

Contextual Information

Company Details	
Name of Organization	House of Investments Inc.
Location of Headquarters	9th floor, Grepalife Building, Gil Puyat Ave, Makati City
Location of Operations	With operations in Luzon, Visayas, and Mindanao
Report Boundary: Legal entities (e.g. subsidiaries) included in this report	<p>Report includes information from the following subsidiaries:</p> <ol style="list-style-type: none"> 1. MICO Equities, Inc. <ol style="list-style-type: none"> a. Malayan Insurance Co., Inc. 2. RCBC Trust Corporation 3. Sun Life Grepa Financial, Inc. 4. iPeople Inc. <ol style="list-style-type: none"> a. Malayan Education System, Inc. (Operating under the name Mapua University) – 1 school with 2 campuses (Mapua) b. Mapua Malayan Colleges Laguna, Inc. (MMCL) c. Mapua Malayan Colleges Mindanao, Inc (MMCM). d. Malayan High School of Science, Inc. (MHSS) e. University of Nueva Caceres (UNC) f. National Teachers College (NTC) 5. ATYC, Inc. 6. San Lorenzo Ruiz Investment Holdings and Services, Inc. 7. Grepa Realty Holdings Corporation 8. RCBC Realty Corporation 9. Landev Corporation <ol style="list-style-type: none"> a. Greyhounds Security and Investigation Corporation b. SECON Professional Training Academy 10. HI Cars, Inc. 11. PetroEnergy Resources Corporation <ol style="list-style-type: none"> a. PetroGreen Energy Corporation <ol style="list-style-type: none"> i. Maibarara Geothermal Inc. ii. PetroWind Energy Inc. iii. PetroSolar Corporation iv. Rizal Green Energy Corporation <ol style="list-style-type: none"> 1. Dagohoy Green Energy Corporation 2. San Jose Green Energy Corporation 3. BKS Green Energy Corporation 12. Hi-Eisai Pharmaceutical, Inc.
Business Model, including Primary Activities, Brands, Products, and Services	House of Investments, Inc. (HI), an investment holding and management company, acquires, organizes, invests, and divests in various relevant corporate institutions and industries. HI provides an investment opportunity by raising funds from various sources to acquire entire businesses, take majority or

significant minority control, and/or enter into joint ventures. HI aims to continue to build and grow a portfolio of strategically diversified and sustainable investments relevant to nation-building, mindful of its environmental, economic, social, and governance responsibilities.

The Company's core business focus is organized into four segments, namely: Financial Services, Property and Property Services, Education, and Automotive. The Company's portfolio investments are in Energy, Health Care, and Death Care. For Sustainability Reporting, the company will include its energy and healthcare portfolio investments.

Financial Services

HI owns a majority stake in MICO Equities, Inc., an investment holding company which owns the Malayan Insurance Company, Inc., one of the leading non-life insurance companies in the Philippines.

<https://malayan.com/>

HI owns a majority stake in Sun Life Grepa Financial, Inc., a joint venture with Sun Life Financial (Philippines). a top player in the life insurance market.

<https://www.sunlifegrepa.com/>

HI owns a significant stake in RCBC Trust Corporation, a stand-alone trust corporation from the spin-off from RCBC's trust operations.

Education

HI owns a significant stake in iPeople, Inc. (PSE:IPO). iPeople (IPO) is the holding company under HI and the Yuchengco Group of Companies (YGC) that drives investments in the education sector. iPeople, Inc. (IPO) provides quality and accessible education to students from kindergarten to post-graduate across all income segments. IPO through its subsidiary schools, aims to promote research and innovation that addresses the concerns of communities and solve problems of industries. IPO also aims to become one of the best in the fields of Science, Technology, Engineering, and Mathematics (STEM) and leverage on the strength of its subsidiary schools in STEM, Outcomes-Based Education (OBE), distance learning, and cost-effective EdTech.

<https://ipeople.com.ph/home/our-company/corporate-profile/>

Property and Property Services

HI wholly owns ATYC, Inc., which provides real estate services. ATYC, Inc. is the owner of A.T. Yuchengco Centre, a 34-storey tower located at the heart of Bonifacio Global City in Taguig.

HI wholly owns Tarlac Terra Ventures, Inc. which owns a 185-hectare property located in Central Techno Park in Luisita Industrial Park.

HI owns a majority stake in Grepa Realty Holdings, Inc. which owns Grepalife Building in Sen. Gil Puyat Avenue and other properties in the Philippines.

HI owns a majority stake in San Lorenzo Ruiz Investment Holdings and Services, Inc., which shall provide real estate services upon the completion of the construction of its 28-storey office building along Sen. Gil Puyat Avenue in Makati.

HI owns a minority stake in RCBC Realty Corporation, which provides real estate services. RCBC Realty Corporation is the owner of RCBC Plaza.

House of Investments wholly owns Landev Corporation, which is primarily engaged in project, property and facilities management. It also provides security services through its subsidiary Greyhounds Security and Investigation Agency Corp.

Automotive

HI owns and operates car dealerships under the Honda and Isuzu brands. HI's Honda dealerships are in Quezon Avenue, Manila, and Greenhills, and one service center in Tandang Sora. The Isuzu dealerships are in Manila, Commonwealth and Leyte.

Energy

HI has investments in the energy sector through its stake in PetroEnergy Resources Corporation (PSE:PERC). PetroEnergy is a publicly listed Philippine energy company founded in 1994 to undertake upstream oil exploration and development. Since then, it has diversified into renewable energy and power generation. PetroEnergy, through its renewable energy arm, PetroGreen Energy Corporation (PGEC), has investments in the following joint venture companies: PetroSolar Corporation, PetroWind Energy, Inc., Maibarara Geothermal Inc., and Dagohoy Green Energy Corp., San Jose Green Energy Corp., and BKS Green Energy Corp through subsidiary Rizal Green Energy Corp.

Health Care

HI-Eisai Pharmaceutical, Inc. is a joint venture with the Eisai Company of Japan. HI-Eisai imports pharmaceuticals from Japan which it sells in the Philippine market through established drug distributors. HI-Eisai has distinguished itself in the Philippines as the human healthcare corporation that markets high quality and innovative pharmaceutical products.

	<p>Death Care HI owns material stakes in both Manila Memorial Park Cemetery, Inc. and La Funeraria Paz-Sucat, Inc.</p> <p>Manila Memorial Park is the first company to introduce the memorial park concept in the Philippines and is the largest memorial park developer. It owns and operates memorial parks and columbaries in Parañaque, Quezon City, Bulacan, Cavite, Laguna, Cebu, Tarlac, and Davao.</p> <p>La Funeraria Paz-Sucat, Inc. provides mortuary services, internment, and cremation services. Its mortuary houses 26 well-designed modern chapels with spacious accommodations.</p> <p>https://hoi.com.ph/home/our-company/corporate-profile/ https://hoi.com.ph/sustainability/our-impact/our-impact/</p>
Reporting Period	January 1, 2025 to December 31, 2025
Highest Ranking Person responsible for this report	Ruth C. Francisco SVP - Chief Risk Officer

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.

The HI Group Senior Management and representatives from each of the divisions underwent several trainings and workshops to enhance their capability to assess the company's material non-financial aspects, while finding opportunities where the company can contribute to sustainable development through its core business. The steps undertaken are summarized as follows:

- a. Understanding the Sustainability Context: This step provided an overview of key societal challenges we are currently facing to provide better context in identifying which sustainability topics are material to the company, but also those that are material to society at large. This encouraged the Company to think beyond financial performance and explore how their core business can contribute to addressing these key societal challenges.
- b. Identifying material topics: An initial list of material topics was put together by the HI Group Senior Management and validated through group discussions with sustainability point persons per division, including middle management. Discussions were also made with key officers who have regular touch points with stakeholders to inform the materiality with common stakeholder issues and expectations. In finalizing the material topics, we used the guide questions in the memorandum:
 - a. Is it a key capital/risk/opportunity?
 - b. Do our key business activities impact the sustainability topic?
 - c. Do our major suppliers contribute significant impacts to this topic?
 - d. Do our products and services contribute significant impacts to the topic?
 - e. Is there a trend that points to a great likelihood that this topic will become material in the future?

- c. Defining Performance Metrics and Management Approach: For each material topic we identified, we defined key metrics that effectively measure our performance on such topics. We used the GRI reporting standards as reference. We also identified management approaches that are already in place or those we think should be put in place to improve our performance on these sustainability areas.

The United Nations Sustainable Development Goals (SDGs) were used as a guiding framework in identifying the Company's societal, environmental, and economic impacts, as well as the areas where it creates long-term value.

The Company believes that sustainability is a collective responsibility and requires the participation of various stakeholders. To communicate its sustainability initiatives and related disclosures, the Company has established a dedicated Sustainability section on its website, which may be accessed at <https://www.hoi.com.ph/sustainability/>. The Company remains open to stakeholder engagement and may be contacted through rmdannouncement@hoi.com.ph.

Economic

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct Economic Value Generated (Revenue)	44,470,420,711	PhP
Direct Economic Value Distributed	39,712,929,580	PhP
Operating Costs	33,432,524,496	PhP
Employee Wages and Benefits	3,899,231,258	PhP
Payments to Providers of Capital	842,678,217	PhP
Taxes to Government	1,246,636,874	PhP
Community Investments	291,858,735	PhP
Economic value retained	4,757,491,131	PhP

Direct economic value generated, retained, and distributed include the economic impacts of all subsidiaries of HI Group, including subsidiaries that are outside the scope of this report.

Direct Economic Value

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach

As a diversified holding company, HI contributes significantly to the Philippine economy through the value we generate and distribute to stakeholders. The economic impacts of HI are a result of its business activities. The scale of the impact will increase or decrease according to the scale of the business of HI and its subsidiaries. Our contribution to increasing the economic activity in the areas where we operate is based on how we flow economic value to various stakeholders such as government, suppliers, employees, local communities, and investors. The extent of employment opportunities we create through our businesses and through our suppliers is also affected by our business performance and success. Similarly, how we deploy our products and services in the financial services, education, property and property services, automotive, energy, and healthcare business segments also contribute in significant ways to economic growth and overall nation-building.

In 2025, HI Group generated PhP44,470,420,711 of direct economic value impact and redistributed 89% of this to operating expenses, employee compensation, suppliers, capital providers, and the government coffers among the various stakeholders. The balance of 11% was retained for liquidity and investments purposes. The economic value generated for the year posted an increase of 19% against the prior year. This was primarily driven by the financial services segment as Sun Life Grepa Financial, Inc. became one of the fastest-growing life insurer in the Philippines in terms of new business among other key insurance industry metrics.

