

★ PROSPERITY

Creating Better Lives for *All*

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Inspired by the United Nations’ 2030 Agenda for Sustainable Development, One Meralco is driven by an earnest commitment to helping our stakeholders enjoy fulfilling and rewarding lives while meeting our short- and long-term business objectives. We bring this vision to life by creating shared value across our businesses, enabling our customers, communities, and constituents to thrive. This is what sustainable development means for us: leave no one behind.

We power the good life for our customers by delivering efficient, innovative, and modern solutions that fuel enduring and meaningful progress across all sectors of society. Our reach extends to communities within and beyond Meralco’s franchise area, working to ensure that every Filipino—no matter where they are—shares in the benefits of the nation’s progress. Across our supply chain, we actively engage and enable our constituents and business partners to embark on their own sustainability journeys and promote sustainability within their own networks.

Through our Group’s diverse businesses and wide network of partners, we give both present and future generations the power to lead prosperous, enriching lives.



Performance Highlights

8.11
out of 10

DU Customer Satisfaction Index (“CSI”)

ZERO

incidents of bribery and corruption in the Distribution Utility (“DU”)

95%

of the DU’s procurement spend covered by the Meralco Supplier Sustainability Scorecard (“MS³”)

KEY INPUTS
(Financial and Social & Relationship Capitals)

PhP 82.3M
spent on One Meralco Foundation’s (“OMF”) programs

355
suppliers engaged by the DU through MS³

PhP 43.2B
spent by the Group on local procurement contracts

KEY OUTCOMES
(Financial and Social & Relationship Capitals)

4
public schools energized by OMF

PhP 27.8M
in customer savings realized due to the DU’s key digitalization efforts

414M
cyberattacks blocked and prevented by the DU



Scaling the Philippines' Digital Economy

The Philippines is emerging as a strategic digital hub in Asia Pacific, driven by the explosive growth of hyperscale data centers that are redefining the nation's role in the global digital economy. As demand for digital services grows—spurred by rising usage of social media, e-commerce, and cloud computing—these data centers have become critical infrastructure not just for the country but for the entire region. We at One Meralco have committed to powering this growth by enabling hyperscalers with reliable and cost-effective energy solutions.

Our efforts to support hyperscalers align with the Philippine Energy Plan and the government's aggressive push for renewable energy ("RE"). Through the DU and MGEN, we have been actively expanding our lower-carbon energy portfolio to meet the requirements of our clients while supporting the country's clean energy goals. As many hyperscalers originate from markets in which stringent climate targets and RE mandates are the norm, offering access to lower-carbon energy sources strengthens the Philippines' position as an attractive destination for their operations.

We are also investing in innovative smart grid technologies, which enable real-time monitoring and remote switching, to minimize downtime and host an array of distributed energy resources that provide reliable RE to energy-intensive data centers. By the end of 2024, our total actual demand from the hyperscale industry reached 1,200 MW—a testament to our Group's dedication to supporting the country's expanding digital infrastructure.

Our Group understands that powering the hyperscale industry requires more than just providing reliable energy—it demands forward-thinking solutions and a deep understanding of our partners' evolving needs. Since 2020, our Group has been delivering end-to-end energy solutions to hyperscalers through our subsidiaries MSERV, MSpectrum, and Radius. These offerings include master planning, value engineering, timely energization, energy and demand management, and RE integration.

As One Meralco's lead integrator of hyperscale-related services, MSERV offers cutting-edge solutions (such as oil-free Smardt magnetic chillers and energy-efficient generators) that help our partners reduce their operational costs and environmental footprint. A prime example of this is the company's recent work with ePLDT's VITRO Sta. Rosa data center in Laguna. Radius has also established a point of presence at VITRO Sta. Rosa, with the aim to provide reliable connectivity solutions to hyperscalers and enterprises who will soon collocate in the new facility. In addition, the company has secured multimillion-peso contracts with global telco giants Huawei, Starlink, and Verizon to meet their high-speed connectivity needs.

POWERING HYPERSCALE ECOSYSTEMS IN THE PHILIPPINES

EXECUTIVE ROUNDTABLE



Looking ahead, our Group will continue powering the country's digital future with reliable, sustainable, and innovative energy solutions and value-added services to further drive economic progress and unlock new, exciting opportunities in this dynamic digital economy. With over a century of industry leadership and expertise, we at One Meralco Group are ready to lead the charge in transforming the Philippines into the next regional hyperscale hub.



Customer Enablement

Ensuring Engaged and Satisfied Clients

GRI 418-1

Meralco's commitment to enhancing quality of life for millions of Filipinos extends beyond illuminating our customers' homes and businesses. We also strive to ensure that those already connected to the grid experience the transformative power electricity brings through efficient, uninterrupted service.

Central to achieving this objective is customer enablement. We make strategic investments in customer service innovations that allow our always-ready customer service team to address customer needs more efficiently and effectively. We also leverage our extensive customer knowledge base to facilitate insightful and actionable interactions, resulting in expedited transactions and prompt resolution of concerns, all while prioritizing the welfare of customers and meeting our business objectives.

Achieved 8 millionth customer milestone

Customer Count

Total Meralco

8.04M

+2.7% vs. 2023

Residential

7.43M

Business

0.58M

Government

0.03M



A. Lighting the Way to Energy Efficiency

At Meralco, we empower customers with the knowledge and tools to make smarter energy choices. Through our flagship Bright Ideas campaign, we continue to guide our residential customers in managing their electricity consumption with practical energy-saving tips—whether through mindful appliance use or optimal energy use in every corner of the house. Our goal is to help individuals and families make informed decisions to optimize their energy use without sacrificing comfort.

Beyond households, we also engage commercial and industrial customers through expert-led webinars tackling key topics such as energy management best practices, energy-related policies and programs, and Meralco's tailored energy solutions. Salient topics covered last year included the Department of Energy's Philippine Energy Plan and the Interruptible Load Program, equipping businesses to optimize their power consumption while contributing to grid stability. Attended by key industry leaders and executives, these webinars serve as a strategic platform for fostering knowledge exchange and driving meaningful energy efficiency initiatives across sectors.

Another way in which we empower our customers is through the Advanced Metering Infrastructure ("AMI") postpaid service.

AMI represents the next step in Meralco's evolution towards a smarter, more flexible, and customer-centric energy future. The postpaid service allows customers to receive budget notifications and real-time consumption updates while enabling faster reconnections. It also helps the Company achieve operational efficiency with features such as remote meter reading, disconnection, and reconnection.

