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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City/Town/Province)

**GEORGINA A. MONSOD**

Contact Person

**8283-8459 / 8283-8294**

Company Telephone Number

12	
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*Month*

3	1
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*Day*

Fiscal Year

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FORM TYPE

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*Month*

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Annual Meeting

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

**556**

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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**Philippine Infradev Holdings Inc.**

*(formerly IRC Properties, Inc.)*

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(Company's Full Name)

**38F Rufino Pacific Tower, 6784 Ayala Ave.,  
Makati City**

---

(Company's Address)

**(632) 8283-8459 / (632) 8283-8294**

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(Telephone Numbers)

**December 31**

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(Fiscal Year Ending (month & day))

**Form 17-A Annual Report**

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Form Type

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Amendment Designation (if applicable)

**December 31, 2021**

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Period Ended Date

**Publicly Listed Corporation**

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(Secondary License Type and File Number)

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-A**

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE  
SECURITIES REGULATION CODE AND SECTION 141  
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the calendar year ended: **December 31, 2021**
2. Commission Identification Number : **60312**
3. BIR Tax Identification Number: **000-464-876**
4. Exact name of registrant as specified in its charter: **PHILIPPINE INFRADEV HOLDINGS INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Phils.**
6. Industry Classification Code:  (SEC Use Only)
7. Address of registrant's principal office Postal Code  
**38F Rufino Pacific Tower, 6784 Ayala Avenue, Makati City** **1223**
8. Registrant's telephone number, including area code : **(632) 8283-8459 / (632) 8283-8294**
9. Former name, former address and former fiscal year, if changed since last report  
**N/A**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of shares outstanding</u>
Common	6,061,560,322
Preferred	722,320,940

11. Are any or all of the securities listed on a Stock Exchange?

Yes  No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange Common Stock

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes  No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes  No

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## **PART I - BUSINESS AND GENERAL INFORMATION**

### **Item 1 - BUSINESS**

#### **Company and Business Profile**

Philippine Infradev Holdings Inc. (*formerly IRC Properties, Inc.*) (Parent Company) and Interport Development Corporation (IDC) (Subsidiary) were incorporated in the Philippines on February 24, 1975 and December 21, 1993, respectively. Parent Company is primarily involved in the acquisition, reclamation, development, or exploitation of lands for the purpose of converting and developing said lands to integrated residential or commercial neighborhoods, and generally to engage in real estate business in all its forms. IDC is primarily involved in the acquisition and selling of real estate of all kinds or to hold such properties for investment purposes.

In 2018, Aggregate Business Group Holdings Inc. (ABG) purchased 26.94% ownership out of the 29.62% equity interest in the Parent Company previously held by Mabuhay Holdings Corporation. ABG is a domestic holding company. In 2019, ABG increased its ownership in the Parent Company to 71.28% through the purchase of additional shares making it the Group's ultimate parent company as at December 31, 2021.

On July 20, 2018, the Parent Company's Board of Directors (BOD) and shareholders approved the change in the Parent Company's corporate name to Philippine Infradev Holdings Inc. Such change was subsequently approved by the Securities and Exchange Commission (SEC) on October 30, 2018.

On October 23, 2018, the Parent Company received from Public-Private Partnership (PPP) Selection Committee of Makati City Government a Notice of Award for the construction and operation of the Makati Subway System (the "Project") to be implemented through a joint venture agreement. The Project has been awarded to the Parent Company as the lead proponent of a consortium.

On March 4, 2019, the Parent Company incorporated Makati City Subway, Inc. (MCSI) that will be used as a special corporate vehicle for the Subway Project. MCSI is a wholly-owned, domestic subsidiary of the Parent Company.

On July 12, 2019, the Parent Company incorporated Jiangsu Rizal Infradev Co., Ltd. (JRIC) to function primarily as a corporate vehicle in the procurement of materials and equipment related to the Subway Project. JRIC is a wholly-owned, foreign subsidiary of the Parent Company

On July 19, 2019, the Makati City Council approved City Ordinance No. 2019-A-020 (the "Ordinance") on third and final reading. The Ordinance approved the terms and conditions of the PPP JV Agreement between the Parent Company and the Makati City Government for the construction, establishment, management and operation of the Subway Project.

On July 30, 2019, the Parent Company's BOD approved a resolution authorizing the Parent Company's execution, delivery and performance of the PPP JV Agreement with the Makati City Government, and of other instruments contemplated in the PPP JV Agreement. On the same date, authorized representatives of the Parent Company and the Makati City Government signed the PPP JV Agreement and the Parent Company submitted to the Makati City Government the US\$350 million performance bond which was accepted by the Makati City Government.

On February 18, 2020, the Notice to Proceed for the Subway Project was received by the Parent Company. The Subway project is expected to be completed within five (5) years for an estimated total project cost of US\$3.5 billion.

The Parent Company's BOD approved the change in the Parent Company's registered office and principal place of business from 35/F Rufino Pacific Tower, 6784 Ayala Avenue, Makati City to 38F (A&B) Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, effective February 1, 2021.

On March 9, 2021, the Group executed a legally binding term sheet with Richer Today, Inc. ("RTI") for the financing, design, construction, development, marketing and sale of the lots in and around Station 5 of the Subway System Project through an unincorporated joint venture. Construction development over said lots shall commence after two (2) years.

On March 7, 2022, the Group received the certificate of registration of MCSI as new operator of Local Government Unit Public-Private Partnership from the Board of Investments effective January 17, 2022. This includes the approval of tax incentives which shall be limited to four (4) years income tax holiday, followed by five (5) years enhanced deductions and duty exemption on importation of capital equipment, subject to compliance with certain conditions.

The Parent Company and its subsidiaries have been collectively referred hereinto as the Group.

The clearing of the Company's Binangonan property is still the focus of the Company's operations with the goal of completely freeing from third party claims 500 hectares of the 2,200-hectare property. Due to a number of factors, including the recognition of Supreme Court's recognition of the superior rights of the bonafide occupants as well as potential challenges in clearing and re-titling of this large area of land, management has estimated that only 1,513 hectares are expected to be recovered/cleared and re-titled in the name of the Parent Company as at December 31, 2021 and 2020. This estimate is assessed at regular intervals of one (1) to three (3) years based on the Group's interaction with current occupants.

The Group is actively in the process of clearing and re-titling the large portion of the property in Binangonan for future developments.

The company is not dependent upon any customer. It does not hold any right on patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements.

As of December 31, 2021, the Company has total of Twenty-four (24) personnel excluding the Chairman, President, Corporate Secretary and Assistant Corporate Secretary.

## **Item 2 - PROPERTIES**

### **Binangonan Property**

The Binangonan property was acquired in 1978 and part and parcel of the 2,200-hectare property.

On November 21, 1991, the Supreme Court affirmed previous decisions by the Court of Appeals and the Regional Trial Court confirming the validity of the Parent Company's titles over its Binangonan property. However, in the same Supreme Court decision, it was also declared that the Parent Company's ownership of the titles shall be subject to the declared superior rights of bonafide

occupants with registered titles within the area covered by the questioned decree and bonafide occupants who have acquired ownership through acquisitive prescription of dominion and other real rights. The area of present claimants to certain parcels of land within the Parent Company's titled property is currently being identified and verified by the Group's legal counsel.

Based on the appraisal performed by an independent external firm of appraisers, the Binangonan property has a fair value of P24.17 billion as at December 31, 2021 (2020 - P23.18 billion). In 2020, management engaged an appraiser to reassess the value of the Binangonan property. However, management did not recognize all fair value adjustments as they believe that the fair value as at December 31, 2020 for a significant portion of the properties has not significantly changed from their fair value as at December 31, 2019 since there were no significant changes in market conditions that significantly affect the fair value of investment properties as at December 31, 2020.

### **Eastridge Property**

The Eastridge project (Trocadero Residences) has been deferred until the Group finds a more opportune moment to develop a mix of condominium and townhouses within a 1.34-hectare property also in its Binangonan property adjacent to Thunderbird Resort and Casino and the 18-hole Eastridge Golf Club.

### **Makati property and the PPP JV Agreement**

Under the PPP JV Agreement, the Makati City Government will provide MCSI through the Parent Company at least 32 hectares of land (the "Project Land"). The Project Land will consist of the areas required for the staging, construction, operation, maintenance and development of the Subway Project as indicated in the feasibility study and/or as may be mutually agreed upon by the Makati City Government and the Parent Company (the "JV Parties") that currently belong to: (i) the Makati City Government, (ii) the Parent Company and (iii) third parties, which must be delivered and made available to MCSI in accordance with the Subway Project's Land Acquisition Plan. The specific rights and obligations of the JV Parties are provided in the PPP JV Agreement.

On October 28, 2019, the Makati City Government transferred the beneficial ownership of a 7.90-hectare property in Makati City (the "Makati Land") to the Parent Company through an Asset Transfer Agreement in consideration for the issuance of the Parent Company's preferred shares. These idle properties which are located at the identified stations of the Subway Project will be used in the construction of topside development for residential, commercial and public uses.

The PPP JV Agreement also grants to MCSI through the Parent Company floor-to-area ratio (FAR) of 20 in the areas where the Project Land are located which was approved through the Makati City Ordinance No. 2019-A-020 in 2019. In the event that the Subway Project is completed ahead of the completion target date, FAR will be increased to 22.

Until the issuance of the Certificate of Final Completion, the Makati Land can only be mortgaged, encumbered or used as collateral by MCSI upon the express consent and approval by all nominee directors of the Makati City Government in the Parent Company and MCSI.

The remaining Project Land that are yet to be acquired by MCSI from registered third-party owners has a total land area of 26.75 hectares as at December 31, 2021 (2020 - 26.84 hectares). In 2021, the Group acquired a total of 0.52 hectares (2020 - 0.43 hectares) of land from third-party owners.

Based on the appraisal performed by an independent external firm of appraisers, the Makati properties have a fair value of P15.54 billion as at December 31, 2021 (2020 - P6.57 billion).

### **Item 3 - LEGAL PROCEEDINGS**

#### **Involvement in Certain Legal Proceedings**

None of the directors and officers of the Company was involved, in the past five years up to the latest date, in any bankruptcy proceeding. Neither have they been during the same period convicted by final judgment in any criminal proceeding, nor been subject to any order, judgment or decree of competent jurisdiction, permanently enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court or administrative body to have violated a securities or commodities law that are material to their evaluation as to their fitness for their respective positions.

The Company and its consolidated subsidiary are parties to various legal actions or proceedings. However, in the opinion of management, the ultimate liability, if any, resulting from these actions or proceedings, will not have a material effect on the Company's financial position.

### **Item 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

Except for matters taken up during the Annual Stockholders' Meeting there were no other matters submitted to a vote of security holders during the period covered by this report. The last annual stockholders' meeting of the corporation was held on December 20, 2021.

## **PART II - OPERATIONAL AND FINANCIAL INFORMATION**

### **Item 5 - RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES**

There are no securities of the company sold by it within the past three (3) years which were not registered under the Code or any reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities.

### **Item 6 - MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS**

#### **Stock Prices**

The shares of IRC traded along the following bands during 2021 and 2020:

	2021		2020	
	Common Stock		Common Stock	
	High	Low	High	Low
First Quarter	1.67	1.29	1.26	0.59
Second Quarter	1.47	1.30	0.93	0.70
Third Quarter	1.44	1.13	1.28	0.77
Fourth Quarter	1.27	1.09	1.74	1.15



## Holder

The company has an authorized capital stock of Php 19.5 Billion divided into 9,500,000,000 common shares with par value of Php 1.00 per share and 1,000,000,000 preferred shares with par value of Php 10.00 per share. The number of stockholders of record as of December 31, 2021 is 556. Common and preferred shares outstanding as of December 31, 2021 amount to 6,061,560,322.00 and 7,223,209,400.00, respectively.

