



SEC 17-A Annex A: Sustainability Report

2024

Annex A: Sustainability Report

Contextual Information

Company Details	
Name of Organization	Cebu Landmasters, Inc.
Location of Headquarters	10th Floor Park Centrale, Jose Ma. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City
Location of Operations	The Company, with projects in varying stages of development, is currently present in 12 provinces, 18 cities, 6 municipalities, and 61 barangays in the Visayas and Mindanao Regions.
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	<p>Subsidiaries:</p> <ul style="list-style-type: none"> A.S. Fortuna Property Ventures, Inc. (“ASF”) BL CBP Ventures, Inc. (“BL Ventures”) CCLI Premier Hotels, Inc. (“CCLI”) CLI Hotels and Resorts Inc. (“CHR”) CL-LITE Panglao Inc. (“CL-LITE”) Cebu BL-Ramos Ventures, Inc. (CBLRV) Cebu Homegrown Developers, Inc. (“CHDI”) Cebu Landmasters Property Management, Inc. (“CPM”) CLI Premier Hotels Int’l. Inc. (“CPH”) El Camino Developers Cebu, Inc. (“El Camino”) GGTT Realty Corporation (“GGTT”) Mivesa Garden Residences, Inc. (“MGR”) Ming-mori Development Corporation (“MDC”) Sugbo Prime Estate, Inc. (“SPE”) YHES Premier Hotels Inc. (“YHESPH”) YHEST Realty and Development Corporation (“YHEST”) Yuson Excellence Soberano, Inc. (“YES”) Yuson Huang Excellence Soberano, Inc. (“YHES”) <p>Associates:</p> <ul style="list-style-type: none"> CLI NUD Ventures, Inc. (“CLI NUD”) Icom Air Corporation (“ICOM”) Iloilo Global City Corporation (“IGCC”) MagsPeak Nature Park, Inc. (“MagsPeak”)
Business Model, including Primary Activities, Brands, Products, and Services	<p>Cebu Landmasters, Inc. (CLI) is the leading developer in Visayas and Mindanao (VisMin). The Company is mainly engaged in residential development both in vertical and horizontal projects located in key cities and urban areas in VisMin. Key brands include: Premier series (High-end), Garden Series (Mid-Market), Casa Mira (Economic) and Villa Casita (Socialized Housing).</p> <p>CLI is also currently building up its leasing portfolio through more ventures in office, retail, hotels and resort, townships and estate developments.</p> <p>Key activities include Land Acquisition, Business Development, Technical Planning, Construction, Marketing, Sales, Commercial Operations (Leasing) and Property Management</p>
Reporting Period	January 1, 2024 to December 31, 2024

Highest Ranking Person responsible for this report	Jose Franco B. Soberano Chief Sustainability Officer / Chief Operations Officer
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Materiality Process

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

CLI determined its list of material topics through a comprehensive process that integrated data assessments, management reviews, and stakeholder engagements conducted in previous years with its performance management system developed in 2023 and further enhanced in 2024. To begin its assessment, CLI aligned its sustainability strategy with its vision, mission, core values, strategy, and core competencies, making sure that its sustainability efforts are authentically rooted in its core business and corporate identity. CLI then accounted for all its tangible and intangible capitals that allow it to develop its products and provide services. The Company recognizes both its dependencies and impacts on these capitals, striving to minimize negative impacts to these capitals. The capitals are:

<p>Natural</p> <p>Environmental resources that the Company uses, and which all capitals draw from, including:</p> <ul style="list-style-type: none"> • Landbank -107.27 hectares • Energy - 68,332.18 GJ consumed • Water - 6,255,094.65 cu.m consumed • Materials (non-renewable): <ul style="list-style-type: none"> ○ Sand - 40,108.66 cu.m ○ Gravel - 294,929.86 cu.m ○ Cement - 111,120,777.10 kg ○ Rebars - 27,859,298.99 kg ○ Glass - 17,238.66 sq.m ○ Limestone - 7,808.00 cu.m • Materials (renewable): <ul style="list-style-type: none"> ○ Lumber/Wood - 172,983,847.00 bd.ft 	<p>Intellectual</p> <p>The Company’s knowledge base, brand, reputation, track record, including:</p> <ul style="list-style-type: none"> • Local knowledge / market leadership in VisMin • After-sales and property management support • Digital customer experience • Fast turnover of projects • Award-winning design
<p>Social/Relationship</p> <p>The Company’s relationships with its stakeholders, such as host communities, and external publics, including:</p> <ul style="list-style-type: none"> • 26 Joint Venture Partners 	<p>Manufactured</p> <p>Man-made assets including its real estate products in various stages of development, including:</p> <ul style="list-style-type: none"> • 95 residential projects

<ul style="list-style-type: none"> • Network of 11,000 sellers and brokers • LGU/Community Partners in 12 provinces, 24 cities and municipalities, and 61 barangays 	<ul style="list-style-type: none"> • 6 Offices • 10 Mixed-use • 3 Estates • 10 Hotels • 530 room keys completed • 1,198 room keys under construction • 40,575 sqm total Gross Leasable Area (GLA) completed • >70,000 sqm GLA under construction
<p>Financial</p> <p>Funds used to build and provide services, including:</p> <ul style="list-style-type: none"> • P13.83 billion worth of capital expenditures in 2024 	<p>Human</p> <p>CLI employees and their skills, competencies, and experiences, including:</p> <ul style="list-style-type: none"> • 1,076 direct hires (17.72% increase from 2023) – including employees of subs and other direct hires • 9,614 indirect hires (outsourced personnel and contractors’ workforce) (2.60% increase from 2023)

Exercises and assessments were conducted per department and with cross-functional teams, which provided significant inputs for the materiality process review. In addition, CLI identified its impacts based on the Company’s key business activities in the value chain or end-to-end process and in the six capitals. Global megatrends were studied and localized against these impacts to further refine them. The Company also reviewed its risks by aligning the risk management process with the materiality process, providing a clearer picture of the most relevant topics to the Company.

CLI regularly engages its stakeholder groups via multi-channel approaches to identify and address their concerns and interests. Insights from stakeholder engagements served to inform CLI’s ranking and prioritization of material topics in its materiality matrix, which maps out the importance of each sustainability topic to the Company against its importance to stakeholders. With this matrix, CLI focused on the topics that matter most to the Company and its stakeholders.

To integrate these material topics into its operations, CLI developed its performance measurement and management system in the form of corporate, departmental, and individual balanced scorecards. Featured in these scorecards are specific key performance indicators (KPIs) based on the identified material topics, allowing the Company to track its sustainability performance across organizational levels in line with its sustainability strategy. Hence, the scorecard reflects all aspects that matter most to CLI.

CLI's Material Topics 2024

Economic

- Economic Performance (Generation and Distribution)
- Products for Low-Income Segment
- Compliance to Regulatory Requirements / Permits and Licenses
- Procurement Practices
- Local Sourcing
- Significant Indirect Economic Impacts / Jobs Created or Workforce Supported
- Anti-Corruption

Social

- Employee / Workforce Safety, Health, and Well-being
- Customer Engagement, Experience, and Satisfaction
- Customer Safety and Health
- Customer Privacy and Data Security
- Local Communities: Partnerships & Development Programs
- Compliance to Labor Laws/Standards
- Training and Organizational Development
- Talent Attraction and Retention
- Diversity and Equal Opportunity
- Marketing and Labeling

Environmental

- Land, Water, Energy, Materials
- Climate-related Risks, Opportunities: Mitigation and Adaptation
- Compliance to Environmental Laws
- Environmental Impacts: Emissions, Solid Waste, Hazardous Waste, Effluents
- Ecosystems and Biodiversity

Governance

- Risk Management
- Organizational Efficiencies / Alignment: Optimizing Business Processes
- Digital/Technological Innovation
- Governance and Ethics

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	19,525,343,389	PhP
Direct economic value distributed:		PhP
a. Operating costs	2,036,744,310	PhP
b. Employee wages and benefits	685,702,320	PhP
c. Payments to suppliers, other operating costs	6,089,204,293	PhP
d. Dividends given to stockholders and interest payments to loan providers	4,151,168,409	PhP
e. Taxes paid to government	1,695,493,806	PhP
f. Investments to community (e.g. donations, CSR)	43,156,782.98	PhP

Impacts

CLI's primary operations have positively impacted its employees, customers, host communities, and local economies. By developing well-planned, accessible, inclusive, and resilient spaces, CLI transforms the landscape and spurs economic activity in the area, including ancillary services, rental spaces, water refilling stations, and micro businesses. Increases in property values have also been observed, and CLI provides access to affordable housing by developing products for the low-to-medium income markets. Additionally, the company has created thousands of jobs in the project development cycle by sourcing talent, services, and materials locally.

