



LT GROUP, INC.

# ESG and Sustainability Charter

Approved by the Board with effect on February 18, 2025

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This ESG and Sustainability Charter (the “Charter”) outlines the purpose, membership qualifications, structure, operations, and duties of the Corporate Governance and Sustainability Committee (the “Committee”) of the LT Group, Inc. (the “Company,” the “Group”) and the subsidiaries thereof. It also details the procedures that govern the Committee’s conduct and fulfillment of its responsibilities.

## **Article I. About LT Group, Inc.**

The LT Group, Inc. is one of the Philippines' largest and most diverse conglomerates, with a rich history of contributing to national progress. With business interests spanning various sectors such as banking, beverages, tobacco, real estate, and distillery, LTG remains committed to creating value and driving sustainable economic growth.

The Group’s operations are guided by a deep commitment to corporate governance, transparency, and social responsibility. By integrating sustainability into every aspect of its business strategy, LTG seeks to balance profitability with meaningful contributions to society and the environment. This commitment is demonstrated through initiatives that promote environmental stewardship, community development, and ethical business practices.

With a vision to lead responsibly and innovate for a better future, LTG embraces the challenges and opportunities presented by environmental, social, and governance (ESG) factors. The Group aims to continuously drive positive change while fostering a sustainable legacy for generations to come.

### **A. Vision**

To be a world-class conglomerate at the forefront of Philippine economic growth, successfully maintaining a strong presence and dominant position in key Philippine industries while driving sustainable progress. We aim to create lasting value for our consumers, communities, employees, business partners, and shareholders through responsible leadership, environmental stewardship, and inclusive practices that benefit both current and future generations.

### **B. Mission**

Anchored to its Vision, the LT Group commits:

- To increase stockholder values through long-term and sustainable growth in its major business groups, fostering resilience and innovation in response to environmental and social challenges.
- To continuously improve the value of its products and services while ensuring sustainable sourcing, production, and distribution, providing consumers with more environment-friendly and responsible choices.



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- To build the largest, most effective distribution network with a focus on minimizing environmental impact and maximizing accessibility, thereby contributing to the sustainable development of communities.
- To leverage synergies across our businesses to not only improve revenues and cost structure but also reduce waste, energy consumption, and carbon footprint.
- To enhance the welfare of its employees and the communities by fostering an inclusive, equitable, and safe working environment, promoting human rights, and actively contributing to the sustainable development of the communities where we operate.

***Note: The Vision and Mission Statements are reviewed and approved annually by the Board of Directors.***

### **C. Subsidiaries Covered in the Charter**

The Company's commitment to sustainability and responsible corporate governance extends across a diverse range of subsidiaries, each contributing uniquely to our shared vision of creating lasting positive impact. This Charter applies and shall serve as a guiding framework to the following entities, reflecting our unified approach to environmental stewardship, social responsibility, and strong corporate governance that benefit our people, our communities, and the environment:

- 1) Asia Brewery, Inc. (Asia Brewery)** – As a major player in the beverage industry, Asia Brewery integrates sustainability into its operations by reducing its environmental footprint and supporting the well-being of the communities it serves.
- 2) Philippine National Bank (PNB)** – PNB embodies responsible banking, with initiatives that promote financial inclusion, community development, and environmentally sustainable practices.
- 3) Tanduay Distillers, Inc. (Tanduay)** – With a focus on sustainable production, Tanduay is dedicated to efficient resource management, reducing its environmental impact, and uplifting the communities connected to its operations.
- 4) Eton Properties Philippines, Inc. (Eton)** – Eton champions sustainable real estate development by emphasizing eco-friendly designs, green spaces, and community-centric projects that enhance the lives of residents and stakeholders.
- 5) PNB Holdings Corporation (PNB Holdings)** – As a key part of the Group's strategic direction, PNB Holdings aligns its operations with corporate governance best practices and sustainability principles.
- 6) PMFTC Inc. (PMFTC)** – While the scope of PMFTC's inclusion in this Charter is limited, it focuses on targeted sustainability initiatives that align with the broader goals of the Company, reflecting its commitment to responsible corporate practices.



## Article II. Purpose

### A. The Premise of Sustainability

Sustainability is defined by the 1987 United Nations Brundtland Commission as the “ability to meet the needs of the present without compromising the ability of future generations to meet their own needs.” At its core, sustainability is about recognizing the interconnectedness of the environment, society, and economy. It challenges businesses, communities, and individuals to operate in ways that not only address immediate goals but also safeguard the resources and opportunities for future generations. Sustainability rests on three essential pillars—social equity (people), environmental protection (planet), and economic viability (profit)—commonly referred to as the triple bottom line. These pillars form the foundation for building a world where growth does not come at the expense of the planet or the people who inhabit it.

- **Social Equity (People):** At the heart of social sustainability is the commitment to equity, inclusion, and fairness. It prioritizes improving quality of life, protecting human rights, and fostering opportunities for all. Strong social systems ensure that progress is inclusive and benefits the most vulnerable members of society.
- **Environmental Protection (Planet):** This involves respecting the Earth’s natural boundaries by reducing pollution, conserving resources, and protecting biodiversity. It calls for conscious choices in how resources are consumed and waste is managed, ensuring that ecosystems remain resilient and capable of supporting life.
- **Economic Viability (Profit):** This pillar emphasizes long-term economic growth that does not compromise environmental or social systems. It focuses on creating resilient industries, fostering innovation, and supporting responsible consumption and production patterns.

Sustainability is not merely a responsibility—it is an opportunity to create enduring value. For businesses, it means addressing stakeholder demands for transparency, resilience, and innovation. For governments, it provides a pathway to meeting global challenges like climate change and inequality. For individuals, it offers a framework to rethink consumption and reconnect with the broader community and environment.

Failing to prioritize sustainability poses significant risks—climate change, resource depletion, social unrest, and economic instability. On the other hand, embracing sustainability opens the door to innovation, operational efficiencies, and stronger relationships with communities and stakeholders.

### B. LT Group’s Commitment to Sustainable Operations

LTG is committed to operating sustainably and responsibly across all aspects of its diverse business portfolio. Recognizing the growing importance of environmental, social, and governance (ESG) factors in shaping the future of industries and communities. To do so, the Corporate Governance and Sustainability Committee (CGSC) provides strategic oversight and ensure that LTG identifies, manages, and responds to emerging ESG trends. The Committee's role includes integrating ESG considerations into business models and strategies, thereby driving long-term value for the organization while contributing positively to



environmental and societal well-being. The Committee will also ensure transparent ESG reporting and communication with stakeholders, including investors, to uphold LTG's commitment to sustainable growth.

### **Article III. Sustainability Framework**

As one of the leading holding companies in the Philippines, LTG remains committed to driving positive change and creating a future where prosperity aligns with sustainability. Guided by our mission and purpose, we recognize the critical role sustainability plays in every aspect of our operations. To help achieve this, we have established a Sustainability Framework that serves as a guiding principle for the Company.

Our approach is shaped by the core values of the organization and the insights gained from thorough materiality assessments. Aligned with the United Nations' Sustainable Development Goals (SDGs), we aim to address current needs while ensuring long-lasting benefits for future generations.

Our ambition to be a driving force in the Philippine economy is rooted in our commitment to sustainable growth, delivering innovation and value through our products and services, championing principles of sound governance, and placing the well-being of our employees and communities at the forefront of our efforts. Each of our initiatives is shaped by rigorous materiality assessments, ensuring that our actions are purposefully aligned with the areas where we can create the most significant and lasting difference.

#### **A. Sustainability Policy**

LT Group's sustainability approach is built on four key pillars: long-term growth, value through products and services, responsible operations, and the welfare of employees and communities. These pillars form the foundation of our strategy and guide our decisions to create lasting value for all stakeholders.

***Long-Term Growth:*** A commitment to sustainable growth ensures a balance between economic prosperity, environmental stewardship, and social responsibility. This pillar emphasizes the importance of thriving not only in the present but also for future generations. For this, the Company recognizes that long-term perspective drives strategic decisions that create sustainable value, mitigate risks, and leverage opportunities in a rapidly evolving landscape.

***Value Through Products and Services:*** With the diverse range of products and services the Company offers, delivering value goes beyond financial profit by offering products and services that fulfill customer needs while minimizing negative environmental and social impacts.

***Responsible Operations:*** The systematic integration of environmental stewardship into all business activities across the conglomerate's diverse portfolio. This pillar commits the Group to operate efficiently, sustainably, and in full compliance with environmental laws and global standards, while continually minimizing ecological impacts across its value chain. It is grounded in proactive risk management, resource efficiency, and long-term value creation.

***Welfare of Employees and Communities:*** Prioritizing the health, safety, and development of the workforce is critical, along with fostering an inclusive and supportive workplace where individuals can grow.





Engaging with local communities to understand their needs and contributing positively through initiatives that promote education, health, and economic empowerment is a core focus of this pillar.



## B. Reporting and Disclosures

The Company is committed to delivering ongoing benefits to stakeholders. To ensure consistency and continuous improvement, Key Performance Indicators (KPIs) have been developed based on the Sustainability Framework. These KPIs help track goals, assess progress, and facilitate data-driven decision-making. They are designed to measure performance across various sustainability dimensions, offering insights into strengths, areas for improvement, and opportunities for innovation.

KPIs and targets are reviewed and updated every 2-5 years, aligned with specific policies and sustainability action plans, subject to the Parent Company's review. Furthermore, the Company has published annual Sustainability Reports since 2019 to engage with stakeholders, share progress, and transparently communicate sustainability performance. This practice will continue in the years ahead.

## C. Adherence to International Standards and Frameworks

The Company is deeply committed to embedding sustainability and responsible governance at the core of its business. By aligning its practices with globally recognized standards and frameworks, LTG ensures that its operations are transparent, accountable, and focused on driving meaningful impact. This commitment reflects a genuine dedication to building trust with stakeholders, making informed decisions, and contributing to a better, more sustainable world.



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To guide our efforts, LTG follows a range of international standards and frameworks that help shape its approach to sustainability and governance, ensuring that every initiative is rooted in global best practices and tailored to the unique needs of its business and community.

The Company follows and uses the following international standards and frameworks as guiding principles for its sustainability and ESG efforts. To check the disclosure requirements and pertinent indicators per standard, refer to the appendices.

- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*
- IFRS S2 *Climate-related Disclosures*
- Integrated Reporting (IR)
- United Nations' Sustainable Development Goals (SDGs)
- AccountAbility Stakeholder Engagement Standard (AA1000SES)

These standards provide stakeholders with a comprehensive understanding of the Group's sustainability performance and progress, ensuring that disclosures are relevant to investors and aligned with the specific needs of LTG's industries. By offering consistent and comparable sustainability-related financial and non-financial information, LTG strengthens trust and supports informed decision-making among stakeholders. Recognizing the critical impact of climate change, the Group applies IFRS S2 standards to deliver clear and actionable insights on climate risks and opportunities affecting its operations. Through Integrated Reporting, LTG presents a holistic view of its value creation, linking financial and non-financial performance to highlight sustainability's central role in its long-term strategy.

Moreso, as a responsible corporate citizen, LTG aligns with the UN Sustainable Development Goals (SDGs), contributing to global priorities such as reducing inequality, fostering sustainable economic growth, and protecting the environment—ensuring its business ambitions drive positive change and create shared value for all. For more information regarding the Group's commitment to the SDGs, this Charter includes a dedicated section that provides further details on the Company's commitment to the UN SDGs (Article IV).

#### **D. Adherence to Philippine Law and Regulatory Bodies**

LTG upholds a strong commitment to complying with all applicable laws, regulations, and standards set forth by the Philippine government and relevant regulatory bodies. This adherence is integral to the LTG's operations and reflects its dedication to ethical business practices, transparency, and accountability.

We ensure faithful compliance and due diligence with pertinent regulations issued by key regulatory authorities, including but not limited to the following:

- Securities and Exchange Commission (SEC)



- Department of Environment and Natural Resources (DENR)
- Department of Labor and Employment (DOLE)
- Bangko Sentral ng Pilipinas (BSP)
- Department of Energy (DoE)

The Group actively monitors and integrates updates to laws and regulations into its policies and practices, ensuring that operations remain consistent with national legal and regulatory frameworks. Below are the primary laws and regulations, along with corresponding actions undertaken by the Group:

#### **D.1. Philippine Environmental Impact Statement (EIS) System (Presidential Decree No. 1586)**

**Requirement:**

Projects with significant environmental impacts must secure an Environmental Compliance Certificate (ECC) before commencing operations.

**Actions:**

- Conduct Environmental Impact Assessments (EIA) to evaluate potential impacts.
- Prepare and submit an Environmental Impact Statement (EIS) to the Department of Environment and Natural Resources (DENR) for review.
- Obtain the ECC from the DENR prior to project implementation.

#### **D.2. Clean Air Act (Republic Act No. 8749)**

**Requirement:**

Regulates emissions from stationary and mobile sources to maintain national air quality standards.

**Actions:**

- Secure an Authority to Construct (AC) and Permit to Operate (PTO) from the DENR for all emission sources.
- Conduct regular emission testing and monitoring to ensure compliance.
- Implement air pollution control measures, such as installing filters and scrubbers.

