

# Diversity, Equity & Inclusion

## Ensuring Fair Treatment & Equal Participation of All Employees

GRI 405



At One Meralco, we recognize that a diverse, equitable, and inclusive labor force is essential to maintain a productive and harmonious work environment as well as achieve long-term success. As such, through Meralco’s #Mbrace Diversity & Inclusion Program, we are committed to building a workplace free from bias and discrimination, where every employee, regardless of their background or identity, feels respected, valued, and empowered to contribute their unique skills and perspectives.

Along with over 10,000 businesses across the globe, in 2021, we endorsed the CEO Statement of Support for the Women’s Empowerment Principles (“WEPs”)—a set of values established by UN Women and the UN Global Compact that guide organizations on how to advance gender equality across all sectors of society. By renewing our commitment every year, we strengthen our dedication to taking concrete steps to protect and promote women’s rights and facilitate women’s full participation in the labor force—aligned with **SDG 5: Gender Equality**.

Moving forward, we will continue transforming our organization by helping our subsidiaries integrate DEI into their own corporate policies and operations as well as expanding our DEI journey beyond gender equality. In 2024, we initiated the diagnostic and design phases of the #Mbrace Program for our subsidiaries, laying the groundwork for a unified approach to DEI within One Meralco.

### A. Providing Equal Opportunities for All

We strive to achieve a diverse workplace that employs and empowers more women. In 2024, Meralco reached an all-time high in terms of female representation in the Company’s workforce at 23.3%—well above the global energy sector average of 11%.<sup>41</sup> Likewise, from a Group-wide standpoint, the proportion of women in One Meralco’s total workforce stood at 24.6% during the same period. Ultimately, our goal is to achieve a 40% female representation in the DU’s workforce by 2030.

#### NEW HIRES

	2022		2023		2024	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Meralco DU	304	130	309	129	289	144
Subsidiaries	3,325	1,158	2,979	1,143	2,796	1,076
<b>SUBTOTAL</b>	<b>3,629</b>	<b>1,288</b>	<b>3,288</b>	<b>1,272</b>	<b>3,085</b>	<b>1,220</b>
<b>TOTAL</b>		<b>4,917</b>		<b>4,560</b>		<b>4,305</b>



During the same period, nearly 33% of the Company’s new hires were female—10% above the share of women in the organization’s existing workforce—as a result of our conscious efforts to increase the ratio of female-to-male hires. These efforts included recruitment campaigns that demonstrated women’s active participation in our businesses as well as the different initiatives under our #Mbrace Program.

<sup>41</sup>2022 Global Energy Talent Index (“GETI”) Report

### MERALCO DU EMPLOYEES BY RANK

	2022		2023		2024	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Senior management	587	202	615	212	632	217
Middle management	480	315	485	324	498	354
Rank and file	3,564	782	3,540	792	3,513	813
Fixed-term and project-based	230	90	218	90	190	85
<b>SUBTOTAL</b>	<b>4,861</b>	<b>1,389</b>	<b>4,858</b>	<b>1,418</b>	<b>4,833</b>	<b>1,469</b>
<b>TOTAL</b>		<b>6,250</b>		<b>6,276</b>		<b>6,302</b>

### SUBSIDIARY EMPLOYEES BY RANK

	2022		2023		2024	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Senior management	129	71	74	43	126	69
Middle management	964	437	871	351	1,253	696
Rank and file	3,897	1,936	7,153	2,590	6,993	2,243
Fixed-term and project-based	7,746	1,150	2,517	745	1,619	322
<b>SUBTOTAL</b>	<b>12,736</b>	<b>3,594</b>	<b>10,615</b>	<b>3,729</b>	<b>9,991</b>	<b>3,330</b>
<b>TOTAL</b>		<b>16,330</b>		<b>14,344</b>		<b>13,321</b>

Purposefully recruiting women for a wide range of entry-level and managerial roles operationalizes One Meralco’s push for a higher degree of workplace diversity and inclusion. In 2024, over 27% of One Meralco’s senior managers were women, reflecting our Group’s drive to diversify representation in leadership positions.

