



BREAKING BOUNDARIES  
FOR A **BETTER**  
**TOMORROW**

ANNUAL REPORT 2018



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## About the Report 102-48, 102-49, 102-54

SM Foundation celebrates its 35 years of supporting communities. Wherever SM is present, we create better access to quality education, healthcare, food sufficiency through farmers' training and shelter. Breaking Boundaries for a Better Tomorrow serves as SM Foundation's 2018 Annual Report covering the period of January to December 2018. This report has been prepared in accordance with the GRI Standards: Core option. It has also successfully completed the GRI Materiality Disclosures Service which confirms that disclosures 102-40 to 102-49 of the GRI 102: General Disclosures 2016, were correctly located in both the GRI Content Index and in the pages of this report.

# Vision

A Philippines where everyone has the opportunity for self-improvement and the environment is sustained for future generations.

# Mission

We will make targeted social investments in education, healthcare, livelihood and shelter to help underserved Filipinos improve their lives; and we will promote initiatives to protect and enhance the Philippines' unique and diverse ecological heritage. We will do this by working directly with communities to give them the assistance they require, by leveraging our corporate assets to secure resources and build awareness and by engaging with strong partners to create programs that promote a cycle of positive change.

# Values

Sustainability. Accountability. Innovation. Leadership.  
Hard Work. Integrity.

# MESSAGE FROM THE **Board**



**Mr. Jose T. Sio**  
President and Trustee



**Ms. Teresita T. Sy-Coson**  
Vice Chairperson



**Mr. Ramon Gil S.  
Macapagal**  
Trustee



In honor of Tatang Henry Sy, Sr.  
who will forever be in the hearts of  
the people he touched.

Vision. Hard Work. Perseverance.  
Service.

These were the values that overflowed from the heart of our founder, Tatang Henry Sy. His commitment to these values served as strong pillars in his journey. It gave him the courage to overcome adversities, renewed his strength to soar like an eagle and changed the lives of the people he touched.

His vision allowed him to dream and take full responsibility to change his future.

Hard work disciplined him to remain devoted to the daily grind.

His perseverance motivated him to embrace life's challenges as opportunities.

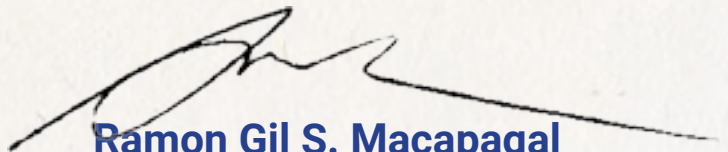
His service for others brought him overflowing joy and fulfillment.

Tatang Henry Sy's heart reached out to those who needed the most encouragement -

a student who dreamt of a life full of promises and opportunities, a farmer who sowed the seed and patiently waited for the harvest, parents who worked diligently to provide for their children, and people who simply wanted to help people have better lives.

He wanted to help them overcome their own challenges not only by providing opportunities in education, healthcare and farmers training, but by helping develop in them the same values that empowered him through his own journey.

For every scholar, patient, farmer and family we help, they carry with them Tatang's love in their hearts. As we keep our founder's legacy alive in our hearts, we strive to break boundaries for a better tomorrow.



**Ramon Gil S. Macapagal**

Representative of the Board of Trustees

# EXECUTIVE DIRECTOR'S Report

Dear Partners,

In 2018, SM Foundation celebrated its 35 years of supporting communities. While anniversaries are times to celebrate milestones, it also beckons us to a moment of reflection.

Tatang Henry Sy, Sr. believed in the power one had to help change another's life. With that conviction, he believed that the key to helping a family overcome poverty not only for today but for generations to come, was to educate a child.

Founded on the principle of “**people helping people**,” the past 35 years has been an anthology of inspiring stories of how hope has stirred lasting change in the lives of the people we have been privileged to be part of.

From our first scholarship batch in 1993, we have become part of the lives of 8,243 college and technical-vocational scholars. From the first health center we renovated in 2002, we have become instrumental in upgrading 155 public health centers to date. Since the first batch of 191 farmers trained in 2007, we have rolled up our sleeves and planted side by side 23,170 rural and urban farmers nationwide. Along the way, we have been given an insight to the unique world of persons with special needs through SM Cares.

Our journey is a testament of what can be achieved when **people help people**.



While our hearts are overwhelmed with joy on how far we have gone, our minds remain steadfast on how we can create greater impact in the communities we serve as we move along into the future. As such, we deepened our focus on impact investing – understanding the shared value we generate and targeting resources to its optimum impact aligned to the Sustainable Development Goals. Moreover, we aligned this year's report to the GRI standards, discussing in great detail our material topics, stakeholder engagement, economic impact and people development.

Tatang Henry Sy, Sr. built SM with the notion that social development goes hand-in-hand with business growth. Being the heart of SM, we honor his legacy by carrying out this principle conscientiously as we expand our reach and break boundaries for a better tomorrow.

A stylized, handwritten signature in black ink, appearing to read 'Debbie Pe Sy'.

**Debbie Pe Sy**

Executive Director and Trustee





**Connie S. Angeles**  
Health and Medical  
Program

**Debbie P. Sy**  
Executive Director and  
Trustee



**Linda M. Atayde**  
Education Program

**Cristie S. Angeles**  
Farmers' Training  
Program

# SUSTAINABLE DEVELOPMENT GOALS



## Target 1.1

By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than US\$1.25 a day



## PHP320mn

community investments in 2018



## Target 2.1

By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round



**23,170** farmers trained through **187** farmers training sessions conducted in **2,925** barangays in **772** municipalities and cities



## Target 3.3

By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases



**81** public health centers renovated that received PhilHealth TB-DOTS accreditation

## Target 3.2

By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-five mortality to at least as low as 25 per 1,000 births



**20** birthing facilities in **20** public health centers renovated serving **96,000** women annually



SM is committed to take on an active role in achieving the Sustainable Development Goals. From our initial alignment with the Sustainable Development Goals, we have taken deliberate steps to identify specific targets to focus our strategic investments and initiatives on, and substantially contribute within our sphere of operations and influence. SM Foundation focuses on the social targets namely **No Poverty, Zero Hunger, Good Health and Well-Being, Quality Education, Gender Equality, Reduced Inequality and Life on Land.**



#### Target 4.1

By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant effective learning outcomes

**14,800** students served, **92** school buildings, **296** classrooms, **14,650** arm-chairs of which **340** are left-handed arm-chairs, **586** blackboards, **1,166** wall fans, **292** wall clocks, **292** water closets, **292** washrooms, **8** PWD closets, **8** PWD washrooms and **8** PWD ramps

