



Chairman's Message [Jaime Augusto Zobel de Ayala]

Ayala Corporation Annual Stockholders Meeting

25 April 2025

Fellow shareholders,

Last year, we celebrated Ayala's 190th anniversary. We close our celebrations humbled and grateful to all stakeholders who have placed their trust in our company. We are thankful for the opportunity to build an institution that continues to touch so many people in meaningful ways, helping them thrive as individuals and communities.

2024 was Ayala's strongest year yet. Ayala Corporation achieved record high earnings on the back of strong performances from our subsidiaries, who all remain among the most valuable companies in the Philippines. We are likewise excited for our smaller and younger businesses, who are all poised for significant growth.

Our priority is to build an Ayala that is much more focused, highly collaborative, and meaningfully relevant to our stakeholders and communities. Ayala has done quite a lot these last 190 years, and we think that the best is yet to come.

We would not have been able to achieve these milestones and work towards greater ambitions without our people. Over the years, we have had the great pleasure of working with remarkable individuals. Ayala is unique in that we continue to attract, develop, and retain the best talent possible.

Our CEO, Bong Consing, has been steadily steering our group to be much more disciplined and deliberate, and we have seen the significant impact that he has made possible moving into his third year at the helm of AC. Under his watch, we have entered new spaces where we think we can do very well and have exited sectors where we have not been able to create the scale that we would have wanted.

We are also seeing a new set of younger executives, managers, and staff — including Mariana, Jaime Alfonso, and Jaime Urquijo — assuming greater and more complex responsibilities, and are all making their mark in their respective assignments.

On this note, I would like to extend my deepest thanks to Cesar Purisima, who has served as an independent director of Ayala Corporation since 2022. Cesar's extensive experiences, both at several corporate boards and even the halls of government, have been valuable to Ayala, particularly in enhancing our governance, financial, risk management, and sustainability practices. On behalf of the Board of Directors and all of us at Ayala Corporation, thank you, Cesar, for your exceptional contributions to our group.

Nominated for election into Ayala Corporation's Board of Directors in this annual stockholder's meeting is Manny Maceda, Chairman of Bain and Company. Bain is globally recognized as among the best places to work, as well as a pioneer and leader in customer experience. We are excited to continue enabling both our employees and stakeholders to thrive through the expertise that Manny brings into our group. He has advised global CEOs on large-scale transformations, strategy, growth, and organizational effectiveness. His experience and expertise align with Ayala's thinking and direction for the foreseeable future, covering new technologies, including artificial intelligence, and stakeholder-centric capitalism, among many others.

We at Ayala continue to believe in the tremendous potential of the Philippines. The country remained resilient amidst a volatile 2024. The Philippines mostly withstood the impact of conflict and tensions in the Middle East, Europe, and Asia.

This also occurred within the backdrop of natural calamities causing \$417 billion worth of damage, globally, and most especially in the Philippines. There were also consequential elections that saw the ushering in of new regimes or refreshed mandates, including some of the country's closest trading partners.

Our consumption-led economy insulated the country from these externalities. Between 60% to 70% of our GDP growth last year can be attributed to household consumption, fueled by our favorable demographics, robust remittances and BPO revenues, and low unemployment rate. While our GDP growth of 5.6% was among the fastest in the world, we are aware that there is much space to further improve.

The Philippine economy had doubled in the last 15 years. While the country remains below upper-middle income economy status, given our current growth rate, there is a huge chance that the economy will once again double in size in the next 10 years. Imagine how much faster and larger we can grow if we are able to play our cards right.

I believe that we are sitting atop several significant and meaningful opportunities just waiting to be unleashed. We are ready and are looking forward to play our part to help the country along this journey. We hope to have you, our dear shareholders, with us as we move ahead in these interesting times.

To properly tap into these opportunities, we must be a responsible member of the communities that we serve, operating at the highest levels of good corporate governance and sustainability.

Ayala consistently reviews all our governance processes to ensure that these are aligned with regional and international standards. We continue to be guided by the ASEAN Corporate Governance Scorecard, and the Principles of Corporate Governance of the G20 and the OECD.

Ayala is also committed to support and adhere to the Ten Principles of the UN Global Compact. We continue to believe in creating shared value, and we likewise strive to be

an active and meaningful contributor to the communities and the institutions that we are a part of.

Crucial to these commitments is our journey to achieve Net-Zero Greenhouse Gas (GHG) Emissions by 2050. This will be a steady and fully credible process, ensuring utmost transparency and accuracy. Our emissions are calculated in accordance with the GHG Protocol, which we aim to be validated by the Science-based Targets Initiative (SBTi).

Since publishing our 2021 GHG baseline emissions last year, we have calculated and validated Ayala Corporation's GHG footprint up to the present. Looking at our emissions trends from 2021 to 2023, we saw a 16% reduction in Scope 2 emissions, mainly due to increased renewable energy use across Ayala. As of 2024, our group sources 61% of our electricity needs from renewables, up from just 35% in 2021.

We are serious about our net-zero ambition. Globe is the first publicly listed company in the Philippines to have its net-zero targets validated by the SBTi. Ayala Land's targets have also been validated by the SBTi – the first publicly listed property developer in the Philippines to achieve this milestone. We hope to have our other group companies follow this path.

Last year, we also institutionalized a Sustainable Investment Framework in our formal investment processes. The framework requires that opportunities elevated to our Investment Committee should factor in sustainability-related considerations, such as GHG emissions, resource efficiency, and potential impacts to the investee company's workforce, value chain partners, immediate communities, customers, and end-users.

We have also made meaningful progress on our social impact and equity action agenda. Ayala Foundation completed its strategic refresh last year, focusing on its strategic priorities of Leadership Development, Community Development, and Arts and Culture, while making a big bet on early childhood development and digital education. These imperatives are supported by a corporate citizenship and volunteerism platform, harnessing the 60,000-strong workforce across the Ayala Group to do good.

We continue to build upon the group-wide Leadership Commitment to Diversity, Equity, and Inclusion that we also made last year. We affirm our belief in the potential of each individual, providing spaces for voices to be heard, and holding our leaders accountable for ensuring that opportunities for our people are created and protected.

Last year, we organized what we called Inclusive Circles to cultivate safe spaces for communities across the Ayala group to spotlight important conversations not usually tackled in the workplace. These sessions provide a space for our employees to be authentic and vulnerable, and to openly dialogue with a community of peers. We held eight gatherings last year, bringing together women leaders, working parents, Gen Z employees, LGBTQIA+ members and allies, and persons with disabilities. These Inclusive Circles have been incredibly valuable in directly engaging different segments of our employee base, while identifying areas of concern and opportunities we can improve on to foster an inclusive workplace.

We are also proud to be the first group of companies to take the Working with Cancer pledge, a global movement that aims to raise awareness and support for employees who themselves are battling or have loved ones facing dread diseases.

Diversity, equity, and inclusion is an essential part of living out our purpose of building businesses that enable people to thrive. We look forward to scaling these initiatives across the group, true to our commitment of creating spaces where voices can be heard, providing opportunities to enable employees to perform at their highest potential, and modeling inclusive behaviors.

To close, I thank our Board of Directors for your leadership and wisdom; our management and employees for your commitment and contributions; and all of you, our shareholders, for your steadfast trust in our company. As we enter our 191st year, many energizing possibilities lie just beyond the horizon.

I look forward to being with all of you, building thriving communities and enterprises, enabling people to unlock their potential and become their best selves.