



Advancing a New Level of Sustainable Township

**ReimAGIne
the Future**

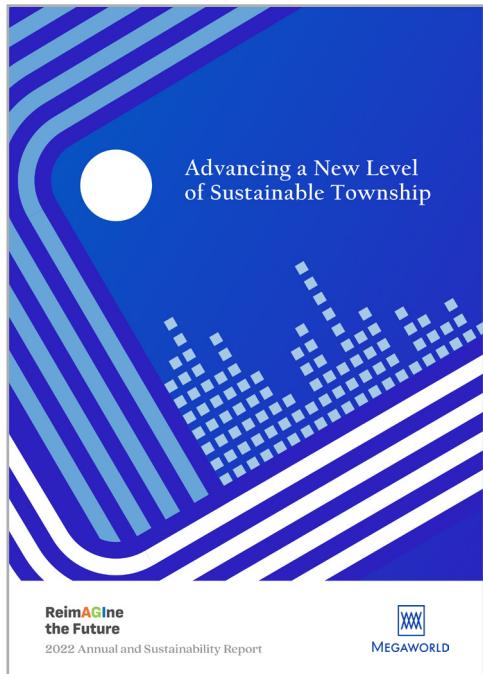
2022 Annual and Sustainability Report



MEGAWORLD

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About the Cover

The cover of Megaworld's 2022 Annual and Sustainability Report, *ReimAGIne the Future: Advancing a New Level of Sustainable Township*, features rounded angular lines that extend beyond the frame and building blocks rising toward a horizon. The lines represent the dynamism and sustainability of Megaworld's developments as it constantly evolves to meet the needs of its stakeholders and communities. The building blocks rising toward the horizon represent Megaworld's perpetually thriving townships, residential, commercial, and leisure components. The blue and white hues communicate the Company's image of stability and reliability, made possible by its stakeholders' confidence.

About the Report

ReimAGIne the Future: Advancing a New Level of Sustainable Township explores Megaworld's economic, social, environmental, and governance performance in 2022, highlighting the Company's goal of upholding its principles toward growth while providing positive benefits for its stakeholders. Megaworld collaborated with Drink Sustainability Communications to offer sustainability advice, editorial, and design services for communicating the Company's environmental, social, and governance framework in its 2022 Annual and Sustainability Report.

About the Company

Megaworld Corporation ("Megaworld," "the Company," "MEG") was founded by Dr. Andrew Tan and incorporated in the Philippines on August 24, 1989. Its primary focus is on real estate development, including the development, leasing, and marketing of high-end residential condominiums and commercial properties in convenient urban areas of Metro Manila. Recognizing the demand for quality residences in close proximity to offices and leisure facilities, Megaworld shifted its attention in 1996 to the creation of mixed-use communities, primarily targeting the middle-income market. This shift was exemplified by the initiation of its Eastwood City community township development. In addition to its core business, Megaworld is involved in various property-related activities such as project design, construction oversight, and property management. On August 19, 1999, the Company changed its corporate name to Megaworld Corporation to align with its transition from a purely real estate Company to a holding Company. Nevertheless, Megaworld remains dedicated to its expertise and specialization in real estate development.

Vision

We uplift lives, impact society, and help shape the nation.

Mission

- › We pioneer concepts that promote integrated lifestyles in the townships we build.
- › We advocate responsible stewardship of the environment.
- › We deliver long-term value for our employees and shareholders.
- › We spur economic growth all over the country.

Values

- › Integrity
- › Creativity and Innovation
- › Excellence
- › Love for the Company



Core Businesses

Real Estate

Offices

Malls

Hotels



MEGAWORLD



Empire East

MEGAWORLD
PREMIER OFFICES



GLOBAL-ESTATE RESORTS, INC.

MEGAWORLD
HOTELS & RESORTS

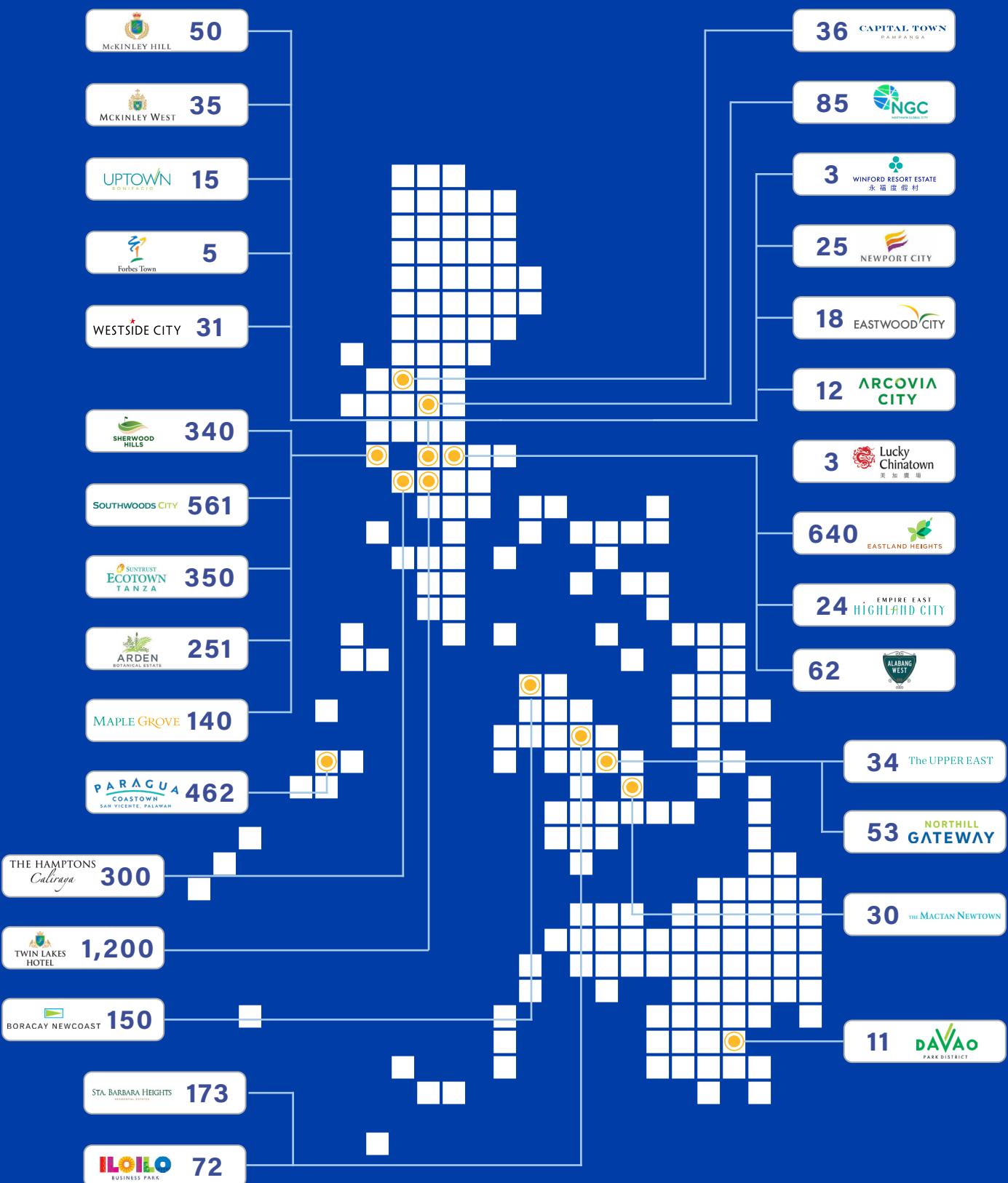


STATELAND, INC.
YOUR DREAMS. OUR COMMITMENT.

MEGAWORLD
Lifestyle Malls

Townships

5,172 HECTARES



At a Glance



PHP 60 BILLION

Consolidated Revenues



PHP 26 BILLION

EBITDA

FINANCIAL HIGHLIGHTS

PHP 13 BILLION

Net Income Attributable
to Parent Shareholders

PHP 15 BILLION

Consolidated Net Income

PHP 46 BILLION

Capital Expenditure



5,041 HECTARES

Undeveloped Landbank

OPERATIONAL HIGHLIGHTS

30 Townships

and Integrated Lifestyle
Communities

5,172 HECTARES

Landbank under Development

SUSTAINABILITY HIGHLIGHTS



Environmental

- › Park. Charge. Drive.
- › Trash to Cashback Program
- › Plastic Neutrality Program
- › Beach Clean-Up Drive
- › LEED gold and silver certifications
- › IMMUNE-certified buildings
- › Chiller Optimization program



Social

- › Scholarship Program
- › Mega E-Learning Hubs
- › Brigada Eskwela 2022
- › Eskwela ng Bayan
- › Stitches to Riches
- › Bubbles and Dreams
- › 8 Rays of Suntrust
- › Project Solar Hope
- › Rice Together Campaign
- › MegaClinics
- › One Spoon at a Time
- › Happy Feet: A Sole of Happiness Project

MEGAWORLD REAL ESTATE

PHP 119 BILLION

Reservation Sales

PHP 37 BILLION

Real Estate Sales

PHP 45 BILLION

Projects Launched

MEGAWORLD HOTELS & RESORTS

PHP 3 BILLION

Hotel Revenues

4,713

Hotel Room Keys

64%

Occupancy Rate

MEGAWORLD PREMIER OFFICES

PHP 12 BILLION

Office Rental Income

1,405,000 SQM

Office GLA

92%

Occupancy Rate

MEGAWORLD *Lifestyle Malls*

PHP 3 BILLION

Mall Rental Income

484,000 SQM

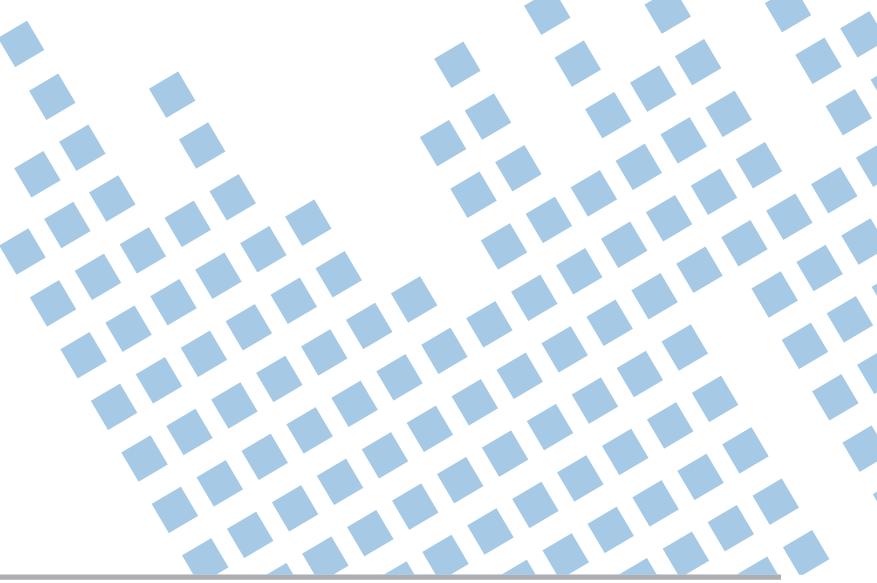
Malls GLA

90%

Occupancy Rate



Message from the Chairman



The year 2022 solidified Megaworld's growth trajectory as the country's economy moved towards a full reopening after two years of various mobility restrictions. Our persistent pursuit of innovation and excellence has once again resulted in impressive accomplishments that reinforced our industry leadership. Throughout the challenging yet promising year, our Company exceeded targets across all business segments as we were able to effectively capture the new opportunities that arose.

Driving our Double-Digit Growth

In 2022, Megaworld has achieved a 17% year-on-year increase in revenues, amounting to PHP 60 billion. Furthermore, our net income has grown by 7%, reaching PHP 15 billion from last year's PHP 14 billion. We remain committed to delivering exceptional results and driving sustainable growth for our stakeholders. This is a testament to our commitment to achieving exceptional results and our unparalleled agility in responding to dynamic market conditions.

The Company's growth was further propelled by the excellent performance of its real estate segment, which continued to lead momentum toward recovery. Our real estate sales have surged by an impressive 18%, amounting to PHP 37 billion. Our reservation sales have exceeded our initial expectations, reaching PHP 119 billion. This is an affirmation of the steadfast trust and confidence our customers have in our residential developments.

Our office segment continues to relentlessly deliver record revenues despite the challenges faced by the industry. Megaworld Premier Offices' proactive approach has allowed us to capture opportunities in the market, enabling us to achieve a higher than industry occupancy rate of 92%. As a result, we have concluded the year on a high note, with our office rental income surpassing a remarkable milestone of PHP 12 billion for the very first time.

Meanwhile, our Megaworld Lifestyle Malls have achieved a revenue growth of 51% this year, totaling PHP 3 billion. The impressive surge can be attributed to increased spending, heightened foot traffic, and the Company's commitment to reducing rent concessions for tenants, in line with the resurgent economy. Mall occupancy

increased by 300 basis points to 90%, while tenant sales surpassed pre-pandemic levels and saw a remarkable 6% growth compared to 2019. These achievements can be attributed to our innovative initiatives and programs for tenants and mall shoppers, which helped drive foot traffic and rejuvenate sales.

Our hotel business delivered stellar growth that exceeded 2019 revenue levels. Megaworld Hotels & Resorts reported PHP 2.6 billion in revenue in 2022, an increase of 38% over the PHP 1.9 billion realized the previous year. The uptick in tourism and MICE (meetings, incentives, conventions, and exhibitions) has contributed to this success by driving up room occupancy and room rates.

Megaworld introduced two notable sustainable townships during the year: Sherwood Hills in Cavite and Winford Resort Estate in Manila. Both of these townships were launched with sustainability at the forefront of our minds. As residential projects have always been our first priority in townships, we aim to provide individuals and families with a sense of belonging and security by offering high-quality homes.

Our commitment to excellence extends beyond residential offerings. As the township grows, we launch office buildings, creating direct employment opportunities in the thriving BPO sector. Furthermore, our developments generate indirect jobs that support this industry, fostering economic growth within the surrounding areas.

Triple Bottom Line: Our Sustainable Business Model for Inclusive Growth

As we strategize our operations and project development, we are constantly seeking ways to optimize our resources and minimize our carbon footprint. By doing so, we are not only reducing our environmental impact but also maximizing our efficiency and profitability. At Megaworld, we are proud to stand alongside Alliance Global as we set our sights on two remarkable objectives. We are committed to playing our part in the efforts of Alliance Global to become carbon neutral and to generate 5 million jobs, both directly and indirectly, by 2035.

We've made it a priority to incorporate at least 40% green and open space preservation into the plans for every future community we create. We believe that by doing so, we can create vibrant and sustainable communities that will thrive for generations to come. As part of our visionary project development plans, we are dedicated to preserving the majestic centuries-old trees within our townships. Our Company is proud to utilize endemic trees as a crucial component of our mission to enhance our townships' greenery and make significant contributions towards Megaworld's carbon offsets.

Our malls lead the way in sustainable design. With solar roof panels and an open layout, we utilize natural light and ventilation, reducing energy consumption and costs. This not only benefits the environment but also brings long-term cost savings. At Megaworld, we consistently implement upgrades for our mall and office equipment to maximize energy efficiency and minimize consumption. Furthermore, our malls empower entrepreneurs to join our esteemed network, unlocking limitless business potential. By fostering a dynamic retail ecosystem, we support local enterprises, stimulate economic growth, and create new opportunities.

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As the largest office landlord in the country, we strive for excellence in constructing office buildings and align ourselves with renowned certification bodies such as LEED. This ensures the construction of sustainable structures that withstand the test of time. Our dedication lies in creating eco-friendly buildings that contribute to the well-being of our planet.

Meanwhile, in revolutionizing land development, we prioritize mobility and connectivity. By incorporating state-of-the-art biking network facilities and strategically locating transport terminals within our townships, we make a positive impact on the environment and offer residents a more sustainable way of life. Together, we shape a brighter future for our communities.

In addition to our other endeavors, we are proud to serve as a catalyst for positive change. Our corporate social responsibility efforts, civic activities, and environmental initiatives empower and transform communities. By working together, we can make a tangible difference and create a brighter future for all.

Finally, Megaworld's board has decided to extend our buyback program until February 2024. This bold step aims to maximize shareholder value and showcase our steadfast confidence in the Company's shares, which we believe are currently undervalued. This initiative is a testament to our commitment to driving growth and delivering value to our esteemed investors.

Forging Ahead with Resilience and Dedication

To ensure the sustained growth of Megaworld, we have developed a comprehensive strategy with three key pillars:

- **Expanding our Portfolio:** Megaworld is steadfast in its commitment to expanding its property portfolio in strategic growth areas throughout the Philippines. We aim to contribute to the nation's overall development by investing in a diverse range of projects, including residential, office, and commercial properties. Our extensive pipeline of



projects in various stages of development ensures that we continue to meet the evolving demands of the market.

- Embracing Innovation and Technology:** We recognize the importance of embracing innovation and leveraging technology to drive our growth strategy. By implementing smart building management systems and harnessing renewable energy solutions, we can optimize our operations and minimize our environmental impact. We are committed to staying at the forefront of industry advancements and incorporating cutting-edge technologies into our projects.
- Prioritizing Customer Satisfaction:** At Megaworld, our customers are at the heart of everything we do. We prioritize understanding and meeting their ever-changing needs and preferences. As part of our commitment to sustainable living and wellness, we will develop properties that align with these trends. Our projects will feature ample green spaces, walking and biking trails, and state-of-the-art fitness amenities, creating an environment that promotes a healthy and balanced lifestyle for our residents and tenants.



We are driven by our unwavering dedication to delivering long-term value for our employees and stakeholders, ensuring their continued success. By fostering economic growth nationwide, we create opportunities that benefit our organization and the communities we serve.

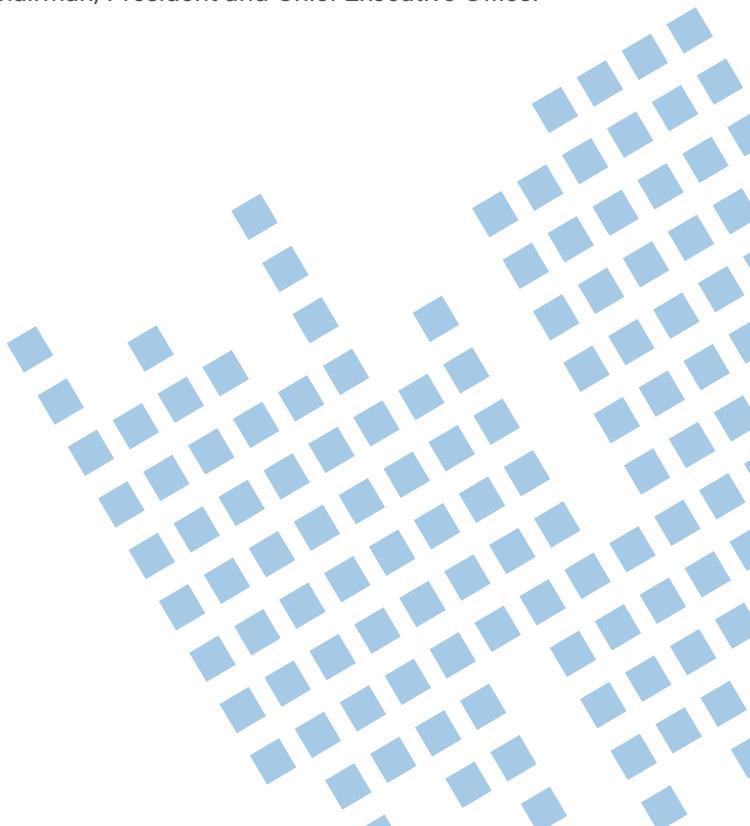
Our Company is steadfast in pursuing our vision and closely monitoring our progress towards achieving our operational objectives. We are determined to succeed and leave no stone unturned in our relentless pursuit of excellence. Constantly reassessing our Company's goals is imperative to proactively safeguard against potential setbacks. This approach allows us to mitigate any negative impact and maintain our thriving momentum, even in the face of adversity.

