

**AGRINURTURE, INC.**  
**2021 SUSTAINABILITY REPORT**

**CONTEXTUAL INFORMATION**

<b>Company Details</b>	
Name of Organization	Agrinurture, Inc. ("ANI")
Location of Headquarters	54 National Road, Dampol II-A, Pulilan, Bulacan
Location of Operations	ANI and its subsidiaries conduct businesses in the Philippines particularly in Metro Manila and Bulacan.
Report Boundaries: Legal entities (e.g. subsidiaries) included in this report*	<p>This report covers ANI and the following operating subsidiaries:</p> <ul style="list-style-type: none"> <li>a. M2000 IMEX Company, Inc.</li> <li>b. First Class Agriculture Corporation</li> <li>c. Fresh and Green Harvest Agricultural Corporation</li> <li>d. Lucky Fruit and Vegetable Products, Inc.</li> <li>e. Best Choice Harvest Agricultural Corporation</li> <li>f. Fresh &amp; Green Palawan Agriventures, Inc.</li> <li>g. Ocean Biochemistry Technology Research, Inc.</li> <li>h. Fruitilicious Company, Inc.</li> <li>i. Farmville Farming Co., Inc.</li> </ul> <p>Data from ANI and the subsidiaries for the calendar year 2021 are consolidated where they are applicable and available. Data collection have been limited. Hence, the boundaries are further specified per disclosure.</p>
Business Model, Including Primary Activities, Brands, Products, and Services	ANI and its subsidiaries are engaged in the business of manufacturing, producing, growing, buying, selling, distributing, marketing, at wholesale or retail, insofar as may be permitted by law, all kinds of goods, commodities, wares and merchandise of every kind and description, including but not limited to food and agricultural products; to enter into all kinds of contracts for the export, import, purchase, acquisition, sale at wholesale or retail.
Reporting Period	1 January 2021 to 31 December 2021
Highest Ranking Person responsible for this report	<p>Kenneth S. Tan Treasurer and CFO Investor Relations</p> <p>Rosana C. Planco Compliance Officer</p>

## **MATERIALITY PROCESS**

Focus group discussions were conducted in order to initiate the materiality assessment in defining the scope and the discussions in the Sustainability Report.

The participants were composed of those capable of representing the companies as well as its stakeholders. The objective is to identify the salient aspects of ANI and its subsidiaries' (collectively, the "Group") operations that have the most impact to its economic, social, and environmental performances.

The participants identified the key areas that are materially relevant in order for the Group to achieve long-term sustainable operations.

The following are the material indicators, significantly influencing the actions and decisions of the stakeholders:

- a. energy consumption;
- b. waste management;
- c. Economic, Social, and Governance ("ESG") risk management;
- d. community relations/Impacts on local communities;
- e. plastic use management;
- f. greenhouse gas emission;
- g. habitat protection/biodiversity;
- h. labor conditions/employee welfare;
- i. employee health and safety;
- j. employee skills and competency;
- k. regulatory requirements/compliance;
- l. guest experience/satisfaction;
- m. food safety;
- n. agricultural growth/development;
- o. data privacy/customer privacy; and
- p. ESG strategy for suppliers.

The Group recognizes that the above indicators shall affect the stakeholders if effectively or poorly implemented.

The following are the actions prepared by management to address the risks and the foregoing material aspects, to wit:

- a. Continued discussion, identification and out of office exposure of identified individuals to possible risks;
- b. After identification, analysis of possible risks and preparation of courses of action;
- c. Training and continued education of management and personnel to be prepared to address the risks identified.
- d. Formulation of policies/rules and regulations, as may be needed.
- e. Continued monitoring of effective implementation of courses of action.

These voluntary selected goals will be subject for reassessment by top management in the year 2021.

