

Top Material Sustainability Issues

Company Name: D.M. Wenceslao & Associates, Inc. (DMW)  
Date: December 2024

DMW conducted a comprehensive Materiality Assessment in 2024 to ensure that the company's Material Sustainability Issues remain responsive to evolving business landscapes, regulatory developments, and stakeholder expectations.

The tables below set forth DMW's Top Material Sustainability Issues.

A. Material Sustainability Issues for Enterprise Value Creation

Material Sustainability Issue	Material Sustainability Issue Statement	Strategies	Targets and Metrics
1. Disaster Risk Resilience	The Philippines, being in the Pacific Ring of Fire, is highly exposed to natural disasters. DMW recognizes that natural disasters and adverse weather conditions pose risks to Aseana City.	Aseana City was built several meters above the older city grade and designed with disaster-resilient features including modern drainages, lift stations, and seawalls. The road and canal system are engineered to quickly channel stormwater out, keeping Aseana's roads clear of deep flooding during adverse weather conditions.	<u>Incidence of Flooding in Aseana City</u>  Target: 0 Incidence  Target Frequency: Continuous  2024: 0 Incidence
		<p>The district's urban design further cushions it from climate impacts. Aseana features an imposing canopy in Parqal, arcaded sidewalks, and covered skywalks that allow people to move around safely during heavy rain. Utility infrastructure is underground, protecting power lines and telecom cables from strong winds.</p> <p>Beyond physical infrastructure, Aseana City prioritizes active estate management as a critical layer of risk mitigation. Its estate team conducts year-round maintenance of drainage systems to prevent clogging and applies data-driven hazard mapping to flag vulnerabilities before they escalate. During typhoon season, additional field crews are mobilized, complemented by early warning protocols that support real-time coordination. A centralized emergency operations center oversees preparedness, with dedicated response teams trained to manage untoward incidents swiftly. Strengthening this commitment to public safety, Aseana City has also partnered with Lifeline 16-911, the Philippines' leading private emergency service provider, to ensure round-the-clock emergency coverage within the estate.</p>	<u>Estate-wide Safety Drills</u>  Target: Five safety drills  Target Frequency: Annual  2024: Five safety drills

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<b>2.GHG Emissions</b>	As the real estate industry accounts for a significant share of global carbon emissions, DMW accepts the responsibility to manage and reduce emissions. The Company recognizes that while efforts to limit environmental footprint across the globe have progressed, a lot more needs to be done to limit the increase of global average temperature to well-below 2.0°C above pre-industrial baseline	DMW has embedded tangible strategies across its operations to reduce greenhouse gas emissions, reflecting a commitment to sustainability and climate resilience. The company has secured retail electricity supply agreements that will enable 100% renewable energy sourcing for most of its commercial portfolio beginning 2025, while also exploring on-site solar installations in select buildings to further strengthen its clean energy program. Its flagship development, the 73,000-square-meter Parqal, was designed in accordance with the Philippine Green Building Council's Building for Ecologically Responsive Design Excellence (BERDE) standards, ensuring significant reductions in peak energy and water consumption alongside enhanced safety and resiliency. DMW likewise implements continuous retrofitting of its properties, including the installation of LED lighting and other efficiency-focused upgrades, to lower consumption and minimize indirect emissions. Beyond individual buildings, Aseana City as a whole is master-planned to promote sustainable mobility, with an extensive network of pedestrian lanes, elevated walkways, and bike paths that reduce reliance on private vehicles and encourage healthier, low-carbon transport options.	<u>GHG Scope 1</u>  Target: YoY Decline  Target Frequency: Annual  2024: -32.92% YoY
			<u>GHG Scope 2</u>  Target: YoY Decline  Target Frequency: Annual  2024: Target not met
<b>3.Quality of Life and Livability</b>  -Customer Health and Safety -Customer Satisfaction -Pedestrian Mobility and Transportation -Access to Needed Facilities -Innovation	The Philippine Development Plan 2023-2028 established a framework to promote livable communities, highlighting the importance of strengthening social cohesion, disaster risk resilience, green and open spaces, and availability of public and active transport, among others.	The masterplan of Aseana City is anchored on delivering world-class quality of life by ensuring that residents, locators, and visitors enjoy seamless access to essential facilities and infrastructure, clean and safe environments, and a pedestrian-first urban fabric that encourages active mobility. Built on principles of placemaking and resilience, the estate integrates elevated walkways, bike paths, green open spaces, and climate-protected promenades that foster both convenience and community well-being. These elements align closely with the Philippine Development Plan 2023–2028, which emphasizes livable communities characterized by social cohesion, disaster risk resilience, sustainable mobility, and inclusive public spaces. DMW has consistently championed these values, designing Aseana City as a next-generation district where workplaces, residences, healthcare, education, and leisure are all within reach, a 15-minute city that reduces reliance on cars and enhances overall livability.	<u>Customer Satisfaction</u>  Target: > 3.0 out of 4.0  Target Frequency: Annual  2024: 3.42