#### Target 4.3

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university



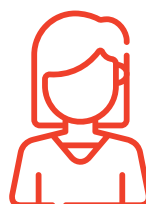
**8,243**

technical-vocational and college scholars



#### Target 5.1

End all forms of discrimination against all women and girls everywhere



**64%** of SM Foundation workforce are women

**50%** of new-hires are women

#### Target 5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life



**50%** of the Board of Trustees are women



### Target 10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



**105,000** participated in Angels' Walk to raise awareness for Autism

**28,000** participated in Happy Walk to raise awareness for Down syndrome



### Target 11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums



**1,000** disaster resilient homes built



### Target 12.6

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle



SM Foundation 2018 Annual Report has been prepared in accordance with the GRI Standards: Core option



### Target 15.2

By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

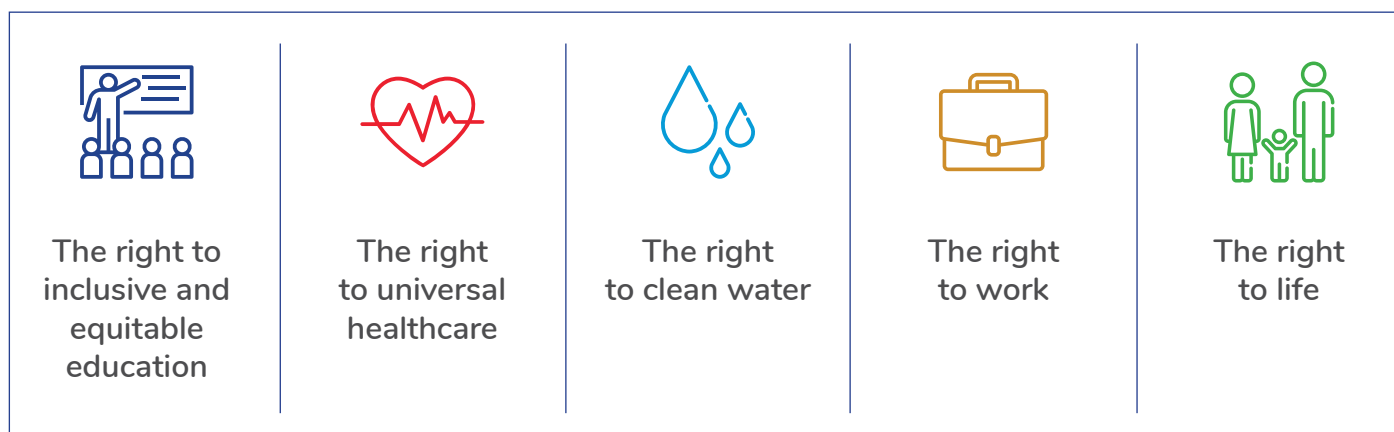


**596,479** trees grown through the Grow a Million Trees Program

# 35 Years of Supporting Communities

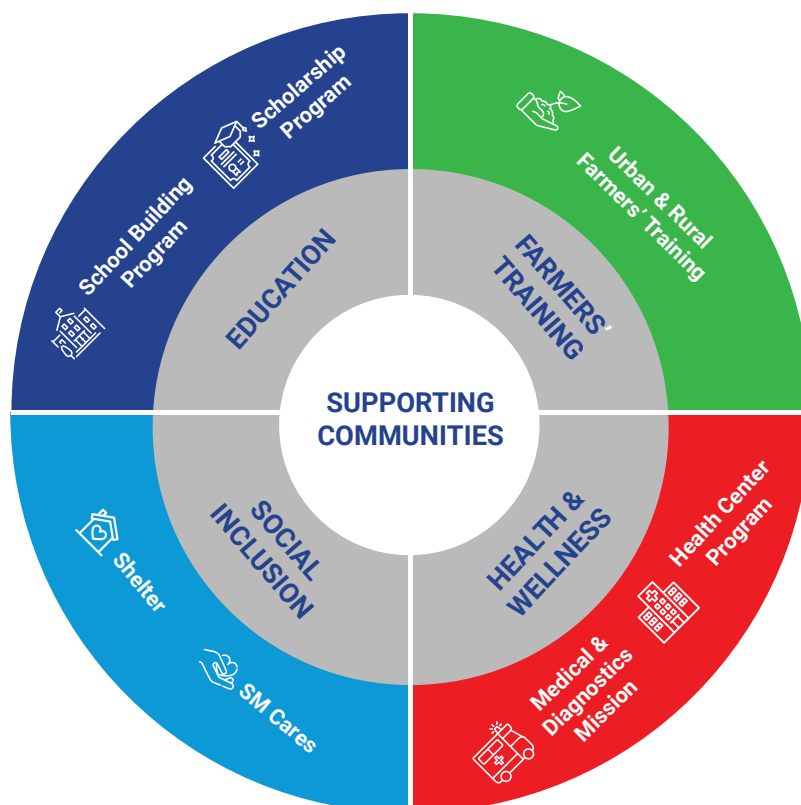
## People Helping People

The heart of SM Foundation was founded on the principle of people helping people become self-sufficient. From its inception, Tatang Henry Sy, Sr. took a strategic philanthropic approach, focusing on development programs rather than one-off charity works. True to the core of its founding principle, the Foundation supports the Universal Declaration of Human Rights set by the United Nations. SM Foundation supports:



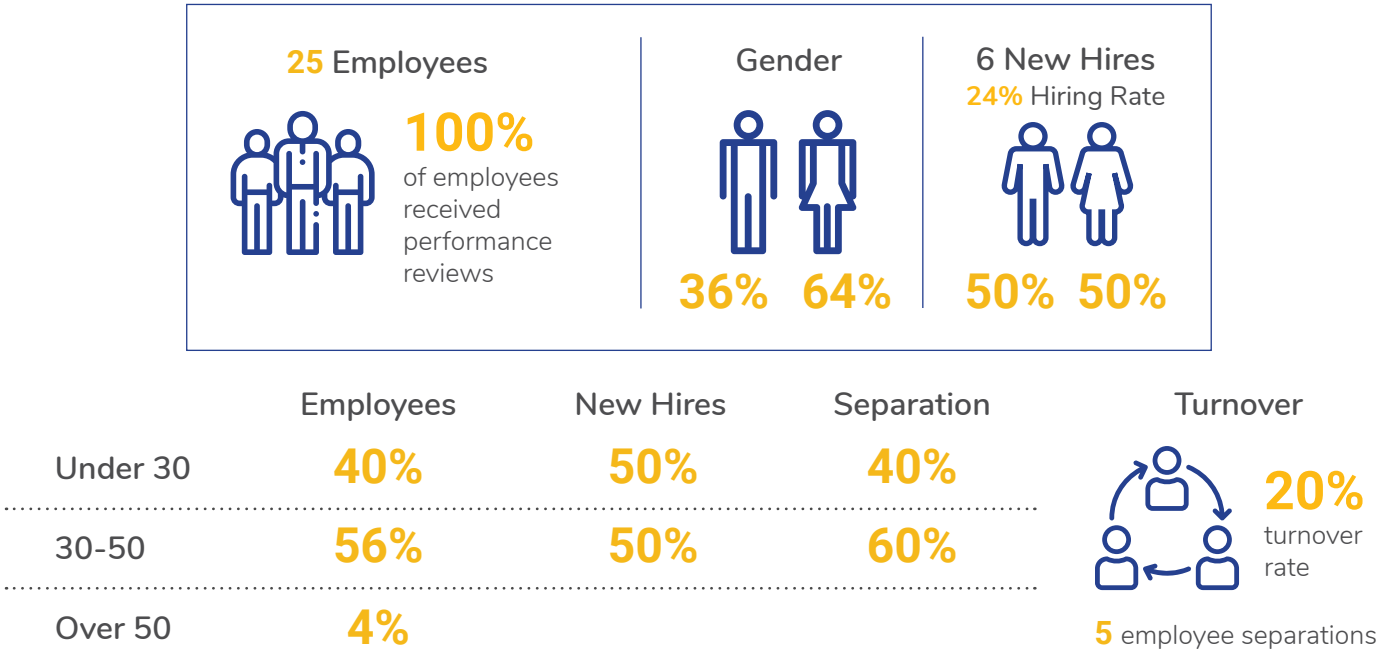
## Supporting Communities

Wherever SM is present, SM Foundation helps create opportunities following its Social Development Framework - an intersection of access to basic social services namely education, health care, food sufficiency and shelter. Its framework is aligned to the SM group's Sustainability Framework. The Foundation is a member of the SM group-wide sustainability technical-working group.



The SM Foundation Family

Caring for our community members begin at home. SM Foundation fosters a family culture while upholding the highest standards of professionalism. This creates a safe environment that fuels creativity, passion and service.



Collective Bargaining 102-41

SM Foundation is compliant with all laws and regulations of the Department of Labor and Employment. We give high regard to our employees’ rights, development and welfare, resulting in strong relationships with our team members, high morale and job satisfaction. As such, our employees are able to enjoy equitable benefits and opportunities for development without a formal collective bargaining agreement.





## Team Culture of Excellence and Service

As the heart of SM, we put high regard on the hearts of our team. A life of service is a calling, one that seeks purpose as the motivation to excel. As such, when recruiting team members, we balance academic qualities, values and a sense of calling.



## Team Training and Development

We provide a nurturing environment for each of our team members to discover their full potential, allowing each ample time and space to focus on their areas of improvement while recognizing their contributions. Beyond career development, leaders serve as coaches and mentors, not only in skills and leadership development but in values formation as well.

## Team Engagement, Well-being and Welfare

As a family, we foster the spirit of camaraderie, build trusting relationships and provide a sense of belonging. We try to make everyone feel special by celebrating milestones at work and in their personal lives.

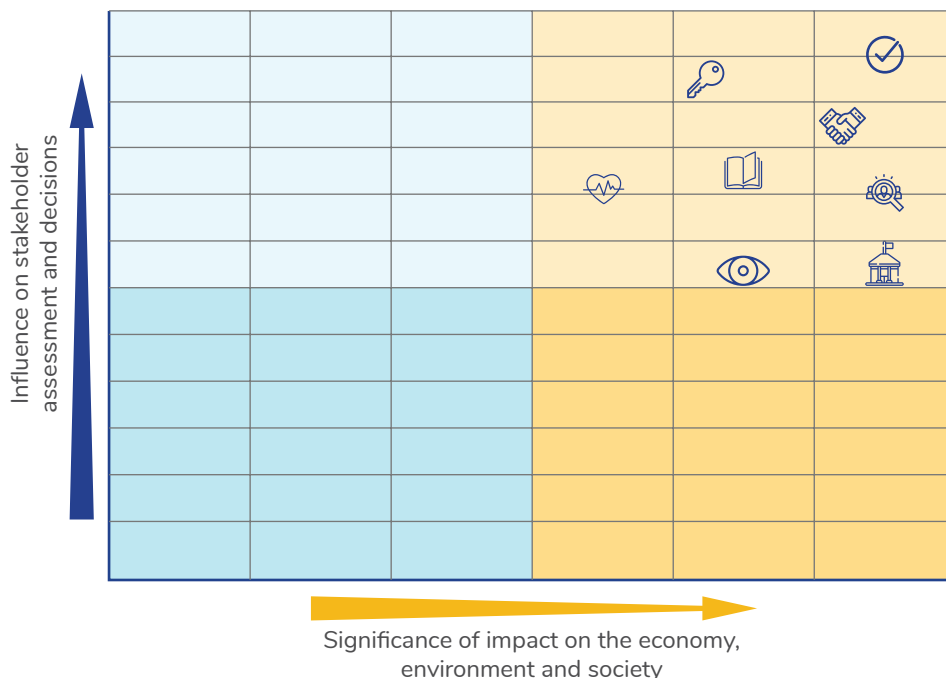


## Materiality

The issues deemed relevant by our stakeholders are consistent with those that our group have identified. These topics are discussed in detail in this report.

### Material Topics





-  Program Design and Implementation
-  Affected Stakeholder Engagement
-  Governance
-  Non-Discrimination and Equitable Access
-  Occupational Health and Safety
-  Resource Allocation
-  Monitoring, Evaluation and Learning
-  Public Awareness and Advocacy



### Materiality Key Themes 102-46, 102-47

Theme and Description	Topic Boundary
<b>Program Design and Implementation</b> How SM Foundation meets the needs of its community stakeholders through its programs in education, healthcare, food sufficiency, shelter and social inclusion	Within SM Foundation and with partners, regulators, host communities
<b>Affected Stakeholder Engagement</b> How SM Foundation engages its communities; dialogues with them for needs assessment; and consults other development partner agencies in its developmental approach	Within SM Foundation and with host communities
<b>Non-discrimination and Equitable Access</b> How SM Foundation extends its programs to all qualified beneficiaries without any biases to gender, religion, ethnicity and local origins	Within SM Foundation and with partners, regulators, host communities
<b>Resource Allocation</b> How SM Foundation efficiently utilizes its resources, designating majority to direct program costs	Within SM Foundation
<b>Governance</b> How SM Foundation conducts its programs and transactions ethically, upholds the highest standards of transparency, accountability, integrity and fairness; and remains apolitical	Within SM Foundation
<b>Monitoring, Evaluation and Learning</b> How SM Foundation assesses the impact of its programs to its beneficiaries and embarks on continuous improvement in program design and implementation	Within SM Foundation and with partners and host communities
<b>Occupational Health and Safety</b> How SM Foundation protects the health, safety and well-being of its employees especially during out-of-office work assignments, particularly in remote areas	Within SM Foundation
<b>Public Awareness and Advocacy</b> How SM Foundation raises awareness on the state of social services such as education, healthcare, food sufficiency, shelter and social inclusion and well-being, and helps promote active participation to effect systemic change	Within SM Foundation and with partners, host communities and media