This 2023, we will continue to pursue our proven strategies and build upon our past successes to achieve even greater heights. We will work hard to keep expanding our reach by offering new projects, tapping new markets, developing more land, and accelerating new innovations. With these, we hope to close the year strong and aim for a full recovery compared to our pre-pandemic performance.

To our valued customers, tenant partners, investors, directors, employees, and partner communities, you all played a pivotal role in our remarkable journey towards sustainable growth and longevity. Your continued support enabled our Company to grow exponentially from our humble beginnings over 30 years ago. Together, we look to the future to realize our vision of a stronger and bolder Megaworld.

DR. ANDREW L. TAN

Chairman, President and Chief Executive Officer



Awards and Recognitions



81

total number
of Awards

1 HR Asia Best Companies to Work for in Asia 2022

1 Lamudi's The Outlook 2022: Philippine Real Estate Awards

- › People Flow Award – Worldwide Plaza

3 2022 Asia CEO Awards

- › Circle of Excellence Award
 - Megaworld Corporation (Executive Leadership Team of the Year category)
 - Megaworld Foundation (CSR Company of the Year category)
 - Megaworld Foundation @ 25: A Silver Lining for Many Filipinos

5 19th Annual International Business Awards

Megaworld Foundation

- › Gold Stevie
 - The Visionary, The Philanthropist (Other Publication - Association or Non-Profit)
 - Executive of the Year (Non-Profit or Government Organizations category)
 - Leadership with a Heart: Dr. Francisco C. Canuto (Executive of the Year - Non-Profit or Government Organizations category)
- › Silver Stevie
 - Connect2Connect: Megaworld Foundation's Digital Transformation to Nurture Scholars in the New Normal (Organization of the Year - Non-Profit or Government Organizations - Small category)
- › People's Choice Stevie Awards for Favorite Companies (Non-Profit or Government category)



1 PRNews Platinum Awards 2022

- › Honorable Mention: Mega BER-kadahan Learning Session (Virtual Event Campaigns category)

4 2022 Asia-Pacific Stevie Awards

- › Megaworld Lifestyle Malls
 - Silver Stevie: Innovation in Brand Renovation - Greenhouse at Village Square Alabang
 - Bronze Stevie: Best Use of Events - Eastwood City Drive-Thru Pet Blessing
- › Megaworld Corporation
 - Gold Stevie
 - The Visionary, The Philanthropist (Innovation in Non-Profit/NGO Publications category)
 - Mega BER-kadahan Learning Sessions (Innovation in Public Enterprise Events category)



1

14th Annual Global CSR & ESG Summit And Awards 2022

- Platinum Award: Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal

1

IPRA Golden World Awards 2022

Winner: The Visionary, the Philanthropist (Publications - Inhouse category)

6

dotCOMM Awards

- Platinum
 - Megaworld Foundation @ 25 (Content Marketing: eBook category)
 - Megaworld Foundation @ 25 (Owned Media: eBook category)
 - Mega Summer Ventures Version 2.0 (Social Media Marketing category)
- Gold
 - Megaworld Foundation @ 25 virtual book launch (Other - Virtual Book Launch category)
 - Mega BER-kadahan Learning Sessions (Content Marketing category)
 - Mega BER-kadahan Learning Sessions (Webinar category)



4

MarCom Awards 2022

- Platinum
 - Megaworld Foundation @ 25 (E-Communication: E-Book category)
 - Megaworld Foundation @ 25 (Design-Other: Coffee Table Book category)
 - Megaworld Foundation @ 25 virtual book launch (Marketing/Promotion Campaign - Special Event category)
- Gold
 - Mega BER-kadahan Learning Sessions (Web-based Training category)



2

Marketing Excellence Awards 2022

- Bronze: Excellence in Marketing to a Specific Audience
- Megaworld Lifestyle Malls: First pet-friendliest malls in the PH



3

CSR and Diversity Awards 2022

- Honorable Mention
 - Green Thumbs-up!: Megaworld Foundation E-Planting Activity (Employee Volunteer Program category)
 - Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal (Education or Scholarship Program category)
 - Rice Together: Megaworld Foundation Community Pantry (Stakeholder/Employee Engagement category)

3 International CSR Excellence Awards 2022

- Megaworld Foundation
 - Gold
 - Green Thumbs-up!: Megaworld Foundation E-Planting Activity (Volunteering category)
 - The Visionary, The Philanthropist (Leadership category)
 - Silver
 - Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal (Innovation category)

2 2022 Social Impact Awards

- Honorable Mention
 - Mega Scholarship in the New Normal (Scholarship Program category)
 - Rice Together: Megaworld Foundation Community Pantry (Employee Volunteer Program category)

2 PR Daily's 2022 Nonprofit Communications Awards

- Winner: The Visionary, The Philanthropist (Digital Publication category)
- Honorable Mention: Mega Summer Ventures Version 2.0 (Social Media Campaign category)

1 Communitas Awards

- Winner: The Visionary, The Philanthropist (Leadership in Community Service and Corporate Social Responsibility category)

7 57th Anvil Awards

- Silver
 - The Visionary, The Philanthropist
 - The Visionary, The Philanthropist Virtual Book Launch
 - Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal
 - Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal
 - Mega Summer Ventures Version 2.0
 - Mega Summer Ventures Version 2.0
 - If There's a Wheel, There's a Way

2 PRNews' Nonprofit Awards

- Winner: The Visionary, The Philanthropist (Internal Publication category)
- Honorable Mention: Mega Summer Ventures Version 2.0 (Social Media Campaign category)

15 10th PropertyGuru Philippines Property Awards

- Winner
 - Megaworld Corporation
 - Best Operational Office Portfolio
 - Best Hospitality Developer
 - Best Mixed Use Developer
 - Special Recognition in ESG
 - Megaworld Hotels & Resorts
 - Best Operational Hospitality Portfolio
 - Global-Estate Resorts, Inc. (GERI)
 - Best Lifestyle Developer award
- Highly Commended Award
 - Megaworld Corporation
 - Best Condo Interior Design - The Albany Yorkshire
 - Best Condo Architectural Design - Uptown Parksuites
 - Best Township Masterplan Design
 - Maple Grove
 - Capital Town Pampanga

17 19th IABC Philippine Quill Awards

2nd Runner-up: Company of the Year 2022

- Excellence Award
 - Megaworld Lifestyle Malls
 - Community Markets initiative
 - Eat Out and Help Out advocacy (Social Media Program category)
 - Now Is A Good Time Webinar Series (Customer Relations category)
 - Safer and Happier Outdoors campaign (Marketing, Advertising, and Brand Communication category)
 - Greenhouse at Village Square Alabang (Community Relations category)
 - McKinley Hill Float-in Cinema
 - Megaworld Foundation
 - Rice Together Employee Engagement
 - Mega Summer Ventures Version 2.0
- Merit Award
 - Megaworld Lifestyle Malls
 - Eat Out and Help Out campaign (Corporate Social Responsibility category)
 - Eastwood City Drive-thru Pet Blessing (Media Relations category)
 - 2021 Annual Stockholders Meeting Report (Audio/Visual category)
 - Megaworld Foundation
 - The Visionary, The Philanthropist (Publications category)
 - The Visionary, The Philanthropist (Writing category)
 - Green Thumbs Up: Megaworld Foundation E-Planting Activity
 - HISTORY MADE: MREIT's etches name in PSE history books with simultaneous bell ringing in multiple locations on its listing day
 - Connect2Connect: Nurturing Megaworld Scholars through Digital Transformation in the New Normal



Business Review

In 2022, Megaworld experienced a significant boost in consolidated revenues, surging 17% year-on-year to PHP 59.5 billion, with pre-minority income increasing by 7% year-on-year to PHP 15.4 billion. This growth was apparent across all its business segments, propelled by the recovery in economic activity and increased mobility. Meanwhile, attributable profit has remained flattish at P13.5 billion, weighed by unrealized foreign exchange losses. However, without the tax adjustment in 2021 as a result of the CREATE Law, the Company's core earnings should increase by 19% year-on-year.

The Company's real estate business is a major driver of growth, representing 62% of its consolidated revenues. The revenues generated from its office and mall rental businesses also makes a substantial contribution, accounting for 26% of revenues.

The Company experienced a rise of 11% in its costs and expenses, primarily attributed to the increased cost of real estate sales resulting from accelerated operations. Despite this growth, the Company has managed to improve its EBITDA margin to 44%, reporting an increase in EBITDA from PHP 21.6 billion to PHP 26.4 billion.

During the year, Megaworld spent a total capital expenditure (CAPEX) of PHP 45.9 billion, with 94% of the funds being utilized for property development and the remaining portion being allocated toward land acquisition. Meanwhile, its net debt amounted to PHP 66.8 billion, resulting in a net debt-to-equity ratio of 28%, which marks an increase from the previous year's ratio of 22%. This increase can be attributed to the Company's efficient utilization of its cash reserves and the addition of gross debts used to fund its capital expenditures during a period of high interest rates.



Financial and Operational Highlights

Financial Highlights	2022	2021	2020
Consolidated Revenues (PHP billion)	59.9	50.8	43.5
EBITDA (PHP billion)	26.4	21.6	17.9
Attributable Net Income (PHP billion)	13.5	13.4	9.9
Consolidated Net Income (PHP billion)	15.4	14.4	10.6
Gross Profit Margin	50%	46%	45%
EBITDA Margin	44%	43%	41%
Attributable Profit Margin	23%	26%	23%



Real Estate

PHP 119B

Reservation Sales

PHP 45B

Project Launches

PHP 37B

Real Estate Sales

The real estate sales of Megaworld showed a significant growth of 18% year-on-year, amounting to PHP 36.8 billion. Approximately 81% of the Company's projects are categorized as middle- to high-end, demonstrating year-on-year growth of 26% and has exhibited a commendable ability to withstand the effects of escalating interest rates and inflation. The projects in Taguig, representing a fifth of the Company's total sales, demonstrated a surge in bookings with a 27% rise, while the Metro Manila projects, excluding Taguig, contributed 46% of total sales and experienced a growth rate of 20%. Residential and commercial lots, comprising 20% of total sales, experienced a notable growth of 41%.

During the year, there has been a notable enhancement in gross profit margins, reaching an impressive 50% milestone. The recent surge in profits can be attributed to a positive sales mix, bolstered by a rise in bookings for both residential and commercial lots. These types of projects typically yield higher profit margins when compared to vertical constructions.

The Company has successfully launched projects worth PHP 45 billion this year, marking a significant 61% increase from the previous year. Several real estate projects have been launched in various locations across the Philippines. These include Maple Grove Park Village in Maple Grove, Cavite; Arcovia Parkplace in Arcovia City, Pasig City; Arcadia Towers 3 and 4 in Highlands City, Cainta; Montrose Parkview in Capital Town, Pampanga; Phase 3 of The Lindgren in Arden Botanical Estate, Cavite; Vion Tower - West in Makati; One Crown Suites in Winford Resort Estate, Manila City; and, 9 Central Park in Northwin Global City, Bulacan. These projects are expected to contribute to the growth of the real estate industry in the country.

The high demand for Megaworld's real estate projects drove up reservation sales by 49%, reaching PHP 119 billion. The Company's initial target of PHP 110 billion has been exceeded, signaling strong demand for residential properties in the market. International buyers are playing a significant role in keeping reservation sales afloat, accounting for 20% of the total demand.



Sustainable Living at The Verdin:

Megaworld's Eco-Friendly Haven in Cavite

Megaworld developed The Verdin, its newest residential project in its Maple Grove township in General Trias, Cavite. Situated amidst seven green and open parks, the township itself boasts a central park that will serve as the district's "Green Jewel". The Verdin focuses on sustainability, incorporating solar-powered outlets, the use of recycled materials, and energy-generating equipment as part of its eco-friendly amenities.

The use of solar-powered outlets will generate zero emissions, wastes, or byproducts. These outlets are positioned in the Reading Nook and the Roof Deck Lounge. Similarly, the use of recycled materials such as the swimming pool deck and the children's playground equipment will help reduce the environmental impact of the development. And by utilizing energy-generating equipment in its Outdoor Fitness Area, this reduces its reliance on fossil fuels and promotes sustainability.

The Verdin is designed to be at the forefront of sustainable living that captures Megaworld's commitment to environmental and sustainability initiatives. The residential project is poised to attract homebuyers seeking options to minimize their negative environmental footprint.



Premier Offices

PHP 12B
Office Rental Income

1,405
Office GLA ('000 sqm)

92%
Office Occupancy Rate

Despite the challenges faced by the industry, Megaworld's office segment has managed to deliver record revenues. Megaworld Premier Offices (MPO) achieved an all-time high of PHP 12.2 billion, which is a 6% increase from the PHP 10.4 billion recorded in 2021, showing the Company's extraordinary achievement in the office rental market.

Megaworld Premier Offices experienced a surge in transactions, reaching 258,000 sqm worth of transactions during the year, representing a 9% increase from the previous year. Among these transactions, 57% were new leases, indicating a promising growth in the Company's office leasing business. In addition to an increase in business process outsourcing (BPO) transactions, Megaworld Premier Offices was successful in closing more conventional office tenants from the small and medium-sized enterprises (SME) market during the year.

The Company has responded to the growing demand for office space in Iloilo by repurposing one of its retail spaces in Iloilo Business Park. This strategic move is expected to cater to the needs of businesses seeking prime office locations in the area. The Company has successfully expanded its portfolio by adding 6,900 sqm of leasable space, thereby expanding its office gross leasable area (GLA) to a total of 1,405,000 sqm.

Megaworld remains bullish on its growth prospects over the next few years, despite the increasing popularity of work-from-home or hybrid arrangements. The Company has been focusing on the timely completion of its ongoing office pipeline.

The Company has been focusing on several key projects, including the No.1 Upper East Avenue located at The Upper East in Bacolod City, which boasts an impressive 8,600 sqm of gross leasable area (GLA), and the International Finance Center in Uptown Bonifacio, Taguig City, which offers a generous 69,000 sqm of GLA, both expected to be completed in 2023. Additionally, Megaworld is now working on the construction of Pasudeco Tower 1 in Capital Town, Pampanga, which will have a total GLA of 8,600 sqm, and Enterprise 1 and 2 at Iloilo Business Park, which will have a total GLA of 66,000 sqm, and all of these projects are projected to be finished in the year 2025.

Lastly, Two McWest in McKinley West, Taguig City, is another big project that Megaworld has been working on and will have a total GLA of 54,400 sqm when it is finished in the year 2026. The Company is now engaged in the planning stage of the establishment of many offices in a variety of townships, some of which are Northwin Global City, Maple Grove, Capital Town in Pampanga, and The Upper East.



Maximizing Opportunities in a Changing Market

In the face of industry challenges and changing market dynamics, Megaworld has demonstrated its resilience and adaptability, successfully navigating the shifting landscape and capitalizing on new opportunities. The Company's ability to maintain its leading position in the market is a testament to its sound and people-focused business practices.

The Work-From-Home (WFH) and hybrid work setups have affected the demand for additional office space. Megaworld recognized this shift and worked closely with its tenants, demonstrating flexibility to their requests. This approach helped Megaworld attract new businesses and retain existing ones, capturing smaller transactions from SMEs.

While the industry experienced higher vacancy rates, Megaworld remained proactive in pursuing growth opportunities. The Company adjusted its commercial terms to align with the needs of the hybrid work environment, positioning itself for success by closing more deals and adapting to changing market dynamics through the year. These allowed Megaworld Premier Offices to register higher-than-industry occupancy rates of 92% as of end-2022.

The Company leveraged digital services to expand its reach and facilitate seamless transactions. This technological advancement has not only enabled the Company to adapt to the evolving market but also improved its processes and enhanced the overall customer experience.

Moreover, Megaworld has identified the promising growth potential in the healthcare industry. Megaworld is focused on capitalizing on the sector to capture new opportunities and contribute to the overall development of the industry and the nation.

Megaworld remains positive on the long-term prospects of the industry and remains committed to providing innovative solutions and catering to the evolving needs of its tenants and clients.



Lifestyle Malls

PHP 3B
Mall Rental Income

484
Malls GLA ('000 sqm)

90%
Malls Occupancy Rate

Megaworld's mall rental business has been experiencing a significant boost in revenues as it reported a remarkable 51% increase in rental income, amounting to P3.4 billion. The Company's revenue has experienced an upswing during the year, largely attributed to an increase in spending, heightened foot traffic, and the Company's commitment to reduce rent concessions for tenants, in line with the resurgent economy.

Megaworld Lifestyle Malls has reported a 2% increase in its average daily sales for the year 2022. The current figure has significantly surpassed pre-pandemic levels, with a surge of almost 30%. The retail industry is showing signs of recovery as aggregate tenant sales have surpassed pre-pandemic levels by 6% this year. Tenants in the supermarkets and entertainment category have emerged as the top performers in 2022, exhibiting a remarkable growth trajectory that has surpassed the levels recorded in 2019.

McKinley Whisky Park, Asia's biggest outdoor whiskey park, spanning approximately 5,200 square meters of gross leasable area, opened during the year and will provide whiskey fans and visitors with a one-of-a-kind experience. Meanwhile, the Company inaugurated the Arcovia Transportation Hub, which added 16,600 square meters of gross leasable area to the Company's retail portfolio. This freshly built infrastructure is meant to handle provincial buses, boosting accessibility and allowing foot traffic in the area. This boosted Megaworld Lifestyle Malls' overall GLA to 484,000 sqm, improving its occupancy rate to 90% from previous year's 87%.

Megaworld Lifestyle Malls is set to expand its portfolio of Gross Leasable Area (GLA) by a significant 33%, equivalent to 159,500 square meters, within the next few years. This development includes several interesting developments such as Boracay Newcoast Beachwalk situated in Boracay Newcoast, Aklan, The Capital Mall located in The Capital Town, Pampanga, and Highland Mall and Park situated in Highlands City Cainta Rizal, among other notable ventures.



Reinventing Mall Experience with Elevated Services

As the pandemic ended, Megaworld Lifestyle Malls swiftly transitioned its malls to adapt to the sector's evolving landscape. Efforts were made to enhance foot traffic, which was affected by the various mobility restrictions. Moreover, while progress had been made in adopting contactless payments, a notable portion of shoppers still preferred cash transactions.

