

ON TOP OF OUR GAME

LRWVC

LEISURE & RESORTS WORLD CORPORATION

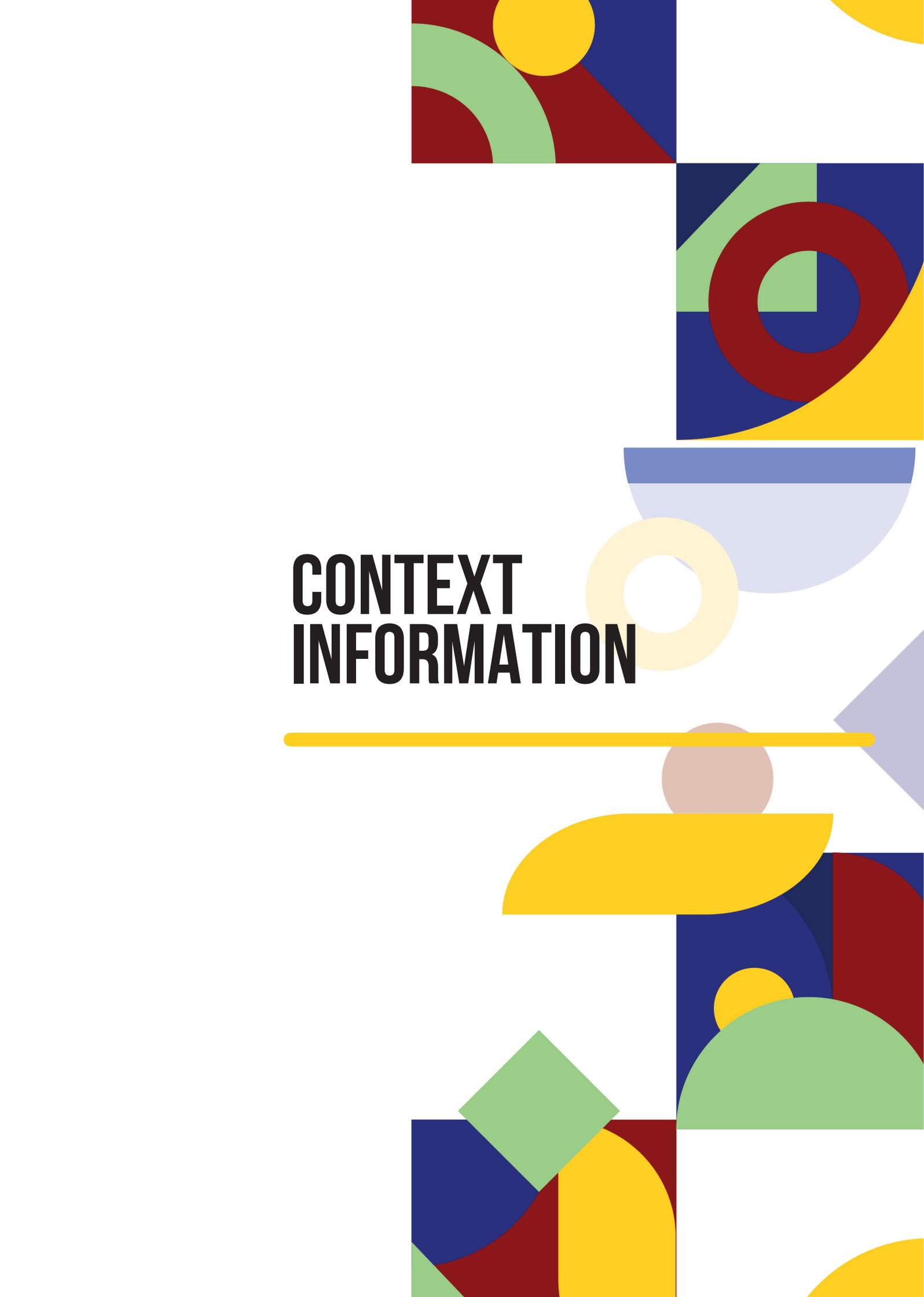
2020 SUSTAINABILITY REPORT





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CONTEXT INFORMATION

CONTEXT INFORMATION

COMPANY DETAILS

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

Report Boundary

Legal Entities (e.g. Subsidiaries) included in this Report

This report covers the holding company, Leisure & Resorts World Corporation (LRWC), as well as the following subsidiaries:

- AB Leisure Exponent, Inc. (ABLE)
- Total Gamezone Xtreme Incorporated (TGXI)
- Blue Chip Gaming and Leisure Corporation (BCGLC or Blue Chip)
- Hotel Enterprises of the Philippines, Inc. (HEPI) – Midas Hotel & Casino



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

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

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

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

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

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

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

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

Reporting Period:

CY 2020 (01 January 2020 – 31 December 2020)

Highest Ranking Person Responsible for this Report

MR. EDWARD CHEUNG
President

AB LEISURE EXPONENT, INC. (ABLE) & TOTAL GAMEZONE XTREME INCORPORATED (TGXI) COMBINED OPERATIONAL SITES

| SN | SITE | SITE ADDRESS |
|---------------------------------|------------------------------------|--|
| AREA 1: UPPER LUZON AREA | | |
| 1 | SM CITY BAGUIO | Upper Basement SM City-Baguio, Luneta Hills, Upper Session Road, Baguio City |
| 2 | CENTERMALL BAGUIO | 5/F Baguio Center Mall, Magsaysay Avenue, Baguio City |
| 3 | SYQUIO CABANATUAN | 2/F Syquio Business Centre, Maharlika Highway, Brgy. Daan Sarile, Cabanatuan City |
| 4 | ROBINSON'S PLACE CALASIAO | 2/F Robinson Calasiao, Bayombong Road and De Venecia Highway, Calasiao Pangasinan |
| 5 | SM CITY TARLAC | 3/F SM City Tarlac, MacArthur Highway Brgy. San Roque, Tarlac City |
| 6 | SM CITY ROSALES, PANGASINAN | 2/F SM City- Rosales (formerly SM Supercenter -Rosales) Carmen East, Rosales, Pangasinan |
| 7 | IBA, ZAMBALES | Sapphire Building, Govic Avenue, Paulien Dirita, Iba, Zambales |
| 8 | HOTEL SOGO CABANATUAN | Hotel Sogo, Distrito 1, Purok 7, Maharlika Highway, San Juan ACCFA, Cabanatuan City |
| 9 | ROBINSON'S PLACE LUISITA | G/F Robinson's Place Luisita, Mac Arthur Highway, Barangay San Miguel, Hacienda Luisita, Tarlac City |
| 10 | S & R CALASIAO | S & R Centre, De Venecia Avenue, Nalsian, Calasiao, Pangasinan |
| 11 | PARK & SHOP SUBIC | Subic Park & Shop Building, 557 Rizal Highway, Subic Bay Freeport Zone |
| 12 | GUIMBA, NUEVA ECIJA | 2/F LG Bldg., Afan Salvador Street, Santa Veronica, Guimba, Nueva Ecija |
| 13 | SYCANGCO BUILDING TARLAC | G/F Sycangco Building, Barangay San Rafael, Tarlac City |
| 14 | SKYONE ILOCOS SUR | Skyone Building, Mac Arthur Highway, Bantay, Ilocos Sur |
| 15 | BENRY SQUARE TARLAC | Benry Square, Mac Arthur Highway, Barangay San Nicolas, Tarlac City |
| 16 | TROPICANA NUEVA VIZCAYA | Josephines Hotel, #424 Diversion Road, Sta. Rosa, Bayombong, Nueva Vizcaya |
| 17 | ALAMINOS, PANGASINAN | 2/F Blue Horizon Bldg., Alaminos- Sual Road, Alaminos City, Pangasinan |
| AREA 2: REGION 3 AREA | | |
| 1 | SM CITY PAMPANGA | 3/F SM City-San Fernando, Brgy. San Jose, San Fernando City, Pampanga |
| 2 | STARMALL SJDM, BULACAN | G/F Starmall-San Jose Del Monte Quirino Highway and Francisco Drive, Northwinds City, San Jose Del Monte City, Bulacan |
| 3 | SM CITY CLARK | 2/F SM City Clark, M.A. Roxas Highway, Brgy Malabantias Clark, Pampanga |
| 4 | SUMMIT ANGELES | New Street Building, Mac Arthur Highway, Balibago, Angeles City, Pampanga |
| 5 | EMMA MALL MEYCAUAYAN | Robinson's Supermarket Ema Town Center, El Camino Real Sto. Niño, Barangay Camalig, Meycauayan City, Bulacan |
| 6 | GUIGUINTO, BULACAN | 2/F GD Plaza Guiguinto, #8002 Mac Arthur Highway, Barangay Ilang - Ilang, Guiguinto, Bulacan |
| 7 | GD PLAZA GUIGUINTO, BULACAN | GD Plaza Guiguinto, #8002 Mac Arthur Highway, Barangay Ilang - Ilang, Guiguinto, Bulacan |

