

ON TOP OF OUR GAME

# LRWC

LEISURE & RESORTS WORLD CORPORATION



# 2021 SUSTAINABILITY REPORT



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# **GENERAL INFORMATION**

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# CONTEXT INFORMATION

## COMPANY DETAILS

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Organization                                       | Leisure & Resorts World Corporation (LRWC)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Location of Headquarters                                   | 26th Floor, West Tower<br>Philippine Stock Exchange Centre<br>Exchange Road, Ortigas Center, Pasig City 1605 Philippines                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Location of Operations                                     | <p>Leisure &amp; Resorts World Corporation (LRWC), through its subsidiaries included in this report, operates in multiple locations:</p> <p>Hotel Enterprises of the Philippines, Inc. (HEPI) – Midas Hotel &amp; Casino operates in Roxas Boulevard, Pasay City</p> <p>Blue Chip Gaming and Leisure Corporation (BCGLC or Blue Chip) operates in the following locations:</p> <ul style="list-style-type: none"><li>- Pampanga</li><li>- Subic, Zambales</li><li>- Malate, Manila</li><li>- Sta. Rosa, Laguna</li><li>- Davao City</li></ul> <p>AB Leisure Exponent, Inc. (ABLE) &amp; Total Gamezone Xtreme Incorporated (TGXI) operational sites were combined due to the recent reorganization and managed by one (1) team into the following areas:</p> <ul style="list-style-type: none"><li>- Area 1: Upper Luzon Area</li><li>- Area 2: Region 3 Area</li><li>- Area 3: Southern Luzon Area</li><li>- Area 4: Region 4 Area</li><li>- Area 5: National Capital Region (NCR) Area</li><li>- Area 6: Metro Manila Area</li><li>- Area 7: Quezon City Area</li><li>- Area 8: Visayas Region Area</li><li>- Area 9: Mindanao Region Area</li></ul> <p>Specific locations of ABLE &amp; TGXI operations are listed below.</p> |
| Report Boundary                                            | This report covers the holding company, Leisure & Resorts World Corporation (LRWC), as well as the following subsidiaries:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Legal Entities (e.g. Subsidiaries) included in this Report | <ul style="list-style-type: none"><li>- AB Leisure Exponent, Inc. (ABLE)</li><li>- Total Gamezone Xtreme Incorporated (TGXI)</li><li>- Blue Chip Gaming and Leisure Corporation (BCGLC or Blue Chip)</li><li>- Hotel Enterprises of the Philippines, Inc. (HEPI) – Midas Hotel &amp; Casino</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |



Business Model, including Primary Activities, Brands, Products, and Services

Leisure & Resorts World Corporation (LRWC) is a publicly listed company that has been in the forefront of the leisure and gaming industry in the Philippines. Its wide array of services includes management and operation of general amusement, recreation enterprises, hotel, and gaming facilities. With its expertise as an industry leader for over 20 years, LRWC dominates the country's retail gaming market by providing world-class multi-gaming platforms. The company has a wide network of gaming and entertainment salons in some of the best commercial locations in the Philippines.

The businesses of LRWC, through its subsidiaries, specifically include commercial bingo gaming, operations of slot arcades, online gaming, junket operations, hospitality, real estate, and Information Technology (IT) services.

AB Leisure Exponent, Inc. (ABLE) provides amusement and recreation to the public by offering traditional, electronic, pull tabs, and rapid bingo games. The Bingo Bonanza Corporation brand and business entity has established itself as the pioneer in professional bingo gaming in the Philippines.

Total Gamezone Xtreme, Inc. (TGXI) is the entry of LRWC into the Electronic Casino market with over thirty (30) sites currently in operation.

Blue Chip Gaming and Leisure Corporation (BCGLC or Blue Chip) is one of the strongest performing business unit of LRWC with five (5) gaming sites strategically located in:

- (1) Kings Royale Hotel in Pampanga;
- (2) Venezia Hotel in Subic Bay Freeport Zone, Subic, Zambales with Palmgold International Limited;
- (3) Pan Pacific Hotel in Malate, Manila with Pacific Palm Corporation;
- (4) Paseo Premier Hotel in Sta. Rosa, Laguna with Pacific Palm Corporation; and
- (5) Apo View Hotel in Davao City with Pacific Palm Corporation.

LRWC entered the hotel operations industry on 11 November 2012 when LRWC executed an Investment Agreement with Eco Leisure and Hospitality Holding Company, Inc. (Eco Leisure) for the acquisition of 51% of the outstanding capital stock of Hotel Enterprises of the Philippines, Inc. (HEPI) on the ownership and operations of Midas Hotel and Casino.

Reporting Period:

CY 2021 (01 January 2021 – 31 December 2021)

Highest Ranking Person Responsible for this Report

MR. TSUI KIN MING  
President

AB LEISURE EXPONENT, INC. (ABLE) & TOTAL GAMEZONE XTREME INCORPORATED (TGXI) COMBINED OPERATIONAL SITES  
As of December 31, 2021

| SN                                      | SITE                        | SITE ADDRESS                                                                                                           |
|-----------------------------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------|
| AREA 1: UPPER LUZON AREA                |                             |                                                                                                                        |
| 1                                       | SM CITY BAGUIO              | Upper Basement SM City-Baguio, Luneta Hills, Upper Session Road, Baguio City                                           |
| 2                                       | CENTERMALL BAGUIO           | 5/F Baguio Center Mall, Magsaysay Avenue, Baguio City                                                                  |
| 3                                       | SYQUIO CABANATUAN           | 2/F Syquio Business Centre, Maharlika Highway, Brgy. Daan Sarile, Cabanatuan City                                      |
| 4                                       | ROBINSON'S PLACE CALASIAO   | 2/F Robinson Calasiao, Bayombong Road and De Venecia Highway, Calasiao Pangasinan                                      |
| 5                                       | SM CITY CAUAYAN, ISABELA    | SM City Cauayan, San Fermin, National Highway, City of Cauayan, Isabela                                                |
| 6                                       | SM CITY TARLAC              | 3/F SM City Tarlac, MacArthur Highway Brgy. San Roque, Tarlac City                                                     |
| 7                                       | SM CITY ROSALES, PANGASINAN | 2/F SM City- Rosales ( formerly SM Supercenter -Rosales) Carmen East, Rosales, Pangasinan                              |
| 8                                       | IBA, ZAMBALES               | Sapphire Building, Govic Avenue, Paulien Dirita, Iba, Zambales                                                         |
| 9                                       | HOTEL SOGO CABANATUAN       | Hotel Sogo, Distrito 1, Purok 7, Maharlika Highway, San Juan ACCFA, Cabanatuan City                                    |
| 10                                      | ROBINSON'S PLACE LUISITA    | G/F Robinson's Place Luisita, Mac Arthur Highway, Barangay San Miguel, Hacienda Luisita, Tarlac City                   |
| 11                                      | S and R CALASIAO            | S and R Centre, De Venecia Avenue, Nalsian, Calasiao, Pangasinan                                                       |
| 12                                      | GUIMBA, NUEVA ECIJA         | 2/F LG Bldg., Afan Salvador Street, Santa Veronica, Guimba, Nueva Ecija                                                |
| 13                                      | SYCANGCO BUILDING TARLAC    | G/F Sycangco Building, Barangay San Rafael, Tarlac City                                                                |
| 14                                      | SKYONE ILOCOS SUR           | Skyone Building, Mac Arthur Highway, Bantay, Ilocos Sur                                                                |
| 15                                      | BENRY SQUARE TARLAC         | Benry Square, Mac Arthur Highway, Barangay San Nicolas, Tarlac City                                                    |
| 16                                      | TROPICANA NUEVA VIZCAYA     | Josephines Hotel, #424 Diversion Road, Sta. Rosa, Bayombong, Nueva Vizcaya                                             |
| 17                                      | ROXAS, ISABELA              | G/F Blocks 7 & 8 Roxas Boulevard, Sergio Osmeña Avenue, Roxas, Isabela                                                 |
| 18                                      | ALAMINOS, PANGASINAN        | 2/F Blue Horizon Bldg., Alaminos- Sual Road, Alaminos City, Pangasinan                                                 |
| 19                                      | PARK & SHOP SUBIC           | Subic Park & Shop Building, 557 Rizal Highway, Subic Bay Freeport Zone                                                 |
| AREA 2: PAMPANGA, BULACAN, AND CAMANAVA |                             |                                                                                                                        |
| 1                                       | SM CITY PAMPANGA            | 3/F SM City-San Fernando, Brgy. San Jose, San Fernando City, Pampanga                                                  |
| 2                                       | STARMALL SJDM, BULACAN      | G/F Starmall-San Jose Del Monte Quirino Highway and Francisco Drive, Northwinds City, San Jose Del Monte City, Bulacan |
| 3                                       | SM CITY CLARK               | 2/F SM City Clark, M.A. Roxas Highway, Brgy Malabanas Clark, Pampanga                                                  |
| 4                                       | SUMMIT ANGELES              | New Street Building, Mac Arthur Highway, Balibago, Angeles City, Pampanga                                              |
| 5                                       | EMMA MALL MEYCAUAYAN        | Robinson's Supermarket Ema Town Center, El Camino Real Sto. Niño, Barangay Camalig, Meycauayan City, Bulacan           |

