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Top Material Sustainability Issues FY2025
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D.M. Wenceslao & Associates, Inc. (DMW) conducted a comprehensive Materiality Assessment in 2025 to ensure that its Material Sustainability Issues remain relevant and responsive to emerging business risks and opportunities, evolving regulatory requirements, and the needs and expectations of its stakeholders.

The table below presents DMW's **Top Material Sustainability Issues for FY2025** (as listed in the 2025 Annual and Sustainability Report), which represent the sustainability matters that are most significant to the Company's business success and stakeholder interests. These were grouped per Environmental, Social, and Governance (ESG) overarching themes:

Enterprise Value Creation	External Stakeholders
1. Environmental: Climate Action and Resource Efficiency	**1. Environmental: Environmental Stewardship and Resource Management**
Energy Efficiency Water Conservation GHG Emissions Waste Management and Recycling Environmental Compliance	Energy Efficiency Water Conservation GHG Emissions Waste Management and Recycling Environmental Compliance
2. Social: Customer, Workforce, and Community Development	**2. Social: Quality of Life, People, and Inclusive Growth**
Customer Health and Safety Customer Satisfaction Pedestrian Mobility and Transportation Access to Needed Facilities and Infrastructure Innovation Occupational Health and Safety (OHS) Employee Retention Employee Well-being Human Capital Development Economic Value Generated Employment Generated Local Purchases	Customer Health and Safety Customer Satisfaction Pedestrian Mobility / Ease of Access Access to Needed Facilities and Infrastructure Innovation Human Rights Occupational Health and Safety (OHS) Employee Retention Employee Well-being Human Capital Development Economic Value Generated Employment Generated Local Purchases
3. Governance: Governance, Risk Management, and Business Resilience	**3. Governance: Responsible Governance and Ethical Business**
Risk Management Business Conduct and Ethics Disaster Risk Resilience	Risk Management Business Conduct and Ethics

The identified material sustainability issues were subsequently assessed and analyzed according to their significance to Enterprise Value Creation and External Stakeholders. Each issue group was evaluated based on its business or stakeholder relevance, the strategies implemented by DMW during FY2025 to address the issue, and the corresponding targets and performance metrics used to monitor progress.

Material Sustainability Issues for Enterprise Value Creation

1. Environmental: Climate Action and Resource Efficiency
A. Business Case
DMW recognizes that environmental stewardship is fundamental to long-term asset resilience, operational stability, and value creation. Efficient resource management, renewable energy adoption, and emissions reduction enhance the competitiveness of DMW's developments while mitigating exposure to energy price volatility, climate-related risks, and evolving environmental regulations. Sustainable developments such as Parqal and Aseana City also strengthen the Company's market positioning among increasingly sustainability-conscious tenants, investors, and customers. ***Opportunity:*** *Strong environmental performance can reduce operating costs, improve efficiency, and create long-term value.*
B. Business Strategies
- Achieved portfolio-wide transition to 100% renewable electricity through Retail Electricity Supply Agreements and the Retail Aggregation Program - Development of Parqal in accordance with BERDE (Building for Ecologically Responsive Design Excellence) standards. - Installation of energy-efficient building systems including LED lighting, variable refrigerant flow air-conditioning systems, and double-glazed curtain walls. - Ongoing retrofitting of existing properties to improve energy efficiency and reduce emissions. - Evaluation of solar panel installations in select Aseana City properties. - Implementation of water conservation measures, waste segregation programs, and hazardous waste management protocols. - Promotion of sustainable mobility through pedestrian lanes, bike paths, skywalks, and electric vehicle charging stations.
C. Target and Metrics

GHG Emissions Scope 1
- Target: YoY Decline
- 2025 Performance: 839.83 MT CO_2 (-13.87% YoY)

GHG Emissions Scope 2
- Target: YoY Decline
- 2025 Performance: 172.75 MT CO_2 (-91.40% YoY)

Renewable Energy Use
- Target: Increase renewable energy sourcing
- 2025 Performance: 100% of properties powered by renewable electricity

Water Consumption
- Target: Efficient water usage
- 2025 Performance: 247,137 m^3; water intensity of 1.08 m^3/sqm

Waste Management
- Target: Reduce waste generation
- 2025 Performance:
  - Solid Waste Reduced by 16.27%
  - Hazardous Waste reduced by 64.16%

2. Social: Customer, Workforce, and Community Development

A. Business Case

DMW's ability to create vibrant, livable, and inclusive communities contributes directly to tenant retention, property demand, recurring revenues, and long-term estate value. Investments in customer satisfaction, workforce development, health and safety, and community well-being strengthen DMW's reputation as a premier city developer while supporting business resilience and sustainable growth.

Revenue: *These directly support demand, occupancy, customer loyalty, workforce productivity, and growth.*

B. Business Strategies

- Development of Aseana City as an integrated 15-minute city with access to workplaces, residences, education, healthcare, retail, and public amenities.

