

APC Group, Inc.

Sustainability Reporting Template

Contextual Information

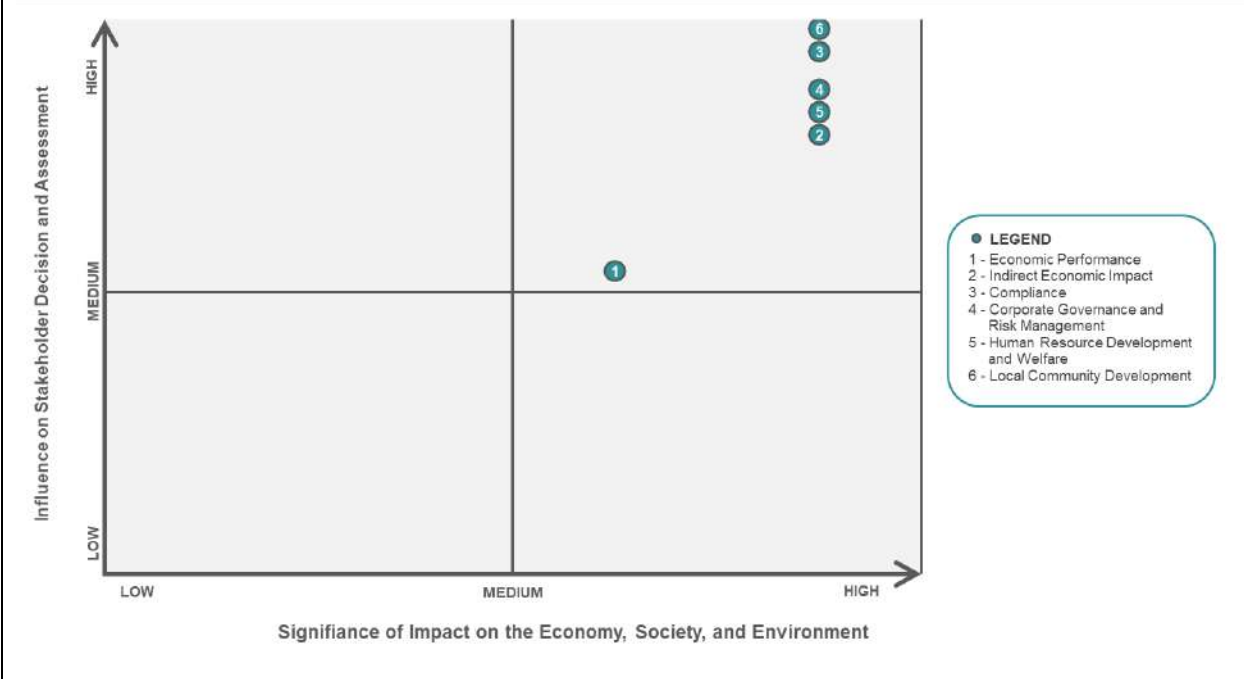
Company Details	
Name of Organization	APC Group, Inc. (APC or the "Company")
Location of Headquarters	G/F MyTown New York Bldg., General E. Jacinto St. corner Capas St., Brgy. Guadalupe Nuevo, Makati City
Location of Operations	APC's Principal Address is at G/F MyTown New York Bldg., General E. Jacinto St. corner Capas St., Brgy. Guadalupe Nuevo, Makati City
Report Boundary: Legal entities (e.g. subsidiaries) included in this report	Within APC only (parent only)
Business Model, including Primary Activities, Brands, Products, and Services	Originally organized to engage in the oil and gas exploration and development in the Philippines, APC was incorporated in the Philippines and are registered with the Philippine Securities and Exchange Commission (SEC) on October 15, 1993. The SEC approved the change in the primary purpose of the Company to that of a holding company on April 30, 1997. The Company's shares of stock are publicly traded in the Philippine Stock Exchange, Inc. (PSE).
Reporting Period	January 1 to December 31, 2020
Highest Ranking Person responsible for this report	Mr. Jackson T. Ongsip, President and Chief Executive Officer,

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.					
To identify our Company's material economic, environmental, social, and governance (EESG) topics, we underwent through the following process:					
	1	2	3	4	5
Steps Taken	Build Corporate Capacity	Review of Business Model with Senior Management and Employees	Identify Material Topics	Prioritize Material Topics	Process Review

Description	Participation and attendance to SEC workshop on sustainability reporting, and internal training	Review of vision, operations, policies and practices, and identification of aspects which have critical impact on the EESG	Identification of material topics based on review of business	Engagement with internal and external stakeholders through dialogues and online surveys	Review of material topics and existing disclosures
--------------------	---	--	---	---	--

