

ESG Disclosure Report



Megawide

For reporting period 1st Jan 2023 – 31st Dec 2023

S&P Global



Sustainable1 Project Team

Shardul Bapat| Project Manager

Ankita Sinha| Project Analyst

About S&P Global Sustainable1

Sustainable1 is part of S&P Global. A leader in carbon and environmental data and risk analysis, Sustainable1 assesses risks relating to climate change, natural resource constraints, and broader environmental, social, and governance (ESG) factors. Companies and financial institutions use Sustainable1 intelligence to understand their ESG exposure to these factors, inform resilience, and identify transformative solutions for a more sustainable global economy. S&P Global's commitment to environmental analysis and product innovation enables its team to deliver essential ESG investment-related information to the global marketplace. For more information, visit <https://www.spglobal.com/esg/Sustainable1>.

About S&P Global

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Contact

E: Sustainable1info@spglobal.com

E: Sustainable1northamerica@spglobal.com

E: Sustainable1EMEA@spglobal.com

E: Sustainable1asiapacific@spglobal.com

E: Sustainable1southamerica@spglobal.com

Telephone (UK): +44 (0) 20 7160 9800

Telephone (North America): +1 800 402 8774

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Introduction

Overview

Megawide engaged S&P Global Sustainable1 to deliver an ESG Disclosure Report for the FY2023, corresponding to the period of 1st Jan 2023 to 31st Dec 2023. 15 material ESG topics were identified through a materiality assessment conducted based on Sustainable1's methodology which takes reference from SASB and GRI frameworks as well as Megawide's industry peers' disclosures. These topics were then scored by Megawide's internal and external stakeholders based on the topics' perceived importance to business and stakeholders. The resulting materiality matrix is appended in the next page. This ESG Disclosure Report is populated with inputs from Megawide on the company's practices and efforts in each of the material topics identified.

Proactively identifying key materiality issues provides companies with the opportunity to increase their value, both in business and financial terms. Focusing on these material ESG issues can allow companies to positively impact their growth in terms of profit and customers, while failure to address these issues can have a negative effect on a company's reputation and profits. Some materiality issues can evolve alongside changing market dynamics and operating environments and therefore it is important for companies to revisit similar materiality exercises periodically as deemed necessary. ESG reporting can help Megawide communicate its commitment to sustainable development and its key achievements, practices, and management approaches to its target audiences and stakeholders.

Materiality Assessment Process

Sustainable1 helped Megawide's ESG Reporting journey by identifying the ESG topics and metrics material to the Business Unit. The materiality assessment approach is anchored in the SASB (Sustainability Accounting Standards Board) reporting framework. The approach also overlays the GRI (Global Reporting Initiative) framework to the shortlisted material issues.

Steps involved in conducting a materiality assessment & developing ESG disclosure report for Megawide



The ESG Disclosure report details material ESG data from Megawide's operations. All commentary in this report were provided by Megawide.

Material Topics Selection Process

SASB Sector Materiality Topics by Sector and Megawide's Peers Disclosures

Dimension	Reporting Framework	Description	Engineering & Construction Services	Real Estate	Suggested Topics by SASB	EI Corporation	Gamuda	AECOM	Suggested Preliminary list of Topics
Environment	SASB/GRI/PHSEC	GHG Emissions							
	SASB/GRI/PHSEC	Air Quality							
	SASB/GRI/PHSEC	Energy Management							
	SASB/GRI/PHSEC	Water & Wastewater Management							
	SASB/GRI/PHSEC	Waste & Hazardous Materials Management							
	SASB/GRI	Ecological Impacts							
Social Capital	SASB/GRI	Human Rights & Community Relations							
	SASB/GRI/PHSEC	Customer Privacy							
	SASB/GRI/PHSEC	Data Security							
	SASB	Access & Affordability							
	SASB	Product Quality & Safety							
	SASB/GRI/PHSEC	Customer Welfare							
Human Capital	SASB/PHSEC	Selling Practices & Product Labeling							
	SASB/GRI/PHSEC	Labor Practices							
	SASB/GRI/PHSEC	Employee Health & Safety							
Business Model & Innovation	SASB/GRI/PHSEC	Employee Engagement, Diversity & Inclusion							
	SASB	Lifecycle Impacts of Buildings & Infrastructure							
	SASB	Climate Impacts of Business Mix							
	SASB/GRI/PHSEC	Supply Chain Management							
	SASB/GRI/PHSEC	Materials Sourcing & Efficiency							
Leadership & Governance	SASB	Climate Change Adaptation							
	SASB/GRI/PHSEC	Business Ethics							
	SASB/GRI	Competitive Behavior							
	SASB	Management of the Legal & Regulatory Environment							
Additional Dimension	SASB	Critical Incident Risk Management							
	SASB/GRI/PHSEC	Systemic Risk Management							
	GRI/PHSEC	Economic Performance							

Materiality Assessment Stakeholder Survey for Megawide - Impact to Stakeholders

A Materiality Assessment is an exercise to identify and prioritize key Environmental, Social and Governance (ESG) topics for Megawide to focus on in the coming years. These topics would include matters which are of interest relevant and important to both Megawide and its stakeholders, including its management, employees, customers, investors, suppliers, the community and the government.

ESG stands for Environmental, Social, and Governance. It is a framework used by investors, companies, and organizations to evaluate and measure the sustainability and ethical impacts of a business.

1. Environmental (E): This focuses on a company's impact on the planet. It assesses things like carbon emissions, resource usages, and environmental conservation efforts.
2. Social (S): This considers how a company interacts with people, both internally (employees) and externally (customers, and communities). It looks at aspects like labor practices, gender equality, and community engagement.
3. Governance (G): It examines a company's leadership, policies, and internal controls. It assesses the quality of management, board diversity, and ethical behavior within the organization.

The goal of ESG is to encourage businesses to operate more sustainably, ethically, and responsibly, ultimately benefiting not only investors but society and the environment as well. It is becoming increasingly important in the world of finance and business to promote long-term sustainability and accountability.

Selected internal and external stakeholders of Megawide have invited to respond to this survey. All responses will be aggregated and anonymized to maintain the confidentiality of respondents.

This survey consists of four sections and 32 questions targeted at external stakeholders of Megawide. It should take about 8 - 10 mins to answer. Responses will be aggregated and kept anonymous.

Stakeholder Group Category

Basic information collection

Scoring of Material Topics based on their Impact to Megawide's Stakeholders

This section seeks inputs on your perceived impact of the following Material Topics **to you as an external stakeholder of Megawide**. You may assess the impact of these topics from the perspective of how they would affect the overall environment, economy and society based on Megawide's operations.

Please assign a score to each ESG Material Topic on a scale of 1-10, where 1 = least impactful and 10 =most impactful.

3. GHG Emissions *

The topic addresses the direct (Scope 1) greenhouse gas (GHG) emissions that a company generates through its operations and the indirect emissions (Scope 2) from purchase of electricity and value chain emissions (Scope 3) from upstream suppliers to downstream use-of-products. It also covers the company's plans to manage and/or reduce emissions.

1	2	3	4	5	6	7	8	9	10
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Least Impactful

Most Impactful

Megawide's ESG Impacts of Material Topics

This section seeks inputs on your perception of the impact of the Material ESG Topics on Megawide's business and the environment, economy and society.

18. Select up to 3 topics which you think will cause the most negative financial **impacts for the business** if poorly managed by Megawide. *

Negative financial impact can include: litigation costs, loss of operating licenses, higher operating costs, deterioration of asset value, reduced revenue etc.

Megawide's ESG Efforts and Performance in Material Topics

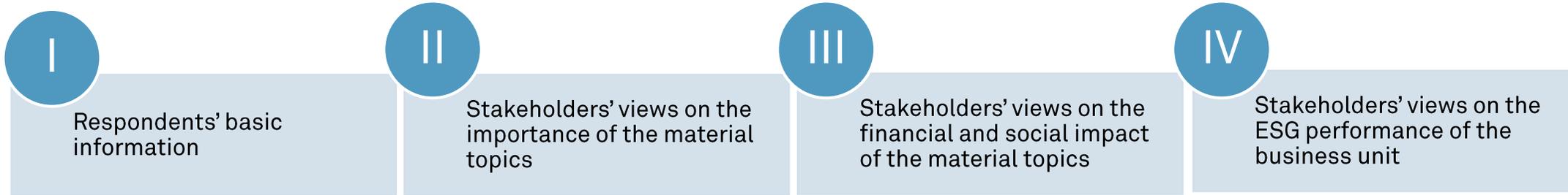
This section seeks inputs on your perception of Megawide's performance in various Material Topics.

26. In your opinion, which are the topics where Megawide's performance meet your expectations? *

Materiality Assessment - Results

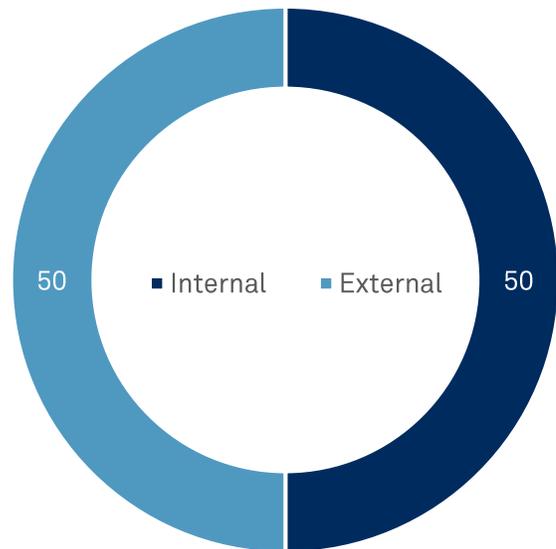
Overview of the Stakeholder Survey

Sections in Stakeholder Survey

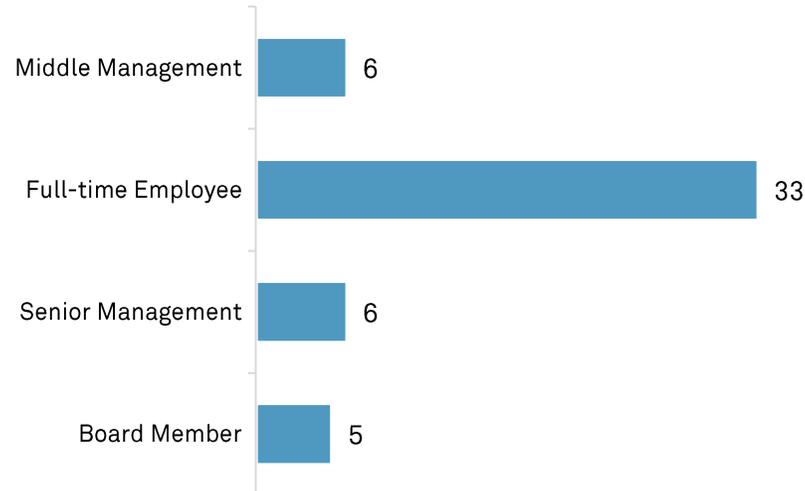


Sustainable1 collected 100 responses through the survey, 50 from internal stakeholders (Board Member, Executive / Senior Management, Middle Management and Full-time Employee) and 50 from external stakeholders (Customers).

Distribution of the responses by stakeholder groups (Total: 100)



Internal Stakeholders



External Stakeholders



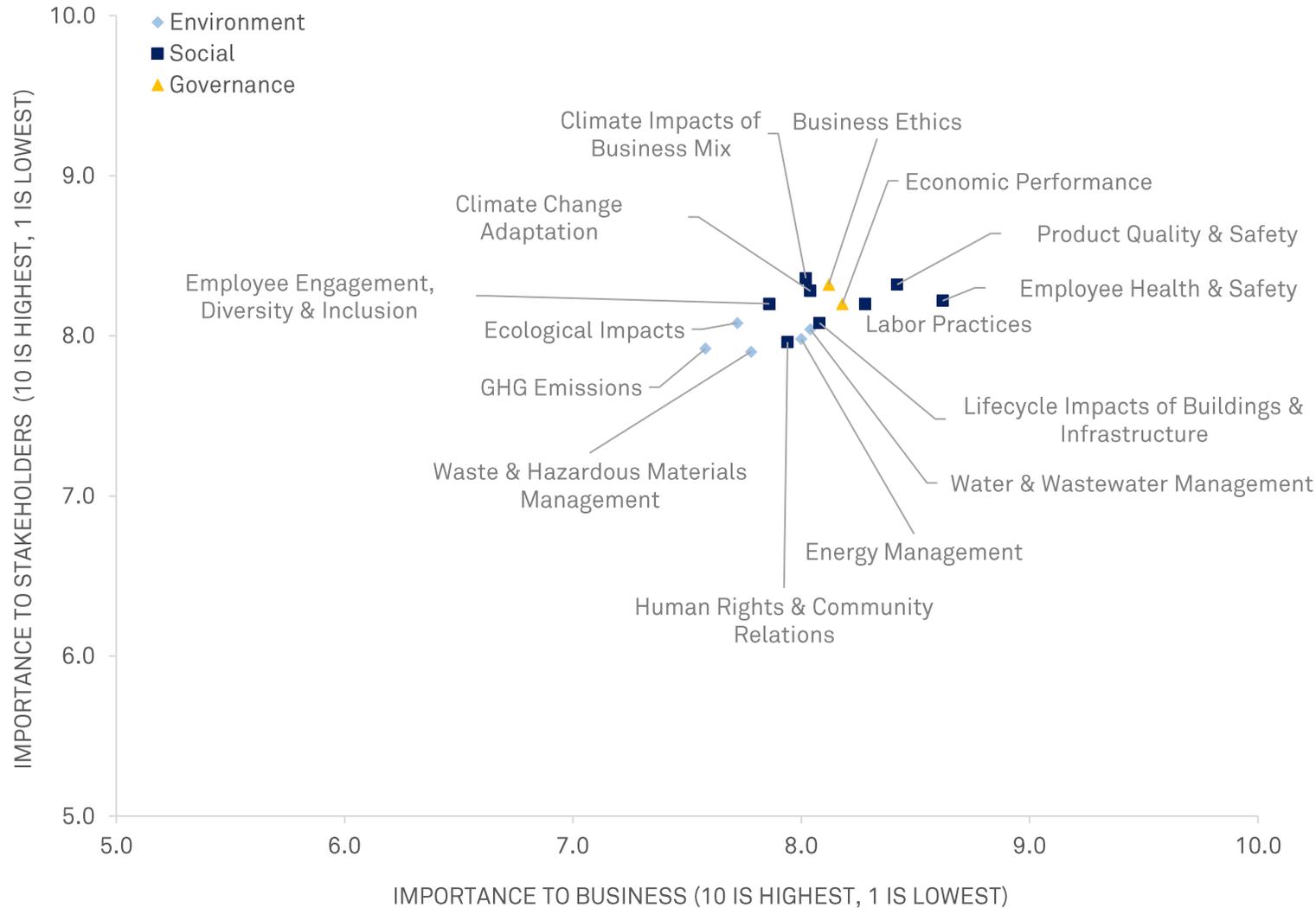
ESG Materiality

Internal and external stakeholders of Megawide scored against 15 ESG topics that were identified as material for Megawide based on their perception of each topic's impact to Megawide's business and its stakeholders. Scores were assigned on a scale of 1 to 10, with 1 being of lowest impact and 10 being of highest impact. The below table reflects the average scores of each material ESG topic.

Source	Category	No.	Material Issue	Score of Importance to Business (10 is high, 1 is low)	Score of Importance to Stakeholders (10 is high, 1 is low)
SASB/GRI/PHSEC	Environment	1	GHG Emissions	7.6	7.9
SASB/GRI/PHSEC	Environment	2	Energy Management	8.0	8.0
SASB/GRI/PHSEC	Environment	3	Water & Wastewater Management	8.0	8.0
SASB/GRI/PHSEC	Environment	4	Waste & Hazardous Materials Management	7.8	7.9
SASB/GRI	Environment	5	Ecological Impacts	7.7	8.1
SASB/GRI	Social	6	Human Rights & Community Relations	7.9	8.0
SASB	Social	7	Product Quality & Safety	★ 8.4	★ 8.3
SASB/GRI	Social	8	Labor Practices	★ 8.3	8.2
SASB/GRI/PHSEC	Social	9	Employee Health & Safety	★ 8.6	8.2
SASB/GRI/PHSEC	Social	10	Employee Engagement, Diversity & Inclusion	7.9	8.2
SASB	Social	11	Lifecycle Impacts of Buildings & Infrastructure	8.1	8.1
SASB	Social	12	Climate Impacts of Business Mix	8.0	★ 8.4
SASB	Social	13	Climate Change Adaptation	8.0	8.3
SASB/GRI/PHSEC	Governance	14	Business Ethics	8.1	★ 8.3
GRI/PHSEC	Governance	15	Economic Performance	8.2	8.2

[Click Here to see Descriptions of ESG Material Topics](#)

Materiality Matrix



The Materiality Matrix illustrates Megawide’s stakeholders’ sentiments of how important each of the 16 topics is to the business and its stakeholders.