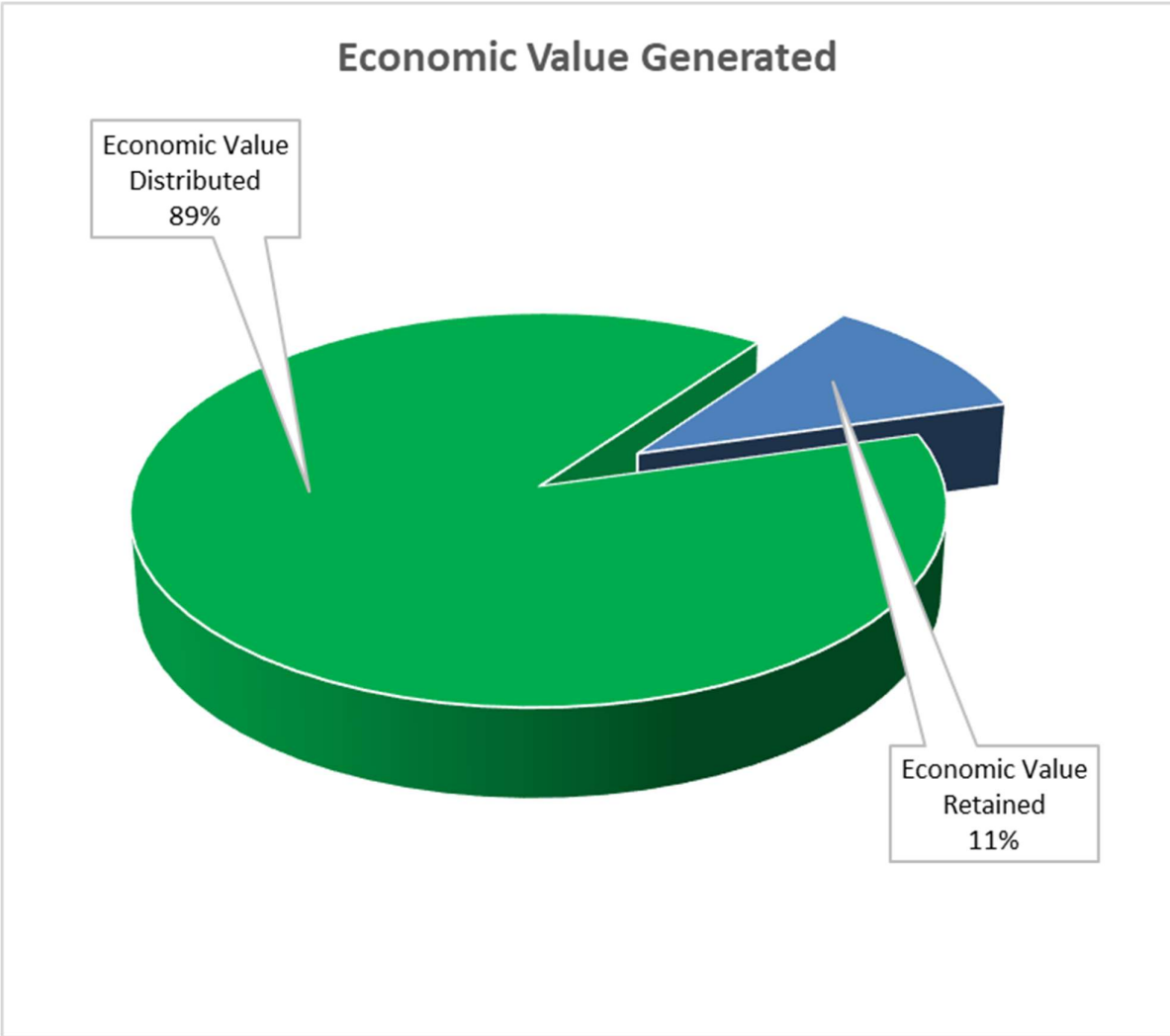


Figure 1. HI Economic Value Generated. HI distributed 89% of direct economic value generated and retained 11%.

The economic value distributed representing 89% of the value generated flowed back to the economy. Operating costs and expenses paid to various suppliers accounted for 84% of the economic value distributed while employees' wages and benefits had a 10% share. The remaining 6% was distributed to the providers of capital, the government, and to community investments. Beyond these direct monetary flows, the Group's activities have broader indirect economic impacts. The Group supports local industries and small businesses through our supply chain. A large share of our procurement expenditures goes to Philippine enterprises. The Group's overall operating expense increased by 19% with a corresponding increase in tax payments of 24% primarily due to the positive results from the operations of the financial services and insurance segment, with contribution from the other business segments as well.

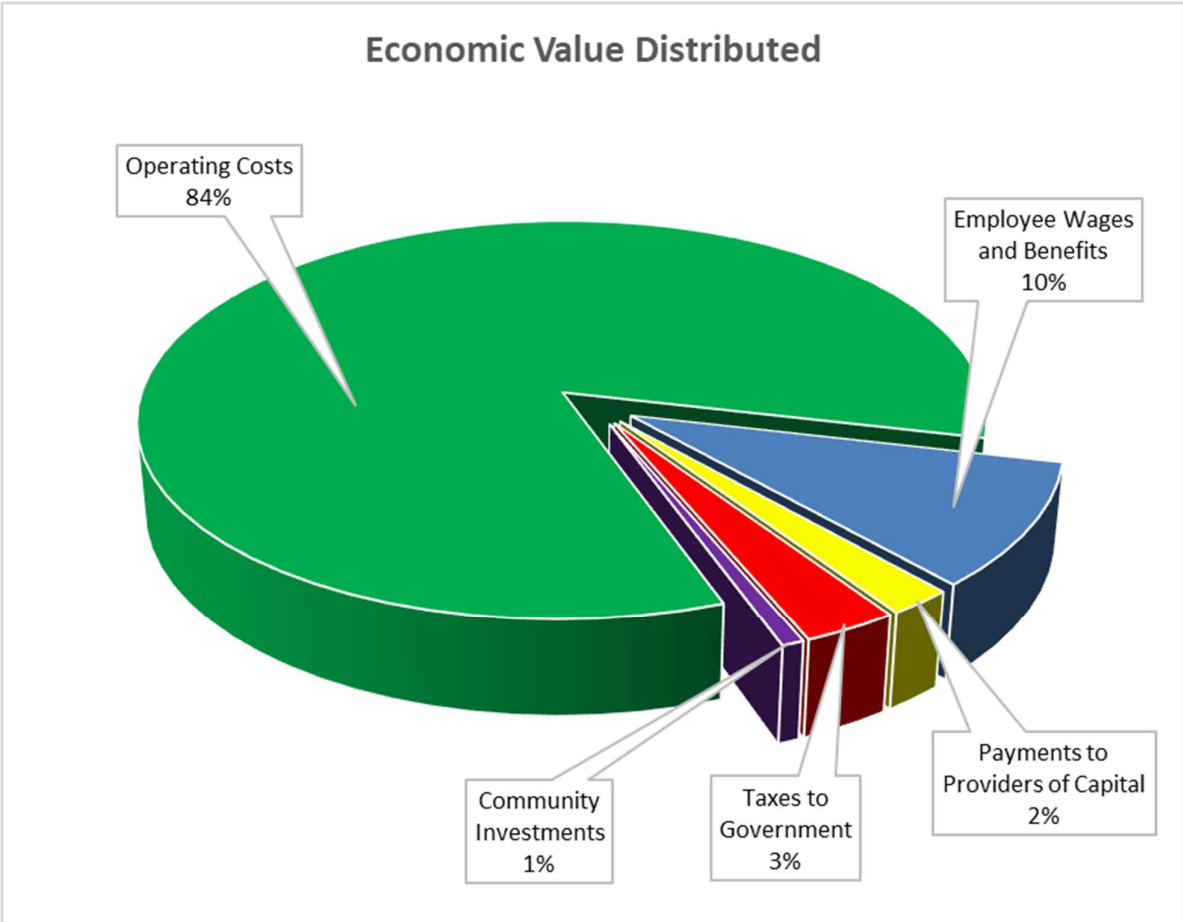


Figure 2. HI Economic Value Distributed. The operating costs accounted for 84% of the economic value distributed while employee wages and benefits accounted for 10%.

HI is exposed to risks inherent to its nature as a holding and management entity, the operating environment in which it conducts business, and sector-specific risks across its diversified portfolio. These risks may affect the Company’s reputation, stakeholder confidence, and overall business sustainability. As the Group’s risk environment continues to evolve, HI conducts periodic group-wide risk assessments and continuously monitors identified risks to ensure that these remain relevant, updated, and effectively managed. These risks are regularly integrated into strategic and operational decision-making processes across the Group. The Company’s reputation is closely linked to the performance, governance, and perception of its subsidiaries. Any adverse developments, including negative publicity or underperformance within any subsidiary, may have a direct impact on the Company’s overall brand, stakeholder confidence, future business opportunities, and long-term economic value. To promote alignment and strengthen oversight, HI senior management participates in the strategic planning, management, and operational activities of its subsidiaries. The Company conducts regular risk and sustainability review meetings with its subsidiaries. These periodic engagements serve as a platform to provide updates on the various risk and sustainability matters and enable two-way communication on both routine and burning concerns for the group.

Discussion on Opportunities

HI’s economic sustainability is reflected not only in robust financial results, but in how those results are achieved and deployed, recognizing that long-term success for the Company is intertwined with the success and stability of the communities and environment in which it operates. Our approach, thus, aligns business strategy with the broader goal of creating a sustainable and ethical global business

environment, creating shared value for our stakeholders and society. HI and its relevant subsidiaries continue to explore opportunities to increase its direct economic impact. These include creating and growing a portfolio of strategically diversified and sustainable investments relevant to nation-building, supportive of the environmental and social goals, increasing funding from investors, and forging new partnerships. The company and its relevant subsidiaries is looking at establishing a long-term baseline target of sustainable investments level while allowing allocation levels to adjust in response to evolving market opportunities and the availability of ESG investments in 2026 and beyond. By focusing on inclusive growth through financial inclusion efforts and responsible investment, HI is building a resilient economic foundation for the future. With the growth of the financial services segment, HI expects to increase significantly its direct economic impact. In addition, the education, renewable energy, and property management sectors continue to be a growth space for HI.

Climate-related risks and opportunities

The climate-related risks are covered by the risk management process and are being discussed by HI's Board Risk Oversight Committee (BROC). HI is currently working on a plan for climate-related risks. Integrating sustainability into risk management, the Company's Enterprise Sustainability Management framework provides the structure and guidance on business sustainability management and on the approach to managing sustainability risks. HI recently implemented a digitized system for sustainability and risk management to monitor and manage not only the climate-related risks and opportunities, but the other sustainability-related risks as well. HI have yet to complete a working plan for addressing climate-related risks. The framework and digitalization is aimed to understand the impact on its businesses including the vulnerabilities at different climate change scenarios to be able to fully disclose on this. The Company will be working on the plan to be able to possibly disclose in 2026.

Governance – Disclose the organization's governance around climate-related risks and opportunities

1. Describe the board's oversight of climate-related risks and opportunities

HI has a Board Risk Oversight Committee (BROC), an extension of the full Board of Directors, which meets every quarter to discuss key risks and opportunities of the company. One of the BROC's main roles is to review management's effectiveness in managing risks and sustainability. The BROC also provides direction and guidance on how the company will not only respond to risks, but also take advantage of opportunities. Efforts towards meeting sustainability initiatives are communicated to the BROC.

2. Describe management's role in assessing and managing climate-related risks and opportunities

The company has a Risk Management Council (RMC) composed of the top management. It meets every quarter to discuss the top risks and opportunities of company and strategies needed to manage such risks. The RMC is also tasked to execute the direction set by the BROC regarding strategic risks and opportunities. The HI Sustainability Team, a cross-functional team, is responsible for driving and managing the sustainability strategies. The Company has identified a champion for each of the sustainability pillars environment, social, governance, and economic. The top risks include ESG and climate change risks.

