



October 22, 2021

Securities and Exchange Commission
SEC Building, Mandaluyong City

Attention: **Director Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

The Philippine Stock Exchange, Inc.
6/F Philippine Stock Exchange Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation
29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosure Department

Mesdames/Gentlemen:

Ayala Corporation announced its commitment to achieve net zero greenhouse gas emissions by 2050 during the group's Integrated Corporate Governance, Risk Management, and Sustainability Summit held Thursday. Ayala aligns its business strategy with the Paris Agreement's goal of limiting global warming to 1.5°C compared to pre-industrial levels.

Please refer to the attached disclosure submitted to the Philippine Stock Exchange.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'A. de Larrazabal', written over a circular stamp.

Alberto M. de Larrazabal
Chief Finance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Oct 21, 2021
2. SEC Identification Number
34218
3. BIR Tax Identification No.
000-153-610-000
4. Exact name of issuer as specified in its charter
AYALA CORPORATION
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
32F to 35F, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City
Postal Code
1226
8. Issuer's telephone number, including area code
(02)7908-3000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	619,695,649
Preferred B Series 1 Shares	20,000,000
Preferred B Series 2 Shares	30,000,000
Voting Preferred Shares	200,000,000

11. Indicate the item numbers reported herein
Item 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Ayala Corporation AC

PSE Disclosure Form 4-31 - Press Release References: SRC Rule 17 (SEC Form 17-C) Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Ayala commits to achieve net zero by 2050

Background/Description of the Disclosure

Ayala Corporation, one of the largest conglomerates in the country, is committing to achieve net zero greenhouse gas emissions by 2050, as announced by its President & CEO Fernando Zobel de Ayala during the group's Integrated Corporate Governance, Risk Management, and Sustainability Summit held Thursday.

To develop a net zero roadmap, Ayala partners with South Pole, a leading project developer and global climate solutions provider that works with private organizations and governments worldwide. This partnership enables the group to have an accurate view of emissions across its core business units and a tangible roadmap for reducing them in line with its net zero by 2050 ambition

Other Relevant Information

Please see attached press release.

Filed on behalf by:

Name	Celeste Jovenir
Designation	Investor Relations Head

Ayala commits to achieve net zero by 2050

MANILA, Philippines – Ayala Corporation, one of the largest conglomerates in the country, is committing to achieve net zero greenhouse gas emissions by 2050, as announced by its President & CEO Fernando Zobel de Ayala during the group's Integrated Corporate Governance, Risk Management, and Sustainability Summit held Thursday.

"As Ayala's concrete contribution to the well-being of future generations of Filipinos, we are announcing our commitment to achieve net zero greenhouse gas emissions by 2050. We are aligning ourselves with the global movement for climate action as our way to help secure our country's future from the threats brought by climate change. We believe that we have the capabilities and collective will to make this happen," Zobel said.

Ayala aligns its business strategy with the Paris Agreement's goal of limiting global warming to 1.5°C compared to pre-industrial levels. As such, Ayala commits to set targets aligned with science that cover the following: Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from generation of purchased electricity), and all relevant Scope 3 (all other indirect emissions that occur in value chain). Scope 3 emissions are expected to make up the majority of Ayala's footprint and can be complex to address, but Ayala is committed to net zero best practices and driving meaningful change in its business ecosystem.

Prior to Ayala's net zero by 2050 announcement, its core business units have initiated the following climate-action interventions:

- Ayala Land pushes for offsetting its Scope 1 and 2 emissions by 2022 for its commercial operations
- BPI will not finance new greenfield coal power generation projects. The Bank will reduce its coal power generation exposure to half of 2020 by 2026 and to zero by end of 2032.
- Globe, a participant to the Race to Zero and a signatory to the Science-Based Targets Initiative (SBTi), has shifted to buying energy directly from renewable energy producers for its headquarters in Taguig and six offices and facilities since 2019
- AC Energy is on its way to installing 5GW of renewable energy by 2025
- Ayala Corporation's Project Kasibulan, a reforestation, forest protection, and biodiversity conservation program for carbon sequestration is to be piloted in the island of Mindoro

To develop a net zero roadmap, Ayala partners with South Pole, a leading project developer and global climate solutions provider that works with private organizations and governments worldwide. This partnership enables the group to have an accurate view of emissions across its core business units and a tangible roadmap for reducing them in line with its net zero by 2050 ambition. In the next 12 months, Ayala and South Pole will:

- Develop a detailed greenhouse gas footprint that includes all relevant Scope 3 emissions from the value chain, which is considered net zero best practice

- Assess potential emission reduction activities and strategies to help Ayala prioritize and budget for these interventions across its core business units, ensuring practical steps are taken to reduce emissions as quickly as possible
- Establish interim targets aligned with a science-based 1.5°C pathway across the core business units to ensure Ayala has robust and measurable milestones along their journey to net zero by 2050

Ayala Corporation and its core business units are signatories to the Taskforce on Climate-related Financial Disclosures (TCFD) and are currently working to implement the 11 recommended disclosures. This year, Ayala focuses on determining the actual and potential impacts of climate-related risks and opportunities on its businesses, strategy, and financial planning. A physical and transition-risk analysis is well underway.

Ayala's announcement of its net zero by 2050 ambition comes ahead of the 26th United Nations Climate Change Conference of the Parties (COP26) to be held in Glasgow, United Kingdom in November 2021, where signatories to the Paris Agreement will be reporting back on progress made since 2015.

Last April, the Philippines submitted its first nationally determined contribution to the Paris Agreement, committing to a projected greenhouse gas emission reduction and avoidance target of 75% by 2030.

Ayala believes that accelerating climate action is part of its recovery roadmap. Despite the challenges of COVID-19, global companies have moved towards net zero. Capital has been flowing to sustainable investments as a growing number of investors and lenders walk away from carbon-intensive sectors. And while a net zero ambition entails risks and costs, Zobel sees it as a long-term investment for the future generations, aptly defining Ayala as a catalyst and partner for net zero transition in the Philippines.

XXXXXX

For more information, contact:

YLA ALCANTARA

Head, Brand and Reputation Management

Ayala Corporation

E-mail – alcantara.ypg@ayala.com