Material topics clustered at the top-right quadrant can be interpreted to be of high materiality.

The most material ESG topics appear to be

1. **Employee Health & Safety**
2. **Product Quality & Safety**
3. **Labor Practices**
4. **Economic Performance**
5. **Business Ethics**

The Environmental topics of GHG Emissions, Waste & Hazardous Materials Management and Ecological Impact though considered material, were deemed to be least important.

Materiality Assessment Results by Stakeholder Group

Impact to Business



Stakeholders	Board Member
Energy Management	8.4
Product Quality & Safety	8.4
Employee Health & Safety	8.4
Climate Change Adaptation	8.4
GHG Emissions	8.2
Water & Wastewater Management	8.2
Ecological Impacts	8.2
Climate Impacts of Business Mix	8.2
Economic Performance	8.2
Human Rights & Community Relations	8.0
Labor Practices	8.0
Employee Engagement, Diversity & Inclusion	8.0
Lifecycle Impacts of Buildings & Infrastructure	8.0
Business Ethics	8.0
Waste & Hazardous Materials Management	7.6
Total Stakeholders	5

Stakeholders	Executive / Senior Management
Water & Wastewater Management	8.0
Employee Health & Safety	7.8
Energy Management	7.5
Employee Engagement, Diversity & Inclusion	7.5
Waste & Hazardous Materials Management	7.0
Economic Performance	7.0
Product Quality & Safety	6.8
Business Ethics	6.8
GHG Emissions	6.7
Ecological Impacts	6.7
Climate Change Adaptation	6.7
Labor Practices	6.5
Human Rights & Community Relations	6.2
Climate Impacts of Business Mix	6.0
Lifecycle Impacts of Buildings & Infrastructure	5.8
Total Stakeholders	6

Stakeholders	Middle Management
Employee Health & Safety	9.5
Product Quality & Safety	9.3
Labor Practices	9.3
Economic Performance	9.3
Business Ethics	9.2
Energy Management	9.0
Water & Wastewater Management	8.8
Lifecycle Impacts of Buildings & Infrastructure	8.7
GHG Emissions	8.0
Waste & Hazardous Materials Management	8.0
Human Rights & Community Relations	8.0
Employee Engagement, Diversity & Inclusion	8.0
Climate Impacts of Business Mix	7.7
Climate Change Adaptation	7.7
Ecological Impacts	6.8
Total Stakeholders	6

Stakeholders	Full-time Employee/ Individual Contributor
Employee Health & Safety	8.6
Product Quality & Safety	8.5
Labor Practices	8.5
Climate Impacts of Business Mix	8.4
Lifecycle Impacts of Buildings & Infrastructure	8.4
Climate Change Adaptation	8.3
Human Rights & Community Relations	8.2
Business Ethics	8.2
Economic Performance	8.2
Ecological Impacts	8.0
Waste & Hazardous Materials Management	7.9
Water & Wastewater Management	7.9
Employee Engagement, Diversity & Inclusion	7.9
Energy Management	7.8
GHG Emissions	7.6
Total Stakeholders	33

Materiality Assessment Results by Stakeholder Group

Impact to Stakeholders



Stakeholders	Communities / NGOs
Employee Engagement, Diversity & Inclusion	8.8
Economic Performance	8.6
Climate Change Adaptation	8.4
Business Ethics	8.4
Lifecycle Impacts of Buildings & Infrastructure	8.2
Human Rights & Community Relations	8.0
GHG Emissions	7.8
Energy Management	7.8
Waste & Hazardous Materials Management	7.8
Labor Practices	7.8
Water & Wastewater Management	7.6
Climate Impacts of Business Mix	7.6
Product Quality & Safety	7.4
Employee Health & Safety	7.4
Ecological Impacts	7.2
Total Stakeholders	5

Stakeholders	Customers / Clients
Water & Wastewater Management	8.4
Labor Practices	8.3
Climate Impacts of Business Mix	8.3
Employee Health & Safety	8.1
Business Ethics	8.1
Product Quality & Safety	8.0
GHG Emissions	7.8
Ecological Impacts	7.8
Employee Engagement, Diversity & Inclusion	7.8
Economic Performance	7.8
Energy Management	7.6
Waste & Hazardous Materials Management	7.6
Climate Change Adaptation	7.6
Lifecycle Impacts of Buildings & Infrastructure	7.5
Human Rights & Community Relations	7.4
Total Stakeholders	8

Stakeholders	Contractors
Labor Practices	8.8
Employee Engagement, Diversity & Inclusion	8.7
Climate Impacts of Business Mix	8.6
Business Ethics	8.6
Product Quality & Safety	8.5
Climate Change Adaptation	8.5
Employee Health & Safety	8.4
Lifecycle Impacts of Buildings & Infrastructure	8.3
Energy Management	8.3
Human Rights & Community Relations	8.3
Waste & Hazardous Materials Management	8.2
Ecological Impacts	8.2
Economic Performance	8.2
Water & Wastewater Management	7.9
GHG Emissions	7.8
Total Stakeholders	12

Stakeholders	Investors
Energy Management	8.8
Water & Wastewater Management	8.8
GHG Emissions	8.5
Waste & Hazardous Materials Management	8.5
Ecological Impacts	8.5
Human Rights & Community Relations	8.5
Climate Change Adaptation	8.5
Business Ethics	8.5
Product Quality & Safety	8.3
Employee Health & Safety	8.3
Lifecycle Impacts of Buildings & Infrastructure	8.3
Climate Impacts of Business Mix	8.3
Economic Performance	8.3
Employee Engagement, Diversity & Inclusion	8.0
Labor Practices	7.8
Total Stakeholders	4

Materiality Assessment Results by Stakeholder Group

Impact to Stakeholders

Stakeholders	Independent director
Business Ethics	10.0
Economic Performance	10.0
Water & Wastewater Management	9.0
Employee Engagement, Diversity & Inclusion	9.0
Lifecycle Impacts of Buildings & Infrastructure	9.0
Waste & Hazardous Materials Management	8.0
Ecological Impacts	8.0
Human Rights & Community Relations	8.0
Product Quality & Safety	8.0
Labor Practices	8.0
Employee Health & Safety	8.0
Climate Change Adaptation	8.0
Energy Management	7.0
Climate Impacts of Business Mix	7.0
GHG Emissions	6.0
Total Stakeholders	1

Stakeholders	Regulators
Product Quality & Safety	9.0
Climate Impacts of Business Mix	9.0
Employee Health & Safety	8.8
Employee Engagement, Diversity & Inclusion	8.8
Business Ethics	8.6
Human Rights & Community Relations	8.2
Lifecycle Impacts of Buildings & Infrastructure	8.2
Climate Change Adaptation	8.2
Water & Wastewater Management	8.0
Waste & Hazardous Materials Management	8.0
Ecological Impacts	8.0
Labor Practices	8.0
GHG Emissions	7.8
Energy Management	7.8
Economic Performance	7.8
Total Stakeholders	5

Stakeholders	Suppliers / Vendors
Economic Performance	8.5
Climate Change Adaptation	8.5
GHG Emissions	8.4
Lifecycle Impacts of Buildings & Infrastructure	8.4
Ecological Impacts	8.3
Product Quality & Safety	8.3
Labor Practices	8.3
Employee Health & Safety	8.3
Energy Management	8.2
Water & Wastewater Management	8.2
Human Rights & Community Relations	8.1
Climate Impacts of Business Mix	8.0
Employee Engagement, Diversity & Inclusion	7.8
Waste & Hazardous Materials Management	7.7
Business Ethics	7.7
Total Stakeholders	11

Stakeholders	Industry Associations
Energy Management	9.0
Waste & Hazardous Materials Management	9.0
Human Rights & Community Relations	9.0
Employee Health & Safety	9.0
Climate Impacts of Business Mix	9.0
GHG Emissions	8.0
Water & Wastewater Management	8.0
Ecological Impacts	8.0
Product Quality & Safety	8.0
Labor Practices	8.0
Employee Engagement, Diversity & Inclusion	8.0
Lifecycle Impacts of Buildings & Infrastructure	8.0
Climate Change Adaptation	8.0
Business Ethics	8.0
Economic Performance	7.0
Total Stakeholders	1

Stakeholders	Other Local Government Organizations
GHG Emissions	9.0
Water & Wastewater Management	9.0
Ecological Impacts	9.0
Product Quality & Safety	9.0
Climate Impacts of Business Mix	9.0
Energy Management	8.0
Human Rights & Community Relations	8.0
Employee Health & Safety	8.0
Employee Engagement, Diversity & Inclusion	8.0
Climate Change Adaptation	8.0
Business Ethics	8.0
Waste & Hazardous Materials Management	7.0
Labor Practices	7.0
Lifecycle Impacts of Buildings & Infrastructure	7.0
Economic Performance	7.0
Total Stakeholders	1

Stakeholders	Securities Firm
Climate Impacts of Business Mix	10.0
Product Quality & Safety	9.5
Ecological Impacts	9.0
Business Ethics	9.0
Climate Change Adaptation	8.5
Economic Performance	8.5
Labor Practices	7.5
Employee Health & Safety	7.5
GHG Emissions	7.0
Waste & Hazardous Materials Management	7.0
Employee Engagement, Diversity & Inclusion	6.5
Lifecycle Impacts of Buildings & Infrastructure	6.5
Energy Management	6.0
Water & Wastewater Management	5.5
Human Rights & Community Relations	5.5
Total Stakeholders	2

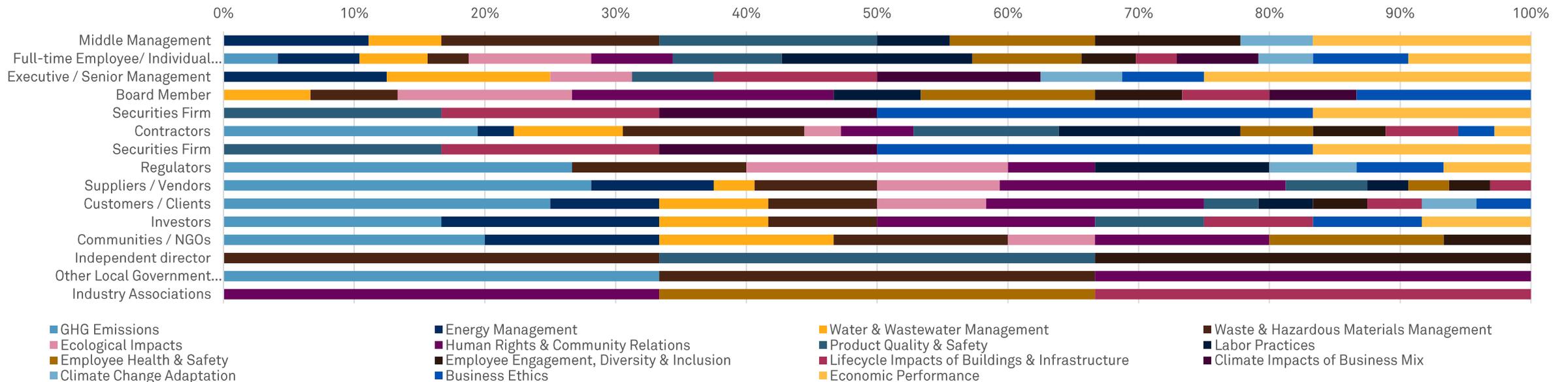
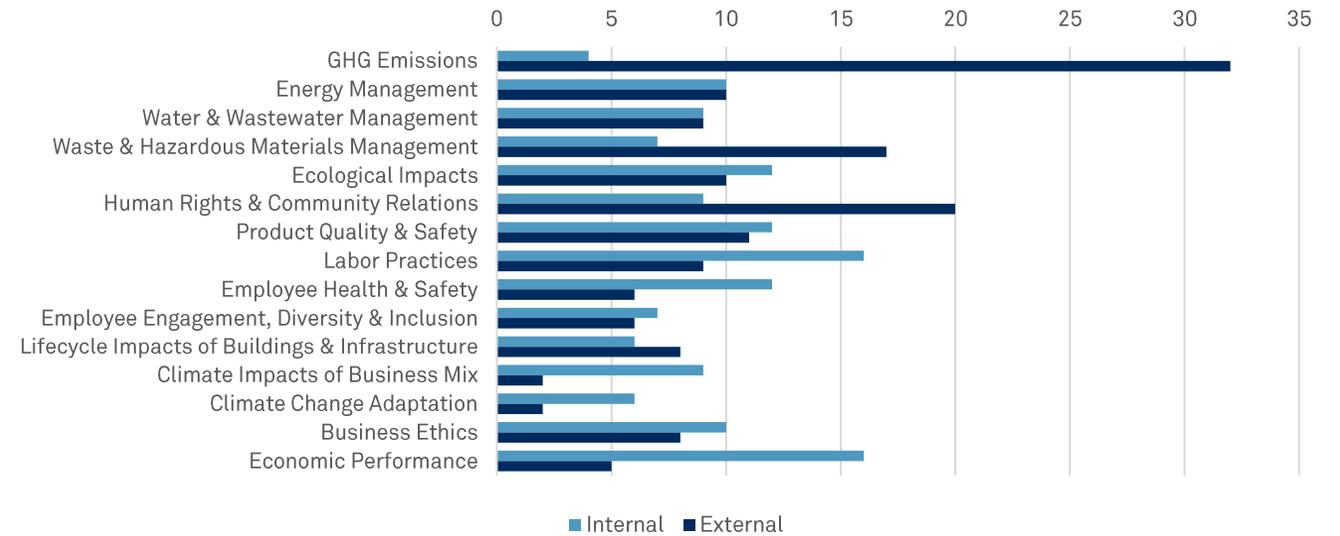
Financial and Social Impact of Material ESG Topics

Most Negative Financial Impact to the Business

Waste & Hazardous Materials Management is identified by 11 out of 15 stakeholders as topics that can cause severe negative financial impacts if the business manages it poorly.

Internal Stakeholders identify **Labor Practices** as the ESG topic that can cause most negative impact as it relates to company's compliance with internationally accepted labour laws and standards

External Stakeholders identify **GHG Emissions** as the ESG topic that can cause most negative impact as it relates to company's plan to manage and reduce scope 1, 2 and 3 emissions



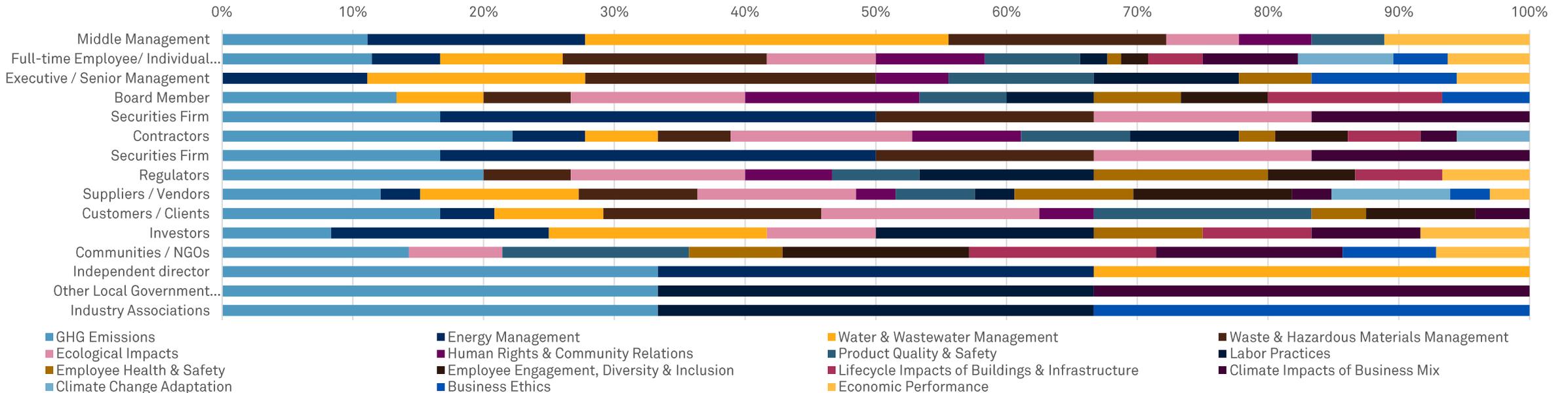
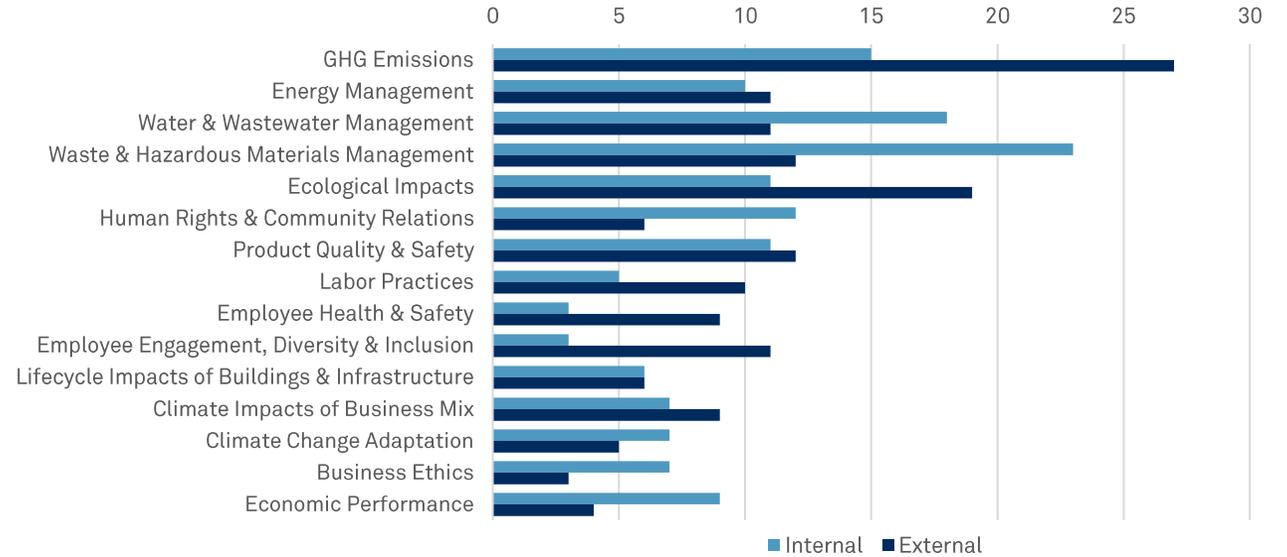
Most Negative Impacts to Society

GHG Emissions is identified by 14 out of 15 stakeholder groups as the topic that can cause severe negative financial impact on society if managed poorly.