CLI also recognizes the actual and potential negative impacts of its operations. For example, construction work consumes large amounts of non-renewable materials and relies on fossil fuels that emit greenhouse gases. CLI's developments may also impact local biodiversity as land-use changes and heightened activity levels affect the natural processes of flora and fauna. Greater economic activity may contribute to traffic congestion and noise. CLI is committed to social responsibility and due diligence by implementing programs and initiatives that minimize these negative impacts, while enhancing benefits for the Company and its stakeholders.

Management Approach and Metrics

CLI sustained its strong financial trajectory in 2024, achieving a 14% year-on-year growth in reservation sales, bringing total outstanding receivables from takeouts to over PHP 13.6 billion. CLI also expanded its market leadership in Visayas and Mindanao, securing a 19.3% market share, according to the Colliers Real Estate Market Study 2024.

To fuel its expansion in the Visayas-Mindanao market, CLI offered preferred shares to shareholders, diversifying funding sources and raising equity capital while reinforcing investor confidence. Additionally, the Company sealed its first international joint venture with NTT UD Asia (NTTUDA) for a PHP 6.4 billion development, the two-tower Japanese-inspired The Wave Towers in Cebu IT Park. In township ventures, CLI propelled the Davao Global Township (DGT) into full swing, with strategic partnerships leading to major lot sales and developments, including the launch of Seattle's Best Coffee's largest standalone branch in the Philippines. CLI also launched seven fast-selling projects in 2024, with a combined sales value of PHP 11.7 billion, achieving an impressive 90% sell-out rate. These projects contributed to local economies by creating thousands of direct and indirect jobs, boosting property values, and generating increased economic activity in surrounding communities.

CLI fosters good relationships with its investors through multiple channels, including real-time disclosures via the Philippine Stock Exchange (PSE) EDGE website, monthly updates through the "Maestro" newsletter, investor engagements, local and international non-deal roadshows, and company performance reports. By prioritizing transparency, strong economic performance, and timely dividend declarations, CLI builds trust with its shareholders, ensuring continued access to financial capital for future business development.

Climate-related risks and opportunities

Governance

The Sustainability Council, comprising Sustainability Champions from all departments/functions/units, discusses sustainability-related issues, risks, opportunities, and mitigation and adaptation strategies. The Enterprise Risk Management team maintains a regularly reviewed corporate risk register. Meanwhile, the Corporate Governance Committee and Risk Oversight Committee, chaired by independent directors, oversee sustainability-related risks or opportunities (SRROs), including climate-related risks or opportunities (CRROs), and advise the Company on SRRO-related targets based on industry standards and best practices. Moving forward, CLI will narrow its focus on the identification of specific SRROs and CRROs from all fronts, especially in the design, pre-development, construction, operations, and property management phases of the company's projects.

Strategy

CLI has identified the following climate-related risks and opportunities it faces over the short, medium and long term:

Risks	Impact on business, strategy, and financial planning
Damages and disruptions from Typhoons, heavy floods and other natural calamities (Physical)	<ul style="list-style-type: none"> • Property damage and high repair and maintenance costs • Cost of insurance, retrofitting, and/or installation of mitigating structures in damaged or vulnerable properties and construction sites
Sea level rise / coastal flooding and increase in peak river flow (Physical)	<ul style="list-style-type: none"> • Unavailability of materials, supply chain interruptions, materials delivery disruption or transport challenges which delay project delivery • Lost revenue from diminished attractiveness of damaged or vulnerable properties • Decline in sales or postponed income streams due to reduced demand or shift spending to basic needs/essentials • Changes and improvements in the company's process in conducting risk assessments in project sites • Process enhancements and changes in resource applications for the conduct of physical safety training for projects in high-risk areas
Limited supply of coal due to regulations (Transition)	<ul style="list-style-type: none"> • Increased operational costs due to higher water rates and disruptions and delays; may also pose financial risks due to delayed project completion
Water stress / limited supply of water due to changing climate and natural systems (Physical/Transition)	<ul style="list-style-type: none"> • Effort and cost of finding alternative sources and suppliers • Lost revenue from diminished attractiveness of properties with unreliable supply of utilities
Extreme heat / heatwaves (Physical)	<ul style="list-style-type: none"> • Increased operational costs due to disruptions and delays • Increased energy costs in managed properties for cooling
Regulation of carbon-intensive products and activities (Transition)	<ul style="list-style-type: none"> • Penalties and other disincentives against carbon emissions • Cost of shifting suppliers and other adjustments to comply with carbon regulations
Technological / Construction Risks (Transition)	<ul style="list-style-type: none"> • Increasing investments in R&D and technological innovations to comply with stringent building codes and additional reporting standards which mandate building and energy efficiency
Changing market preferences (Transition)	<ul style="list-style-type: none"> • As potential buyers become more aware of the impacts of climate change, they expect real estate products to be more eco-efficient (with renewable energy sources) and more resilient

Change in investor sentiment (Transition)	<ul style="list-style-type: none"> Investors may favor low-carbon real estate assets to align their portfolio to climate goals
Opportunities	Impact on business, strategy, and financial planning
Use of renewable energy sources	<ul style="list-style-type: none"> Lower energy costs due to incentives associated with renewable energy and onsite solar facilities
Development of energy efficient building designs	<ul style="list-style-type: none"> Competitive advantage due to customer preference for more sustainable properties Access to increased financial capital due to incentivization of green bonds
Use of sustainable building materials to future-proof real estate assets	<ul style="list-style-type: none"> Ensure higher efficiency standards in construction to reduce future energy dependence during operations
Enhancement of internal business processes, organizational movements to mitigate risks	<ul style="list-style-type: none"> Ensure alignment in identifying and addressing ESG issues across the end-to-end process of the business

Risk Management

The Company's Board Risk Oversight Committee (ROC) advises the Board of Directors on high level risk-related matters, including climate-related risks. These climate-related risks have been identified by the Company using existing risk identification processes, as outlined in CLI's Enterprise Risk Management (ERM) framework. The effectiveness of existing risk mitigation strategies are evaluated regularly, while emerging risks are assessed by cross-functional teams at both the department and corporate levels. This includes input from Strategic Business Units (SBUs) which maintain their own risk registers, and Sustainability Champions.

The Risk Steering Committee meets regularly to ensure a multi-disciplinary assessment and holistic approach to corporate risks. This exercise allows the organization to break down silos and integrate information from different departments, units, and external stakeholders, leading to scenario planning for top risks. Additionally, emerging risks are discussed to determine which risks offer opportunities to grow the business and which threats should be mitigated. The CRO reports the output of these discussions to the executive committee to prioritize the risks, their treatment, and approve potential investments or expenses for mitigation. These results are then presented to the Board Risk Oversight Committee for further comments and inputs. Moving forward, CLI will further refine its process for identifying and assessing CRROs and further define the integration of climate-related risk management in its existing ERM framework. Additionally, CLI has a dedicated Corporate Finance Department overseeing projections and monitoring activities at both corporate and project levels. Through close collaboration with project teams, this department analyzes financial forecasts, evaluates investments, and ensures alignment with strategic objectives, driving sustainable growth and value creation through effective resource allocation and risk management.