| SN                          | SITE                        | SITE ADDRESS                                                                                           |
|-----------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------|
| AREA 1: UPPER LUZON AREA    |                             |                                                                                                        |
| 6                           | GUIGUINTO, BULACAN          | 2/F GD Plaza Guiguinto, #8002 Mac Arthur Highway, Barangay Ilang – Ilang, Guiguinto, Bulacan           |
| 7                           | GD PLAZA GUIGUINTO, BULACAN | GD Plaza Guiguinto, #8002 Mac Arthur Highway, Barangay Ilang – Ilang, Guiguinto, Bulacan               |
| 8                           | MANLY VALENZUELA            | Manly Building, Mac Arthur Highway, Balibago, Angeles City, Pampanga                                   |
| 9                           | TINAJEROS MALABON           | Unit G3 Francis Market, Governor Pascual Corner M. H. Del Pilar Streets, Tinajeros, Malabon City       |
| 10                          | HOLLYWOOD SUITE MARILAO     | Hollywood Suites & Resort, Mac Arthur Highway, Ibayo, Marilao, Bulacan                                 |
| 11                          | DIZON BUILDING ANGELES      | G/F Dizon Building, #243 Entiero Street, Barangay Sto. Cristo, Angeles City, Pampanga                  |
| 12                          | VALENZUELA 2                | G/F Puregold Valenzuela, 419 Mac Arthur Highway, Dalandanan, Valenzuela City                           |
| 13                          | CAMARIN, CALOOCAN           | I Mall Camarin, Kiko Road, Camarin, Caloocan City                                                      |
| 14                          | PASO DE BLAS                | 2/F LB Building, Paso De Blas Corner Quirino Highway, Malinta, Valenzuela City                         |
| 15                          | FORTUNE PLAZA BALAGTAS      | 2/F Fortune Plaza, MacArthur Highway, Balagtas, Bulacan                                                |
| 16                          | TLJ MABALACAT               | TLJ Building, Barangay Mabiga, Mabalacat City, Pampanga                                                |
| 17                          | SAN RAFAEL                  | 141 Cagayan Valley Road, Barangay Sampaloc, San Rafael, Bulacan                                        |
| 18                          | MABALACAT                   | Stall #19 Pineda Building 4, Mac Arthur Highway, Mabiga, Mabalacat City, Pampanga                      |
| 19                          | SAN MIGUEL                  | Total Gas Station, National Highway, Cagayan Valley Road, Barangay Camias, San Miguel, Bulacan         |
| 20                          | BERZON SAN FERNANDO         | G/F Berzon Building, National Highway, Barangay Del Rosario, San Fernando City, Pampanga               |
| 21                          | STA. MARIA                  | 112 – C Governor Halili Avenue, Barangay Bagbaguin, Sta. Maria, Bulacan                                |
| 22                          | SAN MIGUEL, BULACAN         | 2/F HBC Building, Norberto Street, Poblacion, San Miguel, Bulacan                                      |
| 23                          | MEYCAUAYAN                  | 665 – A Mac Arthur Highway, Barangay Bancal, Meycauayan, Bulacan                                       |
| 24                          | SAN JOSE DEL MONTE          | Umerez Compound, Tungkong Mangga, San Jose Del Monte (SJDM) City, Bulacan                              |
| AREA 3: SOUTHERN LUZON AREA |                             |                                                                                                        |
| 1                           | SM CITY BACOR               | G/F SM City-Bacoor, Tirona Highway corner E. Aguinaldo Highway, City of Bacoor Cavite                  |
| 2                           | SM CITY BATANGAS            | SM City Batangas, Barangay Pallocan West, Batangas City                                                |
| 3                           | SM MOLINO                   | 2/F SM Supercenter Molino, Molino Road, Brgy. Molino IV, Bacoor, Cavite                                |
| 4                           | SM CITY NAGA                | 2/F SM City Naga, Central Business District II, Brgy Triangulo, Naga City                              |
| 5                           | SM CITY LIPA                | 2/F SM City-Lipa, Lipa City Batangas                                                                   |
| 6                           | PUREGOLD SAN PEDRO          | G/F Puregold-San Pedro, Old National Highway cor. Magsaysay Blvd., Brgy. San Antonio, San Pedro Laguna |

| SN                          | SITE                    | SITE ADDRESS                                                                                          |
|-----------------------------|-------------------------|-------------------------------------------------------------------------------------------------------|
| AREA 3: SOUTHERN LUZON AREA |                         |                                                                                                       |
| 7                           | ALDP NAGA               | ALDP Plaza Mall, Roxas Avenue, Barangay Triangulo, Naga City                                          |
| 8                           | SM CITY ROSARIO, CAVITE | 2/F SM City-Rosario, Gen. Trias Drive, Tejeros Convention, Rosario Cavite                             |
| 9                           | GAISANO MASBATE         | LG/F Gaisano Capital, Cagba, Barangay Tugbo, Masbate City, Masbate                                    |
| 10                          | LEMERY, BATANGAS        | Victory Town Center, Lemery, Batangas                                                                 |
| 11                          | 678 MOLINO              | 678 Commercial Complex, Molino Boulevard, Bayanan, Bacoor City, Cavite                                |
| 12                          | MANGGAHAN 1             | 2/F MS1 Building, Governor's Drive, Barrio Manggahan, General Trias, Cavite                           |
| 13                          | ATDRMAM BATANGAS        | ATDRMAM Building, National Road, Kumintang Ibaba, Batangas City                                       |
| 14                          | V – CENTRAL MOLINO      | 2/F V- Central Mall, Molino Blvd. cor. Molino Rd. Bacoor City , Cavite                                |
| 15                          | CENTRO MALL LOS BAÑOS   | G/F Centro Mall, Lopez Avenue, Brgy. Batong Malake, Los Baños, Laguna                                 |
| 16                          | STA. CRUZ, LAGUNA       | G/F A. S. Commercial Building, Falcon Street, Barangay Poblacion 5, Sta. Cruz, Laguna                 |
| 17                          | CUEVASVILLE             | Units 10 & 11, Building 3, Cuevasville Commercial Complex, Daang Hari, Molino IV, Bacoor City, Cavite |
| 18                          | NASUGBU, BATANGAS       | 2F RSAM Bldg., JP Laurel St. Cor. Muling Bayan St. Brgy. 9, Nasugbu, Batangas                         |
| 19                          | KAWIT                   | Unit 11 Bautista Arcade, Tirona Highway, Binakayan, Kawit, Cavite                                     |
| 20                          | SILANG, CAVITE          | Barangay Buho, Silang, Cavite                                                                         |
| 21                          | CARMONA                 | Unit 5 Paseo de Carmona, Governor's Drive, Barangay Maduya, Carmona, Cavite                           |
| 22                          | BIÑAN 2*                | G/F Kid Tower Mall, San Antonio Highway, Biñan, Laguna                                                |
| AREA 4: EAST NCR + PASIG    |                         |                                                                                                       |
| 1                           | STA. LUCIA EAST MALL    | 2/F Phase 1 Sta. Lucia East Grand Mall, Felix Avenue, Cainta, Rizal                                   |
| 2                           | SM CITY MARIKINA        | 2/F SM City-Marikina, Barangay Calumpang, Marikina City                                               |
| 3                           | SM CITY TAYTAY, RIZAL   | SM City Taytay, Barangay Dolores, Manila East Road, Taytay, Rizal                                     |
| 4                           | ROBINSON'S PLACE CAINTA | G/F & 3/F Robinson's Place Cainta, Ortigas Avenue Extension, Barangay Sto. Domingo, Cainta, Rizal     |
| 5                           | PUREGOLD SAN MATEO      | Puregold San Mateo, Barangay Banaba, San Mateo, Rizal                                                 |
| 6                           | IL CENTRO STA. LUCIA    | G/F, Sta Lucia East Grand Mall Marcos Highway cor. Felix Ave., Cainta Rizal                           |
| 7                           | GRACELAND MARIKINA      | Graceland Plaza Marikina, J. P. Rizal Street, Barangay Lamuan, Malanday, Marikina City                |
| 8                           | SKYONE ANGONO           | Skyone Commercial Building, Quezon Avenue, Barangay San Isidro, Angono, Rizal                         |
| 9                           | ITSP TAYTAY, RIZAL      | ITSP Building, Ortigas Avenue Extension, Barangay San Isidro, Taytay, Rizal                           |