Internal Stakeholders identify **Waste & Hazardous Materials Management** as the ESG topic that can cause most negative impact on society if managed poorly.

External Stakeholders identify **GHG Emissions** as the ESG topic that can cause most negative impact to society if managed poorly.

External Stakeholders unequivocally identify GHG Emissions as single most important topic which can have negative impact on business & society both if it is managed poorly

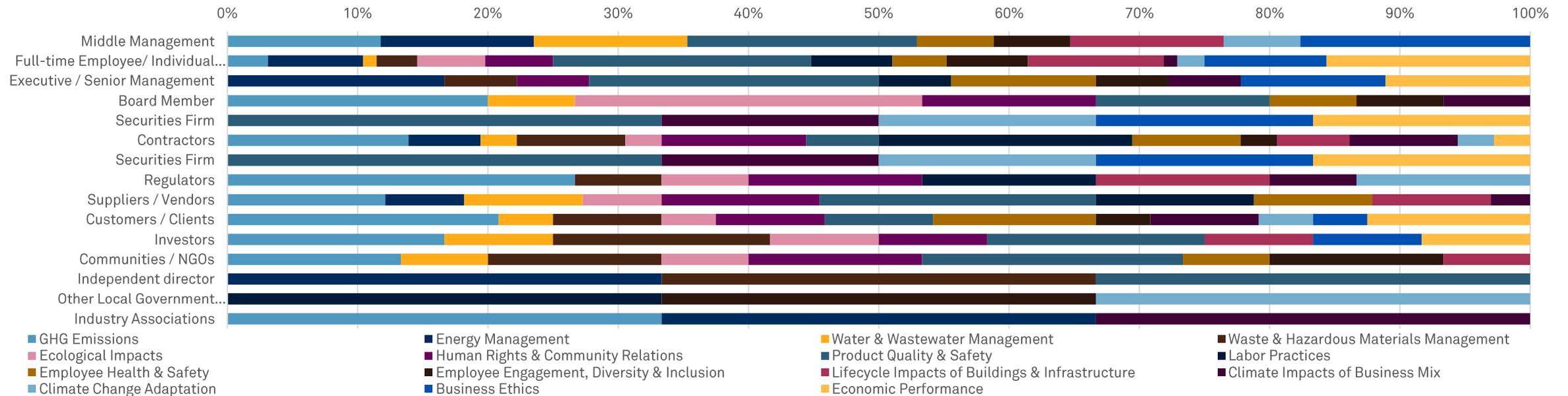
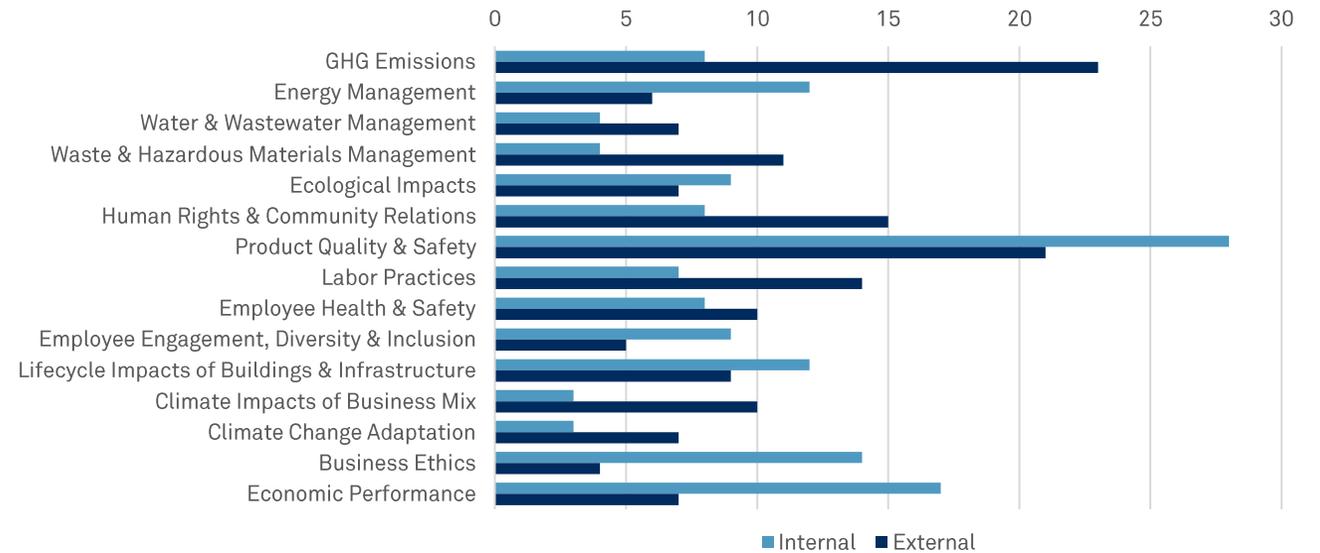


Financial Opportunities and Rewards to the Business

Product Quality & Safety is identified by 11 out of 15 stakeholder groups as the topic that can bring financial opportunities and rewards if managed well.

Internal Stakeholders identify **Product Quality & Safety** as the ESG topic that can bring financial opportunities and rewards as it relates to designing and constructing building or infrastructure by considering potential climate change impacts.

External Stakeholders identify **GHG Emissions** as ESG topic that can bring financial opportunities and rewards if managed well.



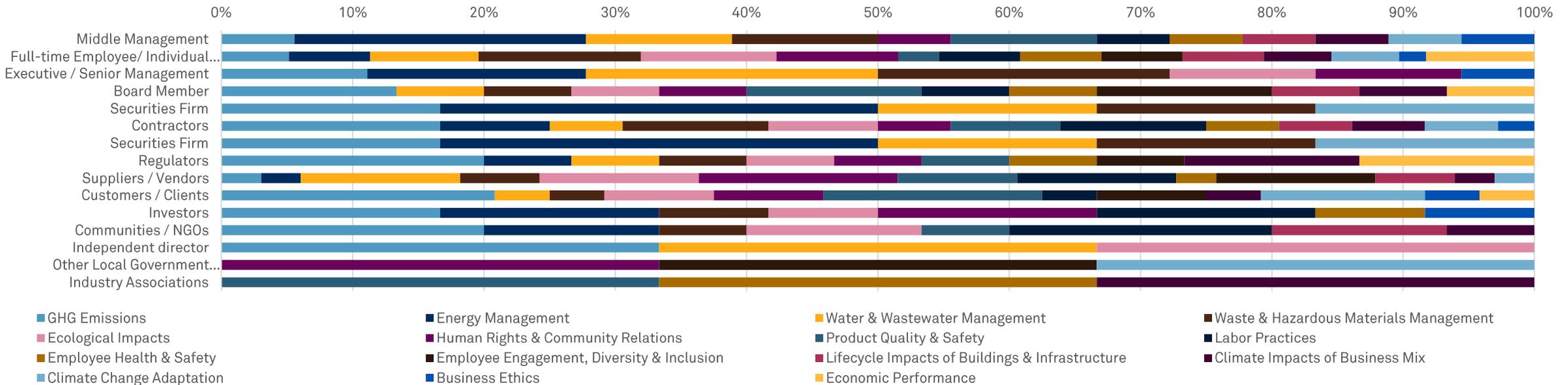
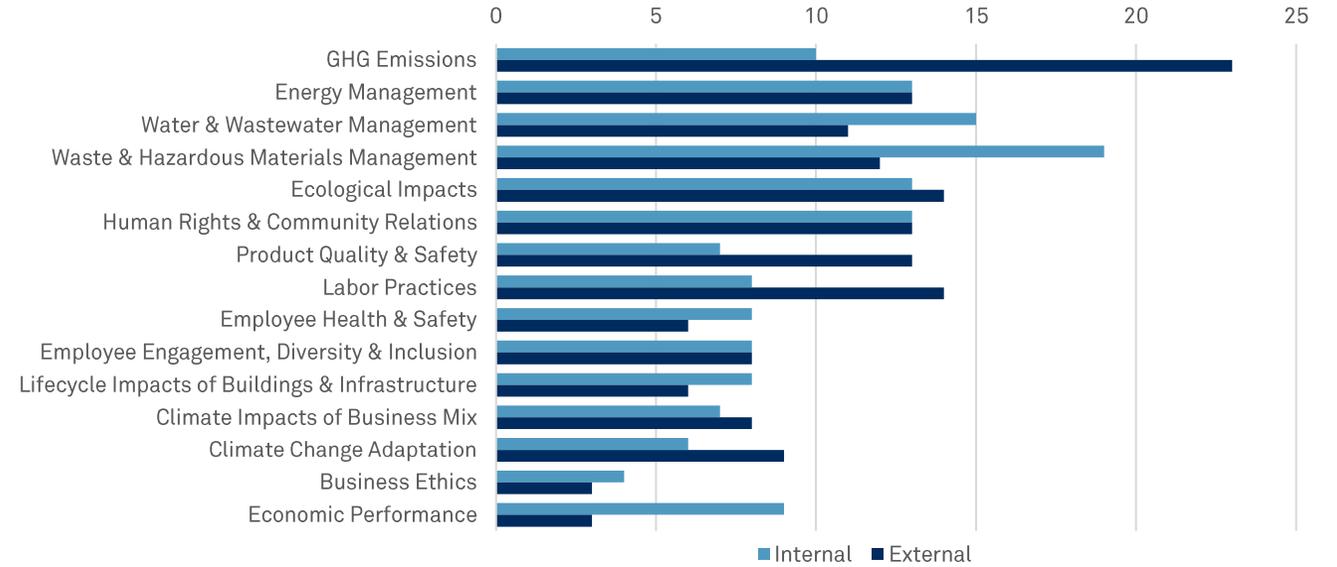
Benefits to the Society

GHG Emissions is identified by 13 out of 15 stakeholder groups as the topics that can bring societal benefits if managed well.

Internal Stakeholders identify Waste & Hazardous Materials Management as the topics that can bring societal benefits if managed well while highlighting the fact that the same topic can have most negative impact to the society if managed poorly.

External Stakeholders identify GHG Emissions as the ESG topics that can bring societal benefits if managed well.

External Stakeholders unequivocally identify GHG Emissions as single most important topic which can benefit business & society both if managed well



Stakeholders' Perspectives on ESG Performance

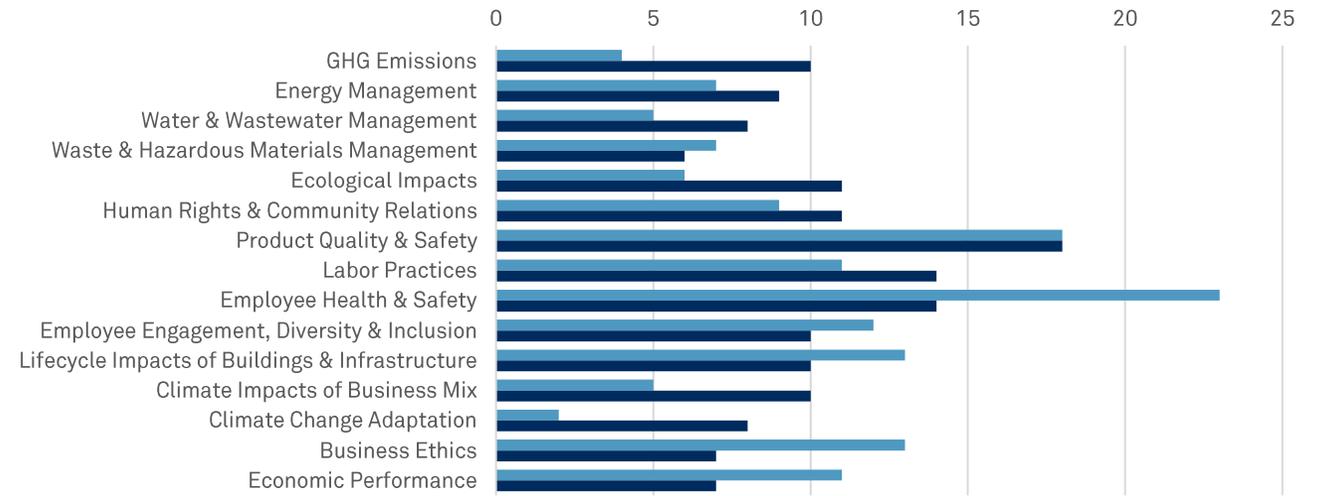
Areas where Performance Meets Expectations

Employee Health & Safety and Product Quality & Safety is identified by 12 out of 15 stakeholder groups as the topics that meets their performance expectations.

Internal Stakeholders identify Employee Health & Safety as the ESG topic that meets their performance expectations.

External Stakeholders identify Product Quality & Safety as the ESG topic that meets their performance expectations.