- Expansion of pedestrian lanes, bike paths, skywalks, and public open spaces to enhance mobility and quality of life.

- Comprehensive customer engagement and satisfaction monitoring programs.

- Employee engagement initiatives, flexible work arrangements, wellness programs, and mental health support.

- Continuous learning and development through structured training, leadership development, and career pathing programs.

- Maintenance of rigorous occupational health and safety standards.

- Community investments including education, livelihood, health, and environmental programs.

C. Target and Metrics

Customer Satisfaction
- Target: >3.0 / 4.0
- 2025 Performance: 3.20 / 4.0

Employee Engagement
- Target: >95%
- 2025 Performance: 98%

Employee Retention
- Target: <10% turnover
- 2025 Performance: 20.0% turnover

Occupational Health and Safety
- Target: Zero work-related injuries, fatalities, and ill-health
- 2025 Performance:
  - 0 injuries, fatalities, and work-related illness
  - 1,200,496 safe man-hours

Human Capital Development
- Target: Continuous workforce development
- 2025 Performance:
  - 7,359 training hours
  - 15.4 average training hours per employee

3. Governance: Governance, Risk Management, and Business Resilience

A. Business Case

Strong governance and effective risk management safeguard DMW's assets, reputation, and ability to create long-term shareholder value. Robust governance frameworks strengthen stakeholder confidence, support regulatory compliance, improve operational resilience, and enhance the Company's ability to manage business, sustainability, and climate-related risks.

Risk: *These are primarily aimed at preventing losses, disruptions, non-compliance, and reputational damage.*

B. Business Strategies

- Implementation of an Enterprise Risk Management (ERM) framework supported by a 25-box Risk Heat Map.

- Oversight by the Audit and Risk Committee and Board of Directors.

- Enforcement of the Code of Business Conduct and Ethics, Anti-Corruption Policy, Whistleblowing Policy, Human Rights Commitment, Supplier Code of Conduct, and Data Privacy Policy.

- Regular risk assessments covering operational, financial, ESG, and climate-related risks.

- Business continuity planning, disaster preparedness, safety drills, and emergency response coordination.

- Participation in external sustainability assessments, including the S&P Corporate Sustainability Assessment.

C. Target and Metrics

Anti-Corruption
- Target: Zero corruption incidents
- 2025 Performance: 0 incidents

Human Rights
- Target: Zero incidents of child labor, forced labor, discrimination, and harassment
- 2025 Performance: 0 incidents

Environmental Compliance
- Target: Zero sanctions and penalties
- 2025 Performance: 0 monetary fines, 0 non-monetary sanctions

Data Privacy
- Target: Zero substantiated complaints
- 2025 Performance: 0 complaints

Business Resilience
- Target: Maintain effective risk management and disaster preparedness
- 2025 Performance:
  - 0 flooding incidents in Aseana City
  - 5 safety drills conducted
  - 100% employee and business partner anti-corruption training coverage

Material Sustainability Issues for External Stakeholders

1. Environmental: Environmental Stewardship and Resource Management

A. Business Case

DMW recognizes that its developments have direct and indirect impacts on the environment and surrounding communities. Through responsible environmental management, the Company contributes to climate change mitigation, conservation of natural resources, and the creation of sustainable communities. These efforts help address stakeholders' expectations for environmentally responsible development while supporting broader environmental and societal goals.

Opportunity: *Environmental stewardship presents an opportunity to strengthen stakeholder trust by demonstrating responsible resource management, climate action, and compliance with environmental standards.*

B. Business Strategies

- Achieved portfolio-wide transition to 100% renewable electricity through Retail Electricity Supply Agreements and the Retail Aggregation Program.

- Development of Parqal in accordance with BERDE (Building for Ecologically Responsive Design Excellence) standards.

- Installation of energy-efficient building systems including LED lighting, variable refrigerant flow air-conditioning systems, and double-glazed curtain walls.

- Ongoing retrofitting of existing properties to improve energy efficiency and reduce emissions.

- Evaluation of solar panel installations in select Aseana City properties.

- Implementation of water conservation measures, waste segregation programs, and hazardous waste management protocols.

- Promotion of sustainable mobility through pedestrian lanes, bike paths, skywalks, and electric vehicle charging stations.