Materiality Matrix



ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	1,250,487	PhP
Direct economic value distributed:	8,661,434	
a. Operating costs	5,322,760	PhP
b. Employee wages and benefits	2,458,262	PhP

c. Payments to suppliers, other operating costs	0	Php
d. Dividends given to stockholders and interest payments to loan providers	0	PhP
e. Taxes given to government	880,412	PhP
f. Investments to community (e.g. donations, CSR)	0	PhP

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Primary business operations and supply chain caused by the organization</i></p>	<p><i>Employees, investors/shareholders, and suppliers/business partners, government</i></p>	<p><i>While not yet operating, the Company acknowledges the importance of sustainability to its businesses. It aims to create a direct economic impact through the economic value it will eventually distribute to its stakeholders in its primary business operations and supply chain.</i></p> <p><i>To be able to uphold its sustainable programs, APC, through its parent company, Belle Corporation (“Belle”), has adopted a global standard guiding principle aligned to the United Nations Global Compact to ensure proper implementation current practices and to seek for further developments.</i></p> <p><i>Led by our Management, the Company pursues to reach out to its stakeholders in order to recognize their interests.</i></p> <p><i>Alongside with Belle, and other co-subsidiaries, and as part of the SM Group, the Company anchored its sustainable development strategy to the seventeen (17) Sustainable Development Goals of the United Nations.</i></p> <p><i>This approach intends to have a strategic and diverse portfolio of businesses that delivers stable and reliable economic returns, which take into consideration social development and environmental protection.</i></p>

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Credit, liquidity and equity price risks; environmental risks which could hamper the exploration works, and put its employees in danger</i>	<i>Subsidiaries; employees; business partners; suppliers; host communities</i>	<p><i>The Board reviews and approves while the Management implements policies which protect the interest of the Company and that of the subsidiaries and other stakeholders. Programs and policies on safety are established and observance to such by the employees and business partners is required</i></p> <p><i>APC shall maintain a safe, productive and conducive workplace and comply with all applicable health, safety and environmental laws.</i></p> <p><i>The Company shall endeavor to adhere to sustainable practices that ensure the protection of the environment and shall seek to deliver maximum growth with minimal and responsible consumption of natural resources.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Increase of APC's shareholder value for partners and investors by seeking other renewable energy development investment opportunities</i>	<i>Employees, host community members, suppliers/business partners, and investors/shareholders</i>	<i>To be open to partnerships or joint ventures as the Company pursues exploration work program for its Kalinga project, which will provide jobs to the locals</i>

Climate-related risks and opportunities¹

Not material to the Company

Governance	Strategy	Risk Management	Metrics and Targets
Not material			
Recommended Disclosures			
Not material			
Not material			

¹ Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

<i>Not material</i>			
---------------------	--	--	--

Procurement Practices

Proportion of spending on local suppliers

- Not material to the Company

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	<i>Not material</i>	%

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

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	<i>100</i>	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	<i>100</i>	%
Percentage of directors and management that have received anti-corruption training	<i>100</i>	%
Percentage of employees that have received anti-corruption training	<i>100</i>	%

What is the impact and where does it occur? What is the	Which stakeholders are affected?	Management Approach
--	---	----------------------------

organization's involvement in the impact?		
<i>Established anti-corruption policies, standards, and practices due to information campaigns</i>	<i>Employees, host community members, suppliers/business partners, and investors/shareholders</i>	<p><i>In order to provide continued protection to the interests of its stakeholders, the Board is regularly presented with updates on best corporate governance practices and instructs the Management to update and cascade the policies to the employees for implementation.</i></p> <p><i>The Board has approved a policy on whistle-blowing that encourages employees to participate and work towards creating an environment where concerns can be freely raised for possible violations of the Company's Code of Business Conduct and Ethics, policies and laws without fear of retaliation.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Reputational risk</i>	<i>Employees, suppliers/business partners</i>	<i>The Company regularly reviews, updates and cascades its good governance policies. It also ensures its strict implementation, and application of sanctions as it deems fit.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>To maintain and increase stakeholders' trust and confidence to the Company, which can possibly influence potential investors and business partners, and be recognized a strong supporter of good governance practices.</i>	<i>Employees, host community members, suppliers/business partners, and investors/shareholders</i>	<p><i>The Company actively updates and cascades to its employees its policies, processes, and procedures, especially on corporate governance, particularly on anti-corruption.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>