This may indicate that External Stakeholders feel that Megawide considers potential climate change impacts when designing and constructing building or infrastructure while delivering a safe and high-quality product



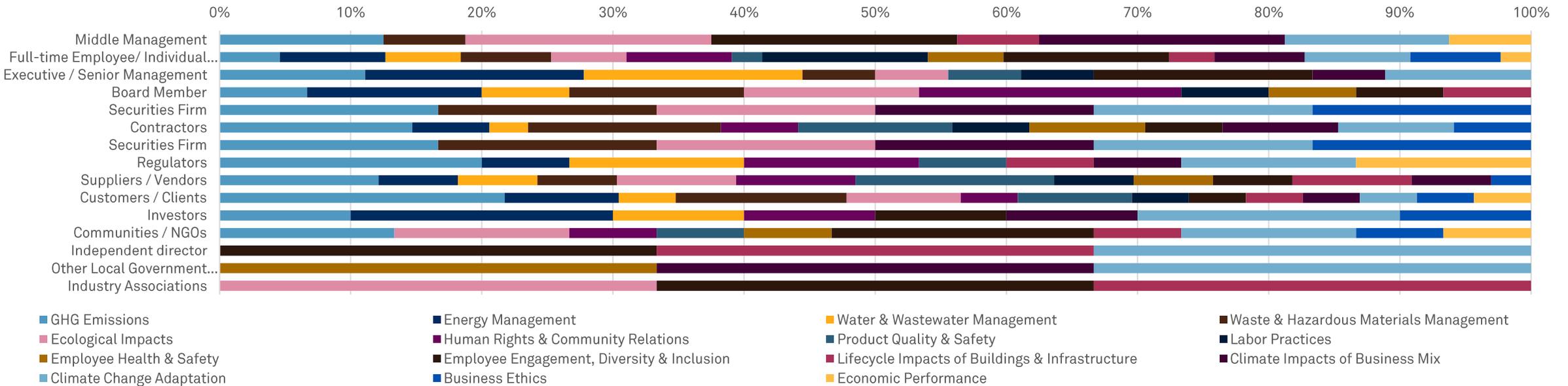
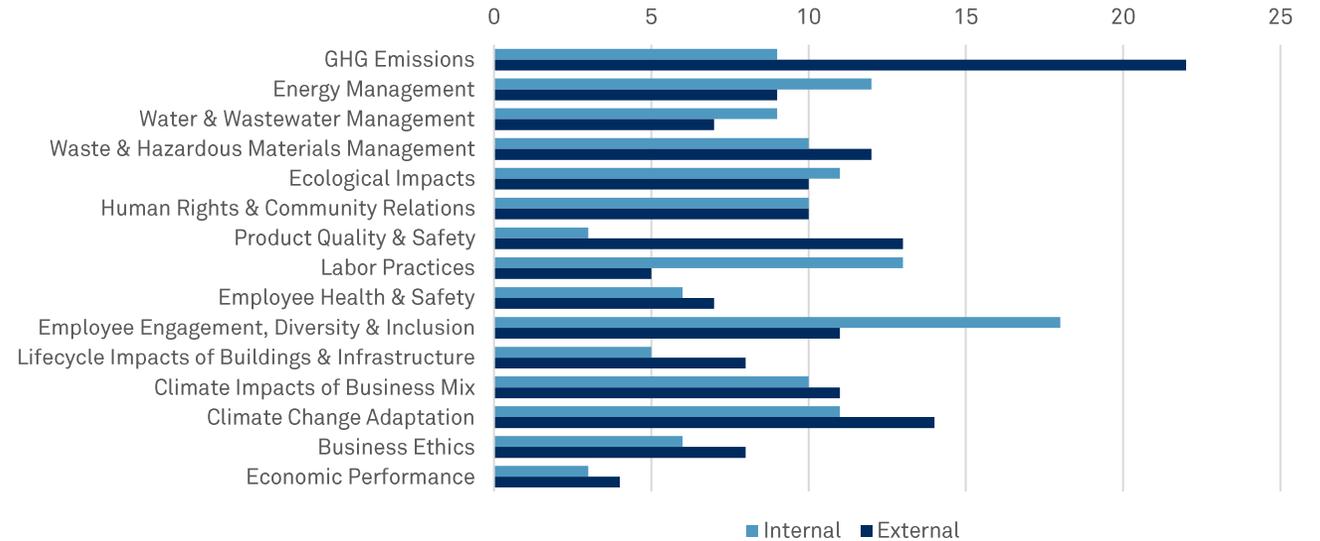
Areas that Need Improvement

GHG Emissions and Climate Change Adaptation are identified by 12 out of 15 stakeholder groups as the topics that need improvement.

Internal Stakeholders identify Employee Engagement, Diversity & Inclusion as the ESG topic that needs improvement.

External Stakeholders identify GHG Emissions as the ESG topic that needs improvement.

This may indicate that External Stakeholders expect consistent efforts from Megawide towards accounting, managing and reducing its GHG Emissions as it can bring business and societal benefits.



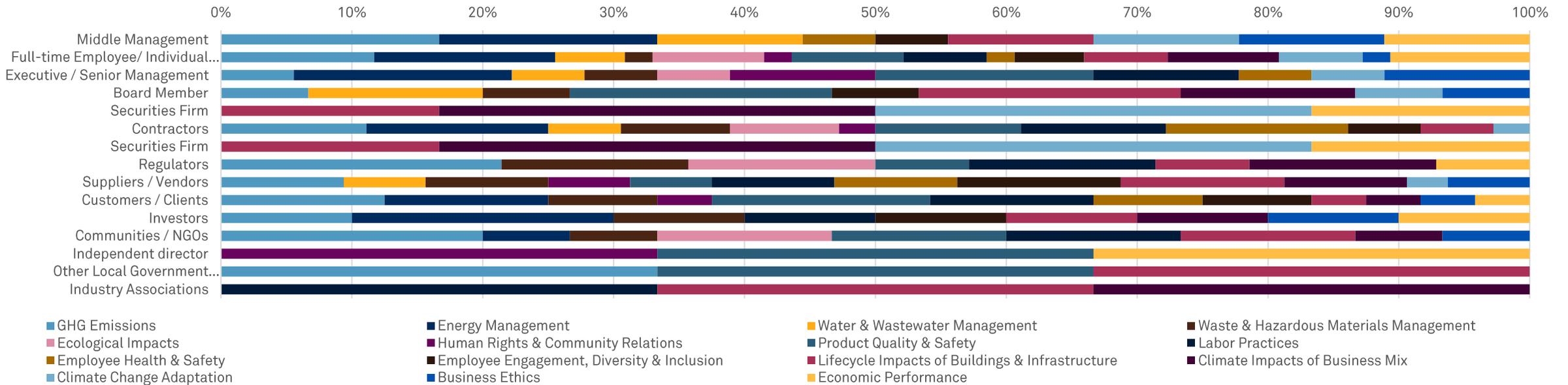
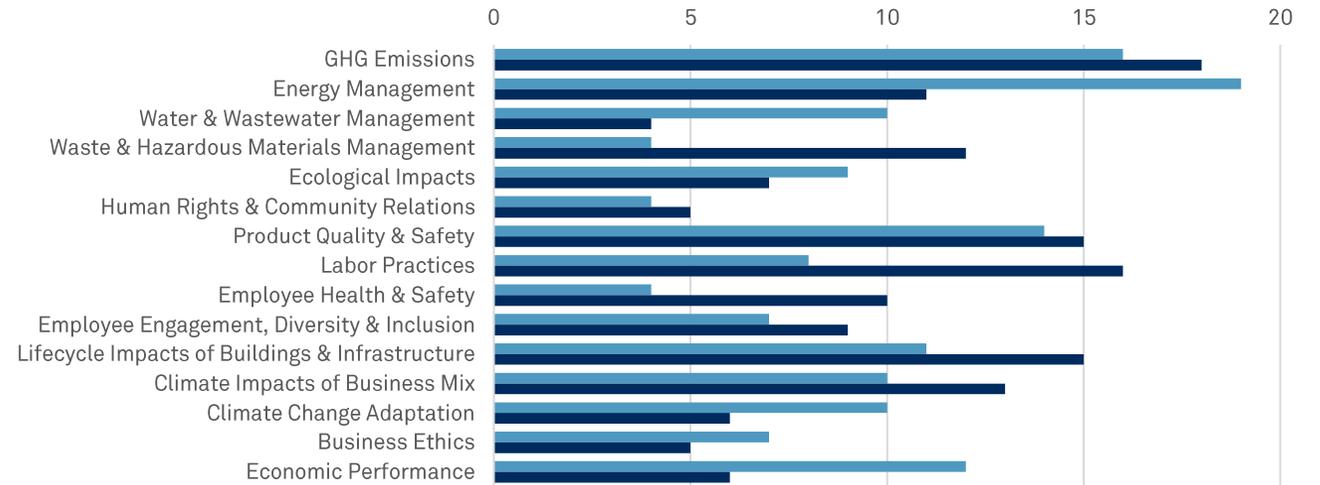
Topics of Increasing Importance in the next 3- 5 Years

GHG Emissions and Lifecycle Impact of Building & Infrastructure is identified by 11 out of 15 stakeholder groups as the topics that will be of increasing importance in next 3-5 years.

Internal Stakeholders identify Energy Management as the ESG topic that will be of increasing importance in next 3-5 years.

External Stakeholders identify GHG Emissions as the ESG topic that will be of increasing importance in next 3-5 years.

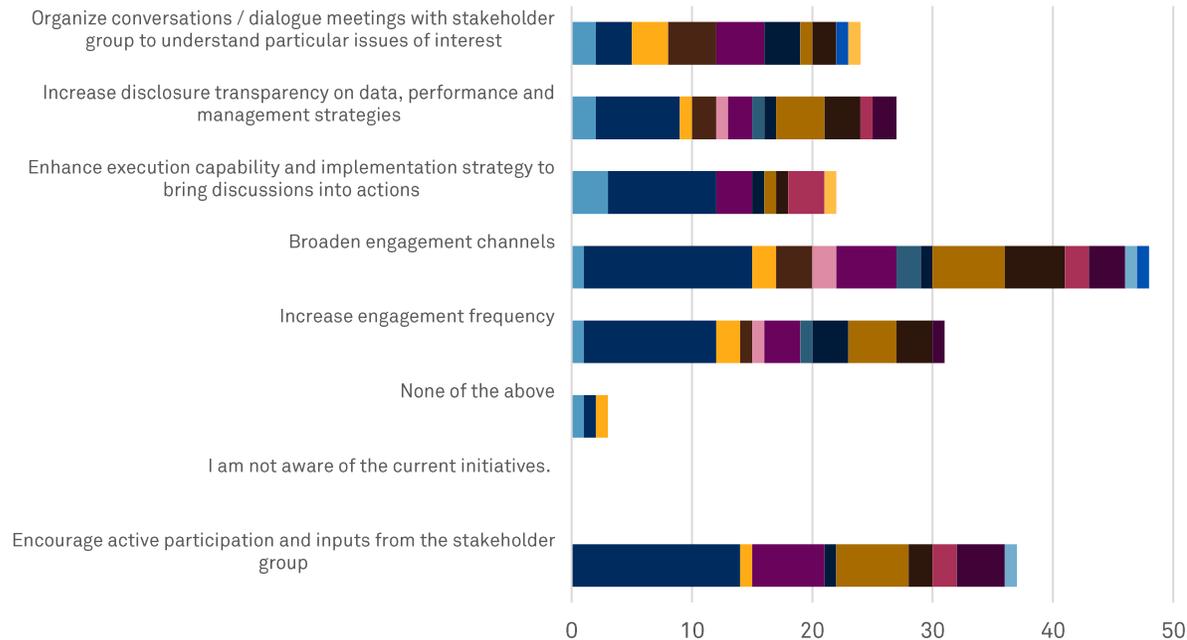
This may indicate that Megawide will have to look at managing the Lifecycle Impact of Building and Infrastructure by understanding impacts of construction materials used & everyday use of buildings contributing to GHG emissions, resource constraints and water stress.



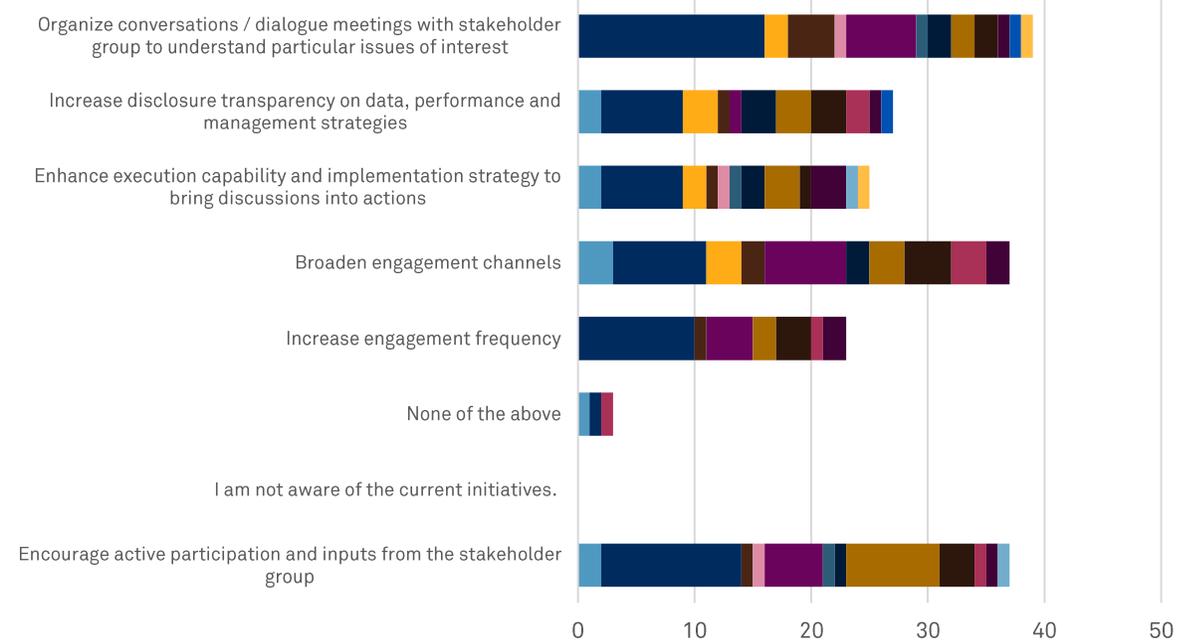
Stakeholder Engagement

Stakeholder Engagement Results

Areas where Megawide has done well in the stakeholder engagement process



Areas where Megawide needs to improve the stakeholder engagement process



- Middle Management
- Executive / Senior Management
- Securities Firm
- Securities Firm
- Suppliers / Vendors
- Investors
- Independent director
- Industry Associations

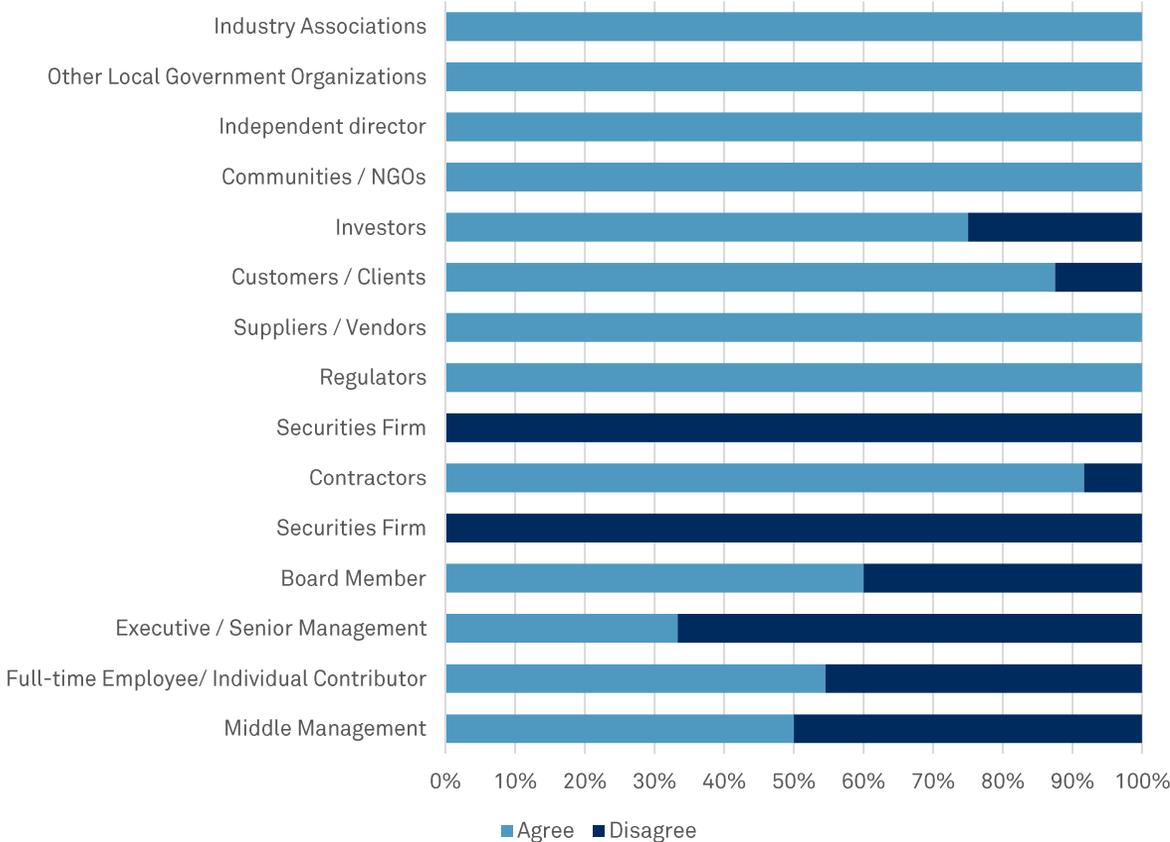
- Full-time Employee/ Individual Contributor
- Board Member
- Contractors
- Regulators
- Customers / Clients
- Communities / NGOs
- Other Local Government Organizations