Metrics and Targets

CLI is developing a list of metrics and targets to measure CRROs, as well as its performance in relation to these, to align with its sustainability strategy. Initial assessment and guidance can be based on the following metrics:

- Energy consumption and costs
- Water consumption
- Costs of mitigating or addressing property damage from physical climate risks, such as insurance (e.g. Contractors' All Risk Insurance) and repair costs
- Costs of mitigation and adaptation measures applied to projects with or adjacent to natural water features or those with inherent natural hazards
- Cost of addressing construction disruptions and delays, such as labor and raw materials supply costs
- Revenues across properties of varying climate vulnerability and sustainability features

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers:		
Visayas & Mindanao	79	%
Luzon	20	%
Foreign	1	%

Impacts

CLI demonstrates its commitment to national economic development by allocating a substantial portion of its procurement expenses to Filipino suppliers. This prioritization of local businesses not only fosters a robust supply chain within the Philippines but also stimulates economic growth, generates local employment opportunities, and enhances the overall competitiveness of Filipino enterprises. By actively supporting local suppliers, CLI plays a pivotal role in promoting sustainable development and self-reliance within the national economy. In addition, prioritizing local vendors, suppliers and contractors results in reduced environmental impact considering short transportation distances that significantly reduce emissions associated with shipping and logistics. Local procurement also improves efficiency with faster lead time and flexibility while strengthening relationships with suppliers within the Visayas and Mindanao regions.

Risks

Construction and project execution risks include contractors failing to meet deadlines or budgets, and not adhering to quality standards. Unforeseen site conditions, weather, labor and materials shortages, and equipment and machinery failures can also cause delays and increased costs. Mitigating these risks

requires proactive project planning, meticulous contractor evaluation and selection, effective contract management, and continuous project monitoring.

Management Approach

The Company's headquarters centralizes the procurement of goods and services. The Supply Chain Management Department handles the procurement of goods, while the Engineering Department is responsible for contracted services. CLI has a pre-qualification process for contractors and suppliers to ensure their legitimacy, performance capabilities, and compliance with the Company's standards, including code of conduct, workplace and facility standards, human rights, and environmental concerns.

Construction materials and services are obtained from third-party local and national suppliers through a pre-qualification and bidding process. These suppliers must meet the Company's stringent quality requirements. The Company selects suppliers based on their ability to deliver the best value, highest quality, and lowest cost, as well as their ability to provide safe and on-time delivery, adapt, and innovate to suit the Company's needs. The Company also maintains internal controls, organizational structure, and financial sustainability to ensure the supplier's continued delivery as contracted. In 2024, the company conducted a thorough process review of its supply chain management and procurement. The company developed a plan to create a materials inventory management system for owner-supplied materials per strategic business unit to achieve a more improved materials efficiency. CLI conducted policy and procedure review on contractor/supplier/vendor due diligence and pre-qualification for bidding for implementation in the following year.

[Anti-corruption](#)

[Training on Anti-corruption Policies and Procedures](#)

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100%	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100%	%
Percentage of directors and management that have received anti-corruption training	100%	%
Percentage of employees that have received anti-corruption training	100%	%

Incidents of Corruption

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

Impacts

Anti-corruption practices foster a just and equitable business environment for CLI, enabling fair distribution of generated economic value. Maintaining stringent anti-corruption standards for suppliers and business partners, alongside consistent workplace advocacy, cultivates a culture of integrity that extends to the broader industry and community.

Management Approach

The Company's Code of Business Conduct and Ethical Standards, which includes the anti-graft and corruption policy called the Pledge of Integrity, is available on the Company website. All employees are taught about the Code during onboarding and receive regular reminders and updates. The Human Resources department, departmental heads, supervisors, and Corporate Governance Committee oversee the Code's compliance, while board members and management receive refresher courses in anti-corruption and code of conduct.

The Company follows SEC recommendations for corporate governance, including maintaining the independence of directors, prohibiting directors with material interests in a transaction from participating, and implementing a whistleblowing policy that allows for anonymous reporting and protects whistleblowers from retaliation. These measures promote business ethics, reduce risks, and mitigate corruption-related issues.

CLI is committed to transparency and disclosure of any corruption incidents. In 2024, there were no corruption incidents within the Company, nor has CLI participated in any cases or legal proceedings involving anti-competitive behavior, anti-trust, or monopoly legislation violations.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (gasoline)	8,930.23	GJ
Energy consumption (diesel)	59,401.95	GJ
Energy consumption (electricity) - excluding leased areas	13,407,147.30	kWh
Energy consumption (renewable sources) - solar panels	10,675.00	kWh

Reduction of energy consumption

Disclosure	Quantity	Units	% Reduction from 2023
Energy reduction (gasoline)	no data	GJ	No reduction
Energy reduction (diesel)	no data	GJ	No reduction
Energy reduction (electricity)*	no data	kWh	No reduction

* Purchased electricity (excluding leased areas) for 2024 increased by 46,552.46, or 58.63%.

Impacts

CLI's operations support local suppliers like Visayan Electric Company (VECO) and Davao Light and Power Company (DLPC) through the purchase of fuel and electricity. However, the reliance on non-renewable fossil fuels for energy generation leads to greenhouse gas emissions, contributing to both air pollution and climate change.

Risks

The company's operations may be disrupted by potential disruptions in electricity supply, particularly in the Visayas and Mindanao regions. These disruptions could be caused by several factors, including reliance on coal for electricity generation which makes power distribution vulnerable to disruptions in coal supply. Another factor is the growing urban populations and insufficient installation of new power sources that may lead to electricity shortages. Moreover, renewable energy sources supplying the Cebu, Negros, Panay (CNP) grid are susceptible to natural hazards, which can cause major power supply disruptions.

Management Approach

CLI maintains operations during power outages by supplying diesel and gasoline to generator sets. This is crucial in areas with supply disruptions or where power lines are not yet installed, such as construction sites. The company also prioritizes energy efficiency to lower emissions and costs. Energy consumption is monitored by the HR-Admin Department in corporate, branch, and showroom offices, and by the

Engineering team in construction sites via project contractors. In residential and commercial properties, CLI's Property Management group oversees energy consumption and implements energy-saving strategies. These include selecting energy-efficient electrical equipment, installing heat recovery ventilators, and adhering to policies and standards that uphold CLI's energy ratings and green building design advocacy. Furthermore, to reduce greenhouse gas emissions and mitigate potential risks associated with the use of conventional fossil fuels, CLI has integrated renewable energy sources such as the use of solar panels in six new properties, bumping up the total number of properties using solar panels to 11 properties. At the beginning of 2024, there were 25 solar panels for the two properties, while at the end of the year, there were a total of 96 solar panels in eight properties. These solar panel systems power the common areas of the buildings to reduce the cost that will be shouldered by the end-users. CLI continues to explore the use of renewable energy sources for commercial properties in the future.

Monitoring templates for environmental impacts were also enhanced, wherein recording and updating are done monthly by the concerned teams or departments—engineering department for construction projects, the property management team for operational properties, and human resources and admin teams for corporate offices and branches. The data is then reviewed and validated by the Sustainability team for purposes of consolidation. For CLI, reducing energy consumption is challenging because of the yearly increase in the number of construction projects and operational properties. Moving forward, the company will begin to target reductions in resource intensities per property.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	6,255.09	Megaliters
Rainwater collected	21.80	Megaliters
Water consumption	6,397.96	Megaliters
Rainwater used	18.53	Megaliters

Impacts and Risks

The Company's Cebu operations source water from the Metropolitan Cebu Water District (MCWD), supplemented by other providers in some areas, and groundwater extraction for some construction sites and managed properties. For projects outside Cebu City, CLI sources water from other water supply companies. However, excessive water consumption or extraction, especially when withdrawal rates exceed the natural replenishment rate, can contribute to water scarcity, particularly with aggravating factors like deforestation and population growth, which further increase water demand. Over-extraction can also lead to groundwater pollution. Potential water shortages and pollution pose risks to the Company and its operations.

