environmental and other CSR initiatives.

Environmental Stewardship



DMCI Holdings is committed to responsible environmental management and acknowledges the potential impact of our industrial activities on the environment, such as pollution, resource depletion and habitat destruction.

Our businesses strive to mitigate these negative effects by complying with relevant environmental laws and regulations and adopting various strategies and practices, whenever applicable and sustainable.

What We Do

How We are Doing It

Environmental risk assessments

Regular monitoring of air, water and noise pollution in operating sites to identify potential hazards and implement needed action

Environmental management system

Obtained ISO 14001:2015 certification to systematically identify, monitor, and manage environmental risks and opportunities

Ecological offsets

Conduct habitat restoration, creation and protection, as well as captive breeding and release programs

Resource efficiency

Optimize the use of raw materials, water and energy to reduce waste and depletion

Pollution prevention

Adopt engineering and administrative controls

Green technologies

Invest in and utilize energy-efficient equipment and buildings

Circular economy

Promote the design and use of products and technology that minimize waste generation, encourage resource recovery, and extend product life

Collaboration and partnerships

Work with stakeholders, including employees, local communities, government agencies and academe to address shared environmental concerns and promote sustainability

Sustainability reporting

Communicate our environmental, social and governance performance for better tracking and management

Continuous improvement

Regularly review and update key operating metrics to ensure continued progress in mitigating environmental impacts



Environmental Management

Majority of our subsidiaries hold ISO 14001:2015 certification for their Environmental Management Systems (EMS). This internationally recognized standard provides a systematic framework for managing environmental risks, establishing objectives and targets, monitoring performance and promoting continuous improvement.

Acquiring this certification involves a comprehensive audit conducted by an accredited third-party certification body, which rigorously assesses a company's environmental management practices. Typically valid for three years, the certification requires annual surveillance audits.

Environmental Management Systems

Subsidiary	Is an EMS in place?	ISO 14001:2015 Certification
D.M. Consunji, Inc.	Yes	Yes
DMCI Homes	Yes	Not yet
SMPC	Yes	Yes
DMCI Power	Yes	Yes ¹
DMCI Mining	Yes	Yes

¹Coverage: DMCI Power head office and Calapan Power Plant

Our companies designate environmental officers at our production and project sites to ensure compliance with environmental regulations and the implementation of effective environmental management practices.

Integral to these practices are employee training programs that cover our environmental management system, relevant environmental regulations, and best practices for reducing waste, conserving resources, and minimizing emissions.

These training programs can also be tailored to specific roles within the company to ensure that employees receive the information

that is most relevant to their work. For instance, industrial or production employees receive training on waste and emission reduction in their operations, while administrative employees learn about paper reduction and energy-saving practices for their offices.

With this holistic approach, we aim to foster a comprehensive understanding of environmental responsibilities and promote sustainable practices among our employees.

Further details about our environmental management programs are provided in separate sections of this report.



Climate

Climate change, a critical challenge of our time, has far-reaching consequences for human health, food security, water resources, biodiversity, and economies worldwide.

DMCI Holdings recognizes the importance of addressing climate change and acknowledges its role in mitigating the effects. While the nature of our businesses may limit our ability to significantly reduce

greenhouse gas (GHG) emissions, we believe we can still contribute meaningfully to addressing the issues of climate change and global warming.

Our Climate Change Policy guides our approach to climate change mitigation and adaptation. This policy focuses on enhancing employee knowledge and skills concerning climate change, promoting energy efficiency

and conservation, and collaborating with external stakeholders to raise awareness about global warming's impacts.

In Semirara Island, SMPC has established an agro-farm to help address food insecurity in the island. The farm operates using sustainable farming methods, including the utilization of composted biodegradable waste as organic fertilizer and responsible water management practices.

We undertake GHG emissions reduction initiatives, such as tree planting, reforestation efforts, and the protection of natural habitats. In 2022 alone, we planted a total of 775,958 mangroves, reforested 1,414 hectares of land, and conserved and protected 1,618 hectares of natural habitats. More details on our habitat conservation initiatives are available in the Biodiversity and Land Use Management section of this report.

Featured Project:

In 2022, Berong Nickel Corporation (BNC) began its comprehensive 6-year rehabilitation plan for the Berong Mine located in Quezon, Palawan. The plan covers the rehabilitation of a total of 343 hectares, which includes 109 hectares of surface mine, 209 hectares of silt control structures, and 25 hectares of stockpile area.

The rehabilitation plan has been allocated a budget of Php 110 million, most of which will be used to stabilize the mined out area through benching, drainage construction and planting of endemic and indigenous trees.

BNC's end goal is to restore and enhance the mined land so its economic and ecological value is similar to, if not better than, when the company started operations in the area.

After rehabilitation, the areas can be used by the Department of Environment and Natural Resources (DENR), local government units, and host communities for eco-tourism, agro-forestry, and inland fish farming activities.

To better understand our environmental impact, our Company has started to calculate and report our GHG emissions based on the GHG Protocol. Additionally, in 2022, we expanded our data collection

efforts to include Scope 3 emissions and reported them for the first time here.

Our GHG emissions intensity (scope 1 and 2) for the reporting period is 26.4 metric tons CO₂e per million PHP of revenues.



Greenhouse Gas Emissions¹

In Thousand Metric Tons CO₂e

Direct emissions (Scope 1)²

2020	2021	2022
3,608 ³	3,395 ⁴	3,737

Indirect emissions (Scope 2)

2020	2021	2022
18	20	22

Other indirect emissions (Scope 3)⁵

2020	2021	2022
–	–	17,630

¹ Includes CO₂, CH₄ and N₂O emissions

² GHG Accounting Consolidation Approach: Equity share approach

³ GHG emissions from coal, diesel, gasoline and oil consumption

⁴ Coverage: DMCI, SMPC, and DMCI Mining

⁵ Coverage: DMCI, DMCI Homes, SMPC, and DMCI Mining

⁶ Coverage: SMPC and DMCI Holdings corporate office

⁷ Scope 3 Categories Included: Purchased goods & services, capital goods, waste, business travel, employee commuting, leased assets, upstream transport & distribution, fuel and energy related activities; SMPC Coal Segment Scope 3 categories: Use of sold products, transportation & distribution of coal; SMPC Power Segment Scope 3 categories: Transport & distribution of coal, leased assets



Energy

Energy conservation and management are integral to our operations, focusing on both energy and cost savings. Our ISO-certified environmental management systems and Climate Change Policy govern these initiatives.

Our primary energy consumption sources include fuel, diesel, gasoline, and electricity, which are regularly monitored and subject to internal audits per ISO requirements.

Our energy conservation initiatives include the adoption of energy-efficient equipment, such as modern dump trucks, other heavy equipment, LED lighting, inverter-type air conditioning units and laptops. Additionally, we have implemented boiler water conditioning and enhanced various power plant components to boost energy efficiency in our power plants.



Energy Consumption

in Thousand Gigajoules (GJ)

Coal, diesel, gasoline, oil

2020	2021	2022
26,547	25,189	26,271

Electricity

2020	2021	2022
46	49	50

Total energy consumption

2020	2021	2022
26,593	25,238	26,321



Air Emissions

Ambient air quality monitoring is essential in our operations, particularly at our power generation sites. We diligently monitor and control air emissions, given their potential negative effects on human health, the environment, and communities. Our relevant operating sites conduct continuous emissions testing and ensure that all Air Pollution Source Equipment operate with the necessary permits and licenses.

To maintain particulate matter and pollutant gases, such as SO_x and NO_x, within acceptable limits, SCPC and SLPGC employ various engineering controls, including electrostatic precipitators, limestone injections, wet scrubbers, cyclone separators, windbreak fence, water sprinklers and canon, and covered coal yards.

Meanwhile, administrative controls include coal blending, predictive

determination of sulfur dioxide emission and installation of continuous air quality monitoring stations.

Furthermore, we collect and repurpose the fly ash produced by our power plants as a cement additive or sell it to third parties. A by-product of burning coal in power plants, fly ash has properties that make it useful in various industrial applications, depending on their chemical and physical properties.

In our coal mining operations, we use water sprinklers, dust suppressors, mobile water trucks,

and atomizers to control fugitive air emissions.

Our companies strictly adhere to the Ambient and Source Emissions Standards established by the DENR to mitigate the harmful effects of air pollution.

Due to improvements in our emissions control mechanisms in recent years, the NOx and SOx emissions from our power generation and coal mining activities have decreased by 15% and 41% respectively, compared to 2020 levels.



Air Emissions¹ In Metric Tons

Nitrogen oxides (NOx)

2020	2021	2022
1,807	1,973	1,541

Sulfur oxides (SOx)

2020	2021	2022
12,715	9,499	7,498

Particulate Matter (PM)

2020	2021	2022
294	287	324

¹Coverage: Power generation and coal mining operations



Water and Effluents

Construction, mining, power generation and real estate development are all water-intensive activities. We are committed to adopting practices that encourage responsible and efficient water consumption while minimizing our impact on local shared water resources.

Most of our water consumption is sourced from the sea, as SMPC

extracts and treats the seawater for industrial and domestic use in the mine site, infirmary, employee housing villages and community facilities. Its water supply is used for dust suppression, cooling, steam generation, cement mixing, reforestation, food preparation, sanitation and hygiene, drinking among others.



Water Withdrawal in Megaliters (ML)

Surface water

2020	2021	2022
2,273	3,639	3,366

Groundwater

2020	2021	2022
386	120	1,931

Third-party water

2020	2021	2022
628	614	514

Total freshwater withdrawal

2020	2021	2022
3,287	4,373	5,811

Seawater withdrawal

2020	2021	2022
938,641	930,867	806,975

To address the impacts of our water-intensive activities, the DMCI Group implements a number of water conservation and management strategies. These strategies include the use

of alternative water sources like rainwater collection systems at DMCI Homes, SMPC, and DMCI Mining. Rainwater serves as a supplementary source for operational and administrative needs.

Moreover, DMCI Homes is building the first residential condominium in the Philippines with a full water recycling and treatment facility. Set to open in 2027, The Erin Heights is a single-tower development that can potentially save up to 314 million liters of water annually.

DMCI Homes plans to use the same water reuse technology in Fortis Residences in Makati City and Sage Residences in Mandaluyong City.

In line with our commitment to reduce our impacts on water resources, we adhere to the Water Quality Guidelines and General Effluent Standards of the DENR.

We implement wastewater treatment processes, regular testing, monitoring and compliance reporting to ensure we meet or exceed the required quality standards before discharging any effluents.

At SMPC and DMCI Power, various wastewater treatment facilities are in place, including pocket sumps, settling ponds, cooling canals, and oil-water separators.

Effluents from SCPC and SLPGC are treated using neutralization, oil-water separators, and coal sedimentation ponds. DMCI has also achieved zero wastewater discharge from concrete mixing activities by employing effective management practices.



Water Discharge by Destination Type¹ **in Megaliters (ML)**

Third-party water

2020	2021	2022
556	569	407

Seawater

2020	2021	2022
937,637	930,440	806,779

¹ Coverage: DMCI, DMCI Homes, SMPC, and DMCI Power



Waste

Waste management is a crucial component of our operations. Ensuring the safe, proper, and compliant disposal of waste generated by our industrial activities not only meets regulatory requirements but also minimizes our environmental impact, promotes sustainability, and improves cost efficiency.

Our primary waste management strategy focuses on minimizing the waste generated by our businesses. The key waste management initiatives we have implemented this year are as follows:

- D.M. Consunji: DMCI maintains a Material Recovery Facility & Hazardous Waste Storage Facility for sorting and storing of wastes prior to proper disposal.

- **DMCI Homes:** Implementation of BIM (Building Information Management Systems) for all projects to minimize re-work which could lead to higher waste generation. Through BIM, the company clearly spells out the specific quantity of materials to be used for each project, which minimizes excessive purchase of materials. Material segregation is also implemented in all project sites to allow the recovery of reusable/recyclable materials, wherever possible.
- **SMPC:** Placement of waste segregation bins in operating sites, and establishment of facilities for material recovery, composting and temporary hazardous waste storage. Used oil is reintegrated into the operations as start-up fuel while fly ash is sold to and repurposed by a third party for concrete and cement mixture. Additionally, bottom ash is repurposed by the community for roadworks and as inputs for hollow block production.
- **DMCI Power:** Information drive campaigns on waste management, including reduction of generation at source.
- **DMCI Mining:** Implementation of a “No Plastic” Policy, regular disposal and treatment of hazardous wastes, collection and disposal of domestic wastes, and monitoring of accumulated wastes.



Waste Generation in Metric Tons

Non-hazardous waste

2020	2021	2022
40,527	30,431	44,895

Hazardous waste

2020	2021	2022
489	3,148	2,369

Total waste generated

2020	2021	2022
41,016	33,579	47,264



Waste Recovery

in Metric Tons

Reused (Non-hazardous)

2020	2021	2022
0.2	212	0.5

Reused (Hazardous)

2020	2021	2022
-	2,220	1,605

Recycled (Non-hazardous)

2020	2021	2022
2,993	2,418	1,567

Recycled (Hazardous)

2020	2021	2022
80	248	250

Other recovery options (Non-hazardous)

2020	2021	2022
-	301	302

Other recovery options (Hazardous)

2020	2021	2022
30	-	-

Total non-hazardous waste recovered

2020	2021	2022
2,993.2	2,931	1,869.5

Total hazardous waste recovered

2020	2021	2022
110	2,468	1,855

Total waste recovered

2020	2021	2022
3,103.2	5,399	3,724.5



Waste Disposal

in Metric Tons

Landfilling (Non-hazardous)

2020	2021	2022
37,050	27,500	24,769

Landfilling (Hazardous)

2020	2021	2022
73	156	259

Other disposal methods (Non-hazardous)

2020	2021	2022
483.8	-	18,256.5

Other disposal methods (Hazardous)

2020	2021	2022
306	524	255

Total non-hazardous waste disposed

2020	2021	2022
37,533.8	27,500	43,025.5

Total hazardous waste disposed

2020	2021	2022
379	680	514

Total waste disposed

2020	2021	2022
37,912.8	28,180	43,539.5

Data monitoring on waste management is done differently across the different subsidiaries:

- DMCI monitors data through its Material Recovery Facility and Hazardous Waste Storage Facility.
- DMCI Homes' general waste generation in each project site is weighed, and tonnage reports from waste collector receipts are gathered and recorded monthly. Safety officers of each project collect data from Project Office Engineers.
- SMPC measures the weight, volume, and pieces with regard to waste generation onsite.
- At DMCI Power, non-hazardous waste is segregated with labels and disposed of everyday. Hazardous waste is collected and disposed of through an accredited vendor.
- The Integrated Waste Management team at DMCI Mining sorts, weighs, and records data on waste. The Waste Management Committee discusses data gathered through monthly meetings, and implements waste reduction programs, if necessary.