- Middle Management
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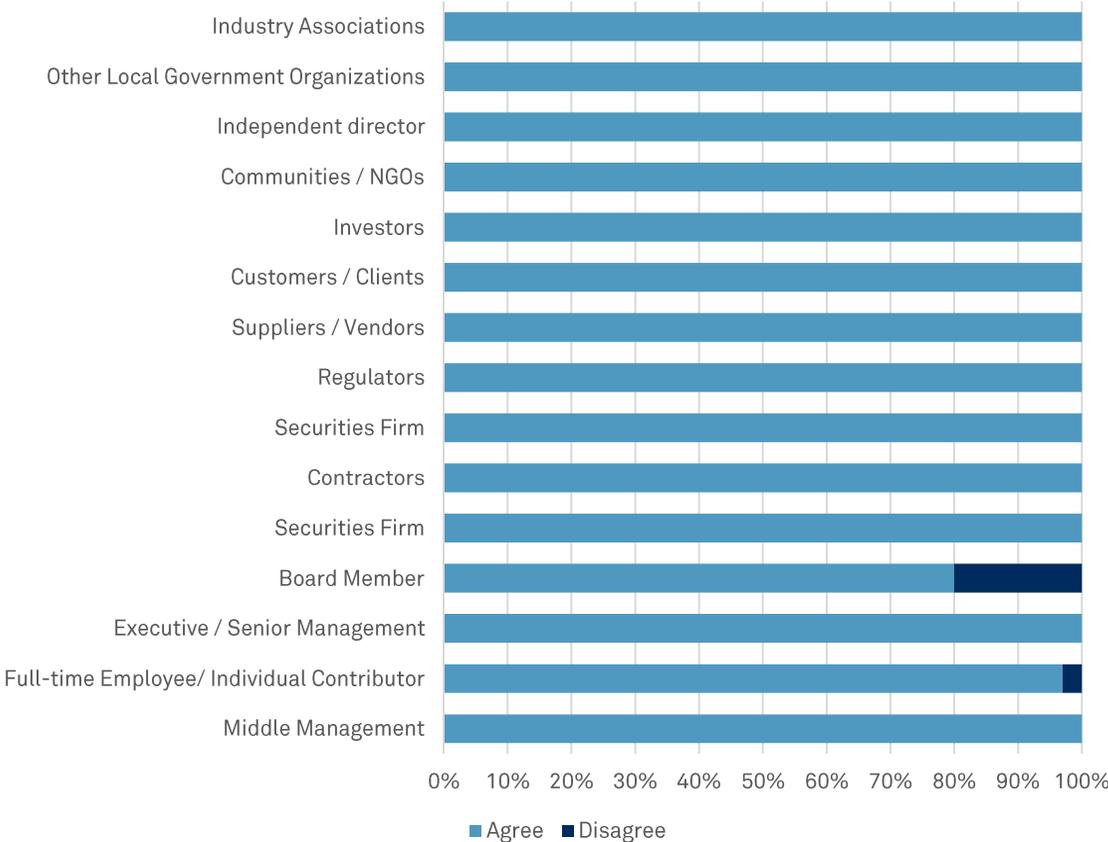
- Full-time Employee/ Individual Contributor
- Board Member
- Contractors
- Regulators
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- Communities / NGOs
- Other Local Government Organizations

Attention to Megawide ESG Efforts

“I pay close attention to Megawide’s past ESG performance”



“Going forward, I will pay attention to Megawide’s ESG efforts”



Company-wide ESG efforts **start from within** the management of an organization. It is important for internal stakeholders to be aware, believe in, be involved, provide feedback, and in turn influence others in their own network to create a concerted effort.

Materiality Assessment Summary

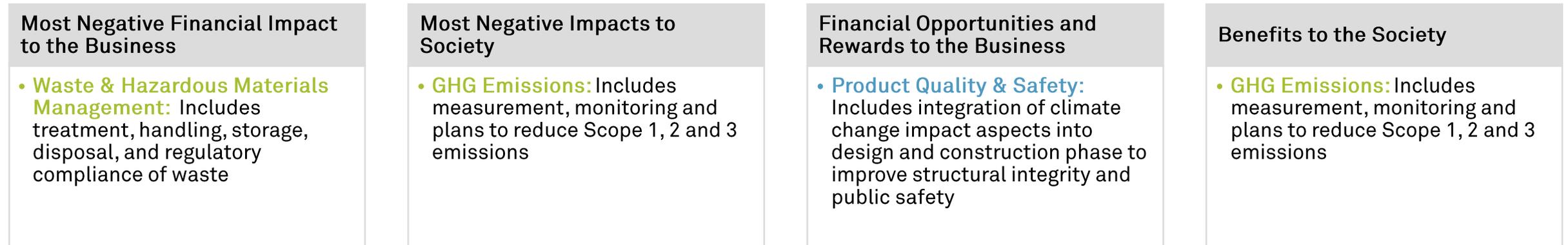
15 Material ESG Topics were identified for Megawide by conducting materiality assessment

- Stakeholders feel that Megawide has done well in broadening the engagement channels. Going forward they would like Megawide to organize more meetings with stakeholder groups to better understand issues of interests.

Top 5 Material ESG Topics for Megawide are:



Stakeholder Perspective on Financial Impact of Material ESG Topics –



Stakeholder Perspective on Current ESG Performance –



ESG Disclosure

Material Topics – Environmental

Environmental GHG Emissions

COMPANY PROFILE

Indicators	Unit of Measurement	Quantity
Total Revenue	PhP Millions	18,638
Total Employees	#	3,765
Total Floor Space	m ²	397,290

EMISSION BY SCOPE

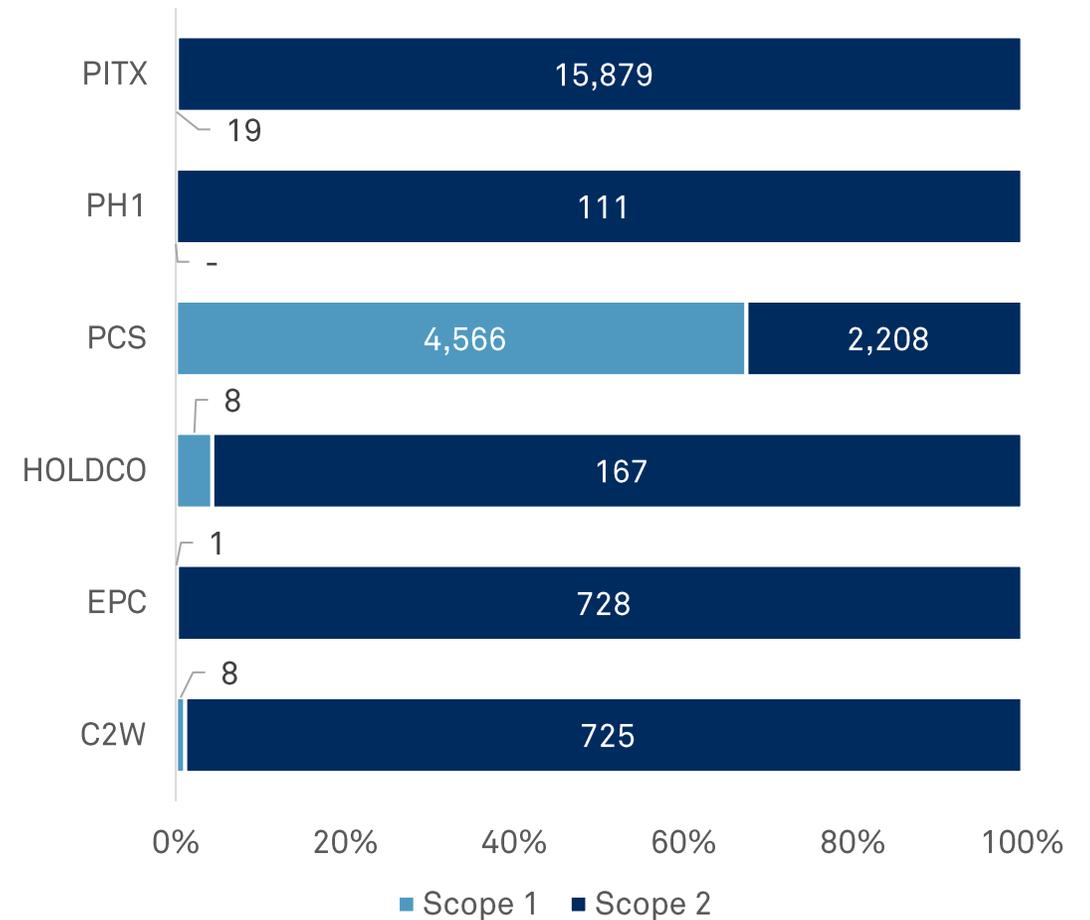
Scope	Category	Absolute emissions (tCO ₂ e)
Scope 1	Stationary Emissions	1,014
	Mobile Emissions	3,588
	Refrigerants	-
Scope 2	Electricity: Location Based	19,818
	Electricity: Market Based	19,818
Total Emissions (Location Based)		24,420
Total Emissions (Market Based)		24,420

EMISSION INTENSITY

Scope	Absolute Emission (tCO ₂ e)	Emission Intensity (tCO ₂ e/mPeso)	Emission Intensity (tCO ₂ e/FTE)	Emission Intensity (tCO ₂ e/m ²)
Scope 1	4,602	0.25	1.22	0.012
Scope 2	19,818	1.06	5.26	0.050
Total	24,420	1.31	6.49	0.061

GHG Emission Breakdown by Business Units

GHG Emission values provided in the graph are in tCO₂



81% of emissions are attributed to Scope 2 while 19% are attributed to Scope 1.

Environmental Energy Management

ENERGY DATA

Indicator	Source	Units	FY2023
Direct	Fuel Oil	liters	282
	Petrol	liters	1,317
	Diesel	liters	1,728,812
Indirect	Purchased Electricity	kWh	27,878,040

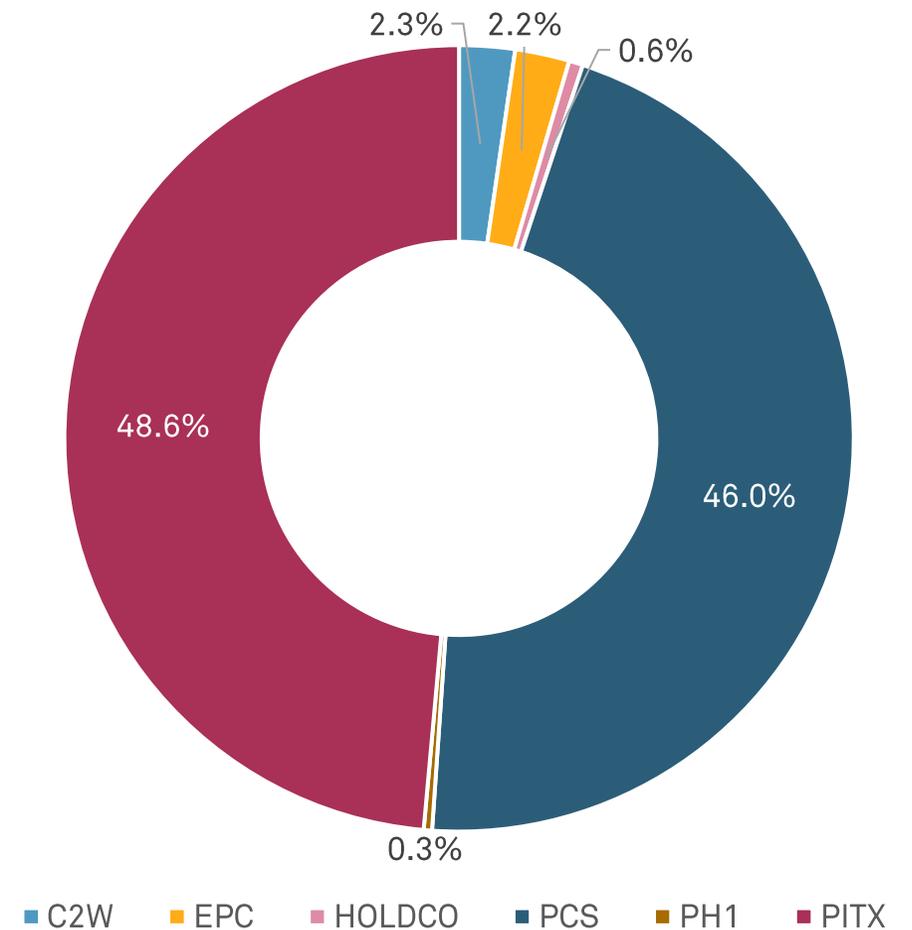
ENERGY CONSUMPTION BREAKDOWN

Business Unit	UOM	Direct Energy	Indirect Energy	Total Energy
C2W	kWh	32,111	1,020,000	1,052,111
EPC	kWh	3,316	1,024,720	1,028,036
HOLDCO	kWh	29,921	234,748	264,669
PCS	kWh	18,122,410	3,106,100	21,228,510
PH1	kWh	-	156,498	156,498
PITX	kWh	74,216	22,335,974	22,410,189
Total	kWh	18,261,973	27,878,040	46,140,013

ENERGY INTENSITY

Source	Absolute Energy (kWh)	Energy Intensity (kWh/mPeso)	Energy Intensity (kWh/FTE)	Energy Intensity (kWh/m ²)
Direct	18,261,973	979.82	4,850.46	45.966
Indirect	27,878,040	1,495.75	7,404.53	70.171
Total	46,140,013	2,475.57	12,254.98	116.137

Total Energy Breakdown by Business Unit



60% of energy is attributed to Indirect consumption while 40% is attributed to Direct consumption

Environmental Water & Wastewater Management

WATER CONSUMPTION AND INTENSITY				
Indicator	Absolute Water (m ³)	Water Intensity (m ³ /mPeso)	Water Intensity (m ³ /FTE)	Water Intensity (m ³ /m ²)
Water Withdrawn	112,464,671	6,034	29,871	283.08
Water Discharged	47,126,000	2,528	12,517	118.62
Water Consumption	65,338,671	3,506	17,354	164.46

WATER CONSUMPTION BREAKDOWN				
Business Unit	UOM	Water Withdrawn	Water Discharged	Water Consumption
C2W	Liters	-	-	-
EPC	Liters	9,348	-	9,348
HOLDCO	Liters	602	-	602
PCS	Liters	112,205,000	47,126,000	65,079,000
PH1	Liters	402	-	402
PITX	Liters	249,319	-	249,319
Total	Liters	112,464,671	47,126,000	65,338,671

Water Resource & Business Operation:

- EPC** Uses water for Domestic Purpose it has identified **establishing a baseline water consumption** data & Reduction of consumption by **installation of water efficient faucets** as approach to identify and address water related impacts
- HOLDCO** Has a process to conduct **daily monitoring of water consumption** to analyze for outliers and analyze hotspots to focus on in order to address water related impacts
- PCS** **Monitors water consumption of each building** separately as it provides granular understanding of water related interaction & impacts which they plan to use in **setting water related goals and targets**
- PITX** Uses Waynilad as main source of water for consumption, cleaning and other activities related to commercial and office spaces. It also **treats wastewater through STP before discharge to minimize the water related impacts**. Additionally, it monitors tenants' compliance in terms of wastewater discharge

Wastewater Management:

EPC, PCS and PITX all have STP plants to treat wastewater before it is discharged into public sewer. They ensure compliance to all applicable standards in terms of water effluents as specified by Department of Environmental and Natural Resources DENR's Clean Water Act.

Waste & Hazardous Materials Management

WASTE, ABSOLUTE AND INTENSITY, TYPE OF WASTE				
Waste	Tonnes of Waste	Waste Intensity (tonnes/mPeso)	Waste Intensity (tonnes/FTE)	Waste Intensity (tonnes/m ²)
Non-Hazardous Waste	10,789	0.57887	2.86564	0.02716
Hazardous Waste	3	0.00017	0.00085	0.00001
Total	10,792	0.57905	2.86649	0.02716

WASTE BREAKDOWN				
Business Unit	UOM	Non-Hazardous Waste	Hazardous Waste	Total Waste
C2W	Tonnes	-	-	-
EPC	Tonnes	2	1	3
HOLDCO	Tonnes	5	-	5
PCS	Tonnes	599	2	601
PH1	Tonnes	-	-	-
PITX	Tonnes	10,223	-	10,223
Total	Tonnes	10,789	3	10,792

Waste & Hazardous Material Measurement and Monitoring:

Megawide monitors Hazardous and Non-Hazardous Waste Generated within the organization. The waste generated is in the form of numbers and in the form of weight. However, **the report focuses on Waste that is accounted in terms of weight (Tonnes)** as Waste categories can only be consolidated when single unit is used for monitoring.

Waste & Hazardous Material Management Initiative undertaken at Megawide:

- EPC has Implemented the **3R Program**, it uses Color Coded waste Bins to ensure proper segregation of waste.
- All Recyclables segregated are stored in MRF for the **Program Trash to Cashback** which is initiated in collaboration to LGU Quezon City.
- Additionally, EPC also has a **Zero waste policy** plan, and a Waste Reduction Strategy.
- PITX initiated a program called **"Sweep! Sweep! Broom! Broom!"** with the objectives of teaching the community Proper Waste Management and have a clear understanding of the overall impact of the facility in terms of waste generation in the community.
- PITX have constructed a **Material Recovery Facility** to cater the rapid increasing volume of waste in the facility due to the constantly increasing Occupancy Rate in the facility.
- PITX also coordinates with other Non-Government Organizations (NGOs) for more **innovative solutions to recycle** the waste.