## Engaging our Stakeholders 102-40, 102-42, 102-43, 102-44.

Stakeholder Group	Why are they relevant	Their Concerns	Our Commitment
<b>Community Beneficiaries</b> 	Recipients of the social interventions implemented by SM Foundation	<ul style="list-style-type: none"> <li>Affected Stakeholder Engagement</li> <li>Non-discrimination and Equitable Access</li> <li>Resource Allocation</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder consultation</li> <li>Community needs assessment</li> <li>Impact feedback and monitoring</li> </ul>
<b>NGO Partners</b> 	Co-implementing partner of SM Foundation	<ul style="list-style-type: none"> <li>Governance</li> <li>Monitoring, Evaluation and Learning</li> <li>Affected Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Common goals and objectives</li> <li>Compliance to global standards of transparency and accountability</li> </ul>
<b>Government Partners and Regulatory Bodies</b> 	Uphold standards of ethics and integrity in NGO practices	<ul style="list-style-type: none"> <li>Governance</li> <li>Resource Allocation</li> <li>Non-discrimination and Equitable Access</li> </ul>	<ul style="list-style-type: none"> <li>Compliance</li> <li>Active participation to achieve national goals</li> </ul>
<b>Parent Company</b> 	Source of fund and strategy	<ul style="list-style-type: none"> <li>Governance</li> <li>Affected Stakeholder Engagement</li> <li>Monitoring, Evaluation and Learning</li> <li>Public Awareness and Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Alignment to the SM Group Sustainability Strategy and Sustainable Development Agenda</li> </ul>
<b>Donors</b> 	Expand the reach of SM Foundation through their funds and in-kind donations	<ul style="list-style-type: none"> <li>Governance</li> <li>Resource Allocation</li> <li>Monitoring, Evaluation and Learning</li> <li>Public Awareness and Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Efficient utilization of funds</li> <li>Effective design of programs</li> </ul>
<b>Employees</b> 	Serve as the direct program implementers and champions of SM Foundation's programs	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> <li>Resource Allocation</li> <li>Monitoring, Evaluation and Learning</li> </ul>	<ul style="list-style-type: none"> <li>Skills training and development</li> <li>Fulfilling career path</li> <li>Health, safety and well-being</li> </ul>
<b>Media</b> 	Co-partners in raising awareness	<ul style="list-style-type: none"> <li>Public Awareness and Advocacy</li> <li>Governance</li> <li>Affected Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Timely and accurate reports</li> <li>Media engagement during project turnovers</li> <li>Facilitate stakeholder access for accurate</li> </ul>

# **BIG** In Dreams And Visions





“

As I move on in life and work on more dreams, I realized something – there is no limit to what we can do.

”

- Tatang Henry Sy, Sr.

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1. Strive to be a leader  
in your chosen field



2. Be a person  
of integrity



5. Have great passion  
to achieve

"My heart is still smiling because of you :) You have no idea how much your help has meant to me. You know how to make life brighter for everyone. May God bless you & your family even more."

- Inna Salvador,  
BS Information Technology, 2013





# Values Tatang Lived By

"Thank you for your never-ending generosity that led me to where I am right now. May SM Foundation continue to help students achieve their dreams."

– Katherine Nguyen,  
BS Accountancy, 2016



3. Have a long term vision and strategy

4. Focusing means concentrating and prioritizing



"Words are not enough to show our appreciation to you Tatang, not just for giving us financial help, but by also giving us a stepping stone to reach our dream. You've given us hope and you've become an inspiration to all the SM scholars."

– MC Bryan Barlizo,  
BS Accountancy, 2017



6. Work hard



## 7. Be patient and persevere

"Grateful is an understatement. Thank you for believing in the capabilities of the youth and transforming lives not only of the scholars but of their families too."

- Marinel Palero,  
BS Accountancy, 2012

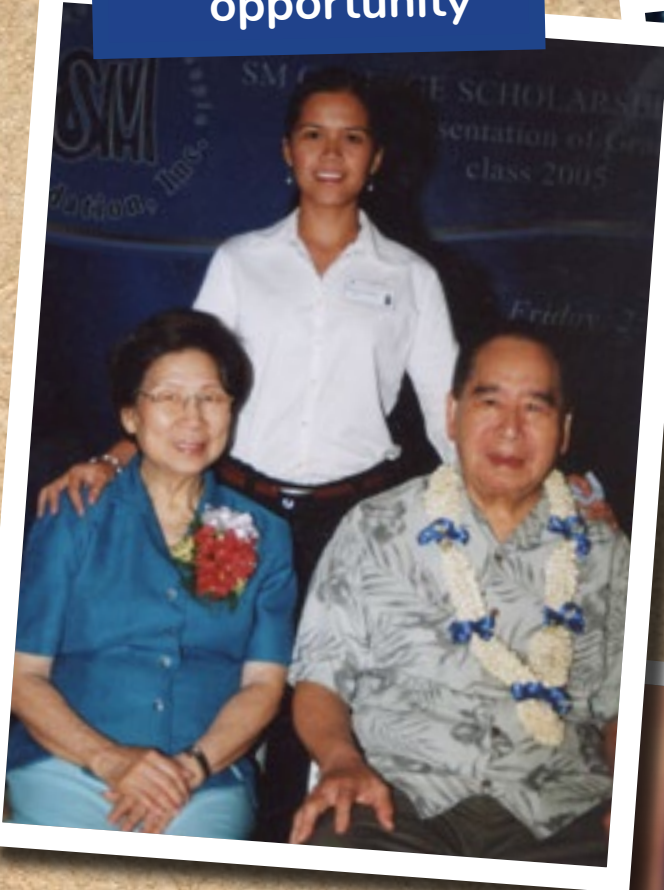
## 11. Be disciplined

## 10. Be confident

## 13. Make it your mission to provide employment



8. Recognize opportunity



9. Be optimistic



12. Build your organization



14. Social responsibility is important



"Thank you for instilling the value of education. The seed of our dreams is now a tree of success. Thank you so much!"

- Renato Tiria,  
BS Education, 2004





# EDUCATION

## The Power to Transform Our World



Tatang Henry Sy, Sr. believed that education is the greatest equalizer. He thought that if he could help one child finish college, that child can help uplift his or her family out of poverty.

SM Foundation designates majority of its social investment in education. This year, the SM Foundation Education Program marked its 25 years of service.

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“

You have to have a dream, whether big or small. Then plan, focus, work hard and be very determined to achieve your goals.”

”

- Tatang Henry Sy, Sr.

## Scholarship Program

We award scholarship grants for technical-vocational courses and college education to develop the youth to their full potential and find gainful employment or become entrepreneurs.

## School Building Program

We build fully-furnished public school buildings that are conducive for learning to help improve the quality of elementary and high-school public education.



# A Life of Learning

## College Scholarship Program

As the world faces monumental global changes to leapfrog into the future, the need to prepare our youth is ever more pressing. Having a college degree brings about wealth beyond mere economic values.