| SN | SITE | SITE ADDRESS |
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| AREA 1: UPPER LUZON AREA | | |
| 8 | MANLY VALENZUELA | Manly Building, Mac Arthur Highway, Balibago, Angeles City, Pampanga |
| 9 | TINAJEROS MALABON | Unit G3 Francis Market, Governor Pascual Corner M. H. Del Pilar Streets, Tinajeros, Malabon City |
| 10 | HOLLYWOOD SUITE MARILAO | Hollywood Suites & Resort, Mac Arthur Highway, Ibayo, Marilao, Bulacan |
| 11 | DIZON BUILDING ANGELES | G/F Dizon Building, #243 Entiero Street, Barangay Sto. Cristo, Angeles City, Pampanga |
| 12 | VALENZUELA 2 | G/F Puregold Valenzuela, 419 Mac Arthur Highway, Dalandanan, Valenzuela City |
| 13 | CAMARIN, CALOOCAN | I Mall Camarin, Kiko Road, Camarin, Caloocan City |
| 14 | PASO DE BLAS | 2/F LB Building, Paso De Blas Corner Quirino Highway, Malinta, Valenzuela City |
| 15 | FORTUNE PLAZA BALAGTAS | 2/F Fortune Plaza, MacArthur Highway, Balagtas, Bulacan |
| 16 | TLJ MABALACAT | TLJ Building, Barangay Mabiga, Mabalacat City, Pampanga |
| 17 | SAN RAFAEL | 141 Cagayan Valley Road, Barangay Sampaloc, San Rafael, Bulacan |
| 18 | MABALACAT | Stall #19 Pineda Building 4, Mac Arthur Highway, Mabiga, Mabalacat City, Pampanga |
| 19 | SAN MIGUEL | Total Gas Station, National Highway, Cagayan Valley Road, Barangay Camias, San Miguel, Bulacan |
| 20 | BERZON SAN FERNANDO | G/F Berzon Building, National Highway, Barangay Del Rosario, San Fernando City, Pampanga |
| 21 | STA. MARIA | 112 – C Governor Halili Avenue, Barangay Bagbaguin, Sta. Maria, Bulacan |
| 22 | NORTHWALK SAN FERNANDO | 2/F North Walk 1 Complex, Jose Abad Santos Avenue, Barangay Dolores, San Fernando City, Pampanga |
| 23 | SAN MIGUEL, BULACAN | 2/F HBC Building, Norberto Street, Poblacion, San Miguel, Bulacan |
| 24 | E. J. ANGELES | 3/F #252 E.J. Building Arcade, Friendship Highway, Brgy. Anunas, Angeles City Pampanga |
| 25 | MEYCAUAYAN | 665 – A Mac Arthur Highway, Barangay Bancal, Meycauayan, Bulacan |
| 26 | PLARIDEL | Morante Building, 1421 Cagayan Valley Road, Plaridel, Bulacan |
| 27 | SAN JOSE DEL MONTE | Umerez Compound, Tungkong Mangga, San Jose Del Monte (SJDM) City, Bulacan |
| AREA 3: SOUTHERN LUZON AREA | | |
| 1 | SM CITY BACOOR | G/F SM City-Bacoor, Tirona Highway corner E. Aguinaldo Highway, City of Bacoor Cavite |
| 2 | SM MOLINO | 2/F SM Supercenter Molino, Molino Road, Brgy. Molino IV, Bacoor, Cavite |
| 3 | SM CITY LIPA | 2/F SM City-Lipa, Lipa City Batangas |
| 4 | PUREGOLD SAN PEDRO | G/F Puregold-San Pedro, Old National Highway cor. Magsaysay Blvd., Brgy. San Antonio, San Pedro Laguna |
| 5 | ALDP NAGA | ALDP Plaza Mall, Roxas Avenue, Barangay Triangulo, Naga City |

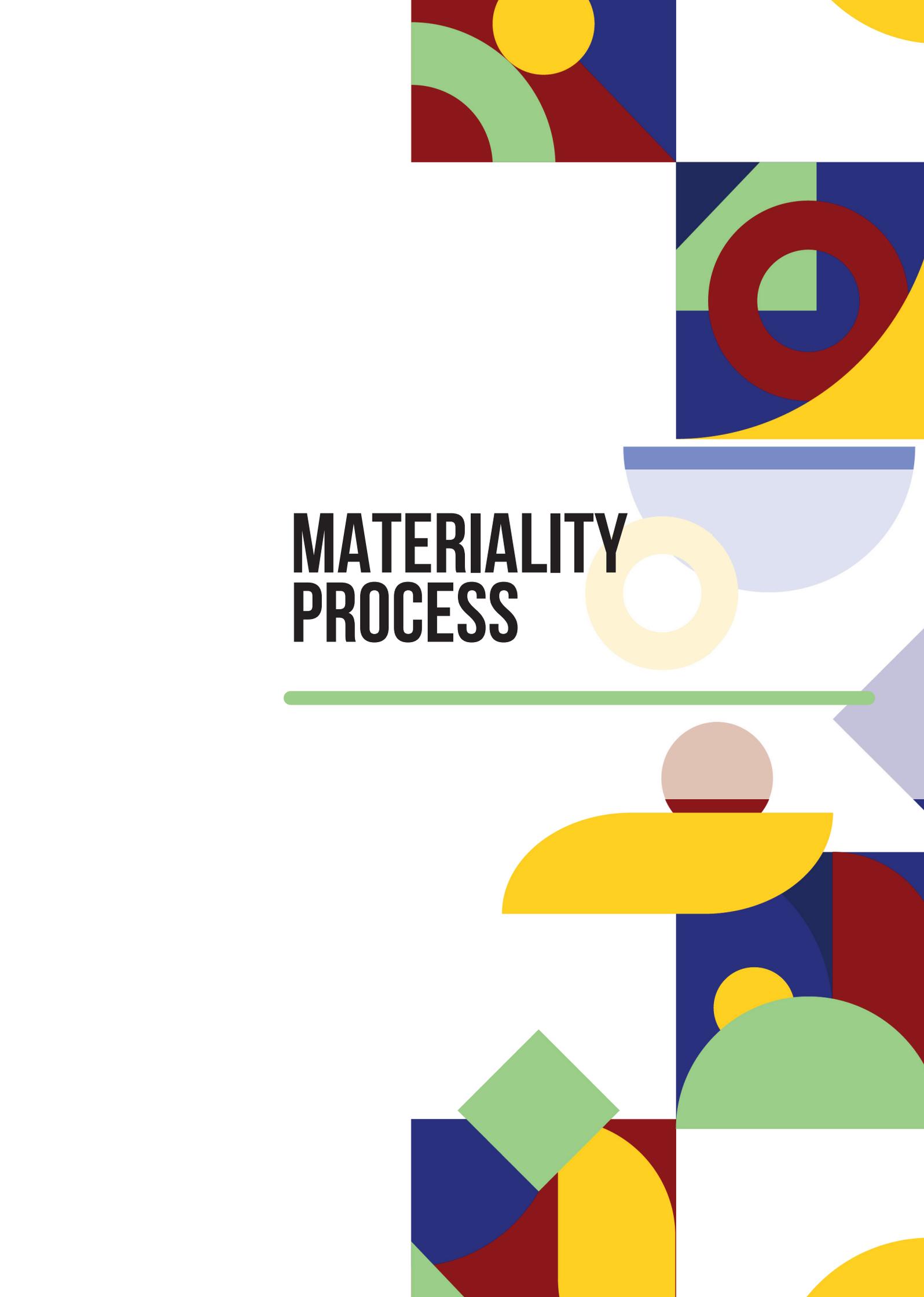
| SN | SITE | SITE ADDRESS |
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| AREA 3: SOUTHERN LUZON AREA | | |
| 6 | SM CITY ROSARIO, CAVITE | 2/F SM City-Rosario, Gen. Trias Drive, Tejeros Convention, Rosario Cavite |
| 7 | GAISANO MASBATE | LG/F Gaisano Capital, Cagba, Barangay Tugbo, Masbate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

