Sustainability Report 2019

SGV

Building a better working world

A member firm of Ernst & Young Global Limited

Sustainability Report 2019

Contents

About this report

This is SGV's first Sustainability Report which covers fiscal year (FY) 2019, from 1 July 2018 to 30 June 2019, and will be issued yearly thereafter. Data from before this period have been included to gain better understanding of facts.

Sycip Gorres Velayo & Co. is a general professional partnership organized in Makati City and is a member firm of Ernst & Young Global Limited, a UK company limited by guarantee ("EYG").

In this report, we refer to ourselves as "SGV," "we," "us" or "our." EY refers collectively to the global organization of the member firms of EYG.

MESSAGE from leadership

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At SGV, we synergize our values, vision and purpose with those of our global EY community to identify and innovate our approach to ensure adaptive, responsible and ethical solutions for our clients, people and communities.

As the country's largest professional services firm, we have contributed significantly to the socio-economic, cultural and educational development of the Philippines through our services, thought leadership initiatives, workshops and seminars, and external programs that support the community. We have provided integrated solutions to complex problems for more than 73 years. However, in today's transformative age, we are faced with unprecedented challenges, on a global scale.

The planet's diminishing resources, the on-going climate crisis and various international conflicts, all threaten the world's peace and stability. As responsible corporate citizens, we have an obligation and a responsibility to work towards a future with economic stability, environmental security and progressive human capital development. We must assess the risks that may jeopardize our advancements and take calculated measures to ensure sustainable growth.

We are past the point of theorizing hypothetical solutions to real problems, now is the time to act.

We, at SGV, a member firm of EY Global, have aligned our *Purpose* with initiatives that can contribute in the worldwide initiative of achieving long-term social, economic and environmental stability. We believe that by engaging our stakeholders, nurturing and developing our people and improving existing industry practices, we can do our part to help fast-track positive developments to help create a better Philippines, and, thus, help build a better working world for generations to come.

Aware of the environmental impact of our firm's collective actions, we have incorporated practical and incremental changes into our daily operations to reduce our carbon footprint. Our efforts started through simple practices such as, decreasing energy consumption, water conservation, waste reduction and by adapting paperless transactions. Now, we are leveraging on advanced interconnectivity to lessen our travel emissions, by conducting virtual calls and meetings.

SGV is also dedicated to nurturing leaders, regardless of gender or background. Our long-running policy of diversity and inclusivity (D&I), and merit-based progression in the Firm, ensures equal opportunities for our people. In fact, SGV became a founding member of the Philippine Business Coalition for Women Empowerment in 2017. As proof of our commitment to D&I, SGV was EDGE Assess Certified in 2018, the first professional services firm in Southeast Asia to receive this distinction. The EDGE certification is an evidence-based process designed to help organizations address gender inequality in the workplace and has been adopted by over 170 organizations in 48 countries.

Furthermore, our steadfast commitment to life-long learning is strengthened through our various educational programs. We continuously support scholars through the SGV Foundation (SGVF), specifically, by helping build schools, refurbishing classrooms, donating textbooks and computers, and conducting capability-building training for teachers, among other things. Recently, we have adopted the *EY Ripples* program in our market, initiating meaningful programs such as one where our people volunteer for deployment to various schools in the country to teach students about financial literacy and entrepreneurship.

Our firm believes that by paying it forward, we are reinforcing our Company's future. We are confident that through our evolving services, digital systems and capacity-building programs, we can open more opportunities and build a better future for the next generation, as they will become the stewards who will continue our efforts in enabling businesses, empowering communities and uplifting the nation.

J. Carlitos G. Cruz

J. Carlitos G. Cruz
SGV Chairman and
Managing Partner

Wilson Tan

Wilson P. Tan
SGV Vice Chairman and
Deputy Managing Partner

FY 2019

Headquarters:
Makati

Locations:
Baguio, Cavite,
Bacolod, Cebu, Cagayan De Oro, Davao, General Santos

Our Service Offerings:

Service lines
Assurance, Tax, Advisory, Transaction Advisory Services

Markets served:
Advanced Manufacturing & Mobility, Banking & Capital Markets, Consumer Products, Financial Services, Government & Public Sector, Health Sciences & Wellness, Insurance, Mining & Metals, Oil & Gas, Power & Utilities, Private Equity, Real Estate, Hospitality & Construction, Technology Media and Entertainment Telecommunications (TMT), and Wealth & Asset Management

People

5,740
Total Number of People

48% | **52%**
Female Partnership | Male

67
Average number of training hours per employee

100%
Global Code of Conduct compliance rate

92%
Global People Survey response rate

91%
Respondents that are proud to work for SGV

Environment

41
tonnes of CO2e
Scope 1
Emissions from LPG use

2,009
tonnes of CO2e
Scope 2
Emissions from office electricity consumption

2,961
tonnes of CO2e
Scope 3
Emissions from business travel

Communities

PhP147.3M
Scholarship and institutional grants since 2014

2,000+
Number of scholars to date

12
Entrepreneur of the Year awardees since 2003

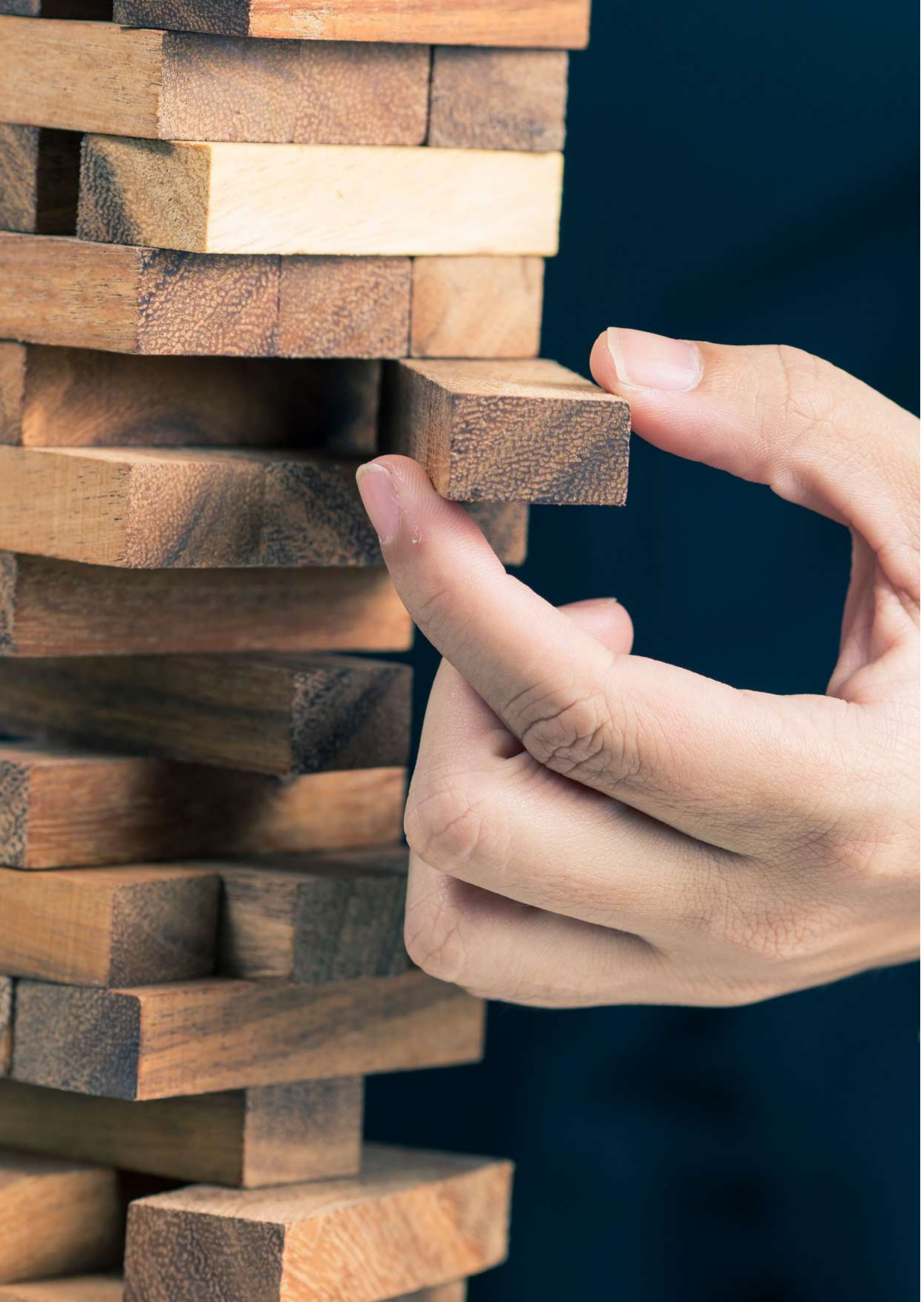
Clients

45%
Source: Top 1000 Corporations n the Philippines (Business World, 2018 ed.)

53
out of the top 100 corporations are audited by SGV

Awards

- Partner in Empowerment, Advocacy and Commitment to Excellence (PEACE)
Metrobank Foundation to the SGV Foundation
2014
- Ninth most attractive employer for business and commerce students in the Philippines.
Among top 100 for natural sciences and humanities/liberal arts/education students Universum Philippine Talent Survey, 2016
- Economic Dividends for Gender Equality (EDGE) Assess Certification, 2018



Our purpose

Building a better working world one small step at a time

For over 70 years, SGV has been the leading professional services firm in the country. This can be attributed to the Firm's long-standing values of integrity, excellence, meritocracy and commitment to lifelong learning. These values are deeply ingrained in our people and constitute the blueprint of SGV's reason for being — the Firm's purpose.