Strategy – Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material

1. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term

Climate change has increased the severity of extreme weather events like stronger typhoons, floods, storm surges, droughts, fires, and others. Such phenomena impact business, industry, and employee safety and well-being. HI Group has policies and procedures in place to protect

its businesses and employees. The Group is committed to address risks that may cause disruptions to its operations. Measures are put in place to mitigate the risks as provided for in the Group's crisis management, business continuity plans, and disaster risk management program. The Group periodically conducts drills and test exercises to ensure that programs are updated and working.

2. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

The Company and its subsidiaries acknowledge the existence of climate change and its intensifying effect. The risks identified include the following: operational disruptions affecting service delivery; work stoppage in affected projects, offices, and service centers; destruction of properties where there is an extreme weather event, and increasing insurance costs. The Group has identified the following opportunities: investment in renewable power or clean energy (like solar power farms and wind power); development of capabilities to design and build structures for flood mitigation (like flood gates) and enhancement of capabilities to perform green construction (like LEED certified) for the property and property services group; fully online delivery of classes for the education group; digitization of processes across the entire group, financial literacy programs, responsible underwriting, among others. As awareness of climate change risk increases throughout HI, additional risks and opportunities identified and required funding (if necessary), are being integrated in the operations of the Group. The group of companies also have insurances and business continuity programs for managing the effects of these perils to the business units. The Group maintains and continues to invest in information technology and digitalization to improve further the Group's ability to provide services remotely and meet stakeholders' expectations.

3. Describe the resilience of the organization's strategy, taking into consideration different climate - related scenarios including a 2°C or lower scenario

HI Group just started to embark on sustainability initiatives a few years back, focusing on promoting awareness among its stakeholders, energy consumption reduction, and transitioning to clean energy. Awareness continues to grow, including the need to commit to ongoing reduction of environmental impacts. The year 2024 marked the beginning of the shift to renewable energy by partnering with renewable energy providers with a significant increase in renewable energy consumption in 2025. The HI Group is committed to doing its part in limiting a global rise in temperature to under 2° by 2030. HI has rolled-out its enterprise sustainability management framework which provides the structure in implementing and integrating sustainability into business strategies and organizational activities. The sustainability framework complements the risk management process aimed at addressing ESG risks and opportunities, which includes the climate-related risks. As risk and sustainability are becoming increasingly important issues for businesses, HI has embarked on the digitalization of the risk and sustainability management processes. The digitalization will allow the Group to manage risks and sustainability more efficiently, providing deeper insights into emerging risks and sustainability performance due to real-time insights and make more informed decisions. The Company will establish an environmental plan, anchored on the 2°C scenario, which will include the metrics to be used, outline strategies to be implemented, and provide for constant feedback to determine if HI Group is on track in meeting key targets. Adjustments will be made to ensure the HI Group will be able to meet its commitment.

Risk Management – Disclose how the organization identifies, assesses, and manages climate-related risks

1. Describe the organization's processes for identifying and assessing climate- related risk
The functional managers and their respective staff, as the risk owners, are responsible for identifying, assessing, and managing the climate-related risks inherent to their functions and operations. The Company has a Risk Management Council (RMC), composed of executive management, which meets periodically to discuss the key risks and opportunities, as well as

the necessary strategies to manage the identified risks. The key risks are reported to the Board Risk Oversight Committee (BROC) for review and appropriate guidance. HI conducts group risk reviews, where applicable or as necessary, to allow for benchmarking and comparison providing insights into industry norms, risk management practices, and potential areas for improvement within the company.

2. Describe the organization's processes for managing climate-related risks

Managing climate-related risks follow the HI risk management process. Risk Management, in coordination of the risk owners identify climate change risk areas and present to the RMC for discussion and strategic implementation. These identified risks are presented at the quarterly RMC and BROC meetings for review, clarification and guidance. The recent creation of the Sustainability Team, a cross-functional team, provides further support in developing and implementing sustainability strategies to ensuring that the organization meets its sustainability goals. HI ensures that the Group are aligned and continue to comply with the environment-related goals and commitments.

3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

Climate-related risk assessment is imbedded into the enterprise risk management process. The impact of the identified risks to the organization's environmental, social, governance, and economic objectives is being assessed. Measures are undertaken to address the probability of happening and/or its impact. The identified climate-related risks are included in the periodic risk reviews, both at the Management and Board levels where appropriate. The risk champion for environment-related risks assists in monitoring and managing the risks.

Metrics and Targets – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

HI started to identify and decide on the metrics to be used to assess and manage relevant climate-related risks, opportunities, and climate change impact in 2025. The Company acknowledges that without metrics to track progress and measure impact, it would be difficult to ascertain if the sustainability initiatives are making a difference. The investment made in the digitalization of the risk and sustainability management will improve further the data collection and analysis, providing better insights into the impacts of climate change on business operations and strategy. Key metrics to be considered include greenhouse gas emissions, carbon intensity, renewal energy use, waste and material usage, and relevant social impact, among others.

2. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

HI aims to set top-level sustainability-related objectives and performance targets in 2025 as it implements the enterprise sustainability framework and manages ESG and climate-related risks. The digitalization of the risk and sustainability management processes will facilitate the process.

Procurement Practices

Proportion of spending on local suppliers

Local suppliers are suppliers with operations in the Philippines.

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	97	%

Excluding PetroEnergy Resources Corporation procurement for the new solar power projects, the expansion of the wind power project, and operational requirements.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach

HI contributes to nation-building by purchasing from local suppliers whenever possible, thus directly impacting the suppliers' value chain and their employees. The group excluding PetroEnergy Resources Corporation (PERC) depends largely on local suppliers with 97% of total purchases on local vendors. Due to the highly technical requirement of PERC's project, many items need to be sourced abroad with only 40% sourced locally. This leads to potential inventory, logistics and foreign exchange risks.

The objective of HI's procurement process is to purchase goods and services efficiently and effectively while promoting fairness in dealings with the its suppliers and service providers. The Company continuously review, improve, and enforce procurement policies and procedures to ensure that all business units and suppliers are compliant with principles under the YGC Code of Business Conduct and Ethics and the HI Code of Conduct, including but not limited to Conflicts of Interest, Related Party Transactions, among others. All vendors are vetted and screened. The Procurement Department also performs vendor management, strategic sourcing of repetitive items, management of big-ticket purchases, enterprise spend analysis, and procurement risk management. HI continues to strengthen vendor accreditation and performance evaluation. The main risk in procurement is the possibility that the necessary goods and services are not available at the time these are required which may lead to higher costs of acquisition. The risk is being managed by strictly monitoring budgetary requirements and forging bulk purchase agreements with the suppliers when necessary. Another risk is the inability of vendors to comply with the accreditation requirements of the company. This is being addressed by working closely with the vendors in assessing their practices and documentations against the accreditation requirements, providing assistance to implement corrective actions, if any.

Discussion on Opportunities

While the preference to purchase from local suppliers whenever possible is being practiced, there is no formal policy nor target metric for this. With the growth initiatives of HI, there is an opportunity to expand the support for local suppliers by developing new vendors and service providers, accessing new markets, and building resilience along the supply chain. HI will continue to work on procurement initiatives supportive of the UN sustainable goals.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti- corruption policies and procedures have been communicated to (1)	80	%
Percentage of business partners to whom the organization's anti- corruption policies and procedures have been communicated to (1)	78	%
Percentage of directors and management that have received anti- corruption training (1)	52	%
Percentage of employees that have received anti-corruption training (1)	38	%

(1) Simple average across the following units: Financial Services, Property Management Services, Education, Energy

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	Number
Number of incidents in which employees were dismissed or disciplined for corruption	0	Number
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	Number

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach HI abides by the highest ethical and legal standards set by the Yuchengco Group of Companies (YGC). The YGC Code of Business Conduct and Ethics (“Code”) implicitly prohibits any form of corruption. HI employees are required to strictly abide by the Code. The Code is further supported by a Whistleblower Policy.

The HI Group has zero tolerance for any form of corruption, fraud, and dishonesty. As such, anti-corruption protocols, and procedures, and training covers all employees, from directors to rank-and-file. Any incidence of corruption within HI’s ranks and operations has serious ramifications on the Company’s reputation, our employees’ morale, and the trust of our suppliers, as well as the legal sanctions imposed by the government and other regulatory bodies. Corruption also dilutes the Company’s direct economic impact. HI Group employees are made aware of the Company’s anti-corruption policies, such as the YGC Code of Business Conduct and Ethics, HI Code of Conduct, Related Party Transactions, Conflict of Interest, Insider Trading, and Whistleblower Policy. All employees are briefed on these policies upon onboarding. Employees also review these policies annually and sign affirmations that they have read and will abide by these policies.

HI communicates its anti-corruption policies and procedures to external partners via the Group’s Supplier Accreditation Policy. All potential and current suppliers must abide by the Accreditation Policy, which requires suppliers to declare relatives and friends employed within HI and its subsidiaries and affiliates. The subsidiaries have their own specific anti-corruption policies that support the overall YGC policies.

Discussion on Opportunities

The HI Group continue to strengthen the anti-corruption policies and procedures as applicable in its operations. Anti-corruption and related policies are rolled out group-wide for strict implementation and compliance. The Company has implemented a vendor performance evaluation process to ensure continued compliance with relevant laws and regulations, adopting ethics of highest standard and degree of integrity in providing optimum value to the stakeholders. HI will continue to raise stakeholders’ awareness on anti-corruption, its societal impact, and promote commitment to ethical business conduct. This will eventually contribute to a more transparent, accountable, and corruption-free environment that benefits not only the company, its stakeholders, but the society as a whole.

Environment

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (gasoline)	6,628	GJ
Energy consumption (diesel)	12,061	GJ
Energy consumption (total electricity)	234,390	GJ
Energy consumption (renewable electricity)	188,181	GJ
Energy consumption (non-renewable electricity)	46,209	GJ

Reference for gigajoules conversion: Biomass Energy Data Book which refers to GREET, The Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation Model, GREET 1.8d.1, developed by Argonne National Laboratory, Argonne, IL, released August 26, 2010.

Disclosure	2024 Quantity	2025 Quantity	Units	Increase (Decrease)	% Change
Energy consumption (gasoline)	3,032	6,628	GJ	3,596	119%
Energy consumption (diesel)	20,067	12,061	GJ	-8,006	-40%
Energy consumption (total electricity)	221,351	234,390	GJ	13,039	6%
Energy Consumption (renewable)	129,244	188,181	GJ	58,937	46%
Energy Consumption (non-renewable)	92,107	46,209	GJ	-45,898	-50%

The energy consumption increased in 2025 compared to 2024 improved occupancy rates in the property and property services business segment and the increase in business activity of the subsidiaries. It must be noted, though, that the Group had intentionally transitioned to using renewal energy in accordance with the climate action initiatives. The Group has contracted with renewal energy providers. Several subsidiaries are already using 100% renewal energy. For the year 2025, the renewable energy share to the total electricity consumption increased to 80%, from a 58% share in 2024.

