MacroAsia Corporation

GROWTH, STABILITY, AND RESILIENCE

2024 INTEGRATED ANNUAL AND SUSTAINABILITY REPORT

ABOUT THIS REPORT

Our Theme

The **2024 MacroAsia Corporation Integrated Annual and Sustainability Report** highlights our unwavering commitment to progress, adaptability, and long-term sustainability. As we expand our businesses, we continue to build a stable foundation through operational excellence and strategic innovation. Our resilience in the face of challenges ensures that we not only sustain our growth but also strengthen our ability to create lasting value for our stakeholders and communities.

Note on Forward Looking Statements

This report contains forward-looking statements regarding our future plans and objectives. These statements involve risks and uncertainties and can be identified by terms such as "aim," "expect," "intend," "plan," "believe," and similar expressions. Actual results may differ significantly from projections due to various factors, including economic shifts, changes in market demand, fluctuations in raw material costs and availability, regulatory developments, technological advancements, environmental and climate-related impacts, operational challenges, and competitive pressures. Additionally, unforeseen circumstances may further impact outcomes. We assume no obligation to update or revise these statements in response to new information, future events, or other developments, except as required by law.

Statement on Financial Reporting

SyCip Gorres Velayo & Co. (SGV & Co.) serves as the external auditor for the Corporation's financial statements, with Mr. Kristopher S. Catalan as the lead engagement partner. The Corporation's audited financial statements are included in the **Audited Financial Statements** section of this report.

Sustainability Reporting Scope, Boundaries, and Standards

The **Sustainability and ESG Performance** section of this report covers both the parent company and its subsidiaries in which the parent company holds a majority stake. As a result, certain entities included in the 2024 audited financial statements are not part of the sustainability report.

This report is prepared with reference to the **Global Reporting Initiative (GRI) 2021 Standards** and aligns with the sustainability reporting guidelines set by the **Philippine Securities and Exchange Commission (SEC)** under Memorandum Circular No. 4, Series of 2019. It also adheres to the sustainability reporting standards and metrics of the **Sustainability Accounting Standards Board (SASB)**, the **Task Force on Climate-related Financial Disclosures (TCFD)**, and the **United Nations (UN) Sustainable Development Goals (SDGs)**.

The **MacroAsia Corporation 2024 Integrated Annual and Sustainability Report** provides a comprehensive overview of our domestic operations, highlighting our financial and sustainability performance for the period from January 1 to December 31, 2024.

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GRI 2-11

DR. LUCIO C. TAN
CHAIRMAN AND CEO

MESSAGE FROM THE CHAIRMAN

"Beyond financial success, MacroAsia remains a platform for innovation and growth. Having surpassed our pre-pandemic workforce levels, we recognize that our greatest asset is our people. Their dedication, talent, and perseverance have been the driving force behind our progress."

Dear Fellow Shareholders,

The past few years have brought profound changes to society, reshaping the way we live and do business. Lockdowns were swiftly enforced, air travel came to a near standstill except for essential repatriation flights, and individuals and businesses alike had to adapt to unprecedented challenges brought by COVID-19. As the pandemic's severity eased, the world evolved, embracing new ways of working, shifting consumer priorities, and rapidly adjusting to new realities.

MacroAsia Corporation is no stranger to this transformation. While the aviation industry faced an extended period of uncertainty, our company—once primarily focused on aviation-related services—demonstrated resilience and adaptability. We seized opportunities beyond our core operations, expanding into new business areas. By growing our footprint in the catering industry and accelerating the expansion of our water service operations, we successfully executed our **"Scale the Edges"** strategy. This diversification effort has proven instrumental, with non-aviation-related businesses now contributing **22%** of our total revenues in the past year. This shift has not only reinvigorated our company but also redefined our purpose, guiding us toward a more dynamic and sustainable future.

Our catering business exemplifies this growth. From **13.7 million meals** served in 2019, we sold **23.5 million meals** in 2024. What once catered primarily to airline clients has now expanded to serve nationally recognized institutions beyond the airport. By leveraging our operational excellence and our deep understanding of diverse culinary preferences, MacroAsia has strengthened its reputation for quality—a foundation that promises even greater potential ahead.

Similarly, our **water operations**, which were not originally part of MacroAsia's business model, have emerged as a key revenue driver. This segment has grown from **18,038 service connections in 2019** to **21,019 in 2020**—despite pandemic-related disruptions—and has since surged to nearly **75,000 connections in 2024**. As we continue enhancing our expertise in this field, we are confident in the potential for further expansion. By integrating cutting-edge technologies, streamlining operations, and broadening our service coverage, we aim to position MacroAsia as a major player in the water sector while driving synergies across our business units.

Overall, our **top-line revenue** has grown by **18%**, increasing from **Php7.9 billion in 2023** to **Php9.4 billion in 2024**. While our diversification strategy played a pivotal role in this growth, our core aviation services remain a solid foundation for the company. Additionally, our investments in associates performed well, delivering over **Php721.4 million** in contributions.

Beyond financial success, MacroAsia remains a **platform for innovation and growth**. Having surpassed our **pre-pandemic workforce levels**, we recognize that our **greatest asset is our people**. Their dedication, talent, and perseverance have been the driving force behind our progress. Their ideas and expertise continue to shape a stronger, more resilient company—one that plays a vital role in serving the Filipino people and contributing to national progress.

None of our achievements would have been possible without your unwavering support. To our valued stakeholders, you remain at the core of our journey, driving us to reach new heights. From its humble beginnings as a shell company nearly thirty years ago, MacroAsia has grown into a trusted provider of essential services that positively impact countless lives. I sincerely hope that, together, we will continue to build on this success and achieve even greater milestones in the years to come.

Sincerely yours,

(sgd)
DR. LUCIO C. TAN
Chairman and CEO

Meals in 2024
23.5 M

Top-line revenue (PHP)
9.4 B

Water connections
75,000

MESSAGE FROM THE PRESIDENT AND COO

EDUARDO LUIS T. LUY
PRESIDENT AND COO

MESSAGE FROM THE PRESIDENT AND COO

"A record high in our operating history, our 2024 net income at Php1.4 billion is up 28% from the previous year. Through the ingenuity and resilience of our teams, we have mitigated risks, safeguarded our business, and laid the foundation for long-term growth. "

Dear Shareholders, Management, Staff, and Stakeholders of MacroAsia Corporation,

I am deeply grateful for the hard work and dedication of our teams, whose relentless efforts continue to drive our company's success. Even before the pandemic, under the visionary leadership of our former Chairman, Washington SyCip, and former Director, Lucio K. Tan, Jr., MacroAsia was already exploring greenfield projects and expanding its business segments. Today, these forward-thinking initiatives remain integral to our company's growth and resilience.

What began as a dormant mining company has evolved into a diversified enterprise, encompassing multiple business lines. From catering the national flag carrier plus over seventeen (17) other airlines and providing ground services at Manila's primary gateway and more than twenty (20) other airports to managing nearly 75,000 water connections and reviving key mining operations, MacroAsia has become synonymous with service excellence and innovation.

This past year, our company surpassed the Php2 billion mark in EBITDA, propelled by the robust performance of our food and water segments. These areas, which became a strategic focus during the pandemic, have not only strengthened our financial standing but also diversified our revenue streams. At the same time, our commitment to sustainable cost leadership and cost efficiency has yielded positive results, with direct costs as a percentage of revenue decreasing amid expansion. A record high in our operating history, our 2024 net income at Php1.4 billion is up 28% from the previous year. Through the ingenuity and resilience of our teams, we have mitigated risks, safeguarded our business, and laid the foundation for long-term growth.

Allow me to highlight key developments in our core business segments and our outlook for the future:

Catering Segment

In January 2024, MacroAsia SATS Food Industries (MSFI) expanded its footprint by launching operations in the Citibank Plaza Building, Bonifacio Global City. This 24/7 facility serves approximately 6,500 employees, offering a range of dining options, from executive meals for VIPs to quick-service vending machine selections. This milestone reinforces MacroAsia's growing presence in institutional catering and strengthens our reputation in the industry.

To meet rising demand and support our expanding portfolio, MSFI is investing in a Php1.4 billion expansion project to double production capacity from 45,000 to 90,000 meals per day. The new facility, adjacent to our existing commissary in a land owned by MacroAsia, will include enhanced cold storage, additional R&D space, and state-of-the-art equipment to drive operational efficiency and innovation. With a tight construction timeline, we aim to commence operations within the next two (2) years.

In response to increasing food and production costs, we are also exploring vertical integration strategies to improve supply chain efficiency. While traditional sourcing remains a priority, we are identifying alternative procurement channels—particularly for price-sensitive agricultural products—to stabilize costs and enhance financial sustainability.

Further, we continue to explore new markets as part of our diversification strategy. While airline catering remains a core business, our foray into institutional food services presents untapped opportunities. We are evaluating potential projects that will not only drive financial returns but also extend our geographical reach. As we expand into non-airline markets, we embrace the learning curve and remain committed to positioning MacroAsia as a key player in this space.

Net Income (PHP)

1.4 B

EBITDA (PHP)

2.1 B

MESSAGE FROM THE PRESIDENT AND COO

"Despite the inherent risks, our entrepreneurial spirit remains steadfast as we pursue innovation and sustainable growth."

MASCORP trainees deployed in Japan airports

105
trainees

Water Segment

In September 2024, we broke ground on a new desalination plant in Lapu-Lapu, Cebu, with an initial capacity of 15 million liters per day (MLD) and a target supply contract to scale up to 60 MLD. Through our subsidiary, Summa Water Resources, Inc., we are developing similar Original Equipment Manufacturer (OEM) projects across the country to meet the increasing demand for potable water. These initiatives align well with our existing water subsidiaries, strengthening our market presence.

Our other water businesses continue to perform well. Aqualink Resources Inc. and Naic Water Supply Corporation now serve over 42,000 and 22,000 connections, respectively, while Boracay Tubi Systems Inc. maintains a strong market position, covering nearly half of Boracay Island. Meanwhile, SNV Resources Development Corporation has reached a self-sustaining stage and is investing on a larger pipeline network.

Collectively, our water businesses under Allied Water Services, Inc. are poised for steady growth. While our current projects provide a nationwide footprint, we aim to leverage Filipino engineering expertise and form strategic international partnerships to enhance our technologies and operations for even greater impact.

Other Projects

Our joint venture with Konoike Transport Co., Ltd. (Konoike) continues to add value for both parties. MacroAsia Airport Services Corporation (MASCORP) has deployed over 100 trainees to various airport locations in Japan, and we have strengthened this program through partnerships with colleges. By incorporating a Japanese language curriculum into training, we are improving deployment readiness and accelerating career growth for our interns. Additionally, Konoike has been instrumental in sharing best practices in aviation safety, reinforcing MASCORP's commitment to a zero-incident work environment.

First Aviation Academy (FAA), our flight training joint venture with the PTC Group, has supported three cohorts of aspiring pilots since its inception. To improve accessibility, we have partnered with Philippine National Bank to offer specialized loan programs for tuition and living expenses. These initiatives aim to increase student enrollment while streamlining training operations to enhance throughput.

While aviation-related services remain our primary revenue driver, we are committed to increasing the contribution of new projects in the medium to long term, especially those located outside of airport locations. Some initiatives are already in motion, while others are under evaluation amidst evolving geopolitical and market conditions. Despite the inherent risks, our entrepreneurial spirit remains steadfast as we pursue innovation and sustainable growth.

A Shared Vision for the Future

Your trust and support remain vital to our journey, and I am confident that we will continue to achieve greater milestones together. On behalf of the entire MacroAsia team, I extend my gratitude to our suppliers, customers, management team, and staff—your dedication is the driving force behind our success.

I also wish to thank our Board of Directors for their invaluable guidance, wisdom, and encouragement. Your leadership has been instrumental in shaping MacroAsia's future.

And to you, our esteemed shareholders, I deeply appreciate your unwavering confidence—whether you have been with us for decades or have joined us in recent years. It is my sincere hope that we continue to exceed your expectations, not only in investment value but also as a catalyst for positive change in society.

Sincerely,

(sgd)
EDUARDO LUIS T. LUY
President and COO

OUR MOTTO

We will passionately pursue our vision with
efficiency, strategic focus, and character
that models world-class people.

VISION

Within the first two decades of the 21st century, to be the globally competitive aviation support, logistics services provider, and a natural resources development partner in the Philippines, with a full range of products and services for which we shall be acknowledged by our clients and other stakeholders for excellent customer service, pioneering technology, integrity, value-for-money, and social responsibility, all made possible by self-driven, smart and world-class people.

MISSION

MacroAsia Corporation - a holding company with a diverse business portfolio within the next decade, will achieve leadership position in the market it serves by being passionate and driven with values and goals that are aligned with the objectives of its shareholders. Such passion and drive shall be anchored on a committed team of professionals who shall embody a strong stakeholder-focus, integrity, strategic thinking, empowering leadership, continual development, and commitment to national growth and social responsibility.

We shall achieve our mission to increase shareholder value, ensure long-term profitability, develop world-class competencies, provide career opportunities, and create synergies as we build mutually beneficial partnerships, alliances, or joint ventures with those who share our philosophy and values.

OUR CORE VALUES

Our way of life in MacroAsia is built on the fundamental ideal of service to all stakeholders, especially our customers. In doing so, we are guided by:

INTEGRITY
We manage all parts of our business in a manner that builds value into the investment, employing ethical standards, demonstrating honesty and fairness in every action that we take, thus building value and confidence among all our business stakeholders.

TEAMWORK
We support and establish unified though diverse teams in our operating units. We seek to work together and establish synergies to meet our common goals.

RESPECT
We honor the rights and beliefs of our stakeholders – our employees, our customers, our shareowners, our suppliers and our community.

ACCOUNTABILITY
We accept our individual and team responsibilities, and we meet our commitments. We take responsibility for our performance in all of our decisions and actions.

RESPONSIBLE CITIZENSHIP
We encourage a healthy and safe workplace for our people, commit ourselves to responsible governance as a corporation and as a partner of government, and seek to promote a competitive free enterprise system, excellent environmental compliance, and enrichment of the communities where we operate.

2024 FINANCIAL, OPERATIONAL, AND SUSTAINABILITY HIGHLIGHTS AT A GLANCE

FINANCIAL HIGHLIGHTS

- **9.4 billion**
  PhP Revenue
- **2.3 billion**
  PhP Gross Profit
- **1.4 billion**
  PhP Net Income
- **13.4 billion**
  PhP Total Assets
- **5.9 billion**
  Total Liabilities
- **7.6 billion**
  Total Equity

OPERATIONAL HIGHLIGHTS

- **23.7 million**
  Meals Produced
- **19.2 million**
  Cubic Meters of Billed Water Volume
- **189,318**
  Flights Handled (Domestic and International Flights)
- **27.6 million**
  Passengers Assisted (17.2 million local and 10.4 million foreign)
- **119**
  Total Student Pilots in 2024 (104 male, 15 female)
- **30**
  Student Pilot Graduates for 2024 (27 males, 3 females)
- **83**
  Total Student Pilot Graduates since start of Flight School operations, as of 2024 (73 male, 10 female)

SUSTAINABILITY HIGHLIGHTS[1]

ECONOMIC

- **PhP10.5 billion**
  Direct Economic Value Generated
- **PhP 9.2 billion**
  Direct Economic Value Distributed

ENVIRONMENTAL

- **35.3 million**
  kwh of Electricity Consumed
- **2.4 million**
  liters of Fuel Consumed
- **25,422**
  megaliters of Water Withdrawn from Various Sources
- **1,578**
  metric tonnes of Non-Hazardous Solid Wastes Generated
- **29,776**
  tCO_2e GHG Emissions Generated
- **300**
  Saplings of Mangrove Tree Planted in MAC-adopted Wetland 6 in Boracay Island
- **560**
  Saplings of Bamboo, Calumpit, and Other Fruit-bearing Trees Planted in Luzon Communities We are Present

SOCIAL

- **6,005**
  Total Manpower Complement
- **44%**
  Women Employees
- **1%**
  Women in Management Positions
- **21%**
  Group Turnover Rate
- **100 %**
  of Employees Covered by OSH Policy
- **3.1 million**
  Total Safe Man Hours
- **< 1%**
  Group Incident Rate
- **32,363**
  Employee Training Hours
- **6**
  AverageTraining Hours Per Employee
- **1,384** Employee Volunteer Hours Rendered
- **Zero**
  Reported Cases of Discrimination Among Employees
- **Zero**
  Fatalities Caused by Work-related Injury or Illness

GOVERNANCE

- **11**
  Members of the Board of Directors
- **3**
  Independent Directors
- **18%**
  Women in the Board
- **100 %**
  Employees, Partners and Directors Received Information on the Company's Anti-Bribery and Anti-Corruption Policy
- **Zero**
  Reported Cases of Corruption and Bribery
- **12**
  Monetary and Non-monetary Sanctions Received Related to Non-compliance or Violation of ESG-related Laws, Regulations, and Policies
- **1,036**
  Suppliers, Vendors, and Third-Party Service providers Engaged

[1] *Our sustainability and ESG performance report covers the parent company and its sixteen (16) majority-owned subsidiaries only. Certain entities included in the audited financial statements are not covered in the Sustainability and ESG performance report section.*

ABOUT MACROASIA

CORPORATE PROFILE

GRI 2-1

MacroAsia Corporation (MAC) is a publicly listed company in the Philippines with a diverse business portfolio spanning aviation support, logistics services, food catering, and natural resource development.

The company was originally incorporated as Infanta Mineral & Industrial Corporation on February 16, 1970, focusing on geological exploration and development. However, on January 26, 1994, it amended its Articles of Incorporation and rebranded as Cobertson Holdings Corporation, transitioning into a holding company.

On November 6, 1995, the Securities and Exchange Commission (SEC) approved another corporate name change to MacroAsia Corporation, under which it has since operated as a holding company.

BUSINESS SEGMENTS

GRI 2-6

While we continue to strengthen our reputation in the aviation support sector, we have strategically expanded into other industries to enhance financial performance, ensure long-term sustainability, and create meaningful contributions to society.

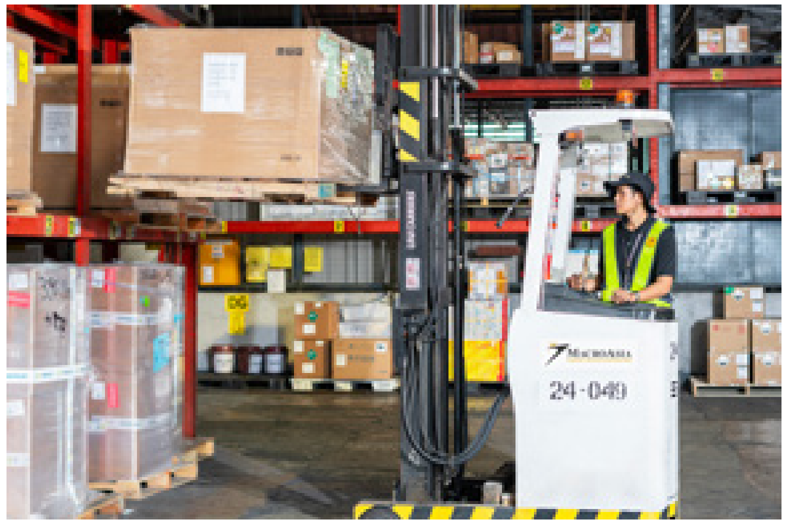
OUR KEY STRATEGIC BUSINESS UNITS:

AVIATION GROUP

Our aviation-related services play a vital role in ensuring the safety and reliability of airline operations in the Philippines. Beyond driving economic growth by facilitating the seamless flow of goods and services locally and globally, we take pride in fostering connections between people, families, and communities.

BUSINESS SEGMENTS

GATEWAY SERVICES



MACROASIA AIRPORT SERVICES CORPORATION (MASCORP)

Established on September 12, 1997, **MASCORP** is **80% owned by MAC** and **20% owned by Konoike Transport Co., Ltd.** As the country's largest and most comprehensive ground handling provider, it competes with multiple operators while delivering a full range of services, including:

- Passenger services
- Ramp operations
- Baggage and cargo handling
- Ground Support Equipment (GSE) maintenance
- Other terminal services

MASCORP serves both local and international airline clients across **twenty-three (23) airport stations** nationwide.

MACROASIA AIR TAXI SERVICES, INC. (MAATS)

A wholly owned subsidiary of MAC, incorporated on June 4, 1996, this company's business is to service the foreign airline clients of Lufthansa Technik Philippines (LTP) by providing services similar to ground handling for fixed-base operators. It represents the heavy base maintenance clients of LTP with respect to government permits (CAAP, MIAA, BOC, Immigration, etc.).

JAPAN AIRPORT SERVICE CO., LTD. (JASCO)

Founded on March 15, 1960, this company is **30% owned by MAC** and **70% owned by Konoike Transport Co., Ltd. (Japan).** It operates solely in Narita, Japan, and competes with other ground handlers at that airport.

AIRCRAFT MAINTENANCE, REPAIR, AND OVERHAUL (MRO)

LUFTHANSA TECHNIK PHILIPPINES, INC. (LTP)

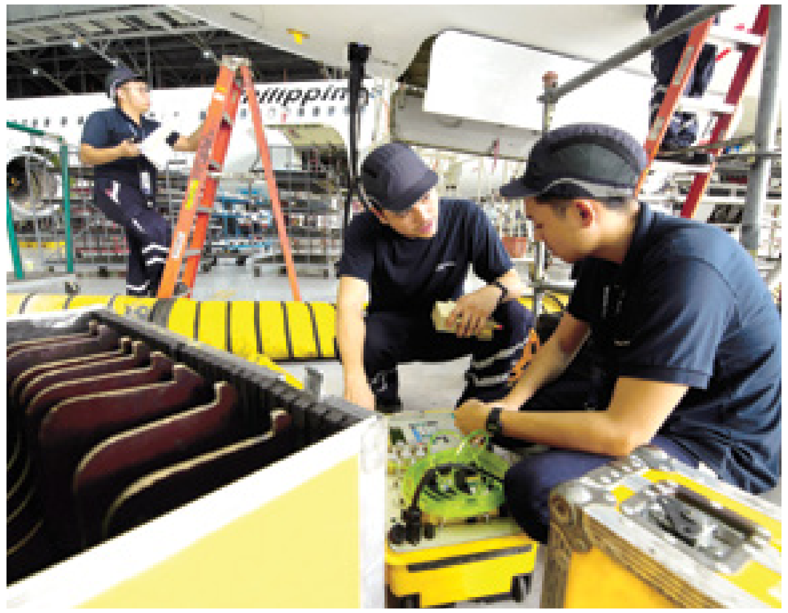
LTP, an associate, was incorporated in December 1999. **MAC owns 49%** of this joint venture, while **Lufthansa Technik AG of Germany owns the remaining 51%.**

LTP offers a wide range of aircraft MRO (Maintenance, Repair, and Overhaul) services to customers worldwide. As one of the thirty (30) affiliates and subsidiaries within the Lufthansa Technik network, the company is committed to ensuring that every aircraft that comes out of its hangars reflects the world-renowned Lufthansa Technik standard of quality, safety, and reliability.

LTP competes with other regional MRO providers, such as those in Singapore and Hong Kong, but its advantage lies in the vast network of Lufthansa and its skilled Filipino workforce.

The company specializes in base maintenance checks for the A320 family, A330, A340, A380, and B777 aircraft types, including major modifications, cabin reconfiguration/retrofit programs, and lease return checks. It is equipped with scalable docking systems that can accommodate different aircraft types. Its facilities can fit three (3) A380s comfortably for simultaneous base maintenance checks. Its maintenance base is located within a free-trade zone at the country's main international gateway, NAIA, and it also has maintenance stations in Cebu, Clark, Davao, Kalibo, and Puerto Princesa. With its Philippine base strategically located in Southeast Asia, the company is near major Asian hubs such as Hong Kong and Singapore, which are within a 4-hour flight radius.

The Civil Aviation Authority of the Philippines (CAAP), United States FAA, the European Union EASA, CASA Australia, Japan CAB, Korea MOLIT, and other aviation authorities



worldwide have certified LTP as an approved maintenance organization for aircraft MRO services. Its technical services group is certified to operate as a Design Department under Lufthansa Technik AG's Design Organization Approval (EASA.21J.019). It is also in partnership with Lufthansa Technical Training Philippines, an EASA 147-approved Maintenance Training Organization, to ensure that its personnel are equipped with world-class skills.

BUSINESS SEGMENTS

PILOT SCHOOL

FIRST AVIATION ACADEMY, INC. (FAA)

FAA is a premier joint venture flight school, **51% owned by MacroAsia Corporation** and **49% by PTC Holdings Corporation**. Established on December 5, 2017, FAA officially inaugurated its training facility at Subic Bay International Airport in March 2019, positioning itself as a key aviation career and resource center. Its business model is designed to address the growing global demand for professional pilots.

Comprehensive Pilot Training

FAA specializes in ab initio pilot training, offering certification and career development courses for aspiring aviators. Graduates obtain a Private Pilot License (PPL) and may earn additional ratings, including:

- Instrument Rating (IR)
- Multi-Engine Rating (MER)
- Commercial Pilot License (CPL)

Top-performing graduates have the opportunity to become Flight Instructors (FI), allowing them to build flight hours while refining their instructional skills.

State-of-the-Art Fleet & Facilities

FAA continues to expand its fleet and training capabilities, currently operating:

- Nine (9) Cessna 172 aircraft
- One (1) Redbird Flight Simulator (acquired from the former Philippine Airlines Aviation School)
- A newly built ATPT Sim Trainer, designed to enhance students' proficiency in handling sophisticated Airbus aircraft before entering Type Rating Courses

With an expanded fleet and advanced training tools, FAA is well-positioned to train more pilots and become a key resource provider in the aviation industry.

Regulatory Compliance & Outlook

FAA operates under strict regulations and certifications from the Civil Aviation Authority of the Philippines (CAAP) and other relevant government bodies. Currently, no existing or foreseeable regulations are expected to negatively impact its operations.

With its strategic vision, cutting-edge training programs, and industry partnerships, FAA is committed to producing highly skilled pilots ready to meet the demands of the global aviation sector.

FOOD SERVICES

Our subsidiaries in this sector provide **airline and non-airline food catering services**, utilizing **MAC-owned and/or client-owned facilities** to deliver high-quality meal solutions.

CEBU PACIFIC CATERING SERVICES, INC. (CPCS)

Ownership Structure:

- 40% MacroAsia Corporation (MAC)
- 40% Cathay Pacific Catering Services (Hong Kong)
- 20% MGO Group of Cebu

CPCS operates the only inflight kitchen in Mactan within the Mactan Economic Processing Zone, near Mactan-Cebu International Airport. As the sole provider of inflight catering services in the area, it supports both domestic and international airlines operating in Cebu.

MACROASIA CATERING SERVICES, INC. (MACS)

Incorporated on October 25, 1996, MACS **is a joint venture** between **MacroAsia Corporation (67%)** and **Singapore Airport Terminal Services Limited (SATS Ltd.) (33%).** It is the largest and preferred airline caterer at Ninoy Aquino International Airport (NAIA), serving the catering needs of most foreign airlines operating in the Philippines. Beyond aviation, MACS also provides institutional catering services to some corporate clients close to the airport.

MACROASIA SATS FOOD INDUSTRIES CORPORATION (MSFI)

A wholly owned subsidiary of MACS, MSFI was incorporated on July 14, 2015, and operates a commissary/central kitchen on MAPDC-owned land in Muntinlupa City. It primarily caters to non-airline clients, including institutional and business accounts, and manages food services in banks, universities, and corporate offices. Despite serving a fragmented market, MSFI is one of the largest service providers in the institutional food catering industry.

MACROASIA SATS INFLIGHT SERVICES CORPORATION (MSIS)

Another wholly owned subsidiary of MACS, MSIS was incorporated on May 16, 2016, and has been operating the Philippine Airlines (PAL) Inflight Kitchen near NAIA Terminal 2 since March 2019. The company is exclusively dedicated to meeting the catering needs of Philippine Airlines (PAL) at its NAIA base.

BUSINESS SEGMENTS

WATER CONCESSION AND UTILITIES

As part of its business growth strategy and commitment to social impact, MacroAsia Corporation (MAC) has expanded into water resource management and development projects in various regions outside Metro Manila. Through its subsidiaries and affiliates, MAC continues to invest in sustainable water solutions, ensuring access to potable water, bulk water supply, and wastewater treatment services across the Philippines.

KEY SUBSIDIARIES & AFFILIATES:

AQUALINK RESOURCES DEVELOPMENT, INC. (ARDI)

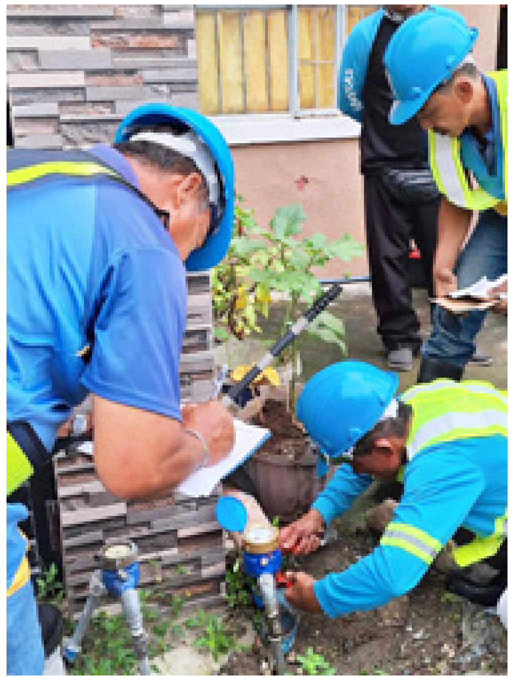
Ownership: 51% owned by Naic Water Supply Corporation (NWSC), a subsidiary of MAPDC (wholly owned by MAC).

ARDI operates the water system for Lancaster New City in Cavite, supplying potable water to households and commercial establishments across General Trias, Imus, Carmona, Bacoor, Kawit, and Tanza. The company extracts and treats water from deep well sources, ensuring a reliable and safe water supply for the growing community.

ALLIED WATER SERVICES, INC. (AWSI)

Ownership: 100% owned by MAC

AWSI provides technical expertise for MAC's water-related projects. Formerly known as Airport Specialists' Services Corporation (ASSC), it operates through Summa Water Resources, Inc. (SWRI), a 60%-owned subsidiary of MAC. AWSI and SWRI supply water treatment equipment and bulk water to private and government entities in locations such as Balesin, Mactan, Iloilo, Albay, Bulacan, and Cavite.



BORACAY TUBI SYSTEM, INC. (BTSI)

Ownership: 67% owned by MAPDC

BTSI is one of two licensed water providers on Boracay Island, operating for over 20 years. It holds three water rights and a Certificate of Public Convenience (CPC) from the National Water Resources Board (NWRB). The company carries out the following operations:

- Supplies potable water to residents and commercial establishments
- Extracts water from river sources near Caticlan, Aklan, treating and distributing it through submarine pipelines
- Manages septage services for commercial clients
- Supplies raw and treated bulk water across Boracay Island

Additionally, BTSI owns:

- Monad Water Sewerage Systems, Inc. (MONAD)- 80% owned, serving Barangay Yapak, Boracay Island
- New Earth Water System, Inc. (NEWS)- 100% owned, holding water rights and CPCs for Visayas and Mindanao

BUSINESS SEGMENTS

CAVITE ALLIEDKONSULT SERVICES CORP. (CAKSC)

Ownership: 51% owned by AWSI

CAKSC built and operates the largest septage treatment facility in Cavite, located in General Trias. It specializes in wastewater treatment, handling septage discharge from households and commercial establishments across the province.

CAVITE BUSINESS RESOURCES, INC. (CBRI)

Ownership: 100% owned by Watergy Business Solutions, Inc. (a 100% subsidiary of MAPDC)

CBRI operates a bulk water treatment plant in Maragondon, supplying water to local communities through the local water district. Its primary source is the Maragondon River, ensuring sustainable water distribution in the area.

NAIC WATER SUPPLY CORPORATION (NWSC)

Ownership: 100% owned by MAPDC

Established on September 4, 2023, NWSC provides treated potable water from deep wells to residents and commercial establishments in Naic, Cavite, and nearby subdivisions.

SNV RESOURCES DEVELOPMENT CORPORATION (SNVRDC)

Ownership: 100% owned by MAPDC

SNVRDC was initiated as a greenfield project, aiming to construct and operate a complete waterworks system. It provides treated potable water sourced from Magat River, distributing it through a dedicated pipeline network in Solano, Nueva Vizcaya.

SUMMA WATER RESOURCES, INC. (SWRI)

Ownership: 60% owned by AWSI

SWRI is an Original Equipment Manufacturer (OEM) specializing in custom water and wastewater treatment systems using innovative technologies. It also supplies treated bulk water to private and government entities in various provinces, including Bulacan, Iloilo, Bacolod, Albay, Cavite, and Bataan.

Commitment to Water Sustainability

Through these strategic ventures, MAC continues to enhance water access, promote sustainability, and contribute to economic growth in communities across the Philippines. By leveraging advanced water treatment, distribution, and wastewater management solutions, MAC is solidifying its role as a key player in the country's water sector.

PROPERTY AND ECOZONE DEVELOPMENT SERVICES

Unlike traditional real estate firms that develop and sell properties, MacroAsia Corporation (MAC) focuses on supporting the property requirements of its related businesses. Through MacroAsia Properties Development Corporation (MAPDC), MAC provides strategic real estate solutions, including special economic zone development, property leasing, and infrastructure support for aviation, water, and food service ventures.

MACROASIA PROPERTIES DEVELOPMENT CORPORATION (MAPDC)

MAPDC is a wholly owned subsidiary of MAC. Established in June 1996, it initially operated as a real estate developer, completing a warehouse condominium project in Muntinlupa in 1997. After a brief hiatus, it resumed operations in 2000, transitioning into a developer and operator of the MacroAsia Special Economic Zone (MASEZ) at Ninoy Aquino International Airport (NAIA)—the only special economic zone within NAIA.

Key Operations & Developments:

MacroAsia Special Economic Zone (MASEZ) - NAIA

- Home to Lufthansa Technik Philippines, Inc. (LTP) under a 25-year lease agreement that is set to end on August 31, 2025, renewable by another period subject to mutually agreed lease rates and conditions
- Operates a wastewater treatment and water recycling facility since 2011, supplying non-domestic water within the ecozone

Expansion into Water Resource Projects

Leveraging its expertise in wastewater treatment, MAPDC has expanded into water resource development projects beyond Metro Manila, including:

- Boracay Island
- Nueva Vizcaya
- Various municipalities in Cavite

Property Leasing & Management

MAPDC owns and manages key real estate assets, including:

- Muntinlupa Property – Partially leased by MacroAsia SATS Food Industries (MSFI) for its commissary and central kitchen
- Other leased properties – Supporting related entities such as SNV Resources Development Corporation (SNVRDC) and Summa Water Resources, Inc. (SWRI)

MacroAsia Cebu Special Ecozone (Developed in 2018)

- Located inside Mactan-Cebu International Airport, designated as a special ecozone for aviation-related services
- Mirrors MAPDC's successful ecozone model at NAIA, reinforcing its presence in the aviation sector

Strategic Role in MAC's Growth

MAPDC plays a critical role in MacroAsia Corporation's ecosystem, providing real estate solutions, ecozone development, and infrastructure support for key industries, including aviation, water, and food services. By leveraging its property assets and development expertise, MAPDC continues to create strategic business environments that enhance MAC's operational efficiency and long-term growth.

BUSINESS SEGMENTS

MINING

Macro Asia Corporation (MAC), originally established as a mining company in the 1970s, continues to hold mining assets through its mining subsidiaries.

MACROASIA MINING CORPORATION (MMC)

MacroAsia Mining Corporation (MMC) is a wholly owned subsidiary of MAC, tracing its conceptual origin to Infanta Mineral and Industrial Corporation (IMIC), which was established in the 1970s for geological exploration, mine development, and operations. IMIC operated the Infanta Nickel Mine. Due to low metal prices and high smelting costs, IMIC suspended operations in 1982.

In September 2012, MMC was incorporated as MAC's institutional vehicle for mining development, and eventually as the operating entity to pursue the re-opening of the Infanta Nickel Mine. MMC initially offered consultancy and exploration services focused on nickel laterite deposits since 2013. It has an operating record of providing exploration and drilling services to some nickel producers in the Philippines.

Strategic Acquisitions & Expansion
To strengthen its mining portfolio, MMC made key acquisitions, expanding its footprint in the nickel and precious metals sector:

*Acquisition of **Bulawan Mining Corporation (BUMICO)** in November 2018*
- Formerly a PNB subsidiary, now MMC BUMICO
- Holds Exploration Permit Application (EXPA 103-VII) covering 506 hectares in Basay, Negros Oriental (high potential for copper-gold-molybdenum-silver mineralization)
- Inherited an Operating Agreement with Philex Mining Corporation (PMC) for the Bulawan Mining Project
- MLC MRD 510 under Philex Gold Philippines, Inc. (PGPI), now in the final mine rehabilitation phase

*Acquisition of **Management Development Corporation (MADECOR)** in March 2020*
- Another former PNB subsidiary, now MMC MADECOR
- Acquired EXPA 000100-VI, covered by an agreement with PGPI
- Permit issuance approved by the MGB, subject to compliance conditions

Expansion into Leyte (Carigara & Baybay City)
- Exploration permit applications: EXPA 000091-VII & EXPA 000092-VII
- Environmental Work Program (EWP) endorsed to MGB Central Office last August 10, 2022

Palawan Nickel Mining Rights Transfer (MPSA Assignments)
- On June 7, 2019, MAC assigned its Mineral Production Sharing Agreements (MPSAs) in Brooke's Point, Palawan to MMC
- MPSA Nos. 220-2005-IVB & 221-2005-IVB were approved by MGB-DENR on February 1, 2021
- Covers 1,524 hectares, granting MMC exclusive rights to explore, develop, and mine nickel, chromite, iron, and other associated minerals

The Infanta Nickel Project & Commercial Mining Prospects
Memorandum of Agreement with Calmia Nickel, Inc. (CNI) in July 2021
- Collaboration for exploration and eventual mining (re-opening) of the Infanta Nickel Project (MPSA No. 220-2005-IVB)
- Confirmatory drilling commenced in November 2021 as part of CNI's due diligence

Regulatory Approvals in Progress
- Calmia is seeking the Declaration of Mining Project Feasibility (DMPF) and Notice to Proceed (NTP) from the Mines and Geosciences Bureau (MGB)
- It is in the process of completing additional permits and licenses for commercial mining operations

IT SERVICES, CONNECTIVITY, AND RADIO TRUNKING

This business segment integrates information technology and connectivity solutions within the MacroAsia Group and its partners. It also includes the operation of a digital trunk radio system at the airport, leveraging a frequency allocated by the National Telecommunications Commission (NTC) to support the Group's aviation-related activities.

TERA INFORMATION AND CONNECTIVITY SOLUTIONS, INC. (TERA)

- Wholly owned subsidiary of MacroAsia Corporation
- Incorporated on February 11, 2021
- Technology & Tier 1 Service Provider (In-house) for MacroAsia Group

TERA was established in response to the growing demand for digital transformation, a need that became even more apparent during the COVID-19 pandemic. This shift presents significant opportunities for MAC to enhance its operations and capitalize on emerging technologies.

TERA's core services include:
- Information management – Data analytics, system integration, and IT solutions for MacroAsia subsidiaries
- Data connectivity – Reliable network and communication infrastructure for seamless operations
- Radio trunking – Digital radio communication for aviation and airport operations
- Managed services – IT support, cybersecurity, and cloud solutions

TERA is strategically positioned to be the primary enabler of digital transformation across the MacroAsia Group, ensuring operational efficiency and technological advancement.