## B. Material Sustainability Issues for External Stakeholders

Material Sustainability Issue	Material Sustainability Issue Statement	Strategies	Targets and Metrics
<b>1. Quality of Life and Livability</b>  -Customer Health and Safety -Customer Satisfaction -Pedestrian Mobility and Transportation -Access to Needed Facilities -Innovation	The Philippine Development Plan 2023-2028 established a framework to promote livable communities, highlighting the importance of strengthening social cohesion, disaster risk resilience, green and open spaces, and availability of public and active transport, among others.	<p>The masterplan of Aseana City is deliberately designed to create positive impacts that extend well beyond its physical footprint, shaping how communities live, move, and connect. By embedding seamless access to essential facilities, clean and safe environments, and a pedestrian-first urban fabric, the estate enables residents, locators, and visitors to benefit from healthier lifestyles and reduced reliance on private vehicles, lowering traffic congestion and emissions in the wider Metro Manila area. Built on principles of placemaking and resilience, Aseana City integrates elevated walkways, bike paths, green open spaces, and climate-protected promenades, offering shared public amenities that improve community well-being regardless of direct tenancy. These features closely align with the Philippine Development Plan 2023–2028, which calls for livable communities that advance social cohesion, disaster resilience, sustainable mobility, and inclusive public space.</p> <p>DMW recognizes that these outcomes represent external benefits for societal stakeholders and the environment. Aseana City's mixed-use 15-minute city model supports economic vitality by bringing workplaces, homes, healthcare, education, and leisure within reach, while also fostering lower-carbon mobility and greater social interaction. Such externalized benefits are not incidental but are central to DMW's value proposition: creating master-planned communities that enhance quality of life across a broad spectrum of stakeholders, whether or not they are direct customers. By continually innovating and embedding sustainability into its design, DMW ensures that Aseana City's societal and environmental contributions remain adaptive and enduring in the face of evolving urban challenges.</p>	<u>Customer Satisfaction</u>  Target: > 3.0 out of 4.0  Target Frequency: Annual  2024: 3.42

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<b>2. People-Centric Labor Practice</b>  -Human Rights -Employee well-being -Employee Retention -Human Capital Development -Occupational Health and Safety	DMW recognizes that its people are the cornerstone of long-term success and views people-centric labor practices as both a corporate responsibility and a driver of positive social impact. By upholding human rights, advancing employee well-being, and fostering continuous growth, the company contributes not only to its own resilience but also to the broader society by cultivating healthier, more secure, and empowered individuals.	DMW views people-centric labor practices not only as an internal responsibility but also as a source of positive social impact that extends beyond the company's walls. By safeguarding human rights through clear policies against discrimination, harassment, and unfair labor practices, the company contributes to broader societal norms that promote dignity and equality in the workplace. Investments in employee well-being such as mental health support, flexible arrangements, and wellness programs, create healthier, more resilient individuals who carry these benefits into their families and communities. Retention strategies and structured career pathways provide stability and long-term economic security, reducing turnover costs for the company while fostering social cohesion by helping employees build sustainable livelihoods. Human capital development, through continuous training and leadership opportunities, equips employees with transferable skills that enhance their employability within and beyond DMW, amplifying their contribution to the national workforce. Meanwhile, rigorous occupational health and safety standards ensure not only safe workplaces but also prevent accidents that could impose broader social and economic costs.	<hr/> <u>Human Rights</u>  Target: 0 incidence of Child Labor, Forced Labor, Discrimination, and Harassment  Target Frequency: Continuous  2024: 0 incidence  <hr/> <u>Employee Engagement</u>  Target: >95%  Target Frequency: Annual  2024: 98%  <hr/> <u>Employee Retention</u>  Target: <10% Turnover  Target Frequency: Annual  2024: Target not met  <hr/> <u>Occupational Health &amp; Safety</u>  Target: 0 incidence of work-related injuries, fatalities, and ill-health  Target Frequency: Continuous  2024: 0 incidence

Full Materiality Assessment results reference: <https://www.dmwai.com/wp-content/uploads/2025/06/DMWAI-2024-Annual-and-Sustainability-Report-vFinal.pdf>