Launched in October 2023, the AMI postpaid pilot had surpassed our target of 5,000 customers by the end of 2024. On average, AMI postpaid subscribers have saved 4.8% on their electricity bills, which is attributed to improved budget management facilitated by the timely and transparent energy consumption information provided by AMI.

Looking ahead, Meralco is committed to scaling up this energy solution, having filed for the deployment of nearly 3.3 million smart meters with the Energy Regulatory Commission in the 5th Regulatory Period. The program aims to provide a more efficient and automated process that will enhance Meralco's ability to respond to outages quicker while empowering customers through consumption feedback. With the goal of converting 11 million customers by 2034 to AMI, the program will be a key driver towards a more sustainable energy future.

B. Leveraging Digital Platforms or Efficient Service Delivery

Meralco continues to harness digital innovation to enhance operational efficiency and elevate customer experience. Through key projects—including My Meralco, Mobility Solutions on Field Services (“MobSol”), Digital Official Receipts Issuance (“DORI”), and Digital Service Application (“DSA”)—we are able to streamline processes and reduce operational costs while promoting environmental responsibility.

In 2024, improvements in primary channels like My Meralco encouraged

our customers to shift from traditional to digital channels, as reflected by the 67% share of self-service and digital transactions. Customers continue to shift to digital platforms, reducing the need for in-person visits or lengthy phone calls as they can now easily manage their accounts, pay bills, and access services anytime, anywhere. This shift not only saves customers valuable time but also enables businesses to optimize resource allocation, resulting in enhanced operational efficiency and higher customer satisfaction.

ENHANCING OUR PRIMARY CUSTOMER TOUCHPOINT

In 2024, we launched My Meralco, the evolution of our longstanding digital customer service platform, Meralco Online. Our goal was to enhance the overall customer experience, reduce operational costs by moving away from license-based authentication, and improve service delivery time with a single codebase for both web and mobile. With My Meralco, our customers can easily view and pay bills, report outages, apply for electric service, share feedback, and stay updated on exclusive promos and electricity-saving tips—anytime, anywhere.

Since the platform’s launch in September 2024, we have seen significant improvements in operational efficiency and digital engagement. In 2024, we facilitated over PhP 25 billion in payment collections (representing nearly 6.5% of our total payment collections for the year) from at least 5.2 million transactions.

We also successfully shifted nearly 39% of customer concerns to digital channels, reducing the need for in-person transactions and making it easier for customers to connect with us.

Looking ahead, we will enhance My Meralco by integrating more features that will facilitate a much more seamless and secure digital experience for our clients. These will include issuance of digital official receipts (“ORs”), end-to-end digital service application (including real-time status monitoring), digitized submission of documentary requirements, e-signature technology, fraud management tools, as well as a personalized user experience for our business customers.

PhP25B
in payment collections



OPTIMIZING FIELD OPERATIONS THROUGH MOBILE APPLICATIONS

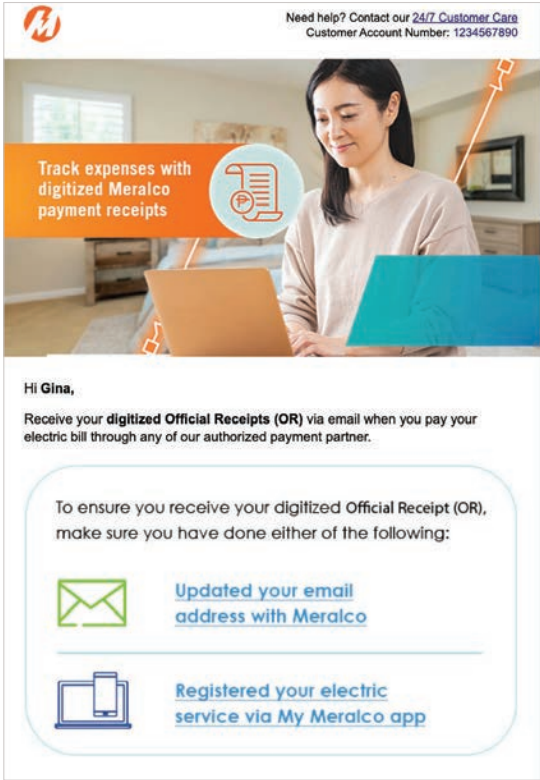
Meralco has proudly launched MobSol, a mobile field order management app designed to enhance operational efficiency, optimize field operations, and improve service delivery. By streamlining scheduling, dispatching, and execution of work orders, MobSol has improved the productivity of our customer-facing representatives, and field representatives. Implemented in phases from 2023 to 2027, the solution has already delivered substantial benefits to our operations.

The integration of Salesforce Field Service has further enhanced efficiency by enabling real-time collaboration among customer support agents, dispatchers, and technicians. This seamless connectivity ensures faster response times, smarter resource allocation, and a more agile service team, ultimately improving the overall customer experience.

Beyond operational efficiency, MobSol has also eliminated the need for printed field orders. Through digital field order processing, we have successfully reduced paper consumption, saving PhP 1.2 million in printing costs from August 2023 to December 2024 while processing over 170,000 work orders.

We plan to expand MobSol’s capabilities to meet the evolving needs of our BIZ Partners Group and Enterprise & National Government customers, as well as to cover billing and collection operations, ensuring continued reliability and efficiency in service delivery. We are planning to introduce a dedicated facility that would allow customers to easily schedule field visit appointments, enhancing convenience and streamlining the process.

ISSUING DIGITAL RECEIPTS FOR CONVENIENCE



Our DORI initiative reflects Meralco’s focus on enhancing customer convenience through digital transformation. Launched in phases from 2022 to 2025, this project automates the issuance of ORs for payments made via Meralco Online and third-party channels such as Bayad, banks, and automatic payment arrangements.

Our customers now receive official receipts through email in PDF format, accompanied by SMS notifications. Future enhancements will allow users to view and download their receipts directly from Meralco Online.

Outside of tangible benefits for customers, DORI supports compliance with the Bureau of Internal Revenue’s regulations on prompt OR issuance and promotes operational efficiency by reducing physical receipt requests at business centers. The shift to digital receipts also yields cost savings and strengthens Meralco’s customer contact database through DORI service enrollments.