**2,991**

College graduates  
to date


**4,044**

Current College  
Scholars


**333**

College Scholar  
Graduates  
in 2018


**494**

New college  
Scholars in 2018


**645**

College Graduates  
with Latin Honors  
from 2010-2018


**128**

Partner Schools

### Where are our College Graduates \*


**78.0%** Metro Manila

**16.6%** Luzon

**2.5%** Visayas

**0.3%** Mindanao

**2.6%** Abroad

### What are their jobs or vocation \*

**16.5%** Academe

**13.8%** Financial Services

**11.7%** Professional Services

**10.8%** Business Process  
Outsourcing

**9.1%** Construction and  
Real Estate

**8.5%** Retail

**6.8%** Manufacturing

**6.0%** IT

**3.2%** Telecommunications

**13.6%** Others

\* Figures presented are limited to the 650 responses gathered from the 2018 Alumni Survey





Jeffrey Manhulad is a Manobo from Bukidnon who was abandoned by his mother at the age of four to live with his father.

After his first grade, he stopped schooling to help his father haul sacks of corn.

"I got ₱25 per trip, less 50% commission for the horse's owner. I would buy soup for snack and sardines for dinner," he recalls.

Understanding the importance of education, his father encouraged Jeff to go back to school, making him the first college graduate in their family. Since he graduated cum laude, he moved on to build his career at SM Prime Holdings. With a steady income, Jeff was able to buy a small farmland and horses for his father, helping him bid farewell to a life of hard labor.

"I studied in a private university with tuition fee as high as three to four times that of a public school. Even my well-to-do classmates sometimes found it hard to pay the monthly payment to get an exam permit, but not me because I had SM Foundation at my back."



Leonila Cabangbang used to sell vegetables on sidewalks with her grandmother to help her family. Her father was a laborer while her mother was a housewife.

After high school, she was working as a cashier at a billiard hall when she saw the SM college scholarship poster and applied. She was accepted at PNU under the Bachelor of Elementary Education (BEED) with English Concentration Program.

After graduating cum laude in 2004, she fulfilled her promise to her siblings to bring them to SM City North EDSA.



We see how our scholars transform. Once they graduate, they begin to see the expanse of their wings when they start to fly and marvel in the magnificent new world that is now within their reach.



- Linda Atayde

Executive Director, Education Program

# Skills that Make the World Go Round

## Technical-Vocational Scholarship

Knowledge is knowing what to do while having the skills is knowing how to do it. With the market changing fast, having a specialization has become the norm. We believe that technical-vocational education is a viable option to attain gainful employment or to start a small business.


**2,199**

Technical-vocational graduates to date


**4,199**

Technical-vocational scholars


**1,000**

Technical-vocational scholar graduates in 2018


**2,000**

New technical-vocational scholars in 2018


**40**

Partner Schools

***“Ito na yung susi ko na syang magbubukas sa mga pangarap ko.”***

Noemi Ulaye from Looc, Batangas, always dreamt of being employed to support her family.

In 2010, she applied for the SM Foundation Scholarship Program. *“Ito na yung susi ko na syang magbubukas sa mga pangarap ko.”* (This is the key to all my dreams).

She was accepted at the Culinary Services Program with a 3 month training course at Taal Vista Hotel. After completing the course, she was hired by Pico Sands Hotel in Nasugbu, Batangas as a kitchen helper. She grew in her career as officer-in-charge of one of the most prominent restaurants in the country. Currently, she rested from her career to be a full-time mom to her 1 year old child.





# The Faces of Hope



We often underestimate the power of skilled manual labor. Through the work of their own hands, our tech-voc scholars have found gainful employment and are proud of their skills. They are now living their lives filled with hope.















- Lingling Lansang  
AVP, Scholarship – Education Program



# Pillars of Change

## School Building Program

It has been said that once we train a child to the right path, he or she will never depart from it. Believing that the children are our hope for the future, we carry on with our commitment to build fully-furnished public schools that are conducive for learning.

		2018	To Date			2018	To Date
	Students served	1,000	14.8k		Teacher's Desk	20	292
	School Buildings	5	92		Wall Fans	80	1,166
	Classrooms	20	296		Washrooms	20	292
	Blackboards	40	586		PWD Friendly Facilities	5	8
	Arm-Chairs	1,000 of which	100 are left handed	<div> <div>2018</div> <div>To Date</div> <div>14,650 of which</div> <div>340 are left handed</div> </div>			
	Left-handed student arm chairs				Disaster Resilient		PWD-friendly facilities

"First time kami magkaroon ng left-handed armchair. Lumaki din akong nahihirapan na nakatalikod pag nagsusulat. Hindi na sila mahihirapan ngayon."

- Melanie Agoceros, Dan's teacher

"Hindi na ako mahihirapan at mangangawit. Ako ngayon ay mas comfortable at mas makaka-concentrate."

- Dan Navarro, a left-handed Grade 6 student

(It is our first time to have left-handed arm chairs. I, too, grew up having a hard time writing with my back faced front. Now the left-handed students will not have a hard time anymore.)

(I will no longer have a hard time and my arm will not feel numb anymore. I am more comfortable now and can concentrate on learning better.)





Education is like writing a child's very own fairy tale story with boundless possibilities. Their eyes are opened to a magical world of knowledge, discovery, imagination and self-awareness. ”

- Juris Soliman

Head, School Building – Education Program





# HEALTH

## The Wealth Of Wellness



As the spiritual and emotional anchor of the family, Nanang Felidad T. Sy places so much value on one's well-being. While her personal foundation focuses on caring for our spiritual well-being, we help our communities enjoy good health by making medical services within their reach.

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You can be poor  
but not poor in  
your soul. ”

- Tatang Henry Sy, Sr.



FOUNDATION

## SMOKEY MOUNTAIN HEALTH CENTER & LYING-IN CLINIC

### Medical and Diagnostic Missions

We provide immediate medical care through our medical and diagnostics missions. With our mobile clinics equipped with basic laboratory services, we help facilitate early diagnosis of various illnesses.

### Community Health Centers

We help close the gap in the universal health care process by renovating and upgrading public health and medical facilities to meet the accreditation standards of the Philippine Health Insurance Corporation.

### Felicidad T. Sy Wellness Centers

We provide therapeutic ambiance in health centers nationwide by creating the Felicidad T. Sy Wellness Centers for Children and the Elderly.

### Military and Police Force Medical Facilities

We help safeguard the health of our men and women in uniform by renovating military and police force medical facilities.



# Compassion knows no Boundaries

## Medical and Diagnostic Missions

When a family member is ill, it leaves family members anxious and worried. We help provide immediate medical care through our medical and diagnostic missions.



