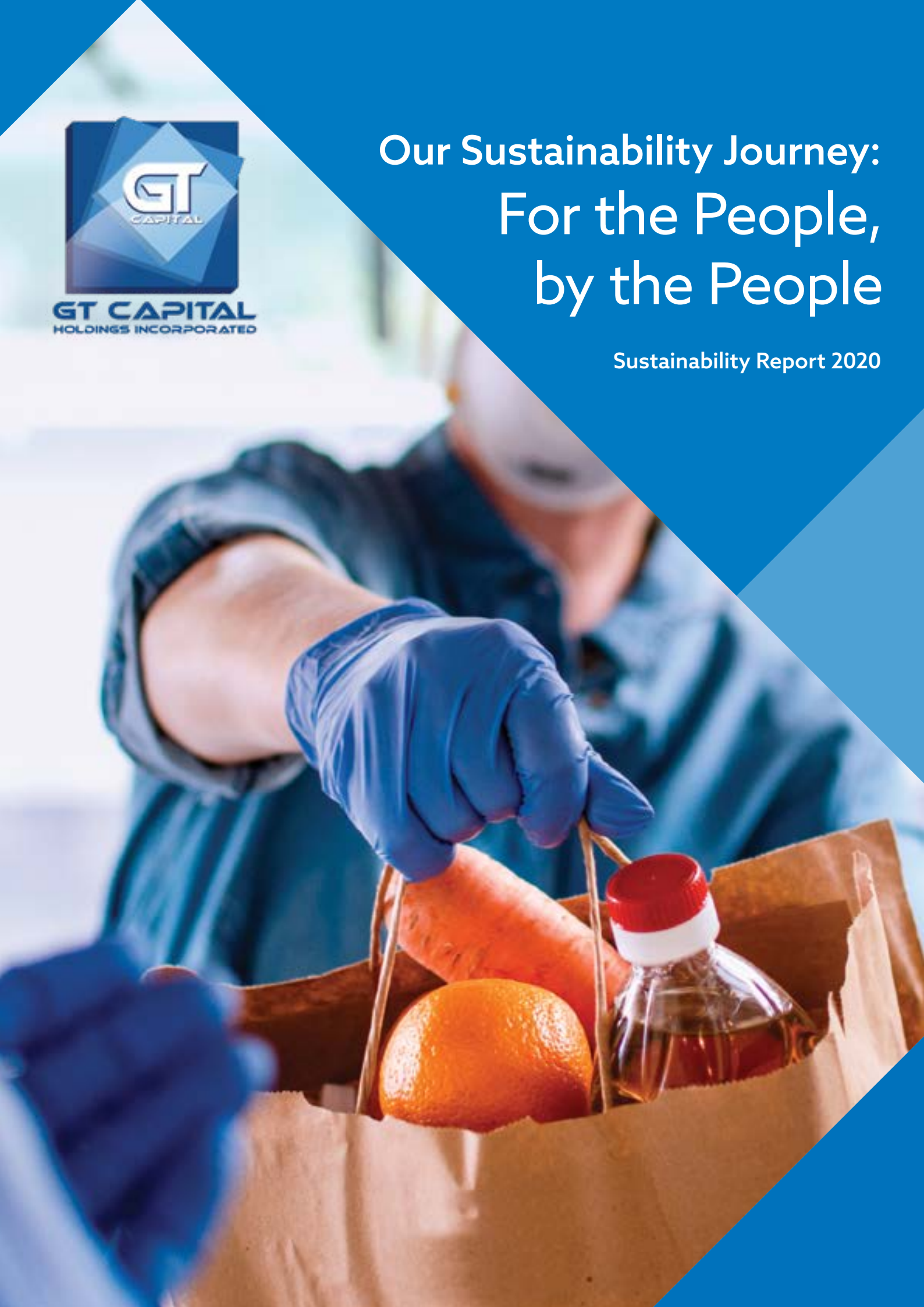




# Our Sustainability Journey: For the People, by the People

Sustainability Report 2020



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# About this Report

(102-46, 102-50, 102-54)

***This Sustainability Report 2020 recounts GT Capital's sustainability performance in terms of the conglomerate's economic, environmental, and social impacts in its areas of operations and in communities reached by its activities and projects.***

This report has been prepared in accordance with the GRI Standards: Core Option. It discusses GT Capital's sustainability performance at the parent level, unless otherwise stated.

The information in this report covers GT Capital's operations for the calendar period ending December 31, 2020.

Having previously supported GT Cap in establishing its sustainability framework and materiality process and topics for its maiden Sustainability Report for 2018 and subsequent SR, sustainability reporting specialists from the University of Asia and the Pacific supported GT Capital in preparing this SR 2020 in an ad hoc advisory capacity.

A copy of this Report may be downloaded at <https://www.gtcapital.com.ph/sustainability-report>. Inquiries and other concerns related to this report may be sent to GT Capital's Chief Risk Officer at [joyce.deleon@gtcapital.com.ph](mailto:joyce.deleon@gtcapital.com.ph).



*The paper version of the 2020 GT Capital Sustainability Report is printed on Magno 150gsm, a PEFC Credit and FSC Mix Credit material. Magno paper is produced in the company's paper mills in Europe and meets high quality and environmental standards.*

# Message from the President (102-14)



*Dear fellow stakeholders,*

*The year 2020 was unprecedented for the health and economic challenges it brought to every corner of the world. The effects of the COVID-19 pandemic are acutely felt in countries like ours, where prolonged periods of lockdowns have had to be imposed to curb the spread of the virus.*

As we strove to serve your needs, our stakeholders, during this difficult time, we at GT Capital Holdings have formed a clearer vision of what is really important—a sense of community that will see us through all these challenges. Today, the Filipinos' strong sense of community was heightened even more, helping and supporting especially those who were severely affected by the pandemic. I am both grateful and humbled to see the same sense of community among the ranks of GT Capital and its component companies.

#### **Securing the physical and financial health of our people and communities**

We have secured COVID-19 vaccinations for all of GT Capital Group's regular and contractual employees and their households and aim to vaccinate all employees by October 2021. A portion of the 455,000 doses we have ordered will be donated to the national government, to support the effort in protecting more Filipinos against the disease. This is in addition to the Php200 million we immediately allocated to initiatives that directly support the fight against the virus, including the production of testing kits by the University of the Philippines-National Health Institutes and the purchase of PPE (personal protective equipment) for medical frontliners.

We made sure that all our workplaces—bank branches, showrooms, offices, and properties—adhered to mandated safety and health protocols and implemented additional measures to safeguard the health and safety of our personnel and customers alike.

Metrobank deployed mobile ATMs in Metro Manila and surrounding areas to continue serving clients in quarantined areas. Aside from withdrawing cash, clients were able to carry on with their financial transactions, including paying bills, fund transfers, and even requesting new checkbooks, by using these mobile ATMs.

The TMP School of Technology (TMP Tech) shifted to blended learning modalities and updated its curriculum to combine online teaching and face-to-face instruction and hands-on-learning at the TMP Tech workshop. Federal Land temporarily housed construction workers on-site during the quarantine period not only to avoid disruptions but also to protect them from community-acquired infection.

And through our strategic partnership with Metro Pacific Investments Corporation (MPIC), we have been able to come to

the aid of more Filipinos. MPIC's Hospital Group implemented patient care beyond the hospital premises through virtual consultation services, mobile laboratories, remote patient monitoring, and e-pharmacy services, among others. These initiatives ensured continued patient care, while keeping foot traffic at the hospital at safe levels.

We also recognized that meeting financial obligations and keeping their sources of livelihood and income intact is a worry that continues to plague many of our countrymen today. Our component companies have moved to help mitigate this unfortunate reality.

Toyota Motor Philippines did not retrench any employees as a direct result of the pandemic. The company continued to hire new team members throughout the quarantines, with some 500 production workers hired for the Sta. Rosa, Laguna plant. Federal Land and Metrobank deferred the collection of payments on consumer loans and penalties, in compliance with the provisions of Bayanihan Acts 1 and 2. AXA Philippines swiftly implemented work-from-home arrangements for its employees, with its IT team providing 24/7 support to the entire organization.

#### **Accelerating digitalization to sustain stakeholder engagement**

The restrictions on mobility and face-to-face interaction with our stakeholders provided us with the opportunity to accelerate and expand the adoption of online channels and digital platforms.

Twenty-four percent (24%) of Metrobank's four million clients are now enrolled in its electronic channels, with 85% of the financial transactions handled by the bank now being carried out electronically. Its online banking platform MBOS, or Metrobank Business Online Solutions, handled millions of transactions, providing customers with real-time access to their accounts for their cash management needs.

AXA's various online platforms and tools ensured that sales operations continued even as employees, agents, and customers stayed at home. Its Virtual Selling platform and its AXA Virtual Assistant allowed them to engage customers online, while its Emma by AXA app enabled customers to file motor and hospitalization claims, top up their investments, and withdraw funds remotely.

TMP switched to virtual vehicle launches and virtual showrooms that allowed buyers a 360-degree view of the vehicle's exterior and interior. Federal Land also offered similar virtual property tours,



virtual events, and online presentations to clients. It also provided customers with an online reservations and payments portal.

**Minimizing our impact on the environment**

The measures taken to curb the spread of the virus and the resulting slowdown in economic activity have given us pause to reflect further on the impact of our businesses and operations on the environment.

Federal Land properties have incorporated features and innovations that readily harness available natural resources, minimizing their energy and water consumption. Among other features, Federal Land’s developments are designed with rainwater harvesting and recycling technology, to help address the issue of water scarcity.

Federal Land also started the final stages of the master plan of a 700-hectare mixed-use development in Cavite. The development will host two sustainably designed townships and will be directly accessible from the Cavite-Laguna Expressway (CALAX).

The partially completed 44.63-kilometer CALAX, owned and operated by Metro Pacific Tollways Corporation, an MPIC subsidiary, has already started to ease motoring traffic in the southern section of what has come to be called NCR+, reducing the impact of car traffic on air pollution and productivity.

Through another MPIC company, we have been able to contribute to the responsible consumption of water. In 2020, Maynilad Water Services, the water distribution business of MPIC, made substantial investments to reduce non-revenue water and continue upgrading its water facilities.

**Ensuring resilience for the future**

Apart from mitigating the impacts of Covid-19 on our lives in 2020, it was important for us in GT Capital to contribute to the country and to fellow Filipinos having a fighting chance post-pandemic. Our component companies instituted measures and launched a number of programs paving the way for this recovery and, eventually, growth.

Metrobank increased risk provisioning three-fold, to Php40.8 billion from Php10.1 billion the previous year. Together with its pre-provision operating profit improving by 41%, this will enable the bank to sustain its high level of client service, while managing its exposure with adequate capital.

AXA launched peso-denominated US dollar funds, making markets accessible to local investors, diversifying their exposure. These funds will allow customers to conveniently invest in global markets and mega tech companies without having to convert their pesos to dollars.

TMP’s Toyota Financial Services Philippines introduced new lease-to-own financing packages, as well as other financing solutions, as

viable options especially at a time when banks may be taking a conservative stance.

TMP itself finalized the acquisition of a new Toyota dealership, Toyota Santa Rosa, in partnership with Corolla Sapporo. TMP has also actively supported the Philippine government’s thrust to strengthen the industry’s local production capability and competitiveness under the CARS program (Comprehensive Automotive Resurgence Strategy). To date, TMP has invested Php5.8 billion into local production, increasing the localization of large press parts to 60%.

Construction of Federal Land projects by end-2020 were back to full capacity. Following government guidelines on construction work, from the initial suspension in the second quarter to the gradual phasing-in of increased work capacity.

In 2020, GT Capital increased its stake in MPIC to 15.98% from 15.55%, raising our stake as well in the development of critical infrastructure in the Philippines.

**Our sustainability journey**

While zeroing in on resilience amid and recovery after the pandemic, we never lose sight of the bigger picture—our sustainability journey. From our policies to programs to day-to-day operations, GT Capital puts sustainability at the core. We are willing to make the necessary investments to further this commitment. We align and rally our component companies to synergize our efforts. Sustainability has been deeply embedded in the Group and we have the numbers to prove it.

In 2020, we started engaging with S&P Global to gauge our sustainability performance, benchmarked against our peers. Our Corporate Sustainability Assessment score significantly improved, placing us in the upper end of S&P’s ranking of local conglomerates.

As we conclude the preparations for this report, the country is experiencing the resurgence of Covid-19 infections and active cases, endangering the growth trajectory that began in the third quarter of 2020. Nevertheless, as in the past year, you may be assured that GT Capital will stay on the path of keeping our people, stakeholders, and communities safe and with continued access to the essential services that our component companies and strategic partners provide.

We will continue to be there, with a thoughtful optimism, making use of our capabilities and competencies to get our country back on its feet.

**CARMELO MARIA LUZA BAUTISTA**  
President

# Sustainability Framework

(102-11)

Business excellence has been at the heart of GT Capital’s operations throughout our 14 years of experience. In 2018, GT contextualized business excellence within the Three Ps of sustainability—Planet, People, Prosperity. Alternatively referred to as the Triple Bottom Line, this framework makes GT Capital more conscious of the need for our business interests (“prosperity”) to be balanced with society’s interests in environmental (“planet”) and social (“people”) terms.