CUSTOMER ENABLEMENT



Heightened customer satisfaction

Customer Satisfaction Index
(over-all satisfaction on different areas of the Meralco service)

8.11 out of 10

Total Meralco

8.67 **7.13** **8.91**

Business Residential Government

Customer Experience Index
(measure of transactional experience with different customer channels)

90 out of 100

Total Meralco

Value for Money Rating
% who agreed that they get their money's worth with Meralco's service

82 out of 100

Total Meralco



Enlightened customers through year-round information, education and communication campaigns

Total Reach
322M
views
(+194% vs 2023)

21M
average views/hits per month

Meralco Advisory

Timely updates on electricity rates, service advisory and regulatory developments

8M
users of digital (social media)

Meralco Online

Drive access of the Meralco account through web or app to seamlessly manage service, pay bills, report outage – anytime, anywhere.



Empowered customers with innovative and sustainable energy solutions

95,357

Customers

Kuryente Load

14,618

Customers

Net Metering

5,248

Customers

AMI Postpaid

6,541

Customers

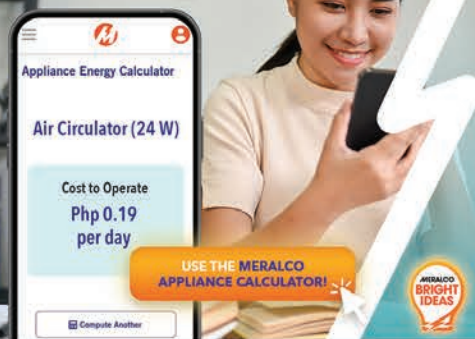
Peak / Off-Peak

317

DOE-registered 4-Wheel commercial charging points

EV Adoption

Power your performance efficiently!



46M

views/hits on digital, social media, TV, radio, billboards, customer engagements per month

Bright Ideas

Offer data-driven tips for households to manage energy consumption

1.4M

business customers via bill ads, customer engagements and messaging platforms

Power Ideas

Share beyond-the-meter solutions and practices for business



Ensured responsive customer care and high service levels



Resolution Rate

99.5%



Service Level Answered in 20secs

90.5%



Ave. Time to Answer

10.2 secs

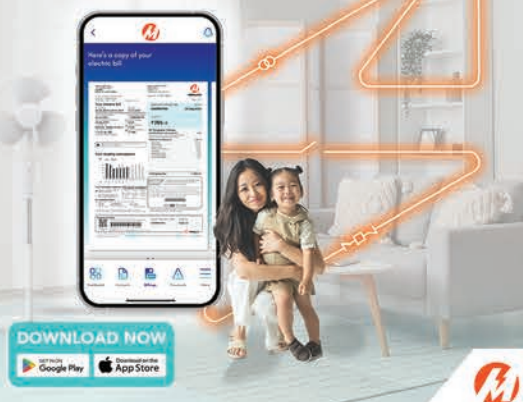


Drove digital access and promoted self-service options for greater convenience

2 out of **3**

transactions used self-service and digital channels

Switch to paperless bills on the new My Meralco app



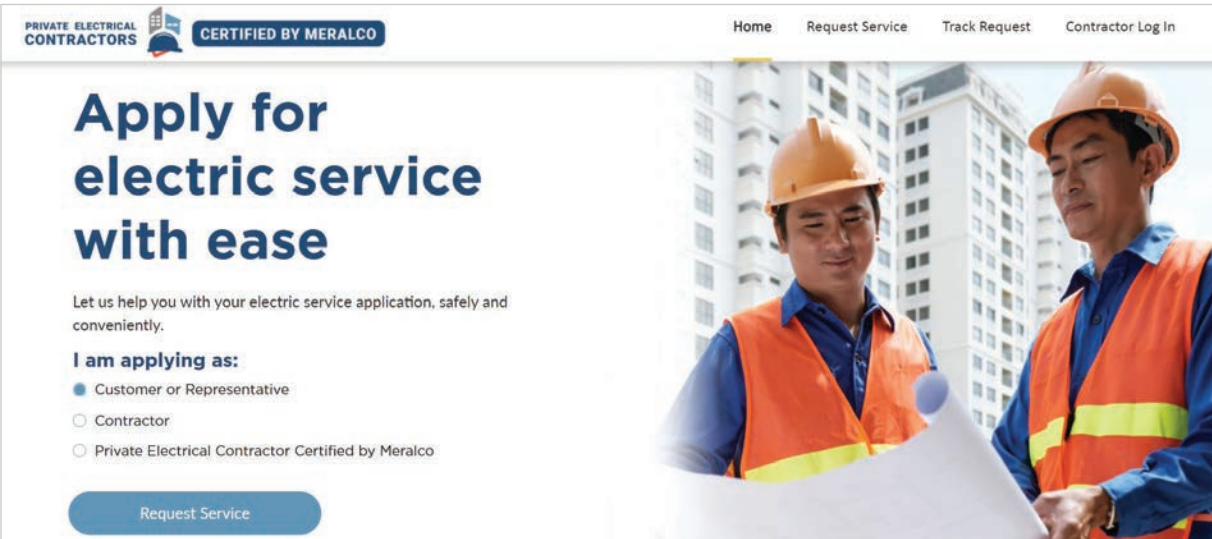
1.1M

Meralco Online active users per month

Innovation

Driving Future-Ready Energy Solutions

Innovation enables us to stay ahead of evolving customer needs and contribute ever more meaningfully to the nation’s progress. We strive to be future-ready by constantly developing new services, enhancing existing ones, and embracing emerging technologies. As a core value, this ethos is deeply embedded in Meralco’s corporate identity, with the aim of providing better customer experiences.



STREAMLINING THE CUSTOMER APPLICATION JOURNEY

Meralco's DSA platform, being rolled out from 2024 until 2026, represents our commitment to customer centricity. It offers customers flexible payment methods, digital contract signing, and an online facility for submitting documentary requirements, streamlining the service application process.

With the integration of Adobe Sign for e-signatures and new online payment options through Bayad channels, DSA reduces manual processes and cuts down transportation and paper-related costs. This can reduce average service application processing time by two days, enhancing efficiency and boosting customer satisfaction.

Another platform by which Meralco is able to streamline the customer application journey is through Private Electrical Contractors Certified by Meralco ("PECCBM"). This platform revolutionizes the way energy services are delivered, providing a streamlined, accessible, and user-friendly experience for certified contractors, Meralco frontliners, and customers alike.

By simplifying and automating service workflows, the platform aims to significantly reduce Ordinary Service Application ("OSA") processing times, minimize rework, and enhance operational efficiency—all while driving

better customer experience with faster service energizations.