| SN                    | SITE                             | SITE ADDRESS                                                                                                |
|-----------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------|
| AREA 4: REGION 4 AREA |                                  |                                                                                                             |
| 10                    | TANJUATCO TANAY                  | 2/F Tanjuatco Bldg. Sampaloc Road, Plaza Aldea Tanay Rizal                                                  |
| 11                    | ARDI CAINTA                      | 2/F Ardi Commercial Complex, A. Bonifacio Avenue, Parola, Cainta, Rizal                                     |
| 12                    | ROBINSON'S PLACE CAINTA BOUTIQUE | G/F Robinson Place-Cainta, Ortigas Avenue, Extension Brgy. Sto. Domingo Cainta Rizal                        |
| 13                    | BINANGONAN                       | #2 Bonifacio Street Corner National Road, San Carlos Heights Subdivision, Binangonan, Rizal                 |
| 14                    | CAINTA 4                         | 2/F Saunterfield Place, Km. 20, Ortigas Avenue Extension, Barangay Sto. Niño, Cainta, Rizal                 |
| 15                    | ROBINSON'S PLACE METRO EAST      | LG/F Robinson's Place Metro East, Marcos Highway, Pasig City                                                |
| 16                    | SILVER CITY (GAME ZONE)          | Silver City, Frontera Verde Drive Corner Doña Julia Vargas Avenue, Barangay Ugong, Pasig City               |
| 17                    | LIANA'S SUPERMARKET              | 3/F Lianas Shopping Mall, Caruncho Avenue, Pasig City                                                       |
| 18                    | SILVER CITY PASIG                | G/F Silver City Building, Frontera Verde Drive Corner Doña Julia Vargas Avenue, Barangay Ugong, Pasig City  |
| 19                    | MAYBUNGA                         | 2/F SGC Building, 172 C. Raymundo Avenue, Barangay Maybunga, Pasig City                                     |
| 20                    | D' JET PASIG                     | D' Jet Commercial Building, Phase II – A, Lot C, No. 25 – 26, Imelda Avenue, Karangalan Village, Pasig City |
| 21                    | IT CENTER RELIANCE*              | Reliance IT Center, E. Rodriguez Jr. Avenue, Barangay Ugong, Pasig City                                     |
| AREA 5: SOUTH NCR     |                                  |                                                                                                             |
| 1                     | SM CITY SOUTHMALL                | LG/Floor Centermall, SM City Southmall, Alabang Zapote Road, Las Piñas City                                 |
| 2                     | SM CITY BICUTAN                  | G/F SM City Bicutan Doña Soledad Ave., Don Bosco, Bicutan, Parañaque City                                   |
| 3                     | SM CITY SUCAT                    | 3/F SM City-Sucate, Dr. A. Santos Avenue, Sucate, Parañaque City                                            |
| 4                     | MADISON SQUARE LAS PIÑAS         | G/F Madison Square, Alabang -Zapote Road. Las Piñas City                                                    |
| 5                     | SM MUNTINLUPA                    | SM Supercenter Tunasan, National Road, Barangay Tunasan, Muntinlupa City                                    |
| 6                     | METROPOINT MALL                  | G/F Metro Point Mall, EDSA cor. Taft Ave. & Zamora St., Pasay City                                          |
| 7                     | CITY MALL PASAY                  | G/Floor Pasay City Mall and Public Market Taft Ave. cor. Arnaiz Avenue, Pasay City                          |
| 8                     | METROPOINT MALL BOUTIQUE         | 5/F Metro Point Mall, EDSA cor. Taft Ave. & Zamora St., Pasay City                                          |
| 9                     | FESTIVAL MALL BOUTIQUE           | 2nd Level Commerce Exit Festival Supermall Alabang Muntinlupa City                                          |
| 10                    | HOBBIES OF ASIA PASAY            | Hobbies of Asia, Macapagal Avenue, Pasay City                                                               |
| 11                    | SM MOA PASAY                     | 2/F North Parking Bldg., SM Mall of Asia, Bay Blvd., Pasay City                                             |
| 12                    | FESTIVAL                         | G/F Parkway Lane, Festival Mall, Muntinlupa City                                                            |
| 13                    | ROBINSON'S PLACE LAS PIÑAS       | G/F Robinsons Place-Las Piñas, Alabang-Zapote Road, Talon Uno, Las Piñas City                               |

| SN                       | SITE                    | SITE ADDRESS                                                                                             |
|--------------------------|-------------------------|----------------------------------------------------------------------------------------------------------|
| AREA 5: SOUTH NCR        |                         |                                                                                                          |
| 14                       | BF PARAÑAQUE            | G/F R. F. Lopez Building, #6 N. Lopez Avenue, Lopez Village, Barangay San Isidro, Parañaque City         |
| 15                       | METRO TOWNE CENTER      | Metro Towne Center, 2020 Marcos Alvarez Avenue, Talon 5, Las Piñas City                                  |
| 16                       | ELORDE SUCAT*           | Elorde Sports Center, Sucat Road, Parañaque City                                                         |
| AREA 6: CENTRAL NCR      |                         |                                                                                                          |
| 1                        | SM MEGAMALL             | 5/L Fashion Hall Bldg. Sm Megamall, Julia Vargas St., corner EDSA, Brgy. Wack-Wack, Mandaluyong City     |
| 2                        | MAKATI SQUARE           | Makati Cinema Square, Pasong Tamo, San Lorenzo Village, Makati City                                      |
| 3                        | SM CITY SAN LAZARO      | LGF SM City San Lazaro F. Huertas St., Sta Cruz, Manila                                                  |
| 4                        | SM MANILA               | 4/F SM City Manila, Arroceros St., Manila                                                                |
| 5                        | ROBINSON'S PLACE MANILA | 4/L Robinson Place- Manila, Ermita Manila                                                                |
| 6                        | ROBEN THEATRE           | G/F Roben Theatre, C. M. Recto Avenue, Barangay 313 Zone 31, Sta. Cruz, Manila                           |
| 7                        | F. MANALO, SAN JUAN     | San Juan Commercial Building, F. Blumentritt Corner F. Manalo Streets, Barangay Kabayanan, San Juan City |
| 8                        | WILSON, SAN JUAN        | G/F Wilson Square Commercial Center, Wilson Corner P. Guevarra Streets, San Juan City                    |
| 9                        | BOCOBO, MANILA          | 2/F Bocobo Commercial Center, #1253 J. Bocobo Street Corner Padre Faura Street, Ermita, Manila           |
| 10                       | 168 MALL DIVISORIA      | 5/F 168 Shopping Mall, Soler Street, Divisoria, Manila                                                   |
| 11                       | STARMALL EDSA           | 2/F Starmall, EDSA Corner Shaw Boulevard, Mandaluyong City                                               |
| 12                       | MADISON                 | Unit 8, G/F, Building B, Madison Square, #4 Pioneer Street, Mandaluyong City                             |
| 13                       | LUCKY CHINATOWN         | G/F & 2/F Lucky Chinatown Mall, Lachambre Street & Reina Regente Street, Barangay 293, Binondo, Manila   |
| 14                       | PACO                    | Unit 3, Topmark Building, 1763 Paz Mendoza Guazon Street, Paco, Manila                                   |
| 15                       | SM LAND MAKATI          | SM Land Anza Building, Makati Avenue Corner Anza Street, Bel – Air, Makati City                          |
| AREA 7: QUEZON CITY AREA |                         |                                                                                                          |
| 1                        | EXTREME TIMOG           | #94 Timog Avenue, Quezon City                                                                            |
| 2                        | SM CITY NORTH EDSA      | LG/Floor SM City-North Annex Building, EDSA, Quezon City                                                 |
| 3                        | NEW FARMER'S PLAZA      | 4/F New Farmer's Plaza, Araneta Center, Cubao, Quezon City                                               |
| 4                        | SM FAIRVIEW             | G/F SM City Fairview, Quirino Highway Fairview, Quezon City                                              |
| 5                        | GTC GREENHILLS          | G/F Greenhills Town Center, Granada Street Corner Valencia Street, Barangay Valencia, Quezon City        |
| 6                        | SM CITY NOVALICHES      | 2/F SM City Novaliches, Quirino Highway, Novaliches, Quezon City                                         |