GEOGRAPHICAL REACH

GRI 2-1

PHILIPPINES

JAPAN

Narita

LUZON

BATANES
- Basco

ILOCOS NORTE
- Laoag

CAGAYAN
- Nueva Vizcaya

METRO MANILA
- Makati City
- Pasay City
- Parañaque City
- Muntinlupa City

CAVITE
- Imus
- General Trias
- Maragondon
- Naic

ZAMBALES
- Subic

PAMPANGA
- Clark

BICOL/ALBAY
- Daraga

PALAWAN
- Busuanga
- Puerto Princesa
- Brooke's Point

VISAYAS

AKLAN
- Boracay Island, Malay
- Kalibo

CEBU
- Lapu-Lapu City

ILOILO
- Iloilo City

ANTIQUE
- San Jose de Buenavista

ROXAS
- Roxas City

LEYTE
- Tacloban City

NEGROS OCCIDENTAL
- Silay City

MINDANAO

ZAMBOANGA DEL NORTE
- Dipolog

DAVAO DEL SUR
- Davao City

SOUTH COTABATO
- General Santos City

SURIGAO DEL NORTE
- Siargao

TAWI-TAWI
- Bongao

ZAMBOANGA DEL SUR
- Zamboanga City

AGUSAN DEL NORTE
- Butuan

MISAMIS ORIENTAL
- Laguindingan

MAGUINDANAO
- Datu Odin Sinsuat

PARENT COMPANY

MacroAsia Corporation (MAC)
Legazpi Village
Makati City, Metro Manila

WATER GROUP

Aqualink Resources Development, Inc. (ARDI)
Lancaster New City, Imus, Cavite

Allied Water Services, Inc. (AWSI)
Legazpi Village, Makati City
Metro Manila

Boracay Tubi System, Inc. (BTSI)
Brgy. Balagbag, Boracay Island
Malay, Aklan

Cavite Alliedkonsult Services Corporation (CAKSC)
Brgy. Buenavista II, General Trias, Cavite

Cavite Business Resources, Inc. (CBRI)
Poblacion 2A, Maragondon
Cavite

Naic Water Supply Corporation (NWSC)
Brgy. Sabang, Naic, Cavite

SNV Resources Development Corporation (SNVRDC)
Brgy. Quirino, Solano, Nueva Vizcaya

Summa Water Resources, Inc. (SWRI)
Head Office:
Sucat, Muntinlupa City, Metro Manila

Sales Office:
Legazpi Village, Makati City
Metro Manila

AVIATION GROUP

excluding inflight catering

First Aviation Academy, Inc. (FAA)
Main Office:
Subic Bay Freeport Zone
Subic, Zambales

Branch Offices:
Legazpi Village, Makati City
Metro Manila

Brgy. San Isidro,
Paranaque City
Metro Manila

MacroAsia Air Taxi Services, Inc. (MAATS)
Tramo, Pasay City
Metro Manila

MacroAsia Airport Services Corporation (MASCORP)
Luzon:
1. Manila (MNL)
2. Clark (CRK)
3. Bicol (DRP)
4. Batanes (BSO)
5. Laoag (LAO)
6. Puerto Princesa (PPS)
7. Busuanga (USU)

Visayas:
1. Cebu (CEB)
2. Iloilo (ILO)
3. Antique (EUQ)
4. Roxas (RXS)
5. Aklan (KLO)
6. Tacloban (TAC)
7. Bacolod

Mindanao:
1. Dipolog (DPL)
2. Davao (DVO)
3. General Santos (GES)
4. Siargao (IAO)
5. Tawi-Tawi (IAO)
6. Zamboanga (ZAM)
7. Agusan Del Norte (BXU)
8. Cotobato (CBO)
9. Cagayan de Oro (CGY)

Lufthansa Technik Philippines, Inc. (LTP)
Villamor Air Base, Pasay City
Metro Manila

Japan Airport Service Co., Ltd. (JASCO)
Kogome-gome, Narita-shi,
Chiba Prefecture 282-0004

FOOD GROUP

MacroAsia Catering Services, Inc. (MACS)
Ninoy Aquino International Airport, Pasay City
Metro Manila

MacroAsia SATS Food Industries Corporation (MSFI)
Brgy. Sucat, Muntinlupa City
Metro Manila

MacroAsia SATS Inflight Services Corporation (MSIS)
MIAA Road, Pasay City
Metro Manila

Cebu Pacific Catering Services, Inc. (CPCS)
Mactan Economic Zone 1
Lapu-Lapu City, Cebu

PROPERTY AND ECOZONE DEVELOPMENT SERVICES

MacroAsia Properties Development Corporation (MAPDC)

MacroAsia Special Economic Zone (MASEZ),
Villamor Airbase, Pasay City
Metro Manila

MacroAsia Cebu Special Economic Zone,
Mactan-Cebu International Airport Authority
(MCIAA), Lapu-Lapu City, Cebu

MINING

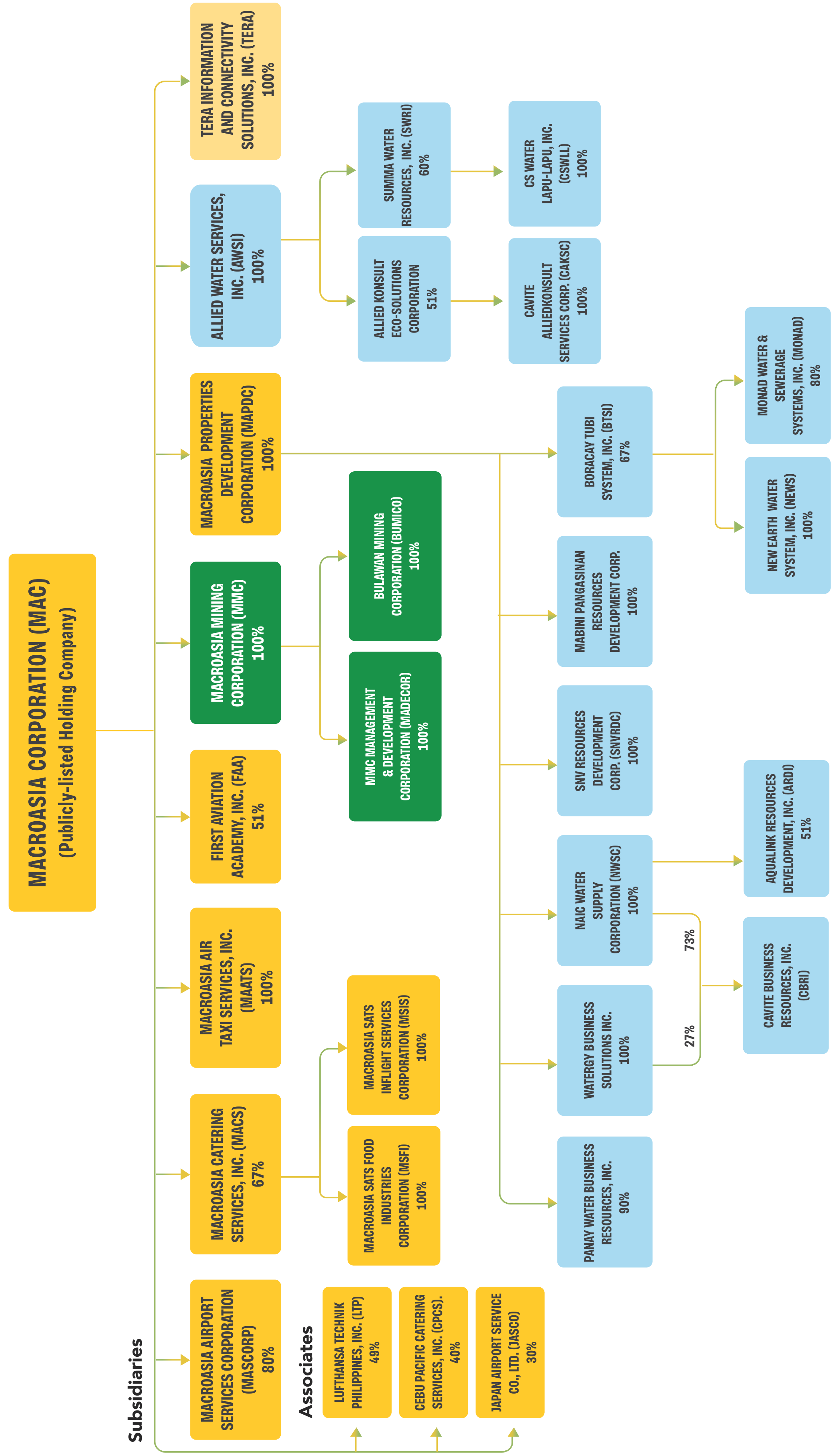
MacroAsia Mining Corporation (MMC)
Head Office:
Legazpi Village, Makati City
Metro Manila

IT SERVICES

Tera Information and Connectivity Solutions, Inc. (TERA)
Legazpi Village, Makati
City, Metro Manila

CORPORATE STRUCTURE

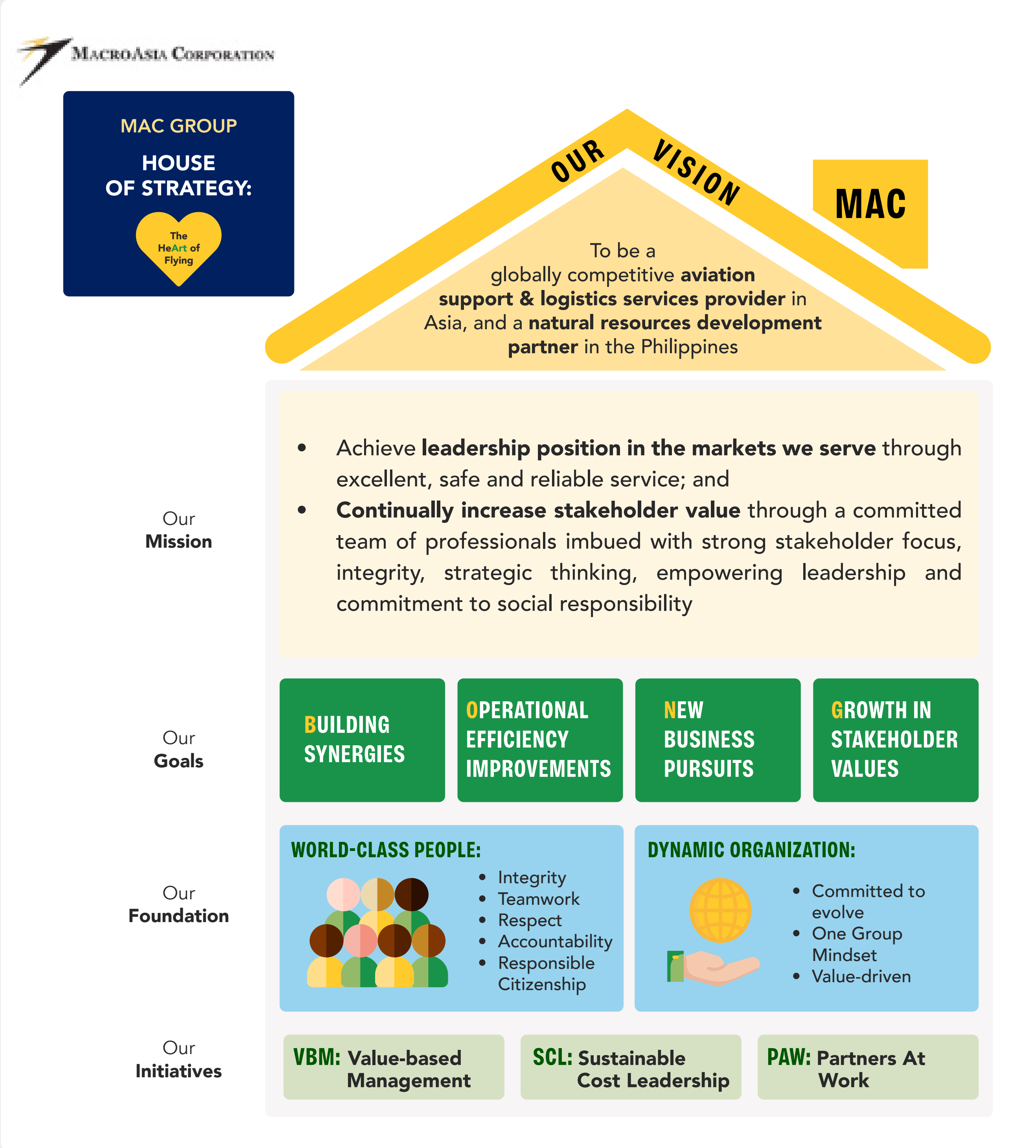
GRI 2-6



BUSINESS MODEL AND STRATEGY

GRI 2-6

MacroAsia's operating initiatives are founded on its strong human capital base, serving as the backbone for a dynamic organization. The Group is aligned to pursue synergies, target continual operational improvements, grow through new business pursuits and strive to deliver improving stakeholder values year-on-year. Its mission, vision and value systems are regularly reviewed each year, through a structured business planning system for the Group.



MACROASIA CORPORATION'S

VALUE CREATION FRAMEWORK

GRI 2-6

At MacroAsia Corporation, our commitment to value creation is central to our business strategy. We aim to generate sustainable value for all stakeholders, including customers, shareholders, employees, suppliers, communities, and the government. By focusing on innovation, creating new business opportunities, ensuring operational efficiency, implementing responsible business practices, and fostering partnerships and synergies, we drive economic growth, enhance connectivity, improve social well-being, and protect the environment. Our integrated approach ensures we meet today's needs while contributing to a prosperous and sustainable future for generations to come.

OUR RESOURCES

FINANCIAL
- Total Equity
- Cash and Cash Equivalents

PHYSICAL
Aviation Group
- Ground Service Equipment (GSE)
- Aircrafts

Food Group
- Kitchens, Commissary
- Fleet (Delivery Trucks, Ref Trucks, etc.)

Water Group
- Water Treatment Plants
- Water Pumping Stations
- Wastewater Treatment Plants
- Chemicals for Water Treatment and Wastewater Treatment

For all businesses:
- Offices/Facilities
- Utilities (electricity, water)
- Fuel
- Motor Pool
- IT connectivity and hardware/equipment

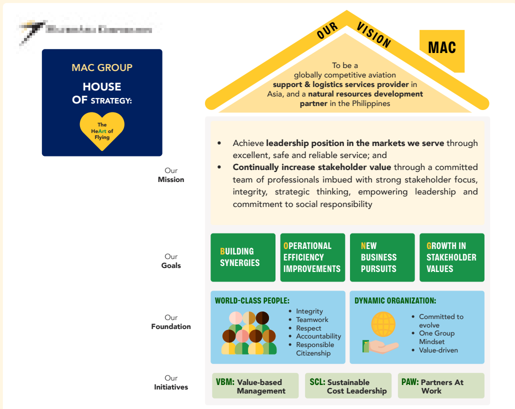
NATURAL
- Raw Materials such as Fresh Produce, Meat Products, Dairy Products
- Surface/Ground/Sea Water
- Land
- Minerals

HUMAN
- Group Manpower Complement
- Group Outsourced/Contract Workers
- Investment in Employee Learning and Development
- Investment in Health and Safety of Employees

INTELLECTUAL
- Brand Equity (MacroAsia Corporation synonymous with "global or world-class excellence"
- Intellectual Property Portfolios
- Innovation / Business Development Portfolios
- Strategic Plans
- Industry Certifications (for specific business units/ segments)
- Internal Training/Development Programs

SOCIAL AND RELATIONSHIP
- Stakeholder Relationships (communities, local government units, business partners, etc.)
- Synergy with MAC subsidiaries and sister companies within the Lucio Tan Group

HOW WE CREATE VALUE



VISION: To be a globally competitive aviation support and logistics services provider in Asia; and a natural resources development partner in the Philippines.

MISSION:
- Achieve leadership position in the markets we serve through excellent, safe, and reliable service
- Continually increase stakeholder value through a committed team of professionals imbued with strong stakeholder focus, integrity, strategic thinking, empowering leadership, and commitment to social responsibility

GOALS:
- Building Synergies
- Operational Efficiency and Improvements
- New Business Pursuits
- Growth in Stakeholder Values

FOUNDATION:
- World-class People
- Dynamic Organization

INITIATIVES:
- Value-based Management
- Sustainable Cost Leadership
- Partners At Work

OUR BUSINESSES:
1. Gateway Services
2. Pilot School
3. Aircraft Maintenance, Repair, and Overhaul (MRO)
4. Airline and Non-Airline Food Services
5. Water Concession and Utilities
6. Property and Ecozone Development
7. Mining
8. IT Services, Connectivity, and Radio Trunking

VALUE WE CREATE FOR OUR STAKEHOLDERS

EMPLOYEES:
- A healthy, safe, inclusive, collaborative, empowering, and innovative work environment, enhancing the well-being of our employees
- Training and career development to develop world-class competencies in our people

CUSTOMERS:
- Safe and reliable delivery of world-class quality products and services
- Reliable and exceptional customer service

SHAREHOLDERS/INVESTORS/PARTNERS:
- Dividends and share price appreciation
- Maintaining a strong balance sheet
- Innovation, product development, and operational efficiency to increase revenue and diversify revenue sources
- A robust risk management system to ensure our business continuity and resiliency
- Sustainability and ESG practices to ensure the long-term viability of our businesses

COMMUNITIES:
- Enhancement of community health and well-being through:
  - Provision of safe and high-quality meals
  - Provision of reliable and potable water supply, and wastewater treatment services
  - Implementation of CSR activities and Community Development programs/projects
  - Creation of employment opportunities in communities where we have presence

SUPPLIERS/VENDORS:
- Sustainability and ESG practices to improve supplier/vendor operations
- Long-term relationships to provide suppliers/vendors stability and predictability, helping them to plan and invest in their own growth

GOVERNMENT/REGULATORS:
- Timely tax compliance that supports national development programs
- Adhering to regulations and ethical practices promotes a fair and transparent market, supports effective governance, and protects consumer rights
- Implementing environmentally sustainable practices contributes to the government's environmental goals and helps reduce the strain on public resources

LONG-TERM VALUE WE CREATE

FOR SOCIETY:
- Drive local and national economic growth and development, improve living standards, and foster connectivity, through:
  - Facilitation of seamless flow of goods and services locally and globally
  - Provision of important minerals to develop new products, technology, or for industrial use
  - Creation of job opportunities
  - Support of local suppliers/ vendors
  - Connecting people, families, and communities

FOR THE ENVIRONMENT:
- Climate Change Mitigation (carbon emissions reduction and offsetting)
- Resource Conservation (sustainable resource management)
- Biodiversity Protection
- Pollution Reduction

2024 CORPORATE MILESTONES

AVIATION GROUP

excluding inflight catering

- FAA partnered with PATTS College of Aeronautics to provide a Redbird Cessna 172 SD for simulator training and private pilot ground courses for its students.

- MASCORP secured contracts with both Air Canada and Air India.
- MASCORP received reaccreditation and renewal of registration for the IATA Safety Audit for Ground Operations (ISAGO).
- MASCORP, as part of the ANA Manila Airport Team, received a Certificate of Achievement from All Nippon Airways for Safety & Security Performance Excellence on July 1, 2024.

- MASCORP's Japan Airlines Manila Station celebrated 10 years of zero ramp incidents on December 4, 2024

FOOD GROUP

- MSIS has renewed its contract with Philippine Airlines (PAL) for another 3 years.
- MACS recognized by Qantas for 2023-2024 Outstanding Service Delivery.

- MSFI acquired 5 new institutional clients.
- MSFI received the following certifications in November 2024:
  - Food Safety Systems Certification (FSSC) 22000 Version 6
  - Hazard Analysis and Critical Control Points (HACCP) Certification
  - Good Hygienic Practices (GHP) Certification.

WATER GROUP

- CBRI officially started operations in Maragondon, Cavite in August 2024.
- AWSI was formally established in August 2024 to provide technical support to all water business units.
- BTSI celebrates 25th Anniversary in September 2024.
- BTSI commissioned a newly constructed 1700 cu. m concrete tank to enhance water storage capacity in September 2024.
- NWSC signed a MOA with BASIC to operate the water system at The Palm Residence, Brgy. Calibuyo, Tanza, Cavite in October 2024.
- NWSC signed a MOA to operate the water system at Felizville Subdivision, Brgy. Malainen Bago, Naic, Cavite in October 2024.
- Groundbreaking of the Seawater Desalination Plant Project in Lapu-Lapu City, Cebu in October 2024.
- SWRI signed a water concession agreement with Meycauyan Marilao Industrial Association (MMIA) in October 2024.
- SWRI officially launched its first Solar Desalination Project in Silaki Island, Bolinao, Pangasinan last October 2024.
- BTSI recognized by the Municipality of Malay as one of the Top 17 Business Taxpayers (Corporate) for CY 2024.

OTHERS

- The Mines and Geosciences Bureau (MGB) approved the Exploration Permit Applications of MAC and MMC-MADECOR in Sultan Kudarat and Negros Occidental, respectively, in February 2024.

- MacroAsia Group Business Planning held at Century Park Hotel, Manila in September 2024.
- MAC Sustainability Office formally established in August 2024.
- Material assessment of sustainability topics/themes of MAC Group conducted in September 2024.
- MAC Sustainability Policy Statement, Framework, and Governance Structed were created and formally approved in November 2024.
- MAC Sustainability Council established in November 2024.
- MAC Group prepared and published its inaugural formal Integrated Annual and Sustainability Report.

SUSTAINABILITY AND ESG PERFORMANCE

SUSTAINABILITY AND ESG PERFORMANCE

In 2024, MacroAsia Corporation took significant steps to enhance its sustainability efforts. We developed and implemented a comprehensive sustainability policy and framework and established a dedicated governance structure to oversee these initiatives. The Corporate Governance Committee charter was amended to explicitly include the Board's role in sustainability oversight, ensuring that sustainability is integrated into our corporate governance practices.

To further support these efforts, we created the MAC Sustainability Council. This council serves as a platform for the parent company and its subsidiaries to align on key sustainability and Environmental, Social, and Governance (ESG) matters. It facilitates collaboration and ensures that all parts of the organization are working towards common sustainability goals.

Additionally, we formed a Sustainability Team tasked with assisting management in executing the Group's sustainability strategy. This team plays a crucial role in driving our sustainability initiatives and ensuring that they are effectively implemented across the organization.

We also embraced the challenge of preparing our own sustainability narrative. This process allowed us to gain a deeper understanding of our current practices, identify areas where we can integrate ESG principles more effectively, and chart our own sustainability journey. By doing so, we aim to continuously improve our sustainability performance and make meaningful contributions to environmental and social well-being.

Our 2024 Sustainability and ESG Performance Report covers the parent company and its majority-owned subsidiaries. It highlights our achievements, challenges, and ongoing efforts in the realm of sustainability, demonstrating our commitment to transparency and accountability.

SUSTAINABILITY AND ESG PERFORMANCE

ENTITIES COVERED IN THE 2024 SUSTAINABILITY AND ESG PERFORMANCE REPORT

GRI 2-2

ENTITIES		PERCENTAGE OF OWNERSHIP BY MAC		PERCENTAGE OF OWNERSHIP BY PARTNER
		DIRECT	INDIRECT	
PARENT COMPANY	MacroAsia Corporation (MAC)	100%		
AVIATION GROUP (excluding inflight catering)	First Aviation Academy, Inc. (FAA)	51%	----	PTC Holdings Corporation, 49%
	MacroAsia Airport Services Corporation (MASCORP)	80%	----	Konoike Transport Co. Ltd (Konoike), 20%
FOOD GROUP	MacroAsia Catering Services, Inc. (MACS)	67%	----	Singapore Airport Terminal Services, Inc. (SATS), 33%
	MacroAsia SATS Food Industries Corporation (MSFI)	----	67%	Singapore Airport Terminal Services, Inc. (SATS), 33%
	MacroAsia SATS Inflight Services Corporation (MSIS)	----	67%	Singapore Airport Terminal Services, Inc. (SATS), 33%
IT SERVICES	Tera Information and Connectivity Solutions, Inc. (TERA)	100%	----	----
MINING	MacroAsia Mining Corporation (MMC)	100%	----	----
PROPERTY MANAGEMENT	MacroAsia Properties Development Corporation (MAPDC)	100%	----	----
WATER GROUP	Aqualink Resources Development, Inc. (ARDI)	----	51%	Maplecrest Group, Inc., 49%
	Allied Water Services, Inc. (AWSI)	100%	----	----
	Boracay Tubi Systems, Inc. (BTSI)	----	67%	Phil-Water Exploration and Development Corporation, 33%
	Cavite Allied Konsult Services Corporation (CAKSC)	----	51%	Envirokonsult Equipment Services, Inc., 49%
	Cavite Business Resources, Inc. (CBRI)	----	100%	----
	Naic Water Supply Corporation (NWSC)	----	100%	----
	SNV Resources Development Corporation (SNVDRC)	----	100%	----
	Summa Water Resources, Inc. (SWRI)	----	60%	Mr. Jose Antonio A. Soler and Others, 40%

SUSTAINABILITY POLICY STATEMENT

GRI 2-22

MacroAsia Corporation is a holding company with a diverse business portfolio centered on aviation support, logistics services, and natural resource development in the Philippines. We offer a full range of products and services, for which we shall be acknowledged by our clients and other stakeholders for excellent customer service, pioneering technology, integrity, value-for-money, environmental stewardship, and social responsibility, all made possible by our committed team of world-class professionals.

At MacroAsia Corporation, sustainability is at the core of every business activity that we pursue. This is our commitment to our employees, customers, investors, shareholders, partners, regulators, communities, and the environment.

We believe that we have the responsibility to contribute to the country's growth and development through our businesses. We aim to be good stewards of the environment where we source our materials, use and manage our resources efficiently, develop and empower our people, forge and strengthen relationships, create synergies, and enrich the lives of the people in the communities where we operate. We will achieve this by operating our businesses responsibly, in accordance with the highest levels of corporate governance and ethical standards. We will ensure that our businesses comply with relevant laws and regulations and align our operations with industry best practices and global standards.

We commit to integrating sustainability elements into various aspects of our businesses, including the use of technology/technological innovations, making it our standard practice. We also commit to educating and aligning our internal and external stakeholders with our sustainability agenda, making sustainability everyone's shared responsibility.

SUSTAINABILITY AND ESG PERFORMANCE

SUSTAINABILITY FRAMEWORK

GRI 2-23

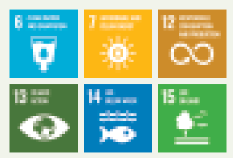
We have defined our key sustainability goals and aligned them with the Sustainable Development Goals (SDGs) to which our efforts will contribute. These sustainability goals are categorized under our four sustainability pillars as follows:

1. Contributing to National Growth and Development (Economic Sustainability Pillar)

- Ensure long-term profitability, growth, and viability of our businesses.
- Contribute to the growth and development of the local economies and communities where our businesses operate.

2. Managing Our Environmental Impact (Environmental Sustainability Pillar)

- Use and manage our resources (energy, water, and materials) efficiently.
- Properly manage the impact of our business operations on the environment and biodiversity.
- Manage our climate risks and leverage climate opportunities for our businesses.



3. Nurturing People and Relationships (Social Sustainability Pillar)

- Provide a healthy, safe, inclusive, collaborative, empowering, and innovative work environment for our employees.
- Develop professional employees with world-class competencies.
- Meet customer and client expectations and needs through the delivery of safe and reliable world-class products and services, and excellent customer service.
- Develop and strengthen relationships with our stakeholders and help enrich the lives of the people in the communities where we operate.
- Ensure alignment of suppliers, vendors, and third-party service providers with our quality standards and sustainability agenda.

4. Operating Our Businesses Responsibly (Governance Sustainability Pillar)

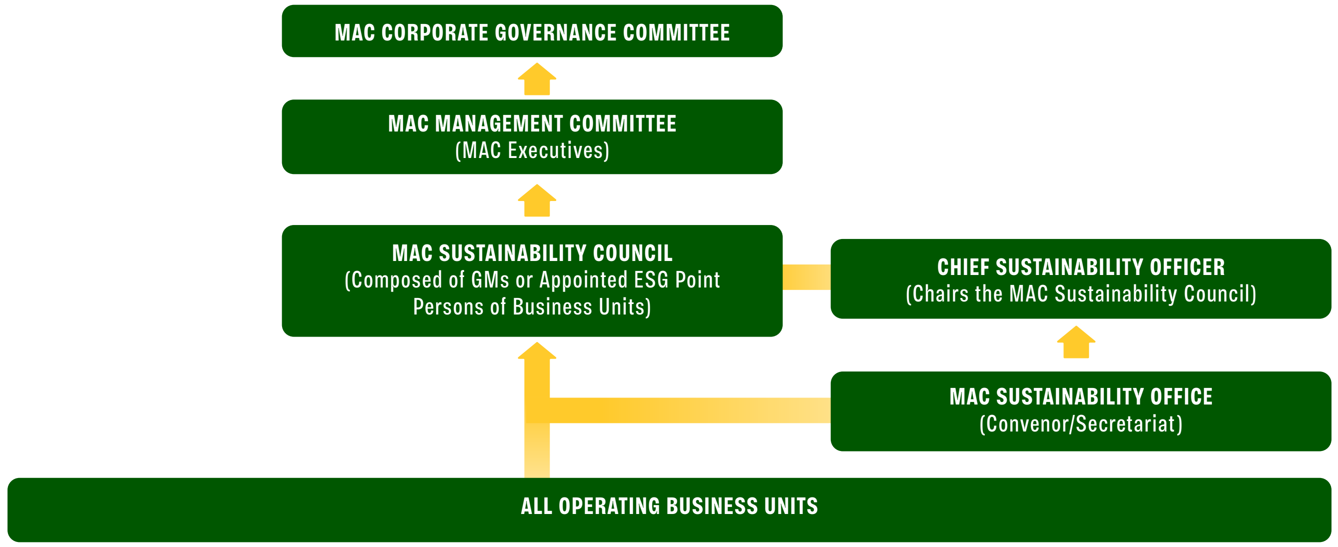
- Conduct our businesses in accordance with the highest levels of corporate governance and ethical standards.
- Comply with all applicable laws, rules, and regulations that govern our businesses, and align ourselves with local and international best practices and standards.
- Develop a robust and efficient enterprise risk management system to manage and mitigate the risks associated with our business operations, ensuring the continuity of our businesses.
- Create new products, services, processes, and business models with the aim to increase revenue, expand operations, and improve efficiency.

We aim to refine our sustainability framework to include specific metrics and targets by the next reporting period, while simultaneously embedding ESG elements in various operational areas of our businesses.

SUSTAINABILITY GOVERNANCE FRAMEWORK

GRI 2-12, 2-22, 2-24

We established a governance structure to inform and guide the monitoring, reporting, and escalation of sustainability and ESG-related matters and concerns with the MacroAsia Group. This structure aims to create synergy among the subsidiaries regarding sustainability and ESG-related activities and initiatives.



We created the MAC Sustainability Council to provide a venue for our subsidiaries to discuss sustainability and ESG-related matters and issues pertinent to their respective operations and the parent company. We created the MAC Sustainability Council to provide a venue for our subsidiaries to discuss sustainability and ESG-related matters and issues pertinent to their respective operations and the parent company. It is chaired by the Chief Sustainability Officer (CSO) and is composed of the General Managers or Business Unit Heads, and/or their assigned representatives/alternates. The council meets every quarter or as needed.

The council allows its member subsidiaries to align with the parent company's sustainability policy, framework, goals, and targets; seek guidance, direction, and support for their respective sustainability and ESG-related goals, targets, and initiatives; learn from each other's best practices and challenges; get updates on the latest sustainability-related regulations, trends, and developments applicable to their respective operations; and support each other and the parent company in complying with regulatory requirements. It also serves as the first level of approval and escalation point for the subsidiaries on all sustainability and ESG matters and issues.

At the MAC Management Committee level, the Sustainability Council, represented by the CSO, executes the sustainability strategy of the group. It reports on all matters related to sustainability and ESG that concern the parent company and its subsidiaries to the Corporate Governance Committee. It also serves as the second level of approval for any policies and initiatives prior to groupwide adoption and implementation, and as the second escalation point for the council for relevant issues and concerns not addressed at the council level.

At the board level, the Corporate Governance Committee provides guidance and direction on the company's sustainability trajectory. Any sustainability and ESG-related issues and concerns not addressed or resolved at the MAC Management Committee are escalated to the Corporate Governance Committee for discussion, resolution, and action. It also serves

SUSTAINABILITY AND ESG PERFORMANCE

as the third level of approval for anything related to sustainability and ESG, including budget requests, activities and initiatives to implement, and partnerships/engagements for the company to enter. Additionally, it is responsible for reviewing, providing inputs, and approving the group's annual sustainability report.

The CSO, supported by the MAC Sustainability Office, plays a crucial role in aligning the parent company and its subsidiaries on relevant sustainability and ESG-related matters, and in integrating sustainable practices into all aspects of the group's operations, ensuring long-term environmental and social responsibility while maintaining profitability.

STAKEHOLDER MANAGEMENT

GRI 2-29

We value the opinions of our stakeholders as they help inform our business strategy and operations. We communicate and engage with them using various channels and methods to better understand and address their concerns and issues effectively. Below is the list of our internal and external stakeholders, along with our approach to building and maintaining our relationships with them.

STAKEHOLDER	CHANNELS OF ENGAGEMENT	CONCERNS AND ISSUES	OUR RESPONSE
Shareholders and Investors	• E-mails, letters • Annual Stockholders' Meeting • Investor meetings/briefings	• Business growth and resiliency • Strong financial performance • Shareholder returns • Strong corporate governance • Robust risk management system • Transparency and disclosure	• Strong corporate governance framework • Strong board and management oversight • Accurate and transparent reporting of the company's financial performance • Regular updates/bulletins on the company's financial performance • Development of the company's sustainability policy and framework, and sustainability governance framework • Integration of ESG elements in various aspects of operations of the Parent Company and its subsidiaries

STAKEHOLDER	CHANNELS OF ENGAGEMENT	CONCERNS AND ISSUES	OUR RESPONSE
Employees	• E-mails • Mobile SMS and calls • Messaging applications (e.g., Viber, FB Messenger) • Memoranda, notices (electronic copy) • Online and face-to-face meetings • Annual performance appraisal • Employee engagement surveys	• Work-life balance • Competitive compensation and benefits • Safe and secure workplace • Positive and healthy work culture • Employee health and wellness • Employee engagement • Training and development • Career progression • Recognition and incentives	• Employee health and wellness programs and initiatives (e.g., medical and mental teleconsultations, regular Zumba classes, etc.) • Trainings/ webinars and opportunities for further study (e.g., MA degree, etc.) for employees • Employee recognition and incentives • Construction of new/ rehabilitation of existing offices/facilities, including IT infrastructure (i.e., hardware, software, and systems) • Volunteerism or community outreach opportunities for employees • Integration of diversity, inclusion, gender equality, and equal opportunity principles in HR-related policies • Creation of employee grievance mechanisms and investigation committees • Provision of competitive salary and benefits package • Company branding
Customers/ Clients	• E-mails, letters • Online and face-to-face meetings • Mobile SMS and calls • Messaging applications (e.g., Viber, FB Messenger) • Feedback/Customer satisfaction surveys • Customer hotlines • Sending out hard print notices/flyers	• Fast and efficient delivery of quality products and services • Fast and reliable customer service • Customer health and safety • Data privacy and security	• Reasonable price/cost of goods and services offered or provided • Proactive dialogues and alignment/consultation meetings • Reliable customer service hotline/email address • Clear and timely customer updates or advisories (i.e., schedule of water interruptions/rehabilitation works, delays in delivery of products, etc.)
Partners	• E-mails, letters • Mobile SMS and calls • Messaging applications (e.g., Viber, FB Messenger) • Dialogues, alignment/ consultation meetings • Partnership agreement/ contract	• Efficient and reliable operation/administration of business • Fast and efficient problem resolution • Regular coordination, alignment, and consultation • Compliance of the business to applicable regulatory requirements • Transparency and accountability	• Efficient stakeholder relations management • Proactive dialogues and alignment/consultation meetings • Compliance to relevant laws, regulations, and policies that govern the businesses • Transparency and accountability

SUSTAINABILITY AND ESG PERFORMANCE

STAKEHOLDER	CHANNELS OF ENGAGEMENT	CONCERNS AND ISSUES	OUR RESPONSE
Suppliers/ Vendors/ Third Party Service Providers	• E-mails, letters • Mobile SMS and calls • Messaging applications (e.g., Viber, FB Messenger) • Online and face-to-face meetings • Vendor selection/ accreditation process • Letter of award/purchase order/ engagement contract	• Efficient and transparent vendor selection process • Timely and accurate payment of products and services provided	• Creation of the Bidding and Awards Committee (BAC) to ensure a fair, transparent, and efficient procurement process for the company's businesses. • Orientation/briefings for vendors/suppliers on the company's procurement/ sourcing policies and business requirements, etc. • Organized biddings, thorough review of proposals and documentations, and proper awarding and onboarding of winning supplier/vendor • Annual/periodic review of vendor/supplier performance
Communities	• E-mail, Letter • Mobile SMS and calls • Messaging applications (e.g., Viber, FB Messenger) • Community engagement dialogues • Face-to-face meetings	• Work opportunities for the community residents • Health and safety of the communities • Protection and conservation of the environment	• Proactive town hall-type community dialogues and consultation meetings • Employee Volunteerism and Corporate Social Responsibility (CSR) initiatives • Partnerships with credible social development organizations, LGUs, academic institutions, civil society organizations, and sister companies within the Lucio Tan Group of Companies with CSR and sustainability thrusts that are aligned with the company's
Government Agencies/ Regulators and Local Government Units	• E-mails, letters • Notices, memoranda • Face-to-face meetings/ briefings/ • Dialogues	• Compliance to applicable regulatory requirements (e.g., business permits, etc.) for the parent company and subsidiaries • Transparency and accountability • Timely and accurate submission of reports	• Compliance to relevant laws, regulations, and policies that govern our businesses • Timely and accurate submission of requirements (e.g., permits and reports) • Proactive dialogues and consultation meetings • Transparency and accountability

MATERIAL SUSTAINABILITY TOPICS AND ISSUES

GRI 3-1, 3-2

Last September 2024, we assessed material sustainability topics and issues that are important to our Group in terms of their impact on our businesses and stakeholders.

As part of our process for determining material topics, we pre-identified sustainability topics and issues for the parent company and its business units by reviewing past sustainability reports and internal documents, and by examining the sustainability reports of other companies with similar businesses for comparison and reference. We also included topics and themes discussed during the two-day business planning session held on September 4-5, 2024, at Century Park Hotel in Manila. Our desk review of relevant documents helped us identify twenty-seven (27) sustainability topics and issues that are material to our businesses.

1 ECONOMIC AND GOVERNANCE-RELATED TOPICS/ISSUES

- Direct Economic (Financial) performance
- Business Ethics
- Corporate Governance
- Regulatory Compliance
- Risk Management
- Innovation
- Data Privacy and Cybersecurity
- Indirect Economic Impact
- Market Presence (Local Hiring)

2 ENVIRONMENTAL-RELATED TOPICS/ISSUES

- Energy Management
- Materials Management
- Water and Effluents
- Emissions and Air Pollutants
- Waste Management
- Ecosystem and Biodiversity
- Climate Change

3 SOCIAL-RELATED TOPICS/ ISSUES

- Employee Management
- Learning and Development for Employees
- Diversity and Inclusion
- Non-Discrimination
- Supply Chain Management
- Marketing and Labelling
- Customer Satisfaction
- Customer Health and Safety
- Community Engagement / Relations
- Labor and Management Relations
- Security Practices

Following the desk review and mapping of our sustainability topics and issues, we conducted a two-part online survey within the MacroAsia Group. We asked General Managers or Business Unit Heads to rate each material sustainability issue based on its importance to their operations and stakeholders. We then consolidated, assessed, and mapped the survey results.

SUSTAINABILITY AND ESG PERFORMANCE

Sustainability topics and issues located in the upper rightmost quadrant of the matrix were identified as the most critical to both the businesses and stakeholders of the MacroAsia Group. These topics and issues fall under the economic, governance, and social categories, including regulatory compliance, financial performance, employee management, supply chain management, customer health and safety, customer satisfaction, business ethics, and non-discrimination. Only one environmental topic—materials management—was considered most important to the Group and its stakeholders.

On the other hand, sustainability topics and issues identified as least important for the businesses and stakeholders of the Group include market presence or local hiring, emissions, biodiversity, labor and management relations, innovation, and indirect economic performance.

We aim to revisit these sustainability topics and issues every year to assess their relevance and importance to our businesses and stakeholders, informing MacroAsia Group's business strategy and decisions.

SUSTAINABILITY REPORTING PROCESS

GRI 2-14

We adopted a straightforward process for preparing our sustainability report. This includes conducting numerous orientation sessions to engage our subsidiaries through high-level and deep-dive discussions, assessing our material sustainability topics and issues, collecting and consolidating our ESG data and information, drafting the report, and subjecting it to review and confirmation by the business units, the MAC Management Committee, and the MAC Corporate Governance Committee. Below is an illustration of our process in preparing the report.

INTERNAL STAKEHOLDER ENGAGEMENT

- Conducted an orientation on the 2024 MAC Sustainability Report preparations for MAC Management Committee and Business Unit Heads during the September 5, 2024 business planning conference
- Officially Kicked -off the preparation of the report by meeting the ESG Point Persons and all Business Units
- Conducted a series of online deep dive sessions for the different subsidiaries per segment on the ESG report templates and specific data requirements

MATERIALITY ASSESSMENT OF SUSTAINABILITY TOPICS / ISSUES

- Desk review of relevant reports and documents conducted
- Materiality assessment survey conducted

DATA COLLECTION, CONSOLIDATION, AND REPORT WRITING

- ESG data from business units collected and consolidated during the following months:
  - November 8, 2024- for the submission of qualitative data/ information
  - January 16, 2025- for the submission of statistics or quantitative data.
- Report writing and editing from November 2024 to February 2025

MANAGEMENT AND BOARD COMMITTEE REVIEW AND AFFIRMATION

- The report went through the review and affirmation of disclosures of the following:
  - Contributing subsidiaries/business units
  - MAC Management Committee
  - MAC Corporate Governance Committee

ECONOMIC PERFORMANCE

GRI 3-3, 201-1

DIRECT ECONOMIC PERFORMANCE BY BUSINESS SEGMENT[2] (AMOUNTS IN PHP MILLION)

DISCLOSURE	AVIATION GROUP	FOOD GROUP	WATER GROUP	OTHERS*	TOTAL
Direct economic value generated	4,175.9	4,414.6	726.9	1,139.6	10,457.0
Direct economic value distributed	3, 981.1	3,933.8	665.0	641.8	9,222.0
Operating costs	341.1	891.2	359.8	174.6	1,766.7
Employee wages & benefits	157.9	631.5	116.4	202.6	2,521.4
Dividends to stockholders	-	170.0	-	189.1	359.1
Taxes to government	79.2	161.4	30.7	18.6	289.9
Payments to suppliers (included in the operating cost)	1,989.9	2,079.7	157.9	56.9	4,284.4
Community investments	-	-	0.1	0.02	0.1
Direct economic value retained	194.8	480.7	61.9	497.8	1,235.3

*Includes MAC HO, MAPDC, MMC, and TERA

We generate and distribute economic value to various stakeholders, fostering sustainable growth and community development. This includes providing competitive salaries and benefits to employees, fulfilling tax obligations to support public services and infrastructure, and making timely payments to vendors, suppliers, and third-party service providers to support their economic stability.