To address these challenges, Megaworld Lifestyle Malls introduced innovative destination formats designed to draw in foot traffic. These include the establishment of e-vehicle charging stations, bike parks, recreational centers/leisure parks, botanical gardens, and ninja parks. The Company also initiated a trial run of no-touch parking entry and autopay stations across Megaworld properties.

With these endeavors, our tenants recovered from pre-pandemic levels and are part of Megaworld Lifestyle Malls' commitment to enhancing the shopping experience, prioritizing convenience and enjoyment of customers. Safeguarding a safe and healthy environment for shoppers remains paramount. The Company believes that these innovative initiatives will not only attract more customers but also sustain long-term foot traffic growth.



Hotels & Resorts

PHP 3B
Hotel Revenues

4,713
Hotel Room Keys

64%
Hotel Occupancy Rate (NCR)

The hotel business of the Company has demonstrated exceptional growth, surpassing the revenue levels achieved in 2019. In 2022, Megaworld Hotels & Resorts achieved a revenue of P2.6 billion, representing a significant growth of 38% compared to the previous year's revenue of P1.9 billion. The increase in tourism and meetings, incentives, conferences, and exhibitions (MICE) activities has been instrumental in driving up the room occupancy and rates, thereby contributing to the overall success of the business.

The Twin Lakes Hotel, located in Twin Lakes, Tagaytay, has emerged as the best-performing hotel, exhibiting an overall improvement in both occupancy and room rates. The implementation of effective pricing strategies in 2022 resulted in a significant increase of almost double the average daily rates compared to pre-pandemic levels. The hotel's brand-building efforts have resulted in an improvement in occupancy rates. The improved performance of the hotel can be attributed to the easing of restrictions and the resumption of meetings, incentives, conferences, and exhibitions (MICE) activities.

During the year, Megaworld Hotels and Resorts announced the addition of Belmont Hotel Mactan. Strategically located in the Mactan Newtown area of Cebu, the hotel boasts a total of 550 well-appointed rooms and suites. With the addition of Belmont Hotel Mactan, Megaworld's total hotel room keys now totaled 4,713, further strengthening its position in the market.

In addition, the Company successfully launched the Boracay Newcoast Convention Center (BNCC), a state-of-the-art convention facility with a seating capacity of 1,200. The facility is strategically located in Boracay Newcoast, Aklan and is expected to cater to a wide range of events and conventions. The facility is surrounded by an open garden lawn, that can serve as an additional amenity for events. BNCC's banquet needs will be catered by Savoy Hotel Boracay and Belmont Hotel Boracay, both of which are currently operational within Boracay Newcoast. Megaworld Hotels and Resorts is well-positioned to take advantage of the anticipated increase in MICE events in 2022 with the recent addition to the Company's offerings. The company boasts a remarkable seating capacity of 3,800, which is distributed across 48 function rooms and convention centers located throughout the country. This strategic positioning places the Company in an advantageous position to meet the increasing demand for events of this nature.

In the next few years, the Company is set to expand its hotel portfolio by a significant 67%, adding 3,159 keys to its pipeline. Westside City Paranaque is set to welcome the largest hotel ever constructed, boasting an impressive 1,530 room keys. The Grand Westside Hotel, a key feature of the pipeline, is slated to open its doors to the public next year. Likewise, the Chancellor Hotel Boracay, which will offer 554 rooms in Boracay Newcoast, Aklan, is another new development that Megaworld Hotels and Resorts is anticipating.



Feel Like Home in Every Hotel Stay

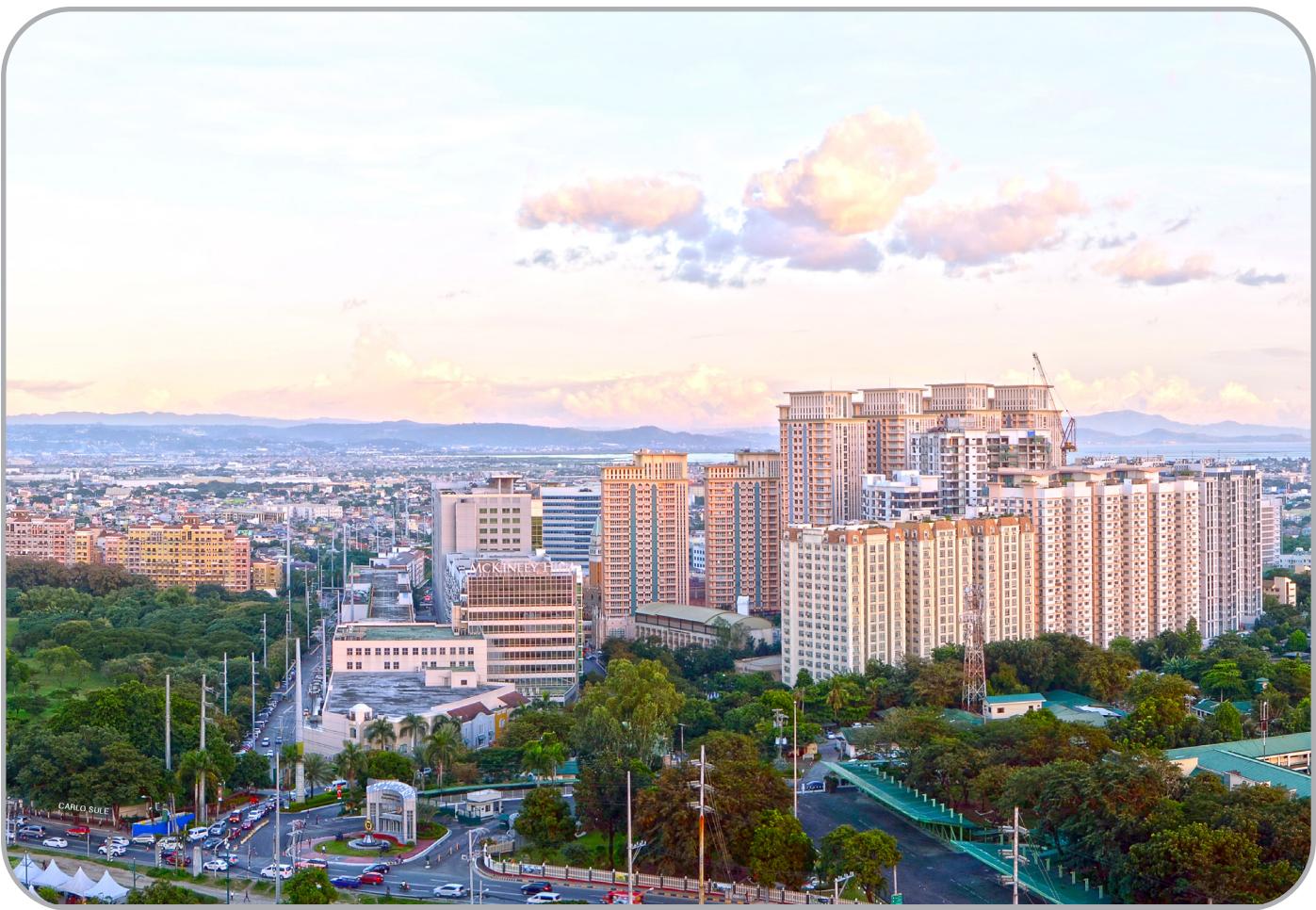
In a bid to prioritize esteemed investors and promote a culture of self-love, family, work, and community, Megaworld Hotels and Resorts introduced the Titanium VIP Program. This exclusive program is designed to offer unmatched privileges and tailored experiences to investors who have placed their trust and support in Megaworld's hospitality ventures.

Investors in the Titanium VIP program enjoy exceptional dining and accommodation benefits such as discounts on food and non-alcoholic beverages and complimentary stays using program points. They also receive exclusive perks such as express check-in and check-out services with dedicated assistance from Titanium VIP Ambassadors. A Titanium VIP Amenity kit and welcome treat await investors upon arrival, setting the tone for a delightful stay from the start.

Megaworld Hotels and Resorts also introduced the Titanium Portal, an online platform for convenient room reservations and access to financial reports, ensuring a transparent communication.

Investors enrolled in the Titanium VIP Program also gain early access to exclusive offers from Megaworld Hotels and Resorts. Moreover, investors get access to a strategic network of partnerships that extends beyond the hospitality sector, providing a comprehensive range of privileges.

With the Titanium VIP Program, Megaworld Hotels and Resorts is redefining investor relations by prioritizing personalized experiences and exceptional benefits.



Townships

30
Townships and
Integrated Lifestyle
Communities

5,172
Landbank
under Development

5,040
Undeveloped
Landbank

In 2022, Megaworld launched two new townships: Winford Resort Estate and Sherwood Hills.

Winford Resort Estate is an Old Manila-themed estate on a three-hectare land in San Lazaro Tourism and Business Park in Sta. Cruz, Manila. It is inspired by pre-war Manila with its buildings designed using French Renaissance, Neo-Classical, and Art Deco architecture. This gaming and commercial township development features residential condominiums, hotels, and commercial developments with a casino complex. This development is in a strategic location wherein it is not only close to schools but also to hospitals and public transportation.

The other newly launched township is the **Sherwood Hills**, a Zen-Balinese-inspired luxury village and is located in Trece Martires, Cavite. This development showcases various amenities including a grand

clubhouse housing multilevelled pool, mediation area and courtyard, among others; a fitness center, a daycare center, function area, and a sand garden. The village also provides easy and convenient access to the world-class leisure development - Sherwood Hills Golf and Country Club. Moreover, the striking feature of the development is that 40% of its total area will be allocated to green and open spaces which offers a well-sustainable lifestyle for the people.

Both Winford Resort Estate and Sherwood Hills are newly developmental projects of Megaworld and are strategically-designed to promote sustainability, resilience and security.



Revitalizing our Townships

As the Company moves toward a more sustainable future, it is becoming increasingly clear that sustainability will play a crucial role in the development of the townships. With a focus on innovation and forward-thinking, this township is advancing toward a more sustainable future. From renewable energy sources to eco-friendly infrastructure, every aspect of the community is being reimagined with sustainability in mind. Hence, it is very important for Megaworld to adopt practices and provide initiatives toward a well-sustainable, resilient and safe future.

Megaworld is implementing innovative solutions to make its townships more sustainable, resilient, and adaptable. One of the key initiatives is the integration of technology in the townships. Megaworld is leveraging the power of technology to enhance the living experience of its residents, tenants, retail partners and visitors. The company is implementing smart home systems that allow residents to control their homes remotely. This technology also enables energy-efficient living, reducing the carbon footprint of the townships.

Another focus area is the development of green spaces. Megaworld is committed to creating sustainable environments that promote healthy living. The company is incorporating green spaces into its townships, providing residents with access to parks, gardens, and open spaces. These areas not only enhance the aesthetic appeal of the townships but also provide a space for residents to relax and unwind.

Megaworld is also investing in infrastructure to improve connectivity within the townships. The company is building pedestrian-friendly walkways and bike lanes, encouraging residents to adopt a healthier lifestyle. Additionally, Megaworld is developing transportation hubs within the townships, making it easier for residents to access public transportation.



Elevating ESG Standards — for Sustainable Excellence

In 2022, Megaworld Corporation adopted the updated Global Reporting Initiative (GRI) system for identifying material topics. As part of this process, the Company assessed whether its material topics for 2021 were still relevant for the current reporting period.

Megaworld's review of its sustainability initiatives, risks, opportunities, and outcomes was designed to evaluate and determine the relevance of these material topics. The Company then identified the positive and negative impacts each material topic could have on the economy, environment, and society.

Megaworld determined whether these impacts were positive or negative following the updated GRI Standards for identifying material topics. To accurately assess the enumerated material topics, the Company examined the impacts of its operations.

Megaworld is committed to sustainability and constantly seek ways to improve its ESG performance. By identifying and assessing ESG risks and opportunities, Megaworld can align its efforts and resources to create a more sustainable future.

MATERIALITY

Governance

- Business Ethics and Integrity
- Occupational Health and Safety
- Regulatory Compliance
- Data Privacy
- Procurement Practices
- Tax



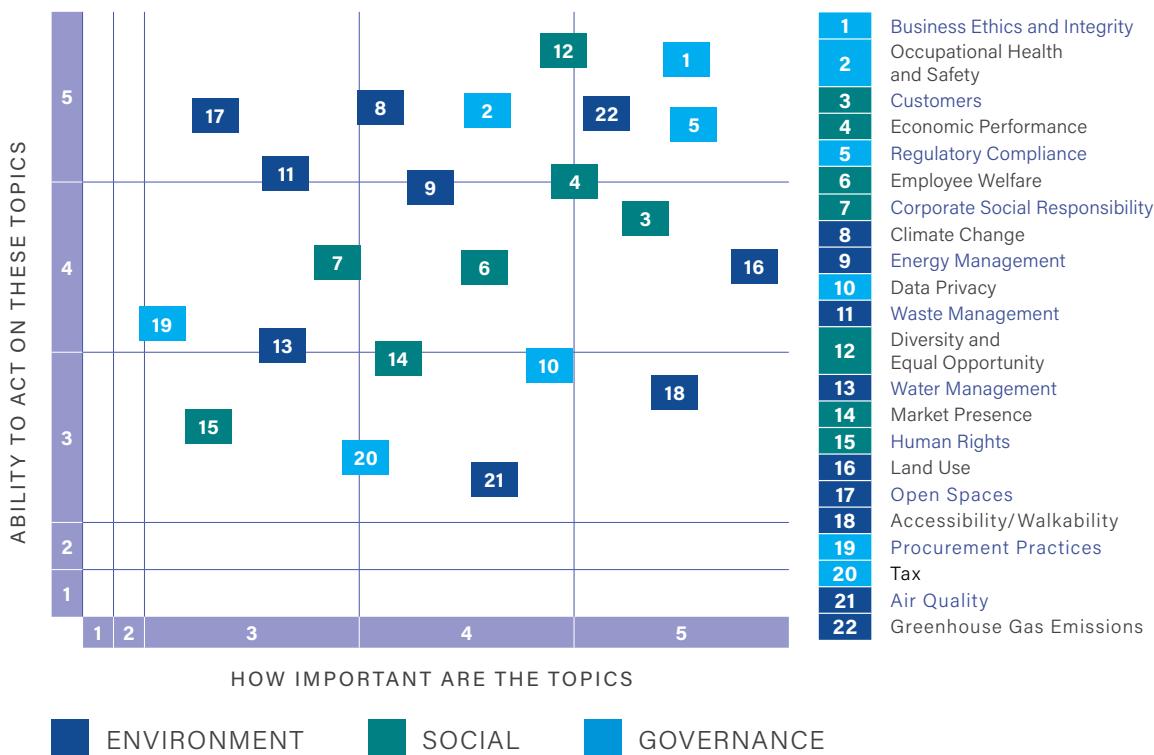
Environment

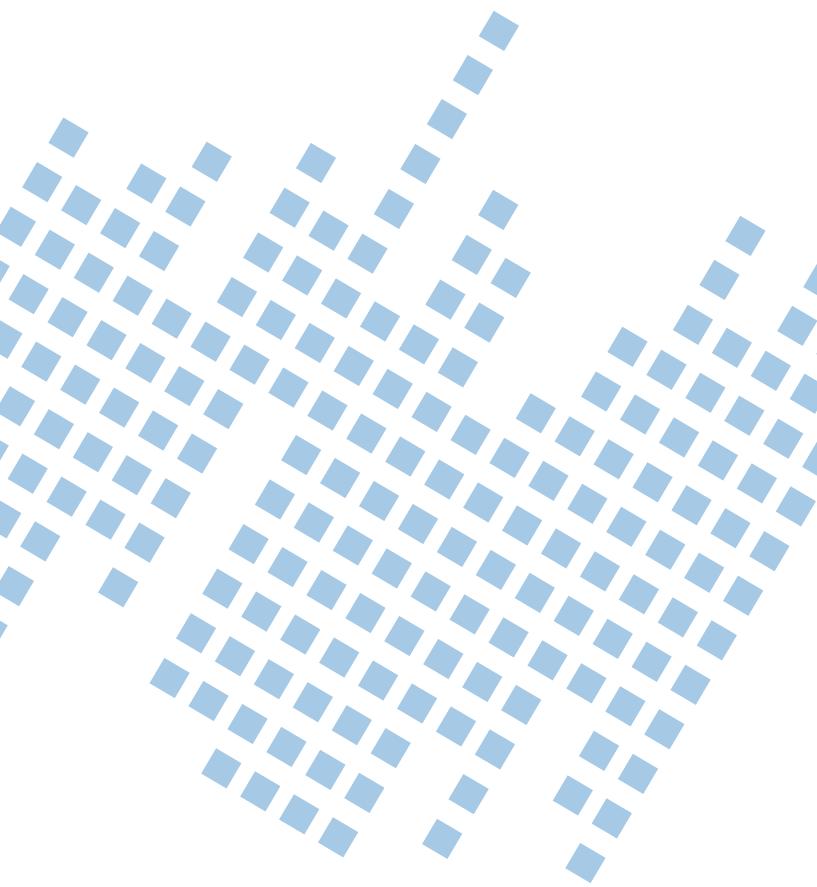
- Climate Change
- Energy Management
- Waste Management
- Water Management
- Land Use
- Open Spaces
- Accessibility/Walkability
- Air Quality
- Greenhouse Gas Emissions

Social

- Customers
- Economic Performance
- Employee Welfare
- Corporate Social Responsibility
- Diversity and Equal Opportunities
- Market Presence
- Human Rights

MATERIALITY MATRIX





Securing Investments: Governance for Shareholder Protection

Megaworld Corporation understands that good corporate governance is an essential aspect of any successful organization which involves a set of guidelines, principles, and processes that provide a framework for effective decision-making, accountability, and transparency.

The Company undertakes initiatives and practices to promote ethical behavior and fosters trust in the organization as it helps to attract and build relationships with investors, clients and employees. Megaworld believes that good corporate governance is vital for its long-term success and sustainability in the real estate industry.

Corporate Governance Framework and Policies

The Board of Directors, as Megaworld Corporation's governing body, is in charge of the company's overall management and supervision. The Board currently has seven members, including three independent directors who have expertise in real estate development, property management, investment banking, corporate communications, tourism, food and beverage, and financing.

The duties and functions of the Board, as determined by the Manual of Corporate Governance (Revised as of 31 May 2017), include:



- Formulating the Company's vision, mission, strategic objectives, policies, and procedures that guide its activities
- Overseeing the development of and approving the Company's business objectives and strategy and monitoring the implementation
- Implementing a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies and appointing competent, professional, honest, and highly-motivated management officers
- Adopting an effective succession planning program for the directors, key officers, and management
- Providing sound strategic policies and guidelines to the Company on major capital expenditures
- Ensuring the Company's faithful compliance with all applicable laws, regulations, and best business practices
- Attending the relevant annual continuing training for at least four hours for all directors
- Establishing and maintaining an investor relations program that will keep the stockholders informed of important developments in the Company
- Identifying the Company's stakeholders in the community in which the Company operates or is directly affected by its operations and formulating a clear policy of accurate, timely, and effective communication with them
- Adopting a system of checks and balance within the Board
- Overseeing and ensuring that a sound enterprise risk management (ERM) framework is in place
- Formulating and implementing policies and procedures that ensure the integrity and transparency of related party transactions
- Constituting an Audit Committee and other committees it deems necessary to assist the Board in performing its duties and responsibilities
- Establishing and maintaining an alternative dispute resolution system in the Company and overseeing that an appropriate internal control system is in place

Board of Directors



Andrew L. Tan
Chairman of the Board/President

Founder of the Company and has served as its Chairman and President since its incorporation in 1989. He pioneered the live-work-play-learn model in real estate development through the Company's integrated township communities, fueling the growth of the business process outsourcing industry.