#### **D.3. Clean Water Act (Republic Act No. 9275)**

**Requirement:**

Manages water quality and regulates the discharge of pollutants into water bodies.

**Actions:**

- Obtain a Discharge Permit from the DENR for any wastewater discharge.
- Install and maintain wastewater treatment facilities to meet regulatory standards.
- Conduct periodic water quality monitoring and submit reports to the DENR.

**D.4. Ecological Solid Waste Management Act (Republic Act No. 9003)**

**Requirement:**

Mandates the proper segregation, collection, and disposal of solid waste.

**Actions:**

- Develop and implement a Solid Waste Management Plan tailored to each facility.
- Ensure proper waste segregation at the source and facilitate appropriate disposal practices.
- Promote waste reduction, reuse, and recycling within operations and communities.

**D.5. Toxic Substances and Hazardous and Nuclear Wastes Control Act (Republic Act No. 6969)**

**Requirement:**

Regulates hazardous substances and wastes to prevent environmental harm and protect public health.

**Actions:**

- Register with the DENR as a generator, transporter, or treater of hazardous waste.
- Develop and implement a Hazardous Waste Management Plan.
- Ensure proper labeling, secure storage, and environmentally safe disposal of hazardous wastes.
- Obtain a Permit to Transport (PTT) for hazardous waste shipments.

**D.6. Renewable Energy Act (Republic Act No. 9513)**

**Requirement:**

Encourages the development and use of renewable energy sources.

**Actions:**

- Assess the feasibility of integrating renewable energy solutions, such as solar and wind, into business operations.
- Apply for incentives and benefits available for renewable energy projects through government programs.



## **D.7. Extended Producer Responsibility Act of 2022 (Republic Act No. 11898)**

### **Requirement:**

Adopt and implement EPR programs as a means to address the environmental impacts of plastic waste.

### **Actions:**

- Design and implement EPR programs tailored to reduce plastic usage, enhance recovery, and support recycling initiatives.
- Collaborate with stakeholders, including recyclers, NGOs, and LGUs, to maximize the impact of recovery efforts.
- Set up systems to collect post-consumer plastic waste through reverse logistics, recycling facilities, or buy-back programs.
- Promote plastic take-back initiatives to encourage consumer participation.
- Invest in sustainable packaging alternatives to reduce reliance on single-use plastics.
- Explore and implement advanced recycling technologies to improve waste processing efficiency.

## **D.8. SEC Memorandum Circular No. 4, s. 2019**

### **Requirement:**

Mandates publicly listed companies to report sustainability and ESG performance.

### **Actions:**

- Regularly publish Sustainability Reports, incorporating material ESG topics aligned with global reporting frameworks.
- Ensure disclosures are accurate, transparent, and aligned with the Group's sustainability framework.

## **D.9. Bangko Sentral ng Pilipinas (BSP) Circulars**

### **Requirement:**

Mandates financial institutions to establish Environmental and Social Risk Management Systems (ESRMS) to manage risks arising from ESG factors.

### **Actions:**

- Develop and implement an ESRMS framework that aligns with BSP Circular No. 1085, focusing on identifying, assessing, and managing environmental and social risks.
- Integrate ESG risk assessments into credit and investment decision-making processes.



- Provide training for employees and relevant stakeholders on ESRMS implementation and compliance.
- Monitor and report on ESG risk exposure as part of regular regulatory compliance submissions to the BSP.

## **E. Key Performance Indicators (KPIs)**

To measure and drive its sustainability and ESG commitments, the Group and its subsidiaries have established a set of KPIs that align with its Sustainability Framework and corporate goals. These KPIs are designed to track and assess the Group's performance across various dimensions, including environmental, social, and governance aspects. These encompass critical areas including, but not limited to, energy efficiency, greenhouse gas emissions reduction, water and waste management, employee health and safety, community engagement, and ethical governance practices.

Performance on these KPIs is monitored regularly to evaluate progress based on the set of metrics and targets of each subsidiary, identify areas for improvement, and seize opportunities for innovation and leadership within the Group's industries.

Furthermore, these KPIs are subject to periodic review and may be adjusted every 2-5 years to reflect evolving regulatory requirements, stakeholder expectations, and sustainability trends. The review and approval of any revisions are conducted in alignment with the Group's sustainability action plans and are overseen by the Corporate Governance and Sustainability Committee.

Below are the approved KPIs per each subsidiary as of June 2024.

### **Asia Brewery**

#### ***Long-Term Growth***

- Revenue Growth
- Human Rights Policy: Incidents of Violation

#### ***Value Through Products and Services***

- CSAT
- Health and Nutrition: Food Safety Certification
- Health & Nutrition/Alcohol Responsibility/Responsible Marketing: Incidents of non-compliance from local regulatory and marketing codes due to product labelling, alcohol content and warning in promotions & advertising
- Cybersecurity & Data Privacy: Data privacy complaints
- Cybersecurity & Data Privacy: Data breachers, including leaks, thefts, and loss of data
- Cybersecurity & Data Privacy: Employee Awareness Training
- Customer data Protection Index: Data breachers, including leaks, thefts, and loss of data



- Adapting and Thriving in a Digital Environment: Implementation of digital transformation initiatives

#### ***Responsible Operations***

- Electricity
- Fuel
- Water
- Emissions: Compliance to Legal & Other Requirements
- Waste: Non-Hazardous (Residual)
- Waste: Hazardous, Compliance to Legal and Other Requirements

#### ***Safety, Security, and Well-being***

- Occupational Health & Safety: No. of Lost Time Accidents (LTA)
- Occupational Health & Safety: No. of Non-lost Time Incidents
- Occupational Health & Safety: No. of Occupational Incidents
- Training Manhours - Safety, Security & Wellbeing: Mandatory Trainings
- Performance & career development review for employees: Regular Performance Review Assessment (Personal Development Assessment System - PDAS)
- Performance & career development review for employees: Sustenance of Succession Planning

### **Eton**

#### ***Long-term Growth***

- Revenue
- Asset
- Human Rights Policy
- Anti-corruption and Non-competitive
- Board meetings & attendance

#### ***Value Through Products and Services***

- CSAT
- Occupancy rate
- Community engagement score
- Cybersecurity & Data Privacy
- Adapting and Thriving in a Digital Environment

#### ***Responsible Operations***

- Electricity
- Fuel
- Water



- Responsible Sourcing & Supply Chain
- Emissions
- Waste mitigation strategies
- Waste (Hazardous, Non-hazardous)

***Safety, Security, and Well-being***

- Customer health and safety
- Diversity, Equity & Inclusion
- Performance & career development review for employees
- Occupational Health and Safety
- Safe man hours
- Training hours
- Mental Health Index
- Corporate Social Responsibility (CSR)
- Community Impact & Sustainable Communities

**PHC**

***Long-term Growth***

- Revenue
- Revenue Growth
- Sustainability Budget Allocation
- Asset
- Occupancy Rate - Total
- Labor Laws and Human Rights
- Anti-Corruption and Non-competitive Policy
- Board meetings & attendance

***Value Through Products and Services***

- CSAT
- Occupancy rate
- Signed Lease Contracts
- Gross Leasable Area
- Data Privacy
- Cyber Security

***Responsible Operations***

- Electricity consumption reduction
- Water consumption reduction
- Responsible Sourcing & Supply Chain





- FC Waste Management
- MC Waste Management

***Safety, Security, and Well-being***

- Customer health and safety
- Diversity, Equity & Inclusion
- Performance & career development review for employees
- Occupational Health and Safety
- Safe man hours
- Training hours
- Mental Health Index
- Corporate Social Responsibility (CSR)
- Community Impact & Sustainable Communities

**PNB**

***Long-term Growth***

- Revenue
- Asset
- Expenses
- Human Rights Policy
- Anti-Corruption and Non-Competitive
- Board Meetings and Attendance

***Value Through Products and Services***

- CSAT
- CASA
- Lending Accounts (retail and commercial/corporate and MSMEs)
- Branches, ATMS, POS
- Financial Literacy and Wellness
- Net Promoter Score
- Cybersecurity and Data Privacy
- Incidence Response Time
- Digital Financial Inclusion Index
- Adapting and thriving in a digital environment

***Responsible Operations***

- Emissions



- ESRMS
- eWaste
- Outsourcing and Vendor Management
- Electricity
- Water
- Fuel
- Materials

***Safety, Security, and Well-being***

- Customer Health and Safety
- Employee Wellness
- Occupational Health and Safety
- Collective Bargaining Agreement / Labor Relations Management
- Diversity, Equity, and Inclusion
- Performance and Career Development Review for Employees
- Attrition
- Safe Manhours
- Training Hours
- Mental Health Index
- Corporate Social Responsibility (CSR) Activities
- Community Impact and Sustainable Communities
- Total volume of retail accounts (auto, housing, personal)

**Tanduay**

***Long-term Growth***

- Revenue; Assets
- Human Rights Policies
- Anti-corruption

***Value Through Products and Services***

- Responsible Drinking and Marketing
- Ingredient Sourcing
- Environmental and Social Impact of Ingredients' Supply Chain
- Packaging Life Cycle Management

***Responsible Operations***

- Energy Management
- Water Management



***Safety, Security, and Well-being***

- Employee Health and Safety
- Diversity, equity and inclusions
- Performance and career development
- Occupational health and safety
- Safe man hours
- Training hours
- Mental health index
- Corporate Social Responsibility
- Community impact and Sustainable communities

**PMFTC**

The KPIs for PMFTC are determined and guided by its parent/global company. As such, PMFTC's sustainability and ESG-related KPIs are aligned with the broader strategic direction and targets set at the global level.

**Article IV. Commitment to the United Nation's (UN) Sustainable Development Goals (SDGs)**

While the LT Group is committed to advancing the 17 United Nations' Sustainable Development Goals (SDGs), we identified 10 focus areas to ensure alignment with our business activities and maximize our positive impact on society and the environment while serving as our roadmap for integrating sustainability into our operations and driving meaningful change. For more information about our holistic SDGs targets, visit Appendix H for more details.

Our SDGs focus areas are as follows:





## Article V. Composition of Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee (the "Committee") shall be composed of at least five (5) members, with at least three (3) members being Independent Directors, including the Chief Sustainability and ESG Officer. The Chief Sustainability and ESG Officers as well as the members of the Committee will be nominated and appointed by the Board of Directors.

In the event that a Committee member resigns, passes away, or ceases to be a member for any other reason, reducing the number of members below five (5), the Board will, within three (3) months, appoint new members as required to restore the minimum number of five (5) members.

### 1. Qualification

Members of the Corporate Governance and Sustainability Committee must possess comprehensive knowledge of sustainability principles and a deep understanding of ESG frameworks, aligned with the governance principles and guidelines set by the SEC and other relevant regulatory bodies. Experience in environmental, social, and governance issues is essential for fulfilling the Committee's responsibilities.

### 2. Term of Office

Each member of the Committee will serve a term of one (1) year or for as long as they remain a director, whichever is shorter.

### 3. Sustainability Champions

Each subsidiary within the Group shall designate a Sustainability Champion, appointed as either the ESG Head or a designated contact person responsible for overseeing the subsidiary's sustainability efforts. The composition of Sustainability Champions across the Group is designed to ensure that each business unit maintains a focused approach to implementing and achieving the Group's ESG goals and objectives.



The Sustainability Champions are selected based on their expertise, experience, and commitment to sustainability principles. They will work closely with the Corporate Governance and Sustainability Committee and other relevant stakeholders to align their subsidiary's initiatives with the Group's overall sustainability strategy. Each Champion is empowered to lead sustainability programs, drive compliance with ESG policies, and foster a culture of responsibility and innovation within their respective units. Specific functions are detailed in the Duties and Responsibilities (Article VII, Section B) of this Charter.

## **A. Operation**

The Committee will convene at least once every quarter, with additional meetings scheduled as necessary. The rules governing Committee meetings will adhere to those set out in the Company's constitution, with the guidelines for Board meetings applying equally to the Committee.

At the Chair's discretion, depending on the nature of the agenda, Executive Directors, members of management, or external advisers may be invited to attend all or part of the meetings. The Committee will have primary responsibility for ESG-related matters, while the Risk Management Committee will maintain oversight of other areas related to risk and governance. Coordination between the chairs of both committees will ensure a clear delineation of responsibilities and avoid overlap. The Chair of the Committee will regularly update the Board on matters discussed, resolved, and other activities relevant to the Committee's role and responsibilities. Other information relating to the operations of the Committee are as follows:

### **1) Voting Requirement**

For the approval of any proposal presented before the Committee, at least three (3) members must cast affirmative votes during a meeting.

### **2) Secretary**

The Secretary of the Committee shall be appointed by the Committee. The Secretary is responsible for:

- a. Notifying all Committee members of the place, date, and time of the meetings.
- b. Preparing and maintaining minutes of all Committee meetings.

### **3) Participation via Communication Equipment**

Members may participate in Committee meetings through teleconferencing or other similar communication equipment, provided that all members can hear one another. Participation through such means shall be considered as presence in person at the meeting.