| SN | SITE | SITE ADDRESS |
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| AREA 4: REGION 4 AREA | | |
| 10 | ARDI CAINTA | 2/F Ardi Commercial Complex, A. Bonifacio Avenue, Parola, Cainta, Rizal |
| 11 | ROBINSON'S PLACE CAINTA BOUTIQUE | G/F Robinson Place-Cainta, Ortigas Avenue, Extension Brgy. Sto. Domingo Cainta Rizal |
| 12 | BINANGONAN | #2 Bonifacio Street Corner National Road, San Carlos Heights Subdivision, Binangonan, Rizal |
| 13 | LUVER'S MONTALBAN | Luver's Market, M. H. Del Pilar Street, Barangay San Rafael, Rodriguez, Rizal |
| 14 | SM HYPERMARKET CAINTA | 2/F SM Hypermarket-Cainta, Imelda Avenue, Cainta Rizal |
| 15 | CAINTA 4 | 2/F Saunterfield Place, Km. 20, Ortigas Avenue Extension, Barangay Sto. Niño, Cainta, Rizal |
| AREA 5: NATIONAL CAPITAL REGION (NCR) AREA | | |
| 1 | SM CITY SOUTHMALL | LG/Floor Centermall, SM City Southmall, Alabang Zapote Road, Las Piñas City |
| 2 | SM CITY BICUTAN | G/F SM City Bicutan Doña Soledad Ave., Don Bosco, Bicutan, Parañaque City |
| 3 | SM CITY SUCAT | 3/F SM City-Sucate, Dr. A. Santos Avenue, Sucat, Parañaque City |
| 4 | MADISON SQUARE LAS PIÑAS | G/F Madison Square, Alabang -Zapote Road. Las Piñas City |
| 5 | SM MUNTINLUPA | SM Supercenter Tunasan, National Road, Barangay Tunasan, Muntinlupa City |
| 6 | METROPOINT MALL | G/F Metro Point Mall, EDSA cor. Taft Ave. & Zamora St., Pasay City |
| 7 | CITY MALL PASAY | G/Floor Pasay City Mall and Public Market Taft Ave. cor. Arnaiz Avenue, Pasay City |
| 8 | FESTIVAL MALL ALABANG | 3rd Level Festival Supermall Alabang, Muntinlupa City |
| 9 | METROPOINT MALL BOUTIQUE | 5/F Metro Point Mall, EDSA cor. Taft Ave. & Zamora St., Pasay City |
| 10 | FESTIVAL MALL BOUTIQUE | 2nd Level Commerce Exit Festival Supermall Alabang Muntinlupa City |
| 11 | HOBBIES OF ASIA PASAY | Hobbies of Asia, Macapagal Avenue, Pasay City |
| 12 | SM MOA PASAY | 2/F North Parking Bldg., SM Mall of Asia, Bay Blvd., Pasay City |
| 13 | FESTIVAL | G/F Parkway Lane, Festival Mall, Muntinlupa City |
| 14 | WHARF MUNTILUPA | Km. 20, The Wharf at the Lake Front, East Service Road, Sucate, Muntinlupa City |
| 15 | MERVILLE ARCADE PASAY | Merville Arcade Building, West Service Road, Barangay 201, Pasay City |
| 16 | AMKOR MUNTINLUPA | Amkor Building, Barangay Tunasan, Muntinlupa City |
| 17 | ROBINSON'S PLACE LAS PIÑAS | G/F Robinsons Place-Las Piñas, Alabang-Zapote Road, Talon Uno, Las Piñas City |
| 18 | BF PARAÑAQUE | G/F R. F. Lopez Building, #6 N. Lopez Avenue, Lopez Village, Barangay San Isidro, Parañaque City |
| 19 | METRO TOWNE CENTER | Metro Towne Center, 2020 Marcos Alvarez Avenue, Talon 5, Las Piñas City |

| SN | SITE | SITE ADDRESS |
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| AREA 6: METRO MANILA AREA | | |
| 1 | SM MEGAMALL | 5/L Fashion Hall Bldg. Sm Megamall, Julia Vargas St., corner EDSA, Brgy. Wack-Wack, Mandaluyong City |
| 2 | MAKATI SQUARE | Makati Cinema Square, Pasong Tamo, San Lorenzo Village, Makati City |
| 3 | SM CITY SAN LAZARO | LGF SM City San Lazaro F. Huertas St., Sta Cruz, Manila |
| 4 | SM MANILA | 4/F SM City Manila, Arroceros St., Manila |
| 5 | ROBINSON'S PLACE MANILA | 4/L Robinson Place - Manila, Ermita Manila |
| 6 | ROBEN THEATRE | G/F Roben Theatre, C. M. Recto Avenue, Barangay 313 Zone 31, Sta. Cruz, Manila |
| 7 | ROBINSON'S PLACE METRO EAST | LG/F Robinson's Place Metro East, Marcos Highway, Pasig City |
| 8 | SM CENTERPOINT | 3/F SM Centerpoint, Araneta Avenue Corner Magsaysay Boulevard, Sta. Mesa, Quezon City |
| 9 | SILVER CITY (GAME ZONE) | Silver City, Frontera Verde Drive Corner Doña Julia Vargas Avenue, Barangay Ugong, Pasig City |
| 10 | LIANA'S SUPERMARKET | 3/F Lianas Shopping Mall, Caruncho Avenue, Pasig City |
| 11 | IT CENTER RELIANCE | Reliance IT Center, E. Rodriguez Jr. Avenue, Barangay Ugong, Pasig City |
| 12 | SILVER CITY PASIG | G/F Silver City Building, Frontera Verde Drive Corner Doña Julia Vargas Avenue, Barangay Ugong, Pasig City |
| 13 | F. MANALO, SAN JUAN | San Juan Commercial Building, F. Blumentritt Corner F. Manalo Streets, Barangay Kabayanan, San Juan City |
| 14 | MAYBUNGA | 2/F SGC Building, 172 C. Raymundo Avenue, Barangay Maybunga, Pasig City |
| 15 | WILSON, SAN JUAN | G/F Wilson Square Commercial Center, Wilson Corner P. Guevarra Streets, San Juan City |
| 16 | BOCOBO, MANILA | 2/F Bocobo Commercial Center, #1253 J. Bocobo Street Corner Padre Faura Street, Ermita, Manila |
| 17 | G - STRIP GREENHILLS | G - Strip Building, Greenhills Commercial Center Compound, Greenhills, San Juan City |
| 18 | 168 MALL DIVISORIA | 5/F 168 Shopping Mall, Soler Street, Divisoria, Manila |
| 19 | STARMALL EDSA | 2/F Starmall, EDSA Corner Shaw Boulevard, Mandaluyong City |
| 20 | MADISON | Unit 8, G/F, Building B, Madison Square, #4 Pioneer Street, Mandaluyong City |
| 21 | LUCKY CHINATOWN | G/F & 2/F Lucky Chinatown Mall, Lachambre Street & Reina Regente Street, Barangay 293, Binondo, Manila |
| 22 | PACO | Unit 3, Topmark Building, 1763 Paz Mendoza Guazon Street, Paco, Manila |
| 23 | D' JET PASIG | D' Jet Commercial Building, Phase II - A, Lot C, No. 25 - 26, Imelda Avenue, Karangalan Village, Pasig City |
| 24 | SM LAND MAKATI | SM Land Anza Building, Makati Avenue Corner Anza Street, Bel - Air, Makati City |
| AREA 7: QUEZON CITY AREA | | |
| 1 | EXTREME TIMOG | #94 Timog Avenue, Quezon City |