More specifically, we have taken the elements of our traditional business model—value

creation, market leadership, sustainable leadership, organic growth, strategic partnerships, conscious operations—and challenged both the parent and component companies to make these elements work in synergy to serve the Triple Bottom Line.

This way, GT Capital continues to aim to achieve a holistic form of business excellence that benefits all the parent and component companies’ stakeholders, to include investors, shareholders, employees, customers and end-users of our products and services, and the communities where we operate.

## GT Capital’s Sustainability Framework



In 2018, we identified 10 UN Sustainable Development Goals (SDGs) that are material to our component companies—SDG 1, No Poverty; SDG 3, Good Health and Well Being; SDG 4, Quality Education; SDG 5, Gender Equality; SDG 7, Affordable and Clean Energy; SDG 8, Decent Work and Economic Growth; SDG 10, Reduced Inequalities; SDG 12, Responsible Consumption and Production; SDG 13, Climate Action; and SDG 16, Peace, Justice and Strong Institutions. We remain committed to contributing to the achievement of these SDGs through our business operations and other corporate activities.



# Our Materiality Process

(102-40, 104-42, 102,43, 102-44, 102-47)

Following the GRI Standards, GT Capital in 2018 conducted a materiality assessment to identify the environmental, social, and governance (ESG) issues that had the most potential to affect our businesses and stakeholders. To determine these issues, we consulted stakeholder groups who had the most influence on our sustainability performance—the parent company’s principals, capital fund providers, employees, senior executives, regulators, and component companies.

The materiality assessment was made in partnership with the University of Asia and the Pacific.

The process resulted in the identification of 16 material topics, which continue to be still relevant today. The table below shows these topics.

Environmental (2)	Social (10)
Energy	Employment
Environmental Compliance	Labor/Management Relations
	Training and Education
	Diversity and Equal Opportunity
	Nondiscrimination
	Human Rights Assessment
	Supplier Social Assessment
	Marketing and Labeling
	Customer Privacy
	Socioeconomic Compliance

Economic (4)
Economic Performance
Indirect Economic Impacts
Anti-corruption
Anti-competitive Behavior

Taking these topics, GT Capital is in the process of establishing business strategy and key ESG targets both for the parent and component companies.

Management approach disclosures for our material topics are discussed on pages 11-16 while relevant data are shown on page 17-44.



For the People, by the People

# How We Contribute to Nation Building

(102-2, 102-6, 102-7, 203-2)

The year 2020 emphasized the need for the private sector to intensify its pursuit of the Triple Bottom-line. As an investment company with diversified business interests in five key sectors of the Philippine economy, namely banking; automotive assembly, importation, and distribution; property development; infrastructure and utilities; and life and general insurance, we believe that we in GT Capital have the crucial pegs that would help our nation regain its footing.

Our tradition of excellence and leadership has enabled us not only to deliver long-term value to our shareholders and stakeholders, but also to push for a more inclusive growth.

We ensure that our investment decisions are consistent with our core values of integrity, competence, respect, entrepreneurial spirit, and commitment to value creation. Furthermore, we support our component companies in expanding their respective plans and programs in support of the country's economy, environment, and society.

We guarantee that new investments undergo due diligence and that existing investments remain aligned with our overall corporate mission, vision, and core values.

As the Group's holdings company, GT Capital is well-positioned to drive a broad-based growth for the Philippine economy through our diverse component companies. We also assure synergy among these companies, delivering both direct and indirect benefits to the economy as a whole and to the communities we reach.

Metropolitan Bank and Trust Company (Metrobank) has provided meaningful banking services to Filipinos since its first branch opened in 1963. Today, it has a workforce of 13,718 employees, over 950 branches, and, 2,300 ATMs nationwide. The bank assures that its clients' varied financial needs are served through its wide product portfolio for the consumer, small business, corporate, and institutional segments.



	2018	2019	2020
<b>ECONOMIC (Php millions)</b>			
Direct economic value generated (revenues)	215,825	226,754	<b>134,420</b>
Direct economic value distributed:			
a. Operating costs	185,106	176,537	<b>104,742</b>
b. Employee wages and benefits	3,676	2,985	<b>2,718</b>
c. Payments to suppliers, other operating costs		10,609	<b>10,282</b>
d. Dividends given to stockholders and interest payments to loan providers	12,853	21,035	<b>8,204</b>
e. Taxes given to government	4,200	4,887	<b>1,804</b>
f. Investments to community (e.g. donations, CSR)	1	1	<b>32</b>
<b>ENVIRONMENTAL</b>			
Energy consumption(kWh)*	4,038.25	5,125.87	<b>5,997.00</b>
<b>SOCIAL</b>			
Average training hours per employee*	53.3	66.6	<b>40</b>
Gender diversity (Male, Female %)*	41.7%, 58.3%	47.6%, 52.4%	<b>46.5%, 53.5%</b>

Note: More comprehensive information on the economic, environmental, and social performance of GTCH, its component companies. Legend: \* - At parent level

Incorporated in August 1988, Toyota Motor Philippines (TMP) has been an advocate of automotive manufacturing as a catalyst for national development. It has actively engaged the Philippine government in its CARS (Comprehensive Automotive Resurgence Strategy) program, to date investing Php5.8 billion to boost its local production capability. As of end-2020, TMP had a total of 1,902 employees, spread in its manufacturing plant in Sta. Rosa, Laguna and its 71 dealerships nationwide.

A prime real estate developer, Federal Land, Inc. (FLI) began in 1972 ago as Federal Homes, Inc. It has since built many large-scale developments, including residential condominiums, office buildings, retail and commercial centers, mixed-use townships, and master-planned communities. FLI has 484 employees and 748 brokers and sellers. Federal Land properties may be found in key locations nationwide, including Makati, Bonifacio Global City (BGC), Cebu, and Ortigas.

AXA Philippines is one of the country's largest and fastest-growing insurance companies in terms of total net insurance premium. Today, AXA has 7,000 financial advisors in 40 branches, and about 1,700 financial executives in over 950 Metrobank and PSBank branches nationwide. As of end-2020, AXA Philippines protected 1.5 million individuals through its comprehensive suite of life and non-life insurance products.

GT Capital's strategic partnership with Metro Pacific Investments Corporation (MPIC) has made us the largest minority investor in the country's leading infrastructure holding company. In 2020, we increased our stake in MPIC to 15.98% from 15.55% the previous year. Our equity investment in MPIC supports our vision of nation-building by providing our stakeholders with access to basic services and infrastructure such as clean water, reliable power, hospitals, tollways, and railways. Across its companies, MPIC has a total of 15,823 employees nationwide.



**EMPLOYMENT AND DIRECT ECONOMIC VALUE GENERATED AND CONTRIBUTED**

(203-2)

GT Capital generates employment for thousands of Filipinos. This is one of the Group’s most noticeable impacts to society. Owing to our business lines and strategic partnerships, GT Capital has generated over 20,034 jobs as of end-2020 across the country.

We maintain healthy relationships with our employees through hiring highly qualified candidates, providing acceptable and benchmarked compensation packages, ensuring a healthy working environment, and ensuring employee satisfaction through surveys.

We commit to hire, retain, and develop talent in sectors that are key to the growth of the nation’s economy.

Head Count (102-8)	Total
GT Capital Holdings, Inc.	43
Metropolitan Bank and Trust Company (Parent Bank)	13,718
Toyota Motor Philippines Corporation	1,902
Toyota Manila Bay Corporation	952
Toyota Financial Services Philippines	490
Federal Land, Inc.	484
Philippine AXA Life Insurance Corp.	2,391
Metro Pacific Investments Corporation	54
<b>Total</b>	<b>20,034</b>

In 2020, the GT Capital Group generated and distributed Php134.4 billion in direct economic value, with operating costs taking the largest share at Php104.7 billion. A total of Php8.2 billion went to payments to capital providers, Php10.3 billion was paid to suppliers and for other operating costs, Php1.8 billion was remitted to the government in taxes and fees, Php2.7 billion was paid to employees in wages and benefits, and Php32 million was set aside for community investments and donations. The company retained Php6.6 billion in economic value.

# GT Capital Holdings Group COVID-19 Response Reached Php209 Million

(203-2)

A year into our battle against the COVID-19 pandemic, the GT Capital Holdings Group escalates our efforts to support the vulnerable sectors of society. The spirit of bayanihan remains high as the Group continues to provide meaningful assistance to the healthcare sector and disadvantaged communities. We have donated much-needed supplies and equipment to medical institutions across the country. We also conduct relief operations to aid our fellowmen whose struggles have been aggravated by the economic effects of the pandemic.

Policies and programs have been continuously implemented to address the needs of our employees, customers, and partners. Our workforce's safety and security remain to be the top priority. We have ordered vaccines for all our employees and their households. While most employees still work from home, the skeletal staff who report to their workplaces are given extra assistance. We refrain from layoffs and ensure the security of everyone's jobs.

To date, the Group's overall contribution to the pandemic response has reached 209 Million.



## GT CAPITAL GROUP COVID RESPONSE:

- 405,000 doses of the Moderna vaccine and 50,000 doses of the AstraZeneca vaccine ordered for all regular and agency GT Capital Group employees. To be administered by Manila Doctors Hospital and Unilab
- Php100 million in food vouchers for 100,000 families through Project Ugnayan of the Philippine Disaster Relief Foundation, Caritas Manila, and ABS-CBN Foundation
- Php3 million in food packs to 2,000 families through the Philippine Star Operation Damayan
- Php2 million in packed meals for 40,000 individuals through the Ronald McDonald House Charities of the Philippines
- Php2 million in uncooked meals for 10,000 families through the Jollibee Group Foundation
- Php1.3 million for the feeding of 19,100 individuals in Mandaluyong through DZRH Operation Tulong
- Php5 million for 4,000 sets of personal protective equipment (PPE) for frontliners from the Philippine General Hospital, Lung Center of the Philippines, and six Manila District Hospitals through GT Foundation and Metrobank Foundation
- Php1.8 million for 10,000 masks and 150,100 pairs of surgical gloves for frontliners from the Armed Forces of the Philippines and the Philippine National Police
- Php15 million for 12,000 sets of hazmat suits, gloves, face shields, N95 masks, and shoe covers for frontliners in thirteen hospitals, including General Emilio Aguinaldo Memorial Hospital, Northern Mindanao Medical Center, and PHP General Hospital, among others
- Php5 million for 3,800 Polymerase Chain Reaction (PCR) testing kits for the UP National Institute of Health through Manila HealthTek, Inc.
- Php10 million for 22,220 Antibody rapid testing kits to GoNegosyo through Project ARK
- Php3 million of donations for the operations and needs of patients of the San Juan COVID-19 Kalinga Center, a 100-bed facility of the San Juan Medical Center, through Alumni Association of Xavier School
- Php18 million for a molecular laboratory for the Philippine Red Cross capable of 14,000 tests per day
- Php10 million for seven molecular laboratories in Metro Manila, Laguna, Batangas, Iloilo, Bulacan, Cebu, and Davao capable of 5,500 tests per day through the Ayala Consortium
- Php18 million for a molecular laboratory for the Southern Philippines Medical Center and Ateneo De Davao University capable of 800 tests per day through the Department of Health
- Php15 million for a molecular laboratory for the Manila Doctors Hospital capable of 480 tests per day

# Management Approach

As a holding company, GT Capital strives for its component companies to contribute to nation building through products, services, and solutions that fulfill the aspirations of Filipinos while adhering to sustainability principles and standards.

As GT Capital founder George S.K. Ty had said, "while success in business is a source of pride, our contribution to nation building gives us even greater satisfaction."

GT Capital counts on the synergy of its component companies and strategic partnerships not only to expand its businesses but, more importantly, to assure a sustainable future for the markets and stakeholders it serves and the communities it reaches and operates in. The synergistic activities of its component companies respond to Filipinos' needs in a multi-faceted fashion, from shelter through Pro-Friends and Federal Land; banking through Metrobank; insurance through AXA Philippines; mobility through Toyota Motor Philippines; and water, power, healthcare services, and roads through Metro Pacific Investments Corporation.



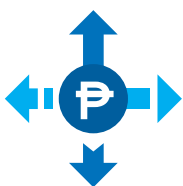
## **Economic Performance** (103-1,2,3)

GT Capital manages the impacts of its economic performance on stakeholders by reviewing and validating component companies' annual budgets. It works with independent third parties including investment consultants, actuarial professionals, and auditors to preserve and grow its financial resources while generating and distributing value for its stakeholders throughout the value chain.

Investment decisions are consistent with its core values of integrity, competence, respect, entrepreneurial spirit, and commitment to value creation. Such decisions also comply with the company's determined investment criteria and risk appetite.

GT Capital's Finance and Accounting group, guided by approved policies and practices, is responsible for monitoring the conglomerate's economic performance. This group conducts monthly meetings, annual planning, and checklists of reportorial requirements.

GT Capital also monitors its indirect economic impacts occurring primarily through its component companies as part of the supply chain.



## **Indirect Economic Impacts** (103-1,2,3)

As an investment holding company, our indirect economic impacts primarily occur through our component companies and the supply chain which includes both customers and suppliers. We ensure that investment decisions made are consistent with our core values. We guarantee due diligence for new investments by considering our overall economic contribution and position. We undertake regular monitoring of already existing investments to determine their alignment to GT Capital's corporate mission, vision, and core values.