Management Approach

Water is a vital resource for CLI's commercial operations, particularly in construction sites, office and retail spaces, hotel facilities, and managed residential properties. CLI's Project Management (PM) team and various contractors have implemented measures to manage water consumption and promote conservation, such as the installation of water-saving fixtures in the facilities, and the establishment of rainwater collection systems in managed properties. As of 2024, there are 14 properties with rainwater collection systems, which have captured a total of 21,797.20 cubic meters of water for reuse onsite. The importance of water conservation is also communicated to employees and customers alike.

CLI recognizes further opportunities to increase water usage efficiency and rainwater collection and storage capacity. Systems like water percolation ponds and other catchment areas can be explored in the future to capture significant quantities of water to augment the Company's water supply. This will not only contribute to protecting aquifers by easing water withdrawal rates but can also mitigate the impact of disruptions in purchased water supply by providing the Company with alternative water sources.

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
Non-renewable		
Sand	40,108.66	cu.m
Gravel	294,929.86	cu.m
Cement	111,120,777.10	kg
Rebars	27,859,298.99	kg
Glass	17,238.66	sq.m
Limestone	7,808.00	cu.m
Renewable		
Lumber	172,983,847.00	bd.ft
Percentage of recycled input materials used to manufacture the organization's primary products and services	Not recorded	%

Impacts

Materials are sourced both in-house (owner-supplied) and through local contractors (contractor-supplied), allowing CLI to support local businesses mainly in the Visayas and Mindanao regions. CLI also includes small companies as part of its vendors list, providing them with opportunities to grow. At the same time, CLI recognizes the negative impacts associated with its use of significant volumes of non-renewable construction materials, such as sand, cement, steel, and glass, which are required to develop quality projects. These materials must be procured and used responsibly not only to conserve their supply, but also to manage the environmental impacts associated with their extraction and processing.

Risks

The scarcity of these materials poses a major risk to the Company, as this would affect the price of materials and CLI's industry competitiveness. Disasters may also cause sudden increases in demand for these materials, coupled with decreases in supply if suppliers are affected by the event. Global issues can also affect local prices, especially for heavily imported materials like fuels.

Management Approach

CLI monitors its use of materials and works with contractors to improve project execution, implement best construction practices, and increase materials efficiency. These efforts aim to reduce material costs, especially for major materials like steel and cement, while maintaining product quality and durability. Additionally, CLI plans to explore alternative and renewable materials to further diversify and strengthen its supply chain and minimize environmental impacts.

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

Disclosure	Disclosure	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<ul style="list-style-type: none"> ● MagsPeak Mountain Resort & Villas (under construction/pre-operational stage) 	
Habitats protected or restored -CLI planted native tree seedlings and mangroves in various areas in Cebu province	396.40	ha
IUCN ¹ Red List species and national conservation list species with habitats in areas affected by operations	<p>Endangered:</p> <ul style="list-style-type: none"> ● Molave/Tugas (<i>Vitex parviflora</i>) ● Benguet pine (<i>Pinus kesiya</i>) ● Tree fern/Salaguisog (<i>Cyathea</i>) <p>Vulnerable:</p> <ul style="list-style-type: none"> ● Narra (<i>Pterocarpus indicus</i>) ● Red Nato (<i>Palaquium luzoniense</i>) 	

Impacts

Land development has impacts on the local environment and biodiversity, such as damage to vegetation and potential alteration of soil chemistry and fertility, thus affecting populations that depend on these natural conditions. MagsPeak Mountain Resort & Villas, one of CLI's projects, has a natural forest system in the upland area located in Brgy Sunog, Balamban Cebu. This is a designated multi-use zone of the Central Cebu Protected Landscape, and is home to several native species that may be exposed to the impacts of land development. CLI has taken measures to ensure the protection of biodiversity in its

¹ International Union for Conservation of Nature

project sites, which create positive impacts not only for the environment but also for local communities who are provided with training and inputs for alternative livelihoods.

Risks

There are some risks that pose a threat to the surrounding landscape and biodiversity in CLI's projects which may affect the Company's business and customers. These include overharvesting of wood by settlers in the local communities, or in most cases, the dumping of solid waste in nearby areas surrounding the property. These activities may cause disturbances for the Company's property occupants and reduce the attractiveness of the property, as well as weaken the environmental services provided by the ecosystem like cooling and erosion control. Through effective management, local ecosystems can and must be protected from such activities.

Management Approach

CLI developed and implemented a beyond-tree planting program. All tree growing projects include maintenance for two years to ensure that the trees planted are grown and will survive on their own. The program focused on project sites that can be enhanced by planting more native species of trees and integrating other sustainable landscape materials in their design. Additionally, embedded in the tree growing process is a program called Environmental Conservation Education (EcoEd) for partner farmers and fishermen. This aims to develop and upgrade skills and knowledge for environmental stewardship among community partners. In 2024, a total of 56 hours of eco-learning was conducted with at least 135 farmers and fishermen in attendance.

MagsPeak

To minimize the environmental impact on the protected area, the MagsPeak project will limit construction to a small portion of the property. A biodiversity assessment was conducted to establish a baseline for monitoring plant and animal life, creating a species list and identifying the conservation status of the flora. This information informed the planting activities of Cebu Landmasters Foundation Inc. (CLFI), the company's environmental and social responsibility arm. CLFI, in partnership with an external organization, has planted endangered and critically endangered local species, including Molave, Benguet Pine, Red Lauan, and Kamagong. In 2024, CLFI with its partner People's Organization, the Barangay Unity Key to Integrated Development (BUKID) Multi-Purpose Cooperative, identified a planting site to accommodate additional 12,995 seedlings across a 16-hectare area. Within the same year, the sustainability team conducted a survival rate monitoring activity and developed a plan for replacement planting of more than 20% of seedlings that did not survive. As of yearend, a total of 24,995 seedlings have been planted and maintained in Magspeak. Moving forward, the Company plans to establish a tree nursery in the area to allow propagation of native tree species that thrive in the area which will ensure a good quality supply of seedlings for future landscaping needs.

GREEN and GROW Program

With the implementation of the Green Resources for Ecosystems Enrichment (GREEN) and Green Resources and Opportunities for Work (GROW) programs across project sites and partner communities

through its corporate foundation, CLFI, CLI has significantly contributed to increasing tree cover with the planting of a total of 407,399 trees with more than 80% survival rate as of end of 2024 across 151 community tree growing sites, both terrestrial and coastal areas. A project greening program to enhance the vegetation within the project sites of CLI was also initiated. This program has contributed to the preservation and enhancement of the biodiversity in the northern and southern parts of Cebu. Members of the local community, including people’s organizations, farmers, and fisherfolk, are directly engaged in the preparation, planting, and maintenance of native tree species, which provides them with alternative livelihood opportunities as well as environmental education and skills training, including tree nursery establishment, seedling production, plantation design, and best practices in planting and maintenance. In 2024, a total of 99,066 trees and mangroves (27 native species, three fruit trees and nine mangrove species) were planted within 69 hectares of planting sites. To ensure meaningful impact on the local areas, CLI follows a designated program process, from community partner and planting site identification, consultations, stakeholder engagements and orientations, training, and monitoring.