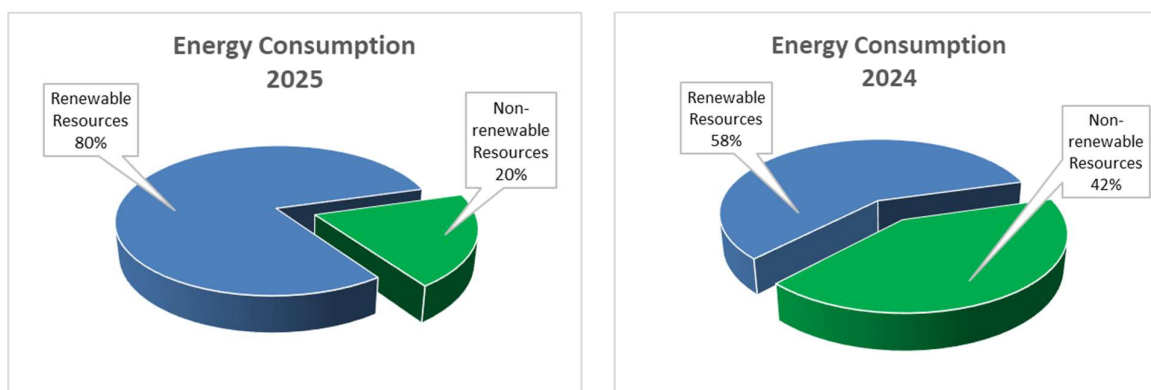


Figure 3. HI Renewable Energy Share. The renewal energy share in the energy consumption for the year 2025 increased to 80% from 58% in the previous year.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
The energy, property and property services, and education segments are the top energy consumers. The power plants owned by the Company consumes the most electricity for its operational needs, due to the 24/7 operations of the geothermal power plant. The Company’s property managers are responsible for implementing energy efficiency measures within their controlled areas. In addition to the shift in energy source, HI Group continue to raise awareness on energy conservation and in establishing systems and processes to improve energy efficiency and usage, including replacement of lighting fixtures to more efficient models, replacement of chillers for centralized air conditioning, and/or optimization of operating hours of equipment to reduce electricity consumption. Heavy energy users are more vulnerable to supply interruptions, disruption in power supply can disrupt operations leading to potential losses in economic value. Changes in environmental regulations may impact the

company operations, exposing the company to reputational risks related to sustainability and environmental responsibility.

Discussion on Opportunities

While the Group has yet to implement and determine a formal energy reduction target, there is a group-wide implementation of energy saving policies and programs like the use of energy efficient lights and appliances, initiating systems and processes to improve energy efficiency and usage, and promoting awareness on energy conservation. As an initiative to utilize clean energy and support the use of renewable power, the Company has expanded its service offerings for the installation of solar rooftop systems to qualified business enterprises such as commercial and industrial facilities, including residential customers. In 2025, HI received the full year benefits of the contract with a provider of clean, renewable energy, resulting to lower costs and greenhouse gas emissions for the property segment and other subsidiaries. HI will continue to expand the coverage of the use of clean, renewable energy. The transition to renewal energy, diversifying energy sources presents an opportunity for HI to support its sustainability goals and an opportunity to address climate change and create a cleaner and more resilient community. In addition, the Company continues to integrate sustainability considerations into its development projects. A notable example is The Yuchengco Centre, a mixed-use office and commercial development under its subsidiary, San Lorenzo Ruiz Investment Holdings and Services, Inc., which is scheduled to open in 2026. The development incorporates green building technologies and sustainable design principles and is targeting Gold certification under Leadership in Energy and Environmental Design (LEED). Key features include strategic location and accessibility, sustainable site development, and innovation in building efficiency and environmental performance. Overall, the Company views the transition to renewable energy, the integration of sustainable technologies, and the development of green infrastructure as key opportunities to strengthen its sustainability performance, reduce environmental impact, and contribute to building a cleaner, more resilient community.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	372,302	Cubic meter
Water consumption	345,124	Cubic meter
Water recycled and reused	1,630	Cubic meter

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
Water consumption within the HI Group occurs at the holding company level and each subsidiary's operations. The energy, property, and education divisions were the major water consumers during the year due to the requirements of the property services and power plants operations.

In general, water withdrawal for HI is through district utilities. The exception is the energy division whose power plants withdraw water from the local aquifer via deep wells. These deep wells have the necessary government permits. Water withdrawal in energy division is monitored using water meters. The maximum amount of water allowed to be withdrawn from the aquifer is set by the permit. The related risks of water consumption are from over-extraction which may lead to ground subsidence and the competition with the local community for the water resource which may lead to negative community relations.

The main risk associated with water consumption is running out of water. Water shortages result in disruption of operations and increased cost due to having additional water delivered to the sites via tanker trucks. Water shortage can be addressed by issuing advisories to consumers on how to conserve

and reduce water consumption. The Company continue to implement various programs and activities such as reducing watering of plants, and quickly fixing leaks or other defects. Water reduction initiatives such as regular preventive maintenance, installation of low-flow fixtures, and usage of rainwater collection systems were already in place which contributed to the reduction in consumption. Both Mapua and MCM collect rainwater for use such as cleaning and watering plants.

Discussion on Opportunities

The Group continues to implement a water conservation program and will set a target for water consumption reduction within the group as applicable to its operations. The energy division will continue to coordinate and assist in the management of watershed areas where it operates like the Makiling Forest Reserve and the Bamban watershed. For future power plant projects, the Company will consider the installation of rain harvesters as a means to save water. The Group may explore opportunities implementing water-efficient technologies and collaborating with stakeholders to optimize water use throughout the value chain.

Materials used by the organization

Disclosure	Quantity	Units
Renewable		
Paper	25,304	Ream
Packaging materials	1.88	Ton
Non- renewable	0	Kilogram/Liters
Percentage of recycled input materials used to manufacture the organization's primary products and service	0	%

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
As with other environmental disclosures, materials use within HI is based on the nature of each subsidiary's business. The major material used by the Company is paper. The HI Group consumes paper for its operational requirements. Major users of paper are the financial services and education segments. The Company ensures that there is proper management of inventory and proper evaluation and assessment to avoid wastage and promote efficient use of resources. The quantity of materials used per year is dependent on the business requirements. As a matter of policy and part of the normal business operation, materials consumption is strictly monitored. The Group is cognizant of the need to reduce materials usage considering its impact to the environment and the corresponding incremental cost to its operations. Estimated materials consumption is based on the historical consumption and expected operational requirements for the year. Deviations of actual and/or requested consumption from the trend and estimated requirements are reported and discussed accordingly. The materials usage is strictly controlled with the implementation of an inventory management across the Group.

Discussion on Opportunities

HI Group continuously look for opportunities to automate and digitize where applicable with the end objective of reducing its materials consumption resulting to cost savings, increased efficiency and positive environment impact. HI reduces its paper usage by leveraging on technology, digitalizing key business functions and units, promoting paperless practices.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Maibarara Geothermal Power Project in Sto. Tomas, Batangas	Power plant
	• Nabas Wind Power Project in Nabas-Malay, Aklan	
Habitats protected or restored	• Maibarara: 1 hectare through tree planting activity	Hectare
	• Nabas: 7.14 hectares through tree planting activity	
IUCN Red List species and national conservation list species with habitats in areas affected by operations	Refer to tables below	

Maibarara Geothermal Power Project

Flora: Seven species are listed in the 2006 IUCN Red List of Threatened Species and DENR DAO 2007-01 (National Red List of Threatened Philippine Plants) as either vulnerable or critically endangered species (See table below). All the seven threatened species are trees.

Threatened Species recorded in the study area	Common name	Conservation status
<i>Artocarpus blancoi</i>	Antipolo	Vulnerable
<i>Celtis luzonica</i>	Magabuyo	Vulnerable
<i>Drynaria quercifolia</i>	Pakpak lawin	Vulnerable
<i>Koordersiendendron pinnatum</i>	Amugis	Vulnerable
<i>Macaranga grandifolia</i>	Takip asin	Vulnerable
<i>Parashorea malaanonan</i>	Bagtikan	Critically endangered
<i>Pterocarpus indicus</i>	Narra	Critically endangered

Fauna: No threatened species listed in the IUCN Red List and CITES List were recorded in the study area. Most of the recorded species are common and wide in distribution.

Nabas Wind Power Project

Flora: Only one (1) species is listed in the 2006 IUCN Red List of Threatened Species and DENR DAO 2007-01 (National Red List of Threatened Philippine Plants): narra (*Pterocarpus indicus*)

Fauna Seven (7) species are listed in the IUCN Red List and CITES. This means that hunting and trade of these species are strictly prohibited and is punishable by law under RA 9147 or the Philippine Wildlife Act of 1995.

Threatened Species recorded in the study area	Common name	Conservation status
<i>Sus cebifrons</i>	Visayan Warty Pig	Critically Endangered
<i>Macaca fascicularis</i>	Long-tailed macaque	CITES App. II
<i>Prionailurus bengalensis</i>	Leopard Cat	CITES II
<i>Spilornis cheela</i>	Crested Serpent Eagle	CITES II
<i>Haliastur indus</i>	Brahminy kite	CITES II
<i>Varanus salvator</i>	Water monitor lizard	CITES II
<i>Malayopython reticulatus</i>	Reticulated python	CITES II

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach HI has two facilities located adjacent to protected areas and areas of high biodiversity value: Maibarara Geothermal Power Project (MGPP), adjacent to Mount Makiling Forest Reserve (MMFR), and Nabas Wind Power Project (NWPP), adjacent to Northwest Panay Peninsula Natural Park (NPPNP). The MMFR covers 4,244 hectares and is under the jurisdiction of the University of the Philippines-Los Baños (UPLB). The NPPNP covers 12,009 hectares and is under the jurisdiction of the Northwest Panay Biodiversity Management Council (NPBMC).

Renewable energy power plants impact biodiversity and the ecosystem. The impact, however, is inherently lower than operating fossil fuel power plants. Other environmental risks include possible changes in surrounding landscapes during the construction process, bird strikes on wind turbine towers during operations, among others. The Company uses technological measures and cooperation with the local community to reduce the impact to biodiversity and ecosystems. Bird strikes are mitigated through DTBird, a shutdown-on-demand technology that was installed in the wind turbines to minimize bird mortality. This system consists of several modules including the detection, dissuasion, stoppage, and collision control when the presence of birds is detected near the turbines. As important, prior to development, the environmental impact assessment study revealed that the wind farm's project site is not a path for migratory birds.

Further, the Company take steps to be good partners with the protected area management agencies and with the local communities. MGPP has an ongoing Memorandum of Understanding (MOU) with UPLB to protect the Makiling Forest through tree planting and the allocation of support funds. The project funded the construction of two (2) watchtowers inside the MMFR to help in the protection and conservation of the area. The towers, similar to a lookout tower, serve as a forest station of MMFR forest guards so they can patrol the area against illegal activities, such as cutting of trees, slash and burn farming, etc.

MGPP also promotes habitat protection, which includes maintenance and protection of trees planted during the years 2015 to 2017. Planting and maintenance of the flowering fire trees (*Delonix regia*) along the boundary of MMFR is covered by MOA between MGI and LGU of Sto. Tomas, Batangas in accordance with the policies of UPLB -College of Forestry and Natural Resources (UPLB-CFNR) which has jurisdiction over the area. The nearby communities were tapped for the tree planting activities, as well as the maintenance and protection of planted trees inside the MMFR.