| SN | SITE | SITE ADDRESS |
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| AREA 1: UPPER LUZON AREA | | |
| 2 | SM CITY NORTH EDSA | LG/Floor SM City-North Annex Building, EDSA, Quezon City |
| 3 | NEW FARMER'S PLAZA | 4/F New Farmer's Plaza, Araneta Center, Cubao, Quezon City |
| 4 | SM FAIRVIEW | G/F SM City Fairview, Quirino Highway Fairview, Quezon City |
| 5 | GTC GREENHILLS | G/F Greenhills Town Center, Granada Street Corner Valencia Street, Barangay Valencia, Quezon City |
| 6 | SM CITY NOVALICHES | 2/F SM City Novaliches, Quirino Highway, Novaliches, Quezon City |
| 7 | CTC CONGRESSIONAL | L/GF Congressional Town Center, Congressional Avenue, Quezon City |
| 8 | TOMAS MORATO | QY Plaza, 233 Tomas Morato Avenue, South Triangle, Quezon City |
| 9 | DON ANTONIO | 2nd Floor, Don Antonio Sports Center, Block 17, Lot 5, Holy Spirit Drive, Brgy. Holy Spirit, Commonwealth Ave., Quezon City |
| 10 | ICON HOTEL NORTH EDSA | Icon Hotel, #967 EDSA Corner West Avenue, Quezon City |
| 11 | RMR TANDANG SORA | RMR Square (Graceland Plaza) Tandang Sora, Tandang Sora Avenue, Quezon City |
| 12 | BALINTAWAK MARKET QC | G/F & 2/F Romero Building, 1337 Balintawak Market, EDSA, Quezon City |
| 13 | SUNSHINE QUEZON CITY | Units 2G – 9 & 2G – 10 Sunshine Boulevard Plaza, Quezon Avenue Corner Scout Santiago, Quezon City |
| 14 | PUREGOLD NOVALICHES | UG/F Puregold-Novaliches,#1018 Brgy. Sta. Monica, Quirino Highway , Novaliches ,Quezon City |
| 15 | SIR THOMAS SQUARE MATALINO | Sir Thomas Square, Matalino Street Corner Matatag Street, Diliman, Quezon City |
| 16 | KATIPUNAN | Unit SF – 206 Citigold Plaza, 175 Katipunan Avenue Corner Boni Serrano Avenue, Quezon City |
| 17 | WEBJET LIBIS | Unit 102, G/F Webjet Acropolis Building, 88 E.Rodriguez Jr. Ave. Acropolis Green Subd., Bagumbayan, Quezon City |
| 18 | VISAYAS AVENUE | 2/F MSK Building, 241 Visayas Avenue, Tandang Sora, Quezon City |
| 19 | DEL MONTE | 716 Del Monte Avenue, Barangay Talayan, Quezon City |
| 20 | BANAWE | 2/f 238 Banawe Center, Banawe Street, Manresa, Quezon City |
| AREA 8: VISAYAS REGION AREA | | |
| 1 | ELIZABETH MALL CEBU | 3/F Elizabeth Mall, Leon Kilat St., Cebu City |
| 2 | SM CITY CEBU | 2/F SM City Cebu, North Reclamation Area, Cebu City |
| 3 | MANDALAGAN, BACOLOD | Lopue's Art District Building, Lacson Street, Mandalagan, Bacolod City |
| 4 | LEE PLAZA DUMAGUETE | Lee Plaza Hypermart Square, IT Park, Bagacay, Dumaguete City |
| 5 | PARK MALL MANDAUE | 2/F Park Mall, Ouano Avenue, Southpoint, Tipolo, Mandaue City, Cebu |
| 6 | GAISANO BACOLOD | Gaisano Grand City Mall, Araneta Street, Barangay Singcang Airport, Bacolod City |

| SN | SITE | SITE ADDRESS |
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| AREA 8: VISAYAS REGION AREA | | |
| 7 | TALISAY, CEBU | Talisay City, Cebu |
| 8 | TONI'S MART PALAWAN | 2/F Tonies Mart Puerto Princesa City, Palawan |
| 9 | JARO, ILOILO | JEA Agro Industrial Complex, E. Lopez Street Corner Jalandoni Street Jaro, Iloilo City |
| 10 | CITY MALL MANDALAGAN | G/F City Mall-Mandalagan, Lacson St., cor. G. M. Cordova Ave., Mandalagan, Bacolod City |
| 11 | INSULAR MANDAUE | Insular Square Mall, J. P. Rizal Street, Barangay Tabok, Mandaue City |
| 12 | GAISANO MACTAN | Gaisano Grand Mall Mactan, Basak – Marigondon Road Corner Ibabao – Gisi – Agus Road, Lapu – Lapu City, Cebu |
| 13 | PUEBLO VERDE MACTAN | Pueblo Verde, Mactan Economic Zone II SEZ, Barangay Basak, Lapu – Lapu City |
| 14 | MARINA MALL MACTAN | 2/F Mactan Marina Mall, MEPZ 1, Ibo Lapu-Lapu City, Cebu |
| 15 | MANAPLA, BACOLOD | G/F Gustilo Town Center Provincial Road corner National Highway Manapla, Negros Occidental |
| 16 | CITY MALL DUMAGUETE | G/F City Mall Dumaguete, Veterans Avenue, National Highway, Daro, Dumaguete City |
| 17 | CITY MALL GOLDENFIELD | G/F City Mall Goldenfield Bacolod West Side, Araneta Avenue, Bacolod City |
| AREA 9: MINDANAO REGION AREA | | |
| 1 | GAISANO DIGOS, DAVAO | Gaisano Grand Digos, G/F Unit 8 & 9, Quezon Avenue, Digos City, Davao Del Sur |
| 2 | SM CITY CAGAYAN DE ORO | G/F SM City- Cagayan de Oro, Masterson's Avenue, Brgy. Canitoan, Cagayan de Oro City |
| 3 | ROBINSON'S PLACE GENERAL SANTOS CITY | Robinson's Place General Santos City, G/F Robinson's Mall, J. Catolico Sr. Avenue, Lagao, General Santos City |



MATERIALITY PROCESS

MATERIALITY PROCESS

Explanation on how the materiality principle (or the materiality process) is being applied in identifying the material topics.*

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

In preparing its Sustainability Report, the Organization made reference to the Global Reporting Initiative (GRI) Standards, particularly GRI 102: General Disclosures.