Biodiversity and Land Use Management

Biodiversity and land use management are particularly material to our mining activities. Consequently, our mining businesses actively manage their impact on biodiversity and land resources by investing in conservation, protection, and mine rehabilitation programs to ensure the long-term sustainability of our operations.

In 2022, DMCI Mining restored and protected habitats spanning 79.51 hectares, while SMPC focused on the restoration and protection of 300.45 hectares of aquatic and terrestrial habitats.

Conservation and Protection of Aquatic Biodiversity and Habitats

Since 2010, SMPC has been spearheading marine rehabilitation efforts in Semirara Island through its Semirara Marine Hatchery Laboratory (SMHL). The facility uses advanced technology to enhance the island's marine ecosystem and long-term fishing viability.

Three National Scientists for Marine Biology—Dr. Edgardo Gomez, Dr. Gavino Trono, and Dr. Angel Alcala—led SMHL's efforts to become a center for rearing and reseeding giant clams.

One of the few facilities worldwide to propagate bivalve mollusks, SMHL is the only private facility among four in the Philippines to breed eight species of giant clams. To date, it has successfully spawned over 182,000 bivalves from an initial brood stock of 96.

Known as *Tridacna gigas*, these giant clams are crucial to Semirara Island waters as they act as bio-indicators of the overall health of the marine ecosystem. SMHL also propagates and protects abalone, coral fragments and seagrass.

Moreover, SMPC has adopted a four-hectare mangrove sanctuary on Sibay Island, Caluya, Antique, ensuring the preservation and expansion of the island's mangrove population.

DMCI Mining actively supports and participates in the protection of marine, aquatic and terrestrial resources through its operating subsidiaries, BNC and Zambales Diversified Metals Corporation (ZDMC).





BNC contributes to the protection of Pawikan (sea turtle) hatchling sites, aiding in their journey towards maturity. Aside from conducting coral gardening activities, BNC fosters fisheries around the municipality of Quezon, Palawan, adopting mangrove forests in seven barangays and continuously monitoring seedling health and growth. The company also donates mangrove propagules to *Pista ng Kalikasan* and Bakaw Festival events.

Additionally, DMCI Power has entered a Memorandum of Agreement (MOA) with the Municipal Government of Narra for the Marine Restoration:

Coral Reef Propagation project, covering Bato-Bato, Puntod, Rasa, and Arena Reefs.

This project aims to implement coral transplantation technology using asexually produced corals to enhance the productivity of coral resources for sustainable fisheries. The program will establish 538 Coral Nursery Units and transplant 30,158 coral fragments, directly contributing to the protection of coastal communities, improvement of marine ecosystem services, development of fishery resources, and enhancement of the underwater tourism industry.



Conservation and Protection of Terrestrial Biodiversity and Habitats

SMPC operates and maintains the Semirara Biodiversity Conservation Center (SBCC), serving as a wildlife rescue center on the island. The SBCC rehabilitates fallen or injured birds, as well as other vulnerable wildlife. It also plans to introduce programs to revive nearly extinct wildlife species on the island through breeding initiatives.

SMPC plants and protects tree species in Semirara Island and Batangas, actively monitoring vegetation in areas affected by mining activities.

DMCI Mining has collaborated with the DENR through its Community Environment and Natural Resources

Office (CENRO) and People's Organizations (POs) to enhance the National Greening Program.

The program covers over 200 hectares of land, with 80 hectares already planted with various tree species and more than 120 hectares being prepared for planting. The program aims to produce over 400,000 seedlings and carry out maintenance and protection activities in compliance with special tree cutting and earth-balling permits (STCEPs) for mining operations.

Other tree planting and reforestation activities include:

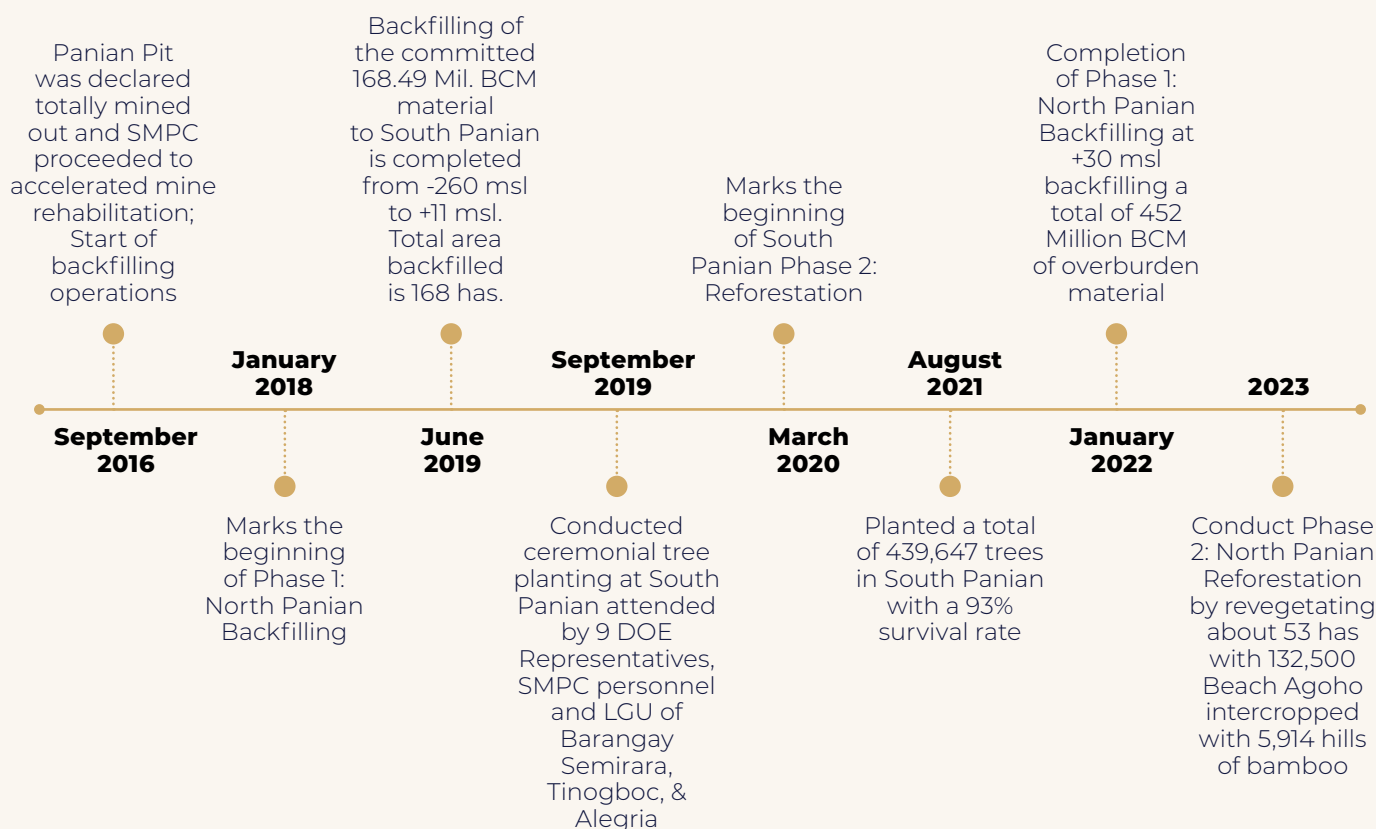
- Lend A Hand to Save Trees Project by DMCI: Twenty-Five-(25) DMCI employees volunteered to plant 1,250 seedlings, including coffee, cacao, berries and acacia trees at Sitio San Ysiro, Brgy San Jose, Antipolo City, Rizal. Moreover, a tree planting activity was spearheaded by the La Mesa Treatment Plant 2 (LMTP2) Project Team where thirteen 13 employees volunteered for the planting of 150 assorted seedlings in La Mesa Dam in coordination with the DENR-NCR Nursery.
- Tree planting by DMCI Power: Its Calapan employees planted 200 fruit-bearing trees during the Annual Tree Planting activity last June 17, 2022 at Barangay Sta. Isabel in Calapan City, Oriental Mindoro.
- Seedlings Donation and Tree Planting Activities by ZDMC: The program beneficiaries include elementary and secondary schools within Sta. Cruz and Candelaria, Zambales. The seedlings were planted in some barangay-owned idle lots, river banks, and watershed areas.
- Agro-Forestry/Seedling Donation Project by BNC: Donation drives for seedlings are actively undertaken by the company to advance efforts towards national greening and propagation of endemic as well as fruit bearing trees. This project is in cooperation with various organizations such as Quinlogan National High School, Apurawan National High School, the Municipal Government of Dumarán, Palawan, and Barangay Alfonso XIII in Quezon, Palawan.
- Nursery Program by ZDMC: The program produces seedlings that are used in the progressive rehabilitation of mined out areas. In 2022, central and satellite nurseries produced seedlings of various tree species: a total of 370,786 in the central nursery and 7,476 in the satellite nursery. It also covers backyard production of seedlings with the communities of Sitio Acoje as a source of additional livelihood for the community.
- Bamboo Plantation by ZDMC: The company has established a 10-hectare bamboo plantation site located at the H3 North Area, with 5,500 bamboo culms planted.

Mine Site Rehabilitation

In 2022, SMPC completed the backfilling of Panian mine, once the largest open-pit mine in the Philippines. The company spent PHP 12.35 billion and 11.5 million man-hours to fill the pit with over 452 million bank cubic meters (bcm) of earth material, which is enough to fill 217,000 Olympic-size swimming pools.

The company fully covered the pit in six years, way ahead of the original 10-year mine rehabilitation plan. It is now developing a science-based plan to reforest and restore the biodiversity in the area.

Panian Rehabilitation Timeline



DMCI Mining subsidiaries adopt a progressive rehabilitation program together with its surface mining activities.

Progressive mine rehabilitation refers to the ongoing process of restoring and rehabilitating land that has been disturbed or affected by mining activities.

Instead of waiting until the end of a mining project, progressive rehabilitation is carried out concurrently with the mining operations. This approach allows for the gradual restoration of ecosystems, landforms, and landscapes while mining is ongoing.



Key activities in progressive mine rehabilitation for a surface mining company include backfilling and recontouring excavated areas, re-establishing native vegetation, stabilizing slopes, and creating new wildlife habitats.

Implementing rehabilitation efforts throughout the mine's life helps to minimize long-term environmental impacts, reduce overall rehabilitation costs, and accelerate ecosystem recovery after surface mining operations have ceased.

As a part of this program, a total of 41,446 various seedlings were planted in 2022 covering an area of 19 hectares.

Following the depletion of its Berong mine in Palawan in December 2021, BNC has been implementing its Final Mine Rehabilitation and Decommissioning Program, approved by the Mines and Geosciences Bureau on July 7, 2021.

As of December 2022, BNC has spent nearly Php 28 million to produce 201,606 seedlings and plant 42,806 trees in its Berong mine. Simultaneously, the company performs extensive biodiversity evaluations, addressing both terrestrial flora and fauna and coastal resources, within the impacted and adjacent areas.

In addition to existing initiatives, BNC seeks to restore the aesthetic value of the project site in line with the final landform design through landscaping and rehabilitation programs. It employs native metallophytes in the restoration of endemic, rare, and native trees, which contributes to the preservation and enhancement of genetic biodiversity.

The arboretum area will feature endangered native metallophytes with ornamental value and phytostabilization capabilities, indirectly supporting improvements in microclimate, water quality, and quantity.



Power Generation

DMCI Holdings is committed to supplying Filipinos with affordable and reliable electricity. To achieve this goal, its power subsidiaries SMPC and DMCI Power invest in maintaining and enhancing power facilities to comply with environmental regulations, minimize waste, and reduce outages.

SMPC employs various engineering and administrative pollution controls in its Calaca Power Complex, which houses SCPC and SLPGC. It also implements energy efficiency measures by upgrading its power infrastructure and equipment to minimize energy waste.



Energy Generation by Source in GWh

Coal¹

2020	2021	2022
4,677	3,959	3,729

Diesel²

2020	2021	2022
2.58	27.31	3.9

Coal³

2020	2021	2022
46.78	96.36	96.87

Diesel⁴

2020	2021	2022
171.7	160.57	153.63

Bunker Fuel⁵

2020	2021	2022
146.44	131.13	196.9

Total

2020	2021	2022
5,044.50	4,374.37	4,180.30

^{1,2} SEM-Calaca Power Corporation (SCPC) / Southwest Luzon Power Generation Corporation (SLPGC)

^{3, 4, 5} DMCI Power



Electricity Generation Capacity by Source

in MW

Coal¹

2020	2021	2022
900	900	900

Diesel²

2020	2021	2022
50	50	50

Coal³

2020	2021	2022
15	15	15

Diesel⁴

2020	2021	2022
81.3	64.7	55

Bunker Fuel⁵

2020	2021	2022
42	42	42

Total

2020	2021	2022
1,088.3	1,071.7	1,062

^{1,2}SEM-Calaca Power Corporation (SCPC) / Southwest Luzon Power Generation Corporation (SLPGC)
^{3,4,5}DMCI Power

**2022 Thermal
Efficiency of
Power Plants**



28-37%
Coal Fuel Source

Social Responsibility



At DMCI Holdings, Inc., we believe that the growth and well-being of our employees are integral to our organizational success. Our strong commitment to employee health and safety, engagement, and diversity demonstrates our dedication to cultivating a positive work environment. We prioritize providing high-quality training and attracting talented individuals, while fostering an inclusive and supportive workplace culture.

The nature of our businesses and our presence across various sectors and communities enable us to make a substantial impact on the Philippine economy.

By building vital infrastructure, generating employment opportunities, supplying affordable electricity, promoting exports and paying government royalties, we play a critical role in fostering economic growth and alleviating poverty throughout the nation.

DMCI Holdings acknowledges the importance of establishing enduring and mutually beneficial relationships with our customers, regulators, and host communities as we believe that our success is tied to their continued support. By fostering such collaborations, we aim to promote shared prosperity and contribute to the welfare of our key stakeholders.



Employment

We take pride in fostering a diverse workforce that collaborates effectively to achieve common objectives. Our employees bring a wealth of ideas, perspectives and solutions to the challenges faced by our organization.

By harnessing individual strengths and working cohesively toward shared goals, our people contribute to the Company's pursuit of innovation and creativity. In return, we are committed to providing them with a secure work environment, competitive compensation and benefits, opportunities for professional growth and development, and a positive, inclusive work culture.