NWPP staff partner with the local communities for an annual tree planting activity with continuous monitoring, protection, and maintenance of the planted trees. Information Education Campaign (IEC) on biodiversity and wildlife and forest protection for the host community are likewise conducted.

Discussion on Opportunities

In 2025, the Company launched its biodiversity-focused and revitalized environment program dubbed as We Power C.A.R.E., which focuses on Conservation, Awareness, Restoration, and Eco-tourism. This program is carried out in cooperation with national and local government units and the Company's host communities, under the guidance of University of the Philippines Los Baños (UPLB). The program was launched through a coffee table book titled, Power in Harmony: Harnessing Energy, Protecting Nature.

The conservation aspect is directed at supporting and implementing conservation programs of 30 threatened species in the next thirty years. The program emphasizes the protection of biodiversity and the preservation of habitats for threatened species, through pollution studies, awareness campaigns and sustainable intervention projects. ensuring the maintenance of ecosystem balance. By actively

engaging in conservation efforts, the Company demonstrates its commitment to safeguarding natural resources, while promoting renewable energy.

The second aspect which is awareness aims at increasing the public’s information and understanding on the importance of environment protection and ecological preservation. The Company believes that increased environmental awareness is key to igniting public support and passion for nature conservation. Through educational campaigns and community engagement activities, the program will raise awareness about the importance of environmental protection and encourages collective action.

The restoration component on the other hand, will focus on rehabilitating and restoring ecosystems that have been adversely affected by human activities or natural disasters. This will be carried out through utilization of bio-engineering measures and greening initiatives.

In support of National Ecotourism Strategy and Action Plan, the Company will also roll-out ecotourism initiatives that highlight the beauty and cultural heritage of natural areas while ensuring their protection. These efforts not only enhance the ecological health of the regions but also provide economic opportunities for local communities through responsible tourism practices.

Complementing these initiatives, the Company is piloting agrivoltaics in Nueva Ecija. Agrivoltaics involve integrating solar power generation with sustainable food production. The pilot is being implemented in collaboration with the Central Luzon State University (CLSU). The project aims to showcase that renewable energy development and co-exist harmoniously with agriculture and food production.

Environmental impact management

Air Emissions

GHG

GHG Emission	Location Based	Market Based	Units
Direct (Scope 1) GHG Emissions 1	1,352	1,352	Tonnes CO2e
Energy indirect (Scope 2) GHG Emissions 1	32,079	7,343	Tonnes CO2e
Emissions of ozone-depleting substances (ODS)	-	-	Tonnes

1 Emissions calculated using Greenhouse Gas Protocol calculation tools.

Air pollutants

Disclosure	Quantity	Units
NOx	0	Ug/Ncm
SOx	Not applicable	Ug/Ncm
Persistent organic pollutants (POPs)	Not applicable	kg
Volatile organic compounds (VOCs)	Not applicable	kg
Hazardous air pollutants (HAPs)	Not applicable	Ug/Ncm
Particulate matter (PM)	Not applicable	Ug/Ncm

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach Majority of the air emissions is from the use of electricity in the property services and education segments. school operations. The increase in energy consumption of the schools was due to the resumption of face-to-face classes and normal onsite operations. As a developer and operator of renewable energy power plants, the energy division emits much less air pollutants compared to power plants using fossil fuel. The Company’s major source of air pollutants during operations is the MGPP.

The NWPP and TSPP do not emit air pollutants during operations. The energy division also does not use ozone-depleting substances in its operations. While air pollutants are greenhouse gases that contribute to global warming and climate change, it has also potential risk to impact the health and well-being of the employees and other stakeholders.

Discussion on Opportunities

HI Group ensures compliance with environmental laws, regulations, standards, and other requirements such as permits to operate. The relevant business segments will continue to monitor emissions and ensure compliance with the standards set by regulatory agencies. For 2025, HI aims to reinforce an integrated approach into its processes and identify opportunities across all its divisions. The education division, through research and innovation, can help find solutions to reduce air pollution. The Company will look into and study available applicable technologies and process improvements that could help reduce air pollutants. HI also endeavors to fully diversify its energy source and transition to clean energy, enhance waste management.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	1,168,105	kg
Reusable	-	kg
Recyclable	727,290	kg
Composted	42,511	kg
Incinerated	935	kg
Residuals/Landfilled	397,370	kg

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
Solid waste is a risk to both human health and the environment as a whole. Improper disposal of solid waste can lead to the spread of diseases and the release of harmful substances into the environment. It also opens the company to legal and financial repercussions. Major sources of solid waste include the property and property services, education, and energy divisions. The Company follows certain procedures in generating, storing, transporting, or disposing of its waste. The Company also acquired the services of hazardous waste contractors, which are all accredited by the Department of Energy and Natural Resources and other government agencies, ensure wastes are properly managed to avoid fines or environmental liability. These contractors are evaluated annually to guarantee efficient waste disposal management.

The waste generated by the Group consists of domestic waste, such as food waste, plastics, packaging, and others. Recyclable materials such as PET bottles, papers, and cans generated are donated to the local community within the place of business for the barangay livelihood program. The power plants are able to either compost or reuse food and garden waste and can also generate recyclable waste such as scrap tires, PET bottles, and cans. Residual wastes are disposed through DENR-accredited domestic waste haulers. The education segment strengthened its solid waste management in the campuses. Initiatives include consistent reminders on solid waste management, waste segregation at source, recycling programs, waste reduction programs (e.g., promotion of Bring Your Own containers/cups/utensils to reduce single-use plastic) and having a Materials Recovery Facility (MRF) in each school. Solid waste disposal is done by DENR-accredited waste haulers and disposed at accredited landfills.

Discussion on Opportunities

HI aims to continuously reduce the generated amount of waste by initiating and taking advantage of the various reuse, exchange, recycling, or donation opportunities available. The energy division is considering to implement more projects focused on upscaling wastes to be converted into more useful materials. The Company will also look at expanding the eco-brick project to involve more stakeholders. Another project under study is the provision of mobile libraries converted from a container van. These and other recycling initiatives will be more formalized and monitored.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	108,358	kg
Total weight of hazardous waste transported	116,124	kg

Main types of hazardous wastes produced are used oil, lead acid batteries, fluorescent bulbs, chemical wastes, and empty containers previously containing hazardous chemicals.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
 Hazardous waste is a serious risk to human health and safety and the environment as a whole. Risks include accidental spills, deliberate releases into the environment, improper storage, and improper disposal. These risks, if unmanaged, will lead to injuries, potential fatalities, severe pollution of the environment, and potential death of flora and fauna. It also opens the business unit to legal and financial repercussions. The main source of hazardous waste within the HI Group are the energy and automotive divisions. The Group complies with all regulations regarding hazardous waste handling, storage, transport, and treatment/disposal are observed. Personnel handling these wastes are given the appropriate training and personal protective equipment (PPE). The wastes are stored in a secured, onsite hazardous waste storage room. Treatment/disposal is done by DENR-accredited hazardous waste haulers and treaters. Records are kept via the Certificate of Treatment provided by these treaters.

Used oil from the wind and geothermal power plants are disposed in partnership with Bantay Langis, the used oil recycling program of ABS-CBN Lingkod Kapamilya Foundation, Inc. (ALKFI). The energy division donates the monetary value of the used oil to ALKFI, which goes to the Foundation's environmental protection programs.

Discussion on Opportunities

HI may extend the partnership with ALKFI for hazardous waste to other projects. Current protocols, procedures, and technologies used may also be assessed to see if there are ways to minimize the generation of hazardous waste. An onsite audit of hazardous waste treaters' facilities may also be conducted to ensure that the hazardous wastes are treated properly. In 2025, the company worked to accredit third-party providers for e-waste disposal. For 2026, HI aims to integrate approaches into its processes and identify opportunities across all its divisions.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	89,313	Cubic meter
Percent of wastewater recycled %	1.80	%

1 Data from Energy, Education, and Property only

2 MMCM has wastewater recycling (with own STP)

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
 Improper wastewater discharge has a negative effect on the environment through pollution, increased sedimentation, and potentially spreading diseases. It also opens the company to legal and financial

repercussions. Among HI’s business units, the energy and property segments has the highest volume of monitored wastewater discharge. The Group ensures full compliance with RA 9275: The Philippine Clean Water Act and DAO 2016-08 Water Quality Guidelines and General Effluent Standards. The Group’s facilities are either connected to a centralized sewage treatment facility or have their own sewage treatment plants (STP) or septic tanks in compliance with DENR requirements on wastewater discharge. Currently, only Mapua Malayan Colleges Mindanao (MMCM) operates its own STP. The STP has a Discharge Permit, and wastewater parameters are monitored and complied with in accordance with the permit requirements. This is accomplished through regular monitoring and preventive maintenance. MMCM uses the treated wastewater for watering the landscape. This solution is also being adopted in the new Mapua campus in Makati. The power plants of the energy division generate domestic wastewater. The wastewater goes through a three-chambered septic tank with concrete flooring. Once full, the septic tank is siphoned by an accredited third-party contractor for proper disposal. The building where the head office is located also has its own septic tank. In addition to effluents, MGPP also monitors the water quality of the brine used in its turbines.

Discussion on Opportunities

HI will continue to research on and study available technologies that may help in managing water discharges. The Company will also continue to ensure compliance with regulatory obligations and ensure that any water discharge will not harm the environment and surrounding communities. For 2026, HI aims to integrate approaches into its processes and identify opportunities across all its divisions.

Environmental compliance

Non-compliance with Environmental Laws and Regulation

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	Number
No. of cases resolved through dispute resolution mechanism	0	Number

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
 HI Group prioritizes compliance with all environmental laws applicable to the Company’s operations. Any non-compliance has regulatory risk, resulting in fines and/or sanctions which would disrupt the company’s operations. HI business units, where applicable, have onsite Pollution Control Officers to oversee environmental compliance and are responsible for ensuring compliance with environmental laws and regulations.

Discussion on Opportunities

HI ensures compliance with all environmental laws applicable to the Group’s operations and continues to minimize environmental violations by constantly improving its policies and practices. The Group monitors issuances of regulatory agencies and organizations relevant to its operations to be able to anticipate and adapt to potential changes. Violations are evaluated and necessary corrective measures are immediately implemented to ensure non-recurrence.

Social

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees	6,808	Number
Number of female employees	3,160	Number
Number of male employees	3,648	Number
Attrition rate	3.12	Rate
Ratio of lowest paid employee against minimum wage	1 : 1	Ratio

1 Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year. May also be considered as Labor Turnover.

2 Ratio is presented as follows: salary of lowest-paid employee : minimum wage

3 The minimum wage per locality was applied in calculating the ratio.

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	97%	96%
PhilHealth	Y	97%	95%
Pag-ibig	Y	97%	96%
Parental leaves	Y	20%	10%
Vacation leaves	Y	78%	73%
Sick leaves	Y	55%	43%
Medical benefits (aside from PhilHealth)	Y	94%	91%
Housing assistance (aside from Pag-ibig)	N		
Retirement fund (aside from SSS)	Y	1%	0%
Further education support	Y	3%	3%
Company stock options	N		
Telecommuting	Y	42%	38%
Flexible-working Hours	Y	64%	62%

Housing assistance (aside from Pag-ibig) Health Care; Telecommuting except Health Care, Property Services

The Group is compliant with and provides all government-mandated benefits to all covered employees. In addition, the Group provides medical benefits aside from PhilHealth in the form of health maintenance organization plan or medical insurance to its covered employees. The Group likewise promote continuing education by providing further education support by way of scholarships and/or discounts. The health care division provide housing assistance aside from Pag-ibig to its covered employees.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
The HI Group overall offers competitive wages, though specific rates will differ between the divisions, partly influenced by industry standards. As a conglomerate, the success of its employees will lead to the success and satisfaction of its clients. Risks due to employee attrition and wages include increased expenses in the recruitment and training of new employees, and the possibility of not being able to fill-up vacated positions which may lead to operations disruptions and below standard delivery of products and services resulting to customer dissatisfaction and revenue loss.