We also distribute dividends to shareholders, offering a return on their investment and encouraging continued support. Additionally, we support CSR initiatives and employee volunteerism activities, addressing social and environmental issues and enhancing the quality of life in the communities we serve. This holistic approach ensures that our economic contributions benefit a diverse range of stakeholders, promoting balanced and sustainable development.

[2] The MAC Group's direct economic value generated, distributed, and retained for the reporting period includes the parent company and its sixteen subsidiaries, where the parent company holds the largest shareholding.

SUSTAINABILITY AND ESG PERFORMANCE

ENVIRONMENTAL PERFORMANCE

We aim to be good stewards of the environment by efficiently using and managing our resources and minimizing waste and pollution. We also commit to educating our stakeholders to promote sustainable practices and align them with the company's sustainability agenda, as we believe that sustainability is everyone's responsibility.

To help us manage our environmental impact, we have 22 Pollution Control Officers (PCOs) who ensure that our parent company and subsidiaries comply with environmental regulations, such as the Clean Air Act and Clean Water Act. Our PCOs ensure efficient operations, submit regular environmental performance reports to regulators, and raise employee awareness about environmental policies and practices. BTSI, which manages both water treatment and wastewater treatment operations in Boracay, has separate PCOs for these functions.

For our 2024 report, we are limited in presenting comparative data on our environmental performance as we are still establishing our data monitoring, reporting, and consolidation processes across the MacroAsia Group. We aim to provide more comprehensive and comparable data in future reports to demonstrate progress in our environmental performance.

RESOURCE AND ENVIRONMENTAL IMPACT MANAGEMENT

ENERGY CONSUMPTION

GRI 3-3, 302-1
SDG 7

We source our electricity from external utility providers and purchase fuel directly from main suppliers. Our Food Group consumes the most electricity and fuel for their daily operations.

To reduce energy consumption and save costs, we converted our lighting fixtures to LED in offices, kitchens, plants, and other facilities. We replaced old and damaged appliances or equipment parts with energy-efficient ones and conduct regular preventive maintenance on company vehicles, delivery and refrigerator trucks, industrial kitchen equipment, boilers, commercial refrigerators, and water treatment pumps and motors.

Our Water Group, especially the business units distributing potable water to residential and commercial customers, reduces electricity consumption by installing energy-saving devices like Variable Frequency Drives (VFD) and Soft Starters. These devices adjust pump frequency and eliminate power consumption spikes during start-up. We also ensure the purchase of efficient pumps that meet service area demands, consuming less energy to deliver the same amount of water. This leads to lower electricity bills and reduced carbon emissions.

Across the MacroAsia Group, we implement a trip maximization policy to reduce fuel consumption, optimizing the use of company vehicles and ensuring cost-effective and efficient travel and delivery planning.

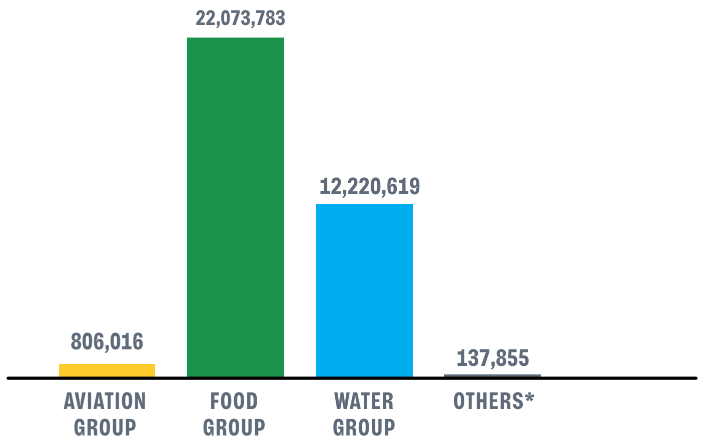
Additionally, we continue to raise awareness and remind employees to observe energy conservation practices, such as turning off lights, equipment, and devices when not in use and during lunch breaks, through emails, memoranda, and notices on walls or bulletin boards.

We are currently exploring the use of solar panels for selected food and water business units as part of our strategy for cost-efficiency and long-term reduction of our environmental footprint.

Business Unit	Pollution Control Officers
Aviation Group	3
Food Group	3
Water Group	15
Others*	1
Total	22

*Includes MAC HO, TERA, MAPDC and MMC.

ELECTRICITY CONSUMPTION IN 2024 (in kwh)



TOTAL 35,238,273 kwh

ENERGY INTENSITY[3] (kwh per million PhP revenue)

AVIATION GROUP 575
FOOD GROUP 8,262
WATER GROUP 28,922
OTHERS* 169

GROUP ENERGY INTENSITY 5,531

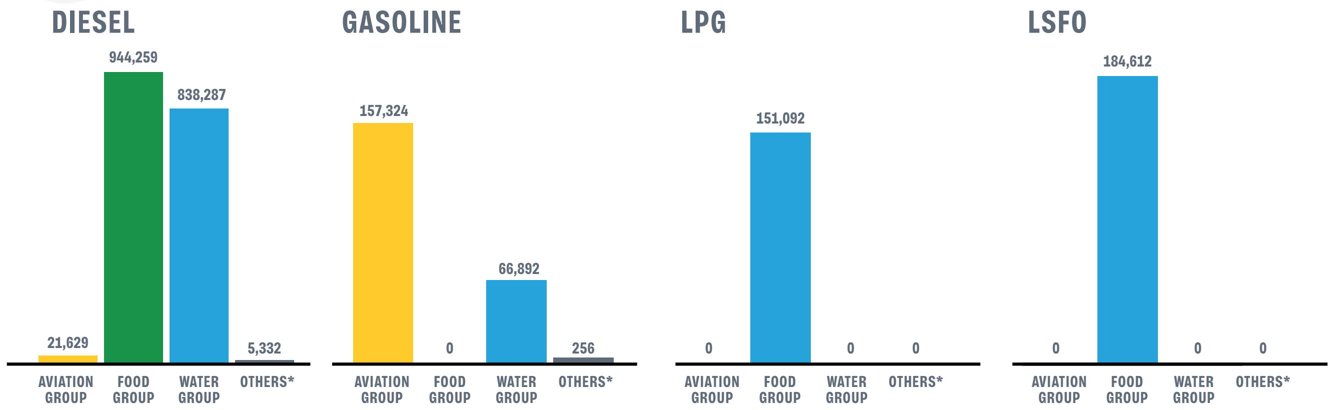
BUSINESS SEGMENT	ELECTRICITY CONSUMPTION IN 2024 (IN KWH)	
AVIATION GROUP		
FAA	22,661	806,016
MASCORP	783,355	
FOOD GROUP		
MSFI	6,931,201	22,073,783
MSIS	9,223,080	
MACS	5,919,503	
WATER GROUP		
AWSI, ARDI**	4,310,367	12,220,619
BTSI	3,782,089	
CAKSC	7,258	
CBRI	23,040	
NSWC	3,085,044	
SNVRDC	520,937	
SWRI	491,883	
OTHERS		
MAC HO, TERA***	80,815	137,855
MAPDC	55,801	
MMC	1,239	
TOTAL		35,238,273

*Includes MAC HO, MAPDC, MMC, and TERA
**AWSI shares the same office with ARDI
*** MAC HO transferred to its new office in Legazpi Village, Makati City in July 2024. TERA shares the same office with MAC HO.

[3] Energy intensity refers to the amount of energy a company uses to generate a specific amount of economic output, such as revenue or products. It indicates how efficiently a company uses energy to operate—lower energy intensity means greater efficiency and less energy used per peso earned, while higher energy intensity suggests more energy is required to produce the same output.

SUSTAINABILITY AND ESG PERFORMANCE

FUEL CONSUMPTION IN 2024 (in liters)



GRAND TOTAL **2.4 million liters**

FUEL CONSUMPTION IN 2024 (IN LITERS)

BUSINESS SEGMENT	DIESEL	GASOLINE	LPG	LSFO
AVIATION GROUP				
FAA	9,748	157,324	-	-
MASCORP	11,881	-	-	-
Subtotal	**21,629**	**157,324**	-	-
FOOD GROUP				
MSFI	146,827	-	49,980	-
MSIS	344,885	-	50,786	-
MACS	452,548	-	50,326	184,612
Subtotal	**944,259**	-	**151,092**	**184,612**
WATER GROUP				
AWSI, ARDI**	41,903	29,252	-	-
BTSI	26,614	19,860	-	-
CAKSC	5,846	-	-	-
CBRI	9,921	-	-	-
NWSC	7,899	16,510	-	-
SNVRDC	11,207	1,269	-	-
SWRI	734,897	-	-	-
Subtotal	**838,287**	**66,892**	-	-
OTHERS*				
MAC HO, TERA***	4,419	-	-	-
MAPDC	913	256	-	-
Subtotal	**5,332**	**256**	-	-
TOTAL	1,809,507	224,471	151,092.39	184,612
GRAND TOTAL	2,369,683			

*Includes MAC HO, MAPDC, MMC, and TERA
**AWSI shares the same office with ARDI
***MAC HO transferred to its new office in Legazpi Village, Makati City in July 2024. It shares the same office with TERA. MMC., on the other hand, has no available data for the reporting period.

WATER AND EFFLUENTS

GRI 303-1, 303-2, 303-3, 303-4, 303-5
IF-WU-140b.2
IF-WU-440a.3
SDG 6

We source water for our operations from primary sources such as rivers and deep wells, as well as from external utility providers.

At MAC Head Office and other non-water subsidiaries, we primarily use water from external utility providers for flushing toilets, washing dishes, cleaning offices, and watering indoor plants. Our Food Business Units use water mainly for washing food ingredients and cleaning kitchen tools and equipment.

Our Water Business Units draw and treat water from the Maragondon River, Magat River, and rivers in Aklan for distribution to communities in Maragondon (Cavite), Solano (Nueva Vizcaya), and Boracay (Aklan). We also provide treated bulk water to private clients and government entities in Bulacan, Iloilo, Bacolod, Albay, and Bataan. Additionally, we extract and treat water from deep wells for households and commercial establishments in the greater Cavite area.

2024 TOTAL WATER WITHDRAWAL, DISCHARGE, AND CONSUMPTION

BUSINESS UNITS	WATER WITHDRAWAL (IN MEGALITERS)				WATER DISCHARGE (IN MEGALITERS)				WATER CONSUMED / DELIVERED (IN MEGALITERS)	WATER RECYCLED (IN MEGALITERS)
	SURFACE WATER	GROUND WATER	THIRD PARTY PROVIDER	OTHER WATER SOURCE	SURFACE WATER	GROUND WATER	THIRD PARTY PROVIDER	OTHER WATER SOURCE		
AVIATION GROUP										
FAA	-	-	<1	-	Not Measured	-	-	-	Not Measured	-
MASCORP	-	-	75	-	Not Measured	-	-	-	Not Measured	-
Subtotal	**-**	**-**	**75**	**-**		-	**-**	-		**-**
FOOD GROUP										
MSFI	-	49	19	-	41	-	-	-	26	-
MSIS	-	-	100	-	34	-	-	-	66	40
MACS	-	-	276	-	54	-	-	-	221	-
Subtotal	**-**	**49**	**394**	**-**	**129**	-	**-**	-	**313**	**40**
WATER GROUP										
AWSI, ARDI*	-	11,481	-	-	-	-	Not Measured	-	9,935	-
BTSI	4,371	6	-	-	552	-	-	-	3,247	146
CAKSC	-	-	1	-	-	-	4	-	-	-
CBRI	34	-	-	-	Not Measured	-	-	-	34	-
NWSC	-	6,202	-	-	-	-	Not Measured	-	4,375	-
SNVRDC	1,588	-	-	-	-	-	Not Measured	-	1,051	-
SWRI	1,032	-	-	-	412	-	Not Measured	-	620	-
Subtotal	**7,024**	**17,689**	**1**	**-**	**964**	-	**4**	-	**19,262**	**146**
OTHERS**										
MAPDC	-	-	191	-	38	-	-	-	152	-
Subtotal	-	-	191	-	38	-	-	-	**152**	-
TOTAL	**7,024**	**17,737**	**661**	**-**	**1,131**	-	**4**	-	**19,727**	**186**

*AWSI shares the same office with ARDI.
**MAC HO, MMC, and TERA have no available data for the reporting period.

SUSTAINABILITY AND ESG PERFORMANCE

We implement initiatives to conserve water and reduce wastage from spillage and leaks. Throughout the year, we conduct regular preventive maintenance to ensure a sufficient water supply, inspect pipes, fittings, and equipment for wear and tear, repair or replace broken parts as needed, and install water-efficient appurtenances.

To reduce water consumption and ensure uninterrupted service at our MSFI commissary in Parañaque, we source water from both SWRI, one of our water business units, and Maynilad. Currently, our MSFI commissary sources 60% of its water from Maynilad and 40% from SWRI.

Our Water Business Units have initiatives to reduce water loss, optimize distribution networks, and ensure the safety and quality of the water provided to our communities. These initiatives include regular monitoring and inspection of house service connections and distribution lines, conducting zero pressure tests, detecting and repairing leaks, and testing, recalibrating, and replacing water meters and equipment. We also assess water valves, measure night flow, and manage water pressure.

By using high-quality materials, conducting regular zoning and surveillance to prevent illegal connections, installing District Metering Areas (DMAs), and performing regular water quality monitoring and testing, we strive to maintain a sustainable and efficient water distribution system. Our commitment to continuous improvement ensures that we meet the growing demand for clean water, minimize waste, reduce operational costs, and enhance the overall reliability and resilience of the water supply network. By incorporating advanced technologies and data-driven insights, we aim to provide our communities with safe, reliable, and environmentally responsible water services for generations to come.

To manage the impact of water in our operations and communities, we ensure that our treated wastewater meets the standards set by the Department of Environmental and Natural Resources (DENR) and the Laguna Lake Development Authority (LLDA) before discharge.

Our Food Business Units operate Septage Treatment Plants (STPs) that treat wastewater before discharging it into the Sucat River in Parañaque and the Tripa de Gallina River in Pasay City, eventually reaching Laguna de Bay.

Our Water Business Units, BTSI in Boracay, Aklan, and CAKSC in General Trias, Cavite, ensure that wastewater from households and commercial clients meets environmental standards before being discharged into local rivers and streams. FAA, on the other hand, directs its effluents to the Ecology Center of the Subic Bay Metropolitan Authority (SBMA) for treatment before discharging into designated water bodies within the Subic Bay Freeport Zone, following strict environmental regulations to ensure minimal impact on the environment.

Additionally, we recycle wastewater to reduce costs and wastage while minimizing discharges into bodies of water. MAPDC, our property management subsidiary in Villamor Airbase, Pasay City, manages the Sewage Treatment Plant (STP) and the Reclaimed Water Facility within the ecozone, reusing the treated and reclaimed water for gardening. MSIS, one of our food business units, reprocesses rejected wastewater from Reverse Osmosis (RO) for various non-potable purposes. BTSI recycles treated wastewater to irrigate a golf course in Boracay. In 2024, MSIS reprocessed 40.4 megaliters of rejected treated wastewater from RO, while BTSI recycled 145.7 megaliters of treated wastewater.

We remind our employees to use water responsibly through memoranda, emails, and posted reminders. Our Water Business Units communicate the same message to customers, along with significant water service updates, through social media, printed materials, and roadshows if needed. We also encourage clients to report any water pipe leaks, water quality issues, or customer service concerns. Lastly, we promote the reuse of treated water among our clients for flushing toilets, gardening, and washing vehicles or equipment.

MATERIALS USED AND MANAGED

GRI 3-3, 301
FB-FR-430a.4, FB-PF-440a.2
SDG 12

We use both renewable and non-renewable materials in our operations. The specific materials we consume vary based on our business activities. We strive to manage our materials efficiently to reduce waste, generate savings, and minimize our environmental footprint.

Most of our raw materials for the Food Group are sourced locally, but we use some imported items for specialized airline menus. During temporary shortages, we provide substitute products with client approval. MACS holds a bonded warehouse license, allowing us to import raw materials without customs duties/taxes, provided the final product is re-exported to airline clients.

To demonstrate our commitment to sustainability and align with our partners' and clients' goals, we source key ingredients like poultry, eggs, beef, pork, and fresh produce from certified sustainable and responsible sources for both our inflight and commercial food catering businesses. We are also transitioning to reusable food keepers and environmentally friendly, food-grade packaging materials, such as paper meal boxes, paper cups and straws, kraft sandwich boxes, and compostable or renewable sauce cups with lids.

The Water Group locally sources the chemicals for water and wastewater treatment, including chlorine, disinfectants, coagulants, flocculants, pH adjusters, odor and foam control agents, and sludge conditioners. Meanwhile, our Aviation Group uses more fuel to run ground service equipment (GSE) and aircrafts for pilot students' test flights. Paper is extensively used across the MacroAsia Group.

MATERIALS USED / CONSUMED IN 2024

BUSINESS SEGMENT	RENEWABLE MATERIALS		NON-RENEWABLE MATERIALS	
	TYPE OF MATERIAL	QUANTITY (IN MT)	TYPE OF MATERIAL	QUANTITY (IN ML)
AVIATION GROUP	Paper	304	Fuel (aircraft, GSEs)	109
FOOD GROUP	Meat (Beef, Pork Chicken, etc.)	1,438	-	-
	Fruit (Apple, Lemon, Banana, Kiwi, etc.)	584	-	-
	Vegetables	580	-	-
	Seafood (Shrimp, Fish, Prawn etc.)	9	-	-
	Grains and Grain Product (Rice, Flour, etc.)	201	-	-
	Paper	18	-	-
WATER GROUP	Paper	5	Chemicals (Chlorine, Polymer, Aluminum Sulfate, etc.)	9,919
OTHERS*	Paper	< 1	Paint	<1

Includes MAC HO, MAPDC, MMC, and TERA

WASTES GENERATED

GRI 306-1, 306-2, 306-3, 306-4, 306-5
SDG 12

We generate both hazardous and non-hazardous waste from our operations. In 2024, we recorded 1578 metric tons of waste from our seven (7) business units. Moving forward, we commit to improving our waste data monitoring and recording to implement initiatives that reduce environmental impact. We also commit to regularly reminding employees about proper waste segregation and disposal practices at work and home through emails, group chats, and bulletin postings.

Across the MacroAsia Group, the most common wastes are paper and plastics, primarily from food packaging and office operations. At MAC Head Office, we strictly segregate food debris,

SUSTAINABILITY AND ESG PERFORMANCE

paper, plastic, and general waste by providing designated bins for each category. Plastic bags used for food takeout are further segregated and rinsed before being placed in a separate bin for collection by an external waste hauler.

Our Food Group generates significant amounts of food waste, packaging waste, grease, and used cooking oils. Food waste includes fruit and vegetable trimmings, meat and poultry trimmings, scraps from ingredient preparation, and general plate scrapings and leftovers. Packaging waste mainly consists of plastic containers, vinyl gloves, plastic arm sleeves and aprons, plastic curtains, and cardboard boxes from raw ingredient deliveries. Used cooking oil and grease are produced during kitchen activities.

To reduce food waste, we initiated a Zero Food Waste and Food Loss policy in all our food business units. Food trimmings are repurposed to prepare other dishes for canteen consumption. Excess food that did not meet client quality standards is sold to employees or other subsidiaries at a reduced price. We also maximize the use of raw food materials by practicing proper stock rotation, implementing efficient processing procedures, and monitoring food safety and quality to reduce rejects. At MACS, we save the cut ends of lemons and make them available in the canteen for employees to add to their hot or cold water. We also share trimmings of desserts and other fruits in the cafeteria, available for all employees.

Our Water Group produces sludge from treated wastewater, which is processed into non-hazardous biosolids. These biosolids are then given to the community as soil conditioner. In 2024, BTSI generated 6,698 cubic meters (m^3) of septage sludge and 17.02 m3 of biosolids while CAKSC generated 3,747 m3 of sludge and 112.0 m3 of biosolids.

FAA uses an external waste hauler accredited by both the DENR and the Subic Bay Metropolitan Authority (SBMA). Meanwhile, MAPDC's yard, solid, and hazardous wastes are first brought to LTP's Hazard Material Facility before being hauled out by Philippine Economic Zone Authority (PEZA)-registered haulers.

COMMON TYPE OF WASTES GENERATED		BUSINESS SEGMENTS' WASTE CONTRIBUTION (IN METRIC TONS)			
		AVIATION GROUP	FOOD GROUP	WATER GROUP	OTHERS*
NON- HAZARDOUS WASTE (1,472 metric tons)					
DIVERTED FROM DISPOSAL (via composting and recycling by the company)	Various Office Wastes (e.g., paper, etc.)	-	-	< 1	-
	Food Wastes	-	-	-	-
	Other Biodegradables	-	-	18	-
	Recyclables, Metal Scraps, Plastics, Cardboard Boxes, Tin Cans, etc.	-	-	-	-
DIRECTED TO DISPOSAL (via external service provider for landfilling and other disposal method)	Various Office Wastes (e.g., paper, etc.)	119	-	-	-
	Food Wastes	-	1,218	-	-
	Other Biodegradables	-	-	< 1	-
	Recyclables, Metal Scraps, Plastics, Cardboard Boxes, Tin Cans, bottles, etc.	-	77	< 1	-
	Others: Residuals	-	57	-	-

Includes MAC HO, MAPDC, MMC, and TERA

COMMON TYPE OF WASTES GENERATED		BUSINESS SEGMENTS' WASTE CONTRIBUTION (IN METRIC TONS)			
		AVIATION GROUP	FOOD GROUP	WATER GROUP	OTHERS*
HAZARDOUS WASTE (105 metric tons)					
DIRECTED TO DISPOSAL (via an external service provider by preparation for reuse and other disposal method)	Chemicals and Chemical Compounds	< 1	-	-	-
	Used Industrial / Cooking Oil, Sludge, Grease	2	87	< 1	-
	Oil Contaminated Materials	< 1	2	< 1	-
	Empty Chemical Containers/Empty Used Oil Drums	10	-	< 1	-
	Waste Electrical and Electronic Equipment (WEE), Batteries	2	< 1	< 1	-
	Busted, Broken Lights	-	< 1	-	-
	Household and Commercial Hazardous such as paints, thinners, spray canisters, etc.	-	-	< 1	-

Includes MAC HO, MAPDC, MMC, and TERA

Wastes that cannot be diverted from landfills are collected by DENR-accredited external waste haulers. These haulers purchase the Food Group's food wastes and convert them into organic fertilizers and biofuel, while other solid wastes are recycled. Proceeds from the sale of these wastes are deducted from the billing statements of the food business units or used to augment their waste management activities.

In 2024, we generated an income of PhP2,07,617 from the sale of metal scraps, used parts, packaging materials, recyclables, and other solid waste materials from MASCORP, MSFI, and selected water business units such as ARDI and SWRI. Income from solid non-hazardous waste is recorded as other income by the business units.

MSIS, on the other hand, deducts the proceeds from the sale of their residual and non-recyclable wastes to the DENR-accredited waste hauler from their monthly billing statement. In 2024, MSIS saved Php241,440 on payments to their waste collector.

EMISSIONS AND AIR POLLUTION CONTRIBUTION

GRI 3-3, 305-1, 305-2, 305-4, 305-7

In reporting our greenhouse gas (GHG) emissions for 2024, we primarily cover Direct Scope 1 and Indirect Scope 2 emissions. We have limited data for Indirect Scope 3 emissions, particularly those related to the upstream and downstream channels of our supply chain. We aim to improve our processes for collecting, consolidating, monitoring, and reporting emissions as we work towards reducing our environmental footprint.

Our total Direct Scope 1 and Indirect Scope 2 emissions amount to 29,776 tCO_2e. We calculated our Direct Scope 1 emissions using emission factors from various sources, including the U.S. Environmental Protection Agency (EPA). For Indirect Scope 2 emissions, we used the emission factors recommended by the Philippine Department of Energy's 2019-2021 National Grid Emission Factor (NGEF)[4].

[4] *According to the Philippine Department of Energy's 2019-2021 National Grid Emission Factor (NGEF), the emission factor for the Luzon-Visayas Grid is 0.7058 tCO_2/MWH while for the Mindanao Grid is 0.7181 tCO_2/MWh. Source: https://doe.gov.ph/announcements/national-grid-emission-factor-2019-202*

SUSTAINABILITY AND ESG PERFORMANCE

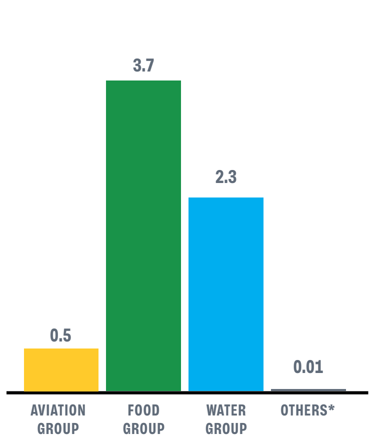
2024 EMISSIONS GENERATED

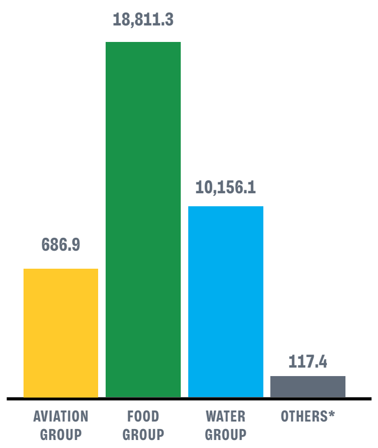
BUSINESS UNITS	DIRECT SCOPE 1 EMISSIONS (IN TCO2E)	INDIRECT SCOPE 2 EMISSIONS (IN TCO2E)	TOTAL EMISSIONS (IN TCO2E)
AVIATION GROUP			
FAA	0.5	19.3	19.8
MASCORP	< 0.1	667.6	667.6
Subtotal	**0.5**	**686.9**	**687.4**
FOOD GROUP			
MSFI	0.6	5,906.8	5,907.4
MSIS	1.6	7,859.9	7,861.6
MACS	1.4	5,044.6	5,046.0
Subtotal	**3.7**	**18,811.3**	**18,814.9**
WATER GROUP			
AWSI, ARDI*	0.2	3,673.3	3,673.5
BTSI	0.1	2,959.1	2,959.2
CAKSC	< 0.1	6.2	6.2
CBRI	< 0.1	23.0	23.1
NWSC	0.1	2,629.1	2,629.1
SNVRDC	< 0.1	443.9	444
SWRI	1.8	419.2	421.0
Subtotal	**2.3**	**10,153.8**	**10,156.13**
OTHERS			
MAC HO, TERA**	< 0.1	68.9	68.9
MAPDC	< 0.1	47.5	47.5
MMC	-	1.1	1.1
Subtotal	**< 0.1**	**117.4**	**117.4**
TOTAL	6.5	29,769.4	29,775.9

*AWSI shares the same office with ARDI

**MAC HO transferred to its new office in Legazpi Village, Makati City in July 2024. It shares the same office with TERA.

2024 EMISSIONS GENERATED





TOTAL GHG EMISSIONS IN tCO_2e **29,775.9**

EMISSIONS INTENSITY[5]

(tCO_2e per million PHP revenue)

AVIATION GROUP **0.2**

FOOD GROUP **4.2**

WATER GROUP **3.9**

OTHERS* **0.1**

GROUP EMISSIONS INTENSITY **2.8**

*Includes MAC HO, MAPDC, MMC, and TERA

[5] GHG emissions intensity is a measure of how much greenhouse gas (GHG) a company, country, or activity emits for each unit of output (e.g., money earned, products made, or energy produced). For instance, it tells how much greenhouse gas pollution is made for every ₱1 million a company earns.

NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX), AND OTHER SIGNIFICANT AIR EMISSIONS

BUSINESS SEGMENT	TYPE OF AIR POLLUTANT	QUANTITY	UNIT OF MEASURE	SOURCE/S
FOOD GROUP	NOx (Nitrogen Oxide)	4,785	mg/Ncm*	Boilers and Generator Sets of MSFI, MSIS, and MACS
	SOx (Sulfur Oxide)	1,133	mg/Ncm*	Boilers of MACS and MSFI
	COx (Carbon Monoxide)	329	mg/Ncm*	Boilers and Generator Sets of MSFI and MACS
	M2.5 (Particulate Matter 2.5 micrometers or less)	52	mg/Ncm*	Boilers of MSIS
	Particulate Emissions by M5	4	mg/Ncm*	Boilers of MSFI
	PM10 (Particulate Matter 10 micrometers or less)	64	mg/Ncm*	Boilers of MACS
WATER GROUP	NOx (Nitrogen Oxides)	2	Tons/year	Generator units of the water and wastewater treatment plants of BTSI
	SOx (Sulfur Oxides)	< 1	Tons/year	
	COx (Carbon Monoxide)	< 1	Tons/year	
	Volatile organic compounds (VOCs)	< 1	Tons/year	
	PM (Particular Matter)	1	Tons/year	

*mg/Ncm is Milligrams per Normal Cubic Meter

To manage the impact of emissions and air pollution generated by our businesses, we conduct preventive maintenance checks and subject our company fleet, GSEs, industrial boilers, chillers, and generator sets to regular emissions testing to ensure compliance with air quality standards. We minimize the use of generator sets to essential situations, decommission old ones, and rehabilitate freezers and chillers to ensure environmental safety and regulatory compliance. Additionally, we replace the R22 refrigerant[6] in our food business units' air conditioning, freezers, and chillers with more environmentally friendly alternatives.

We do not conduct specific annual emission testing for FAA aircraft engines used in test flights by our pilot students and flight instructors. However, our aircraft engines are subject to regulatory standards that indirectly address emissions, focusing on overall airworthiness and compliance with environmental regulations.

[6] R22 refrigerant, also known as HCFC-22 (Hydrochlorofluorocarbon-22), is a chemical compound used primarily in air conditioning and refrigeration systems. It has been widely used in both residential and commercial HVAC systems for cooling purposes.

SUSTAINABILITY AND ESG PERFORMANCE

BIODIVERSITY AND ECOSYSTEM

GRI 3-3, 101-1, 101-2
SDG 14, 15

At MacroAsia, we recognize the critical importance of biodiversity and healthy ecosystems to our business and the communities we serve. Our commitment to sustainability includes proactive measures to protect and enhance biodiversity, mitigate our operational impact, and strictly comply with environmental laws and regulations. We implement conservation and restoration initiatives and ensure we do not exceed approved resource extraction limits.

In Boracay Island, our water and wastewater treatment operations impact both land and water. We mitigate our impact on terrestrial biodiversity by working with government agencies to establish Boracay island as a Water Quality Management and Conservation Area (WQMACA) and diligently complying with local environmental regulations and standards.

Additionally, we adopted Wetland No. 6, the largest in Boracay Island, for its conservation and sustainable management. Since 2018, we have conducted annual clean-ups and mangrove planting activities in Wetland 6 as part of our efforts. We also constructed a boardwalk along the wetland to enhance its value as an ecotourism attraction.

In Palawan, there were no environmental disturbances in 2024, as development and commercial operations have yet to commence. We are still in the process of securing the necessary permits and approvals.

As part of our compliance, we have developed and submitted the Environmental Protection and Enhancement Program (EPEP) to establish clear environmental management objectives, criteria, and commitments. This includes measures for the protection and rehabilitation of the areas that will be affected by future mining operations. Our mine and site development plans are fully aligned with the Strategic Environmental Plan (SEP) for Palawan Act of 1992 (Republic Act No. 7611), the Philippine Mining Act of 1995 (RA 7942), and all other relevant environmental laws and regulations.

Additionally, we maintain a nursery for plant propagation to support future tree-planting activities. Together with our operator, Calmia Nickel, Inc. (CNI), we conduct a periodic biodiversity assessment in the tenement area through a third-party environmental auditor as part of our conservation efforts.

CLIMATE RISKS AND OPPORTUNITIES

GRI 201-2
SDG 13

We recognize the significant threats that extreme weather events and climate-related risks pose to the safety and security of our operations, personnel, and communities. To enhance our resilience, we are formulating a robust business continuity plan as a key component of our risk management framework. We align with the Task Force for Climate-related Financial Disclosures (TCFD) framework's core elements of governance, strategy, risk management, and metrics and targets to address climate-related issues in our operations.

Our Chief Sustainability Officer (CSO) together with our Chief Risk Officer (CRO), as the champion of Enterprise Risk Management (ERM), are responsible for identifying and assessing material climate-related risks and opportunities with the help of our business units. These findings are discussed with the business units, the MAC Management Committee, and communicated to the Board of Directors through the appropriate board committees. Climate-related risks and opportunities are also discussed at the MAC Sustainability Council, alongside sustainability and ESG-related matters.

The Board of Directors, through its Corporate Governance and Risk Management Committees, oversees the group's climate-related risks and opportunities. These committees meet periodically to discuss material risk exposures, actions taken, and recommend corrective measures as necessary.

Using the HazardHunterPH[7] application, we identified the high and medium environmental risks and hazards to which our various operations are exposed. We qualitatively assessed their actual and potential impact on our businesses, employees, customers, and communities.

Our Water and Food Groups, including our flying school (FAA), are significantly impacted by changes in climate and weather patterns. Extreme heat or rainfall can affect water quality and supply. It can also affect the availability, quality, and price of fresh produce and meat products. FAA operations, particularly the test flights of our pilot students, are highly dependent on weather conditions and are impacted by even the slightest changes.

We also attempted to identify our specific transition risk exposures by examining our carbon-intensive business operations. We found Aviation Services, Wastewater Treatment, Food Catering, and Mining as particularly vulnerable to transition risks due to their high energy consumption (e.g., oil, fuel, purchased energy). Additionally, we identified potential climate-related opportunities for the group.

Over the next few years, we will work towards identifying the significant sources of emissions in our businesses and establishing the Group's baseline GHG inventory. We will also develop our GHG reduction targets, develop and improve our business continuity plans, and report on the progress of quantifying and managing our climate risks.

CLIMATE RISKS AND THEIR POTENTIAL IMPACT TO THE MACROASIA GROUP

TYPE OF CLIMATE RISK	SPECIFIC RISKS	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES	POTENTIAL IMPACT TO PEOPLE (OUR EMPLOYEES, CUSTOMERS, COMMUNITIES)
PHYSICAL RISKS refer to risks associated with the physical impacts of climate change. These can be event-driven and include extreme weather events (acute physical risk) or longer-term shifts in climate patterns (also, chronic physical risk), such as rising sea levels, increasing average temperatures, and prolonged droughts.	• Extreme weather events (e.g., flooding/ inundation, severe wind, extreme heat, tropical cyclones, severe winds) • Ground shaking/ seismic activity • Earthquake-induced landslides • Tsunami • Liquefaction	• Loss of income/revenue due to: - disruption in operations - low production - poor quality of service/product (e.g., contaminated water source due to saltwater intrusion or high turbidity of water from the source) - possible increase in the cost of materials - poor quality of material/service • Disruption of operations due to water/power outage and lack/ absence of available manpower • Damage to company assets/ properties (e.g., vehicles washed by flood waters, damaged vehicle engines or warehouse, damaged water pipes and pumps, etc.) • Disruption of supply chain (e.g., unavailability of critical materials,	• Health risks (e.g., heat stroke, respiratory issue, trauma/mental health issue, etc.) • Injury/loss of life • Disrupted/delayed delivery of basic services (e.g., water shortages / interruptions) • Spread of diseases and illnesses (e.g., water-borne diseases) • Destruction/loss of property • Disruption of economic activities • Loss of income for people • Social unrest/ increased social conflict

[7] *HazardHunterPH is a one-stop shop web application for hazard assessment, helping individuals, businesses, and government agencies make informed decisions about safety and risk management designed to provide hazard assessments for various locations in the Philippines. It allows users to quickly and easily generate reports on potential hazards such as seismic, volcanic, and hydrometeorological risk. It was developed by GeoRisk Philippines, a multi-agency initiative led by the Philippine Institute of Volcanology and Seismology (DOST-PHIVOLCS). This initiative involves collaboration with several other government agencies, including the Department of Science and Technology (DOST), the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), the Mines and Geosciences Bureau (MGB), the Department of Health (DOH), the Department of Education (DepEd), and the Department of Public Works and Highways (DPWH). Source: https://hazardhunter. georisk.gov.ph/about-hazardhunterph*

SUSTAINABILITY AND ESG PERFORMANCE

(continuation)

TYPE OF CLIMATE RISK	SPECIFIC RISKS	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES	POTENTIAL IMPACT TO PEOPLE (OUR EMPLOYEES, CUSTOMERS, COMMUNITIES)
PHYSICAL RISKS	• Proximity to nearest volcano (for businesses in Paranaque and Zambales that are near Taal Volcano and Mt. Pinatubo) • Ashfall • Coastal erosion • Drought	unexpected price increase of materials for those affected by extreme weather events, difficulty in finding alternative materials/ options, etc.). • Increased capital and operating expenses due to the following: - More outsourced/overtime labor needed to clear/clean the office/ facility and return it to its original state (e.g., washing off mud brought by the flood, repainting, etc.) - Insurance premiums for assets located in "high-risk" areas - Repair/replacement of damaged critical business assets (e.g., equipment, water trucks, refrigerator trucks, etc.) - Expensive alternative options or sources for critical materials (e.g., food ingredients that are seasonal or only grows in specific areas and climates) - Sudden increase in prices of materials prices due to weather conditions (e.g., fresh produce) • Lost business opportunities	• Political instability • Displacement and migration of people, particularly for those living in coastal areas
TRANSITION RISKS refer to the risks associated with the shift towards a lower-carbon, more sustainable operations. These risks arise from changes in policies, regulations, technologies, and market dynamics aimed at reducing greenhouse gas emissions and promoting renewable energy. They can impact businesses in various ways, including financial, operational, and reputational aspect.	POLICY AND LEGAL RISK: Exposure to sustainability-related litigation	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES • Increased operating costs/expenses due to: - payment of fines/penalties for non-compliance of business units - higher compliance costs (e.g., purchasing electronic GSEs in the ground handling services, shift to gasoline to Sustainable Aviation Fuel or SAF for aircrafts, etc.) • Suspension or cessation of business due to non-compliance of regulatory requirements • Lengthier approval processes for new projects and expansions can delay operations and increase compliance cost	
	MARKET RISKS: • Increased cost of raw materials • Shift in consumer preference	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES • Reduced revenue due to low demand for existing products and services • Loss of customers/clients due to price increase/ reduced quality and shift of consumer preference • Production will be slowed or delayed due to expensive cost or unavailability of new materials, particularly eco-friendly/sustainably sourced materials (e.g., cage-free chicken eggs, sustainably grown poultry, forest-grade paper food packaging, etc.).	

(continuation)

TYPE OF CLIMATE RISK	SPECIFIC RISKS	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES	POTENTIAL IMPACT TO PEOPLE (OUR EMPLOYEES, CUSTOMERS, COMMUNITIES)
TRANSITION RISKS	TECHNOLOGY RISK: Costs to transition to lower emissions technology	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES • Existing equipment/technology are rendered obsolete if the businesses decide to transition to lower emissions emitting equipment, stranding the company's non-energy efficient business assets • Increased capital and operating costs due to: - Tighter regulations may require expensive equipment upgrades - Investment in R&D and new / alternative technologies and energy sources (e.g., purchase / substitution of new energy-efficient equipment for operations to replace old carbon intensive equipment) - Upskilling requirement for employees handling new equipment/ technology - Adoption/ implementation of new practices and processes	
	REPUTATIONAL RISKS: Increased stakeholder concern or negative stakeholder feedback Stigmatization of company/ corporation	POTENTIAL FINANCIAL IMPACTS TO OUR BUSINESSES • Loss of customers/clients leading to loss of revenue • Lack of investors'/shareholders' confidence on the business units and the parent company (e.g., greenwashing, non-compliance, no position on decarbonization issue, not adopting circular economy approach in the operations, etc.)	