## **B. Duties and Responsibilities**

### **B.1. Duties and Responsibilities of the Chief Sustainability and ESG Officer**

The Chief Sustainability and ESG Officer (CSEO) is responsible for overseeing the company's entire sustainability and ESG strategy, ensuring integration across all levels of the organization. The following duties are assigned to the CSEO:



1. Develop and oversee the company's sustainability and ESG master plan, ensuring alignment with corporate vision, industry best practices, and regulatory mandates.
2. Lead the enterprise-wide integration of ESG principles into business strategy, operations, financial planning, and risk management.
3. Provide thought leadership on sustainability trends, identifying opportunities for innovation, efficiency, and long-term value creation.
4. Act as the primary sustainability adviser to the Board of Directors and Executive Leadership, guiding corporate decision-making with a sustainability lens.
5. Oversee the company's ESG risk management framework, identifying, assessing, and mitigating sustainability risks such as climate change, regulatory non-compliance, reputational risks, and social responsibility concerns.
6. Lead company-wide efforts in climate resilience and environmental risk mitigation, including carbon reduction strategies, energy efficiency programs, and waste reduction initiatives.
7. Monitor evolving global ESG regulations, frameworks, and investor expectations, ensuring the company proactively adapts to new requirements.
8. Act as the primary spokesperson and representative for sustainability matters, engaging with investors, regulatory bodies, financial institutions, and key stakeholders.
9. Ensure that all subsidiaries and business units implement sustainability initiatives effectively, in alignment with corporate ESG strategy.
10. Oversee the development of ESG roadmaps and action plans for subsidiaries, ensuring that each unit contributes to overarching sustainability goals.
11. Provide high-level guidance to Sustainability Champions, ESG Heads, and business unit leaders, ensuring the proper execution of sustainability initiatives.

## **B.2. General Duties and Responsibilities of the Corporate Governance and Sustainability Committee**

The Corporate Governance and Sustainability Committee, under the guidance of the Chief Sustainability and ESG Officer, shall have the following duties and responsibilities:

1. Ensure that the Board adheres to corporate governance principles and guidelines, including the sustainability policies, as outlined in the Company's Corporate Governance Manual. The Committee shall ensure that these principles are practiced, observed, and complied with by the Board of Directors and Management.
2. Oversee the institutionalization of sustainability principles in the Company's business and operations, including the setting of sustainability goals, objectives, and targets.
3. Monitor and assess the Company's sustainability performance across key benchmarks, including economic, social, and environmental performance indicators.
4. Ensure that sustainability objectives and policies are communicated clearly to the Company, its investors, clients, and stakeholders.



5. Foster a culture of environmental and social responsibility in business decisions across the organization.
6. Develop and oversee a capacity-building program for the Board of Directors, management, and employees on sustainability topics, ensuring that they possess the necessary knowledge, skills, and expertise to meet sustainability goals.
7. Ensure that adequate resources are allocated to achieve the Company's sustainability objectives and targets.
8. Ensure that the Company has a clear and focused policy on the disclosure of non-financial information related to economic, environmental, social, and governance (EESG) issues. The Committee shall ensure that these issues are disclosed in a regular and periodic manner in accordance with applicable regulations.
9. Oversee the Company's adherence to internationally recognized sustainability reporting frameworks to measure and monitor progress toward achieving sustainability goals.
10. Assist the Board in adopting and overseeing an effective organizational structure to ensure the successful attainment of sustainability objectives and goals.
11. Conduct and oversee periodic performance evaluations of the Board, its committees, and Management, ensuring that forms for evaluation are provided and that performance criteria and indicators are developed and approved by the Board.
12. Ensure the annual self-evaluation of each Director's performance and the Committee's own performance, assessing competence, attendance, preparedness, and participation.
13. Submit regular reports to the Board on the Committee's proposals and transactions related to sustainability initiatives.
14. Make recommendations to the Board on the continuing education of Directors, their assignment to Board committees, succession planning for Board members and senior officers, and remuneration based on performance.
15. Ensure compliance with fundamental corporate governance obligations to enhance management performance and shareholder value, including honesty, performance of fiduciary duties, compliance with laws, avoidance of conflicts of interest, diligence, confidentiality, and proper disclosure of relevant transactions.

### **B.3. Duties and Responsibilities of Sustainability Champions**

Sustainability Champions, appointed as ESG Heads and/or contact persons for each subsidiary within the LTG, play a critical role in advancing the Group's sustainability and ESG objectives. Their key duties and responsibilities include the following:



1. **Implementation of Sustainability Initiatives:** Lead the implementation of sustainability initiatives and projects within their respective subsidiaries, ensuring alignment with the Group's overarching sustainability goals and commitments.
2. **Monitoring and Reporting:** Regularly track and monitor the subsidiary's performance against key sustainability metrics and report on progress, challenges, and opportunities to the Corporate Governance and Sustainability Committee and relevant stakeholders.
3. **Point of Contact for ESG Matters:** Serve as the primary point of contact for all ESG-related matters within their subsidiary, facilitating communication and collaboration with internal and external stakeholders.
4. **Stakeholder Engagement:** Engage with employees, partners, and other stakeholders to promote awareness and understanding of sustainability objectives and encourage active participation in ESG initiatives.
5. **Policy Development and Compliance:** Ensure compliance with internal sustainability policies, applicable regulations, and international standards. Support the development and enhancement of sustainability-related policies and procedures.
6. **Cross-Functional Collaboration:** Collaborate with other departments and business units to integrate ESG considerations into daily operations, business strategy, and decision-making processes.
7. **Capacity Building:** Facilitate training and capacity-building programs to enhance the knowledge, skills, and engagement of employees in sustainability and ESG-related matters.
8. **Innovation and Improvement:** Identify opportunities for innovation and continuous improvement in sustainability practices, leveraging best practices and emerging trends to drive impactful results.

## Article VI. Drafting and Publishing of Sustainability Reports

Sustainability is defined as the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs. In a business context, sustainability involves managing the "triple bottom line"—financial, social, and environmental risks, obligations, and opportunities. These dimensions are often referred to as "People, Planet, and Profit."

*The primary purposes of publishing sustainability reports are to:*

1. Measure, disclose, and be accountable for organizational performance related to sustainable development, providing transparency to both internal and external stakeholders.
2. Evaluate and communicate the economic, environmental, and social impacts of the organization's operations.
3. Present a balanced and reasonable overview of sustainability performance, including both positive and negative contributions.
4. Focus on reporting actual sustainability performance, rather than solely on targets or objectives.

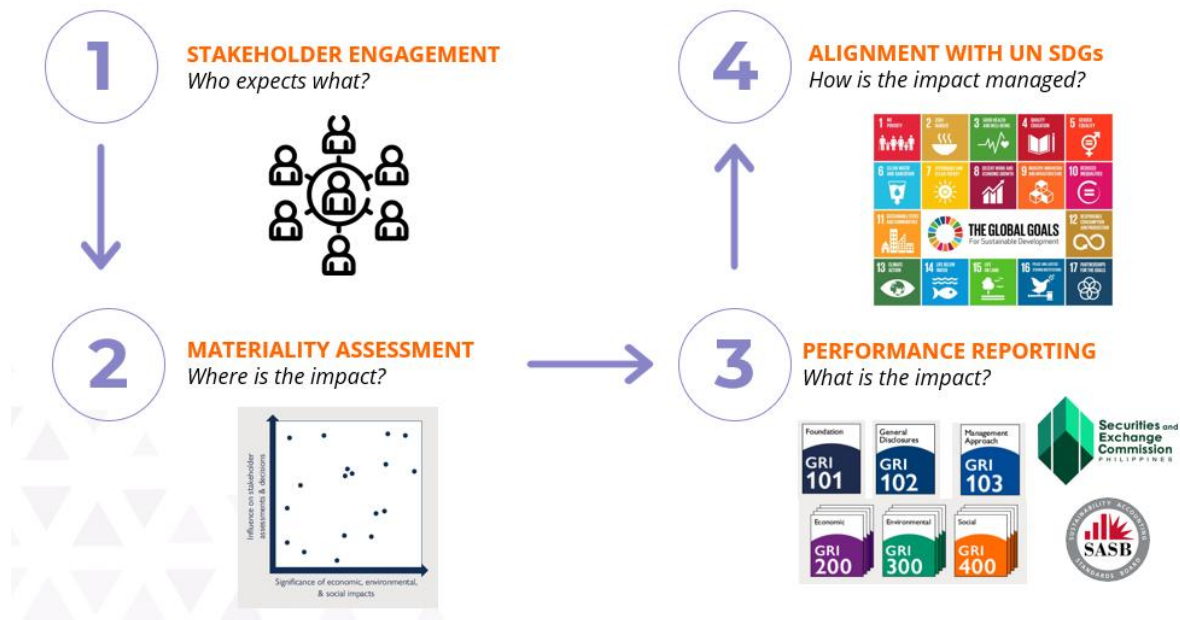
The Group has been committed to publishing Sustainability Reports (SRs) since 2019, in compliance with the Securities and Exchange Commission's (SEC) Memorandum Circular No. 4, series of 2019. Starting in





2024, the Group adopted Integrated Reporting (IR) to combine figures and narratives from both the Annual Reports (ARs) and Sustainability Reports, offering a comprehensive and cohesive view of the Group's performance and value creation across financial and non-financial dimensions.

*The reporting process are as follows:*



## A. Stakeholder Engagement

Accordingly, the well-being of our stakeholders is at the heart of everything we do. To ensure long-term benefits for all parties, we foster meaningful relationships through regular engagement activities.

We tailor our engagement methods to suit each stakeholder group, facilitating productive collaborations and gathering valuable feedback. Whether through social media interactions, participation in government consultations, corporate social responsibility (CSR) activities, or surveys, LTG is committed to maintaining open, two-way communication channels. This feedback is vital in helping us continuously enhance our operations, products, and services.

### A.1. Purpose of Stakeholder Engagement

The purpose of stakeholder engagement within the LTG is to establish a collaborative and transparent relationship with individuals, groups, and entities that are directly or indirectly impacted by the Group's operations. This engagement enables LTG to:

- a. **Identify and Address Stakeholder Needs:** Understand the concerns, expectations, and priorities of stakeholders to ensure that business practices align with their interests and contribute to shared value creation.
- b. **Integrate Stakeholder Perspectives:** Incorporate stakeholder feedback into the Group's strategic decision-making and sustainability initiatives, enhancing relevance and responsiveness.
- c. **Strengthen Accountability and Trust:** Demonstrate commitment to transparency, ethical practices, and responsible governance by openly communicating the Group's performance, challenges, and progress in sustainability and ESG efforts.
- d. **Drive Sustainable Innovation:** Leverage stakeholder insights to innovate and improve products, services, and processes in ways that address societal and environmental challenges.
- e. **Foster Collaborative Solutions:** Build partnerships with stakeholders to co-create programs, policies, and initiatives that advance the Group's sustainability goals and address broader systemic issues.
- f. **Ensure Compliance and Alignment:** Meet regulatory requirements and align with global sustainability frameworks, including the AccountAbility Stakeholder Engagement Standard (AA1000SES), by engaging stakeholders in a structured and meaningful way.

## A.2. Identification of Stakeholder Groups

The Group identifies its stakeholder groups based on their influence on, and impact by, the Group's operations, sustainability initiatives, and overall performance. This identification process is aligned with the principles of inclusivity and materiality outlined in AA1000SES. The stakeholder groups include:

### Customers

Customers are central to LTG's business success. Understanding their needs and expectations helps shape sustainable products and services that not only meet market demands but also align with environmental and social priorities.

### Employees

Employees are the backbone of LTG's operations. They are directly involved in delivering the Group's products and services and play a vital role in driving innovation, operational efficiency, and sustainability. Engaging with employees ensures their well-being, professional growth, and alignment with the Group's ESG objectives.

### Investors and Shareholders



LT GROUP, INC.

Investors and shareholders expect transparency and accountability in ESG performance. Their support drives the Group's ability to achieve long-term financial stability and sustainability goals.

#### **Regulatory Bodies**

Compliance with national laws and regulations is critical to LTG's license to operate. Engaging with regulatory bodies ensures adherence to legal requirements and alignment with evolving sustainability policies in the Philippines.

#### **Communities**

Communities represent the social fabric in which LTG operates. Engagement with local communities ensures that the Group's initiatives address their needs, promote well-being, and contribute to positive social development.

#### **Suppliers and Business Partners**

Suppliers and business partners are essential to LTG's supply chain. Collaboration with these stakeholders ensures responsible sourcing, ethical practices, and alignment with sustainability goals across the value chain.

#### **Non-Governmental Organizations (NGOs) and Advocacy Groups**

NGOs and advocacy groups provide expertise and partnership opportunities in addressing social and environmental challenges. Their insights and collaboration strengthen LTG's sustainability initiatives.

### **A.3. Stakeholder Engagement Process and Methodology**

The Group follows a structured and inclusive process to engage with stakeholders, ensuring that their perspectives are integrated into the Group's sustainability and ESG efforts. This approach fosters transparency, accountability, and collaboration, enabling LTG to align its initiatives with stakeholder needs and expectations while driving meaningful and measurable impact. The stakeholder engagement process is organized into four stages as shown in the Figure below.





