

APC Group, Inc.

Sustainability Reporting Template

Contextual Information

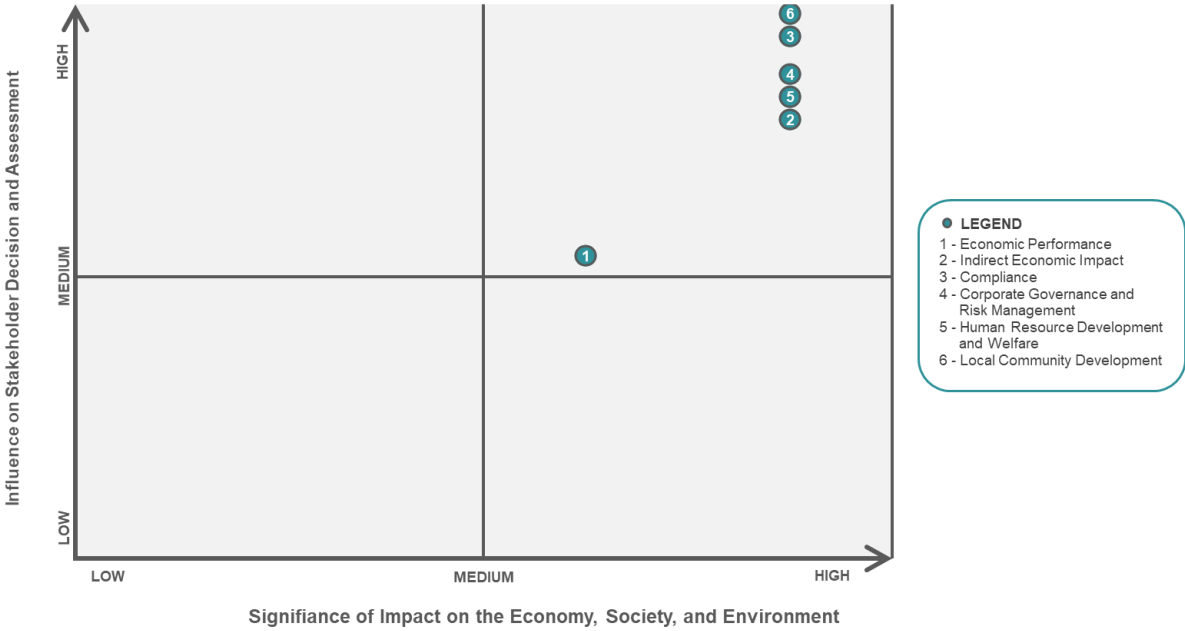
Company Details	
Name of Organization	APC Group, Inc. (APC or the “Company”)
Location of Headquarters	G/F MyTown New York Bldg., General E. Jacinto St. corner Capas St., Brgy. Guadalupe Nuevo, Makati City
Location of Operations	APC’s principal address is at G/F MyTown New York Bldg., General E. Jacinto 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 is 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, 2025
Highest Ranking Person responsible for this report	Mr. Ian Jason R. Aguirre, 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 mission and vision, operations, policies and practices, and identification of aspects that 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
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Materiality Matrix



ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	814,130	Php
Direct economic value distributed:	4,691,535	
a. Operating costs	2,935,032	Php
b. Employee wages and benefits	1,272,332	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	484,171	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, suppliers and business partners, government</i></p>	<p><i>Despite being in a pre-operating state, APC 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, the Group, 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 of current practices and to seek for further enhancements.</i></p> <p><i>Led by our Management, the Company pursues to touch base with stakeholders in order to protect and advance their interests.</i></p> <p><i>In solidarity with Belle and other co-subsidiaries, and as part of the SM Group, the Company anchored its sustainable</i></p>

		<p>development strategy to the seventeen (17) Sustainable Development Goals of the United Nations.</p> <p>This approach intends to have a strategic and focused portfolio of businesses that delivers stable and reliable economic returns, which take into consideration social development and environmental protection.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Credit, liquidity and equity price risks; environmental risks that could hamper the exploration works, and endanger its employees</p>	<p>Subsidiaries; employees; business partners; suppliers; host communities</p>	<p>The Board reviews and approves while the Management implements policies that protect the interests of the Company, its subsidiaries and other stakeholders. Programs and policies on safety are established, and observance of such by the employees and business partners is required.</p> <p>APC maintains a safe, productive and conducive workplace and comply with all applicable health, safety and environmental laws.</p> <p>The Company endeavors to adhere to sustainable practices that ensure the protection of the environment and seeks to deliver maximum growth with minimal and responsible consumption of natural resources.</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
<p>Increase of APC's shareholder value for partners and investors by seeking other renewable energy developments and investment opportunities</p>	<p>Employees, host community members, suppliers/business partners, and investors/shareholders</p>	<p>To be open to partnerships or joint ventures as the Company pursues exploration works for its Kalinga project, which will provide jobs to the locals</p>

Climate-related risks and opportunities¹

- Due to the nature of APC's businesses, climate-related risks and opportunities have not been identified.