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	4,503.63	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	9.66	Tonnes CO ₂ e
Energy indirect (Scope 3) GHG Emissions	10.05	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	no data	

Impacts

The Company acknowledges that its daily operations, including project planning, development, operations, and management, significantly contribute to greenhouse gas emissions due to the direct and indirect use of fossil fuels. Energy use in corporate offices, managed properties, and construction sites results in direct (Scope 1) and indirect (Scope 2) emissions. Other indirect (Scope 3) emissions are generated from the electricity consumption of 11 leased spaces or occupied units. As the Company expands its real estate products, carbon emissions, which contribute to air pollution and climate change, will also rise.

Risks

The Company acknowledges the risks posed by potential regulatory changes due to government measures to regulate carbon emissions worldwide. These changes may discourage the use of fossil fuels and impose fines for carbon-intensive activities. Furthermore, worsening climate scenarios present additional risks, including disruptions to the availability of materials, property damage, and increased energy costs for cooling.

Management Approach

CLI has implemented a system for monitoring and documenting carbon emissions resulting from its direct and indirect energy use. This system will enable CLI to establish reduction targets and implement energy-saving initiatives.

To reduce energy consumption and emissions, CLI incorporates energy-efficient designs in its developments. In 2024, the Company achieved 100% in its LED retrofitting program across its older properties that previously used non-LED lighting. In addition, CLI increased its power generation from renewable energy sources from nine (9) properties. The Company has set a target to achieve 100% LED lighting across its properties, which will reduce energy costs as well and extend the life cycle of buildings compared to traditional buildings.

Green Building Design and Development

As an advocate of green building design, CLI has received a green building certification for one of its developments from Building for Ecologically Responsive Design Excellence (BERDE). In 2024, CLI complied with the BERDE requirements of a medium-rise building in the socialized housing category in the design stage and received a 3-star BERDE certification.

CLI has in-house Certified BERDE professionals who ensure that CLI's projects are designed keeping in mind green and sustainable features.

Also in 2024, CLI completed the submission of energy, water and materials efficiency requirements of 38 Park Avenue at the design development stage based on the metrics and standards of Excellence in Design for Greater Efficiencies (EDGE). Energy requirements fulfilled include efficient heating, ventilation and air conditioning (HVAC); energy efficient building system with 100% LED lights and spaces using passive cooling strategies such as natural ventilation that does not only reduce energy costs but enhance indoor comfort. On Water efficiency, low-flow fixtures and dual piping system for domestic wastewater and rainwater were integrated in the design; For materials efficiency, the building uses locally-sourced materials, with low VOC (volatile organic compound) materials for better indoor air quality.

The Company's Masters Tower located in Cebu Business Park, worked on its compliance with the Leadership in Energy and Environmental Design (LEED) standards and prepared for on-site assessments to cover both the design and construction stages. Final design review was submitted in the fourth quarter of 2024. Among the LEED credits relevant to Masters Tower are the following: integrative process, surrounding density and diverse uses, heat island reduction, indoor and outdoor water use reduction, building level energy and water metering, storage and collection of recyclables, among other metrics.

The Company's award-winning project, Davao Global Township, has generous green spaces with a dedicated one-hectare central park and several pocket parks for the preservation of native trees. It has smart programmable streetlights. The project uses flood mitigation technology, having a detention tank with a capacity of more than 10,000 cu.m that can handle two-hour detention time based on the Davao area computation.

The Company continues to integrate eco-efficiency and climate resilience from design development, execution to operations management. CLI's Technical Planning team integrates the use of renewable energy sources, sustainable water management systems and advanced wastewater treatment solutions in the project design

The Company's carbon emissions are partially offset by CLI's tree growing initiatives, which help to sequester carbon from the atmosphere, especially the mangroves planted in coastal areas.

Air pollutants

Disclosure	Quantity	Units
NO _x	no data	
SO _x		
Persistent organic pollutants (POPs)		
Volatile organic compounds (VOCs)		
Hazardous air pollutants (HAPs)		
Particulate matter (PM)		

Impacts

Some activities in the Company's operations result in the emission of air pollutants like NO_x, SO_x, and particulate matter, which may affect natural processes and impact the health of people and biodiversity. These include construction activities and the operation of generator sets.

Management Approach

CLI does not currently track its emission of air pollutants and recognizes the opportunity to do so in the future. However, the aforementioned energy conservation initiatives also contribute in reducing the Company's emission of air pollutants, as less fuel is required to meet its energy needs.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	5,853,570.88	kg
Reused	1,039,563.43	kg
Recycled		
Composted	10,000.00	kg
Incinerated	NA	kg
Residuals/Landfilled	229,098.70	kg

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	35,227.00	kg
Total weight of hazardous waste transported	no data	

Impacts and Risks

Improper waste disposal by haulers at final destinations like landfills can contaminate land and water, and increase emissions. Landfills receive waste that could have been diverted, and generate large amounts of methane, a greenhouse gas 25 times more potent than carbon dioxide.

Management Approach

Waste from CLI's managed properties are collected by private waste haulers. The Company assesses the capability of its waste collectors to ensure proper handling and disposal, especially of hazardous wastes, which are collected by DENR-accredited haulers from designated areas. For construction projects, CLI's contractors handle waste management.

In 2024, following, CLI's Property Management team revisited its waste management plan implemented across all CLI properties. The waste management program provides measures to ensure that wastes are reduced, reused and recycled wherever possible, including provisions for the reduction, segregation, and disposal of waste, assessing the financial impacts of waste disposal, and monitoring waste data. It features a recycling program to repurpose plastic bottles into useful items, providing an opportunity to partner with organizations that can guide this upcycling effort. Meanwhile, in CLI's vertical properties, the Company has partnered with EVO Enviro Solutions, Inc. for its recycling and upcycling programs. Through this partnership, more than 10,000 kg of low-value plastic packaging materials from operational properties were recycled into refuse-derived fuel, while another 10,000 kg of organic waste, mostly green waste, was processed into compost,

CLI can further manage its solid waste by implementing waste segregation at source to decrease landfill materials and establishing on-site materials recovery facilities (MRFs), with potential expansion to include composting facilities through horizontal projects. Additionally, CLI could mandate regular data reports from third-party haulers regarding waste collection and landfill diversion. Moving forward, the company aims to kick-start its circular economy project in the near future to help divert plastics from reaching landfills.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	365,787.19	Cubic meters
Total volume of wastewater reused / recycled	no data	Cubic meters
Percent of wastewater recycled	no data	%

Impacts

Untreated wastewater discharge can contaminate water bodies and natural habitats by exposing them to harmful chemicals. This contamination is the immediate environmental impact of wastewater.

Management Approach

The Company minimizes effluents by designing and incorporating in its facilities wastewater treatment system in its residential, commercial, office, hotels, and project sites. On average, 80% of water used in managed properties is treated before discharge, while the rest are used for irrigation and similar activities.

For residential subdivisions, domestic wastewater or sewage goes into a septic tank for basic sewage treatment through the process of biological decomposition and drainage. Wastewater treated through this system is then discharged to receiving bodies of water with a classification appropriate for the quality of the wastewater discharged.

The Company has integrated the setup of a dual piping system for potable and non-potable water in the design of vertical projects. Wastewater would pass through a separate system for treatment, and then be routed for reuse in flushing or irrigation. This will help reduce water consumption in managed properties.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

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

Impacts

Environmental compliance is critical to CLI's operations, especially given the environmental impacts of its primary business, land development. These impacts include increased reliance on non-renewable resources, soil erosion, groundwater and soil contamination, and effects on biodiversity and habitats.

Risks

The company's business is directly impacted by environmental regulatory risk, which can arise from land use regulations and environmental protection concerns. Any regulatory changes at the local or national level affect the progress of the Company's projects.

Management Approach

CLI's compliance with environmental law is managed and monitored by a designated team. This comprises the External Affairs/Permits and Licenses Department, Strategic Business Units, CLI Property Management, and Engineering. To ensure compliance, Pollution Control Officers submit quarterly Self-Monitoring Reports and Compliance Monitoring Reports to the Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR).