The Organization adopted the subsequent approach to identify material topics:

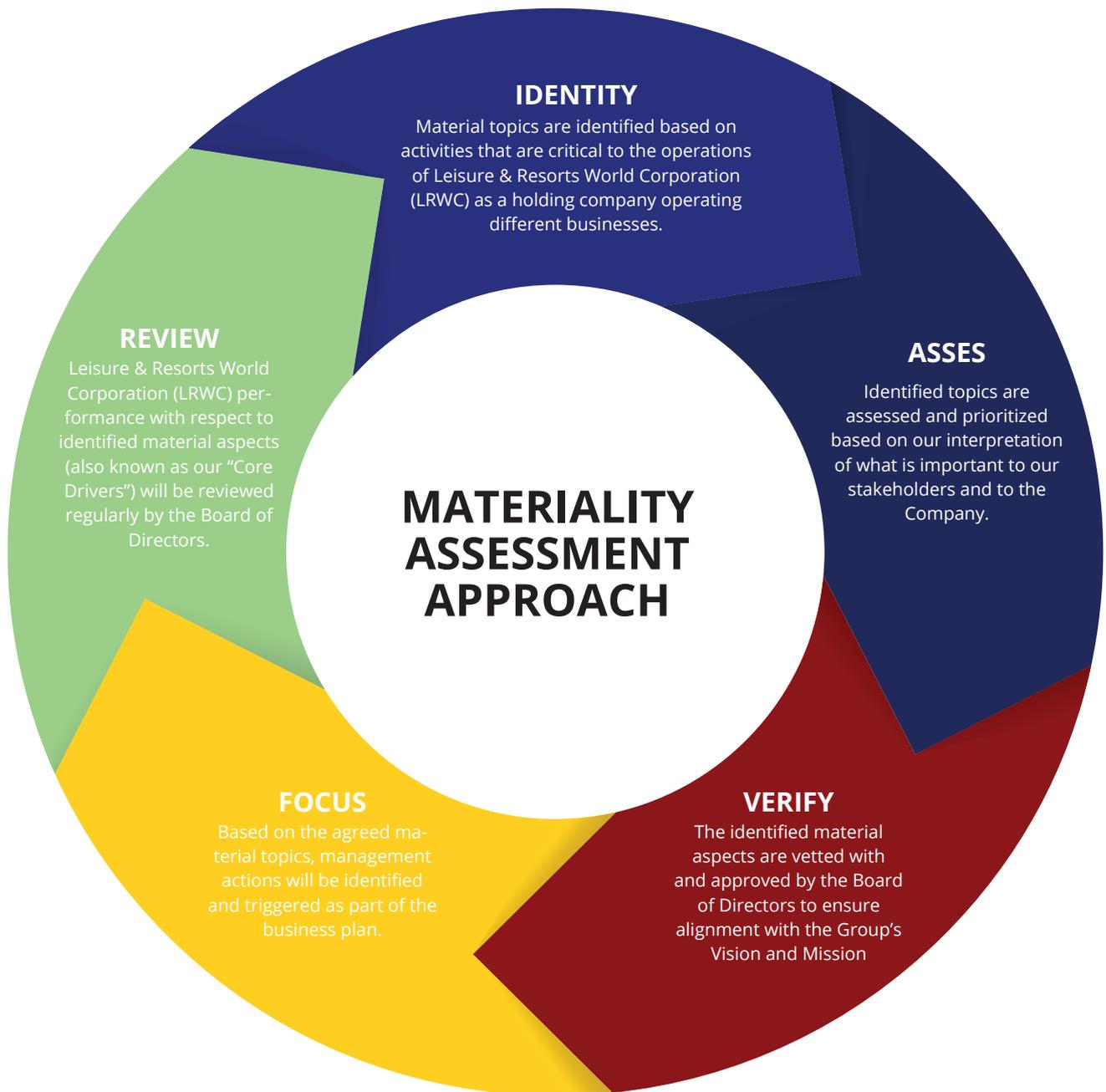


Figure 1 Materiality Assessment Approach

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



Figure 2 Sustainability Framework



INVESTMENT MANAGEMENT

Direct Economic Value Generated, Direct Economic Value Distributed, Indirect Economic Performance, Economic Value Retained



GOOD GOVERNANCE

Anti - Corruption, Anti - Competitive Behavior, Tax Transparency



RISK MANAGEMENT

Occupational Health & Safety, Data Security, Security Practices



RESPONSIBLE BUSINESS

Environmental Compliance, Diversity, Equal Opportunity, & Anti - Discrimination



CUSTOMER EXPERIENCE

Customer Satisfaction



EMPLOYEE WELFARE

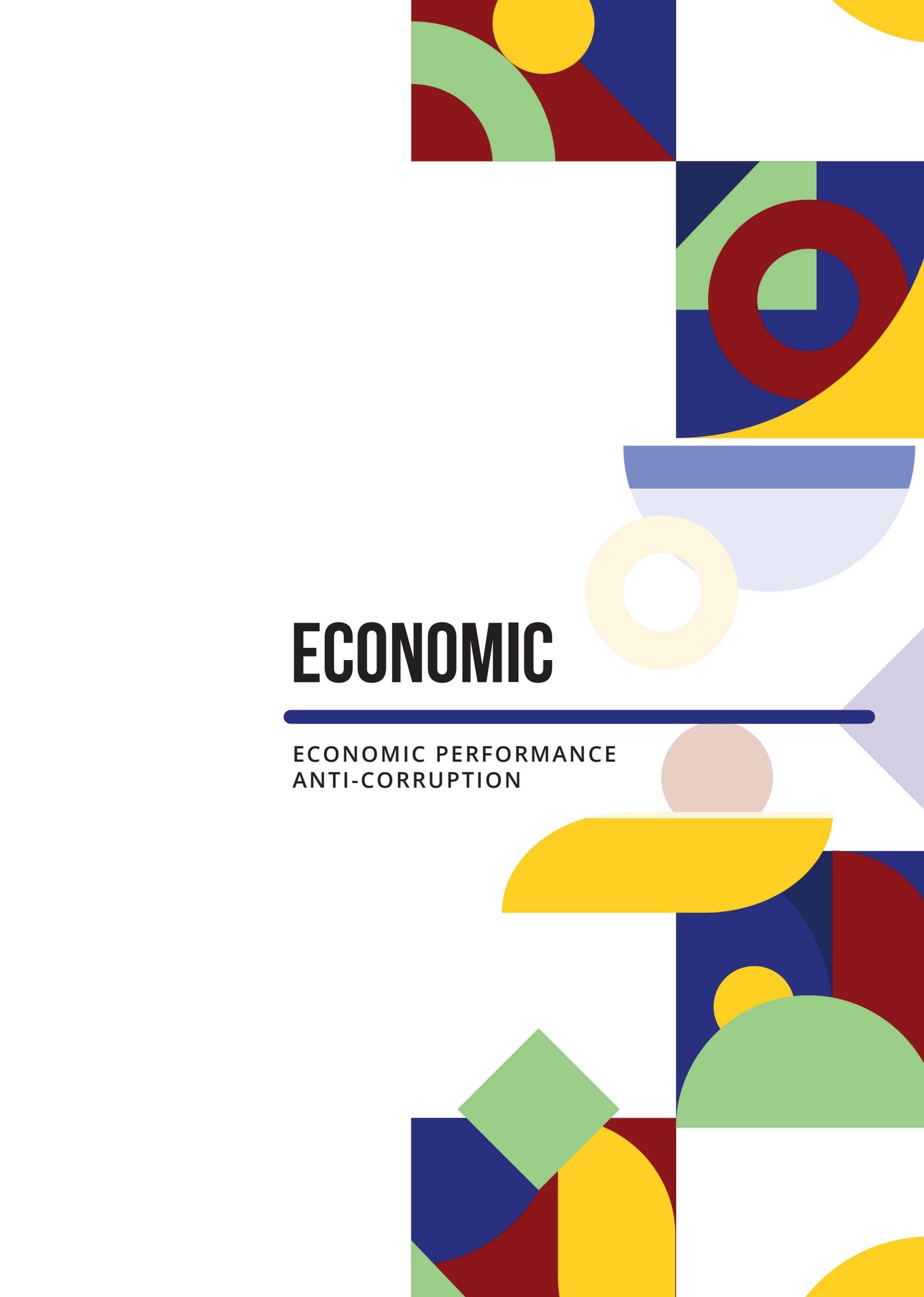
Employee Hiring & Benefits, Employee Training & Development Labor Standards & Human Rights, Benefit Plan Obligation