CONCURRENT POSITIONS

Chairman of the Board

- Alliance Global Group, Inc. (Publicly- Listed)
- Empire East Land Holdings, Inc., (Publicly- Listed)
- Global-Estate Resorts, Inc. (Publicly-Listed) Suntrust Properties, Inc
- Emperador Inc. (Publicly-Listed)
- Emperador Distillers, Inc.
- Megaworld Foundation

Director

- Eastwood Cyber One Corporation Megaworld Land, Inc.
- Megaworld Central Properties Inc., Megaworld Bacolod Properties, Inc. Mactan Oceanview Properties and Holdings, Inc.
- Megaworld Newport Property Holdings, Inc.
- Richmonde Hotel Group International Limited.
- Travellers International Hotel Group, Inc., Emperador Distillers, Inc. Alliance Global Brands, Inc.
- Golden Arches Development Corporation

INDUSTRY EXPERTISE

Dr. Tan started his foray in the beverage industry in over four decades. He expanded his entrepreneurial endeavors to include property development a decade after. He also spearheaded the establishment of the first integrated resort and casino complex in the Philippines, attracting local and international tourists while contributing to the country's economic growth



Kingson U. Sian

Director and Executive Director

Mr. Sian has served as Director of the Company since April 13, 2007. He joined the Megaworld Group in September 1995 as Senior Vice President and is currently Executive Director of the Company.

CONCURRENT POSITIONS

Director, President and Chief Operating Officer

- Alliance Global Group, Inc. (Publicly- Listed)
- Travellers International Hotel Group, Inc.

Chairman and President

- Prestige Hotels and Resorts, Inc.
- Luxury Global Hotels and Leisure, Inc. President
- Eastwood Cyber One Corporation

Senior Vice-President

- Megaworld Land, Inc.

INDUSTRY EXPERTISE

He possesses a high level of expertise in the real estate, gaming, and hospitality sectors.

Katherine L. Tan

Director

Ms. Tan has served as Director of the Company since 1989.

CONCURRENT POSITIONS

Director and Treasurer

- Alliance Global Group, Inc. (Publicly- Listed)
- Emperador Inc. (Publicly-Listed)
- Alliance Global Brands, Inc.
- Emperador Distillers, Inc.

Director and Corporate Secretary

- The Bar and Beverage, Inc.
- Director and President
- Andresons Global, Inc.
- Raffles & Company, Inc.
- The Andresons Group, Inc.
- Choice Gourmet Banquet, Inc.

INDUSTRY EXPERTISE

She has extensive experience in the food and beverage industry.



Enrique Santos L. Sy

Director

Mr. Sy has served as Director of the Company since July 2009. He was formerly a Vice President for the Corporate Communications & Advertising Division of the Company until his retirement in March 2011.

CONCURRENT POSITIONS

Director

- Empire East Land Holdings, Inc. (Publicly- Listed)
- Eastin Holdings, Inc.
- First Oceanic Property Management Inc.

Director and Corporate Secretary

- Asia Finest Cuisine, Inc.
- Soho Café & Restaurant Group, Inc.

Corporate Secretary

- Empire East Communities, Inc.

INDUSTRY EXPERTISE

Four decades of combined experience in the fields of consumer and real estate advertising for the print and broadcast media as well as public relations for publicly traded corporations.

Jesus B. Varela

Lead Independent Director

Mr. Varela has served as Director of the Company since June 2016.

CONCURRENT POSITIONS

Independent Director

- Global-Estate Resorts, Inc. (Publicly-Listed)
- Travellers International Hotel Group, Inc.
- MREIT, Inc. (Publicly-Listed)

Director General

- International Chamber of Commerce Philippines

Board Regent

- Unibersidad de Manila

President

- Foundation for Crime Prevention
- Philippine Greek Business Council
- Philippine Peru Business Council

Director and Chair of Governance & Investment Committee

- Oil & Petroleum Holdings International Reserve, HK Ltg. (OPHIR, HK Ltd)

Honorary Chairman

- Euro Exim Consultancy Limited

INDUSTRY EXPERTISE

More than 20 years of experience in the fields of marketing, human resources, international labor affairs, agriculture, and commerce, among others.



Cresencio P. Aquino *Independent Director*

Atty. Aquino is currently the Managing Partner of The Law Firm of CP Aquino & Partners.

CONCURRENT POSITIONS

Independent Director

- Global-Estate Resorts, Inc. (Publicly-Listed)
- Empire East Land Holdings, Inc. (Publicly- Listed)

Managing Partner

- The Law Firm of CP Aquino and Partners

INDUSTRY EXPERTISE

45 years in legal practice, specializing in corporate restructuring, mergers and acquisitions, risk management, innovative restructuring, due diligence and valuations and enhancing shareholder value and in SEC laws and regulations.

Alejo L. Villanueva, Jr. *Independent Director*

Mr. Villanueva is an Independent Director of the Company last June 17, 2022.

CONCURRENT POSITIONS

Independent Director

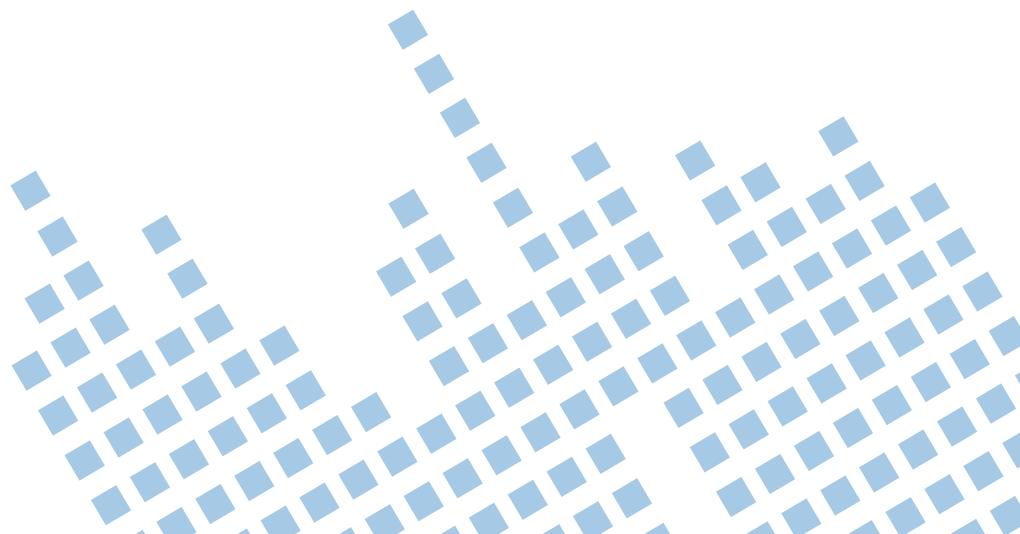
- MREIT Property Managers, Inc.

Director

- Ridgeview Estates Nuvali Homeowners Association, Inc. (Non-Stock & Non-Profit)

INDUSTRY EXPERTISE

More than 20 years of experience in the fields of training and development, public relations, community relations, institutional communication, and policy advocacy, among others.



Key Executive Officers



Andrew L. Tan
President and Chief Executive Officer



Lourdes T. Gutierrez-Alfonso
Chief Operating Officer



Francisco C. Canuto
Senior Vice President,
Chief Finance Officer, Treasurer, Compliance Officer,
Corporate Information Officer and Chief Audit Executive



Kevin Andrew L. Tan
Executive Vice President and Chief Strategy Officer



Giovanni C. Ng
Senior Vice President and
Finance Director



Maria Carla T. Uykim
Head of Corporate Advisory and
Compliance Division



Jennifer L. Romualdez
Head of Operations Division



Noli D. Hernandez
Executive Vice President for Sales
and Marketing



Maria Victoria M. Acosta
Senior Vice President for
International Marketing and Leasing



Graham M. Coates
Head of Megaworld Lifestyle Malls



Kimberly Hazel A. Sta. Maria
Head of Corporate Communications
and Advertising Division



Rafael Antonio S. Perez
Head of Human Resources and
Corporate Administration Division

Orientation and Educational Program for Directors

Megaworld invests in its directors' continuous learning and development by allocating an annual training budget. This budget is used to send directors to continuing professional development programs, courses, conferences, and seminars that are relevant to their roles.

New directors are also required to complete an orientation program on Megaworld's business, structure, vision and mission, business strategy, governance codes and policies, articles, by-laws, corporate governance manual, board and committee charters, SEC-mandated governance topics, and other subjects necessary for the improvement of their duties and responsibilities.

These programs allow directors to continually enhance their knowledge and skills to create better strategic solutions for Megaworld.

Board Meetings and Remuneration

The Megaworld Board of Directors conducts monthly and special board meetings, as needed. In accordance with the Revised Manual on Corporate Governance, all board members, including independent directors, are required to attend all regular and special meetings in person or via teleconference, if applicable, following the Commission's rules and regulations.

Exceptions to this policy are only justifiable in cases such as illness, death in the immediate family, and serious accidents that prevent the individual from attending. However, the absence of independent directors will not affect the quorum requirement.

Directors



Andrew L. Tan



Kingson U. Sian



Katherine L. Tan

Date of Election

June 17, 2022

June 17, 2022

June 17, 2022

No. of Meetings Held During the Year

15

15

15

No. of Meetings Attended

15

15

15

%

100%

100%

100%

¹Elected as Independent Director on June 17, 2022

Program Title	: 2022 Annual Corporate Governance: Fostering Good Corporate Governance in the New Normal	
Training Institution	: Center for Training and Development, Inc.	

December 1, 2022

Jesus B. Varela	Lourdes T. Gutierrez-Alfonso	Maria Victoria M. Acosta
Cresencio P. Aquino	Francisco C. Canuto	Maria Carla T. Uykim
Enrique Santos L. Sy	Jennifer L. Romualdez	Rafael Antonio S. Perez
Alejo. L. Villanueva, Jr.	Giovanni C. Ng	Kimberly Hazel A. Sta. Maria
Nelileen S. Baxa	Noli D. Hernandez	Cheryll B. Sereno

December 6, 2022

Andrew L. Tan	Katherine L. Tan	Kingson U. Sian
Anna Michelle T. Llovido	Kevin Andrew L. Tan	

Attendance at Board and Board committee meetings is compensated for by a standard per diem for non-executive and independent members of the Board. The Company paid its non-executive and independent directors per diem allowance totaling PHP 625,000 in 2022, and PHP 700,000 in 2021. The Company plans to allocate PHP 775,000 per diem allowance for its non-executive and independent directors in 2023. Other than payment of per diem, there are no other arrangements in place for compensating directors of the Company for their services.



Enrique Santos L. Sy



Jesus B. Varela



Cresencio P. Aquino



Alejo L. Villanueva, Jr.¹

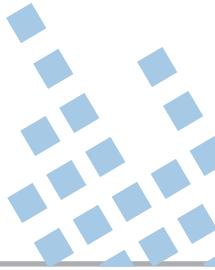
June 17, 2022	June 17, 2022	June 17, 2022	June 17, 2022
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15	15	15	15
----	----	----	----

15	15	15	5
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100%	100%	100%	33%
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Board Committees



Executive Committee

The Executive Committee acts by a majority vote of all its members on matters about the Board of Directors' competence, except those about the approval of any action that requires shareholder approval, the filing of vacancies in the Board, the amendment or repeal of By-Laws or the adoption of new By-Laws, the amendment or repeal of any resolution of the Board of Directors that, by its express terms, is not so amendable or repealable, and the distribution of cash dividends. The Board appoints at least three Directors to the Executive Committee.

Audit Committee

The Audit Committee ensures all financial reports comply with internal financial management and accounting standards, performs financial oversight management functions, pre-approves all audit plans, scope, and frequency, and performs direct interface functions with the internal and external auditors. On October 3, 2012, the Board approved the Audit Committee Charter, outlining the Audit Committee's objective, membership, structure, operations, duties, and responsibilities. The Audit Committee consists of three members, two of whom are independent directors.

Directors



Andrew L. Tan



Kingson U. Sian



Katherine L. Tan

Executive Committee

Chairman

Member

Audit Committee

Corporate Governance Committee

Board Risk Oversight Committee

Related Party Transactions Committee

Corporate Governance Committee

The Corporate Governance Committee provides corporate governance assistance to the Board, oversees the implementation, review, and periodic evaluation of the corporate governance framework, recommends continuing relevant training programs for the directors, assigns tasks and projects to other board committees, and creates the succession plan for the board members and senior officers as well as the remuneration packages for corporate and individual performance. The committee also determines the nomination and election process for the Company's directors and the general profile of board members while ensuring that this process is conducted by complying with qualifications prescribed by Philippine law and the Company's Manual on Corporate Governance.



Enrique Santos L. Sy



Jesus B. Varela

Board Risk Oversight Committee

The Board Risk Oversight Committee develops, evaluates, and oversees the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. This committee advises the Board to review the Company's risk appetite levels and tolerance limits based on changes and developments in the business.

Related Party Transaction Committee

The Related Party Transaction Committee constantly evaluates the existing relations between and among businesses and counterparties to ensure the continuous identification of related parties, and captures subsequent relationship changes with counterparties (from non-related to related, and vice versa). This also evaluates all material RPTs to ensure these are not undertaken on more favorable economic terms.



Cresencio P. Aquino



Alejo L. Villanueva, Jr.¹

Member

Member

Chairman

Chairman

Member

Member

Member

Chairman

Member

Member

Member

Member

Chairman

Company Policies



Whistleblowing Policy

The Whistleblowing Policy emphasizes the commitment of Megaworld to its core values under the Company's Code of Ethics and Business Conduct. With integrity at the forefront of its values, it is therefore critical that the Company fosters an environment where everyone is encouraged to report - in good faith - any wrongdoings within the Company, free from fear and discrimination, harassment, or retaliation. This Policy aims to provide guidance and a platform for employees, business partners, and other stakeholders to raise concerns about suspected improper activities relating to the conduct of business by employees, business partners, and other stakeholders; ensure that such concerns are treated seriously and appropriately, and provide assurance to the organization that any person raising serious concern in good faith will be protected from retaliation.

Insider Trading Policy

Abiding by the provisions of law outlined in the Securities Regulation Code, Megaworld implements policies and procedures that prevent unauthorized disclosure or misuse of non-public information in securities trading. A director should keep all nonpublic information acquired or learned because of his position as director secured and should not reveal any confidential information to unauthorized persons without the authority of the Board.

Conflict of Interest Policy

This Policy aims to protect the interests of the Company and its stakeholders. It is the policy of the Company that fair and impartial transactions are concluded for the benefit of the Company and all its stakeholders. In the regular course of business, Megaworld employees, officers, and directors are expected to promote primarily the Company's interests. As such, employees are not allowed to compete with Megaworld and shall not allow dealings on behalf of the Company to be influenced by personal self-interest, family interests, and business interests.

Related Party Transactions Policy

Megaworld adopts a group-wide Material Related Party Transactions (RPT) policy, encompassing all entities within the conglomerate. The Company provides a mechanism for identifying, reviewing, approving, and reporting RPTs, and determining, monitoring, and managing Material RPT in compliance with the Material RPT Rules mandated in SEC Memorandum Circular No. 10, series of 2019. The RPT Committee, composed of at least three directors, two of whom are independent, including the Chairman, is tasked to review and evaluate Material RPTs.

Policy and Data Relating to Health, Safety, and Welfare of Employees

Megaworld provides free health care coverage to its employees and regularly upgrades its security procedures and facilities to ensure the safety of employees in the workplace. The Company commits to maintaining a periodically updated and revised safety and security program for its employees. The Company also launched the Megaworld Learning Academy (MLA), institutionalizing training programs for all employees to improve organizational performance through professional development. The MLA aims to manage the developmental needs of employees through Orientation Programs, Institutionalized Programs, Career Development Programs, Management Development Programs, Leadership Programs, and other training programs.



Anti-Corruption Policy

Megaworld values integrity and actively promotes regulations that safeguard its stakeholders, especially employees, while interacting with customers and vendors. To mitigate the risks associated with corruption, the Company adheres to the following policies and protocols when engaging with reliable partners and suppliers:

- ***Money Laundering and Terrorist Financing Prevention Program:*** This program is designed to prevent money laundering and terrorist financing, and takes into account the minimum requirements set by applicable laws, rules and regulations, and international best practices.
- ***Anti-corruption and Non-acceptance of Gift Policy:*** This policy prohibits any employee, officer, or director from soliciting or accepting gifts, regardless of value, from clients, suppliers, and other parties who may have interests in the Company's transactions.
- ***Conflict of Interest Policy:*** All employees are expected to promote the Company's interests. No employee shall compete with Megaworld, nor shall he or she allow business dealings on behalf of the Company to be influenced, or even appear to be influenced, by personal or family interests.
- ***Grievance Mechanism:*** Megaworld has an Ethics Committee that receives reports of wrongdoing by the Company's directors, senior management, and employees. The committee investigates these reports while ensuring the confidentiality of information and protection of the whistleblowers.

Megaworld is committed to preventing corruption by adhering to the minimum standards mandated by relevant laws, rules and regulations, as well as those established by international best practices. Because corruption can have a significant impact on an organization's ability to maintain financial stability, the Company engages with both government and non-government organizations in an effort to create an environment free of corruption.

When Megaworld becomes aware of potentially material information that has not been disclosed to the public, it issues a Blackout Notice to its directors and executive officers. These notices prohibit the recipients from trading Company shares during the time period prescribed in the notice. Megaworld also uses an internal business memo, through the employee portal, to provide information to all employees, including those employed by its subsidiaries, regarding the anti-corruption policies and procedures that have been implemented by the organization.

0
**Corruption incidents
in 2022**

100%
**Attendance in anti-
corruption training in 2022**

Enterprise Risk Management

As part of their obligations, as outlined in the Company's Code of Corporate Governance, the Board of Directors analyzes and monitors critical risk areas and performance indicators. The Company identifies, monitors, and mitigates these risks that adversely impact the Company's capability to achieve its business objectives, comply with regulatory requirements, and maximize shareholder value. As required by SEC Memorandum Circular No. 19, series of 2016, Megaworld developed a strong and effective internal control system and ERM framework to ensure integrity, transparency, and proper governance. Megaworld established an Enterprise Risk Management (ERM) Process to obtain a focused and disciplined approach to managing risks. This enterprise-wide risk management approach allows the Company to perceive risks by continually identifying, mitigating, controlling, and monitoring risks in partnership with key risk owners, vital support units, and, if necessary, appropriate external organizations.