Environmental Ecological Impacts

Ecological Impacts includes aspects of Environmental Compliance, Environmental Risk Management, Biodiversity Protection, Significant impacts of activities, products and services on biodiversity, Habitat Protection & Species Protection

No incidents of Environmental Non-compliance occurred at C2W, EPC, HOLDCO, PH1 and PCS. They are compliant with all environmental permit standards and regulations

PITX's Environmental Non-compliance & Corrective Actions –

4 NOVs were issued to PITX on 3rd May 2023 for non-submittal of necessary documentations, SMRs and CMRs, and non-processing of DENR Permits and Licenses this led to monetary fines of PHP 59,000

Environmental Non-compliance	Units	Quantity
Number of incidents of non-compliance with environmental permits, standards and regulations	#	4
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	PHP	59,000
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	#	4
No. of cases resolved through dispute resolution mechanism	#	4

Corrective Action undertaken by PITX:

- Upon resolving issues on facilities compliance on DENR requirements, the management enhanced its employee competencies on managing environmental issues that the facility may undertake.
- PITX conducts advanced training for PCO and have employee accredited as the Facility's Pollution Control Officer (PCO).
- PITX also appointed new Managing Head for Environmental Compliances.

Material Topics – Social

Human Rights and Community Relations

Community Engagement Programs

Megawide has local community engagement, impact assessments, and development programs here are a few initiatives undertaken by the organization -

HOLDCO	PCS	PITX
<ul style="list-style-type: none"> • 5 local community development programs based on local communities' needs • 19 Engagement plans based on 19 stakeholder mapped • 12 participatory training and consultations for scholars once a month in 2023 for the youth from vulnerable sectors • 1 Disaster Response Committee & 1 Executive Committee for health & safety and worker representation • 1 online satisfactory survey sent at the end of 2023 	<ul style="list-style-type: none"> • Quarterly Blood donation with Red Cross • Public School Improvement of Safety - Fence Brigada Eskwela • Hygiene and Feeding program for Kids in project sites 	<p>270 Corporate Social Responsibility programs conducted for PUV drivers, conductors, and dispatchers.</p> <p>Programs include:</p> <ul style="list-style-type: none"> • Conductor's Theoretical Course in partnership with LTO • Healthy Vision with Ospital ng Makati • Focus Group Discussions with the served beneficiaries for the betterment of the programs in the future

Operations with significant actual and potential negative impacts on local communities

Megawide's PITX has Identified **Potential Negative Local Community Impacts in the form of high CO2 emission** from Public Utility Vehicles potentially affecting the local communities due to smog which can result in negative impact on their health and wellness.

Product Quality & Safety

The topic addresses designing and constructing buildings or infrastructure, by considering potential climate change impacts, which may affect the project’s structural integrity and public safety. Organizations that manage structural integrity and safety poorly may incur incremental costs because of redesign or repair work and legal liabilities, as well as reputational damage that could hurt growth prospects.

Topic	Unit	PCS	PH1	PITX	Megawide
Substantiated complaints on product or service*	#	585	360	8	953
Complaints addressed	#	504	360	8	872

Substantiated Complaints Received in 2023:

PCS received complaints related to **Physical appearance of products, variances based on agreements, design and concrete mix** with pending complaints to be resolved in 2024. Similarly, PH1 receives complaints and issues on a monthly basis which are closed within the same month.

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

Social Labour Practices

- The topic addresses the company’s ability to uphold commonly accepted labour standards in the workplace, including compliance with labour laws and internationally accepted norms and standards.
- It includes, ensuring basic human rights related to child labour, forced or bonded labour, exploitative labour, fair wages and overtime pay, and other basic workers’ rights.
- It also includes minimum wage policies and provision of benefits, which may influence how a workforce is attracted, retained, and motivated.
- The topic further addresses a company’s relationship with organized labour and freedom of association.

Labour Notice Periods and Collective Bargaining	C2W	EPC	PCS	PH1	PITX
Minimum number of weeks’ notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.	2	2 – 4	1 – 2	2	1
Number of consultations conducted with employees concerning employee-related policies in 2023	0	4	12	5	12

- Megawide businesses strictly prohibits the use of forced or compulsory labor & child labor practices
- Megawide businesses does not have any employee union in the company, so aspects related to Freedom of Association & Collective Bargaining are considered not applicable

Employee Health & Safety

Workplace Safety of Full-Time and Contract Employees at Megawide

Topic	Description	C2W	EPC	HOLDCO	PCS	PH1	PITX	Megawide
Total number of work-related injuries	The number of fatalities as a result of work-related injury for	-	-	-	-	-	1	1
	The number of high-consequence work-related injuries (excluding fatalities)	-	-	-	-	-	-	-
Total number of work-related ill health	The number of recordable work-related injuries	-	2	-	-	-	14	16
	The number of fatalities as a result of work-related ill health for	-	-	-	58	-	-	58
	The number of recordable work-related ill health	-	-	-	58	-	278	336
Hours worked	Total number of hours worked	-	28,283,012	946,328	23,434,172	1,920	342,126	53,007,558
Safety	Number of safety drills	2	34	2	-	4	4	46

Megawide’s Occupational Health & Safety Management System

OH&S Policy and Compliance

- **Daily toolbox meetings** in accordance with Section 11 of RA 11058/DO 198 series of 2018 for ensuring workplace safety and compliance with regulations.
- Team discusses safety concerns, review procedures, and reinforce best practices & helps identify hazards and mitigate risks before they escalate into accidents or injuries.

Scope Of OH&S Management System

- The scope of an Occupational Health and Safety (OH&S) management system is **all encompasses ensuring the safety of workers** in various activities, as well as the areas within the company, by adhering to a work permit system.
- It entails **implementing measures and protocols** to guarantee the well-being and safety of employees while performing their tasks, regardless of the nature of the activities involved.
- It involves **establishing and enforcing a work permit system**, which regulates and authorizes specific tasks or activities to ensure that they are conducted safely and in compliance with relevant regulations and standards.

Social Employee Health & Safety

Hazard Identification, Risk Assessment and Incident Investigation

Identification of work-related hazards and assess risks

- **Hazards are assessed by employers and workers** by collecting and reviewing information about the hazards present or likely to be present in the workplace.
- Conducting **periodic workplace inspections** to identify new or recurring hazards.
- **Daily walk-thru** of the workplace is conducted to assess and determine and eliminate hazards

Reporting of work-related hazards and hazardous situations

- Hazard reporting includes identifying, reporting, and **documenting potential health and safety issues** in the workplace.
- Once the hazard or incident has been identified, the Safety Officer prepares the **report for the review of the Emergency Response Commander** and the Crisis Management Director.

Removing workers from hazardous situations

- **Effective controls are in place** to protect workers from workplace hazards; help avoid injuries, illnesses, and incidents; minimize or eliminate safety and health risks
- **Evacuation procedure** is initiated by following the guidelines set forth by the OH&S and **Emergency Response teams**.

Investigation of work-related incidents

- The **root cause of incidents** are identified by utilizing FISH BONE Analysis and gathering information from witnesses and victims to pinpoint, address & prevent the incident.
- This approach ensures a comprehensive understanding of what occurred, enabling appropriate actions to be taken.
- Investigation findings are **documented for accountability** purposes.

Occupational Health Services:

Megawide's occupational health services' functions contributes to the identification and elimination of hazards and minimization of risks, and ensures the quality of these services with –

1. Pre-employment, Return to work and Annual Medical Exam done to identify the health status of the workers.
2. Memorandum of agreement with a clinic for the PEME and Mobile clinic and Laboratory for the Annual Medical exam in the workplace.
3. All medical exam results and Patient's chart are kept in the clinic and only the health personnel has access to it.

Social

Employee Health & Safety

Worker Participation And Consultation In OH&S Management System

- Megawide's Worker participation and consultation in OH&S (Occupational Health and Safety) management system entails various aspects, like Health and Safety **Information and Bulletins** sent through employees' email monthly. As well as through the company's bulletin board for easy reading and understanding for employees.
- **Assessment of Personal Protective Equipment** (PPE). which involves educating workers regarding proper usage, importance, and care for PPE to ensure they understand their significance and get their perspectives regarding the replacement of old PPEs
- The OSH Committee convenes once or a monthly to discuss **Occupational Safety and Health programs** to ensure their fulfillment and implementation. This is in accordance with the submission of minutes of meeting and Monthly OSH reportorial requirements to the DOLE Regional Office.

OH&S Training

- Megawide conducted various types of **Training And Seminars** in 2023 which included 8-Hour Mandatory Safety Training, First Aid, Fire and Earthquake Drill, Emergency Preparedness.
- These trainings were in accordance with Section 6 and 11 of RA 11058/DO 198 series of 2018 to ensure the safety and productivity of workers.
- **Worker Skills Training** is handled by the HR Department and the OSH Trainings are handled by the HSSE Department.
- **Training Needs Assessment** is being assessed by respective departments and is based on actual site conditions, foreseeable need and project specific requirement. The items covered in the trainings provided are based on or from reputable agencies for proper and standard contents.
- Megawide's approach emphasizes the commitment to compliance with occupational health and safety regulations and the **Proactive Approach Towards Equipping Workers With Necessary Skills** to handle potentially dangerous tasks.

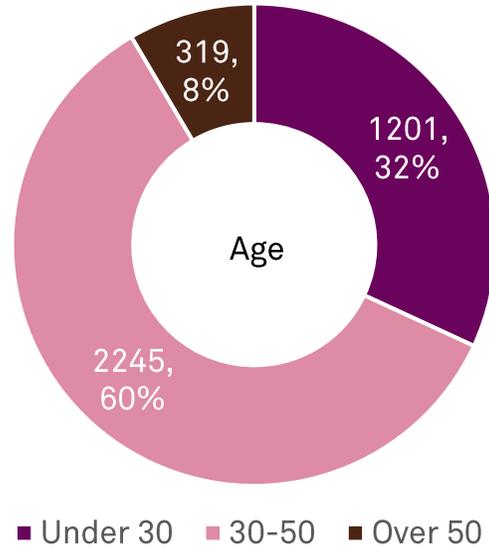
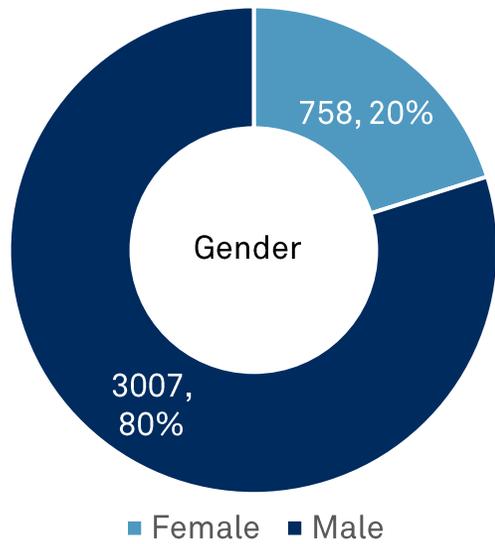
Promotion of Worker Health

- **Megawide Provides Medical Clinic** in the workplace. Employees who consult in the clinic are assessed by the Occupational Health Nurse and Occupational Health Physician.
- **First Aid And Over The Counter Medicines** are provided and if necessary, they are assisted and referred to HMO accredited clinic or hospital for further evaluation and management.
- Additionally, The **Project Medical Team Provides Medical Support** systems such as non-working hours consultation which includes non-work-related medical concerns. All personnel are advised to report and consult with the medical team anytime via means of company mode of communication.
- **Monthly Health Webinars** are conducted, and an annual health program is organized for the workers.

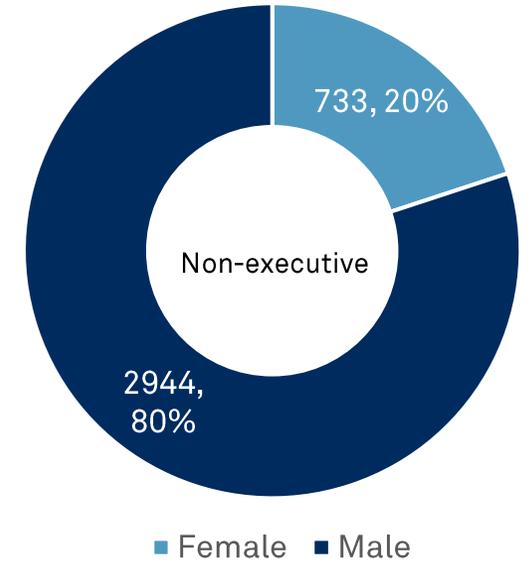
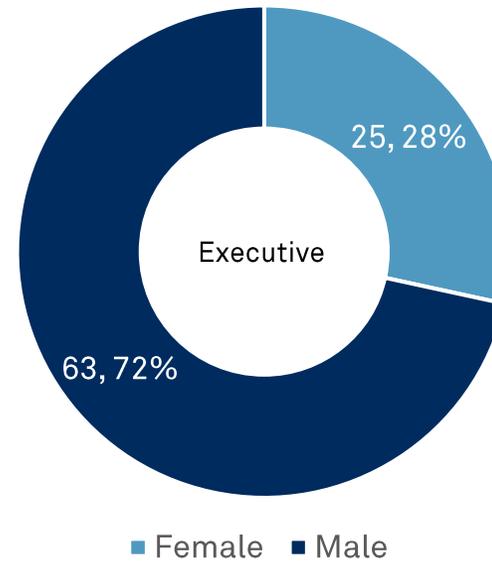
<p>Workers covered by an occupational health and safety management system</p>	<ul style="list-style-type: none">• Workers and other individuals such as builders/sub-contractors, suppliers, and visitors are covered by the policies outlined in the HSSE Manual of Megawide Construction Corp., in accordance with the provisions set forth by law as stated in Section 4 of DO 198. Violations are correlated with the MCC Code of Discipline.• This ensures that everyone within the industrial complex adheres to the necessary safety protocols and procedures mandated by both internal policies and legal requirements.
<p>Prevention and Mitigation of OH&S Impacts Directly Linked by Business Relationships</p>	<ul style="list-style-type: none">• Megawide's Safety Officers are mandated to submit their respective Observation Reports as need to promptly address any identified unsafe conditions in the workplace and prevent harm to workers. It is the responsibility of all OSH personnel to address hazards within the workplace.• Additionally, the modes of communication of safety concerns internally or externally are through Committee Meetings, Coordination Meetings, Project Performance Reviews, Client Meetings, etc. Other means of communication of hazards are presented through issuances such as inspection reports, audit reports, violation notices, non-compliance reports and close outs.