### Medical Missions Conducted

To Date: **1,406**  
2018: **85**



### Patients Served

To Date: **1,097,758**  
2018: **80,983**



### Diseases Treated

To Date: **878,306**  
2018: **80,974**



### Mobile Clinic Services Rendered

To Date: **165,664**  
2018: **14,021**

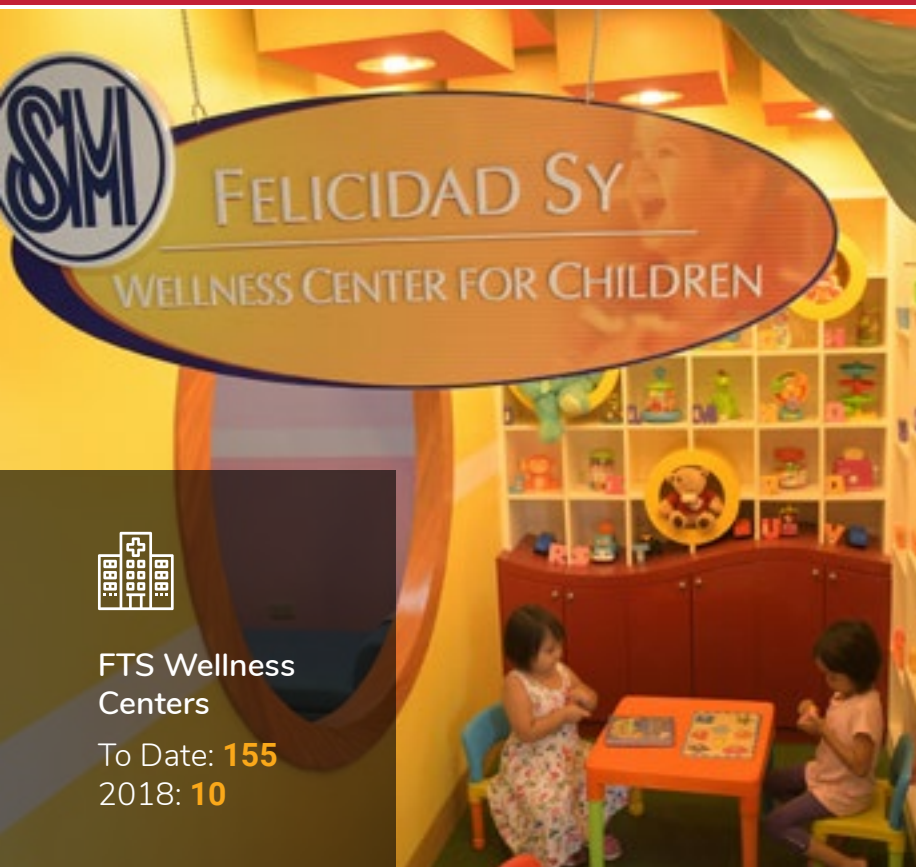




# Tender Loving Care

## Felicidad T. Sy Wellness Centers

As we reach our golden years, we look forward to a life of tranquility and peace. Yet, many of the senior citizens are left vulnerable especially during times of illness. We want our elderly to experience tender loving care through the Felicidad T. Sy Wellness Center for the Elderly. Complementing the therapeutic ambiance is a special place for children, the Felicidad T. Sy Wellness Center For Children.



FTS Wellness  
Centers

To Date: **155**  
2018: **10**











Patients

To Date: **10,473,600**  
2018: **792,000**

# Building Healthy Communities

## Community Health Centers

We believe that quality healthcare should be within reach. Our dream is for every community to have clean, well-equipped health centers that are able to provide quality medical care for every member of the community.

		2018	To Date			2018	To Date
	Public health and medical facilities renovated and upgraded	10	155		Community-based Senior Citizen Centers	0	13
	Community Health Centers renovated	2	45		Hospital-based Pediatric Centers refurbished	4	61
	Centers assisted for PhilHealth Accreditation	10	81		Breastfeeding Units built	4	20
	Out-Patient Departments renovated	7	27		Patients served	144K	3.2M







“ If you have  
nothing else but  
good health, you  
are wealthy. ”

- **Connie Angeles**

Executive Director  
Health and Wellness Program





# All Hands on Deck

## Military and Police Medical Facilities

Having sworn to protect our freedom and safeguard our peace, the men and women in uniform risk their lives in order for us to live freely and peacefully. We believe that it is our duty to care for them in their times of need and despair.



### Military Health Facilities Refurbished

To Date: **33**  
2018: **7**



### Police Health Facilities Reconditioned

To Date: **4**



### Patients Served

To Date: **2,376,000**  
2018: **504,000**











# FARMING

## A Profession Of Hope



Long before food security has become a global concern, Tatang Henry Sy, Sr. recognized that our farmers remained to be the most underserved sector of society. He also recognized early on that small scale sustainable farming would be key to food security not only for families but for communities as well.

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“

In good times, I do my usual work. But in bad times, I work harder. ”

- Tatang Henry Sy, Sr.

### Rural and Urban Farming

We help families have nutritious food supply by training them how to grow their own food through sustainable backyard farming techniques.

### Barangay Food Security

We also indirectly help address food security at the barangay level by creating a farming ecosystem in the community. We also encourage farmers to form cooperatives in partnership with local government units.

# Seeds that Nurture

## Rural and Urban Farming

The need to put nutritious food on the table remains to be the number one challenge for under-privileged families. While some resort to unwise food choices for their children, we believe that the sustainable solution is in our hands.



### To Date

**23,170** farmers trained through  
**187** farmers training sessions  
conducted in **2,925** barangays in  
**772** municipalities and cities

### 2018

**3,370** farmers trained through  
**32** farmers training sessions  
conducted in **189** barangays in  
**68** municipalities and cities



In the beginning, we were either hunters or farmers. We have somehow forgotten our first vocation. We are now bringing back the love for farming.



- **Cristie Angeles**

AVP, Farmers' Training and Outreach Program





**“Salamat at sa edad kong ito meron pa akong dapat matutunan at yan ay nakamit ko dito sa KSK.”**

(I am grateful that at my age I can still learn a lot of new things which were taught to us in KSK.)

Bernardo Ferrer, at 69, is the oldest participant and has been farming for 50 years with no intention of giving up for as long as he lives.





# Developing Clusters of Farming Communities

## Barangay Food Security

The Philippines currently faces an increasing gap in the number of farmers required to sustain food security at the barangay level versus the increase in population and demand for local food sources. With the aging farming population at 57 years old being the average age, it is imminent to bring farmers back to farming, while providing opportunities for the younger generation to be trained in sustainable farming techniques.

To date, most of the food sources at the barangay level is imported from the nearest city sources. Not only does this increase food cost and supply chain risks, it also under utilizes the rural farm lands and local farming talents.

SM Foundation helps the most vulnerable barangays attain food security through its Kabalik sa Kabuhayan (KSK) Farmers' Training

Program. We provide a holistic approach to farmers training – from identifying target beneficiary groups to promoting social inclusion particularly to women and senior citizens, from providing theoretical understanding to conducting hands-on sustainable farming techniques, from providing financial literacy sessions to actual linkages to market, from value formation sessions to creating social capital.

In partnership with the Department of Agriculture, the Department of Social Welfare and Development, the Barangays and Local Government Units, we launched KSK Farmers' Training Programs that are focused on addressing barangay food security sources with the objective to locally produce the vegetable and fruit requirements of the local barangay markets.