Incidents of Corruption

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Primary business operations and supply chain caused by the organization and through its business relationship</i>	<i>Employees, host community members, suppliers/business partners, and investors/shareholders</i>	<p><i>In order to provide continued protection to the interests of its stakeholders, the Board is regularly presented with updates on best corporate governance practices and instructs the Management to update and cascade the policies to the employees for implementation.</i></p> <p><i>The Board has approved a policy on whistle-blowing that encourages employees to participate and work towards creating an environment where concerns can be freely raised for possible violations of the Company's Code of Business Conduct and Ethics, policies and laws without fear of retaliation.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Reputational risk</i>	<i>Employees, suppliers/business partners, investors, shareholders</i>	<i>The Company regularly reviews, updates and cascades its good governance policies. It also ensures its strict implementation, and application of sanctions as it deems fit.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

<p><i>To maintain and increase stakeholders' trust and confidence to the Company, which can possibly influence potential investors and business partners, and be recognized a strong supporter of good governance practices</i></p>	<p><i>Employees, host community members, suppliers/business partners, and investors/shareholders</i></p>	<p><i>The Company actively updates and cascades to its employees its policies, processes, and procedures, especially on corporate governance, particularly on anti-corruption.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>
---	--	---

ENVIRONMENT

Resource Management

Energy consumption within the organization:

- Not material to the Company

Disclosure	Quantity	Units
Energy consumption (renewable sources)	<i>Not material</i>	GJ
Energy consumption (gasoline)	<i>Not material</i>	GJ
Energy consumption (LPG)	<i>Not material</i>	GJ
Energy consumption (diesel)	<i>Not material</i>	GJ
Energy consumption (electricity)	<i>Not material</i>	kWh

Reduction of energy consumption

- Not material to the Company

Disclosure	Quantity	Units
Energy reduction (gasoline)	Not material	GJ
Energy reduction (LPG)	Not material	GJ
Energy reduction (diesel)	Not material	GJ
Energy reduction (electricity)	Not material	kWh
Energy reduction (gasoline)	Not material	GJ

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

Water consumption within the organization

- Not material to the Company

Disclosure	Quantity	Units
------------	----------	-------

Water withdrawal	<i>Not material</i>	Cubic meters
Water consumption	<i>Not material</i>	Cubic meters
Water recycled and reused	<i>Not material</i>	Cubic meters

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

Materials used by the organization

- Not material to the Company

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	<i>Not material</i>	kg/liters
• non-renewable	<i>Not material</i>	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	<i>Not material</i>	%

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

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Not material</i>		

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

- Not material to the Company

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<i>(identify all sites)</i> <i>Not material</i>	
Habitats protected or restored	<i>Not material</i>	Ha
IUCN2 Red List species and national conservation list species with habitats in areas affected by operations	<i>(list)</i> <i>Not material</i>	

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

Environmental impact management

Air Emissions

GHG

- Not material to the Company

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	<i>Not material</i>	Tonnes CO2e

² International Union for Conservation of Nature

Energy indirect (Scope 2) GHG Emissions	<i>Not material</i>	Tonnes CO2e
Emissions of ozone-depleting substances (ODS)	<i>Not material</i>	Tonnes

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

Air pollutants

- Not material to the Company

Disclosure	Quantity	Units
NOx	<i>Not material</i>	kg
SOx	<i>Not material</i>	kg
Persistent organic pollutants (POPs)	<i>Not material</i>	kg
Volatile organic compounds (VOCs)	<i>Not material</i>	kg
Hazardous air pollutants (HAPs)	<i>Not material</i>	kg
Particulate matter (PM)	<i>Not material</i>	kg

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

<i>Not material</i>		
---------------------	--	--

Solid and Hazardous Wastes

Solid Waste

- Not material to the Company

Disclosure	Quantity	Units
Total solid waste generated	<i>Not material</i>	kg
Reusable	<i>Not material</i>	kg
Recyclable	<i>Not material</i>	kg
Composted	<i>Not material</i>	kg
Incinerated	<i>Not material</i>	kg
Residuals/Landfilled	<i>Not material</i>	kg

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

Hazardous Waste

- Not material to the Company

Disclosure	Quantity	Units
Total weight of hazardous waste generated	<i>Not material</i>	kg
Total weight of hazardous waste transported	<i>Not material</i>	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Not material</i>		

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Not material</i>		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Not material</i>		