Employee Engagement, Diversity and Inclusion

Overall Diversity Indicator during the Reporting Period (Total: 3765 employees)

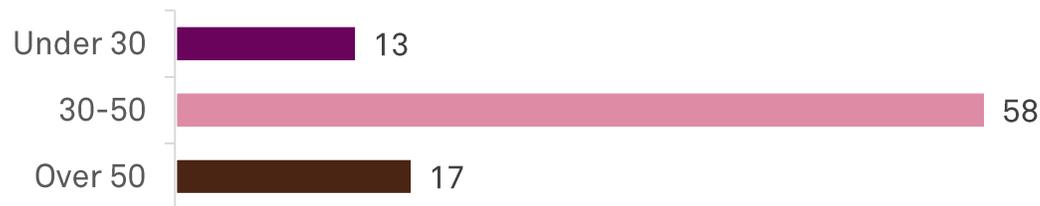


Gender Diversity Indicator by Employee Category

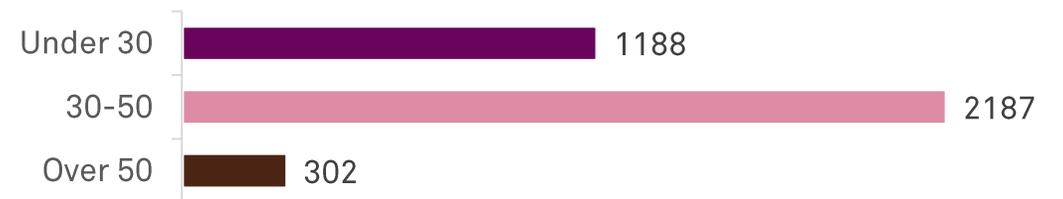


Diversity Indicator by Employee Category and Age Group

Executives



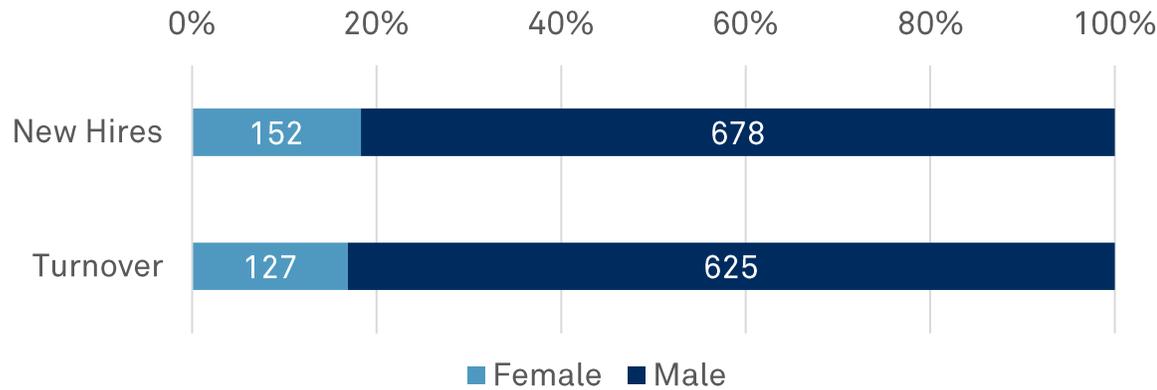
Non-Executives



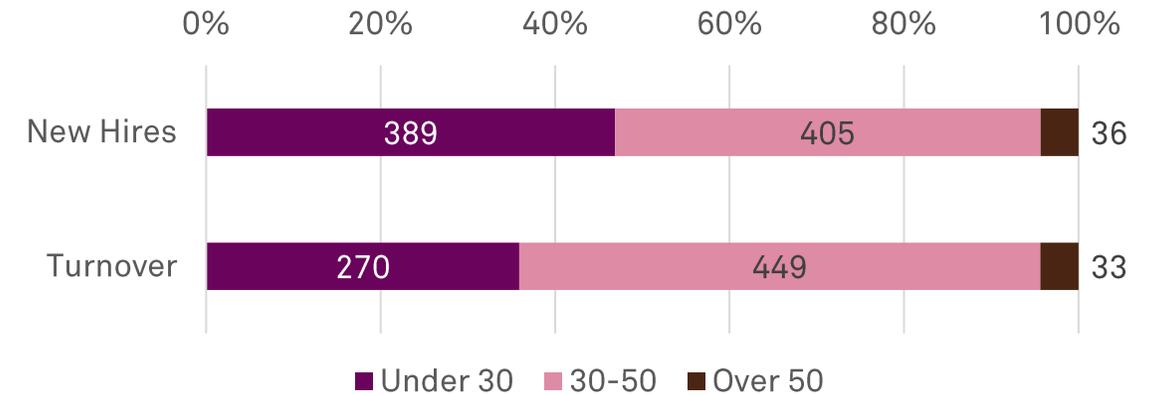
Employee Engagement, Diversity and Inclusion

Diversity Indicator by New Hires and Turnover during the Reporting Period (Total: 3765 employees)

By Gender



By Age Group



Ratio of Basic Salary and Remuneration of Women to Men

	C2W	EPC	HOLDCO	PCS	PH1	PITX
Ratio of the basic salary and remuneration of women to men	1.08 : 1.01	-	0.38 : 1.00	1.00 : 2.00	1.50 : 1.00	1.00 : 1.35
Ratio of lowest paid employee against minimum wage	1.40 : 1.00	-	1:00 : 1:00	-	-	1.07 : 1.00

Workplace Discrimination

- NO cases of Workplace Discrimination were reported in Megawide in 2023

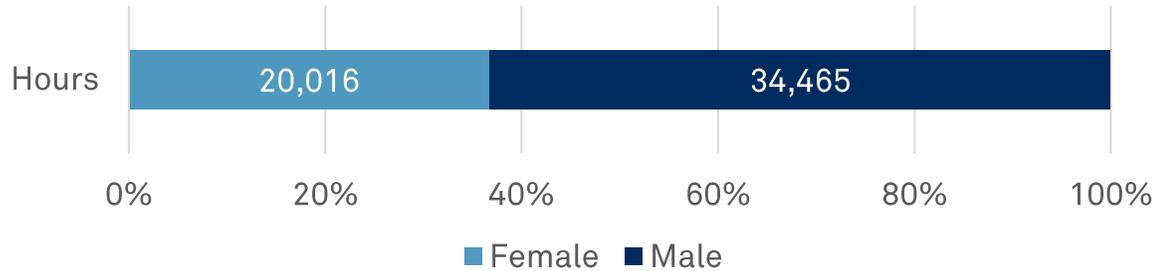
Employee Skills Development Programs

- Leadership and Behavioral, Technical Professional, Technical Skills for Workers; Leadership Training for Foremen & Life Coaching

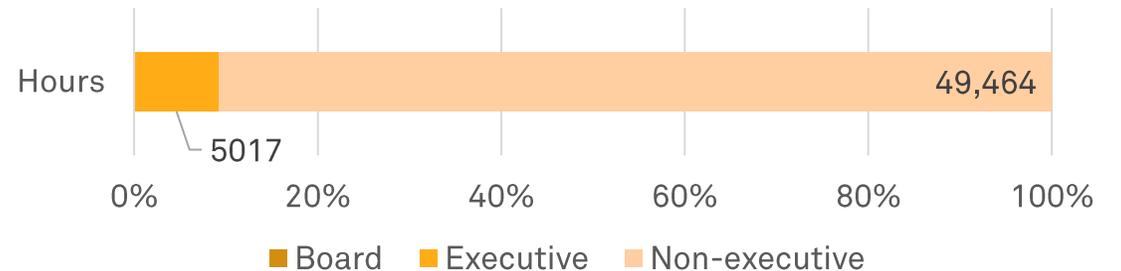
Employee Engagement, Diversity and Inclusion

Training and Education

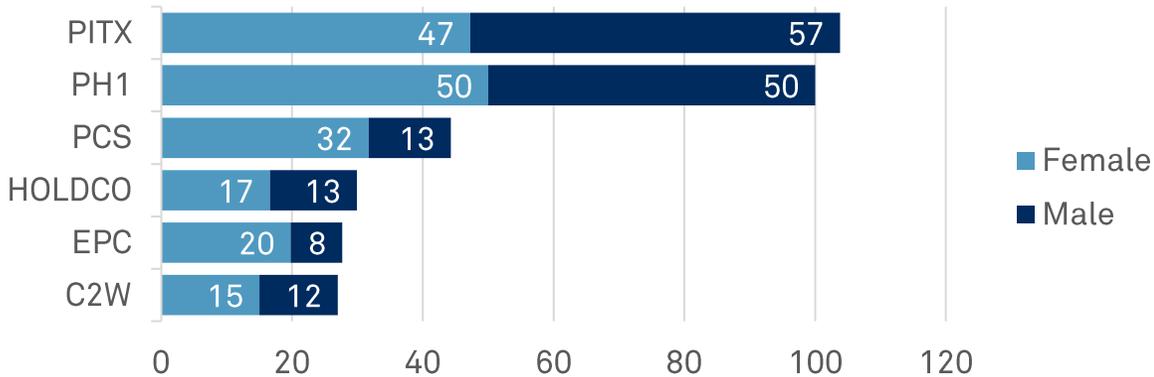
Total training hours
By Gender



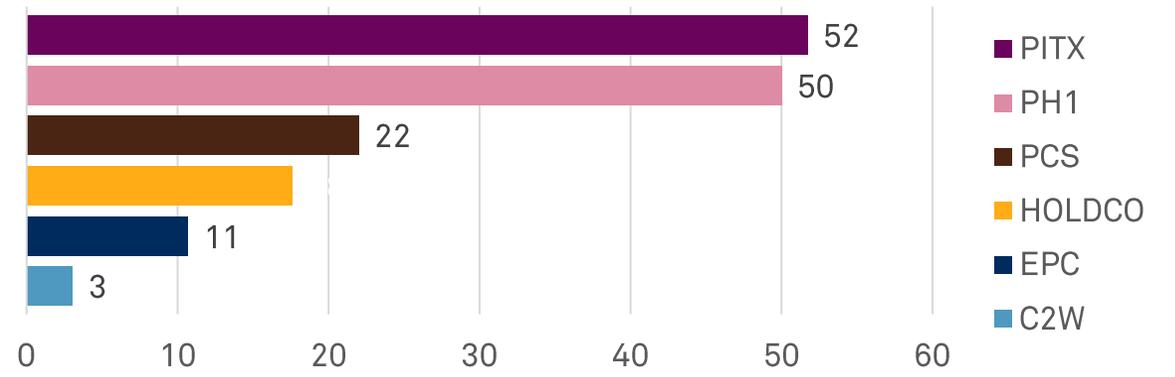
Total training hours
By Employee Category



Average training hours
By Gender



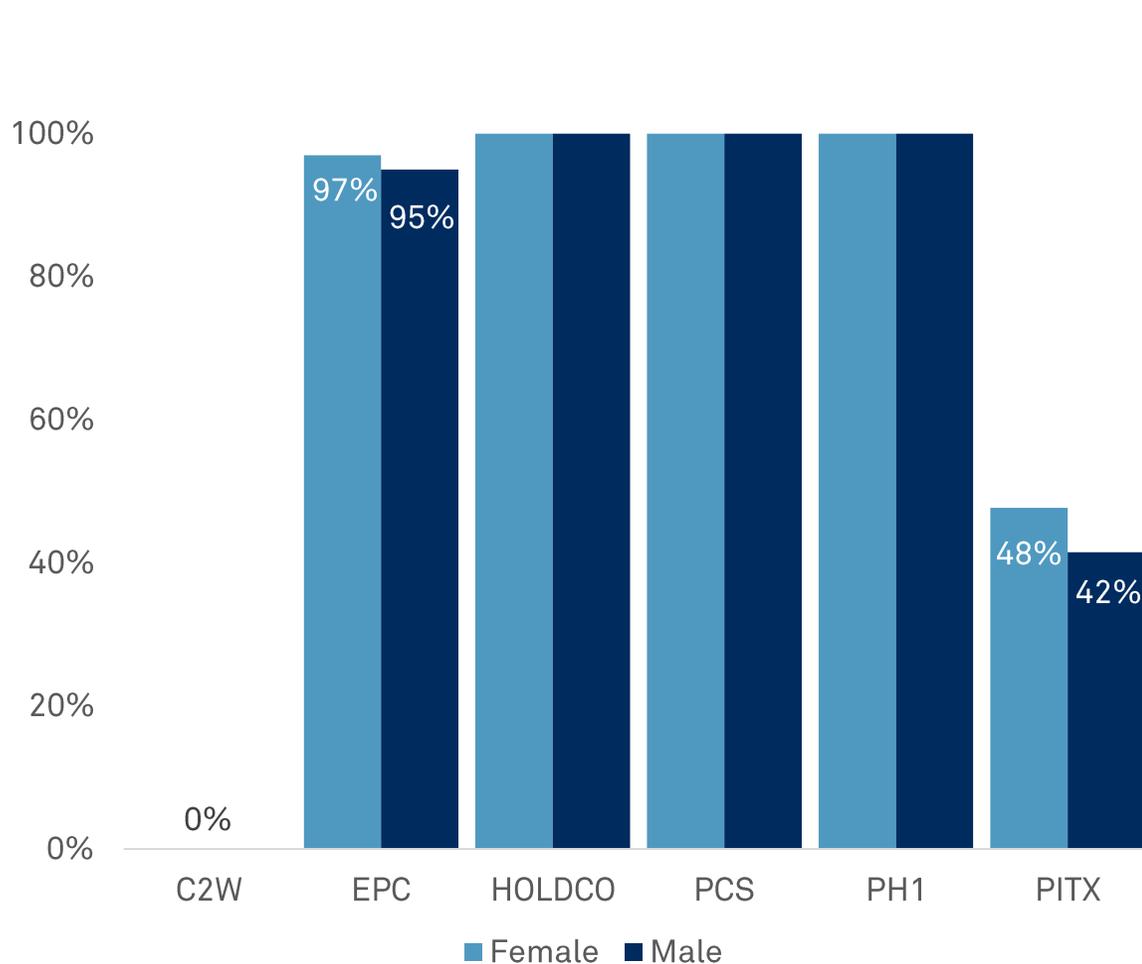
Overall Average training hours
By Business Units



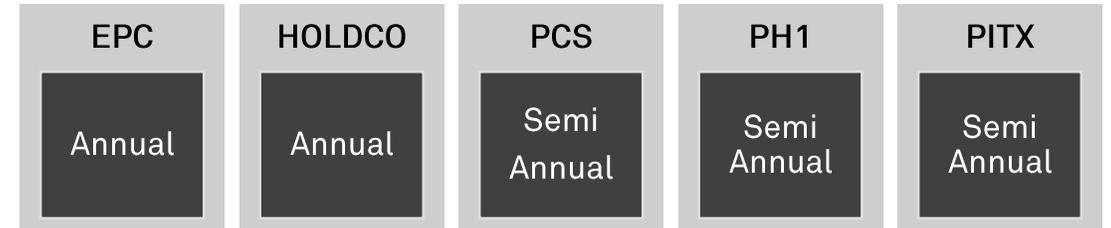
Employee Engagement, Diversity and Inclusion

Performance and Career Development

Percentage of employees receiving regular performance by gender

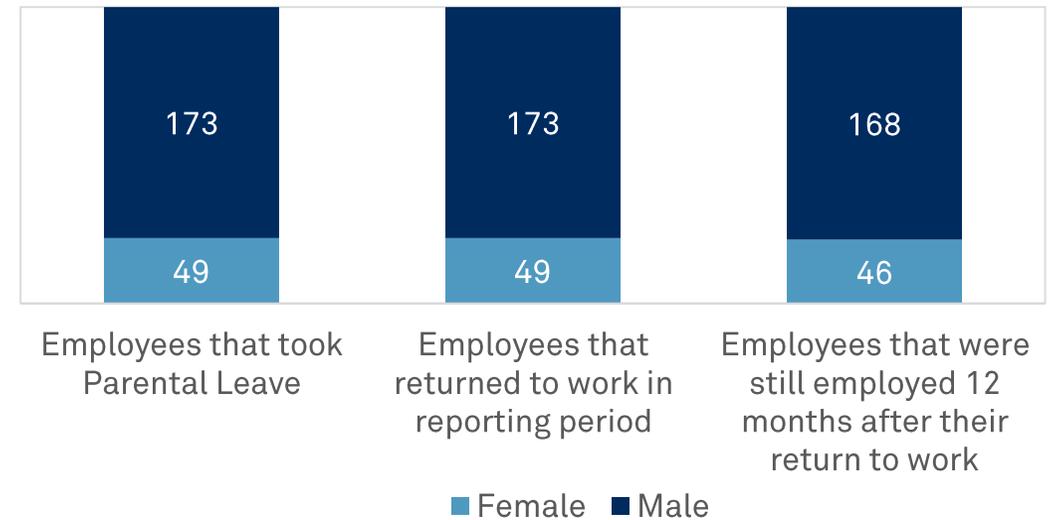


Frequency of employees receiving regular performance reviews



Parental Leave

- 100% Employees that took Parental Leave returned to work
- 94% Retention rate of Female employees that took parental leave
- 97% Retention rate of Male employees that took parental leave



Employee Engagement, Diversity and Inclusion

Benefits Provided To Full-Time and Not-Full-Time Employees

Percentage Employees who availed benefits for the year	C2W		EPC		HOLDCO		PCS		PH1		PITX	
	Female	Male										
Life Insurance	0%	0%	0%	0%	0%	0%	1%	17%	90%	90%	0%	0%
Health Care	15%	9%	65%	35%	24%	17%	11%	51%	90%	90%	78%	78%
Disability And Invalidity Coverage	0%	0%	0%	0%	0%	0%	0%	0%	90%	90%	0%	0%
Parental Leave	0%	0%	15%	85%	0%	2%	3%	17%	90%	90%	0%	0%
Retirement Provision	0%	0%	0%	0%	0%	1%	0%	0%	90%	90%	0%	0%
Stock Ownership	0%	0%	0%	0%	0%	0%	0%	0%	90%	90%	0%	0%
Others	0%	0%	0%	0%	0%	0%	0%	0%	90%	90%	0%	0%

Company Specific benefits availed for the year	PCS		PITX	
	Female	Male	Female	Male
SSS	11%	29%	0%	0%
PhilHealth	17%	43%	0%	0%
Pag-lbig	14%	46%	0%	0%
Vacation Leaves	32%	65%	79%	65%
Sick Leaves	34%	56%	50%	55%
Housing Assistance	18%	32%	0%	0%

Product Design & Lifecycle Management

About the Topic

- The topic addresses incorporation of environmental, social, and governance (ESG) considerations in characteristics of products and services provided or sold by the company. It includes, managing the lifecycle impacts of products and services.
- Example: Sourcing of construction materials and the everyday use of buildings may contribute to direct and indirect greenhouse gas (GHG) emissions, resource constraints, water stress and negative human health outcomes.