The preferred shares shall have full voting rights, preference as to liquidation, with cumulative, participating (with common shares) and fixed dividends at a rate of 2% per annum from issuance of the Parent Company's preferred shares for five years until the total amount of dividends paid is P656.66 million. The preferred shares are convertible to: (i) common shares of the Parent Company, or (ii) twenty-five percent (25%) of the post conversion total issued and outstanding share capital of MCSI. The preferred shares are considered equity instruments based on their features.

Stock Prices as of the latest trading date:

December 31, 2021 - Common share P 1.12

Stock prices as of the latest practicable date in 2022

April 29, 2022 - Common share P 0.89

There is no sale of unregistered securities for the year 2021.

**The top 20 stockholders as of December 31, 2021 are as follows:**

### Common Stock

	<u>Name of Stockholder</u>	<u>Number of Shares</u>	<u>Percentage Ownership</u>
1	AGGREGATE BUSINESS GROUP HOLDINGS, INC.	4,552,220,000	*75.10%
2	PCD NOMINEE CORP. (NF)	642,988,012	10.61%
3	PCD NOMINEE CORP. (F)	422,535,502	6.97%
4	AUSPICIOUS ONE BELT ONE ROAD FUND	368,175,000	6.07%
5	RIZAL PARTNERS CO. LTD.	45,385,000	0.75%
6	MARILAQUE LAND INC.	5,998,000	0.10%
7	DEE ALICE T.	2,995,000	0.05%
8	VALMORA INVESTMENT AND MANAGEMENT CORPORATION	2,300,000	0.04%
9	EQUITY MANAGERS ASIA INC	1,000,000	0.02%
10	DAVID GO SECURITIES CORPO	729,000	0.01%
11	SIGUION-REYNA LEONARDO T	700,000	0.01%
12	UY IMELDA T.	621,000	0.01%
13	TAN HENRY L.	600,000	0.01%
14	BLUE RIDGE CORPORATION	500,000	0.01%
15	TANCHAN III SANTIAGO	500,000	0.01%
16	LAO ALEX L.	500,000	0.01%
17	CHAM GRACE	480,000	0.01%
18	ALL ASIA SECURITIES MANAGEMENT CORPORATION	419,000	0.01%
19	CO JR. TONG TE	401,000	0.01%
20	PASCUAL SECURITIES CORP.	400,250	0.01%

The above list is exclusive of 722,320,940 preferred shares with par value of Php 10.00 per share issued to City Government of Makati.

\* Inclusive of shares lodged under PCD NOMINEE CORP.

## **Share warrants**

On June 1, 2018, the BOD approved the issuance in favor of Cross Strait 1.2 billion warrants, American option, with the strike price of P1.00 per share, valid for 5 years from issuance, in exchange for Cross Strait's rights over the Subway System Project. This was subsequently approved by at least 2/3 of shareholders on July 20, 2018.

The Parent Company and Cross Strait finalized the agreement in 2019 in which Cross Strait formally transfers to the Parent Company its rights to the Subway System Project including the priority of bidding for the said project, topside development projects, construction and operation rights for the Subway System. The transaction also includes pre-feasibility studies, feasibility studies, legal due diligence, financial models, and business planning. The carrying value of the share warrants, based on the fair value of the assets received at transaction date, amounted to P1.76 billion as at December 31, 2021 and 2020. The value of such assets which are required to complete the construction of the Subway System are included as part of construction-in-progress account under property and equipment in the consolidated statements of financial position.

## **Dividend Policy**

The Company's Board is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board but shareholder approval is not necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds (2/3) of the Company's outstanding capital stock. Holders of outstanding shares as of a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

Under the Company's By-Laws, dividends may be declared from its surplus profits at such time or times and in such percentage as the Board may deem proper. No dividend shall be declared that will impair the capital of the Company.

Under the Philippine Corporation Code, the Company may not make any distribution of dividends other than out of its unrestricted retained earnings.

The Company does not have a specific dividend policy.

The Company has not declared or paid out any dividend in the last three (3) years.

Pursuant to existing SEC rules, cash dividends declared by a listed company must have a record date not less than 10 or more than 30 days from the date the cash dividends are declared. With respect to stock dividends, the record date is not to be less than 10 or more than 30 days from the date of shareholder approval, provided however, that the record date shall not be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the SEC.

Each holder of a Common Share is entitled to such dividends as may be declared in accordance with the Company's dividend policy.

## **Free Float Level**

Based on the Public Ownership Report of the Company as of December 31, 2021, 15.53% of the total outstanding shares are owned by the public.

## **Item 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION**

Philippine Infradev Holdings Inc. (*formerly IRC Properties, Inc.*) (Parent Company) and Interport Development Corporation (IDC) (Subsidiary) were incorporated in the Philippines on February 24, 1975 and December 21, 1993, respectively. Parent Company is primarily involved in the acquisition, reclamation, development, or exploitation of lands for the purpose of converting and developing said lands to integrated residential or commercial neighborhoods, and generally to engage in real estate business in all its forms. IDC is primarily involved in the acquisition and selling of real estate of all kinds or to hold such properties for investment purposes.

On March 4, 2019, the Parent Company incorporated Makati City Subway, Inc. (MCSI) that will be used as a special corporate vehicle for the Subway Project. MCSI is a wholly-owned, domestic subsidiary of the Parent Company.

On July 12, 2019, the Parent Company incorporated Jiangsu Rizal Infradev Co., Ltd. (JRIC) to function primarily as a corporate vehicle in the procurement of materials and equipment related to the Subway Project. JRIC is a wholly-owned, foreign subsidiary of the Parent Company.

As discussed in the Part I, Item 2 of this report, the company has a 2,200-hectare property located in the Municipality of Binangonan, Province of Rizal. The Binangonan property was acquired in 1978 and part and parcel of the 2,200-hectare property.

The fourth subdivision project located in Binangonan named Casas Carlina introduced single attached three-storey house units. In the pipeline is Casas Bauhinia which is being redesigned to cater to the middle end market.

As also discussed in the Part I, Item 2 of this report, the Makati City Government transferred the beneficial ownership of a 7.90-hectare property in Makati City (the "Makati Land") to the Parent Company through an Asset Transfer Agreement in consideration for the issuance of the Parent Company's preferred shares. These idle properties which are located at the identified stations of the Subway Project will be used in the construction of topside development for residential, commercial and public uses (Please refer to Part I, Item 2 of this report for further discussion).

## **Discussion of Material Events/Uncertainties Known to Management that would Address the Past and Impact on Future Operations**

The Company has enough resources to cover payment of liabilities through the sale of some of its properties and proceeds from its prospective investors. The management does not foresee any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation. The Company does not have any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships with unconsolidated entities or other persons created during the reporting period. The Management is not aware of any known trends, events or uncertainties that have had or that are reasonably expected to have a material favourable or unfavourable impact on net sales or revenues or

income from continuing operations. The Company does not have any significant elements of income or loss that did not arise from the company's continuing operations.

## **Results of Operations**

### December 31, 2021

Philippine Infradev Holdings Inc. sold 10 units of Casas Aurora amounting to P 14,494,000 and 1 unit of Fiesta Casitas amounting to P 1,250,000. Further, the Company sold a parcel of raw land amounting to P 4,030,000. Casas Aurora project is the main sales contributor for the year ended 2021 in which the company started to sell the units in the year 2016.

Based on the latest appraisal as at December 31, 2021 performed by an independent external firm of appraisers, the Binangonan property has a fair value of P1,971/sqm as at December 31, 2021.

### December 31, 2020

Philippine Infradev Holdings Inc. sold 18 units of Casas Aurora amounting to P 24,160,500 and 14 units of Fiesta Casitas amounting to P 16,235,000, net of P 225,000 sales discount. Casas Aurora project is the main sales contributor for the year ended 2020 in which the company started to sell the units in the year 2016.

In 2020, management engaged an appraiser to reassess the value of the Makati property that were acquired prior to January 1, 2020. However, management believes that the fair value of the Makati property that were acquired prior to January 1, 2020 as at December 31, 2020 has not significantly changed from its fair value as at December 31, 2019 since there were no significant changes in market conditions that significantly affect the current fair value of investment properties.

### December 31, 2019

Philippine Infradev Holdings Inc. sold 49 units of Casas Aurora amounting to P 53,618,450, net of P6,250 sales discount, and 13 units of Fiesta Casitas amounting to P 13,731,500. Moreover, the Company sold a parcel of raw land amounting to P 9,965,229. Casas Aurora project is the main sales contributor for the year ended 2019 in which the company started to sell the units in the year 2016.

Based on the latest appraisal as at September 30, 2019 performed by an independent external firm of appraisers, the Binangonan property has a fair value of P1891/sqm as at December 31, 2019. There were no significant changes in the fair value between September 30, 2019 and December 31, 2019.

## **Financial Condition**

### December 31, 2021

The financial position of the Company as of December 31, 2021, shows total assets of P 159,572,715,888. Noncurrent assets were P 157,821,702,058. The noncurrent assets consist of investment properties, property and equipment (net of accumulated depreciation), intangible assets and other assets. Current assets as of December 31, 2021 stood at P 1,751,013,830.

The total liabilities of the Company as of December 31, 2021 is P 17,551,928,281 while current liabilities stood at P 425,997,841. Non-current liabilities is P 17,125,930,440 which includes the 4,994,984,372 deferred tax liability and P 12,125,240,147 provision for clearing costs. Total stockholders' equity as of December 31, 2021 is P 142,020,787,607.

### **Material changes (2021 vs. 2020)**

Cash decreased by P122.58 million mainly because of the land acquisitions and payment to the contractors and consultants related to the subway project and transit-oriented development. Other major payments were related to the land development and construction costs for the fourth subdivision of the Company named Casas Carlina.

Real estate held for sale and development increased by P83.15 million brought by the additions in the land development and construction costs for the fourth subdivision of the Company named Casas Carlina.

Prepayments increased by P20.63 million mainly because of the input VAT transactions of the Company.

Investment property increased by P9.22 billion mainly due to the land acquisition related to the subway project and fair value gain of the acquired land.

Property and equipment increased by P167.74 million mainly because of the transactions of MCSI related to its project development costs.

Intangible assets as at December 31, 2021 pertain to contractual rights over the excess FAR granted to the Group.

The upward movement in the Accounts payable and accrued expenses of 32% is mainly attributable to the accrued interest related to the loan of Jiangsu Rizal Infradev Co., Ltd. (JRIC) from Shanghai Mintu Investment Holding Company for Makati City Subway project partnership. JRIC is a wholly-owned, foreign subsidiary of the Parent Company to function primarily as a corporate vehicle in the procurement of materials and equipment related to the Subway Project. Further, the retention payable for both housing and subway project of the Group contributed to the upward movement of the account.

Provision for clearing costs, current portion and non-current portion increased by P324.92 million due to the change in estimate of clearing cost, net of unwinding of discount.

The material movement in the Deferred income tax liability is mainly brought by the cumulative unrealized fair value gain on investment property.

### **December 31, 2020**

The financial position of the Company as of December 31, 2020, shows total assets of P 150,184,764,504. Noncurrent assets were P 148,431,908,365. The noncurrent assets consist of investment properties, property and equipment (net of accumulated depreciation), intangible assets and other assets. Current assets as of December 31, 2020 stood at P 1,752,856,139.

The total liabilities of the Company as of December 31, 2020 is P 15,562,251,759 while current liabilities stood at P 261,734,400. Non-current liabilities is P 15,300,517,359 which includes the 3,370,029,112 deferred tax liability and P 11,781,988,676 provision for clearing costs. Total stockholders' equity as of December 31, 2020 is P 134,622,512,745.