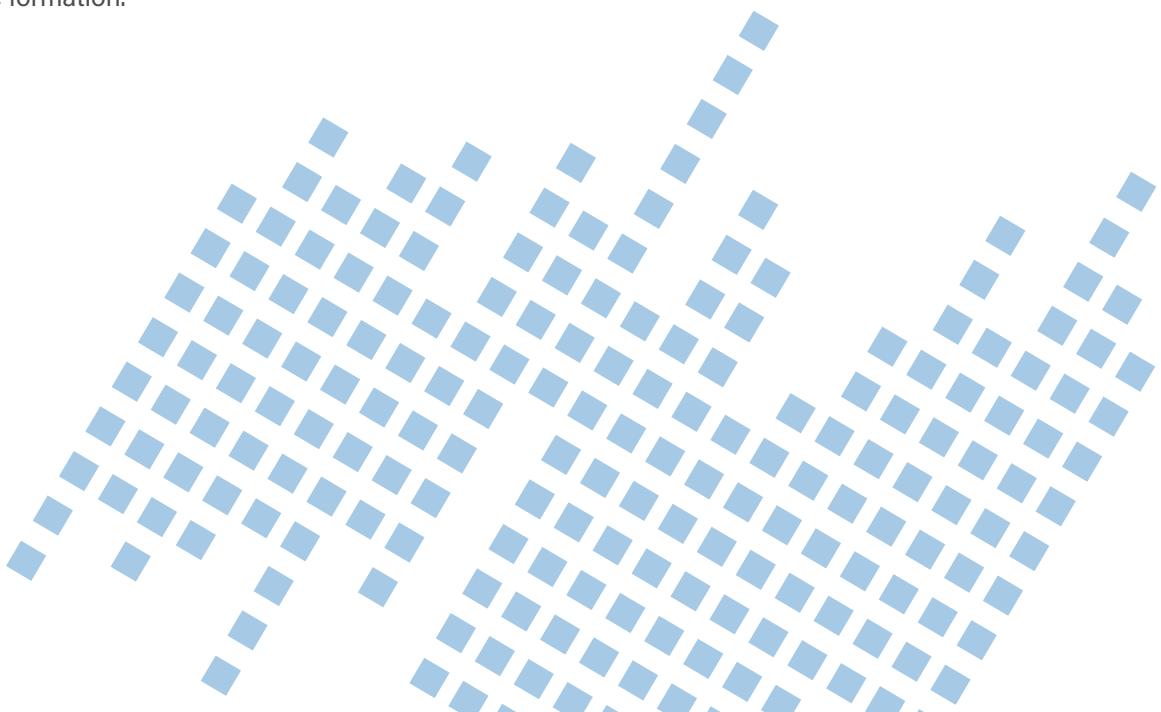
Policy Statement

Megaworld's comprehensive risk management approach enables it to make calculated business decisions that meet shareholder expectations and deliver long-term value. It also allows the Company to meet its commitments to employees, partners, customers, contractors, and the community. Megaworld integrates risk management into its daily business operations and follows the ISO 31000 Risk Management Standard and other applicable international standards in guiding its decision-making and culture formation.

Megaworld is committed to effective risk management for its continued prosperity and development. To achieve this, the company:

- Identifies, monitors, and manages risks effectively.
- Embeds its ERM in its critical business activities, functions, and processes.
- Uses a robust risk assessment system, methodology, and reporting structure for all risk issues.
- Designs and implements risk controls to assure the achievement of its goals and objectives.
- Systematically reviews and, if necessary, improves the effectiveness of these controls and the mitigating strategies and action plans.
- Regularly monitors, reviews, and reports the performance of its risk management activities.

Megaworld's risk management function is implemented by its Opportunity and Risk Management (ORM) Department, which is supervised by the Board of Directors through the Executive Committee and the Chief Operating Officer.



Risk Assessment Process



Risk Identification

Using relevant, appropriate, and up-to-date information, Megaworld finds, recognizes, and describes risks that affect it from achieving the Company's objectives.

Risk Analysis

Through risk analysis, Megaworld can comprehend the risk's nature, characteristics, and level, if necessary.

Risk Evaluation

To support decisions, Megaworld performs risk evaluation to compare the risk analysis results with the established criteria to determine any required additional action.

Risk Treatment

To select and implement options for addressing risk, Megaworld performs risk treatment to formulate and choose risk treatment options, plan and implement risk treatment, assess the effectiveness of the said treatment, and decide if the remaining risk is acceptable. If the risk is unacceptable, further treatment is necessary.

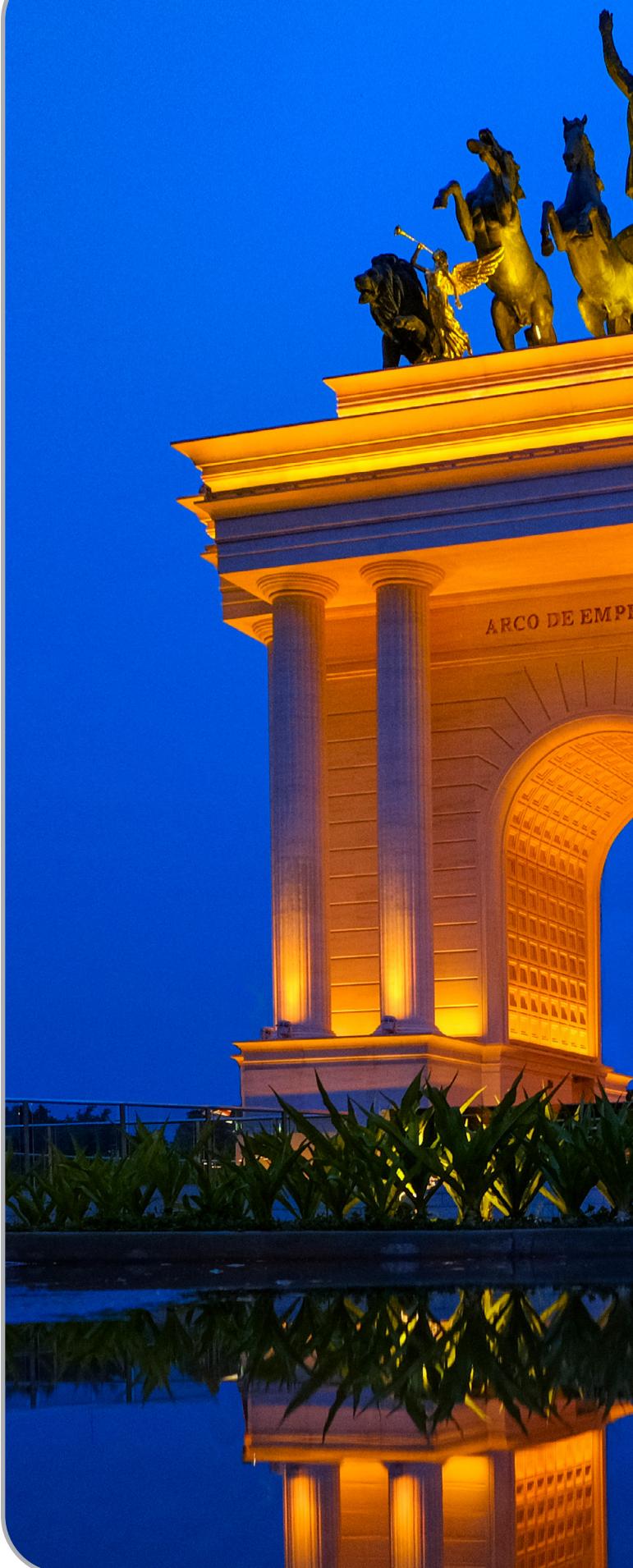
Tax Governance

Megaworld evaluates the success of its strategy by managing tax risk. The Company complies with all national regulations to avoid tax-related issues that could adversely impact its risk management, regulatory compliance, and sustainable development strategies.

The Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, Republic Act No. 11534, was signed into law on March 26, 2021. The following are the major changes brought about by the CREATE Act that are relevant to and considered by the Group:

- The regular corporate income tax (RCIT) rate was reduced from 30% to 20% or 25%, effective July 1, 2020.
- The minimum corporate income tax (MCIT) rate was reduced from 2% to 1%, effective July 1, 2020 until June 30, 2023.
- The allowable deduction for interest expense was reduced from 33% to 20% of the interest income subjected to final tax.

Due to higher taxable income and the tax effects of deductible temporary differences, the 2022 tax expense of PHP 3.77 billion increased by 566.92% from the 2021 reported amount of PHP 564.92 million.





Procurement Practices

Megaworld's procurement policy and procedures are essential to ensuring that its business partners and suppliers have reputable backgrounds. The Company also believes that supporting local suppliers contributes to economic activity in its operating regions.

Megaworld places great importance on conducting procurement activities according to high-quality standards. It has established a well-defined process that ensures all suppliers and vendors meet the Company's rigorous requirements, which align with its ISO 9001 Quality Management System certification.

To further enhance its procurement processes, Megaworld has implemented partnering and multi-sourcing strategies. These strategies ensure the availability of essential materials needed for its construction and operating activities and help the Company build stronger relationships with its suppliers and vendors. By working closely with these partners, Megaworld can identify and mitigate potential risks and issues during the procurement process, ensuring that the Company can continue to deliver its projects on time and within budget.

Moreover, Megaworld's local procurement percentage is determined by the number of purchase orders awarded to local suppliers. In 2022, Megaworld's owner-supplied operations accounted for 98% of all transactions, while the remaining 2% were made with foreign suppliers.

The Company promotes a healthy market and ensures the availability of essential materials by partnering with suppliers and sourcing from multiple sources. The Company also implements a vendor code of conduct and has a third-party accreditation firm handle the accreditation process.

Investor and Stakeholder Relations

Megaworld believes that a successful and excellent business is not just characterized by being financially stable but also having good relationships with its investors, stakeholders, and the whole community. In line with this, the Company actively and responsibly pursues sustainability excellence across all segments of its business which is essential to its long-term growth and success.

Megaworld's sustainability initiatives are aligned with its vision to uplift lives, impact society, and help shape the nation. The Company's sustainability goals include:

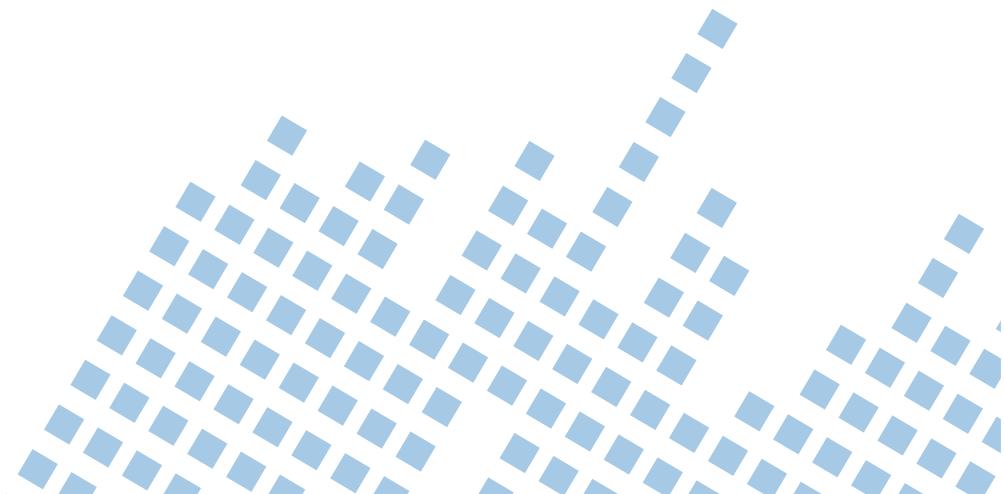
- Creating inclusive growth for its stakeholders and the communities around it
- Protecting and conserving natural habitats and ecosystems
- Contributing to the country's economic thrusts



As the Company constantly targets a greener and sustainable services, it invests in its operations and suppliers, honors its financial obligations to investors and creditors, compensates its employees fairly, contributes to the common good by paying taxes to the government, and gives back by donating to the community.

Megaworld is committed to working with its stakeholders to achieve its sustainability goals. The Company conducts regular face-to-face or virtual meetings with its stakeholders to gather feedback and input. Megaworld also supports local government unit (LGU) programs, sends donations to LGUs during disasters and emergencies, and participates in relevant functions, consultations, meetings, and seminars with its partners.

Megaworld believes that sustainability is essential to its long-term growth and success. The Company is committed to working with its stakeholders to create a more sustainable future for the Philippines.





PHP 59.5 BILLION

Economic Value Distribution



44%
Suppliers



12%
Investors and Creditors



6%
Employees



6%
Government



<1%
Community



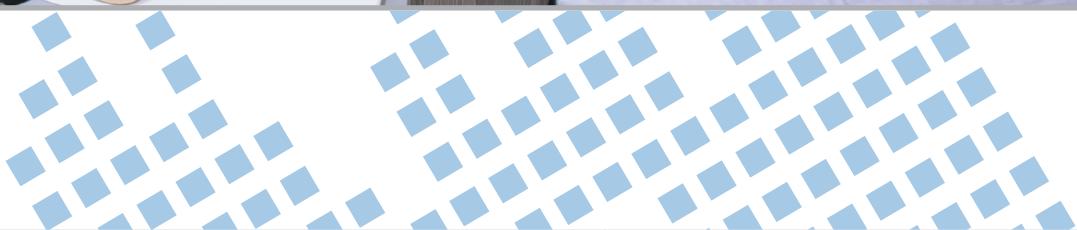
31%
Retained to the Company



Valuing People: A Priority for Success

In a world where businesses are often criticized for prioritizing profits over people, Megaworld stands out as a company that values its stakeholders above all else. It has not only attained success, but also won the trust of its customers, workers, and partners in addition to achieving success on its own.

Megaworld acknowledges that the success and continued existence of the company depend on the contributions of all of its stakeholders. It has always prioritized the interests of its employees, customers, investors, and the community as a whole. The Company has established itself as the front-runner in improving the quality of life for its people.



Employee Management

Megaworld places a high value on its people, recognizing their importance in achieving sustainable success. The company prioritizes the well-being and development of its employees, providing them with opportunities for growth and advancement. Megaworld also fosters a culture of diversity and inclusivity, ensuring that all individuals are treated with respect and dignity. By investing in its people, Megaworld is able to create

a positive and productive work environment, which ultimately contributes to the company's long-term sustainability.

The Human Resources Department (HRD) of Megaworld is responsible in overseeing the recruitment and retention of its employees, and ensuring compliance with all relevant labor laws in the country.

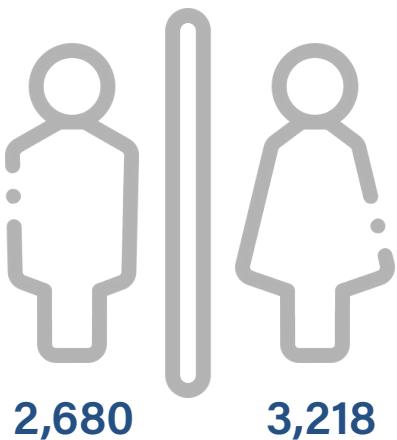
Employment

Megaworld's commitment to promoting diversity and equal opportunity has resulted in a strengthened workforce and increased competitiveness within the property industry. This culture has enabled the company to provide quality employment opportunities to a wide range of highly qualified individuals.

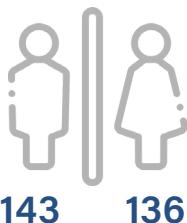
Megaworld's total headcount reached 5,859 as of the end of 2022, with 52% of the workforce comprised of female employees.

5,898
Employee Count

By Gender



Senior Management



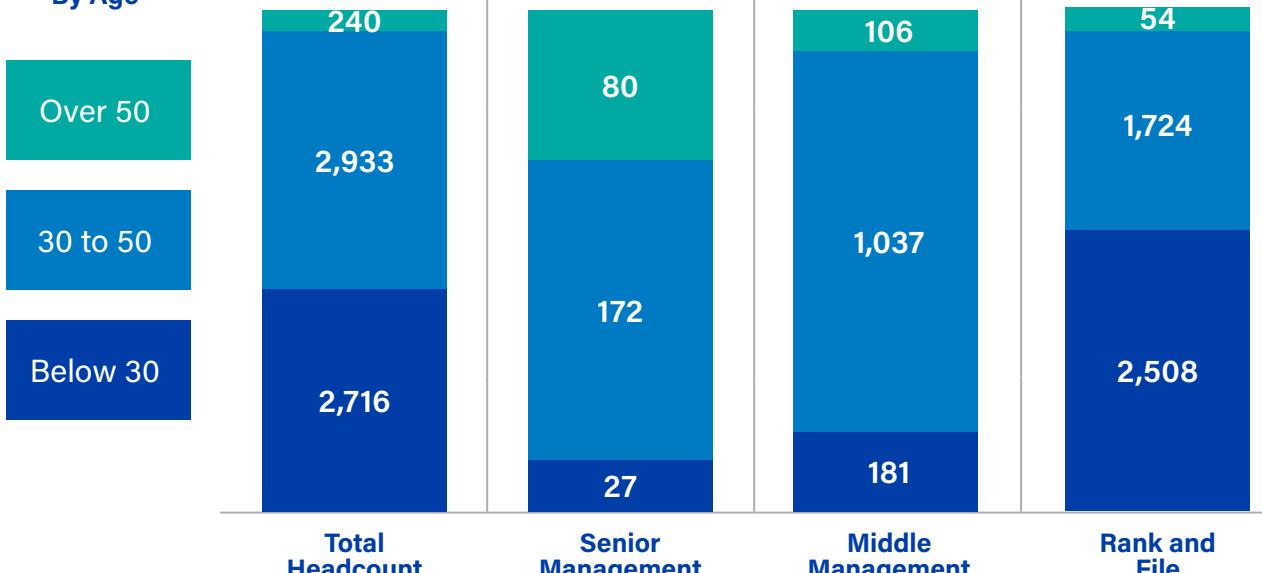
Middle Management



Rank and File

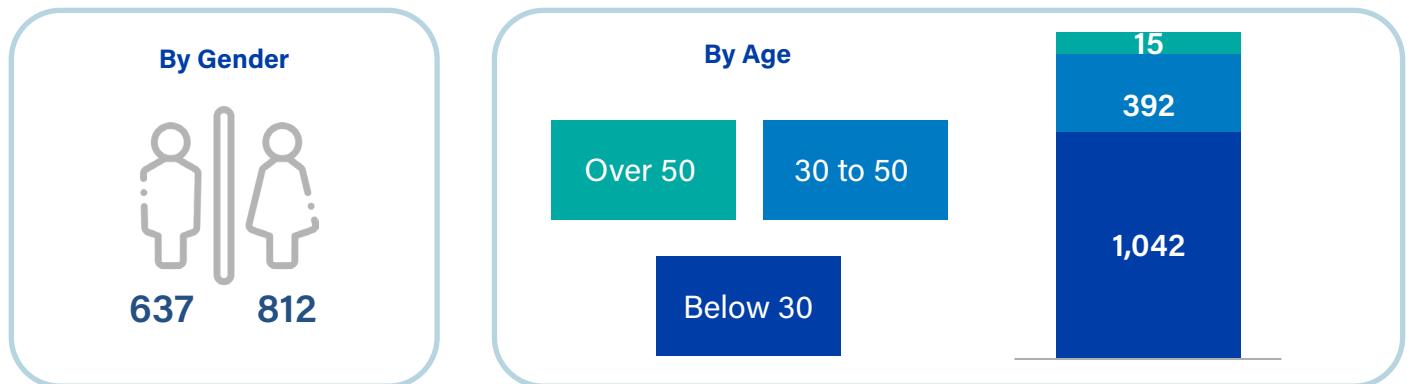


By Age



New Hires

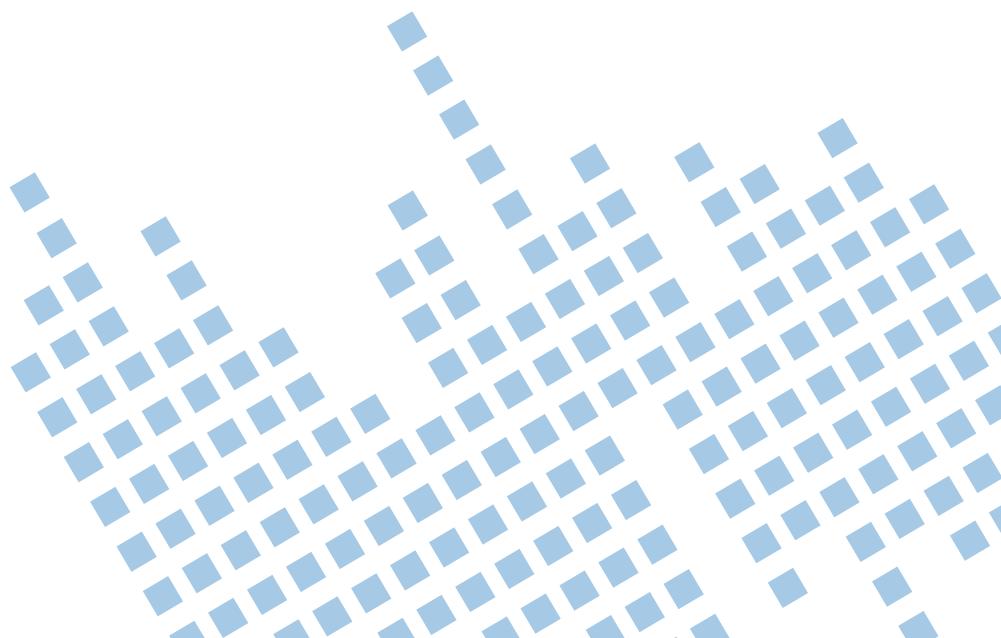
A total of 1,449 individuals were brought on board, of which women make up 56% of the workforce.