## ECONOMIC

### Economic Performance

#### Direct economic value generated and distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	4,549,288,378	PhP
Direct economic value distributed:		PhP
a. Operating costs	4,055,419,257	PhP
b. Employee wages and benefits	109,475,256	PhP
c. Payment to suppliers and other operating costs	130,385,300	PhP
d. Dividends given to stockholders and interest payments to loan providers	0	PhP
e. Taxes given to government	161,285,814	PhP
f. Investments to community (e.g. donations, CSR)	500,000.00	PhP

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What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected	Management approach
There is a direct impact to the Group's sales and over-all operations. The Gross revenue is deducted with expenses distributed through payment to suppliers and service providers, salaries/wages and benefits, and taxes due to the government, among others.	Employees, Suppliers, and the Government	<p>The Group's Management has adopted the following approach:</p> <ul style="list-style-type: none"> <li>a. set revenue targets on a month to month basis;</li> <li>b. evaluate cost centers and its attributes versus the sales generated;</li> <li>c. continuously identify and quantify risks related to the policies and action plans; and</li> <li>d. regularly tracks results against targets and constantly improves projected results.</li> <li>f. Adopt cost efficient measures in manufacturing and production</li> </ul>
What are the risk(s) identified?	Which stakeholders are affected?	Management approach
<p>Changes in government policies, laws, rules and regulations and political climate, may affect the business operations as well as the extent and capability of the Group to acquire, maximize, and operate their assets.</p> <p>The widespread of the COVID-19 virus that started in the 1<sup>st</sup> quarter of 2021 is another risk that was identified as it affects the company's operations.</p>	Customers, Employees, Suppliers, the Government and Stockholders	The Group ensures strict compliance with all government and institutional regulations, by monitoring protocols and updating submissions based on recent issuances, most specially the issuances and regulations of the IATF in connection with the COVID-19 Virus.
What are the opportunity (ies) identified?	Which stakeholders are affected?	Management approach
This presents an opportunity for the Group to identify areas of improvements in operations and avenues to increase the market base and sales.	Customers, Employees, Suppliers, the Government, and Shareholders	The Group is doing regular weekly management meeting to discuss operations that includes best practices to be shared with other member's workforce and problem areas to have a more

		comprehensive approach in its mitigation and total elimination.
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## Climate-related risks and opportunities

### Governance

Disclose the organization's governance around climate-related risks and opportunities

a. Describe the board's oversight of climate-related risks and opportunities	The Board of Directors of the Group currently do not have defined policy on its oversight function relative to climate-related risks and opportunities. However, the Management is in the process of finalizing the same for recommendation to the Board.
b. Describe the management's role in assessing and managing climate-related risks and opportunities	The management through its operating units during the weekly meetings are able to identify and assess the impact of climate-related risks and is in the process of finalizing policies and protocols to address this.

### Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material

a. Describe the climate-related risks and opportunities that the organization has identified over its short, medium, and long terms	The Group's operation is somewhat dependent on the produce of the agriculture sector. Evidently, one of the mostly affected sector of the climate change related risk is the farming and plantation industry.
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Storms, droughts and other natural calamities bolstered by the climate change affect the agricultural industry resulting to shortage in supply for local consumption and export. It entails increased costs and means evident loss of income opportunity.
c. Describe the resilience of the organization's strategy, taking into consideration, different climate-related scenarios including a 2 °C or lower scenario	The management does not maintain a supplier only from a specific area and has expanded its contract farming to various areas in the country to ensure supply viability. Other measures are being explored to address additional risks related to climate change.

### Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks

a. Describe the organization's processes for identifying and assessing climate-related risks	The Group includes the discussion of climate change related risks during its weekly management meetings. The operating unit in the specific areas determine the risk they face depending on the situation (climate) in their area.
b. Describe the organization's processes for managing climate-related risks	Each operating unit is expected to submit actions taken or proposed actions to be taken on the following scheduled meeting to adapt to the timely changes.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The Group assesses the effectivity and the sustainability of the actions taken and proposals and after evaluation of its success, the same is included in the policies or protocols.

### Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its	The Group currently has no defined metrics to assess climate-related risks and opportunities. The same is being assessed based on the mitigated if not eliminated adverse impacts.
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strategy and risk management process	
b. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	The Group currently has no defined targets. However, target outputs as affected by the climate change related risks are currently being used in the assessment.

## Procurement Practices

### Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent* on local suppliers	95%	%

\* Based on issued purchase orders from vendors/suppliers for the year

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected	Management approach
As the Group leans on the agricultural industry, sourcing almost all of its raw materials from local sources achieves the Group's goals of furthering the cause of local farmers, introducing the Philippine produce to the international market and provide healthy alternative to the community.	Suppliers/Service Providers that are mostly in the agricultural sector	The Group applies conventional business measures in monitoring and controlling procurement of supplies.
What are the Risk(s) identified?	Which stakeholders are affected?	Management approach
Poor quality of some supplies and services and delay in delivery	Suppliers/Service Providers	Close monitoring and control of procurement practices.
What are Opportunity (ies) identified?	Which stakeholders are affected?	Management approach
Identification of quality but cost efficient supplies.	Suppliers, Community, and the Shareholders	Close monitoring and control of procurement practices

## Anti-corruption

### Training on anti-corruption policies and procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption on policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	60	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	90	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected	Management approach
Anti-corruption practices have direct impact to the Group's business operations, relationship in the	Employees, Suppliers, and Government	The Group is committed to ensure compliance with applicable laws, rules and

workplace and supply chain. The Group takes initiative to prevent incidents of corruption by carefully selecting its suppliers and ensuring that its employees conduct business on a sound, fair and prudent manner.  The Group regroups its employees in charge of procurement to ensure that familiarity will be avoided.		regulations on anti-corruption and anti-bribery, among others; as well as adherence to standards of conduct to prevent the offer or receipt of gifts or other advantages that may induce dishonest, improper or illegal conduct, or which may create an actual or potential conflict of interest.
<b>What are the Risk(s) identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management approach</b>
Any incidence of corruption could pose a reputational risk to the Group.  Any form of corruption may likewise result to substandard supply.	Employees, Suppliers, Shareholders and Government	The Group does not condone any dishonest, unethical, or unprofessional behavior and actions displayed by an employee, officer or director, regardless of his/her level of authority.  The Group has an anti-corruption policy in place to ensure that it is the responsibility of each employee, officer and director to report legitimate concerns so that issues can be properly investigated or resolved and corrective measures can be instituted.
<b>What are Opportunity (ies) identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management approach</b>
This presents an opportunity to evaluate the capabilities and moral soundness of the members of the organization and to assess the strength and weaknesses the Group's procurement process in order to be compliant with the relevant laws. Anti-corruption practices also boost the morale of employees.	Employees, Suppliers, and Government	The Group shall ensure strict adherence in its Anti-Corruption policy.

#### Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which the board of 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	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected</b>	<b>Management approach</b>
Corruption could compromise the Group's business operations, relationship in the workplace, and	Employees, Suppliers, Stockholders, and Government	The Group shall ensure strict adherence in its Anti-Corruption policy.

reputation.		The policy shall likewise be timely reviewed in compliance with existing laws, rules and regulations as well as current situations.
What are the Risk(s) identified?	Which stakeholders are affected?	Management approach
Any incidence of corruption could pose a reputational risk to the Group. This likewise results to substandard supplies.	Employees, Suppliers, Shareholders, and Government	<p>The Group does not condone any dishonest, unethical, or unprofessional behavior and actions displayed by an employee, officer or director, regardless of his/her level of authority.</p> <p>The Group has an anti-corruption policy in place to ensure that it is the responsibility of each employee, officer and director to report legitimate concerns so that issues can be properly investigated or resolved, corrective measures can be instituted, and administrative sanctions imposed.</p>
What are Opportunity (ies) identified?	Which stakeholders are affected?	Management approach
This presents an opportunity to evaluate the capabilities and moral soundness of the members of the organization and to assess the strength and weaknesses the Group's procurement process in order to be compliant with the relevant laws. Anti-corruption practices also boost the morale of employees.	Employees, Suppliers, Stockholders, and Government	The Group shall ensure strict adherence in its Anti-Corruption policy.