In 2024, we continued building the necessary foundation that will enable the proportion of women in Meralco’s workforce to grow. These efforts included:

- performing a comprehensive review of existing functions that can be performed by women;
- collaborating with the Meralco Power Academy to train women on roles traditionally held by men, such as equipment operator and field inspector;
- partnering with academic institutions to establish scholarship programs aimed at producing more female graduates in electrical engineering; and
- encouraging female technical high school and university students to pursue careers at Meralco.



### \* BRIGHT SPARKS

## Embracing All Colors with *Pride*

At One Meralco, we recognize that gender equality is more than just about empowering women—it is about creating a workplace where everyone—regardless of their sexual orientation, gender identity, gender expression, and sex characteristics (“SOGIESC”)—is treated with fairness, respect, and dignity. As part of our #Mbrace Diversity & Inclusion Program, we dedicated a week from June 24 to 28, 2024, to deepening Meralco employees’ understanding of SOGIESC and reinforcing our commitment to **SDG 5: Gender Equality**.

We kicked off the campaign with a bold statement: a vibrant rainbow pedestrian lane at the Meralco Operating Center, symbolizing our support for the LGBTQ+ community. Throughout the week, we engaged our employees through an online awareness campaign, sharing insights on SOGIESC and its importance in creating a workplace where everyone feels valued and respected.

Our internal efforts culminated on June 28, Pride Day, with the Understanding SOGIESC webinar, which became our highest-rated and second-most attended webinar of the year. We were honored to hear from two inspiring speakers: Atty. Sheil Granados, Head of Litigation Team 1 and one of the most recognizable LGBTQ+ figures at

Meralco; and Atty. Quino Reyes, a legal counsel and passionate DEI advocate who co-founded the Philippine LGBT Bar Association. Their insights shed light on how we can foster a truly DEI-oriented workplace.

Our commitment to championing DEI goes beyond One Meralco. On June 30, Radius participated in the Love Laban 2 Everyone Pride Festival at the Quezon Memorial Circle in Quezon City as one of the event’s key sponsors, providing fiber internet connectivity to participants during the whole-day event. The event served as a platform for Radius to express its support for the Filipino LGBTQ+ community.

Through initiatives like this, we continue to take meaningful steps towards a culture where everyone, regardless of SOGIESC, feels seen, heard, and empowered to be their authentic selves.

*“I am happy to be part of an organization that makes decisive progress towards adopting diversity, equity, and inclusion as workplace values. I am proud to tell the world that dito sa Meralco, welcome ka!”*

– Atty. Sheil Granados

## B. Closing the Gender Pay Gap

The gender pay gap remains a persistent social challenge across the globe, reflecting disparities in earnings between men and women across industries and occupations. Addressing this issue, especially in traditionally male-dominated spaces such as the energy sector, requires a progressive and multifaceted approach covering transparency in compensation, equal access to leadership opportunities, and supportive workplace policies that enable career growth for all.

### AVERAGE GENDER PAY GAP IN MERALCO DU<sup>42</sup>

	2022	2023	2024
Senior management	4.3%	-0.5%	7.96%
Middle management	1.5%	-1.1%	-0.79%
Rank and file	11.6%	11.8%	13.37%
Fixed-term and project-based	-23.1%	-29.0%	-0.59%
<b>Weighted average</b>	<b>4.0%</b>	<b>0.2%</b>	<b>-0.12%</b>

As part of our commitment to advancing DEI in our organization, we strive to ensure that the total annual compensation of our female employees matches that of our male employees. In 2024, the DU recorded an overall average pay gap of -0.12%, which is not only much lower than the global energy industry average of 19% but also indicates that, on average, Meralco's female employees earn slightly higher than their male counterparts.<sup>43</sup>

Moving forward, we will continue our efforts to maintain, if not close, the relatively small gender pay gap in Meralco by upholding fair remuneration practices, periodically reviewing our pay structures, and fostering a discrimination-free workplace where all employees have equal opportunities for career progression.



<sup>42</sup>The average pay gap is the difference between the average salary of male employees and the average salary of female counterparts divided by the average salary of male employees and multiplied by 100%. <sup>43</sup> Thomson, E. (2022) These 4 charts show the energy sector's gender gap and what needs to change, World Economic Forum.