In 2022, our workforce comprised 34,106 regular, probationary, project-based and third-party employees. Among them, 23 employees, or 0.07% of the total direct workforce, were covered by a collective bargaining agreement.

Over 99% of our employees are Filipino nationals, reflecting our confidence and commitment to nurturing local talent. Similarly, our management pool has more than 99% Filipino representation across senior, middle and junior management levels, further demonstrating our dedication to empowering Filipino professionals.

Total Workforce in 2022



30,730

Employees
(direct employees)

3,376

Contractors
(indirect employees)

Direct Employees Breakdown¹

¹ Direct employees include permanent and temporary or fixed-term employees

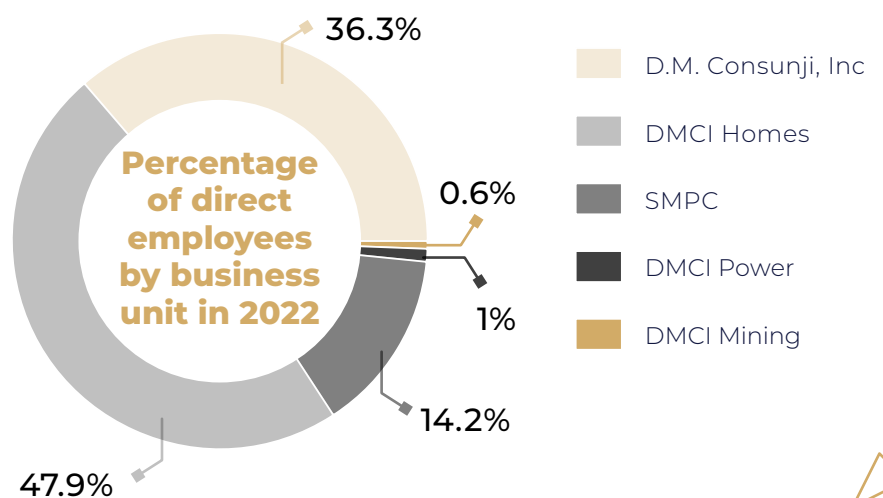
by business unit	2020	2021	2022
D.M. Consunji, Inc.	16,794	11,950	11,148
DMCI Homes	7,765	13,000	14,711
SMPC	3,667	3,943	4,381
DMCI Power	285	276	298
DMCI Mining	180	181	180
DMCI Holdings	11	11	12

Total Direct Employees

2020
28,702

2021
29,361

2022
30,730





by gender	2020	2021	2022
Male	26,928	27,481	28,855
Female	1,774	1,880	1,875
Total	28,702	29,361	30,730



by age	2020	2021	2022
Under 30	7,006	8,983	8,977
30-50	18,246	17,708	18,750
Above 50	3,450	2,670	3,003
Total	28,702	29,361	30,730



by employee category	2020	2021	2022
Senior Management	159	76	72
Middle Management	981	407	448
Supervisors, Specialists and Operational Support	27,562	28,878	30,210
Total	28,702	29,361	30,730

Permanent Full-Time Employees Breakdown



by gender	2020	2021	2022
Male	5,286	5,630	6,025
Female	1,487	1,492	1,644
Total	6,773	7,122	7,669



Diversity, Equality, and Inclusion

DMCI Holdings is focused on promoting diversity, equality and inclusion (DEI) to establish a positive and collaborative work environment free from discrimination. We aim to create a workplace that values and respects individuals from diverse backgrounds, identities and experiences while encouraging fairness, equal opportunity and inclusivity.

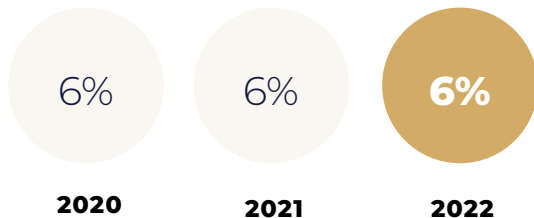
Our DEI Policy provides guidelines on bereavement leave, annual employee engagement surveys, and supporting gender equality and representation. We emphasize treating every employee

with respect and dignity at DMCI Holdings and have no tolerance for misconduct or harassment of any kind.

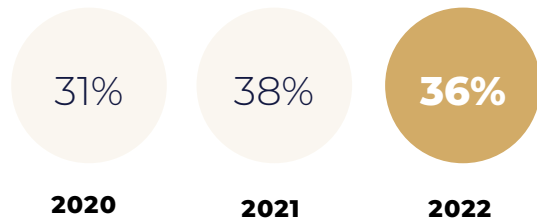
To help facilitate our DEI goals, we have appointed a Chief Diversity Officer who is responsible for guiding, leading and overseeing the DEI strategies, initiatives and efforts within the DMCI group. This ensures that all employees can work and learn in a welcoming environment, regardless of their gender, age, sexual orientation, socioeconomic status, ethnicity or abilities.



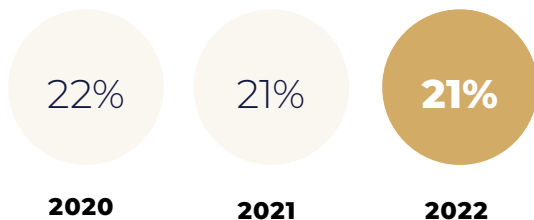
Gender Diversity



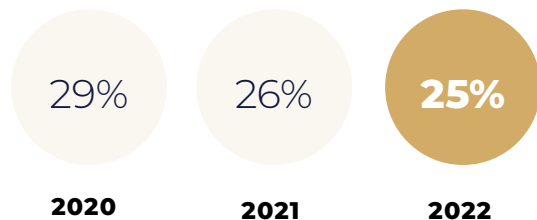
**Percent Women
in Total Direct Employees**



**Percent Women
in Senior Management**



**Percent Women in Permanent
Full-Time Employees**



**Percent Women
in Middle Management**

DMCI Holdings is committed to advancing gender diversity and inclusion initiatives by proactively working to eliminate barriers to workplace participation. We strive to provide equal access to opportunities, training and mentoring for all employees.

- DMCI collaborates with the Department of Labor and Employment and the Philippine National Police to conduct learning sessions on women's rights. The company includes a Gender Equality Orientation during the onboarding process for new hires and ensures equal opportunities for growth and development for all employees.
- DMCI Homes introduced the Site Superintendent Development

Program, aimed at training and developing Project Site Supervisors or Foremen. Though this has traditionally been a male-dominated program, the company welcomes women trainees, demonstrating a commitment to gender equality in recruitment, training, promotion and compensation. The organization focuses on performance and competency as the sole criteria for promotion to supervisory and higher positions.

- At SMPC, there is no gender discrimination in skill training offerings or hiring practices. The company employs women in roles such as welders, mechanics, motor pool equipment operators and technical experts, defying stereotypes in the traditionally male-dominated fields of mining and power. SMPC policies ensure gender equality in HR processes, including recruitment, performance appraisal, promotion, compensation and employee discipline. They also conduct women empowerment talks and offer HMO coverage for women-specific health check-ups.
- DMCI Power guarantees gender-neutral recruitment, benefit provisions, succession planning, career progression and promotion practices. It also conducts gender equality orientations and seminars among its employees.
- DMCI Mining empowers women field workers by training them as backhoe operators and welders, challenging stereotypes associated with traditionally male-dominated roles. The company ensures a non-discriminatory hiring process and a safe work environment free from harassment. Additionally, DMCI Mining provides necessary facilities such as breastfeeding rooms for lactating mothers.



Featured Highlight

DMCI Holdings, SMPC named to Bloomberg Gender-Equality Index for third straight year

DMCI Holdings (PSE: DMC) and Semirara Mining and Power Corporation (PSE: SCC) are members of the 2023 Bloomberg Gender-Equality Index (GEI). This is the third consecutive year that the two companies earned spots in the prestigious list.

Bloomberg GEI is a modified market capitalization-weighted index that aims to track the performance of public companies committed to transparency in gender-data reporting.

GEI measures gender equality across five pillars: leadership & talent pipeline, equal pay & gender pay parity, inclusive

culture, anti-sexual harassment policies, and external brand.

“Diversity and representation matter. When different voices and perspectives are included in the conversation, companies benefit from a wider range of ideas and insights,” said DMCI Holdings and SMPC chairman Isidro A. Consunji.

Only four listed companies in the Philippines joined the 2023 GEI roster that includes 484 companies headquartered in 45 countries and regions.

Member companies represent a variety of sectors, including financials, technology, and utilities, which continue to have the highest company representation in the index from 2022.





Training and Development

Creating a more inclusive workplace requires a strong emphasis on employee training. Personalized employee development is crucial for enhancing productivity, which in turn contributes to the organization's growth.

Our Company is committed to replacing traditional, one-size-fits-all training with tailored programs that address individual needs.

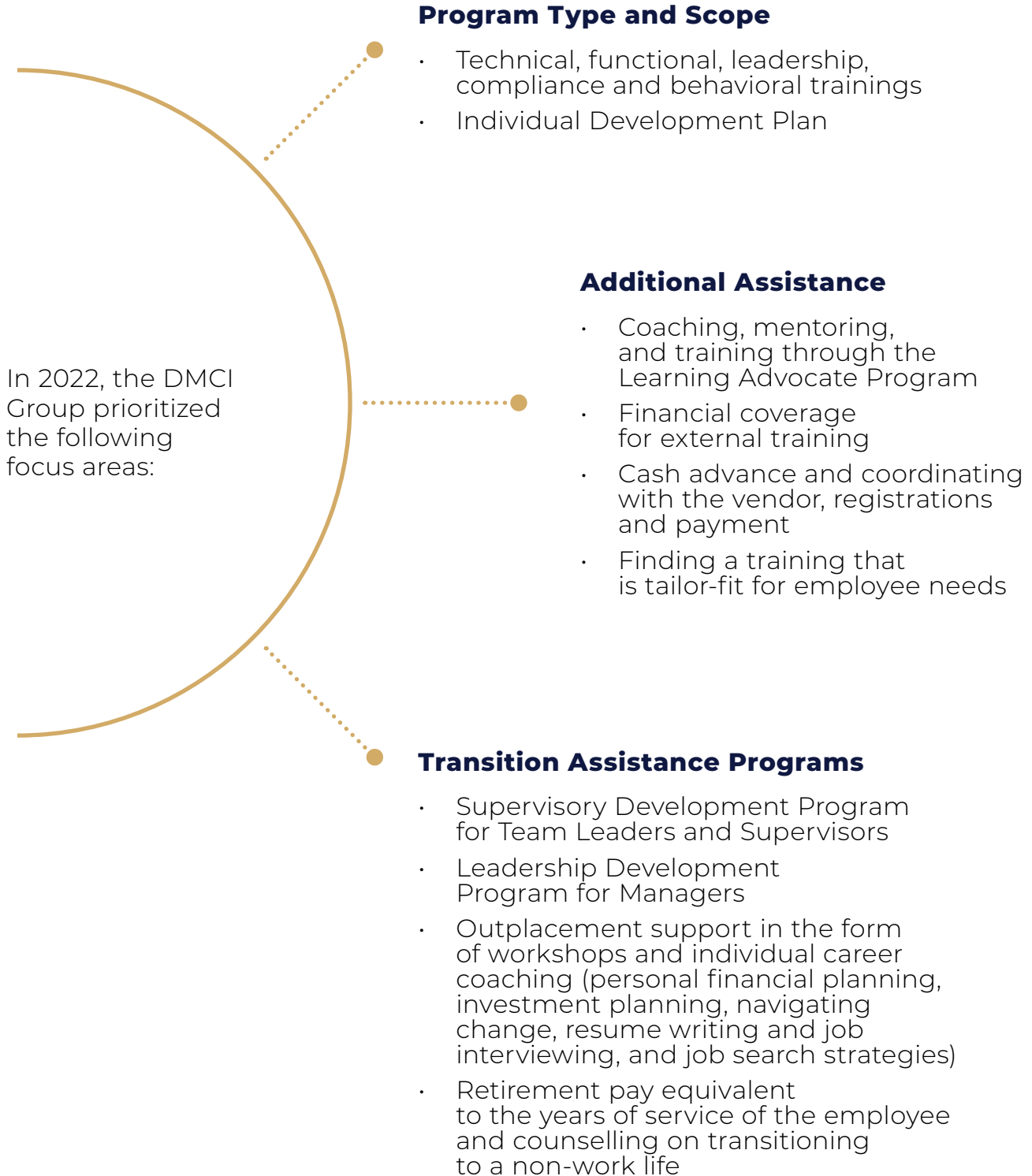
We understand that employee training and development are vital for keeping pace with the rapidly evolving landscape of technology and industry practices. By equipping employees with the latest tools and knowledge, our businesses can remain competitive and adapt to changing market conditions.

The DMCI Group invests in the continuous education and skills development of its employees. The Human Resources Department within each subsidiary conducts needs analyses to design individualized training programs for our employees. Additionally, our permanent full-time

employees receive regular performance and career development reviews.

Our companies offer a variety of programs aimed at fostering personal and professional growth, including behavioral, technical, functional, and leadership programs:

- Onboarding training introduces new employees to the company's culture, policies and procedures, as well as job-specific training.
- Technical training develops employees' technical skills related to their job functions, such as equipment operation, engineering, accounting and other production and industrial skills.
- Leadership development prepares employees for leadership positions within the organization by providing training in areas like communication, delegation and decision-making.
- Diversity and inclusion training promotes awareness and understanding of diversity and inclusion issues in the workplace, equipping employees with the skills to work effectively with people from diverse backgrounds.
- Soft skills training enhances employees' interpersonal skills, such as communication, teamwork and time management.
- Management training equips managers with the skills and knowledge necessary for effectively leading their teams, including coaching, performance management and conflict resolution.
- Compliance training ensures employees are aware of the company's policies and procedures related to legal and regulatory compliance, including anti-discrimination laws, environmental, health and safety regulations and data privacy laws.



Recently, DMCI Homes launched the DMCI Homes Academy which provides online and offline trainings to employees including:

- Supervisory Development Program for Team Leaders and Supervisors
- Leadership Development Program for Managers
- Site Superintendent Development Program for Leadman, Capataz and Sub Capataz.
- Management Training Program for Construction, Design, Property Management Office and Project Development.
- Priority trainings for the Property Advisors Unit, DMCI Homes Project Management Corporation, Design and Engineering and Construction
- DMCI Homes Technical Trainings Program for Design and Engineering

SMPC launched an e-Learning Management System for employees to catch up on missed learning sessions due to work-related responsibilities. It enables them to access past web recordings to refresh skills and knowledge, using devices like laptops, tablets, or even mobile phones. The e-LMS allows employees to access training

offerings and customize development tracks based on their identified competencies. There are carefully selected courses for each category to address the needs for improvement and competency requirements.