The Group recognizes that remuneration is an essential concern of employees. Thus, the divisions ensure that employees receive salaries commensurate with the value of the work they provide. HI Group identified opportunities to improve employee hiring and retention through matching benefits with market demands and improved training programs. Across the HI Group, the divisions ensure that

employees receive government-mandated benefits. In addition, the divisions may provide varying benefits and incentives to their respective employees considering the nature of its operations.

The education division hire the most temporary employees due the nature of its operations and the delivery of its learning services. The number of employees needed is dependent on the student population in the education division. The property management services and energy divisions are male dominated, having higher number of male employees than female employees which is likewise inherent to its operational requirements. To mitigate the potential risks of the gender imbalance, all employees are informed of the Sexual Harassment Policy, which identifies unacceptable behavior and policies and procedures to be followed in case of harassment.

Attrition rates are division-dependent. Highest attrition rates during the year were recorded in education and the health care divisions. This is due to the high competition among companies in these respective industries for competent and trained employees. To manage attrition rates, the HR Departments focus on hiring the right talent and attitude, offering competitive compensation package, observing work-life balance, and healthy working environment. Upon voluntary separation from the divisions, employees are also interviewed by HR to determine the causes for the separation. This information is studied and used by HR as the basis for steps to take in the future.

The ratio of the lowest-paid employee’s salary against minimum wage is also division-dependent because of the different operations and hiring requirements per division. However, all members of the HI Group follow all labor laws, including laws on minimum wage.

Employee training and development

Disclosure	Quantity	Units
Total training hours provided to employees	157,820	Hour
Female employees	88,513	Hour
Male employees	68,971	Hour
Average training hours provided to employees	25	Hour/employee

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
 The education division has provided the most total number of trainings and average training hours to its employees, most of which are technology-related aimed at improving the online or remote delivery of classes and services. In addition to the internal and external trainings provided to promote career and professional growth, the education division supports and invests in further education of the relevant employees. The education division provide opportunities for training, certifications, and attendance in seminars and conferences to upgrade employee skills. Faculty members are given opportunities for further study and research; incentives for publication; and support for paper presentations both local and international. This initiative builds the competencies required to sustain the standard of education and services committed to the stakeholders.

The Group’s training program is anchored on the Company’s goals and business plans. It is designed based on the training needs analysis (TNA) conducted by HR and the employees’ department head. It is important to carry out a proper training needs assessment to determine the kind of training employees need to make sure that they are confident and competent in completing the assigned function. Where applicable, an individual development plan is developed for the employees. Key risks associated with inadequately trained employees include poor customer service, lower organizational productivity, and increased attrition and turnover which may significantly impact the reputation of the Group.

Discussion on Opportunities

Advocating continuing education to sustain the high level of standards for its products and services, the HI Group continue to invest and provide the necessary trainings to its employees and ensure that the necessary skills and competencies are acquired to meet the requirements of the organization. The Group will continue to enhance the learning delivery which may include cross-posting and e-learning, effectively identify and improve career gaps reviews and designing more effective training programs for the employees. Beyond technical capability building, the Company sees an opportunity to further embed sustainability into its organizational culture through employee engagement and experiential learning. In partnership with the Human Resources function and select subsidiaries, the Sustainability Team implemented a sustainability-themed team building activity to promote awareness and collective responsibility. On June 21, 2025, the Company conducted its annual team building activity, participated in by 224 employees, with the theme “One HI Family for a Sustainable Tomorrow: Collaborate, Innovate, Thrive.” The event fostered collaboration, engagement, and a shared sense of purpose aligned with the Company’s sustainability agenda. Facilitators from Mapúa Malayan Colleges Mindanao led hands-on activities involving the creation of solar-powered lamps and chargers, raising awareness on renewable energy solutions. Meanwhile, Malayan Insurance introduced its “Master of Disaster” board game to strengthen employees’ understanding of disaster preparedness and resilience. The security agency also conducted sessions on essential survival and rescue techniques. These initiatives highlight the Company’s opportunity to build a more engaged, resilient, and sustainability-oriented workforce. By integrating sustainability principles into training and employee engagement programs, the Company enhances its organizational culture, supports long-term value creation, and contributes to building a more informed and responsible community.

Labor management relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements		
Education	14	%
Financial Services	23	%
Health Care	67	%

Percentages based on permanent employees. Temporary employees are not eligible as members of the unions.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach HI companies respect employee rights to freedom of association and collective bargaining. The companies ensure that platforms for grievances are well-established and communicated to our employees. Proper dialogues with the appropriate management representatives and employees are conducted to address their concerns. The divisions with collective bargaining agreements endeavor to comply with the provisions of the agreement and regularly conduct labor-management meetings promoting transparency and communication for a healthy, positive labor relations. Risks due to negative relations may impact the operations like work stoppage or strike, financial risk due to low productivity, and reputation or loss of confidence in the organization by its stakeholders. Unresolved issues with the union may lead to unfair labor practice, which may be grounds for filing administrative, civil, or criminal cases.

Discussion on Opportunities

To ensure that there is a fair and transparent resolution of all union-related issues, the respective divisions will continue the regular engagement discussions with the unions to thresh out labor related issues before they become full-blown labor cases. The engagement discussions may also be used as avenues to eventually agree on the policies that would be beneficial to both management and the employees and to ensure that good relations between the union and the company is maintained.

Diversity and equal opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	46%	%
% of male workers in the workforce	54%	%
Number of employees from indigenous communities and/or vulnerable sector*	3	Number

Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
The HI companies value diversity by observing non-discriminatory practices in the hiring process, and instead focusing on the capabilities of potential employees. This allows the Group to reduce risks associated with lack of diversity, including unwanted limitations in perspective that can affect effective product and service development and highly-informed decision making. Promoting diversity can also help manage risks to brand and reputation.

The variance in the overall male-to-female ratio of HI Group, which includes both the total of permanent and temporary employees, is due to the property management services, automotive, and energy segments which are male dominated.

Discussion on Opportunities

Although HI Group companies conduct non-discriminatory practices in hiring, there are opportunities to increase female participation in traditionally male-dominated fields and vice-versa, which can positively impact brand and reputation and organizational perspectives. The lens of diversity also presents an opportunity for the HI Group to determine which diversity categories, beyond gender, are meaningful to their respective industry and local context.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	4,634,368	Man-hours
No. of work-related injuries	39	Number
No. of work-related fatalities	0	Number
No. of safety drills	16	Number

Safe manhours" is defined as total number of continuous working hours since the last safety-related incident. This count resets to zero if an accident occurs. "Total manhours" is defined as Total Working Hours less Lost Time due to accident or other safety-related incidents.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach

The HI Group has a strong safety culture, complying with the rules and regulations on occupational health and safety (OHS) standards. The relevant divisions have a well-established OHS mechanism applicable to their respective businesses that includes safety procedures, training, and safety drills. The Group realizes the importance of ensuring the welfare and safety of its employees, in addition to potential reputational risk implications of worker accidents and fatalities.

The property and automotive division have the highest exposure to employee health and safety risks within the Group due to the nature of its operations and the projects it pursues. To manage these risks, the division employs a fully staffed and competent Safety Department that ensures safe working practices are employed in all of its projects. Moreover, safety violations are closely monitored and met

with appropriate disciplinary actions to contain this risk. In addition to compliance with policies and procedures on workplace conditions, labor standards, and human rights, employees are given appropriate OSH Training.

The education division also has a significant exposure to health and safety risks, both to the employees and students. In 2025, IPO schools continued to implement their respective Health and Safety Protocols based on CHED, DOH and DTI regulations and ensuring that there is strict compliance cross all the IPO schools. Health and safety reminders and health bulletins are also regularly communicated school-wide through postings in their websites, emails, and social media. In addition, as a minimum health standard each school has a clinic staffed with healthcare providers to address injuries or sickness that occur on-campus.

Discussion on Opportunities

The Group will continue to cultivate the culture of health and safety across its operations. The Company will work continuously with other OHS practitioners to enable a sharing of best practices in OHS. Further, HI will monitor updates in relevant regulations to ensure compliance.

The education division is evaluating its health and safety protocols to ensure that such protocols cover all circumstances that may affect the health and safety of its employees and students, particularly in the event of calamities, natural disasters, and pandemic events. This includes the possibility of having regular structural audits to monitor and ensure the structural health of school buildings and other structures within the schools’ campuses, and regular review and audit of the schools health and safety protocols which cover pandemic events such as the COVID pandemic.

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	Number

The Group is compliant with labor laws and human rights, having no reported violations.

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Disclosure	Y/N	If Yes, cite reference in the company policy
Forced labor	N	Not explicitly indicated in policies but compliant with labor laws and human rights
Child labor	N	
Human Rights	Y	Employee Manual

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
As a member of the YGC, HI Group abides by the YGC Code of Business Conduct and Ethics. The Group strictly observes human rights laws, particularly those against forced labor and child labor. The divisions have and strictly implement their own specific policies. While forced labor, child labor, and human rights are not explicitly discussed in these policies, compliance with labor laws and human rights is implied as part of compliance with all national and local laws and regulations around these issues.

Discussion on Opportunities

There is an opportunity for HI Group to strengthen commitment to the promotion of human rights especially since the Group is present in labor-intensive industries as property, automotive, and education segments. The Group will endeavor to work on policy provisions on human rights including anti-child labor, anti-forced labor, and respect for vulnerable group in employee, business partner, and

other relevant company policies, and mechanisms for due diligence.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

The Procurement Shared Services (PSS) of HI provides essential procurement services to YGC members. All vendors are vetted and screened. PSS also performs vendor management, strategic sourcing of repetitive items, management of big-ticket purchases, enterprise spend analysis, and procurement risk management. It also develops, implements, and enforces procurement policies, procedures, guidelines, and practices for all YGC members. Some divisions may have their own procurement departments with their own supplier accreditation policy. However, these policies should complement YGC policy.

Do you consider the following sustainability topics when accrediting suppliers?

Disclosure	Y/N	If Yes, cite reference in the company policy
Environmental performance	Y	Explicitly mentioned in the Vendor Sustainability Attestation; Supplier Accreditation Policy
Forced labor	N	Not explicitly mentioned in the Supplier Accreditation Policy, but it is implicit due to suppliers being required to comply with all laws.
Child labor	N	
Human Rights	N	
Bribery and corruption	Y	Procurement Code of Behavior/Ethics for Suppliers

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
 As a member of the YGC, HI Group abides by the YGC Code of Business Conduct and Ethics and Supplier Accreditation Policy. The divisions may also have their own specific policies. While forced labor, child labor, and human rights are not explicitly discussed in our internal policies, compliance with labor laws and human rights is part of the legal compliance requirements that our supplier need to meet in our accreditation process. The list accredited suppliers are reviewed periodically and suppliers with reported violations or negatively impact the Group may be, after an objective assessment delisted. The Company acknowledges that labor practices and other human rights violations at the supply chain may impact the reputation of the Group.