CLI invests in upholding strict environmental compliance, spending over PHP87.19 million on compliance, development of green features, and other initiatives to mitigate environmental impacts. Costs associated with permits, licenses, and compliance requirements include expenses for sewage treatment plants, green building certifications, engineering studies and biodiversity management and enhancement.

Through these efforts, CLI continues to be an exemplary corporate citizen. The Company has invested in internal training and third-party advisories particularly for the pollution control officers of each project or property to monitor full compliance to the environmental laws and regulations and correct any non-compliance issues in the past.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ² (direct hires)*	908	#
a. Number of female employees	538	#
b. Number of male employees	370	#
Attrition rate ³	9.8%	
Ratio of lowest paid employee against minimum wage	1:15	ratio

*This figure represents employees of the parent company only (Cebu Landmasters, Inc.), excluding subsidiaries.

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
Government-mandated Benefits			
PhilHealth Contribution	Y	59.47%	40.53%
Pag-ibig Contribution	Y	59.47%	40.53%
Pag-ibig Loan Availment	Y		
SSS Contribution	Y	59%	41%
SSS Loan Availment	Y	.21%	.26%
Leaves			
Sick leaves	Y	55.07%	34.36%
Vacation leaves	Y	56.61%	37.89%
Emergency leaves		5.51%	3.08%
Birthday leaves	Y	37.90%	21.90%
Parental leaves	Y	2.15%	1.98%
Health Benefits			
Annual Physical Exam	Y	63.28%	36.72%

² Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

³ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

HMO (company-provided) Medical Assistance (not PhilHealth)	Y	59.65%	40.34%
Work Set-up			
Semi flexible-working Hours*	Y	59.47%	40.53%
Allowances			
Meal Allowance (Regular employees)	Y	13.00%	17.00%
Per Diem Allowances	Y	54.5%%	44.5%
Rice Subsidy (Regular employees)	Y	53.00%	37.00%
Other Fringe Benefits			
Car/Motorcycle Loan	Y	0.02%	0.007%
Special Emergency Loan	Y	0.005%	0.003%
Company stock options	Y	41%	59%
Company Uniforms	Y	50%	20%
Gift Certificates	Y	47.975	30.60%
Housing assistance (aside from Pag-ibig)	Y	0.001%	0.001%
Retirement Fund Program	Y	2.995	2.59%
Savings Benefit Program 5% from Employee's Monthly Basic will be set aside to savings claim	Y	0.00	0.93%

*Semi flexible time arrangement shifts, where employees are provided shift schedule options

Impacts

Through fair compensation, meaningful engagements, and valuable growth opportunities, CLI provides its workers with decent and gainful employment to support themselves and their families.

Management Approach

CLI considers its human capital as its most valuable asset in the value creation process. The achievement of the Company's vision greatly depends on its human capital. To ensure the well-being of its employees, CLI institutes a number of programs and channels that engage employees and protect their rights and interests.

CLI maintains a high level of employee engagement through bi-annual town hall meetings, platforms like Workplace and WorkVivo, quarterly performance reviews, trainings, summer outings, clubs, and employee volunteer activities. These initiatives aim to boost morale, motivation, skills, and career development, which in turn reduces turnover and strengthens CLI's talent pool. The Compensation and Benefits Committee also supports the Board of Directors in overseeing employee compensation and benefits at all levels. This includes ensuring fair and competitive remuneration through benchmarking with

the Willis Towers Watson Salary Survey. To further support employees, CLI has established a "Comp & Ben Helpdesk" and improved its HRIS for better employee record and payroll management.

CLI's thriving workplace culture earned it the Great Place to Work (GPTW) certification, which is one of the most prestigious workplace certifications for companies. In a company-wide survey conducted, the result showed that 93% of employees consider CLI a great workplace, which is significantly higher than the Philippine average of 65%. Employees also expressed pride in their work, with 95% stating they feel proud to tell others that they work at CLI.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees	55,262.75	hours
a. Female employees	32,368.76	hours
b. Male employees	22,215.99	hours
Average training hours per employee	60.85	hours
a. Female employees	60.91	hours/employee
b. Male employees	60.79	hours/employee

Impacts

Investing in employee skills enhancement results in positive impacts to employee morale, loyalty, and productivity. Employees will be better equipped to fulfill their responsibilities in the workplace and pursue career growth.

Management Approach

In 2024, the Company's training activities generated a total of 55,262.75 hours on technical, behavioral, leadership, life skills, sustainability, and organizational policy cascades and orientations, including training sessions on data privacy, IT security, information classification, breach response and the Company's IT Policies and sustainability-related policies and procedures.

The Company focused on planning a training program to enhance the organization's training portfolio prioritizing those that relate to the Company's core values and core competencies. These are in the aspects of customer, innovation and leadership balanced with technical competencies to achieve operational excellence.

CLI directors, executives, and key officers attend in-house training sessions supplemented by SEC-accredited corporate governance training, as well as other outsourced seminars and training courses from various training providers. A special training session on anti-money laundering laws and regulations, including new issuances and updates for real estate developers was attended by the Company's directors,

executive committee and key officers. Regular anti-money laundering training is also provided to CLI personnel, conducted by the national Anti-Money Laundering Council.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	not recorded	#

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	59.3	%
% of male workers in the workforce	41.7	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

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

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Construction Sites		
Safe Man-Hours	20,232,031.00	Man-hours
No. of work-related injuries (First Aid Injury)	181	#
No. of work-related injuries (Medical Treatment Injury)	10	#
No. of work-related fatalities	1	#
Total Disabling Injury Rate (TDIR)	0.086	#
Lost Time Injury	1	#
No. of safety drills	102	#
Corporate Offices, Branches, and Showrooms		
No. of work-related ill health		#
Property Management		
No. of work-related ill health	31	#
No. of safety drills	25	#

Impacts

Protecting and promoting worker health provides direct positive impacts to employees and workers in the Company. In addition, implementing safety measures across all of the Company's facilities, managed properties, and construction sites also protects the safety of members of the public who are exposed to these sites.

Risks

Risks associated with occupational health are physical and mental health concerns, work-related hazards, injuries, labor and employee relations, catastrophic personal events, succession, and key talent flight risk. All these risks have a significant impact in the Company's business operations if not managed appropriately.

Management Approach

CLI established supplementary safety protocols to mitigate potential harm, hazards, and accidents, and to safeguard the health and well-being of all personnel involved in CLI construction projects. The Health, Environment, and Safety (HES) Team implemented safety requirements for contractors to be included during prebid meetings for proper allocation of budget. The team successfully conducted health, environmental, and safety audits for Q1, Q2, Q3, and Q4 across all CLI projects. 33 Construction Safety and Health Programs were approved by the Department of Labor and Employment (DOLE) and implemented in 2024. The HES team also drafted 34 HES guidelines, 9 HES procedures, and 19 HES forms. Four out of seven HES memos have also been approved by management. Some HES milestones are the recognition of DGT City Center for achieving 1 million safe man-hours, The Paragon Davao for achieving 5 million safe man-hours, and the Master's Tower for achieving 2 million safe man-hours. The Abaca Resort Hotel Mactan also won the SOPI Award of Merit. The HES team strengthens daily HES communication with project HES teams through online platforms. The HES team also ensures that they continuously oversee contractor HES implementation and compliance with legal requirements, develop HES management system at the corporate level, and continuously review existing policies, measures, and updates according to legislation, and incident investigation and reporting. The team also observes strict implementation of urgent corrective actions to work activities that present imminent danger and life-threatening conditions and proactively discusses with the project HES teams how to resolve such issues.