CLIMATE OPPORTUNITIES AND THEIR POTENTIAL IMPACT TO THE MACROASIA GROUP

CLIMATE OPPORTUNITES	IDENTIFIED STRATEGIES	POTENTIAL IMPACT TO OUR BUSINESSES
RESOURCE EFFICIENCY	• Reduction in power and water usage and consumption (e.g., solar panels for water pumps, use of smart water meters, use of biofuel for kitchen operations) • Use of recycling, particularly for packaging materials • Use of more efficient production and distribution processes	• Reduced operating costs resulting to cost savings for the parent company and business units • Increased production capacity resulting in increased revenues
ENERGY SOURCE	• Use of lower-emission sources of energy (e.g., solar panels for water pumps, use of smart water meters, use of biofuel for kitchen operations) • Use of new technologies (e.g., electronic GSEs for ground handling services, smart water meters for sustainable water management)	• Savings on annual energy cost • Reduced exposure of the businesses to the following: - future fuel price increases - changes in cost of carbon pricing (e.g., carbon tax) • Increased capital availability as more investors in the future will tend to favor lower-emission producers (e.g., foreign investors)

SUSTAINABILITY AND ESG PERFORMANCE

(continuation)

CLIMATE OPPORTUNITES	IDENTIFIED STRATEGIES	POTENTIAL IMPACT TO OUR BUSINESSES
PRODUCTS AND SERVICES	• Development and/or expansion of low emission goods and services (e.g., emphasis on the lower carbon footprint in the marketing / labeling of a food product or service) • Development of new products or services through R&D and innovation (e.g., solar panels and other renewable energy systems to help the business units to become more resilient to energy supply disruptions)	• Increased revenue through demand for lower emissions products and services • Better competitive position to reflect shifting consumer preferences • Access to new funding sources for projects or initiatives in renewable energy, energy efficiency, and other environmentally beneficial
MARKETS	• Access new markets or financial assets (e.g., green bonds and sustainable investments)	• Increased revenues through access to new and emerging markets (e.g., partnerships with governments, development banks, other companies, etc.) • Increased diversification of financial assets (e.g., green bonds, or investment in green projects that have positive environmental impacts, such as renewable energy, energy efficiency, etc.)
RESILIENCE	• Participation in renewable energy programs and adoption of energy efficiency measures (private and government-led) • Resource substitution and diversification	• Increased reliability of supply chain and ability to operate under various conditions • Diversified business activities and revenue sources • Improved efficiency

SOCIAL PERFORMANCE

EMPLOYEE WELFARE AND DEVELOPMENT

At MacroAsia, our employees are the driving force behind our success. Their dedication and passion drive our success and sustainability efforts. We are committed to fostering an environment where every team member feels valued, motivated, and engaged. Our future goals include expanding wellness programs, enhancing professional development opportunities, and promoting a culture of inclusivity and recognition.

In August 2024, we commissioned an employee engagement survey for our Makati Head Office and Aviation and Food Groups to identify our value proposition as an employer. The survey aimed to help us attract talent, retain employees, increase satisfaction, boost productivity, and reduce turnover.

The results showed notable differences in Net Promoter Scores (NPS) across key employee segments, with MACS and the Makati Head Office achieving the highest scores. Additionally, male and older employees, including those with longer tenure and in leadership positions, are more likely to recommend MacroAsia to peers and relatives, demonstrating strong advocacy for the company.

With insights from the survey, we plan to launch an Employee Branding Campaign next year to attract top talent and strengthen our workforce.

GROUP EMPLOYEE PROFILE

GRI 2-7, 3-3, 401-1
TR-AF-000.C

We maintain a strong policy of equal employment opportunity for all employees and applicants and this policy is applied to all aspects of our employment from recruitment and hiring, training and educational assistance, transfers, promotions, job benefits and pay, dismissal, and social and recreational activities.

We hire, train, promote, and compensate based on personal competence and potential for advancement, without regard to race, color, ethnicity, national origin, religion, gender, sexual orientation, marital status, disability, or citizenship.

In 2024, our total workforce is 6,005. Out of this number, 3,368 or 56.09% are male while 2,637 or 43.91% are female. Majority of our employees are from 30 years old and below at 3,674 or 61% of our total manpower complement, and 4,949 or 82.08% are regular employees.

Among the business segments, the Aviation Group, particularly MASCORP, has the greatest number of employees, constituting 75.20% of the total MacroAsia Group employee population.

EMPLOYEE BREAKDOWN BY GENDER PER BUSINESS SEGMENT

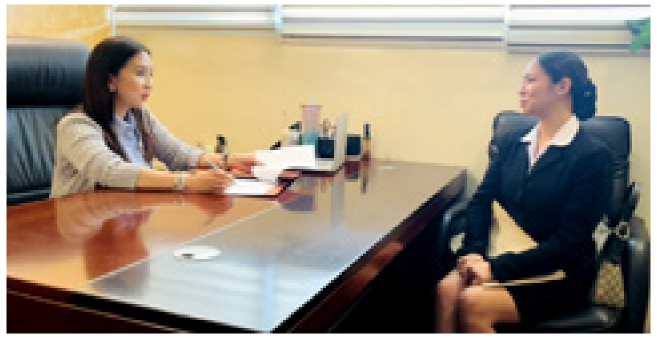
	MALE	FEMALE	TOTAL EMPLOYEE
AVIATION GROUP	2,310	2,267	4,577
FOOD GROUP	728	259	987
WATER GROUP	295	77	372
OTHERS*	35	34	69
GRAND TOTAL	3,368	2,637	6,005

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

EMPLOYEE BREAKDOWN BY GENDER AND AGE PER BUSINESS SEGMENT

Business Unit	Age	Male	Female	Total
Aviation Group	<30 yr old	1,186	2,009	4,577
	30-50 yr old	886	238	
	>50 yr old	238	20	
Food Group	<30 yr old	198	126	987
	30-50 yr old	435	112	
	>50 yr old	95	21	
Water Group	<30 yr old	91	41	372
	30-50 yr old	168	31	
	>50 yr old	37	4	
Others	<30 yr old	12	11	69
	30-50 yr old	14	17	
	>50 yr old	9	6	
Subtotal	<30 yr old	1,487	2,187	
	30-50 yr old	1,503	298	
	>50 yr old	378	51	
Total		3,369	2,636	
Grand Total	<30 yr old	3,674		6,005
	30-50 yr old	1,901		
	>50 yr old	430		



EMPLOYEE BREAKDOWN BY GENDER AND EMPLOYMENT TYPE PER BUSINESS SEGMENT

Business Unit	Type of Employee	Male	Female	Total
Aviation Group	Regular	1,984	1,837	4,577
	Probationary	324	430	
	Contractual/ Fixed Term	2	0	
Food Group	Regular	552	187	987
	Probationary	176	72	
	Contractual/ Fixed Term	0	0	
Water Group	Regular	251	58	372
	Probationary	44	18	
	Contractual/ Fixed Term	1	0	
Others	Regular	30	29	69
	Probationary	5	5	
	Contractual/ Fixed Term	0	0	
Subtotal	Regular	2,817	2,111	
	Probationary	549	525	
	Contractual/ Fixed Term	3	0	
Total		3,369	2,636	
Grand Total	Regular	4,928		6,005
	Probationary	1,074		
	Contractual/ Fixed Term	3		

We implement various recruitment strategies to attract a diverse pool of candidates that meet our requirements. We post job advertisements at schools and on social platforms like LinkedIn and Facebook, and we participate in school job fairs. We also accept job applications from our former interns or on-the-job trainees (OJTs), walk-ins, and employee referrals.

Qualified applicants undergo a series of online and/or face-to-face interviews and background checks. As part of their formal onboarding, new hires are oriented on the businesses and policies of the MAC Group.

Transfers are also done to place employees in roles where their talents can be best utilized. In 2024, we had a total of 95 (77 male and 18 female) employee transfers within the group. This includes transfers within the organization, between subsidiaries, from the parent company to subsidiaries, and vice versa, requiring approximately the same degree of skills, duties, and responsibilities, with no change in status or pay level.

For the reporting period, we had a total of 1,501 new hires: 750 men (50%) and 751 women (50%). Most of our new hires are under 30 years old and come from the National Capital Region (NCR). MASCORP had the greatest number of new hires in 2024.

BREAKDOWN OF EMPLOYEE NEW HIRES BY AGE, GENDER, AND GEOGRAPHICAL LOCATION PER BUSINESS SEGMENT

EMPLOYEE NEW HIRES IN 2024	AVIATION GROUP			FOOD GROUP			WATER GROUP		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
< 30 Y.O.	440	633	1,073	85	41	126	23	24	47
NCR	344	453	797	61	31	92	6	11	17
Luzon	13	22	35	20	10	30	12	9	21
Visayas	51	115	166	1	-	1	5	4	9
Mindanao	32	43	75	3	-	3	-	-	-
30-50 Y.O.	93	10	103	67	25	92	22	6	28
NCR	60	6	66	58	25	83	15	3	18
Luzon	8	2	10	9	-	9	6	1	7
Visayas	13	1	14	-	-	-	1	2	3
Mindanao	12	1	13	-	-	-	-	-	-
> 50 Y.O.	6	-	6	5	1	6	2	-	2
NCR	2	-	2	5	1	6	1	-	1
Luzon	2	-	2	-	-	-	1	-	1
Visayas	1	-	1	-	-	-	-	-	-
Mindanao	1	0	1	-	-	-	-	-	-
Total	539	643	1,182	157	67	224	47	30	77

EMPLOYEE NEW HIRES IN 2024	OTHERS*			SUBTOTAL				GRAND TOTAL	% TO TOTAL EMPLOYEE COUNT
	MALE	FEMALE	TOTAL	MALE	% MALE	FEMALE	% FEMALE		
< 30 Y.O.	6	5	11	554	37	703	47	1,257	21
NCR	4	5	9	415	28	500	33	915	15
Luzon	2	-	2	47	3	41	3	88	1
Visayas	-	-	-	57	4	119	8	176	3
Mindanao	-	-	-	35	2	43	3	78	1
30-50 Y.O.	-	6	6	182	12	47	3	229	4
NCR	-	3	3	133	9	37	3	170	3
Luzon	-	3	3	23	2	6	< 1	29	< 1
Visayas	-	-	-	14	< 1	3	< 1	17	< 1
Mindanao	-	-	-	12	< 1	1	< 1	13	< 1
> 50 Y.O.	1	-	1	14	< 1	1	< 1	15	< 1
NCR	1	-	1	9	< 1	1	< 1	10	< 1
Luzon	-	-	-	3	< 1	-	-	3	< 1
Visayas	-	-	-	1	< 1	-	-	1	< 1
Mindanao	-	-	-	1	< 1	-	-	1	< 1
Total	7	11	18	750	50	751	50	1,501	25

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

We also accept students from various colleges and universities for internships or On-the-Job Training (OJT). Based on their educational background and interests, we assign them to business units where they can apply their learnings and gain valuable work experience. In 2024, we had 142 student interns (71 male, 71 female) from 25 colleges and universities nationwide, including the University of the East, University of Santo Tomas, Centro Escolar University Manila and Makati, Pamantasan Ng Lungsod ng Maynila, National University, Asian College of Aeronautics Inc., PATTS College of Aeronautics, and Philippine State College of Aeronautics, among others.

In 2024, a total of 1,242 employees voluntarily or involuntarily separated from the MacroAsia Group, resulting in a turnover rate of 21.46%. The highest turnover was among women, employees under 30 years old, those in rank-and-file positions, and those with less than 3 years of service.

BREAKDOWN OF EMPLOYEE TURNOVER BY GENDER PER BUSINESS UNIT

Business Units		Male	Female	Total	Turnover Rate (%)
Aviation Group	FAA	18	-	18	38
	MASCORP	466	593	1,059	24
	Subtotal	484	593	1,077	
Food Group	MSFI	19	16	35	12
	MSIS	7	49	56	15
	MACS	21	10	31	10
	Subtotal	47	75	122	
Water Group	AWSI	-	-	-	-
	ARDI	9	2	11	13
	BTSI	5	4	9	9
	CAKSC	-	-	-	-
	CBRI	-	-	-	-
	NWSC	3	2	5	8
	SNVRDC	1	-	1	3
	SWRI	4	6	10	20
	Subtotal	22	14	36	
Others*	MAC HO	1	-	1	5
	MAPDC	4	1	5	28
	TERA	-	1	1	29
	MMC	-	-	-	-
	Subtotal	5	2	7	
TOTAL		558	684	1,242	21%

*Includes, MAC HO, MAPDC, MMC, and TERA

EMPLOYEE TURNOVER BY AGE RANGE PER BUSINESS SEGMENT

Business Unit	Age	Total No. of Turnovers	Total
Aviation Group	<30 yr old	865	1,077
	30-50 yr old	182	
	>50 yr old	30	
Food Group	<30 yr old	52	122
	30-50 yr old	63	
	>50 yr old	7	
Water Group	<30 yr old	16	36
	30-50 yr old	18	
	>50 yr old	2	
Others	<30 yr old	5	7
	30-50 yr old	2	
	>50 yr old	-	
Grand Total			1,242

EMPLOYEE TURNOVER BY RANK/POSITION PER BUSINESS SEGMENT

Business Unit	Rank/Position	Total No. of Turnovers	Total
Aviation Group	Officer	3	1,077
	Rank and File	1,074	
Food Group	Officer	21	122
	Rank and File	101	
Water Group	Officer	9	36
	Rank and File	27	
Others*	Officer	5	7
	Rank and File	2	
Grand Total			1,242

BREAKDOWN OF EMPLOYEE TURNOVER BY TENURE PER BUSINESS SEGMENT

By Years of Service/Tenure	Aviation Group	Food Group	Water Group	Others*	Total
0-3 years	952	91	24	6	1,073
4-10 years	117	28	10	1	156
11-15 years	4	2	1	-	7
16-20 years	3	1	-	-	4
21-25 years	1	-	-	-	1
26-30 years	-	-	-	-	-
31-25 years	-	-	1	-	1
Total	1,077	122	36	7	1,242

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

COMPENSATION AND BENEFITS

GRI 401-2, 401-3
SDG 5, 8, 10

Our employees' salary and benefits packages are based on their role, competency level, work performance, previous experience, certifications, and tenure. We regularly review these packages to remain competitive and compliant with labor laws.

We offer competitive salaries and mandated benefits such as 13th-month pay, SSS, Pag-IBIG, and PhilHealth. Regular employees receive various types of leave, including sick, emergency, vacation, parental, solo parental, paternity, maternity, and special leave for female employees.

Additionally, we provide uniforms, group health care, and group life insurance to regular employees. We assist them in securing salary loans for emergencies through salary deductions and a partner bank. We maintain a hybrid work setup based on job function and capability to work from home, and we provide overtime pay, night shift differentials, and holiday pay for eligible employees.

Employees in our food business units enjoy one free meal per duty and an additional meal if they work overtime for more than two hours. Employees at the MAC Head Office and selected subsidiaries are provided with daily shuttle service.

We also ensure that our contractual or outsourced personnel are paid in accordance with labor regulations. Additionally, student interns or on-the-job trainees are provided meals and/or allowances amounting to 75% of the daily wage.

BENEFITS AVAILED BY BUSINESS SEGMENT

BENEFITS	AVIATION GROUP		FOOD GROUP		WATER GROUP		OTHERS*		TOTAL			
	NO. OF WOMEN WHO AVAILED	NO. OF MEN WHO AVAILED	NO. OF WOMEN WHO AVAILED	NO. OF MEN WHO AVAILED	NO. OF WOMEN WHO AVAILED	NO. OF MEN WHO AVAILED	NO. OF WOMEN WHO AVAILED	NO. OF MEN WHO AVAILED	TOTAL NO. OF MEN WHO AVAILED	% OF MEN	TOTAL NO. OF WOMEN WHO AVAILED	% OF WOMEN
SSS	2,193	2,231	37	167	53	140	16	5	2,299	68	2,543	96.
Philhealth	2,188	2,192	9	23	40	50	2	-	2,239	66	2,265	86
Pag-IBIG	2,187	2,227	61	237	50	123	6	4	2,304	68	2,591	98
Parental leave	74	26	7	7	3	1	-	-	84	2	34	1
Vacation Leave	1,397	1,641	197	632	64	130	29	22	1,687	50	2,425	92
Sick Leave	1,241	891	100	286	62	134	29	22	1,432	43	1,333	51
Medical benefits (aside from Philhealth)	14	12	122	464	20	48	29	22	185	5	546	21
Housing assistance (aside from Pag-IBIG)	-	-	-	-	5	7	-	-	5	< 1	7	< 1
Retirement fund (aside from SSS)	-	2	-	6	10	24	-	-	10	< 1	32	1
Company Stock options	-	-	-	-	-	-	-	-	-	-	-	-
Telecommuting	-	-	-	-	9	29	29	23	38	1	52	2
Flexible working hours	-	-	-	-	3	2	1	3	4	< 1	5	< 1

*Includes, MAC HO, MAPDC, MMC, and TERA

PARENTAL AND SOLO PARENTAL LEAVES AVAILED BY BUSINESS SEGMENT

PARENTAL LEAVE	AVIATION GROUP		FOOD GROUP		WATER GROUP		OTHERS*		TOTAL	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Total number of employees that were entitled to parental leave	2,267	2,249	367	140	82	19	12	11	2,728	2,419
Total number of employees that took parental leave in 2024	26	58	15	9	2	3	-	-	43	70
Total number of employees that returned to work in 2024 after parental leave ended	26	33	15	7	1	3	-	-	42	43
Return to work rate	100	57	100	78	50	100	-	-	98	61
Total number of employees who availed the parental leave in 2023 and returned to work in 2024	-	16	6	5	-	-	-	-	6	21
Total number of employees that took parental leave in 2023	-	16	6	5	-	-	-	-	6	21
Retention rate	100	100	100	100	-	-	-	-	100	100
SOLO PARENTAL LEAVE	**AVIATION GROUP**		**FOOD GROUP**		**WATER GROUP**		**OTHERS***		**TOTAL**	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Total number of employees that were entitled to parental leave	5	8	162	58	68	8	-	1	235	75
Total number of employees that took parental leave in 2024	5	8	6	4	1	2	-	1	12	15
Total number of employees that returned to work in 2024 after parental leave ended	5	8	6	4	1	2	-	1	12	15
Return to work rate	100	100	100	100	100	100	-	100	100	100
Total number of employees who availed the parental leave in 2023 and returned to work in 2024	-	-	2	2	-	-	-	-	2	2
Total number of employees that took parental leave in 2023	-	-	2	2	-	-	-	-	2	2
Retention rate	-	-	100	100	-	-	-	-	100	100

HEALTH, WELL-BEING, AND SAFETY

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 410-1
TR-AF-320a.1, TR-AF-540a.1
SDG 3, 8

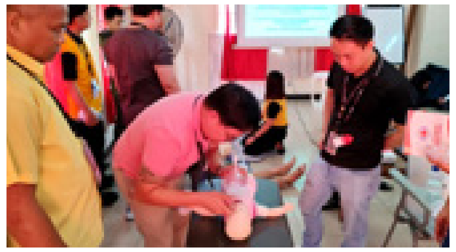
We value and are committed to our employees' well-being. Our health and safety policies and programs cover all employees, including regular and contractual workers, and are compliant with DOH-OSH standards, the Anti-Sexual Harassment Act of 2007, and the Safe Spaces Act.

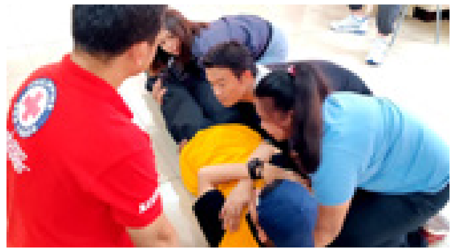
To promote and ensure the health and well-being of our employees, we provide medical and health care services such as Health Maintenance Organization (HMO) cards, annual physical exams, health assessments or

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

consultations, annual flu vaccinations, treatment/ lactation areas, Company Physicians/Nurses, and Health Officers. We also provide flexible work arrangements to help employees manage their work-life balance, counseling for personal or work-related support, referrals to mental health specialists, wellness challenges (e.g., The Biggest Loser), onsite fitness classes (e.g., Zumba), sportsfests, team building activities, and mental health-related activities such as burnout prevention and mindfulness sessions, yoga, and pranic healing. Additionally, we disseminate health advisories on Mental Health, HIV/AIDS, Breast and Cervical Cancer, Prostate Cancer, Diabetes, Tuberculosis, Hepatitis, Hypertension, Covid-19, and other health issues.





Depending on the size and complexity of our business units, our Occupational Safety and Health (OSH) Committees, usually composed of 3-5 employees from managerial, supervisory, and rank-and-file levels, meet at least monthly or quarterly. These committees ensure safety by identifying and managing hazards, reviewing and monitoring compliance with safety and health policies, recommending solutions, assessing the impact of policy changes, implementing corrective actions, overseeing safety training and promotion, and implementing OSH activities and initiatives. The OSH Committees' activities include safety and health inspections, work accident investigation and analysis, evaluation of safety performance, and regular fire and earthquake drills. They also enforce workplace policies such as alcohol-free, smoke-free, and drug-free environments.

We send selected employees to a 40-hour Basic Occupational Safety and Health (BOSH 2), First Aid, and Basic Cardiopulmonary Resuscitation (CPR) with Automated External Defibrator (AED) Trainings, ensuring that we have qualified and certified Safety Officers and First Aiders in all our operations. To date, we have a total of 58 Safety Officers who play an important role in maintaining a safe and healthy work environment. They identify potential hazards and implement measures to mitigate risks and ensure compliance with safety regulations. Additionally, they investigate work-related accidents to determine causes and prevent future occurrences and develop and implement emergency response plans to handle potential emergencies.

We undergo annual safety audits by the Bureau of Fire Protection as part of our business permit requirements. We also provide training on disaster preparedness, evacuation procedures, and hazard recognition to our employees, particularly in the Aviation and Food Groups. These business segments have safety management system manuals, crisis management or disaster preparedness plans, and undergo regular external safety audits and inspections. Specifically, FAA and MASCORP are regularly audited by the Civil Aviation Authority of the Philippines (CAAP) for compliance with aviation safety standards, while MSIS, MACS, and MSFI are audited by the Bureau of Quarantine (BOQ), Bureau of Fire Protection (BFP), and the Department of Labor and Employment (DOLE).

We identify health and safety risks by assessing workplace injury records, conducting regular inspections and health evaluations, and evaluating equipment and materials. We manage these risks by developing mitigation plans, implementing control measures (e.g., eliminating, substituting, isolating risks, using administrative or engineering controls, and personal protective equipment), providing employee training, monitoring safety performance, establishing reporting mechanisms, and ensuring regulatory compliance. Moreover, we encourage employees to report any safety and health issues to their Department Managers, Supervisors, Health and Safety Officers, Human Resources (HR), or OSH Committee members, and to participate in safety initiatives.

During the reporting period, there were no fatalities due to work-related injuries or illnesses within the Group.

WORK-RELATED INJURIES BY BUSINESS SEGMENT

INDICATORS	AVIATION GROUP		FOOD GROUP		WATER GROUP		OTHERS*		TOTAL
	EMPLOYEES	CONTRACT WORKERS	EMPLOYEES	CONTRACT WORKERS	EMPLOYEES	CONTRACT WORKERS	EMPLOYEES	CONTRACT WORKERS	
Number of fatalities because of work-related injury	-	-	-	-	-	-	-	-	-
Rate of fatalities because of work-related injury	-	-	-	-	-	-	-	-	-
Number of high-consequence work-related injuries (excluding fatalities)	-	-	-	-	-	-	-	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-	-	-	-	-	-	-	-
Number of recordable work-related injuries	16	-	20	-	4	-	-	-	40
Rate of recordable work-related injuries	1	-	14	-	4	-	-	-	1
Number of hours worked	11,343.022	-	1,342,829	403,144	994,092	-	158,976	-	14,242,063
Safe man hours	207,584	-	1,342,829	403,144	993,692	-	158,976	-	3,106,225
Number of high-potential work-related incidents identified (optional)	-	-	-	-	-	-	-	-	-
Number of close calls identified (optional)	-	-	-	-	-	-	-	-	-
Type of Work-related Injuries	• Cuts • Musculoskeletal Condition (sprains, muscle spasms, etc.) • Dislocations, tears, fractures		• Minor Cuts • Animal Bites • Bruises • Dislocations, sprains		• Bone Dislocations • Cuts • Animal Bites • Muscle Sprains		None Reported		

SAFETY STATISTICS BY BUSINESS SEGMENT

INDICATORS	AVIATION GROUP	FOOD GROUP	WATER GROUP	OTHERS*	TOTAL
Lost time accidents	10,182	-	400	-	10,582
Incidence Rate	1.37	13.7	4.39	-	< 1
Severity Rate	-	-	-	-	-
Lost days	424.3	-	16.7	-	440.9

Business Unit	Safety Officers	Business Unit	Safety Officers
Aviation Group	27	Water Group	17
Food Group	7	Others*	7
Total	58		

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

WORK-RELATED ILLNESSES BY BUSINESS SEGMENT

BUSINESS UNIT	INDICATORS	EMPLOYEES	CONTRACT WORKERS	IDENTIFIED WORK-RELATED HAZARDS	IDENTIFIED WORK-RELATED ILLNESSES
AVIATION GROUP	Number of fatalities as a result of work-related ill-health	-	-	Non-compliance with safety and health procedures, extreme weather conditions (extreme heat/ typhoon), noise from machineries/equipment	Respiratory Tract Infections, Flu/Viral Infections ENT-related cases, headache, Body pains/muscle spasms, heatstroke due to extreme hear during dry season
	Number of recordable cases of work-related ill-health	13,774	-		
FOOD GROUP	Number of fatalities as a result of work-related ill-health	-	-	Exposure to chemical substances/allergens	Skin Allergies due to use of gloves
	Number of recordable cases of work-related ill-health	2	4		
WATER GROUP	Number of recordable cases of work-related ill-health	-	-	Non-compliance with safety protocols (e.g., not wearing work shoes/boots, not wearing hard hats, not disinfecting after visiting the waste treatment plant, etc.); noise from machineries/ equipment; exposure to chemical and biological substances	Respiratory Tract Infections; skin conditions; body pains/muscle spasm, heatstroke due to extreme hear during dry season
	Number of fatalities as a result of work-related ill-health	-	-		
OTHERS*	Number of fatalities as a result of work-related ill-health	-	-	Non-compliance with safety and health procedures, ergonomic (repetitive movements, poor posture)	Tennis elbow, carpal tunnel syndrome, back pains/muscle pains
	Number of recordable cases of work-related ill-health	1	-		

LEARNING AND DEVELOPMENT

GRI 404-1, 404-2, 404-3
SDG 4, 8

We invest in our employees' career growth and development by providing training and capacity-building activities to equip them with the necessary knowledge and skills. Our HR Department, in coordination with the employee's Supervisor or Department Head, regularly conducts Training Needs Evaluations to identify required internal and external capacity-building activities.

We offer specialized training tailored to our employees' job functions. For our Food Group employees, this includes food safety, security, and allergen management. For our Ground Handling business unit, we provide training in ramp safety, defensive driving, aircraft marshalling, passenger handling, and cargo handling. Additionally, we offer training in bookkeeping, internal control and fraud prevention, impactful presentations, effective business writing, supervisory leadership skills, and project management.

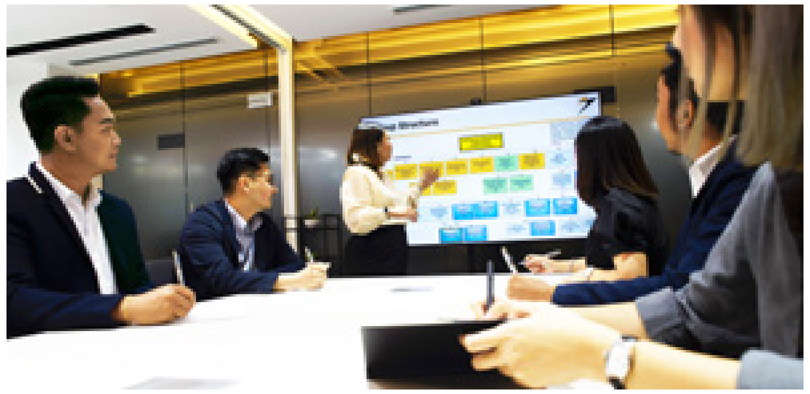
Employees attending external specialized training are required to sign a training contract, committing to stay with the parent company or their respective business units for a specified period. Those wishing to pursue further studies may apply for a loan from the company or receive assistance in securing a loan from a partner bank.

We also utilize free online webinars and training to reduce transportation costs, address venue and resource person limitations, and ensure more employees can attend. MASCORP leverages these online resources, especially for ground handling employees stationed at airports across the country.

MACS, on the other hand, has developed and implemented the Developmental Assignment Program (DAP) to provide learning experiences that help employees become well-rounded and prepare for leadership roles through exposure to different functions. This program helps fill vacant positions, ensures career growth, boosts morale, strengthens loyalty, and enhances competencies for new roles. It also encourages continual performance improvement among employees.

As part of our succession planning, we aim to develop employees into future leaders by identifying those with leadership potential and sending them to management and leadership training programs. We will also expose them to different business operations to further hone their leadership skills.

In 2024, a total of 5,453 employees across various business units received a total of 32,362.86 training hours.



*Includes, MAC HO, MAPDC, MMC, and TERA

TRAININGS HOURS PER GENDER BY BUSINESS SEGMENT

INDICATORS	AVIATION GROUP			FOOD GROUP		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
No. of Employees	2,339	2,184	4,523	664	226	890
No. of Training Hours	16,780	13,094	29,874	2,946	1,467	4,413
Average No. of Training Hours Per Employee			7			5
Average No. of Training Hours Per Gender	7	6		4	6	

INDICATORS	WATER GROUP			OTHERS*			TOTAL		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
No. of Employees	16	9	25	5	10	15	3,024	2,429	5,453
No. of Training Hours	668	182	850	88	146	234	20,482	14,889	35,371
Average No. of Training Hours Per Employee			34			16			6
Average No. of Training Hours Per Gender	42	20		18	15		7	6	

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

TRAINING HOURS PER RANK/POSITION BY BUSINESS SEGMENT

BUSINESS SEGMENT	INDICATORS	OFFICERS	MANAGERS	SUPERVISORS	RANK & FILE	TOTAL
AVIATION GROUP	No. of Employees Trained	101	45	358	4,019	**4,523**
	No. of Training Hours	652	385	2,181	26,656	**29,874**
	Average No. of Training Hours	6	9	6	7	**7**
FOOD GROUP	No. of Employees Trained	30	32	100	728	**890**
	No. of Training Hours	494	383	743	2,794	**4,413**
	Average No. of Training Hours	16	12	7	4	**5**
WATER GROUP	No. of Employees Trained	2	8	9	6	**25**
	No. of Training Hours	80	168	286	316	**850**
	Average No. of Training Hours	40	21	32	53	**34**
OTHERS*	No. of Employees Trained	3	6	-	6	**15**
	No. of Training Hours	127	70	-	38	**234**
	Average No. of Training Hours	42	12	-	6	**16**

We conduct performance appraisals to evaluate employees' efficiency based on predetermined criteria and standards. These appraisals inform decisions on promotions, merit increases, demotions, transfers, layoffs, discharges, training needs, management development programs, organizational diagnosis, and performance management.

Moreover, we promote qualified and deserving employees from within the ranks whenever vacancies occur, or new positions are created. Promotions are based on merit, performance, ability, efficiency, leadership, quality, attitude, and attendance. When all factors are equal, seniority is the determining factor.

EMPLOYEE PERFORMANCE APPRAISALS BY BUSINESS SEGMENT

Business Unit	Rank	Male	Female	Total
Aviation Group	Officers	62	34	96
	Managers	-	-	-
	Supervisors	220	102	322
	Rank and File	1,854	2,010	3,864
	Total	2,136	2,146	4,282
Food Group	Officers	33	22	55
	Managers	12	11	23
	Supervisors	55	14	69
	Rank and File	447	131	578
	Total	547	178	725

Business Unit	Rank	Male	Female	Total
Water Group	Officers	1	3	4
	Managers	6	4	10
	Supervisors	5	4	9
	Rank and File	93	18	111
	Total	105	29	134
Others*	Officers	6	2	8
	Managers	6	11	17
	Supervisors	12	1	13
	Rank and File	23	20	43
	Total	47	34	81

2,835 2,387 Grand Total 5,222 87%

*Includes, MAC HO, MAPDC, MMC, and TERA

EMPLOYEES PROMOTED IN 2024 BY BUSINESS SEGMENT

Business Unit	Rank	Male	Female	Total
Aviation Group	Officers	28	9	37
	Managers	4	2	6
	Supervisors	91	57	148
	Rank and File	167	133	300
	Total	290	201	491
Food Group	Officers	-	1	1
	Managers	-	3	3
	Supervisors	12	1	13
	Rank and File	23	1	24
	Total	35	6	41

Business Unit	Rank	Male	Female	Total
Water Group	Officers	-	-	-
	Managers	-	-	-
	Supervisors	-	-	-
	Rank and File	2	1	3
	Total	2	1	3
Others*	Officers	-	-	-
	Managers	-	-	-
	Supervisors	-	-	-
	Rank and File	-	-	-
	Total	-	-	-

327 208 Grand Total 535

EQUAL OPPORTUNITY, DIVERSITY, AND INCLUSION

GRI 3-3, GRI 405-1, 406-1

SDG 5, 8, 10

Our principles of diversity, equal opportunity, and inclusion apply to all aspects of our employment cycle. These principles are also integrated into our company branding guidelines to ensure our marketing and communication efforts are ethical, inclusive, transparent, and positively impact our stakeholders.

We do not consider gender, ethnicity, or disability in our hiring processes. However, due to the nature of our operations, hiring applicants with disabilities is limited. Additionally, we prioritize hiring employees from the communities where we operate, especially in provincial business units, to generate job creation and contribute to the local economy.

During the reporting period, 78.88% of our workforce, totaling 4,737 employees, were based in the Luzon region, where most of our business units are located. We employed 18 individuals from vulnerable groups (5 males and 13 females), including senior citizens and persons with disabilities, across MSIS, MACS, MAPDC, and the parent company. Despite operating in a male-dominated industry, we had 84 women managers and officers, representing 1.40% of our leadership team.

EMPLOYEE BREAKDOWN BY GENDER AND GEOGRAPHICAL DISTRIBUTION PER BUSINESS SEGMENT

GEOGRAPHICAL LOCATION	SUBTOTAL				GRAND TOTAL	%
	MALE	MALE %	FEMALE	FEMALE %		
Luzon	2,711	45	2,026	34	4,737	79
Visayas	448	7	451	8	899	15
Mindano	210	3	159	3	369	6
TOTAL	3,369	56	2,636	44	6,005	100

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

Business Unit	Geographical Location	Male	Female
Aviation Group	Luzon	1,739	1,672
	Visayas	366	436
	Mindanao	205	159
	Total	2,310	2,267
		4,577	

Business Unit	Geographical Location	Male	Female
Food Group	Luzon	723	1,672
	Visayas	1	436
	Mindanao	4	159
	Total	728	259
		987	

Business Unit	Geographical Location	Male	Female
Water Group	Luzon	215	61
	Visayas	80	15
	Mindanao	1	-
	Total	296	76
		372	

Business Unit	Geographical Location	Male	Female
Others*	Luzon	34	34
	Visayas	1	-
	Mindanao	-	-
	Total	35	34
		69	

EMPLOYEE BREAKDOWN BY GENDER AND RANK/POSITION PER BUSINESS SEGMENT

RANK/POSITION	SUBTOTAL				GRAND TOTAL	%
	MALE	MALE %	FEMALE	FEMALE %		
Officers	62	1	38	1	100	2
Managers	69	1	46	1	15	2
Supervisors	145	2	67	1	212	4
Rank and File	3,092	51	2,486	41	5,578	93
TOTAL	3,368	56	2,637	44	6,005	100

Business Unit	Rank/ Position	Male	Female
Aviation Group	Officers	2	3
	Managers	26	11
	Supervisors	53	33
	Rank and File	2,229	2,220
	Total	2,310	2,267
		4,577	

Business Unit	Rank/ Position	Male	Female
Food Group	Officers	32	22
	Managers	17	18
	Supervisors	85	24
	Rank and File	594	195
	Total	728	259
		987	

Business Unit	Rank/ Position	Male	Female
Water Group	Officers	23	11
	Managers	19	9
	Supervisors	7	5
	Rank and File	246	51
	Total	296	76
		372	

Business Unit	Rank/ Position	Male	Female
Others*	Officers	5	2
	Managers	7	8
	Supervisors	-	5
	Rank and File	23	19
	Total	35	34
		69	

*Includes, MAC HO, MAPDC, MMC, and TERA

EMPLOYEES IN VULNERABLE GROUPS

Business Unit	Age	Male	Female	Total
Aviation Group	<30 yr old	-	-	-
	30-50 yr old	-	-	-
	>50 yr old	-	-	-
Food Group	<30 yr old	1	-	1
	30-50 yr old	1	-	1
	>50 yr old	1	1	2
Water Group	<30 yr old	-	-	-
	30-50 yr old	-	-	-
	>50 yr old	-	-	-
Others*	<30 yr old	-	1	1
	30-50 yr old	1	3	4
	>50 yr old	1	3	4
Total		5	8	13

We are committed to fostering a culture of respect, dignity, and equality, where everyone feels safe, valued, and empowered. We do not tolerate any form of abuse, maltreatment, harassment, bullying, or discrimination in the workplace.

Employees who feel subjected to sexual harassment can seek help from their Department Head/Supervisor or report directly to HRD. If necessary, HRD will escalate the matter to the Committee in Decorum and Investigation (CODI), which includes members from management, supervisory, and rank-and-file levels to receive, investigate, hear, and settle cases. We also take disciplinary action, up to and including dismissal, against any retaliatory or intimidating actions toward complainants or whistleblowers.

There were no reported cases of discrimination among our employees within the MacroAsia Group for the reporting period.

EMPLOYEE ENGAGEMENT

SDG 3, 5, 8, 10

We believe clear communication is key to a collaborative and engaged workforce where everyone feels valued and empowered. We ensure employees have the information they need to perform their roles and feel connected to our company's mission and values.

We use various communication channels, including email, letters, and internal group chats like Viber, to quickly share updates and resources. We also prioritize face-to-face interactions through regular weekly and monthly meetings to keep teams aligned and informed. These meetings allow employees to ask questions, share insights, and collaborate.

Town hall meetings are another important part of our strategy. These gatherings help us discuss significant updates, celebrate achievements, and address employee concerns, fostering community and transparency. We also conduct

*Includes, MAC HO, MAPDC, MMC, and TERA

SUSTAINABILITY AND ESG PERFORMANCE

debriefing sessions after activities or shifts to review performance, identify improvements, and recognize best practices, helping us maintain high standards. Additionally, we encourage feedback through surveys and suggestion boxes to make informed decisions and improve the work environment.

To foster teamwork, strengthen social and organizational commitment, and promote work-life harmony, we organize activities that appeal to our employees' interests while aligning with our core values. Every year, we organize team-building activities, company Christmas parties, and Valentine's Day celebrations with programs, games, and prizes. We also organize sports tournaments on basketball and volleyball for our employees, as well as hold special activities for Mother's Day and Father's Day, among others.

At the MAC Head Office, we celebrate "Linggo Ng Wika" by wearing Filipiniana clothes at work and invite employees' children and spouses for Trick or Treat every November. We also hold thanksgiving masses during special company occasions.

Our Food Group celebrates World Chef's Day every October in all its facilities and kitchens with programs and games for employees. Last October 2024, the Food Group held a cooking contest as the main activity.

EMPLOYEE INCENTIVES AND RECOGNITION

SDG 8

We provide various in-kind and cash incentives to motivate our employees. Rewards for perfect attendance, such as gift vouchers or cash prizes, encourage punctuality and consistent attendance.

We also reward excellent performance and loyalty with commendations, including certificates of achievement, public recognition during company meetings, and thank-you notes from management.

At MASCORP, we recognize ground handling teams with no recorded accidents or errors over a period with cash incentives. This initiative has reduced ground handling accidents and errors while promoting teamwork and excellent performance.

We also provide cash bonuses and merit increases to employees who consistently exceed performance expectations. These financial rewards acknowledge their hard work and dedication, providing motivation for continued excellence. By aligning these rewards with our company's goals, we ensure our employees feel valued and appreciated, fostering a positive and productive work environment.

CUSTOMER MANAGEMENT

At MacroAsia, we are committed to building strong, lasting relationships with our customers by understanding their needs and meeting their expectations. Our customer management approach includes continuous engagement, personalized service, timely support, and cost-efficient problem-solving. By communicating transparently and fulfilling our commitments, we foster trust, retain loyalty, create value, and drive mutual success.

CUSTOMER SATISFACTION

GRI 2-25

We highly value our customers' opinions and feedback, as they are instrumental in shaping our business strategy and operations. To ensure we address all customer needs effectively, we provide multiple channels for communication, including the MAC official email address for formal inquiries and detailed requests, our subsidiaries' websites for specific information and feedback submission, customer care hotlines for immediate assistance and support, emails and messaging applications for convenient and direct communication, and social media platforms such as Facebook, where our business units actively engage with customers, respond to concerns in real time, and provide important advisories. By leveraging these diverse channels, we aim to create a seamless and responsive customer service experience. Our commitment to listening to our customers enables us to continuously improve and adapt our services to better meet their needs.