## ENVIRONMENT

### Resource Management

#### Energy consumption within the organization

Disclosure	Quantity	Units
Energy consumption (renewable sources)	1074 per month	kWh
Energy consumption (gasoline)	500 per month	liters
Energy consumption (LPG)	350 per month	kilograms
Energy consumption (diesel)	750 per month	liters
Energy consumption (electricity)	21,020 per month	kWh

#### Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (gasoline)	No sufficient data can be provided at present but the Group is working to gather the information for future reports.	GJ
Energy consumption (LPG)	4.9 per month	GJ
Energy consumption (diesel)	30.14	GJ
Energy consumption (electricity)	3,060 per year	kWh

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Group recognizes that the use of electricity and other fuels have an impact on the environment by emitting pollutants.	Employees, Shareholders and Suppliers	The Group will monitor its energy efficiency and will find ways to minimize and/or improve utilization of various energy sources.
What are the Risk/s identified?	Which stakeholders are affected?	Management Approach
The Group's dependence on fossil fuels makes it contributory to the environmental footprints.	Community, Shareholders and the Government	The Group will monitor its energy efficiency and will find ways to minimize and/or improve utilization of various energy sources.
What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
This presents the Group an opportunity to devise less fossil fuel dependent means of operations and plan activities to help reduce the footprints	Community, Shareholders and the Government.	The Group shall come up with policies and protocols that are responsive to good environmental practices.

#### Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	8.29 per production/15 days	Cubic meters
Water consumption	8.29 per production/15 days	Cubic Meters
Water recycled and reused	2 per production/15 days	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
Water consumption impacts the water supply of the community where the Group's operation is located.	Employees, Shareholders and Supplier.	The Group will monitor its water consumption to ensure that conservation is in place and improve the



The Group's operation impacts the water supply level of the community considering the magnitude of its consumption.		recycling/reusing protocols.
<b>What are the Risk/s identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Group recognizes the risk of possible water shortage due to increased competing demand and drought brought about by the climate change.	Employees, Shareholders, and the Community.	The Group will monitor its water consumption to ensure that conservation is in place and improve the recycling/reusing protocols.
<b>What are the Opportunity/ies identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Group identified the following opportunities to manage water risks: <ul style="list-style-type: none"> <li>• Proper protocols in water usage</li> <li>• Improve the protocols in water recycling or re using</li> </ul>	Employees, Shareholders, and the Community.	The Group will monitor its water consumption to ensure that conservation is in place and improve the recycling/reusing protocols.

Materials used by the organization

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Materials used by weight or volume	125,000 per month aluminum cans	Kilos
• Renewable	30,000 per month paper 39,000 liters water	Kilos
• Non-renewable	220 per month LPG 1000 per month fuel	kg/liters
Percentage of recycle input materials used to manufacture the organization's primary products and services	35	%

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Group uses a considerable amount of raw materials as it is engaged in manufacturing.	Community and the Government	The Group will monitor its material consumption to ensure that conservation is in place and improve the recycling/reusing protocols.
<b>What are the Risk/s identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
There is a risk of scarcity of materials used in the long run.	Shareholders and Suppliers	The Group will monitor its material consumption to ensure that conservation is in place and improve the recycling/reusing protocols.
<b>What are the Opportunity/ies identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
There is an opportunity to incorporate the use of recycled materials within the Group.	Employees, Community and Shareholders	The Group will monitor its material consumption to ensure that conservation is in place and improve the recycling/reusing protocols.

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

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Operational sites owned, leased, managed in, or	0	

adjacent to, protected areas and areas of high biodiversity outside protected areas		
Habitats protected or restored	0	Ha
IUCN <sup>1</sup> 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
Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)
What are the Risk/s identified?	Which stakeholders are affected?	Management Approach
Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)
What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)	Not Applicable  (The Group does not own or lease any property that is located in or is near a protected area.)