CLI also provides activities to boost employee wellness, motivation, and engagement. Through programs and celebrations like Town Halls, International Women's Month, the 2024 Summer Outing, Employee Appreciation Day, and the Halloween Event, employees can build rapport and express themselves through creative means. CLI also enhanced its *Hilig Clubs*, and added three new activities namely the Outdoor Club, Volleyball & Badminton Club, and Martial Arts Club as avenues to pursue and explore hobbies with colleagues. In managed properties, CLI's PM team promoted health and wellness among its employees through the Friday Wellness initiative.

Labor Laws and Human Rights

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

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

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	Code of Business Conduct and Ethical Standards Section 1 - Compliance with Laws and Regulations
Child labor	Y	Code of Business Conduct and Ethical Standards Section 1 - Compliance with Laws and Regulations
Human Rights	Y	CLI Handbook - section on Employee Discipline Due Process

Impacts

It is paramount to the Company to be compliant with the labor code and other laws and regulations protecting the rights of all its employees while promoting a healthy and safe environment in the workplace. CLI recognizes that threats to the rights, health, and safety of its employees impacts productivity, as well as employee retention and engagement.

Management Approach

CLI's Compliance Officer regularly monitors updates from regulatory bodies and checks the Company's compliance with various laws and regulations, including labor laws that govern fair compensation and treatment, safe working environments, and the prohibition of forced labor and child labor. The Company's Handbook on Employee Discipline and the Code of Business Conduct and Ethical Standards also contains policies for the fair and consistent treatment of all employees. CLI adheres to this code and regularly monitors workplace conditions to uphold human rights and protect its employees' interests in all its operations.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Construction and Management of High-Quality Properties	Locations across Visayas-Mindanao	Indeterminate	N	Right to adequate housing	Quality construction and effective property management enhances the socioeconomic conditions of the local communities where CLI's properties are located

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

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available:

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

Impacts and Risks

Real estate development generates impacts on the host and neighboring communities where the projects will be built. There is a risk of displacement of informal settler families occupying the private property that is planned to be developed. Other negative impacts include public disturbance and access issues at construction stage.

Management Approach

In 2024, CLI expanded its community engagement by partnering with additional people's organizations through the CLFI. The system for conducting community profiling, needs assessment, and capacity building of partner organizations (mostly farmers and fishermen organizations, including socialized

housing beneficiaries) was improved through process enhancements. As a result, a total of 1,094 low-income families benefited from the community programs which brings to a total number of 6,081 families since 2021, with more than 200 institutions or external organizations engaged. The programs implemented helped build capabilities and provided livelihood opportunities, built start up enterprises and helped generate income for partner communities.

CLI's sustainability/community relations team improved its processes for monitoring measurable outputs of all its programs. The team regularly conducts sessions to evaluate the program partnership and to gather information on income generated from the activities. In 2024, CLI developed a plan to formalize and standardize a feedback mechanism which will be implemented in the following year.

CLI's 4-Pillar Community Development Strategy

SHELTER: Providing Access to Affordable Housing and Integrated Development

In 2024, in collaboration with partner LGU of Mandaue City, assisted in the resettlement of ninety (90) beneficiary families into a 3-Star BERDE-certified (*Building for Ecologically Responsive Design Excellence*) medium rise building developed by CLI. These families were victims of two separate fire incidents in 2016 and 2019. The Foundation assisted the LGU in the aspect of social preparation, helping them transition from horizontal or sprawling settlements to living in vertical spaces. In addition, the Foundation facilitated the capacity building of partner LGU on the aspect of property management, providing guidance on the monitoring and maintenance of the built residential space. More than 50 hours of work session was dedicated for the training of the LGU property management team to help develop a system to standardize building maintenance activities from house rules and building administration guidelines. More than just providing and maintaining the space, the Foundation continues to support the beneficiary community in the aspect of sanitation and waste management, livelihood, health and wellbeing.

ENVIRONMENT: Protecting Ecosystems and Enhancing Biodiversity

In 2024, CLI continued to enhance biodiversity across 396 hectares of planting sites in Cebu in partnership with farmers' and fishermen's organizations trained on the project lifecycle of tree growing, from seedling production, site preparation, planting, maintenance and monitoring. Through the Foundation's GREEN and GROW initiative, CLI significantly increased tree cover by planting a total of 407,399 trees with a survival rate of over 80% as of year-end 2024. These trees were planted across 151 community tree growing sites, in both terrestrial and coastal areas. Additionally, the Foundation initiated a project greening program to enhance vegetation within CLI's project sites. This program helped protect and enhance biodiversity in the northern and southern parts of Cebu and increased the total number of beneficiary farmers/fishermen to 568.

EDUCATION: Developing Talent and Building Capacity

A total of 277 hours of community capacity building and at least 108 hours of technical-vocational skills training benefited 1,255 individuals from the partner communities with predominantly women in attendance. This program introduced a diverse set of skills from leadership, ecosystems services, biodiversity management, simple financial management and livelihood series. In addition, the company continues to support 25 university scholars taking up architecture, engineering, business, marketing and hospitality programs.

ENTERPRISE DEVELOPMENT: Supporting Livelihood for Farmers and Fishermen

The Foundation's LAMBO (Livelihood Assistance for Multi-sectoral beneficiary organizations) program is the umbrella livelihood program for all partner communities. Under this 'mother program' is a sub-program called GROW (Green Resources and Opportunities for Work) which has significantly increased the income of farmers (terrestrial) and fisherfolk (coastal) through tree growing which starts from seedling production, nursery establishment, tree planting, maintenance and monitoring. The beneficiaries of the program are partner farmers and fishermen. On the other hand, the company continues to promote the farmers' produce through a farm-to-market initiative known as *Tabo* that has expanded from the company's corporate offices to the company's managed residential properties, linking both the farmers and the consumers, eliminating traders or middlemen while helping farmers build professional relationships with commercial establishments.

Moving forward, CLI seeks to further support farmers and fisherfolk through its program called *FARM* (Fostering Agricultural Resilience and Management and *FISH* (Fostering Innovative and Sustainable Harvesting).

CLI manages its relationships with local government units, local communities, and partner organizations through diverse engagement channels such as project orientations, consultations, chat groups, and seminars. Through these engagements, the Company makes sure to understand the genuine concerns, needs, and interest of its partners to strengthen the positive impacts of its social responsibility initiatives.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	3.85 out of 5	N

Impacts

Maintaining customer satisfaction helps support the financial success of the Company through continued patronage and improved brand reputation. This, in turn, will generate positive impacts on the Company's other business partners and stakeholders, as robust economic performance contributes to fruitful partnerships and the creation of shared value.

Management Approach

CLI has established a three-year innovation roadmap to enhance customer experience and operational efficiency through seamless digital solutions. This roadmap will also improve decision-making and streamline business processes for brokers, sellers, property owners, and the internal business value chain. The six key strategic priorities of the roadmap are intended to improve CLI's innovation maturity to level 3. These initiatives include the Master Super App, Project Management End-to-End Solution, Data Management System, Upgrade of our Enterprise Resource Planning, Business Process Management, and CyberSecurity, Network Infrastructure, and IT Service Management.

One of the key modules of the Master Super App that we launched is "Ask CLI," which improves customer service with a seamless, efficient platform. This ensures 24-hour response time so that no concerns are left unattended. It also streamlines inquiries, enhances customer satisfaction, and optimizes operations.

The Project Management End-to-End Solutions includes the Integrated Permits Monitoring System (IPMS), which streamlines tracking and processing. This ensures compliance and real-time visibility of permit requirements for each project.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	N/A	#

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

Impacts

Ensuring customer safety is not only crucial for the well-being of the customers themselves but also for the broader community that utilizes the same facilities. Similar to workplace health and safety, where safeguarding employees' health contributes to public health. By prioritizing customer safety, businesses can cultivate an environment where customers feel valued and protected. This heightened sense of safety and security can, in turn, foster customer loyalty and satisfaction, which are key drivers of repeat business and positive recommendations. Ultimately, these factors contribute to the financial health of the company, generating increased revenue and profitability, which benefits both the company itself and its stakeholders.