SGV's Purpose Journey is the collective ambition of a talented, dynamic, and team-based organization perfectly summarized in the statement: "In everything we do, we nurture leaders and enable businesses for a better Philippines."

SGV strives to help build a better Philippines that has people unafraid to take up positions of leadership and management; who live with integrity; who are engendered with the spirit of doing what is right, even when it is challenged.

Aligned with EY's purpose to build a better working world, SGV continues to provide quality services, develop outstanding individuals within the Firm; and uplift local communities through various initiatives.

Forces of disruption

In a rapidly globalizing world, we understand the great importance of global forces that shape the way we do business into a sustainable future where the world works better.

Primary forces

Primary forces are the root causes of disruption.

We identified these through a rootcause analysis, similar to Toyota's legendary "5 whys" process. We listed every disruptive trend we could identify and asked ourselves what was causing it. We then identified the causes behind those causative factors, and so on, until we could go no further.

At the end of this process, we found that the vast majority of disruption originates in some combination from four primary forces: technology, globalization, demographics and environment. These forces aren't themselves new; they have been around for centuries or millennia. But, they evolve in waves and each new wave is disruptive in different ways. For instance, while technological disruption goes back to at least the first Industrial Revolution, it has disrupted business in distinct waves; recent waves include mobile, social and sensors.

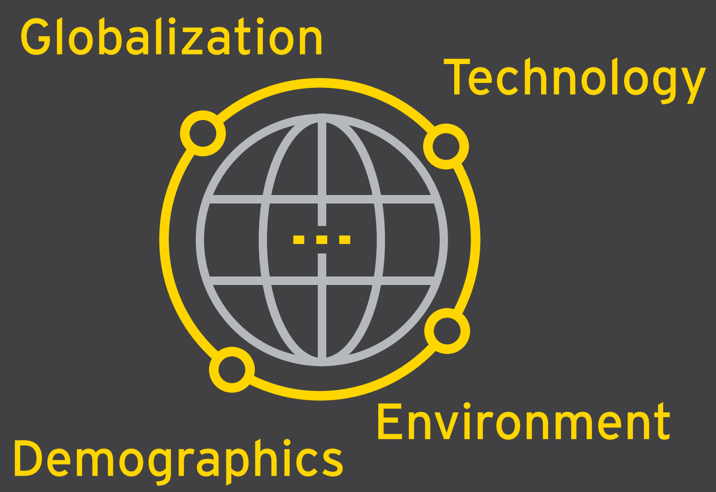
Technology. We have recently surpassed waves of the IT revolution that brought about breakthroughs such as the personal computer, smartphones, the internet and social media. In the age with constant technological advancements such as artificial intelligence, robotics and virtual reality, the next waves we are about to encounter are even more promising as revolutionary than ever before.

Globalization. Globalization has accelerated in recent decades due to trade liberalization and emerging market growth. These trends are considered disruptive to existing business models because they create new competitors, reorder supply chains and lower price points. The next waves of globalization which include the emergence of Africa and a more multipolar world, and will increase complexity and require business models to be flexible enough to respond to global shifts.

Demographics. Continuously-changing demographics also serve as a disruptive force. The increasingly high birth rates in countries with aging populations will completely transform everything, from healthcare to real estate. Millennials will soon dominate the workforce and reinvent the workplace.

Environment. As environmental risks continue to threaten our planet's future, industries and enterprises need to adapt a responsible business model that would address issues on climate change, resource scarcity, waste reduction and sustainable manufacturing. Our focus should shift from the traditional linear economy to a circular economy, wherein businesses are accountable for the environmental impacts of their operations and services.

A fast-changing world



Sustainable Development Goals

Launched by the United Nations (UN) in September 2015, the Sustainable Development Goals (SDGs) set out an ambitious agenda for improving societies and economies by 2030. With the planet facing considerable economic, social and environmental challenges, the goals outline the sustainable development priorities and provide a common language and structure for partnerships between civil society, the private sector and countries.

Multi-stakeholder negotiations crafted these 17 goals, which were built upon the momentum created by the Millennium Development Goals (MDGs) adopted in 2000. Significantly, sweeping targets were set encompassing every country, not just developing nations.

In acknowledging a crucial role for business in their achievement, they represent an explicit call to the private sector to use its unique position and ingenuity to facilitate the creation of a more prosperous, peaceful, and inclusive world.

We have heeded this call and have informed the way we work in order to contribute to achieving the SDGs in building a better working world.

Our business
SGV's long-term strategic objectives

Purpose
In everything we do, we nurture leaders and enable businesses for a better Philippines.

In SGV, we define *Purpose* as, "the aspirational reason for being that is grounded in humanity and inspires and calls to action."

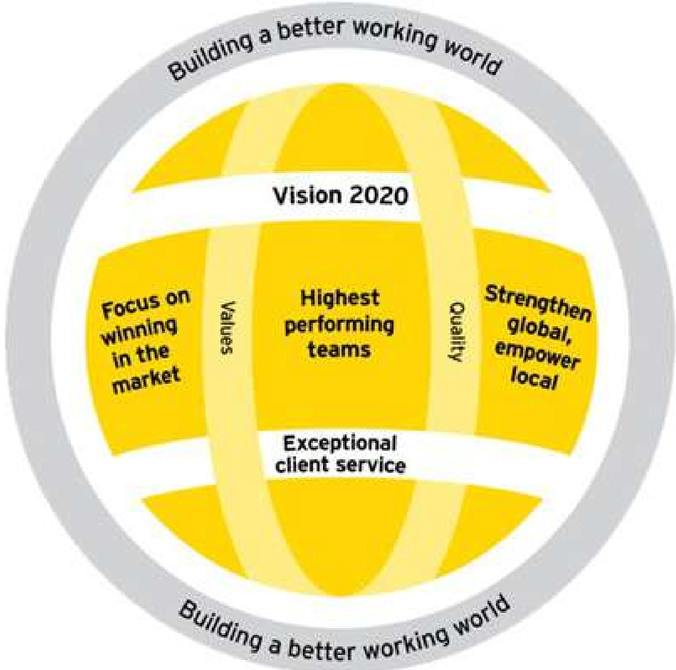
Our Purpose Journey
What we see:
A better Philippines where the economy prospers, and lives are uplifted.

To do our part:
We help build trust and actualize potentials.

Ambition
Our purpose defines why we exist as an organization, and our ambition sets out what we want to achieve. These two are intertwined: achieving our ambition helps us to fulfill our purpose, and purpose contextualizes ambition. Having purpose gives us energy. Being clear about our ambition helps turn that energy into results.

Strategy
Our strategy sets out how we will achieve our ambition and fulfill our purpose. It is built on three pillars:

1. Relentless focus on winning in the market
    - Deliver exceptional client service
    - Maximize opportunities in markets and services
2. Create the highest-performing teams
    - Attract, develop and inspire the best people
    - Commit to a culture of world-class learning
3. Strengthen global, empower local
    - Press our global advantage
    - Empower local teams by enabling their success