## Environmental impact management

### Air Emissions

#### GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions		Mg/Ncm
CO2 concentration	4.1 Mg/Ncm	
Oxygen Concentration	16.0 Mg/Ncm	
Energy indirect (Scope 2) GHG Emissions	Not applicable	Tonnes CO <sub>2</sub> e
Emissions of ozone-depleting substances 9ods0	Not applicable	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
The Group recognizes that the emissions caused by its manufacturing operation are pollutants leaves a considerable amount of	Employees, Community and Shareholders	The Group will monitor its operation to ensure minimal impacts and review protocols as necessary.

<sup>1</sup> International Union for Conservation of Nature.

environmental footprint.		
<b>What are the Risk/s identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The footprints may be considered as contributory to environmental destruction and climate change.	Employees, Community and Shareholders	The Group will monitor its operation to ensure minimal impacts and review protocols as necessary.
<b>What are the Opportunity/ies identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
This presents the Group an opportunity to reevaluate its operational procedure to adapt more environment friendly modes.	Employees, Community and Shareholders and other emissions.	The Group will monitor its operation to ensure minimal impacts and review protocols as necessary.

#### Air pollutants

Disclosure	Quantity	Units
NOx	15.52	Mg/Ncm
SOx	79.37	Mg/Ncm
Persistent organic pollutants (POPs)	No sufficient data can be provided at present but the Group is working to gather the information for future reports.	Kg
Volatile organic compounds (VOCs)	No sufficient data can be provided at present but the Group is working to gather the information for future reports.	Kg
Hazardous air pollutants (HAPs)	132.77	Mg/Ncm
Particulate matter (PM)	22.63	Mg/Ncm

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The business operations of the Group have negligible contribution to air pollutants. However, it recognizes that air pollution can affect the health of its employees and the community it belongs to.	Community, Shareholders and Employees	The Group shall ensure compliance with existing environmental laws and it shall continue to monitor its operations to ensure adherence to protocols complies with the standards to minimize if not eradicate detrimental effects to health and the environment.
<b>What are the Risk/s identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Group recognize that air pollution poses health risks to its employees and the community.	Employees and the Community	The Group shall ensure compliance with existing environmental laws and it shall continue to monitor its operations to ensure adherence to protocols complies with the standards to minimize if not eradicate detrimental effects to health and the environment.
<b>What are the Opportunity/ies identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>

This presents the Group an opportunity to reevaluate its operational procedure to adapt more environment friendly modes.	Community, Customers and Shareholders	The Group complies with the standards mandated by the Clean Air Act. Vehicles and machineries used are regularly maintained and checked to ensure there are no leakages and potential air pollutants are reduced to levels not detrimental to health and the environment.
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## Solid and Hazardous Wastes

### Solid Waste

Disclosure	Quantity	Units
Total solid waste generated		Kg
• Reusable	20 per day	Kg
• Recyclable	100 weekly	Kg
• Composted	20 per day	Kg
• Incinerated	Not Applicable	Kg
• Residuals/Landfilled	Not Applicable	Kg

### Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	50 every 6 months	Liters
Total weight of hazardous waste transported	No sufficient data can be provided at the present but the Group are working to gather the information for future reports.	Liters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Group's generated hazardous waste poses a great impact in the community and the environment if not properly handled.	Community, Shareholders. Government and Employees	The Group observes proper waste management in compliance with relevant laws, rules and regulations where they operate.
What are the Risk/s identified?	Which stakeholders are affected?	Management Approach
The Group recognizes that improper handling of hazardous waste will adversely affect the community and the environment and will merit applicable sanctions from concerned government agencies.	Shareholders, Employees, Government and Community	The Group observes proper waste management in compliance with relevant laws, rules and regulations where they operate.  It will formally adopt policies on how to properly handle hazardous waste.
What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
This presents the Group an	Community, Government and	The Group shall continue to

opportunity to reevaluate its operational procedure to adapt more environment friendly modes and to strengthen its proper waste disposal handling.	Shareholders	monitor and adapt applicable protocols to ensure compliance with existing laws.
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#### Effluents