In the modern digital landscape, companies are increasingly turning to technology to streamline their hiring processes. From email communication to online interviews, the use of digital tools has become commonplace in the recruitment world. Additionally, many companies have implemented a digitized selection system to efficiently sift through resumes and identify the most qualified candidates. With these technological advancements, the hiring process has become more efficient and effective than ever before. Megaworld has recently introduced a cutting-edge solution to enhance its recruitment process. The Talent Acquisition Online System (TAO) has been developed to optimize the selection process and make it more efficient. This innovative system is set to revolutionize the way Megaworld hires its employees.

Megaworld recognizes the importance of maintaining a high level of professionalism and adherence to workplace standards and has developed an Employee Handbook that provides comprehensive information on offenses against health, security, safety, proper conduct, and behavior. This serves as a guide for all Megaworld employees, outlining the company's expectations and standards for behavior in the workplace.

The company has established a rigorous application process that involves the submission of legal documentation. This documentation serves as proof that applicants are of legal age to be employed. Megaworld has implemented strict policies against any form of labor law violations and human rights abuses such as harassment and bullying) within its workplace. Megaworld strictly prohibits any form of forced or compulsory labor.





Renumeration and Other Benefits

Megaworld ensures that its employees receive the compensation and benefits mandated by national labor laws. In addition, the company has its own performance incentives program to motivate and reward its workforce. As part of the comprehensive benefits package offered to regular employees, a range of essential coverage options are provided, which includes:

- Life insurance coverage
- Annual appraisals and incentives
- Annual physical examinations and anti-flu vaccinations
- Retirement Benefit

In addition to its standard compensation package, The Company offers a range of variable pay options, including a performance-based cash bonus. This bonus is tied directly to an individual's key deliverables, which are established at the beginning of each year. These benefits are designed to attract and retain top talent and to ensure that employees are healthy, happy, and productive.

Megaworld is compliant with RA 7641 or the Retirement Pay Law, which requires the Company to provide its regular full-time employees who have served at least five years of credited service with an annual retirement pay ranging from 60% to 200% of their planned salary. This benefit is granted to employees who reach the retirement age of 60. The company recognizes the hard work and dedication of its employees and strives to provide them with the support they need, even after they retire.

List of Benefits	% of female employees who availed for the year	% of male employees who availed for the year
SSS	39.43%	37.56%
PhilHealth	30.81%	31.31%
Pag-ibig	41.69%	38.85%
Parental Leaves	3.82%	1.93%
Vacation Leaves	45.38%	49.68%
Sick Leaves	38.78%	43.10%
Medical Benefits (Aside from PhilHealth)	27.05%	30.99%
Retirement Fund (Aside from SSS)	0.88%	1.29%
Further education support	0.00%	0.00%
Company stock options	0.00%	0.04%
Telecommunications (Work-from-home)	7.58%	7.83%
Flexible working hours	7.64%	8.08%

Occupational Health and Safety

In an effort to ensure a secure and thriving work environment, the company has implemented an Occupational Safety and Health (OSH) Policy that extends throughout its entire supply chain. This policy is carefully crafted to promote the well-being of all employees and to guarantee that safety is a top priority in all aspects of the company's operations.

Megaworld recognizes the importance of providing a safe working environment for its employees. As such, the company has implemented various safety measures and protocols to ensure that its employees are protected from potential hazards. These measures include regular safety inspections, the provision of personal protective equipment, and the implementation of emergency response plans. Regular safety inspections are conducted to identify potential hazards in the workplace. This allows the company to take the necessary steps to address these hazards and prevent accidents from occurring.

In addition, Megaworld provides its employees assigned in construction sites with personal protective equipment, such as hard hats, safety glasses, and gloves, to ensure that they are protected from potential hazards while on site. The company also has emergency response plans in place to ensure that its employees are prepared in the event of an emergency. These plans include evacuation procedures, first aid training, and the provision of emergency equipment, such as fire extinguishers and first aid kits.



52,127,835

Safe man hours



Training and Development

Megaworld aims to enhance employee competency, character, and resiliency, thereby ensuring that its workforce is well-equipped to face potential challenges. The company is currently working on a project to improve monitoring by integrating gender and other personal characteristics in a customized employee learning track record.

Periodic training needs analyses are conducted to assess and tailor training programs that align with the organization's needs. This approach ensures that training initiatives are optimized to meet the specific requirements of the organization, thereby enhancing its sustainability. Megaworld Learning Academy, in partnership with HR Business Partners, Organizational Development, and other training Groups, is committed to promoting and managing the learning and development needs of our employees.

Through various training programs and initiatives, Megaworld strives to foster a culture of continuous learning and improvement, while also supporting the professional growth and development of its employees. It utilizes a variety of digital tools to facilitate remote

learning and development opportunities, which includes Zoom and Google Meet for virtual sessions, Google Suite for efficient data and material management, and Facebook for live streaming and sharing educational content. By leveraging these technologies, the Company is able to minimize our environmental impact while still providing high-quality learning experiences for our team members.

With a minimum of eight hours of training per year, Megaworld ensures that its employees are equipped with the latest knowledge and techniques in their respective fields. These training programs cover a wide range of topics, from technical skills to leadership development, and are designed to enhance the overall performance of the workforce. Megaworld and its subsidiaries have been busy during the year, conducting an impressive total of 70,914.35 training hours. This dedication to employee development is a testament to the company's commitment to excellence and growth.





Overcoming Challenges and Fostering a Cohesive Team Culture

Navigating the shifting tides of challenge and change, Megaworld championed holistic well-being and strategies.

The Company proactively tackled intrinsic challenges by implementing various strategies to foster a cohesive team culture. In an effort to promote open communication and effective problem-solving within the team, monthly dialogues were conducted, providing a platform for the team to share their thoughts and concerns in a safe and supportive environment. Access to in-house psychologists were made available to address individual needs and provide support to employees who may be struggling with personal or work-related issues. Megaworld recognized the importance of investing in the mental health of their employees and have made in-house psychologists a key part of their employee wellness programs.

In an effort to attract and retain top talents, Megaworld has participated in career caravans and job fairs at various state colleges and universities nationwide. The Company has also partnered with local governments and private organizations to reach a wider pool of potential candidates.

Megaworld, in collaboration with the Iloilo City Government's Public Employment Service Office, has triumphantly organized the MEGA Job Fair on October 13, 2022. Over 500 applicants recently attended the job fair where various companies offered hundreds of exciting career opportunities. The event was a huge success, with job seekers from all walks of life eager to explore the many options available. From entry-level positions to middle management roles, there was something for everyone at this highly anticipated event. Companies were impressed with the caliber of candidates in attendance and are looking forward to filling their open positions with top talent. Overall, the job fair was a great opportunity for both job seekers and companies alike to connect and explore new career possibilities.



Community

As the pioneer of township developments, it has always been Megaworld's pursuit to create game-changing property innovations that will improve the livelihood and positively impact the nation.

Megaworld has contributed to the creation of direct and indirect employment opportunities in the BPO sector. The employment opportunities created in the Philippines, particularly in rural areas, have resulted in reduced migration of individuals seeking to provide financial support to their families.

The Company partners with local organizations and government agencies to implement projects that benefit the community, such as building schools, providing

healthcare services, and supporting livelihood programs. Its Corporate Social Responsibility endeavors, civic engagements, and environmental undertakings have resulted in the empowerment and transformation of diverse communities.

Megaworld's commitment to creating sustainable and vibrant communities has made a significant impact on the areas where it has developments. As a result of its township developments, Megaworld is in the position to help the country thrive. Its developments also spur economic growth in the surrounding areas. It has built live-work-play-learn townships that have changed the Philippine landscape.



Happy Silver Anniversary, Megaworld Foundation!

Megaworld Foundation (the Foundation) has evolved into a multifaceted entity beyond its original function as a charitable organization, spanning several decades. The expansion of the Foundation parallels the growth of Megaworld as an organization. It possesses the necessary empowerment and capability to make a substantial contribution towards Megaworld's vision of uplifting lives, impacting society, and shaping the nation. Over the years, the communities under its care have grown, its reach has widened, and it has been able to make its synergies with like-minded partners even more impactful.

The Foundation's efforts have always been centered around the belief that access to quality education is fundamental. The inception of its scholarship program was rooted in the noble cause of empowering deserving yet underprivileged youth. This initiative has been the cornerstone of the Foundation's mission since its inception. Scholars and former scholars-turned-employees have been paying it forward, and the Foundation is grateful for what they have become.

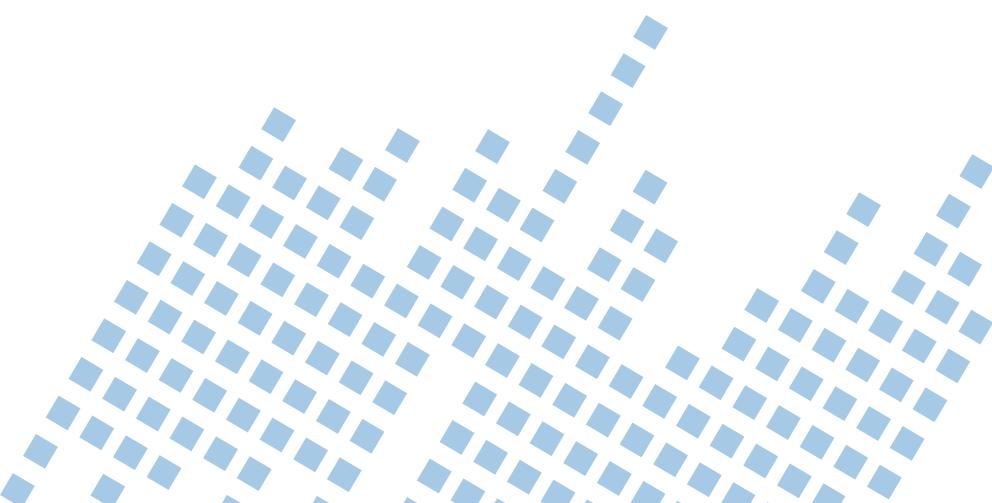
Despite the challenges it faced in the past years, Megaworld Foundation has remained steadfast and has even found new opportunities to serve and make a difference in the lives of its beneficiaries. The Foundation has adapted to the new reality and has continued to connect and interact with those it serves. Through its innovative approaches, it has touched countless lives and has made a positive impact on the communities it serves. The Foundation is just as passionate about elevating other sectors of society, amplifying relevant causes and advocacies, and coming to the aid of the most vulnerable communities.

As Megaworld Foundation embarks on a new chapter, it remains steadfast in its commitment to positively impact the lives of fellow Filipinos, ensuring that the years to come are filled with continued compassion, empowerment, and transformative experiences.



Education

As the pioneer of township developments, it has always Megaworld Foundation is making a significant impact on the lives of young people through education. The foundation's scholars, in particular, are benefiting from its efforts to grow and nurture hope. Megaworld Foundation offers a variety of educational programs and initiatives, including scholarships, leadership training, and community outreach. Through these programs, Megaworld is helping to build a brighter future for the Philippines by investing in its most valuable asset: its people.





Scholarship Program

With a mission to empower the youth, Megaworld Foundation has been providing educational opportunities to underprivileged students for years. Through various programs and initiatives, the Foundation has been able to reach out to thousands of young minds and help them achieve their dreams. From providing scholarships to supporting school infrastructure, the foundation has been working tirelessly to ensure that every child has access to quality education.

The impact of Megaworld Foundation's efforts can be seen in the success stories of its beneficiaries. Many of the students who have received scholarships from the foundation have gone on to pursue higher education and secure well-paying jobs. This has not only transformed their lives but also the lives of their families and communities. Megaworld Foundation's commitment to education is a testament to its belief that every child deserves a chance to succeed.

Currently, Megaworld Foundation proudly nurtures and supports 1,000 scholars across 76 esteemed partner schools in Metro Manila and various provinces. With full tuition coverage, generous allowances, and a clear pathway to future career opportunities within Megaworld's vast network of subsidiaries and affiliated enterprises, students can achieve their educational goals with confidence. Upon successfully completing their educational journey, these talented individuals are poised to take on exciting roles within the Megaworld family and beyond.

Mega E-Learning Hubs

Megaworld Foundation's dedication to providing quality education has led to the creation of innovative "Mega E-Learning Hubs." This initiative is designed to transform the way education is accessed and delivered.

The Foundation has expanded its transformative reach to 51 enthusiastic students in Cabangan, Zambales, in partnership with the Alon and Araw Club. This collaboration has brought about a positive impact on the community, as these students are now equipped with necessary tools to achieve their full potential. From various school and grade levels, these young minds are infused with a passion for the environment and a profound respect for education. Every weekend, a group of knowledge seekers come together to embark on digital learning journey guided by the club. This community is united by their shared thirst for knowledge and desire to expand their understanding of the world.

The Mega E-learning Hub has revolutionized the way students approach education, offering a dynamic and immersive learning experience that promotes academic excellence. With its advanced technology and user-friendly interface, the Mega E-learning Hub has become a catalyst in the world of education, empowering students to take charge of their learning and reach their goals like never before.

The learning center have undergone a transformation, becoming a haven of knowledge and inspiration. Equipped with state-of-the-art laptops, computers, a printer, a projector, and thoughtfully designed desks, the learning center is now a modern facility that caters to the needs of students and professionals alike. The learning center's new design is intended to provide an environment that fosters creativity and productivity. Immersed in an ambiance of communal storytelling sessions and enveloped by the bountiful provision of essential school supplies, the students were bestowed with an experience that surpassed the confined and conventional education. The culmination of this memorable event was marked by a delectable feast, celebrating the joy of learning and fostering a sense of unity among all participants.



Brigada Eskwela 2022

Megaworld Foundation's recent return to Capas, Tarlac was a heartwarming moment for the organization and marked a significant milestone. This was the first time the Foundation was able to carry out an in-person volunteerism activity in the province since the pandemic began. The Foundation's efforts were greatly appreciated by the community and it was a positive step towards returning to normalcy. Against a picturesque scene of motivated anticipation, the Foundation set out on a remarkable journey to the cherished Aeta community. The visit culminated in a memorable on-site "Brigada Eskwela" affair on April 19, leaving a lasting impression on all those involved.

The Foundation has breathed new life into the educational landscape by directing its creative energy towards refurbishing the school dormitory, which was initially built in 2017. This move is set to enhance the living conditions of the students and provide them with a conducive environment for learning. The walls were adorned with vibrant mural paintings, infusing the learning environment with fresh burst of inspiration. In a recent effort to revitalize the learning experience, a state-of-the-art computer system and a dependable broadband

connection have been established. This technological upgrade has provided the students with necessary tools to fully embrace the digital age.

The Foundation emphasized the significance of fundamental needs and revealed the outcome of its latest initiative, the "Mega Well" project. This project has successfully established a reliable and long-lasting source of drinkable water for the local community, highlighting the importance of access to clean water.

The Foundation's spirit of generosity and unity went beyond the confines of the school as they treated 180 members of the community to a delectable feast, promoting a feeling of solidarity and celebration. In a heartwarming gesture of support, more than 80 Aeta students from kindergarten to high school were recently gifted with essential school supplies and hygiene kits. This thoughtful act has empowered these young learners to pursue their educational journey with renewed confidence and enthusiasm. This has undoubtedly made a significant impact on the lives of these students, providing them with the tools they need to succeed in their academic pursuits.



Donation for Enrique Jose Elementary School in Kibungan

Megaworld Foundation donated a brand new comfort room to the Enrique Jose Elementary School in Kibungan, Benguet. This act of kindness is part of the foundation's ongoing efforts to give back to the community and support education.

The installation of a comfort room in the newly constructed school building for preschool students is anticipated to have a positive impact on the school's attendees, with hundreds of students expected to benefit from this facility.

It has been observed that prior to the donation, students were required to walk to the elementary building in order to access the comfort room, which was challenging and inconvenient, particularly for the younger students. The newly constructed comfort room has been strategically placed within the preschool building to ensure convenient access for the students. The restroom is outfitted with a water system, ensuring that students have access to a clean and hygienic environment.

Eskwela ng Bayan

Megaworld Foundation recently concluded its two-month online learning program, Eskwela ng Bayan, with a heartwarming celebration at the vibrant Venice Mall in McKinley Hill. The program was a huge success and marked a significant milestone for the Foundation. The event was filled with joy and excitement as participants gathered to celebrate their achievements.

The foundation's efforts to provide quality education to underprivileged communities have been commendable, and the Eskwela ng Bayan program is a testament to their commitment. The event was a fitting tribute to the hard work and dedication of everyone involved in the program. Megaworld Foundation's devoted scholars have been making a difference in the lives of elementary students in Western Bicutan, Taguig City. Despite the summer break, these scholars, who are pursuing education-related courses, have been selflessly volunteering their time since April to virtually teach these young learners. Their dedication and commitment to education are truly inspiring.