At MSIS and MACS, regular weekly client meetings are held to obtain direct feedback on our inflight catering performance and address any incident reports. They also receive results from passenger satisfaction surveys conducted by local and foreign airline clients, providing insights into passenger feedback on the food served during flights. Common issues include the taste of the food and the presence of small foreign objects.

MSFI acknowledges all customer feedback and complaints within 24 hours. They conduct an initial investigation to validate the complaint and gather necessary information. For foreign matter complaints, they assess the specimen to determine if it is traceable to the facility. A Corrective and Preventive Actions (CAPA) report is submitted to the client within three days of the complaint notification. Additionally, a yearly Customer Satisfaction Survey is conducted to monitor the effectiveness of after-sales service and product quality.

MASCORP holds monthly Client Performance Evaluations to get direct feedback on their performance. Common complaints include poor customer service from some Passenger Service Agents (PSA), flight delays or cancellations, manpower shortages, and equipment serviceability.

Our water business units, such as ARDI, BTSI, NWSC, and SNVRDC, gather feedback through printed survey forms distributed by the billing departments. After-sales and ocular visits by our field technicians, as well as customer visits to our offices, also help us gather feedback on our services. Common concerns include water quality (e.g., taste, smell, and discoloration), supply reliability due to leaks and maintenance activities, delayed or inaccurate water billing, availability of other payment options (e.g., GCash or bank transfers), reconnections and temporary disconnections, meter relocations, pullouts, and cleaning, and poor customer service.

CUSTOMER HEALTH AND SAFETY

GRI 3-3, 416-1, 416-2
IF-WU-250a.2

Ensuring the health and safety of our customers is a paramount priority. By adhering to industry standards and implementing best practices, we strive to create a secure and trustworthy environment for all our customers. Our commitment to health and safety not only protects our customers but also reinforces their confidence in our services, fostering long-term loyalty and satisfaction.

In 2024, MSFI received its Food Safety System Certification (FSSC). This internationally recognized certification scheme for food safety management systems, based on ISO 22000

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and additional requirements, ensures that food safety practices are effectively implemented and maintained throughout our food supply chain. FSSC 22000 helps organizations meet customer demands for safe food products, comply with regulatory requirements, and enhance their reputation as reliable suppliers. With this certification, MSFI is now well-positioned to attract more commercial clients for its commissary operations, thereby increasing revenue and expanding market reach. This achievement underscores our unwavering dedication to excellence in food safety and our commitment to delivering the highest quality products and services to our customer.

Moreover, the Food Group is preparing for the renewal of their HALAL certification early next year, to be conducted by Malaysia Halal Certification and Training (MHCT). This certification renewal ensures that our products and services continue to comply with Islamic dietary laws, demonstrating our commitment to inclusivity among our customers.

Our Water Group, on the other hand, ensures that the water we distribute to our residential and commercial customers is treated to be potable and safe. Potable water must comply with several regulations to ensure it is free from harmful contaminants. The primary regulation is the Philippine National Standards for Drinking Water (PNSDW), enforced by the Department of Health (DOH). The PNSDW sets acceptable values for various parameters, including microbiological, physical, chemical, and radiological compositions of the water.

In addition, the Code on Sanitation of the Philippines (Presidential Decree 856) outlines the prescribed standards and procedures for drinking water quality, ensuring that water supply systems meet the necessary health and safety requirements. The Department of Environment and Natural Resources (DENR) also plays a role in regulating water quality through various administrative orders and guidelines. Meanwhile, the National Water Resources Board (NWRB) oversees all water resources management and development activities, including policies on water utilization and appropriation, control and supervision of water utilities and franchises, and the regulation and rationalization of water rates.

Customer health and safety-related complaints received by the Food Group for the reporting period includes presence of foreign matter on the food and alleged food poisoning cases. Water quality and turbidity, on the other hand, are the health and safety-related complaints received by the Water Group.

To mitigate risks and enhance safety for our Food and Water Groups, we conduct regular safety audits, employee training programs, and implement business contingency and emergency response plans in our operations.

Our Food Group implements Hazard Analysis Critical Control Points (HACCP) and good hygiene practices. We conduct facility inspections and audits, provide employee training and coaching, inspect vendor/supplier facilities, and perform environmental monitoring through microbiological testing to mitigate or prevent food health and safety-related risks to customers. Additionally, food

2024 CUSTOMER HEALTH AND SAFETY INCIDENTS	AVIATION GROUP	FOOD GROUP	WATER GROUP	*OTHERS
Total no. of incidents of non-compliance with regulations resulting in a fine or penalty	-	15	1	-
Total no. of incidents of non-compliance with regulations resulting in a warning	-	343	2	-
Total no. of incidents of non-compliance with voluntary codes	-	-	-	-
Total no. of substantiated complaints	-	343	10,871	-
Total no. of complaints addressed	-	343	10,855[8]	-

Includes MAC HO, TERA, MAPDC and MMC.

safety audits are performed annually by our commercial clients and quarterly by regulatory agencies such as the Bureau of Quarantine (BOQ). The National Meat Inspection Service (NMIS) and the Philippine Food and Drug Administration (PH FDA) also conduct audits every two years. Lastly, the FSSC audit is carried out annually by SGS Philippines, with certification valid for three years.

Water audits, on the other hand, are regularly conducted by the National Water Resource Board (NWRB) from source development to water distribution, as well as by the Department of Health (DOH) and the Department of Public Works and Highways (DPWH). The treatment of wastewater is also audited regularly by the DENR to ensure that it is within the effluent standards under DAO 2016-08 Water Quality Guidelines and General Effluent Standards of 2016.

We continue to monitor and evaluate our practices to ensure that we remain responsive to the evolving needs of our customers and the dynamic landscape of health and safety standards.

MARKETING AND LABELLING

GRI 3-3, 417-1, 417-2, 417-3
FB-FR-260a.2, FB-FR-270a.1, FB-FR-270a.2
SDG 12

We ensure our product labels and service descriptions are clear, accurate, and tailored to our target customer segments.

Production and best-before dates are prominently displayed on our food packaging, along with instructions for immediate consumption or reheating, if needed. Our food product information and labeling also include main ingredients, allergen declarations, net weight, and calorie count. Meanwhile, our water business units distribute flyers, make radio announcements, and conduct face-to-face meetings with clients to build trust and familiarity within the community.

CAKSC enhances its credibility by posting its Environmental Compliance Certificate (ECC) and Department of Environment and Natural Resources (DENR) certifications on all water desludging tanks. SWRI increases awareness of our mission, services, and environmental commitments by producing brochures for potential clients and distributing them at events.

FAA uses social media platforms like Facebook, TikTok, LinkedIn, and YouTube to market our pilot training programs, showcase graduate success stories, and provide insights into our training process and safety standards.

In late 2024, we developed the MAC Responsible Branding Guidelines to ensure all marketing and communication efforts are clear, truthful, accurate, accessible, and aligned with our parent company's vision, mission, and strategy. These guidelines also reflect our commitment to using eco-friendly materials and sustainable practices to minimize waste. We aim to implement and align our subsidiaries with these guidelines in 2025.

For the reporting period, there were no reported incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling. There were also no reported incidents of non-

[8] *As of December 31, 2024, sixteen (16) substantiated complaints from NWSC retail customers are still pending resolution.*

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compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.

CORPORATE SOCIAL RESPONSIBILITY AND COMMUNITY ENGAGEMENT

GRI 3-3, 413-1
SDG 2, 4, 6, 15, 17

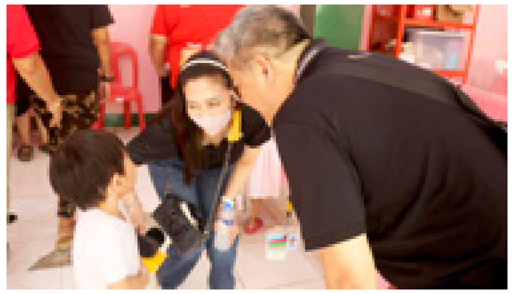
As a responsible corporate citizen, we recognize our duty to support the communities where we operate. However, from 2019 to 2023, the severe impact of the COVID-19 pandemic, particularly on our aviation and inflight catering businesses, forced us to reduce operations and manpower. This hindered our ability to conduct significant CSR or employee volunteerism activities.

MacroAsia is gradually recovering from the pandemic's effects, with both global and local aviation slowly returning to normal. As we experience steady recovery and growth, we have resumed our Corporate Social Responsibility (CSR) and employee volunteerism activities through our business units. These initiatives not only benefit the communities in which we operate but also foster a sense of community and responsibility among our employees.

Every weekend, our dedicated MSFI employees participate in clean-up activities around our commissary. This initiative, a cornerstone of MSFI's Health and Safety program, keeps our commissary's surroundings clean and safe, and promotes a healthier environment.

Our Food Group also partnered with Fresno Farm in Tanay, Rizal, and Ascano Farm in San Ildefonso, Bulacan, to source high-quality lettuce for all three of our kitchens. These collaborations ensure a steady supply of fresh produce, essential for maintaining the quality of our food offerings. Additionally, these partnerships support the local agricultural community, particularly by sustaining the livelihoods of their deaf-mute farmers and workers.

In December 2024, the Office of the General Manager and Human Resource of MASCORP organized a Christmas Party and Gift-Giving Activity for 300 children from three barangays surrounding the Ninoy Aquino International Airport (NAIA) in Pasay City. Employees distributed toys, school and art supplies, played games with the children, provided food, and invited a local magician to bring joy to the event.



Our MASCORP Human Resource and Administration personnel also celebrated DOLE's 91st Anniversary by participating in a tree-planting activity at the Abacan Watershed in Sitio Target, Sapang Bato, Angeles Pampanga. Our employees planted 30 seedlings of Narra, Molave, Appitong, Guyabano, and Atis.

As part of SNVRDC's annual thanksgiving in December, they distributed food and gifts to approximately 55 preschool children in Barangay Concepcion, Solano, Nueva Vizcaya, a small community with limited access to clean water. They also provided 1,000 liters of potable drinking water for 2,000 individuals for two days during Holy Week as part of their CSR activity and marketing strategy.

Additionally, in July 2024, they planted 200 saplings of Calumpit and Bamboo, as well as 30 saplings of fruit-bearing trees such as Rambutan, Durian, Calamansi, and Marang in Brgy. Bagahabag, Solano, Nueva Vizcaya.

Meanwhile, the mobile water treatment plant provided by SWRI to DOST, with a capacity of 500 liters per hour, was used to distribute free potable water to residents of Aurora province affected by Super Typhoon Man-yi (Pepito) on November 26, 2024.

On its anniversary, in partnership with the local DENR in Boracay, Aklan, BTSI planted 300 mangrove saplings in the wetlands and 300 bamboo saplings in Brgy. Napaan, Malay, Aklan. They also conducted coastal and wetland clean-ups and supported local barangay fiesta activities with token donations during the reporting period.

ARDI, BTSI, NWSC, and SNVRDC, on the other hand, conducted orientation sessions and distributed IEC materials through various channels to educate their customers and communities on the health benefits of clean drinking water and the importance of water conservation.

Although still in the exploration phase and prior to commercial mining operations, our mining business unit, MMC, through its operator Calmia Nickel, Inc., implemented numerous programs as part of our Community Development Program (CDP) and CSR initiatives. These activities included donating alcohol and facemasks, improving daycare centers/classrooms, distributing school supplies, and donating books. We renovated a Barangay Hall, provided a CCTV, printer, and photocopier machine, and supported local fiestas and the Indigenous People (IP) Month Celebration. We also distributed IEC materials on our activities to various communities.

In summary, one hundred thirty (130) employees rendered one thousand three hundred eighty-four (1,384) volunteer hours of outreach and community work in ten (10) cities and municipalities where we have operations.

BREAKDOWN	NO.
Total number of operations* with implemented local community engagement, impacts assessment and/or development programs (IEC campaigns in communities, tree-planting, coastal clean-ups, etc.)	10
Total number of operations*	35
Percentage of operations* with implemented local community engagement, impact assessments and/or development programs	29%

Operations in this context refers to the cities and municipalities where MAC and its subsidiaries have presence.

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GOVERNANCE EXCELLENCE

We adhere to the highest level of sound corporate governance as a demonstration of our commitment to serving and protecting the interests of our internal and external stakeholders. We are committed to conducting our business lawfully and ethically by adopting the principles of integrity, objectivity, accountability, and transparency.

BOARD AND LEADERSHIP PRACTICES

GRI 2-12, 2-16
SDG 16

Our Board of Directors is dedicated to fostering the long-term success of the company, ensuring its competitiveness and profitability in alignment with corporate objectives and the best interests of stockholders and other stakeholders.

The Board plays a vital role in overseeing management, ensuring adherence to strategic goals, and maintaining accountability to shareholders. It regularly reviews the company's mission, vision, and business objectives as part of its business planning and annual reporting to stakeholders, ensuring they remain relevant to current challenges and the environment. Management ensures that the organization operates consistently with its vision, mission, and core values. Any potential improvements or deviations are discussed by the Board during regular meetings.

BOARD COMPOSITION AND DIVERSITY

GRI 2-9, 2-11, 405-1

We observe diversity among the members of our Board to promote open and fruitful discussions, ensure optimal decision-making, and substantiate proper checks and balances. The current make–up of the Board reflects diversity in gender, age, knowledge, and skills.

The Chairman of the Board is responsible for providing leadership, ensuring effective governance, and guiding the company's strategic direction. Non-Executive and Independent Directors, on the other hand, have the duty to exercise leadership, prudence, and integrity in helping direct the company towards sustained progress while offering objective, independent judgment on corporate affairs and ensuring proper checks and balances.

In addition to the Chairman, the MAC Board of Directors includes several other key officers, each with specific roles and responsibilities:

- **President and Chief Operating Officer (COO)**: Manages the day-to-day operations of the company, ensuring that operational processes are efficient and effective.
- **Lead Independent Director**: Acts as an intermediary between the Chairman and other directors, when necessary, convenes and chairs meetings of the non-executive directors, and contributes to the performance evaluation of the Chairman, as required.
- **Treasurer**: Shall be the financial officer of the Corporation. He shall have the charge and custody of and be responsible for all moneys, securities and values of the Corporation which come into his possession, and shall keep regular books of accounts.
- **Corporate Secretary**: Assists the Board and its committees in conducting their meetings, including preparing an annual schedule of Board and committee meetings and the annual board calendar. Helps the chairpersons of the Board and its committees in setting agendas for said meetings. Responsible for the safekeeping and preservation of the minutes of the meetings of the Board and its committees, as well as other official records of the company. Keeps abreast of relevant laws, regulations, governance issuances, industry developments, and operations of the company, and advises the Board and the Chairman on relevant issues as they arise.
- **Chief Risk Officer**: Oversees the entire Enterprise Risk Management (ERM) process and leads the development, implementation, maintenance, and continuous improvement of ERM processes and documentation. Communicates top risks and the status of risk management strategies and action plans to the Risk Management Committee. Collaborates with the President and COO in updating and making recommendations to the Risk Management Committee and suggests ERM policies and related guidance as needed.
- **Chief Compliance Officer**: Monitors, reviews, evaluates, and ensures compliance of the company, its directors, and officers with relevant laws, rules, and regulations, and all governance issuances of the concerned regulatory agencies. Ensures the integrity and accuracy of all documentary submissions to regulators.
- **Investor Relations Officer**: Receives feedback, complaints, and queries from stockholders regarding the activities and policies of the company. Attends every Stockholders' Meeting to assist stockholders with their needs.

Currently, the MAC Board of Directors consists of eleven (11) members: composed of five (5) non-executive, three (3) independent, and three (3) executive directors. Of these, only two (2) or 18% are women. The directors' ages also range from 27 to 89 years old.

AGE RANGE	NO. OF MALE	%	NO. OF FEMALE	%
< 30 Years Old	1	9%	0	0
30-50 Years Old	2	18%	0	0
> 50 Years Old	6	55%	2	18%
Total	**9**	**82%**	**2**	**18%**

The roles of Chairman of the Board and President and COO are held by separate individuals to ensure a balance of power and effective leadership. This separation promotes increased transparency, accountability, and enhances the Board's capacity for independent decision-making. Dr. Lucio C. Tan continues to serve as the Chairman of the Board since 2015, while Mr. Eduardo Luis T. Luy remains as the President and Chief Operating Officer (COO) for the last three (3) years.

In 2024, two (2) new directors joined the Board: Mr. Ramon P. D. Dizon and Mr. Diwa C. Guinigundo. They replaced the outgoing directors, Ms. Marixi R. Prieto and Mr. Ben C. Tiu. Additionally, Mr. Dizon was appointed as the new Lead Independent Director.

As of December 2024, the following are the Members and Officers of the MacroAsia Corporation Board of Directors:

MAC BOARD OF DIRECTORS	POSITION
Dr. Lucio C. Tan	Chairman of the Board and Chief Executive Officer
Carmen K. Tan	Director
Lucio C. Tan III	Director
Eduardo Luis T. Luy	President and Chief Operating Officer
Vivienne K. Tan	Director
Michael G. Tan	Director
Johnip G. Cua	Director
Kyle Ellis C. Tan	Treasurer
Ramon P. D. Dizon	Lead Independent Director
Diwa C. Guinigundo	Independent Director
Samuel C. Uy	Independent Director

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MAC EXECUTIVE OFFICERS	POSITION
Atty. Marivic T. Moya	Senior Vice President for Human Resources, Legal and External Relations/Chief Compliance Officer/Corporate Information Officer
Amador T. Sendin	Chief Financial Officer/ Chief Risk Officer/Senior Vice President for Administration
Belgium S. Tandoc	Vice President for Business Development/ Data Protection Officer
Rhodel C. Esteban	Vice President for Commercial/Chief Sustainability Officer
Atty. Florentino M. Herrera III	Corporate Secretary
Rubi Ann C. Pioquinto	Chief Audit Executive

BOARD COMMITTEES

GRI 2-9

To ensure a more focused approach to the company's specific concerns, the Board established eight Board Committees. Each committee has its own charter, which clearly outlines its purpose, membership, structure, operations, rules of conduct, reporting processes, resources, and other relevant information.

Audit Committee

The Audit Committee is composed of five (5) members of the Board, three of whom are independent directors. The Committee reviews all financial reports in compliance with both the internal and regulatory requirements as it performs an oversight role on financial management functions. This Committee meets at least five times during the year.

Compensation Committee

GRI 2-20

The Compensation Committee is comprised of four (4) members of the Board and a non-voting member. To maintain qualified directors and officers to lead the Company in attaining its goals, the Committee has established a formal and transparent procedure to develop a sufficient executive remuneration. The Committee meets at least once a year.

Retirement Plan Committee

The Retirement Plan Committee is composed of four (4) members, two of whom are members of the Board, the Chief Financial Officer and the Senior Vice President for Human Resources, Legal and External Relations who is a Non-Voting Member. The Committee is tasked with the oversight of responsibilities related to funding, investment management, performance of the Retirement Plan of the Corporation, and ensuring its prudent operation and administration.

Investment Committee

The Investment Committee is composed of seven (7) members of the Board, including one Independent Director. The Committee meets as necessary and is tasked to assist the Board to perform its oversight responsibility for the investment assets of the Corporation and helps craft the investment policies.

Related Party Transactions Committee

GRI 2-15

The Related Party Transactions Committee is composed of five (5) members of the Board, three (3) of whom are independent directors. The Committee shall have the overall responsibility in ensuring the transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations to protect the interest of the Corporation's shareholders and stakeholders. The Committee meets as necessary and its work is closely linked to that of the Audit Committee.

Corporate Governance Committee

The Corporate Governance Committee is composed of six (6) members, three (3) independent directors, two (2) non-executive directors and a non-voting member. The Committee is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. The Committee meets as necessary and is authorized by the Board to help process nominations and appointments of new directors.

Risk Management Committee

The Risk Management Committee is composed of five (5) members of the Board, three (3) of which are independent directors. The Risk Management Committee helps the Board understand the risks that the Group is exposed to: market, credit, liquidity, foreign exchange, equity and structural risks, interest-rate risk, insurance, operational, regulatory, compliance and reputation risks. The Committee meets as necessary and its work is closely linked to that of the Audit Committee.

Mining Committee

The Mining Committee is a special committee, consisting of five (5) members of the Board, including one (1) independent director, that was organized by the Board to assist Management in the pursuit of the mining projects that require top level monitoring and guidance.

Retirement Plan Committee

The Retirement Plan Committee is composed of four (4) members, two of whom are members of the Board, the Chief Financial Officer and the Senior Vice President for Human Resources, Legal and External Relations who is a Non-Voting Member. The Committee is tasked with the oversight of responsibilities related to funding, investment management, performance of the Retirement Plan of the Corporation, and ensuring its prudent operation and administration.

The table below shows the memberships in each of the different Board Committees:

BOARD OF DIRECTORS AND OFFICERS	CORPORATE GOVERNANCE COMMITTEE	COMPENSATION COMMITTEE	AUDIT COMMITTEE	RELATED PARTY TRANSACTIONS COMMITTEE	RETIREMENT PLAN COMMITTEE	RISK MANAGEMENT COMMITTEE	INVESTMENT COMMITTEE	MINING COMMITTEE
Dr. Lucio C. Tan							Chairman	
Carmen K. Tan							Member	
Lucio C. Tan III	Member	Member		Member			Member	
Eduardo Luis T. Luy						Member	Member	Member
Vivienne K. Tan			Member				Member	
Michael G. Tan		Member						Member
Johnip G. Cua	Member	Chairman	Member	Member	Chairman	Member	Member	Chairman
Kyle Ellis C. Tan								Member
Ramon P. D. Dizon	Member		Chairman	Member		Member		
Diwa C. Guinigundo	Chairman		Member	Chairman	Member	Member	Member	
Samuel C. Uy	Member	Member	Member	Member		Chairman		Member
Atty. Marivic T. Moya	Non-Voting Member	Non-Voting Member			Non-Voting Member			
Amador T. Sendin					Member			
Belgium S. Tandoc								
Rhodel C. Esteban								
Atty. Florentino M. Herrera III								
Rubi Ann C. Pioquinto								

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BOARD MEETINGS AND ATTENDANCE

GRI 2-16

Critical concerns and matters relevant to the Parent Company and its subsidiaries are reported by the MAC Management Team to the Board of Directors during regular and special meetings. Topics discussed at the Board level include financial and operational performance, business strategy, legal and regulatory compliance, potential risks, updates on key projects and activities, board committee reports, and approvals of important plans and policies.

Director attendance at Board and Committee Meetings is monitored to ensure quorum and provide adequate, fair, and balanced representation. In 2024, the Board of Directors of MacroAsia Corporation convened seven times. The table below shows the attendance of the Directors at Board and Committee Meetings for 2024.

BOARD OF DIRECTORS	MEETINGS ATTENDED	%
Chairman		
Dr. Lucio C. Tan	7/7	100%
Directors		
Carmen K. Tan	7/7	100%
Lucio C. Tan III	7/7	100%
Eduardo Luis T. Luy	7/7	100%
Vivienne K. Tan	7/7	100%
Michael G. Tan	7/7	100%
Johnip G. Cua	7/7	100%
Kyle Ellis C. Tan	7/7	100%
Independent Directors		
Ramon P. D. Dizon*	5/5	100%
Diwa C. Guinigundo*	5/5	100%
Samuel C. Uy	7/7	100%
Ben C. Tiu**	0/1	0%

CORPORATE GOVERNANCE COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Diwa C. Guinigundo*	2/2	100%
Members		
Lucio C. Tan III	1/3	33%
Johnip G. Cua	3/3	100%
Ramon P. D. Dizon*	2/2	100%
Samuel C. Uy	3/3	100%
Atty. Marivic T. Moya (Non-Voting)	2/3	66%
Marixi R. Prieto**	1/1	100%

COMPENSATION COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Johnip G. Cua	1/1	100%
Members		
Lucio C. Tan III	1/1	100%
Michael G. Tan	1/1	100%
Samuel C. Uy	1/1	100%
Atty. Marivic T. Moya (Non-Voting)	1/1	100%

AUDIT COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Ramon P. D. Dizon*	4/4	100%
Members		
Vivienne K. Tan	4/5	80%
Johnip G. Cua	5/5	100%
Diwa C. Guinigundo*	4/4	100%
Samuel C. Uy	5/5	100%
Marixi R. Prieto**	1/1	100%

* Elected during the Annual Stockholders' Meeting held on 9 May 2024
** Served as Director until 28 February 2024

RISK MANAGEMENT COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Samuel C. Uy	2/2	100%
Members		
Eduardo Luis T. Luy	2/2	100%
Johnip G. Cua	2/2	100%
Diwa C. Guinigundo*	2/2	100%
Ramon P. D. Dizon*	2/2	100%

RELATED PARTY TRANSACTIONS COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Diwa C. Guinigundo*	1/1	100%
Members		
Lucio C. Tan III	0/1	0%
Johnip G. Cua	1/1	100%
Ramon P. D. Dizon*	1/1	100%
Samuel C. Uy	0/1	0%

INVESTMENT COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Dr. Lucio C. Tan	2/2	100%
Members		
Carmen K. Tan	2/2	100%
Eduardo Luis T. Luy	2/2	100%
Lucio C. Tan III	1/2	50%
Vivienne K. Tan	2/2	100%
Johnip G. Cua	2/2	100%
Diwa C. Guinigundo*	2/2	100%

MINING COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Johnip G. Cua	1/1	100%
Members		
Eduardo Luis T. Luy	1/1	100%
Michael G. Tan	1/1	100%
Kyle Ellis C. Tan	1/1	100%
Samuel C. Uy	1/1	100%

RETIREMENT PLAN COMMITTEE	MEETINGS ATTENDED	%
Chairman		
Johnip G. Cua	1/1	100%
Members		
Diwa C. Guinigundo*	1/1	100%
Amador T. Sendin	1/1	100%
Atty. Marivic T. Moya (Non-Voting)	1/1	100%

QUALIFICATIONS, NOMINATION, AND ELECTION

GRI 2-10

Any stockholder with at least 1,000 shares in the company can be nominated and elected as a director. However, no one can be nominated or elected as a director if they are involved in any business or activity, or hold positions or interests, that conflict with the company's interests.

Additionally, the nomination and election of a director are based on their knowledge, skills, experience, and, for non-executive directors, independence of mind. Other criteria include a record of integrity and good reputation, the ability to foster smooth interaction among board members, diligence, and sufficient time to fulfill their responsibilities.

The Corporate Governance Committee pre-screens and shortlists all candidates nominated in accordance with the qualifications and disqualifications set forth in the company's Amended By-laws and the Manual on Corporate

* Elected during the Annual Stockholders' Meeting held on 9 May 2024

SUSTAINABILITY AND ESG PERFORMANCE

Governance. Qualified nominees who pass the Board's selection process are formally elected and appointed as directors during MacroAsia Corporation's Annual Stockholders' Meeting.

Independent Directors, however, are allowed to serve for a maximum cumulative term of nine (9) years. After this period, they are permanently barred from re-election as an independent director but may still be nominated and elected as a non-independent director. If the company wishes to retain an independent director after they have served nine years, the Board must provide meritorious justification and seek the approval of the stockholders at the Annual Stockholders' Meeting.

In the event of a vacancy in the Board of Directors or any officer's position due to death, resignation, disqualification, or any other cause, the Board of Directors may, by majority vote, elect a successor to hold office for the unexpired term, subject to any shareholder's right to nominate candidates for the vacant position.

CONTINUING LEARNING AND EDUCATION

GRI 2-17

The company allocates funds for the relevant orientation, training, and workshops of the directors to help them perform their roles and responsibilities. In addition, the Board ensures that proper orientation for first-time directors of the company is conducted, and training opportunities for all directors are made available.

Annually, the directors are required to attend a four-hour continuing training program on corporate governance conducted by a recognized private or government institution. Last October 1, 2024, members of the MAC Board of Directors, along with key officers of the Parent Company and its subsidiaries, attended the online Annual Corporate Governance Seminar conducted by SGV & Co.

BOARD PERFORMANCE EVALUATION

GRI 2-18

The Board endeavors to continue assessing its performance, both as individual directors and as a collective body, identifying strengths and areas for improvement, and establishing mechanisms to address the results.

In December 2024, the Board of Directors conducted an annual self-assessment to evaluate their individual and collective performance. This exercise aimed to measure the company's adherence to corporate governance practices and provided a platform to discuss and address areas for improvement for both the Board and each director.

BOARD AND EXECUTIVE REMUNERATION

GRI 2-19, 2-20

The Compensation Committee reviews and recommends any changes to the compensation of the Board of Directors or executives of the Corporation. The recommendations of the Committee are evaluated and approved by the Board. The stipulations of the corporate by-laws regarding the compensation of Board Members and executive positions have been strictly followed, with no deviations ever noted or reported to the Compensation Committee or the Board.

Directors do not receive regular compensation from the Parent Company but are paid per diems for each regular or special meeting they attend, as determined by the Board. Any additional compensation follows a Board-approved plan within the limits set by the Corporation's by-laws. This performance-based variable pay plan, implemented in 2005, depends entirely on the company's financial results. Additionally, the members of the Board of Directors may receive up to 5% of the Corporation's net profit before income tax each year, to be divided in such manner and proportion as they deem fit and equitable.

The Executive Officers' compensation consists of a monthly negotiated salary, a fixed monthly allowance, and 13th month pay. A performance-based incentive plan has also been authorized for officers and staff, resulting in additional variable pay, which may or may not occur in a reporting year, depending on the company's audited results from its operations.

POLICY ON MULTIPLE BOARD SEATS

Board members can hold positions in other companies as long as they effectively perform their duties to MacroAsia Corporation. Executive Directors may also hold multiple directorships outside the company, provided these roles do not interfere with their responsibilities to the Corporation. Directors must inform the Board before accepting a directorship in another company.

When evaluating nominees for the Board, the Corporate Governance Committee considers factors such as the nature of other businesses, the nominee's age, the number of other positions held, and any potential conflicts of interest. Directors must inform the Board before accepting a directorship in another company.

SHAREHOLDINGS

We require our directors to advise the Corporate Secretary of their shareholdings in the company within three (3) business days after their appointment or any acquisition, disposal, or change in shareholdings. This is to allow the Corporation to make the necessary disclosures to the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC).

In addition, the directors, management, and employees are prohibited from selling or buying the Corporation's securities while in possession of material information about the issuer or the security that is not yet generally available to the public.

INSIDER TRADING

The Corporation complies with the Philippine Stock Exchange (PSE) "blackout rule," which prohibits directors or officers from dealing in the issuer's securities during the period when material non-public information is obtained and up to two (2) full trading days after the information is disclosed. Directors and officers are notified via email or SMS about impending disclosures, specifying the nature of the disclosure in detail.

RIGHTS OF INVESTORS / STOCKHOLDERS

Our stockholders/investors have several important rights that protect their interests and allow them to participate in the company's governance. They have the right to elect, remove, and replace directors and vote on certain corporate acts in accordance with the Corporation Code; receive dividends; inspect corporate records; and transfer ownership of their shares. They can also sue for wrongful acts and are entitled to timely and accurate information about the company's performance.

ANNUAL STOCKHOLDERS' MEETING

Our Annual Stockholders' Meeting is typically held in May. We distribute the information statement, proxy form, and management report to shareholders at least fifteen (15) business days before the meeting. Additionally, we send the notice of the meeting to shareholders at least twenty-one (21) calendar days prior and publish it in the business section of at least two (2) newspapers of general circulation, both in print and online, for two (2) consecutive days.

DISCLOSURE AND TRANSPARENCY

All essential information about the Corporation that could affect its stability or the interests of its stockholders and stakeholders must be publicly and promptly disclosed. This includes earnings results, asset transactions, off-balance-sheet transactions, related party transactions, and compensation of Board and Management members.

The Board must ensure full, fair, accurate, and timely disclosure of all significant facts or events, especially regarding major asset transactions. All directors and officers must report any dealings in the Corporation's shares within 3 business days. The Corporation will file all required information through the appropriate Exchange mechanisms for listed companies and submit to the Securities and Exchange Commission (SEC) for the benefit of its stockholders and stakeholders.

SUSTAINABILITY AND ESG PERFORMANCE

MAC MANAGEMENT COMMITTEE

GRI 2-9, 2-13

The MAC Management Committee plays a significant role in executing the Board's directives and driving the Corporation's business performance. It comprises the President and COO, along with other senior executives of the Parent Company, including the heads of various business segments or subsidiaries. This Committee holds weekly and monthly online and/or face-to-face meetings to discuss important matters and concerns relevant to the Parent Company and its subsidiaries.

MAC senior executives who are part of the Management Committee communicate updates or critical concerns regarding the Parent Company and subsidiaries to the Board and relevant Board Committees. If needed, other members of the Management Committee or business unit/segment heads are invited to relevant Board committee meetings to present updates and seek approvals.

MAC OPERATING MANAGEMENT

Our General Managers or Business Unit Heads play a crucial role in overseeing the day-to-day operations and ensuring the overall success of each subsidiary. They report significant issues or concerns to the Parent Company, providing regular updates on their respective business units. Subsidiaries within the same industry or sector are grouped into segments, each headed by a Business Segment/Group Head.

LAWFUL AND ETHICAL BUSINESS PRACTICES

SDG 16

We aim to build trust and strong relationships with our stakeholders by conducting our businesses responsibly. This will be achieved through structures, policies, and practices that ensure ethical management of the Corporation.

At the Parent Company level, we develop ethical and responsible work policies and cascade them to our subsidiaries for adoption or alignment. Depending on their size and complexity, some business units develop their own policies with guidance from the Parent Company.

All employees, especially new hires, are oriented on these policies and provided with an Employee Handbook. Selected policies are available on the Corporation's official website and reiterated via email through memoranda. Employees who violate these policies are sanctioned according to the Corporation's Code of Conduct.

SOURCING AND PROCUREMENT PRACTICES

GRI 2-6, 3-3
FB-PF-440a.2
SDG 12

We operate across diverse industries, and the procurement of materials and services, along with effective supply chain management, is important for the continuity of our business operations.

Our procurement initiatives focus on cost-effective sourcing, operational efficiency, customer satisfaction, strong supplier relationships, and sustainability. We follow a straightforward procurement process: (1) preparing purchase requests, (2) requesting quotations from suppliers, (3) reviewing quotations and recommending a supplier or vendor for approval, (4) preparing purchase orders, (5) inspecting and acknowledging delivered goods or completed services, and (6) making payments for procured goods or services.

As a rule, we adhere to a three-supplier/vendor policy, requiring quotations from at least three (3) vendors, suppliers or service providers for each required material or service. As part of our screening and selection process, we conduct due diligence to our suppliers or vendors to ensure they have the necessary permits, clearances, and relevant certifications to operate their business. We also subject them to regular Supplier Quality Assurance Assessments, particularly for high-risk raw materials and services.

To ensure a fair, transparent, and efficient procurement process within the MacroAsia Group, especially for capital expenditures, we established the Bidding and Awards Committee (BAC). This committee is composed of selected MAC senior executives, the General Manager, and the Purchasing/Requisition Department Head or Representative of the requesting or purchasing business unit. The BAC is responsible for authorizing and approving the procurement of goods and services, determining the eligibility of prospective suppliers or vendors, conducting bidding, evaluating bid proposals, and awarding contracts.

Before awarding a contract, the winning vendor or supplier must sign an Oath of Integrity to prevent any corruption or bribery-related actions. Vendors or suppliers are also encouraged to report any solicitation from MAC employees or collusion between their employees and MAC representatives to the Parent Company.

In addition to the Oath of Integrity, our Food Group requires vendors or suppliers to sign a Supplier Guaranty Agreement. This agreement ensures that the products they manufacture, supply, and sell comply with agreed specifications, are not adulterated or misbranded according to Philippine FDA regulations, and meet the quality and food safety regulations of any other governmental authority.

Furthermore, vendors or suppliers must sign the Suppliers Social Responsibility and Sustainability Commitment Policy. This policy requires them to disclose and vouch that they do not employ minors or involuntary/forced laborers, treat their employees fairly and pay government-standard wages, ensure reasonable working hours and provide at least accident insurance, protect workers from severe health or safety hazards, are not involved in any illegal activities, and commit to reducing their environmental footprint and adopting ethical sourcing practices.

To support the local economy and enhance cost-efficiency, we prioritize sourcing materials and services from local suppliers, vendors, and third-party providers. However, we also source from overseas, when necessary, especially if local options are unavailable or to meet specific client requirements and regulatory standards.

Moreover, we ensure that we have contingency plans, conduct regular risk assessments, and establish protocols for rapid response to supply chain disruptions caused by extreme weather events, changes in regulations, economic fluctuations, geopolitical events, supplier reliability, and quality control challenges, among others. We also implement bulk purchasing and seek alternative materials and sources for cost-efficiency without sacrificing product and service quality and standards.

SUSTAINABILITY AND ESG PERFORMANCE

In 2024, we engaged a total of 1,036 suppliers, vendors, and third-party service providers.

BUSINESS SEGMENT	NO. OF ENGAGED SUPPLIERS/ VENDORS/ SERVICE PROVIDERS
AVIATION GROUP	125
FOOD GROUP	734
WATER GROUP	143
OTHERS*	34
TOTAL	**1,036**

As part of our clients' supply chain, we welcome their supplier quality assessments. Our Food Group, for instance, undergoes their clients' supplier quality audits and ensures they secure the necessary permits and certifications to meet and maintain the required standards and quality of service.

CODE OF CONDUCT AND DISCIPLINE

GRI 2-25

Our Code of Conduct outlines how employees should behave at work, ensuring they understand the company's values and expectations. It promotes ethical behavior and supports a positive work environment. The Code guides employees to act responsibly and professionally towards their colleagues, external stakeholders, and company property and resources, regardless of their rank or position.

In case of a code violation, we conduct swift investigations without strict adherence to judicial procedures to ensure fair play and speedy resolution. The MAC Human Resource Department evaluates reported cases, determines if further investigation is necessary, and renders the final decision. If needed, an Administrative Committee, composed of MAC Management Committee members, assists in the investigation and resolution.

Decisions are based on relevant evidence that a reasonable person would consider adequate. Disciplinary actions or penalties, if warranted, are imposed promptly. Anyone charged with an offense is given ample opportunity to be heard but cannot unduly delay the proceedings and final resolution.

ANTI-BRIBERY AND ANTI-CORRUPTION

GRI 205-1, 205-2, 205-3

The presence of corruption poses significant risks to the Group's primary business operations, potentially impacting the Corporation's financial performance. If not addressed, corruption can lead to lower revenue, higher costs, loss of assets, and negative publicity for the Corporation. Sourcing and procurement of materials and services, billing and collection, requesting and handling cash advances, and engagement with external stakeholders are just some of the areas of our business operations that are highly exposed to bribery and corruption.

To protect and preserve the company's good name and reputation, we exercise zero tolerance towards offenses related to bribery, corruption, and other unethical behavior by implementing a strict policy. We request our employees to conduct their official business in a straightforward manner. We also prohibit our directors, officers, and employees from engaging in unauthorized solicitation or accepting, directly or indirectly, money or anything of value from suppliers, creditors, or other parties doing business with the Corporation in exchange for a favor, decision, or service that may or may not be detrimental to the Corporation. Moreover, we encourage our partners, vendors, and clients to report any corrupt practices to the General Manager/ Business Unit Head and/or any member of the MAC Management Committee.

Suppliers for our significant purchases, expenses, and projects who pass the BAC evaluation must sign an Oath of Integrity before the engagement contracts are awarded. This oath includes provisions against bribery and corruption. Any violation will result in the revocation, cancellation, or termination of the engagement contract. The supplier will also be permanently barred from doing business with the Corporation and its subsidiaries.

We orient new hires on our Anti-Bribery and Anti-Corruption Policy and make available the policy to all employees and the subsidiaries by including it in the Employee Handbook. We also make it available to the public by putting it on the Corporation's official website. In 2024, we communicated our Anti-Bribery and Anti-Corruption Policy to the following:

DISCLOSURE		2024	
		NUMBER	PERCENTAGE
Employees to whom the organization's anti-corruption policies and procedures have been communicated to	Officers	100	100%
	Managers	115	100%
	Supervisors	212	100%
	Rank and File	5,578	100%
Employees that have received anti-corruption training	Officers	-	-
	Managers	-	-
	Supervisors	-	-
	Rank and File	-	-
Business partners to whom the organization's anti-corruption policies and procedures have been communicated to		7	100%
Governance body that has received anti-corruption training		-	-
Governance body to whom the organization's anti-corruption policies and procedures have been communicated to		11	100%

During the reporting period, there were no confirmed cases of bribery or corruption within the MacroAsia Group.

WHISTLEBLOWING

GRI 2-26

We have an "open door policy" where Department Heads and senior officers welcome positive suggestions, particularly those aimed at improving work quality, increasing productivity, or enhancing employment conditions. Employees who feel hesitant to present their suggestions or report behaviors that violate the Corporation's Code of Conduct to their officers may submit them directly to the Human Resource Department. Any report received is managed with the highest level of confidentiality, ensuring the reporting employee is protected from retaliation, reprisal, threats, bullying, or intimidation.