Disclosure	Quantity	Units
Total volume of water discharges	15,000	Cubic meters
Percent of wastewater recycled	13.33	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Group recognizes that effluents can cause contamination not properly disposed.	Community and Shareholders	The Group will monitor its water consumption to ensure that conservation is in place and improve the recycling/reusing protocols.
What are the Risk/s identified?	Which stakeholders are affected?	Management Approach
The Group recognizes that improper handling of waste water will adversely affect the community and the environment and will merit applicable sanctions from concerned government agencies.	Community	The Group will monitor its water consumption to ensure that conservation is in place and improve the recycling/reusing protocols.
What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
The Group identified the following opportunities to manage water risks: <ul style="list-style-type: none"> <li>• Proper protocols in water waste disposals</li> <li>• Improve the protocols in water recycling or re using</li> <li>• Ensure waste water system is functional</li> </ul>	Shareholders and Community	The Group will monitor its water consumption to ensure that conservation is in place and improve the recycling/reusing protocols and waste water handling.

#### 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	20,000	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	1	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
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Non-compliance with environmental laws and/or regulations can impact the Group through monetary penalties, sanctions, litigation and reputational risk.	Community, Government and Shareholders	The Group shall monitor strict compliance with law, rules and regulations in place. Protocols shall be reviewed timely to ensure that it is adaptive to present situations.
<b>What are the Risk/s identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Non-compliance with environmental laws and/or regulations could have implications to the Group such as monetary penalties, stoppage of operations and other sanctions.	Community and the Government	The Group shall monitor strict compliance with law, rules and regulations in place. Protocols shall be reviewed timely to ensure that it is adaptive to present situations.
<b>What are the Opportunity/ies identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
This presents the Group an opportunity to re evaluate its existing protocols and compliance. Further, this will be an avenue for the Group to make concrete action plan in mitigating the adverse environmental impacts.	Shareholders, Community the Government.	The Group shall monitor strict compliance with law, rules and regulations in place. Protocols shall be reviewed timely to ensure that it is adaptive to present situations. Management shall likewise make strong involvement in environmental conservation activities.

## SOCIAL

### Employee Management Employee Hiring and Benefits

#### Employee data

Disclosure	Quantity	Units
Total number of employees	ANI-194 SUBS-192	#
a. Number of female employees	ANI-71 SUBS-55	#
b. Number of male employees	ANI-123 SUBS-137	#
Attrition rate	ANI-2 SUBS-4	Rate
Ratio of lowest paid employee against minimum wage	0	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	21%	7%
PhilHealth	Y	21%	7%
Pag-ibig	Y	12%	16%
Parental leaves	Y	9%	10%

Vacation leaves	Y	100%	100%
Sick leaves	Y	98%	98%
Medical benefits (aside from PhilHealth)	Y	43%	28%
Housing assistance (aside from Pag-ibig)	N	-	-
Retirement fund (aside from SSS)	N	-	-
Further education support	N	-	-
Company stock options	N	-	-
Telecommuting	N	14.8%	7%
Flexible-working Hours	N	14.8%	7%
(Others)	N	-	-

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
The Group recognizes the vital role of proper employee handling and what it contributes to the productivity of the company as a whole.	<i>The Group strictly adheres to the labor standards and policies set by the Department of Labor and Employment and other government agencies, as minimum benchmarks in terms of its work standards and employee relations.</i>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
The Group recognizes that improper employee management and poor employee retention will result to low productivity, corruption and attrition.	<i>The Group strictly adheres to the labor standards and policies set by the Department of Labor and Employment and other government agencies, as minimum benchmarks in terms of its work standards and employee relations. Issues relative to employee concerns are likewise encouraged to be discussed during weekly management meetings.</i>
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
This presents the Group with an opportunity to improve its employee management by ensuring provision of benefits that will yield to a more productive and loyal organization.	The Group shall re-evaluate its employee benefits, and give loyal and hardworking employees premium.