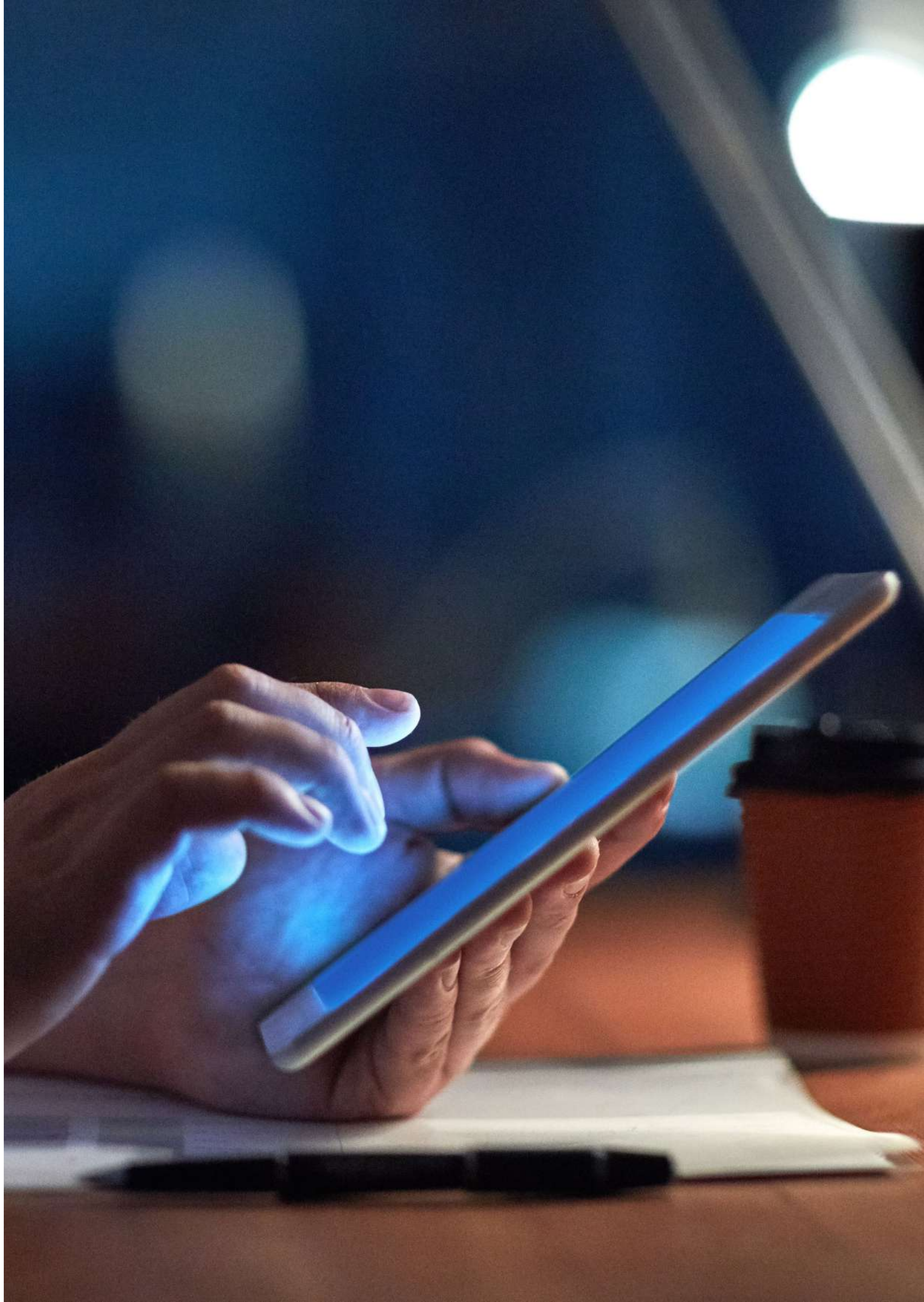


Positioning
Our point of competitive differentiation include our highest performing teams delivering exceptional client service worldwide.

Values
Who we are:

- People who demonstrate integrity, respect, and teaming
- People with energy, enthusiasm, and the courage to lead
- People who build relationships based on doing the right thing

Quality
We are committed to quality, which is embedded in who we are and in everything we do.



External initiatives

As a global organization, EY engages with a number of groups and initiatives at global, regional and local levels, including:

- *Audit Committee Leadership Network*
  EY is an active member of the Audit Committee Leadership Network in Europe and North America. This brings together audit committee chairs from the boards of more than 300 large public companies. The Network provides a key forum for business leaders to discuss critical market, regulatory and governance developments.

- *International Corporate Governance Network (ICGN)*
  EY is an active member of the ICGN. Member firms participate in a number of investor groups in different countries.

- *Financial Stability Board*, the *International Forum of Independent Audit Regulators* and the *Basel Committee on Banking Supervision*
  We engage with these stakeholders and others to promote transparency and trust around the world.

- *Global Audit Investor Dialogue*
  This global dialogue is an informal network of leading global institutional investors and major global auditing networks to exchange views on current financial reporting and auditing issues; EY is proud to be part of this dialogue.

- *International Integrated Reporting Council (IIRC)*
  EY is among a select group of organizations supporting IIRC by participating on the Board, the Council, and working groups.

- *Transparency International*
  EY participates and contributes tens of thousands of dollars to Transparency International's Global Corporations for Transparency International initiatives.

- *United Nations Global Compact (UNGC)*
  EY is a proud member of the UNGC. At a global level, EY annually communicates its progress on upholding the UNGC's 10 principles.

- *United Nations Women's Empowerment Principles (WEP)*
  EY is a signatory of UN WEP.

- *World Economic Forum Partnering Against Corruption Initiative (PACI)*
  EY is a signatory to PACI, the leading anti-corruption initiative in the world. EY's Global Chairman and CEO is a member of the PACI Board.

- *World Economic Forum (WEF)*
  EY has been a Strategic Partner of the WEF for over 15 years. Its involvement in the WEF enables EY to help shape future economic development and share its insights with the world's most influential business leaders, politicians, academics and the global media.

- *Philippine Business Coalition for Women Empowerment (PBCWE)*
  SGV has been a long-standing advocate of diversity and inclusiveness (D&I) in the workplace.

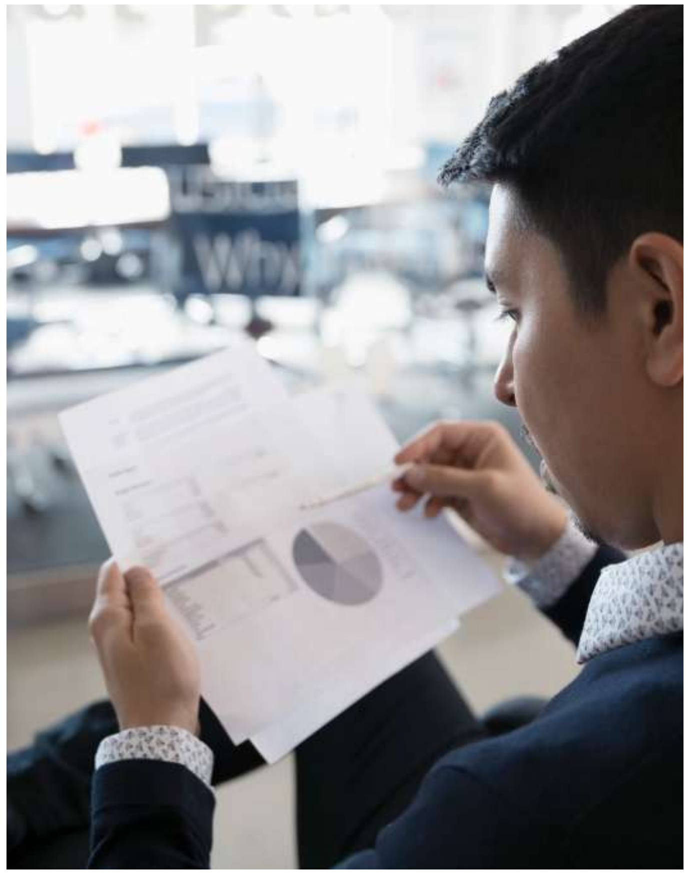
The Firm recognizes the strengths and skills of its people, regardless of gender, orientation, religion, age or background. We continuously strive to achieve a working environment wherein people feel valued.

Aligned with our efforts to institutionalize gender equality in the workplace, SGV, together with six other companies, founded The Philippine Business Coalition for Women Empowerment (PBCWE).

Member-companies of PBCWE are committed to: close the gender pay gap; progress women into leadership and management positions; improve female workplace participation and working conditions; develop leaders and managers who will drive the gender equality agenda in their operations.

The Coalition was launched in March 2017 through the Australian Department of Foreign Affairs and Trade (DFAT) funded Investing in Women (IW) program. In the Philippines, IW has partnered with the Philippine Women's Economic Network (PhilWEN) to create a business coalition to pursue Gender Equality (GE) in the workplace and Women's Economic Empowerment (WEE) nationwide.

Our approach to this year's report



Report boundaries
This report only covers SGV and does not include other EY member firms operating within the Philippines.

Environmental Boundary
SGV's carbon footprint is calculated according to the World Resources Institute/World Business Council for Sustainable Development's the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Direct and indirect emission sources are included in the scope of our carbon footprint report, which gathered and analyzed information from LPG use (Scope 1), office energy consumption (Scope 2) and business air travel (Scope 3).

Boundary limitations
For the purpose of carbon footprint calculation, employees from EY member firms outside SGV who were assigned to work on projects within the Philippines were excluded from the scope, as their location of origin was in a different region.

Determination of content and materiality
SGV developed this report in accordance with the Global Reporting Initiative (GRI) Standards - Core option. We have used a systematic approach to understanding the issues that our report should cover, as well as the measurements we use to document our performance against these issues.

Materiality
To inform the content of this report, we used the results from the global sustainability working group supplemented locally. Globally, to determine the materiality of sustainability-related issues, EY considered several sources, including:

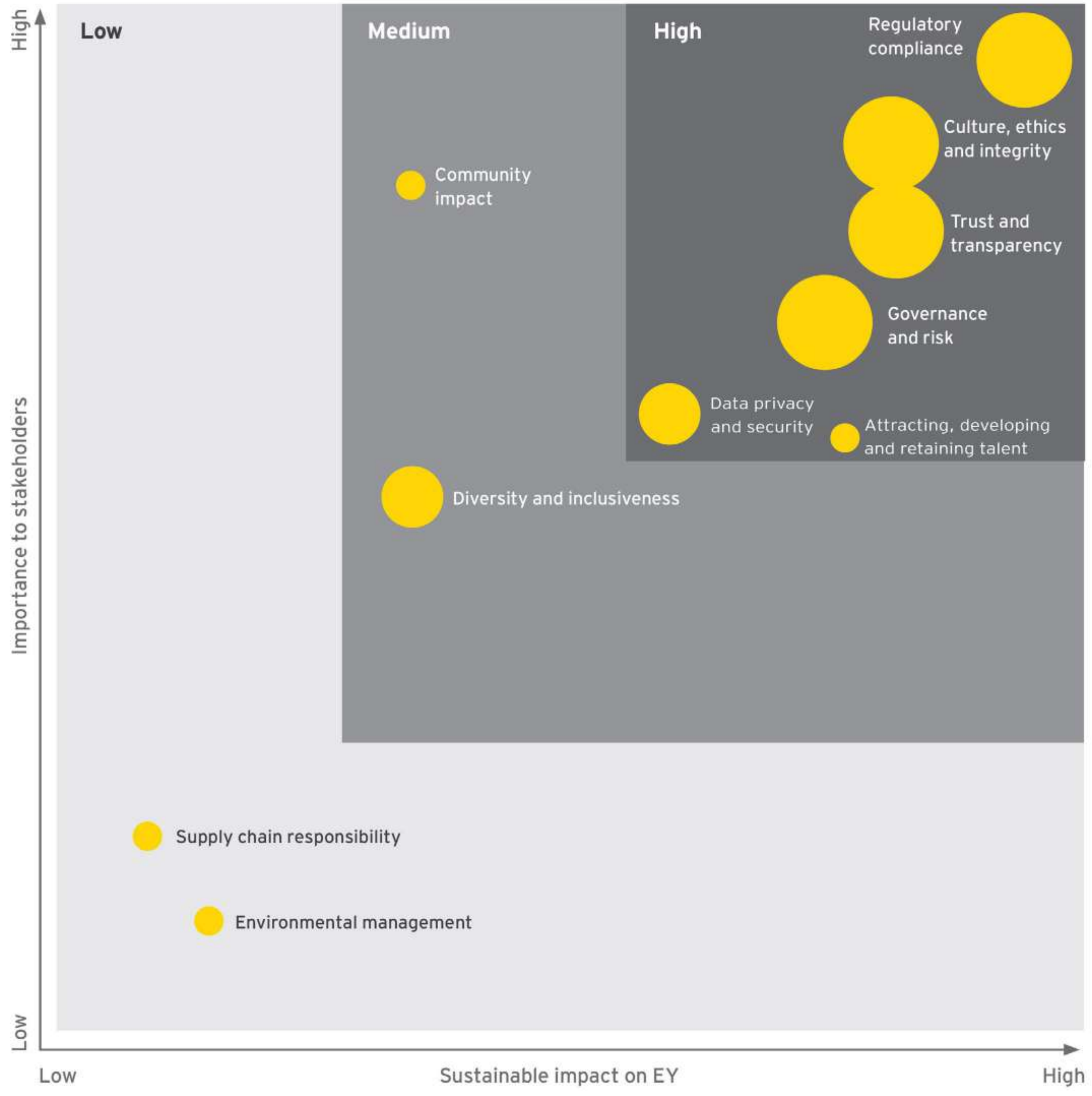
- EY's Vision 2020+ purpose to build a better working world and our strategy to deliver on our vision
- A selection of EY member firm-specific sustainability reports from previous years
- Competitor, global sustainability reports available in the public domain
- Working group research, analysis and observations
- Stakeholder survey results that span current and target clients; our people (from senior leaders to new recruits to alumni); and our communities (entrepreneurs, trade associations, stock exchanges and regulators, and nonprofits with which we collaborate within our communities).

At SGV, the Executive Leadership Team validated the material issues in the context of the Philippine setting.

The materiality chart below shows the selected issues according to their impacts and stakeholder importance.

Materiality matrix

What's important to you is important to us



At SGV, we recognize the importance of the UN Sustainable Development Goals (SDGs) in addressing global challenges. In our continued effort to contribute to the realization of the SDGs. We recognize our impact by informing our material topics with the SDGs. The following is a list of our material topics, their priority and which SDGs they contribute to.

Material Issue	Priority	SDGs
Regulatory compliance *Compliance to local and national legislation, including both mandatory compliance to law and adherence to independent industry bodies, standards or networks.*	High	16 Peace, Justice and Strong Institutions
Culture, ethics and integrity *Ensuring business practices are honest and transparent, as well as being in line with ethical market practices and industry expectations.*	High	5 Gender Equality; 8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions
Trust and transparency *Open and readily-available information on business model, history, strategy, performance, targets and operations to stakeholders.*	High	8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions
Governance and risk *Robust corporate governance and compliance structures, ensuring legislative and regulatory compliance while maintaining and enforcing a clear management strategy to control and minimize risks.*	High	16 Peace, Justice and Strong Institutions
Data privacy and security *Robust corporate policies on data handling, retention and privacy and maintaining secure data management systems in compliance to regulation.*	High	16 Peace, Justice and Strong Institutions
Attracting, developing and retaining talent *Commitment to attracting, developing and retaining talent by providing opportunities for growth and learning with competitive benefits and work arrangements.*	High	3 Good Health and Well-Being; 4 Quality Education; 5 Gender Equality; 8 Decent Work and Economic Growth
Community impact *Direct and indirect impacts of our business to the communities that we operate in.*	Medium	8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions
Diversity and inclusiveness *Advancing gender equality and diversity, recognizing that differences create value, and ensuring equal opportunities are available for everyone.*	Medium	5 Gender Equality; 8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions
Supply chain responsibility *Robust corporate policies on supplier due diligence, responsibility and their compliance to requirements addressing environmental and human rights risks.*	Low	8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions; 12 Responsible Consumption and Production
Environmental management *Management of direct environmental impacts resulting from business operations, including compliance to legislative and regulatory requirements.*	Low	3 Good Health and Well-Being; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth; 12 Responsible Consumption and Production; 13 Climate Action

Our approach to this year's report

Stakeholders and mechanisms of engagement

Reflecting EY's global ambition to strengthen globally but empower member firms locally, to embolden stakeholder relationships everywhere, and to become the most favored employer in the professional services industry, we recognize the great importance of engaging and listening to our stakeholders—our clients, people and communities. We learn and understand what is important to them, how they see us now and how they would like to see us in the future.

By engaging our stakeholders, we are able to gain valuable insight that enables us to identify our material issues, including risks and opportunities, as well as the way we handle these risks and improve our performance. This table shows how we engage with our stakeholders and how they influence our decision-making process.

Stakeholder Group	Key Topic/Concerns	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Our Clients	Customer satisfaction, Compliance with laws and regulations regarding SGV services, Governance practices and professional values, Activities and actions related to customer privacy	1. Client Meetings and teleconferences 2. Corporate Facebook Account 3. Assessment of Service Quality 4. Web-site 5. Conferences/ seminars 6. Newsletters 7. Thought Leadership events and publications (Doing Business in the Philippines, Tax bulletin, BusinessWorld Suits the C-Suite column)	1. Continuous communication via emails, telephone and social media and periodic meetings with clients at key project milestones 2. Regular content updates for Facebook 3. Throughout the year 4. Daily content updates on ey.com and www.sgv.ph 5. Throughout the year 6. Newsletters sent out to our clients. 7. Briefings, workshops and trainings are held on a regular basis. Publications are shared throughout the year (various intervals).	1. SGV's clients are our primary focus on our activities. SGV meets with clients on a continuous basis as well as at key project milestone events of engagements and on an ad hoc basis as needed within the context of our Exceptional Client Service approach. 2. We share Thought Leaderships, reports and SGV/EY news on social media accounts. We also answer the questions arising from social media as required. 3. To create a consistent client experience and meet client expectations, we follow a program called "ASQ" (Assessment of Service Quality). Within this program, the SGV ASQ team plans interviews with the clients nominated by Partners in order to understand clients' expectations (ESQ-Expectations of Service Quality) and measure how account teams meet client expectations (ASQ). 4. We update our website with Global/Local content. We also receive sign up requests for our newsletters. 5. Trainings and meetings keep our clients updated regarding legislation changes and make them develop a proactive approach. 6. Monthly newsletters are sent out to our clients. 7. Our Thought Leadership trainings provide an avenue for learning and discourse among our stakeholders. Our publications provide new perspectives, insights and commentary on critical business issues.

