

SUSTAINABILITY REPORTING

Contextual Information

Company Details	
Name of Organization	PHILIPPINE NATIONAL CONSTRUCTION CORPORATION
Location of Headquarters	BICUTAN, PARANAQUE CITY
Location of Operations	BICUTAN, PARANAQUE CITY
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	PHILIPPINE NATIONAL CONSTRUCTION CORPORATION
Business Model, including Primary Activities, Brands, Products, and Services	GENERAL CONTRACTING BUSINESS
Reporting Period	C/Y DECEMBER 31, 2023
Highest Ranking Person responsible for this report	PRESIDENT AND CEO

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics. ¹
<p>PNCC's Materiality Process is a work in progress in line with the Sustainability Frameworks, standards and best practices guided by its Quality Management System and Performance Scorecard as required by the Governance Commission for GOCCs. PNCC's existing Quality Management System (QMS) has been established pursuant to ISO 9001:2015 standard which adopts the process approach and risk-based thinking in developing, implementing and improving the effectiveness of its QMS. The Plan-Do-Check-Act cycle has been applied to all its processes. The PNCC's QMS determined the external and internal issues that are relevant in its strategic direction and affect its ability to achieve the intended results. In understanding the organization, it considered the issues arising from legal, technological, competitive, market, cultural, social and economic environments, whether international, national, regional or local. While the Performance Scorecard as required by the Governance Commission for GOCCs was based on Organizational Performance Indicator Framework (OPIF) and Major Final Outputs (MFO) which later migrated to Performance Evaluation System (PES) framework. The PES required PNCC to determine its Charter Statement consists of Vision, Mission and Core Values consistent with PNCC's mandate and adds value to the strategy of its stakeholders. Further, the PES likewise required PNCC to build the strategy map that describes the connection between and among the objectives arranged in order to build value to the stakeholders of PNCC. The strategic objectives which grouped by strategic perspective viz Social Impact, Stakeholder/Customer, Finance, Internal Process and Learning and Growth define what major thrusts the PNCC will pursue to achieve its vision.</p>

¹ See [GRI 102-46](#) (2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	716,756,057	PhP
Direct economic value distributed:		
a. Operating costs	70,777,142	PhP
b. Employee wages and benefits	54,933,955	PhP
c. Payments to suppliers, other operating costs	252,351,123	Php
d. Dividends given to stockholders and interest payments to loan providers	None	PhP
e. Taxes given to government	67,917,976	PhP
f. Investments to community (e.g. donations, CSR)	11,784	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Corporation and the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Corporation assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.	Employees, JVCs, depositing banks	<p>The following specific recognition criteria must also be met before revenue is recognized:</p> <p>Service Income – is recognized on the basis of percentage of completion method.</p> <p>Lease Income – Lease income from operating leases, wherein substantially all the risks and rewards of ownership are retained by the Corporation as a lessor, is recognized on a straight-line basis over the term of the relevant lease. The lease income is derived from the Corporation's properties not used in business and being leased out to third parties for a certain period, renewable under such terms and conditions as may be agreed upon by both parties.</p> <p>Revenue and Dividend Share from Joint Venture Companies (JVCs) – Under the Supreme Court En Banc Decision, the Corporation no longer records the tollways income from the North and South Luzon Tollways (NLT and SLT). In accordance with the interim rules and guidelines issued by the Toll Regulatory</p>

		<p><i>Board (TRB) for the determination of the amounts due to the PNCC for its administrative expenses, PNCC recognized 10 per cent of its share from the gross toll revenues of the JVCs, pending the issuance of the Implementing Rules and Guidelines.</i></p> <p>Dividend income is recognized when the Corporation's right to receive the payment is established.</p> <p>Interest Income – is recognized as it accrued, taking into account the principal amount outstanding and the effective rates.</p> <p>Other Income – is recognized when earned.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Financial Risk <i>PNCC's principal financial instruments comprise of cash and cash equivalents, restructured debt and advances to and from related parties. The main purpose of these financial instruments is to finance the operations. PNCC has various other financial assets and liabilities such as receivables and vouchers payable and accrued expenses (excluding statutory payables), which arise directly from its operations. The main risks arising from financial instruments are credit risk and liquidity risk.</i></p>	<p><i>Creditors, suppliers, employees, lessees, JVCs</i></p>	<p><i>PNCC monitors market price risk arising from all financial instruments and regularly report financial management activities and the results of these activities to the Board of Directors.</i></p>
<p>Liquidity Risk <i>Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.</i></p>	<p><i>Creditors, suppliers, employees</i></p>	<p><i>PNCC monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. PNCC maintains a level of cash deemed sufficient to finance its cash requirements. Operating expenses and working capital requirements are sufficiently funded through cash collections.</i></p>