C. Target and Metrics

Renewable Energy Adoption
- Target: Increase renewable energy utilization
- 2025 Performance: 100% renewable electricity across DMW properties

GHG Emissions Reduction
- Target: Reduce Carbon Footprint
- 2025 Performance:
  - Scope 1 Emissions: 839.83 MT CO_2 (-13.87%)
  - Scope 2 Emissions: 172.75 MT CO_2 (-91.40%)

Water Stewardship
- Target: Promote responsible water use
- 2025 Performance:
  - 247,137 m^3 total water consumption
  - 1.08 m^3/sqm water intensity

Waste Diversion and Reduction
- Target: Minimize waste generation and environmental impact
- 2025 Performance:
  - 16.27% reduction in solid waste
  - 64.16% reduction in hazardous waste

Environmental Compliance
- Target: Zero environmental violations
- 2025 Performance: 0 monetary fines, 0 non-monetary sanctions

2. Social: Customer, Workforce, and Community Development

A. Business Case

As a developer of mixed-use communities, DMW contributes to the quality of life of its stakeholders through safe and accessible developments, meaningful employment opportunities, responsible labor practices, and community investments. By prioritizing people-centered development, the Company supports inclusive growth, enhances stakeholder well-being, and generates positive social value across its areas of operation.

Opportunity: *Social initiatives create positive impacts for customers, employees, communities, and local economies by improving well-being, accessibility, human capital, and inclusive development.*

B. Business Strategies

- Development of Aseana City as an integrated 15-minute city with access to workplaces, residences, education, healthcare, retail, and public amenities.

- Expansion of pedestrian lanes, bike paths, skywalks, and public open spaces to enhance mobility and accessibility.

- Provision of community-supporting facilities including educational institutions, healthcare services, retail establishments, and recreational spaces.

- Comprehensive customer engagement and satisfaction monitoring programs.

- Employee engagement initiatives, flexible work arrangements, wellness programs, and mental health support.

- Continuous learning and development through structured training, leadership development, and career pathing programs.

- Maintenance of rigorous occupational health and safety standards.

- Promotion of human rights, diversity, equal opportunity, and fair labor practices throughout operations.

- Community investments focused on education, livelihood development, health, environmental stewardship, and disaster response.

C. Target and Metrics

Customer Satisfaction
- Target: >3.0 / 4.0
- 2025 Performance: 3.20 / 4.0

Employee Engagement
- Target: >95%
- 2025 Performance: 98%

Human Rights and Fair Labor
- Target: Zero incidents related to child labor, forced labor, discrimination, and harassment
- 2025 Performance: 0 incidents

Occupational Health and Safety
- Target: Zero work-related injuries, fatalities, and ill-health
- 2025 Performance:
  - 0 injuries, fatalities, and work-related illness
  - 1,200,496 safe man-hours

People Development
- Target: Sustain employee development and workplace culture
- 2025 Performance:
  - Great Place to Work® Certification maintained
  - Leadership development programs implemented

3. Governance: Responsible Governance and Ethical Business

A. Business Case

Stakeholders expect DMW to operate with integrity, transparency, accountability, and fairness. Effective governance systems help ensure compliance with laws and regulations, uphold ethical business practices, protect stakeholder interests, and strengthen trust among customers, employees, investors, regulators, suppliers, and communities.

Risk: *Strong governance is essential to managing ethical, regulatory, and operational risks while maintaining stakeholder confidence and the Company's social license to operate.*

B. Business Strategies

- Implementation of an Enterprise Risk Management (ERM) framework supported by a 25-box Risk Heat Map.

- Oversight by the Audit and Risk Committee and Board of Directors.

- Enforcement of the Code of Business Conduct and Ethics, Anti-Corruption Policy, Whistleblowing Policy, Human Rights Commitment, Supplier Code of Conduct, and Data Privacy Policy.

- Regular risk assessments covering operational, financial, ESG, and climate-related risks.

- Continuous stakeholder engagement and transparency through sustainability and annual reporting.

- Business continuity planning, disaster preparedness, safety drills, and emergency response coordination.

- Participation in external sustainability assessments, including the S&P Corporate Sustainability Assessment.

C. Target and Metrics

Business Ethics
- Target: Zero corruption incidents
- 2025 Performance: 0 incidents

Ethics and Compliance Training
- Target: Full training coverage
- 2025 Performance: 100% employee and business partner anti-corruption training coverage

Data Privacy
- Target: Zero substantiated complaints
- 2025 Performance: 0 complaints

Risk Management
- Target: Maintain effective enterprise risk management processes
- 2025 Performance:
  - 25-box Enterprise Risk Heat Map maintained
  - Regular risk assessments conducted

Business Continuity and Preparedness
- Target: Strengthen operational resilience
- 2025 Performance:
  - 0 flooding incidents in Aseana City
  - 5 safety drills conducted

The material sustainability issues presented in this report form the foundation of DMW's sustainability strategy and guide the Company's efforts to create long-term value for both the business and its stakeholders. These issues are periodically reviewed and reassessed to ensure continued alignment with DMW's strategic priorities, stakeholder expectations, regulatory developments, and emerging sustainability trends.

Detailed information on the materiality assessment methodology, stakeholder engagement process, and assessment results may be found in the Sustainability Report section of the DMW Annual Report 2025: 2025 Annual and Sustainability Report

Additional guidance on DMW's approach to materiality determination and periodic review is available in the Company's Materiality Assessment Policy: DMW Materiality Assessment Policy

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