Stakeholder Group	Key Topic/Concerns	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Our People	Human rights in the SGV workforce, Customer satisfaction, Professional development	1. LEAD is EY's system for formally engaging with EY employees regarding their performance. LEAD supports employees to set and manage their performance and development activities, and share feedback. 2. Multi-Source Feedback 3. Global People Pulse Survey 4. Better Begins with You 5. Market Group Townhalls 6. SGV Anniversary 7. SGV Purpose Cluster Cascade 8. HR Alerts	1. Throughout the fiscal year 2. Once a year throughout 4-6 weeks 3. Once a year throughout 4 weeks 4. Once a year over a 4 week period 5. At least twice a year 6. Once a year 7. Once in FY19 8. Daily	1. Our employees are the most prized assets of our firm. SGV is a leading employer in the Philippines to provide training, support and equal opportunities to all its employees. This system helps our people to proactively manage their performance and development goals. 2. Multi-Source Feedback (MSF) helps our people and their career by providing insights on how their behavior impact others, identify gaps in perceptions and highlight hidden strengths. From senior level, all employees are eligible to receive and deliver feedback from their peers, direct reports and supervisor. The results are shared with people and their counselor's. 3. This year's 'pulse' survey provided us with an interim progress check on engagement and the implementation of our strategy for Vision 2020. It helped us to assess the effectiveness of actions taken as a result of the previous survey. The results demonstrate employee satisfaction of our people and help us to understand that we are maximizing the value of the SGV experience by giving people coaching to improve their performance or have helped sustain an open climate that encourages new ideas and diverse thinking. 4. As we march towards 2020, we're asking for new and different actions from our people to take it forward. The momentum required to drive this change and ensure that our people are with us requires a 'future-proof' recognition program. A program that places our purpose at the heart of everything we do – retaining the spirit of our values while evolving with the direction of the business and the key trends impacting our working world. We're calling this Better Begins with You. It's a global award program that challenges our people to consider all the facets of our purpose, including our values, and nominate those people and teams that embody Building a Better Working World in their everyday actions. 5. The aim of this meeting is to share each Market Group's (MG's) strategy and results to the people in each (MG), as well as to provide an avenue for the staff to communicate directly with their executives. 6. To celebrate as a firm the achievements of the past fiscal year, and recognize outstanding achievements made by our people 7. The aim of the cascade is to disseminate to each staff how the SGV purpose impacts them and aligns with their goals and objectives while within the firm 8. To provide information or remind everyone of key initiatives currently ongoing, benefits everyone can avail of, etc.
Our Alumni	Avenues to reconnect with former colleagues	1. For all Alumni - Alumni Event 2. For Alumni Partners - Executive Briefings 3. For Alumni Partners - Legacy Night and Christmas Party	1. Once a year 2. Twice a year 3. Legacy Night - June Partners' Christmas Party - December	1. This event helps us to reconnect with our former colleagues and build new relationships. It also aims the deepening of client relationships by leveraging our knowledge of the organizations and by fostering a sense of community. 2. The briefing is a platform for the firm to provide awareness on current pressing issues faced by the business community and how we can help address these issues. 3. The events aim to deepen our relationship with our Alumni Partners.
Regulatory Bodies/ Public Institutions	Compliance with laws and regulations regarding SGV services, Governance practices and professional values	Meetings, forums, conferences, periodic audits, one-on-one meetings	Varies depending on the type of engagement	SGV takes the utmost care to comply with all laws and regulations that impact our business.
Our Communities	Generating value to our communities through our community investments	Philanthropy events, engagement activities, workshops	Varies depending on the type of engagement	Through the SGV Foundation, we establish dialogue with local communities to understand the needs and concerns of local stakeholders on a regular basis.
Our Suppliers	Ability to dialogue, Activities and actions related to data privacy, Governance,Initiatives to enable efficiency in use of resources	Daily business cycle ‣ Meetings ‣ E-mail communication	Continuous throughout the general course of business (e.g. by email) and meetings, as required	EY's Global Agreement Policy is applicable to all member firms and includes requirements for evaluating the impact of suppliers as well as a separate Code of Conduct for suppliers including a wide range of topics such as environmental risk management, compliance with human rights and zero tolerance to any types of corruption, extortion, bribery or embezzlement.

Our people

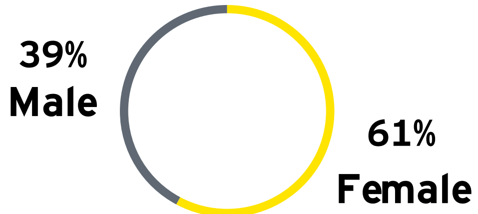
Human capital

Employee value proposition

Our teams consist of top-caliber professionals who demonstrate integrity, respect, and teaming. Since its founding, SGV has always been committed to attracting and retaining the country's best and brightest talents.

Recruitment and job creation

At the end of FY19, SGV had hired 2,282 new employees. Of that total, 2,193 (96.1%) belong to the below-30 age group. Our constant pursuit of hiring outstanding young professionals, reflects the Firm's goal of achieving sustainable growth.



Total new hires at year-end: 2,282

These people share SGV's vision, and further reinforce our Firm's values and culture.

This is what sets SGV apart from our competitors and helps us in continuously attracting the best talent. Through this, we are constantly able to acquire people who embody our key values and culture and enable us to continuously provide our services that help us stay on top as the market leader.

We understand the importance of our employees to the Firm as well, and thus make a constant effort to consistently provide them with incentives, benefits and developmental opportunities.

Values and culture

As a member firm of EY Global, SGV supports and affirms EY's purpose-driven culture that encompasses SGV's culture of excellence and integrity.

- *Inclusiveness*
  The Firm continues to foster a culture of inclusivity, where individuals and teams are valued. We respect the voices and ideas of all our people, regardless of their background.

- *Development*
  SGV is a catalyst for growth. We provide our people with opportunities to hone their skillset and expand their mindset. Our commitment to life-long learning is evident in the various workshops, trainings, and scholarships we offer.

- *Engagement*
  We engage with our people by understanding their needs and aspirations. We want them to constantly feel motivated and fulfilled by the work that they do.

  In SGV, we believe that our ultimate legacy will be the quality of the people we produce. We continue to provide everyone with equal opportunities, regardless of their background, and we expose them to various training and mentoring programs, that will align their goals with our vision. We believe that when our people work with a clear Purpose, we can achieve our collective goal of uplifting communities, enabling businesses and building a better Philippines.

The SGV badge

Every SGV employee earns a globally-renowned reputation for integrity and diligence that cannot be easily matched elsewhere.

SGV people breakdown by gender, age, and rank

	FEMALE	MALE	TOTAL
SGV	3,466	2,274	5,740
Executive Committee	6	8	14
Partners, Principals	55	60	115
Senior Directors, Executive Directors	81	62	143
Directors, CBS Directors, Associate Directors, CBS Managers, CBS Executives	236	179	415
Senior Associates, CBS Supervisors	907	634	1,541
Associates	2,090	1,339	3,429
Executive Secretaries, Secretaries	97	0	97

Gender Diversity Ratio

	FEMALE	MALE
SGV	60%	40%
Executive Committee	43%	57%
Partners, Principals	48%	52%
Senior Directors, Executive Directors	57%	43%
Directors, CBS Directors, Associate Directors, CBS Managers, CBS Executives	57%	43%
Senior Associates, CBS Supervisors	59%	41%
Associates	61%	39%
Executive Secretaries, Secretaries	100%	0%

Age groups by rank

Partners, Principals

Under 30	0%
30 - 50	79%
Over 50	21%

Senior Directors and Executive Directors

Under 30	3%
30 - 50	94%
Over 50	3%

26
Overall average age of SGVeans (with Partners)

45
Overall average age of SGV Partners

Directors, CBS Directors, Associate Directors, CBS Managers, CBS Executives

Under 30	57%
30 - 50	38%
Over 50	5%

Senior Associates, CBS Supervisors

Under 30	94%
30 - 50	5%
Over 50	1%

Associates, CBS Staff

Under 30	99%
30 - 50	1%
Over 50	0%

Executive Secretaries/Secretaries

Under 30	46%
30 - 50	46%
Over 50	8%

Advancing Women

Erlinda T. Villanueva

The first woman to be admitted into the partnership was Erlinda Villanueva in 1961. She was also one of the founding trustees of the SGV Foundation, which she served from 1966 to 2010.

Her biographer writes, "From day one at SGV, Linda noticed that SGV was a company that had no gender bias. In fact, 'it provided equal opportunities for its professional staff – male and female, to reach the top – which was partnership.'... During those times, that a woman should be given recognition as partner in an accounting firm such as SGV was eyebrow-raising, so to speak. And SGV was then regarded as breaking the ceiling, or having a forward-looking philosophy."

Commitment to diversity and inclusiveness

Since its inception, SGV had a long-running policy on diversity and inclusiveness (D&I). The Firm celebrates the competencies and abilities of its people, regardless of gender, orientation, religion, age or background. At SGV, we understand the importance of cultivating D&I in the workplace and thus continuously strive to foster a working environment wherein everyone can feel welcomed and valued. The celebrated culture of D&I at the Firm allows every employee to perform at their best at all times.

SGV was one of the first companies in the Philippines to have a female partner in 1961, and a female Chair and Managing Partner in 1992.

SGV is also a founding member of the Philippine Business Coalition for Women Empowerment (PBCWE). The PBCWE aims to lead business sector efforts to institutionalize gender equality in the workplace.

In celebration of International Women's Day 2019, SGV staff participated in the #PressforProgress social media campaign. At the same time, the Firm sponsored a Women's Empowerment Personality Development Workshop.

SGV also supports and participates in EY's D&I initiatives, such as the Entrepreneurial Winning Women program. In 2013, the SGV Foundation and the Women's Business Council Philippines, Inc. published a book titled *Aspirations & Inspirations*, which featured the profiles of all the women winners and finalists recognized by the Entrepreneur Of The Year Philippines program since from 2003 to 2012.

Investment in learning and development

Monitoring and strengthening performance

LEAD, our new, forward-looking approach to people's career, development and performance sees an enhanced focus on continuous feedback resulting in better conversations built around 90-day cycles. Feedback is aggregated and used as an input to compensation and reward programs.

LEAD is designed to support the growth and development of our people at all stages of their career at EY. An individual's personal dashboard provides an easy to interpret snap-shot of their performance against the Leadership at EY dimensions, and assess performance against peers.

LEAD retains components that were also included in our previous Performance Management and Development Process approach. Those were providing our people with clear work expectations and the opportunity to self-assess their performance. During the course of the year, every professional, in conjunction with their counselor, identifies opportunities for further development.

Professional development

The EY career development framework, EYU, provides our people with opportunities for the right experiences, learning and coaching to help them grow and achieve their potential. The learning component of EYU is based on an extensive and globally consistent learning curriculum that helps all EY people develop the right technical and personal leadership skills, wherever they are located around the world.

The EY audit core curriculum, The Audit Academy, combines interactive classroom-based simulations and "on-demand" e-learning modules with relevant reinforcement and application support. This high impact and award-winning learning is supplemented by learning programs that are developed in response to changes in accounting and reporting standards, independence and professional standards, and emerging practice issues.

Where an EYG member firm audits and reviews International Financial Reporting Standards (IFRS) financial statements, relevant team members undertake learning to become IFRS-accredited.