### **Material changes (2020 vs. 2019)**

Cash decreased by P1.3 billion mainly because of the land acquisitions and payment to the contractors and consultants related to the subway project.

Real estate held for sale and development increased by P90.74 million brought by the additions in the land development and construction costs for the fourth subdivision of the Company named Casas Carlina.

Prepayments increased by P31.73 million mainly because of the input VAT transactions of the Company.

Investment property increased by P738.45 million mainly due to the land acquisition related to the subway project and reclassification of accounts from advances to investment property.

Property and equipment increased by P636.70 million mainly because of the transactions of MCSI related to its project development costs.

Intangible assets as at December 31, 2020 pertain to contractual rights over the excess FAR granted to the Group.

The decrease in the Other assets is brought by the reclassification of accounts from advances to investment property.

The upward movement in the Accounts payable and accrued expenses of 23% is mainly attributable to the accrued interest related to the loan of Jiangsu Rizal Infradev Co., Ltd. (JRIC) from Shanghai Mintu Investment Holding Company for Makati City Subway project partnership. JRIC is a wholly-owned, foreign subsidiary of the Parent Company to function primarily as a corporate vehicle in the procurement of materials and equipment related to the Subway Project.

Borrowings increased by P144.44 million as a result of the loan of Jiangsu Rizal Infradev Co., Ltd. (JRIC) from Jiangyin Changjiang Investment Group Co., Ltd. for Makati City Subway project partnership.

Provision for clearing costs, current portion and non-current portion decreased by 12% due to the change in estimate of clearing cost, net of unwinding of discount.

The material movement in the Deferred income tax liability is mainly brought by the cumulative unrealized fair value gain on investment property.

Other Payables decreased by 5.70 million mainly because of the reclassification of lease liabilities from current to non-current liability.

December 31, 2019

The financial position of the Company as of December 31, 2019, shows total assets of P150,190,588,391. Noncurrent assets were P147,242,134,508. The noncurrent assets consist of investment properties, property and equipment (net of accumulated depreciation), intangible assets and other assets. Current assets as of December 31, 2019 stood at P2,948,453,883.

The total liabilities of the Company as of December 31, 2019 is P 16,014,648,988 while current liabilities stood at P239,260,290. Non-current liabilities is P15,775,388,698 which includes the 3,020,701,435 deferred tax liability and P12,743,834,354 provision for clearing costs. Total stockholders' equity as of December 31, 2019 is P 134,175,939,403.

### **Material changes (2019 vs. 2018)**

Cash increased by P693.4 million mainly because of the proceeds from deposits for future shares subscription and loans, net of settlements of principal loans, interest, clearing costs and documentary stamp tax on issuance of preferred shares.

Receivables decreased by 204.4 million mainly because of the reclassification of advances made to Makati City Subway, Inc. (MCSI) from receivable account to advances to subsidiary which was eliminated upon consolidation of accounts. MCSI will serve as the corporate vehicle for the Project.

Real properties held for sale and development decreased by P9 million brought by cost of sold units, net of additions related to the development costs.

Prepayments increased by P27.1 million mainly because of the input VAT transactions of the Company.

Investment property increased by P15 billion mainly due to the increase in the fair value of Binangonan Properties from P14.71 billion in 2018 to P23.18 billion in 2019. Moreover, the fair value of Makati Land also contributed to the increase of the investment property.

Property and equipment increased by P2 billion mainly because of the transactions of MCSI related to its project development costs.

Intangible assets as at December 31, 2019 pertain to contractual rights over the excess FAR granted to the Group.

The increase in the Other assets is brought by the acquisition of land which was initially classified by the Company as deposit since there is no actual transfer of title yet as at December 31, 2019.

Borrowings increased to P70.2 million as a result of the loan of Jiangsu Rizal Infradev Co., Ltd. (JRIC) from Shanghai Mintu Investment Holding Company for Makati City Subway project partnership. JRIC is a wholly-owned, foreign subsidiary of the Parent Company to function primarily as a corporate vehicle in the procurement of materials and equipment related to the Subway Project.

Provision for clearing costs, current portion and non-current portion increased by 39.4% due to the change in estimate of clearing cost, net of unwinding of discount.

The material movement in the Deferred income tax liability is mainly brought by the cumulative unrealized fair value gain on investment property.

#### December 31, 2018

The financial position of the Company as of December 31, 2018, shows total assets of P17,165,443,581. Noncurrent assets were P14,722,332,254. The noncurrent assets consist of investment properties, property and equipment (net of accumulated depreciation) and other assets. Current assets as of December 31, 2018 stood at P2,443,111,327.

The total liabilities of the Company as of December 31, 2018 is P10,788,037,995 while current liabilities stood at P1,140,198,836. Non-current liabilities is P9,647,839,159 which includes the P1,685,007,200 deferred tax liability and P7,958,840,691 provision for clearing costs. Total stockholders' equity as of December 31, 2018 is P6,377,405,586.

#### **KEY PERFORMANCE INDICATORS ARE AS FOLLOWS:**

Ratio	Formula	For the Year Ended December 31	
		2021	2020
Working Capital	Current assets minus current liabilities	1,325,015,989	1,491,121,739
Current Ratio	Current assets divided by current liabilities	4.11	6.70
Quick Ratio	Current assets minus prepayments, real properties held for sale and development and land held for development divided by current liabilities	3.83	6.36
Asset to Equity Ratio	Total assets divided by stockholders' equity	1.12	1.12
Debt to Assets Ratio	Total liabilities divided by total assets	0.11	0.10
Debt to Equity Ratio	Total liabilities divided by total equity	0.12	0.12
Gross Profit Margin	Gross profit divided by sales	1.00	0.98
Operating Profit Margin	Earnings before taxes and interest divided by sales	0.99	0.81
Net Profit Margin	Net profit divided by sales	0.80	0.46
Return on Assets	Net income divided by total assets	0.04	0.00
Return on Equity	Net income divided by stockholders' equity	0.05	0.00
Interest Coverage Ratio	Income before income tax and interest expense divided by interest payments	344.24	96.24

#### **Item 8 - FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Registrant as of and for the year ended December 31, 2021, as listed in the accompanying Index to Financial Statements and Supplementary Schedules, are filed as part of this Form 17-A.

The financial statements attached to the report include the audited statement of financial position, statements total comprehensive income, statements of changes in equity, statements of cash flows



and the notes to the financial statements. Such reports form part of our attachment to our SEC Annual Report Form 17-A.

## **Item 9 - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

### (a) Audit and Audit-Related Fees

The Registrant continued the services of its external auditors from Isla Lipana & Co. There were no disagreements with the auditors with respect to accounting principles and practices, financial disclosures, or auditing scope or procedures. As in previous years, representatives of the Registrant's auditors are expected to be present at this year's annual stockholders' meeting, available to respond to questions that may be asked by the stockholders. The said auditors will have the opportunity to make a statement if they desire to do so.

The external auditors charged the Company and its subsidiaries a total amount of P3,360,000 and P2,000,000 for the year ending December 31, 2021 and December 31, 2020 respectively.

### (b) Tax Fees

There were routine professional services rendered by the external auditors for tax accounting, compliance, advice, planning and any other form of tax services in each of the last two (2) calendar years ending December 31, 2021 and 2020. The fees for these services are included in the Audit and Audit-Related Fees mentioned above.

### (c) All Other Fees

There were no other professional services rendered by the external auditors during the period.

### (d) Company Policy in Appointment of Independent Auditor

The President and the Treasurer recommend to the Board of Directors the appointment of the external auditor and the fixing of the audit fees. The Board of Directors approves their recommendation.

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CONTROL PERSONS

#### Directors and Executive Officers of the Company

The Company's Board of Directors is responsible for the over-all management and direction of the Company. There are eleven (11) members of the Company's Board of Directors, two (2) of whom are independent directors. All directors were elected during the annual meeting of stockholders held on December 20, 2021 for the term 2021-2022.

<u>Name</u>	<u>Age</u>	<u>Present Position</u>	<u>Citizenship</u>
Ren Jinhua	58	Chairman	Chinese
Antonio L. Tiu	46	President / CEO	Filipino
Georgina A. Monsod	66	EVP / COO	Filipino
Keinth Roger B. Castillo	29	Treasurer/CIO	Filipino
Cao Lei	46	Director	Chinese
Ren Youmin	25	Director	Hongkong
Claro F. Certeza	64	Director	Filipino
Zhang Shengman	64	Director	Chinese
Laiza Rose R. Lamsen	33	Director	Filipino
Benedict Lim	58	Director	Filipino
Jose Gerardo A. Medina	59	Director	Filipino
Delfin P. Angcao	64	Corporate Secretary	Filipino
Ana Maria A. Katigbak-Lim	52	Asst. Corporate Secretary	Filipino

Following is a brief profile of the incumbent directors and executive officers of the Company, indicating their respective business experience for the past five (5) years.

**Ren Jinhua**, Chairman of the Board. Mr. Ren Jinhua has a Master's Degree in Law. He has over 30 years of outstanding practice experience in macro economy, business management and finance investment. He is a former director of Yangzijiang Shipbuilding. He is currently a Director of Mingly China Growth Fund Co., Ltd. and Chairman of Sinobase International (HK) Co., Ltd. Mr. Ren, a Chinese citizen, is 58 years old.

**Antonio L. Tiu**, President and Chief Executive Officer. Mr. Tiu, 46, Filipino, is the President/CEO and Chairman of Earthright Holdings, Inc., Chairman of The Big Chill, Inc., and President/CEO of Beidahuang Philippines, Inc. and Greenergy Holdings Incorporated. He was a part time lecturer in International Finance at DLSU Graduate School from 1999 to 2001 and currently board of adviser of DLSU School of Management. Mr. Tiu has a Master's degree in Commerce specializing in International Finance from University of New South Wales, Sydney Australia and BS Commerce major in Business Management from De La Salle University, Manila. He is currently a Doctorate student in Public Administration at the University of the Philippines. He was awarded the Ernst and Young Emerging Entrepreneur of the Year (2009), Overseas Chinese Entrepreneur of the Year 2010 and Ten Outstanding Young Men of the Philippines 2011. He is an active member of Integrated Food Manufacturer Association of the Philippines, PHILEXPORT, PHILFOODEX, Chinese Filipino Business Club, and Philippine Chamber of Agriculture and Food Industries.

**Georgina A. Monsod**, EVP and Chief Operating Officer. Ms. Monsod, 66, Filipino. Her business experience for the last five years includes being the Treasurer and Compliance Officer of the Company since March 12, 2008. She has been involved with real estate development and financing

for the past 17 years starting her career with Don Tim Development Corporation and moving to PrimeEast Properties Inc. Prior to this, she worked for the government sector from 1978 to 1994 in the field of tourism development. She holds a Postgraduate Course in Tourism and Hotel Management by the International School of Tourism Sciences in Rome, Italy. She was also a faculty member of the University of the Philippines (Diliman). She recently passed the licensure examination for Real Estate Brokers and is now a licensed Real Estate Broker.

**Keinth Roger B. Castillo**, Accounting Manager and Treasurer, Mr. Castillo, 29, Filipino, finished Bachelor of Science in Accountancy in De La Salle University – Dasmariñas in 2014 and passed the CPA board exam in the same year. He is a member of the Philippine Institute of Certified Public Accountants. He started his career as an audit associate in Punongbayan and Araullo. Since 2015, he has been involved in accounting and compliance for listed real estate companies. He currently serves as director and treasurer of the Makati City Subway, Inc.

**Cao Lei** - Mr. Lei, a Chinese national is 46 years old. He is a graduate of Nanjing University. His background is on financial management specifically for infrastructure projects all over Asia.

