SUSTAINABILITY PERFORMANCE

Our Scope

	2023	2022
SM Investments Corporation (SMIC)	✓	✓
SM Retail , Inc. (SM Retail)	✓	✓
SM Prime Holdings, Inc. (SM Prime)	✓	✓
BDO Unibank, Inc. (BDO)	✓	✓
China Banking Corporation (China Bank)	✓	✓
2GO Group, Inc. (2GO)	✓	✓
Belle Corporation (Belle)	✓	✓
Atlas Consolidated Mining and Development Corporation (Atlas Mining)	✓	✓
SM Foundation, Inc. (SM Foundation)	✓	✓
NEO Group (NEO)	✓	✓
AIC Group of Companies Holding Corp. (Airspeed)	✓	✓
Philippine Geothermal Production Company, Inc. (PGPC)	✓	✓
Goldilocks Bakeshop, Inc. (Goldilocks)	✓	✓
Philippines Urban Living Solutions, Inc. (PULS)	✓	✓

Our Environment

Greenhouse Gas (GHG) Emissions

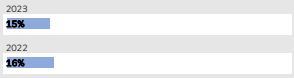
in '000 MT CO_2e

Calculated following the operational approach of the Greenhouse Gas Protocol. Moreover, emissions were computed using the Emission Factors from Cross Sector Tool and Global Warming Potential Values (AR5) from GHG Protocol, the 2015-2017 National Grid Emission Factors provided by DOE, the 2022 Grid Electricity Emission Factors provided by Carbon Footprint, the IGES List of Grid Emission Factors and EPA's GHG Emission Factors Hub.

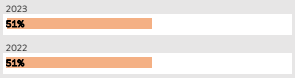
By Scope

in '000 MT CO_2e

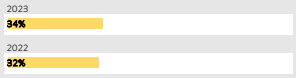
Scope 1
GRI 305-1 Direct (Scope 1) GHG emissions
Emissions arising from the use of fuel and chemicals in facilities fully owned and controlled by the company, including generator sets and transport vehicles



Scope 2
GRI 305-2 Energy indirect (Scope 2) GHG emissions
Emissions arising from the use of purchased electricity in facilities that are fully owned and controlled by the company using the location-based emission factors (29% of Scope 2 emissions are from renewable energy sources)



Scope 3
GRI 305-3 Other indirect (Scope 3) GHG emissions
Emissions arising from sources that are neither owned nor controlled by the company not included in Scope 1 or Scope 2 such as purchased goods and services, capital goods, waste generated in operations and upstream/downstream leased assets

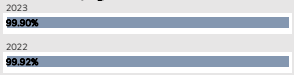


By Greenhouse Gas

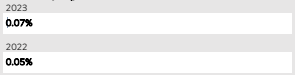
in '000 MT CO_2e

GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

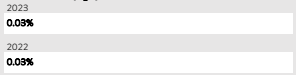
Carbon dioxide (CO_2)



Methane (CH_4)



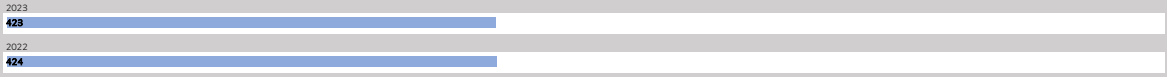
Nitrous oxide (N_2O)



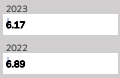
Scope 1 By Source

in '000 MT CO_2e

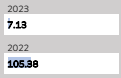
GRI 305-1 Direct (Scope 1) GHG emissions



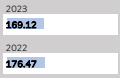
Generator Set
Emissions resulting from the use of fuel in generator sets



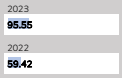
Transport Vehicles
Emissions resulting from the use of fuel in transportation of materials, profucts, waste and workers



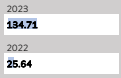
Shipping
Emissions resulting from the use of bunker fuel



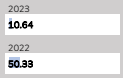
Heating and Cooking
Emissions resulting from the use of liquefied petroleum gas (LPG)



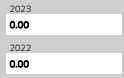
Other Combustion Sources
Emissions resulting from the use of diesel and gasoline in other combustion sources



Fugitive Emissions
Emissions resulting from refrigeration and air conditioning equipment