Figure 3 Materiality Assessment Matrix



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



ECONOMIC

ECONOMIC PERFORMANCE
ANTI-CORRUPTION

ECONOMIC

ECONOMIC PERFORMANCE

Direct Economic Value Generated and Distributed

| DISCLOSURE | AMOUNT | UNITS |
|--|-------------------------|-------|
| Direct Economic Value Generated (Revenue) | 2,900,875,462.68 | PHP |
| Direct Economic Value Distributed: | | |
| a. Operating Costs | 1,685,512,881.44 | PHP |
| b. Employee Wages and Benefits | 284,778,353.15 | PHP |
| c. Payments to Suppliers, Other Operating Costs | 1,530,484,791.26 | PHP |
| d. Dividends given to Stockholders and Interest Payments to Loan Providers | 156,158,527.34 | PHP |
| e. Taxes given to Government | 135,518,579.92 | PHP |
| f. Investments to Community (e.g. Donations, CSR) | 8,505.00 | PHP |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|---|--|
| The global pandemic heavily impacted the economic performance of the Organization. It was left counting costs as it followed the government's lockdown measures and health protocols to tackle the spread of the Covid-19. Operations and the supply chain were hampered that lead to low turnover, lost clients, suppliers' low confidence and employees' low morale. | The stakeholders affected are: <ul style="list-style-type: none"> • The shareholders and investors of the Organization; •The employees of the Organization; and •The community where the business operates | The Organization has undertaken the initiative to conduct quarterly and annual business review as part of the Organization's performance management system. The Organization further undertakes the initiative to conduct annual strategic planning for the succeeding business year. |

| WHAT ARE THE RISK/S IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|--|--|
| <p>The revenue performance of the Organization was directly affected by the pandemic due to total closures of the gaming sites in accordance to the government's mandate and to protect the welfare of its employees and customers. While no revenue is being generated during the strict lockdown period, there were financial obligations that must be continued to fulfill by the Organization.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; •The employees of the Organization; and •The community where the business operates | <p>The Organization has a system in place to ensure that obligations to employees, suppliers or service providers and the government are settled when they are due. The Organization has undertaken risk management initiatives in the form of insurance coverage, as well as the implementation of business continuity and disaster recovery policies and procedures to overcome these risks.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|--|---|
| <p>The Organization's Business Units discovered that even in trying times there were opportunities to sustain profit. Operations learned to diversify its product offerings, innovate according to current demand and re-evaluate growth expansion plans. While the Shared Service Units identified areas to improved costs.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; •The employees of the Organization; and •The community where the business operates | <p>During the benchmark study, the Organization has identified internal opportunities for improvements. Both Business Units and Shared Service Units aligned its targets and expectations within the year. The Organization has maintained its communications amongst its departments to ensure every concern was properly addressed and common goals were met.</p> |

ANTI - CORRUPTION

Training on Anti – Corruption Policies and Procedures

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

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|---|---|
| <p>Corruption has significant impact on the Organization's reputation and competitiveness. It can affect the entire supply chain, undermines competition, and increases costs to firms. It also prevents a fair, and efficient private sector, reduces the quality of product and services and leads to missed business opportunities.</p> <p>Corruption will also impact the Firm's relationship with its suppliers, diminish shareholder value, and can lead to reputational damage.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The suppliers of the Organization; • The customers of the Organization; and • The government regulators. | <p>The Organization observes anti – corruption practices through an Anti – Corruption Policy incorporated in the Employee Code of Discipline / Good Behavior and extended it to its suppliers through the Supplier Code of Conduct.</p> <p>These practices have been reinforced through regular training for the employees and annual review for the suppliers.</p> |

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

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|---|---|
| There is an opportunity to increase the number of directors, management, employees, and business partners trained on the anti – corruption policies and practices of the Organization. | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The suppliers of the Organization; • The customers of the Organization; and • The government regulators. | <p>The Organization has undertaken the initiative to identify and select the most suitable training program for directors, management, employees, and business partners.</p> <p>The Organization has further undertaken the initiative to explore alternative methods of learning to be implemented in FY 2021.</p> |

INCIDENTS OF CORRUPTION

| DISCLOSURE | QUANTITY | UNITS |
|--|----------|-------|
| Number of Incidents in which Directors were Removed or Disciplined for Corruption | 0 | # |
| Number of Incidents in which Employees were Dismissed or Disciplined for Corruption | 0 | # |
| Number of Incidents when Contracts with Business Partners were Terminated due to Incidents of Corruption | 0 | # |

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

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

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|---|---|---|
| <p>There is an opportunity to increase the number of directors, management, employees, and business partners trained on the anti - corruption policies and practices of the Organization.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The suppliers of the Organization; • The customers of the Organization; and • The government regulators. | <p>The Organization has undertaken the initiative to identify and select the most suitable training program for directors, management, employees, and business partners.</p> <p>The Organization has further undertaken the initiative to explore alternative methods of learning to be implemented in FY 2021.</p> |

The policy of the Organization on anti-corruption is embedded in LRWC Code of Business Conduct and Ethics (<https://lrwc.com.ph/corporate-governance/business-conduct-and-ethics/>) as well as in LRWC New Manual on Corporate Governance (<https://lrwc.com.ph/wp-content/uploads/2018/08/LRWC-New-Manual-on-Corporate-Governance.pdf>) and in LRWC Conflict of Interest Policy (<https://lrwc.com.ph/wp-content/uploads/2020/09/CONFLICT-OF-INTEREST-POLICY-LRWC.pdf>)



ENVIRONMENT

ECONOMIC PERFORMANCE
ANTI-CORRUPTION

ENVIRONMENTAL COMPLIANCE

Non - Compliance with Environmental Laws and Regulations

| DISCLOSURE | QUANTITY | UNITS |
|---|----------|-------|
| Total Amount of Monetary Fines for Non - Compliance with Environmental Laws and / or Regulations | 0.00 | PHP |
| No. of Non - Monetary Sanctions for Non - Compliance with Environmental Laws and / or Regulations | 0 | # |
| No. of Cases Resolved through Dispute Resolution Mechanism | 0 | # |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|---|--|---|
| Complying with the Environmental Laws and Regulations is not only about the carbon footprint of the Organization but it is also absolutely important in order to protect its profits and limit the Organization's exposure to litigation and penalties. | The stakeholders affected are: <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The customers of the Organization; • The government regulators; and • The community where the business operates. | The Organization ensures its compliance to all applicable environmental laws and regulations and has undertaken the initiative to minimize the Organization's contribution to global warming, as well as to minimize the impact(s) of its emission. |

| WHAT ARE THE RISK/S IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|--|---|
| Robust compliance programs are hard and expensive. However, lack of compliance or sporadic compliance program is even more expensive. For the Organization to stay competitive, an on-going compliance must be ensured otherwise, the Organization may face potential loss in revenues due to imposition of monetary fines and non - monetary sanctions, the potential loss of reputation of the Organization due to potential revocation of Environmental Compliance Certificate (ECC) and License to Operate (LTO), and potentially compromise health and safety of the community where the Organization operates. | The stakeholders affected are: <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The customers of the Organization; • The government regulators; and • The community where the business operates. | <p>The Organization ensures its compliance to all applicable environmental laws and regulations and has undertaken the initiative to minimize the Organization's contribution to global warming, as well as to minimize the impact(s) of its emission.</p> <p>The Organization will revisit its plan of designating a dedicated PCO which has been hampered by the pandemic.</p> <p>The dedicated PCO shall ensure that good environmental practices are consciously and consistently observe.</p> <p>The Organization will revisit its plan to undertake the initiative of designating a dedicated PCO. The previous plan has been hampered by the pandemic.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|---|---|---|
| <p>Awareness of the environmental compliance further leads to reducing its identified risks and exploring means to further enhance the plan of the Organization to all applicable environmental laws and regulation through strategic incorporation of sustainable environmental practices, and building a sustainable stakeholder partnership.</p> | <p>The stakeholders affected are:</p> <ul style="list-style-type: none"> • The shareholders and investors of the Organization; • The employees of the Organization; • The customers of the Organization; • The government regulators; and • The community where the business operates. | <p>The lockdown period brought by the pandemic was a very difficult time for the Organization. However, it lead to initiatives of promoting sustainable practices through resource conservation programs and austerity measures that greatly involves participation of the local community.</p> <p>The Organization also planned to re-assess its properties and facilities for environmental compliance to eventually come up with and proactively promote an environmental compliance plan.</p> |