The PECCBM offers four service bundles tailored to customer needs and budgets. The Full Bundle provides comprehensive end-to-end service, including application submission, construction, and securing permits. Meanwhile, the Technical Bundle covers planning to construction of service entrance, the Documentary Bundle focuses on obtaining necessary permits, and the Processing Bundle handles document submission to Meralco. Pricing varies based on factors such as materials, load requirements, and location, offering flexibility for different customer needs. By the end of 2024, the PECCBM platform reduced OSA processing time by 47%, delivering a faster and more efficient service experience for our customers.

Meralco’s commitment to innovation through the CBM platform has garnered significant recognition, as the Company was recently honored with the prestigious Asia IoT Business Platform ("AIBP") ASEAN Enterprise Innovation Award. Furthermore, CBM played a pivotal role in Meralco being named as the ASEAN’s Best Power Utility of the Year 2024. These achievements highlight our dedication to leveraging cutting-edge technology to enhance service efficiency and support sustainability goals.

Building on the collective strength of One Meralco, our subsidiaries play a crucial role in this endeavor. For instance, Movem is leading the adoption of electric vehicles (“EVs”) in the Philippines to promote cleaner mobility, while MSERV and Radius work in synergy to power the country’s growing hyperscaler industry. As a Group, we are pushing boundaries and pioneering solutions that shape the future of energy in the Philippines.

As innovation runs through every facet of our operations—from power generation and grid expansion to customer service and support—our commitment to remain at the forefront of innovation in the

A. Celebrating Our Culture of Innovation

In November 2024, Meralco’s spirit of ingenuity and transformation took center stage during the biggest celebration of innovation in our Company’s history. Established in 2022 to foster forward-thinking technological advancement within our organization, the annual corporate-wide Innovation Month has since become a driving force behind Meralco’s commitment to delivering future-fit energy solutions. Under the theme “Transcending Excellence Through Innovation,” the 2024 celebration featured new elements—including an official website and event partnerships, as well as tech exhibits and interactive sessions focusing on Meralco’s 7Ds Digital Transformation Framework⁴⁴—across six key initiatives: the IDOL Awards, IDOL Hackathon, Tech Talk, Meralcostar, Environment, Safety, and Health (“ESH”) Innovation, and the Customer Experience Innovation Summit (“CXIS”).



Philippine energy sector is woven into every material topic covered in this report.

For example, we are modernizing Meralco’s distribution network by deploying smart grid technologies, as described in the Service Reliability & Safety section under Power. In the Climate Change Mitigation section under Planet, we describe the different energy conservation and efficiency measures and technologies we have adopted across One Meralco to lower our environmental footprint. These are just a few examples of how we continue to drive innovation in our businesses to meet the evolving needs of our stakeholders and advance our sustainability journey.

Last year’s highlights included the IDOL Hackathon, where top student innovators from University of the Philippines Diliman, Mapúa University, and National University-Manila presented cutting-edge solutions for the future of electric utilities. Meanwhile, Tech Talk brought industry leaders from Huawei, Itron, and Cloudera to discuss advanced connectivity solutions in utilities, smart grids, as well as AI and data security.

Our lineup also included initiatives that showcased the innovative spirit and contributions of our people. The IDOL Awards honored outstanding internal efforts that advanced data analytics, process automation, and AI in our organization. Meanwhile, ESH Innovation recognized original solutions prioritizing public safety, and the CXIS spotlighted projects that enhanced our customer service. Finally, Meralcostar celebrated employee-driven programs that addressed challenges related to service reliability, safety, system loss, and data quality.

Moving forward, we will elevate Innovation Month to further strengthen our culture of innovation and excellence within Meralco and inspire breakthroughs that extend beyond our organization.

B. Pioneering Advanced Technologies in the Telecommunications Industry

As the telecommunications landscape grows more competitive, our subsidiary Radius is leading the charge in providing reliable, cutting-edge connectivity solutions. Known for its robust end-to-end fiber optic network, Radius offers dedicated internet access, managed services, and advanced cloud solutions like SD-WAN and zero-trust networking. Its global partnerships with industry giants such as Cisco, Nokia, and Juniper, combined with over two decades of expertise and a MEF 2.0 certification, reinforce the company’s reputation for speed and reliability.

Radius’ collaboration with Console Connect HK Limited, established during the International Telecoms Week in Maryland, USA, in 2024, expands the company’s cloud services and makes it easier for Philippine-based enterprises to access the cloud. Radius also launched an IPTV (“Internet Protocol television”) solution tailored for the hospitality and healthcare industries, with five-star hotels Shangri-La The Fort and Marco Polo Ortigas among the first to benefit from this innovative service. Moving forward, Radius will expand this offering to serve more hotels and hospitals, providing seamless internet and cable connectivity across these sectors.

C. Charging Towards a Cleaner Future with Electric Mobility

We at Meralco recognize that the transition to electric transport is a critical step toward a cleaner future. However, the challenge in early-stage EV markets like the Philippines extends beyond vehicle adoption—it requires a robust, accessible, and financially viable charging infrastructure. As such, our subsidiary Movem has partnered with Poland-based ChargeEuropa to introduce an innovative model that integrates digital out-of-home advertising with EV charging.

Through this approach, we aim to make EV charging more accessible to Filipinos without relying heavily on government subsidies or high user fees. With high foot traffic in urban centers and a growing commitment to sustainable development, the Philippines is an ideal market to demonstrate the impact of this model. Our partnership with ChargeEuropa will enable us to strategically deploy advertising-supported EV chargers, providing both a seamless charging experience for EV users and valuable engagement opportunities for advertisers.



⁴⁴ Our 7Ds Digital Transformation Framework is described extensively in the Digitalization & Cybersecurity section.

Digitalization & Cybersecurity

Adapting to a Rapidly Evolving Digital Landscape

In an increasingly interconnected world, we at One Meralco recognize that embracing and undertaking digital transformation is essential to delivering an efficient and convenient service to continue satisfying our customers. Building on the initial 4Ds Digital Transformation Strategy Meralco executed from 2019 to 2023, our new 7Ds Digital Transformation Framework serves as the foundation of this journey through to the end of the decade, positioning us as a digital leader in the energy industry.

Due to the critical nature of our infrastructure as a utility, we face significantly heightened exposure to cyber risks compared to other businesses, making robust cybersecurity all the more crucial to safeguard our operations and ensure business continuity. Recognizing its strategic importance, Meralco established the CSG in 2020 as a dedicated function—separate from Information, Communications, Technology, and Transformation (“ICT”)—to protect our digital infrastructure and shield our stakeholders from potential cyber threats. Complacency is not an option in our industry, and the CSG operates with an “assume breach” mindset that anticipates and prepares for inevitable cyberattacks. This proactive approach not only helps mitigate financial, reputational, legal, and regulatory risks but also reinforces the trust placed in us by our stakeholders.