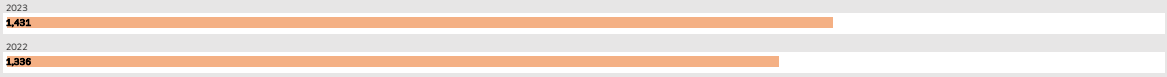
CNG
Emissions resulting from the use of compressed natural gas (CNG)



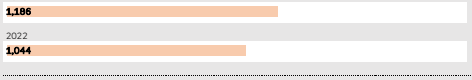
Scope 2 By Source

in '000 MT CO_2e

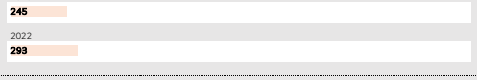
GRI 305-2 Energy indirect (Scope 2) GHG emissions



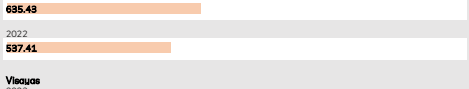
Non-Renewable Energy Sources
Emissions resulting from the purchase of electricity sourced from non-renewable energy sources using a location-based method



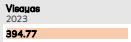
Renewable Energy Sources
Emissions resulting from the purchase of electricity sourced from renewable energy sources using a location-based method



By Location
Luzon



Visayas



By Location
Luzon

Visayas

	2022	359.00	0.00
Mindanao	2023	69.76	0.06
	2022	65.30	0.00
China	2023	85.72	2.04
	2022	81.98	0.00
Hong Kong	2023	0.05	0.00
	2022		
Singapore	2023	0.04	0.00
	2022		

Scope 3 By Category

in '000 MT CO_2e

GRI 305-3 Other indirect (Scope 3) GHG emissions

	2023	2022
	938	834

Category 1	Category 2	Category 5	Category 8	Category 13
Purchased Goods and Services	Capital Goods	Waste Generated in Operations	Upstream Leased Assets	Downstream Leased Assets
2023: <1%	2023: 19%	2023: <0.1%	2023: <1%	2023: 79%
2022: 0%	2022: 26%	2022: 0%	2022: 1%	2022: 73%

Fuel Consumption

in million liters

Within the Organization	Outside the Organization
GRI 302-1 Energy consumption within the organization	GRI 302-2 Energy consumption outside of the organization
2023: 171	2023: 3
2022: 148	2022: 3

Refrigerant Consumption

in kilograms

Within the Organization	Outside the Organization
GRI 302-1 Energy consumption within the organization	GRI 302-2 Energy consumption outside of the organization
2023: 7,931	2023: 214
2022: 34,891	2022: 1,362

Electricity Consumption

in million kWh

Within the Organization	Outside the Organization
GRI 302-1 Energy consumption within the organization	GRI 302-2 Energy consumption outside of the organization
2023: 1,641	2023: 1,068
2022: 1,550	2022: 393

Percentage of Electricity Consumption from Renewable Energy Sources

in million kWh

Within the Organization	Outside the Organization
2023: 25%	2023: 32%
2022: 32%	2022: 47%

Water Withdrawal

in million cubic meters

Total water drawn from surface water, groundwater, seawater, or a third party for any use of the organization

GRI 303-3 Water withdrawal

2023	2022
36.3	34.7

Water Withdrawal By Source

in million cubic meters

Third-party water
Municipal water suppliers and municipal wastewater treatment plants, public or private utilities, and other organizations involved in the provision, transport, treatment, disposal, or use of water and effluent

Surface water
Water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams, including collected or harvested rainwater

Groundwater
Water that is being held in, and that can be recovered from, an underground formation

Seawater
Water in a sea or in an ocean

Third-party utility provider	Water hauling	Surface water	Rainwater harvesting	Groundwater	Deep well	Seawater
2023: 48.0%	2023: 3.5%	2023: 46.7%	2023: 0.3%	2023: 0.0%	2023: 1.2%	2023: 0.3%
2022: 48.3%	2022: <0.1%	2022: 45.9%	2022: 0.2%	2022: <0.1%	2022: 5.4%	2022: 0.2%

Water Discharge

in million cubic meters

Total of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party, for which the organization has no further use

GRI 303-4 Water discharge

2023	2022
25.3	

20.4

Water Discharge By Destination
in million cubic meters

Third-party water	Surface water	Groundwater	Seawater	Others (Tailings)
2023	2023	2023	2023	2023
48.5%	4.7%	<0.1%	<0.1%	46.8%
2022	2022	2022	2022	2022
6.6%	28.9%	7.1%	2.2%	55.3%