#### Employee Training and Development

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



<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<i>Training and development plays an important role in improving the efficiency and awareness of employees, thus increasing the Group's opportunity to generate more income.</i>	The Group provides training to its organization to keep them well informed in changes in governmental and organizational policies. This will likewise increase their confidence in performing their duties and responsibilities.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not all employees are given the opportunity to attend trainings.  Retention of matters presented in the trainings.	Conduct of in-house trainings to ensure that all employees will be given the opportunity to participate. Conduct of Post training evaluations.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
This presents the Group with an opportunity to improve the capabilities of its employees.	Increase the conduct of trainings to enhance and update employees' skills, work experience, leadership and behavior.

#### 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	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<i>Good labor management relations is crucial in overall productivity and maintaining harmony in the workplace.</i>	The Group is open to hearing its employees' concerns and opinion, if any. These concerns are considered and acted upon, when necessary. The Group will conduct more consultations as needed.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
When disagreements and grievances are not addressed as expected by the employee, there is a risk of labor unrest and labor suits.	The Group ensures that their grievance procedures and labor policies comply with the Labor Code and other labor laws.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Proper management of labor relations offers opportunity for operational efficiency, productivity and sustained growth.	The Group ensures that their grievance procedures and labor policies comply with the Labor Code and other labor laws.

#### Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	ANI – 37%	%
	SUBS – 29%	
% of male workers in the workforce	ANI – 63%	%
	SUBS – 712%	
Number of employees from indigenous communities and/or vulnerable sector*	ANI - 0	#
	SUBS - 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).

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<i>Diversity and equality in the workforce have impact on the Group's business operations in terms of fitness and productivity.</i>	<i>The Group ensures that there is no discrimination on employees based on gender, age, race or religion. Hiring and promotion are purely based on merit and fitness. Disciplinary cases are also decided based on the facts of the case and applicable company policies and labor laws, rules and regulations.</i>
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
<i>Diversity in workplace may result to biases hence may create an unhealthy workplace.</i>	The Group shall ensure regular dialogue with employees and provide employee engagement programs.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Diversity and equality in human capital offers an opportunity to formulate policies in relation thereto to minimize the risks identified.	The Group will continue to provide work opportunities for people belonging to the vulnerable sector.

Workplace Conditions, Labor Standards, and Human Rights  
Occupational Health and Safety

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Safe Man-Hours	2,496	Man-hours
No. of work-related injuries	3	#
No. of work-related fatalities	0	#
No. of work-related ill-health	0	#
No. of safety drills	0	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
The Group's operation specifically the manufacturing arm is exposed in occupational hazards.	The conducts seminars on safety in the workplace and policies are in place to ensure the safety of its employees.  Trainings on first aid and health and occupational safety are likewise a priority.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Employees' non-compliance with the policies and accidents are inevitable.	The Group strictly monitors compliance with health and occupational safety policies. Further, first aid protocols are ensured to be in place at all times.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>

This presents an opportunity to improve policies and data relating to health, safety and welfare of employees.	The Group is committed to enhance workplace safety requirements and protocols already being implemented in the organization.
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#### 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	N	The Group adopts and complies with relevant laws, rules and regulations relating to the protection of human rights and labor.
Child labor	N	
Human Rights	N	

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<i>Non-compliance with labor laws and human rights in the workplace may impact the Group's productivity, employee retention and employee engagement.</i>	The Group will continue to protect its employees' human rights and comply with labor laws, rules and regulations.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Human rights and labor law violations will expose the Group to likelihood of litigation and affect its reputation.	The Group will continue to protect its employees' human rights and comply with labor laws, rules and regulations.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Compliance to existing laws will yield to employment of quality workers and decrease attrition rate.	The Group will continue to protect its employees' human rights and comply with labor laws, rules and regulations.