| SN                        | SITE                       | SITE ADDRESS                                                                                                                |
|---------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| AREA 1: UPPER LUZON       |                            |                                                                                                                             |
| AREA                      |                            |                                                                                                                             |
| 7                         | CTC CONGRESSIONAL          | L/GF Congressional Town Center, Congressional Avenue, Quezon City                                                           |
| 8                         | TOMAS MORATO               | QY Plaza, 233 Tomas Morato Avenue, South Triangle, Quezon City                                                              |
| 9                         | DON ANTONIO                | 2nd Floor, Don Antonio Sports Center, Block 17, Lot 5, Holy Spirit Drive, Brgy. Holy Spirit, Commonwealth Ave., Quezon City |
| 10                        | ICON HOTEL NORTH EDSA      | Icon Hotel, #967 EDSA Corner West Avenue, Quezon City                                                                       |
| 11                        | RMR TANDANG SORA           | RMR Square (Graceland Plaza) Tandang Sora, Tandang Sora Avenue, Quezon City                                                 |
| 12                        | BALINTAWAK MARKET QC       | G/F & 2/F Romero Building, 1337 Balintawak Market, EDSA, Quezon City                                                        |
| 13                        | SUNSHINE QUEZON CITY       | Units 2G – 9 & 2G – 10 Sunshine Boulevard Plaza, Quezon Avenue Corner Scout Santiago, Quezon City                           |
| 14                        | PUREGOLD NOVALICHES        | UG/F Puregold-Novaliches, #1018 Brgy. Sta. Monica, Quirino Highway, Novaliches, Quezon City                                 |
| 15                        | SIR THOMAS SQUARE MATALINO | Sir Thomas Square, Matalino Street Corner Matatag Street, Diliman, Quezon City                                              |
| 16                        | KATIPUNAN                  | Unit SF – 206 Citigold Plaza, 175 Katipunan Avenue Corner Boni Serrano Avenue, Quezon City                                  |
| 17                        | INTREPID LIBIS             | 2/F Intrepid Plaza Building, E. Rodriguez Jr. Avenue, Bagumbayan, Libis, Quezon City                                        |
| 18                        | SM CENTERPOINT             | 3/F SM Centerpoint, Araneta Avenue Corner Magsaysay Boulevard, Sta. Mesa, Quezon City                                       |
| 19                        | HYPERMARKET CUBAO          | SM Hypermarket Cubao, Main Avenue Corner EDSA, Cubao, Quezon City                                                           |
| 20                        | VISAYAS AVENUE             | 2/F MSK Building, 241 Visayas Avenue, Tandang Sora, Quezon City                                                             |
| 21                        | DEL MONTE                  | 716 Del Monte Avenue, Barangay Talayan, Quezon City                                                                         |
| 22                        | BANAWE                     | 2/F 238 Banawe Center, Banawe Street, Manresa, Quezon City                                                                  |
| AREA 8: VISAYAS + PALAWAN |                            |                                                                                                                             |
| 1                         | ELIZABETH MALL CEBU        | 3/F Elizabeth Mall, Leon Kilat St., Cebu City                                                                               |
| 2                         | SM CITY ILOILO             | 2/F SM City Iloilo, Benigno Aquino Ave. North Diversion Rd., Mandurriao, Iloilo City                                        |
| 3                         | SM CITY CEBU               | 2/F SM City Cebu, North Reclamation Area, Cebu City                                                                         |
| 4                         | MANDALAGAN, BACOLOD        | Lopue's Art District Building, Lacson Street, Mandalagan, Bacolod City                                                      |
| 5                         | LEE PLAZA DUMAGUETE        | Lee Plaza Hypermart Square, IT Park, Bagacay, Dumaguete City                                                                |
| 6                         | PARK MALL MANDAUE          | 2/F Park Mall, Ouano Avenue, Southpoint, Tipolo, Mandaue City, Cebu                                                         |
| 7                         | GAISANO BACOLOD            | Gaisano Grand City Mall, Araneta Street, Barangay Singcang Airport, Bacolod City                                            |
| 8                         | TALISAY, CEBU              | Talisay City, Cebu                                                                                                          |
| 9                         | TONI'S MART PALAWAN        | 2/F Tonies Mart Puerto Princesa City, Palawan                                                                               |

| SN                        | SITE                                 | SITE ADDRESS                                                                                                  |
|---------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------|
| AREA 8: VISAYAS + PALAWAN |                                      |                                                                                                               |
| 10                        | JARO, ILOILO                         | JEA Agro Industrial Complex, E. Lopez Street Corner Jalandoni Street Jaro, Iloilo City                        |
| 11                        | CITY MALL MANDALAGAN                 | G/F City Mall-Mandalagan, Lacson St., cor. G. M. Cordova Ave., Mandalagan, Bacolod City                       |
| 12                        | INSULAR MANDAUE                      | Insular Square Mall, J. P. Rizal Street, Barangay Tabok, Mandaue City                                         |
| 13                        | GAISANO MACTAN                       | Gaisano Grand Mall Mactan, Basak – Marigondon Road Corner Ibabao – Gisi – Agus Road, Lapu – Lapu City, Cebu   |
| 14                        | PUEBLO VERDE MACTAN                  | Pueblo Verde, Mactan Economic Zone II SEZ, Barangay Basak, Lapu – Lapu City                                   |
| 15                        | MARINA MALL MACTAN                   | 2/F Mactan Marina Mall, MEPZ 1, Ibo Lapu-Lapu City, Cebu                                                      |
| 16                        | MANAPLA, BACOLOD                     | G/F Gustilo Town Center Provincial Road corner National Highway Manapla, Negros Occidental                    |
| 17                        | CITY MALL DUMAGUETE                  | G/F City Mall Dumaguete, Veterans Avenue, National Highway, Daro, Dumaguete City                              |
| 18                        | CITY MALL GOLDENFIELD                | G/F City Mall Goldenfield Bacolod West Side, Araneta Avenue, Bacolod City                                     |
| AREA 9: MINDANAO          |                                      |                                                                                                               |
| 1                         | SM CITY DAVAO                        | 2/F SM City-Davao, Quimpo Blvd. Cor. Tulip Drive Matina, Davao City                                           |
| 2                         | SM CITY LANANG, DAVAO                | 2/F SM Lanang Premier, Jose P. Laurel Ave., Brgy. San Antonio Agdao, Davao City                               |
| 3                         | JLF PARKWAY DAVAO                    | G/F Doors 107 & 108, JLF Parkway Building A, Pichon Corner Quirino Streets, Davao City                        |
| 4                         | FELCRIS DAVAO                        | 2/F Felcris Centrale, Quimpo Boulevard, Barangay 40 – D, Davao City                                           |
| 5                         | GAISANO DIGOS, DAVAO                 | Gaisano Grand Digos, G/F Unit 8 & 9, Quezon Avenue, Digos City, Davao Del Sur                                 |
| 6                         | SM CITY CAGAYAN DE ORO               | G/F SM City- Cagayan de Oro, Masterson's Avenue, Brgy. Canitoan, Cagayan de Oro City                          |
| 7                         | CHIMES MALL DAVAO                    | Chimes Mall, Barangay 27 - C, Governor Sales Street Corner Sta. Ana Avenue, Davao City                        |
| 8                         | ROBINSON'S PLACE GENERAL SANTOS CITY | Robinson's Place General Santos City, G/F Robinson's Mall, J. Catolico Sr. Avenue, Lagao, General Santos City |
| 9                         | BERD'S ILIGAN                        | G/F and Mezzanine, Berd's Bldg. Gen. Aguinaldo cor. B.S. Ong Sts., Iligan City                                |

*\*Sites waiting for relocation*



# **MATERIALITY PROCESS**

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# MATERIALITY PROCESS

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.\*

*\*See GRI 102 – 46 (2016) for more guidance.*

In preparing its Sustainability Report, the organization made reference to the GRI Standards, particularly GRI 102: General Disclosures. The Organization adopted the subsequent approach to identify material topics:

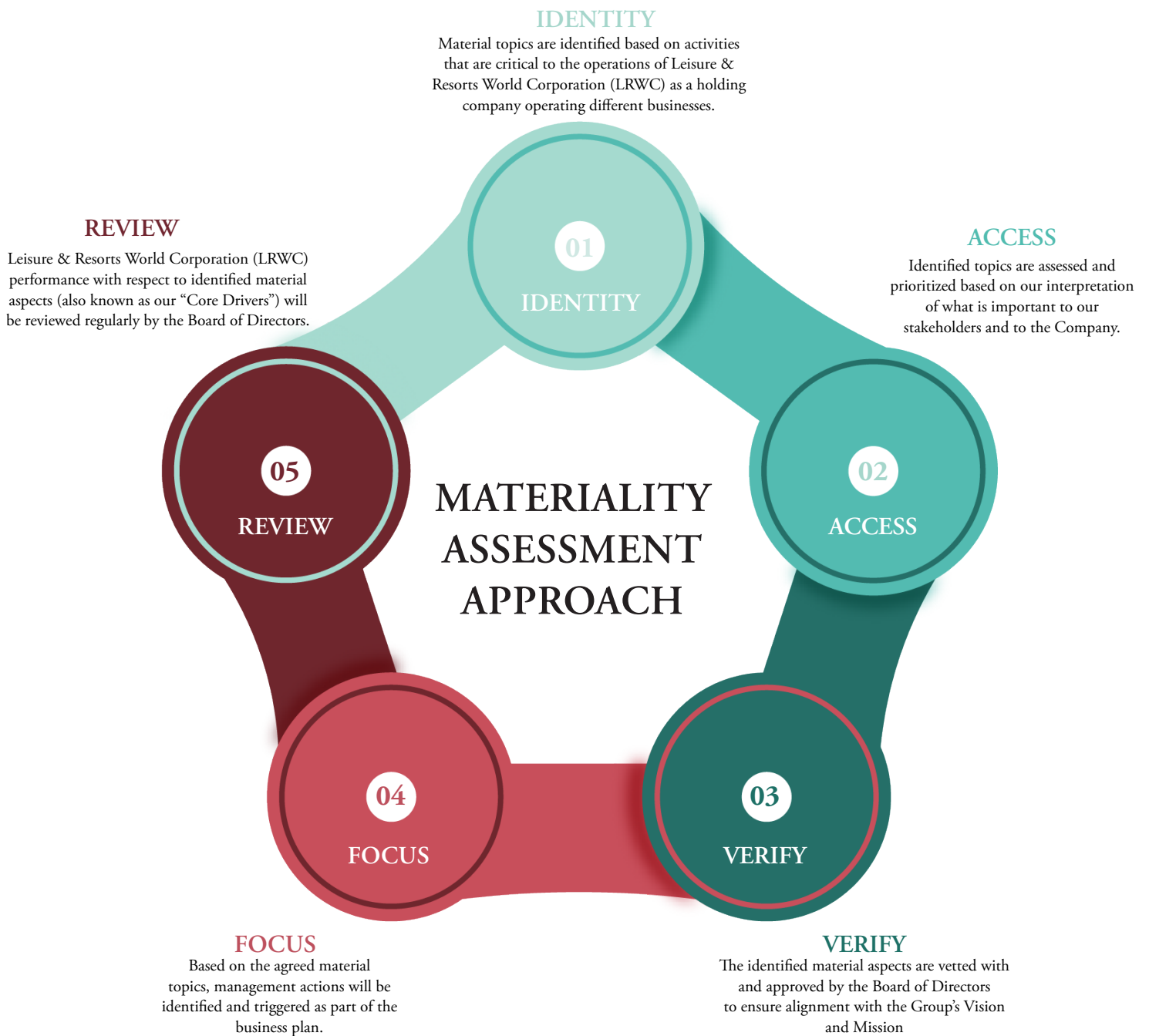


Figure 1 Materiality Assessment Approach

The Organization has identified and prioritized the following Core Drivers for the Company and its Stakeholders as duly reflected in its Sustainability Framework based on the Materiality Assessment:

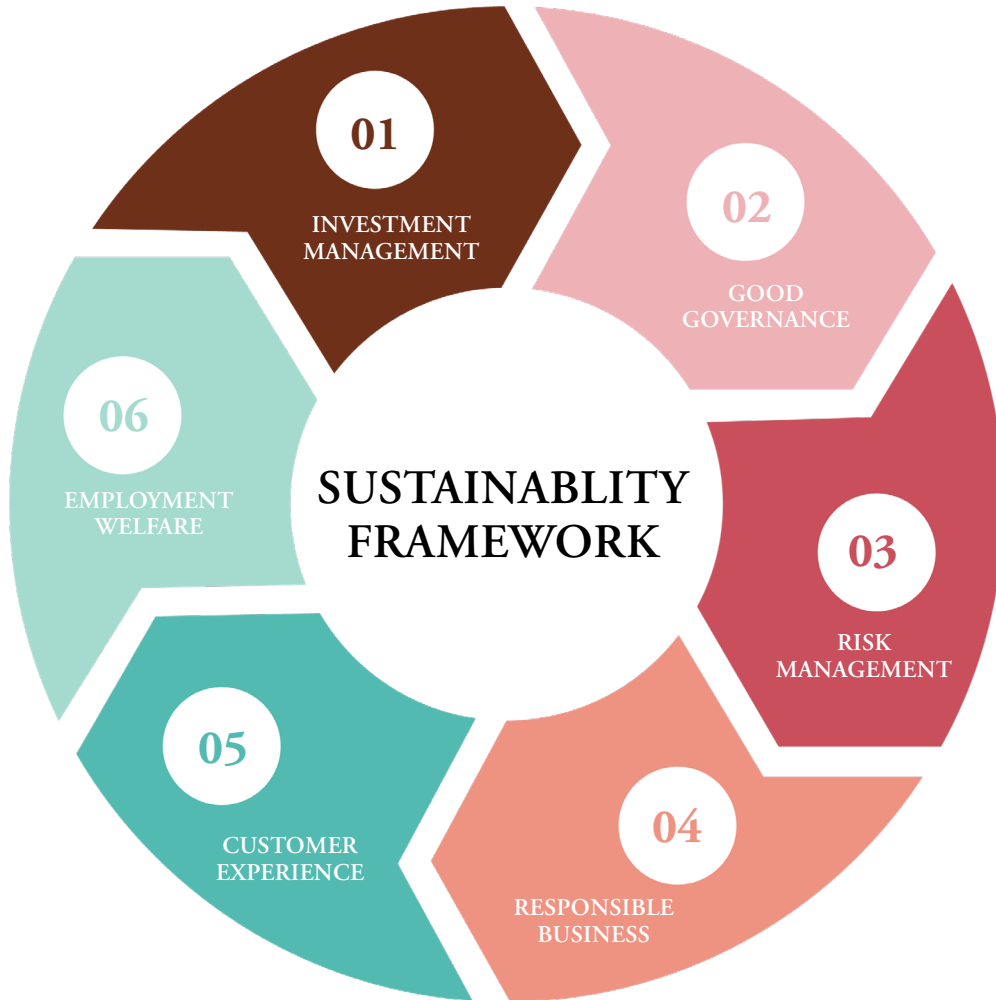


Figure 2 Sustainability Framework

|                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>INVESTMENT MANAGEMENT</b></p> <ul style="list-style-type: none"> <li>Direct Economic Value Generated</li> <li>Direct Economic Value Distributed</li> <li>Indirect Economic Performance</li> <li>Economic Value Retained</li> </ul> |  <p><b>RESPONSIBLE BUSINESS</b></p> <ul style="list-style-type: none"> <li>Environmental Compliance</li> <li>Diversity, Equal Opportunity, &amp; Anti – Discrimination</li> </ul>                                                          |
|  <p><b>GOOD GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>Anti – Corruption (3)</li> <li>Anti – Competitive Behavior</li> <li>Tax Transparency</li> </ul>                                                                     |  <p><b>CUSTOMER EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>Customer Satisfaction</li> </ul>                                                                                                                                 |
|  <p><b>RISK MANAGEMENT</b></p> <ul style="list-style-type: none"> <li>Data Security</li> <li>Security Practices</li> <li>Occupational Health &amp; Safety</li> </ul>                                                                      |  <p><b>EMPLOYEE WELFARE</b></p> <ul style="list-style-type: none"> <li>Employee Hiring &amp; Benefits</li> <li>Employee Training &amp; Development</li> <li>Labor Standards &amp; Human Rights</li> <li>Benefit Plan Obligation</li> </ul> |