**Ren Youmin**, Director. Ren Youmin graduated from the University of New South Wales, Australia with a degree of Bachelor of Commerce, major in Finance. He is currently the Chairman and General Manager of Longsteel Technology Limited, a company based on Hong Kong. Ren Youmin, an Australian citizen, is 25 years old.

**Claro F. Certeza**, Filipino, 64 years old, Mr. Certeza graduated from the Ateneo de Manila University School of Law where he obtained his Bachelor of Laws degree. He also holds a Bachelor of Science degree from the University of the East. He is a member of the faculty of the Ateneo de Manila University School of Law and the College of Law of the Lyceum University where he lectures on Civil Law, Labor Law and Franchise Law. In 1992, he joined the Jollibee Foods Corporation (“Jollibee”), the biggest fast-food chain in the country where he concurrently served as Vice President for Legal and Vice President for Corporate Affairs. He was later elected Director of Jollibee and also a member of its Management Committee. After he retired from Jollibee, Mr. Certeza resumed private practice and acted as legal counsel to Fuji Xerox Philippines and various fast-food companies such as Julie’s Franchise Corporation, Aristocrat, Solerex, Crystal Clear, and Del Sol Foods Corporation, owners of the Goodah! Restaurant chain. He is likewise Executive Director of the Fuji Xerox Foundation of the Philippines, Inc. and the Legal Consultant of Gawad Kalinga, an institution recognized world-wide as an advocate of poverty alleviation. Mr. Certeza is currently the City Administrator of Makati City.

**Zhang Shengman**, aged 64, Chinese, worked for the World Bank as Executive Director for China, Vice President and Chief Secretary, Senior Vice Director, Managing Director and chairman of the operations committee, the sanctions committee and the corporate committee on fraud and corruption policy. He also worked for the Citigroup being once the Chairman and President of Asia Pacific region, and Vice Chairman and Chief Operating Officer of Markets and Banking sector. Mr. Zhang completed graduate economic studies in McGill University, Canada, and Advanced Management Program in Harvard Business School, USA.

**Benedict Lim**, Filipino, 58 years old, and has more than 35 years of international professional experience in business and strategic planning, product development, land master plan conceptualization and development, business and marketing plan development, tourism destination planning and marketing, managing operations, training, lecturing and consulting for hotels, resorts, spas, clubs, top tourism universities, condominiums, condotels, tourism and private real estate developments. Mr. Lim graduated from the Ateneo de Manila with a degree in Business Management, and completed his masters Course in Development Communication (magna cum laude) in the University of the Philippines. He is currently doing his Postgraduate Course in

Communication. Mr. Lim is a faculty member of the University of the Philippines Diliman and De La Salle University - College of St. Benilde since year 2007. He is also a professional real estate broker with expertise in real estate management, property standards development, property rentals, marketing, yield and revenue management.

**Laiza Rose R. Lamsen** 33, Filipino, graduated from Rizal Technological University with a degree of Bachelor of Science in Psychology. Currently the Head of Marketing of Philippine Infradev Holdings Inc. She started her career in real estate as a Marketing Officer at Vista Land International, a subsidiary of Vista Land Lifestyles. After five years with Vista Land, she joined the company and pioneered the sales and marketing department. Ms. Lamsen is a PRC-licensed Accredited Sales Person. Apart from corporate activities, Ms. Lamsen is also active in youth activities as she is also a trainer in a youth organization. She was able to represent the Philippines in the last 2014 Leadership Exchange held in Lucern, Switzerland.

**Atty. Jose Gerardo A. Medina**, 59, is a graduate of the University of the Philippines College of Law and has been active on the legal profession since 1990. He co-founded the Solis Medina Limpingo & Fajardo Law Offices in 1994. Atty. Medina currently serves as director, officer and legal counsel to numerous domestic and multinational corporations engaged in the fields of development, construction, engineering, banking, fish and agriculture. He also serves as a director of the UP Law Alumni Association and is a lecturer on business organizations and corporation law at the Philippine Law School.

**Atty. Delfin P. Angcao**, Corporate Secretary and Corporate Information Officer. Mr. Angcao, 64, Filipino, has been the Corporate Secretary and Corporate Information Officer since March 2008. He is a partner at the Castillo Laman Tan Pantaleon & San Jose Law Offices (CLTPSJ) since the year 2000. He was a Junior Associate with CLTPSJ from 1995 to 1997. He climbed up to being a Senior Associate from 1997 to 2000. He was an Associate at the San Jose, Enriquez, Lacas, Santos, Borje & Vendero from 1992 to 1995. His business experience for the last five years includes being Director and/or Corporate Secretary of various client corporations of CLTPSJ including Mabuhay Holdings Corporation and The Manila Southwoods Golf & Country Club, Inc. He is a member of the Integrated Bar of the Philippines and the Philippine Institute of Certified Public Accountants.

**Atty. Ana Maria Katigbak-Lim**, Director and Assistant Corporate Secretary – She holds the position of Assistant Corporate Secretary since 1999, or for more than 20 years now. She held the position of a director for seven years, or from 1999 to October 31, 2006, and then again for more than 9 years, or from June 27, 2007 up to the present. A member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws and Bachelor of Arts in Comparative Literature (Cum Laude) at the University of the Philippines, she is currently a partner at the Castillo Laman Tan Pantaleon & San Jose Law Offices. Her other business experience in the last 5 years are as follows: assistant corporate secretary of publicly-listed companies and registered membership clubs such as: Boulevard Holdings, Inc., Premier Entertainment Productions, Inc., Solid Group, Inc., The Metropolitan Club, Inc., AJO.net Holdings, Inc. and PhilWeb.Corporation. She is also a lecturer at the Thames International Business School, Philippine Campus. Atty. Katigbak, a Filipino, is 52 years old.

### **Significant Employees**

No single employee is expected to make a significant contribution to the business since the employees of the company are expected to work together as a team in order to achieve the

corporation's set goals. All of the Company's employees are considered significant in their own particular way.

### **Family Relationships**

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among the directors or officers herein listed other than Mr. Ren Jinhua, Chairman of the Board and his son, Mr. Ren Youmin, director.

## **Item 11. EXECUTIVE COMPENSATION**

### **DIRECTORS**

The Directors receive P5,000 as per diem transportation allowance for every board meeting.

### **EXECUTIVE OFFICERS**

The annual compensation of the Company's executive officers for the last two (2) fiscal years and the ensuing year 2022 (estimate) are as follows:

Executive Officer	Position	Salary			Bonus	Other Annual Compensation
		2022 (estimate)	2021	2020		
Ren Jinhua	Chairman					
Antonio L. Tiu	President / CEO					
Georgina A. Monsod	EVP / COO					
Keinth Roger B. Castillo	Treasurer					
Ren Youmin	Director / Executive Committee					
Total of all above named directors & officers as a group		P5.0M	P4.9M	P7.5M	None	None

The company has not granted/exercised any warrants and options to its directors or officers and as no plans to grant/exercise any warrants and options now or in the near future. The standard arrangements pursuant of which directors are compensated are attendance in board meetings, election as officer of the company, designation as person in charge of certain assignments to be performed, etc. There are no other arrangements pursuant to which any director of the company was compensated.

## **Item 12. SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT**

**Security Ownership of Certain Record and Beneficial Owners, Stockholders, directly or indirectly, the record or beneficial owner of more than 5% of any class of Registrant's voting securities.**

The Company has no knowledge of any person holding more than five percent (5%) of the Company's shares of common stock under a voting trust or similar agreement.

The Companies known to the Registrant to be the record or beneficial owner of more than 5% of any class of the Registrant's voting securities as of December 31, 2021, as follows:

*Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	Percent of Class
Common	AGGREGATE BUSINESS GROUP HOLDINGS, INC. Unit 627 City and Land Mega Plaza Building ABD Avenue Corner Garnet Road, Ortigas Center, Pasig City	AGGREGATE BUSINESS GROUP HOLDINGS, INC. Principal Stockholder	Filipino	4,320,905,000	71.28%
Common	**PCD NOMINEE CORP. (F) G/F MSE Bldg. Ayala Ave., Makati City	Various owners	Filipino	653,850,502	10.79
Common	**PCD NOMINEE CORP. (NF) G/F MSE Bldg. Ayala Ave., Makati City	Various owners	Non-Filipino	642,988,012	10.61
Common	AUSPICIOUS ONE BELT ONE ROAD FUND	AUSPICIOUS ONE BELT ONE ROAD FUND Principal Stockholder	British	368,175,000	6.07%

\*The above list is exclusive of 722,320,940 preferred shares with par value of Php 10.00 per share issued to City Government of Makati.

\*\*231,315,000 out of 1,296,838,514 common shares (17.84 %) is for the account of AGGREGATE BUSINESS GROUP HOLDINGS, INC. which owns a total of 4,552,220,000 (75.10%) common shares of the Company.

## Security Ownership of Management

Title of Class	Name	Amount/Nature of Beneficial Ownership	Total	Citizenship	Percent of Class
Common	Ren Jinhua	50/Direct	50	Chinese	0.00%
Common	Antonio L. Tiu	50/Direct	50	Filipino	0.00%
Common	Georgina A. Monsod	1,000/Direct	1,000	Filipino	0.00%
Common	Keinth Roger B. Castillo	100/Direct	100	Filipino	0.00%
Common	Cao Lei	50/Direct	50	Chinese	0.00%
Common	Ren Youmin	100/Direct	100	Hongkong	0.00%
Preferred	Claro F. Certeza	50/Direct	50	Filipino	0.00%
Common	Zhang Shengman	50/Direct	50	Chinese	0.00%
Common	Benedict Lim	100/Direct	100	Filipino	0.00%
Common	Laiza Rose R. Lamsen	50/Direct	50	Filipino	0.00%
Common	Jose Gerardo A. Medina	50/Direct	50	Filipino	0.00%
	<b>Total</b>		1,650		0.00%

The aggregate shareholdings of directors and officers as a group amounts to 1,950 shares.

Registrant has no voting trust holders of 5% or more of its total outstanding capital stock.

Registrant has no knowledge of any arrangements which may result in a change of control of the Registrant.

## Item 13. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

### Certain Relationships and Related Transactions

See Note 20, Related Party Disclosures, of the Notes to the Consolidated Financial Statements

## PART IV – CORPORATE GOVERNANCE

### Corporate Governance

In order to institutionalize the principles of good corporate governance in the entire organization, the Company submitted its revised Manual on Corporate Governance to the SEC on January 28, 2011. The Company is committed to good corporate governance and continues to pursue efforts towards attaining full compliance with its Manual on Corporate Governance. Moreover, pursuant to SEC Memorandum Circular 15, Series of 2017, the Integrated Annual Corporate Governance Report (I-ACGR) of the Company for 2020 was filed with the SEC last June 29, 2021.

The Company has designated its Documentation Manager, Maria Noemi A. Aguinaldo who is tasked with monitoring compliance with the provisions and requirements of the Company's Manual on Corporate Governance.

The Company is presently developing a plan and timetable for compliance with certain leading practices and principles of good corporate governance, such as structured monitoring of compensation, benefits, succession planning and continuous training for management and key personnel on the leading practices of good corporate governance.

## PART V - EXHIBITS AND SCHEDULES

### Item 14. EXHIBITS AND REPORT ON SEC FORM 17-C

**(a) Exhibits** - See accompanying Index to Exhibits

The following exhibit is filed as a separate section of this report.

Subsidiaries of the Registrant

The other exhibits, as indicated in the Index to Exhibits, are either not applicable to the company or require no answer.