Credit Risk <i>Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to a financial loss. PNCC's exposure to credit risk arises from default of the counterparties which include certain financial institutions, real estate buyers and suppliers</i>	<i>Real estate buyers, suppliers</i>	<i>Management deals only with institutions or individuals for which credit limits have been established and with suppliers which paying and performance capabilities are rigorously screened.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Opportunities related to material topic are the following: Joint Venture Agreement for Tollway Development under PNCC franchise (PD 1894) New contract of Lease from Investment Properties</i>	<i>JVCs, lessees</i>	<i>PNCC conducts due diligence in evaluating proposals for tollway development and realty development.</i>

Climate-related risks and opportunities²

Governance	Strategy	Risk Management	Metrics and Targets
<i>PNCC through its Safety, Health and Environment Committee commits to safeguard the safety and health of its employees, contractors and all stakeholders and to preserve the environment in undertaking its operations and activities.</i>	<i>Allocate budget for Calamity Preparedness Measures to mitigate effects of physical risks</i>	<i>The Safety, Health and Environment unit of the company undertakes to be vigilant on present weather condition and prepare measures to carry out in case of occurrence of risk</i>	<i>PNCC has yet to determine the metrics and targets.</i>
Recommended Disclosures			
<i>PNCC has yet to determine the board's oversight of climate-related risks and opportunities.</i>	<i>PNCC has yet to determine the climate-related risks and opportunities.</i>	<i>PNCC has yet to determine the processes for identifying and assessing climate-related risks.</i>	<i>PNCC has yet to determine the metrics to be used in assessing the climate-related risks and opportunities in line with its strategy and risk management processes</i>

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

<i>PNCC Management has yet to determine its role in assessing and managing climate-related risks and opportunities</i>	<i>PNCC Management has yet to determine the impact of climate-related risks and opportunities on its businesses, strategy and financial planning</i>	<i>PNCC Management has yet to determine the processes for managing climate-related risks.</i>	<i>PNCC Management has yet to determine the targets to be used to manage climate-related risks and opportunities</i>
	<i>PNCC has yet to determine the resilience of its strategy taking into consideration different climate-related scenarios</i>	<i>PNCC has yet to determine the processes for identifying, assessing, and managing climate-related risks integrated into the overall risk management</i>	

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
<i>100% of procurement budget used for company's operations is spent on local suppliers</i>		100%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>By purchasing at local businesses, it helped create jobs locally, contributed to improved public infrastructure</i>	<i>employees, community, suppliers, government agencies</i>	<i>Part of PNCC's Quality Management System is the Procurement procedure which describes procurement policies, responsibilities, goals and targets.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Conflict with contractor – unwillingness of contractor to sign contract technical capacity - specification of requirement is not technically viable Financial capacity – requirement no longer a priority</i>	<i>Employees, suppliers, contractors</i>	<i>Mitigate the effect of the risk, strict adherence to existing policies and procedures</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