#### Supply Chain Management

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

No.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	Though the Group does not have a written policy on accreditation, due diligence is being conducted to ensure its suppliers'/service provider's legitimacy and performance capabilities.
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Supply Chain Management has a very considerable impact in sourcing quality and cost efficient supplies.	The Group ensures that due diligence is being made before transacting with suppliers/service providers.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>

Poor Supply Chain Management may result to sub standard supplies, delay or non deliveries.	The Group ensures that due diligence is being made before transacting with suppliers/service providers.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
This presents the Group with an opportunity to improve its supply chain management and establish an accreditation process.	The Group will re evaluate performance of existing suppliers/service providers and establish an accreditation process.

Relationship with Community  
Significant Impacts on Local Communities

<b>Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)</b>	<b>Location</b>	<b>Vulnerable groups (if applicable)*</b>	<b>Does the particular operation have impacts on indigenous people (Y/N)?</b>	<b>Collective or individual rights that have been identified that or particular concern for the community</b>	<b>Mitigating measures (if negative) or enhancement measures (if positive)</b>
As the Group leans on the agricultural industry, sourcing almost all of its raw materials from local sources, achieves the Group's goals of furthering the cause of local farmers, introducing the Philippine produce to the international market and provide healthy alternative to the community.	Bulacan, Pampanga, Davao	The Group does not discriminate against vulnerable sectors in terms of employment.	No	None	To further the causes of the agricultural sector by empowering the farmers through contract farming and ensuring that their produce has a market.

\*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: N.A.

<b>Certificates</b>	<b>Quantity</b>	<b>Units</b>
FPIC process is still undergoing	N.A.	#
CP secured	N.A.	#

What are the Risk/s Identified?	Management Approach
Not Applicable (The Group's business operations do not affect IPs)	Not Applicable (The Group's business operations do not affect IPs)
What are the Opportunity/ies Identified?	Management Approach
Not Applicable (The Group's business operations do not affect IPs)	Not Applicable (The Group's business operations do not affect IPs)

#### Customer Management

#### Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	This data is not available. All complaints are being handled by the Managers of the unit concerned.	No

#### Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	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.

#### Marketing and labelling

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

#### Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
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
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Customer satisfaction is the core of the Group's business, hence plays a major impact in its operations.	The Group maintains a customer satisfaction evaluation by randomly getting their feedbacks on the goods and service being provided. Further, customer complaints are ensured to be properly escalated and addressed within a given service level.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Instances are inevitable where customers will not be satisfied with how the complaints were handled or resolved.	The Group maintains a customer satisfaction evaluation by randomly getting their feedbacks on the goods and service being provided. Further, customer complaints are ensured to be properly escalated and addressed within a given service level.  Customer complaints will be duly noted and used as reference in improving operations.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
This presents the Group an opportunity to further customer experience.	The Group maintains a customer satisfaction evaluation by randomly getting their feedbacks on the goods and service being provided. Further, customer complaints are ensured to be properly escalated and addressed within a given service level.  The Group shall likewise innovate other means to further customer experience.

#### Data Security

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
No. of data breaches, including leaks, thefts and losses of data	0	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Data security has material impact on data management and reputation of the Group.	The Group adopts and complies with laws, rules and regulations relating to data privacy.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
The Group has considerable number of trade secrets in manufacturing and retail arm. Data breach will greatly impact its operations.	The Group adopts strict protocols on data privacy and protection and ensures that only identified individuals have access on a need to know basis.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
This presents the an opportunity to evaluate and improve their current data management system.	The Group adopts strict protocols on data privacy and protection and has a dedicated unit to ensure compliance thereto.

## 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
Crops, fruits, and vegetables	SDG 2: Contribute to food security  SDG 3: Provision of healthy menu through its retail arm	No material negative impact	The Group shall ensure compliance with existing laws in its operations and be mindful of its responsibility in reducing environmental footprints

# ANNEX A