This "open door policy" is also extended to partners, suppliers, and other entities in the Corporation's supply chain and subsidiaries. They may report any unethical behaviors or transactions directly to the General Manager of the concerned subsidiary, any members of the MAC Management Committee, or the President and COO through face-to-face or online meetings, emails, or social media applications (e.g., Viber, Facebook Messenger).

CONFLICT OF INTEREST

GRI 2-15

Employees must declare any conflicts of interest with the company in writing. While having a conflict of interest is not punishable, failing to disclose it, whether intentionally or by neglect, is.

Once a conflict is declared, the company will assess the risk and take steps to mitigate any negative effects.

RELATED PARTY TRANSACTIONS

GRI 2-15

We adopted a policy on Related Party Transactions (RPTs) to ensure that transactions between the Corporation and related parties (e.g., subsidiaries or key personnel) are fair, transparent, and comply with regulations.

SUSTAINABILITY AND ESG PERFORMANCE

This policy also helps manage conflicts of interest, maintain integrity, and protect the Corporation's and stakeholders' interests.

All related party concerns and transactions of the Corporation are communicated with and discussed at the Related Party Transaction (RPT) Committee meetings.

DATA PRIVACY

GRI 3-3, 418-1
SDG 9, 16

Our Data Privacy Policy explains how we collect, store, and use information about visitors to our website. We use personal data to provide services, answer questions, or communicate for other clear reasons stated when we collect the data. We do not share personal data with third parties, but we may share it with our subsidiaries and affiliates who follow our Data Privacy Policy.

We protect personal data with secure networks, firewalls, and password protection to prevent loss, misuse, unauthorized access, disclosure, alteration, or destruction. Employees in customer-facing roles who handle personal data sign Non-Disclosure Agreements (NDAs) and Privacy Notices and are trained on data privacy and security.

We are currently working on our MacroAsia Group Data Privacy and Information Security Policy to further enhance our data privacy and information security policies and processes, protecting the information assets of the company and its stakeholders, including employees, shareholders, clients, and suppliers.

For 2024, there were no complaints or incidents of data breaches, leaks, thefts, or losses of company or customer data.

RETIREMENT POLICY

GRI 201-3

Our Retirement Policy mandates that employees who reach the age of sixty-five (65) and have served the Company for at least five (5) years of continuous service are entitled to Retirement Benefits. Compulsory retirement occurs when an employee reaches sixty-five (65) years of age or has twenty (20) years of service. Both the age and length of service requirements must be met before an employee can avail of any retirement benefits.

All benefits due to the employee will be paid on their last working day and/or upon completion of their clearance. The computation of retirement benefits will be based on labor laws.

RISK MANAGEMENT, SOCIO-ECONOMIC, AND ENVIRONMENTAL COMPLIANCE

SDG 16

RISK MANAGEMENT FRAMEWORK

We recognize the importance of an Enterprise Risk Management (ERM) system in ensuring smooth and reliable operations, especially since many of our operations run 24/7. We aim to create long-term value for stakeholders while maintaining a strong reputation for excellence, integrity, and corporate governance.

The ERM system serves as a framework for managing risks and uncertainties while also identifying new opportunities. It helps the Board of Directors and Management evaluate, prioritize, and mitigate risks within acceptable limits. This approach enables operational teams to respond effectively to potential risks, ensuring both protection and value creation for stakeholders.

Aligned with MacroAsia's Corporate Governance Manual, the ERM system ensures that the Board establishes proper controls and an effective risk management process. It promotes informed decision-making, a shared risk-aware culture, and a standardized approach to risk management across the Group.

We benchmark our ERM system against global best practices, embedding a risk-conscious mindset into our corporate culture. This approach allows the company to seize growth opportunities while maintaining strong governance principles rooted in integrity, teamwork, respect, accountability, and responsible citizenship.

To oversee risk management, the Board has formed a Risk Management Committee composed of selected directors. This committee ensures proper handling of strategic, financial, operational, and compliance risks, with regular disclosures of risk exposure and mitigation efforts.

To fully implement the ERM system, the Board has adopted this Enterprise Risk Management (ERM) Program Charter, which will be managed by the MacroAsia Risk Management Office under the Parent Company.

The MacroAsia Group adheres to the following Risk Management Philosophy:

1. We believe that risks are an inherent part of business, and effective risk management is critical to achieving financial soundness and profitability.
2. We believe that risk management processes strengthen our business development and service/product quality, delivery, availability, and affordability.
3. We identify risk management as one of the core competencies needed to do business.
4. Our goal is to understand, measure and monitor various risks that arise in relation to our businesses.
5. We regularly disseminate information on sources of risks and risk management techniques and plans needed to be done by our officers and employees.
6. We enhance business growth and competitiveness through strategic and structured risk-taking and sustained risk mitigation. As such, our risk management practices are applied in a transparent environment to sustain the business growth and profitability in a competitive market.
7. We believe that a risk-aware mindset is the heart of our business philosophy, as we drive MacroAsia to more growth by actively taking on risks as part of our businesses. With this, each employee – our "Partner At Work" (PAW) is also a "Risk Agent" that makes our Enterprise Risk Management System effective and successful.

MACROASIA'S ENTERPRISE RISK MANAGEMENT SYSTEM (ERMS)

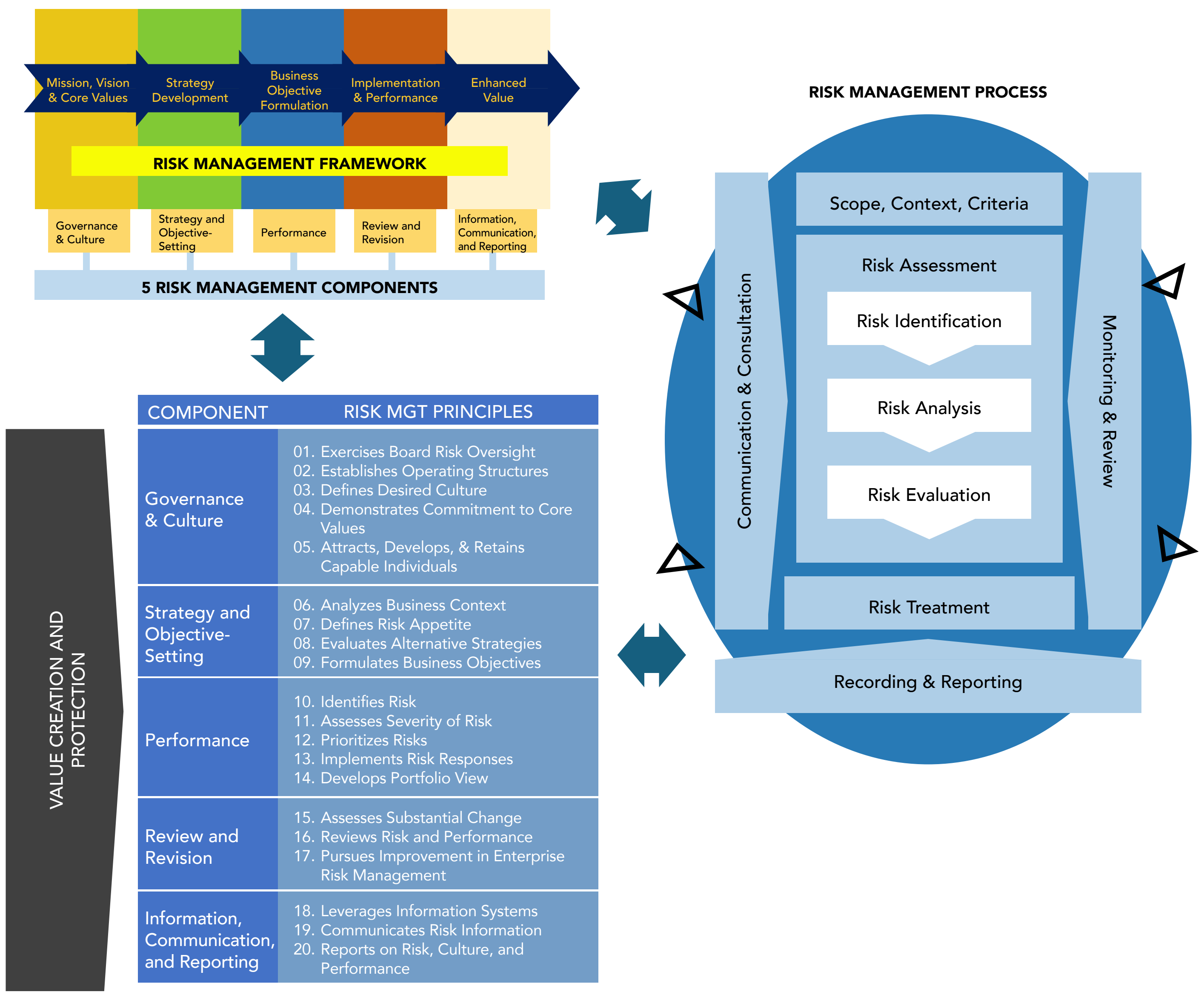
It is our belief that our mission and vision can only be achieved once the risk management mindset has been integrated and embedded into the MacroAsia Group's organizational purpose, governance, leadership and commitment, strategy, objectives, and operations. Integrating risk management in

SUSTAINABILITY AND ESG PERFORMANCE

the Group is seen as a dynamic and iterative process, specifically customized to address the needs and culture of MacroAsia Corporation and its individual subsidiaries. Serving as a common ground for this mindset is the MacroAsia ERM System.

The MacroAsia ERM System is customized for the MacroAsia Group and its individual business units' operating environment. The Risk Management Framework and the Risk Management Principles are aligned with COSO's "Enterprise Risk Management— Integrating with Strategy and Performance" to consider the risk in both the strategy-setting process and in driving performance. COSO stands for "Committee of Sponsoring Organizations". The Risk Management Process, on the other hand, is adapted from ISO 31000:2018.

MACROASIA'S ERM SYSTEM FRAMEWORK, PRINCIPLES AND RISK MANAGEMENT PROCESS



The ERM system of MacroAsia provides universally recognized standards for our business units to employ, the purpose of which is the creation and protection of value as determined in the strategic plans of the Group and business units.

SOCIO-ECONOMIC AND ENVIRONMENTAL COMPLIANCE

GRI 2-27
IF-WU-140b.1

As part of our commitment to responsible business practices, we ensure compliance with all relevant laws, regulations, and policies. Any violations or non-compliance incidents related to environmental, economic, and social laws are managed by the respective business units, with support from the parent company if needed.

The supply of potable water and septage treatment are highly regulated. Our water business units hold permits from the local government units, National Water Resources Board (NWRB), LLDA, DOH, DENR, and other relevant agencies. Tariff settings are often aligned with NWRB based on business unit investments.

Ground handling is a regulated airport activity requiring leases, concession licenses, and airport passes from airport authorities. These are secured through agreements and payment of fees. FAA operations are also highly regulated, depending on certifications from CAAP and related regulatory bodies.

Food catering services are regulated by the DOH, FDA, and DA to ensure food safety and quality. These agencies require our food business units to secure necessary certifications and conduct regular inspections and audits to ensure adherence to standards.

MAPDC operates under the regulation of the Philippine Economic Zone Authority (PEZA), which ensures compliance with relevant regulations and offers incentives like tax exemptions and simplified import-export procedures for businesses within designated economic zones.

Lastly, MMC is highly regulated by the Mines and Geosciences Bureau (MGB), which oversees mineral resource management; the National Commission on Indigenous Peoples (NCIP), which ensures compliance with indigenous peoples' rights, including the Free, Prior, and Informed Consent (FPIC) process; and the DENR, which regulates environmental compliance and sustainable practices.

During the reporting period, we received 8 monetary and 4 non-monetary sanctions for non-compliance with environmental laws. These included late submission of reports to the MGB, failure to submit a compliance monitoring report to the DENR, discharge of pollutive wastewater not meeting LLDA standards, discharge permit-related violations, over-extraction from groundwater, operating without Certificate of Public Convenience (CPC) and ECC, and improper disposal of hazardous waste. All violations have been resolved except for one case awaiting resolution from the DENR. No sanctions were received for non-compliance with socio-economic laws and regulations.

NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS	
DISCLOSURE	TOTAL
Total amount of monetary fines for non-compliance with environmental laws and/or regulations in PhP • Aviation Group: - • Food Group: PhP538,000 • Water Group: PhP186,990 • Others*: PhP1,000	PhP725,990.00
No. of monetary sanctions for non-compliance with environmental laws and/or regulations • Aviation Group: - • Food Group: 3 • Water Group: 4 • Others: 1	8
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations • Aviation Group: - • Food Group: - • Water Group: 4 • Others: -	4

Includes MAC HO, TERA, MAPDC and MMC.

All reported non-compliance and violation incidents related to ESG were promptly addressed by the relevant business units and closely monitored by the Parent Company. These incidents were investigated to identify root causes and contributing factors. Mitigating actions were implemented to prevent recurrence, and monitoring systems were enhanced to ensure adherence to ESG-related regulations and policies.

2024 Financial and Operational Highlights

MacroAsia Corporation (MAC) delivered impressive financial results in 2024, with consolidated net income after tax rising by 28% to ₱1.4 billion, up from ₱1.1 billion in 2023. This growth was driven by surging revenues across its businesses. Net income attributable to equity holders of MAC increased by 32%, from ₱851.1 million to ₱1.1 billion.

2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

BUSINESS SEGMENTS' PERFORMANCE

Total revenues hit a record high of ₱9.4 billion in 2024, 18% higher than the previous year's ₱8.0 billion. This substantial growth reflects the company's continued expansion and robust operational execution across key business segments:

Food Services: Contributed 47% of total revenues, with segment revenue increasing by 11%, from ₱3,981.8 million in 2023 to ₱4,402.6 million in 2024. This growth aligns with a 4% increase in meal count, from 22.8 million to 23.7 million, driven by sustained growth in meal volume.

Ground Handling and Aviation Services: Posted revenues of ₱4,172.0 million, up from ₱3,135.5 million in 2023, reflecting a 33% improvement. This growth was primarily driven by a 5% increase in flights handled, from 180,177 in 2023 to 189,318 in 2024. This segment contributed 44% of total revenues. Revenue from ground handling and aviation services also includes income from First Aviation Academy (FAA), whose revenue grew by 42%, from ₱59.6 million in 2023 to ₱84.8 million in 2024, reflecting scaled-up operations and additional training plans.

Water Operations: Contributed 8% of total revenues, with revenue increasing by 21%, from ₱617.5 million in 2023 to ₱748.6 million in 2024. This growth is attributed to a 6% increase in commercial water sales, with billed water volume rising from 18.1 million cu.m. in 2023 to 19.2 million cu.m. in 2024.

Connectivity and Technology Services: Generated ₱62.4 million in revenue from the Supply, Delivery, and Commissioning Agreement for HDPE Conduit Fiber Backbone and Containerized Data Center projects, which commenced in 2023 and concluded in 2024.

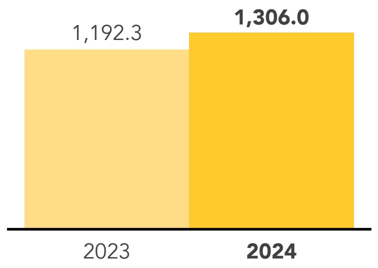
Administrative Revenues: Increased by 21%, from ₱46.6 million to ₱56.2 million, partly due to lease revenue from subleased property in Mactan, Cebu

2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

VOLUME GROWTH IN 2024 FOR THE KEY DRIVERS OF PERFORMANCE

MAINTENANCE, REPAIR, AND OVERHAUL (MRO)

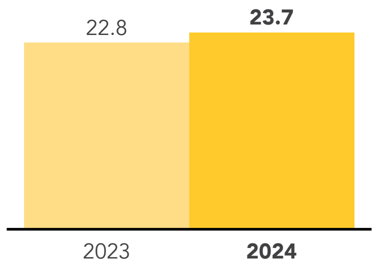
Base Maintenance Hours / In Thousands



1,306.0
+10%

FOOD SERVICES

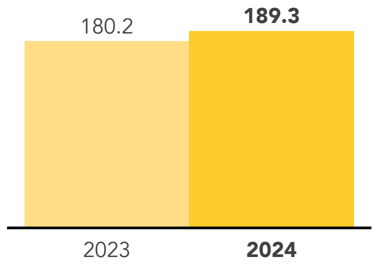
Meals Sold / In Millions



23.7
+4%

GROUND HANDLING/ GATEWAY SERVICES

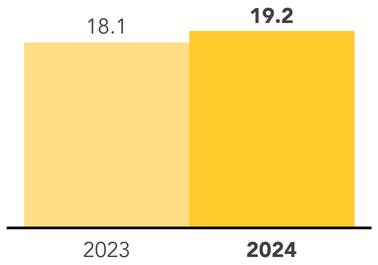
Flights Handled / In Thousands



189.3
+5%

WATER BUSINESS

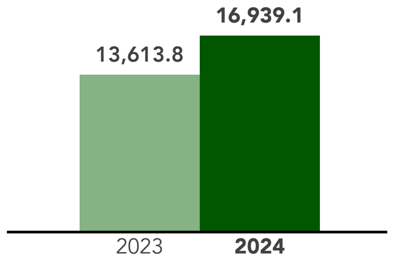
Billed Volume (m^3) / In Millions



19.2
+6%

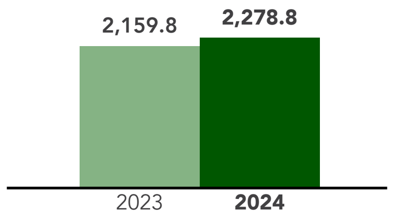
MRO : LTP INCOME STATEMENT HIGHLIGHTS

REVENUE



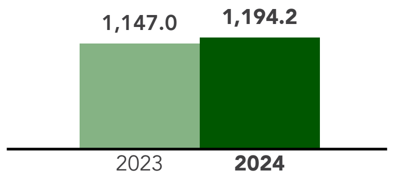
2024 REVENUE OF PHP17B:
- **24% higher** than 2023 revenue of PHP14b

EBITDA



2024 EBITDA OF PHP2.3B:
- **6% higher** than 2023 EBITDA of PHP2.2b

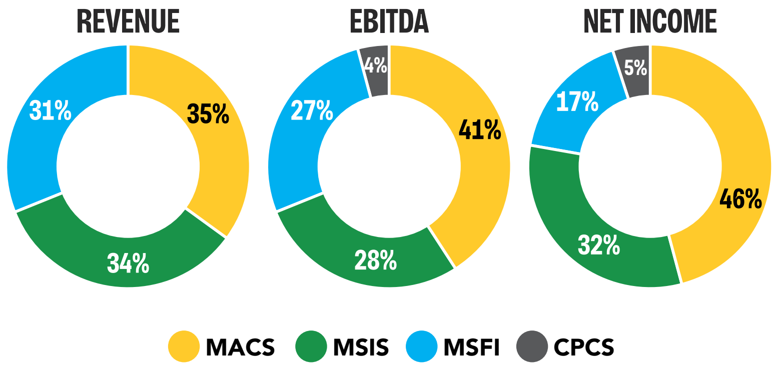
NET INCOME



2024 NET INCOME OF PHP1.2B:
- **4% higher** than 2023 net income of PHP1.1b

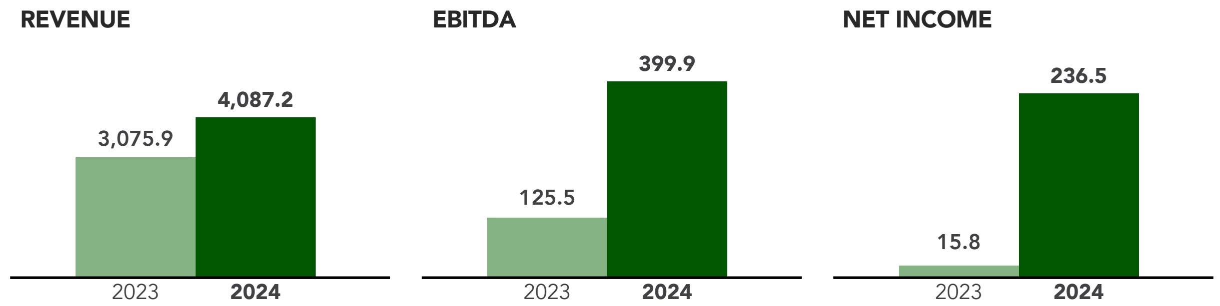
2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

FOOD SERVICES : INCOME STATEMENT HIGHLIGHTS



	MACS	MSIS	MSFI	CPCS
Amount in PhpM	Foreign Airlines	PAL	Commissary	Cebu
REVENUE				
2023	1,353.2	1,521.1	1,119.4	94.3
2024	**1,543.6**	**1,518.9**	**1,352.0**	**208.4**
EBITDA				
2023	214.3	394.4	185.6	24.1
2024	**379.9**	**253.7**	**247.2**	**82.4**
NET INCOME				
2023	201.8	319.8	144.3	17.5
2024	**285.5**	**195.4**	**107.9**	**75.4**

GROUND HANDLING : MASCORP INCOME STATEMENT HIGHLIGHTS

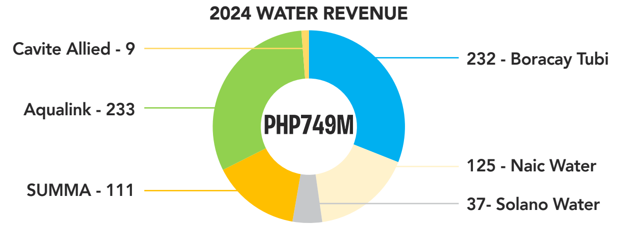


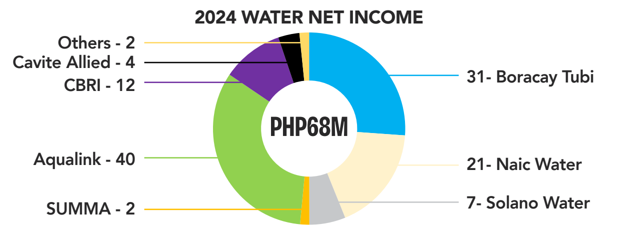
2024 REVENUE OF PHP4.1B:
- **33% higher** than 2023 revenue of Php3.1b

2024 EBITDA OF PHP400M:
- **219% higher** than 2023 EBITDA of Php126m

2024 NET INCOME OF PHP237M:
- **1398% higher** than 2023 net income of Php16m

WATER : INCOME STATEMENT HIGHLIGHTS





2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

Total direct costs increased by 14% to ₱7,108.7 million, in line with the company's expanding business activities. Operating expenses also rose by 28% to ₱1,391.0 million, driven by lease rate adjustments and higher operational expenditures.

A stronger performance from our associate companies boosted profitability as well. Our share in net earnings from associates rose to ₱731.5 million, marking an increase of ₱154.8 million. Key contributors included:

- **Lufthansa Technik Philippines (LTP)**: Posted ₱585.2 million in net income (49% MAC share), benefiting from stronger MRO (maintenance, repair, and overhaul) operations.
- **Cebu Pacific Catering Services (CPCS – 40% MAC)**: Reported ₱30.2 million in net income, a significant jump from ₱7.0 million in 2023, fueled by a 97% surge in meal count.
- **Narita-based Japan Airport Service Co. (JASCO – 30% MAC)**: Achieved a remarkable turnaround, delivering ₱106.1 million in net income, reversing a ₱3.6 million loss from 2023.

As of December 31, 2024, the Group's total assets amounted to ₱13,417.7 million, reflecting an increase of ₱722.7 million (6%) from ₱12,694.9 million on December 31, 2023. This increase is driven mainly by cash generated from operations.

The Group's total liabilities for the current year amounted to ₱5,853.9 million, reflecting a decrease of ₱355.7 million (6%) from ₱6,209.6 million as of December 31, 2023, due to net debt repayment and settlement of payables. The Group and MAC Parent continue to hold net cash positions in 2024.

Total equity increased by ₱1,078.4 million (17%), from ₱6,485.3 million in 2023 to ₱7,563.7 million as of December 31, 2024. Equity attributable to equity holders of the company increased by ₱944.9 million (15%), from ₱6,125.1 million in 2023 to ₱7,070.0 million in 2024. This increase is mainly due to the net income attributable to equity holders, which was booked in retained earnings amounting to ₱1,122.9 million.

OPERATIONAL UPDATES ON KEY BUSINESS SEGMENTS

MacroAsia Corporation continues to make significant strides across its key business segments. Our commitment to excellence and innovation is evident in our recent achievements and ongoing activities, aimed at enhancing service quality, expanding capacity, and contributing to community welfare.

Food Services and Inflight Catering

MSFI received its Food Safety System Certification (FSSC 22000 V.6) in November 2024. This globally recognized certification ensures safe food production and will help MSFI secure more clients for its commissary business.

MSFI is also embarking on an expansion project to double its capacity from 45,000 to 90,000 meals per day, with an estimated cost of ₱1.2 billion and a construction timeline of 2-3 years starting in 2025. Additionally, it has secured 5 new institutional clients, expanding its revenue portfolio, and is also exploring a joint venture to expand its reach in the Visayas region.

MACS secured 2 new foreign airline clients and is undergoing organizational restructuring, expected to be completed by the third quarter of 2025.

Ground Handling and Aviation Services

MASCORP has added Air Canada to its roster of foreign airline clients and is working towards acquiring Aviation Products Corporation, with the acquisition expected to be completed in February 2025.

Water Operations

Through our subsidiary, SWRI, we began building desalination plants in Olango and Punta Engano, Lapu-Lapu City, Cebu, in September 2024. These plants, providing potable water, are expected to be completed in 2025.

We are also constructing a bulk water treatment plant in Poro Point, La Union, and retrofitting and expanding the SNVRDC plant in Nueva Vizcaya. This will increase the customer base on the Group.

2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

BUSINESS RISKS AND OPPORTUNITIES

In an ever-evolving global landscape, MacroAsia Corporation remains vigilant in identifying and addressing the various risks and opportunities that impact our businesses. Our proactive approach ensures that we not only mitigate potential threats but also capitalize on emerging opportunities to drive sustainable growth. The following are the key risks we face and the strategic initiatives we have implemented to navigate these challenges and leverage our strengths.

Global Economic Slowdown and Airline Challenges
In response to the global economic slowdown, the Group has adopted a comprehensive approach by implementing revenue-generating strategies for both core and non-core businesses while pursuing sustainable cost leadership initiatives. To diversify revenue streams, the Group launched new product offerings targeting clients outside the aviation sector and aggressively expanded water-related businesses.

Despite the downturn in travel, the Group's airline catering and ground handling units secured new foreign airline clients, demonstrating resilience in challenging market conditions. Efforts to achieve sustainable cost leadership were reinforced through staff cost benchmarking, as staff expenses represent the largest cost for the Group's service companies. The impact of aviation developments was closely monitored, with management and board meetings extensively discussing evolving priorities and strategies to ensure alignment with the changing market landscape.

Industry Regulations
MacroAsia Corporation and its subsidiaries and affiliates are subject to relevant rules and regulations imposed by government and private institutions such as the Civil Aviation Authority, Civil Aeronautics Board, Manila International Airport Authority, Philippine Economic Zone Authority, Department of Labor and Employment, Securities and Exchange Commission, and the Philippine Stock Exchange. Being part of the air travel industry, the Group is also subject to stringent international standards for cleanliness, health, and safety.

Volatility in Foreign Exchange Rates
A significant portion of the Group's revenues and expenses are transacted in foreign currency, particularly US dollars. Any drastic fluctuation in the Peso-US dollar exchange rate may affect the Group's financial performance. The Company's Investment Committee has directed Management to limit the Group's foreign currency holdings to not more than 25% in US dollars and hold at least 75% in Philippine pesos to minimize exposure to foreign exchange fluctuations.

Competition
The Group operates in a competitive environment, facing competition from both local and international providers of aviation-related services. The Group's operational track record, high-quality services, and competitive prices remain its key advantages over competitors.

Natural Occurrences
The Group is subject to various risks beyond its control, including weather conditions, virus outbreaks, and other natural disasters that may disrupt operations. Periodic planning sessions with top management, various committees, and members of the Board are held to identify, assess, and formulate contingency plans to manage or minimize the adverse impacts of potential risks on the Group's operations.

As we navigate the evolving demands of aviation and food services, MacroAsia Corporation remains dedicated to expanding our reach and optimizing operations. Our strong financial performance in 2024 reflects our resilience and strategic vision. We are committed to driving innovation and sustainability, ensuring our growth benefits stakeholders, the broader community, and the environment.

2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

KEY FINANCIAL PERFORMANCE INDICATORS

Our excellent performance for 2024 is shown by the improvement in our key financial ratios. The analyses are based on comparisons and measurement on financial data for 2024 against the same period of the previous year.

	December 31, 2024	December 31, 2023
Return on Net Sales (RNS)	15%	13%
Return on Investment (ROI)	14%	12%
Return on Equity (ROE)	23%	21%
Direct Cost Ratio	75%	78%
Operating Expense Ratio	15%	14%
Current Ratio	1.5 : 1	1.3 : 1
Debt-to-Equity Ratio	12%	16%
Interest Coverage Ratio	14.6: 1	8.3 : 1
Asset-to-Equity Ratio	1.8 : 1	2 : 1
Return on Asset (ROA)	10%	8%

- **Return on Net Sales (RNS)** increased from **13%** in 2023 to **15%** as of December 31, 2024. This improvement is driven by the increase in revenues generated by the Group's operating subsidiaries in the current year compared to the previous year.
- The **Return on Investment (ROI)** ratio moved from **12%** to **14%**, reflecting the Group's improved financial performance, as detailed above.
- **Return on Equity (ROE)** improved to **23%** in 2024, up from **21%** in 2023.
- The **direct cost ratio** decreased from **78%** to **75%** in 2024, primarily due to the cost efficiency amidst improvement in business activities of the Group.
- The **operating expense ratio** increased from **14%** to **15%** for 2024, aligned with business volume growth and the rise in operational costs.

- The Group maintains a **healthy current ratio**, demonstrating its solid ability to meet current liabilities, with a sufficient portion of current assets held as cash. The current ratio stands at **1.5:1**, up from **1.3:1** in 2023.
- The **debt-to-equity ratio** improved to **12%** in 2024, from **16%** in 2023. This improvement reflects the net reduction in outstanding loans and the increase in equity due to the net income earned during the year.
- With positive operating results, the Group can comfortably cover interest payments on its debts. The **interest coverage ratio** rose from **8.3:1** to **14.6:1** as of December 31, 2024.
- The ratio of **total assets to total equity** indicates that the Group's assets are primarily supported by shareholders' capital rather than debt. The **asset-to-equity ratio** improved from **2:1** in 2023 to **1.8:1** in 2024.
- **Return on Assets (ROA)** improved to **10%** in 2024, up from **8%** in 2023, showing the Group's enhanced profitability in relation to its assets.

MACROASIA BOARD AND MANAGEMENT

BOARD OF DIRECTORS

GRI 2-11, 2-17

DR. LUCIO C. TAN
Chairman and CEO

CARMEN K. TAN
Director

LUCIO C. TAN III
Director

EDUARDO LUIS T. LUY
President and COO

VIVIENNE K. TAN
Director

MICHAEL G. TAN
Director

KYLE ELLIS C. TAN
Treasurer

JOHNIP G. CUA
Director

SAMUEL C. UY
Independent Director

DIWA C. GUINIGUNDO
Independent Director

RAMON P.D. DIZON
Lead Independent Director

BOARD OF DIRECTORS

GRI 2-11

DR. LUCIO C. TAN

Mr. Tan, 90, Filipino, has served as Chairman of the Board of Directors since July 2015 and as Chief Executive Officer since December 14, 2015. He is also the Chairman of Absolut Distillers, Inc., Alliedbankers Insurance Corporation, Allianz PNB Life Insurance, Air Philippines Corporation, Asia Brewery, Inc., Asian Alcohol Corporation, Basic Holdings Corporation, Buona Sorte Holdings, Inc., Eton Properties Philippines, Inc., Fortune Tobacco Corporation, Foremost Farms, Inc., Grandspan Development Corporation, Himmel Industries, Inc., LT Group, Inc., Philippine Airlines, Inc., PMFTC Inc., Progressive Farms, Inc., PAL Holdings, Inc., Tanduay Distillers, Inc., Tanduay Brands International, Inc., Tangent Holdings Corporation, The Charter House, Inc., Trustmark Holdings Corporation, University of the East, Zuma Holdings and Management Corporation. He is also the Chairman Emeritus of Philippine National Bank.

He holds a Bachelor of Science degree in Chemical Engineering from Far Eastern University. Dr. Lucio Tan holds a Doctor of Philosophy degree, Major in Commerce from the University of Santo Tomas in 2003 and is an awardee of several other honorary Doctorate degrees.

CARMEN K. TAN

Mrs. Tan, 84, Filipino, has served as a Director of the Corporation since July 2012. Aside from her membership in the Board of Directors of the Corporation, Ms. Tan is also the Vice Chairman of Philippine Airlines, Inc. and LT Group, Inc. She is also a Director of Air Philippines Corporation, Asia Brewery, Inc., Buona Sorte Holdings, Inc., Foremost Farms, Inc., Dynamic Holdings, Ltd, Eton City, Inc., Fortune Tobacco Corporation, Himmel Industries, Inc., PAL Holdings, Inc., PMFTC Inc., Progressive Farms, Inc., Tanduay Distillers, Inc., Manufacturing Services and Trade Corporation, Sipalay Trading Corporation, Saturn Holdings, Inc., Tangent Holdings Corporation, Trustmark Holdings Corporation, and Zuma Holdings and Management Corporation. She is also a Member of the Board of Advisors of Philippine National Bank.

Mrs. Tan is a distinguished alumna of the Paco Chinese School and the University of the East, Manila.

LUCIO C. TAN III

Mr. Tan, 32, Filipino, has served as Director of the Corporation since December 2019. He is the President and Chief Operating Officer of LT Group, Inc. and PAL Holdings, Inc. He is also the President of Dunman Holdings Corporation, Tanduay Distillers, Inc. and Tanduay Brands International, Inc. He also holds the position of Vice Chairman and President of Sabre Travel Network Phils., Inc. Mr. Tan is the Vice President of Dunmore Development Corporation. He is a Director of PMFTC, Inc., Philippine Airlines, Inc., Philippine National Bank, Ali-Eton Property Development Corp., Air Philippines Corporation, Allied Club, Inc., Allied Water Services Inc., Asia Brewery, Inc., Asia's Emerging Dragon Corporation, Asian Cancer Center Inc., Belton Communities, Inc., Dominium Realty & Construction Corporation, Eton City, Inc., Eton Properties Philippines Inc., First Homes, Inc., Fortune Landequities and Resources, Inc., Fortune Tobacco Corporation, Kaizer Chemical Industries, Inc., Lufthansa Technik Philippines, MacroAsia Airport Services Corp., MacroAsia Catering Services, Inc., MacroAsia SATS Food Industries, MacroAsia SATS Inflight Services Corp., PNB Holdings Corporation, Prior Holdings Corp., Qualisure Holdings, Inc., REM Development Corporation, Shareholdings, Inc., Silangan Holdings, Inc., Sipalay Trading Corporation, Trustmark Holdings Corporation, and Zuma Holdings and Management Corporation.

Mr. Tan possesses a strong background in engineering and technology, holding a Bachelor's degree in Electrical Engineering and a Master's degree in Computer Science from Stanford University. He was a software engineer at Lyft in the Bay Area before gradually transitioning into different business units within LTG and PHI. During his university days, he was honored with the Stanford University Frederick E. Terman Award, which is awarded to the top 5% of Stanford University engineering undergraduates.

EDUARDO LUIS T. LUY

Mr. Luy, 31, Filipino, President and Chief-Operating-Officer of the Corporation since October 8, 2021. He served as Director and Treasurer of the Corporation from December 12, 2019 to October 7, 2021. He is also the Chairman and President of the following corporations: MacroAsia Catering Services, Inc., MacroAsia SATS Food Industries Corporation, MacroAsia SATS Inflight Services Corporation, MacroAsia Airport Services Corporation, MacroAsia Properties Development Corporation, MacroAsia Air Taxi Services, Inc., MacroAsia Mining Corporation, MMC Management and Development Corporation, Bulawan Mining Corporation, Allied Water Services, Inc., Naic Water Supply Corporation, Aqualink Resources Development, Inc., Mabini Pangasinan Resources Development Corporation, Tera Information and Connectivity Solutions, Inc.; Chairman of the following corporations: First Aviation Academy, Inc., Water Business Solutions, Inc., Cavite Business Resources, Inc., SNV Resources Development Corporation, Boracay Tubi System, Inc., New Earth Water System, Inc., Monad Water and Sewerage Systems, Inc., AlliedKonsult Eco-Solutions Corporation, Cavite AlliedKonsult Service Corporation, Summa Water Resources, Inc., and CS Water Lapu-Lapu, Inc.; and Director of Lufthansa Technik Philippines, Inc. since October 8, 2021 and Japan Airport Service Co., Ltd. since November 2021. He worked in Reyes Tacandong & Co. from 2015-2018.

Mr. Luy holds a Master's degree in Business Administration from Asian Institute of Management and a Bachelor of Science degree in Business Administration from the University of the Philippines-Diliman.

BOARD OF DIRECTORS

VIVIENNE K. TAN

Ms. Tan, 56, Filipino, has served as Director of the Corporation since July 2019. She also serves as a member of the Board of Directors of: Air Philippines Corporation, Eton Properties Philippines, Inc., LT Group, Inc. and Philippine National Bank. She is also a Member of the Board of Trustees of University of the East and University of the East Ramon Magsaysay Memorial Medical Center, Founding Chairperson of Entrepreneurs School of Asia and Founding Trustee of Philippine Center for Entrepreneurship (Go Negosyo).

Ms. Tan has a Bachelor of Science Double Degree in Mathematics and Computer Science from the University of San Francisco, USA. She also has a Post-Graduate Diploma in Fashion Design and Manufacturing Management from the Fashion Institute of Design and Merchandising in Los Angeles.

MICHAEL G. TAN

Mr. Tan, 58, Filipino, has served as Director since July 17, 2015. He is the President and Chief Operating Officer of Asia Brewery, Inc.; Director of Tangent Holdings Corp., LT Group, Inc., Philippine National Bank, PMFTC Inc., Absolut Distillers, Inc., Tanduay Distillers, Inc., Tanduay Brands International, Inc., Trustmark Holdings Corporation, Shareholdings, Inc., Asia's Emerging Dragon Corporation, Paramount Land Equities, Inc., Allied Commercial Bank – Xiamen, Allied Banking Corp (Hongkong) Limited, PNB Global Remittance & Financial Company (Hk) Ltd, Saturn Holdings, Inc., Victorias Milling Company, Inc., Maranaw Hotel (Century Park Hotel), and Pan-Asia Securities Corp.; and Director and Treasurer of Zuma Holdings and Management Corporation. He is a member of the ASEAN Business Advisory Council (ASEAN BAC) representing the Philippines, and a Director and Vice President of the Federation of Filipino Chinese Chambers of Commerce & Industry, Inc. He is also a Director and Vice President of Philippine Chamber of Commerce and Industry (PCCI) and Trustee of the Help Educate and Rear Orphans (HERO) Foundation, Inc.

Mr. Tan holds a Bachelor of Science degree in Applied Science in Civil Engineering, major in Structural Engineering, from the University of British Columbia in Canada.

KYLE ELLIS C. TAN

Mr. Tan, 28 Filipino, has served as Treasurer and Director of the Corporation since October 8, 2021. He is the President and Executive Director of Eton Properties Philippines, Inc. Mr. Tan is also the President at Landcom Realty Corporation, Chief Operating Officer and Executive Vice President of Tanduay Distillers, Inc. He currently serves as Director and COO at Himmel Industries, Inc. and Manufacturing Services & Trade Corporation. He also holds the position of Vice Chairman and Director of Pan Asia Securities Corporation and Vice President of Kilter Realty & Development Corporation. Mr. Tan is also a Director of several companies including Tera Information and Connectivity Solutions, Inc., Victorias Milling Company Inc., PNB Global Remittance and Financial Co. (HK) Ltd, Grandspan Development Corporation, Allied Club, Inc., Maranaw Hotels & Resort Corporation, and Asia's Emerging Dragon Corporation. He is also a Board Advisor of Philippine Airlines, Inc. Prior to joining the Lucio Tan Group, he was a full-time software engineer at Microsoft.

He graduated Magna Cum Laude with a Bachelor's degree in Computer Engineering from the University of Southern California, where he also finished his Master's degree in Computer Science.

JOHNIP G. CUA

Mr. Cua, 68, Filipino, has served as Director of the Corporation since 2006. He was formerly the President of Procter & Gamble Philippines Inc. (1995-2006). He currently serves as the Chairman of the Board of the P&Gers Fund Inc. (since 2009) and Xavier School, Inc. (since 2012), and the Chairman & President of Taibrews Corporation (since 2011). Additionally, he serves as a member of the Board of Trustees of Xavier School Educational & Trust Fund (since 1996) and MGCC Foundation (since 2015).