In an effort to provide valuable supplementary lessons in essential subjects such as English, math, and science, a transformative initiative was designed to enhance the

academic journey of young students. The goal of this initiative is to equip these students with the necessary skills and knowledge to succeed in their academic pursuits. Through this initiative, students are given access to additional resources and support that can help them excel in their studies. These resources include specialized lessons and tutoring sessions that are tailored to meet the unique needs of each student. By providing these supplementary lessons, students are able to gain a deeper understanding of key concepts and develop the skills they need to succeed in their academic pursuits.

The hard work and dedication of a group of motivated students were recently celebrated in a grand graduation ceremony. The event served as a culmination of their remarkable achievements and was a time to honor and recognize their efforts. The atmosphere was filled with joy and excitement as the Foundation bestowed scholarship grants upon exceptional students. This act of generosity further solidified the Foundation's commitment to supporting a future filled with promise and opportunities. The Foundation's recognition of these outstanding students is a testament to their hard work and dedication. These scholarship grants will undoubtedly empower them to achieve their academic and professional goals.





CREATING CHANGE AND TRANSFORMING LIVES



Empowering Students Through Education Community Pantry Initiative

Megaworld Foundation continues its steadfast dedication to promoting quality education and empowering students through its Education Community Pantry initiative. Throughout 2022, the Foundation extended its support to 11,157 students, primarily from public schools, providing them with essential educational materials and resources.

Recognizing the vital role of education in shaping the future, Megaworld Foundation has taken a proactive approach to equip both schools and students with the necessary tools for a conducive learning environment. By addressing the challenges underprivileged students face, the Foundation aims to bridge educational gaps and enhance access to quality education for all.

The Education Community Pantry initiative focuses on providing school supplies and module materials to students in need. This comprehensive assistance ensures that students have the resources required to engage in their studies effectively. From textbooks and notebooks to pens and art supplies, the Foundation's support instills a sense of hope and motivation among the students.



Training and Livelihood

Megaworld's training and livelihood programs are making a difference in the lives of many people. They are helping people improve their skills, find jobs, and start their own businesses. Megaworld is committed to helping communities thrive, and its training and livelihood programs are a key part of this commitment.

Megaworld Lifestyle Malls has successfully transformed various open spaces within its lifestyle malls into outdoor farmers' markets. This strategic move aims to provide support to Filipino farmers, fisherfolks, and food entrepreneurs who have been adversely affected by the global pandemic. The initiative also allows these local

producers to showcase and market their products to the mall-going public.

Megaworld has been successfully developing tourism estates, hotels, and resorts that are of international standards. These developments are in line with the Philippines' reputation as a top destination for global travelers. The Company has established a close partnership with the Department of Tourism (DoT) to tailor its developments and services to the unique demands of the local tourism market via Megaworld Hotels.



Supporting Lake Sebu Indigenous Weavers

Megaworld Foundation extended a helping hand to the Lake Sebu Indigenous Women Weavers Association, Inc. The completion of a much-needed dining hall at the learning institute has been made possible by the generous donation from the Foundation. This development is a crucial step towards empowering Tboli women in South Cotabato, Philippines.

The Lake Sebu Indigenous Women Weavers Association, Inc. is a well-established organization consisting of 700 skilled and diligent Tboli women who have acquired expertise in the art of traditional weaving. This cultural heritage of the Tboli community has been successfully passed down through generations, serving as a crucial source of livelihood for the community while preserving its rich history.

Megaworld Foundation has taken an active role toward supporting and empowering indigenous communities. In line with this objective, the foundation has extended its support to enhance the livelihood programs for enterprising women in these communities. The foundation's funding of the construction of the learning institute's dining hall has resulted in the creation of an environment that enables women to enhance their skills and expand their economic opportunities.

The newly completed dining hall has had a notable improvement on the facilities of the learning institute. As a result, the Tboli women are now able to participate in various training workshops, capacity-building sessions, and knowledge sharing activities. These are deemed vital in providing the individuals with the essential competencies to produce high-quality woven products that can command equitable prices in the market.

The Foundation's assistance has facilitated the establishment of a secure and favorable environment for the female weavers to cultivate a feeling of togetherness and solidarity. The dining hall functions as a pivotal location for weavers to convene, engage in idea-sharing, and foster connections, thereby fortifying their relationships and augmenting their overall development.



From Stitches to Riches, and Bubbles and Dreams

Megaworld Foundation has successfully initiated two noteworthy livelihood projects, namely "Stitches to Riches" and "Bubbles and Dreams." These initiatives have been implemented with the objective of generating supplementary revenue streams for households and fostering prospects for long-term expansion. The Foundation is successfully transforming lives by providing targeted support and facilitate connections with potential customers, especially within the Megaworld community.

A total of ten families from an underprivileged community identified as suitable beneficiaries for the proposed livelihood projects. These families have been selected based on their level of need and potential benefit from the projects. The Foundation facilitates the empowerment of individuals by providing them with essential supplies and resources. This initiative enables them to undertake a journey toward achieving financial stability and an enhanced quality of life.

The project titled "Stitches to Riches" centers on the development of sewing skills and the mastery of craftsmanship. The families are equipped with necessary sewing equipment, including sewing machines, fabric, and accessories, which empowers them to produce distinctive and commercially viable merchandise. The project successfully facilitated the development of skills among the community members and has contributed to the enhancement of their sense of pride and self-sufficiency.

The "Bubbles and Dreams" project has been initiated to harness the potential of entrepreneurship, with a focus on soap and detergent production. This project is being carried out in parallel with other ongoing initiatives. The participating families have been provided with essential raw materials, molds, and equipment to produce a diverse range of high-quality cleansing products. The exploration of this industry has provided families with the opportunity to establish a reliable source of revenue and ensure a more prosperous future.



8 Rays of Suntrust

Throughout their 25th-anniversary celebration, Megaworld's Suntrust Properties, Inc. (SPI) demonstrated their unwavering commitment to corporate social responsibility through the '8 Rays of Suntrust' program. This series of community initiatives aimed to empower and uplift various communities, spreading joy, and positively impacting countless individuals' lives.

On September 3, the program began with a livelihood boot camp in Lipa City, Batangas, titled "Bente Seen Kong Pag-Asa." Accredited trainers from the Technical Education and Skills Development Authority (TESDA) conducted a crash course on beauty and wellness for selected beneficiaries, providing them with valuable skills and knowledge to enhance their livelihood prospects.

The employees of SPI also showcased their talent and team spirit during the Company's 25th-anniversary celebration through a cheer dance competition, bringing excitement and joy to the event.

Continuing the momentum, on September 17, SPI employees conducted the second leg of the program in Pasig City, with "25 Wheels of Life." This initiative involved the donation of 25 wheelchairs to mobility-impaired residents, enhancing their mobility and improving their quality of life.

Simultaneously, another program named "EmbRAYS of Kirana" took place, where selected beneficiaries in Pasig City were treated to special gifts, including donations, dental check-ups, and hair treatments, all provided by generous volunteers and sponsors.

On September 24, SPI employees brightened the lives of members of Bahay Aruga through the "Bentesingkong Aruga" program. This involved a gift-giving and donation drive to support the non-government organization that offers free shelter to children battling cancer in Manila.

In the "Fountain of Goodness" project in Cavite, SPI employees dedicated their time and resources to support Bukid Kabataan, a shelter and recovery home for children who have endured traumatic experiences. Their efforts encompassed providing food, shelter, clothing, education, counseling, and hope for a brighter future for these deserving children.

The sixth leg of the program, "25 Beams of Happiness," focused on bringing joy and assistance to children, persons with disabilities, and the community of Barangay Manibaug in Porac, Pampanga. SPI employees generously provided school supplies, wheelchairs, and basic necessities to those in need. The program also included dental missions and a tree-planting event, emphasizing the importance of holistic well-being and environmental sustainability.

The seventh leg, "Lyamado Bentesingko," occurred in Calamba, Laguna, where SPI employees conducted a livelihood seminar for nearby barangays. Through the expertise of TESDA trainers and the support of Suntrust contractors, participants learned the basics of hair-cutting and massage therapy, equipping them with marketable skills and potential income opportunities.

The final leg of the '8 Rays of Suntrust' program took place in Quezon City, where SPI employees offered vital medical assistance through dental and eye check-ups to residents. Collaborating with Suntrust contractors, partners, volunteer dentists, the Philippine Association of Optometrists, Inc., and barangay council members, the program titled "Clear Eyes, Sparkling Smiles" successfully provided much-needed healthcare support to the community.



Health and Nutrition

Megaworld believes that by investing in the health and nutrition of its people, it can create a more vibrant and productive community. The Company supports research and development projects aimed at improving the health and nutrition of Filipinos. It is committed to finding new ways to help people live longer, healthier lives.



4 star

1800 Eastwood Avenue and 1880 Eastwood Avenue in Eastwood City were awarded 4-star IMMUNE certifications in June 2022.

5 star

Eight Forbes Town Road in Forbes Town Center was awarded a 5-star IMMUNE certification in February 2023.

IMMUNE Certification

Three Megaworld buildings were IMMUNE-certified by the Healthy by Design Building Institute (HDBI) in 2022. The IMMUNE certification is a global standard for healthy buildings that are designed to mitigate the effects of pandemics and other bacteriological and toxicological health threats.

Megaworld's IMMUNE-certified buildings have implemented measures to improve indoor air quality, reduce the spread of germs, and increase occupant health and well-being. These measures include:

- Enhanced ventilation systems that provide fresh, filtered air to the indoor environment
- UV-C light fixtures that kill germs on surfaces and in the air
- Hand sanitizer dispensers throughout the building
- Increased cleaning and disinfecting protocols
- Enhanced training for building staff on infection prevention and control

The IMMUNE certification is a significant achievement for Megaworld and demonstrates the Company's commitment to creating healthy and safe environments for its residents and employees. The certification also provides Megaworld with a competitive advantage in the global real estate market, as more and more businesses are looking for buildings designed to protect their occupants' health and well-being.



Project Solar Hope

Access to basic necessities such as water and energy is a fundamental right that many communities take for granted. However, for marginalized communities like the Dumagat families living in remote areas, this essential access is often scarce or nonexistent. In an effort to empower these communities and provide them with a brighter future, the Megaworld Foundation launched the Solar Hope Project.

The Solar Hope Project focuses on equipping 33 Dumagat families with solar home systems, offering them a reliable and sustainable source of energy. This initiative not only provides them with light during the night but also ensures their safety and productivity.

For these marginalized families, the absence of electricity not only hinders their daily activities but also poses risks to their safety. The installation of solar home systems eliminates the need for hazardous and expensive alternatives like kerosene lamps or candles, reducing the risk of accidents and respiratory problems. By bringing light to their homes, the Megaworld Foundation aims to create a safer and healthier living environment for the Dumagat families.

The Solar Hope Project goes beyond providing basic lighting. It also opens up opportunities for the families to engage in productive activities during the evening hours. Children can study and do their homework, adults can engage in income-generating activities, and the overall quality of life improves as access to light enables the fulfillment of various tasks and aspirations.



Rice Together Campaign

In the wake of the devastating Typhoon Odette, the Megaworld Foundation responded to the urgent needs of affected communities through its Rice Together Campaign. With a mission to bring relief and support to those in distress, the foundation distributed rice to 150 families in Siargao, Bohol, and Palawan, providing them with vital assistance during these challenging times.

Natural disasters often leave communities grappling with the loss of homes, livelihoods, and, most importantly, access to basic necessities. Recognizing the immediate need for food security, the Megaworld Foundation took action to ensure that affected families had access to a stable food supply.



MegaClinics: Equipping Local Health Centers in Urban Areas

Access to quality healthcare is a fundamental right that should be available to all, regardless of their location or socio-economic background. Recognizing the need to improve healthcare services in urban areas, Megaworld Foundation's MegaClinics equipped local health centers with essential medical equipment and supplies. By doing so, they aim to ensure that pregnant women, children, and the elderly in urban communities receive the care they deserve.

Urban areas are often characterized by densely populated neighborhoods, where access to basic healthcare services can be limited. This lack of resources and medical facilities disproportionately affects vulnerable groups such as pregnant women, children, and the elderly. To address this gap, MegaClinics focuses on adopting local clinics in urban areas and providing them with the necessary medical supplies to offer basic healthcare services to their beneficiaries.

Through donations of medical equipment and supplies, MegaClinics aims to enhance the capabilities of these adopted clinics. This support ensures that these vulnerable groups have improved access to vital healthcare, contributing to their overall well-being and quality of life.



One Spoon at a Time

Child undernourishment continues to be a pressing issue in the Philippines, exacerbated by the challenges brought about by the ongoing pandemic. In response, Megaworld Foundation remains steadfast in its commitment to combat this problem through its "One Spoon at a Time" initiative.

Megaworld employee volunteers joined forces with partner institution Rise Against Hunger Philippines on June 25 at the Alliance Global Tower. Together, they packed 900 Healthy Rice-Soy Meals fortified with essential vitamins and minerals. These meal packs serve as a nourishing solution that will be distributed by Rise Against Hunger Philippines to vulnerable families in Metro Manila.

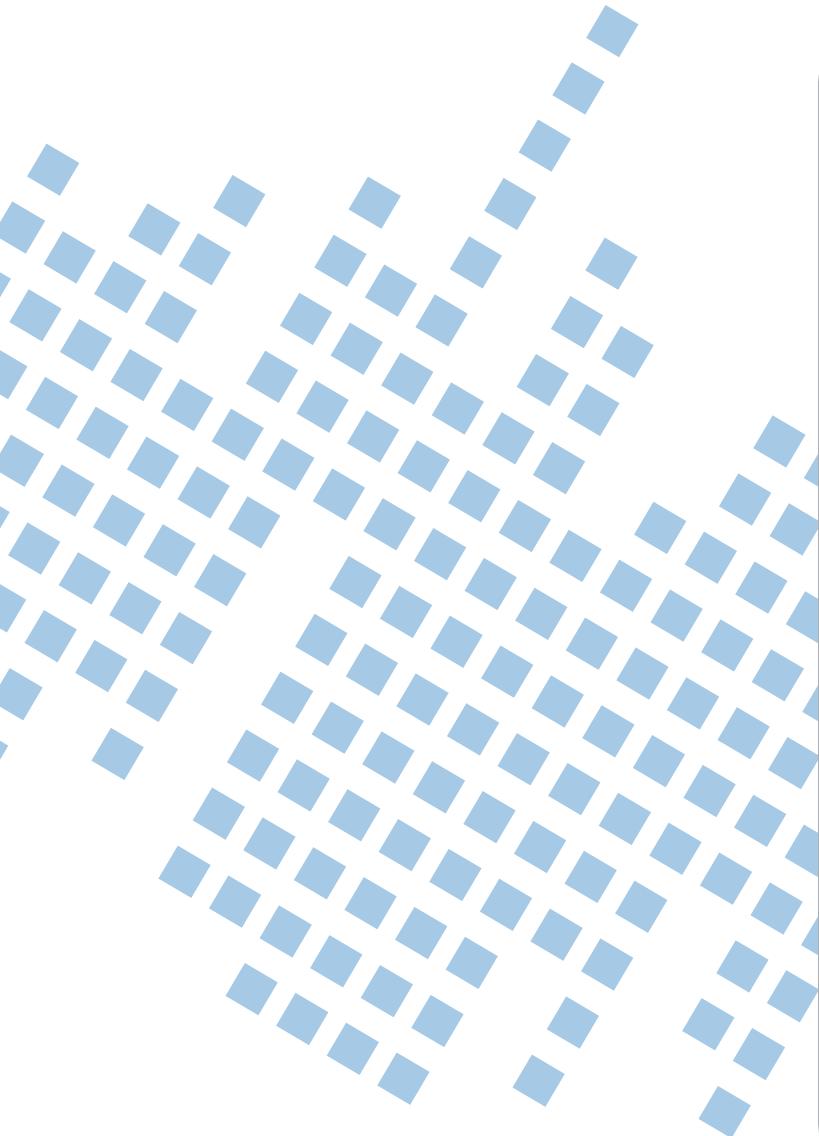


Happy Feet: A Sole of Happiness Project

Megaworld Foundation embarked on a heartwarming initiative called Happy Feet: A Sole of Happiness Project.

With the belief that small acts of kindness can make a world of difference, the Megaworld Foundation set out to provide over 1,700 Aetas and Dumagat children with a simple yet meaningful gift: a pair of slippers. These indigenous children, living in the last mile communities, face daily challenges and endure long journeys barefoot. Through the Sole of Happiness Project, the foundation aimed to alleviate their discomfort and bring smiles to their faces.

The distribution of new slippers to the IP (indigenous people) children living in mountainous areas and far-flung communities went beyond a mere donation. It symbolized a ray of hope, a tangible expression of care and concern for their well-being.



Upholding Responsible Environmental Stewardship

Megaworld monitors its environmental impacts (such as energy and water consumption, emissions, and waste generation), implements measures to reduce and manage its resources, and invests in sustainable townships and technological innovations to develop solutions to minimize the effects of the Company's operations on the environment.



Material Use

Megaworld is committed to using resources efficiently and sustainably. The Company sources its materials from a variety of accredited contractors and vendors that are ISO140001 compliant. These contractors adhere to the highest environmental standards. Megaworld also sources its materials for projects where its contractors have limited capacity. These materials are continuously monitored and managed to ensure that they are used most efficiently and sustainably.

Disclosure	Quantity (in kgs)	
	2022	2021
Materials Used by Weight or Volume		
Renewable Materials	96,037.47	86,686.39
Non-renewable Materials	35,403,058.24	43,801,969.11
TOTAL MATERIALS USED	35,499,095.71	43,888,655.50
Percentage of recycled input materials used to manufacture the organization's primary products and services	21.69%	Not Available



Energy Consumption

Megaworld is fully committed to ensuring efficient and sustainable energy utilization. To effectively achieve this objective, the Company actively engages in continuous monitoring and evaluation of its corporate goals. Through meticulous analysis of budget variances, Megaworld gains insights into resource allocation and strives to meet its performance targets.

In line with its dedication to energy efficiency, Megaworld prioritizes the development of innovative approaches to conserve energy. By closely monitoring actual energy consumption and comparing it against predefined targets, the Company assesses the effectiveness of its energy conservation measures. Through these diligent efforts, Megaworld optimizes resource utilization, minimizing waste and reducing its carbon footprint.

In 2022, the implementation of energy-saving measures such as utilizing Fiber Reinforced Plastic (FRP) blades for cooling towers and adopting LED lights proved to be effective methodologies within the Company.

To ensure effective energy management, Megaworld diligently oversees its facilities and equipment, leveraging the expertise of its property managers to identify areas where energy conservation initiatives can be implemented. Megaworld also proactively invests in and upgrades its equipment with energy-efficient alternatives whenever feasible. This includes the use of high-efficiency elevators, advanced LED lighting systems equipped with light and motion sensors, as well as optimized power transformers and distribution systems across its properties.