<p><i>When businesses purchase goods and services from local suppliers:</i></p> <ul style="list-style-type: none"> • <i>they support the growth of the local economy and create jobs for community</i> • <i>faster and more predictable delivery times</i> • <i>contribute to the general capacity of the country</i> 	<p><i>Local suppliers, community, local government unit</i></p>	<p><i>Good communication with local suppliers, up-to-date payment of payables</i></p>
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Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	<i>None</i>	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	<i>None</i>	%
Percentage of directors and management that have received anti-corruption training	<i>None</i>	%
Percentage of employees that have received anti-corruption training	<i>None</i>	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>This will result in financial damage. Examples of such is a damaged reputation of the business, which causes fewer business opportunities. Following this loss of finances, the damage to morale will affect employee productivity. A loss in productivity leads to further losses in profits.</i></p>	<p><i>Shareholders, employees, Directors</i></p>	<p><i>PNCC has developed two codes, the "PNCC Codes of Conduct" and the "PNCC Code of Employee Discipline (CCED)". It contains the preambular portion or the "Declaration of Principles", which details out the requirements for the successful implementation of the Codes. It starts with the commitment of the management in providing for just and lawful conditions of employment, and complemented by the principles that should govern employees as they uphold the interests of the company.</i></p> <p><i>Meanwhile, the Board of Directors, by adopting the Manual of Corporate Governance 2017 and provisions of GCG's Code of Corporate Governance, the company is committed to observe the principles of fairness, accountability and transparency. The Board of</i></p>

		<i>Directors believes that this will significantly enhance PNCC's corporate governance systems and make it an able partner in national development.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Engagement in unethical or illegal activities, such as offering or accepting bribes in order to gain an unfair advantage or manipulate a situation</i>	<i>Employees, Board of Directors, suppliers, Joint Venture Partner, Local Government Unit, Regulatory Agencies</i>	<i>Strict implementation of "No Gift Policy" Implementation of Good Corporate Governance Policies - Ethics</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> • Legal Compliance (Anti-Bribery and Anti-Corruption laws) • Allocation of resources effectively to prevent losses due to fines, legal fees and operational disruption • Bribery and Corruption Risk Assessment 	<i>Employees, Board of Directors, suppliers, Joint Venture Partner, Local Government Unit, Regulatory Agencies</i>	<ul style="list-style-type: none"> • Legal Compliance • Demonstrating commitment to ethical practices through a risk assessment to enhance competitive advantage • Training and Awareness

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no impact since it did not occur</i>	<i>No affected stakeholder</i>	<i>The Code of Conduct lays out the management expectations of ethical conduct or behavior of employees covered thereby. The Code of Employee Discipline, on the other hand, enumerates the violations of the Code of Conduct and the penalties or sanctions for each violation. Management maintains its inherent right to discipline or dismiss employees for any offense or violation contained in the Code.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> • Fiduciary Risks (fraud or theft) 	<i>Employees, Investors, Directors</i>	<i>The company has implemented Risk and Opportunities Management Procedure</i>

<ul style="list-style-type: none"> • <i>Legal Risks (Law violation)</i> • <i>Safety Risks (Increasing likelihood of accidents or illness)</i> • <i>Operational Risks (Viability to achieve objectives)</i> • <i>Information Risks (hiding or withholding important data)</i> • <i>Reputational Risks</i> • <i>Procurement Risks (Bid rigging, manipulated tender specifications)</i> • <i>Human Resources (Conflict of interest, recruitment biases)</i> 		<i>which aimed at defining the processes involved in identifying, analyzing, evaluating, monitoring and addressing risks and opportunities.</i>
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What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Improvement of processes and asset management</i>	<i>Employees, Investors, Directors</i>	<i>The company has implemented Risk and Opportunities Management Procedure which aimed at defining the processes involved in identifying, analyzing, evaluating, monitoring and addressing risks and opportunities.</i>

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	138.422	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	501.03	GJ
Energy consumption (electricity)	176,720	KWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (renewable sources)		GJ
Energy reduction (gasoline)	132.68	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	528.19	GJ
Energy reduction (electricity)	+6,597	KWh

Oil & Gas Resource Management

The Office ensures the protection and proper development of Illinois' oil and gas resources, while protecting Illinois' environment, land, and water resources.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Protection of environment, land and water resources, financial resources</i>	<i>Employees, Board of Directors, community</i>	<i>Proper budget utilization</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Financial losses due to high prices of resources (gasoline, diesel)</i>	<i>Employees, Board of Directors, community</i>	<i>Resources Risk Assessment</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Utilization of renewable sources</i>	<i>Employees, Board of Directors, community</i>	<i>Due diligence on use of renewable sources</i>