**Anti-corruption** (103-1,2,3)

GT Capital does not tolerate corruption in its workplaces. GT Capital’s Code of Discipline provides penalties for corruption violations. Our Code of Ethics also states that all directors, officers and employees shall ensure the conduct of fair business transactions and guarantee that personal interest does not affect the exercise of their duties. Likewise, they shall not use their position to profit or acquire benefits or advantage for themselves or related interests.

GT Capital has established procurement policies and contracts to secure crucial services which are reviewed and approved by the Bids and Awards Committee. The Senior Executive Committee reviews and awards contracts for extraordinary service engagements.



**Anti-competitive Behavior** (103-1,2,3)

Competition stimulates innovation, productivity, and competitiveness, all of which contribute to an effective business environment. We conduct due diligence and engage legal advisers to ensure compliance with Republic Act No. 10667, or the Philippine Competition Act of 2014.



**Environmental Category** (103-1,2,3)

GT Capital intends to monitor the environmental impacts of its activities at the component-company and parent levels. The component companies plan and execute their own programs to mitigate their impact on the environment; reduce the energy, water, and other resources consumed in their activities; and promote the protection of the environment in their areas of operation.

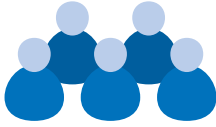
GT Capital is in the process of drafting its environmental policy for adoption in the coming years. Nevertheless, its Legal and Compliance group ensures that the company adheres to environmental laws and regulations.



**Energy** (103-1,2,3)

We exert diligent efforts in energy conservation at our head office through shifting into more energy-efficient office equipment and minimizing consumption only to necessary usage. We plan to draft our environmental policy in the coming years. We also aim to achieve a reduction in our energy consumption which translates to lower energy costs and contributes to sustainable business operations. We also target a net percentage decrease in total energy consumption and in average consumption per employee.

# Management Approach



## **EMPLOYMENT** (103-1,2,3)

We maintain healthy relationships with our employees through hiring of highly qualified candidates, provision of acceptable and benchmarked compensation packages, helping to ensure a healthy working environment and employee satisfaction. We commit to hire, retain, and develop talents who identify with our core values.

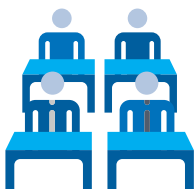
One of the goals of our Human Resources and Administration Department (HRAD) is to achieve attrition and vacancy rates that are below the industry average. The HRAD Head primarily manages the human resource administration and development processes. We also have a payroll system that facilitates compensation and benefits. The hiring and compensation processes are subject to regular internal audits in accordance with the Internal Audit Department's plan. Competency assessment for employee candidates is facilitated by a third-party consultant.

Our Human Resources Committee reviews and proposes changes and improvements to the compensation and benefits package regularly subject to the approval of the Executive Committee. Regular employees are provided with life insurance, health care, disability and invalidity coverage, parental leave, and retirement provision.



## **LABOR/ MANAGEMENT RELATIONS** (103-1,2,3)

We seek to maintain healthy relationships with employees through the full disclosure of plans that may affect their well-being. We are also committed to provide employees with a reasonable notice period prior to operational changes. As of 2020, we provided a notice period of at least 30 days before implementing operational changes.



## **TRAINING AND EDUCATION** (103-1,2,3)

Based on competency assessments, employees are provided with individual development plans (IDP), inclusive of career and succession planning. We aim to provide at least 16 hours of training per employee per year.



**DIVERSITY AND EQUALITY** (103-1,2,3)

We value diversity across our ranks and aim to provide equal opportunity for all relevant stakeholders. We ensure that equal opportunity is provided to all employees and that no preference is given on the basis of gender, ethnicity, or race. Through HRAD, Human Resources Committee, and concerned department heads, we commit to provide applicants and employees with equal opportunity especially in terms of diversity and perceived pay gaps between men and women employees.



**NON-DISCRIMINATION** (103-1,2,3)

We constantly aim to provide safe and healthy workplaces through controls that prevent and address incidents of discrimination. Mechanisms are also in place to raise awareness on and report such incidents. Acts of discrimination are covered by the company’s Code of Discipline. Through HRAD, Human Resources Committee, and other relevant department heads, we aim to provide our employees and management a working environment free of discrimination.



**HUMAN RIGHTS ASSESSMENT** (103-1,2,3)

GT Capital ensures that component companies follow acceptable and sustainable business practices involving human rights issues. Our company complies with its human rights policies and procedures. Our human rights assessment primarily impacts the following stakeholder groups—our principals, management, shareholders, regulators, and employees.

GT Capital is committed to provide appropriate training on human rights policies and procedures. Our company is committed to ensure that track record on human rights is considered in its investment decisions. The offices responsible for the implementation of these policies and procedures are the HRAD, Corporate Planning and Business Development Department, and Legal and Compliance Department,

# Management Approach



## **SUPPLIER SOCIAL ASSESSMENT** (103-1,2,3)

GT Capital ensures that our activities are assessed to prevent and mitigate their negative social impacts, if any, on the supply chain. These include impacts that are directly related to our activities, products, and services.



## **MARKETING AND LABELLING** (103-1,2,3)

GT Capital ensures stakeholders' access to accurate and adequate information about our company and its transactions. Through timely and accurate disclosures of material information, we aim to mitigate the negative effects of inadequate marketing. GT Capital is committed to respect the stockholders' right to information based on prescribed rules and regulations. Our company also aims to provide stockholders with accurate and timely information during the annual stockholders' meeting and quarterly briefings, and to achieve non-violation of disclosures rules. As part of evaluating the effectiveness of our approach in this area, we conduct regular audits on processes, feedback forms, and consultations with investors.



## **ENVIRONMENTAL COMPLIANCE AND SOCIOECONOMIC COMPLIANCE** (103-1,2,3)

Acting in an environmentally and socially responsible way is our duty to our stakeholders. GT Capital believes this positively affects its bottom line and long-term success as a conglomerate. Environmental and social responsibility has been included as a covenant in our contracts.

GT Capital complies with all environmental, social, and economic laws and regulations. Our Legal and Compliance Department ensures that we adhere to all these laws.



**CUSTOMER PRIVACY** (103-1,2,3)

GT Capital processes the personal data of our data subjects, including our stockholders, in accordance with Republic Act No. 10173, or the Data Privacy Act of 2012 (DPA). Our company manages the impacts on data privacy through implementation of security measures for organizational, physical, and technical aspects.

Our company's policy on customer privacy is included in our Data Privacy Manual which includes GT Capital's Privacy Policy and Privacy Notice, both of which are available to the public. GT Capital is committed to protect the fundamental human right of our data subjects to privacy while ensuring free flow of information to promote innovation, growth, and development.

Part of our company goals and targets related to privacy are zero-breach and full compliance with the DPA, and related laws and issuances as well as the requirements of the National Privacy Commission (NPC). The departments responsible for this are the Data Protection Officers and the Data Breach Response Team.

Finally, the company specifically aims for organizational and physical security measures such as outlining of storage type and location of documents with personal data, rules on sharing of personal data with third parties, and technical security measures in the form of personal data back-up in electronic format, monitoring of security breaches, and regular testing of security measures.

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# ◆ Economic Performance

## DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (201-1)

Direct Economic Value Generated and Distributed (201-1)

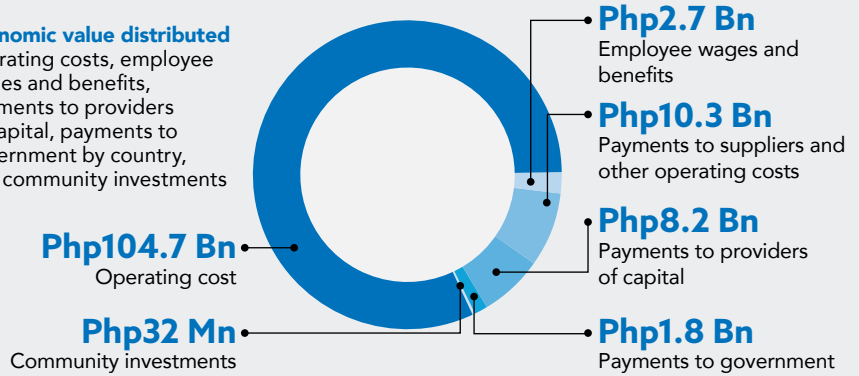
**Php134.4 Bn**

Economic value, retained

**Php6.6 Bn**

directed economic value generated less economic value distributed

Economic value distributed operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments



## CORE NET INCOME

**Php7.4 Bn**

## DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS (201-3)

**Php1.9 Bn**

## FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT (201-4)

None received in 2020

## INDIRECT ECONOMIC IMPACTS (203-2)

**Significant indirect economic impacts**  
Discussed comprehensively on page 7, How We Contribute to Nation Building

**Communication and training about anti-corruption policies and procedures (205-2)**  
The Chief Audit Executive (CAE) receives communication through the governance hotline. The Company's Code of Ethics covers sanctions against corruption and other illegal activities.

**Legal actions for anti-competitive behavior, anti-trust and monopoly practices (206-1)**  
No actions against the Company in relation to anti-competitive behavior, anti-trust or monopoly practices.

**Operations assessed for risks related to corruption (205-1)**  
Deals subjected to overall risk assessment including regulatory (corruption) risk

# ◆ Environmental Performance

## REDUCTION OF ENERGY CONSUMPTION (302-4)



Actual energy consumption at the parent level

**5,997 KWh**

## NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS (307-1)

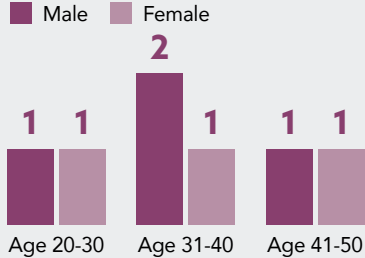
No non-compliance with environmental laws and/or regulations in 2020

# ◆ Social Performance

## NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (401-1)

### Employee hires

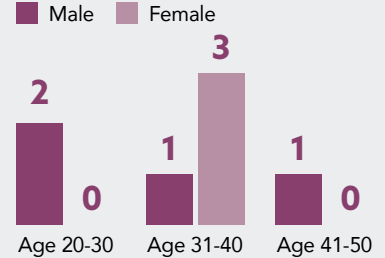
Total number rate of new employee hires during the reporting period, by age group, gender and region.



### Employee turnover

Total number and rate of employee turnover during the reporting period, by age group, gender and region.

**16.3%**



## BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES (401-2)

Actual availment of employee benefits provided to full-time employees that are not provided to temporary or part-time employees during the period.



Health Care

**43 Employees**



Life Insurance

**43 Employees**

Parental Leave

**0 Employees**

Disability and Invalidity Coverage

**0 Employees**

Retirement Provision

**0 Employees**



**PARENTAL LEAVE (401-3)**

Total number of employees that were entitled to parental leave, by gender:

**6**  
Male

**5**  
Female

Total number of employees that returned to work in the reporting period after parental leave ended, by gender:

**0**  
Availment

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender:

**0**  
Availment

Total number of employees that returned to work in the reporting period after parental leave ended, by gender:

**0**  
Availment

Return to work and retention rates of employees that took parental leave, by gender:

**0**  
Availment

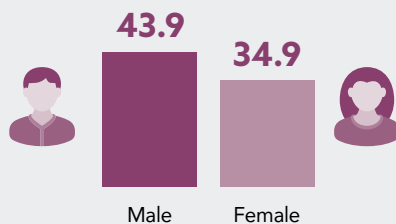
## AVERAGE HOURS OF TRAINING THAT THE ORGANIZATION'S EMPLOYEES HAVE UNDERTAKEN DURING THE REPORTING PERIOD (404-1)

Average hours of training

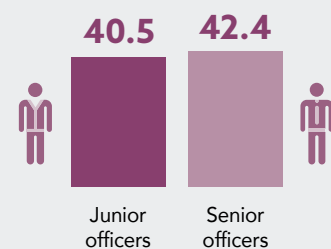
**40 hours**



Average hours of training by gender



Average hours of training by employee category



# ◆ Social Performance

## PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITIONS ASSISTANCE PROGRAMS (404-2)

Total number of programs (404-2)

**63** programs



Percentage of employees receiving regular performance and career development reviews (404-3)

**100%** of employees

Percentage of total employee by gender and by employee category who received a regular performance and career development review during the reporting period. (404-3)

**46.5%**  
Male (20)

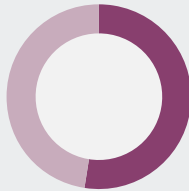


**53.5%**  
Female (23)

## DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES (405-1)

By gender

**46.5%**  
Male (20)



**53.5%**  
Female (23)

By age group

**30.2%**  
Under 30 (13)



**11.6%**  
Over 50 (5)

**58.1%**  
39-50 (25)

## LABOR MANAGEMENT RELATIONS



Minimum notice periods regarding operational changes (402-1)

**30 Days**

## RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN (405-2)



**0.8 : 1**  
female to male



## INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN (406-1)

No incident of discrimination reported in 2020

## SUPPLIER SOCIAL ASSESSMENT

New suppliers that were screened using social criteria (414-1)  
Group-wide policy under development

## SOCIOECONOMIC COMPLIANCE

Non-compliance with laws and regulation in the social and economic area (419-1)

No recorded fines or monetary sanctions for non-compliance with environmental, social and economic laws and regulations.

## NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN (414-2)

Formal policy for development to be cascaded to component companies  
Suppliers are usually sourced from accredited MBT/Group suppliers.

## MARKETING AND LABELLING

Incidents of non-compliance concerning marketing communications (417-3)

No noted incidents of non-compliance concerning marketing communications.

Customer Privacy Substantiated complaints concerning breaches of customer privacy losses of customer data (418-1)

No substantiated complaints concerning breaches of customer privacy and losses of customer data.

## HUMAN RIGHTS ASSESSMENT

Employee training on human rights policies and procedures (412-2)

Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.

Employees are required to familiarize themselves with the Company's Code of Discipline before annual acknowledgement is signed.

## SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACT THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT UNDERWENT HUMAN RIGHTS SCREENING (412-3)

Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

All contracts include standard clauses in relation to compliance with all applicable laws and regulations and have undergone legal due diligence.

# Setting the Tone, Serving the Community



As the group’s holdings company, GT Capital is responsible for setting the tone of the conglomerate’s sustainability performance, following internationally accepted standards.

As we encourage each of our component companies to create and implement policies, practices, and programs that advance their environmental, social, and corporate governance (ESG) performance, we look and examine the ESG performance of GT Capital Holdings itself. This way, we generate value not only for our businesses and shareholders but for all stakeholders and the community at large.

In 2018, with the assistance of the University of Asia and the Pacific, we started to organize our sustainability information following the GRI Standards, looking more purposefully into

our impacts on the economy, environment, and society. The following year, we published our first Sustainability Report ahead of the regulatory requirement. Since then, we availed of the GRI Materiality Disclosures Service to ensure that our disclosures are aligned with international standards and obtained the GRI watermark logo to evidence this in our reports

To further enhance the conglomerate’s approach to sustainability and further embed sustainability practices in our operations, we participated in S&P’s Corporate Sustainability Assessment which they made available to selected listed companies meeting their minimum capitalization threshold. This enabled us to obtain an assessment of our ESG performance as disclosed in our Sustainability Report, enabling us to appreciate how we performed, identify



our gaps and benchmark against our peers. As a result, our S&P Corporate Sustainability Assessment score jumped to 37 from 22 in 2019 as we earned higher scores on all three ESG categories. We will continue to participate in the S&P Corporate Sustainability Assessment to identify areas for improvements.

As of December 2020, we received an ESG Risk Rating of 15.2 and were assessed by Sustainalytics, a leading independent ESG rating, research and data firm, to be at low risk of experiencing material financial impacts from ESG factors. GT Capital has also been named by Sustainalytics as a 2021 ESG Industry Top-Rated Company in the Diversified Financials industry.

*Working at GT Cap in the new normal. When work could be resumed at our offices and other*

workplaces strictly following safety and health protocols, we complied with deploying only a fraction of the usual workforce, with most of our employees still working from home. Given this new situation, we relaxed our rules on hours rendered, considerate of the challenges of both working from home and having to form part of the skeletal staff on-premises. Whenever necessary, we also supported employees and their households with rapid and PCR-testing in coordination with the Philippine Red Cross.

Recognizing that the ongoing pandemic would continue to present more challenges, GT Capital will continue to pursue programs and activities that will shore up our capability to deliver economic, environmental, and social value to all our stakeholders.

# Corporate Governance

GT Capital remains committed to embrace healthy corporate governance practices in line with best standards in the Philippines and in the Association of Southeast Asian Nations ("ASEAN") Region. As part of its ongoing improvement in corporate governance, GT Capital undertook the following best practices in 2020:

1. **Virtual conduct of the 2020 Annual Stockholders' Meeting ("ASM") of the Corporation, in compliance with SEC Memorandum Circular No. 6 Series of 2020, with stockholders having the option to vote through proxy or through electronic voting during the ASM;**
2. **Virtual conduct of board meetings for the safety of the directors and other participants in view of the pandemic;**
3. **Election of a female director;**
4. **Release of 2019 Sustainability Report relating to GT Capital's sustainability performance in terms of the conglomerate's economic, environmental, and social impacts in its areas of operations and in communities reached by its activities and projects;**
5. **Ensuring continued compliance with the Data Privacy Act and its Implementing Rules and Regulations;**
6. **Continuation of roll out of sustainability reporting framework to component companies leading to a consolidated report; and**
7. **Continued coordination with external facilitator as regards results of board, committee, Chairman, and directors' assessments for 2019.**

GT Capital's efforts and commitment to raise its level of corporate governance have garnered recognition in the investment community, both locally and in the ASEAN region. In 2020, GT Capital was one of the awardees of ASEAN Asset Class PLCs (Philippines) by the ASEAN Capital Markets Forum, obtaining a score of above 97.5 points for the 2019 ASEAN Corporate Governance Scorecard (ACGS) Award. The Institute of Corporate Directors also awarded GT Capital with 3 Golden Arrows recognition because of its score in the ACGS.

GT Capital's best practices on corporate governance are discussed in detail in the Corporate Governance Report in the 2020 Annual Report.

## ◆ Economic Performance

### DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (201-1)

Direct Economic Value Generated and Distributed (201-1)

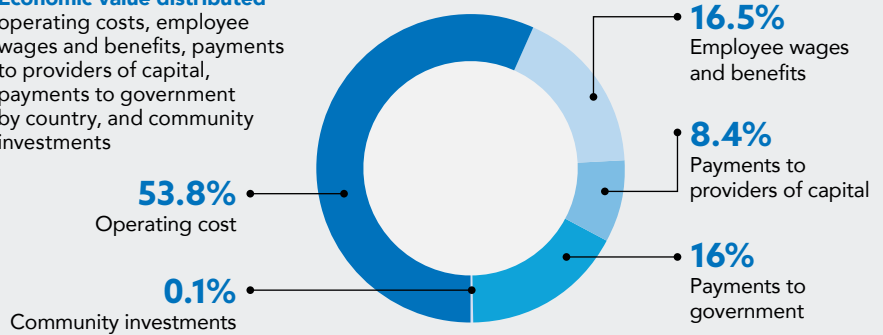
**Php113.9 Bn**

Economic value, retained

**5.2%**

directed economic value generated less economic value distributed

Economic value distributed operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments



## ◆ Environmental Performance

### MATERIALS USED BY WEIGHT OR VOLUME (301-1)

Pieces of UPS batteries

**5,820**

Cartridges of printer toner

**10,620**

### ENERGY CONSUMPTION WITHIN THE ORGANIZATION (302-1)

\*For Selected Facilities

**13,282,083 kWh**



### WATER AND EFFLUENTS WATER CONSUMPTION (303-5)

\*For Selected Facilities

**80,865 m<sup>3</sup>**



### EMISSIONS

Direct (Scope 1)

**n/a**

GHG Emissions (305-1)

Energy Indirect (Scope 2)

**n/a**

GHG Emissions (305-2)

\*No Air Emission Testing conducted for 2020



### SOLID AND HAZARDOUS WASTES



**Solid Waste**

\*For Head Office Area

**6.6 MT**

Total Solid Waste Generated



**Hazardous Waste**

\*For Head Office Area

**0.0053 MT**

Total Weight of Hazardous Waste Generated

### ENVIRONMENTAL COMPLIANCE

Non-compliance with Environmental Laws and Regulations (307-1)



**Zero**

Total amount of monetary fines for non-compliance with environmental laws and/ or regulations



**Zero**

No. of non-monetary sanctions for non-compliance with environmental laws and/ or regulations



# ◆ Social Performance



## NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (401-1)

Total employee count

**13,718**

## ATTRITION RATE

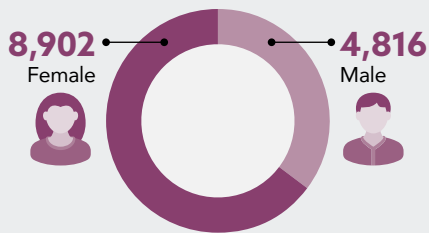
**7.0%**

## RATIO OF LOWEST PAID EMPLOYEE AGAINST MINIMUM WAGE

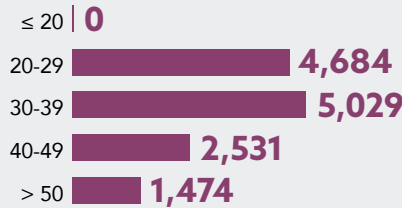
**1.1 : 1.0**

## PERCENTAGE OF EMPLOYEE PER EMPLOYEE CATEGORY IN EACH OF THE FOLLOWING DIVERSITY CATEGORIES (405-1)

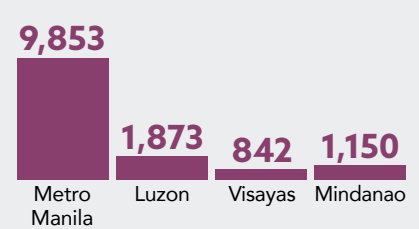
### Employee breakdown based on gender:



### Employee breakdown based on age



### Employee breakdown based on region:



## DIVERSITY AND EQUAL OPPORTUNITY

### Female Workers in the workforce

**65%**

### Male Workers in the workforce

**35%**

### Employees who availed Solo Parent Leave

**95** Female **9** Male

### Zero Incidents of Discrimination



Zero instances of discrimination during the reporting period

## TRAINING AND EDUCATION



### Average hours of training per year per employee (404-1)

**12.3 hours**

### Programs for upgrading employee skills and transition assistance programs (404-2)

Metrobank Employees Graduate Assistance Program (MEGA)

Metrobank Educational Assistance for Dependents of Employees Program (MEADE)

## LABOR-MANAGEMENT RELATIONS



### Freedom of Association and Collective Bargaining Agreement

**95%**

Collective Bargaining Agreement Coverage

**6,692**

Union Members

## OCCUPATIONAL HEALTH AND SAFETY WORK-RELATED ILL HEALTH (403-10)



### 2020 Diseases or Principal Complaint Count

**2,105**

## CUSTOMER PRIVACY

**0** No. Substantiated Complaints on Customer Privacy

**0** No. of Customers, Users and Account Holders whose Information is Used for Secondary Purposes

**0** No. of Complaints on Data Breached

## CUSTOMER MANAGEMENT

**87%**

Customer Satisfaction



## DATA SECURITY

**0**

No. of data breaches, including leaks, thefts and losses of data

## PRODUCT OR SERVICE CONTRIBUTION TO UN SDGs

Supported UN SDGs by providing Php606.9 billion in capital loan disbursements and contributed to 9 out of 17SDGs

# Looking after Employees' Complete Well-Being



Metrobank considers our employees as partners in building meaningful banking and thus consistently looks after their complete well-being. The bank enables and empowers our employees, equipping them with the right competencies to upscale their performance, and safeguarding their health and well-being.

*Recruitment.* In 2020, through the use of technology, the bank's recruitment process continued despite the limitations imposed by the pandemic. Online interviews were conducted using video conference applications. Online forms replaced manual ones, while hiring endorsements were done via email approvals up to the level of the Management and Nominations Committee, including the Board of Directors as appropriate.

This transformation went beyond recruitment as it also changed foundational human resources goals, recruitment skills, and other related HR policies and processes. Application interviews

across all levels were standardized, recruitment tools and policies were reviewed to adapt to the industry's best practices, and sourcing talent from within was re-evaluated.

The bank's talent acquisition team was also reorganized to streamline accountability and maintain its operational excellence. The bank earned employment-oriented networking site LinkedIn's Best Quality of Hires in 2020 Award for continuously attracting top talents despite the pandemic.

*Training.* Metrobank continually creates opportunities for growth and values employees' professional enrichment to help achieve our goals.

To this end, the Metrobank Academy has offered a range of courses from basic to highly technical courses developed by both internal and external subject matter experts. Employees who prefer online learning can attend self-paced courses

through the Academy's online learning portal, MBLearn.

In response to the times, the academy recently added more courses to its lineup, including leadership and simulation exercises that reinforce critical decision-making skills and enable employees to continue providing excellent service amid turbulent times.

In 2020, Metrobank's 13,718 employees expanded their professional knowledge and value after logging 169,012 training hours or half a day per employee. Both the bank and our employees transitioned from classroom to online learning solutions.

*Career Development.* As the bank adjusted working conditions to adapt to the pandemic, we also revisited our performance management framework and processes to better monitor productivity and optimize employee performance.

We launched an enhanced performance management program based on the principles of meritocracy, differentiation, and fairness, allowing managers to recognize top performers and support those who can become better. These assessments are done annually and allow senior officers to give feedback on their team members' performance. These also provide the basis for career advancement and promotion.

*Education Assistance.* Believing that education increases the worth and capacity of employees, their families, and communities, the bank has supported qualified employees who wish to undertake further studies. For the years 2018 to 2020, 142 scholarship availments were granted towards finishing their MBAs, while another 47 scholarship availments were granted under the bank's MEGA (Metrobank Employees Graduate Assistance) program.