In 2022, the DMCI group spent a total of 519,000 hours on employee training and development.



Average Employee Training Hours



by gender	2020 ¹	2021 ²	2022
Male	13	8	16
Female	19	15	37

¹Coverage: DMCI Homes, SMPC, and DMCI Power

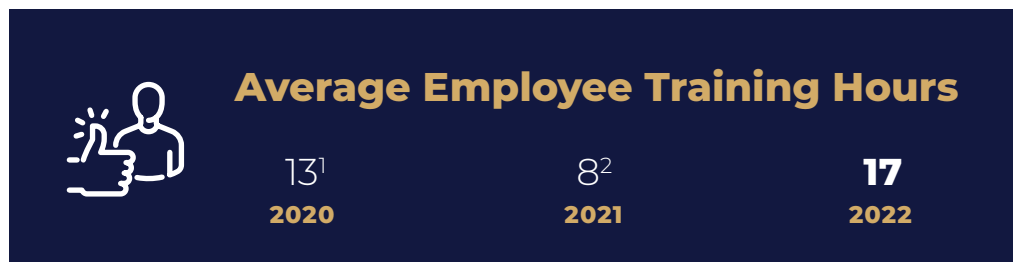
²Coverage: DMCI, DMCI Homes, SMPC, and DMCI Power



by employee category	2020 ¹	2021 ²	2022
Executives	18	8	10
Managers	20	20	30
Supervisors, Specialists, and Operational Support	13	8	17

¹Coverage: DMCI Homes, SMPC, and DMCI Power

²Coverage: DMCI, DMCI Homes, SMPC, and DMCI Power



¹Coverage: DMCI Homes, SMPC, and DMCI Power

²Coverage: DMCI, DMCI Homes, SMPC, and DMCI Power



Talent Attraction and Retention

The ability to attract and retain skilled employees is important for an organization's success. In today's competitive job market, companies need effective strategies to both bring in top candidates and keep them engaged for the long term.


DMCI Holdings strives to build a strong employer brand by focusing on key factors such as company culture, competitive compensation and benefits and equal opportunities for growth and development. We also consistently enhance our open lines of communication through regular team and individual meetings, employee surveys and other feedback mechanisms.

As part of our commitment, we implement performance-based profit-sharing mechanisms that directly align rewards and incentives for employees with the company's financial results. Additionally, deserving and senior professional employees are granted representation on the Board of Directors of our operating subsidiaries.

SMPC employs an Integrated Talent Management System, through which the company follows a systematic approach to attracting and retaining qualified employees. To further support competency development, SMPC conducts regular training needs assessments.


New Hires Breakdown

Employee Turnover Breakdown



by gender	2020 ¹	2021 ²	2022
Male	11,497 3,664	13,473 4,986	9,027 6,506
Female	215 237	510 296	438 400
Total	11,712 3,901	13,983 5,282	9,465 6,906

^{1,2} Coverage: DMCI, DMCI Homes, SMPC and DMCI Power



by age	2020 ¹	2021 ²	2022
Under 30	4,139 1,598	5,661 2,150	4,193 3,202
30-50	6,878 2,082	7,629 2,147	4,893 3,424
Above 50	695 221	693 985	379 280
Total	11,712 3,901	13,983 5,282	9,465 6,906

^{1,2} Coverage: DMCI, DMCI Homes, SMPC and DMCI Power

Majority of our new hires are project-based or fixed-term employees, particularly in our construction projects. Our high turnover is largely due to the contract expiration of our fixed-term employees.



Occupational Health & Safety

The DMCI Group mostly operates within heavy industries, making occupational health and safety (OHS) a crucial and high-priority concern for our organization. We expect our subsidiaries to strictly adhere to the highest standards of safe working environments to ensure the well-being of their employees.

Our Health, Safety, General Welfare, and Development of Employees policy requires the allocation of essential resources—including staff, facilities, and financing—to minimize negative health and safety impacts and promote the overall welfare of our workers. Our health and safety programs encompass:



Health and Safety

- Coverage under a health care maintenance program/insurance
- Coverage under a group term life and accident insurance
- Annual physical examinations, free medical consultations and health facilities.
- Wellness facilities such as gyms, basketball and badminton courts
- Sports and recreation programs

General Welfare

- Annual team building and socialization events to promote camaraderie and interactions among employees and subsidiaries
- Employee participation in clubs and organizations outside the Company to be able to further develop their skills and maintain contacts with colleagues in the industry.
- In-house and outsourced trainings and seminars

Our companies have established Occupational Health and Safety Management Systems (OHSMS) which are designed to identify and manage OHS risks, prevent accidents and injuries, and promote a healthy and safe workplace for our employees and other stakeholders. Majority of our companies' OHSMS are certified to the ISO 45001:2018 standard.



Occupational Health and Safety Management Systems

Subsidiary	Is an OHSMS in place?	ISO 45001:2018 Certification
D.M. Consunji, Inc.	Yes	Yes
DMCI Homes	Yes	Not yet
SMPC	Yes	Yes
DMCI Power	Yes	Yes ¹
DMCI Mining	Yes	Not yet

¹ Coverage: DMCI Power head office and Calapan Power Plant

Listed below are some of the key requirements for obtaining ISO 45001:2018 certification:

- Establishing an OHS policy and health and safety objectives
- Identifying and assessing OHS hazards and risks, and implementing controls to mitigate them
- Ensuring that employees and other relevant stakeholders are aware of their OHS responsibilities and obligations and are trained to act on them
- Establishing a process for incident investigation, corrective action and continuous improvement
- Monitoring and measuring OHS performance through the use of key performance indicators and metrics
- Conducting regular internal audits to ensure the effectiveness of the OHS management system
- Demonstrating compliance with relevant OHS legal and regulatory requirements.

Occupational Health and Safety at DMCI

DMCI maintains a dedicated Occupational Health and Safety Team responsible for employee safety, alongside a Medical Team for addressing health-related concerns. The company actively monitors its performance on OHS indicators and metrics against established targets. DMCI evaluates, audits and acts upon the results to ensure continuous improvement of its OHS management system.

DMCI has implemented a process for identifying safety hazards and risks, encouraging workers to report hazards without fear of reprisal through an “Open Door Policy.” Employees have various platforms to communicate their concerns, such as worker representative elections, toolbox meetings, Take 5 programs and hazard spot reporting.

The company ensures that all employees attend mandatory health and safety seminars, emphasizing their right

to refuse unsafe work during training sessions. Moreover, workers assigned to critical activities, including but not limited to working at heights, confined space entry, and erection and dismantling of scaffolds and equipment, undergo specialized training designed to equip them with the knowledge and skills needed for hazard identification and the implementation of appropriate controls.

DMCI carries out corrective actions and system improvements through management review meetings, safety committee meetings, objective setting, reviewing procedures, work instructions, and policies, enhancing operational controls, emergency preparedness planning, supplier evaluation, implementing rewards and recognition systems, and reinforcing the use of Hazard Identification, Risk Assessment and Control (HIRAC) for accident prevention.

Occupational Health and Safety at DMCI Homes

DMCI Homes has a Health and Safety Policy that aims to achieve an accident-free workplace. The company conducts daily inspections and risk assessments, with results regularly reported to management for review.

To reinforce safety, DMCI Homes’ safety team provides training programs,

such as daily toolbox meetings, near-miss reporting, and weekly hazard identification. A root cause analysis procedure is in place to identify the underlying causes of on-site accidents, and regular risk assessments are conducted to prevent future incidents.

All employees at project sites are required to undergo physical and medical examinations. The Medical Team also monitors the health status of workers with existing health conditions through hot list monitoring. DMCI Homes has established Memorandums of Agreement with nearby hospitals, located within a 5-kilometer radius

of each project site, to provide emergency medical services.

The company is committed to the continuous improvement of its Occupational Health and Safety (OHS) management system, focusing on enhancing administrative and engineering controls to mitigate accidents and other unwanted incidents in the workplace.

Occupational Health and Safety at SMPC

SMPC continuously strives to improve its safety protocols beyond minimum requirements, with the Occupational Health team conducting regular risk assessments. The company cultivates a safety culture among its employees through regular training on safe work practices.

To provide essential medical services, SMPC maintains an on-site clinic and infirmary staffed with medical professionals who conduct regular check-ups for employees at risk of work-related impairments. The company also offers 24/7 emergency transportation and health services on-site.

SMPC established an Occupational Health Office to efficiently address workers' health-related needs, saving time and resources by eliminating the need to travel to the infirmary. Monthly meetings of the Environmental, Health, and Safety Committees are held to monitor and report on the effectiveness of the health and safety program.

At its mine site, SMPC implements planning and assessment measures to mitigate critical risk factors such as slope stability, including geohazard mapping, pre-start inspections, and toolbox meetings. The company invests in innovative technologies like weather station typhoon and rainfall monitoring, slope stability radars, and PR03-Advanced Equipment Simulators for heavy equipment operators.

In its Calaca Power Complex, SMPC addresses equipment and plant-related risks, such as electrical shocks, burns, boiler fires, explosions, and contact with hazardous chemicals. The company offers pre-job planning, EPR equipment, and employee safety training. The Risk and Safety Management Program oversees day-to-day plant operations, mandating the reporting of safety incidents, root cause analysis and incident investigation management.

Occupational Health and Safety at DMCI Power

DMCI Power prioritizes safety by conducting safety orientations for all new employees, including training on Hazard Identification, Risk Assessment and Control (HIRAC) procedures. Furthermore, the company requires all employees to undergo physical and medical examinations before deployment.

The Occupational Safety and Health (OSH) Committee empowers employees to halt activities if they deem the situation unsafe. The committee is responsible for incident reporting and management, encompassing investigations, corrective actions, and regular risk assessments. A root cause analysis procedure is also in place to identify the sources of on-site accidents.

To enhance occupational safety and health, employees participate in a variety of training and awareness programs on topics such as basic occupational safety and health, construction occupational safety and health, loss control management, HIRAC procedures, standard first aid, CPR, basic firefighting, search and rescue, emergency preparedness and response (including emergency drills), and mental health.

DMCI Power also supports additional health initiatives, including voluntary blood donation activities, fitness programs, ergonomic chairs and work areas, toolbox meetings, and provision of required personal protective equipment. Safety signage, floor markings, and first aid kits are supplied in all work areas.

Occupational Health and Safety at DMCI Mining

DMCI Mining has implemented comprehensive policies, standards, and programs to effectively manage and control all occupational health and safety risks. The company engages accredited health and safety professionals to oversee the execution of these processes.

Before deployment, all workers are required to undergo safety orientation and physical and medical examinations. Furthermore, the company encourages workers to participate in the development, implementation and

evaluation of the Occupational Health and Safety (OHS) management system.

DMCI Mining offers training on risk assessment, firefighting, basic first aid, mental health, basic occupational safety and health, and emergency preparedness. The company also highlights the right of employees to refuse unsafe work during these training sessions. Additionally, DMCI Mining provides health facilities such as the BNC Clinic, which is available 24/7 for emergencies.

The company has developed a risk assessment book that covers all stages of mining operations and contains procedures on hazard identification, evaluation, and control. Employees are encouraged to report any unsafe conditions observed during safety and toolbox meetings. DMCI Mining has also established an incident reporting and investigation procedure to identify

root causes and implement appropriate preventive and corrective actions.

The effectiveness of the company's OHS management system has been recognized by the Mines and Geosciences Bureau, as evidenced by the Safest Mines Award. This recognition demonstrates DMCI Mining's commitment to maintaining a safe and healthy workplace for its employees.



Health and Safety of Contractors

Our contractors undergo thorough safety orientation and induction training, encompassing hazard identification, evaluation and control measures. They are also informed about emergency procedures and evacuation plans and are equipped with appropriate personal protective equipment.

Regular safety inspections and audits are conducted to identify and address

any safety concerns or hazards. Our companies' safety management systems encompass contractors, offering them clear guidelines for reporting unsafe conditions or incidents. This approach ensures that safety remains a priority across all aspects of our operations, including the work performed by our contractors.



Safety Performance

Work-related fatalities - employees

2020	2021	2022
2	3	2

Work-related fatalities - contractors

2020	2021	2022
0	2	1

TRIR - employees

2020	2021	2022
0.47	0.43	0.53

TRIR - contractors

2020	2021	2022
0.14	0.12	0.13

LTIFR - employees

2020	2021	2022
0.11	0.15	0.2

LTIFR - contractors

2020	2021	2022
0.07	0.04	0.02

TRIR: Total Recordable Incident Rate = total number of recordable incidents x 200,000 / total hours worked by all employees or contractors

LTIFR: Lost-Time Injury Frequency Rate = total number of lost-time injuries x 200,000 / total hours worked by all employees or contractors



Human Rights

DMCI Holdings acknowledges and values the dignity of each individual. Our Company is devoted to upholding human rights in accordance with applicable laws and internationally recognized human rights standards and protocols.

We demonstrate our commitment by providing employees with a safe and healthy workplace, ensuring that our companies are free from all forms of child and forced labor, promoting diversity, equality and inclusion throughout our organization, engaging with our host communities in a fair and just manner,

and contributing to inclusive growth through our products and services.

Our companies typically provide employees and their representatives with at least a week's notice before implementing significant operational changes that could substantially affect them.

In the past three years, our Company has not recorded any incidents of violations involving the rights of indigenous peoples. Similarly, during the same period, our companies have not had any legal actions or grievances related to child and forced labor.

Supply Chain Management

Our procurement practices are guided by a Supplier and Contractor Policy that mandates collaboration with organizations demonstrating ethical practices, compliance with government rules and regulations, and a strong track record for business performance.

We acknowledge that there is room for improvement in our approach to integrating ESG criteria into our supplier selection processes and supply

chain management. At present, our companies require that our suppliers possess all necessary environmental permits to operate and maintain compliance with health and safety laws and regulations.

In 2022, we engaged a total of 104 new suppliers, of which 64% were assessed using environmental and social criteria.



Corporate Citizenship and Philanthropy

We recognize that building and maintaining positive relationships with local communities is essential for the success of our businesses.

Our commitment to socioeconomic development involves supporting initiatives that create economic opportunities, promote social progress, and improve the quality of life for individuals and communities. We aim to foster sustainable growth and development through partnerships with local organizations and by investing in programs that benefit the communities where we operate.