By incorporating solar panels and embracing an open layout design for passive cooling and ample natural lighting in communal areas, Megaworld's shopping malls witnessed a notable enhancement in natural ventilation. This strategic approach not only reduced the reliance on energy-intensive cooling and ventilation systems but also minimized the need for artificial lighting. Furthermore, Megaworld's ongoing township developments and projects encompassed several sustainability measures, including:



Implementation of solar panel systems across buildings



Integration of double glazed and tinted windows



Adoption of LED lights as a standard feature in all properties



Utilization of occupancy sensors in hallways and parking areas



Mandatory adherence to high energy efficiency ratings for mechanical equipment



Incorporation of green roofs, open spaces, and pocket garden features within its buildings.

Energy Consumption

Disclosure	Quantity (in GJ)	
	2022	2021
Energy Consumption (renewable sources - biodiesel)	0	0
Energy Consumption (Gasoline)	5,385.94	13,202.39
Energy Consumption (LPG)	39,207.53	Not Available
Energy Consumption (Diesel)	145,630.60	37,152.26
Energy Consumption (Electricity)	1,641,219.81	1,443,336.1
TOTAL ENERGY CONSUMPTION	1,831,443.88	1,144,637.99



With the gradual easing of restrictions in 2022, the workforce resumed their presence at the office, leading to an upsurge in energy demand and a noticeable surge in power consumption. Consequently, there was an increase in the consumption of fuel to meet the escalating energy requirements at the BPO offices. As in-person meetings, events, and site visits were already authorized in 2022, the Company's fleet of vehicles experienced higher utilization, thereby contributing to a substantial rise in diesel and gasoline consumption throughout the year.

This return to the office environment resulted in limited availability of essential supplies, leading to intermittent power disruptions and the necessity of resorting to generator sets. To address this, the Company optimized the test run duration of 35 generator sets by shortening their run time.

Embracing Electric: Park. Charge. Drive.

Megaworld's Park. Charge. Drive. is an electric vehicle charging service that is available at select Megaworld malls. The service is currently free for customers, and there are no plans to charge customers in the near future.

The Park. Charge. Drive. service was first launched in 2022 at Uptown Mall. Since then, it has been expanded to other Megaworld malls, including Eastwood Mall, McKinley Hill, and Newport City. It uses renewable energy sources, such as solar and wind power. This is in line with Megaworld's commitment to sustainability.

The service is funded by a grant from the Department of Science and Technology (DOST) for the charging station for e-bikes and e-motorcycles.

The Park. Charge. Drive. service is a valuable addition to Megaworld's portfolio of amenities. It provides a convenient and affordable way for customers to charge their electric vehicles. The service is also a good way for Megaworld to promote sustainability and encourage the use of electric vehicles.



PHP 1.6 Million

cost of savings in 2022

Sustainable Cooling Solutions: Chiller Optimization Program

Megaworld Lifestyle Malls launched a comprehensive Chiller Optimization program aimed at reducing power consumption and maximizing efficiency in chiller operations. It seeks to achieve substantial energy savings by employing special devices and advanced AI algorithms to analyze and control the chiller system.

Through the installation of these devices, the Chiller Optimization program monitors and optimizes the performance of chiller units across MLM malls. By improving energy efficiency, this initiative addresses a significant portion of power consumption, with approximately 60% attributed to air conditioning systems.

The program has already demonstrated impressive results since its implementation in August 2021. Uptown Mall, one of the flagship locations, has benefited from a net savings of PHP 546,649.37. In 2022, the program has already saved an impressive PHP 1.6 million in energy costs. Not only does this initiative reduce energy consumption, but it also enhances chiller system performance and extends the equipment's lifespan.

Encouraged by this success, Megaworld plans to expand the Chiller Optimization program to other malls, implementing shared savings projects that align with its commitment to sustainability.



Looking ahead, Megaworld remains resolute in its pursuit of sustainability. With a bold vision to achieve carbon neutrality by 2035, the Company actively implements a diverse range of strategies. This includes embracing renewable energy sources, adopting energy-efficient technologies, and continuously monitoring and optimizing energy usage across all facets of its operations. Through these proactive measures, Megaworld is steadfast in its commitment to a greener future.



Biodiversity

Megaworld places paramount importance on preserving the natural landscape and biodiversity within its townships. As a corporate leader, the Company recognizes the significance of implementing measures to safeguard and conserve the ecological integrity of its tourism estate developments, known for their abundant biodiversity.

Demonstrating its unwavering commitment to environmental preservation, Megaworld designates a substantial 40% of each township's land for green and open spaces. Furthermore, the Company actively implements green initiatives, including the utilization of solar-powered and LED street lamps, the incorporation of e-jeepneys for eco-friendly transportation, and strict

adherence to government regulations such as the "No Build" rule in beach areas. Megaworld also takes responsibility for managing its sewage treatment plant, ensuring compliance with environmental standards.

As Megaworld continues to expand its portfolio of tourism estate developments, it embraces the dual role of transforming the land and nurturing the diverse natural environment of these estates. This approach reflects the Company's understanding that responsible development must go hand in hand with preserving and enhancing the fragile ecosystems that thrive within its properties. Through this holistic approach, Megaworld strives to create sustainable destinations that harmoniously blend human progress with the conservation of nature.

Green Thumbs-Up Campaign! is Back Again!

In a bid to contribute to environmental conservation, Megaworld Foundation launched its Green Thumbs-Up Campaign in 2022. The foundation's unwavering commitment to protecting our mother nature prompted them to take action by planting seedlings in the mountains and forests, while also fostering partnerships to strengthen their environmental efforts.

One such partnership took root in the community of Barangay San Andres, located in the picturesque Tanay, Rizal. Together, Megaworld Foundation and the local community joined forces to plant seedlings aimed at preserving the precious ecosystem of Mt. Batolusong.

The initiative serves as a testament to Megaworld Foundation's dedication to sustainable practices and their active role in nurturing the environment. Through the Green Thumbs-Up Campaign, the foundation is fostering a sense of environmental stewardship, encouraging individuals and communities to actively participate in the preservation of our natural resources.



Adopt-a-Forest Program

As part of its Adopt-a-Forest program, the Company currently actively administers 240 hectares of forest areas and has 4,096 native trees in all of its townships. Additionally, as part of its carbon offset initiatives, Megaworld manages two (2) hectares of mangrove forests in Palawan. Additionally, 240 hectares of forest in Iloilo have been adopted by the Company. Drip irrigation, water reuse systems, and other initiatives to conserve energy and water have also become commonplace in Megaworld's new constructions.

**Did you know?
135 baby sea turtles were
protected by Megaworld!**

Megaworld partnered with the Department of Environment and Natural Resources (DENR) to support sea turtle nesting initiatives. Through this collaboration, Megaworld is actively creating safe and protected nesting grounds for sea turtles. These efforts have remarkably succeeded in safeguarding precious marine animals, with 135 sea turtle eggs carefully monitored and protected within the designated cove. The ultimate goal is to ensure the safe hatching of these eggs before they are released back into the ocean, contributing to conserving sea turtles and preserving our marine ecosystem.



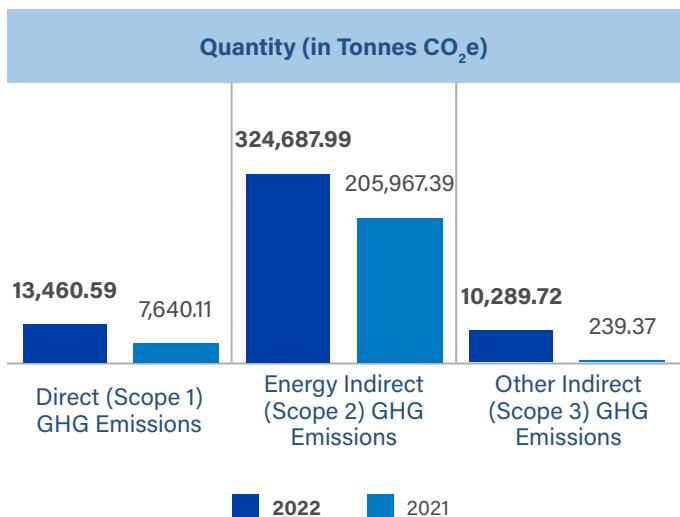


Emissions

Megaworld is committed to making significant contributions toward its goal of achieving carbon neutrality by 2035. Through the establishment of targets and objectives for carbon emissions reduction, the Company is actively identifying and implementing initiatives to ensure timely and efficient progress toward its target.

To optimize energy consumption and reduce environmental impact, Megaworld's malls have embraced the use of solar roof panels and adopted an open layout design to facilitate passive cooling and maximize natural lighting in common areas. These measures not only promote natural ventilation but also minimize the reliance on energy-intensive cooling and ventilation systems and artificial lighting. Additionally, the Company consistently upgrades its mall and office equipment to enhance energy efficiency and lower consumption.

Megaworld integrates resource-efficient practices into its operations and project development planning to curtail consumption and greenhouse gas (GHG) emissions. The inclusion of biking network facilities and transport terminals within townships promotes better mobility and connectivity while reducing carbon footprint and energy usage for locators and residents. Furthermore, Megaworld strives to maintain a 40% ratio of green and open spaces in its new developments, preserving centuries-old trees and incorporating endemic species to maximize greenery and contribute to carbon offsets.





Water and Effluents

Megaworld relies on water for its day-to-day operations: catering to the needs of tenants, powering chiller and cooling systems, facilitating landscape watering, cleaning, housekeeping, sanitation, and maintaining water features such as fountains and pools.

The Company's commitment to sustainable water management and effluent control is exemplified through the adoption of advanced monitoring and tracking technologies. These tools ensure strict adherence to regulatory standards, enabling Megaworld to provide a high-quality water supply to its customers while maintaining effective wastewater treatment. In line with water conservation efforts, Megaworld incorporates project designs that feature low-flow rate fixtures, utilize water discharge for cooling tower needs, and optimize water usage in comfort room flushing, promoting efficiency and responsible consumption.

To uphold the integrity of its water supply, Megaworld implements regular cleaning and disinfection procedures for water storage facilities and holding tanks. In 2022, the Company used a nontoxic formula containing bacterial cultures to degrade organic wastes in STP and Grease Tanks, improving discharge water quality and eliminating odor for its associates and clients.

This meticulous approach ensures that the quality of water provided to clients consistently meets established standards.

Effluent management stands as a top priority for Megaworld, with stringent measures in place to ensure compliance with specific water quality guidelines and general effluent standards. The Company takes pride in its full compliance with government regulations and requirements, securing the necessary Wastewater Discharge Permit (WWDP) from the Department of Environment and Natural Resources - Environmental Management Bureau (DENR-EMB) and the Laguna Lake Development Authority (LLDA). Through these measures, Megaworld aims to prevent water-related issues, encourage pollution prevention, and reduce waste, all while fostering a sustainable and responsible approach to water management.

Megaworld townships also use non-potable water from rain and treated water from STP to use for landscape irrigation. This practice reduces the usage of clean water for the purpose of watering of landscape. In a month, Megaworld reuses 322 cubic meters of water.

Disclosure	Quantity (Megaliters)	
	2022	2021
Water Withdrawal	18,801.74	18,077.48
Water Consumption	5,280.67	1,336.78
Water Recycled and Reused	0	151.22

Disclosure	Quantity (Megaliters)	
	2022	2021
Total Volume of Water Discharges	13,521.06	16,740.71
Percent of Wastewater Recycled	Not Available	Not Available



Waste Management

Megaworld takes active measures to ensure proper waste management across its properties. Recognizing the potential environmental hazards and health risks associated with improper waste handling, the Company engages DENR-Accredited third-party haulers and recyclers to handle the waste generated.

Megaworld firmly believes in controlling waste generation at every stage of the waste handling process to minimize its impact on the environment. Through diligent oversight from its property managers, the Company ensures that waste generated by its properties is efficiently managed.

In 2022, the Company implemented the Paperless Reservation Documents system, allowing customers, IPAs, CGMs, and Megaworld employees to submit sales documents online. This paperless system reduces carbon emissions and logistical costs. Megaworld also implemented a recycling program throughout the Company to reduce waste and repurpose waste materials into placemaking materials.

Solid Waste	Quantity (Metric tonnes)	
	2022	2021
Total Solid Waste Generated	39,878.63	34,163.45
Reusable	1.57	4.7
Recyclable	1,143.89	104.94
Composted	501.30	66.83
Incinerated	0	0
Residuals/Landfilled	38,034.07	34,030.98

	Quantity (Metric tonnes)	
	2022	2021
Waste diverted from disposal	1,765.16	770.38
Waste directed to disposal	38,354.41	33,520.78

Hazardous Waste	Quantity (Metric tonnes)	
	2022	2021
Total Weight of Hazardous Waste Generated	240.94	127.71
Total Weight of Hazardous Waste Transported	207.64	85.39



Trash to Cashback Program

Megaworld launched a Trash to Cashback Program in April 2022 in McKinley Hill, ArcoVia City, Newport City, and Uptown Bonifacio. The program allows residents to exchange segregated recyclables such as papers, cartons, plastics, and metals in MBE-C Centers every Thursday. The recyclables are converted into Environmental Points (1 EP = PHP 1.00), which can be redeemed in bXtra outlets. In 2022, a total of 14.5 metric tons of recyclables were exchanged through the program.

The Trash to Cashback Program is one of Megaworld's initiatives to promote environmental sustainability. The program encourages residents to recycle and reduce their waste, which helps to protect the environment. The program is also a way to reward residents for their efforts to help the environment.

In partnership with BEST, Megaworld also launched a Trash to Cashback Program, which allows community members to exchange recyclables for Environmental Points that can be redeemed through the bXtra website or app. This program has helped to reduce solid waste going to landfill areas by 13%.



Plastic Neutrality Program

We partnered with Plastic Credit Exchange to launch a Plastic Neutrality Program, which helps to offset plastic waste from the production to post-consumer cycle. This program has helped to encourage the community to practice proper segregation of their garbage, and has ensured that plastic waste is safely handled from segregation to processing.

Beach Clean-Up Drive

We conduct quarterly beach clean-up drives in Boracay to protect marine life from harmful waste. These clean-up drives have helped to remove tons of trash from the beach, and have protected marine animals and tourists from possible hazards caused by harmful waste.

We are committed to protecting the environment and the people who live and visit Boracay. These programs are just a few of the ways we are working to make a difference.





Environmental Compliance

Megaworld strictly adheres to all rules and regulations set by regulatory agencies. It works with contractors to ensure that all regulatory requirements are met, including those outlined in the Environmental Compliance Certificate (ECC) granted by the DENR or LLDA. These requirements are specified in the contracts with technical consultants and contractors.



Megaworld is committed to sustainability and has been a champion of green development. The Company's township's green buildings are compliant with the Leadership in Energy and Environment Design (LEED) standards. These buildings use less energy and water, produce less waste, and are healthier for occupants. Megaworld currently has the following LEED certifications:



Building Name	Location	Year
8 Campus A	McKinley Hill, Taguig City	2014
8 Campus B		2014
8 Campus C		2014
Southeast Asian Campus		2019
10 West Campus	McKinley West, Taguig City	2017
Worldwide Plaza	Uptown Bonifacio, Taguig City	2022
One Paseo	ArcoVia City, Pasig City	2022



Building Name	Location	Year
1 West Campus		2017
2 West Campus		2017
3 West Campus		2017
5 West Campus	McKinley West, Taguig City	2017
6 West Campus		2017
8 West Campus		2017
Uptown Tower Place 1		2017
Uptown Tower Place 2	Uptown Bonifacio, Taguig City	2017
Uptown Tower Place 3		2022
Alliance Global Tower		2022

CONTRIBUTION TO THE



SUSTAINABLE DEVELOPMENT GOALS

REAL ESTATE, OFFICE RENTALS, MALL RENTALS, HOTEL OPERATIONS

5 GENDER EQUALITY



Equal opportunities in employment, skills training, and career advancement

6 CLEAN WATER AND SANITATION



Proper handling of wastewater and effluents through STPs in Megaworld properties before being discharged.

7 AFFORDABLE AND CLEAN ENERGY



Adapting DOE's Energy Efficiency Program

11 SUSTAINABLE CITIES AND COMMUNITIES



Supported the Plastic Smart Cities Campaign.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Reallocation of excess materials from previous projects, use of natural materials

13 CLIMATE ACTION



- › Adopt-a-Forest program
- › Management of mangrove forest in Palawan

Potential Negative Impact of Contribution

Megaworld's real estate and property development operations could potentially result in environmental and health and safety risks.

Management Approach to Negative Impacts

The Company maintains an efficient system for handling natural resources and raw materials in its townships and development projects. Megaworld handles its environmental impacts through water management practices, such as installing rainwater collection tanks to conserve water, and sewage treatment facilities to ensure that all discharged water meets quality standards. The Company also adopts the DOE's Energy Efficiency program in its energy-saving initiatives.

Megaworld is also an active participant in climate action. The Company has an Adopt-a-Forest program, and it plants trees at the La Mesa Watershed. Megaworld has a goal of carbon neutrality by 2035, and it has been tracking its greenhouse gas emissions since 2019.

CORPORATE SOCIAL RESPONSIBILITY



Outreach programs give back to the community where each property is located to circulate knowledge, love, care, and create opportunities.

- › **Stitches to Riches and Bubbles and Dreams Livelihood Projects:** Provision of an additional source of income to 10 families from potor communities.



- › **Rice Together Campaign:** Distributed rice to the families affected by the typhoon in Siargao, Bohol, and Palawan.

- › **One Spoon at a Time: Meal Packing Activity:** 900 Healthy Soy Rice were packed for malnourished children



MegaClinics: Donated medical equipment and supplies to urban clinics in need so that pregnant women, children, and the elderly are better served.



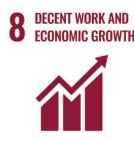
33 Dumagat families were equipped with solar home systems.



Continuous Scholarship Programs through Megaworld Foundation.

- › **Brigada Eskwela 2022:** Repainting of the constructed dormitory for the Aeta students of Maruglo Elementary School.

- › **Eskwela ng Bayan 2022:** Relaunched the Eskwela ng Bayan to provide advanced alternative education to the community near Megaworld townships (reached 27 children ages 6 to 10)
- › **Education Community Pantry:** 11,157 students, mostly from public schools, received education materials from the Foundation.
- › **Mega E-learning Hub:** provide more access to quality education to coastal communities by installing e-learning hubs



Donation to Lake Sebu Indigenous Women Weavers Association, Inc.



Megaworld has programs such as Trash to Cashback Program, Plastic Neutrality Program, and Lesser Plastics For Tomorrow.



Quarterly beach clean-up.

- › **Green Thumbs-Up Campaign!**: Planted seedlings to help preserve Mt. Batolusong



Assisted 56 families displaced by the typhoon in the Megaworld-GK Village in Mandaluyong by addressing infrastructure concerns of the housing units owners.

- › **Happy Feet: A Sole of Happiness Project:** Over 1,700 Aetas and Dumagat children received slippers.coastal communities by installing e-learning hubs

Corporate Information

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AND ASSISTANCE

For inquiries regarding dividend payments, change of address and account status, and lost or damaged stock certificates, please contact:

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