#### AccountAbility Stakeholder Engagement Standard (AA1000SES) Process

##### a. Plan

The planning stage sets the foundation for a meaningful stakeholder engagement process by defining its purpose, scope, and stakeholders. Key activities include:

- **Establishing Objectives:** Clearly outlining the purpose and desired outcomes of the engagement.
- **Identifying Stakeholders:** Mapping individuals, groups, and entities affected by or capable of influencing LTG's operations and sustainability goals.
- **Defining the Scope:** Determining the topics to be addressed and aligning them with the Group's materiality assessment and sustainability framework.
- **Developing an Engagement Plan:** Creating a roadmap detailing timelines, methods, and resources needed to execute the engagement effectively.

##### b. Prepare

In this stage, LTG ensures that the necessary tools, resources, and capacity are in place to facilitate the engagement. Activities include:

- **Building Internal Capacity:** Training employees and Sustainability Champions to effectively engage stakeholders and collect relevant insights.



- **Gathering Background Information:** Researching stakeholder interests, expectations, and past interactions to inform engagement strategies.
- **Selecting Engagement Methods:** Choosing appropriate methods such as surveys, focus groups, public consultations, or digital platforms to facilitate meaningful interaction.
- **Ensuring Inclusivity:** Identifying and addressing potential barriers to participation, ensuring diverse stakeholder groups have equal opportunities to engage.

#### c. Implement

The implementation stage involves conducting the stakeholder engagement activities as planned, ensuring that the process is inclusive, transparent, and responsive. Key actions include:

- **Facilitating Engagement:** Hosting meetings, workshops, and consultations to gather stakeholder insights and feedback.
- **Ensuring Two-Way Communication:** Encouraging open dialogue and active listening to build trust and understanding.
- **Documenting Inputs:** Recording stakeholder perspectives systematically to ensure that all feedback is captured accurately for further analysis.

#### d. Act, Review, and Improve

This stage focuses on analyzing stakeholder feedback, integrating it into decision-making processes, and continuously improving engagement practices. Activities include:

- **Analyzing Feedback:** Identifying key themes, concerns, and opportunities from stakeholder inputs.
- **Acting on Insights:** Using stakeholder feedback to refine strategies, adjust initiatives, and improve sustainability performance.
- **Communicating Outcomes:** Sharing the results of the engagement with stakeholders through reports, meetings, and other channels, ensuring transparency and accountability.
- **Reviewing the Process:** Evaluating the effectiveness of the engagement activities against defined objectives and incorporating lessons learned into future engagements.

## B. Materiality Assessment

Materiality assessment shapes a company's sustainable strategy and helps a company analyze risk factors and upgrade its business for future prospects. According to SASB, "materiality can be defined as a long-term focus on the issues that make a difference to both an organization's performance and management priorities, both the information needed to make sound judgments." The materiality assessment may be carried out through the process of identification of key ESG issues to be followed by shortlisting the most



important issues and strategic planning around the issues by setting sustainability targets and indicators for monitoring progress. This will then help the company prepare for sustainability reports.

Ideally, a material assessment should be designed to inform both the reporting and strategy of the company, reflecting the organization's significant economic, environmental, and social impacts. However, the objectives of reporting and strategy are conflicting—with deciding what to report, backward-looking, and deciding what to focus on, the topics may be different. Thus, materiality assessment helps visualize the company's goal to see both backward-looking and forward-reporting at the same time.

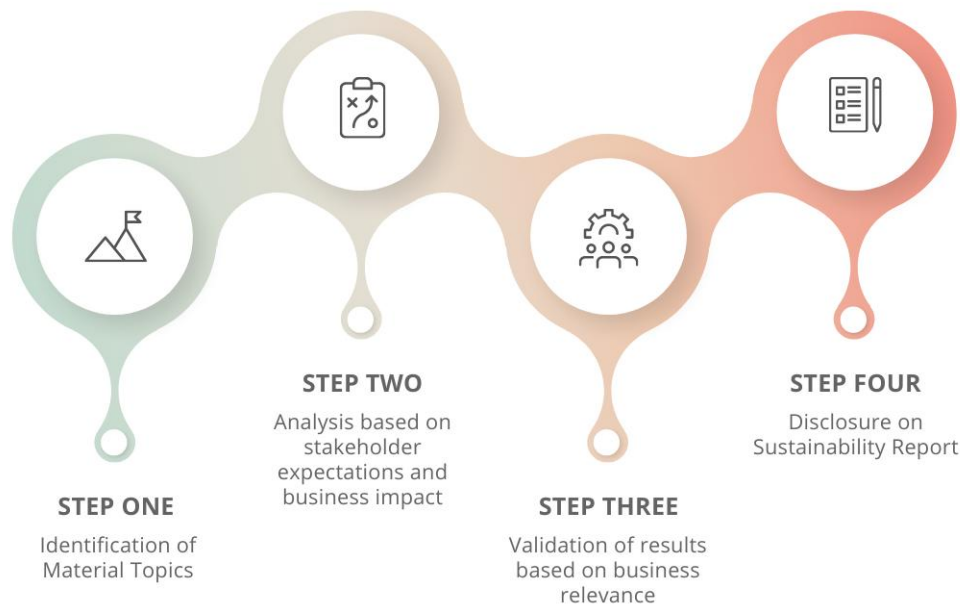
## **B.1. Determination of Material Topics**

As a holding company, LTG, alongside its subsidiaries, was considered when it comes to identifying key material topics. Identification was done by collecting information from pertinent sources while adhering to GRI and SASB Standards. The discovery of economic, governance, environmental, and socially relevant material topics also includes the analysis through peer industries and rating agencies like Sustainalytics.

Prior to the assessment proper, the sustainability partner of LTG, GCSS, Inc., identified a list of material topics suitable for the LTG and its subsidiaries (see Appendix J). These topics were determined using a structured approach, incorporating global sustainability standards such as the GRI and SASB Standards. The process also considered LTG's business strategies, industry-specific risks and opportunities, peer benchmarking, regulatory requirements, and insights from prior sustainability reports. This ensured that the list reflected the most relevant economic, environmental, and social issues for LTG's operations and stakeholders. Following this was a series of consultation sessions with the Internal Audit Team and the Corporate Governance and Sustainability Committee to define the overall objective and purpose of the engagement and finalize the list of sections to be included in the survey forms. These sections are then modified and broken down into specific questions that would later translate to data that will help LTG plan, implement, and achieve measurable results.

The Sustainability Champions of each LTG subsidiary acknowledges its responsibility to embed sustainability principles into both corporate governance and risk management frameworks. Each subsidiary conducts its own materiality assessment to ensure relevance and impact, identifying sustainability issues most pertinent to its stakeholders and operational structure. This process follows a three-year materiality assessment cycle, where a comprehensive assessment is conducted in the first year, followed by annual reviews of the results for the next two years. These assessments involve desk reviews and surveys, with the resulting data reported internally to respective Sustainability Technical Work Groups, Steering Committees, and Corporate Governance Committees. The methodology for the Group's materiality assessment is detailed in the framework below.





## **B.2. Analysis based on stakeholder expectations and business impact**

Following the survey, the data obtained from relevant internal and external stakeholders must be analyzed and consolidated. Afterwhich, stakeholders must also be engaged through structured sessions designed to align sustainability priorities with LTG's development plans and programs. During these sessions, sustainability topics and their definitions are presented to participants, followed by a feedback survey to evaluate the Group's sustainability initiatives. Participants are required to provide input based on their profiles and rank the topics using a standardized rating system.



# IMPACT TO BUSINESS

- Source of significant risk for Organization having financial / legal / strategic implications
- Related to critical success factor, competitive advantage and is of interest for stakeholders
- Expressed in key organizational values, policies, management system, goals and targets

No Impact	1	Topic does not have significant impact on business operations and is not considered important.
Slight Impact	2	The topic is important for the operations but has a slight impact.
Medium Impact	3	The topic is important for the operations but has medium impact.
High Impact	4	The topic is important for the operations but has high impact.
Very High Impact	5	The topic is very critical to operations and is of highest impact if not managed effectively.

The Impact to Business covers how the following topics were the roots of significant risk within the company in regard to financial, legal, and strategic implications, how they are essential to the success and competitiveness of the organization, and lastly, how they are linked to the system or nature of the company.





## IMPACT TO STAKEHOLDER

- A main concern / interest for stakeholders
- Among the current or future challenges for sectors as reported by peers and competition
- Subject of laws, regulations, agreements of strategic significance to organization

No Impact	1	The topic is relevant to few stakeholders only and need not be reported on.
Slight Impact	2	A few of the stakeholders consider this topic important to the company and it would be okay to report on this.
Medium Impact	3	Some stakeholders consider this topic important to the company and would be good to report this.
High Impact	4	Most stakeholders consider this topic important to the company and would be really good to report this.
Very High Impact	5	All stakeholders consider this as a critical topic and the company must disclose its performance on this area. This topic must be integrated into business strategy.

On the other hand, the Impact to Stakeholders shows how the following topics were the focus of stakeholders who were interested in the company's significance as they relate to potential challenges or existing top concerns regarding laws, rules, and agreements.

Following these assessments and validation sessions, the most pressing issues for stakeholders across the ESG areas are identified. The tables below present the latest issues from the latest materiality assessment exercise.

### ECONOMIC AND GOVERNANCE

- 1) **Socio-economic and environmental compliance-** Compliance to socio-economic and environmental laws and regulations. This also covers complying with regulatory changes in both financial and non-financial reporting.
- 2) **Ethical operations-** Organizations are expected by the marketplace, international norms, and stakeholders to demonstrate their adherence to integrity, transparency, governance, and responsible business practices.



- 3) **Good governance-** Leadership support and commitment to balance the triple bottom-line performance. Adherence to the culture of leadership and governance through management policies and its implementation.
- 4) **Economic Performance-** Maintaining profitability to return a dividend and re-invest in products and services. This also covers stable revenues in the event of political and economic uncertainties, market competition, pressure from regulatory bodies, and employing specific strategies to increase market share.
- 5) **Customer Engagement and Satisfaction-** Meeting customer expectations and needs in delivery of our products, services and experiences. This also ensures that customer complaints are recorded, monitored, resolved and reported to regulatory bodies (as applicable).
- 6) **Illicit Trade-** Implementing policies and measures to ensure the security of aspects in the supply chain which could be most susceptible to illegal trading and counterfeiting. This entails full cooperation with law enforcement agencies, and engagement with policymakers for a more effective and balanced regulations.

## EMPLOYEES

- 1) **Employment-** Attracting (and retaining) highly capable individuals to support high performance, and includes employee wages and other forms of compensation, including bonuses and executive remuneration.
- 2) **People, safety, security, and well-being-** Protecting and promoting health, safety and well-being of our employees and contractors through effective safety risk management and promoting a safety culture.
- 3) **Employee skills and competency development-** Developing our workforce capabilities, skills and competencies to create a positive and sustainable organizational culture.
- 4) **Labor relations and diversity-** Developing a diverse workforce and inclusive culture by leveraging an individual's experiences and viewpoints to support high performance. This also includes the LT Group's consultative practices with employees and their representatives, including its approach to communicating significant operational changes, and including rights of workers to collectively bargain the terms and conditions of work.

## ENVIRONMENT

- 1) **Resource efficiency-** Programs to manage and minimize energy use, increase efficiency measures and use low-carbon emission energy sources, consume water responsibly and manage waste.



- 2) **Climate change/GHG emissions-** Programs to manage and minimize emissions to air of pollutants – including carbon and other GHGs.

#### **CUSTOMERS**

- 1) **Customer data privacy and security-** Management of customer information to protect privacy and ensure personal information is secure against fraud and theft.
- 2) **Marketing and labeling-** Customer access to accurate and adequate information on the positive and negative economic, environmental, and social impacts of the product and services they consume – both from a product and service labeling and a marketing communications perspective.

#### **SOCIETY**

- 1) **Supply chain management-** Support for local suppliers, or those owned by women or members of vulnerable groups, and how the procurement practices can cause or contribute to negative impacts in the supply chain. This includes due diligence in order to prevent and mitigate negative social and environmental impacts in the supply chain.
- 2) **Human rights protection-** The recognition and respect of people's dignity; integrate human rights criteria in screening, or include human rights criteria in performance requirements when making contracts and agreements with other parties, such as joint ventures. This includes conduct of security personnel towards third parties, and the potential risk for excessive use of force or other violations of human rights.
- 3) **Community relations-** Maintaining our 'social license' to operate through engagements with the community.

### **B.3. Validation and Evaluation of Material Topics**

Each year, the latest material topics are subjected to an annual review to assess their continued relevance and address emerging trends or issues. This review is conducted by the respective Sustainability Technical Work Groups and Steering Committees, ensuring the topics remain responsive to operational realities and stakeholder needs.

Every three years, a full materiality assessment is conducted to provide a comprehensive re-evaluation of sustainability priorities. This triennial exercise involves broader stakeholder engagement, updated analyses, and an exhaustive review of sustainability issues to reflect evolving stakeholder expectations and regulatory developments.



Once the assessment results are finalized, they are reviewed by senior management and validated by the CGSC. The CGSC ensures that the identified material topics align with the Group's strategic direction and sustainability commitments. Approval of the results by the CGSC, therefore, formalizes the integration of material topics into sustainability plans, programs, and reporting.