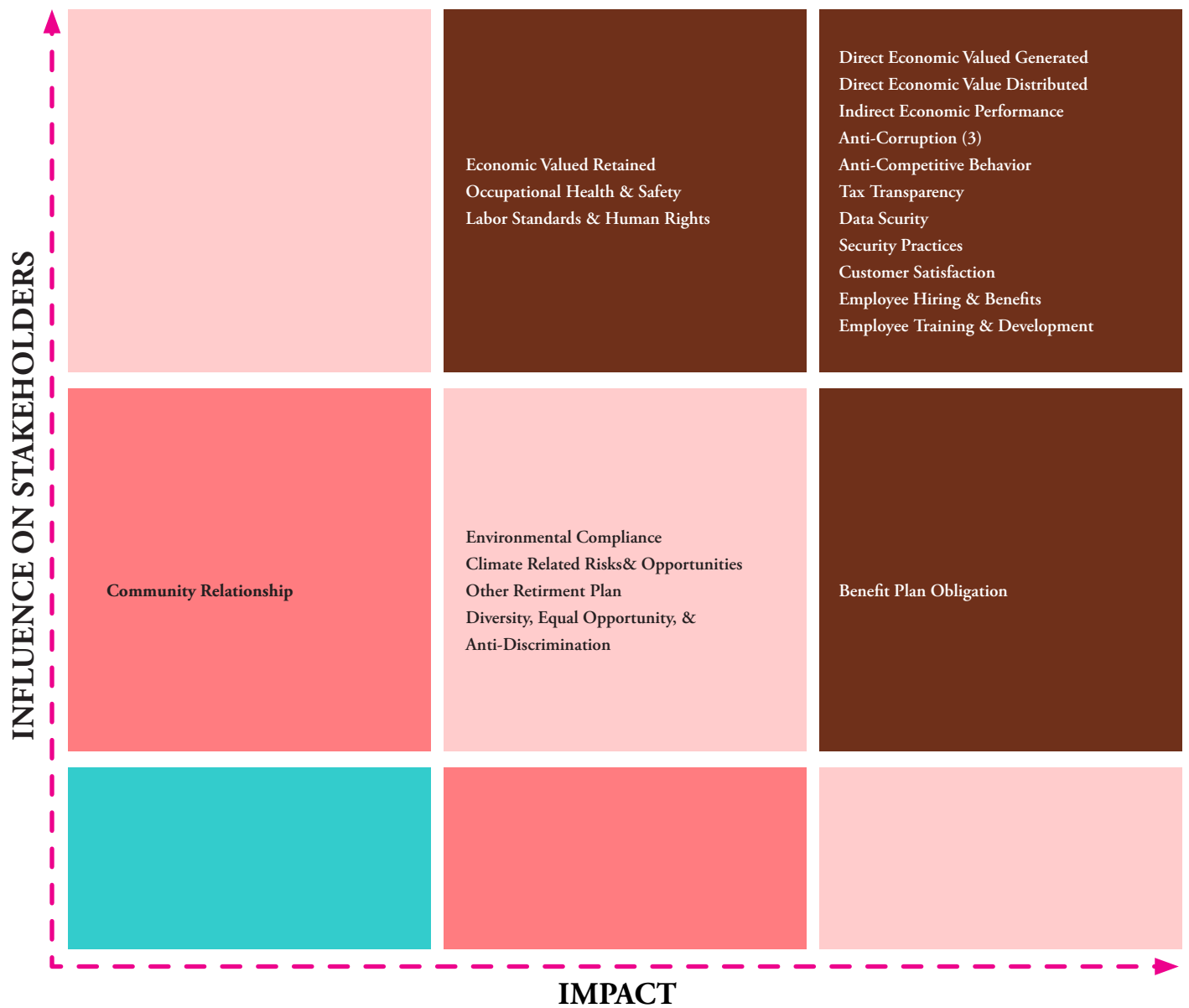


Figure 3 Materiality Assessment Matrix

**Materiality Levels:**

High

Medium

Moderate

Low

Data for some disclosure topics in this report are from specific subsidiaries of the Organization and not all companies within the Group. This is reflective of its materiality and relevance to the operation of the subsidiary, and we can provide specific information on such disclosures, if necessary.





# **ECONOMIC PERFORMANCE**

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# ECONOMIC PERFORMANCE

## Direct Economic Value Generated and Distributed

| DISCLOSURE                                                                 | AMOUNT           | UNITS |
|----------------------------------------------------------------------------|------------------|-------|
| Direct Economic Value Generated (Revenue)                                  | 2,307,613,207.15 | PHP   |
| Direct Economic Value Distributed:                                         |                  |       |
| a. Operating Costs                                                         | 1,308,914,708.58 | PHP   |
| b. Employee Wages and Benefits                                             | 324,301,687.18   | PHP   |
| c. Payments to Suppliers, Other Operating Costs                            | 1,179,163,532.83 | PHP   |
| d. Dividends given to Stockholders and Interest Payments to Loan Providers | 33,177,495.15    | PHP   |
| e. Taxes given to Government                                               | 143,811,776.68   | PHP   |
| f. Investments to Community (e.g. Donations, CSR)                          | 236,856.00       | PHP   |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                                         | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                               | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amid the ongoing pandemic, the Organization continuous to sustain its financial performance through the economic value generated from the Group's primary business operation. The Organization has managed to generate growth in revenue despite adverse market conditions, tight competition and regulations concerning the gaming industry in the country. | The stakeholders affected are: <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization; and</li> <li>• The community where the business operates.</li> </ul> | To strengthen the Organization's resilience against unprecedented scenarios, the Organization maintains multiple credit lines to bolster liquidity and actively manages its debt obligations to support existing and new projects while ensuring a manageable repayment schedule. Financial and operating results are reported on a quarterly and annual basis through consolidated financial statements which are prepared in accordance with the currently implemented Philippine Financial Reporting Standards. |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                                                                                                       | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                      | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Covid-19 pandemic and the ensuing community quarantines disrupted the revenue performance of the Organization. The Organization became more discerning in allocating resources and invested in programs and initiatives that ensures the safety and welfare of its employees and local communities while some branches of the Business Units continue to operate reliably.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization; and</li> <li>• The community where the business operates.</li> </ul> | <p>The Organization eventually adopted strategies that increase financial returns and that avoid, mitigate, or rectify risks. The decrease in revenues was partially offset by lower operating expenses driven by lower operations and maintenance costs, personnel costs, consultancy fees, and taxes.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                                                                                                 | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                      | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The gaming industry continues to expand with a different approach to meet the evolving demands of its customers. This expansion of markets creates opportunities for the Organization to be more competitive and to differentiate its offerings to the consumers.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization; and</li> <li>• The community where the business operates.</li> </ul> | <p>The Organization sees a bright future within its sector. LRWC has several capacity-adding projects under construction and in the pipeline to help address the anticipated demand. The growing market for an innovative gaming experience is expected to increase in the near future and the Organization is on the lookout for ways to augment its capacity and resources for these opportunities.</p> |

## 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         | 97.5     | %     |
| Percentage of Business Partners to whom the Organization’s Anti – Corruption Policies and Procedures have been Communicated To | 56.5     | %     |
| Percentage of Directors and Management that have Received Anti – Corruption Training                                           | 100      | %     |
| Percentage of Employees that have Received Anti – Corruption Training                                                          | 47.5     | %     |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION’S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                                                 | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corruption within the Organization inhibits economic growth and affects business operations, employment, and investments. It also reduces tax revenue and the effectiveness of various financial assistance programs. Corruption can also impact Organization’s relationship with its suppliers, diminish shareholder value, and can lead to reputational damage. | The stakeholders affected are: <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization; and</li> <li>• The government regulators.</li> </ul> | The Organization is diligent in implementing steps that condones wrongdoing and that after a proper root cause analysis and investigation, intentional corruption is reprimanded accordingly. A policy of zero-tolerance of corruption is communicated through the Employee Code of Discipline and Good Behavior which is also extended to its supplier through the Supplier Code of Conduct. Employees are given regular training to observe these practices and an annual review is being conducted to the Organization’s suppliers. |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                            | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Organization is vigilant for any incident of corruption within its community. The risks that suppliers can pose to the Organization is supplier and its compliance to the Organization’s anti-corruption practices is highly expected. | The stakeholders affected are: <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization; and</li> <li>• The government regulators.</li> </ul> | The Organization maintains its policy regarding anti-corruption through its Employee Handbook. Supplier accreditation process is enforced, while training and supplier orientation are strictly implemented. |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                                                                                                                                                                                                | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| An organization that upholds anti-corruption practices creates a culture of integrity. The Organization has been thriving towards such direction in its effort to build a strong reputation for the Company and grows its pool of talents from rank and file up to director level with the best set of characters and values vital for the success of the Organization. | The stakeholders affected are: <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization; and</li> <li>• The government regulators.</li> </ul> | The Organization equips its directors, the management, employees, and business partners with programs that will help them achieve growth and empower them to uphold integrity in performing their respective roles and in building the Organization's reputation within its sector. |

## 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                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Corruption has significant impact on the Organization's reputation and competitiveness. It can affect the entire supply chain, undermines competition, and increase costs to firms. It also prevents a fair, and efficient private sector, reduces the quality of product and services and leads to missed business opportunities.</p> <p>Corruption will also impact the Company's relationship with its suppliers, diminish shareholder value, and can lead to reputational damage.</p> | The stakeholders affected are: <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization; and</li> <li>• The government regulators.</li> </ul> | <p>The Organization has undertaken the initiative to establish and implement anti – corruption practices through an Anti – Corruption Policy incorporated in the Employee Code of Discipline / Good Behavior and extended it to its suppliers through the Supplier Code of Conduct.</p> <p>These practices have been reinforced through regular training for the employees and annual review for the suppliers.</p> |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                        | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Organization will need to be mindful of the risk of ensuring the local suppliers' integrity and their commitment to adhering to the Organization's anti – corruption practices. Employees conniving with corrupt practices of suppliers can put the reputation of the Organization at risk.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization;</li> <li>and</li> <li>• The government regulators.</li> </ul> | <p>The Organization upholds the strict implementation of its supplier accreditation process and more importantly, reinforce the Anti-Corruption Policy (Employee Handbook) through trainings and supplier orientation.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                      | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>There is an opportunity to increase the number of directors, management, employees, and business partners trained on the anti – corruption policies and practices of the Organization.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The suppliers of the Organization;</li> <li>• The customers of the Organization;</li> <li>and</li> <li>• The government regulators.</li> </ul> | <p>The Organization has undertaken the initiative to identify and select the most suitable training program for directors, management, employees, and business partners. The Organization is in the process of organizing and planning the training upon completion of the necessary requirements.</p> |