In addition, we recognize the importance of engaging with local communities to understand their concerns

and priorities. We seek out feedback and input from community members to enhance our decision-making processes.

Finally, we understand that our operations have the potential to impact the environment, and we take that responsibility seriously. We strive to minimize any negative impacts on the environment through responsible waste management, energy conservation and sustainable practices.

Our corporate social responsibility (CSR) initiatives are guided by our Community Interaction Policy, which outlines our commitment to the communities we engage with. Our CSR efforts are focused on the following thematic areas:



Infrastructure

- Green Village Project: DMCI provided technical support to the Life Project 4 Youth (LP4Y) Green Village in Calauan, Laguna, by preparing design drawings for architectural, civil, structural, sanitary, plumbing, and electrical estimations. LP4Y establishes Green Villages that serve as training and development centers for rural youth, allowing them to develop technical and soft skills.

Education and Training

- Balik-Eskwela Program: DMCI Power donated school bags and supplies to 1,100 elementary school students in Palawan and Oriental Mindoro. The company also donated electric fans, paint and cleaning materials to Tugbo Integrated School to help improve face-to-face learning.
- DMCI Youth Exposure Program: DMCI conducted a skills development program for 15 youths from LP4Y Taguig and Payatas Center wherein 5 DMCI departments demonstrated their job functions

to improve the attendees' knowledge and enhance their employability.

- The Development of Mine Technology and Geosciences Program: DMCI Mining supports the field of mine technology and geosciences by funding related research and trainings, supporting mine technology and geosciences scholars, and providing educational assistance to students taking mining engineering and geological science courses.
- Educational Support to UP Engineering Professors: DMCI Homes donated PHP 600,000 to fund the professional chair awards and teaching research grants at the UP Diliman College of Engineering.

Welfare and Livelihood

- Pedia Health Check-Up Project: DMCI Power provided free health check-ups and medicines to 400 residents in Masbate.
- DMCI Homes raised PHP 20,000 through its Christmas Bingo and all the proceeds were turned over to Gentle Hands, Inc. and the Philippine Children's Medical Center.
- DMCI Homes handed over PHP 100,000 worth of rice, goods and cash donations in 2022 to various barangay LGUs in Taguig, Pasay, Manila, Las Pinas, Makati, Pasig and Paranaque in support of their respective community programs.

Environmental Stewardship

- Adopt-a-River Project: DMCI Power partnered with the Environmental Management Bureau to clean, improve and preserve the Tugbo creek in Masbate through quarterly clean-ups together with volunteers from the local communities.
- Tree Planting: DMCI Power planted 200 fruit-bearing trees during their Annual Tree Planting activity last June 2022 at Barangay Sta. Isabel in Calapan City, Oriental Mindoro.
- Lend A Hand to Save Trees Project: Twenty-Five-(25) DMCI employees volunteered to plant 1,250 seedlings, including coffee, cacao, berries and acacia trees at Sitio San Ysiro, Brgy San Jose, Antipolo City, Rizal. Moreover, a tree planting activity was spearheaded by the La Mesa Treatment Plant 2 (LMTP2) Project Team

where thirteen 13 employees volunteered for the planting of 150 assorted seedlings in La Mesa Dam in coordination with the DENR-NCR Nursery.

- **Mt. Apo Outreach and Tree Planting Project:**
DMCI Homes distributed food packs and learning materials to Manobo households and kids last March 2022. The company also planted 50 seedlings at Sitio Colan, Sta. Cruz, Davao Del Sur. The volunteers were composed of DMCI Homes Davao employees and Verdon Parc condominium residents and staff. The Mt. Apo outreach project is part of DMCI Homes' "Kaakbay ng Pamayanan" and "Kaakbay ng Kalikasan" CSR initiatives that pertain to issues on social welfare and community development and projects on environmental protection and sustainable eco-development, respectively.

Emergency Response and Disaster Relief

- **Balik-Eskwela Program:** DMCI Power donated hygiene kits to Tugbo Integrated School in Masbate last February 2022 to help learning centers and students within its host communities combat the pandemic. The company also donated electric fans, paint and cleaning materials to help improve face-to-face learning.





Community Impacts and Involvement

We conduct community and stakeholder consultations with our host communities. During these consultations, we discuss our environmental impact, as well as how we can contribute to their socioeconomic development.

The timely and fair resolution of stakeholder complaints is a top priority for our companies.

DMCI Homes has a Community Relations Committee that addresses complaints and grievances of its homeowners and residents.

SMPC has a proactive community engagement and relations program, as well as a grievance reporting channel

in place. Meanwhile, DMCI Power conducts weekly consultations with the local officials in their host communities as well as conducts community surveys and interviews. DMCI Mining facilitates complaints reporting through their Grievance Mechanism Form.

Our companies play a significant role as economic drivers in the missionary, remote and rural communities where we operate.

In 2022, government royalties from coal revenues reached a record PHP 15.96 billion while excise taxes from nickel sales reached PHP 29 million. Meanwhile, proceeds from ER 1-94 totalled PHP 38.5 million.



Customer Relationship Management

DMCI Holdings is committed to meeting client requirements in a mutually fair and satisfactory manner. Through our subsidiaries, we aim to provide construction, real estate, power, mining and water clients/consumers with superior quality products and services at a reasonable price.

To protect customer safety and welfare, we abide by the relevant laws, rules and regulations set by the Philippine government, which include, but are not limited to, the Condominium Act (RA 4726), Electric Power Industry Reform Act (RA 9136), Mining Act (RA 7942), National Water Crisis Act (RA 8041).

We also strive to innovate and adopt global standards wherever applicable and possible. Our construction, coal mining and power businesses have been awarded ISO 9001:2015 certifications for their quality management system (QMS).

The ISO 9001 standard is designed to help organizations to implement a QMS that meets customer requirements and improves overall business performance. To obtain ISO 9001 certification, an organization must demonstrate that it has implemented a QMS that meets the requirements of the standard and is effectively managing its processes to consistently

provide products and services that meet customer needs and expectations.

Through our subsidiaries and affiliates, we implement mechanisms, programs and activities that further promote

customer welfare and engagement. These efforts include, but are not limited to, customer hotlines, site and home visits, appreciation events, client consultations and customer surveys.

Our Customer Welfare Mandates



Treat customers with respect, integrity and professionalism at all times



Deal with stakeholders in a fair and reasonable manner



Refer complaints of unfair, deceptive and fraudulent subsidiary and affiliate business practices to the Chief Compliance Officer

In 2020, DMCI Homes launched its Program D365 Customer Relationship Management (CRM) Program that aims to integrate customer services. Since then, continuous enhancements on the system have been made to better respond to customer requests, concerns and inquiries.

From January to December, 60% of survey respondents have rated DMCI Homes Customer Care between 4.5-5 (5 being the highest score),

92% of emails have been acknowledged within the 24-48 hours, and 70% of total concerns were resolved at first contact.

DMCI Homes continuously improves their CRM Program by monitoring adherence to committed turnaround times, ensuring the resolution of customer complaints, and regularly proposing changes in processes and systems so common complaints will not recur.



Sustainability Promotion Among Customers

DMCI Homes' commitment to sustainable living is evident in the programs and initiatives undertaken in their residential projects. The company conducts regular awareness programs on waste segregation, energy efficiency and water conservation among its residents, in line with its goal of promoting responsible environmental management.

In addition, it has implemented the Trash to Cashback program at Sheridan Towers, one of its residential projects in Mandaluyong City. Through this initiative, DMCI Homes partners with a third-party organization to collect and purchase residual and recyclable wastes from the residents. This program has been well-received by the community, and the company plans to roll it out in its other projects in Taguig, Pasig and Quezon City.



Ethical Marketing and Brand Management

Marketing is a particularly material topic for our real estate business, DMCI Homes. Its sales and marketing teams are responsible for ensuring our adherence to ethical marketing guidelines.

As part of its onboarding process, new DMCI Homes employees undergo a module on “Marketing and Branding 101” at the DMCI Homes Academy. To ensure the accuracy and validity of information, all material released to the public undergoes thorough research and validation by its research team.

The company strictly adheres to the DMCI Homes’ Brand Guidelines for all online campaign materials. All marketing materials also undergo multi-departmental quality reviews and approvals to guarantee the accuracy of details.

The campaign materials are reviewed by the brands and corporate communications section of the marketing team, as well as the Project Development, Design and Engineering, and Legal departments, if necessary.

DMCI Homes also ensures compliance with legal requirements by obtaining the necessary documents such as License to Sell and Ad Standards Council permits prior to releasing campaign materials to the public.

Economic Prosperity

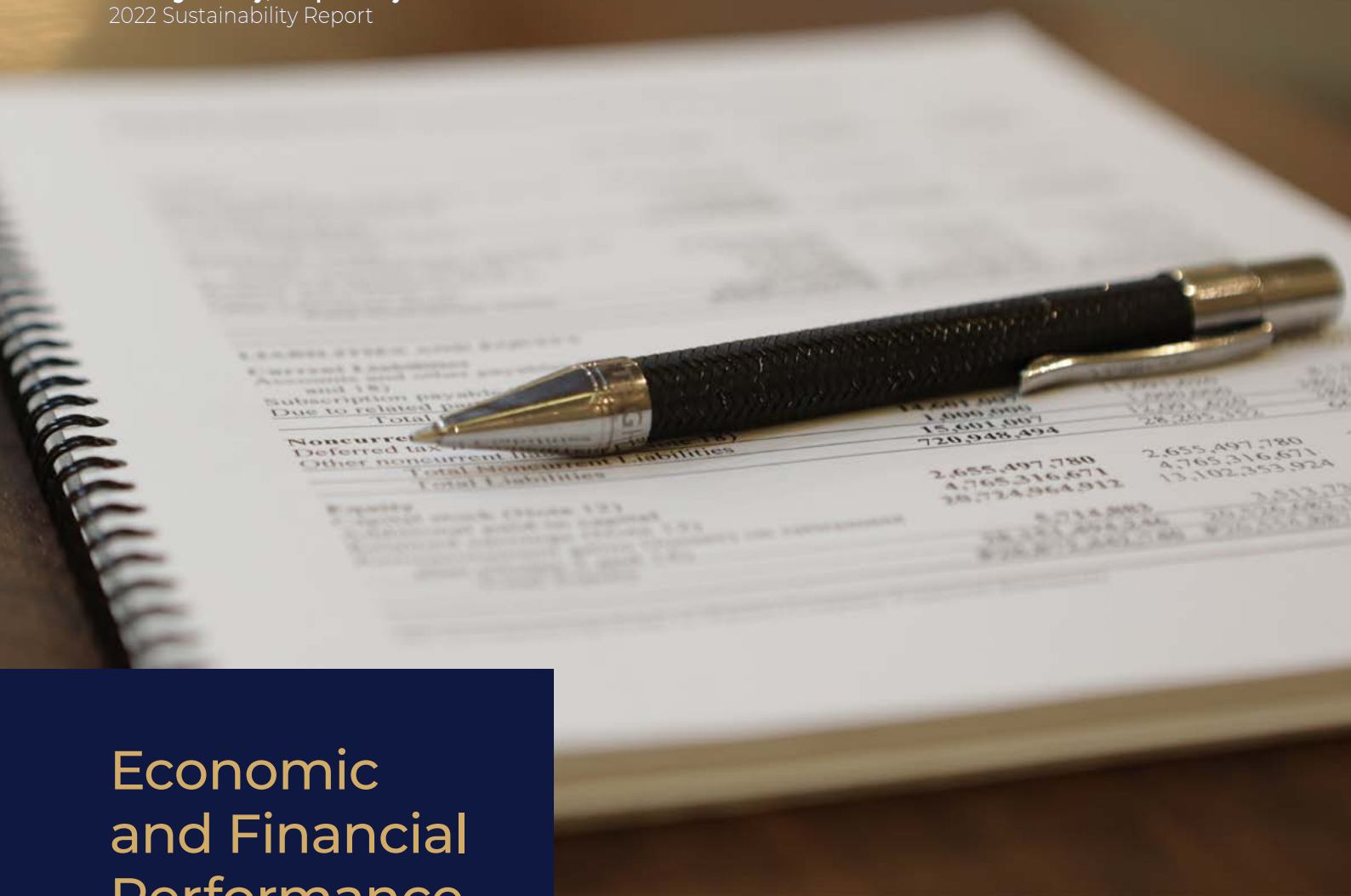


In 2022, DMCI Holdings achieved remarkable economic prosperity, which is crucial to the long-term success and sustainability of our businesses and stakeholders. This feat reflects our commitment to creating value for our shareholders and partners while ensuring responsible growth.

At the same time, our companies diligently monitored and assessed their operations and practices to ensure that our economic objectives

are aligned with our environmental and social considerations.

Our goal is to ensure compliance with relevant laws and regulations while minimizing our impact on the environment and fostering positive social outcomes. This approach demonstrates our dedication to responsible corporate citizenship and our commitment to long-term, sustainable growth for the benefit of all stakeholders.



Economic and Financial Performance

DMCI Holdings recorded all-time high consolidated revenues and net income in 2022, which translated to historic dividends and government royalties for our shareholders, government-partners and host community.

Consolidated revenues grew by 32% from PHP 108.3 billion to PHP 142.6 billion because of strong operating performance amid elevated market prices for coal, nickel and spot electricity.

Reported net income surged by 69% from PHP 18.4 billion to PHP 31.1 billion, which is 65% higher than our longstanding profit record of PHP 18.9 billion from 2013.

During the year, our shareholders received regular and special cash dividends amounting to PHP 1.20 per common share, equivalent to over PHP 15.9 billion.



Dividend Payments

April Payout
P 0.34/share
Regular

P 0.14/share
Special

November Payout
P0.72/share
Special

**P1.20/
share**
Total
Payout

Government royalties more than doubled (150%) from Php 6.4 billion to Php 15.9 billion due to record-high selling prices for coal. While bulk of the amount (60%) will go to the National Treasury, 40% will be distributed to the host local government units in accordance with the law.

Coal royalties will be divided among the Antique Provincial Government (20%), Caluya Municipal Government (45%) and Barangay Semirara (35%).

With higher government royalties, our tax and royalty expenses for the year accelerated by 137% from Php 9.3 billion to Php 22.1 billion.



Taxes and Royalties

In PHP millions

Corporate Income Tax

2020	2021	2022
1,399	1,482	4,724

Government Royalties

2020	2021	2022
1,814	6,355	15,963

Excise tax

2020	2021	2022
61	85	29

Other Taxes and Payments

2020	2021	2022
1,246	1,406	1,399

Total

2020	2021	2022
4,520	9,328	22,115

Employee benefits and wages increased by 35% from PHP 8.9 billion to nearly PHP 12 billion while community investments reached PHP 211 million.