## Pilot Program Results



**3,370** farmers from  
**32** barangays in  
**68** municipalities and cities  
completed the training  
program in 2018



**34%** men  
**66%** women



**31%** trained in urban  
farming  
**69%** in rural farming



**4%** of the participants trained  
were from Lanao del Sur who  
were geographically displaced  
due to the Marawi Siege



**75%** of the participants are from  
Luzon  
**12.5%** from Visayas  
**12.5%** from Mindanao





# RESILIENCE

## Ray of Light Through Gloomy Skies

11 SUSTAINABLE CITIES  
AND COMMUNITIES



Among Tatang Henry Sy, Sr.'s 14 life principles, he noted the importance of social responsibility. During times of calamities, many Filipinos are left vulnerable. We leverage on the strategic locations of our stores and serve as first responders during calamities. We also help build the resilience of communities by building disaster resilient homes.

---



“

Social Responsibility  
is important.”

- Tatang Henry Sy, Sr.

### Operation Tulong Express

We serve as first responders during calamities by distributing Kalinga Packs.

### SM Cares Communities

We help communities develop long-term resilience through a holistic community development approach with disaster resilient homes, community facilities, livelihood programs and value formation.

# Rising Together

## Operation Tulong Express

The Philippines is one of the highest risk countries when it comes to the effects of climate change. We are forced to reckon with typhoons as part of our daily life. Millions of families are left hungry and vulnerable to diseases. We help bring a ray of hope by distributing Kalinga Packs to calamity victims to help aid their recovery.



### Disasters Responded

2015 - 2018: **38**  
2018: **19**



### Kalinga Packs

2015 - 2018: **190,232**  
2018: **74,133**

**1**

San Mateo, Rizal for victims of Southwest Monsoon/Habagat



1,500 kalinga packs


**2**

Tuguegarao, Cagayan Valley Typhoon Ompong



3,000 kalinga packs





3

Naga City, Cebu Landslide



800 kalinga packs



4

Cauayan, Cagayan Valley for victims of Typhoon Rosita



2,200 kalinga packs



5

Marikina, Metro Manila for victims of Southwest Monsoon/Habagat



3,000 kalinga packs





# The Amazing World Of Different Abilities

10 REDUCED INEQUALITIES



Tatang Henry Sy, Sr. envisioned SM Supermalls to be a place where everyone felt at home. SM Cares promotes social inclusion making SM malls a "mall for all."







I always believed  
that if we do well,  
we must also do  
something to help  
others in society.



- Tatang Henry Sy, Sr.

### **Persons with Disabilities**

The SM Cares Program on Persons with Disabilities ensures that SM becomes a mall for all, helping raise awareness, acceptance and inclusion for persons with special needs.

### **Children and Youth Development**

The SM Cares Program on Children and Youth Development works in partnership with various organizations that promote the rights and welfare of the Filipino youth.

### **Overseas Filipino Workers**

The establishment of SM Global Pinoy Centers in SM Malls nationwide offers services that cater to the needs of the OFWs and their families.

### **Women and Breastfeeding Mothers**

SM highlights significant roles women play in the family and in society through various programs celebrating their uniqueness and individuality.

### **Senior Citizens**

SM gives the elderly Filipinos the opportunity to rediscover their self-worth in society through the Community Service Program for Senior Citizens and other mall activities.





As a responsible mall developer, we ensure that our CSR activities serve as a catalyst for positive change in the communities that we serve.



- Steven T. Tan

Chief Operating Officer, SM Supermalls

Angels Walk for Autism



**Angels Walk for Autism** is an annual event that is held in celebration of the National Autism Consciousness Month. It is organized by the Autism Society Philippines (ASP) in partnership with SM Cares, the Corporate Social Responsibility arm of SM Prime Holdings.

Angels Walk aims to raise awareness on the issues and concerns of persons with autism and how their families and communities can help in promoting their inclusion in society. Angels Walk has become the largest event in the country that advocates for the rights and welfare of persons with autism. In 2018 alone, Angels Walk for Autism recorded a total of 24,000 attendees. The event attendees were comprised of families who have children with autism, support groups, schools and advocates from both the private and public sector.

Happy Walk for Down Syndrome





## Global Youth Summit



**Global Youth Summit** is an annual gathering of students and youth leaders from all over the country and even other parts of the globe. GYS, as it is more commonly known amongst students, is organized by the Global Peace Foundation and SM Cares Program on Children and Youth.

In recent years, the Global Youth Summit has steadily established itself as a channel for the youth to be heard – a platform for them to discuss global issues that matter to them most. Through GYS, the youth are able to discuss how their ideas can help effect positive change, not only for the community but for the entire country as well.

In 2018, close to 20,000 students registered for the event which was held at the Mall of Asia Arena to discuss the top UN Sustainability Development Goals they consider to be most pressing.



## Seafarer's Mental Health Awareness Event





**The Pink Ribbon Day** for Breast Cancer is an initiative of the SM Cares Program on Women and Breastfeeding Mothers in partnership with the Philippine Breast Cancer Society (PBCS).

Pink Ribbon Day, which started in 2017, is a one-day event that is held every October in observance of Breast Cancer Awareness Month. During the activity, volunteer doctors from the Philippine Breast Cancer Society offer free clinical breast examinations. Likewise, inspirational talks from known celebrity breast cancer survivors are featured during the event. Through their inspiring stories, women gain insights on how they can take care of themselves through their journey in fighting breast cancer.

Together with PBCS, SM Cares hopes that through the Pink Ribbon Day event, women will learn that the best way to fight breast cancer is through healthy lifestyle choices, early detection and early intervention.



Hakab Na!







The **SM Bears of Joy** is an annual Christmas charity project led by SM Cares, SM Supermalls and Toy Kingdom. During this period, shoppers can buy a pair of toy bears for only PHP200, keeping one while donating the other for charity.

Every year, all participating SM Supermalls identify a charity organization partner – an orphanage, indigent communities or public schools – to serve as the beneficiary for the bears for donation.

For children, receiving a gift means that they are loved and cared for. Exchanging gifts has been a tradition that kids look forward to every Christmas. But not all kids are fortunate enough to enjoy this tradition. This annual Christmas charity project allows us to engage our shoppers share the true spirit of Christmas.



# LEADING BY Example



**Henry Sy, Sr.**  
Chairman of the Board



**Felicidad T. Sy**  
Trustee



**Teresita T. Sy-Coson**  
Vice Chairman



**Paulino Y. Tan**  
Trustee

Henry Sy, Sr. founded SM Foundation following his principle that business growth and social development go hand in hand. Understanding the plight of the ordinary Filipino, he wanted to provide access to social opportunities that will help the underserved communities become self-sufficient.

Felicidad T. Sy is commonly known as “Nanang” to the SM family and among the SM scholars. Her advocacy is on holistic well-being which stems from her motherly heart. While her focus in SM Foundation is the physical health and wellness of the communities, her personal foundation, the Felicidad T. Sy Foundation focuses on spiritual well-being.

Teresita T. Sy-Coson is the eldest child of Henry and Felicidad Sy, who serves as Vice Chairperson of SM Investments Corporation and Chairperson of BDO Unibank, Inc. Under her leadership, SM has grown to be the biggest conglomerate in the country. Her advocacy is for SM to create shared value for the communities it serves.