### C. Performance Reporting

The Group is committed to comprehensive and transparent performance reporting to ensure accountability and drive continuous improvement in sustainability and ESG performance. This process involves systematic data collection, adherence to international standards, and compliance with relevant Philippine laws and regulatory requirements. For more information relating to the Group's adherence to international standards and regulatory requirements, visit Article III Sections C and D of this Charter.

### D. Data Collection Process

Data for sustainability performance reporting is gathered from all subsidiaries, with each unit providing relevant information on key environmental, social, and governance metrics. This process involves collecting data on energy consumption, greenhouse gas emissions, water usage, waste management, employee engagement, community impact, and other critical areas. Standardized templates, tools, and guidelines are utilized to ensure consistency and accuracy across all data submissions and are submitted after the annual reporting cycle, encompassing data from January 1 to December 31 of the calendar year. The data is verified and validated through internal reviews and, where necessary, by engaging external auditors. For the sample data collection templates provided by the Group and its sustainability partner, visit Appendix A.

As for the key timeline for the sustainability reporting process, the Table below portrays the usual timeline the Group has been strictly following.

TASK/DELIVERABLE	MONTH					
	SEPT	OCT	NOV	DEC	JAN	FEB
IR Kick-off						
Templates revision and finalization						
Templates roll-out to subsidiaries						
Reference Document						
Start of Writing						
Deadline of Qualitative Data						
Deadline of Quantitative Data						
Internal GCSS Team Review						
Submission of 1st Draft to LTG						
Comments from LTG (submission to GCSS)						
Submission of 2nd Draft to LTG						
Comments from LTG (submission to GCSS)						
Consolidation of AR and SR						
For Designing						
Submission to Board Committee						
Submission to SEC						



## **E. Compliance with Rating Agency Requirements**

The Group recognizes the importance of aligning its sustainability and ESG performance with the expectations and criteria established by leading rating agencies. Compliance with these requirements not only demonstrates the Group's commitment to best practices in sustainability but also enhances its credibility and attractiveness to investors, stakeholders, and business partners.

Each subsidiary is required to gather and report data relevant to the criteria set forth by various ESG rating agencies, specifically Sustainalytics & ISS. This data must be accurate, verifiable, and aligned with the Group's overall sustainability goals and performance metrics. This practice not only serves as performance monitoring but also benchmarking for our peer competitors. As such, subsidiaries are encouraged to actively seek feedback from rating agencies and incorporate recommendations into their sustainability practices. Continuous improvement ensures that the Group remains responsive to evolving ESG expectations and enhances its overall performance. Indicators and feedback from the rating agencies can be coordinated with the Corporate Sustainability and Governance Committee or the Internal Audit team for more information.

## **F. Alignment with UN SDGs**

Our metrics, targets, KPIs, and other disclosures are systematically aligned with the SDGs to ensure measurable and meaningful impact for stakeholders and communities. For further details on the Group's commitment to the SDGs agenda, please refer to Article IV of this Charter.

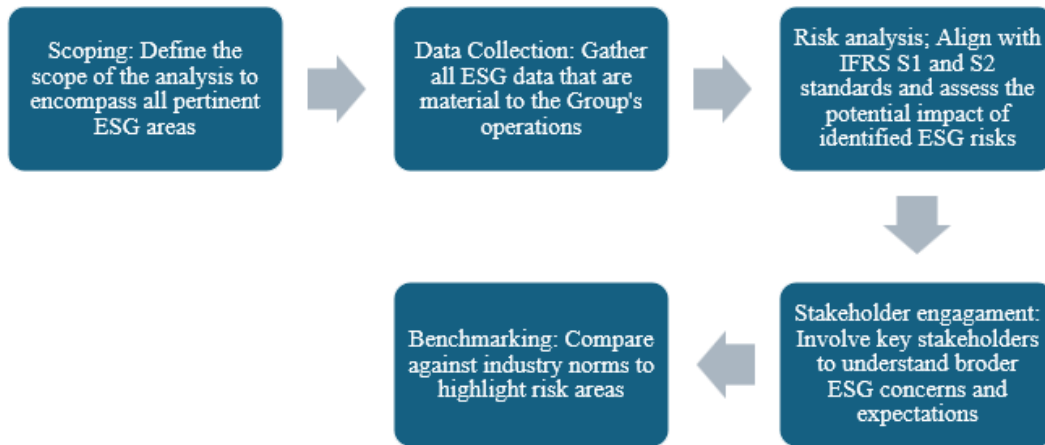
# **Article VII. ESG Risk Management**

Effective risk management is essential for the Group to achieve its sustainability and ESG objectives. Each subsidiary is required to identify, assess, and manage risks associated with its operations, ensuring alignment with the Group's material topics and overarching Sustainability Framework. Moreover, effective risk management is essential for the Group to achieve its sustainability and ESG objectives. We are aligning with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, particularly IFRS S1 and IFRS S2, to ensure a structured approach to identifying, assessing, and managing sustainability-related risks and opportunities.

## **A. Risk Identification and Assessment**

Subsidiaries must systematically identify and evaluate ESG-related risks that may impact their business operations. These risks may include environmental challenges, such as, but not limited to, resource scarcity, climate change, and regulatory compliance; social risks, including labor practices and community relations; and governance risks, such as data privacy, regulatory adherence, and corporate ethics. The identification process should be grounded in the Group's materiality assessment, focusing on risks that are most relevant to both the business and its stakeholders. This process involves scoping, data collection, risk analysis, stakeholder engagement, and benchmarking as illustrated in the Figure below.





The following tables outline some of the potential sustainability-related risks and opportunities identified by LTG, along with corresponding mitigation strategies:

**Table 1: Environmental Risks and Opportunities**

Risk	Description	Mitigation Strategy	Opportunities
Climate Change Impact	Physical risks such as extreme weather events affecting operations.	Implementing climate-resilient infrastructure and adopting adaptive operational practices.	<ul style="list-style-type: none"> <li>• Development of resilient infrastructure</li> <li>• Green innovation and product development</li> <li>• Access to climate financing</li> </ul>
Transition to Low-Carbon Economy	Regulatory changes leading to increased costs for carbon-intensive activities.	Investing in energy-efficient technologies and exploring renewable energy sources.	<ul style="list-style-type: none"> <li>• Renewable energy adoption</li> <li>• Market expansion for low-carbon products</li> <li>• Attaining sustainability certifications</li> <li>• Investment in carbon reduction technologies</li> </ul>



Resource Scarcity	Depletion of natural resources impacting supply chains.	Enhancing resource efficiency and diversifying supply sources.	<ul style="list-style-type: none"> <li>• Circular economy initiatives</li> <li>• Sustainable sourcing partnerships</li> <li>• Efficient production processes</li> <li>• Development of alternative materials</li> </ul>
Environmental Regulations	Stricter environmental laws affecting operational compliance.	Ensuring adherence to environmental standards and engaging in proactive regulatory compliance.	<ul style="list-style-type: none"> <li>• Proactive compliance with emerging standards</li> <li>• Leadership in sustainability standards</li> <li>• Justification for investments in eco-friendly technologies</li> </ul>
Biodiversity Loss	Operational impact due to loss of biodiversity in operational areas.	Implementing conservation programs and conducting environmental impact assessments.	<ul style="list-style-type: none"> <li>• Protection of ecosystem services</li> <li>• Implementation of nature-based solutions</li> <li>• Strengthened sustainable branding</li> <li>• Partnerships with conservation organizations</li> </ul>

**Table 2: Social Risks and Opportunities**

<b>Risk</b>	<b>Description</b>	<b>Mitigation Strategy</b>	<b>Opportunities</b>
Labor Practices	Risks related to labor disputes and workforce dissatisfaction.	Promoting fair labor practices and fostering positive employee relations.	<ul style="list-style-type: none"> <li>• Improved employee retention and engagement</li> <li>• Enhanced productivity through upskilling</li> <li>• Strengthened employer branding</li> <li>• Access to diverse talent pools</li> </ul>
Community Relations	Potential conflicts with local communities affecting operations.	Engaging in community development initiatives and maintaining open communication channels.	<ul style="list-style-type: none"> <li>• Strengthened stakeholder trust</li> <li>• Development of local partnerships</li> </ul>



Health and Safety	Workplace incidents leading to operational disruptions.	Implementing robust health and safety protocols and conducting regular training.	<ul style="list-style-type: none"> <li>• Reduced operational disruptions</li> <li>• Enhanced employee morale and well-being</li> <li>• Improved compliance with regulations</li> <li>• Lower liability costs</li> </ul>
Human Rights Compliance	Risks of non-compliance with human rights standards.	Adopting comprehensive human rights policies and conducting due diligence.	<ul style="list-style-type: none"> <li>• Access to global markets with strict compliance requirements</li> <li>• Improved supplier relationships</li> <li>• Mitigation of legal risks</li> </ul>
Social License to Operate	Loss of stakeholder trust impacting business operations.	Building strong stakeholder relationships and demonstrating corporate social responsibility.	<ul style="list-style-type: none"> <li>• Increased community support for projects</li> <li>• Reduced operational delays due to opposition</li> <li>• Strengthened partnerships with local stakeholders</li> <li>• Alignment with global sustainability goals</li> </ul>

**Table 3: Governance Risks and Opportunities**

<b>Risk</b>	<b>Description</b>	<b>Mitigation Strategy</b>	<b>Opportunities</b>
Regulatory Compliance	Non-compliance with evolving ESG regulations.	Establishing a dedicated compliance team and staying updated with regulatory changes.	<ul style="list-style-type: none"> <li>• Strengthened market access</li> <li>• Enhanced investor confidence</li> <li>• Reduced legal and financial risks</li> <li>• Improved operational efficiency</li> </ul>
Ethical Conduct	Risks arising from unethical business practices.	Implementing a robust code of ethics and conducting regular audits.	<ul style="list-style-type: none"> <li>• Increased customer and partner trust</li> <li>• Attraction and retention of top talent</li> <li>• Long-term business sustainability</li> </ul>





Transparency and Reporting	Inadequate disclosure of ESG performance.	Adopting standardized reporting frameworks and ensuring accurate data collection.	<ul style="list-style-type: none"> <li>• Improved stakeholder trust and relationships</li> <li>• Competitive advantage through robust disclosures</li> <li>• Enhanced decision-making with accurate data</li> <li>• Better compliance with global standards</li> </ul>
Board Oversight	Lack of effective governance structures.	Strengthening board oversight on ESG matters and providing relevant training.	<ul style="list-style-type: none"> <li>• Improved strategic alignment</li> <li>• Strengthened governance framework</li> <li>• Enhanced risk management capabilities</li> <li>• Increased accountability and leadership credibility</li> </ul>
Stakeholder Engagement	Insufficient engagement leading to reputational risks.	Developing comprehensive stakeholder engagement strategies and maintaining open dialogue.	<ul style="list-style-type: none"> <li>• Strengthened community and investor relationships</li> <li>• Better alignment with stakeholder expectations</li> <li>• Increased support for initiatives and projects</li> <li>• Improved adaptability to market and societal changes</li> </ul>

## B. Alignment with the Sustainability Framework

By integrating risk management with the Group's sustainability goals, subsidiaries are better equipped to anticipate and respond to emerging challenges. The identified risks must be assessed in accordance with LTG's Sustainability Framework to ensure consistency in risk management practices. This framework provides a structured approach for prioritizing risks, developing mitigation strategies, and monitoring outcomes.

## C. Monitoring and Reporting

Subsidiaries are required to establish mechanisms for ongoing monitoring and periodic reporting of identified risks and their mitigation measures. This process promotes accountability and transparency across the Group, enabling timely responses to any changes in the risk landscape. Reports on ESG-related risks and actions taken are reviewed by the Corporate Governance and Sustainability Committee to ensure adherence to LTG's standards and commitments.



#### **D. Collaboration and Capacity Building**

To effectively manage risks, subsidiaries are encouraged to collaborate with each other, share best practices, and engage in capacity-building initiatives.

### **Article VIII. Corporate Social Responsibility (CSR)**

The Group is dedicated to making a meaningful impact on society through its Corporate Social Responsibility (CSR) initiatives. At the heart of the Group's CSR efforts is the Tan Yan Kee Foundation, Inc. (TYKFI), LTG's primary CSR arm, which leads and coordinates various programs aimed at uplifting communities, promoting social development, and fostering inclusive growth.

By combining resources and expertise, the parent company and its subsidiaries ensure that CSR initiatives deliver tangible and lasting benefits to the communities they serve. The CSR initiatives of LTG and TYKFI are focused on addressing critical societal needs, such as education, health care, environmental conservation, livelihood development, and disaster response. TYKFI works closely with LTG subsidiaries, creating partnerships to maximize the reach and effectiveness of CSR programs.

The subsidiaries of LTG are integral partners in implementing CSR initiatives, either directly or in collaboration with TYKFI. LTG amplifies its impact and strengthens its connection to the communities where it operates by leveraging the strengths of each business unit whereas our CSR strategy is guided by a commitment to ethical practices, social responsibility, and sustainable development. LTG believes that its business success is deeply interconnected with the well-being of society, and it continuously strives to create shared value through programs that empower individuals, protect the environment, and contribute to societal progress.