Water Recycled
in million cubic meters

Total water recycled from water used of the organization
GRI 303-1 Interactions with water as a shared resource

2023
14.9

2022
30.0

Waste Generated
in tonnes

Total waste generated in the organization's own activities
GRI 306-3 Waste generated

2023
181,013

2022
178,481

Waste Generated By Classification
in tonnes

Biodegradable	Recyclable	Residual Waste	Hazardous Waste	Others
Compostable wastes such as food waste, garden waste, animal waste and human waste	Any waste material retrieved from the waste stream and free from contamination that can still be converted into	Solid waste materials that are non-compostable and non-recyclable	Special wastes including houzehold hazardous waste	Any other wastes that cannot be classified in the aforementioned types
2023	2023	2023	2023	2023
53%	10%	30%	3%	5%
2022	2022	2022	2022	2022
44%	12%	35%	1%	8%

Waste Disposal
in tonnes

Total waste that the organization directs to recovery and disposal

2023
108,708

2022
76,398

Waste Disposal By Disposal Type
in tonnes

Diverted from Disposal
GRI 306-4 Waste diverted from disposal
Any operation wherein products, components of products, or materials that have become waste are prepared to fulfill a purpose in place of new products, components, or materials that would otherwise have been used for that

Directed to Disposal
GRI 306-5 Waste directed to disposal
Any operation which is not recovery, even where the operation has as a secondary consequence the recovery of energy

Recycled	Sold	Disposed	Collected By Accredited Haulers	Others
2023	2023	2023	2023	2023
11%	6%	1%	77%	5%
2022	2022	2022	2022	2022
4%	8%	70%	9%	9%

Our People

Total Headcount
Covers all employees who perform work for any of the organization's entities included in its sustainability reporting
GRI 2-7 Employees

2023
130,997

2022
120,179

By Business Unit
GRI 2-7 Employees

	2023	2022
SMIC Parent	0.3%	0.3%
SM Retail Parent	1.1%	1.1%
SM Retail Affiliates	16.3%	17.6%
The SM Store	7.9%	8.3%
SM Markets	16.3%	13.0%
SM Prime	9.9%	9.4%
BDO	31.8%	32.7%
China Bank	8.2%	8.6%
2GO	2023	2022

	1.4%	1.7%
Belle		
2023	0.3%	
2022		0.4%
Atlas Mining		
2023	2.2%	
2022		2.2%
SM Foundation		
2023	<0.1%	
2022		<0.1%
Airspeed		
2023	0.7%	
2022		0.8%
PGPC		
2023	0.3%	
2022		0.3%
Goldilocks		
2023	3.3%	
2022		3.5%
PULS/MyTown		
2023	<0.1%	
2022		<0.1%

By Contract

GRI 2-7 Employees

	Permanent Employees Include regular and probationary status	Fixed-Term Employees Include project-based and seasonal status
2023	98%	2%
2022	98%	2%

By Gender

GRI 405-1 Diversity of governance bodies and employees

	Male	Female
2023	37%	63%
2022	37%	63%

By Age Group

GRI 405-1 Diversity of governance bodies and employees

	Below 30 years old	Between 30-50 years old	Above 50 years old
2023	46%	48%	5%
2022	45%	49%	6%

By Level

GRI 405-1 Diversity of governance bodies and employees

	Rank-and-File	Junior Management	Middle Management	Senior Management
2023	62%	23%	12%	2%
2022	63%	22%	13%	2%

By Region

GRI 405-1 Diversity of governance bodies and employees

	NCR	Luzon	Visayas	Mindanao	Outside the Philippines
2023	28%	52%	12%	7%	1%

By Citizenship

GRI 405-1 Diversity of governance bodies and employees

	Filipino	Non-Filipino	Dual Citizenship
2023	99.3%	0.69%	0.01%

Gender Diversity By Level

Provides a quantitative measure of diversity within an organization and can be used in conjunction with sectoral or regional benchmarks

GRI 405-1 Diversity of governance bodies and employees

Senior Management

	Male	Female
2023	42%	58%
2022	42%	58%

Middle Management

	Male	Female
2023	39%	61%
2022	38%	62%

Junior Management

	Male	Female
2023	37%	63%
2022	37%	63%

Rank-and-File

	Male	Female
2023	36%	64%
2022		

37%

63%

Gender Diversity By Job Function

Provides a quantitative measure of diversity within an organization and can be used in conjunction with sectoral or regional benchmarks