**(b) Report on SEC Form 17 – C**

The following current reports have been disclosed by Philippine Infradev Holdings Inc. through official disclosure letters dated:

Date	Disclosures
January 26, 2021	Material Information/Transactions- Change of office address.
March 09, 2021	Update on Corporate Actions/Material Transactions/Agreements- Update on the Share Purchase Agreement and related Agreements.
March 09, 2021	Material Information/Transactions- Execution of Term Sheet Relative to the Financing and Acquisition of Certain Lots in the Makati City Subway Project
March 11, 2021	Joint Ventures- Execution of Term Sheet Relative to the Financing and Acquisition of Certain Lots in the Makati Subway Project.

June 23, 2021	Reply to Exchange's Query- Reply to Exchange's Query for the update on the finalization and execution of the joint venture agreement and any other material developments relevant to the transaction related to our disclosure dated March 9, 2021 regarding the execution of legally binding term sheet with Richer Today, Inc. (RTI).
October 29, 2021	Notice of Annual or Special Stockholders' Meeting

**(c) Reports under SEC Form 17-C as amended (during the last 6 months):**

<b>Date</b>	<b>Disclosures</b>
March 10, 2021	[Amend-1] Material Information/Transactions- Execution of Term Sheet Relative to the Financing and Acquisition of Certain Lots in the Makati City Subway Project.
March 12, 2021	[Amend-1] Joint Ventures- Execution of Term Sheet Relative to the Financing and Acquisition of Certain Lots in the Makati Subway Project.

**PHILIPPINE INFRADEV HOLDINGS INC. AND SUBSIDIARY  
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES  
SEC FORM 17 – A**

**CONSOLIDATED FINANCIAL STATEMENTS**

Statement of Management’s Responsibility for Financial Statements

Report of Independent Public Accountants *Attachment*

Consolidated Balance Sheets as of December 31, 2021 and 2020 *Attachment*

Consolidated Statements of Income for the Years Ended

December 31, 2021, 2020 and 2019 *Attachment*

Consolidated Statements of Cash Flows for the Years Ended

December 31, 2021, 2020 and 2019 *Attachment*

Statements of Changes in Equity for the Years Ended December 31,  
2021, 2020 and 2019 *Attachment*

Notes to Consolidated Balance Sheets *Attachment*

**SUPPLEMENTARY SCHEDULES**

Report of Independent Public Accountants on Supplementary Schedules

Marketable Securities – (Current Marketable Equity Securities and Other  
Short-Term Cash Investments) \*

A. Marketable Equity Securities, Other Long-Term Investments in  
Stock, and Other Investments \*

B. Amounts Receivables from Directors, Officers, Employees, Related Parties,  
and Principal Stockholders (Other than Affiliates) \*

C. Current Marketable Equity Securities, Other Long-term Investments in Stock, and Other  
Investments\*

D. Indebtedness of Unconsolidated Subsidiaries and Affiliates \*

E. Intangible Assets and Other Assets \*

F. Long-Term Debt \*

G. Indebtedness of Affiliates and Related Parties

H. Guarantees of Securities and Other Issuers \*

I. Capital Stock \*

\*These schedules, which are required by Part IV (e) of RSA Rule 48, have been omitted because they are either not required, not applicable or the information required to be presented is included in the company’s consolidated balance sheets or notes to the consolidated balance sheets.



**PHILIPPINE INFRADEV HOLDINGS INC. AND SUBSIDIARY  
INDEX TO EXHIBITS**

**SEC FORM 17 – A**

Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession \*

Instruments Defining the Rights of Security Holders, Including Indentures \*

Voting Trust Agreement \*

Material Contracts \*

Annual Report of Security Holders, FORM 11 – Q or Quarterly Reports to Security Holders\*

Subsidiary of the Registrant

Published Report Regarding Matters Submitted to Vote of Security Holders \*

Consents of Experts and Independent Counsel \*

Power of Attorney \*

Additional Exhibits \*

\*These Exhibits are either not applicable to the company or require no answer

**EXHIBIT 18 SUBSIDIARY OF THE REGISTRANT**

Philippine Infradev Holdings Inc. has three consolidated subsidiaries which are wholly-owned, Interport Development Corporation, Makati City Subway, Inc. and Jiangsu Rizal Infradev Co. Ltd.

## SIGNATURES

Pursuant to the requirement of Section 17 of the Code and Section 141 of the Corporate Code, this report is signed on its behalf by the issuer by the undersigned, thereunto duly authorized, in the City of Makati, on May 13, 2022.

Issuer: **PHILIPPINE INFRADEV HOLDINGS INC.**

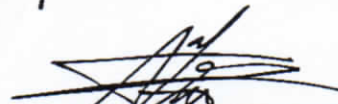
By:

Directors/ Officers and Control Persons

Chairman of the Board

  
\_\_\_\_\_  
REN JINHUA

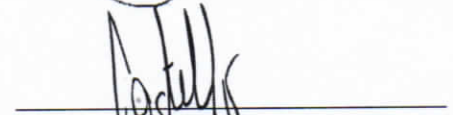
President

  
\_\_\_\_\_  
ANTONIO L. TIU

Corporate Secretary

  
\_\_\_\_\_  
DELFIN P. ANGCAO

Treasurer

  
\_\_\_\_\_  
KEINTH ROGER B. CASTILLO

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY ) S. S.

**SUBSCRIBED AND SWORN TO** before me, a Notary Public, for and in Makati City, this \_\_\_\_\_ day MAY 13 2022 2022, affiants exhibiting to me their PRC ID and/or Passports, as follows:

<u>Affiant</u>	<u>CTC No./ Passport No.</u>	<u>Date of Issue</u>	<u>Place of Issue</u>
REN JINHUA	H20605074	06 NOV 2020	CHINA
ANTONIO L. TIU	P5749783A	25 JAN 2018	DFA MANILA
DELFIN P. ANGCAO	44196	15FEB 2018	DFA, MANILA
KEINTH ROGER B. CASTILLO	0159133	19 APR 2020	PRC MANILA

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Series of 2022

**ATTY. GERVACIO B. ORTIZ JR.**

Notary Public City of Makati  
Until December 31, 2022  
IBP No. 05729-Lifetime Member  
MCLE Compliance No. VI-0024312  
Appointment No. M-82-(2021-2022).  
PTR No. 8852511 Jan. 3, 2022  
Makati City Roll No. 40091  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

2021



**Philippine InfraDev  
Holdings Inc.**

# Sustainability Report

38th Floor Rufino Pacific Tower  
Ayala Avenue, Makati City

**CONTEXTUAL INFORMATION**

Company Details	
<b>Name of Organization</b>	PHILIPPINE INFRADEV HOLDINGS INC.
<b>Location of Headquarters</b>	38th Floor Rufino Pacific Tower Ayala Avenue, Makati City
<b>Report Boundary</b> <i>Legal entities included in report</i>	MAKATI CITY SUBWAY INC.
<b>Business Model, including primary activities, brands, products, and services</b>	Philippine Infradev Holdings Inc. is a holding company. Its businesses include socialized housing development and sales. It is a majority/100% owner of Makati City Subway Inc., a corporation which was incorporated for purposes of developing and operating the intra-city subway system of Makati City.
<b>Reporting Period</b>	2021
<b>Highest Ranking Person Responsible for Report</b>	KEINTH ROGER CASTILLO

**MATERIALITY PROCESS**

<b>Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.</b>
The materiality of aspects of the Company's business for purposes of this Sustainability Report is determined based on the Company's direct economic and social impact on society. It excludes facts and data that are indirectly caused by the Company through services rendered by its subcontracts.

**ECONOMIC**

**ECONOMIC PERFORMANCE**

**Direct Economic Value Generated and Distributed**

<b>Disclosure</b>	<b>Amount</b>	<b>Units</b>
Direct Economic Value Generated (Revenue)	21,278,198	PhP
Direct Economic Value Distributed:		
a. Operating Costs	43,745,093	PhP
b. Employee Wages and Benefits	10,517,950	PhP
c. Payments to Suppliers, Other Operating Costs	10,085,380	PhP
d. Dividends given to stockholders and interest payments to loan providers	20,521,296	PhP
e. Taxes given to government	4,015,894	PhP
f. Investments to Community (donations, CSR)	500,000	PhP

<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>
All values are generated from the direct operations of the Company.	As a holding company with major businesses in real estate, infrastructure and transportation (intra-city subway of Makati City), it impacts the economic society in general by way of generating steady income growth, offering quality standards in building residential and commercial projects to provide better homes and lifestyle, and contributing to the government in the form of taxes. Moreover, the Company also contributes in creating either direct or indirect job opportunities and providing employees with a stable and productive work environment. By building a subway, people would be given more options in the mode of transportation	The Company operates under the guiding policy of generating more sales at less cost, without prejudice to the community and its stakeholders.
<b>What are the risks identified?</b> At present, the business of the Company is anchored on sales of its housing projects. The subway project is at its pre-construction stage.  The Company considers the risks brought by the global and local market fluctuations. Interest rates, inflation rates, change demographics and economic trends contribute to the state of the real estate and infrastructure market. The Company's inability to		<b>Management Approach</b> The Company strives to maintain strong business relationships with its contractors and suppliers to streamline and improve processes without compromising quality and standards. Any mishaps and disagreements could risk potential increase in costs and delays in the project.

<p>anticipate and cope with the fluctuations could negatively affect the Company’s operations and customer service.</p> <p>The Company recognize that the successful completion of our forthcoming project on infrastructure and transportation is heavily dependent on third-party suppliers and contractors.</p>	<p>which would progressively create accommodating spaces that are people-oriented as well as pedestrian-friendly.</p> <p>Employees, Government, Stockholders, Suppliers</p>	
<p><b>What are the Opportunities identified?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>The Company sees the opportunity to continue to develop lands considered to be viable and marketable. The development of these lands could either be a direct acquisition or a joint venture agreement. The management will continue to assess the profitability of future projects which will enhance the Company’s real estate portfolio.</p> <p>In addition, as the Company ventures into building one of the country’s first subway, we see opportunities to continue to improve the modes of public transit in the country. Once the subway proves to meet the expected effectiveness and efficiency, the Company will pursue to grow its infrastructure and transportation projects thereby creating more job opportunities in the country.</p>	<p>These opportunities are envisioned to directly impact the community and suppliers alike.</p>	<p>The Company is continuously exploring land areas for development.</p> <p>As regards its subway project, the Company is poised to aggressively complete the project within the original completion period.</p>

## **Climate-Related Risks and Opportunities**

The Company, including the Board, acknowledges that climate-related risks and opportunities are present in the operations of its ventures. We are already experiencing the substantial impact of climate change and we understand that we will continue to be impacted by climate-related events in the long term. Extreme climate-related events can cause severe damage on our real estate properties and infrastructure thereby leading to maintenance and repair costs and might even decrease the value of the properties or render them unusable. Likewise, potential business disruptions such as destroyed road infrastructure can also significantly affect the Company.

Over the short and medium term, climate related risks would be lost or delayed business profits in the event of project turnover delays caused by fortuitous events. The potential impacts of the risks identified would translate to lesser revenues. In the long term, the identified climate related risk is depreciation of land or market's inability to purchase investments in property.

The Company, however, has yet to create a framework to accurately assess and manage the Company's exposure to climate-related risks and opportunities. Understanding the risks and opportunities is the first essential step in building the framework and we are still working on completing this. We are working to incorporate this in our enterprise risk management to create a complete framework that would be able to quantify climate-related financial impacts and direct effects to the company. The aim is also to develop effective and resilient strategies and responses to ensure business continuity and reduce financial losses in different climate-related scenarios.

At present, the rudimentary form of governance the Company takes is: (1) Management's role in the scheme of climate-related matters is to bring to the board any and all potential risks. Management exercises overseeing functions to ensure that projects are delivered on time. Where the actual progress falls by a significant margin, it implements stop-gap measures, where warranted. Otherwise, the matter is elevated to the board. (2) The board's projections always take into consideration the possible costs and expenses that may be brought about by climate related risks. Costs and expenses are assessed using the costs of delay, lost business, and/or costs of reparation or making good damage to the Company's property.