A. Transforming Our Business Through Digitalization

In 2024, we commenced our revitalized five-year digital transformation journey, using our 7Ds Digital Transformation Framework as our compass. Anchored on seven key pillars—Digital Customer, Digital Grid, Digital Employee, Digital Enterprise, Data Platforms & Artificial Intelligence (“AI”), Digital Infrastructure, and Digital Communications—this framework enables us to strengthen Meralco’s position as a digital leader in the Philippine energy sector by focusing on the adoption of emerging technologies and data-driven insights for operational excellence, customer centricity, and business development.





FACILITATING EFFICIENT DATA MANAGEMENT

The Meralco Data Platform (“MDP”) acts as the Company’s digital backbone, serving as a centralized hub for data archiving and business intelligence. Designed to manage vast volumes of data from diverse sources, including billing systems and online channels, the MDP automates critical tasks and facilitates the creation of data management dashboards to enable informed decision-making, particularly in customer service applications, leading to quicker response times and heightened customer satisfaction.

Harnessing the power of large language models, the MDP conducts real-time customer sentiment analysis, enabling our customer care representatives to address feedback efficiently. Simultaneously, MDP’s machine learning models help our staff identify overloaded distribution transformers in advance, enhancing operational efficiency and minimizing the risk of unplanned outages.

The MDP serves as a unified platform for analytics and machine learning, supporting data processing and dashboard creation for insights across various domains, including grid operations and monitoring of sustainability metrics of the company. A self-service analytics program empowers business users, fostering a data-driven culture within Meralco.

The implementation of MDP has led to a 9% reduction in Meralco’s average service application processing time. Customers can get their services completed 14 and 0.5 days earlier for project-covered application and ordinary service application, respectively.

Additionally, leveraging MDP, Meralco can now proactively identify distribution transformers requiring rehabilitation, thereby averting unplanned power interruptions for at least 500,000 customers annually.

In 2024, the MDP enabled our customer care representatives to address customer feedback promptly with the help of real-time customer sentiment analysis enabled by large language models (“LLM”). This LLM-powered solution transformed a tedious process into a swift, accurate, and insightful operation.

These customer centric and data-driven digital transformation achievements were recognized at the Cloudera 2024 Data Impact Awards under the Leadership and Transformation category, besting six other international nominees from various industries across Asia Pacific.

As a unified, self-service platform for advanced analytics and machine learning, the MDP supports comprehensive data processing and dashboard creation across various domains, including grid operations and monitoring of sustainability KPIs, fostering a data-driven culture across the Company. By enabling a 50% faster dashboard and analytics generation, the MDP has streamlined data-driven decision-making in our organization.

Looking ahead, we will continue to enhance the MDP, aligned with our evolving business needs as well as technological advancements in the industry, to ensure more efficient service delivery.



ENABLING INTELLIGENT EMPLOYEE AND CUSTOMER SUPPORT

A key priority in our digital transformation journey is the adoption of emerging technologies like AI, with a focus on LLMs, to drive transformative business outcomes. To this end, we have developed the Meralco Interactive Data Assistant (“MIDAS”), an intelligent digital platform akin to ChatGPT. MIDAS will allow users to interact with data through voice and chat, making data more accessible and easier to understand for both tactical and strategic functions.

The AI-based platform will also allow for automatic categorization and analysis of customer feedback as well as generation of actionable recommendations, effectively reducing manual workloads and enhancing customer service.

Moving forward, we aim to expand our self-service data analytics environment and further democratize data access to strengthen our culture of data-driven decision making.



Promoting Responsibility in the Use of AI in *Our Business*

Our Responsible Use of AI Policy sets out appropriate guardrails around the use of AI while we explore this innovative technology within Meralco. As the proliferation and use of AI continue to expand, setting clear policies and governance measures is necessary to prevent these tools from being abused. Applying to all our officers, employees, and third-party partners, the policy includes the following guiding principles:

- **Accountability** – All individuals representing Meralco shall be accountable for the proper selection, use, deployment, integration, and retirement of AI technology;
- **Fairness and Bias Detection** – Any AI tool adopted and used in Meralco must be regularly tested to prevent discrimination and reduce biases, in line with the Company’s Code of Business Conduct and Ethics as well as the Diversity and Inclusion Policy;
- **Inclusive Growth, Sustainable Development, and Well-Being** – Meralco’s pursuit of trustworthy AI should promote inclusive growth, well-being, and reduced environmental impact;
- **Privacy** – Individual privacy must be respected, following Meralco’s data privacy obligations;
- **Robustness, Security, and Safety** – Meralco’s AI systems must be robust, secure, and safe throughout their lifecycle, ensuring they do not pose unreasonable safety and security risks; and
- **Transparency and Explainability** – AI usage in content development must be explained and shall be transparent to relevant stakeholders. Employees shall be informed and trained on the strengths, limitations, and responsible use of AI.



B. Securing Our Critical Cyber Infrastructure

Meralco’s increasing reliance on digital technologies, combined with the accelerating convergence of information technology (“IT”) and operational technology (“OT”), has significantly broadened our attack surface, introducing complex security challenges that demand heightened vigilance and protection. As traditional air-gap cybersecurity architectures erode, safeguarding our digital infrastructure requires a more robust and versatile cybersecurity approach.

The evolving cyber threat landscape is further compounded by tightening legal requirements in the Philippines, including the Data Privacy Act,

the National Cybersecurity Plan (“NCSP”) 2025–2028, and the proposed Energy Sector Cybersecurity and Cyber Resilience Framework by the DOE. These regulations mandate stringent security measures, data protection protocols, and incident reporting. At Meralco, we aim to not only meet but also exceed these regulatory demands by investing in advanced technologies and personnel training as well as adopting a proactive approach to threat detection and response. By ensuring that our cybersecurity measures remain agile, resilient, and future-ready, we successfully blocked and prevented a total of 414 million cyberattacks in 2024 alone.



BUILDING AN ARSENAL AGAINST CYBER THREATS

Our long-term vision for cybersecurity is embodied in ARSENAL, a strategic program designed to elevate Meralco’s cybersecurity maturity by 2028, in alignment with the NCSP. Our mission is clear: to defend the Company from current and emerging cyber threats by securing our digital assets, protecting our stakeholders from these threats, and minimizing our exposure to financial, reputational, legal, and regulatory risks stemming from cybersecurity incidents.