Evolving Market

- Various opportunities are being created for industries in the value chain—from suppliers that can provide sustainable materials, to entities in the Engineering & Construction Services industry that can provide sustainability-oriented project design and construction services.
- Such services can provide a competitive advantage and revenue growth opportunities as client demand for economically advantageous sustainable projects increases and related regulations evolve.
- Entities unable to effectively integrate such considerations into their services may lose market share in the long term.

Risk Indicators

- Buildings and major infrastructure projects are among the largest users of natural resources in the economy; these projects often consume significant amounts of resources in the form of energy and water.
- So, client and regulatory pressures to develop a sustainable built environment are contributing to the growth of markets intended to reduce the lifecycle impacts of buildings and infrastructure projects.
- Hence, various international sustainable building and infrastructure certification schemes assess, project's use-phase energy and water efficiency, impacts on human health, and the use of sustainable construction and building materials

Lifecycle Impacts of Buildings & Infrastructure

Operational-phase energy and water efficiency considerations incorporated by PCS in project planning and design

- **Utilities consumptions** of Taytay Industrial Plant, Santolan and Head Office are monthly monitored by FMD and reported. Any deviations in consumption are analyzed and corrected immediately. **Utilities consumption per concrete production volume** or number of workers are being monitored and the tendencies are analyzed regularly. Additionally, internal procedures to control the utilities consumption are included in the Building Operations and Maintenance Manuals
- **Sewage Treatment Plants of Taytay 1 and Taytay 2** are tested as per environmental requirements of Local Government at regular intervals and a separate policy on Waste Management is developed by PCS.

Management of Tenant Sustainability Impacts

PCS's Tenants and Metering for Electricity and Water

- All organizations in Santolan (Holdco), Head Office (PCS & EPC), Taytay 1 and 2 (PCS) have separated electricity meter consumption
- 100% Percentage of tenants are separately metered, or sub metered for grid electricity consumption
- 100% Percentage of tenants are separately metered, or sub metered for water withdrawals

PCS's approach to measuring, incentivizing and improving sustainability impacts of tenants

- FMD disposes of one House Rules, where the operations and maintenance procedure are explained and assumed by tenants.
- Environmental initiatives, as waste management or selective indoor waste collection have been implemented.
- Monitoring in-place A/C temperatures to avoid excessive consumption is performed daily.

About the topic

- Addresses company's capacity to manage risks and opportunities associated with incorporating social, environmental, and political transitions into long-term business model planning.
- Example: Projects that may contribute to global GHG emissions include those in extractive industries, as well as large buildings. Whereas some infrastructure projects, such as renewable energy projects, are designed to reduce GHG emissions.

Evolving Market

- Several entities in the industry generate a substantial share of revenue and profits from clients in carbon-intensive industries and whose future capital investments may be at risk because of evolving climate regulations.
- The downside risks in such cases may manifest through project delays, cancellations and diminished long-term revenue growth opportunities.
- On the other hand, entities that specialize in infrastructure projects that contribute to GHG mitigation could develop competitive advantages as they continue to focus on these growing markets.

Risk Indicators

- The industry and its customers continue to operate within an uncertain business environment and face increasing environmental and regulatory requirements.
- Assessing and communicating the risks and opportunities stemming from climate change that are embedded in an entity's backlog and future business prospects may help investors in assessing the overall business impact of climate change.

• PCS Reported

- **1,841 mPHP** as the amount of backlog associated with renewable energy projects in 2023. The backlogs are because of 3 sites. (125 MW Lumbaga Solar Power Plant, MCC Citicore Projects & Meralco Substation)
- **176,939 mPHP** as the amount of backlog associated with renewable energy projects in 2023. The backlogs are because of 2 sites. (Mandaluyong Aglipay Sewage Treatment Plant & Las Pinas Water Center)

- The category addresses the company's ability to manage risks and opportunities associated with direct exposure of its owned or controlled assets and operations to actual or potential physical impacts of climate change.
- It captures environmental and social issues that may arise from operational disruptions due to physical impacts of climate change.
- It further captures socio-economic issues resulting from companies failing to incorporate climate change consideration in products and services sold, such as insurance policies and mortgages.
- The category relates to the company's ability to adapt to increased frequency and severity of extreme weather, shifting climate, sea level risk, and other expected physical impacts of climate change.
- Management may involve enhancing resiliency of physical assets and/or surrounding infrastructure as well as incorporation of climate change-related considerations into key business activities (e.g., mortgage and insurance underwriting, planning and development of real estate projects).
- **Megawide does not report on this material topic yet, however it plans to work on assessing Physical Impact of Climate Change in 2024**

Material Topics – Governance

Malpractice

policies and practices for prevention of bribery & corruption and anti-competitive behavior in the project bidding processes

The Board of Directors of the Company approved the Code of Business Conduct and Ethics (the "Code") which sets forth the Company's ethical beliefs, values, and commitment to the conduct of day-to-day business activities and endeavors of all directors, officers, employees, interns, agents, consultants, sub-contractors, and other persons associated with or representing the Company.

The Code provides that the Company will not tolerate any act of bribery, corruption, or any unethical practices, whether directly or indirectly, that would result in the violation of the Company's policies and/or applicable anti-bribery laws. The Company will not only terminate the employment and/or severance of business relations with employees who will fail to comply with these laws and/or policies but will also entail civil and/or criminal penalties.

The Company firmly believes that fair competition is fundamental to the continuation of the free enterprise system. The Code provides that the Company will not enter into arrangements that unlawfully restrict its ability to compete with other businesses, or the ability of any other business organization to compete freely with the Company. Moreover, the Company prohibits its personnel from entering into or discussing any unlawful arrangement or understanding that may result in unfair business practices or anti-competitive behavior.

Communication On Anti-corruption Policies And Procedures, 2023

100%

Of governance body members have been communicated the organization's anti-corruption policies and procedures

Of employees have been communicated the organization's anti-corruption policies and procedures

Of business partners have been communicated the organization's anti-corruption policies and procedures

Training On Anti-corruption Policies And Procedures, 2023

100%

Of governance body members have received training on anti-corruption

Of employees that have received training on anti-corruption

Confirmed Cases Of Corruption Incidents, 2023

0

confirmed incidents of corruption

confirmed incidents in which employees were dismissed or disciplined for corruption

confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption

public legal cases regarding corruption brought against the organization or its employees

Action Taken on Corruption Incidents, 2023

0

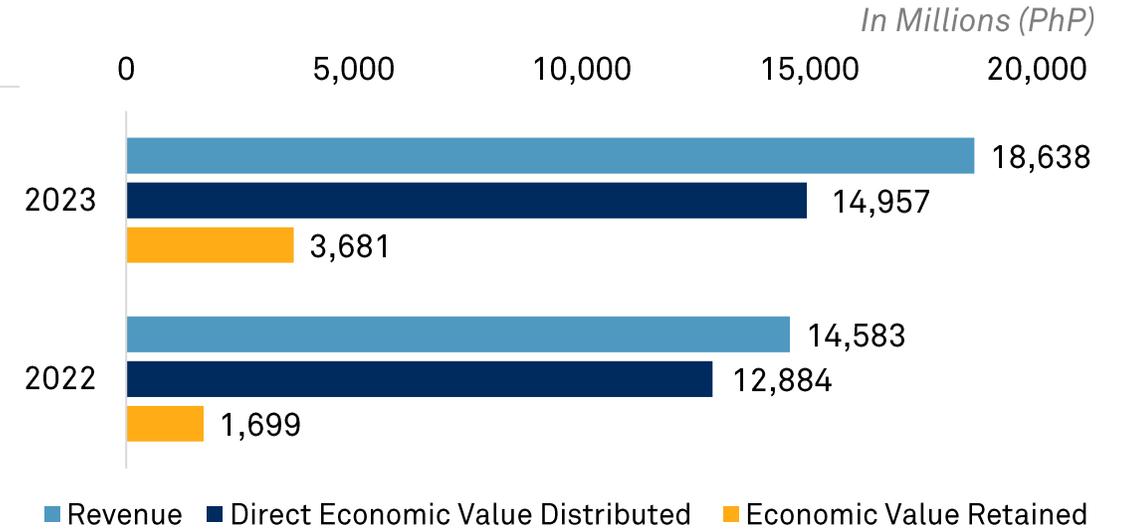
Incidents where contracts with business partners were terminated due to incidents of corruption

Incidents in which directors were removed or disciplined for corruption

Economic Performance

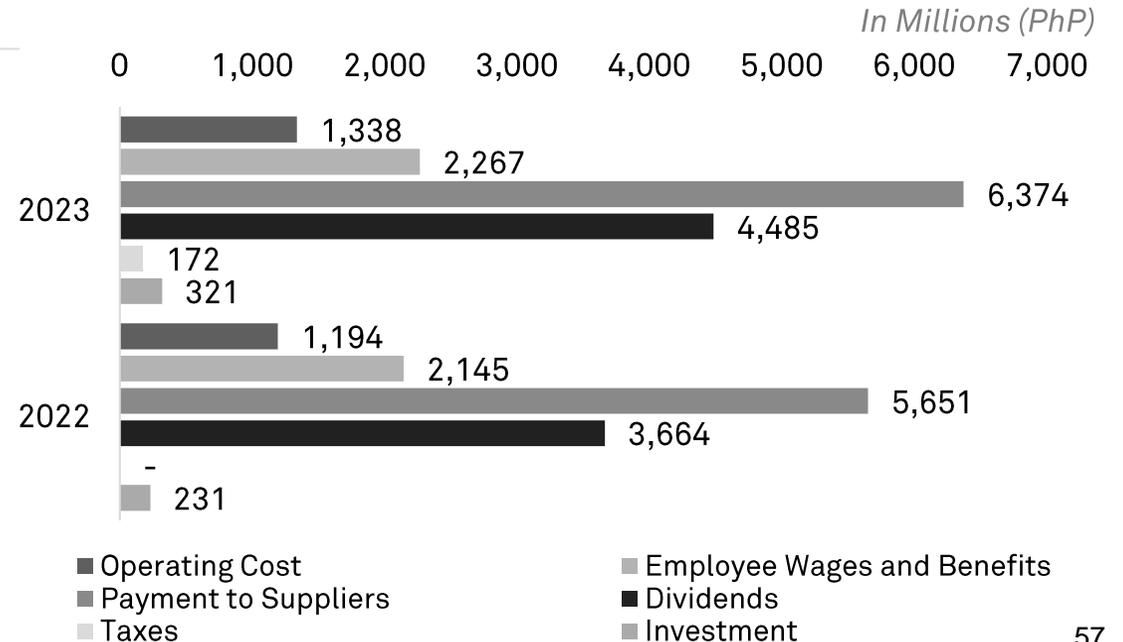
Direct Economic Value Generated and Distributed

- **28%** increase in Revenue in 2023 compared to the previous year
- **16%** increase in Direct Economic Value Distributed in 2023 from 2022
- **2 X** increase in Economic Value Retained for 2023 compared to 2022



Components of Direct Economic Value Distributed

- **12%** increase in Operating Cost in 2023 compared to previous year
- **6%** increase in Employee Wages and Benefits in 2023 compared to previous year
- **13%** increase in Payment to Suppliers in 2023 from 2022
- **22%** increase in Dividends in 2023 from 2022
- **39%** increase in Investment in 2023 from 2022



Appendices

Appendix I – Sustainability Frameworks

- **Sustainability Accounting Standards Board (SASB)** – Developed to facilitate disclosure based on financially-material, sector-specific sustainability topics. SASB offers 26 topics with coverage spanning 77 unique industries.
- **Global Reporting Initiative (GRI)** – The GRI Standards are modularly grouped into Economic, Environmental and Social categories, with each further containing specific topics. These topics are broad yet comprehensive and focuses on stakeholder consultation in identifying the material topics.



Sustainable1's materiality assessment approach is anchored on the **SASB standard** followed by an overlay with **GRI standards** and topics reported by peers. Together, this approach allows Megawide to consider **both the business impact and wider economic, environmental and societal impacts perceived by stakeholders** when determining the materiality of an ESG topic.

Appendix II – Descriptions of ESG Material Topics

#	Material Topics	Brief Description
1	GHG Emissions	The category addresses Scope 1, 2 and 3 greenhouse gas (GHG) emissions that a company generates through its operations and its plans to manage and/or reduce emissions.
2	Energy Management	The category addresses the company's management of energy in manufacturing and/or for provision of products and services derived from utility providers (grid energy) not owned or controlled by the company.
3	Water & Wastewater Management	The category addresses a company's water use, water consumption, wastewater generation, and other impacts of operations on water resources, which may be influenced by regional differences in the availability and quality of water.
4	Waste & Hazardous Material Management	The category addresses a company's management of solid wastes in manufacturing, agriculture, and other industrial processes. It covers treatment, handling, storage, disposal, and regulatory compliance
5	Ecological Impact	The category addresses Environmental Impacts of Project Development that involves environmental considerations before project initiation, as well as continuing to evaluate them during project development, and be prepared to mitigate potential environmental issues and the associated financial risks that may occur.
6	Product Quality & Safety	The category addresses managing the lifecycle impacts of products and services, such as those related to packaging, distribution, use-phase resource intensity, and other E & S externalities that may occur during their use-phase or at the end of life.
7	Human Rights and Community Relations	The category addresses management of the relationship between businesses and the communities in which they operate, including, management of direct and indirect impacts on core human rights and the treatment of indigenous peoples
8	Labour Practices	The category addresses the company's ability to uphold commonly accepted labour standards in the workplace, including compliance with labour laws and internationally accepted norms and standards.
9	Employee Health & Safety	The category addresses a company's ability to create and maintain a safe and healthy workplace environment that is free of injuries, fatalities, and illness.
10	Employee Engagement, Diversity & Inclusion	The category addresses a company's ability to ensure that its culture and hiring and promotion practices embrace the building of a diverse and inclusive workforce that reflects the makeup of local talent pools and its customer base.
11	Lifecycle Impacts of Buildings & Infrastructure	The topic addresses incorporation of environmental, social, and governance (ESG) considerations in characteristics of products and services provided or sold by the company. It includes, managing the lifecycle impacts of products and services.
12	Climate Impacts of Business Mix	The topic addresses company's capacity to manage risks and opportunities associated with incorporating social, environmental, and political transitions into long-term business model planning.
13	Climate Change Adaptation	The category addresses the company's ability to manage risks and opportunities associated with direct exposure of its owned or controlled assets and operations to actual or potential physical impacts of climate change.
14	Business Ethics	The category addresses the company's approach to managing risks and opportunities surrounding ethical conduct of business, including fraud, corruption, bribery and facilitation payments, fiduciary responsibilities, and unethical component.
15	Economic Performance	The category addresses company's ability to deliver long-term economic, financial growth, and value to stakeholders.

Appendix III – ESG Index

No.	Material ESG Topics	SASB	GRI	PHL-SEC
1	GHG Emissions		3-3, 305-1, 305-2, 305-3, 305-4, 305-5	Yes
2	Energy Management		302-1	Yes
3	Water & Wastewater Management		303-1, 303-2, 303-3, 303-4, 303-5	Yes
4	Waste & Hazardous Material Management		306-5	Yes
5	Ecological Impact	IF-EN-160a.1., IF-EN-160a.2.		Yes
6	Product Quality & Safety			Yes
7	Human Rights and Community Relations		413-1, 413-2, 411-1	Yes
8	Labour Practices		402-1, 407-1, 408-1, 409-1	Yes

Appendix III – ESG Index

No.	Material ESG Topics	SASB	GRI	PHL-SEC
9	Employee Health & Safety	IF-EN-320a.1.	403-1, 403-2, 403-3, 403-4, 403-8, 403-6, 403-7, 403-9, 403-10	Yes
10	Employee Engagement, Diversity & Inclusion		401-1, 401-2, 401-3, 404-1, 404-2, 404-3, 405 -1, 405-2, 406-1	Yes
11	Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1., IF-EN-410a.2., IF-RE-410a.1., IF-RE-410a.2., IF-RE-410a.3.		
12	Climate Impacts of Business Mix	IF-EN-410b.1., IF-EN-410b.2., IF-EN-410b.3.		
13	Climate Change Adaptation	IF-RE-450a.1., IF-RE-450a.2.		
14	Business Ethics		205-1, 205-2, 205-3	Yes
15	Economic Performance		201 -1, 201-2, 201-3, 201-4	Yes

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