# **ENVIRONMENT**

# 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  | 0.00     | PHP   |
| No. of Non – Monetary Sanctions for Non – Compliance with Environmental Laws and / or Regulations | 0        | #     |
| No. of Cases Resolved through Dispute Resolution Mechanism                                        | 0        | #     |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                                                                                                            | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                                          | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Due to the continued threat of the Covid-19, the Organization shifted to a work-from-home set-up for those working in the head office while the branches implemented a skeletal workforce resulting to significant reduction in energy consumption of the Organization. Even during sporadic resumption of office and branches, the Organization continued to practice lean facility operations to further reduced cost.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The customers of the Organization;</li> <li>• The government regulators; and</li> <li>• The community where the business operates.</li> </ul> | <p>The Organization implemented the mandatory reduction of facility operations, particularly on air-conditioning units in the branches during the quarantine periods and government mandated lockdowns. The Organization also exercised its existing policies and programs on energy management, efficient consumption of utilities, utilization of equipment that reduces energy consumption. Associates also observed Enercon practices and went to trainings to maintain reasonable use of energy and further identify what will be needed to reduce the electricity consumption.</p> |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                                                                          | WHICH STAKEHOLDERS ARE AFFECTED?                                                                                                                                                                                                                                                                                                          | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Increasing cost of energy and resources puts a strain on the ability of the Organization to manage operational costs.</p> <p>Given the nature of operations in some of the buildings operated and owned by the company, there is a potential for high emissions of greenhouse gases or GHGs if the consumption of resources are not well managed.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> <li>• The shareholders and investors of the Organization;</li> <li>• The employees of the Organization;</li> <li>• The customers of the Organization;</li> <li>• The government regulators; and</li> <li>• The community where the business operates.</li> </ul> | <p>The Organization constantly studies its policies, processes, and actions to ensure compliance with environmental regulations. The Organization believes that responsible environmental practices does not only avoid huge number of health and other risks but also sees opportunities to lower operating costs while reducing the environmental impact.</p> |



**WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?**

The pandemic hastened the transition to digital platforms to ensure business continuity. Some of the Organization's practices shifted to digitalization which reduced cost of paper consumption and prevented human contact which was vital for the Organization's campaign in mitigating the transmission of the Covid-19 virus.

**WHICH STAKEHOLDERS ARE AFFECTED?**

The stakeholders affected are:

- The shareholders and investors of the Organization;
- The employees of the Organization;
- The customers of the Organization;
- The government regulators; and
- The community where the business operates.

**MANAGEMENT APPROACH**

The Organization follows through the sustainable practices it initiated when the pandemic broke out a year ago. Other manual practices are being investigated on how it can be transformed into a digital format. The Organization continuous to re-assess its properties and facilities for environmental compliance to eventually come up with and proactively promote an environmental compliance plan.



**SOCIAL**

# EMPLOYEE MANAGEMENT

## Employee Hiring and Benefits Employee Data

| DISCLOSURE                                         | QUANTITY | UNITS |
|----------------------------------------------------|----------|-------|
| Total Number of Employees*                         |          |       |
| a. Number of Female Employees                      | 571      | #     |
| b. Number of Male Employees                        | 341      | #     |
| Attrition Rate**                                   | -0.13    | Rate  |
| Ratio of Lowest Paid Employee Against Minimum Wage | 1:1      | Ratio |

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

\*\*Attrition Rate = (No. of New Hires less No. of Turnover) / (Average of Total Number of Employees of Previous Year and Total Number of Employees of Current Year)

## EMPLOYEE BENEFITS

| DISCLOSURE                               | Y/N | % FEMALE EMPLOYEES WHO AVAILED THIS YEAR | % MALE EMPLOYEES WHO AVAILED THIS YEAR |
|------------------------------------------|-----|------------------------------------------|----------------------------------------|
| SSS                                      | Y   | 2.20%                                    | 22.03%                                 |
| PhilHealth                               | Y   | 1.88%                                    | 21.34%                                 |
| PAG – IBIG                               | Y   | 3.65%                                    | 3.03%                                  |
| Parental Leaves                          | Y   | 1.13%                                    | 4.09%                                  |
| Vacation Leaves                          | Y   | 89.76%                                   | 94.09%                                 |
| Sick Leaves                              | Y   | 2.76%                                    | 1.54%                                  |
| Medical Benefits (Aside from PhilHealth) | Y   | 0.92%                                    | 0.77%                                  |
| Housing Assistance (Aside from PAG-IBIG) | N   | 0.00%                                    | 29.31%                                 |
| Retirement Fund (Aside from SSS)         | Y   | 0.0%                                     | 0.0%                                   |
| Further Education Support                | Y   | 0.0%                                     | 0.0%                                   |
| Company Stock Options                    | N   | ---                                      | ---                                    |
| Telecommuting                            | N   | 82.75%                                   | 69.41%                                 |
| Flexible Working Arrangement (FWA)       | N   | 0.0%                                     | 0.0%                                   |

| <b>WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br/>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?</b>                                                                                                                                                                                                                                                                                                                                                 | <b>WHICH STAKEHOLDERS ARE AFFECTED?</b>                                                                                                                                                    | <b>MANAGEMENT APPROACH</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>A healthy organization is one that spends less time and money on hiring and training. It gives the company the liberty of time to focus on its end goals. By having a structured and competitive employee benefits plan, the company's retention efforts will be concentrated for future growth. The company will also have a good image that can result in attracting the best talents that will be happy to work for the company for longer period.</p> | <p>The affected stakeholders are:</p> <ul style="list-style-type: none"> <li>• The community where the Organization operates; and</li> <li>• The employees of the Organization.</li> </ul> | <p>A strong business is only as good as its people, which is why employee welfare and well-being are among the top priorities of the Organization. Bringing out the best in the Company's workforce also entails the creation of a work environment that is safe, professional, and rewarding.</p> <p>LRWC makes sure that its internal policies and processes related to its employees are aligned with all applicable laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities.</p> |

| <b>WHAT ARE THE RISK/S IDENTIFIED?</b>                                                                                                                                                                                                                                                      | <b>WHICH STAKEHOLDERS ARE AFFECTED?</b>                                                                                                                                                    | <b>MANAGEMENT APPROACH</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>High staff turnover results in business having a limited number of employees who understand risk management and can transfer this knowledge to the new recruits. The shortage of staff results in the need for formal training which is usually externally sourced and is expensive.</p> | <p>The affected stakeholders are:</p> <ul style="list-style-type: none"> <li>• The community where the Organization operates; and</li> <li>• The employees of the Organization.</li> </ul> | <p>In accordance with the Organization's thrust to be the preferred employer in its field, the Organization not only maintains a healthy and safe work environment for its employees, but it also thrives to provide programs that support their personal and professional growth. The Organization plans to roll out various programs focus on trainings that would help the employees develop their skill sets, gain knowledge on the best practices in the industry, promote teamwork and productivity.</p> |

| <b>WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?</b>                                                                                                                                                                                                                                                                                                                                                                               | <b>WHICH STAKEHOLDERS ARE AFFECTED?</b>                                                                                                                                                    | <b>MANAGEMENT APPROACH</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>To become an employer of choice, a top-tier benefit plan is essential to give the Organization an advantage when recruiting top talent. It also motivates skilled employees to stay with the employer longer when the package is too good to choose over another. Executing a competitive employee benefit plan may reduce turnover and lower the time and cost of processing departing employees and hiring new ones.</p> | <p>The affected stakeholders are:</p> <ul style="list-style-type: none"> <li>• The community where the Organization operates; and</li> <li>• The employees of the Organization.</li> </ul> | <p>While the Organization has not been spared from the effects of the pandemic, and further challenged by some internal shake-ups, the Organization strives to provide a flexible and competitive benefit plans which is a powerful tool for keeping employees engaged with the Company. The Organization values its employees' quality of life as well as their contributions to the company and aims to position itself as a leader in the industry and the kind of business where people want to work.</p> |

## EMPLOYEE TRAINING AND DEVELOPMENT

| DISCLOSURE                                   | QUANTITY | UNITS            |
|----------------------------------------------|----------|------------------|
| Total Training Hours Provided to Employees   |          |                  |
| a. Female Employees                          | 4,326    | Hours            |
| b. Male Employees                            | 1,810    | Hours            |
| Average Training Hours Provided to Employees |          |                  |
| a. Female Employees                          | 7.6      | Hours / Employee |
| b. Male Employees                            | 5.3      | Hours / Employee |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                    | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee training and development programs are essential to the success of a company. It is an opportunity for the staff to improve their skills and for the Organization to enhance employee productivity and improve company culture. | The Organization is aware of the continuous need for learning and development across all levels. While the pandemic brought a drop in the training hours due to suspension of large gatherings and connectivity concerns, the Organization is in the process of developing a training plan so that employees' growth and development are continuously supported. |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                                                                                      | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Organization understands the workforce's transition to remote work. While a training plan is being developed, the technical aspect may also be a challenge both for the Organization and the employees. Employees are also expected to commit to every learning opportunity provided by the Organization, otherwise target goals of the program will not be met. | The Organization works toward providing opportunities to its employees that will help them achieve new heights in their respective roles. The Organization reinforces its initiative to include the conduct of trainings to be one of the Key Performance Indicators (KPIs) during employee and department performance reviews |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                            | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A well-trained workforce has everything to gain for the Organization. Wastage are reduced, organizational structure are improved, increase in productivity and performance and reduced supervision. | The Organization is creating a plan to host regular training sessions especially for the new hires. Training goals will be set to measure the success and areas to improve. Key programs will be arranged as well for the Supervisory and Staff levels to ensure their high morale at work and in dealing with different situations when on duty. |