In all, DMCI Holdings generated a total economic value of ₱145.9 billion,

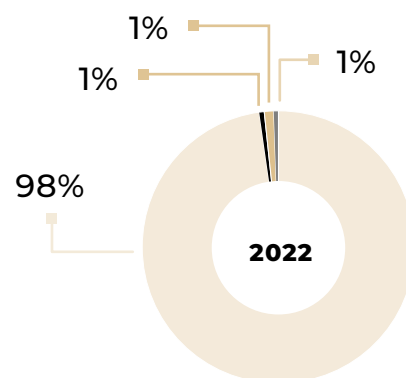
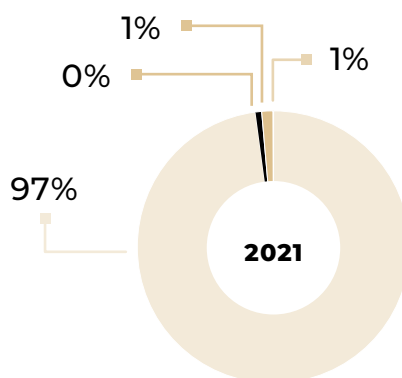
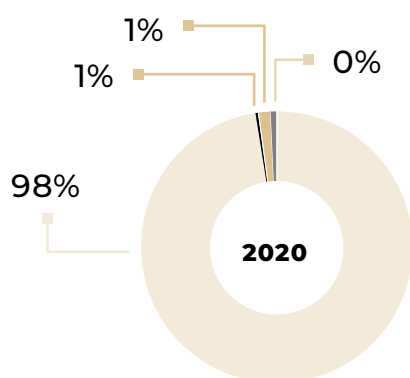
most of which came from the sale of our products and services. We returned most of this value to our stakeholders in the form of payment, reinvestment, dividends, salary, taxes and royalties.








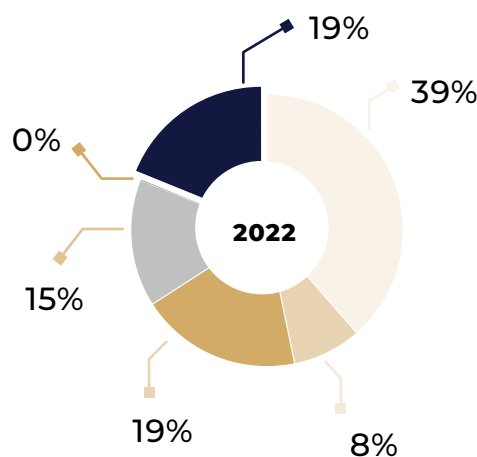
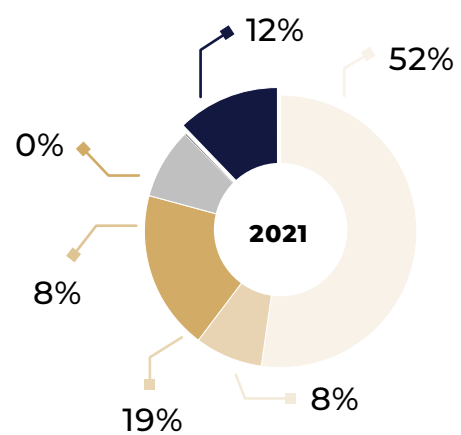
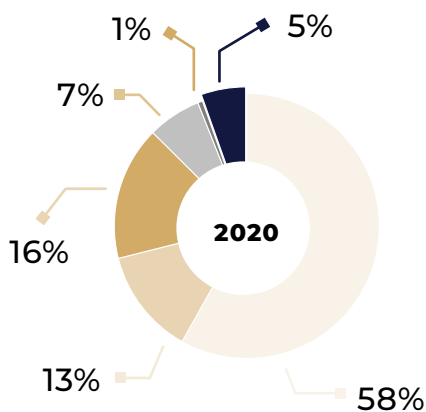
Direct Economic Value Generated and Distributed

In PHP millions

Direct Economic Value Generated	69,160 2020	111,142 2021	145,894 2022
Revenue	67,700	108,343	142,600
Interest Income	503	395	859
Other Income	921	1,599	1,630
Dividend Income	36	805	805



Economic Value Distributed	65,403 2020	97,588 2021	118,391 2022
 Operating costs	40,200	58,098	56,248
 Employee benefits and wages	8,950	8,928	11,959
 Payments to providers of capital	11,330	21,027	27,911
 Payments to government	4,520	9,328	22,062
 Community investments	403	207	211
Economic Value Retained	3,757	13,554	27,503



Corporate Governance

DMCI Holdings is guided by a nine-member Board of Directors with diverse backgrounds. The Board's key responsibilities include setting the Company's strategic direction, evaluating senior executives' performance, and ensuring operations adhere to legal and ethical standards.

Our goal is to maintain a board composition with a balanced mix of skills and experience, helping us adapt to changing business conditions and regulatory requirements.

Our board members bring expertise in various fields such as operations, finance,

economics, business development, legal and regulatory affairs, corporate governance and sustainability.

In keeping with our commitment to diversity and inclusion, Independent Directors make up one-third of the board, and women account for nearly 50% of the board's members.

Notably, our Lead Independent Director is a woman, further emphasizing our dedication to inclusive leadership.

For additional information about our directors, including their education and areas of expertise, please visit our website.

Name	Gender	Position
Isidro A. Consunji	Male	Chairman and President
Cesar A. Buenaventura	Male	Vice Chairman (Non-Executive Director)
Jorge A. Consunji	Male	Non-Executive Director
Ma. Edwina C. Laperal	Female	Director / Treasurer (Executive Director)
Luz Consuelo A. Consunji	Female	Director (Non-Executive)
Maria Cristina C. Gotianun	Female	Director / Assistant Treasurer (Executive Director)
Cynthia R. Del Castillo	Female	Lead Independent Director
Roberto L. Panlilio	Male	Independent Director
Bernardo M. Villegas	Male	Independent Director

The selection process for the Board of Directors is governed by our Board Charter, which outlines the composition, positions, committees, and election procedures for board members. The Charter also specifies the required number of annual meetings and the expected conduct during these gatherings.

As part of their roles and responsibilities, the Board of Directors evaluates the company's long-term strategies and approves resource allocations, capital investments, and Environmental, Social, and Governance (ESG) related projects.

Board remuneration is determined and approved by the Compensation and Remuneration Committee. Meanwhile, the performance of the Board and the CEO is assessed annually by the Nomination and Election Committee (NOMELEC).

The Corporate Governance Committee establishes the process for performance evaluations, while various subcommittees under the Board of Directors are entrusted with executing the Board's decisions and fulfilling their delegated responsibilities.



Audit and Related Party Transaction Committee



Board Risk Oversight Committee



Corporate Governance Committee



Executive Committee



Strategy and Sustainability Committee

The Nomination Committee ensures compliance with the “Board Diversity Policy,” aiming to maintain a diverse Board.

Candidates for the Board of Directors are usually nominated by the corporation’s stockholders.

The NOMELEC then selects members based on their expertise, experience, diversity, and integrity, creating a balanced Board composition.

Currently, no specific ESG qualifications or experience are required for board membership, but candidates must demonstrate integrity, probity, and a strong work ethic.

The Board Remuneration Policy outlines the compensation structure for executive and non-executive directors, illustrating DMCI Holdings’ commitment to a transparent and fair approach to board member compensation, while supporting the Company’s long-term success.

Type of Remuneration	Process for deciding remuneration
Fixed remuneration	The Compensation and Remuneration Committee (ComRem) under the Corporate Governance Committee assesses and evaluates the annual performance of the CEO. The ComRem reports to the Board and recommends the remuneration of the CEO for approval.
Variable remuneration	Performance-based mechanisms that directly align rewards and incentives to employees with the financial results of the company.
Per diem allowance	Per diem for attendance to Board meetings
Bonus and other incentives	Attainment of company and employee goals, as measured against key performance metrics. These financial and non-financial metrics are determined during the planning or goal-setting sessions of the different companies.

Business Ethics and Compliance

Ethical conduct in business is a fundamental aspect of corporate sustainability, as it fosters trust and confidence among stakeholders while aligning with core moral values. DMCI Holdings firmly believes that businesses have an obligation to operate in accordance with essential ethical principles, such as honesty and respect for others.

To address conflicts of interest, DMCI Holdings adheres to a formal “Conflict of Interest” policy. Employees are required to report any conflicts in writing to their supervisors, who then collaborate with senior management to determine an appropriate course of action.

Under the broader corporate governance framework, our policy commitments encompass various procedures and preventive measures to address concerns, grievances, and potential negative incidents.

The table below provides an overview of these commitments, while the complete text of our policies can be found on our website. By upholding these policies, we reinforce our commitment to responsible and sustainable business operations.

Policy	Brief Description
Alternative Dispute Resolution Policy	Promotes the use of alternative methods (outside of litigation) to resolve conflicts involving the Company, shareholders, third parties, and regulators
Anti-Corruption and Bribery	Prohibits corruption, bribery, and other unethical practices in business dealings
Anti-Sexual Harassment Policy	Protects employees from sexual harassment, promoting a respectful work environment, and outlining complaint procedures
Code of Business Conduct and Ethics	<p>Establishes principles for ethical behavior, adherence to laws, and fair business practices, including Accountability, Transparency & Disclosure, Observance of Law, Conflict of Interest, Compliance, Fair Dealings, Intellectual Property Rights, Confidentiality, and Corporate Opportunities.</p> <p>A compliance checklist is filled annually to monitor adherence to laws and a hotline number is indicated to answer employee queries about the Code.</p>
Disclosure Policy	Outlines procedures for consistent, transparent, and timely public disclosure of material company information about the Company and its subsidiaries

Insider Trading Policy	Sets the rules for Directors, Officers and employees of DMCI Holdings when conducting securities transactions involving the Company's shares
Investor Relations Policy	Details the Investor Relations team's role in communicating material company information to analysts and investors
Material Related Party Transactions Policy	Governs the review, approval, and disclosure requirements for transactions involving related parties of significant value. This is in accordance with the SEC Memorandum Circular No. 10, series of 2019 on the Rules on Material Related Party Transactions for Publicly Listed Companies.
Safeguarding Creditors Rights Policy	Protects the rights and interests of creditors in the Company's financial transactions by disclosing information about compliance with loan agreements, collaterals, and guarantees established with lenders
Whistleblower Policy	Provides a channel for stakeholders to report concerns about malpractice, violations, fraud, or misconduct, and establishes a reporting system for whistleblowing incidents

The Company recorded no cases or legal actions regarding anti-competitive behavior and violations of antitrust and monopoly legislation in the years 2018 to 2022. Similarly, DMCI Holdings has

no record of incidents of corruption and bribery for the same years.

From 2018 to 2022, our Company has not made any contributions, either directly or indirectly, in any form, to political parties, politicians or their campaigns.



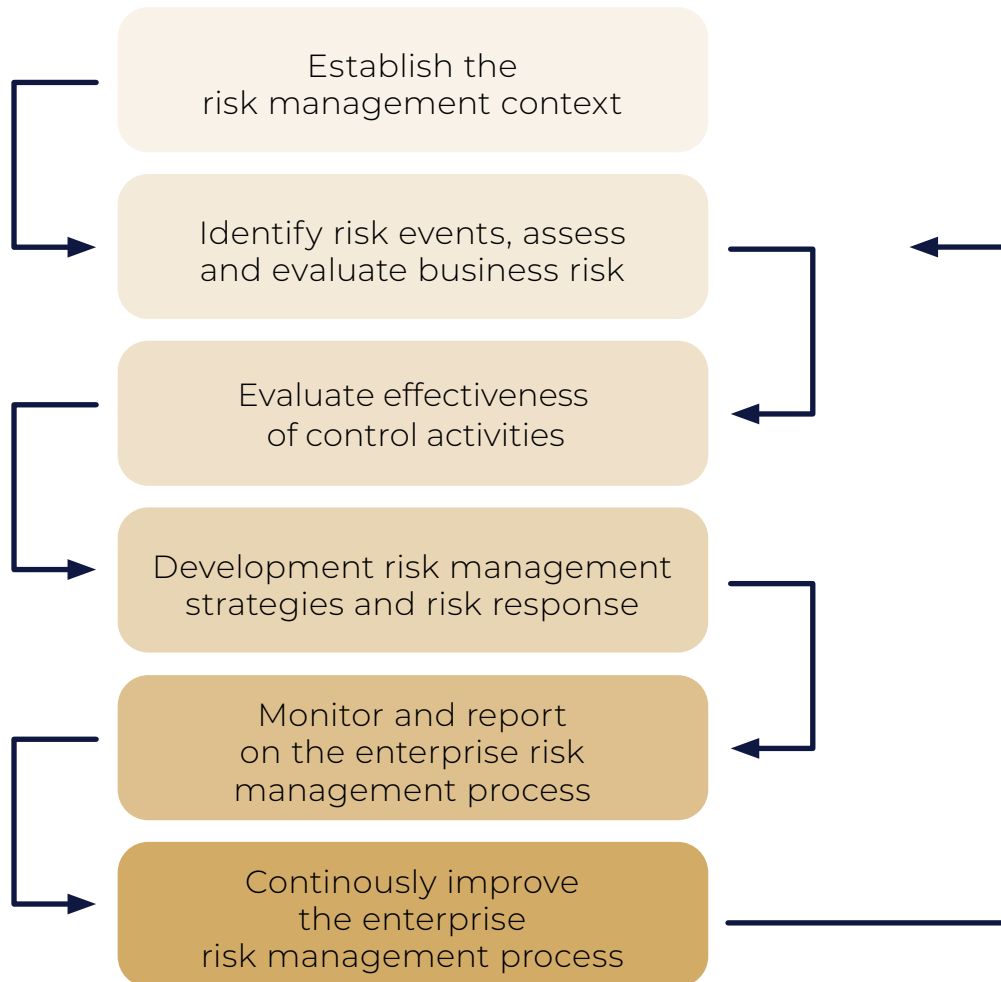
Risk Management

DMCI Holdings recognizes Enterprise Risk Management (ERM) as a critical driver for effective corporate governance and the achievement of the group's strategic objectives. We are committed to integrating robust risk management practices across strategic, tactical, and operational levels.