The value that Metrobank gives to education extends to the employees' dependents. For the year 2018 to 2020, the Metrobank Educational Assistance for Dependents of Employees (MEADE) program has financially supported a total of 965 availments by qualified and deserving employees' children who wish to complete their secondary (521) or tertiary education (444).

*Caring for Employees' Health.* In addition to closely following government-mandated health and safety protocols, the bank executed preventive controls to curb the spread of the virus. These controls included IT-enabled meetings, online documentation and approvals, distancing in the workplace, frequent workplace disinfection, and placing visual cues and reminders on-premises. We also activated an automated bot messaging service, called MB COVID Care Bot, that sends related reminders, surveys, and quizzes through the employee work chat.

The bank also designated safety marshals, who ensured that employees adhered to safety and protection protocols in the workplace, and adopted a rotating workforce, daily on-site screening, and health risk assessments, among others.

Employees who test positive for COVID-19 and their close contact are provided with PCR testing at discounted rate. Similarly, at the beginning of the pandemic, frontliners and employees with comorbidities were assessed and tested for COVID-19 through RTK under the Safe Together program. The bank also rolled out a specific travel policy, referring employees to a travel decision guide before traveling and requiring them to declare all travels to their immediate supervisor and observe necessary protocols.

## ◆ Economic Performance

### TOYOTA GROUP INVESTMENTS



1989-2020

**Php67 Bn**

2020

**Php1.0 Bn**

### TOTAL DUTIES & TAXES PAID

1989-2020

**Php410.8 Bn**

2020

**Php26.5 Bn**

### PROCUREMENT FROM LOCAL SUPPLIERS

1989-2020

**Php228.8 Bn**

2020

**Php12.8 Bn**

### TOYOTA GROUP AUTO PARTS EXPORTS

1997-2020

**USD16.3 Bn**

2020

**USD816.6 Mn**

### TOTAL VEHICLE PRODUCTION



1989-2020

**902,967 units**

2020

**35,226 units**

### TOTAL VEHICLE SALES

1989-2020

**1,845,882 units**

(CKD: 58.3% of total vehicle sales)

2020

**100,019 units**

(CKD: 35,841; CBU: 64,178)

### EMPLOYMENT



SINCE 1989

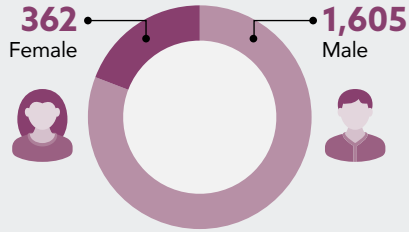
**over 61,000 Employees**

# ◆ Social Performance

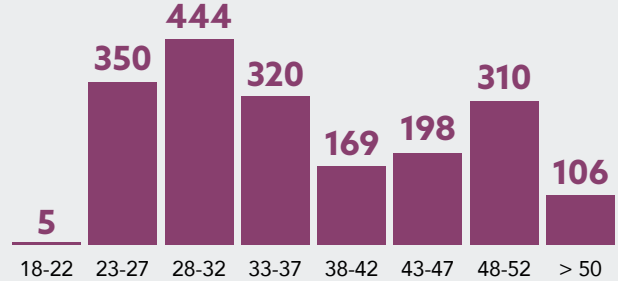
## TOTAL EMPLOYEES

Team Members  
**1,902**

By Gender



By Age



By Region

**160** PH

**Makati City**  
marketing offices at GT Tower International in Makati City

**1,727** PH

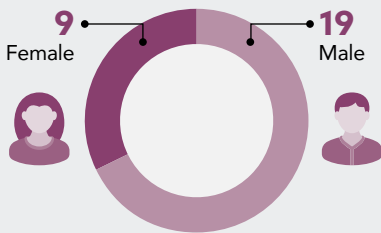
**Santa Rosa City**  
TMP's head office and manufacturing plant in Santa Rosa City, Laguna

**15** Overseas

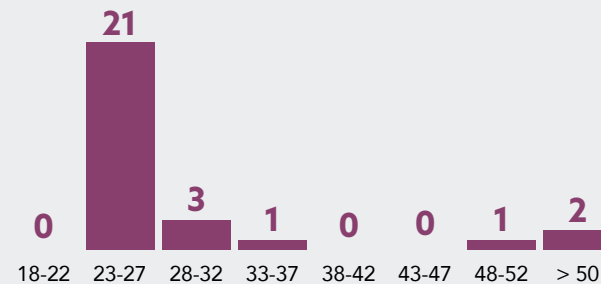
Toyota's Global headquarters (Japan) or at Regional headquarters (Singapore, Thailand) for Team Members under the Intra-Company Transfer (ICT) Program

## NEW EMPLOYEE HIRES

By Gender



By Age



By Region

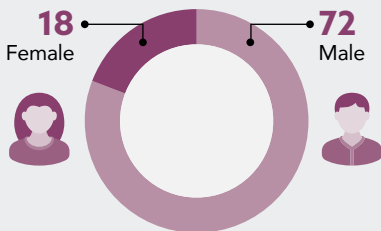
**8** PH  
Makati City

**20** PH  
Santa Rosa City

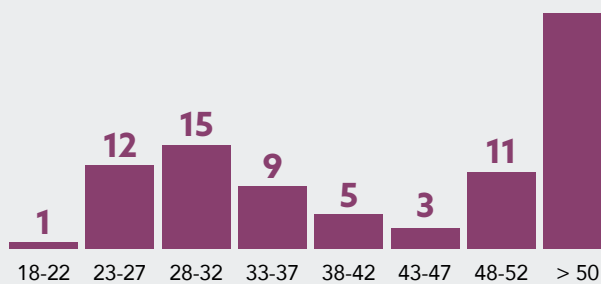
**0**  
Overseas

## NEW EMPLOYEE TURNOVER

By Gender



By Age



By Region

**15** PH  
Makati City

**75** PH  
Santa Rosa City

**0**  
Overseas

## PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS



In-House:

**19** Corporate Trainings

**4** Leadership Development Programs

**2** Global Training Programs

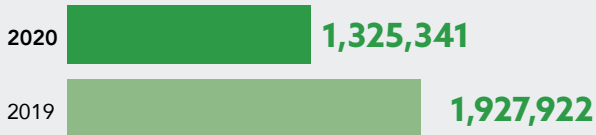
**1** Program to prepare employees for Retirement

## ◆ Environmental Performance

### ENERGY

#### Electricity (in KWH)

Average Monthly Consumption ▼ -31%

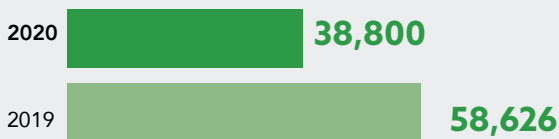


Consumption Per Unit Produced ▲ 5%



#### LPG (in Kg)

Average Monthly Consumption ▼ -34%



Consumption Per Unit Produced ▲ 2%



#### Diesel (in L)

Average Monthly Consumption ▼ -37%



Consumption Per Unit Produced ▼ -4%



### EMISSIONS

VOC Emission Per Unit Produced (in g/m<sup>2</sup>) ▼ -0.3%



CO<sub>2</sub> Emission Per Unit Produced (in ton-CO<sub>2</sub>) ▲ 3%



#### WATER (in m<sup>3</sup>)

Average Monthly Consumption ▼ -32%



Consumption Per Unit Produced ▲ 4%



### WASTE

Total Max. Generation Per Unit Produced ▲ 7%



Average Monthly Generation ▼ -34%



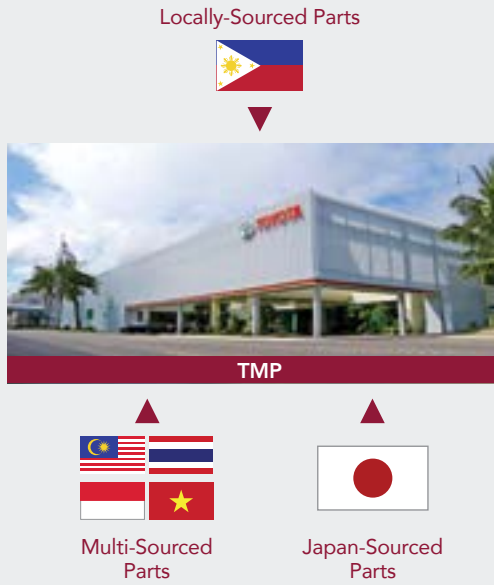
Actual Generation Per Unit Produced ▲ 1%



# ◆ Number of Local Suppliers and Geographical Location

Commodity	Parts	No. of Suppliers	Supplier Name
1. Electricals & Systems	Aircon, Clock, Wiring Harness, Meter Combination *100%CPP	<b>11</b>	Denso PH, Denso Ten, IWSP, Jeco Harada, Sanden Aircon, SCT, TRP, Yazaki
2. Chassis	Tires, Alloy Wheel, Exhaust Pipe, Pedal, Fuel Tank, Brake Tubes, Asphalt Sheet	<b>7</b>	Enkei, Yokohama, PAEC, Roberts, F. Tech, Valerie, Sanoh
3. Interior	Seat Assy, Door Trim, Headlining, Visor, Carpet Assy	<b>7</b>	ACI, B4, Formasia, Megapack
4. Resin	Bumper, Instrument Panel, Cluster Louver	<b>6</b>	BOPI, Daiho, Karzai, Manly, Sanko Gosei
5. Stamped	Reinforcement Instrument Panel Cluster, Hood lock, Insulator	<b>5</b>	Technol Eight, Rich Metal, Tri-R, Valerie, PHKR
6. Rubber	Weathership, Hoses, Moldings	<b>1</b>	NewPro
7. Others	Glass, Sticker, Battery	<b>6</b>	AGC, 3M, Tsuchiya, Oriental
<b>TOTAL</b>		<b>43</b>	

## PARTS SUPPLY FLOW



## LOCALLY SOURCED PARTS SUPPLIERS LOCATION MAP



**43**

Local Parts Suppliers

**455**

Indirect Materials Suppliers

**98**

Toyota Suppliers Club Member-Companies

# Committed to Helping Move the Country Forward



SINCE it started operations in 1988, Toyota Motor Philippines (TMP) has been a stalwart of Philippine manufacturing, cognizant of the multiplier effect it brings to creating sustainable jobs and raising standards of living in the communities it operates in. Today, TMP is one of the two participating automotive companies in the government's Comprehensive Automotive Resurgence Strategy (CARS) program, aimed at revitalizing the Philippine automotive sector and developing the country as a regional car manufacturing hub.

Moreover, then and today, TMP has sought to contribute not only to the country's economy but to the actual lives of its employees and other stakeholders.

With manufacturing activities put on hold for the most part in 2020, TMP assured all its employees—in the production line, dealerships, and offices—that their jobs were intact. Those who could work from home did so, with the tools they were provided in the form of computers, mobile phones, and Internet connection. Those whose jobs were put on hold in order to comply with government-mandated health and safety protocols were not exactly unoccupied.

Taking off from TMP's manufacturing expertise and discipline, these employees were trained to make face

masks for use by company personnel. As soon as more than enough masks were being produced, the company started to donate them to local communities hosting its facilities and dealerships, a partner fisherfolk association in Batangas, and to a number of national government agencies.

TMP believes that assuring the job security of its workforce and keeping them employed during the pandemic is the company's best ticket to recovery. Keeping a highly trained and trainable workforce, despite the current economic crunch, will allow the company to right away step on the gears and resume full production once the economy fully reopens.

To protect its workforce from COVID-19, TMP transformed its sports gym at the Sta. Rosa, Laguna plant into a testing center where employees and contractors could undergo rapid testing. Those who were found to have viral antigens were immediately brought to the hospital, accompanied by the company doctor and nurse, for confirmatory testing. TMP monitored the condition of affected employees and supported their medical needs.

The communities that hosted TMP's facilities and dealerships were also a priority in the company's efforts to combat COVID-19. At the onset of the pandemic, it made a number of vehicles available to





nearby hospitals, for them to shuttle their front liners to and from the hospital, as public transportation continues to be an issue in places under community quarantine. These vehicles, which have since been donated to the hospitals, have also helped protect the front liners in NCR and CALABARZON from community-acquired infection. By end-2020, TMP had donated 30 vehicles to 28 hospitals, three of them in Santa Rosa Community Hospital.

TMP employees themselves amped up their involvement in helping the company's host communities through its TNOTES—Tulungan Network of Toyota Employee Servers—program. Through TNOTES, TMP employees voluntarily donate to the social causes through an automatic salary deduction mechanism. Funds generated by TNOTES are pooled, managed by TNOTES officers and donated to causes identified by TMP Human Resources Group. In 2020, the program's pooled funds went towards donations to families affected by the eruption of Taal Volcano and other natural calamities during the year. Employees who had not previously signed up for TNOTES but wanted to help in the efforts could still do so through one-time salary deductions.

For local initiatives, TMP works directly with the communities affected, while for regional and national initiatives, it coordinates with pertinent non-government organizations, Metrobank Foundation, and GT Capital, for group-wide efforts.

TMP took advantage of the disruptions caused by the pandemic on its business by accelerating the

implementation and enhancement of digital initiatives to continue engaging the market.