At SGV, we are committed to nurturing our people by providing various avenues for training and development. In today's fast-paced environment, the most accessible method is through virtual learning, whether developed internally or through external providers such as SkillSoft, Udemy for Business, or GlobeSmart.

We have also introduced the *EY Badges* program to encourage our people to further improve their skills and to learn how to be more adaptable to the rapidly-changing business landscape.

On the average, our people spent around 67 hours in FY19 to learn new knowledge or enhance their skills either through classroom-learning or by taking online courses, which is significantly higher than the yearly minimum we require our people of 20 hours of continuing professional development each year, and more than half already of the 120 hours over a three-year period. This clearly shows that our number one investment is in our people.

In addition to formal learning, professional development occurs through coaching and experiences our professionals receive on-the-job. Coaching helps to transform knowledge and experience into practices.

Experienced professionals are expected to coach and develop less-experienced personnel to create a continual learning environment. We also manage the assignment of our people to particular engagements in a systematic way that helps provide them exposure to a range of experiences as part of their own development.

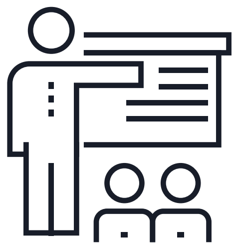
Strong leadership programs

Global NextGen (GNG) is a 17-month partner pipeline program. It is intended to drive a more consistent, global approach to accelerating the leadership and go-to-market capabilities of our senior managers. It's preparing them to excel and thrive in demanding, multi-faceted leadership roles by being more connected, inspired and market-focused. Through this program we are committed to providing world-class learning opportunities. Upon graduating from GNG, they will be better prepared to:

- Expand market opportunities by broadening their knowledge of EY solutions, developing a global mindset and focusing on innovation
- Demonstrate resilience through self-awareness, focusing on their well-being, agility and personal presence
- Accelerate readiness for partner by establishing and enhancing their personal brand, and networking with peers and senior leadership
- Inspire the highest performance in their teams by building trust and developing approaches to ensure accountability

GNG incorporates learning opportunities from multiple sources and provides a rich developmental mix of practice, reflection, coaching, feedback, physical and virtual learning, and networking.

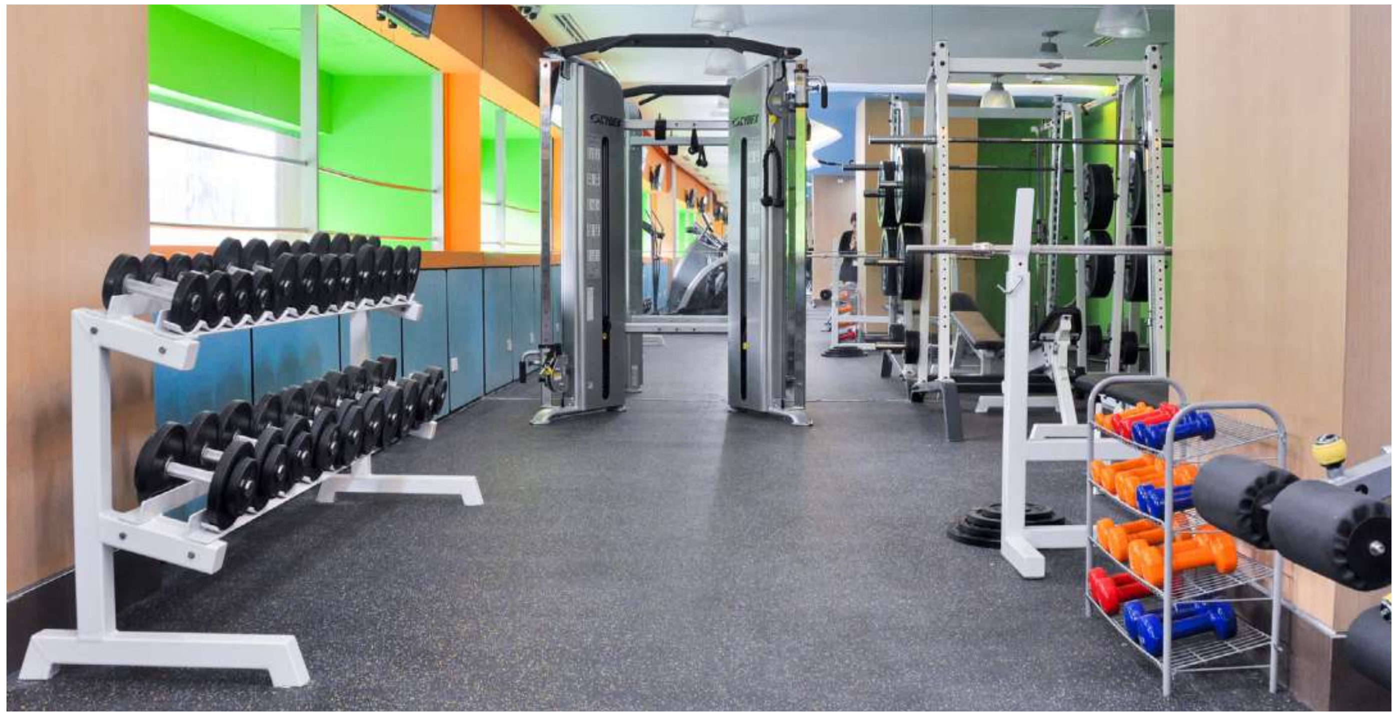
The primary focus, however, is on experiential learning through active involvement in stretch experiences. The program is based on the belief that the most powerful and meaningful learning takes place on the job, through key client and non-client assignments that push them out of their comfort zone and help them gain the experiences and credentials necessary to be a successful partner. This approach is aligned with our global philosophy of enabling them to focus on their personal aspirations and career development.



67
Average training hours in FY19

386,749
Total training hours for FY19

173,411
Total online training hours for FY19



Promotion of wellbeing and positive work-life balance

Promoting a healthy lifestyle
We at SGV do our part to ensure the proper health and well-being of all our employees. Our clinic is equipped with the medication and devices needed for first-aid. It is dedicated to address the health concerns of our staff. Our people are also entitled to a bi-annual Executive Check-up that is sponsored by the Firm. Additionally, we promote a healthy and active lifestyle by providing a gym located in our main office that can be used by SGV staff during their free time.

Ensuring the safety of our employees
SGV meets the EY standards of security, risk management and cybersecurity. We employ a topnotch security team at our offices to ensure the safety of our employees. The Firm also has in place an emergency notification system. We also have various trainings and initiatives for disaster and risk management, as well as regular fire and earthquake drills across all of our buildings in Makati. Additionally, SGV ensures that its employees understand and comply with the EY policies on cybersecurity.

SGV is also developing and refining its business continuity plan to ensure readiness for any unforeseen eventualities.

Provision of leading compensation and benefits

We at SGV are consistently able to attract the country's top young professionals to work for the Firm, and one of the keys to this success is the several benefits our Firm provides to our employees. We retain our employees by making sure that they receive fair compensation and various competitive benefits.

Insurance and Health
We provide our employees with insurance coverage as well as medical allowances and advances. We also have partnerships with the country's leading healthcare providers. Our employees are also entitled to regular dental checkups and a bi-annual executive checkup and consultation.

Leave Entitlement
As part of our efforts to promote good work-life balance for our employees, we provide them with leave entitlements that they earn over time. Our employees are entitled to Vacation, Bereavement, Sick and Prolonged Sick leaves.

In accordance with the law, the Firm also provides, Expanded Maternity leave of 105 days, Paternity leave, and Solo parent leave for qualified individuals.

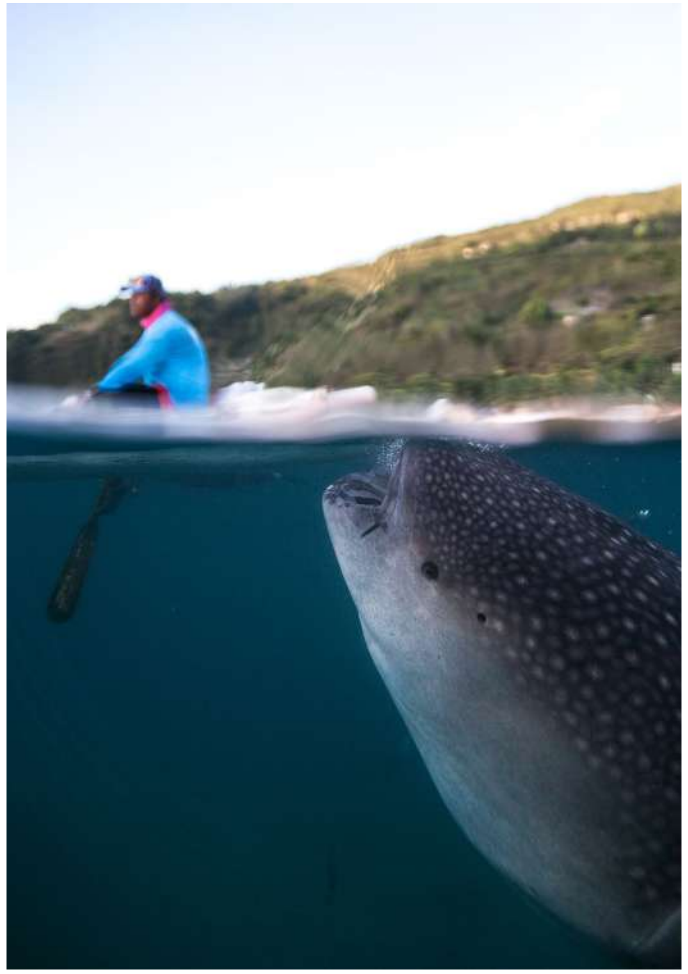
Female employees may also avail the Special leave for women.