# WORKPLACE CONDITIONS, LABOR STANDARDS, AND HUMAN RIGHTS

## Occupational Health and Safety

| DISCLOSURE                       | QUANTITY | UNITS     |
|----------------------------------|----------|-----------|
| Safe Man-Hours                   | 883,286  | Man-Hours |
| No. of Work – Related Injuries   | 0        | #         |
| No. of Work – Related Fatalities | 0        | #         |
| No. of Work – Related Ill-Health | 0        | #         |
| No. of Safety Drills             | 0        | #         |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                                               | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Prioritizing Occupational Health and Safety (OHS) helps the Organization achieve business goals and creates a strong employer brand.</p> <p>When a company fails to comply with the basic health and safety requirements, the reputation of the brand can be at serious risk which can result to poor business performance and low morale of the employees.</p> | <p>The Organization upholds the implementation of its existing policies listed below to ensure a safe and healthy working environment:</p> <ul style="list-style-type: none"> <li>• Workplace Policy and Program on TB Prevention and Control;</li> <li>• Alcohol – Free Workplace Policy and Program;</li> <li>• Drug – Free Workplace Policy and Program;</li> <li>• HIV / AIDS Workplace Policy and Program;</li> <li>• Occupational Safety and Health (OSH) Program;</li> <li>• Smoke – Free Workplace Policy and Program;</li> <li>• Workplace Policy and Program on Hepatitis B;</li> <li>• Mental Health and Well – Being Policy;</li> <li>• Mother – Baby Friendly Workplace Policy;</li> <li>• Solid Waste and Hazardous Waste Management Policy; and</li> <li>• Emergency Policies and Procedures.</li> </ul> |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                          | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The consequences of non-compliance with OSH affects every industry and can result in (1) large financial penalties, (2) loss of productivity and revenue (3) government sanctions and license suspensions and (4) the risk of injury and potential lawsuits due to an unsafe working environment.</p> | <p>The Organization reinforces a work culture that promotes employee wellness in and out of the workplace. The work sites also regularly implement safety programs to ensure that LRWC's employees are kept from harm. The Organization values every one of its employees thus considers their welfare, security and safety. Work is kept within the regulated hours and compliance with health and safety standards is strictly followed at all levels and employee categories.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                                                                             | MANAGEMENT APPROACH                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <p>A substantial reduction in the rate of incidents and accidents will be achieved by a company compliant of the OSH. When there is full health and safety compliance in the workplace, the risk of fines is reduced along with litigation fees.</p> | <p>The Organization ensures its compliance to the requirements of Occupational Health &amp; Safety based on Republic Act 11058.</p> |

## Labor Laws and Human Right

| DISCLOSURE                                                                  | QUANTITY | UNITS |
|-----------------------------------------------------------------------------|----------|-------|
| No. of Legal Actions or Employees Grievance involving Forced or Child Labor | 0        | #     |

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

| TOPIC        | Y/N | IF YES, CITE REFERENCE IN COMPANY POLICY    |
|--------------|-----|---------------------------------------------|
| Forced Labor | Y   | Employee Code of Discipline / Good Behavior |
| Child Labor  | N   |                                             |
| Human Rights | Y   | Employee Code of Discipline / Good Behavior |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                 | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The impact of compliance with labor laws and regulations extends not only to workers and employers but to the entire society where it operates as it creates a fair and just environment. Being familiar with the law and complying to it also gives the best protection for the Organization from empty threats or lawsuits.</p> | <p>The Organization has established a grievance mechanism that enables the HR team to collect and analyze data for work-related issues and concerns of the employees. The LRWC group has been practicing compliance with the laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. It has an Employee Handbook in placed that includes an Employee Code of Discipline / Good Behavior to keep employees and the Management guided.</p> |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Businesses that are out of compliance face fines and penalties from several regulations, on top of that, reputational damage is also on the hook. Compliance and ethical business reap benefits for both their external, consumer brand reputation and internally with their employer brand. Compliance is based on the best practices, rules, and regulations of the Organization. Without those, the Organization can compromise the (1) safety of its people, (2) personal information of the employees and the sensitive data of the Organization, and (3) fair labor practices.</p> | <p>The LRWC group has been practicing compliance with the laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. It has an Employee Handbook in placed that includes an Employee Code of Discipline / Good Behavior to keep employees and the Management guided.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                        | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Benchmarking with other relevant Organizations to ensure implementation of the relevant industry's good labor practices.</p> | <p>The LRWC group has been practicing compliance with the laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. It has an Employee Handbook in placed that includes an Employee Code of Discipline / Good Behavior to keep employees and the Management guided.</p> |

# CUSTOMER MANAGEMENT

## Customer Satisfaction

| DISCLOSURE            | SCORE | DID A THIRD PARTY CONDUCT THE CUSTOMER SATISFACTION STUDY (Y/N)? |
|-----------------------|-------|------------------------------------------------------------------|
| Customer Satisfaction | 88%   | Y                                                                |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                                                                                                                       | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Customer satisfaction is crucial for the success of any business. Collecting customer satisfaction data can help an organization in determining what products, services and internal processes works well for them and what they should improve on or change completely. Great customer satisfaction and high customer retention are strongly linked. Customer retention powers sales and helps businesses maintain sustainability.</p> | <p>Providing an excellent customer experience has always been the Organization's driving force. The Operations team of the Organization establishes and implements an internal customer feedback mechanisms through a third-party service provider. The Organization sees to it that they analyze and verify the periodic results of the customer satisfaction survey which allows them to study what practices to improve and maintain. An internal commendation mechanism for the employees of the Organization is also regularly observed as part of the Company's incentive program.</p> |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                                                               | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>If an organization is unable to meet customer expectations or lacks a proper customer management system, the organization may have to deal with (1) disgruntled customer, (2) inadequate information system, and (3) unsuitable staff.</p> | <p>The Organization ensures the satisfaction of its customer through the training it provides to its staff. It has also undertaken the initiative to establish and implement internal customer feedback mechanisms. The Organization further undertakes the initiative to periodically verify the results of the internal customer feedbacks through a third – party customer satisfaction survey.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                                                                  | MANAGEMENT APPROACH                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <p>An excellent customer service are manifested through motivated, skilled, and appropriately informed employees. The Organization gets its confidence to its workforce who are operating at the highest standard of business ethics.</p> | <p>An internal commendation mechanism for the employees of the Organization is also regularly observed as part of its incentive program.</p> |



## Data Security

| DISCLOSURE                                                        | QUANTITY | UNITS |
|-------------------------------------------------------------------|----------|-------|
| No. of Data Breaches, including Leaks, Thefts, and Losses of Data | 0        | #     |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR?<br>WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT?                                                                                                                                                                                                                                    | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Data security are protective measures put in place to keep unauthorized access away from databases, websites, and modern devices. The business confidence of the Organization depends on this mechanism for the protection of its data from loss or corruption and compromising the Organization's relationships with its stakeholders. | The Organization ensures its compliance to the Data Privacy Act of 2012 (RA 10173) and has undertaken initiatives to establish and implement Data Privacy statements and Data Security practices, including the appointment of a dedicated Data Privacy Officer (DPO) and the establishment of a Data Privacy Committee (DPC). |

| WHAT ARE THE RISK/S IDENTIFIED?                                                                                                                                                                           | MANAGEMENT APPROACH                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Organization can be at serious risk of (1) revenue loss, (2) damage to brand reputation, (3) loss of intellectual property, (4) hidden costs, and (5) online vandalism in the event of a data breach. | The Organization ensures appointment of a Data Privacy Officers (DPOs) per company, subsidiaries and subsidiaries of its subsidiaries. The Organization also establishes a Data Privacy Committee (DPC) to oversee matters related to data privacy and security and creates privacy policies to uphold the data privacy guidelines set by the National Privacy Commission (NPC). |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED?                                                                                                                                                                                                        | MANAGEMENT APPROACH                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appropriately informed stakeholders of the Organization (shareholders, investors, employees, customers, suppliers, and government regulators) provides assurance that the Organization is operating at the highest standard of business ethics. | The Organization through its Data Privacy Committee (DPC) has established data privacy statements, notices, policies, and data security practices to keep employees informed and guided about handling the Organization's and their own sensitive information. |



# LRWC

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