GRI 405-1 Diversity of governance bodies and employees

Sales Positions

Male

2023

31%

2022

33%

Female

2023

69%

2022

67%

Engineering Positions

Male

2023

83%

2022

85%

Female

2023

17%

2022

15%

IT Positions

Male

2023

73%

2022

72%

Female

2023

27%

2022

28%

STEM-related Functions

Male

2023

77%

2022

77%

Female

2023

23%

2022

23%

Collective Bargaining Agreement

Collective bargaining refers to negotiations that take place between one or more employers or employers' organizations and one or more workers' organizations

GRI 2-30 Collective bargaining agreements

Percentage of Employees Covered By Collective Bargaing Agreement

2023

21%

2022

25%

Parental Leaves

Employees that are covered by organizational policies, agreements or contracts that contain parental leave entitlements

GRI 401-3 Parental leave

Employees Who Availed Parental Leaves

2023

4,225

2022

4,039

Employees Who Availed Parental Leaves By Gender

Male

2023

18%

2022

18%

Female

2023

82%

2022

82%

Employees Who Returned to Work After Parental Leaves

2023

3,405

2022

3,443

Employees Who Returned to Work After Parental Leaves By Gender

Male

2023

23%

2022

20%

Female

2023

77%

2022

80%

Employees Who Remained Employed 12 months After Returning from Parental Leaves

2023

3,224

2022

3,242

Employees Who Remained Employed 12 months After Returning from Parental Leaves By Gender

Male

2023

20%

2022

20%

Female

2023

80%

2022

80%

Paid Parental Leaves Offered

Provides a measure of an organization's investment in human resources and the minimum benefits it offers its permanent employees

GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Primary Parental Leaves

Number of Weeks Fully Paid

14

Secondary Parental Leaves

Number of Weeks Fully Paid

4

Return-to-Work Rate

GRI 401-3 Parental leave

2023

81%

2022

85%

Male Return-to-Work Rate

2023
99%

2022
97%

Female Return-to-Work Rate

2023
76%

2022
83%

Retention Rate

GRI 401-3 Parental leave

2023
94%

2022
70%

Male Retention Rate

2023
95%

2022
64%

Female Retention Rate

2023
93%

2022
72%

Employee Training

Provides insight into the scale of an organization's investment in training, and the degree to which the investment is made across the entire employee base

GRI 404-1 Average hours of training per year per employee

Employee Training Hours

in million hours

2023
3.2

2022
2.4

Average Training Hours Per Employee

2023
25

2022
20

Average Training Hours Per Gender

Male

2023
20

2022
15

Female

2023
28

2022
23

Average Training Hours Per Level

Rank-and-File

2023
19

2022
19

Junior Management

2023
24

2022
23

Middle Management

2023
48

2022
21

Senior Management

2023
69

2022
20

Average Amount Spent on Training Per Employee

in PHP

2023
1,227

2022
936

Employee Appraisal

Measures the extent to which an organization regularly appraises employee performance

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

Appraisal Rate

2023
99.7%

2022
95.9%

Employee Appraisal By Gender

Male

2023
41%

2022
35%

Female

2023
59%

2022
65%

Employee Appraisal By Level

Rank-and-File

2023
57%

2022
60%

Junior Management

2023
25%

2022
22%

Middle Management

2023
15%

2022
14%

Senior Management

2023
3%

2022
3%

Employee Promotion

Aids the personal development of individual employees and contributes to skills management and to the development of human capital within the organization

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

2023
14,128

2022
13,283

Employee Promotion By Gender

Male

2023
24%

2022
27%

Female

2023
76%

2022
73%

Employee Promotion By Level

Rank-and-File	Junior Management	Middle Management	Senior Management
2023	2023	2023	2023
44%	29%	18%	3%

New Hires

Indicates the organization's strategy and ability to attract diverse, qualified employees

GRI 401-1 New employee hires and employee turnover

2023	2022
39,316	30,219

New Hires By Gender

Male		Female	
2023	2022	2023	2022
47%	41%	53%	59%

New Hires By Age Group

Below 30 years old		Between 30-50 years old		Above 50 years old	
2023	2022	2023	2022	2023	2022
80%	60%	19%	40%	1%	1%

New Hires By Region

NCR	Luzon	Visayas	Mindanao	Outside the Philippines
2023	2023	2023	2023	2023
29%	54%	11.0%	6.5%	0.5%