Bonuses, Financial Assistance and Loan Facilities
Our employees are entitled to several bonuses, such as the mandatory Mid-Year and Christmas Bonus. Our employees are also entitled to a Discretionary Bonus and a Health Bonus. We also provide our financial assistance to our employees through our Death Contribution and Fire and Calamity Contribution Plans. In addition, our employees are given the option to give a monthly contribution to the SGV Staff Provident Fund and the Certified Savings and Loans Association (CSLA), wherein they can also apply for their personal loans. We also have a car financing plan available to our Senior Directors and Partners.

Subsidies, Social and Recreational Activities
To promote the overall well-being of our employees, we also provide subsidies for team activities. We also hold social and recreational activities such as sporting events, celebratory cocktails and testimonials for successful CPA candidates and Bar passers, and the annual SGV Staff Anniversary Party. Every employee is also entitled to a Summer Outing subsidy each year.

Reimbursable Expenses
Our professional employees are also entitled to reimbursement for several fees in relation to their various certifications and accreditations.

Other Benefits
We also provide our employees with additional benefits such as Wedding Gifts, Christmas Gift Certificates, a One-time Clothing Allowance (for new hires), Loyalty Awards, and a Retirement Plan.



Mobility

A number of SGV personnel each year undertake international assignments or transfers to fill business needs in other EY offices and for career development.

FY19	5%			95%			Grand Total
	Return Transfer Program			Short-Term Assignment			
	F	M	Total	F	M	Total	
APAC - GC	-	1	1	8	-	8	9
APAC - Oceania	-	-	-	10	5	15	15
APAC - ASEAN	2	-	2	33	12	45	47
EMEIA	-	2	2	18	10	28	30
Japan	-	-	-	3	2	5	5
Africa	-	-	-	-	3	3	3
Grand Total	**2**	**3**	**5**	**72**	**32**	**104**	**109**

F	M
74	35
68%	32%

Listening to our people and recognizing their achievements

The system of meritocracy has been enshrined in SGV's history and culture from the very beginning. With this in mind, we believe that one of the best ways of showing it to our people is by acknowledging and rewarding their outstanding work. Not only does this inspire our people to work harder but it also sets a standard of excellence in service that all of our employees can aspire for.

The SyCip and Special Awards are announced and presented to the individuals and teams who have demonstrated outstanding performance in the past fiscal year. The SyCip Award is considered as SGV's highest form of recognition and is awarded to employees who have made a difference and a positive impact on their work and the people around them by embodying the Firm's core values of hard work, excellence and integrity. The special awards are given to individuals or teams who have demonstrated exceptional performance, excellence and integrity in the previous fiscal year. Loyalty Awards are also given to employees who have rendered decades of service to the Firm.

SyCip and Special Awardees are announced during SGV's annual Staff Anniversary Party, where they are presented to the entirety of the Firm in recognition and appreciation for their excellence and service.

Better begins with you

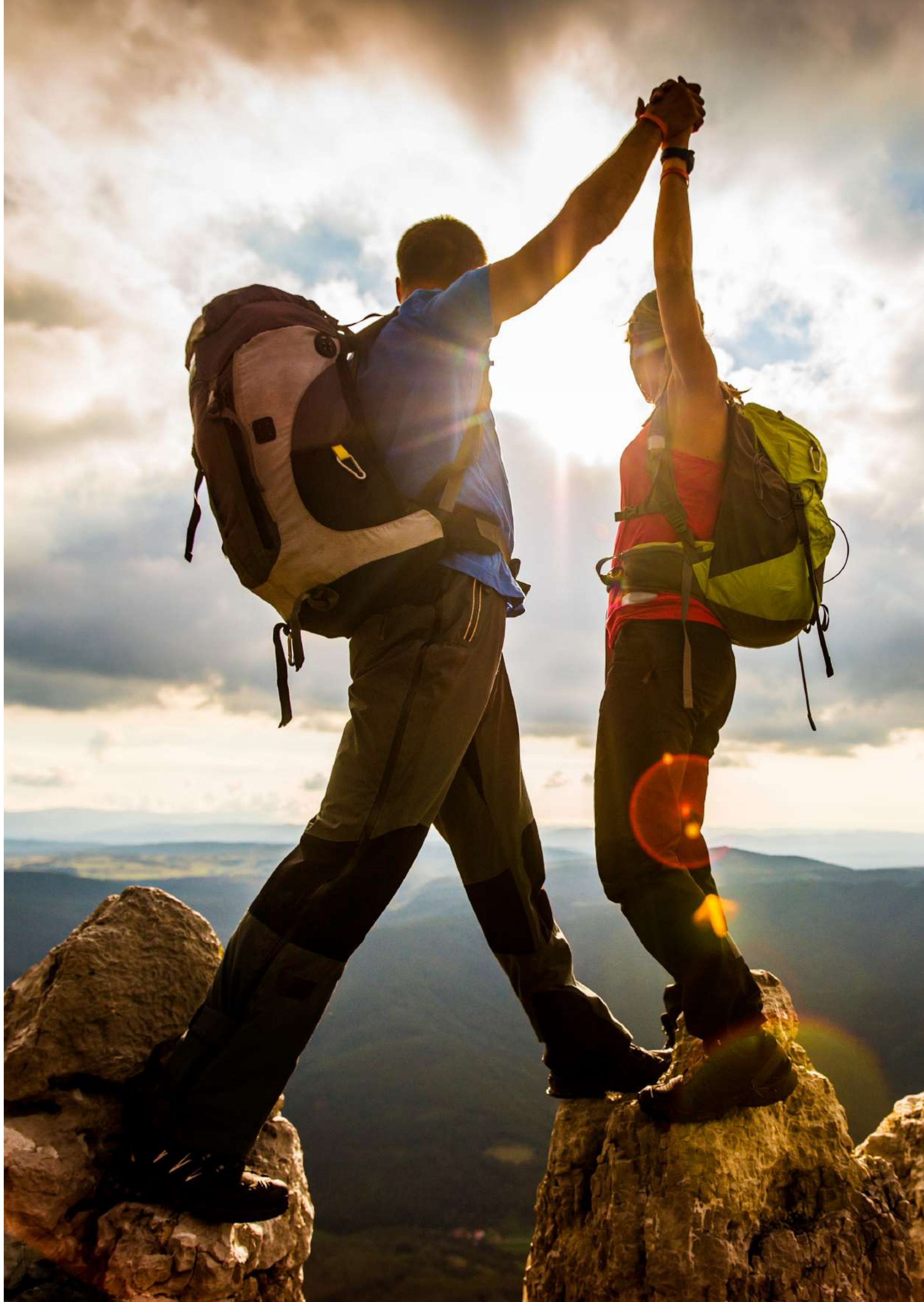
In 2015, EY launched Better begins with you (BBWY), a global award program implemented in 28 regions. It recognizes exemplary members of SGV that embody our Purpose and values in everything they do.

During each BBWY cycle, we encourage our people to nominate individuals and teams who deliver exceptional client service, develop outstanding leaders and teams, strengthen communities, and pursue innovation without fail.

***SGV Better begins with you* finalists and winners:**

- 2018 – Maricris See was named as the BBWY Regional winner, for her commitment to excellent client service and inclusive leadership abilities.
- 2016 - Aileen Uy was one of three global finalists for the Developing exceptional leaders and teams category. She was the only finalist from the Asia-Pacific region.
- 2015:
  Paulo Lastimosa as the ASEAN regional winner for the Developing outstanding leaders and team category.

  Procter & Gamble (P&G) team, composed of Winnie Chan, Kaye Macaisa and Chin Say-Mendoza, were named as the global winner under the Driving exceptional client service category.



Our Operations

Managing our carbon footprint

Environmental stewardship is at the core of our commitment to building a better working world. By starting with the little things in the workplace like taking the stairs instead of the lift one floor up or down, or turning off the lights when enough natural light is available, we are able to foster a culture of responsible resource use, sustainable practices and genuine care for the environment.

Practices to encourage recycling and reduce waste

Saving paper
SGV has taken proactive steps to reduce the use of paper by implementing the digitization of employee communication for statutory announcements, pay slips, and tax information, among others.

For reimbursement of mobile and telephone bills, we only accept electronic copies which are sent through our online database.

Greetings for employees, clients and well-wishers are also electronically transmitted.

On the other hand, used paper at our offices are shredded for collection and recycling.

Emerging practices
Different groups in the firm have their own initiatives that foster awareness and active participation towards waste reduction and resource conservation.

An example is the Quality and Innovation Circle, a program within the Advisory service line, which seeks to gather innovation projects among all Advisory resources. The program features a criteria on contribution to sustainability and sustainable development as well as an award for SDG excellence.

We are currently working on ways to incorporate them into a firm-wide plan of action that involves everyone.

Initiatives to reduce travel, promote greener travel options and manage energy consumption

Carbon footprint
The Firm has created sustainable measures to help conserve our natural resources, and this includes reducing our carbon footprint.

Efficiency efforts
As part of our commitment to saving the environment, our nationwide offices annually participate in the global Earth day celebration.