Effluents

- Not material to the Company

Disclosure	Quantity	Units
Total volume of water discharges	<i>Not material</i>	Cubic meters
Percent of wastewater recycled	<i>Not material</i>	%

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

Environmental compliance

Non-compliance with Environmental Laws and Regulations

- Not material to the Company

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	<i>Not material</i>	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	<i>Not material</i>	#
No. of cases resolved through dispute resolution mechanism	<i>Not material</i>	#

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

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ³	3	
a. Number of female employees	1	#
b. Number of male employees	2	#
Attrition rate ⁴	0%	rate
Ratio of lowest paid employee against minimum wage	1 : 2.19	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	100%	50%
PhilHealth	Y	0%	50%
Pag-ibig	Y	0%	50%
Parental leaves	Y	0%	0%
Vacation leaves	Y	100%	100%
Sick leaves	Y	100%	100%

³ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁴ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Medical benefits (aside from PhilHealth))	Y	100%	100%
Housing assistance (aside from Pag-ibig)	N	-	-
Retirement fund (aside from SSS)	Y	0%	0%
Further education support	N	-	-
Company stock options	N	-	-
Telecommuting	N	-	-
Flexible-working Hours	Y	0%	100%
(Others)	N	-	-

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Primary business operations caused by the organization – Having an average of 7 years of retention among the employees</i></p>	<p><i>APC values and gives importance to its employees by empowering them and fulfilling their career aspirations to help progress their capabilities, and to encourage loyalty, dedication, passion and productivity at work. The Company also believes that investing in its people and developing a diverse talent pool are critical to its success and growth. APC provides resources, services and facilities to equip its employees with the necessary knowledge and skills to better perform their duties as well as offer them various opportunities to continuously enhance their professional knowledge and skills, and to improve themselves as individuals and as members of the community.</i></p> <p><i>The Company also exerts its best efforts to maintain a climate conducive to working and provides a substantial level of job security, benefits and personal rewards for their employees. The performance evaluation system has been designed and established to provide a common and equitable basis for evaluating the performance of individual employees. It also implements policies on promotions and salary adjustments in support of APC's aim to empower and fulfill career aspirations of employees.</i></p>
What are the Risk/s Identified?	Management Approach

<i>Higher attrition rate which could affect the business operations and delivery of services; additional costs to be incurred due to the need to train employees</i>	<i>APC treats its employees fairly by providing them with opportunities for career development and advancement based on merit, regardless of gender, age, religion.</i> http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics
What are the Opportunity/ies Identified?	Management Approach
<i>To motivate talents, and to assure internal equity in pay</i>	<i>Constant exploration of human resource developments and enhancements, particularly on employment, benefits and other perquisites.</i>

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	0	hours
b. Male employees	0	hours
Average training hours provided to employees		
a. Female employees	0	hours/employee
b. Male employees	0	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Primary business operations caused by the organization – having a pool of specialized team players</i>	<i>APC values and gives importance to its employees by empowering them and fulfilling their career aspirations to help progress their capabilities, and to encourage loyalty, dedication, passion and productivity at work. The Company also believes that investing in its people and developing a diverse talent pool are critical to its success and growth. APC provides resources, services and facilities to equip its employees with the necessary knowledge and skills to better perform their duties as well as offer them various opportunities to continuously enhance their professional knowledge and skills, and to improve themselves as individuals and as members of the community.</i> <i>Upon being hired, an employee undergoes induction and orientation as may be determined</i>

	<i>by the Company. Each newly hired employee is introduced to the organization and is oriented on the personnel policies, guidelines and benefits through a Corporate Orientation Program. An annual mandated Corporate Training is also done to refresh employees on Company Codes and Policies. Specific technical training and compliance to Continuing Professional Development are among Management's approach to ensure learning and development of employees.</i>
What are the Risk/s Identified?	Management Approach
<i>Higher attrition rate which could affect the business operations and delivery of services; additional costs to be incurred due to the need to train employees</i>	<i>APC treats its employees fairly by providing them with opportunities for career development and advancement based on merit, regardless of gender, age, religion.</i> http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics
What are the Opportunity/ies Identified?	Management Approach
<i>Obtaining home-grown professionals equipped for career advancement/succession</i>	<i>Constant exploration of human resource developments and enhancements, particularly on employee training and development</i>

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Primary business operations caused by the organization and through the business relationship – effective cooperation between the management and labor workforce</i>	<i>Open communication lines amongst the Company's directors and management, and management and employees are maintained.</i> <i>It is also a goal and part of the mission of the Company to enhance the positive atmosphere of open communication and the maintenance of a productive work environment conducive to high</i>