Mr. Cua is an Independent Director of the following corporations: Philippine Airlines, Inc. (since 2014), PAL Holdings, Inc. (since 2014), Century Pacific Food, Inc. (since 2014), LT Group, Inc. (since 2018), Tanduay Distillers, Inc. (since 2018), Asia Brewery, Inc. (since 2018), MacroAsia Catering Services, Inc. (since 2007), MacroAsia Airport Services Corp. (since 2007), MacroAsia Properties Development, Inc. (since 2013), PhilPlans First, Inc. (since 2009), and First Aviation Academy, Inc. (since 2017).

Mr. Cua is also a member of the Board of Directors of the following corporations: Allied Botanical Corporation (since 2012), Alpha Alleanza Manufacturing, Inc. (since 2008), Bakerson Corporation (since 2002), Interbake Marketing Corporation (since 1991), Lartizan Corporation (since 2007), Teambake Marketing Corporation (since 1994), and Zenori Corporation (since 2018).

Mr. Cua holds a Bachelor of Science degree in Chemical Engineering from the University of the Philippines.

BOARD OF DIRECTORS

SAMUEL C. UY

Mr. Uy, 71, Filipino, has served as Independent Director since April 30, 2018. He is the President and CEO of 3S Realty Corporation (since 2007) and Toril Sports Complex (since 2008). He is also the Vice-President since 1986-2019 of Kaunlaran Development Corporation and Davao Farms, Incorporated and became the President since 2020. He is also the Vice-President of Asaje Hotels (since 2020), Dimdi Centre, Inc. (since 1986) and Daland Development Corporation. He is the Treasurer for Dimdi Builders, Inc. and Asaje Realty Corp. (since 2020).

Mr. Uy is also a Director of Honda Cars Gensan, and an Independent Director of Philippine Airlines, Inc. (since March 2017).

Mr. Uy holds a Bachelor of Science degree in Agriculture from Xavier University. He also studied Bachelor of Science in Management at the Ateneo de Manila University.

DIWA C. GUINIGUNDO

Mr. Guinigundo, 70, Filipino, has served as Independent Director since May 9, 2024. He is a former Deputy Governor of the Bangko Sentral ng Pilipinas (BSP) and served the BSP for forty-one (41) years, handling monetary policy, treasury operations, loans and credit, asset management, currency management, regional operations and international operations. As BSP Deputy Governor, he chaired the BSP's Monetary Policy Strategy Committee. He was Vice-Chairman of the BSP's Investment Management Committee and its Provident Fund. He also represented the central bank in cabinet-level NEDA Board, National Food Authority, Development Budget Coordination Committee, Economic Cluster, and Trade and Related Matters. He served as Alternate Executive Director at the International Monetary Fund in Washington, DC from 2001-2003. Earlier, he was Head of Research at The SEACEN (Southeast Asian Central Banks) Research and Training Centre in Kuala Lumpur from 1992-1994.

He writes weekly columns for the Manila Bulletin and BusinessWorld. He is a member of the Advisory Panel of the Sim Kee Boon Institute for Financial Economics of Singapore Management University. He is also a member of the Board of Advisors of the International Care Ministries. An external advisor to Bain & Company, he is also an Independent Director of the AIA Philippines Investment Management and Trust Corporation where he chairs the Board's Governance Committee. He chaired the Advisory Panel of the ASEAN + 3 Macroeconomic Research Office based in Singapore for 2023-2024. Since October 2023, he has been the principal advisor of New York-based Global Source Partners for the Philippines.

Mr. Guinigundo graduated at the top of his AB class, Cum Laude, at the University of the Philippines School of Economics. He earned his M.Sc. in Economics at the London School of Economics as a scholar of the then Central Bank of the Philippines. He holds an honorary Doctor of Divinity (DD) degree from the Promise Christian University in Los Angeles, California. He taught economics at the University of the Philippines Manila and St. Scholastica's College.

RAMON P. D. DIZON

Mr. Dizon, 64, Filipino, has served as Lead Independent Director since May 9, 2024. He also serves as Independent Director of PAL Holdings, Inc., DigiPlus Interactive Corp., Filinvest REIT Corp., MegaLink, Inc., Philippine School of Business Administration, Philippine Dealing System Holdings Corp., Philippine Dealing & Exchange Corp., Philippine Depository & Trust Corp., and PCD Nominee Corporation, and Senior Consultant of Monde Nissin Corporation. He was a former senior partner of SGV & Co. and has more than 40 years of professional experience in advisory and assurance services. He is a member of the Management, Leadership, Appointment and Executive Committees of SGV & Co. He held several leadership positions at SGV/EY, including Head of Transaction Advisory Services, Risk Advisory Services, Market Group, and Head of Training & Methodology. He led the Firm's programs and various initiatives related to service quality and productivity/efficiency. He also spearheaded SGV's first ISO 9001 Certification for the Audit Division. He worked in the Chicago office of an international accounting firm and with its Center for Professional Education.

Mr. Dizon holds a Bachelor's degree in Commerce major in Accounting (Cum Laude) from Polytechnic University of the Philippines (1980). He holds a Master in Business Management from Asian Institute of Management (Manila, 1988). He also completed the Advanced Management Program, Harvard Business School (Boston, 2011), Strategic Business Leadership Programme of INSEAD (Singapore, 2008), and Journey to the Boardroom Program Harvard Business Publishing Corporate Learning (2019). He is an Asean CPA, Member of the Philippine Institute of Certified Public Accountants (since 1981) and Member of the Management Association of the Philippines, and the Harvard Business School Club of the Philippines.

MACROASIA BOARD AND MANAGEMENT

EXECUTIVE OFFICERS

ATTY. MARIVIC T. MOYA
Senior Vice President (SVP) for Human Resources, Legal, and External Relations
Chief Compliance Officer (CCO)
Chief Information Officer (CIO)

AMADOR T. SENDIN
Chief Financial Officer (CFO)
Chief Risk Officer (CRO)
Senior Vice President (SVP) for Administration

BELGIUM S. TANDOC
Vice President (VP) for Business Development
Data Protection Officer

RUBI ANN C. PIOQUINTO
Chief Audit Executive (CAE)

RHODEL C. ESTEBAN
Vice President (VP) for Commercial
Chief Sustainability Officer (CSO)

ATTY. FLORENTINO M. HERRERA III
Corporate Secretary (CorSec)

EXECUTIVE OFFICERS

ATTY. MARIVIC T. MOYA

Atty. Moya, 64, Filipino, has served as an Executive Officer since May 1999. She is the current Senior Vice President for Human Resources, Legal and External Relations, Chief Compliance Officer, and Chief Information Officer of MacroAsia Corporation. Prior to this, Atty. Moya was the Vice President for Human Resources, Legal and External Relations of MacroAsia Corporation and Compliance Officer (1999-2019).

She is involved in MacroAsia Catering Services, Inc. (Corporate Secretary since 2004 and Director from June 2019 to March 2021), MacroAsia SATS Food Industries Corporation (Corporate Secretary since 2015), MacroAsia SATS Inflight Services Corporation (Corporate Secretary and Director from June 2019 to March 2021), MacroAsia Airport Services Corp. (Corporate Secretary since 2004), MacroAsia Properties Development Corp. (Corporate Secretary since 2004 and Director since 2019); Asia's Emerging Dragons Corp.(Corporate Secretary since 2017) , MacroAsia Air Taxi Services, Inc. (Corporate Secretary since 2004 and Director since 2018); MacroAsia Mining Corp. (Corporate Secretary and Director since 2000), SNV Resources Development Corp., Boracay Tubi System, Inc. (Corporate Secretary and Director until 2020), First Aviation Academy, Inc. (Corporate Secretary since 2017 and Director since 2019), Summa Water Resources, Inc. (Corporate Secretary since October 2018 and Director until 2020), Naic Water Supply Corporation (Corporate Secretary since 2020 and Director since 2017), Watergy Business Solutions Inc. (Director since 2014 and Treasurer since October 2020), Cavite Business Resources Inc. (Director since 2012 and Treasurer since October 2020), Alliedkonsult Eco-solutions Corporation and Cavite Alliedkonsult Services Corporation (Director from September 2019 to October 2021 and Corporate Secretary since September 2019); CS Water Lapu-Lapu, Inc. (Corporate Secretary since October 2019), Aqualink Resources Development Corporation (Corporate Secretary since April 2021); and Tera Information and Connectivity Solutions, Inc. (Corporate Secretary since February 2021).

She is currently the Assistant Corporate Secretary of LT Group and PAL Holdings, Inc. and served as the Corporate Secretary of MacroAsia Corporation from 2004 to 2014. She is also the Corporate Secretary of Philippine Airlines, Inc. (since 2014). She worked with various Government Institutions from 1987 to 1999, holding key positions such as Legal Officer of the National Bureau of Investigation (NBI) from 1987-1989, Arbitration Specialist of Philippine Overseas Employment Administration (POEA) from 1989 to 1990, Director II (Chief, Legal Service) of Philippine Health Insurance Corporation from 1990 to 1996 and Graft Investigation Officer II at the Office of the Ombudsman from 1997 to 1999. She also held the position of Human Resources Manager of Grand Air from 1996 to 1997. She was a member of the Board of Trustees of the University of Santo Tomas Law Alumni Association (2010-2013).

Atty. Moya holds a Juris Doctor degree from the University of Santo Tomas and a Bachelor of Arts degree, Major in Child Study from Maryknoll College.

EXECUTIVE OFFICERS

AMADOR T. SENDIN

Mr. Sendin, 62, Filipino, a Certified Public Accountant (CPA), has served as an Executive Officer since October 2003. He is the current Chief Financial Officer (since 2012), Chief Risk Officer, and Senior Vice President for Administration of MacroAsia Corporation. He is also the Treasurer of MacroAsia Properties Development Corporation (since 2013), Summa Water Resources, Inc. (since 2018), AlliedKonsult Eco-Solutions Corporation, Cavite AlliedKonsult Services Corporation (since 2019), CS Water Lapu-Lapu, Inc. (since 2019) and the Treasurer and Director of MacroAsia Airport Services Corporation (since 2011), MacroAsia Air Taxi Services, Inc. (since 2011), MacroAsia Mining Corporation (since 2004), Boracay Tubi System, Inc. (since 2017), Bulawan Mining Corporation (since 2018), First Aviation Academy, Inc. (since July 2019), MacroAsia Catering Services, Inc., MacroAsia SATS Food Industries Corporation, MacroAsia SATS Inflight Services Corporation (since 2019), Naic Water Supply Corporation (since 2020), and Aqualink Resources Development, Inc. (since 2021). He is currently the President of SNV Resources Development Corp. (since 2013), Cavite Business Resources Inc. (since 2016), Watergy Business Solutions, Inc. (since 2016), and a Director of Cebu Pacific Catering Services, Inc. (since 2004).

Prior to this, Mr. Sendin was the Vice President for Business Development and Administration of MacroAsia Corporation (2003-2019), President and Director of Naic Water Supply Corporation (2017-2019), Treasurer and Director of Cavite Business Resources, Inc. (2013-2015) and Watergy Business Solutions, Inc. (2012-2015), Finance Manager of MacroAsia Catering Services, Inc. (2000-2003), and Finance Controller of MIASCOR Catering (1998-2000). He was the Operations Head of Amikris Enterprises (1993-1998) and a Resource Person of the Central Bank Institute (1992-1997). He was Projects Supervisor for SAS Service Partners/Saudia Catering in KSA (1992-1993). Mr. Sendin started his career with the Central Bank of the Philippines from 1983-1992, rising from a staff position until he became Division Chief/Staff Officer A.

Mr. Sendin is a holder of Masters in Accountancy from Polytechnic University of the Philippines, Bachelor of Science in Psychology from St. Louis University, and a Certificate in Organizational Development in 2000. He has also completed a Management Development Program in Switzerland.

RUBI ANN C. PIOQUINTO

Ms. Pioquinto, 49, Filipino, a Certified Public Accountant (CPA) and a Certified Management Accountant (CMA), has served as Chief Audit Executive since May 2024. She is currently the Treasurer, Senior Vice President for Finance, Chief Financial Officer, and Chief Administration Officer of Lufthansa Technik Philippines, Inc. (LTP) since 2021. She is also the Division Manager of Controlling, CAPEX, Insurance, and Revenue & Collection of LTP since 2015. She has been with LTP since 2003, advancing through different roles. Prior to this, she held various positions in the finance department of NSG Philippines, Inc. from 2000 to 2002 and Line Seiki Philippines, Inc. from 1998-2000. She holds a Bachelor of Science in Accountancy from Philippine Christian University.

BELGIUM S. TANDOC

Mr. Tandoc, 54, Filipino, a Certified Financial Consultant and Certified Data Protection Officer, has served as Vice-President for Business Development since July 2019. He joined the Business Development group of MacroAsia Corporation in March 2017. He is currently the Treasurer of Cavite Business Resources, Inc. and Director of Aqualink Resources Development, Inc. and MacroAsia Mining Corporation. Prior to joining the company, Mr. Tandoc served as the Vice-President – Finance and Business Development for SCCI Advisors and SCCI Management and Insurance Agency, Inc. from 2004 to 2016 where he led and implemented various private and government projects including packaging LGU Bond flotations. Mr. Tandoc started his career as a Business Analyst at Credit Information Bureau, Inc. in 1991 and left as a Group Head in 1994. From there, he advanced to various positions in several investment houses and management & financial advisory companies, where he gained experience in fields such as investment banking, corporate finance, credit, treasury, and project development.

He holds a Bachelor of Science in Business Administration – Management and Bachelor of Science in Social Work degrees from the Pamantasan ng Lungsod ng Maynila. He is a member of the Financial Executives of the Philippines and a member/representative of German-Philippine Chamber of Commerce and Industry.

RHODEL C. ESTEBAN

Mr. Esteban, 61, Filipino, has served as Vice-President for Commercial since August 2023 and Chief Sustainability Officer since December 2023. He is also the Chief Operating Officer of the MAC Food Group (the commissary and the two (2) inflight kitchens at Ninoy Aquino International Airport). Mr. Esteban used to be an Air Traffic Controller and has international experience in airline catering, having worked in the Middle East in the early part of his career. He is also experienced in duty-free merchandising, purchasing, marketing, and sales. He joined the MAC Group initially as Sales Manager for Lufthansa Technik Philippines, Inc. in 2001. In 2007, he became General Manager (GM) for MacroAsia Catering Services, Inc. (MACS), replacing an expat GM. Under his leadership, MACS established two subsidiaries: MacroAsia SATS Inflight Services Corporation (MSIS), which manages the Philippine Airlines (PAL) Inflight Kitchen, and MacroAsia SATS Food Industries Corporation (MSFI), which operates the food commissary in Muntinlupa City.

He holds a Bachelor of Science in Aeronautical Engineering, Major in Air Transport Engineering, from PATTS College of Aeronautics.

ATTY. FLORENTINO M. HERRERA III

Atty. Herrera, 73, Filipino, has served as Corporate Secretary since December 2014. He is the founding partner of Herrera Teehankee & Cabrera Law Offices (established in 1986). He was formerly a Partner of one of the largest law offices in the Philippines. He has been engaged in the general practice of law for the past forty-eight (48) years, specializing in corporate law practice as counsel for various companies.

Atty. Herrera holds a Bachelor of Arts in Political Science degree and a Bachelor of Laws degree (Cum Laude, Salutatorian) both from the University of the Philippines.

INFORMATION STATEMENTS

INTERNAL CONTROL AND COMPLIANCE SYSTEM ATTESTATION

For the year ended December 31, 2024

MacroAsia Corporation (MAC) is committed to upholding good governance as a cornerstone of long-term sustainability, stakeholder trust, and overall performance. This commitment is realized through a strong corporate governance framework that promotes accountability, transparency, and ethical business practices.

MAC's governance system is driven by an effective Board of Directors and board committees, supported by empowered and accountable management teams, and guided by a solid set of core values, reinforced by sound policies and robust controls.

Board of Directors

The Board of Directors is primarily responsible for the governance of the Corporation. In addition to setting policies to achieve corporate objectives, the Board provides independent oversight of Management. Its key responsibilities include ensuring the soundness, effectiveness, and adequacy of the Corporation's control environment, which encompasses:

- Effective management and supervision of the Corporation;
- Prudent and responsible management practices;
- Strong organizational and procedural controls, supported by effective information and risk management reporting systems; and
- An independent audit mechanism to assess governance, operational efficiency, financial and operational integrity, asset protection, and compliance with laws, regulations, and contractual obligations.

Audit Committee

The Audit Committee supports the Board by overseeing the Corporation's financial reporting, internal control system, and internal and external audit processes. It also monitors compliance with applicable laws and regulations.

Management

Management is responsible for designing and implementing an effective system of internal controls and risk management processes. It ensures compliance with all relevant laws, rules, and regulations while developing mechanisms to monitor and mitigate risks.

Internal Audit

The Internal Audit function adopts a risk-based audit approach in developing its annual work plan. It conducts independent reviews to assess the adequacy and effectiveness of the Corporation's internal controls.

External Audit

SGV & Co., the Corporation's external auditor, evaluates and provides an independent opinion on the Corporation's financial statements, ensuring compliance with Philippine Financial Reporting Standards and maintaining the integrity of the financial reporting process.

Attestation

Based on the assurance activities conducted and the reports submitted by both internal and external auditors, we affirm that MacroAsia Corporation's internal control systems, risk management framework, compliance mechanisms, and governance practices are in place and functioning effectively.

(sgd)
Dr. Lucio C. Tan
Chairman and Chief Executive Officer

(sgd)
Mr. Eduardo Luis T. Luy
President and Chief Operating Officer

(sgd)
Ms. Rubi Ann C. Pioquinto
Chief Audit Executive

STOCKHOLDER INFORMATION

BANKS

Philippine National Bank
6754 Ayala Avenue, Makati City

Security Bank
Nieva Branch G1 & G2 Asian Mansion 2
Dela Rosa cor. Nieva St., Legaspi Village
Makati City

Rizal Commercial Banking Corporation
G/F Sterling Center Ormaza
cor. Dela Rosa St., Legazpi Village,
Makati City

Asia United Bank
G/F Morning Star Center Building,
Gil Puyat Avenue, Makati City

Unionbank of the Philippines
Tektite Building, Ortigas Center
Pasig City

Bank of China
8/F The Finance Centre, 26th St.
cor. 9th Avenue Bonifacio Global City,
Taguig City

China Banking Corporation
8745 Paseo de Roxas corner Villar St.
Makati City

Landbank of the Philippines
Virgilio corner Villapa Street
Poblacion, Brooke's Point, Palawan

STOCK AND TRANSFER AGENT

Trust Banking Group
Philippine National Bank
(formerly Allied Banking Corporation)
3/F, PNB Financial Center
Pres. Diosdado Macapagal Blvd.,
Pasay City

INDEPENDENT AUDITORS

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
Makati City

INVESTOR RELATIONS

For further information about MacroAsia Corporation, please contact:

Ms. Gladys Lorraine S. Pastrana
7/F, Ricogen Building
112 Aguirre Street, Legazpi Village
Makati City 1229, Philippines
Tel. No.: (+632) 8840-2001
Email: gspastrana@macroasiacorp.com

Ms. Charmaine C. Pacleb
7/F, Ricogen Building
112 Aguirre Street, Legazpi Village
Makati City 1229, Philippines
Tel. No.: (+632) 8840-2001
Email: ccpacleb@macroasiacorp.com

STOCK CODE

Philippine Stock Exchange – MAC

FINANCIAL CALENDAR

Year Ended 31st December 2024
Annual Report
Announcement – 3 April 2025
Annual General Stockholders'
Meeting – 15 May 2025
First Quarter Interim Results
Announcement – 13 May 2025

AUDITED FINANCIAL STATEMENTS

MESSAGE OF THE CHIEF FINANCIAL OFFICER

To Our Valued Stakeholders,

It is with great pride that I present the financial results of our Group for the year ended December 31, 2024. The year's performance reflects the strength of our diversified portfolio, the strategic integration of our business segments, and the unwavering commitment of our teams to deliver value amid dynamic market conditions.

For 2024, consolidated net income reached P1.4 billion, a significant 28% increase from P1.1 billion in 2023. This growth was underpinned by the sustained recovery in aviation-related services, continued expansion in food operations, and the solid progress of our water and support service businesses.

Revenue Growth Across Core Segments

The Group's consolidated revenues reached new highs, driven by strong contributions from all business segments:

- Food Services and In-Flight Catering accounted for 47% of total revenues, growing by 11%, supported by a 4% increase in meal count—from 22.8 million meals in 2023 to 23.7 million in 2024.
- Ground Handling and Aviation Services contributed 44% of group revenues and posted a remarkable 33% year-on-year increase, reflecting higher flight volumes, robust ramp and passenger services, and the expanded operations of First Aviation Academy.

- Water Operations achieved a 21% revenue increase, driven by higher billed volumes and the broadening of service coverage.
- Support Services, notably Connectivity and Technology Solutions, generated P62.4 million in revenues during its second year, marking strong progress following the completion of our fiber backbone and containerized data center infrastructure.

Profitability and Operational Efficiency

Operational discipline remained a core focus. Our direct cost ratio improved to 75.29%, down from 78.21% in 2023, signaling enhanced cost efficiency.

Despite increased operating expenses tied to business expansion and lease rate adjustments, we achieved stronger returns across key metrics:

- Return on Equity (ROE) : 23%
- Return on Assets (ROA) : 10%
- Return on Investment (ROI) : 14%

These indicators reflect strategic capital deployment, operational productivity, and our continuing efforts to enhance shareholder value.

Maintaining a Solid Financial Position

As of December 31, 2024, the Group's total assets rose to P13.4 billion, increasing by P722.7 million from the prior year. Cash and cash equivalents grew by 29%, underscoring strong cash generation and sound liquidity management.

Total liabilities declined by 6%, driven by active loan repayments, reduced payables, and a more favorable debt-to-equity ratio of 12%. Additionally, our interest coverage ratio improved to 15x, further affirming the Group's healthy financial position and capacity to meet debt obligations.

Strategic Partnerships Driving Value

Our investments in associates contributed P731.5 million in net earnings, with Lufthansa Technik Philippines continuing to generate strong results through its base maintenance operations.

"The performance of 2024 reinforces the effectiveness of our long-term strategy: to strengthen complementary business verticals, leverage cross-segment synergies, and remain agile in addressing the evolving needs of our customers and industries."

Meanwhile, our joint ventures in Cebu and Japan in both catering and ground handling services achieved marked improvements, highlighting the strength of our regional presence and the value of synergistic partnerships.

Looking Ahead

The performance of 2024 reinforces the effectiveness of our long-term strategy: to strengthen complementary business verticals, leverage cross-segment synergies, and remain agile in addressing the evolving needs of our customers and industries.

As we move forward into 2025 and beyond, we remain focused on expanding capacity, optimizing operational efficiency, and creating sustainable value. The successful restructuring within our Food Group, combined with a disciplined approach to capital and dividend policies, positions MacroAsia for continued growth and value creation.

A Message of Gratitude

I extend my heartfelt appreciation to our management teams, employees, and partners, whose hard work and commitment have been instrumental in delivering this outstanding performance. To our shareholders, thank you for your continued trust and support.

We move forward into the new year with the same resilience, clarity, and shared purpose that defined our success in 2024.

Sincerely,

(sgd)
AMADOR T. SENDIN
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
MacroAsia Corporation
7th Floor, Ricogen Building
112 Aguirre Street
Legazpi Village, Makati City

Opinion

We have audited the consolidated financial statements of MacroAsia Corporation (the Company) and its subsidiaries (collectively as the Group), which comprise the consolidated balance sheets as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Revenue Recognition

The Group's revenue from inflight and other catering services, ground handling and aviation, water, and other services amounted to ₱4,402.6 million, ₱4,172.0 million, ₱748.6 million and ₱118.6 million, comprise 47%, 44%, 8% and 1%, respectively, of the Group's total consolidated revenue for the year ended December 31, 2024. We considered revenue recognition from these sources as a key audit matter because of the significant amount and volume of transactions being processed and recorded, transactions with service agreements having multiple elements, and risk of recognizing revenue in the improper period. Further, the Group has a number of revenue streams, which required a Group-wide assessment of contracts.

Refer to Notes 2 and 3 to the consolidated financial statements for the discussion of the relevant accounting policies and discussion of significant judgments and accounting estimates, and Notes 18 and 19 to the consolidated financial statements for the discussions on revenue recognition.

Audit Response

We obtained and updated our understanding of the Group's revenue recognition process, the relevant controls, and the related information system, including the determination of revenue adjustments. On a sampling basis, we compared the recorded revenue during the year to new and existing contracts and reviewed whether it is recognized and measured in accordance with PFRS 15, *Revenue from Contracts with Customers*. We also reviewed sample manual journal entries related to revenue and inspected the underlying documentation. On a sampling basis, we also obtained and compared the details of discounts and allowances to the amounts recorded in the Group's revenue information system and to documents such as contracts with customers, reconciliation of billings and collections with customers, and other memorandum adjustments. Furthermore, we evaluated the correlation of revenue, trade receivables and cash collections.

Impairment of goodwill, intangible assets with indefinite useful lives, service concession rights and other non-financial assets

As at December 31, 2024, the total of the carrying values of the Group's goodwill attributable to the cash generating units (CGUs) that are expected to benefit from the business combination, the intangible assets with indefinite useful life (water rights), the service concession rights and the non-financial assets amounted to ₱6,848.8 million. Under PFRS Accounting Standards, the Group is required to annually perform impairment testing of goodwill and intangible assets with indefinite useful lives. Further, PFRS Accounting Standards require that the Group assess at the end of each reporting period whether there is any indication that non-financial assets, other than goodwill and intangible assets with indefinite life, are impaired, and if any impairment indicators exist, the Group should estimate the recoverable amount of these assets.

We considered the impairment testing of goodwill, intangible assets with indefinite useful life, service concession right and non-financial assets as a key audit matter because their carrying values are material to the consolidated financial statements and the management's impairment assessment process requires significant judgment and assumptions, specifically the anticipated revenue growth and forecasted volume of flights serviced and meals ordered, annual water consumption, tariff rate, growth rates and discount rates.

INDEPENDENT AUDITOR'S REPORT

Refer to Notes 2 and 3 to the consolidated financial statements for the material accounting policies and a discussion of the significant judgments, and Notes 9, 11, 13, 14, 15 and 28 for the detailed discussion on goodwill, intangible assets with indefinite useful lives, service concession rights and non-financial operating assets.

Audit Response

For those non-financial assets and service concession rights other than goodwill and intangible assets with indefinite useful lives, we reviewed management's assessment on whether these assets have impairment indicators. We involved our internal specialist in evaluating the methodologies and the assumptions used to estimate the projected cash flows of the CGUs of goodwill, intangible assets with indefinite useful life, service concession rights and non-financial assets. We compared the key assumptions, such as discount rates, average volume of annual water consumption, average price per cubic meter, long term growth rate and average number of flight hours, used against the historical performance of the CGUs, industry/market outlook and other relevant external data. We also inquired of management about their plans in support of the assumptions used.

We tested the parameters used in the determination of the discount rates against market data. We performed sensitivity analyses and considered past, current and anticipated changes in the business and economic environment. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of goodwill, intangible assets with indefinite useful life, service concession rights and non-financial operating assets.

Accounting for Investment in a Significant Associate

The Group's 49% interest in Lufthansa Technik Philippines, Inc. (LTP) is accounted for under the equity method and amounted to ₱1,587.1 million as of December 31, 2024 representing 12% of total consolidated assets. For the year ended December 31, 2024, the Group's share in the net earnings of LTP amounted to ₱585.2 million representing 43% of consolidated net income. LTP's net earnings are significantly affected by the provisions for claims and losses since LTP is also a party to certain claims by third parties in the normal course of its business. The determination of whether or not a provision should be recognized, and the estimation of provision for losses arising from such claims require significant management judgment.

The lease for the ecozone where LTP is located is set for renewal in 2025, with an expected increase in lease rates. As of December 31, 2024, the Group and LTP is still in the process of finalizing negotiations with the government and airport operator regarding the final lease rate applicable after the expiration of the initial term. The uncertainty surrounding the lease renewal and the potential impact on LTP's financial performance requires significant management judgment and estimation in assessing the recoverability of the Group's investment in LTP.

Refer to Notes 2 and 3 to the consolidated financial statements for the relevant accounting policies and a discussion of significant judgments, and Note 9 for the detailed discussions on the investment in LTP.

Audit Response

We obtained an understanding of LTP's revenue, cost and expense recognition policies and procedures and tested the relevant controls on the information system and manual processes. We obtained the audited financial performance of LTP as at and for the year ended December 31, 2024 and recomputed the Group's share in LTP's net earnings.

We inquired of LTP's management about the progress and status of significant claims against LTP, its potential exposure to the related losses and LTP management's assessment of the likely outcome. We further reviewed the minutes of meetings of LTP's Board of Directors and other documents supporting LTP management's assessment of loss, contingencies and the significant judgments exercised in the estimation of recognized provisions for losses. We evaluated the position of LTP's management on each of the significant claims by reviewing legal replies and other relevant documents and information.

Given the potential impact of uncertainty surrounding the lease renewal, we obtained management's impairment assessment on investment in LTP. We obtained updates from management on its ongoing negotiation for lease rates with the government and airport operator and reviewed available correspondences related to the negotiation. We involved our internal specialist in evaluating the methodologies and the assumptions used to estimate the projected cash flows of the CGU. We compared the key assumptions, such as the probability-weight of scenarios, revenue growth, forecasted workload and fleet count, operational costs and operating expenses, used against the historical performance of LTP, industry/market outlook and other relevant external data. We also inquired of management about their plans in support of the assumptions used.

We tested the parameters used in the determination of the discount rates against market data. We performed sensitivity analyses and considered past, current and anticipated changes in the business and economic environment. We reviewed the Company's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on determining the recoverable amount of investment in LTP.

Other Information

Management is responsible for the other information. The other information comprises the Philippine Securities and Exchange Commission (SEC) Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of the Auditor's Report, and the SEC Form 20 - IS (Definitive Information Statement) for the year ended December 31, 2024, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Kristopher S. Catalan.

SYCIP GORRES VELAYO & CO.

(sgd)
Kristopher S. Catalan
Partner
CPA Certificate No. 109712
Tax Identification No. 233-299-245
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-109-2023, October 26, 2023, valid until October 25, 2026
PTR No. 10465281, January 2, 2025, Makati City

March 27, 2025

STATEMENTS OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATE FINANCIAL STATEMENTS

The management of MacroAsia Corporation and its Subsidiaries (collectively referred to as "the Company") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

(sgd)
DR. LUCIO C. TAN
Chairman of the Board and Chief Executive Officer

(sgd)
EDUARDO LUIS T. LUY
President and Chief Operating Officer

(sgd)
AMADOR T. SENDIN
Chief Financial Officer

Signed this 27th of March 2025

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	December 31 2024	December 31 2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5, 18, 22 and 23)	₱1,369,282,600	₱1,062,560,838
Receivables and contract assets (Notes 6, 15, 18 and 23)	2,202,872,855	2,092,256,231
Inventories (Note 7)	155,395,494	160,996,293
Other current assets (Note 8)	695,565,235	871,627,299
Total Current Assets	4,423,116,184	4,187,440,661
Noncurrent Assets		
Investments in associates (Note 9)	2,471,121,451	2,299,475,062
Property, plant and equipment (Note 11)	2,496,453,868	2,293,221,048
Investment property (Note 12)	143,852,303	143,852,303
Net investment in lease (Note 28)	1,179,796,110	1,175,894,680
Right-of-use assets (Note 28)	781,910,809	799,224,610
Service concession rights (Note 13)	436,908,235	408,475,136
Intangible assets and goodwill (Note 13)	365,088,037	365,468,946
Deferred income tax assets - net (Note 25)	95,809,930	170,611,630
Other noncurrent assets (Notes 6, 14, 15 and 21)	1,023,594,420	851,278,039
Total Noncurrent Assets	8,994,535,163	8,507,501,454
TOTAL ASSETS	₱13,417,651,347	₱12,694,942,115
LIABILITIES AND EQUITY		
Current Liabilities		
Notes payable (Notes 16, 18, 22 and 23)	₱121,178,000	₱244,500,000
Accounts payable and accrued liabilities (Notes 17, 18, 23 and 29)	2,299,534,892	2,646,051,600
Income tax payable	75,445,320	63,181,364
Dividends payable (Note 27)	96,402,629	9,725,208
Current portion of long-term debts (Notes 16, 18, 22 and 23)	386,927,235	314,114,902
Current portion of lease liabilities (Note 28)	43,420,640	44,867,304
Total Current Liabilities	3,022,908,716	3,322,440,378
Noncurrent Liabilities		
Long-term debts - net of current portion (Notes 16, 18, 22 and 23)	395,420,113	485,893,921
Lease liabilities - net of current portion (Note 28)	2,049,541,788	2,042,208,073
Accrued retirement and other employee benefits payable (Note 21)	196,580,540	190,022,871
Deferred income tax liabilities - net (Notes 15 and 25)	95,827,842	92,893,628
Other noncurrent liabilities (Note 18)	93,627,043	76,144,495
Total Noncurrent Liabilities	2,830,997,326	2,887,162,988
Total Liabilities	5,853,906,042	6,209,603,366

(Forward)

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	December 31 2024	2023
Equity attributable to equity holders of the Company		
Capital stock -₱1 par value (Note 27)	₱1,933,305,923	₱1,933,305,923
Additional paid-in capital	281,437,118	281,437,118
Retained earnings (Note27): Appropriated	960,000,000	960,000,000
Unappropriated	3,356,833,052	2,423,052,276
Other comprehensive loss (Notes 9, 15 and 21)	(5,212,490)	(16,327,184)
Other reserves (Note 27)	1,003,041,257	1,003,041,257
Treasury shares (Note 27)	(459,418,212)	(459,418,212)
	7,069,986,648	6,125,091,178
Non-controlling interests (Notes 4 and 10)	493,758,657	360,247,571
Total Equity	7,563,745,305	6,485,338,749
TOTAL LIABILITIES AND EQUITY	₱13,417,651,347	₱12,694,942,115

See accompanying Notes to Consolidated Financial Statements.

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31 2024	2023	2022
REVENUE (Notes 18 and 19)			
In-flight and other catering	₱4,402,552,818	₱3,981,782,302	₱2,288,520,288
Ground handling and aviation	4,171,950,252	3,135,524,660	2,049,535,189
Water distribution	748,553,636	617,489,588	515,009,510
Connectivity and technology services	62,389,894	215,627,301	–
Administrative fees	56,225,944	46,621,995	30,443,040
	9,441,672,544	7,997,045,846	4,883,508,027
DIRECT COSTS AND EXPENSES (Notes 20 and 29)			
In-flight and other catering	3,014,459,014	2,688,372,788	1,735,536,609
Ground handling and aviation	3,563,692,601	2,962,078,341	1,851,277,355
Water distribution	430,542,415	379,061,138	330,109,113
Connectivity and technology services	32,414,153	175,849,768	–
Administrative fees	67,623,068	49,478,219	52,602,359
	7,108,731,251	6,254,840,254	3,969,525,436
GROSS PROFIT	2,332,941,293	1,742,205,592	913,982,591
SHARE IN NET EARNINGS OF ASSOCIATES (Note 9)	731,540,161	576,729,023	470,847,906
	3,064,481,454	2,318,934,615	1,384,830,497
OPERATING EXPENSES (Note 20)	1,391,006,394	1,085,694,715	793,520,536
INCOME FROM OPERATIONS	1,673,475,060	1,233,239,900	591,309,961
OTHER INCOME (CHARGES) - Net			
Interest income (Notes 5, 18 and 22)	26,698,898	19,005,809	3,902,263
Financing charges (Notes 16, 18, 22 and 28)	(121,985,127)	(163,781,528)	(148,954,785)
Foreign exchange gain (loss) - net	12,274,493	(8,281,901)	1,531,770
Other income - net (Note 22)	65,408,241	113,375,958	106,469,095
	(17,603,495)	(39,681,662)	(37,051,657)
INCOME BEFORE INCOME TAX	1,655,871,565	1,193,558,238	554,258,304
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 25)			
Current	214,837,144	160,051,056	63,746,717
Deferred	69,625,152	(37,677,429)	29,077,512
	284,462,296	122,373,627	92,824,229
NET INCOME	₱1,371,409,269	₱1,071,184,611	₱461,434,075
Net income attributable to:			
Equity holders of the Company	₱1,122,876,609	P851,136,879	P446,084,259
Non-controlling interests (Notes 4 and 10)	248,532,660	220,047,732	15,349,816
	₱1,371,409,269	₱1,071,184,611	₱461,434,075
Basic/Diluted Earnings Per Share* (Note 26)	₱0.59	₱0.45	₱0.24

See accompanying Notes to Consolidated Financial Statements.

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
NET INCOME	₱1,371,409,269	₱1,071,184,611	₱461,434,075
OTHER COMPREHENSIVE INCOME (LOSS)			
Items of other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:			
Share in net foreign currency translation adjustments of associates (Note 9)	59,789,354	(15,937,991)	132,775,412
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:			
Changes in fair value of equity investments held at FVTOCI - net of tax effect (Note 15)	34,000,000	12,750,000	18,700,000
Remeasurement gains (losses) on defined benefit plans, net of tax effect (Note 21)	(23,066,323)	(48,528,290)	6,165,566
Share in remeasurement gains (losses) on defined benefit plans of associates (Note 9)	(60,333,526)	(125,339,434)	111,544,780
	10,389,505	(177,055,715)	269,185,758
TOTAL COMPREHENSIVE INCOME	₱1,381,798,774	₱894,128,896	₱730,619,833
Other comprehensive income (loss) attributable to:			
Equity holders of the Company	₱11,114,694	(₱185,6 48,255)	₱265,888,636
Non-controlling interests (Notes 4 and 10)	(725,189)	8,592,540	3,297,122
	₱10,389,505	(₱177,055,715)	₱269,185,758
Total comprehensive income attributable to:			
Equity holders of the Company	₱1,133,991,303	₱665,488,624	₱711,972,895
Non-controlling interests (Notes 4 and 10)	247,807,471	228,640,272	18,646,938
	₱1,381,798,774	₱894,128,896	₱730,619,833

See accompanying Notes to Consolidated Financial Statements.

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company Other Comprehensive Income													
				Other Comprehensive Income					Retained Earnings (Note 27)					
	Capital Stock	Additional Paid-in Capital	Other Reserves	Reserve for Fair Value Changes of Financial Assets Investments an Associate	Share in Foreign Currency Translation Adjustments of	Re-measurements on Defined Benefit Plans	Share in Re-measurements on Defined Benefit Plan of Associates	Subtotal	Appropriated	Unappropriated	Treasury Shares	Subtotal	Non-controlling Interests	Total
BALANCES AT JANUARY *1, 2022*	₱1,933,305,923	₱281,437,118	₱1,003,041,257	₱51,019,999	(₱39,097,838)	₱11,177,001	(₱119,666,727)	(₱96,567,565)	₱850,000,000	₱1,330,379,054	(₱459,418,212)	₱4,842,177,575	₱95,810,361	₱4,937,987,936
Net income	–	–	–	–	–	–	–	–	–	446,084,259	–	446,084,259	15,349,816	461,434,075
Other comprehensive income	–	–	–	18,700,000	132,775,412	2,868,444	111,544,780	265,888,636	–	–	–	265,888,636	3,297,122	269,185,758
Total comprehensive income	–	–	–	18,700,000	132,775,412	2,868,444	111,544,780	265,888,636	–	446,084,259	–	711,972,895	18,646,938	730,619,833
BALANCES AT DECEMBER 31, 2022	1,933,305,923	281,437,118	1,003,041,257	69,719,999	93,677,574	14,045,445	(8,121,947)	169,321,071	850,000,000	1,776,463,313	(459,418,212)	5,554,150,470	114,457,299	5,668,607,769
Net income	–	–	–	–	–	–	–	–	–	851,136,879	–	851,136,879	220,047,732	1,071,184,611
Other comprehensive income (loss)	–	–	–	12,750,000	(15,937,991)	(57,120,830)	(125,339,434)	(185,648,255)	–	–	–	(185,648,255)	8,592,540	(177,055,715)
Total comprehensive income (loss)	–	–	–	12,750,000	(15,937,991)	(57,120,830)	(125,339,434)	(185,648,255)	–	851,136,879	–	665,488,624	228,640,272	894,128,896
Additional appropriation	–	–	–	–	–	–	–	–	110,000,000	(110,000,000)	–	–	–	–
Declaration of cash dividends	–	–	–	–	–	–	–	–	–	(94,547,916)	–	(94,547,916)	–	(94,547,916)
Additional investment of non-controlling interest (Note 10)	–	–	–	–	–	–	–	–	–	–	–	–	17,150,000	17,150,000
BALANCES AT DECEMBER 31, 2023	1,933,305,923	281,437,118	1,003,041,257	82,469,999	77,739,583	(43,075,385)	(133,461,381)	(16,327,184)	960,000,000	2,423,052,276	(459,418,212)	6,125,091,178	360,247,571	6,485,338,749
Net income	–	–	–	–	–	–	–	–	–	1,122,876,609	–	1,122,876,609	248,532,660	1,371,409,269
Other comprehensive income (loss)	–	–	–	34,000,000	59,789,354	(22,341,134)	(60,333,526)	11,114,694	–	–	–	11,114,694	(725,189)	10,389,505
Total comprehensive income (loss)	–	–	–	34,000,000	59,789,354	(22,341,134)	(60,333,526)	11,114,694	–	1,122,876,609	–	1,133,991,303	247,807,471	1,381,798,774
Declaration of cash dividends	–	–	–	–	–	–	–	–	–	(189,095,833)	–	(189,095,833)	–	(189,095,833)
Dividends to non-controlling interest	–	–	–	–	–	–	–	–	–	–	–	–	(121,646,385)	(121,646,385)
Additional investment of non-controlling interest (Note 10)	–	–	–	–	–	–	–	–	–	– –	–		7,350,000	7,350,000
BALANCES AT DECEMBER 31, 2024	₱1,933,305,923	₱281,437,118	₱1,003,041,257	₱116,469,999	₱137,528,937	(₱65,416,519)	(₱193,794,907)	(₱5,212,490)	₱960,000,000	₱3,356,833,052	(₱459,418,212)	₱7,069,986,648	₱493,758,657	₱7,563,745,305

See accompanying Notes to Consolidated Financial Statements.