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	No data	Cubic meters
Water consumption	2,317	Cubic meters
Water recycled and reused	No data	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

	<i>stakeholders of the opportunities</i>	
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Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• Renewable	N/A	kg/liters
• non-renewable	N/A	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company is not into manufacturing input materials to render service to its customers</i>	N/A	N/A

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company is not into manufacturing input materials to render service to its customers</i>	N/A	N/A
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company is not into manufacturing input materials to render service to its customers</i>	N/A	N/A

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None	
Habitats protected or restored	None	
IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations	None	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company does not own, lease protected areas and areas of high biodiversity value outside protected areas</i>	N/A	N/A
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company does not own, lease protected areas and areas of high biodiversity value outside protected areas</i>	N/A	N/A
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company does not own, lease protected areas and areas of high biodiversity value outside protected areas</i>	N/A	N/A

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	No data	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	No data	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	No data	Tonnes

³ International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Air pollutants

Disclosure	Quantity	Units
NO _x	No data	Kg
SO _x	No data	Kg
Persistent organic pollutants (POPs)	No data	Kg
Volatile organic compounds (VOCs)	No data	Kg
Hazardous air pollutants (HAPs)	No data	Kg
Particulate matter (PM)	No data	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	No data	Kg
Reusable	No data	Kg
Recyclable	No data	Kg
Composted	No data	Kg
Incinerated	No data	Kg
Residuals/Landfilled	No data	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	No data	Kg
Total weight of hazardous waste transported	No data	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	No data	Cubic meters
Percent of wastewater recycled	No data	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	None	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	None	#
No. of cases resolved through dispute resolution mechanism	None	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no known impact on non-compliance with environmental laws and regulations</i>	<i>N/A</i>	<i>N/A</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Non-compliance with environmental laws and regulation</i>	<i>Employees, Board of Directors, Regulatory Agencies</i>	<i>Environmental Risk Assessment (ERA)</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Implementation of Environmental Risk Assessment Action Plan Budget Allocation</i>	<i>Employees, Board of Directors, Regulatory Agencies</i>	<i>Implementation of Action Plan on identified risks based on ERA</i>

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ⁴	56	
a. Number of female employees	19	#
b. Number of male employees	37	#
Attrition rate ⁵	2/56*100%	Rate 3.57
Ratio of lowest paid employee against minimum wage	None	Ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS		8	11
PhilHealth		1	0
Pag-ibig		9	17
Parental leaves			2
Vacation leaves		13	22
Sick leaves		0	
Medical benefits (aside from PhilHealth))		N/A	N/A
Housing assistance (aside from Pag-ibig)		N/A	N/A
Retirement fund (aside from SSS)		N/A	N/A
Further education support		N/A	N/A
Company stock options		N/A	N/A
Telecommuting		N/A	N/A
Flexible-working Hours		N/A	N/A
(Others)		N/A	N/A

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> The company has yet to determine the impact and where it occurs 	Employees	

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> • Increasing health risk, risk protection and well-being benefit cost • Pension financial risks • Administration and fiduciary • Legal and compliance • Benefit decision making and accountability 	Employees	The company has yet to determine the processes to be undertaken to manage the risks
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The company has yet to determine the opportunities	The company has yet to determine the affected stakeholders of the opportunities	The company has yet to determine the processes to be undertaken to manage the opportunities

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	108	hours
b. Male employees	140	hours
Average training hours provided to employees		
a. Female employees	8.3	hours/employee
b. Male employees	8.75	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The company has yet to determine the impact and where it occurs	The company has yet to determine the affected stakeholders	The company has implemented Training procedure to ensure that appropriate training/seminars are provided to needing employees
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The company has yet to determine the risks	The company has yet to determine the affected stakeholders of the risks	The company has yet to determine the processes to be undertaken to manage the risks
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The company has yet to determine the opportunities	The company has yet to determine the affected stakeholders of the opportunities	The company has yet to determine the processes to be undertaken to manage the opportunities

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	None	%
Number of consultations conducted with employees concerning employee-related policies	None	#
What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no impact as there is no CBA</i>	<i>No stakeholders affected</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	19	33%
% of male workers in the workforce	37	66%
Number of employees from indigenous communities and/or vulnerable sector*	None	#

