

Material Consumption & Waste Management

Optimizing Resource Utilization

GRI 306-1 | GRI 306-5



Each year, the Philippines generates a staggering 3 million tonnes of food waste from households alone and nearly 2.5 million tonnes of plastic waste. Meanwhile, 1 billion tonnes of waste fly ash is produced from coal-fired power plants worldwide. These waste challenges highlight the urgent need for proper systems to prevent waste from polluting land and the ocean. One Meralco responds by addressing the root cause of the problem—the linear take-make-dispose model of resource consumption—with policies and programs that help operationalize the three Rs of waste management: reduce, reuse, and recycle. Materials that inevitably reach their end-of-life are disposed of in compliance with national waste management standards.

To streamline and improve waste management practices and initiatives across One Meralco, we continue to implement our Race to Zero Waste (“RZW”) Program. With the goal of reducing the impact of our Group on landfills and the ocean, our RZW Program covers all our offices, Sector Offices,

Business Centers, substations, and other facilities we own and manage. The RZW Program was built on the success and momentum of our Group-wide ban on single-use plastics (“SUP”) that began in 2019. The SUP ban currently covers all One Meralco offices and facilities and extends to the Group’s suppliers.

AMOUNT OF SOLID WASTE TREATED OR DISPOSED OF BY MERALCO (in tonnes)

	2022	2023	2024
Biodegradable	2,133	1,562	1,730
Recyclable	411	403	316
Residual	116	105	117
TOTAL	2,660	2,070	2,163

Meralco has achieved a more effective and efficient monitoring and segregation of waste by implementing a more robust waste management system founded upon a comprehensive waste analysis and characterization study. We have deployed more labeled waste segregation bins, established materials recovery facilities (“MRFs”), and facilitated employee awareness campaigns. In 2024, the Company generated a total of 2,163 tonnes of solid waste, up by more than 4% from 2023, due to more tree trimming activities, resumption of corporate events, and holiday celebrations.

During the same reporting period, we successfully diverted all of Meralco’s biodegradable and recyclables wastes—representing 95% of the Company’s total waste generated—as a result of strict adherence to national waste management policies and Company-specific guidelines, expansion of waste management facilities, and better employee awareness campaigns. Meralco’s biodegradable waste, which made up nearly 80% of the Company’s total waste in 2024, was processed through mechanized

dual-drum composting units. This process resulted in the production of six tonnes of high-quality compost by the end of the year. Additionally, waste trimmings from routine maintenance activities were donated to local government units (“LGUs”) for composting and waste-to-energy initiatives.

Our Race to Zero Waste Program extends to our subsidiaries. For instance, MGEN focuses on coal ash recycling in its power plants. In 2024, the coal ash recycling rates at MGEN’s facilities in Cebu and Panay increased by 16% compared to the previous year, resulting in the diversion of over 154,000 tonnes of waste coal ash from landfills. This was a result of better implementation of coal ash waste management and recycling on these sites.

Meralco and MGEN’s thermal plants hold ISO 14001 certifications, which attests to the robustness of our Group’s environmental management systems.