It improved its website, <https://toyota.com.ph/>, so that customers could see more features aside from the images of the car. Among the features added are detailed car specs, pricing information, and appointment scheduler.

Generally, since people buying cars want to see the vehicles physically before purchase, TMP made sure to implement the appointment system to comply with social distancing guidelines. It also facilitated car servicing for existing clients, giving them the option to either leave their cars at the dealership or have them serviced at home.

Although the pandemic brought unexpected challenges, TMP remains confident that it would weather the storm on firm footing. As a business, the company always has its eyes fixed on the long term, inspired by the objectives of Toyota Motor Corporation of producing reliable vehicles and contributing to sustainable societal development and the vision of its late Chairman, Dr. George S.K. Ty, of always adding value to society aside from pursuing profitability.

TMP was launched even when the economy was just rising from the doldrums in the late 1980s—today, with over 41% share of the country's automotive market, TMP remains firmly committed as ever to strengthening the country's manufacturing sector, sustaining jobs for more Filipinos, and contributing to the welfare of the communities it touches.

# ◆ Economic Performance

## DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (201-1)

Direct Economic Value Generated and Distributed (201-1)

**Php9.3 Bn**

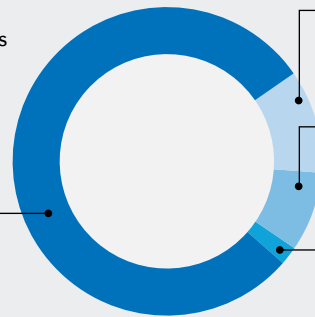
Economic value, retained

**Php630 Mn**

direct economic value generated less economic value distributed

Economic value distributed operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments

**Php5.8 Bn**  
Operating cost



**Php797 Mn**  
Employee wages and benefits

**Php612.6 Mn**  
Payments to providers of capital

**Php124 Mn**  
Payments to government

## DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS (201-3)

**Php111 Mn**

## FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT (201-4)

None received in 2020

# ◆ Environmental Performance



## REDUCTION OF ENERGY CONSUMPTION (302-4)

**510,700 KWH**

as of DECEMBER 2020, this is amounting to Php3,385,942

# ◆ Social Performance

## NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (401-1)

Total Employees By Gender

**51 NCR**

Total number and rate of new employee hires during the reporting period, by age group, gender and region.



Turnover Rate

**15.1%**

Total number and rate of employee turnover during the reporting period, by age group, gender and region.

By Gender



## MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES (402-1)



**30 days** (402-1)

## RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN (405-2)

**1 : 0.8**  
(Junior Officers and Staff Only)

## INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN (406-1)

No incident of discrimination reported in 2020

**BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES (401-2)** Actual availment of employee benefits provided to full-time employees that are not provided to temporary or part-time employees during the period.



Health Care

**462 Employees**



Life Insurance

**463 Employees**

Parental Leave

**18 Employees**

Disability and Invalidity Coverage

**0 Employees**

Retirement Provision

**3 Employees**

**PARENTAL LEAVE (401-3)**



Total number of employees that were entitled to parental leave, by gender

**89** Male  
**90** Female

Total number of employees that returned to work in the reporting period after parental leave ended, by gender

**4** Male  
**14** Female

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender

**4** Male  
**10** Female

Return to work and retention rates of employees that took parental leave, by gender

**100%** Male  
**71%** Female

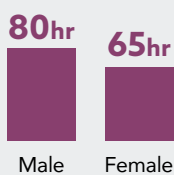
**AVERAGE HOURS OF TRAINING THAT THE ORGANIZATION'S EMPLOYEES HAVE UNDERTAKEN DURING THE REPORTING PERIOD (404-1)**

Functional Trainings

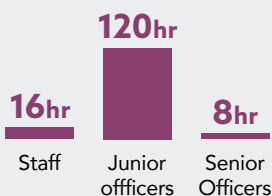
**261 hours**

(Jan - Dec 2020)  
Average: 8 hours per EE

By gender



By employee category

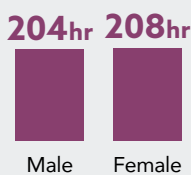


Corporate NEO

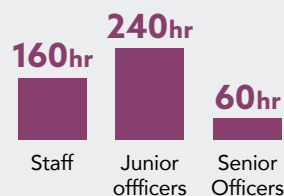
**208 hours**

(Jan - Dec 2020)  
Average: 4 hours per EE

By gender



By employee category



**PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (404-3)**

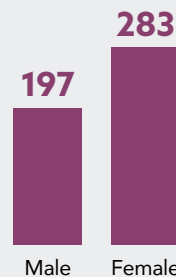
All Senior Officers who are hired on or before September 1 and newly regularized probationary employees on or before September 1 are eligible for Annual performance review

**40.8%** Male

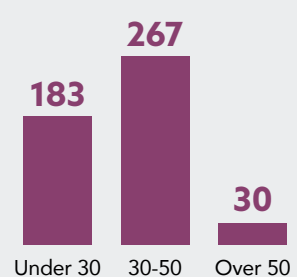
**59.2%** Female

**DIVERSITY OF GOVERNANCE OF BODIES AND EMPLOYEES (405-1)** Percentage of individuals within the organization's governance bodies in each of the following diversity categories:

By gender



By age group



**PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITIONS ASSISTANCE PROGRAMS (404-2)**

Functional Trainings

**11 sessions**

Corporate NEO

**8 sessions**

**NON-COMPLIANCE WITH LAWS AND REGULATION IN THE SOCIAL AND ECONOMIC AREA (419-1)**

No recorded fines or monetary sanctions for non-compliance with environmental, social and economic laws and regulations

# Providing Quality Homes for Everyone



DESIGN that both complements the natural environment and enriches the quality of life has been the core philosophy behind Federal Land properties. This has become more pronounced in the last few years, with our developments adopting design features and methodologies that promote our 48-year-old mission—providing quality homes for everyone.

Our properties incorporate innovations that harness readily-available natural resources in order to minimize our energy and water consumption, especially in urban environments where most of our developments are located.

*Harvesting fresh air.* We harvest fresh air, both naturally and mechanically, to improve our properties' overall quality and provide our communities with healthy, relaxing environments, a need that has become more pronounced with the community lockdowns imposed due to the ongoing pandemic. Open lawns and landscaped gardens with full-grown trees and shrubs help produce more oxygen and create a cooling effect for the entire community.

*Maximizing natural sunlight.* The ultimate source of free lighting, natural sunlight is a constant in both our commercial and residential developments. While greatly reducing artificial lighting, natural lighting improves the overall well-being of our residents, tenants, and the people who frequent our developments. Natural lighting and views to the outdoors also help ward off illness, stress, and seasonal depression. When staying at home is the preferred and safest option, the importance of natural lighting and outdoor views becomes most apparent.

A number of our properties feature big windows and use materials with a high solar reflective index (SRI), thus reducing the amount of heat that enters the building or the home. These materials also reduce the urban heat island effect, especially important in a tropical country like the Philippines. We have also been using double-glazed windows, a double-panel glass with an air gap and low emission film in between. This methodology allows natural light to freely enter while minimizing the heat transmission towards the interior. These features, combined

with the placement of windows to allow for cross-ventilation, decrease the requirement for both artificial lighting and air-conditioning.

Natural lighting is complemented by the extensive use of LED lighting, not only helping to assure cool and well-lit spaces, but reducing the risk of fire incidents as well, leading to residents' peace of mind.

*Promoting water efficiency.* The pandemic has called for intensified personal hygiene practices and enhanced cleaning protocols of properties, leading to greater water consumption. Our water management practices, and facilities have helped to mitigate this development, allowing us to continue using water in a responsible and sustainable manner.

Our residential projects are designed with rainwater harvesting and recycling technology. Collected rainwater is filtered, stored, and then later re-used to irrigate the properties' green open spaces and landscaped areas. Water-efficient toilet fixtures using dual-flush technology reduce water waste in our residences while providing thorough cleaning in a single, low-volume flush. These fixtures comply with the Philippine Green Building Code's requirement to use less than six liters of water for toilet-flushing.

Our developments also have their sewage treatment plants (STP), removing contaminants from wastewater.

*Sustainable Communities.* We observe sustainability practices not only in our residential projects but in our mixed-use developments as well.

Our recent residential projects have been designed to include ample sidewalks and trails, encouraging outdoor activities like

walking, jogging, and biking. On the other hand, our mixed-use developments support the surrounding communities, generating jobs through the businesses and facilities they host, and by providing essential transportation links in the area.

Federal Land counts on its entire organization to further promote and sustain the innovations that we have adopted through the years to protect the environment and improve the quality of life of our clients and property owners. From the planning team, to the construction and property management teams, we observe strict due diligence, remaining firm in our vision to provide quality developments for generations to come. This commitment is exemplified by no less than Federal Land, Inc. Chairman, Mr. Alfred V. Ty, who pores through master plans, ensuring that they conform to this vision.

*Support to the community during the pandemic.* We made sure that the residents of our communities had continued access to their basic needs for the duration of the strict community lockdowns imposed by government.

The pandemic also brought immense challenges to completing and turning over projects on time. To mitigate these challenges, when construction activities were once again allowed by government, we provided our construction workers with on-site barracks and their needed provisions so that work could be resumed without compromising the workers' health.

We likewise granted rent concessions to tenants in our commercial spaces, recognizing the financial difficulties they had to face during the months where retail shops are not allowed to open. In addition, we are now designing open spaces where our tenants could safely set up shop under the relaxed guidelines.



## ◆ Economic Performance

### GROSS PREMIUM

**PHP36.3 Bn**

FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT (201-4)

**None received in 2020**

### NET INCOME

**PHP2.9 Bn**

DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS (201-3)

AXA Philippine's retirement plan is under a defined benefit, wherein its employees are not required to contribute to the retirement plan of the company. All contributions are for the account of the employer.

### INDIRECT ECONOMIC IMPACT

**100%** operations assessed for risks related to corruption

Total number and percentage of operations assessed for risks related to corruption.

**100%** of employees

Total number and percentage of governance body members that the organization's anticorruption policies and procedures have been communicated to, broken down by region.

**100%** of employees

Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region

**100%** of employees

Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.

**100%** of employees

Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.

**92%** of employees

Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.

## ◆ Environmental Performance

REDUCTION OF ENERGY CONSUMPTION (302-4) **704,184.3 KWH**

CO2 EMISSIONS: BUSINESS TRAVEL AIRPLANE AND TRAIN **101 T. eq. CO<sup>2</sup>**

NONCOMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS (307-1)

No identified non-compliance with environmental laws and/or regulations in 2020

WATER CONSUMPTION **582 M<sup>3</sup>**

OFFICE PAPER CONSUMPTION **5 T**

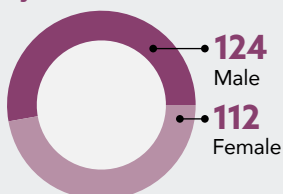
CO2 EMISSIONS: POWER CONSUMPTION **339 T. eq. CO<sup>2</sup>**

WASTE: UNSORTED WASTE **7 T**

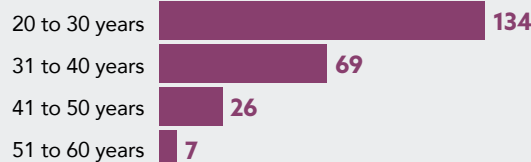
## ◆ Social Performance

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (401-1)

By Gender



TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER DURING THE REPORTING PERIOD, BY AGE GROUP, GENDER AND REGION.



MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES (402-1)





**BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES (401-2)** Actual availment of employee benefits provided to full-time employees that are not provided to temporary or part-time employees during the period.

**Life Insurance**

Both regular and contractual direct hires same HMO coverage

**Parental Leave**

Both regular and contractual direct hires same parental leave benefit

**Retirement Provision**

Regular employees have non-contributory retirement benefit

**Health Care**

Both regular and contractual direct hires same Group Life Insurance coverage

**Disability and Invalidation Coverage**

Both regular and contractual direct hires same Group Life Insurance coverage with ADD

**Stock ownership:**

Regular employees have the option to purchase AXA shares at a discount

**Others:**

- A. Both regular and contractual direct hires have same vacation and sick leave credits
- B. Both regular and contractual direct hires have same clothing allowance
- C. Both regular and contractual direct hires have same rice allowance
- D. Both regular and contractual direct hires have same bereavement assistance benefit
- E. Regular employees are given Christmas allowance annually
- F. Regular employees may avail of company loans



**PARENTAL LEAVE (401-3)**

Total number of employees that were entitled to parental leave, by gender

**1,486** Female  
**935** Male

Total number of employees that took parental leave, by gender

**67** Female  
**39** Male  
**0** LGBTQ

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender

**42** Female  
**39** Male  
**0** LGBTQ

Total number of employees that returned to work in the reporting period after parental leave ended, by gender

**42** Female  
**39** Male  
**0** LGBTQ

Return to work and retention rates of employees that took parental leave, by gender

**100%**

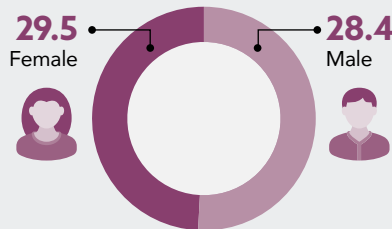
**AVERAGE HOURS OF TRAINING THAT THE ORGANIZATION'S EMPLOYEES HAVE UNDERTAKEN DURING THE REPORTING PERIOD (404-1)**

Average Training Hours Per Employee

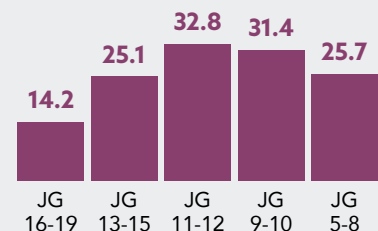
**29 hrs**



By Gender (hours)



Employee category (hours)



**PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITIONS ASSISTANCE PROGRAMS (404-2)**

Self Development , Management Development , IT/Digital Skills, Product Knowledge & Customer Service, Regulatory

**PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (404-3)**

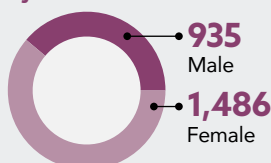
By Gender for Active Employees:  
**Male: 100% | Female: 100%**

By Employee Category:  
**100%** across all categories for all Active Employees

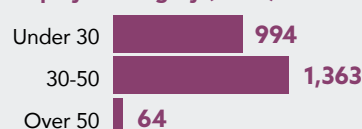
**DIVERSITY OF GOVERNANCE OF BODIES AND EMPLOYEES (405-1)**

Percentage of individuals within the organization's governance bodies in each of the following diversity categories:

By Gender



Employee category (hours)



**RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN (405-2)** Pay structure is the same for all regardless of location of operation. Please refer to the sheet salary ratio for reference.