The policy of the Organization on environmental protection and management is embedded in LRWC Code of Business Conduct and Ethics (https://lrwc.com.ph/wp-content/uploads/2020/09/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf) as well as in LRWC New Manual on Corporate Governance (<https://lrwc.com.ph/wp-content/uploads/2018/08/LRWC-New-Manual-on-Corporate-Governance.pdf>)



SOCIAL

ECONOMIC PERFORMANCE
ANTI-CORRUPTION

EMPLOYEE MANAGEMENT

Employee Hiring and Benefits Employee Data

| DISCLOSURE | AMOUNT | |
|--|--------|-------|
| Total Number of Employees* | | |
| a. Number of Female Employees | 646 | 646 |
| b. Number of Male Employees | 437 | 437 |
| Attrition Rate** | -0.36 | -0.36 |
| Ratio of Lowest Paid Employee Against Minimum Wage | 1:1 | 1:1 |

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

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

Employee Benefits

| DISCLOSURE | Y/N | % FEMALE EMPLOYEES WHO AVAILED THIS YEAR | % MALE EMPLOYEES WHO AVAILED THIS YEAR |
|--|-----|--|--|
| SSS | Y | 4.49% | 5.50% |
| PhilHealth | Y | 4.81% | 1.41% |
| PAG – IBIG | Y | 8.72% | 10.59% |
| Parental Leaves | Y | 1.00% | 4.19% |
| Vacation Leaves | Y | 90.93% | 96.02% |
| Sick Leaves | Y | 81.86% | 84.07% |
| Medical Benefits (Aside from PhilHealth) | Y | 18.14% | 7.96% |
| Housing Assistance (Aside from PAG-IBIG) | N | 0.00% | 0.80% |
| Retirement Fund (Aside from SSS) | Y | 0.0% | 0.0% |
| Further Education Support | Y | 0.0% | 0.0% |
| Company Stock Options | N | --- | --- |
| Telecommuting | N | --- | --- |
| Flexible Working Arrangement (FWA) | Y | 18.14% | 7.96% |

| 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>The lack of competitive employment benefits can hamper an Organization's bottom line of achieving common goals. Without solid employee benefits, a company will not be able to differentiate its business from competitors which may result to high turnover rate of talents.</p> | <p>The affected stakeholders are:</p> <ul style="list-style-type: none"> • The community where the Organization operates; and • The employees of the Organization. | <p>The Organization continues to uphold compliance to all applicable laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. The Organization also conducts annual reviews of employees' performance, as well as employees' compensation and benefits to stay competitive in the tourism and gaming industry.</p> <p>Additionally, incentives and merit increases are being given to employees based on their performance and the Organization's revenue.</p> |

| WHAT ARE THE RISK/S IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|---|--|--|
| <p>Job dissatisfaction and loss of employees to competitors can create a significant impact in the overall competitiveness of the Organization.</p> | <p>The affected stakeholder are the employees of the Organization, as well as the senior management.</p> | <p>The Organization proactively participates and enroll its relevant employees to the applicable professional associations for Human Resources and Accounting Professionals in the related industry.</p> <p>Through an auto alarm calendar alert for employees' performance evaluation and medical benefits enrollment, the Organization maintains a systematic approach in ensuring that employees benefits are well taken care of.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | WHICH STAKEHOLDERS ARE AFFECTED? | MANAGEMENT APPROACH |
|--|--|---|
| <p>Being able to identify means to further enhance the competitiveness of the Organization by benchmarking with top performers in the relevant industry.</p> | <p>The affected stakeholders are:</p> <ul style="list-style-type: none"> • The community where the Organization operates; and • The employees of the Organization. | <p>The Organization conducts an annual organizational climate survey for the periodic assessment of employees' satisfaction. An Open – Door Policy of HR also ensures that employees are seen and heard with any of their concerns.</p> |

EMPLOYEE TRAINING AND DEVELOPMENT

| DISCLOSURE | QUANTITY | UNITS |
|---|--------------|------------------|
| Total Training Hours Provided to Employees | | |
| a. Female Employees | 2,320 | Hours |
| b. Male Employees | 3,346 | Hours |
| Average Training Hours Provided to Employees | | |
| a. Female Employees | 7.43 | Hours / Employee |
| b. Male Employees | 11.15 | Hours / Employee |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | MANAGEMENT APPROACH |
|--|--|
| <p>Sufficient training and development to employees lead to improved profitability and more positive attitude toward profit orientation of the Organization. Well-trained employees also improve the job knowledge skills at all levels of the Organization, enhance the morale of the workforce and helps employees identify with the organizational goals.</p> | <p>The Organization curates a high-impact employee training plan where learning and development opportunities for employees are ensured. One of the Key Performance Indicators (KPIs) during an employee and department performance reviews is their training hours attendance to develop a sense of commitment.</p> <p>Hiring a dedicated Training Officer is also one of the steps to ensure proper implementation of learning and development plans for employees, further supported with an allocated and approved budget for this initiative.</p> |

| WHAT ARE THE RISK/S IDENTIFIED? | MANAGEMENT APPROACH |
|---|--|
| <p>While training and developments are provided by the Organization, if the employee lacks interest and dedication, target goals of this program will be quite a challenge.</p> | <p>The Organization ensures that learning and development opportunities are continuously being provided to all employees. As such, the Organization has undertaken the initiative to include the conduct of trainings to be one of the Key Performance Indicators (KPIs) during employee and department performance reviews.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | MANAGEMENT APPROACH |
|--|---|
| <p>Appropriately trained employees enhance the operations of the Organization through the establishment and implementation of innovative work process.</p> | <p>The Organization has undertaken the initiative to require all departments to provide HR their respective employee training program in addition to the current training programs being undertaken by HR.</p> <p>The management of the organization ensures that an approved budget is allocated for training.</p> |

The policy of the Organization on training and development is embedded in LRWC Code of Business Conduct and Ethics (https://lrwc.com.ph/wp-content/uploads/2020/09/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf) as well as in LRWC New Manual on Corporate Governance (<https://lrwc.com.ph/wp-content/uploads/2018/08/LRWC-New-Manual-on-Corporate-Governance.pdf>)

WORKPLACE CONDITIONS, LABOR STANDARDS, AND HUMAN RIGHTS

Occupational Health and Safety

| DISCLOSURE | QUANTITY | UNITS |
|----------------------------------|-----------|-----------|
| Safe Man-Hours | 1,686,928 | Man-Hours |
| No. of Work – Related Injuries | 0 | # |
| No. of Work – Related Fatalities | 0 | # |
| No. of Work – Related Ill-Health | 0 | # |
| No. of Safety Drills | 0 | # |