**PROCUREMENT PRACTICES**

**Proportion of spending on local suppliers**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	%

<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 impact occurs in the primary business operations of the company.	By spending 100% procurement on local suppliers and contractors, the Company contributes to the growth of the country's economy and increases the local competition which makes the market healthier as well as decreasing the unemployment rate. The higher local purchases are, the more job positions require. Local procurements positively affect not only the suppliers or contractors and their employees and business partners, but also the local and national governments by way of paying mandatory taxes related to the operation of such entities including the Company.	<p>The Company understands the opportunities and advantages brought by local procurements as well as the related risks that might affect the current overall impacts, positions and performances of the Company.</p> <p>Focusing on the local procurements shorten the supply chains that eliminate or at least minimize issues related to the availability of the materials and the timeliness of the delivery which helps the Company in achieving its target date of project completion. We appreciate the positive effects of having a local supplier and contractors like reduction in cost, accessibility for technical support and easier to resolve any conflict related to the arrangement or contract agreement. Moreover, the Company realizes that there is greater control in terms of identifying the quality of service that a local supplier may bring to our business by conducting a site visit to</p>

		<p>assess the supplier’s quality assurance program and evaluate their production facility directly.</p> <p>Despite having no existing written policy on the supplier and contractor selection procedure, the Company sets specific parameters and standards in choosing and assessing our contractors and suppliers to mitigate the risks to be involved or engaged with suppliers or contractors with going concern issues and lack of permits to operate business. Part of the Company’s procurement process is the pre-qualification stage in which we assess the information provided by the contractors and suppliers and corroborate with the available public information. One of the important factors we consider in choosing a supplier and contractor is the quality of service and its ability to operate a business by way of providing the Company the necessary information like business permits and certificate of registration and conducting a site visit.</p>
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Risks identified in sourcing locally are the financial consequences of the same. There are many other cheaper alternatives for the Company’s supplies.	This identified risk translates to business costs which inevitably impact the financials of the Company.	In engaging with local suppliers, the Company actively looks for suppliers with competencies. This way, the prices that they are able and willing to give will be at par with those available abroad.
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
NA	NA	NA

**ANTI-CORRUPTION**

**Training on Anti-Corruption Policies and Procedures**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Percentage of employees to whom the organization's anti-corruption 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	100	%
Percentage of directors and management that have received anti-corruption training	100	%

<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>
<p>Impact occurs both in the primary business operations and in the supply chain.</p> <p>In the general scheme of things, the areas where corruption may possibly occur are many, ranging from the company being a recipient (from suppliers) to the company being the giver.</p>	<p>The Company recognizes that corruption affects not only the Company, but also its stakeholders. Employees will be demoralized and the interests of the general public will be prejudiced.</p> <p>Also, the Company's shareholders will suffer the consequences of corruption, as this will inevitably bring costs of doing business higher.</p>	<p>The Company anchors its operations on a policy against corruption.</p> <p>Guided by the principles of integrity, honesty, transparency, and accountability, the Board sets the ethical standards in the Company. Along with company management, the Board is committed in making a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The management implements and consistently monitors compliance with the Company's Code of Conduct. In accordance with the Company's Code of Discipline, the appropriate disciplinary actions will be meted to erring employees, officers, and directors.</p> <p>These policies are directly communicated and reiterated to all corporate</p>

		<p>actors and personnel. Suppliers are likewise apprised of this policy.</p> <p>Policies related to anti-corruption such as Whistleblowing and Insider Trading Policies are publicly available in the Company's website for everyone's reference.</p> <p>Fortunately, no employee, officer or director has been sanctioned for corruption. The Company aims to maintain this by retaining its culture of integrity which the top-level management needs to be committed to. Aside from regularly communicating anti-corruption policies and conducting anti-corruption trainings to employees, the Company believes in setting an example by doing. Employees will inevitably follow the management's example.</p> <p><i>What policies, commitments, goals, targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>
<p><b>What are the risks identified?</b></p>		<p><b>Management Approach</b></p>
<p>NA</p>		<p>The Company manages corruption risks through its audit committee. The Committee looks into susceptible areas of corruption and checks whether there are effective controls will also prevent corruption from occurring in the company.</p>

<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	NA

**Incidents of Corruption**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
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	#

<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 impact would occur either in the supply chain of the Company or in the primary business of the Company. In the former, the Company's role, if any, would be as a recipient of favors. In the latter, the Company's role, if any, would be the giver or the one initiating the corruption.	Aside from the Company's shareholders, the stakeholders affected by any incident of corruption will be: <ol style="list-style-type: none"> <li>1. The employees, who may be demoralized;</li> <li>2. The community where the Company is doing business, as any corruption will inevitably be to the prejudice of their interests</li> </ol>	Guided by the principles of integrity, honesty, transparency, and accountability, the Board sets the ethical standards in the Company. Along with company management, the Board is committed in making a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The management implements and consistently monitors compliance with the Company's Code of Conduct. In accordance with the Company's Code of Discipline, the appropriate disciplinary actions will be meted to erring employees, officers, and directors.  The Company strictly implements its anti-corruption policies, and encourages reporting through its whistleblowing policies.
<b>What are the risks identified?</b>		
NA		
<b>What are the Opportunities identified?</b>		
NA		

**ENVIRONMENT**

**RESOURCE MANAGEMENT**

**Energy Consumption within the Organization**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0 B	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	905 M	GJ
Energy consumption (electricity)	650,365	kWh

**Reduction of energy consumption**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	0	kWh

<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 impact occurs in the primary business of the Company.	Employees are the most affected.	The Company is being operated at efficiency in terms of energy consumption.
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Risks identified are disruption of operations in the event of intermittent or failure of supply of electricity.	Clients will be most affected in the event of the happening of the risk identified.  Employees will likewise be unable to work.	NA
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Company foresees an increase in recorded energy consumption in the future when the subway system of the Company is operational.	The Makati community will be most affected by the opportunity identified.	The Company is looking to invest in energy-efficient facilities.

**Water consumption within the organization**

Disclosure	Quantity	Units
Water withdrawal	0	m <sup>3</sup>
Water consumption	245	m <sup>3</sup>
Water recycled and reused	0	m <sup>3</sup>

<p><b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>Impact occurs in the primary business operations of the Company.</p> <p>Recorded water consumption refers to water consumption in the direct operations of the Company only. Water consumption of contractors in the construction sites are not considered.</p>	<p>Stakeholders affected are the employees.</p>	<p>The Company ensures that its employees are taking necessary steps to conserve water consumption. This is consistently being emphasized during Company meetings.</p>
<p><b>What are the risks identified?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>NA</p>	<p>NA</p>	<p>NA</p>
<p><b>What are the Opportunities identified?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>NA</p>	<p>NA</p>	<p>NA</p>

**Materials used by the organization**

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	0	kg/liters
• non-renewable	5,000,000	Kg
Percentage of recycled input materials used to manufacture the organization's primary products and services	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>
Impact occurs in the primary business of the Company, especially in its construction activities for its housing projects.	The stakeholders most affected by this impact are the suppliers. The impact to employees is secondary.	Management is always on the lookout for alternative sources of materials for its building works. For any change in the materials used to be effected in the organization, however, the materials must meet the qualifications and specifications; so any change on this front is slow.
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Materials used by the Company must at all times be quality and durable. These materials (cement, steel) are mostly non-renewable.  An unavailability of this material, or an unforeseen increase in prices of these materials, is seen to affect the business of the Company.	The stakeholders most affected by unavailability of materials will be the Company's clients and suppliers.  In the event of unforeseen increase in prices, the effect would be most felt by the Company; secondarily, its employees.	It is management policy to secure the best price and look for quality building material alternatives to the traditional.
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
NA	NA	NA



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

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	1	
Habitats protected or restored	None	ha
IUCN Red List species and national conservation list species with habitats in areas affected by operations	None	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>During the construction phase, removal of vegetation which will lead to habitat loss and/or reduction is expected to be very minimal and short term. The project site, given its location, past disturbances, and current development is already degraded and fragmented in terms of habitat condition. The vegetation in the project site consists mainly of fast-growing exotic species which are readily and commonly available in the surrounding areas of the project site. This is also the case of aquatic life and habitat adjacent to the proposed alignment.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	Communities along the alignment, Local Government Units	<p>Applicable scientific and administrative measures will be implemented for prevention, mitigation, or enhancement.</p> <p>Terrestrial Ecology</p> <ul style="list-style-type: none"> <li>• Avoid unnecessary cutting of vegetation</li> <li>• Inventory of biota and riparian zone as basis for species and volume replacement</li> <li>• Compensate through planting indigenous tree species suitable in the area</li> </ul> <p>Aquatic Ecology</p> <ul style="list-style-type: none"> <li>• Adequate positioning of stockpile areas away from river/creek</li> <li>• Road-bank soil erosion prevention/minimization (use of biological or non-biological structures)</li> </ul>
What are the risks identified?	Which stakeholders are affected?	Management Approach
<p>Terrestrial Ecology</p> <ul style="list-style-type: none"> <li>• Vegetation loss</li> <li>• Removal of economically and ecologically important species</li> <li>• Habitat fragmentation</li> </ul>	Communities along the alignment, Local Government Units	<p>Applicable scientific and administrative measures will be implemented for prevention, mitigation, or enhancement.</p> <p>Proper compensation for affected trees.</p>

<p>Aquatic Ecology</p> <ul style="list-style-type: none"> <li>• Destruction or disturbance of aquatic life due to works in rivers.</li> <li>• Degradation of aquatic habitat, species decline</li> </ul>		<p>Replanting/replacement of vegetation in accordance with DENR policy.</p>
<p><b>What are the Opportunities identified?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>Possible rehabilitation and enhancement on the areas where the project is located.</p>	<p>Communities along the alignment</p>	<p>Enhancement measures through partnerships with concerned stakeholders.</p>

**ENVIRONMENTAL IMPACT MANAGEMENT**

**Air Emissions**

**GHG**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Direct (Scope 1) GHG Emissions	Unidentified	Tonnes CO <sub>2</sub> e
Energy indirect (Scope 2) GHG Emissions	50,000.00 (Annual)	Tonnes CO <sub>2</sub> e
Emissions of ozone-depleting substances (ODS)	Unidentified	Tonnes

<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>
<p>GHG emissions of the project are significant during construction period only due to operation of heavy equipment and vehicles using diesel-engines. During operation, the project is expected to significantly offset GHG emissions due to reduction on use of motor vehicles by commuters.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. It will also choose the contractor to the civil works. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	<p>Workers, community, vulnerable groups, individuals with activities along the project site,</p>	<p>Administrative and Engineering measures will be implemented during construction and operation phase of the project</p> <ul style="list-style-type: none"> <li>• Prepare and implement a GHG emissions accounting program in accordance with international standards, such as those of the developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD). This protocol sets the global standard to measure, manage, and report greenhouse gas emissions.</li> <li>• Minimize idling time by shutting equipment off when not in use or reducing the time of idling to not more than 3 minutes.</li> <li>• Use of use heavy equipment and trucks that are fuel efficient,</li> <li>• Optimize use of vehicles and heavy equipment,</li> <li>• Optimize lighting at workplaces, access</li> </ul>