**EMPLOYEE TRAINING ON HUMAN RIGHTS POLICIES AND PROCEDURES (412-2)**

Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations: 3 hours

Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations: 5.9%

# Pushing the Boundaries of Investing and Protection



AXA Philippines has actively pushed the boundaries of investing and protection in two areas that have become increasingly urgent and pressing in the last year—the environment and financial inclusion.

Through the AXA Group, AXA Philippines adheres to Responsible Investment (RI), or the integration of environmental, social, and corporate governance (ESG) considerations into investment processes and ownership practices, from a performance and risk management perspective.

The group's RI policy includes a set of investment guidelines for sectors that pose particularly acute environmental or ethical challenges. The policy also considers "impact investing," aiming to create intentional, positive, measurable, and sustainable impacts on society while delivering financial market returns. As a signatory to the United Nations-supported Principles for Responsible Investment, AXA acts according to internationally recognized principles for sustainable finance.

AXA's general account's insurance assets and relevant unit-linked investments are covered by the Responsible Investment policy. Its pension funds are also covered wherever regulatory requirements allow it.

Among the ESG topics considered by the policy, climate change is given particular priority, with carbon metrics integrated into investment decisions. AXA has committed to containing the "warming potential" of its investment to 1.5° by 2050 and is currently developing metrics for measuring this impact. AXA is also considering the possibility of divesting parts of its portfolio, like coal and oil sands, or exclude whole sectors to effectively pursue climate-related objectives.

AXA Philippines is on track to full compliance with the policy's exclusion of coal investments by end-2021.

As a global insurer, AXA Philippines has been able to create and launch three global funds—global fixed income, global multi-asset, and global equities—that follow previously defined



ESG factors. By investing in these USD-denominated funds, collectively called AXA Global Dynamic Allocation Funds, our clients are able to participate in responsible investing themselves. Unlike funds that track indices where ESG screening is not possible, the AXA Global Dynamic Allocation Funds are invested only in companies that have measurably demonstrated their own contribution to ESG standards.

Through these funds, we are able to balance returns expected by our clients and the impact that their investments make on the environment and society.

Launched in 2018, the AXA Global Dynamic Allocation Funds' average annualized performance as of the Fund Fact Sheet of February 2021 is 5.04%, 4.59%, and 2.07% for the fixed income, multi-asset, and equities funds, respectively.

In recent years, AXA Philippines has also started to reach a new set of customers market apart from its traditional market segments (high net-worth, middle market, and young single professionals). Called Emerging Customers, this segment pertains to low income, mass market individuals who may easily slip into poverty given a single sudden setback, like job loss, illness, or death in the family.

The Philippines where, by AXA's reckoning, 70% of the population may be considered an Emerging Customer is a priority country for AXA worldwide. Other places where Emerging Customers are addressed as a separate market are the emerging markets in Asia, South America, and Africa. By offering affordable and relevant insurance products, AXA supports vulnerable sectors of society and helps strengthen the country's social and economic fabric. It also contributes to providing more vulnerable Filipino individuals and households with a social safety net especially in times of great difficulty.

To reach Emerging Customers in a more expedient and efficient manner without having to create a whole new distribution platform, AXA Philippines has to date partnered with two entities who primarily serve this market.

With Globe Telecom's e-wallet subsidiary GCash, AXA Philippines offers Emerging Customers a first bite into insurance. Called GCash Insure, this insurance product suite offers life, hospitalization, and accident coverage at very low rates, payable in monthly payments. Rates can go as low as Php39 a month for a total coverage of Php50,750. The highest—yet still very affordable—premium is at Php1,320 a year for a total coverage of Php410,000. In 2020, this product counted more than 100,000 lives insured from only less than 100 lives at the start of the year.

The other product partnership addressing Emerging Customers is with leading pawnshop network, Cebuana Lhuillier. Called MicroBiz Protek, the product is offered to micro-enterprises inclusive of comprehensive property insurance with personal accident coverage and comprehensive general liability. Offered for as low as Php2,000 a year, the product offers protection against incidents, fire, and natural calamities that could potentially wipe out the micro-business.

Through these two partnerships, AXA Philippines by end-2020 has covered around 300,000 individuals from the Emerging Customers segment.

As more at-risk Filipinos get into the habit of protecting themselves and their properties, and as more Filipino investors get used to investing in ESG-vetted funds, it is the hope of AXA Philippines to be able to offer the market with more insurance and investment products that contribute to a more just and more sustainable world.

## ◆ 2020 Key Performance Indicators

### POWER



**30.5 Mn**

Meralco estimated population served

**43,572 Gwh**

Meralco energy sales

**4,929 Gwh**

GBP energy sales

### TOLL ROADS



**209,720**

NLEX average daily vehicles entries

**44,784**

SCTEX average daily vehicles entries

**125,797**

CAVITEX average daily vehicles entries

**8,520**

CALAX average daily vehicles entries

### WATER



**9.8 Mn**

Estimated population served

**536 MCM**

Volume of water billed

**726 MCM**

Volume of water supplied

### LIGHT RAIL



**186,021**

Average daily ridership

**119,329**

Total train trips

**51 Mn**

Total number of riders

### HEALTHCARE



**3,590**

Number of beds

**2.5 Mn**

Number of out-patients

**107,000**

Number of in-patients

## ◆ Economic Performance



### CORE INCOME

**PHP10.2 Bn**

### FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT (201-4)

None received in 2020



### REPORTED INCOME

**PHP4.8 Bn**

### LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST AND MONOPOLY PRACTICES (206-1)

No actions against the Company in relation to anti-competitive behavior, anti-trust or monopoly practices.

# Environmental Performance

Parent Company



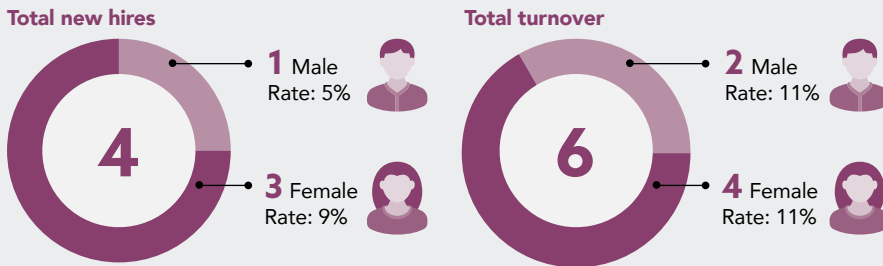
**REDUCTION OF ENERGY CONSUMPTION (302-4)**

**83 GJ** Non-renewable fuel consumed  
**126 GJ** Electricity purchased for consumption

# Social Performance

Parent Company

## NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (401-1)



## MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES (402-1)

**30 days**



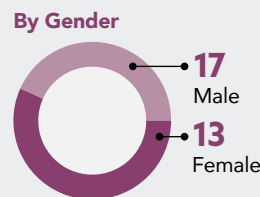
## PARENTAL LEAVE\* (401-3)

<b>14</b> Female	<b>10</b> Male	Total number of employees that were entitled to parental leave, by gender
<b>1</b> Female	<b>0</b> Male	Total number of employees that took parental leave, by gender (Maternity Leave)
<b>1</b> Female	<b>0</b> Male	Total number of employees that returned to work in the reporting period after parental leave ended, by gender (Maternity Leave)
<b>1</b> Female	<b>0</b> Male	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender (Maternity Leave of that employee just ended last January 2021)
<b>100%</b> Female	<b>N/A</b> Male	Return to work and retention rates of employees that took parental leave, by gender

\*Parent Company

## AVERAGE HOURS OF TRAINING THAT THE ORGANIZATION'S EMPLOYEES HAVE UNDERTAKEN DURING THE REPORTING PERIOD\* (404-1)

Average hours  
**15hrs**

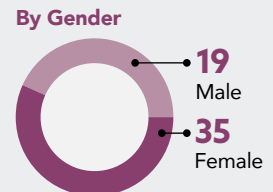


Employee category

Senior Mgmt	18 hrs
Middle Mgmt	9 hrs
Supervisors	24 hrs
Rank & File	17 hrs

## DIVERSITY OF GOVERNANCE OF BODIES AND EMPLOYEES\* (405-1)

Percentage of individuals within the organization's governance bodies in each of the following diversity categories



Age group

Under 30 years old	16
30-50 years old	28
Over 50 years old	10

## PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITIONS ASSISTANCE PROGRAMS (404-2)

Merger and Acquisition Program, The Business of Treasury, MTA: Windows Server Administration Fundamentals, Virtual Contract Negotiations in the New Normal, and Designing & Developing a Mental Health Program in the Workplace, Business Writing, Change Management and Strategic Planning

## PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (404-3)

**100%** of employees

# Caring for People, Partnering with Communities



Caring for our people is at the heart of MPIC's business. As our front liners, employees are the company's top priority as we outlined our response to the COVID-19 pandemic.

All of MPIC's operating companies took swift, decisive actions designed to prevent the risk of exposure, transmission, outbreak, and spread of COVID-19 among our ranks and within our workspaces and premises. Employees went on to deliver exceptional, uninterrupted service to the public, even if some had to say goodbye to families and friends because of COVID-19.

We ensured to comply with the necessary health protocols mandated by the government to minimize infection risk including social distancing, temperature checks, regular disinfection of offices, and the wearing of PPE, such as face masks and face shields, that we provided to all employees. At the height of the pandemic, employees at the parent company were encouraged to work from home whenever possible. MPIC IT and HR Teams immediately collaborated to launch a Daily Health Check Platform called MPIC S.A.G.I.P to easily identify team members in need of healthcare assistance. This system allows employees to report on their daily health disposition – including body temperatures and other symptoms. This innovation has been very instrumental in ensuring the health and safety of our workforce.

To facilitate social distancing, we limited the number of people at work in our offices and field locations, restricted non-essential travel, canceled physical group meetings, implemented shift rotations, and encouraged flexible work-from-home arrangements with non-business-critical personnel.

To ensure service continuity, GBP, Meralco, and Maynilad allowed employees to stay in our offices and facilities and provided them with all basic amenities including meals and medicines. Shuttle services were provided to other essential personnel who needed to report to our offices for mission-critical work.

Given the emerging challenges of remote work for employees, especially with regard to their mental health, MPIC companies initiated teleconsultation services, how-to-cope guides, mental health surveys, and COVID-19 medical hotlines. At the MPIC head office, online "kamustahan" sessions were conducted per department to check in with each employee and address any concern regarding the work-from-home setup.

Our ability to keep our workforce safe was critical in order to continue delivering the essential services that we provide. We ensure that all employees are regularly tested, supplied with the necessary PPEs, provided with vitamins to boost their immunity, and given prompt medical attention at the first sign of the disease. All operating companies require employees to undergo rapid mass testing before going back to work. At Maynilad, employees and third-party service providers like meter readers, desludging personnel, and other contractors are required to undergo serologic antibody tests prior to redeployment to the field.

This caring attitude that MPIC has nurtured through the years have been extended to areas outside our direct commercial interests.

The entire group mobilized all our available resources and personnel to support the Philippine

government's fight against COVID-19. We secured the continuous delivery of essential services that MPIC companies provide. We worked hard with various partners and stakeholders to share whatever we could, especially to the most vulnerable, during this complex period. We allocated over Php531 million in relief assistance and other forms of support that prioritized people's health and lives over commercial gains.

Meralco provided housing support and free transportation for medical front liners. It converted a multi-purpose hall in its Pasig City office into temporary sleeping quarters for 32 health workers from The Medical City. It partnered with the Department of Transportation to deploy over 20 e-jeepneys for free and exclusive use of more than 76,000 health frontliners and other essential personnel. It also ensured uninterrupted supply of electricity to urgent care facilities and evacuation centers in Quezon City, Caloocan City, and Silang, Cavite, as well as to COVID-19 facilities like the ASEAN Convention Center in Clark, World Trade Center Metro Manila, Ninoy Aquino Stadium, and South Cembo Sports Complex, among others.