Our risk management efforts are guided by an enterprise-wide

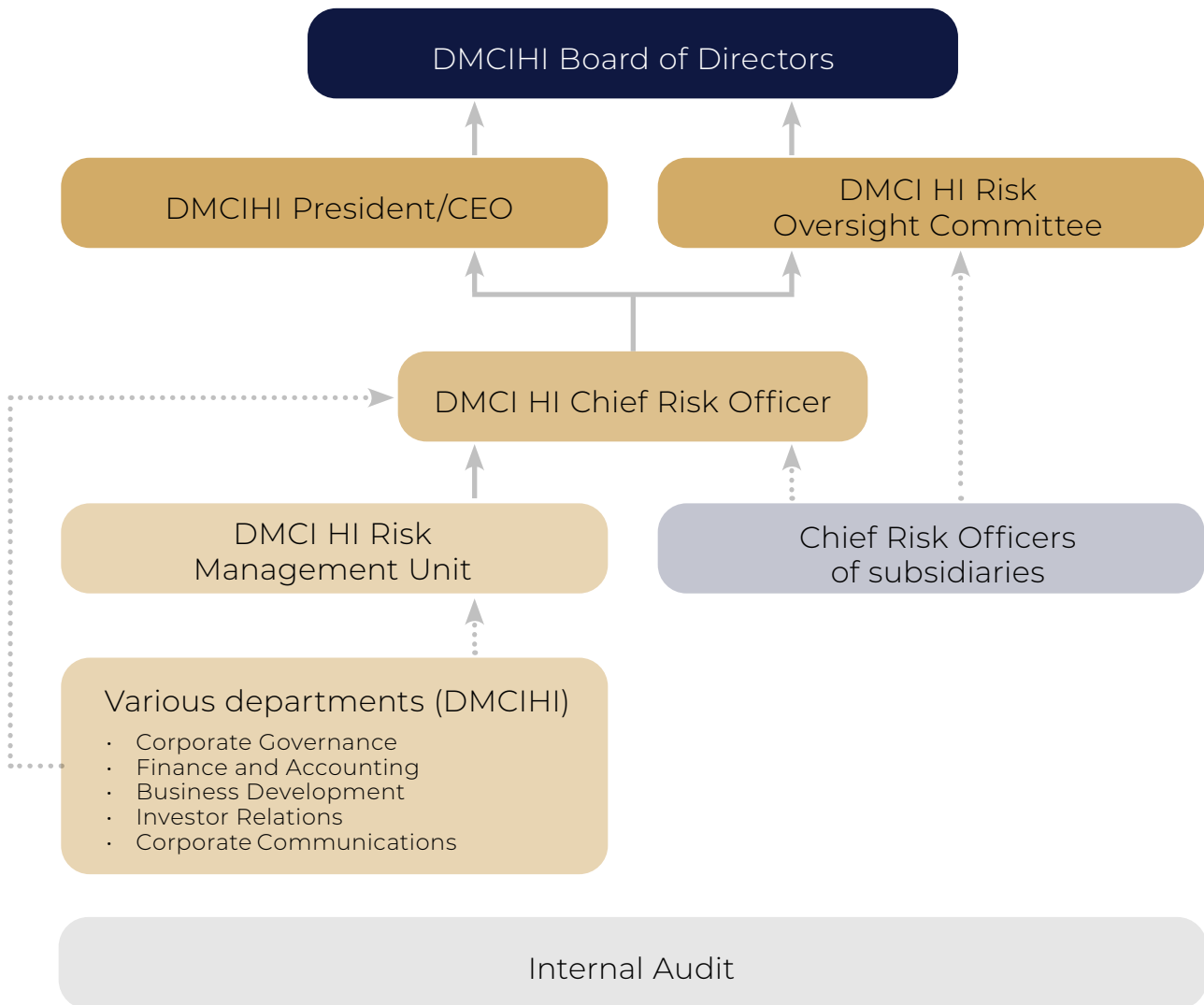
management framework, most recently updated in November 2021. This policy details the vision, goals, and objectives of our risk management approach, defines roles and responsibilities related to the process, and provides procedures for risk analysis and reporting. An overview of our risk management process is provided in the following pages.

Management Process



We have created a management structure to facilitate the successful implementation of our risk management framework. This structure helps ensure an integrated and independent assessment of risks across various categories, including strategic, operational, compliance, and financial.

By implementing this structure, we can broaden risk coverage, minimize functional inefficiencies and overlaps, and prevent confusion among personnel due to a lack of structured communication and reporting lines.



To effectively manage risks and ensure successful implementation of our Enterprise Risk Management (ERM) framework, DMCI Holdings has established a management structure led by the Board of Directors and Risk Oversight Committee. Senior executives including the Chief Risk Officer, General Counsel,

and Chief Compliance Officer work collaboratively to achieve our risk management objectives.

We are committed to continually improving our ERM process, and our internal audit function provides an independent assessment to evaluate its effectiveness.



Crisis Management and Business Continuity

We recognize the importance of being prepared for unexpected events such as workplace incidents, natural disasters, cyber-attacks among others. This is why we have implemented crisis management strategies and procedures to help us respond and recover in such situations. We also ensure that our business functions can continue during disruptions by practicing business continuity.

To achieve this, we have established clear plans and procedures for handling emergencies, including communication channels with internal and external stakeholders. Our employees are trained and prepared to respond to unexpected events, and we maintain clear lines of communication with all stakeholders.

Additionally, we maintain backup systems and redundancies to ensure that our operations can continue even during a disruption.

Innovation and Adaptation



DMCI Holdings prioritizes innovation and adaptation to ensure sustainable growth and competitiveness in our businesses. Our investments in advanced technologies, digital tools, and e-learning management systems help us streamline operations, upskill our workforce, and improve overall efficiency.

We encourage continuous improvement to develop new ideas and refine processes, resulting in better employee welfare, customer experience and environmental management.

Technology and Digitization

Our companies adopt digital technologies at the workplace to streamline operations and improve business processes.

The following technologies were introduced to improve business operations and enhance our sustainability:

- In DMCI, advanced construction technologies are utilized in joint venture projects, while time-keeping is digitized, and foremen are provided the option to use tablets for their record keeping. The company has also implemented online approval workflows, paperless processes, and the use of printers and computers that consume less energy. In addition, a cloud-based email system has been adopted for better communication.

- For DMCI Homes, virtual listings and digital acceptance of units have been introduced, while cost efficiency is promoted through technology and engineering solutions. Virtual meetings are encouraged, and e-signing of documents and online payments are implemented for convenience.

- In SMPC, emissions are managed through onsite technology to limit particulates and emissions. The company also uses state-of-the art equipment for mine wall and slope monitoring, as well as immersive technology for simulation training sessions. Data analytics and business intelligence tools are likewise used in monitoring and managing company performance.

- In DMCI Power, operational and performance reports are digitized for easier access and monitoring. The status of emissions in the Masbate plant can be accessed online, and environment, health and safety manuals and procedures are now accessible through QR code, eliminating the need for physical manuals. E-signing of documents is also implemented for more efficient processes.

- Lastly, DMCI Mining has switched to LED lighting systems and uses printers and computers that consume less energy to reduce its carbon footprint.



Information Security & Cybersecurity

DMCI Holdings acknowledges the growing risk of cyber-attacks and data privacy threats, and places great emphasis on strong data privacy controls to protect the data of our employees, businesses, and customers.

Our data protection policies are outlined in our Data Privacy Manual, which is in compliance with the Republic Act 10173 (Data Privacy Act of 2012) and the guidelines of the National Privacy Commission (NPC).

We conduct regular Vulnerability Assessments and Penetration Testing,

performed by a third-party organization, to evaluate our performance in data protection. Additionally, any breaches are reported annually to the NPC since 2018.

In 2022, DMCI Homes received eight substantiated complaints concerning customer privacy, seven of which have been resolved, while the remaining case involving a hacking incident is currently being reviewed.

To address the cybersecurity issue in 2022, DMCI Homes has implemented advanced cybersecurity measures to further bolster its cybersecurity system:

01

Implemented a new backup solution that further enhances our ability to protect previously unprotected servers and streamlined our backup processes.

02

Started archiving our backups in the cloud which offers us greater scalability and reliability in the event of system failure.

03

Removed remote desktop applications and replaced these with TeamViewer, which is a more secure remote access program, but with restricted access to specific networks.

04

Created a policy standardizing system updates to reduce vulnerabilities in our system.

05

Strengthened our Virtual Private Network (VPN) security by converting our site-to-site VPN connections to Secure Sockets Layer (SSL) VPN connections.

06

Started using a security platform that will enhance our ability to detect and respond to threats across our network.



Sustainable Human Settlements

DMCI Homes was established with the goal of providing affordable yet high-quality homes for middle-class families in Metro Manila. In order to achieve this, our real estate projects undergo careful design and continuous updates to ensure that residents can enjoy healthy and well-balanced lives.

Our residential condominiums are conveniently located near major business centers, malls, schools, hospitals, and government offices, and are easily accessible by public transportation. Each community has a gated entrance and perimeter fence, with a limited number of buildings for security and privacy.

To promote sustainable living, most of our buildings adopt the Lumiventt Design Technology, a patented feature that creates cross-ventilation using basic principles of airflow through sky patios, breezeways, vents, and 3-storey high openings on both sides of the building.

This engineering feature is complemented by central garden atriums and single-loaded hallways, providing an open and airy feel to the interior spaces. Rainwater harvesting systems, sewage treatment facilities and waste segregation areas are also found in some DMCI Homes projects.

The company also prioritizes green spaces and maintains a 60:40 footprint-to-building space ratio to ensure ample room for gardens and other open areas. Our residents have access to resort-like amenities such as adult and kiddie swimming pools, badminton and basketball courts, landscaped open areas, playgrounds, jogging and biking paths, and more.

Our focus on promoting healthy and well-balanced living extends beyond the buildings themselves, to the green spaces and amenities that enrich our communities. We are dedicated to creating a safe, comfortable, and enjoyable living experience for our residents.



Sustainability at Maynilad



Maynilad's commitment to providing high-quality, sustainable water and wastewater services while prioritizing environmental conservation and safety has earned the company numerous accolades and recognition from various organizations.

Its "New Water" project, which converts treated used water into drinkable water, has been praised by the DENR-Environmental Management Bureau National Capital Region.

The company has also received awards and recognition from organizations such as the International Association of Business Communicators Philippines,

Environmental Systems Research Institute, Investors in People, and the Department of Labor and Employment for its communication initiatives, GIS implementation, people management practices, and safety standards.

Maynilad likewise achieved ISO recertification for its Business Continuity Management System (BCMS), confirming that the company has established an effective system that complies with international standards. The company's Water Safety Plan (WSP) has also earned a "very good" rating from the Department of Health's WSP Review Committee for complying with the required guidelines.

Water Utility Specific Metrics

Maynilad is committed to providing sustainable and reliable water services to the 17 cities and municipalities in the West Zone of the Greater Manila area, which include Manila, Quezon City, Makati, Caloocan, Pasay, Parañaque, Las Piñas, Muntinlupa, Valenzuela, Navotas, and Malabon in Metro Manila, as well as Cavite Province.

To enhance water supply access, reliability, affordability and quality, the company continuously invests in a number of water augmentation infrastructure projects. These include

rehabilitating major water treatment facilities and groundwater sources, as well as constructing new water treatment and modular treatment plants.

In addition to infrastructure projects, it has implemented a pro-poor water access scheme that provides a 41% tariff reduction for lifeline customers (Residential Accounts consuming ≤ 10 cu. m.). This initiative helps to provide affordable access to safe and clean water for low-income households.



Water Metering

Total number of customers

2020	2021	2022
9,788,179	9,881,684	9,966,773

Total number of customers with individual water meters

2020	2021	2022
1,484,128	1,501,371	1,522,992



Water Losses

In m3

Total volume of water supplied

2020	2021	2022
917,688,292	947,620,000	947,753,619

Total volume of non-revenue water losses

2020	2021	2022
379,424,937	425,995,454	403,175,904

Percentage of water losses

2020	2021	2022
41%	45%	43%



Wastewater and Sanitation Metrics in 2022

3,009

New domestic
sewer service
connections

305

New non-domestic
sewer service
connections

69,924

Septic
tanks
desludged

6,019

Sewer
manholes
cleaned

418 km

Sewer
lines
cleaned



Economy and Governance

In 2022, Maynilad reported sales revenues and other income of P23.2 billion. Of this amount, 68.8% was either distributed back to stakeholders or spent as operating costs.

The company allocated a significant portion of this distribution to Maynilad employees' benefits and wages (9.75% or P2.27 billion), dividend payouts for shareholders

(10% or P2.32 billion), and remittances to the government (12% or P2.79 billion). Maynilad also invested P56.2 million in community initiatives during the reporting period.

These figures demonstrate Maynilad's commitment to responsible business practices, as well as its dedication to supporting its employees and the communities it serves.

Direct Economic Value Generated and Distributed in 2022

In PHP



23,234,766,418

Direct Economic Value Generated

22,874,732,769
Revenue

30,092,559
Interest Income

329,941,090
Other Income

0
Dividend Income



15,978,714,306

Economic Value Distributed

5,548,252,788
Operating cost

2,266,430,892
Employee benefits and wages

2,321,671,861
Payment to providers of capital

2,786,087,887
Payment to government

56,270,879
Community investments



7,256,052,111

Economic Value Retained



Anti-Corruption

Maynilad has an anti-corruption policy that is communicated and enforced throughout the organization. It prioritizes transparency and integrity in all business dealings and has implemented measures to prevent and detect corrupt practices.

To ensure that employees are aware of anti-corruption policies and procedures, the company

provides training and awareness-raising programs. In 2022, 47% of the employees underwent anti-corruption training using the E-Learning Anti-Fraud program.

Maynilad is committed to upholding ethical standards and preventing corrupt practices, believing this is crucial for building stakeholder trust and ensuring business sustainability.

Business Ethics

The Code of Conduct at the organization covers various business ethics issues, including discrimination, confidentiality of information, conflicts of interest, antitrust, money laundering, insider trading, environment, health and safety, gifts, favor and entertainment, and whistleblowing.

To ensure compliance with the Code of Conduct, Maynilad applies various mechanisms such as awareness-raising, mandatory signing and agreement to the Code as part of employment requirements, compliance training,

and compliance risk assessments and audits. Anonymous and confidential reporting channels are also in place to facilitate whistleblowing.

Compliance with the Code of Conduct is integrated into employee performance appraisal, and disciplinary action is taken against violators. Whistleblowers are also protected from retaliation.

The company places great importance on transparency and accountability, and encourages all employees to report any potential violations of the Code of Conduct.

Information Security and Cybersecurity

Maynilad has taken a proactive approach towards strengthening its cybersecurity and information security measures. By doing so, it aims to protect its assets, save costs, and avoid potential fines from security breaches.