Furthermore, CSR forms an integral part of our Integrated Reports (Annual and Sustainability), serving to communicate our initiatives to stakeholders and allowing us to track and measure our tangible impact.

The TYKFI achieves its vision of social sustainability and responsibility through the following flagship initiatives including, but not limited to the following:

- Dr. Lucio C. Tan Legacy Forest Project
- Small Water Impounding Project
- Agriculture-related scholarships
- HOPE Caravan Assistance Program





## Article IX. Access to Advice

The Corporate Governance and Sustainability Committee shall have access to independent external advisers, consultants, or experts as needed to fulfill its duties and responsibilities effectively. The Committee may seek advice on matters related to ESG issues, corporate governance principles, legal and regulatory compliance, and other relevant areas to enhance its decision-making process.

Any such external advice will be obtained at the Company's expense, subject to approval by the Board of Directors, ensuring that the Committee has the resources necessary to make informed decisions. Additionally, the Committee has the right to consult with members of management or other internal experts when necessary to assist in carrying out its responsibilities.



LT GROUP, INC.

## **Article X. Review of Charter**

The Corporate Governance and Sustainability Committee shall review this Charter at least annually to ensure that it remains relevant, up-to-date, and aligned with the Company's objectives, regulatory requirements, and best practices in corporate governance and sustainability. Any proposed amendments or updates to the Charter shall be submitted to the Board of Directors for approval.

The Committee may also recommend changes to the Charter as needed to reflect evolving sustainability trends, emerging ESG issues, and changes in corporate governance standards. This regular review process ensures that the Committee's role, responsibilities, and operating procedures continue to support the Company's long-term sustainability and governance goals.

## **Article XI. Approval and Effect**

This Charter, including any amendments or revisions, shall be approved by the Board of Directors. Once approved, the provisions of this Charter shall take immediate effect and remain in force until such time that any amendments are proposed and subsequently approved by the Board.

The Corporate Governance and Sustainability Committee is responsible for ensuring that this Charter is implemented and adhered to in all aspects of its operations, providing guidance on corporate governance and sustainability matters in line with the Company's objectives.

---

**END OF CHARTER**

**Approved by:**


**Date of Approval:**



**LT GROUP, INC.**

# Appendices

## Appendix A. Data Collection Template Sample

**LT GROUP, INC.**  
Greenhouse Gas (GHG) Emissions Calculator

**Input Activity Data:**

ENERGY [1.1](#)

EMISSION [2.1](#)

WATER [3.1](#)

WASTE [4.1](#)

[VIEW SUMMARY](#)

**Greenhouse Gas (GHG) estimation includes:**

- Carbon dioxide (CO2)

**Data needed:**

Scope 1

- Bunker Fuel (GJ)
- Coal (GJ)
- Low Sulfur Fuel Oil (LSFO) (GJ)
- Diesel (GJ)
- Gasoline (GJ)
- Liquefied Petroleum Gas (GJ)

Scope 2

- Electricity usage (kWh)

**Greenhouse Gas (GHG) scopes:**

- **Scope 1 (Direct Emissions)**

**1.1 Generator Sets**

1.1.1 Diesel  
1.1.2 Gasoline

Equation  
GHG Emission = Fuel Consumption (liter) \* Emission Factor (tonne/liter)

Emission Factors  
Diesel CO2 = 0.00251 tonne/liter  
Gasoline CO2 = 0.00291 tonne/liter

**1.2 Company-owned Vehicles**

1.2.1 Diesel  
1.2.2 Gasoline

Equation:  
GHG Emission = Fuel Consumption (liter) \* Emission Factor (tonne/liter)

Emission Factors  
Diesel CO2 = 0.00251 tonne/liter  
Gasoline CO2 = 0.00291 tonne/liter

**1.3 Third-party Vehicles**

1.3.1 Diesel  
1.3.2 Gasoline

Equation  
GHG Emission = Fuel Consumption (liter) \* Emission Factor (tonne/liter)

Emission Factors  
Diesel CO2 = 0.00251 tonne/liter  
Gasoline CO2 = 0.00291 tonne/liter

**1.4 Others**

1.3.1 Bunker Fuel  
1.3.2 Coal  
1.4.3 Low Sulfur Fuel Oil (LSFO)  
1.4.4 LPG

Equation  
GHG Emission = Fuel Consumption (liter) \* Emission Factor (tonne/liter)

Emission Factors  
Bunker Fuel CO2 = 0.00251 tonne/liter  
Coal CO2 = 2.40384 tonne  
LSFO CO2 = 0.00278 tonne/liter  
LPG CO2 = 0.00516 tonne/liter

GWP = Global Warming Potential

- **Scope 2 (Indirect Emissions)**

**2.1 Luzon-Visayas Grid Electricity**  
**2.2 Mindanao Grid Electricity**

Equation:  
GHG Emission = (Electricity Consumption (kWh) \* Emission Factor (tonne)) / 1000)

CO2 Emission Factors  
Simple Operating Margin,  
Luzon-Visayas Grid = 0.7122 tonne/kWh  
Mindanao Grid = 0.7797 tonne/kWh



## References:

- Republic of the Philippines Department of Energy

[2] 2015-2017 National Grid Emission Factor

(<https://www.doe.gov.ph/electric-power/2015-2017-national-grid-emission-factor-ngef>)

[3] Philippine Energy Plan 2020-2040

(<https://www.doe.gov.ph/pep>)



Activity Data  
Energy  
2024

1.1 Energy Consumption	2024	2023	2022
Total energy consumption within the organization (GJ)	0.00	0.00	0.00
Total Fuel Consumption (GJ)	0.00	0.00	0.00
Bunker Fuel (GJ)			
Coal (GJ)			
Low Sulfur Fuel Oil (LSFO) (GJ)			
Diesel (GJ)			
Gasoline (GJ)			
Liquefied Petroleum Gas (GJ)			
Total Electricity Consumption (GJ)	0.00	0.00	0.00
Luzon and Visayas (GJ)			
Mindanao (GJ)			

1.2 Emissions	2024	2023	2022
Generator Sets			
Company-owned Vehicles			
Third-party vehicles			
Others			
Scope 1 (CO <sub>2</sub> e)	0.00	0.00	0.00
Luzon and Visayas (CO <sub>2</sub> e)			
Mindanao (CO <sub>2</sub> e)			
Scope 2 (CO <sub>2</sub> e)	0.00	0.00	0.00
Total carbon footprint (CO <sub>2</sub> e)	0.00	0.00	0.00

### 1.1 Fuel Consumption and Scope 1 Emission (Direct)

1.1.2. FUEL CONSUMPTION AND SCOPE 1 EMISSION (Breakdown)									
Facility/site/Location	Energy Type	Location	Equipment	Total Energy	Unit	Emission (CO <sub>2</sub> e)	Remarks/ Note	Jan	
	Diesel			120	GJ			120	
				-	MJ				
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					
				-					

Copy the row above to insert more data



LT GROUP, INC.

Activity data  
Water  
2024

3.1. Withdrawal, Discharge, and Consumption (in ml)	2024	2023	2022
Total Water Consumption (ml)			
Total Water Withdrawal (ml)	0.00	0.00	0.00
Ground Water (ml)	0.00		
Third-party Water (ml)	0.00		
Total Water Discharge (ml)	0.00	0.00	0.00
Surface Water (ml)	0.00		
Ground Water (ml)	0.00		
Seawater (ml)	0.00		
Third-party Water (ml)	0.00		

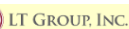
I. Water Withdrawal (ml) -

Ground Water		Annual				
Facility/ Project	Classification	Quantity Withdrawn	Jan	Feb	Mar	Apr
	Ground Water (ml)	-				
		-				
		-				
		-				
Total		-	-	-	-	-

Third-party Water		Annual				
Facility/ Project	Classification	Quantity Withdrawn	Jan	Feb	Mar	Apr
	Third-party water (ml)	-				
		-				
		-				
		-				
Total		-	-	-	-	-



LT GROUP, INC.



4.1 Solid and Hazardous Waste	2024	2023	2022
Total Hazardous Waste (mt)	0.00		
Total Non-Hazardous Waste (mt)	0.00		
Total Waste Generated (ml)	0.00	0.00	0.00

	Waste Generated	
Facility	Type of Waste	Quantity
Total		

BY RECOVERY OPERATION	Onsite		Offsite	
	In Kilograms (KG)	In Metric Ton (MT)	In Kilograms (KG)	In Metric Ton (MT)
Preparation for Reuse		-		-
Recycling		-		-
Compost		-		-
Downcycling		-		-
Upcycling		-		-
Other Recovery Method		-		-

Item / Facility	Type of Hazardous Waste	Recovery Operation	Onsite or Offsite	In Kilograms (KG)
		Preparation for Reuse	▼	-
		Recycling	▼	-
		Compost	▼	-
		Downcycling	▼	-
		Upcycling	▼	-
		Other Recovery Method	▼	-



## Energy Consumption

3.1 Energy Consumption	2024	2023	2022
Total energy consumption within the organization (GJ)	0.00	0.00	0.00
Total Fuel Consumption (GJ)	0.00	0.00	0.00
Bunker Fuel (GJ)			
Coal (GJ)			
Low Sulfur Fuel Oil (LSFO) (GJ)			
Diesel (GJ)			
Gasoline (GJ)			
Liquefied Petroleum Gas (GJ)			
Total Electricity Consumption (GJ)	0.00	0.00	0.00
Luzon and Visayas (GJ)			
Mindanao (GJ)			

2.1 Emissions	2024	2023	2022
Generator Sets			
Company-owned Vehicles			
Third-party vehicles			
Others			
<b>Scope 1 (tCO2e)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Luzon and Visayas (tCO2e)			
Mindanao (tCO2e)			
<b>Scope 2 (tCO2e)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total carbon footprint (tCO2e)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## LTG 2024 Sustainability Report

### Guidance for data collection templates

This workbook was created to provide guidance to the POCs in gathering information for the preparation of LTG's 2024 Sustainability Report and SEC Sustainability Reporting (SuRe) Form. The tables, descriptions, and other prompts found herein are based on the GRI Sustainability Reporting Standards, SASB Standards, and IFRS S1 and S2.

While using this workbook, kindly note the following items:

- 1 Provide data or information that covers the period from **January 1 to December 31, 2024**.
- 2 Tables should be populated with **numerical** values as much as possible, where applicable.
- 3 Large spaces given after a question or prompt should be populated with a **narrative** or description of the organization's policies and/or practices.
- 4 Please **feel free to add notes** of your own to any information you are providing. This would largely help us in interpreting the information and in putting them into context.
- 5 Would an area or topic be inapplicable to the operations of your organization, kindly inform the team **which department best answers** the requirement, then, indicate as **Not Applicable**.

#### Company Profile

##### TO COMPLETE THIS WORKBOOK:

1. When disclosing the data, only include Philippine operations and those not part of the Joint Ventures (JV's).
2. Kindly ensure that all red and green cells (dropdown list) are filled out. Blue cells are self-calculating.
3. For items where there is no response or data available, please indicate **none** or **N/A**. Please provide a short explanation.
4. If data is not yet available during the time of submission, please indicate **data not yet available**.
5. In cases where the requirement can be seen on the company website or other publications, reports, please paste the link as an answer.
6. Please note that if some requirements are answered group-wide, kindly just indicate **Group-wide**.

Reporting Unit:	
Answered by:	
Reviewed by:	

#### Organizational Profile

Name organization is usually referred as:	Absolut Distillers, Incorporated
Registered name of the organization:	Absolut Distillers, Incorporated Tambay Brands International Inc.
Location of headquarters:	ADB Brgy. Malandanan, Linao, Batangas, Philippines, 4216 TBD, Kapitolyo, Pang City

#### Location of Operations

Location	Subsidiary Name	Number	Included in reporting scope?
Luzon	ADI n/a		→
Visayas			→
Mindanao			→

Copy the rows above to insert more information

#### Products/Projects

Name	Description	Reference
Fine Ethyl Alcohol	a. potable or fine ethyl alcohol which is intended for beverage use b. it can also be used for pharmaceutical purposes after denaturing/addition of denaturant to the fine ethyl alcohol	ADI-QM-001 Quality Manual
Liquid Carbon Dioxide	used for making carbonated drinks and among other industrial	ADI-QM-001 Quality Manual
Bioethanol	used to produce Fuel Bioethanol	ADI-QM-001 Quality Manual
None	None	None

Copy the rows above to insert more information



LT GROUP, INC.