Management Approach

CLI places a high priority on mitigating risks and ensuring the safety and well-being of all individuals within its managed properties. This commitment extends to tenants, guests, homeowners associations, and Condo Corps under CLI PM. To achieve this, CLI has implemented comprehensive customer health and safety policies across its portfolio.

One crucial aspect of these policies is maintaining safe and secure spaces for everyone. This includes implementing specific measures tailored to the needs of each property. For instance, in response to the Anti-Rabies Law (RA 9482), CLI PM has proactively introduced pet ownership policies in certain locations. These policies aim to minimize the risk of rabies transmission and promote responsible pet ownership within the community. To support these policies, CLI PM has taken a collaborative approach by partnering with expert resource persons and local government units to have organized and facilitated educational seminars focused on responsible pet ownership. CLI PM has also taken concrete steps to prevent the spread of rabies by offering free anti-rabies vaccination programs to homeowners. By making these vaccinations readily available, CLI PM actively contributes to the overall health and safety of the community. These initiatives demonstrate CLI's unwavering commitment to creating a secure and healthy environment for all stakeholders within its managed properties.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	N/A	#

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

Impacts

Companies have a responsibility to ensure that their customers are well-informed about their products. This includes providing accurate and relevant product information that empowers consumers to make informed decisions and stay safe. By being transparent and truthful in their marketing and labeling practices, CLI can foster a sense of trust and confidence among their customers, contributing to a safer and more informed marketplace. This commitment to consumer education and safety not only benefits the individual consumer but also promotes overall public safety and well-being.

Risks

Digital media channels for product advertising can lead to concerns around brand safety and data breaches, as well as third-party claims of intellectual property infringement. Additionally, the inadvertent

placement of advertising content near inappropriate content on social media can negatively impact brand value. These scenarios can result in reputational, business, data security, and legal risks. Furthermore, property marketing materials that utilize conceptual and schematic designs from architects can create risk if the promised features and amenities are not ultimately delivered. CLI takes measures to ensure that all promised features and amenities in marketing materials are provided.

Management Approach

Given the highly competitive real estate market, particularly in the residential and commercial sectors, customers are increasingly demanding unique features such as a strong online presence, brand recognition, mobile apps, and online events that can substitute for time-consuming, in-person activities. To address this, CLI employs a multi-channel advertising strategy that includes billboards, LED screens, brochures, radio ads, social/digital media, and other channels. CLI ensures that all public-facing advertising and branding campaigns adhere to the laws and regulations of government bodies such as the Department of Trade and Industry (DTI) and Ads Standards Committee (ASC).

Customer privacy

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

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

Data Security

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

Impacts and Risks

CLI acknowledges that hacking and data breaches present a significant risk to both customer and corporate data security. These security incidents could lead to a wide range of negative consequences. Hacking and data breaches can disrupt CLI's operations, potentially leading to downtime, service interruptions, and financial losses. The loss or theft of sensitive corporate information, such as financial data, or strategic plans, could harm CLI's competitive position, damage its reputation, and reduce shareholder value. A data breach that results in the theft of a Personally Identifiable Information (PII), such as names, addresses, social security numbers, or financial information, could also expose affected individuals to identity theft, fraud, and other forms of harm. This can lead to significant financial losses,

emotional distress, and reputational damage for both the affected individuals and CLI. CLI recognizes that the potential consequences of hacking and data breaches are severe and far-reaching. The company is committed to taking all necessary steps to protect its data and minimize the risk of security incidents.

Management Approach

CLI's strong commitment to data privacy is evident in its consistent implementation of its privacy management programs, making sure that the company maintains robust protection measures not only technically but also physically and organizationally.

Recognizing the increasing sophistication of threats, top management prioritizes the security and well-being of customer and stakeholder data. This translates into concrete actions including internal process and cybersecurity enhancements in line with data privacy and information security standards, regular employee awareness training sessions, and proactive vulnerability assessments and audits. The company's data privacy and IT security strategy is also forward-looking, aligning with its growth trajectory and digital direction.

CLI's three-year innovation roadmap also focused on bolstering infrastructure security, reliability, and scalability. The program's components, such as CyberSecurity, Network Infrastructure, and IT Service Management, demonstrate CLI's dedication to improving data security and safeguarding customer privacy.

All these efforts are formally committed, implemented, and monitored through CLI's performance management system and benefit from the approval and guidance of top management and its corporate governance and risk committees.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
<p>Construction and Management of Quality Properties</p>	<p>GOAL 11: Sustainable Cities and Communities CLI provides access to affordable housing. In 2024, CLI continues to build well-planned, accessible, healthy, eco-efficient, inclusive and sustainable products. Since its inception, CLI has built residential (95), office (6), hotel (10), mixed-use (10) and township developments (3). CLI also connects its residents or occupants to its partner farmers through the establishment of stalls on its different developments, enabling the sale of local produce.</p> <p>GOAL 8: Decent Work and Economic Growth CLI offers safe and decent jobs by providing health spaces and good working environments and practices. In 2024, CLI had a total of 1,076 direct hires and 9,614 indirect hires (outsourced personnel).</p> <p>GOAL 9: Industry, Innovation and Infrastructure CLI sets the trend in developing socialized housing medium-rise buildings for the urban poor. In 2024, CLI turned over its second medium rise building, Tipolo Residences 2, accommodating another 90 informal settler families who were once victims of fire in 2016 and 2019.</p>	<p>The activities required for the Company's operations and social responsibility programs inevitably consume resources and produce waste material, which may contribute to pollution.</p> <p>Construction activities may disturb and damage biodiversity, affecting the natural balance of local environments.</p> <p>Developments may cause traffic congestion and noise pollution.</p>	<p>CLI has policies in place to manage and monitor its consumption of resources and generation of waste material. Efficiency initiatives are implemented and continuously explored to control resource intensity and waste production.</p> <p>In protected areas such as the locality of MagsPeak Mountain Resort, CLI conducted a biodiversity assessment as a baseline for monitoring its impacts on local wildlife. In general, CLI complies with environmental regulations for all its properties, ensuring that its environmental impacts are manageable.</p> <p>(No identified mitigation approach for this)</p>
<p>Social Responsibility Programs</p>	<p>GOAL 10: Reduced Inequalities CLI's developments provide employment opportunities and support local businesses. It supports a workforce of more than 5,000</p>	<p>Beneficiaries of social responsibility programs may become reliant on the Company for livelihood support.</p>	<p>Based on its 4-pillar strategy which is aligned with the Company's sustainability strategy, CLI's social responsibility programs are designed to empower beneficiaries to become self-reliant.</p>

	<p>occupying its office buildings and retail spaces.</p> <p>GOAL 3: Good Health and Well-Being CLI invests in the health and wellbeing of its employees. In 2024, CLI upgraded its health benefits and spent more for employee health and wellness programs.</p> <p>GOAL 12: Responsible Consumption and Production CLI tracks and manages resource use and impacts. The Company engaged with external partners for waste recycling and planning for circular economy models for its operations.</p> <p>GOAL 15: Life on Land and GOAL 13: Climate Action CLI strives to manage its environmental impacts and seeks to help protect ecosystems through various initiatives in collaboration with its host communities and external partners., CLI planted and continued to maintain 407,399 trees in 151 planting sites across the northern and southern parts within the Province of Cebu. Additionally, it has expanded its project greening program to Bacolod, Iloilo and Cagayan de Oro.</p> <p>GOAL 5: Gender Equality CLI promotes diversity and equal opportunity in the workplace and its areas of operations. In 2024, , female to male ratio is at 1.45:1</p> <p>GOAL 17: Partnerships for the goals CLI builds and strengthens relationships with its partners, communities, government, civil society organizations and the rest of its stakeholders. CLI, through its corporate foundation, engaged more than 200 institutions to implement community development programs</p>		
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