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | MANAGEMENT APPROACH |
|--|--|
| <p>The impacts of occupational health and safety will look after both the employees and the Organization's profit. A safe working culture and awareness of workplace surroundings minimizes the risk and reduce the likelihood of any workplace accident or mistreatment. When an employee feels protected, he/she stays loyal to his/her work which can eventually turn into profitability.</p> | <p>The Organization maintains its compliance with the requirements of Occupational Health & Safety based on Republic Act 11058. Among the developed and adapted policies and procedures by the Organization are listed below to ensure a safe and healthy working environment:</p> <ul style="list-style-type: none"> • Workplace Policy and Program on TB Prevention and Control; • Alcohol – Free Workplace Policy and Program; • Drug – Free Workplace Policy and Program; • HIV / AIDS Workplace Policy and Program; • Occupational Safety and Health (OSH) Program; • Smoke – Free Workplace Policy and Program; • Workplace Policy and Program on Hepatitis B; • Mental Health and Well – Being Policy; • Mother – Baby Friendly Workplace Policy; • Solid Waste and Hazardous Waste Management Policy; and • Emergency Policies and Procedures. <p>Management Approach</p> |

| WHAT ARE THE RISK/S IDENTIFIED? | MANAGEMENT APPROACH |
|---|--|
| <p>Fatality and / or serious injury results into increased operational costs and loss of confidence of the community where the Organization operates, which may eventually lead into declining trend in the employment preference for the Organization.</p> | <p>The Organization ensures its compliance to the requirements of Occupational Health & Safety based on Republic Act 11058 and has undertaken the initiative to identify and control potential health & safety hazards in the workplace.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | MANAGEMENT APPROACH |
|---|---|
| <p>Healthy employees are productive employees. Allocation of sufficient resources to provide a safe and healthy work environment boosts employees' morale and will save the Organization's costs.</p> | <p>The Organization ensures its compliance to the requirements of Occupational Health & Safety based on Republic Act 11058.</p> |

The policy of the Organization on Occupational Health & Safety (OHS) is embedded in LRWC Code of Business Conduct and Ethics (<https://lrwc.com.ph/corporate-governance/business-conduct-and-ethics/>) as well as in LRWC New Manual on Corporate Governance (<https://lrwc.com.ph/wp-content/uploads/2018/08/LRWC-New-Manual-on-Corporate-Governance.pdf>) and in LRWC Policy Relating to Health, Safety, and Welfare of Employees (<https://lrwc.com.ph/corporate-governance/business-conduct-and-ethics/>)

Labor Laws and Human Right

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

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

https://lrc.com.ph/wp-content/uploads/2020/09/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf

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

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | MANAGEMENT APPROACH |
|---|---|
| <p>Maintaining compliance with labor rules and regulations is vital to any business because it means protection for the employees and the Organization. Compliance ensures legal protection to those who abide by the law.</p> <p>Failure to comply will impact the Organization's reputation, financial performance, livelihood of the Small and Medium Enterprise (SME) Suppliers and the extended community.</p> | <p>The Organization ensures its compliance to the laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. The Organization operates with an established Employee Handbook that includes an Employee Code of Discipline / Good Behavior.</p> <p>On top of this, the Organization has further undertaken the initiative to establish and implement employees' grievance mechanisms that will enable the Organization to collect and analyze data for work - related issues and concerns of the employees.</p> |

| WHAT ARE THE RISK/S IDENTIFIED? | MANAGEMENT APPROACH |
|---|---|
| <p>Non-compliance with the relevant and existing labor rules and regulation may result into (1) loss of confidence of the community where the Organization operates and may eventually lead into the closure of business; (2) loss of integrity and / or credibility of the Organization; and (3) imposition of monetary and non - monetary penalty(ies) for being directly liable and responsible for the committed offense that may lead into cancellation of the Organization's license to conduct its business.</p> | <p>The Organization ensures its compliance to the laws, rules and regulations of the Department of Labor and Employment (DOLE) and all appropriate government entities. As such, the Organization has undertaken the initiative to establish and implement an Employee Handbook that includes an Employee Code of Discipline / Good Behavior.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | MANAGEMENT APPROACH |
|---|---|
| <p>Benchmarking with other relevant Organizations to ensure implementation of the relevant industry's good labor practices.</p> | <p>The Organization has undertaken the initiative to establish and implement employees' grievance mechanisms that will enable the Organization to collect and analyze data for work - related issues and concerns of the employees.</p> |

CUSTOMER MANAGEMENT

Customer Satisfaction

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

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | MANAGEMENT APPROACH |
|---|---|
| <p>The impact of customer satisfaction does have a positive effect on the Organization's profitability. Satisfied customers form the foundation of any successful business as it leads to repeat purchase, brand loyalty and positive word of mouth. Subsequently, customers experiencing inconvenience may become physically or verbally abusive that affects the servicing employee(s) and exposed them to physical, mental, and / or emotional stress.</p> | <p>The Organization ensures the satisfaction of its customer and has undertaken the initiative to establish and implement internal customer feedback mechanisms.</p> <p>The Organization further undertakes the initiative to periodically verify the results of the internal customer feedbacks through a third – party customer satisfaction survey.</p> <p>In addition, the Organization also has undertaken the initiative to establish and implement an internal commendation mechanism for the motivation of the employees of the Organization.</p> |

| WHAT ARE THE RISK/S IDENTIFIED? | MANAGEMENT APPROACH |
|--|--|
| <p>The overall business reputation of the Organization is affected by the satisfied or dissatisfied customers.</p> | <p>The Organization ensures the satisfaction of its customer and has undertaken the initiative to establish and implement internal customer feedback mechanisms.</p> <p>The Organization further undertakes the initiative to periodically verify the results of the internal customer feedbacks through a third – party customer satisfaction survey.</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | MANAGEMENT APPROACH |
|--|--|
| <p>Inspired, well-trained and appropriately informed employees manifest excellent customer service and provides assurance that the Organization is operating at a highest standard of business ethics.</p> | <p>The Organization has undertaken the initiative to establish and implement an internal commendation mechanism for the motivation of the employees of the Organization.</p> |

The policy of the Organization on customer management is embedded in LRWC Code of Business Conduct and Ethics (<https://lrwc.com.ph/corporate-governance/business-conduct-and-ethics/>)

Data Security

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

| WHAT IS THE IMPACT AND WHERE DOES IT OCCUR? WHAT IS THE ORGANIZATION'S INVOLVEMENT IN THE IMPACT? | MANAGEMENT APPROACH |
|--|--|
| The business confidence of the Organization's shareholders, investors, employees, customers, suppliers, and government regulators linked to unreported incident(s) of data security breach(es) and / or data loss(es) of the Organization. | The Organization ensures its compliance to the Data Privacy Act of 2012 (RA 10173) and has undertaken initiatives to establish and implement Data Privacy statements and Data Security practices, including the appointment of a dedicated Data Privacy Officer (DPO) and the establishment of a Data Privacy Committee (DPC). |

| WHAT ARE THE RISK/S IDENTIFIED? | MANAGEMENT APPROACH |
|--|---|
| The overall business reputation of the Organization is affected by the loss of trust and confidence from the organization's shareholders, investors, employees, customers, suppliers, and government regulators. | <p>The Organization has undertaken the initiative to appoint dedicated Data Privacy Officers (DPOs) per company, subsidiaries and subsidiaries of its subsidiaries.</p> <p>The Organization further undertakes the initiative to establish a Data Privacy Committee (DPC) who proactively discuss matters related to data privacy and security and creates privacy policies to uphold the data privacy guidelines set by the National Privacy Commission (NPC).</p> |

| WHAT ARE THE OPPORTUNITY/IES IDENTIFIED? | MANAGEMENT APPROACH |
|---|--|
| Appropriately informed stakeholders of the Organization (shareholders, investors, employees, customers, suppliers, and government regulators) provides assurance that the Organization is operating at a highest standard of business ethics. | The Organization has undertaken initiatives to establish and implement data privacy statements, notices, policies and data security practices. |

The policy of the Organization on data security is embedded in LRWC Code of Business Conduct and Ethics (<https://lrwc.com.ph/corporate-governance/business-conduct-and-ethics/>) as well as in LRWC New Manual on Corporate Governance (<https://lrwc.com.ph/wp-content/uploads/2018/08/LRWC-New-Manual-on-Corporate-Governance.pdf>)