GBP fast-tracked the remittance of the financial benefits of the local governments of Cebu, Iloilo, Aklan, and Mindoro under the Department of Energy's Regulation No. 1-94 to help the provinces in their COVID-19 response.

Maynilad partnered with the De Los Santos Medical Center for the construction of a Php15 million laboratory for RT-PCR testing, doubling the capacity of the country's testing capacity at the time. It supplied free water to testing laboratories and temporary treatment centers at the Palacio de Maynila, Rizal Memorial Sports Complex, Philippine International Convention Center, World Trade Center Metro Manila, Bagong Nayong Pilipino, and Mall of Asia. It also partnered with the community-based enterprises Kapwa and Green Badge to procure items for health and hygiene kits which were later distributed to hospitals, treatment centers, and communities.

MPTC provided about Php3 million worth of toll-free access to all expressways to over 3,600 medical

front liners. It also granted special access to NLEX to over 300 vehicles of the IATF (Inter-agency Task Force for the Management of Emerging Infectious Diseases), Department of Health, and other groups going to and from the quarantine facility in the Philippine Arena Complex in Bulacan.

The Light Rail Manila Corporation enhanced its disinfection protocols, using UVC technology to disinfect and sanitize light rail vehicles (LRVs) and advanced filtration technology for the LRV's air-conditioning units. End terminals and high-touch areas were frequently disinfected, and stations were provided with alcohol dispensers, thermal scanners, and isolation areas. LRMC also provided healthcare workers of MPIC hospitals with a shuttle service.

Meanwhile, the Metro Pacific Investments Foundation donated over Php4.2 million worth of specimen collection tubes, vitamins, and PPE to over 14 hospitals, healthcare centers, quarantine facilities, and local government offices including the Research Institute for Tropical Medicine, Philippine Genome Center, and various facilities in Mindanao. The Foundation also launched OPLANILAO, an alternative livelihood and cash-for-work program to support workers in the coastal resource management and tourism sectors of Batangas affected by the closure of beach resorts during the quarantine.

Some of MPIC's community projects were put on hold because of the limitations imposed by the community quarantines. However, by the second half of the year, most of these projects had resumed following strict health and safety protocols. These projects include, among others, livelihood generation projects, reforestation activities, assistance to public schools and community health centers, electrification of public schools and far-flung areas, WASH programs, and water access for informal settlers.

Through these programs, MPIC gives back to the people we serve and reaches out to the most vulnerable, partnering with them and providing them with the tools that help improve their lives and promote social justice.

# GRI Content Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

GRI Standard	Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission	
<b>GRI 101: Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	<b>Organizational Profile</b>			
	102-1	Name of the organization	GT Capital Holdings Inc.	
	102-2	Activities, brands, products, and services	p. 7 "How We Contribute to National Building"	
	102-3	Location of headquarters	43rd Floor, GT Tower International 6813 Ayala Avenue corner H.V. Dela Costa Street, Makati City, Philippines	
	102-4	Location of operations	Philippines	
	102-5	Ownership and legal form	GT Capital is a corporation registered with the Philippine Securities and Exchange Commission. As of December 31, 2020, GT Capital is 55.93% owned by Grand Titan Holdings, Incorporated, directors and officers. The remainder is public float.	
	102-6	Markets served	p. 7	
	102-7	Scale of the organization	p. 7	
	102-8	Information on employees and other workers	p. 9, "Employment and Direct Economic Value Generated and Contributed"	
	102-9	Supply chain	The supply chain at the parent level covers contractual services, office supplies and equipment.	
	102-10	Significant changes to the organization and its supply chain	GT Capital redeemed its 51% stake in Property Company of Friends, Inc. in exchange for 702 hectares of selected assets.	
	102-11	Precautionary Principle or approach	p. 5 "Sustainability Framework" and p. 11 "Management Approach"	
	102-12	External initiatives	Global Reporting Initiative, ASEAN Corporate Governance Scorecard	
	102-13	Membership of associations	Philippine Stock Exchange	
	<b>Strategy</b>			
	102-14	Statement from senior decision-maker	p. 3 "Message from the President"	
<b>Ethics and integrity</b>				
102-16	Values, principles, standards, and norms of behavior	<a href="https://www.gtcapital.com.ph/about/vision-mission">https://www.gtcapital.com.ph/about/vision-mission</a>		

GRI Standard	Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
<b>GRI 102: General Disclosures 2016</b>	<b>Governance</b>		
	102-18	Governance structure	<a href="https://www.gtcapital.com.ph/governance/policies">https://www.gtcapital.com.ph/governance/policies</a> <a href="https://www.gtcapital.com.ph/board-committees">https://www.gtcapital.com.ph/board-committees</a> <a href="https://www.gtcapital.com.ph/board-of-directors">https://www.gtcapital.com.ph/board-of-directors</a>
	<b>Stakeholder engagement</b>		
	102-40	List of stakeholder groups	p. 6 "Our Materiality Process"
	102-41	Collective bargaining agreements	GT Capital has no collective bargaining agreements at present.
	102-42	Identifying and selecting stakeholders	p. 6
	102-43	Approach to stakeholder engagement	P 6
	102-44	Key topics and concerns raised	p. 6
	<b>Reporting practice</b>		
	102-45	Entities included in the consolidated financial statements	The entities consolidated in the financial statements are Federal Land, Inc., Toyota Motor Philippines Corporation, Toyota Manila Bay Corp., and GT Capital Auto Dealership Holdings, Inc.
	102-46	Defining report content and topic Boundaries	p. 2 "About this Report"
	102-47	List of material topics	p. 6 "Our Materiality Process"
	102-48	Restatements of information	There were no restatements of information from the Sustainability Report 2020
	102-49	Changes in reporting	There were no changes in the reporting framework from the Sustainability Report 2020
	102-50	Reporting period	p. 2 "About this Report"
	102-51	Date of most recent report	June 5, 2020 – Date of the 2020 Annual Stockholders' Meeting
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Joyce B. De Leon Chief Risk Officer
	102-54	Claims of reporting in accordance with the GRI Standards	p. 2 "About this Report"
	102-55	GRI Content Index	p. 45
102-56	External Assurance	The report has not been externally assured.	

# GRI Content Index

Material Topics				
GRI Standard		Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission
<b>ECONOMIC CATEGORY</b>				
<b>Economic Performance</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 11	
	103-2	The management approach and its components	p. 11	
	103-3	Evaluation of the management approach	p. 11	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distribute	p. 17	
	201-3	Defined benefit plan obligation and retirement plans for employees	p. 17	
	201-4	Financial assistance received from the government	p. 17	
<b>Indirect Economic Impacts</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 11	
	103-2	The management approach and its components	p. 11	
	103-3	Evaluation of the management approach	p. 11	
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	p. 7	
<b>Anti-corruption</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 12	
	103-2	The management approach and its components	p. 12	
	103-3	Evaluation of the management approach	p. 12	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	p. 17	
	205-2	Communication and training about anti-corruption policies	p. 17	
<b>Anti-competitive Behavior</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 12	
	103-2	The management approach and its components	p. 12	
	103-3	Evaluation of the management approach	p. 12	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 17	



Material Topics				
GRI Standard	Disclosure		Page number(s), direct answer and/or URLs	Reason for Omission
<b>ENVIRONMENTAL CATEGORY</b>				
<b>Energy</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 12	
	103-2	The management approach and its components	p. 12	
	103-3	Evaluation of the management approach	p. 12	
GRI 302: Energy 2016	302-4	Reduction of energy consumption	p. 17	
<b>Environmental Compliance</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 12	
	103-2	The management approach and its components	p. 12	
	103-3	Evaluation of the management approach	p. 12	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations.	p. 17	
<b>SOCIAL CATEGORY</b>				
<b>Employment</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 13	
	103-2	The management approach and its components	p. 13	
	103-3	Evaluation of the management approach	p. 13	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	p. 18	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 18	
	401-3	Parental leave	p. 18	
<b>Labor/Management Relations</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 13	
	103-2	The management approach and its components	p. 13	
	103-3	Evaluation of the management approach	p. 13	
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	p. 19	

# GRI Content Index

Material Topics				
GRI Standard	Disclosure		Page number(s), direct answer and/or URLs	Reason for Omission
<b>Training and Education</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 13	
	103-2	The management approach and its components	p. 13	
	103-3	Evaluation of the management approach	p. 13	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	p. 18	
	404-2	Programs for upgrading employee skills and transition assistance programs	p. 19	
	404-3	Percentage of employees receiving regular performance and career development reviews	p. 19	
<b>Diversity and Equal Opportunity</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 14	
	103-2	The management approach and its components	p. 14	
	103-3	Evaluation of the management approach	p. 14	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	p. 19	
	405-2	Ratio of basic salary and remuneration of women to men	p. 19	
<b>Non-Discrimination</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 14	
	103-2	The management approach and its components	p. 14	
	103-3	Evaluation of the management approach	p. 14	
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	p. 19	
<b>Human Rights Assessment</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 14	
	103-2	The management approach and its components	p. 14	
	103-3	Evaluation of the management approach	p. 14	
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	p. 19	
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	p. 19	

Material Topics				
GRI Standard		Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission
<b>Supplier Social Assessment</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 15	
	103-2	The management approach and its components	p. 15	
	103-3	Evaluation of the management approach	p. 15	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	p. 19	
	414-2	Negative social impacts in the supply chain and actions taken	p. 19	
<b>Marketing and Labelling</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 15	
	103-2	The management approach and its components	p. 15	
	103-3	Evaluation of the management approach	p. 15	
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	p. 19	
<b>Customer Privacy</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 16	
	103-2	The management approach and its components	p. 16	
	103-3	Evaluation of the management approach	p. 16	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 19	
<b>Socio-economic Compliance</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	p. 15	
	103-2	The management approach and its components	p. 15	
	103-3	Evaluation of the management approach	p. 15	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	p. 19	

# 2020 ESG Highlights

Data Requirement	Units	GTCAP	MBT	TMP	FLI	AXA	MPIC
<b>Economic Performance</b>							
Direct Economic Value Generated	Bn Php	134.4	113.9	99.8	9.3	36.3	40.9
Direct Economic Value Distributed	Bn Php	127.8	108.0	96.4	8.7	33.4	31.6
Direct Economic Value Retained	Bn Php	6.6	5.9	3.4	0.6	2.9	9.2
Direct Economic Value Retained	%	4.9%	5.2%	3.4%	6.8%	8.0%	22.6%
Anti-Corruption Cases	Cases	-	-	-	-	-	-
<b>Environmental Performance</b>							
Energy Consumption (Electricity)	KWh	5,997	13,282,083	15,904,092	510,700	704,184	58,056
Energy Consumption (LPG)	kg	-	-	465,600	-	-	-
Energy Consumption (Diesel)	L	-	-	152,304	-	-	-
Water Consumption	m <sup>3</sup>	109	80,865	128,916	-	582	-
CO <sub>2</sub> Emissions	ton-CO <sub>2</sub> e	-	-	10,215	-	565	-
CO <sub>2</sub> Emissions (Power Consumption)	ton-CO <sub>2</sub> e	-	-	-	-	339	-
CO <sub>2</sub> Emissions (Business Travel)	ton-CO <sub>2</sub> e	-	-	-	-	101	-
CO <sub>2</sub> Emissions (Business Travel)	ton-CO <sub>2</sub> e	-	-	-	-	120	-
CO <sub>2</sub> Emissions (Paper)	ton-CO <sub>2</sub> e	-	-	-	-	5	-
VOC Emissions	g/m <sup>2</sup>	-	-	1,688,286	-	-	-
Solid Waste	kg	-	6,600	421,836	-	7,000	-
Hazardous Waste	kg	-	5	-	-	-	-
Environmental Compliance (Significant Fines)	Actual Php	-	-	-	-	-	-
<b>Social Performance</b>							
Total Number of Employees	# of Employees	43	13,718	1,902	484	2,391	54
Female Share of Total Workforce	% of Total Employees	53.5%	64.9%	19.0%	41.0%	61.4%	64.8%
Male Share of Total Workforce	% of Total Employees	46.5%	35.1%	81.0%	59.0%	38.6%	35.2%
Female Employees	# of Employees	23	8,902	362	199	1,468	35
Male Employees	# of Employees	20	4,816	1,540	285	923	19
Employees Age Below 30 years	# of Employees	13	4,684	799	185	982	16
Employees Age 30 to 50 years	# of Employees	25	7,560	997	269	1,346	28
Employees Age Over 50 years	# of Employees	5	1,474	106	30	63	10
Employee Turnover	% of Total Employees	16.7%	7.0%	4.7%	15.1%	25.0%	11.1%
Average Training Hours Per Employee	Hrs	40.0	12.3	16.2	12.0	29.0	15.0
Collective Bargaining Agreement Coverage	% of Rank and File Employees	-	95%	-	-	-	-

GT Capital's best practices on corporate governance are discussed in detail in the Corporate Governance Report in the 2020 Annual Report.

# Corporate Information

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