Hiring Rate

2023	2022
31%	26%

Male Hiring Rate

2023	2022
39%	28%

Female Hiring Rate

2023	2022
26%	24%

Below 30 years old Hiring Rate

2023	2022
53%	34%

Between 30-50 years old Hiring Rate

2023	2022
12%	21%

Above 50 years old Hiring Rate

2023	2022
4%	3%

Employee Separations

Indicates a fundamental change in the structure of an organization's core operations

GRI 401-1 New employee hires and employee turnover

2023	2022
32,935	26,509

Employee Separations By Separation Type

Voluntary Separation		Involuntary Separation	
2023	2022	2023	2022
72%	73%	28%	27%

Employee Separations By Gender

Male		Female	
2023	2022	2023	2022
40%	43%	60%	57%

Employee Separations By Age Group

Below 30 years old		Between 30-50 years old		Above 50 years old	
2023	2022	2023	2022	2023	2022
68%	68%	29%	30%	3%	2%

Employee Separations By Region

NCR	Luzon	Visayas	Mindanao	Outside the Philippines
2023	2023	2023	2023	2023
26.7%	54.1%	11.7%	7.4%	0.1%

Turnover Rate

2023	2022
26%	22%

Voluntary Turnover Rate

2023	2022
18%	

Involuntary Turnover Rate

2023	2022
7%	

16%

6%

Male Turnover Rate

2023
28%

2022
26%

Female Turnover Rate

2023
24%

2022
20%

Below 30 years old Turnover Rate

2023
38%

2022
34%

Between 30-50 years old Turnover Rate

2023
15%

2022
14%

Above 50 years old Turnover Rate

2023
13%

2022
9%

Occupational Health and Safety

Indicates an organization's reporting and recording of work-related injuries
GRI 403-9 Work-related injuries

Employees
Fatalities
Total number of fatalities

2023
2

2022
0

Contractors
Fatalities
Total number of fatalities

2023
2

2022
1

Employees
Lost Time Injuries (LTIs)
Total number of injuries

2023
685,797

2022
2,898

Contractors
Lost Time Injuries (LTIs)
Total number of injuries

2023
340,145

2022
96

Employees
Hours Worked
Total number of hours worked

2023
208,350,574

2022
148,150,086

Contractors
Hours Worked
Total number of hours worked

2023
476,097,938

2022
147,022,018

Our Communities

Quality Education for Every Filipino

Every Filipino has the right to education. We do our share in delivering this right by closing gaps in the quality of public-school education and helping develop Filipino talent wherever and whenever we can.

Scholars Supported To Date

2023
12,292

2022
11,750

Scholar Graduates To Date

2023
10,584

2022
10,000

School Buildings Built/Donated and Refurbished To Date

2023
339

2022
311

Proper Medical Care

By working with the Department of Health, we also help every Filipino claim their right to quality healthcare. Through the renovation of public health centers to meet PhilHealth Accreditation standards, we allow an increase in PhilHealth utilization, helping decongest city hospitals and minimizing the spread of communicable diseases. We also increase the chances to mitigate critical illnesses at an earlier stage. These efforts also result in increased capitalization funds for local governments.

Health and Medical Facilities Built and Renovated To Date

2023
372

2022
317

Medical Missions Conducted To Date

2023
1,907

2022
1,847

Patients Served in Medical Missions and Wellness Centers To Date

2023
9,522,394

2022
6,393,217

Food Security Through Farmers' Training

We help families free themselves from hunger and malnutrition by providing backyard farmertraining to families in vulnerable communities. Through proper skills and education, parents can provide more nutritious yet cheaper choices for their children—supporting their nutritional growth requirements.

Farmers Trained To Date

2023
34,480

2022
28,550

Farmer's Training Conducted To Date

2023
346

2022
266

Resilient Communities

Through SM Foundation's Operation Tulong Express, we are quick to respond whenever there is a need for food and basic goods in the aftermath of typhoons, earthquakes and other calamities.

Kalinga Packs Distributed To Date

2023
376,429

2022
319,024

Operation Tulong Express (OPTE) Conducted To Date

2023
783

2022
663

Building Forests of the Future

Planting trees is a highly effective way of restoring and conserving natural capital. Trees provide a wide range of ecosystem services that benefit both humans and the environment. They also act as carbon sinks and help combat climate change. We have several different approaches to facilitate tree planting within the SM group, including reforestation, afforestation, and agroforestry.

Trees Planted and Nurtured To Date

2023
2.7

2022
2.6