ARSENAL lays the foundation for our proactive defense strategy, supported by the following pillars:

- **Asset Visibility** – maintaining a comprehensive inventory of all digital assets, ensuring that we can protect what we can identify;
- **Access Management** – adopting the zero-trust principle (“never trust, always verify”) to mitigate risks from internal and external threats;



FOSTERING A CULTURE OF CYBER VIGILANCE AND RESPONSIBILITY

Meralco’s operational risk framework focuses on identification, assessment, mitigation, and continuous improvement. At the heart of this framework is the commitment to cultivate a culture of cybersecurity awareness that transcends technical jargon and resonates with all audiences. Believing that cybersecurity is a shared responsibility, we empower our workforce to be our strongest line of defense and foster a cybersecurity culture that extends beyond our organization and into the broader community.

To raise our employees’ awareness of cybersecurity, we run ongoing campaigns that include weekly advisories on cybersecurity best practices as well as alerts on threats like phishing and smishing scams. In 2024, we issued 87 advisories focused on actionable insights and practical measures.

- **Risk Quantification** – centralizing and automating vulnerability assessments to enable faster, data-driven security investments;
- **Resilience** – building resilience into our architecture and operations to prepare for unpredictable cyber events, with specialized teams focused on early threat detection, dark web monitoring, and brand protection;
- **Response Orchestration and Automation** – enhancing incident response capabilities through automation for rapid and precise threat mitigation;
- **Security by Design** – embedding cybersecurity considerations into every phase of the system and service lifecycle;
- **Supply Chain Ecosystem** – managing third-party cyber risks through dedicated oversight, ensuring the resilience of our digital supply chain;
- **Employee Engagement and Enablement** – cultivating a strong cybersecurity culture through continuous awareness programs, empowering employees as our first line of defense;
- **Employee Workforce Development** – investing in the growth of our cybersecurity talent to manage and mitigate industry-specific threats effectively;
- **Exposure Management** – continuously identifying and addressing vulnerabilities through proactive threat exposure assessments;
- **Executive Cybersecurity Awareness** – facilitating leadership collaboration and providing executives with timely insights into emerging threats;
- **Next-Generation Technologies** – deploying advanced defense systems, intelligent automation, and robust security controls to enhance threat detection and response;
- **Adoption of Global Standards** – reinforcing stakeholder trust by adhering to global cybersecurity best practices; and
- **Legal and Regulatory Compliance** – ensuring compliance with national regulations to effectively manage legal and regulatory risks.

Through ARSENAL, we fortify our cyber infrastructure to withstand the challenges of an increasingly digitalized energy landscape. Given that Meralco powers a significant portion of the Philippines, any disruption caused by a cyberattack could have far-reaching consequences for our 8 million customers, posing a serious national security risk. As such, our proactive, collaborative, and innovative approach to cybersecurity maintains Meralco’s resilience as a utility while safeguarding the trust of our stakeholders.

We also measure our employees' level of vigilance through simulations of phishing attacks. During the reporting period, 4,637 Meralco employees received a simulated phishing email, with only less than 7% clicking on the embedded links. All employees who failed the test were required to undergo phishing awareness training to make them resilient against such threats.

In celebration of the Cyber Security Awareness Month in October 2024, we launched the Annual Cyber Mandatory E-Learning in Meralco, achieving a remarkable 99.93% compliance rate and an 88% overall passing rate. The learning module combined a comprehensive instructional video with a 14-item quiz to assess employees' understanding of cybersecurity fundamentals.

Our celebration culminated in our inaugural Cybersecurity Awareness Forum, which brought together over 1,500 attendees across One Meralco. The forum explored critical cybersecurity-related topics such as adoption of AI technologies and IT and OT convergence, as well as enhancing cybersecurity awareness across all levels of our organization. Additionally, we launched the CSG internal portal, a centralized hub for Meralco employees to access cybersecurity advisories and information security policies, and other relevant materials. This platform reinforces our commitment to ensuring that cybersecurity awareness resources remain accessible to all our employees.



PROMOTING VISIBILITY AND SYNERGY FOR CYBERSECURITY

Meralco recognizes the importance of demonstrating relevance, transparency, and accountability in our cybersecurity practices. This is achieved through initiatives that enhance visibility and promote knowledge sharing within our organization.

In 2024, we established Cytadel, an interactive cyber operations and risk management dashboard that provides a holistic view of our cybersecurity operational effectiveness, including platform stability, service responsiveness, vulnerability management, and SLA adherence. Cytadel facilitates performance tracking and reporting by consolidating data from diverse sources, promoting transparency and data-driven decision making.

We also launched the Meralco Intelligence Cyber Security Synergy ("MINT Cynergy"), a threat intelligence sharing community to elevate our managers' awareness of emerging cyber threats, empowering them to make informed decisions about cybersecurity strategy and resource allocation. Through MINT Cynergy, we are able to share and circulate: analysis and reports on security breaches, data leaks,

and other critical incidents; case studies on recent security incidents affecting Meralco; updates on our brand protection initiatives, including detecting and addressing fake social media platforms and fraudulent websites; as well as detailed briefs on specific threat actors, covering their capabilities, intentions, attack methods, and possible mitigation measures.

Finally, we also actively forge public-private partnerships to strengthen national cybersecurity resilience and further promote knowledge sharing. In 2024, Meralco launched Wavemaker, in partnership with OMF, to equip teachers with essential cybersecurity knowledge that they can share with their students. We also collaborated with the Philippine National Intelligence Coordinating Agency to understand and enhance the national view of the cyber threat landscape, enabling us to better respond to country-level threats.

For more information about Wavemaker, please refer to the Community Engagement section.



 BRIGHT SPARKS

Championing *Data Privacy* Within and Beyond One Meralco

At One Meralco, privacy is more than just a policy—it is a responsibility we uphold to protect and maintain the trust of our stakeholders. Through Meralco's Data Privacy Office ("DPO"), we strive to integrate data privacy principles in every aspect of our business, ensuring that privacy is prioritized by design and by default. We raise awareness among our employees through information campaigns and training sessions to foster a culture of privacy across One Meralco.

In 2024, we launched the Data Privacy Roadshow, starting with the Business Centers, to strengthen our customer-facing teams' understanding of our data privacy policies, guidelines, and risk management requirements. Our goal was to empower our employees to uphold the highest data privacy standards and help them better identify and address potential data privacy concerns. As a result of this initiative, compliance with our Privacy Risk Management requirements improved. We also saw an uptick in inquiries regarding potential data privacy concerns.