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱1,655,871,565	₱1,193,558,238	₱554,258,304
Adjustments for:			
Depreciation and amortization (Notes 4, 11, 13, 15, 19, 20 and 28)	361,930,535	327,001,195	344,109,580
Financing charges (Notes 16, 18, 22 and 28)	121,985,127	163,781,528	148,954,785
Retirement and other employee benefits (Note 21)	52,146,236	36,235,986	27,691,859
Unrealized foreign exchange loss (gain) - net	12,274,498	8,281,901	(1,531,771)
Loss on disposal of property and equipment (Note 11)	2,775,991	–	–
Gain on bargain purchase of a subsidiary (Notes 10 and 22)	–	(69,730,361)	–
Loss on disposal of investment in an associate (Notes 9 and 22)	–	43,022,151	–
Interest income (Notes 5, 6 and 22)	(26,698,898)	(19,005,809)	(3,902,263)
Share in net earnings of associates (Note 9)	(731,540,161)	(576,729,023)	(470,847,906)
Operating income before working capital changes	1,448,744,893	1,106,415,806	598,732,588
Decrease (increase) in:			
Receivables and contract assets	(117,851,522)	(265,643,145)	(538,327,202)
Inventori es	5,600,799	(21,650,650)	(37,046,993)
Other current assets	101,949,653	(249,650,920)	(111,666,128)
Increase (decrease) in accounts payable and accrued liabilities	(146,337,716)	557,230,232	664,108,122
Cash generated from operations	1,292,106,107	1,126,701,323	575,800,387
Interest received	26,928,679	19,005,809	3,902,263
Financing charges paid	(77,549,355)	(106,549,500)	(117,272,345)
Contributions to the retirement fund and benefits paid (Note 21)	(66,255,671)	(23,934,039)	(3,516,586)
Income taxes paid, including creditable withholding taxes	(267,184,220)	(200,389,032)	(43,123,702)
Net cash flows from operating activities	908,045,540	814,834,561	415,790,017
CASH FLOWS FROM INVESTING			
Acquisitions of:			
Property and equipment and service concession rights (Notes 11 and 13)	(519,278,292)	(306,498,309)	(133,550,984)
Subsidiary, net of cash acquired (Notes 9 and 27)	–	(174,004)	–
Proceeds from disposal of property and equipment (Note 11)	3,891,640	–	–
Dividends received (Note 9)	559,349,600	539,098,000	114,686,188
Additional refundable deposits and other noncurrent assets (Note 15)	(179,078,020)	(9,501,896)	(21,736,165)
Movements in water rights and other intangible assets	(7,178,533)	(2,768,683)	(8,347,270)
Proceeds from sale of investment in associate (Note 9)	–	312,505	–
Net Cash from (used in) Investing activities	(142,293,605)	220,467,613	(48,948,231)

(Forward)

MACROASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availments of:			
Notes payable (Notes 16 and 33)	₱82,000,000	₱150,000,000	₱40,000,000
Long-term debts (Notes 16 and 33)	334,815,500	–	200,000,000
Payments of:			
Notes payable (Notes 16 and 33)	(205,322,000)	(44,500,000)	(321,000,000)
Long-term debts (Notes 16 and 33)	(352,706,839)	(331,111,216)	(210,996,567)
Lease liabilities (Notes 28 and 33)	(88,827,549)	(90,076,224)	(112,006,096)
Dividends paid (Notes 27 and 33)	(224,064,797)	(116,790,728)	–
Additional investment of non-controlling interest (Notes 10 and 33)	7,350,000	–	–
Net cash used in financing activities	(446,755,685)	(432,478,168)	(404,002,663)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(12,274,488)	(8,281,901)	1,531,772
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	306,721,762	594,542,105	(35,629,105)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,062,560,838	468,018,733	503,647,838
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)	₱1,369,282,600	₱1,062,560,838	₱468,018,733

See accompanying Notes to Consolidated Financial Statements.

OUTLOOK AND STRATEGIC INITIATIVES

EMERGING TRENDS AND MARKET LANDSCAPE

The aviation industry's recovery is boosting the profitability of MacroAsia's aviation-related units, driven by increased flights and passenger numbers. The privatization of NAIA in September 2024 is expected to enhance airport capacity and efficiency, potentially increasing passenger traffic. However, revised operational costs from the Manila International Airport Authority may pose challenges, as substantial cost increases could impact travel demand.

Despite these pressures, MacroAsia will focus on growth opportunities in its core aviation segments, including airline catering, MRO, and ground handling, while also exploring growth in non-airport segments such as food services, water treatment, and connectivity projects.

OUTLOOK AND STRATEGIC INITIATIVES

STRATEGIC GOALS FOR 2025 AND BEYOND

MacroAsia aims to continue its growth in 2025 by pursuing sustainable cost leadership projects within the Group. It is committed to enhancing market presence and optimizing operations to drive long-term, sustainable growth.

The company remains confident in maintaining its upward trajectory, with anticipated revenue growth fueled by expanding aviation services, food business, and water concessions. Key initiatives include:

MRO (AIRCRAFT MAINTENANCE, REPAIR, OVERHAUL)

In 2023, Lufthansa Technik Philippines (LTP) converted its newly built Hangar 1-A to support wide-body aircraft, focusing on A380 maintenance. LTP's ecozone lease is up for renewal in 2025, with expected rate increases. While these costs may be passed on to clients, significant hikes could impact some of LTP's clients, including airlines not operating in the Philippines, who will not benefit directly from capacity changes or improvements at NAIA. LTP is also considering building an MRO facility at Clark International Airport to meet the growing demand for MRO services.

FOOD SERVICES

INFLIGHT FOOD: MSIS will continue refurbishing its production facility near Terminal 2. Higher lease rates for MACS at NAIA took effect in late 2024, but the Group anticipates increased demand for catering services due to NAIA's privatization and by expanding its customer portfolio of foreign airlines. Cebu Pacific Catering Services (CPCS) is expected to grow as Mactan-Cebu Airport sees rising passenger traffic.

NON-AIRLINE FOOD: MacroAsia SATS Food Industries (MSFI) is expanding its commissary operations, with a facility extension that will double production capacity by 2027. This expansion reinforces the company's commitment to meeting the growing demand for high-quality food services of institutional non-airline clients.

GATEWAY SERVICES

MacroAsia Airport Services Corporation (MASCORP) will increase its workforce to meet growing demand from existing and prospective airline clients. MASCORP's strategic expansion into ULD repair, maintenance, and assembly, as well as galley insert repairs, will strengthen its market position.

PROPERTY DEVELOPMENT

MacroAsia Properties Development Corporation (MAPDC) collaborates with subsidiaries and affiliates for contracted servicing and construction, maintaining a status quo in property development.

AVIATION TRAINING

First Aviation Academy, Inc. (FAA) resumed training operations at Subic Bay International Airport, expanding its student portfolio. The pilot school is evaluating cross-border partnerships for commercial pilot licenses and ramping up local enrollee recruitment. It has also partnered with Philippine National Bank (PNB) to offer financing options to qualified enrollees.

MINING

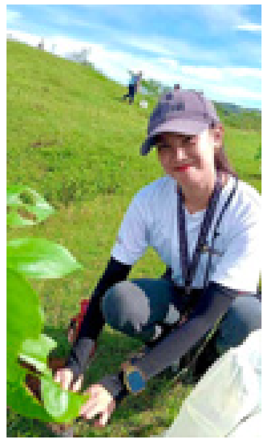
In 2022, exploration reaffirmed the presence of nickel in the Brookes' Point tenement. With the moratorium on mining lifted, MacroAsia signed an operating agreement with a local mining operator. The Environmental Compliance Certificate (ECC) was renewed in 2023, and additional permits are awaited. Once operations commence, the Group anticipates recurring cash inflow through royalty payments.

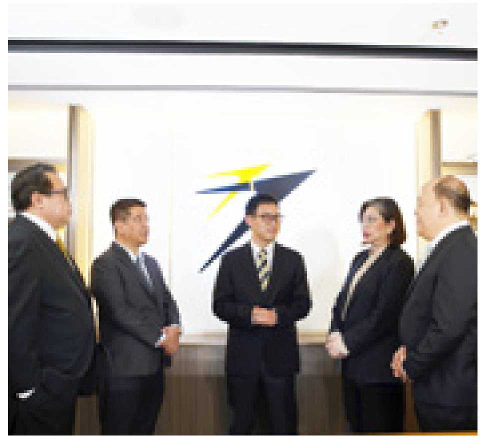
WATER BUSINESS

With the tourism industry returning to normal, Boracay Tubi Systems Inc. (BTSI) has shown substantial growth in its performance in 2024 and will continue expanding its pipeline network on Boracay Island. A new water project in Iloilo is expected to start in late 2025.

Cavite-based units Naic Water Supply Corporation (NWSC) and Aqualink Resources Development Inc. (ARDI) recorded positive results in 2024 and are expected to grow further in 2025. Cavite Alliedkonsult Services Corporation (CAKSC) secured long-term septage contracts and owns the largest septage treatment facility in Cavite.

Summa Water Resources, Inc. (SWRI) continued developing portable water treatment plants and diversified its client portfolio in 2024.





Outside Metro Manila, SWRI is developing key water infrastructure projects, including water treatment facilities in Bacolod and Poro Point, La Union, as well as one of the largest desalination plants in Lapu-Lapu City. These projects are expected to begin generating revenue by 2026 or earlier, further diversifying the company's revenue portfolio mix as part of the topline resiliency drive through MacroAsia's presence in essential utilities.

ICT AND DIGITALIZATION INITIATIVES

MacroAsia has leveraged its subsidiary, Tera Information and Connectivity Solutions, Inc. (TERA), to drive digitalization and provide essential ICT solutions. Key initiatives include implementing 800MHz frequency radio trunking at the airport, supporting the Group's water business units with connectivity solutions, and various other projects aimed at strengthening ICT capabilities and advancing digital transformation across MacroAsia's business units.

NEW PROSPECTS

Several projects are in the pipeline to expand the revenue-generating capacity of the food segment beyond Metro Manila and to grow the water segment geographically.

Despite potential challenges, MacroAsia remains cautiously optimistic about its growth prospects for 2025. The company is focusing on careful expansion and exploring new business opportunities.

With stable cash flow from its subsidiaries, MacroAsia is poised for continued growth, supported by a diversified and resilient revenue base. While revenue growth is expected to maintain a similar momentum as last year, the company remains mindful of potential cost pressures driven by external factors.

ANNEXES

DIRECTORY OF SUBSIDIARIES AND AFFILIATES

Aqualink Resources Development, Inc. (ARDI)
Ground Floor Leighton Hall,
Lancaster New City, Imus, Cavite
Tel. No.: (+63) 9674576140
Email: aqualinkresources@macroasiaproperties.com
Officer-In-Charge: DARREN D. FERNANDEZ

Allied Water Services, Inc. (AWSI)
7/F Ricogen Building, 112 Aguirre Street,
Legazpi Village, Makati City, Metro Manila
Email: info@macroasiacorp.com
Website: https://macroasiacorp.com/
MAC Group Water Operations Head and General Manager:
DOMINADOR K. DE CASTRO JR.

Boracay Tubi System, Inc. (BTSI)
Main Road, Brgy. Balagbag , Boracay Island,
Malay, Aklan
Tel. No.: (+632) 883168
Website: https://boracaytubi.com/
General Manager: CHARMIAN MOLINA

Cavite Alliedkonsult Services Corporation (CAKSC)
Lot 14 Phase, Golden Gate Business Park,
Brgy. Buenavista II, General Trias, Cavite
Tel. No.: (+046) 8850594
General Manager: JOHN EMMANUEL TIMOTHY PABILONIA

Cavite Business Resources, Inc. (CBRI)
Col. Riel Street, Poblacion 2A,
Maragondon, Cavite
MAC Group Water Operations Head:
DOMINADOR K. DE CASTRO, JR.

Cebu Pacific Catering Services, Inc. (CPCS)
1st Avenue Extension, Block B6,
Mactan Economic Zone 1,
Lapu-Lapu City, Cebu
Tel Nos.: (+032) 3412858, (+032) 3263762
General Manager : SHERWIN B. OLIVAR

First Aviation Academy, Inc. (FAA)
Main Branch: Building 8303, Southwest Apron B,
Argonaut Highway, Subic Bay International
Airport, Subic Bay Freeport Zone,
Subic, Zambales
Website: https://firstaviationacademy.com/
General Manager: RODOLFO R. SANTOS

Satellite Offices:
*MacroAsia Corporation (MAC)
7/F Ricogen Building, 112 Aguirre
Street, Legazpi Village, Makati City,
Metro Manila
Tel No.: (+632) 88402001

*PATTS College of Aeronautics
Lombos Ave., Brgy. San Isidro, Paranaque City
Metro Manila
Tel. Nos.: (+6347) 2513413,
(+6328) 8402001 loc. 213/214,
(+63) 917 119 3028

Japan Airport Service Co., Ltd. (JASCO)
Room #332, 3rd Floor, 154-4 Kogome-gome
Narita-shi , Chiba Prefecture 282-0004
Tel No.: 0476 32 5881
Fax No.: 0476 32 5894
Website: https://www.jasco-ghs.co.jp/contact/
Representative Director: KIYOMI OKAMOTO

Lufthansa Technik Philippines, Inc. (LTP)
MacroAsia Economic Zone,
Villamor Air Base, Pasay City
Metro Manila
Tel. No.: (+632) 88552222
Email: corpcomm@lht-philippines.com
President and CEO: HOLGER BECK

MacroAsia Airport Services Corporation (MASCORP)
3rd Floor, Bldg. A Skyfreight Center,
Ninoy Aquino Ave., Brgy. Sto. Nino,
Paranaque City, Metro Manila
Tel No.: (+632) 88785001
Website: http://www.mascorp.ph/
General Manager: JOSELITO B. ELLAZAR

MacroAsia Air Taxi Services, Inc. (MAATS)
2316 MIAA Bldg B. Aurora Blvd.,
Tramo, Pasay City, Metro Manila
Tel No.: (+632) 85534847

MacroAsia Catering Services, Inc. (MACS)
West Service Road, Merville Exit,
Ninoy Aquino International Airport,
Pasay City, Metro Manila
Tel No.: (+632) 88282011
Website: http://www.macroasiacatering.com/
MAC Food Group COO: RHODEL C. ESTEBAN

MacroAsia Corporation (MAC)
7/F Ricogen Building,
112 Aguirre Street, Legazpi Village,
Makati City, Metro Manila
Tel No.: (+632) 88402001
Website: https://macroasiacorp.com/about
Email: info@macroasiacorp.com
President and COO: EDUARDO LUIS T. LUY

MacroAsia SATS Food Industries Corporation (MSFI)
MAPDC Building, East Service Road,
Brgy. Sucat, Muntinlupa City,
Metro Manila
Tel No.: (+632) 82979000
Deputy General Manager: GLENN U. MANGLALLAN

MacroAsia SATS Inflight Services Corporation (MSIS)
PAL Inflight Center, Baltao St. Cor MIAA Road,
Pasay City, Metro Manila
Tel No.: (+632) 88511049
General Manager: WESLEY B. CALFOFORO

MacroAsia Mining Corporation (MMC)
Head Office: 7/F Floor, Ricogen Building,
112 Aguirre Street, Legazpi Village,
Makati City, Metro Manila
Tel No.: (+632) 88402001

MacroAsia Properties Development Corporation (MAPDC)
Head Office: MacroAsia Special Economic Zone (MASEZ), Villamor Airbase,
Pasay City, Metro Manila
Ecozone Manager: ROWENA PRICILLA L. CASTROVERDE

Cebu Office: MacroAsia Cebu Special Economic Zone, Mactan-Cebu International Airport Authority (MCIAA),
Lapu-Lapu City, Cebu

Naic Water Supply Corporation (NWSC)
Naic Water Building, Governors Drive,
Brgy. Sabang, Naic, Cavite
Tel. Nos.: (+046) 4120026, (+63)9175537475
MAC Group Water Operations Head:
DOMINADOR K. DE CASTRO, JR.

SNV Resources Development Corporation (SNVRDC)
Dupan St. cor Yogad Street, Brgy. Quirino,
Solano, Nueva Vizcaya
Tel. Nos.: (+6378) 3920759
Business Office: (+63) 9176531737
Water Treatment Plant: (+63) 9778121456
Email: customerdevelopment.snv@gmail.com
General Manager: HELEN GRACE ASUNCION-ANG

Summa Water Resources, Inc. (SWRI)
Head Office: KM 20 Interior, East Service Road, Sucat, Muntinlupa City, Metro Manila

Sales Office: 6/F Ricogen Building,
112 Aguirre Street, Legaspi Village,
Makati City, Metro Manila
Tel. Nos.: Purchasing: (+632) 82881529
Accounting: (+632) 82878646
Sales: (+632) 82867077
Email: sales@summawater.com
Website: https://summawater.com/
General Manager: MARICHU T. DECENDARIO

Tera Information and Connectivity Solutions, Inc. (TERA)
7/F Ricogen Building, 112 Aguirre Street,
Legazpi Village, Makati City, Metro Manila
Tel No.: (+632) 88402001

MEMBERSHIP IN ASSOCIATIONS AND NETWORKS

GRI 2-28

MacroAsia Corporation and its subsidiaries have memberships in the following associations and networks through its executives and officers:

- Airline Operators Council (AOC)
- Association of Purchasing Managers of the Hotels and Restaurants of the Philippines (APMHRP)
- Employers Confederation of the Philippines (ECOP)
- Financial Executives Institute of the Philippines (FINEX)
- Food Caterers' Association of the Philippines (FCAP)
- German Philippine Chamber of Commerce and Industry (GPCCI)
- Geological Society of the Philippines (GSP)
- Institute of Internal Auditors - Philippines (IAA)
- Integrated Bar of the Philippines (IBP)
- Management Association of the Philippines (MAP)
- Makati Business Club (MBC)
- People Management Association of the Philippines (PMAP)
- Philippine Society of Mining Engineers (PSEM)
- Philippine Chamber of Commerce and Industry (PCCI)
- Philippine Flying School Association (PFSA)
- Philippine Institute of Certified Public Accountants. (PICPA)
- Philippine Water Works Association, Inc. (PWWAI)
- Pollution Control Association of the Philippines (PCAP)
- Water Environment Association of the Philippines, Inc. (WEAP)

LIST OF ACRONYMS

AED	Automatic External Defibrillator
ARDI	Aqualink Resources Development, Inc.
ASSC	Airport Specialists' Services Corporation
AWSI	Allied Water Services, Inc.
BAC	Bidding and Awards Committee
BOC	Bureau of Customs
BOQ	Bureau of Quarantine
BFP	Bureau of Fire Protection
BOSH 1	Basic Occupational Health and Safety 1
BOSH 2	Basic Occupational Health and Safety 2
BLS	Basic Life Support
BTSI	Boracay Tubi System, Inc.
BUMICO	Bulawan Mining Corporation
CAAP	Civil Aviation Authority of the Philippines
CAE	Chief Audit Executive
CAKSC	Cavite Alliedkonsult Services Corporation
CAPA	Corrective and Preventive Actions
CASA Australia	Civil Aviation Safety Authority Australia
CBRI	Cavite Business Resources, Inc.
CDP	Community Development Program
CEO	Chief Executive Officer
CNI	Calmia Nickel, Inc.
CODI	Committee in Decorum and Investigation
COO	Chief Operating Officer
COSO	Committee of Sponsoring Organizations
COx	Carbon Monoxide
CPC	Certificate of Public Convenience
CPCS	Cebu Pacific Catering Services, Inc.

CPL	Commercial Pilot License
CPR	Cardiopulmonary Resuscitation
CRO	Chief Risk Officer
CSO	Chief Sustainability Officer
CSR	Corporate Social Responsibility
CSWLL	CS Water Lapu-Lapu, Inc.
DAP	Developmental Assignment Program
DENR	Department of Environment and Natural Resources
DMAs	District Metering Areas
DMPF	Declaration of Mining Project Feasibility
DAO	Department Administrative Orders
DOA	Deeds of Assignment
DOH	Department of Health
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
ECC	Environmental Compliance Certificate
EP	Exploration Permit
EPEP	Environmental Protection and Enhancement Program
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
European Union EASA	European Union Aviation Safety Agency
EWP	Environmental Work Program
EXPA	Exploration Permit Applications
FAA	First Aviation Academy
FB	Facebook
FDA	Food and Drug Administration
FI	Flight Instructors
FMRDP	Final Mine Rehabilitation and Decommissioning Plan
FPIC	Free, Prior, and Informed Consent
FSSC	Food Safety System Certification
GHG	Greenhouse Gas
GHP	Good Hygienic Practices
GRI	Global Reporting Initiative
GSE	Ground Support Equipment
HACCP	Hazard Analysis and Critical Control Point
HRD	Human Resource Department
HMO	Health Maintenance Organization
ISAGO	IATA Safety Audit for Ground Operations
IMIC	Infanta Mineral and Industrial Corporation
IEC	Information, Education, and Communication
IP	Indigenous People
IR	Instrument Rating
IT	Information Technology
Japan CAB	Japan Civil Aviation Bureau
JASCO	Japan Airport Service Co., Ltd.
JV	Joint Venture
Konoike	Konike Transport Co., Ltd.
Korean MOLIT	Ministry of Land, Infrastructure and Transport
LED	Light-Emitting Diode
LLDA	Laguna Lake Development Authority
LPG	Liquefied Petroleum Gas
LTP	Lufthansa Technik Philippines
LSFO	Low Sulfur Fuel Oil
MAATS	MacroAsia Air Taxi Services
MAC	MacroAsia Corporation
MACS	MacroAsia Catering Services, Inc.
MADECOR	Management Development Corporation
MANCOMM	Management Committee
MAPDC	MacroAsia Properties Development Corporation
MASCORP	MacroAsia Airport Services Corporation
MER	Multi-Engine Rating
MGB	Mines and Geosciences Bureau
MHCT	Malaysia Halal Certification and Training
MIAA	Manila International Airport Authority
MLC	Mining Lease Contract
MLD	Million Liters Per Day
MMC	MacroAsia Mining Corporation
MMIA	Meycauayan Marilao Industrial Association
MOA	Memorandum of Agreement
MONAD	Monad Water Sewerage Systems, Inc.
MPSA	Mineral Production Sharing Agreements
MRD	Mineral Resources Development
MRO	Maintenance, Repair, and Overhaul
MSFI	MacroAsia SATS Food Industries
MSIS	MacroAsia SATS Inflight Services Corporation
NAIA	Ninoy Aquino International Airport
NCIP	National Commission on Indigenous People
NDA	Non-Disclosure Agreement
NEWS	New Earth Water System, Inc.
NGEF	National Grid Emission Factor
NMIS	National Meat Inspection Service
NOx	Nitrogen Oxides
NPS	Net Promoter Score
NTC	National Transport Commission
NTP	Notice to Proceed
NWRB	National Water Resource Board
NWSC	Naic Water Supply Corporation
OEM	Original Equipment Manufacturer
OHS	Occupational Health and Safety
OJT	On-the-Job Training
PAL	Philippine Airlines
PALAV	Philippine Airlines Aviation School
PAW	Partners at Work
PCO	Pollution Control Officers
PEZA	Philippine Economic Zone Authority
PGPI	Philex Gold Philippines, Inc.
PM	Particular Matter
PMC	Philex Mining Corporation
PNB	Philippine National Bank
PNSDW	Philippine National Standards for Drinking Water
PPL	Private Pilot License
PSA	Passenger Service Agent
PSE	Philippine Stock Exchange
R&D	Research and Development
RO	Reverse Osmosis
RPT	Related Party Transaction
SAF	Sustainable Aviation Fuel
SASB	Sustainable Accounting Standards Board
SATS Ltd	Singapore Airport Terminal Services Limited
SBMA	Subic Bay Metropolitan Authority
SCL	Sustainable Cost Leadership
SDGs	Sustainability Development Goals
SEC	Securities and Exchange Commission
SGV & Co.	SyCip Gorres Velayo & Co.
SNVRDC	SNV Resources Development Corporation
SOx	Sulfur Oxides
SSS	Social Security System
STPs	Sewage Treatment Plants
SWRI	Summa Water Resources, Inc.
TERA	Tera Information and Connectivity Solutions, Inc.
TCFD	Task Force for Climate-related Financial Disclosures
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
United States FAA	United States Federal Aviation Administration
VBM	Value-based Management
VFD	Variable Frequency Drives
VIPs	Very Important Persons
VOCs	Volatile Organic Compounds

SUSTAINABILITY CONTENT INDICES

A. Global Reporting Initiative (GRI) Content Index

Statement of Use	MacroAsia Corporation has reported the information cited in this GRI content index for the period January 1 to December 31, 2024, with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION / EXPLANATION
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1: Organizational details	Page Nos. 12, 24-26
	2-2: Entities included in the organization's sustainability reporting	Page No. 34
	2-3: Reporting period, frequency and contact point	Inner Front Cover, Inner Back Cover
	2-4: Restatements of information	No restatements for the reporting period.
	2-5: External assurance	This report is not externally assured.
	2-6: Activities, value chain and other business relationships	Page Nos. 13-23, 27-28, 89-90
	2-7: Employees	Page Nos. 59-63
	2-8: Workers who are not employees	Data not available for the reporting period. Data will be covered starting in the next reporting period
	2-9: Governance structure and composition	Page Nos. 80-83, 88, 104-105, 112
	2-10: Nomination and selection of the highest governance body	Page Nos. 85-86
	2-11: Chair of the highest governance body	Page Nos. 2-3, 81, 104, 106
	2-12: Role of the highest governance body in overseeing the management of impacts	Page Nos. 37-38
	213: Delegation of responsibility for managing impacts	Page Nos. 37-38, 88
	2-14: Role of the highest governance body in sustainability reporting	Page Nos. 37-38, 42
	2-15: Conflicts of interest	Page Nos. 82, 91
	2-16: Communication of critical concerns	Page No. 84
	2-17: Collective knowledge of the highest governance body	Page Nos. 86, 106-111
	2-18: Evaluation of the performance of the highest governance body	Page No. 86
	2-19: Remuneration policies	Page Nos. 86-87
	2-20: Process to determine remuneration	Page No. 82, 86-87
	2-21: Annual total compensation ratio	None. Confidential
	2-22: Statement on sustainable development strategy	Page Nos. 35-36
	2-23: Policy Commitments	Page No. 36
	2-24: Embedding policy commitments	Page Nos. 37-38
	2-25: Process to remediate negative impacts	Page No. 90
	2-26: Mechanisms for seeking advice and raising concerns	Page No. 91
	2-27: Compliance with laws and regulations	Page Nos. 95-96
	2-28: Membership associations	Page No. 143
	2-29: Approach to stakeholder management	Page Nos. 38-40
	2-30: Collective bargaining agreements	None of the Parent Company, its subsidiaries and associated companies, is subject to any Collective Bargaining Agreement (CBA). There has been no strike, nor any attempt to protest the Parent Company, its subsidiaries and associated companies, for the reporting period.

GRI STANDARD	DISCLOSURE	LOCATION / EXPLANATION
GRI 3: Material Topics 2021	3-1: Process to determine material topics	Page Nos. 41-42
	3-2: List of material topics	Page Nos. 41-42
ECONOMIC PERFORMANCE		
GRI 3: Material Topics 2021	3-3: Management of material topic	Page No. 43
GRI 201: Economic Performance	201-1: Direct economic value generated and distributed	Page No. 43
	201-2: Financial implications and other risks and opportunities due to climate change	Page Nos. 54-58
	201-3: Defined benefit plan obligations and other retirement plans	Page No. 92
GOVERNANCE PERFORMANCE		
GRI 3: Material Topics 2021	3-3: Management of material topic	Page Nos. 90-91
GRI 205: Anti-Corruption 2016	205-1: Operations assessed for risks related to corruption	Page Nos. 90-91
	205-2: Communication and training about anti-corruption policies and procedures	Page Nos. 90-91
	205-3: Confirmed incidents of corruption and actions taken	Page Nos. 90-91
ENVIRONMENTAL PERFORMANCE		
GRI 101: Biodiversity 2024	3-3: Management of material topic	Page No. 54
	101-1: Policies to halt and reverse biodiversity loss	Page No. 54
	101-2: Management of biodiversity impacts	Page No. 54
GRI 301: Materials 2016	3-3: Management of material topic	Page No. 49
	301-1: Materials used by weight or volume	Page No. 49
GRI 302: Energy 2016	3-3: Management of material topic	Page Nos. 44-45
	302-1: Energy consumption within the organization	Page Nos. 45-46
	302-3: Energy intensity	Page No. 45
GRI 303: Water and Effluents 2018	303-1: Interactions with water as a shared resource	Page Nos. 47-48
	303-2: Management of water discharge related impacts	Page Nos. 47-48
	303-3: Water withdrawal	Page No. 47
	303-4: Water discharge	Page No. 47
	303-5: Water consumption	Page No. 47
GRI 305: Emissions 2016	3-3: Management of material topic	Page Nos. 51-53
	305-1: Direct (Scope 1) GHG emissions	Page No. 52
	305-2: Energy indirect (Scope 2) GHG emissions	Page No. 52
	305-4: GHG emissions intensity	Page No. 52
	305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page No. 53
GRI 306: Waste 2020	306-1: Waste generation and significant waste-related impacts	Page Nos. 49-51
	306-2: Management of significant waste-related impacts	Page Nos. 49-51
	306-3 Waste generated	Page Nos. 49-50
	306-4: Waste diverted from disposal	Page No. 50
	306-5: Waste directed to disposal	Page Nos. 50-51
SOCIAL PERFORMANCE		
GRI 401: Employment 2016	3-3: Management of material topic	Page Nos. 59-60
	401-1: 1 New employee hires and employee turnover	Page Nos. 60-63
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page No. 64
	401-3: Parental leave	Page No. 65

GRI STANDARD	DISCLOSURE	LOCATION / EXPLANATION
GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system	Page Nos. 65-68
	403-2: Hazard identification, risk assessment, and incident investigation	Page Nos. 65-68
	403-3: Occupational health services	Page Nos. 65-68
	403-4: Worker participation, consultation, and communication on occupational health and safety	Page Nos. 65-66
	403-5: Worker training on occupational health and safety	Page Nos. 65-66
	403-6: Promotion of worker health	Page Nos. 65-66
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page Nos. 65-66
	403-8: Workers covered by an occupational health and safety management system	Page No. 65-66
	403-9 Work-related injuries	Page No. 67
	403-10 Work-related ill health	Page No. 68
GRI 404: Training and Education 2016	3-3: Management of material topic	Page Nos. 68-69
	404-1: Average hours of training per year per employee	Page Nos. 69-70
	404-2: Programs for upgrading employee skills and transition assistance programs	Page Nos. 68-67
	404-3: Percentage of employees receiving regular performance and career development reviews	Page No. 70
GRI 405: Diversity and Equal Opportunity 2016	3-3: Management of material topics	Page Nos.71-73
	405-1 Diversity of governance bodies and employees	Page Nos. 71-73, 80-82
GRI 406: Non-discrimination 2016	3-3: Management of material topic	Page Nos. 71-73
	406-1 Incidents of discrimination and corrective actions taken	Page No. 73
GRI 413: Local Communities 2016	3-3: Management of material topic	Page No. 78-79
	413-1: Operations with local community engagement, impact assessments, and development programs	Page No. 79
GRI 416: Customer Health and Safety 2016	3-3: Management of material topic	Page Nos. 75-77
	416-1: Assessment of the health and safety impacts of product and service categories	Page Nos. 75-77
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Page Nos. 75-77
GRI 417: Marketing and Labeling 2016	3-3: Management of material topic	Page Nos. 77-78
	417-1: Requirements for product and service information and labeling	Page Nos. 77-78
	417-2: Incidents of non-compliance concerning product and service information and labeling	Page Nos. 77-78
	417-3: Incidents of non-compliance concerning marketing communications	Page Nos. 77-78
GRI 418: Customer Privacy 2016	3-3: Management of material topic	Page No. 92
	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page No. 92

B. Sustainability Accounting Standards Board (SASB) Content Index

This index presents an overview of MacroAsia Corporation's Environmental, Social, and Governance (ESG) data, aligned with SASB Standards for the sectors on aviation, food retail and distribution, processed foods, water utilities and services, and minerals and mining. Certain SASB standard codes have been omitted due to their inapplicability, confidentiality concerns, or unavailability of data. Additionally, SASB codes for the mining sector are excluded as MacroAsia Corporation's mining operations had not commenced during the reporting period.

Aviation Group

TOPIC	STANDARD CODE	METRICS	LOCATION / RESPONSE
Workforce Health & Safety	TR-AF-320a.1	(1) Total recordable incident rate (TRIR), and (2) fatality rate for (a) direct employees and (b) contract employees	Page No. 67
Accident & Safety Management	TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	Page Nos. 65-66
	TR-AF-540a.2	Number of aviation accidents	Page No. 67
ACTIVITY METRICS	**STANDARD CODE**	**METRICS**	**LOCATION / RESPONSE**
	TR-AF-000.C	Number of employees, number of truck drivers	• Page Nos. 59-63 for number of employees business units under the Aviation Group • 56 truck drivers for the Aviation Group (2 business units covered)

**Note: SASB Standards on Air Freights and Logistics (TR-AF) was used for the Aviation Group-Specific ESG data.*

Food Group

TOPIC	STANDARD CODE	METRICS	LOCATION / RESPONSE
Food Waste Management	FB-FR-150a.1.	(1) Amount of food waste generated, (2) Percentage diverted from the waste stream	(1) 1,120.74 metric tonnes (2) 18.65%
Food Safety	FB-FR-250a.1.	High-risk food safety violation rate	0.50
	FB-FR-250a.2.	(1) Number of recalls (2) Number of units recalled, (3) Percentage of units recalled that are private-label products	(1) 0 (2) 0 (3) 0%
	FB-PF-250a.3	(1) Total number of notices of food safety violation received (2) Percentage corrected	(1) 343 (2) 100%
Product Health and Nutrition	FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Page Nos. 77-78
Product Labelling and Marketing	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	0 (Page Nos. 77-78)
	FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	0 (Page Nos. 77-78)

TOPIC	STANDARD CODE	METRICS	LOCATION / RESPONSE
Packaging Lifecycle Management	FB-PF-410a.1	(1) Total weight of packaging, (2) Percentage made from recycled or renewable materials, and (3) Percentage that is recyclable, reusable, or compostable	(1) 42.07 metric tonnes (2) 29% (3) 54%
Management of Environmental & Social Impacts in the Supply Chain	FB-FR-430a.2	Percentage of revenue from: (1) Eggs that originated from a cage-free environment, and (2) Pork produced without the use of gestation crates	(1) Cage Free Eggs - 0.16% (PhP2.1Mn as of December 2024) (2) Pork w/o Gestation- 0.00%
	FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	Page No. 49
Ingredient Sourcing	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks related to environmental and social considerations	Page Nos. 49, 89
ACTIVITY METRICS	**STANDARD CODE**	**METRICS**	**LOCATION / RESPONSE**
	FB-FR-000.C	Number of vehicles in commercial fleet Quantitative Number	Total of 70 vehicle units: • 12 MSFI • 18 MSIS • 40 MACS
	FB-FR-000.D	Tonne-kilometres travelled	16,304,334.72 Tonne-Kilometres
	FB-PF-000.B	No. of Production Facilities	3 (MSFI, MSIS, and MAC Kitchens)

**Note: SASB Standards on Food Retailers & Distributors (FB-FR) and Processed Foods (FB-PF) were used for the Food Group-Specific ESG data.*

Water Group

TOPIC	STANDARD CODE	METRICS	LOCATION / RESPONSE
Distribution Network Efficiency	IF-WU-140a.2	Volume of non-revenue real water losses	262,023.08 cubic meters (m3)
Effluent Quality Management	IF-WU-140b.1	Number of incidents of non-compliance associated with water effluent quality permits, standards, and regulations	4
	IF-WU-140b.2	Discussion of strategies to manage effluents of emerging concern	Page Nos. 47-48
Water Affordability & Access	IF-WU-240a.3	(1) Number of residential customer water disconnections for non-payment, (2) Percentage reconnected within 30 days	(1) 7,149 (2) 6%
Drinking Water Quality	IF-WU-250a.1	Number of incidents of noncompliance associated with drinking water quality standards and regulations	0
	IF-WU-250a.2	Discussion of strategies to manage drinking water contaminants of emerging concern	Page Nos. 75-77
Water Supply Resilience	F-WU-440a.1	• Total water sourced from regions with High or Extremely High Baseline Water Stress • Percentage purchased from a third-party	• 4,384,760.3 cubic metres (m³) for BTSI • 0% purchased from a third-party
	IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources	Page Nos. 47-48
Network Resiliency & Impacts of Climate Change	IF-WU-450a.3	(1) Number of unplanned service disruptions, and (2) Customers affected, each by duration category	(1) 16 unplanned service disruptions (2) Average of 10 households per service disruption duration
ACTIVITY METRICS	**STANDARD CODE**	**METRICS**	**LOCATION / RESPONSE**
	IF-WU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served, by service provided	(1) 49,833 residential customers (2) 1,548 commercial customers (3) 47 industrial/institutional (local government agencies/units) customers
	F-WU-000.B	• Total water sourced, and • Percentage by source type	Ground Water: • 18,937,851.83 cubic meters (m³) • 100% Surface Water: • 6,005,533.30 cubic meters (m³) • 100% Total Water Sourced: • 24,943,385.15 cubic meters (m³)
	IF-WU-000.C	Total water delivered to: (1) Residential (2) Commercial (3) Industrial, and (4) All other customers	(1) Residential: 15,160, 715 cubic meters (m³) (2) Commercial: 2,912,517 cubic meters (m³) (3) Industrial and Others: 1,520,905.83 cubic meters (m³)
	IF-WU-000.D	Average volume of wastewater treated per day, by: (1) Sanitary sewer, (2) Stormwater, and (3) Combined sewer	(1) Sanitary sewer only: 2,314.81 cubic meters (m³) per day

**Note: SASB Standards on Water Utilities and Services were used for the Water Group-Specific ESG data.*

C. Task Force for Climate-Related Financial Disclosure (TCFD) Index

Recommended Disclosures	Location/Response
Governance Disclose the organization's governance around climate-related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities	Page Nos. 54-55
b) Describe management's role in assessing and managing climate- related risks and opportunities	
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Page Nos. 55-58
b) Describe the impact of climate- related risks and opportunities on the organization's businesses, strategy and financial planning	
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower	While the Group has begun identifying climate-related risks and opportunities, it has not yet conducted a resilience assessment of its business strategy across different climate scenarios.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a) Describe the organization's processes for identifying and assessing climate-related risks	Page Nos. 54-55
b) Describe the organization's processes for managing climate- related risks	The Group is committed to embedding climate-related risks into its Enterprise Risk Management System (ERMS), ensuring that the Parent Company and its subsidiaries are equipped with informed risk mitigation strategies and resilient business continuity plans.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate- related risks and opportunities where such information is material	
a) Disclose the metrics used by the organization to assess climate- related risks and opportunities in line with its strategy and risk management process	The Group has not yet established climate-related metrics and targets but is committed to developing them as part of its ongoing sustainability efforts.
b) Describe the targets used by the organization to manage climate- related risks and opportunities and performance against targets	

In line with our commitment to transparency and accessibility, we have provided a QR code below that links directly to our latest **AUDITED FINANCIAL STATEMENT**.

Simply scan the code using a mobile device to view or download the complete report.

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GRI 2-3

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2024 MACROASIA CORPORATION INTEGRATED ANNUAL AND SUSTAINABILITY REPORT

PAPER USED:
Cover - Toccata White 270gsm
Inside - Chroma Bright White 105gsm FSC Certified

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ACID FREE
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Perez NuMedia, Inc.

PRINTER:
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MacroAsia Corporation

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Legazpi Village, Makati City, 1229 Philippines

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