Governance	Strategy	Risk Management	Metrics and Targets
<i>No relevant governance matters identified</i>	-	-	0
Recommended Disclosures			
<i>No relevant disclosures needed</i>	-	-	0

Procurement Practices

Proportion of spending on local suppliers

- Due to the nature of APC as primarily an investments holding company, procurement is occasional and is done on a per project and/or requirement basis.

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	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>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</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	100	%

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.

Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%
What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Established anti-corruption policies, standards and practices due to information dissemination 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 regarding 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 and 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</i>	<i>Employees, host community members, suppliers/business</i>	<i>The Company actively updates and cascades to its employees its policies, processes, and procedures, especially on</i>

<i>influence potential investors and business partners, and be recognized a strong supporter of good governance practices.</i>	<i>partners, and investors/shareholders</i>	<i>corporate governance, particularly on anti-corruption.</i> http://www.apcaragorn.net/index.php/corporate-governance/company-policies
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Incidents of Corruption

No incidents of corruption recorded throughout the Corporation during the reporting period.

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>	<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> <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 regarding possible violations of the Company's Code of Business Conduct and Ethics, policies and laws without fear of retaliation.</i> http://www.apcaragorn.net/index.php/corporate-governance/company-policies
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
<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>	<i>The Company actively updates and cascades to its employees its policies, processes, and procedures, especially on corporate governance, and particularly on anti-corruption.</i> http://www.apcaragorn.net/index.php/corporate-governance/company-policies

ENVIRONMENT

Resource Management

Energy consumption within the organization:

- Due to the nature of APC as primarily an investments holding company, it is not manpower intensive and is therefore able to save on general expenses such as energy consumption. Its business transactions are strategically managed through seasonal secondments of personnel from its affiliates on an as-needed basis. This arrangement has been resorted to in keeping with austerity measures adopted due to the prevailing economic conditions. These personnel seconded to the Company are not subject to Collective Bargaining Agreements.

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	0	GJ
Energy consumption (electricity)	0	kWh

Reduction of energy consumption

- APC saved on energy consumption because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	0	kWh
Energy reduction (gasoline)	0	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>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Water consumption within the organization

- APC saved on water consumption because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Water withdrawal	0	Cubic meters
Water consumption	0	Cubic meters
Water recycled and reused	0	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>No relevant impacts nor locations of occurrence identified</i>		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>		

Materials used by the organization

- Due to the nature of APC as primarily an investments holding company, materials are seldom used for its daily operations.

Disclosure	Quantity	Units
Materials used by weight or volume	0	
• renewable	0	kg/liters
• non-renewable	0	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	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>No relevant impacts nor locations of occurrence identified</i>		

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

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

- Due to the nature of APC as primarily an investments holding company, its businesses are mainly in the metropolis and far from uplands, watersheds or the coasts.

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0	
Habitats protected or restored	0	ha
IUCN ² Red List species and national conservation list species with habitats in areas affected by operations	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>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

² International Union for Conservation of Nature

Environmental impact management

Air Emissions

GHG

- APC did not generate GHG emissions because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	0	tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	0	tonnes CO ₂ e

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Air pollutants

- APC did not generate air pollutants because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
NO _x	0	kg
S _o x	0	kg
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg
Particulate matter (PM)	0	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
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<i>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Solid and Hazardous Wastes

Solid Waste

- APC did not generate any solid waste because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	0	kg
Recyclable	0	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled	0	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>No relevant impacts nor locations of occurrence identified</i>	-	-
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Hazardous Waste

- APC did not generate any hazardous waste because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	kg
Total weight of hazardous waste transported	0	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>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Effluents

- APC did not generate any effluents because of the aforementioned strategic arrangements.

Disclosure	Quantity	Units
Total volume of water discharges	0	Cubic meters
Percent of wastewater recycled	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>No relevant impacts nor locations of occurrence identified</i>	-	-
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>	-	-
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>	-	-

Environmental compliance

Non-compliance with Environmental Laws and Regulations

- The Corporation has been compliant with all applicable environmental laws and regulations.