## Appendix B. GRI Content Index

GRI STANDARD / OTHER SOURCE	DISCLOSURE
<b>General Disclosures</b>	
GRI 2: General Disclosures 2021	2-1 Organizational details
	2-2 Entities included in the organization's sustainability reporting
	2-3 Reporting period, frequency and contact point
	2-4 Restatements of information
	2-5 External assurance
	2-6 Activities, value chain and other business relationships
	2-7 Employees
	2-8 Workers who are not employees
	2-9 Governance structure and composition
	2-10 Nomination and selection of the highest governance body
	2-11 Chair of the highest governance body
	2-12 Role of the highest governance body in overseeing the management of impacts
	2-13 Delegation of responsibility for managing impacts
	2-14 Role of the highest governance body in sustainability reporting



	2-15 Conflicts of interest
	2-16 Communication of critical concerns
	2-17 Collective knowledge of the highest governance body
	2-18 Evaluation of the performance of the highest governance body
	2-19 Remuneration policies
	2-20 Process to determine remuneration
	2-21 Annual total compensation ratio
	2-22 Statement on sustainable development strategy
	2-23 Policy commitments
	2-24 Embedding policy commitments
	2-25 Processes to remediate negative impacts
	2-26 Mechanisms for seeking advice and raising concerns
	2-27 Compliance with laws and regulations
	2-28 Membership associations
	2-29 Approach to stakeholder engagement
<b>Material Topics</b>	
GRI 3: Material Topics 2021	3-1 Process to determine material topics
	3-2 List of material topics
<b>Economic and Governance</b>	
GRI 3: Material Topics 2021	3-3 Management of material topics



GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed
	201-2 Financial implications and other risks and opportunities due to climate change
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken
<b>Environment</b>	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 302: Energy 2016	302-1 Energy consumption within the organization
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource
	303-2 Management of water discharge-related impacts
	303-3 Water withdrawal
	303-4 Water discharge
	303-5 Water consumption
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions



	305-2 Energy indirect (Scope 2) GHG emissions
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts
	306-2 Management of significant waste-related impacts
	306-3 Waste generated
	306-4 Waste diverted from disposal
	306-5 Waste directed to disposal
<b>Employees</b>	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 401: Employment 2016	401-1 New employee hires and employee turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3 Parental leave
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system
	403-2 Hazard identification, risk assessment, and incident investigation
	403-3 Occupational health services
	403-4 Worker participation, consultation, and communication on occupational health and safety
	403-5 Worker training on occupational health and safety
	403-6 Promotion of worker health



	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
	403-8 Workers covered by an occupational health and safety management system
	403-9 Work-related injuries
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee
	404-3 Percentage of employees receiving regular performance and career development reviews
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken
<b>Customers</b>	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling
	417-2 Incidents of non-compliance concerning product and service information and labeling
	417-3 Incidents of non-compliance concerning marketing communications
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
<b>Society</b>	
GRI 3: Material Topics 2021	3-3 Management of material topics



GRI 413: Local Communities 2016

413-1 Operations with local community engagement, impact assessments, and development programs



LT GROUP, INC.

## Appendix C. SASB Content Index

Topic	Code	Accounting Metrics
Food & Beverage Sector - Alcoholic and Non-Alcoholic Beverages		
Energy Management	FB-AB-130a.1 FB-NB-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable
Water Management	FB-AB-140a.1 FB-NB-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress
	FB-AB-140a.2 FB-NB-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks
Responsible Drinking & Marketing	FB-AB-270a.1	Percentage of total advertising impressions made on individuals at or above the legal drinking age
	FB-AB-270a.2	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes
	FB-AB-270a.3	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices
Product Labeling & Marketing	FB-NB-270a.1	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines
	FB-NB-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes
	FB-NB-270a.4	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices
Financials Sector - Commercial Banks		
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks



## Appendix D. TCFD Content Index

CLIMATE-RELATED RISKS AND OPPORTUNITIES
Recommended Disclosures
<b>Governance</b>
Disclose the organization's governance around climate-related risks and opportunities
a) Describe the board's oversight of climate-related risks and opportunities
b) Describe management's role in assessing and managing climate-related risks and opportunities
<b>Strategy</b>
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario
<b>Risk Management</b>
Disclose how the organization identifies, assesses, and manages climate-related risks
a) Describe the organization's processes for identifying and assessing climate-related risks
b) Describe the organization's processes for managing climate-related risks
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management
<b>Metrics and Targets</b>
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process
b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets





## Appendix E. IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*

No.	Areas for disclosure	Reference
<b>About the governance body(ies)</b>		
1	Identify parties responsible for oversight of SRROs.  This could include governance bodies (e.g., board, committee or equivalent body charged with governance), or specific individual(s) within the organisation.	IFRS S1, paragraph 27(a)
2	Describe the responsibilities of the parties identified in (a) and where the responsibilities for SRRO are reflected.  This could be expanded from the Responsibility Assignment Matrix (or RACI chart). Responsibilities are typically described and detailed in terms of reference, mandates, role descriptions, and other related policies.	IFRS S1, paragraph 27(a)(i)
3	Describe how the parties identified in (1) determine whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to SRROs.	IFRS S1, paragraph 27(a)(ii)
4	Explain how and how often those in (1) are informed about the organisation's SRROs.	IFRS S1, paragraph 27(a)(iii)
5	Explain how those in (1) consider SRROs when overseeing the organisation's strategy, decisions on major transactions, and its risk management process and related policies, including whether they had considered the trade-offs associated with those SRROs.	IFRS S1, paragraph 27(a)(iv)
6	Explain how those in (1) oversee the setting of targets related to SRROs, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	IFRS S1, paragraph 27(a)(v)
<b>About management</b>		
7	Describe management's role in the governance processes, controls and procedures used to monitor, manage and oversee SRROs.  Include information about: (a) whether the role is delegated to a specific management-level position or management-level committee (b) how oversight is exercised over (a) (c) whether management uses controls and procedures to support oversight of SRROs (d) how (c) is integrated with other internal functions	IFRS S1, paragraph 27(b)
No.	Areas for disclosure	Reference



Strategy and decision-making		
1	how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	IFRS S1, paragraph 33(a)
2	how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	IFRS S1, paragraph 33(b)
2	how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	IFRS S1, paragraph 33(b)
No.	Areas for disclosure	Reference
Financial position, financial performance and cash flows		
1	the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects);	IFRS S1, paragraph 34(a)
2	the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	IFRS S1, paragraph 34(b)
3	how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	IFRS S1, paragraph 35(a)
4	the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	IFRS S1, paragraph 35(b)
5	how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:	IFRS S1, paragraph 35(c)
6	its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to;	IFRS S1, paragraph 35(c)(i)
7	its planned sources of funding to implement its strategy;	



		IFRS S1, paragraph 35(c)(ii)
8	how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	IFRS S1, paragraph 35(d)
9	In providing quantitative information, an entity may disclose a single amount or a range.	IFRS S1, paragraph 36
10	In preparing disclosures about the anticipated financial effects of a sustainability-related risk or opportunity, an entity shall	IFRS S1, paragraph 37
11	use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort (see paragraphs B8–B10);	IFRS S1, paragraph 37(a)
12	use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	IFRS S1, paragraph 37(b)
13	An entity need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity if the entity determines that	IFRS S1, paragraph 38
14	those effects are not separately identifiable;	IFRS S1, paragraph 38(a)
15	the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful	IFRS S1, paragraph 38(b)
16	In addition, an entity need not provide quantitative information about the anticipated financial effects of a sustainability-related risk or opportunity if the entity does not have the skills, capabilities or resources to provide that quantitative information.	IFRS S1, paragraph 39
17	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity applying the criteria set out in paragraphs 38–39, the entity shall:	IFRS S1, paragraph 40
18	explain why it has not provided quantitative information;	IFRS S1, paragraph 40(a)
19	provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial	IFRS S1, paragraph 40(b)



	statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity;	
20	provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	IFRS S1, paragraph 40(c)
No.	Areas for disclosure	Reference
<b>Resilience</b>		
1	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	IFRS S1, paragraph 41
2	Other IFRS Sustainability Disclosure Standards may specify the type of information an entity is required to disclose about its resilience to specific sustainability-related risks and how to prepare those disclosures, including whether a scenario analysis is required.	IFRS S1, paragraph 42
No.	Areas for disclosure	Reference
<b>Risk management</b>		
1	to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process;	IFRS S1, paragraph 43(a)
2	to assess the entity's overall risk profile and its overall risk management process.	IFRS S1, paragraph 43(b)
3	the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about	IFRS S1, paragraph 44(a)
4	the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	IFRS S1, paragraph 44(a)(i)



5	whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks;	IFRS S1, paragraph 44(a)(ii)
6	how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	IFRS S1, paragraph 44(a)(iii)
7	whether and how the entity prioritises sustainability-related risks relative to other types of risk;	IFRS S1, paragraph 44(a)(iv)
8	how the entity monitors sustainability-related risks;	IFRS S1, paragraph 44(a)(v)
9	whether and how the entity has changed the processes it uses compared with the previous reporting period;	IFRS S1, paragraph 44(a)(vi)
10	the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities;	IFRS S1, paragraph 44(b)
11	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	IFRS S1, paragraph 44(c)
<b>No.</b>	<b>Areas for disclosure</b>	<b>Reference</b>
<b>Metrics and targets</b>		
1	The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to	



	understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	IFRS S1, paragraph 45
2	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: (a) metrics required by an applicable IFRS Sustainability Disclosure Standard; and (b) metrics the entity uses to measure and monitor: (i) that sustainability-related risk or opportunity; and (ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	IFRS S1, paragraph 46
3	In the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity, an entity shall apply paragraphs 57–58 to identify applicable metrics.	IFRS S1, paragraph 47
4	Metrics disclosed by an entity applying paragraphs 45–46 shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry	IFRS S1, paragraph 48
5	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	IFRS S1, paragraph 49
6	how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;	IFRS S1, paragraph 50(a)
7	whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green—or RAG—status);	IFRS S1, paragraph 50(b)
8	whether the metric is validated by a third party and, if so, which party;	IFRS S1, paragraph 50(c)
9	the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.	IFRS S1, paragraph 50(d)
10		



	<p>An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose:</p> <p>(a) the metric used to set the target and to monitor progress towards reaching the target;</p> <p>(b) the specific quantitative or qualitative target the entity has set or is required to meet;</p> <p>(c) the period over which the target applies;</p> <p>(d) the base period from which progress is measured;</p> <p>(e) any milestones and interim targets;</p> <p>(f) performance against each target and an analysis of trends or changes in the entity's performance; and</p> <p>(g) any revisions to the target and an explanation for those revisions</p>	IFRS S1, paragraph 51
11	<p>The definition and calculation of metrics, including metrics used to set the entity's targets and monitor progress towards reaching them, shall be consistent over time. If a metric is redefined or replaced, an entity shall apply paragraph B52.</p>	IFRS S1, paragraph 52
12	<p>An entity shall label and define metrics and targets using meaningful, clear and precise names and descriptions.</p>	IFRS S1, paragraph 53



## Appendix F. IFRS S2 *Climate-related Disclosures*

No.	Areas for disclosure	Reference
<b>Governance</b>		
1	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	IFRS S2, paragraph 6(a)
2	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	IFRS S2, paragraph 6(a)(i)
3	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	IFRS S2, paragraph 6(a)(ii)
4	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	IFRS S2, paragraph 6(a)(iii)
5	How the body(s) or individual(s) takes into account climate related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	IFRS S2, paragraph 6(a)(iv)
6	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	IFRS S2, paragraph 6(a)(v)
7	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about	IFRS S2, paragraph 6(b)





8	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee;	IFRS S2, paragraph 6(b)(i)
9	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	IFRS S2, paragraph 6(b)(ii)
No.	Areas for disclosure	Reference
<b>Strategy</b>		
1	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);	IFRS S2, paragraph 9(a)
2	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain,	IFRS S2, paragraph 9(b)
3	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan	IFRS S2, paragraph 9(c)
4	the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning	IFRS S2, paragraph 9(d)
5	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	IFRS S2, paragraph 9(e)
No.	Areas for disclosure	Reference
<b>Climate-related risks and opportunities</b>		
1	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	IFRS S2, paragraph 10(a)



2	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	IFRS S2, paragraph 10(b)
3	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur;	IFRS S2, paragraph 10(c)
4	Explain how the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	IFRS S2, paragraph 10(d)
<b>No.</b>	<b>Areas for disclosure</b>	<b>Reference</b>
<b>Business model and value chain</b>		
1	A description of the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain;	IFRS S2, paragraph 13(a)
2	A description of where in the entity’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	IFRS S2, paragraph 13(b)
<b>No.</b>	<b>Areas for disclosure</b>	<b>Reference</b>
<b>Strategy and decision-making</b>		
1	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	IFRS S2, paragraph 14(a)
2	Current and anticipated changes to the entity’s business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	IFRS S2, paragraph 14(a)(i)
3	Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or	IFRS S2, paragraph 14(a)(ii)



	equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	
4	Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains)	IFRS S2, paragraph 14(a)(iii)
5	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies.	IFRS S2, paragraph 14(a)(iv)
6	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	IFRS S2, paragraph 14(a)(v)
7	Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	IFRS S2, paragraph 14(b)
8	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a)	IFRS S2, paragraph 14(c)
No.	Areas for disclosure	Reference
<b>Financial position, financial performance and cash flows</b>		
1	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects);	IFRS S2, paragraph 15(a)
2	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	IFRS S2, paragraph 15(b)
3	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	IFRS S2, paragraph 16(a)
4	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	IFRS S2, paragraph 16(b)
5	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	IFRS S2, paragraph 16(c)
6	Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint	



	ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to;	IFRS S2, paragraph 16(c)(i)
7	Its planned sources of funding to implement its strategy	IFRS S2, paragraph 16(c)(ii)
8	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	IFRS S2, paragraph 16(d)
9	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraphs 19–20, the entity shall:	IFRS S2, paragraph 21
10	Explain why it has not provided quantitative information;	IFRS S2, paragraph 21(a)
11	Provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity;	IFRS S2, paragraph 21(b)
12	Provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	IFRS S2, paragraph 21(c)
No.	Areas for disclosure	Reference
<b>Climate Resilience</b>		
1	The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	IFRS S2, paragraph 22(a)
2	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	IFRS S2, paragraph 22(a)(i)
3	The significant areas of uncertainty considered in the entity's assessment of its climate resilience;	IFRS S2, paragraph 22(a)(ii)
4		



	<p>The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including;</p> <p>(1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;</p> <p>(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and</p> <p>(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience;</p>	IFRS S2, paragraph 22(a)(iii)
5	How and when the climate-related scenario analysis was carried out, including:	IFRS S2, paragraph 22(b)
6	<p>Information about the inputs the entity used, including:</p> <p>(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;</p> <p>(2) whether the analysis included a diverse range of climate-related scenarios;</p> <p>(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</p> <p>(4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</p> <p>(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</p> <p>(6) the time horizons the entity used in the analysis; and</p> <p>(7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);</p>	IFRS S2, paragraph 22(b)(i)
7	The key assumptions the entity made in the analysis, including assumptions about:	



	(1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology;	IFRS S2, paragraph 22(b)(ii)
5	The reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	IFRS S2, paragraph 22(b)(iii)
<b>No.</b>	<b>Areas for disclosure</b>	<b>Reference</b>
<b>Risk Management</b>		
1	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	IFRS S2, paragraph 25(a)
2	The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	IFRS S2, paragraph 25(a)(i)
3	Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	IFRS S2, paragraph 25(a)(ii)
4	How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	IFRS S2, paragraph 25(a)(iii)
5	Whether and how the entity prioritises climate-related risks relative to other types of risk;	IFRS S2, paragraph 25(a)(iv)
6	How the entity monitors climate-related risks;	IFRS S2, paragraph 25(a)(v)



7	Whether and how the entity has changed the processes it uses compared with the previous reporting period;	IFRS S2, paragraph 25(a)(ii)
8	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities;	IFRS S2, paragraph 25(b)
9	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	IFRS S2, paragraph 25(c)

## Appendix G. Integrated Reporting <IR> Framework Guidelines

Key Requirements	Description	Required Disclosures
<b>Organizational Overview</b>	Overview of LTG, including business model, ownership structure, and governance framework.	- Company profile
		- Business model
		- Key subsidiaries
		- Governance structure
<b>Strategy and Resource Allocation</b>	Details on the strategic priorities and resource allocation for sustainable value creation.	- Vision and mission
		- Strategic objectives
		- Resource allocation (e.g., CAPEX, R&D, etc.)
<b>Material Topics</b>	Summary of identified material topics through stakeholder engagement and materiality assessments.	- List of material topics
		- Impact and relevance to stakeholders
		- Connection to SDGs
<b>Stakeholder Engagement</b>	Description of how stakeholder engagement informs decision-making and materiality.	- Key stakeholder groups
		- Engagement methods
		- Summary of concerns and responses
<b>Governance</b>		- Board committee structures



	Overview of governance practices and board oversight for sustainability and ESG matters.	- Responsibilities and decision-making processes
		- Ethical policies and compliance mechanisms
<b>Performance Metrics</b>	Summary of financial and non-financial performance metrics.	- Financial performance (e.g., revenue, profit)
		- Non-financial KPIs (e.g., GHG emissions, employee turnover)
<b>Sustainability Frameworks and Standards</b>	Reference to global standards and frameworks adhered to by the Group.	- Alignment with GRI, SASB, TCFD, and SDGs
		- Application of frameworks in reporting
<b>Risk and Opportunities</b>	Identification of risks and opportunities, particularly in ESG contexts.	- Key risks and mitigation strategies
		- Opportunities aligned with long-term strategy
<b>SDGs Alignment</b>	Specific alignment of company initiatives and material topics with UN SDGs.	- List of aligned SDGs
		- Contribution to SDG targets and metrics
<b>Assurance</b>	Assurance of the accuracy and reliability of sustainability data.	- External assurance provider
		- Scope of assurance
		- Assurance statement
<b>Future Outlook</b>	Insights into how LTG plans to sustain and enhance value creation in the future.	- Strategic priorities for the next reporting period
		- Emerging trends and challenges





## Appendix H. United Nations' Sustainable Development Goals

SDG #	Goal	Definition	LTG-Specific Targets
1	No Poverty	End poverty in all its forms everywhere.	Expand livelihood programs for marginalized communities through CSR initiatives.
			Partner with local government units to create income-generating opportunities in underserved areas.
2	Zero Hunger	End hunger, achieve food security, improved nutrition, and promote sustainable agriculture.	Increase support for agriculture and farmers.
			Provide funding and resources for agricultural innovations to improve productivity.
3	Good Health and Well-being	Ensure healthy lives and promote well-being for all at all ages.	Offer comprehensive healthcare benefits and mental health programs to employees.
			Expand health-focused CSR programs to underserved communities.
4	Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities.	Provide scholarships for underprivileged students through the TYKFI programs.
			Conduct training sessions for teachers to enhance education quality in LTG-supported schools.
5	Gender Equality	Achieve gender equality and empower all women and girls.	Strengthen gender-neutral hiring policies and aim for equal representation in leadership roles.
			Support women-focused community initiatives, including entrepreneurship programs.
6	Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all.	Install water-saving systems in all operations and properties.
			Support community water management projects, including clean water access initiatives.
7	Affordable and Clean Energy		Increase renewable energy use across subsidiaries by 2025 onwards.



		Ensure access to affordable, reliable, sustainable, and modern energy for all.	Invest in energy-efficient technologies in manufacturing and office operations.
8	Decent Work and Economic Growth	Promote sustained, inclusive, and sustainable economic growth, full and productive employment.	Ensure compliance with fair labor practices and prioritize employee upskilling programs.
			Support local suppliers and businesses to drive inclusive economic growth.
9	Industry, Innovation, and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	Invest in sustainable real estate and infrastructure projects that integrate green building certifications.
			Encourage innovation through R&D for sustainable products and operations.
10	Reduced Inequalities	Reduce inequality within and among countries.	Increase support for social programs aimed at empowering underrepresented groups.
			Promote diversity and inclusion initiatives within the workforce.
11	Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient, and sustainable.	Develop eco-friendly housing projects through Eton Properties.
			Support community resilience programs, including disaster response initiatives.
12	Responsible Consumption and Production	Ensure sustainable consumption and production patterns.	Achieve plastic waste retrieval target under the EPR Act compliance.
			Implement waste segregation and recycling programs in all facilities and properties.
13	Climate Action	Take urgent action to combat climate change and its impacts.	Reduce GHG emissions C26 across all operations.
			Conduct tree planting activities and biodiversity protection initiatives annually.
14	Life Below Water	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.	Support mangrove reforestation projects in coastal communities.
			Reduce plastic waste in operations, including packaging materials.



15	Life on Land	Protect, restore, and promote sustainable use of terrestrial ecosystems.	Continue reforestation efforts under the Dr. Lucio C. Tan Legacy Forest Project.
			Promote agroforestry programs to support smallholder farmers and biodiversity conservation.
16	Peace, Justice, and Strong Institutions	Promote peaceful and inclusive societies for sustainable development.	Enhance compliance with anti-corruption policies across all subsidiaries.
			Foster partnerships with local institutions to promote community peacebuilding initiatives.
17	Partnerships for the Goals	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Expand partnerships with NGOs, government agencies, and international organizations to achieve sustainability objectives.



## Appendix I. AccountAbility Stakeholder Engagement Standards (AA1000SES)

Requirement	Description	Information Required	Reference/Source
<b>Principles</b>	Overview of the foundational principles guiding stakeholder engagement as per AA1000SES.	- Inclusivity: Ensuring all relevant stakeholders are considered.	AA1000SES Standards Manual
		- Materiality: Identifying key topics.	
		- Responsiveness: Addressing stakeholder concerns and feedback.	
<b>Stakeholder Identification</b>	Process for identifying and mapping key stakeholder groups.	- Stakeholder categories (e.g., employees, customers, regulators, NGOs).	Stakeholder mapping reports
		- Criteria for stakeholder inclusion.	Organization stakeholder databases
<b>Engagement Planning</b>	Description of planning processes to ensure effective and meaningful stakeholder engagement.	- Objectives of engagement	Stakeholder engagement strategy
		- Engagement methods (e.g., surveys, focus groups)	Engagement plans
		- Resources and timelines	
<b>Implementation</b>	Overview of how stakeholder engagement activities are executed.	- Methods used (e.g., interviews, workshops, partnerships)	Engagement activity logs
		- Platforms and tools for communication	Communication platforms
<b>Feedback Collection</b>	Process for gathering and documenting stakeholder input and concerns.	- Mechanisms for feedback collection (e.g., feedback forms, town halls)	Feedback reports
		- Summarized stakeholder inputs	Meeting minutes
<b>Materiality Assessment</b>	Connection between stakeholder engagement outcomes and materiality determination.	- Summary of stakeholder concerns	Materiality matrices
		- Integration of inputs into materiality assessments	Assessment frameworks



<b>Evaluation and Reporting</b>	Approach to evaluating the effectiveness of stakeholder engagement processes.	- KPIs for engagement success (e.g., participation rate, satisfaction)	Engagement reports
		- Reporting back to stakeholders	Evaluation metrics
<b>Transparency and Communication</b>	How results of stakeholder engagement are communicated to both internal and external audiences.	- Communication channels (e.g., sustainability reports, newsletters)	Public disclosures
		- Summary of key outcomes	Internal and external communication records
<b>Continuous Improvement</b>	Steps taken to refine and improve stakeholder engagement processes.	Lessons learned	Process evaluation reports
		Feedback from stakeholders on the engagement process	Engagement feedback summaries



## Appendix J. List of Material Topics for Consideration

Material Topic	Definition
<b>Good Governance</b>	Adherence to principles of accountability, transparency, and ethical leadership in decision-making processes.
<b>Economic Performance</b>	The ability to generate financial value for stakeholders while achieving sustainable growth.
<b>People Safety, Security, and Well-being</b>	Ensuring a safe, secure, and healthy working environment for employees, contractors, and stakeholders.
<b>Employee Skills and Competency Development</b>	Fostering continuous learning and professional growth to enhance workforce capabilities.
<b>Ethical Operation / Anti-Corruption</b>	Commitment to operating with integrity and preventing corruption and unethical practices.
<b>Employment</b>	Providing fair and inclusive employment opportunities and fostering employee satisfaction.
<b>Customer Data Privacy and Security</b>	Protecting customer information and ensuring compliance with data privacy regulations.
<b>Socio-Economic and Environmental Compliance</b>	Adhering to laws and regulations related to social, economic, and environmental responsibilities.
<b>Labor Relations and Diversity</b>	Promoting harmonious labor relations and embracing diversity and inclusion within the workforce.
<b>Customer Engagement and Satisfaction</b>	Building strong relationships with customers and ensuring their needs and expectations are met.
<b>Community Relations</b>	Strengthening relationships with local communities through programs that address social needs.
<b>Human Rights Protection</b>	Upholding human rights principles in operations and across the value chain.
<b>Resource Efficiency</b>	Optimizing the use of resources to minimize waste and environmental impact.
<b>Climate Change / GHG Emission</b>	Mitigating greenhouse gas emissions and adapting to the impacts of climate change.
<b>Supply Chain Management</b>	Ensuring responsible sourcing and fostering sustainable practices across the supply chain.
<b>Marketing and Labeling</b>	Ensuring transparency and compliance in advertising and product information disclosure.
<b>Anti-Competitive Behavior</b>	Avoiding practices that harm market competition and ensuring fair trade.
<b>Responsible Investment</b>	Aligning investment decisions with sustainability principles and long-term value creation.



<b>Risk Management</b>	Identifying, assessing, and mitigating risks to safeguard business continuity.
<b>Market Presence</b>	Demonstrating leadership and competitiveness in the market while fostering sustainability.
<b>Customer Health and Safety</b>	Ensuring that products and services meet the highest standards for health and safety.
<b>Digital Transformation &amp; Innovation</b>	Leveraging technology and innovation to drive operational efficiency and enhance customer experience.
<b>Financial Inclusion and Literacy</b>	Promoting access to financial services and empowering individuals with financial knowledge.
<b>Sustainable Materials and Packaging</b>	Utilizing renewable, recyclable, or sustainable materials in operations and product packaging.
<b>Illicit Trade</b>	Combating illegal trade activities that undermine economic and social well-being.
<b>Harm Reduction</b>	Minimizing the negative social and health impacts of products and services.
<b>Responsible Drinking</b>	Promoting the responsible consumption of alcoholic beverages and addressing harmful use.
<b>Materials Stewardship</b>	Managing materials responsibly throughout their lifecycle to minimize environmental impact.