		<p>roads, and inside the tunnel,</p> <ul style="list-style-type: none"> <li>• Optimal use of materials, i.e., recycling of steel, particularly those salvage during demolition works,</li> <li>• Maintain all construction equipment in accordance with the manufacturer's specification, and</li> <li>• Use of compact fluorescent bulbs and reduce consumption of electricity at workplaces;</li> </ul>
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<ul style="list-style-type: none"> <li>• Increase in GHG emissions could pose adverse impacts on human health</li> </ul>	Workers, community, vulnerable groups, individuals with activities along the project site,	Administrative and Engineering measures will be implemented during construction and operation phase of the project
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
<ul style="list-style-type: none"> <li>• During the operation phase, the Project is expected to reduce 320,401 MTCO<sub>2</sub>e of GHG per year. This will reduce the emission contribution of the transportation sector 0.6% and the country's emission by 0.2%.</li> </ul>	General Public	<p>Strict implementation of administrative and engineering measures.</p> <p>Observe compliance to related-environmental laws and policies.</p>

**Air Pollutants**

Disclosure	Quantity	Units
NO <sub>x</sub>	181.606	kg
SO <sub>x</sub>	0.126	kg
Persistent organic pollutants (POPs)	To be determined	kg
Volatile organic compounds (VOCs)	Unidentified	kg
Hazardous air pollutants (HAPs)	Unidentified	kg
Particulate matter (PM)	82.847	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
<p>During the construction phase, it is expected that there will be a change in TSP, SO<sub>x</sub>, NO<sub>x</sub>, PM 2.5 and PM 10 levels in air.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. It will also choose the contractor to the civil works. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	<p>Workers, community, vulnerable groups, individuals with activities along the project site,</p>	<p>Administrative and Engineering measures will be implemented during construction and operation phase of the project</p> <p>Air Quality</p> <ul style="list-style-type: none"> <li>Regular sprinkling of water along the access road during dry season.</li> <li>Impose speed limits in construction area.</li> <li>Observe maintenance of construction equipment</li> <li>Use of good quality fuel to reduce SO<sub>x</sub> and NO<sub>x</sub> emissions</li> <li>Regular air quality monitoring</li> <li>Noise barriers &amp; planting trees/vegetation on stations and strategic locations.</li> </ul> <p>Noise</p> <ul style="list-style-type: none"> <li>Use of mufflers and exhaust silencers</li> <li>Periodic inspection and maintenance of equipment</li> <li>Construction works should be done during daytime only</li> </ul>
What are the risks identified?	Which stakeholders are affected?	Management Approach
<p>Increase in air pollutants level in the air could pose adverse impacts on human health</p>	<p>General Public</p>	<p>Administrative and Engineering measures will be implemented during construction and operation phase of the project</p>

What are the Opportunities identified?	Which stakeholders are affected?	Management Approach
During operation, the project is expected to significantly offset these air pollutants to reduction on use of motor vehicles by commuters.	General Public	<ul style="list-style-type: none"> <li>• Strict implementation of administrative and engineering measures.</li> <li>• Observe compliances to related-environmental laws and policies.</li> <li>• Delivery of efficient transport system</li> </ul>

**Solid and Hazardous Wastes**

**Solid Waste**

Disclosure	Quantity	Units
Total solid waste generate	To be identified	kg
Reusable	To be identified	kg
Recyclable	To be identified	kg
Composted	To be identified	kg
Incinerated	NA	kg
Residuals/Landfilled	430000	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
<p>Construction activities may generate various types of solid waste, including debris from clearing activities, cut soil, building waste, construction debris, and domestic waste and recyclables from the construction camp.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. It will also choose the contractor to the civil works. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	Community, Workers, Local Government Unit	A Construction Waste Management Plan will be prepared and implemented. The Construction Waste Management Plan will focus on the waste management hierarchy of avoid, reuse, recycle, and disposal, and will be disseminated and explained to all construction personnel of the Project.
What are the risks identified?	Which stakeholders are affected?	Management Approach

<p>Soil contamination within the on-going construction area</p>	<p>Workers, Community, Local Government Unit</p>	<ul style="list-style-type: none"> <li>• A Construction Waste Management Plan will be prepared and implemented. The Construction Waste Management Plan will focus on the waste management hierarchy of avoid, reuse, recycle, and disposal, and will be disseminated and explained to all construction personnel of the Project.</li> <li>• Contaminated soils should be disposed in a treatment, storage, and disposal facility, consistent with the requirements of Republic Act 6969.</li> </ul>
<p><b>What are the Opportunities identified?</b></p>	<p><b>Which stakeholders are affected?</b></p>	<p><b>Management Approach</b></p>
<p>Cut soil may be sold, donated to individuals or companies requiring backfill, or may be used as soil cover in landfills.</p>	<p>Project Proponent, Community, Local Government Unit</p>	<p>Transportation of wastes adherent to concerned environmental laws.</p>

**Hazardous Waste**

Disclosure	Quantity	Units
Total weight of hazardous waste generated	Unidentified	kg
Total weight of hazardous waste transported	To be identified	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
<p>During construction, heavy equipment will need fuel and lubricants for proper functioning. These may contain hazardous substances that may seep through soils, bodies of water and may possibly enter human body through various medium.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. It will also choose the contractor to the civil works. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	Community, Workers, Local Government Unit	<p>Administrative and Engineering measures will be implemented during construction and operation phase of the project</p> <p>A Toxic and Hazardous Waste Treatment and Disposal Facility will be established to take care of hospital wastes, service facilities, and industrial wastes containing toxic and hazardous wastes. Moreover, a third party which is a DENR-registered hazardous waste disposal partner can be tapped.</p>
What are the risks identified?	Which stakeholders are affected?	Management Approach
Change in physicochemical characteristics of the river and soil. (TSS, TDS, Oil and Grease, and Heavy Metals)	Community, Workers, General Public	<p>Administrative and Engineering measures will be implemented during construction and operation phase of the project</p> <p>Any generated hazardous wastewater such as used oil should be properly stored in drums or storage units and then disposed off through a third-party disposal earth materials</p>
What are the Opportunities identified?	Which stakeholders are affected?	Management Approach
There will be more systematic arrangement for disposal of hazardous waste upon identification of its presence.	Community, Workers, Local Government Unit	Implementation of effective Waste Management System adherent to concerned environmental laws.



**Effluents**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Total volume of water discharges	To be determined during construction, limited to domestic water and maintenance during operations phase	Cubic meters
Percent of wastewater recycled	To be determined during construction, limited to domestic water and maintenance during operations phase	%

<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>
<p>The construction of the subway and the TODs will generate storm water runoff and sanitary wastewater streams.</p> <p>The Company will determine the commencement of project implementation and will provide direction to the overall arrangement of project. It will also choose the contractor to the civil works. Thus, the abovementioned impact is linked to the actual business operation of the Company.</p>	Community	Engineering measures will be implemented during operation of the project. Stormwater runoff from the site will be collected by an onsite drainage system. If deemed necessary, collected stormwater will be treated prior to discharge to nearby creeks. Effluent from the subway stations and various establishments in the TODs will be treated as required to ensure compliance with the DENR Administrative Order 2016-08 General Effluent Standards prior to discharge to public sewers or surface waters.
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Existing water bodies will be used as the collection site for stormwater runoff.	Community	Administrative and Engineering measures will be implemented during the operation phase of the project
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Creation of two different collection systems for storm water runoff and sanitary wastewater streams to reduce the volume of wastewater requiring treatment.	Community	Strict compliance with the DENR Administrative Order 2016-08 General Effluent Standards prior to discharge to public sewers or surface waters.

**Environmental Compliance**

**Non-compliance with Environmental Laws and Regulations**

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

<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>
NA	The Company as project proponent	Strict compliance with environmental laws and conditions stated in the ECC.  Designation of an Environmental Unit/Pollution Control Officer with appropriate training and certification to implement and monitor Environmental Compliance
<b>What are the risks identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
In case of violation, progress on project implementation and operation may be affected.	Project Proponent	Strict compliance with environmental laws and conditions stated in the ECC.
<b>What are the Opportunities identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Imposition of fines for any violation will create an atmosphere of being compliant with what is required for any activity. Thus, it will generally pave a way for a project with much consideration on environmental integrity.	Project Proponent	Strict compliance with environmental laws and conditions stated in the ECC.

## SOCIAL

## EMPLOYEE MANAGEMENT

**Employee Hiring and Benefits****Employee data**

Disclosure	Quantity	Units
Total number of employees	25	
a. Number of female employees	11	#
b. Number of male employees	14	#
Attrition Rate	4%	Rate
Ratio of lowest paid employee against minimum wage	1.23:1	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	0.00%	7.14%
Philhealth	Y	0.00%	7.14%
Pag-Ibig	Y	No data available	No data available
Parental leaves	Y	0.00%	0.00%
Vacation leaves	Y	90.91%	92.86%
Sick leaves	Y	90.91%	92.86%
Medical benefits (aside from Philhealth)	Y	90.91%	92.86%
Housing assistance (aside from Pag-ibig)	N	0.00%	0.00%
Retirement fund (aside from SSS)	N	0.00%	7.14%
Further education support	N	0.00%	0.00%
Company stock options	N	0.00%	0.00%
Telecommuting	Y	90.91%	92.86%
Flexible working hours	Y	36.36%	35.71%
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company's employees may be said to be divided into two categories, those field personnel found in the Company's project sites; and those office personnel. Other than the place where the employees report	Recognizing the importance of personnel in the Company, the Company: <ol style="list-style-type: none"> <li>1. Regularly evaluates its compensation and benefit packages to ensure competitiveness of the same, and its</li> </ol>

<p>for work, no substantial difference exists between the two types.</p> <p>These employees are important to the business of the Company.</p>	<p>relevance, taking into consideration inflation and market fluctuations.</p> <ol style="list-style-type: none"> <li>2. Is committed to ensuring the welfare of each of its employees. Aside from the vacation and sick leave benefits, the Company provides free healthcare benefits to all permanent employees which include both in-patient (hospital confinement), out-patient (consultations) and dental services.</li> <li>3. Provides safe working conditions for its employees.</li> </ol> <p>Part of the Company's initiatives is to advocate use by employees of their vacation leaves, to prevent burnout among its employees.</p>
<p><b>What are the risks identified?</b></p>	<p><b>Management Approach</b></p>
<p>Risks identified include voluntary separation of employees due to perceived "greener opportunities" outside the Company.</p>	<p>To address this concern, management keeps an open line of communication with its personnel. Communication is designed to be informal, to promote a spirit of camaraderie among the ranks.</p> <p>The Company recognizes that financial matters are not the only consideration in the employees' decision to stay with the Company. Thus, it organizes employee activities geared towards building a vibrant community of friendship and family.</p>
<p><b>What are the Opportunities identified?</b></p>	<p><b>Management Approach</b></p>
<p>NA</p>	<p>NA</p>

**Employee Training and Development**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
*Total training hours provided to employees		
a. Female employees	8	Hours
b. Male employees	24	Hours
*Average training hours provided to employees		
a. Female employees	8	Hours/employee
b. Male employees	8	Hours/employee

\* Training seminars offered by outside parties

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Impact occurs at the level of business operations of the Company. The trainings subscribed to by the Company are those trainings having significance to the employees' line of work/scope of responsibility. This way, the Company's operations and business are kept abreast.	Management keeps an open line of communication. It considers suggestions/recommendations made by employees concerning the choice of trainings to be attended.
<b>What are the risks identified?</b>	<b>Management Approach</b>
NA	NA
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
At present, the Company relies on third party providers in the provision of training to its personnel. While enriching, trainings may be maximized if the learnings are tailor fitted to the peculiar and specialized needs of the business, and these are cascaded to all concerned.	The Company is keen on exploring the possibility of establishing in-house training programs for its employees in the near future. The Company's HR department intends to research, plan, and collaborate with each department to create effective and creative training programs.