To this end, the company has implemented an information security/cybersecurity policy that is available to all employees. Additionally, it provides awareness training, such as phishing simulations and IT Security 101, to enhance employees' understanding of potential cybersecurity risks.

The organization has also established a clear escalation process for employees

to follow in the event of suspicious activity. Any employee breaches on cybersecurity are subject to disciplinary actions.

Furthermore, Maynilad has enhanced its IT/cybersecurity infrastructure and controls, including vulnerability analysis of its IT infrastructure through simulated hacker attacks.

These efforts demonstrate the company's commitment to protecting its assets and preventing security breaches, while also ensuring compliance with industry standards and best practices in cybersecurity.

Crisis Management and Business Continuity

The company has obtained ISO recertification for its Business Continuity Management System (BCMS) from the international auditing and certification body, TUV Rheinland Philippines.

The ISO 22301:2019 recertification establishes that Maynilad has an effective system for water provision that adheres to international standards. This achievement reflects the organization's commitment to sustainability and operational resiliency, especially in the event of a disaster, pandemic, or technical and security-related emergencies.

Maynilad's business continuity plan comprises several measures, such as clearly designated roles and responsibilities, training and awareness-raising for employees, emergency response procedures, and regular testing and evaluation of the crisis management and business continuity plans to identify areas for improvement.

These efforts demonstrate the company's dedication to ensuring the continuity of its operations, protecting its assets, and minimizing disruption in the face of unexpected events.

Quality and Other Management Systems

Maynilad has eight multi-sites and company-wide ISO certifications, making it the Philippine company with the highest number of such certificates.

These certifications confirm that the organization meets international standards for Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), and Occupational Safety and Health Management Systems (ISO 45001:2018).

The organization's efforts towards company-wide ISO accreditation began in 2007, and its Dagat-Dagatan Sewage and Septage Treatment Plant became the first wastewater facility in the Asia Pacific Region to receive triple ISO certifications in 2009.

Additionally, the organization is the first and only water company in the Philippines to receive the ISO 14064:2006 certification for its greenhouse gases quantification and reporting initiative.

Furthermore, the organization holds ISO certifications for its Business Continuity Management System (ISO 22301:2019), Energy Management System (ISO 50001:2018), Information Technology Service Management System (ISO/IEC 20000-1:2018), and Laboratory Quality Management System (ISO/IEC 17025:2017).

These ISO certifications demonstrate the organization's commitment to enhancing efficiencies and providing excellent services while adhering to international standards.

Technology, Innovations, and Modernization

The company has implemented process innovations in recent years to improve operational and resource-use efficiency. These innovations include:

- La Mesa Treatment Plant 1 and 2 Process Improvement Works: Upgrading of La Mesa Facilities to increase treatment efficiency by boosting capacity to treat high turbidity water without affecting the output-treated water production. This project entails the construction of additional facilities and installation of additional equipment inside the treatment plants.
- Newly expanded and upgraded WATERLab: This project enables the organization to improve its capability in delivering quality drinking water for Filipinos.
- Water Network Maintenance Shop: The shop serves as the headquarters for repairs, pump and motor installation for inline boosters, hot works like welding, bearing pull-outs, and equipment installation and assessment.
- The Inventory and Warehouse Management Department (IWMD) established a new process flow for the bidding and order of Materials Requirement Planning (MRP), conversion of Contractor Supplied Materials to Maynilad-Supplied Materials, and setup of backup supplier system for required chemicals.
- Central Control Monitoring: For efficient equipment troubleshooting of wastewater facilities.
- Project STREAM (Strategize, Think, React: Enterprise Asset Management): The organization focuses on improving the efficiency of operations, and its Asset Management oversees the physical assets of its water supply and wastewater facilities. To streamline processes and automate scheduling of preventive maintenance and budget planning, the Integrated Asset Management Division utilizes a Computerized Maintenance Management System (CMMS).
- Paranaque “New Water” Modular Treatment Plant: Operational since October 2022, this is the first direct potable reuse initiative in Asia. The facility converts treated effluent into potable water and can produce approximately 10 million liters of “New Water” per day. DOH-accredited laboratories collected samples from the facility to test the safety of the water for drinking. After these tests, the Parañaque City Health Office issued the facility a Certificate of Potability, ensuring that the facility’s “New Water” meets the Philippine National Standards for Drinking Water.



Environment

Maynilad strives to lessen its environmental impact by adopting sustainable practices and programs that prioritize energy conservation and efficiency. For the last three years, it has implemented various measures such as turning off lights, replacing motor controller drives with variable frequency drives, using energy-efficient LED lights, installing inverter-type air conditioning units, and discouraging vehicle idling.

These initiatives have resulted in optimized fuel and energy use, reduced emissions, and minimized environmental harm. To ensure accountability, Maynilad tracks its energy consumption, conducts internal audits, and submits the results for verification by an international certification body as part of its GHG accounting and reporting practice. The company is exploring the use of renewable energy sources like solar power to further reduce its reliance on fossil fuels.



Energy Consumption

In Gigajoules (GJ)

Non-renewable energy

2020	2021	2022
665,233	724,348	711,586

Renewable energy (solar)

2020	2021	2022
-	503	2,161

Total energy consumption

2020	2021	2022
665,233	724,851	713,747

Water and Effluents

Water use and resource management play a critical role in the sustainable operation of Maynilad.

Efficient water use and resource management enable the company to optimize operations, reduce water losses and improve efficiency, resulting in cost savings and better service levels. Moreover, it enables the company to address the growing demand for water services through conservation, reuse and recycling strategies.

To achieve these goals, Maynilad implements several initiatives and programs, including the Non-Revenue Water Reduction Program and the treatment and reuse of wastewater, which was first applied at the Paranaque Modular Treatment Plant.

Maynilad's Water Supply Operations and Wastewater Management Division are responsible for implementing operational goals and targets to achieve efficient water use and resource management.



Water Withdrawal

In Megaliters (ML)

Surface water

2020	2021	2022
949,020	1,008,125	1,000,184

Groundwater

2020	2021	2022
241	79	391

Produced water

2020	2021	2022
917,520	951,536	928,016



Water Discharge by Destination Type

In Megaliters (ML)

Surface water

2020	2021	2022
34,573	33,909	30,523

Seawater

2020	2021	2022
-	-	35,988



Water Consumption

In Megaliters (ML)

Total water consumption

2020	2021	2022
874,749	938,327	934,064



Water Conservation, Reuse and Recycling

In Megaliters (ML)

Water recycled and reused

2021	2022
24,368,575	23,438,649

Water consumption reduction as a direct result of conservation and efficiency initiatives

2021	2022
-	4,262.44

Emissions

Maynilad aims to lower emissions generated by its business activities to achieve climate neutrality by 2037.

It has an action plan that includes targets for renewable energy and e-vehicles, carbon sink, and reforestation. The Sustainability Department manages emissions

reduction, and the organization evaluates its success through GHG accounting and reporting.

The energization of the 1 MW Solar Power Farm in La Mesa Compound has helped reduce dependence on non-renewable energy sources and in lowering expenses.



Greenhouse Gas Emissions

In Metric Tons CO2e

Direct emissions (Scope 1)

2020	2021	2022
9,875	14,515	6,131

Indirect emissions (Scope 2)

2020	2021	2022
94,735	103,151	123,380

Other indirect emissions (Scope 3)

2020	2021	2022
6	0	-

Waste

To reduce waste and minimize its impact, Maynilad implements several circularity measures which include upcycling uniforms, reusing paper and office supplies, digitizing transactions, and recycling treated wastewater.

To manage hazardous waste, a third-party provider collects

and disposes of it, with the company receiving a Certificate of Treatment as proof of compliance. Maynilad also uses a Solid Waste and Hazardous Waste Inventory Form to gather waste-related data, which is then submitted to DENR through quarterly Self-Monitoring Reports (SMR) to ensure regulatory compliance.



Waste Composition¹ In Metric Tons

Non-hazardous waste generated

2020	2021	2022
50.7	54.2	165.6

Hazardous waste generated

2020	2021	2022
144	170.04	141.5

Total waste generated

2020	2021	2022
194.7	224.2	307.1

Total waste recycled (non-hazardous)

2020	2021	2022
0	0	49.01




Social

Diversity & Equal Opportunities


Maynilad is committed to employee diversity, equality and inclusion. The company does not discriminate based on gender, age, sexual orientation, socioeconomic status, ethnicity, or abilities.

Maynilad also provides equal opportunities for hiring, promotion and leadership roles to achieve a diverse and balanced representation among its workforce.


Employees Breakdown




by gender	2020	2021	2022
Male	1,853	1,713	1,726
Female	620	562	530
Total	2,473	2,275	2,256



by employee category	2020	2021	2022
Senior Management	66	67	70
Middle Management	391	391	397
Supervisors	403	397	382
Operational Support	1,303	1,197	1,112
Others (project-based)	310	223	295
Total	2,473	2,275	2,256



by age	2020	2021	2022
Under 30	820	544	540
30 to 50	1,250	1,372	1,438
Above 50	403	359	278
Total	2,473	2,275	2,256



gender diversity	2020	2021	2022
Percent Women in Total Workforce	25	25	23
Percent Women in Senior Management	32	31	31
Percent Women in Middle Management	34	34	35

Talent Attraction and Retention


Talent attraction and retention are necessary for achieving organizational success. Maynilad fosters a positive work environment and promotes employee development

and growth to acquire top talent and to reduce attrition.


In 2022, Maynilad's Human Resources Department transitioned to online end-to-end hiring to ensure the safety of staff and applicants.

New Hires Breakdown **Employee Turnover Breakdown***

*Pertains to all workers (regular, probationary and project based) who leave the organization voluntarily or due to end of contract, dismissal, retirement, or death in service.



by gender	2020	2021	2022
Male	46 84	138 278	279 234
Female	14 32	28 85	102 120
Total	60 116	166 363	381 354



by age	2020	2021	2022
Under 30	49 33	118 156	286 137
30-50	11 35	47 127	95 130
Above 50	- 48	1 80	- 87
Total	60 116	166 363	381 354

Occupational Health and Safety

Maynilad is committed to providing a safe and healthy workplace for its employees. It has implemented training and capacity-building programs, established a system to monitor and manage occupational health and safety (OHS) concerns, and offers health and wellness programs to its employees.

Furthermore, the company's health and safety management system is certified to the ISO 45001:2018 standard. One of the key benefits

of ISO 45001 is that it provides a systematic approach to OHS management, enabling organizations to identify hazards, assess risks, and implement controls to prevent incidents from occurring.

The standard also requires organizations to involve workers and their representatives in the OHS management process, ensuring that their perspectives and experiences are taken into account.



Safety Performance

Work-related fatalities - employees

2020	2021	2022
0	0	0

TRIR - employees

2020	2021	2022
0.32	0.66	0.60

LTIFR - employees

2020	2021	2022
10.05	0.00	0.92

TRIR: Total Recordable Incident Rate = total number of recordable incidents x 200,000 / total hours worked by all employees

LTIFR: Lost-Time Injury Frequency Rate = total number of lost-time injuries x 200,000 / total hours worked by all employees

Training and Education

Maynilad recognizes the importance of investing in its employees and their professional development. To achieve this goal, the company offers a comprehensive range of programs to ensure that employees are well-equipped with the skills and knowledge necessary for their roles.

The company's onboarding process ensures that new hires are seamlessly integrated into their roles and equipped with the necessary knowledge and tools to excel. Coaching programs are also in place to provide employees with continuous support and guidance, allowing them to reach their full potential and achieve their career aspirations.

Technical skills training is also offered to employees to enhance their abilities

and stay updated with the latest industry trends and practices. Maynilad also provides financial coverage for external development programs, enabling employees to further develop their skills and expertise in their respective fields.

In the event of redundancies, Maynilad provides outplacement support to help affected employees transition to new career opportunities. Workshops on personal financial planning, investment planning, and job search strategies are conducted to ensure that employees are well-prepared for the next chapter of their careers. Individual career coaching is also available to provide personalized support and guidance, empowering employees to take charge of their career progression.



Average Training Hours

Senior Management

2020	2021	2022
35	28	25

Middle Management

2020	2021	2022
44	38	21

Supervisors

2020	2021	2022
32	27	18

Operational Support

2020	2021	2022
-	18	16

Supply Chain Management

Maynilad implements policies and standards to ensure ethical, social and environmental compliance from its suppliers.

The company's Vendor Handbook includes a code of conduct, supplier sourcing procedures, and vendor management policies and standards which cover issues such as child labor, fundamental human rights, working conditions, wage/compensation, occupational health and safety, and business ethics.

Maynilad also evaluates suppliers based on their environmental and social performance using specific criteria such as environmental management system, waste management, safety and health management, green initiatives, quality management system, quality control, legal/litigation cases, labor relations, business continuity, and crisis management.

The company spent 92% of total supplier spending on local vendors.

Customer Health and Safety

Maynilad provides efficient, safe, and sustainable water and wastewater solutions that comply with the standards set by the Philippine government. The company values customer satisfaction and has dedicated business units responsible for maintaining the quality of their services.

To ensure customer satisfaction, Maynilad conducts surveys to obtain insights into their preferences and feedback. By keeping track of their stakeholders' concerns, the company can improve the quality of its services. During the reporting period, all customer complaints related to product and service health and safety were addressed.

Customer Complaints Management

in 2022



20,964

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



20,964

**No. of
complaints
addressed**

Corporate Citizenship & Philanthropy

To fulfill its commitment to improving the quality of life in the communities it serves, Maynilad has allocated significant community investments, reaching 56.27 million pesos in 2022. The company engages in various community involvement activities that focus on education, health, and livelihood.

One of Maynilad's initiatives in 2022 was its continued participation in the Department of Education's Brigada Eskwela program. Maynilad donated hygiene and sanitation supplies to 14 school districts in the West Zone. Additionally, the company donated W.A.S.H. drinking fountains and bidets to medical facilities and public service establishments. Modular lavatories were also given to public schools and other public spaces.

Maynilad's flagship W.A.S.H. education program, Daloy Dunong, also contributed to the company's community involvement. The program provided train-the-trainer online seminars and campus tours for students and educators. The seminars focused on promoting positive hygiene habits, as well as water resource protection and conservation.

The company also launched the Kapit-Kapwa Livelihood Seminar, which aimed to empower marginalized communities by teaching new skills that could generate income during the pandemic. The seminar included various capacity-building initiatives and support for small businesses.

Through these initiatives, Maynilad continues to demonstrate its commitment to supporting the communities it serves and improving their quality of life.



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