	<i>performance and harmonious employer-employee relationship.</i>
What are the Risk/s Identified?	Management Approach
<i>Disagreements between management and employees leading to disruption of business operations and ultimately suspension of services</i>	<p><i>Code of Business Conduct and Ethics (the “CBCE”) was established to serve as a guideline for employee discipline and forms the grounds for disciplinary actions.</i></p> <p><i>The CBCE was also put in place to serve as a guide for directors, management, employees and other concerned stakeholders relative to the performance of their duties and responsibilities, as well as for all business dealings with the Company.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics</p>
What are the Opportunity/ies Identified?	Management Approach
<i>A clear and unified impartment of directions to attain the Company’s goals</i>	<i>Preserved communication mechanisms, and continuous look-out improvement</i>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	33%	%
% of male workers in the workforce	67%	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

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

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
<i>Primary business operations caused by the organization – Variety of equally-treated individuals with diverse approach and viewpoint to realize a common goal</i>	<p><i>The Company provides equal opportunities for its employees, regardless of age, gender, or creed and adopted policies, which promote and observe diversity to and equality throughout the organization.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>

	<i>APC encourages respect amongst its employees by setting policies and codes that support diversity in the workplace. It adheres to labor standards that support vulnerable sectors of the community (RA 9710), (RA 9262), and etc.</i>
What are the Risk/s Identified?	Management Approach
<i>Discrimination in the workplace</i>	<p><i>Whether in selection of the countries and markets where the Company operates, hiring and promotion of employees, selection of suppliers and contractors – the Company decides on the basis of merit and value to shareholders and does not discriminate on the basis of race, ethnicity, religion, or gender.</i></p> <p><i>All board members, officers, and employees are prohibited from practicing any form of discrimination or harassment in the workplace. This obligation to refrain from such behavior extends to contractors, vendors, suppliers, or visitors, to the extent that their conduct affects the work environment.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics</p>
What are the Opportunity/ies Identified?	Management Approach
<i>Capturing different perspectives and ideas, with equal appreciation, with the intention of achieving the Company's goals</i>	<i>Interminable improvement of the Company's policies on governance, particularly on diversity and equality</i>

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	8,670*	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	2	#

**full year*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
--	----------------------------

<i>Primary business operations caused by the organization – having active and fit employees, and harm-free working environment</i>	<p><i>Strict compliance of the Company’s safety, health and welfare policy.</i></p> <p><i>The Company provides medical/clinical benefits to all employees. Employees are entitled to a free standard check up in the Medical Clinic and are provided the available medicine supplies at the Company Clinic.</i></p> <p><i>The Company also implements and conducts various health-related activities and programs including but not limited to Drug-Free Workplace, Family Welfare Program, HIV and AIDS Prevention and Control in the Workplace Program, Workplace Policy on Hepatitis B, Program on Tuberculosis Prevention and Control in the Workplace, Covid 19 tests, and the like.</i></p>
What are the Risk/s Identified?	Management Approach
<i>Due to the nature of our operations, the risk of injury is minimal.</i>	<i>While there is nominal risk identified, continuous review and updating, as needed, of requirements to compliance is done</i>
What are the Opportunity/ies identified?	Management Approach
<i>A more motivating and secured working atmosphere for the employees</i>	<i>Continuing feedback mechanisms to consider/acknowledge insights from employees</i>

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

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

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	<i>The Company’s Code of Business Conduct and Ethics espouses the adherence to compliance with best corporate governance practices and standards, and applicable laws, rules and regulations. This covers ethical practices such as but not limited to support for diversity and non-discrimination, employee</i>
Child labor	Y	
Human Rights	Y	

		<p>welfare, among others. The Company also has policies, which are regularly updated and uploaded in its website.</p> <p>http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics</p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p>
--	--	---

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Good standing for moral values for recognizing labor laws and human rights</i>	<p><i>Pursue observance to pertinent rules, and regular look-out for relevant issuances.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/manual-on-corporate-governance</p>
What are the Risk/s Identified?	Management Approach
<i>Risk of violation of labor laws leading to possible filing of lawsuits; loss of confidence from investors; demoralized employees</i>	<p><i>APC adheres to labor laws and protection of human rights as much as violations done by employees are not tolerated.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/manual-on-corporate-governance</p>
What are the Opportunity/ies Identified?	Management Approach
<i>To further the employees and other stakeholders' certainty and optimism towards the Management's labor laws and human rights initiatives</i>	<i>Issuance of certification of full compliance, and confirmation of data with zero complaints, through various reports</i>