During the reporting period, we also conducted a refresher course for Meralco's Learning and Development partners, ensuring they remain

well-versed in data privacy concepts and the Company's Privacy Risk and Management Program.

We extend our privacy advocacy to our subsidiaries through capacity-building efforts. Our annual Data Privacy Bootcamp, held during our Privacy Awareness Week, gathered the data privacy teams and other key personnel from our subsidiaries to enable them to stay updated on the latest guidelines and requirements from the National Privacy Commission ("NPC") and the evolving landscape of data privacy in the Philippines. Additionally, we supported MIESCOR Infrastructure Development Corporation ("MIDC") in registering its Data Protection Officer and data processing systems with the NPC.

Our commitment to data privacy goes beyond our organization. In 2024, we led the Data Privacy Council Sectoral Training for Utilities in partnership with Maynilad and the Visayan Electric Company. The training was attended by 26 data protection officers from various utility companies across the country. By actively collaborating with industry peers and the NPC, we strengthen our role as a champion of data privacy, helping protect our stakeholders, especially our customers, in an increasingly digital world.

Community Engagement

Uplifting the Unserved and Underserved

GRI 203-1 | GRI 203-2 | GRI 413



For electric utilities like Meralco, meaningful impact goes beyond delivering power—it is about driving inclusive growth and improving quality of life in the communities we call home. By addressing energy gaps in unserved communities through the One Meralco Foundation (“OMF”), we help uplift lives and drive long-term progress. Our efforts to provide marginalized communities with much needed access to energy across various areas—including education, healthcare, agriculture and livelihood, as well as access to clean water—are helping to create lasting, positive impact where it is needed most.



A. Electrifying Marginalized Communities

In 2024, we invested close to PhP 9.5 million in OMF's Household Electrification Program (“HEP”) to connect low-income families within Meralco's franchise area to the grid. Specifically, OMF financed the installation of service entrances, metering centers, breaker walls, and intermediate poles for 3,455 low-income households. Initial set-up costs for these households, which are typically shouldered by residential customers applying for service connections, were carried by Meralco.

Complementing the HEP, we also invested at least PhP 2.7 million in OMF's School Electrification Program (“SEP”) to power four remote public schools across the country, supporting children and teachers from indigenous communities in their academic endeavors. Specifically, OMF's SEP energized schools in the municipalities of Bongabong in Oriental Mindoro and Rizal in Palawan.

On top of these two flagship initiatives, we also expanded our efforts to cover other equally important social impact areas: healthcare, agriculture and livelihood, as well as water and sanitation. In 2024, we deployed solar power solutions to two rural health centers in

the municipalities of Panukulan in Quezon and Lake Sebu in South Cotabato. Meanwhile, as part of OMF's agriculture and livelihood electrification efforts, we provided a mobile solar irrigation pump to help two farmer cooperatives in Rizal and Lupao, Nueva Ecija. Additionally, through OMF's water access electrification, we provided a 7.1-kWp solar PV solution to a community water facility in Santo Niño, South Cotabato, to help improve water access to its 217 residents.

We have also been bringing the gift of light to remote island communities through OMF's Light Up Pilipinas program. Since 2021, we have provided solar lamps to at least 8,000 families, fisherfolk, indigenous tribes, soldiers, and forest rangers, enabling them to boost their productivity at home and at work.

Through OMF's community development programs, we continue to harness the power of electricity to uplift and improve lives within and beyond our service area.

For more information about OMF's corporate social responsibility initiatives, please refer to the OMF Annual Report 2024.

B. Empowering Communities Beyond Electrification

With one of the largest populations of Internet and social media users in the world, the Philippines faces growing cybersecurity challenges that impact individuals and communities alike. Recognizing the importance of sharing our expertise in cybersecurity to help create safer environments for everyone, we launched a cybersecurity awareness program called Wavemaker in 2024 to empower Filipino teachers as advocates of digital safety in the education sector.

Our pilot session, supported by the Department of Education and the Philippine National Police, brought together 60 teachers from public high schools across the National Capital Region. Led by the OMF and our Cyber Security Group (“CSG”), we equipped participants with foundational cybersecurity concepts, including identifying and reporting cyber threats, practicing responsible digital citizenship, and responding to cyberattacks. The participants also learned about career opportunities in the field of cybersecurity.

By fostering a culture of digital vigilance among educators, we aim to extend cybersecurity awareness beyond the classroom and into communities. As we expand Wavemaker across and beyond Meralco’s franchise area, we remain committed to building a resilient digital society where every Filipino is prepared to navigate the online world safely and responsibly.

For more information about our cybersecurity efforts, please refer to the Digitalization & Cybersecurity section of this report.



BRIGHT SPARKS

Spreading Light and Joy for Christmas

Christmas holds a deep, unspoken significance for Filipinos—it is a season of festivity that brings families and loved ones together. In November 2024, we at Meralco continued a beloved community tradition by opening Liwanag Park at our Pasig City headquarters. Since its inception in 1998, Liwanag Park has been a symbol of hope and joy for Filipinos during the holiday season. Joined by First Lady Liza Araneta-Marcos and our Chairman and CEO Manuel V. Pangilinan, we illuminated the iconic Lopez Building façade and surrounding areas, highlighting our enduring commitment to bringing light to every home and heart we serve. During the opening ceremony, we also celebrated a milestone we achieved in 2024—reaching 8 million customer connections—by honoring eight community partners who symbolized our Company’s electrification efforts in our franchise area.

Our celebration was extended through our partnership with the Intramuros Administration to unveil Liwanag Park in Intramuros later in the same month. Plaza Roma was transformed into a glowing Christmas wonderland, featuring a majestic tree crafted from electric meter covers, a shimmering arch of lights, our iconic tranvia, and pathways lined with radiant stars and solar lamps. As the lights came alive under the leadership of First Lady Louise Araneta-Marcos, Manila Mayor Honey Lacuna-Pangan, and Intramuros Administrator Joan Padilla, we were reminded of the resilience of the Filipino spirit as we commemorated the communities gravely affected by the devastating typhoons in 2024.

For over two decades, Liwanag Park has symbolized more than festive cheer—it has stood as our enduring promise to connect with communities and reaffirm our commitment to powering the good life for our customers.

Supply Chain Sustainability

Amplifying Collective Impact with Our Business Partners

GRI 2-6



The One Meralco ecosystem encompasses many constituents, including an extensive supply chain of companies that form the gears of the economic machinery of the country. As part of our commitment to contributing to national development by supporting domestic enterprises, one of the sourcing strategies we have adopted is to source goods and services from Philippine-based suppliers. In 2024, our Group spent close to PhP 43.2 billion on local procurement contracts, directly benefitting local businesses.