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	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? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant risks identified</i>		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No relevant opportunities identified</i>		

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ³	1	#
a. Number of female employees	0	#
b. Number of male employees	1	#
Attrition rate ⁴	0	rate (%)
Ratio of lowest paid employee against minimum wage	Not available	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	0%	100%
PhilHealth	Y	0%	100%
Pag-ibig	Y	0%	100%
Parental leaves	Y	0%	0%
Vacation leaves	Y	0%	100%
Sick leaves	Y	0%	100%
Medical benefits (aside from PhilHealth))	Y	-	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	N	0%	0%
(Others)	N	-	-

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 an average of 25.5 years of retention among employees</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</i>

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)

	<p><i>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>	<p><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></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>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
<p>Primary business operations caused by the organization – having a pool of highly skilled team players</p>	<p>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.</p> <p>Upon being hired, an employee undergoes induction and orientation as may be determined 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 the continuous learning and development of employees.</p>

What are the Risk/s Identified?	Management Approach
<p>Higher attrition rate that may affect the business operations and delivery of services; additional costs incurred due to the training of new employees</p>	<p>APC treats its employees fairly by providing them with opportunities for career development and advancement based on merit, regardless of gender, age, religion.</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>Obtaining homegrown professionals who are equipped for career advancement and succession</i>	<i>Constant exploration of human resource development and enhancements, particularly on employee training and upskilling</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>	<p><i>Open communication lines among the Company’s directors and management, and management and employees are maintained.</i></p> <p><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 performance and harmonious employer-employee relationship.</i></p>
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 coherent dissemination of directions to attain the Company's goals</i>	<i>Preserved communication mechanisms and continuously innovating for improvement</i>
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Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	0	%
% of male workers in the workforce	100	%
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 viewpoints 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 that promote and observe diversity and equality throughout the organization.</i></p> <p>http://www.apcaragorn.net/index.php/corporate-governance/company-policies</p> <p><i>APC encourages respect among 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></p>
What are the Risk/s Identified?	Management Approach
<i>Discrimination in the workplace</i>	<p><i>Whether in the 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</i></p>

	<p>visitors, to the extent that their conduct affects the work environment.</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	1,844*	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	#

* 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 a safe working environment</i>	<p><i>Strict compliance of the Company's safety, health and welfare policy.</i></p> <p><i>The Company provides medical and clinical benefits to all employees. Employees are entitled to a free standard check-up in the Medical Clinic and are provided available medicine and supplies at the facility.</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, among others.</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 are done.</i>
What are the Opportunity/ies Identified?	Management Approach
<i>A more motivating and secure working atmosphere for employees</i>	<i>Continuing feedback mechanisms to consider and 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 and 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 welfare, among others. The Company also has policies that are regularly updated and uploaded in its website.</i> http://www.apcaragorn.net/index.php/corporate-governance/code-of-conduct-and-ethics http://www.apcaragorn.net/index.php/corporate-governance/company-policies
Child labor	Y	
Human Rights	Y	

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>	<i>Pursue observance to pertinent rules, and regular oversight for relevant issuances</i> http://www.apcaragorn.net/index.php/corporate-governance/manual-on-corporate-governance
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>	<i>APC adheres to labor laws and protection of human rights; zero tolerance on employee violations</i>

	http://www.apcaragorn.net/index.php/corporate-governance/manual-on-corporate-governance
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

- Due to the nature of APC as primarily an investments holding company, its supply chain is very lean and relies on seasonal secondments of manpower through affiliates and business partners in the conduct of operations.

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	-	-
Forced labor	-	-
Child labor	-	-
Human rights	-	-
Bribery and corruption	-	-

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Relationship with Community

Significant Impacts on Local Communities

- Due to the nature of APC as primarily an investments holding company, its community involvement is limited and has been partnering instead with related entities for its contributions.

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)
No relevant impacts nor locations of occurrence identified	-	-	-	-	-

*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	-	#
CP secured	-	#

What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Customer Management

Customer Satisfaction

- Due to the nature of APC as primarily an investments holding company, it does not assess customer satisfaction.

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	-	0

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Health and Safety

- Due to the nature of APC as primarily an investments holding company, it does not deal directly with customers.

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	-	#
No. of complaints addressed	-	#

**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>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Marketing and labelling

- Due to the nature of APC as primarily an investments holding company, it is not active in marketing nor advertising efforts.

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	-	#

**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>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	-	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**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>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

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? What is the organization's involvement in the impact?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</i>	-

Compliance

Non-compliance with Laws and Regulations

APC Group, Inc. has been compliant with local 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	-	#

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 mandates the adherence to 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 onboarding 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 compliance risks, the Company continues to be abreast of the latest regulatory developments 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 the 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 stakeholder value.</i>

Local Community Development

Disclosure	Quantity	Units
Number of direct beneficiaries of corporate social responsibility initiative/s	0	#
Number of communities benefitted from corporate social responsibility initiative/s	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>No relevant impacts nor locations of occurrence identified</i>	-
What are the Risk/s Identified?	Management Approach
<i>No relevant risks identified</i>	-
What are the Opportunity/ies Identified?	Management Approach
<i>No relevant opportunities identified</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>P484,171 taxes paid in 2025</i>	<i>In spite the Company's contributions, it can only cover limited areas</i>	<i>To pay taxes that help provide sustainable and inclusive growth</i>
	<i>SDG 8: Decent Work and Economic Growth</i> <i>P814,130 revenues generated in 2025</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 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> <i>APC also developed various policies to implement and ensure that overall employee and other stakeholders' welfare and interests are being valued.</i>

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