Discussion on Opportunities

HI continue to enhance its supplier assessment across companies to include other sustainability criteria. The Company implemented the Sustainability Vendor Attestation for vendors to improve visibility on the vendor’s sustainability compliance and performance aimed at ensuring the integration of the accreditation requirements in the operations of the supply chain. HI recognizes that the Group needs to work with suppliers on capacity building and with industry peers for the efficient and effective implementation. The challenges of applying supply chain management techniques will require more quantitative studies, to evaluate the potential gains from better information management and the use of digital technologies. HI will work on enhancing its supplier assessment to include other sustainability criteria minimize exposure to supply chain risks.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Operation of schools (K-12, undergraduate, post-graduate)	Luzon, Mindanao	The poor (Class D and E) as part of NSTP Adoption of Communities	No	None	None
Building Projects	Luzon, Visayas, Mindanao	Not applicable	No	Yes	Coordination with MMDA, LGU, and other applicable regulatory agencies for traffic management schemes
Maibarara Geothermal Power Project	Sto. Tomas, Batangas	Not Applicable	No	Odor coming from the geothermal plant caused by H2S	Continuous Air quality Monitoring System (CAMS) installed near facility, shows H2S concentrations are within or below DENR standards Constant engagement with community to educate them on plant operations and reassure compliance with DENR
Nabas Wind Power Project	Nabas-Malay, Aklan	Not Applicable	No	Local hiring for applicable jobs	Health, Education, and Livelihood Projects
Tarlac Solar Power Project	Tarlac City	Not Applicable	No	Local hiring for applicable jobs	Health, Education, and Livelihood Projects

Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: Not Applicable

Certificates	Quantity	Units
FPIC process is still undergoing	Not applicable	Number
CP secured	Not applicable	Number

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
Three divisions of the HI Group have significant impacts on their neighboring local communities: education, property and property services, and energy.

The education division have significant impact on the local communities around the school as hubs for thousands of students, faculty, and staff. A significant number of businesses that cater to the needs of the students (e.g., eateries, photocopying services, dormitories, etc.). These contribute to the economic development of the area. However, a potential negative impact is the increased traffic around the school areas due to increased travel around the area to service students. The Group works with the local government units (LGUs) to develop traffic routing schemes to lessen the schools’ impacts on the traffic situation, and that vehicles and people around the schools do not hamper or impede the flow of traffic. The schools continue to coordinate with the LGUs on the implementation of health and safety protocols mandated under IATF, DOH and CHED guidelines during the COVID pandemic. Further, the education division continue to offer online platforms to deliver classes, distance learning modules, and fully online programs. This is to diversify its offerings, reducing the risk and burden of students to go to school especially during the COVID pandemic. Currently, the Company delivers hybrid classes on a school-wide level when necessary and applicable.

The property segment continues to develop properties and the construction of the 28-storey building in Makati is on-going. The project provides employment to contractors, workers, as well as economic benefit to businesses in the area. Negatively, the noise of large equipment or traffic congestion due to the road disruptions affects the community. However, the Company ensures the proper coordination of project service providers with MMDA, LGU, and other agencies to address proper execution of Traffic Management Measures on the job sites, ensure a safe pedestrian access on roadways, maintain orderliness and cleanliness of construction materials placed in road spaces, provide traffic safety signs and campaign. Projects near residential areas observe allowable hours of operations, particularly at night, when most of the residents are resting at their homes.

As an operator of renewal energy generation facilities, the energy division has much less impact on the local community compared to standard fossil fuel power plants. However, impacts still exist through potential air pollution from the power plants (geothermal) and competition for water resources. PERC mitigates these by complying with all environmental regulations and consistent engagement with the community.

Discussion on Opportunities

HI has integrated sustainability into its strategies and processes and is in the process of identifying opportunities across all the relevant divisions. The education and property divisions, including the new business acquisitions, will continue to generate opportunities for communities such as increased access to many new and efficient facilities, provide a new source of income for those within the communities, and create better livelihood and employment opportunities.

To improve further the relationship with communities, the energy division will continue its corporate social responsibility program under the We Power H.E.L.P. banner. The division will also assist the communities so that they could access renewal energy incentives, such as the ER1-94 Benefit to Host

Communities from the DOE. The Company will provide assistance in terms of drafting project proposals, opening bank accounts, and implementing and monitoring approved projects.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer Experience Index	90	No. Done internally
Customer Satisfaction Survey	95	No. Done internally
Net Promoter Score	8%	No. Done internally
Student Happiness Survey	1.03	No. Done internally

Customer experience covers the financial services, customer satisfaction rating covers the automotive division; the Net Promoter Score and Student Happiness Survey is based on the education division's report.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach

Customer satisfaction is key to the sustainability of HI and its subsidiaries. It impacts customer loyalty and future sales. We see customer satisfaction as a measure of how we are able to meet our customers' needs, which defines how we create value for our customers through our products and services. Product quality is key to us, especially as we are involved in the financial services, education, property and property services, and automotive where poor quality could lead to extremely high costs to property and human life. Any dissatisfied customer is an opportunity for us to review how we deliver value to them. Customers of the HI Group companies may include private individuals, other businesses, and government. As such, customer satisfaction indicators vary per company depending on the type of customers they serve.

Discussion on Opportunities

HI will continue to explore and/or conduct qualitative and quantitative approaches to measuring customer satisfaction. Opportunities for improving customer management may include structured customer surveys and more frequent requests for customer feedback. The education division continue to use these methods to improve their delivery of service. However, the surveys and methodologies are periodically reviewed to ensure that they provide a fair and accurate evaluation. Those division without a formal survey questionnaire to rate the customer satisfaction may consider its development to improve customer management.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	Number
No. of complaints addressed	0	Number

Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by agencies.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach HI Group considers the health and safety of its products and services to be a top priority. The Group's products range from vehicles, medicines, and services targeted towards individual consumers while property management, security services, and energy cater to businesses. HI Group ensures that its products and services adhere to the highest safety standards, regardless of who is at the receiving end.

Discussion on Opportunities

HI Group continue to evaluate and update the policies and procedures, monitor rules and regulations to ensure compliance in protecting customer health and safety. The construction division will improve its safety and health policy and procedures to protect internal and external customers and shall continue to adhere to the best international health and safety practices.

Marketing and labeling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	-	Number
No. of complaints addressed	-	Number

Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
There is no reported complaint against the Group during the year. HI Group, as a matter of policy and practice, take particular care to not misrepresent itself or its products to its customers and other stakeholders. Risks include loss of reputation of the companies, especially with the current widespread use and reach of social media. The reputation of the Group, as well as the recognition as part of the YGC, is a marketing strength. The Group periodically review its websites and other marketing and communication materials to ensure its accuracy and relevance. The materials are pre-cleared prior to the release of information.

Discussion on Opportunities

The Group regularly evaluates current marketing and communication strategies. This is to ensure that the strategies are appropriate and responsive to the needs of the group. The education division plans to upgrade the skills of its current marketing teams which includes crisis communications, management training, and social media management are being evaluated

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	Number
No. of complaints addressed	0	Number
No. of customers, users and account holders whose information is used for secondary purposes	-	Number

Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach
As a matter of policy, HI Group companies respect and uphold data privacy rights and ensure that all personal data collected from customers, suppliers, and other third parties are processed pursuant provisions of the Data Privacy Act of 2012 as reflected in each company's Data Privacy Manual. Risks due to loss of customer privacy include damage to the companies' reputations, disruption of operations, legal liability under new and amended laws, regulations, and guidelines, as well as contracts, and financial cost. Designated Data Privacy Officers at HI Parent and the Group are tasked to ensure compliance with the Data Privacy Act by implementing the data privacy policies of their respective companies. Privacy notices and data privacy statements are present in documents so that both internal and external customers are informed of how their information will be used. The divisions also have policies and protocols in place to handle complaints and inquiries on data privacy. As part

of YGC policy, all HI Group employees are required to complete the annual IT security and data privacy training.

Discussion on Opportunities

HI Group on a continuing basis evaluate the relevant policies to ensure that the group continue to secure customer information and that the policies are updated and compliant with current laws and regulations.

Data security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	Number

Discussion on Impacts and Risks: Where they occur, stakeholders affected, and management approach HI ensures strict compliance with the data privacy act and the company’s information and communications technology security policy. HI conducts periodic review and information campaign through data privacy and cybersecurity awareness programs. Further, HI initiated a groupwide investment in cybersecurity resources. The Group have IT policies on data security, such as a Data Privacy Manual, which are strictly implemented and regularly updated by their respective departments. The Data Privacy Manual includes the procedure on reporting an incident and the process of assessment and investigation. Mishandling and unauthorized disclosures of personal information of our stakeholders such as customers and vendors may lead to legal or regulatory sanctions.



Discussion on Opportunities











The Group is strictly implementing the respective data privacy policies to ensure the security of all the information collected from all stakeholders. These policies are regularly updated to ensure that they are compliant with current laws and regulations, and that these are cascaded to all concerned.



UN Sustainable Development Goals


Product or Service Contribution to UN SDGs




Key products and services and its contribution to sustainable development.



Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Subsidiary: Malayan Insurance Co., Inc. Assets and property insurance	<ul style="list-style-type: none"> Strengthens financial resilience of businesses and households by enabling recovery from catastrophic events Supports climate adaptation and disaster recovery 	<ol style="list-style-type: none"> Limited affordability for small businesses and low-income segments Reduced insurability of high-risk or catastrophe-exposed properties Potential protection gaps in climate-vulnerable areas 	<ol style="list-style-type: none"> Risk-based pricing to ensure long-term sustainability of coverage Development of simplified or modular products for SMEs and emerging segments Use of catastrophe modeling to improve risk selection and portfolio management Client risk advisory (loss prevention, risk mitigation practices)
Subsidiary: Malayan Insurance Co., Inc. Personal and family insurance	<ul style="list-style-type: none"> Provides financial protection to individuals and families against accidents and unforeseen events Enhances financial inclusion and social protection systems 	<ol style="list-style-type: none"> Affordability constraints for underserved populations Exclusion due to underwriting criteria (e.g., risk profile, pre-existing conditions) Low insurance awareness leading to underinsurance 	<ol style="list-style-type: none"> Expansion of retail products and its distribution to improve accessibility Development of affordable, standardized products (e.g., simplified PA coverage) Customer education initiatives (e.g., Insurance 101, disaster awareness programs) Continuous review of underwriting criteria to balance inclusion and sustainability
Subsidiary: Malayan Insurance Co., Inc.	<ul style="list-style-type: none"> Supports continuity of daily activities and economic participation 	<ol style="list-style-type: none"> Perception of insurance as non- 	<ol style="list-style-type: none"> Product innovation aligned with evolving






Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Lifestyle insurance	<p>through protection against disruptions</p> <ul style="list-style-type: none"> Enhances consumer confidence in mobility, travel, and digital lifestyles  	<p>essential, leading to low adoption</p> <ol style="list-style-type: none"> Affordability concerns Emerging risks (e.g., EVs, new mobility trends) with limited actuarial data 	<p>risks (e.g., mobility, digital risks)</p> <ol style="list-style-type: none"> Prudent underwriting approach for emerging risks (e.g., EVs) due to cost and uncertainty Integration into digital and embedded insurance ecosystems Ongoing monitoring of claims experience to refine pricing and coverage
<p>Subsidiary: RCBC Trust Corporation</p> <p>Unit investment trust funds</p>	<p>Financial growth, access to diversified portfolio</p>    	<ol style="list-style-type: none"> Inequality, inaccessible to lower-income population 	<ol style="list-style-type: none"> Inclusive products, broaden access across income levels
<p>Subsidiary: RCBC Trust Corporation</p> <p>Trust funds</p>	<p>Help manage, grow and transfer assets, financial stability for beneficiaries, structured support for future requirements</p>  	<ol style="list-style-type: none"> May not be accessible to low-income segments Widen wealth inequality gap 	<ol style="list-style-type: none"> Equitable access by promoting access to trust fund investments Sustainable investment policy
<p>Subsidiary: RCBC Trust Corporation</p> <p>Fixed income securities</p>	<p>Secure a passive income from low-risk investment product</p>  	<ol style="list-style-type: none"> Inaccessible to small investors Misuse of funds 	<ol style="list-style-type: none"> Retail access to fixed income market Promote and invest in sustainability-linked investments
<p>Subsidiary: Sun Life Grepa Financial, Inc.</p> <p>Investment-linked</p>	<p>Contributes significantly to SDG 8, which aims to promote dignified work and sustainable economic growth. This insurance</p>	<ol style="list-style-type: none"> May not be accessible to low-income segments due to high premiums or initial investment amounts. 	<ol style="list-style-type: none"> Develop affordable options through FinTech or viable business models Investor education


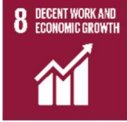



Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
insurance	<p>product enables individuals and businesses to safeguard their financial futures while concurrently investing in capital markets, thereby securing their economic well-being</p> 	<ol style="list-style-type: none"> 2. Investment risk for policyholders if the product isn't well understood by clients- this can impact financial well-being. 3. Greenwashing risk if marketing products as sustainable without third party verification. 	<ol style="list-style-type: none"> 3. Actively engage with fund manager and companies invested in, encouraging them to adopt more sustainable business practice
<p>Subsidiary: Sun Life Grepa Financial, Inc.</p> <p>Protection and saving plans</p>	<p>Protection and saving plan plays an important role in achieving SDG 8 because it promotes financial stability and economic resilience. In details, protection and saving plan prevents families from plunging into poverty and economic hardship by providing a safety net against unanticipated life events, such as the loss of a breadwinner. This product line supports the goal of promoting sustained economic growth and job creation by protecting livelihoods and preventing individuals from falling into poverty by providing financial protections in time of need. In essence, protection and saving plans will help to create a more equitable and economically resilient society.</p> 	<ol style="list-style-type: none"> 1. May not be accessible to low-income segments due to high premiums or initial investment amounts 2. If returns are market-lined or unclear, policy holders may be misled 3. Early withdrawal or lapses in payment can result in penalties undermining protection goals 4. Possibility of low yield relative to inflation as traditional savings plans may not keep up with inflation 	<ol style="list-style-type: none"> 1. Develop affordable options through FinTech or viable business models 2. Investor education programs by offering financial literacy initiatives to help clients understand market risks and long-term benefits. 3. Actively engage with fund manager and companies invested in, encouraging them to adopt more sustainable business practices.


Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Subsidiary: Sun Life Grepa Financial, Inc. Health protection	<p>By assuring equitable access to essential medical care and promoting overall well-being, health insurance makes a significant contribution to SDG 3: Good Health and Well-being. By providing financial assistance for medical expenses and healthcare services, health insurance reduces barriers that can prevent individuals seeking prompt medical care. This results in early detection, effective treatment, and enhanced health outcomes. By alleviating the financial burden of medical care, health insurance contributes to a healthier population, reduced health disparities and a stronger foundation for achieving the goal of excellent health and well-being for all.</p> 	<ol style="list-style-type: none"> Coverage exclusions or limitations such as pre-existing condition, age, or benefits caps can leave vulnerable groups underinsured. Access to healthcare if people in rural or underserved regions may have limited access to partner health care providers. 	<ol style="list-style-type: none"> Clear transparency and client education on coverage and exclusions Invest in expanding healthcare network and offer telemedicine options for underserved areas
Subsidiary: Sun Life Grepa Financial, Inc. Mutual funds	<p>Mutual funds contribute significantly to the achievement of Sustainable Development Goal 8 (SDG 8), which aims to promote decent work and economic growth. These investment vehicles promote the flow of finance into enterprises and initiatives that generate jobs, directly contributing to the goal of generating full and productive employment.</p>	<ol style="list-style-type: none"> Exposure to non-ESG compliant assets and industries with weak ESG practices Currency and market volatility especially global exposure funds can be susceptible to foreign exchange risks and geopolitical instability, which could negatively affect fund performance and investor confidence 	<ol style="list-style-type: none"> ESG Screening and Integration by applying strict ESG criteria in our investment process. Active engagement with stakeholders and corporates to encourage improvements in ESG practices Transparent Reporting and Disclosures by regularly publish

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
	<p>Furthermore, mutual funds frequently prioritize investments in companies that adhere to fair labor practices and safe working conditions, which aligns with SDG 8 ideals. Not only that, by providing accessible investment options to retail investors, mutual funds serve to minimize income inequality and support the broader goal of equitable and sustainable economic development, which is a key component of SDG 8.</p> 		<p>fund disclosure.</p>
<p>Subsidiary: iPeople, Inc.</p> <p>Education from kindergarten to post-graduate (depending on the school); non-certificate courses and trainings</p>	<p>4.3 Equal access to affordable technical, vocational, and higher education</p> <p>4.B Expand higher education scholarships for developing countries</p> <p>4.C Increase supply of qualified teachers in developing countries</p> <p>8.6 Promote youth employment, education, or training</p>  	<ol style="list-style-type: none"> Inaccessible to lower-income Filipinos particularly since hybrid, online or remote delivery is being implemented Increase in number of internally funded-scholarships and discounts is not cost-effective for the schools High quality of graduates results in high demand and pay offered by companies both here and abroad, which results in loss of employees (e.g. qualified faculty) for IPO 	<ol style="list-style-type: none"> Partnerships for scholarships (government and private) Internally-funded scholarships and discounts to allow the lower income segments to enroll. Offer competitive pay, benefits, and incentives for employees and faculty such as opportunity for further study, research incentives, and support for paper presentation
<p>Subsidiary: iPeople</p> <p>Research and development</p>	<p>Innovation and research that contributes to knowledge and/or contributes to an improved quality of life for</p>	<ol style="list-style-type: none"> Cost of Research and Development (overspending) 	<ol style="list-style-type: none"> Develop commercially viable projects, those that are “useful to society”, and those

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
	Filipinos. 		that may solve problems of communities or provide solutions to industries; Partner with government agencies (DOST) for funding of R&D projects.
Subsidiary: ATYC, Inc. Property Management Services / Leasing	<ol style="list-style-type: none"> Sustainable Buildings Decent work and economic growth - creating job opportunities Responsible consumption and production – adoption of sustainable practices as energy-efficient buildings, waste reduction and recycling, and water conservation 	<ol style="list-style-type: none"> Environmental degradation through the construction, operation, and maintenance of buildings Increased energy consumption Waste generation 	<ol style="list-style-type: none"> Adoption of responsible and ethical property management and leasing practices. Maintain environmentally sustainable operations. Establish monitoring and reporting mechanisms to assess and report on social, economic, and environmental performance and take corrective actions as needed. Compliance with regulatory requirements
Subsidiary: Landev Corporation, RCBC Realty Corporation, Grepa Realty Holdings Corporation Property Management Services / Leasing	<ol style="list-style-type: none"> Sustainable Buildings Affordable and clean energy – promotion of sustainable energy practices by endorsing use of renewable energy sources in managed properties like solar panels and energy-efficient lighting Gender equality – promotion of gender equality in the real estate industry by ensuring fair and equal 	<ol style="list-style-type: none"> Environmental and social disaster Owner may not always prioritize environmental sustainability due to budget constraints Generation of hazardous waste Energy inefficiency 	<ol style="list-style-type: none"> Trainings on and compliance with all mandatory and regulatory requirements and industry-related updates developments Implementing environmentally-friendly practices in property management, like energy and water conservation, waste reduction, and

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
	<p>treatment of all genders in property management practices</p>   		<p>sustainable purchasing</p> <p>3. Engaging with stakeholders, understanding their needs and concerns, and incorporating their feedback into property management decisions</p>
Subsidiary: Hi-Eisai Specialty Medicines	<p>1. Health and well being 2. Support Patient Access Programs 3. Life preservation thru anti- cancer drugs 4. Promote quality of life</p> 	<p>1. Potential product recall due to gaps in product development. 2. Health risk on drug disposal and destruction</p>	<p>1. Strengthen quality control. 2. Compliance to proper drug disposal and destruction</p>
Subsidiary: PERC Renewable Energy	<p>7.2 Increase in global percentage of renewable energy 7.B Expand and upgrade energy services for developing countries</p> 	<p>1. Land use changes 2. Potential impacts to biodiversity 3. Competition with local community for freshwater sources</p>	<p>1. Environmental Impact Assessment (EIA) for project sites 2. Site rehabilitation and protection through bioengineering measures 3. Partnership with PAMB, LGUs, NGOs, local community, and other stakeholders for biodiversity protection 4. Controlled usage of freshwater</p>
Subsidiary: HI Cars, Inc. Seller of Vehicle and Vehicle Parts and Accessories	<p>1. Provide self-employment / livelihood 2. Provide convenience to the commuting public when owning a car</p>	<p>1. Carbon footprint emission 2. Traffic congestion due to increased number of vehicles. Negative impact to environment of</p>	<p>1. Hybrid automotive units 2. Promote extended warranty to 5 years. 3. Provide service to keep the vehicles in</p>

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
	  	emission of additional vehicles on the roads.	good condition to reduce emission.
<p>Subsidiary: HI Cars, Inc.</p> <p>Provider of Automotive Services</p>	<ol style="list-style-type: none"> 1. Health and well-being - by providing regular maintenance services, safety inspections, and repairs for vehicles, ensuring safety and roadworthiness 2. Reduce negative impact to environmental by reducing emissions caused by poorly maintained vehicles 3. Responsible consumption and production - promoting responsible consumption by awareness campaigns, promoting maintenance and repair services to extend the lifespan of vehicles, facilitate responsible disposal and recycling of end-of-life vehicles.  	<ol style="list-style-type: none"> 1. Carbon footprint emission 2. Disposal of hazardous materials, such as used oil, batteries, and tires, servicing and repair activities 3. Air pollution and waste generation 4. Challenges related to labor practices and worker safety 	<ol style="list-style-type: none"> 1. Provide Quality Delivery Service to all customers. 2. Conduct telemarketing and text blasts to all UIO clients for on time PMS check-up. 3. Implement environmental management practices like energy-efficient facilities, waste reduction, and proper disposal of hazardous materials 4. Adoption of fair labor practices, safe working conditions 5. Digitization for operational efficiency

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
			

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*