Supply Chain Management

- Not material to the Company

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

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	<i>Not material</i>	
Forced labor	<i>Not material</i>	

Child labor	<i>Not material</i>	
Human rights	<i>Not material</i>	
Bribery and corruption	<i>Not material</i>	

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

Relationship with Community

Significant Impacts on Local Communities

Not material to the Company

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
<i>Not material</i>					

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

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

Certificates	Quantity	Units
---------------------	-----------------	--------------

FPIC process is still undergoing	<i>Not material</i>	#
CP secured	<i>Not material</i>	#

What are the Risk/s Identified?	Management Approach
<i>Not material</i>	
What are the Opportunity/ies Identified?	Management Approach
<i>Not material</i>	

Customer Management

Customer Satisfaction

- Not material to the Company

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	<i>Not material</i>	

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

Health and Safety

- Not material to the Company

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	<i>Not material</i>	#
No. of complaints addressed	<i>Not material</i>	#

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
--	----------------------------

<i>Not material</i>	
What are the Risk/s Identified?	Management Approach
<i>Not material</i>	
What are the Opportunity/ies Identified?	Management Approach
<i>Not material</i>	

Marketing and labelling

- Not material to the Company

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	<i>Not material</i>	#
No. of complaints addressed	<i>Not material</i>	#

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

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

Customer privacy

- Not material to the Company

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	<i>Not material</i>	#
No. of complaints addressed	<i>Not material</i>	#
No. of customers, users and account holders whose information is used for secondary purposes	<i>Not material</i>	#

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

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

Data Security

- Not material to the Company

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	<i>Not material</i>	#

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

Compliance

Non-compliance with Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Full compliance with the Company's Manual on Corporate Governance, which that adheres compliance with best corporate governance practices and standards, and applicable laws, rules and regulations.</i>	<i>Employees, host community members, suppliers/business partners, investors/shareholders, and regulators</i>	<i>The Board has been identifying areas of continuing education on corporate governance topics. To keep the Board and key officers well-informed of good governance practices and standards, regular annual education programs are conducted in coordination with its parent company and training providers duly accredited by the SEC, while employees and business partners are being informed of the Company's governance-related policies and practices upon on-boarding and timely updates.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Although laws and regulations are enacted for the common benefit, changes to these laws and regulations may create negative effects to the operating and financial condition of APC.</i>	<i>Employees, host community members, suppliers/business partners, investors/shareholders, and regulators</i>	<i>In order to mitigate, the Company continues to exercise fiscal prudence and adopts what it considers conservative financial and operational controls.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>To maintain and increase stakeholders' trust and confidence to the Company, which can possibly influence potential investors and business partners, and be recognized as one of leading companies for its compliance and good governance practices.</i>	<i>Employees, host community members, suppliers/business partners, and investors/shareholders</i>	<i>The Company continues to seek for improvements on its policies, processes, procedures on corporate governance and sustainability as it affirms its commitment to the enhancement of its stakeholder value.</i>

Local Community Development

Not material to the Company

Disclosure	Quantity	Units
Number of direct beneficiaries of corporate social responsibility initiative/s	<i>Not material</i>	#
Number of communities benefitted from corporate social responsibility initiative/s	<i>Not material</i>	#
What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach	
<i>Not material</i>		
What are the Risk/s Identified?	Management Approach	
<i>Not material</i>		
What are the Opportunity/ies Identified?	Management Approach	
<i>Not material</i>		

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Please refer to the Business Model, including Primary Activities, Brands, Products, and Services, under Contextual Information of this Report	<i>SDG 1: No Poverty</i> <i>P880,412 taxes paid in 2020</i>	<i>In spite the Company's contributions, it can only cover limited areas</i>	<i>To pay taxes which help provide sustainable and inclusive growth.</i>
	<i>SDG 8: Decent Work and Economic Growth</i> <i>P1.3M revenues generated in 2020</i>	<i>Insufficient opportunities for vulnerable sector</i>	<i>The Company prioritizes the welfare of its employees, recognizes its top performers and provides a safe and healthy working</i>

			<p><i>environment. It also aspires to be an employer of choice by providing benefits, career growth, training and work-life balance, engagement programs, among others.</i></p> <p><i>APC also developed various policies (please refer to the following links) to implement and ensure that overall employee and other stakeholders' welfare and interests are being valued.</i></p>
--	--	--	---

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