**Labor-Management Relations**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
% of employees covered by Collective Bargaining Agreements	NA	%
Number of consultations conducted with employees concerning employee-related policies	1	#

<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 Company has no labor union or a collective bargaining agreement with its employees.	<p>The absence of a labor union or a CBA notwithstanding, the Company makes it a policy to ensure that the grievances and opinions of its employees concerning labor policies are heard. This is achieved through biannual consultations with employees.</p> <p>To apprise employees of existing policies, they are regularly updated of the same. In general, the Company expects its employees to refrain from any activity that may interfere with or run in conflict with their work or jeopardize the Company's interest.</p> <p>The Company focuses on the following points related to its employees, directors and management:</p> <p><u>1. Compliance with Laws and Regulations.</u> Directors, officers and employees shall uphold right conduct and shall personally adhere to the norms and restrictions imposed by applicable laws, rules and regulations. They shall not accept demands brought on by prevailing business conditions or perceived pressures as excuses to violate any law, rule or regulation.</p> <p><u>2. Respect for Trade Secrets/Use of Non-public Information.</u> Directors, Officers and employees shall maintain and safeguard the confidentiality of information entrusted by the Company, customers, business partners or such other parties with whom the Company relates, except when disclosure is authorized or legally mandated. They should not trade the company's securities using price available publicly, and obtained by reason of position,</p>
<b>What are the risks identified?</b>	
NA	
<b>What are the Opportunities identified?</b>	
NA	

	<p>contact within, or other relationship with the Company.</p> <p><u>3. Use of Company Funds, Assets and Information.</u> Directors, Officers and Employees shall use company property and resources including company time, supplies and software, efficiently, responsibly and only for legitimate business purposes only. They shall safeguard company assets from loss, damage, misuse or theft and shall respect intellectual property rights.</p> <p><u>4. Employment &amp; Labor Law &amp; Policies.</u> Employment in the Company signifies willingness and commitment to perform according to standards set by management and to abide by all the policies and procedures as well as rules and regulations of the Company. The Company has an Employees' Manual of Policies and Procedures which provides for employee rights, obligations and sets policies on employee-related matters to ensure uniformity and consistency in the interpretation and implementation of Human Resources Policies and Programs, which are consistent with and in accordance with relevant provisions of the Labor Code.</p>
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**Diversity and Equal Opportunity**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
% of female workers in the workforce	44	%
% of male workers in the workforce	56	%
Number of employees from indigenous communities and/or vulnerable sector*	NA	#

*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>
The impact occurs in the primary business operations of the Company. As the entity with control over who to hire, the Company has a hand in maintaining diversity in the workplace, to ensure maximized productivity and workflow from different perspectives and skill sets.	<p>The Company believes in the importance of diversity in the workplace. A diverse workforce results in maximized productivity and workflow as employees with differing perspectives and skills will naturally deliver better ideas and solutions. It also promotes inclusion and positivity. Creating an environment where employees are comfortable with themselves leads to happier and motivated employees.</p> <p>The Company ensures to employ a workforce comprised of individuals of varying age, religion, gender, cultural background, education, and other attributes. We achieve this by offering equal opportunities to our applicants. We do not discriminate in our hiring process. We objectively select from applicants based on their experience, character, and their qualifications for the job.</p>
<b>What are the risks identified?</b>	<b>Management Approach</b>
NA	NA
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	NA



**Workplace Conditions, Labor Standards, and Human Rights**

**Occupational Health and Safety**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Safe Man-Hours	0	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	#

<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 impact occurs in the primary business operations of the Company.	The Company participates in the fire and earthquake drills organized and/or initiated by the local government and/or building administration during the previous years except this year due to the pandemic.
<b>What are the risks identified?</b>	<b>Management Approach</b>
Risk of injury is identified at the site, but this risk is very minimal to none. The employees are tasked only to oversee and supervise the work of the Company's contractors.	NA
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	NA

**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	
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>
Impact may occur either in the primary business operations or at the level of contractors with whom the Company contracts.	Management adopts a policy that hires only persons of sufficient age.  Suppliers and contractors are made to undertake compliance with existing labor laws.
<b>What are the risks identified?</b>	<b>Management Approach</b>
Legal risks in the event of litigation	Strict adherence with and compliance of labor laws.
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	NA

**Supply Chain Management**

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	N	
Forced labor	N	
Child labor	N	
Human Rights	N	
Bribery and corruption	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 impact occurs in the supply chain of the Company.	<p>To date, the Company places emphasis on the quality of products that are supplied to it. Its due diligence over its suppliers, centers on this matter. This emphasis is grounded on the type of industry to which the Company belongs.</p> <p>Notwithstanding the fact that the Company has no formal supplier accreditation policy and even if it does not check the sustainability topics enumerated above, its contracts with suppliers are always entered into with the premise that these suppliers are and will be compliant with existing labor and environmental laws and regulations. These are made warranties, violation of which gives rise to adverse legal consequences.</p>
<b>What are the risks identified?</b>	<b>Management Approach</b>
Risks identified are the possible delays that may happen in the event the suppliers are found to be in violation of existing laws and regulations.	The Company's contracts with suppliers are non-exclusive, giving the Company room for remedial action in the event the identified risk occurs.
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
The Company recognizes the benefits afforded by the existence of a supplier accreditation policy.	The Company is studying how the adoption of a supplier accreditation policy can be integrated into its business operations.

**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>
Fiesta Casitas	Barangay Tatala, Binangonan	NA	N	NA	The Projects are job-generating. To the community, quality and affordable housing is made available and accessible. We also contribute to taxes collectible by the city government.
Sunshine Fiesta	Barangay Tatala, Binangonan	NA	N	NA	
Casas Carlina	Barangay Tatala, Binangonan	NA	N	NA	
Casas Bauhinia	Barangay Mahabang Parang	NA	N	NA	
Makati intra-city subway	Makati	NA	N	NA	The Project is still in its pre-construction stage. Impact(s) that may affect communities may suffer are being studied.

*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 applicable:

<b>Certificates</b>	<b>Quantity</b>	<b>Units</b>
FPIC process is still undergoing	NA	#
CP secured	NA	#

<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
NA	NA
<b>What are the Opportunity/ies identified?</b>	<b>Management Approach</b>
NA	NA

**Customer Management**

**Customer Satisfaction**

<b>Disclosure</b>	<b>Score</b>	<b>Did a third party conduct the customer satisfaction (Y/N)?</b>
Customer satisfaction	NA	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>
<p>The Company's involvement with customers occur in the course of performing its business operations.</p> <p>Customer satisfaction is directly linked with the quality and timeliness of turnover of the Company's products (housing) to buyers. The quality of products turned over to customers, in turn, has links with the Company's contractors and suppliers.</p>	<p>The Company implements a system of checks and lists to ensure quality turnover to it of products submitted by its contractors.</p> <p>The Company also implements a similar system of checks and lists for its customers to go over when they accept the Company's products. Reasonable and valid customer concerns and requests are documented and endorsed for further action.</p>
<b>What are the risks identified?</b>	<b>Management Approach</b>
<p>The risk identified is the possibility of business losses or additional expenses incurred in making good defective products that may be turned over to the Company by its contractors. Delayed turnover is also a risk inherent in the business of the Company.</p>	<p>The Company has been consistent in making good its promise to deliver affordable but quality housing to its customers. There are set standards that must be met, which standards are non-negotiable before the Company turns over its products to its customers.</p> <p>The Company, through its site personnel, consistently evaluates and ensures the quality of the product of its contractors.</p>
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	<p>While no opportunities have been identified, the Company is always on the lookout for cost effective means of ensuring customer satisfaction.</p>

**Health and Safety**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	NA	#

*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.*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
<p>The impact occurs at the level of sale of the housing units until a few fifteen years later. It occurs as a result of the primary business of the Company.</p> <p>The impact, if any, will be caused by the quality of products turned over to the Company by its contractors.</p>	<p>To manage risks associated with this, the Company deals only with licensed professionals for the plans that it needs. It also requires its contracts with the contractors to specify the quality of work needed for a particular project.</p>
<b>What are the risks identified?</b>	<b>Management Approach</b>
<p>The risks identified are monetary loss in making good a substandard product and reputational damage.</p>	<p>Strict quality assurance procedures prior to acceptance of turnover of project. Aside from this, contracts with contractors have provisions concerning liabilities.</p>
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
<p>There may be more time-efficient ways to guarantee quality.</p>	<p>The Company explores other methods of quality assurance that can supplement existing procedures, to ensure efficiency in its business operations.</p>

**Marketing and Labeling**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
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.*

<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 impact occurs at the level of sale of the housing units, which is the primary business of the Company.  The impact, if any, will be caused by the quality of products turned over to the Company by its contractors.	To manage risks associated with this, the Company requires its contracts with the contractors to specify the quality of work needed for a particular project.
<b>What are the risks identified?</b>	<b>Management Approach</b>
Monetary loss in making good a substandard product	Strict quality assurance procedures prior to acceptance of turnover of project. The Company also does not oversell; it only markets what it is able to deliver.
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
There may be more time-efficient ways to guarantee quality.	The Company explores other methods of quality assurance that can supplement existing procedures, to ensure efficiency in its business operations.



**Customer Privacy**

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	NA	#
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.*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Customers' data come from loan buyers' information, loan application, identification cards, and relevant data submitted to the Company.	The Company submits these data to the relevant government agency, <i>i.e.</i> , Pag-ibig, Bureau of Internal Revenue, for the processing of customers' product purchases. It does not share or use these data for purposes other than those mentioned.
<b>What are the risks identified?</b>	<b>Management Approach</b>
The Company does not share or disclose customers' data to third persons other than for purposes of processing buyers' loan applications and/or property takeout requirements. While it retains control over data while the same is in its possession, it does not have control over data submitted and/or released to the offices the Company transacts with, <i>i.e.</i> , Bureau of Internal Revenue, Register of Deeds, Pag-ibig.	Considering that the data are submitted only to government agencies/offices and only for purposes of processing the documentary requirements of transfers of property, the Company sees no/minimal risk of violation of the customers' privacy rights.
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
NA	NA

**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>
The Company collects and stores physical and digital copies of personal data from clients. The Company also keeps copies of supplier contracts, confidential agreements, plans, and documents related to the Company's projects and ventures.	The Company ensures that physical and digital data security measures are in place to prevent any data breaches.
<b>What are the risks identified?</b>	<b>Management Approach</b>
Data breaches from leaks, thefts and losses of data can result to reputational damage, legal action, financial losses, and operational downtime.	Physical data are held only by personnel in charge of processing the same for transmittal to the relevant government offices, i.e., BIR, HLURB, Pag-ibig. Controls such as locked cabinets and safes are also used to secure physical data.  The Company's IT personnel is responsible in ensuring that any digital data the Company receives and sends are secured. Antivirus software is installed in employees' computers as protection from malware and phishing. The Company also uses a secured email system are used as digital data security controls.  Data that are no longer needed are ensured to be disposed of securely and permanently.
<b>What are the Opportunities identified?</b>	<b>Management Approach</b>
New physical and digital safety measures available are being explored by the Company to further enhance data security.	The Company conducts frequent checking of safety measures and controls in place to ensure that these are still effective and to identify potential weaknesses. New solutions to strengthen data security are carefully being considered by the Company.

**UN SUSTAINABLE DEVELOPMENT GOALS**

**PRODUCT OR SERVICE CONTRIBUTION TO UN SGDS**

Key products and services and its contribution to sustainable development

<b>Key Products and Services</b>	<b>Societal Value / Contribution to UN SGDs</b>	<b>Potential Negative Impact of Contribution</b>	<b>Management Approach to Negative Impact</b>
Intra-city subway	Industry, innovation and infrastructure	Displacement of some inhabitants in affected areas	In partnership with the local government, the Company has provisions for relocation.
Housing	Reduced inequalities	Disturbance in vegetation in the area	The Company conducts tree-planting in targeted areas within the project.
Housing	Good health and well-being	Disturbance in vegetation in the area	The Company conducts tree-planting in targeted areas within the project.

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