Dr. Paulino Y. Tan is known for his pioneering work in Information Technology education in the Philippines. Among his many engagements as Board Member of various organizations, he serves as Non-Executive Trustee of Asia Pacific College and SM Foundation.



# SM Foundation Board of Directors



**Lydia B. Echauz**  
Independent Trustee



**Jose T. Sio**  
President and  
Trustee



**Deborah P. Sy**  
Executive Director  
and Trustee



**Ramon Gil S. Macapagal**  
Trustee

Dr. Lydia B. Echauz have over 44 years of affiliations in the field of education in the Philippines and Southeast Asia. Among her various appointments as Director and Trustee, she serves as Trustee for Henry Sy Foundation, Felicidad T. Sy Foundation and SM Foundation.

Jose T. Sio serves as the Chairman of the Board of SM Investments Corporation. Now on his 28th year with the SM group, he has been instrumental in growing the business through sound fiscal management and strategic investments. Like Henry Sy, Sr., his advocacy lies in education.

Deborah P. Sy serves as the Executive Director of SM Foundation. Together with her husband, Harley T. Sy, she personally supports college and technical-vocational scholars. Under her leadership, SM Foundation has professionalized its management and financial systems and has expanded its reach in education, health and wellness, farmers' training and disaster response.

Ramon Gil "Chito" S. Macapagal concurrently serves as the head of Corporate Affairs and Sustainability at SM Investments Corporation. He brings with him almost 40 years of experience from Unilever in various roles. He also currently serves as direct adviser to the Program Heads of SM Foundation.

Not in photo

**Arlene C. Keh**  
Adviser to the Board

**Arthur A. Sy**  
Corporate Secretary

**Elizabeth A. Lim**  
Treasurer

# PEOPLE HELPING **People**

**Farmers' Training  
Team**



**Health and Medical  
Team**



# SM Foundation Family



**Education  
Team**

**Administration and Accounting  
Team**

## GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



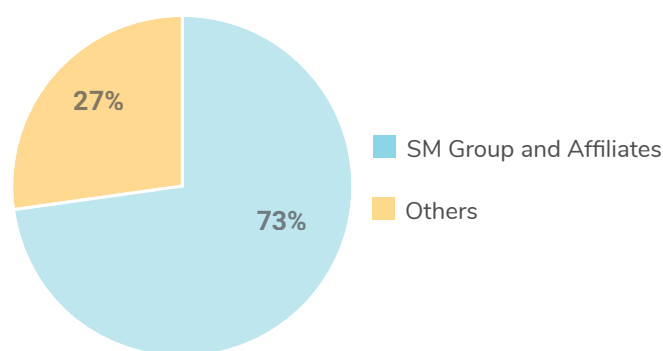
GRI Standard	Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
GRI 102: General Disclosures 2016	<b>Organizational Profile</b>		
	102-1	Name of the organization	9
	102-2	Activities, brands, products, and services	9
	102-3	Location of headquarters	Back cover
	102-4	Location of operations	1
	102-5	Ownership and legal form	Inside back cover
	102-6	Markets served	6-8
	102-7	Scale of the organization	6-8, 10
	102-8	Information on employees and other workers	10
	102-9	Supply chain	Inside back cover
	102-10	Significant changes to the organization and its supply chain	None to report
	102-11	Precautionary Principle or approach	Inside back cover
	102-12	External initiatives	6-8
	102-13	Membership of associations	Inside back cover
	<b>Strategy</b>		
	102-14	Statement from senior decision-maker	3-4
	<b>Ethics and Integrity</b>		
	102-16	Values, principles, standards, and norms of behavior	1
	<b>Governance</b>		
	102-18	Governance structure	52-53
	<b>Stakeholder Engagement</b>		
	102-40	List of stakeholder groups	13
	102-41	Collective bargaining agreements	10
	102-42	Identifying and selecting stakeholders	13
	102-43	Approach to stakeholder engagement	13
	102-44	Key topics and concerns raised	13
	<b>Reporting Practice</b>		
	102-45	Entities included in the consolidated financial statements	SM Foundation only
	102-46	Defining report content and topic Boundaries	12
	102-47	List of material topics	12
	102-48	Restatements of information	Inside front cover
	102-49	Changes in reporting	Inside front cover
	102-50	Reporting period	Inside front cover
	102-51	Date of most recent report	This is SM Foundation's maiden report.
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Inside back cover
	102-54	Claims of reporting in accordance with the GRI Standards	Inside front cover
	102-55	GRI Content Index	56
	102-56	External assurance	Not applicable
<b>Material Topics</b>			
<b>Indirect Economic Impacts</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12
	103-2	The management approach and its components	9, 11-13
	103-3	Evaluation of the management approach	12
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	15-51
<b>Employment</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12
	103-2	The management approach and its components	9-13
	103-3	Evaluation of the management approach	12
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	10
<b>Local Communities</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12
	103-2	The management approach and its components	9, 11-13
	103-3	Evaluation of the management approach	12
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	15-51



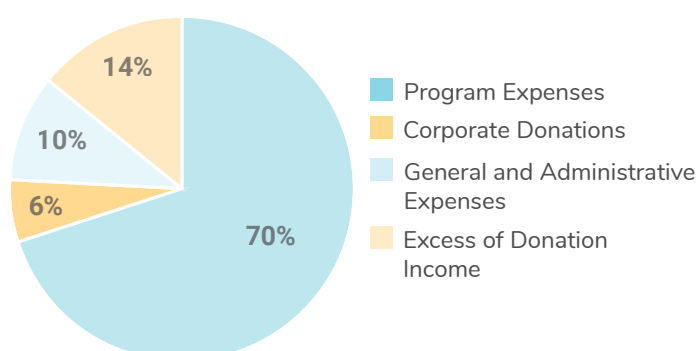
## Upholding Accountability and Transparency

SM Foundation adheres to national and global standards of accountability and transparency. In 2018, the Foundation operated on a total donation income of PHP320 million with 73% of its fund sources coming from its parent company, the SM Group and its affiliates. The remaining is a consolidated fund from individual and corporate partners, particularly in the education program. Around PHP277 million, equivalent to 86% of the total donation income, was used to fund the various programs of the Foundation and cover general and administrative expenses.

**Sources of Funds**



**Breakdown of Fund Allocation**



## Good Governance

SM Foundation adheres to the parent company's Code of Conduct and governance policies (refer to SM Investments Corporation Annual Report and Sustainability Report). As a corporate foundation, it aligns with the sustainability strategy of SM and complies to the principles and standards of the Philippine Council for NGO Certification, the Department of Social Welfare and Development, the Department of Education and the Department of Health.



### Membership Organizations

Association of Foundations  
League of Corporate Foundations  
Philippine Council for NGO Certification

**External Auditor** | SyCip Gorres Velayo & Co.

**Audited Financial Statements** | Please refer to the SM Foundation website:  
[www.sm-foundation.org](http://www.sm-foundation.org)

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