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	720,420.79	Man-hours
No. of work-related injuries	None	#
No. of work-related fatalities	None	#
No. of work related ill-health	None	#
No. of safety drills (Earthquake drill)	1	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no known impact on occupational health and safety risks</i>	<i>Employees, Board of Directors, contractors, suppliers, community, regulatory agencies</i>	<i>Strict compliance with workplace condition policies, labor standards and human rights law</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Work-related injuries, fatalities. Ill-health</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	None	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	Corporate Social Responsibility policy
Child labor	Y	Corporate Social Responsibility policy
Human Rights	Y	Corporate Social Responsibility policy

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>No known impact on labor laws and human rights violation</i>	<i>Employees and Board of Directors</i>	<i>Strict compliance with labor and human rights law, Labor Laws and Human Rights Risk Assessment</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Human rights violation in operation</i>	<i>Employees and Board of Directors, lessees</i>	<i>Strict compliance with labor and human rights, Formulation of Action Plan on identified risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Compliance with labor and human rights laws</i>	<i>Employees and Board of Directors, lessees</i>	<i>Strict compliance with labor and human rights, Formulation of Action Plan on identified risks</i>

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

The company adopts the provision of RA 9184 and its Implementing Rules and Regulations (IRR), thus prequalification of suppliers is based on their registration and accreditation with PhilGeps. All purchases of the company through bidding can only be sourced from PhilGeps-accredited suppliers.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	PhilGeps registration / accreditation
Forced labor	Y	PhilGeps registration / accreditation
Child labor	Y	PhilGeps registration / accreditation
Human rights	Y	PhilGeps registration / accreditation
Bribery and corruption	Y	PhilGeps registration / accreditation
What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
The company has yet to determine the significant impact on local communities.					

*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	94.66%	N

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	None	
No. of complaints addressed	None	

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the impact and where it occurs</i>	<i>The company has yet to determine the affected stakeholders</i>	<i>The company has yet to determine the processes to manage the impact</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the risks</i>	<i>The company has yet to determine the affected stakeholders of the risks</i>	<i>The company has yet to determine the processes to be undertaken to manage the risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	None	
No. of complaints addressed	None	

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
-	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	None	#
No. of complaints addressed	None	#
No. of customers, users and account holders whose information is used for secondary purposes	None	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no impact since it does not occur</i>	<i>None</i>	<i>In case of occurrence, the company has provided a facility in its website wherein a customer can report illegal and unethical acts and behavior concerning employees, officers and members of the Board. All reports will be handled with strict confidentiality. Moreover, customer complaints can also be submitted through email, feedback form online or personal.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Loss of trust and credibility, increase customer chur and lower referrals and ratings</i>	<i>Lessees, JV partners, employees</i>	<i>The company conducts an annual customer satisfaction survey to determine the satisfaction rating from customers. In this way, employees with direct interaction with customers will be trained and empowered to handle customers with respect, courtesy and competence.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Customer satisfaction enhancement, service upgrade, improvement of policies and procedures, boost customer communication, positive impact on company image</i>	<i>Lessees, JV partners, employees</i>	<i>With the implementation of Customer Satisfaction Survey through the ARTA required Client Satisfaction Measurement, customer satisfaction will be enhanced.</i>

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	None	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>No impact to the company as no data breach occurred</i>	<i>Employees</i>	<i>Strict implementation of firewall policy and adherence to local area and internet control guidelines</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Loss of data, loss of data integrity, operation disruption, unrealized ROI</i>	<i>Employees, customers</i>	<i>Risk assessment and formulation of action plans on identified risks</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has yet to determine the opportunities</i>	<i>The company has yet to determine the affected stakeholders of the opportunities</i>	<i>The company has yet to determine the processes to be undertaken to manage the opportunities</i>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
<i>Leasing of real properties</i>	<i>The company has yet to determine the contribution to UN SDGs</i>	<i>The company has yet to determine the negative impact of contribution</i>	<i>The company has yet to determine the processes to undertake to manage the negative impact</i>
<i>Tollway development project</i>			

* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.