TOTAL PROCUREMENT SPEND IN 2024 (in PhP million)

	Local	Foreign	Subtotal
Meralco	32,768	5,452	38,221
Subsidiaries	10,426	12,833	23,259
TOTAL	43,194	18,285	61,480

TOTAL NUMBER OF SUPPLIERS BY CLASSIFICATION IN 2024

	Tier 1	Non-Tier 1	Subtotal
Meralco	3,056	0	3,056
Subsidiaries	2,084	43	2,127
TOTAL	5,140	43	5,183

TOTAL NUMBER OF SUPPLIERS BY LOCATION IN 2024

	Local	Foreign	Subtotal
Meralco	2,440	616	3,056
Subsidiaries	1,897	230	2,127
TOTAL	4,337	846	5,183



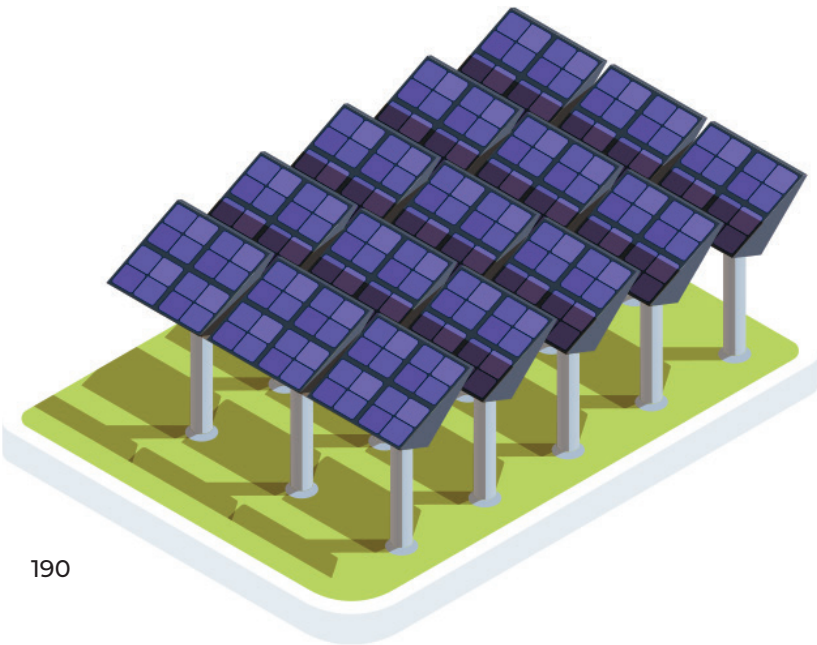
Our approach to sourcing goods and services brings financial and operational advantages. Prioritizing local procurement strengthens Meralco’s reputation as a responsible corporate citizen and reduces reliance on complex international supply chains that are often vulnerable to disruptions. We therefore enhance the resilience of our supply chain while contributing to the Philippines’ economic growth.

Beyond supporting the local economy, we are equally committed to addressing other environmental, social, and governance (“ESG”) issues in our supply chain. Central to this commitment is our Human Rights Policy, which requires our business partners to uphold human rights principles, in line with the United Nations’ Universal Declaration of Human Rights. We require our suppliers to implement policies and conditions that seek to protect and promote human rights within their own spheres of influence.

A. Influencing Our Suppliers to Embrace Sustainability

Our businesses across One Meralco substantially shape the revenue and growth of our suppliers who, in turn, impact our Group’s overall ESG performance. It is therefore imperative for us to actively encourage and empower all our constituents across our supply chain to adopt sustainability principles and practices in their own operations. As such, we have embarked on a journey called the Supply Chain Sustainability Story to operationalize our ambitions.

The Supply Chain Sustainability Story was established to integrate sustainability into our supply chain in three distinct waves: Introduce, Influence, and Ingrain. The first wave focuses on introducing ESG principles into our supply chain and procurement processes. The second wave is concentrated on influencing our value chain partners to enable them to better understand and commit to sustainability. Finally, the third wave is about ingraining sustainability into our mission, strategy, and decision-making to further create shared value and positive impact in our network. Across these three waves, we will employ various initiatives such as baselining, segmentation of suppliers based on different criteria, partnerships with suppliers on strategic projects, capability-building workshops, performance monitoring, and communication campaigns.



In 2024, as part of the Introduce and Influence waves, we continued implementing the Meralco Supplier Sustainability Scorecard (“MS3”), which covers 131 ESG criteria based on the GRI Standards as well as 14 of the 17 SDGs that our suppliers need to meet in order to maintain their accreditation with the Company. We also launched a sustainability toolkit and commitment form as part of their accreditation requirements, strengthening our commitment to enhancing our collective impact with our suppliers.

MS3 provides us a better view of our suppliers’ policies, processes, and initiatives that may substantially affect our Company’s financial and sustainability performance. By the end of the reporting period, 355 supply chain partners, which collectively represent 95% of Meralco’s annual procurement spend, were fully compliant with our sustainability standards.

Beyond mere compliance, MS3 has yielded significant gains and now functions as a platform for Meralco to engage in meaningful dialogues with its suppliers, enabling us to better identify and address the challenges our suppliers face in adopting sustainability principles and practices. Integrating ESG assessment criteria into our procurement process also helps mitigate reputational risks and engage with suppliers who demonstrate mature risk management practices or, at the very least, commitment to adopting and integrating sustainability principles into their own operations.

Moving forward, we will roll out more supply chain sustainability initiatives as we continue to pursue the Ingrain wave, tackling challenging ESG topics such as Scope 3 emissions reduction and supplier diversity.



B. Upholding Human Rights in Our Supply Chain

We at One Meralco believe that respect for human rights is non-negotiable—it is a fundamental principle that must be upheld without fail. This conviction guides every aspect of our operations and partnerships as enshrined in our Human Rights Policy, which extends to our vendors and other key partners. In this regard, we seek to ensure, through contractual stipulations or other formal commitments, that our third-party business partners uphold the same principles and implement them within their own operations through pertinent policies and conditions that seek to protect and promote human rights.

To support this, we actively advocate for human rights through education and training, ensuring that both our internal and external stakeholders are well-informed about our commitments. Our directors, officers, and employees lead by example, committing to strict compliance with our human rights standards and encouraging the same dedication from our business partners. This collective responsibility strengthens our mission to build a fair, equitable, and ethical business environment throughout our supply chain.