To reduce the electricity consumption, we have replaced all our incandescent and fluorescent lighting with LED lighting in our offices.

Carbon Footprint

	Scope 1: Emission from LPG use	Scope 2: Office electricity consumption	Scope 3: Business travel (air travel)	Total emissions
Emissions				
Tonnes of CO2e (FY19)	41	2,009	2,961	5,011

Energy consumption

Fuel consumption from non-renewable sources	FY19 (GJ)
LPG	715
Electricity	11,863
Total energy	12,578

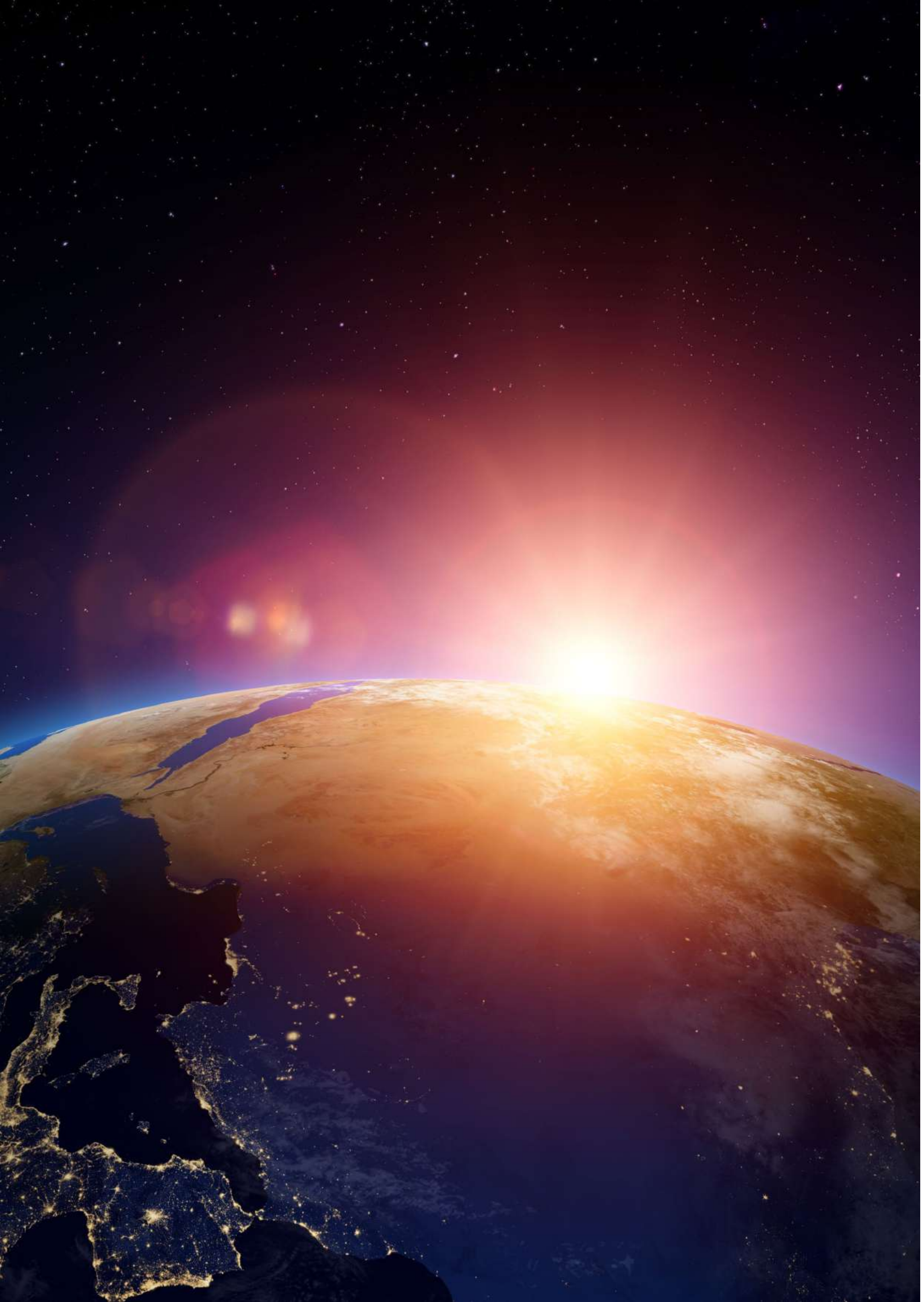
Business travel
Travel comprises a huge part of SGV's environmental impact, and it is one of the most difficult issues to address since it plays an essential role in the delivery of our services to our clients.

We are taking substantial actions to reduce the carbon footprint emissions of our business travels, as well as greatly increasing our efficiency in terms of fuel consumption.

SGV is working to reduce its carbon footprint and mitigate the global impacts of climate change by embedding sustainable and environmental initiatives into our operations. Some of the initiatives we have implemented are the following:

- The use of virtual meeting technology instead of travel, when possible, such as the use of Telepresence, video conferencing, Skype for Business
- Staffing engagements with local resources (i.e., client in Cebu to be staffed by Cebu resources)
- Conducting training at the different branch locations to minimize travel of participants

Aside from the ecological benefits of these practices, such as reduced emissions, these initiatives also lessen the travel costs both for the client and the Firm.



Our Operations

Supply chain management

Our supply chain is a key component of our operations. Working with the best suppliers is essential in our delivery of exceptional client service. We have a number of policies in place that ensure excellence at all times.

Global Agreement Policy
The EY Global Agreement Policy applies to all EY member firms, including SGV. The Firm must comply with independence rules and the rules of doing business in a responsible way, as well as evaluate the impact of procurement decisions and encourage suppliers to support EY's sustainability initiatives.

The policy also includes an EY Global Supplier Code of Conduct which include sections on environmental risk management, compliance with human rights, equal opportunities policy, occupational health and safety, and ethics, which we discuss with major suppliers/service providers.

Environmental risk management
Our suppliers must have effective environmental policies in place. Their policies must focus on mitigating environmental risks, minimizing consumption of renewable and non-renewable resources where possible, reducing waste, maximizing recycling efforts, and considering environmental credentials of vendors within their own supply chains.

Compliance with human rights
We expect our suppliers and their contractors to abide by human rights legislations and regulations in their respective countries. We expect them to respect their employees' rights and provide them with proper wages, benefits and working conditions. Any illegal practices such as child labor or exploitation of vulnerable groups are completely unacceptable.

Equal opportunities
Our decisions relating to sourcing, contracts, and supplier relationship management reflect the principles of the Firm's D&I policy. Our suppliers must have intact policies that protect against victimization, harassment or discrimination of any kind toward any employee or party to the contract. They must also meet the requirements of any applicable discrimination legislations.

Occupational health and safety
Our suppliers must comply with all health and safety-related laws and regulations applicable to the workplace wherein their employees operate.

Ethics
We expect that our suppliers act with the highest standards of integrity in all our business dealings. All forms of corruption such as extortion, bribery and embezzlement are strictly prohibited. In the event of any offense, we shall take immediate action and terminate our contract, as well as seek legal recourse.

Our clients and our profession

Quality and Ethics

As a member firm of EY Global, we at SGV believe that we play a vital role in promoting investor confidence in financial reporting and the world's capital markets. We understand its importance and commit ourselves to providing high-quality professional services to our clients. We also recognize that our most important asset is our reputation. EY's shared approach, globally-consistent policies and practices, independence processes and Code of conduct strengthen SGV's ability to set the bar for service quality.

Setting the bar

Our senior leadership demonstrate the highest standard of ethics and professional responsibility by delivering important and powerful messages.

SGV's approach to ethics and integrity is ingrained in our internal communication and training programs. Senior management regularly reiterates these expectations through varied communications, as well as the importance of high-quality performance and compliance with professional standards and internal policies. Also, as a key metric for evaluation and rewarding, we assess the quality of professional service.

In our culture wherein we strongly support collaboration and teamwork, we greatly emphasize the importance of consultation in dealing with complex or subjective matters. We must reflect our professional capabilities in the professional services we deliver and must ensure that these are appropriate to the specific issues and needs of our clients. As professionals, we commit ourselves to upholding the trust that clients and other parties give us.

We also continually emphasize that no single client is more important than our professional reputation—the reputation of our network of firms, including each and every one of our professionals.

Global Code of Conduct

The reputation SGV has and continues to maintain is also furthered by EY's Global Code of Conduct. It provides a clear set of standards and behaviors that guide member firms and their people's actions and business conduct. It contains five principles guiding all areas of activity that our people are required to abide by:

- Working with one another
- Working with clients and others
- Acting with professional integrity
- Maintaining our objectivity
- Respecting intellectual capital

We ask everyone at SGV to make a personal commitment to abide by our Global Code of Conduct. In FY19, 100% of our employees at SGV signed the Global Code of Conduct.

100%

of our people have signed the Global Code of Conduct

SGV strictly does not tolerate unethical and illegal business practices, and we avoid business transactions with clients and suppliers whose standards are conflicting with our Global Code of Conduct. We have an open and transparent relationship with regulatory bodies, including tax authorities.

Our clients and our profession

Compliance with applicable legal requirements
SGV complies with applicable laws and regulations, and our commitment to doing the right thing is strengthened through our values. SGV's policies and procedures are:

- *Anti-bribery*. The policy establishes our obligation to comply with anti-bribery laws, provides a clear definition of bribery, and identifies reporting responsibilities with respect to bribery of or by SGV personnel, including discovery of allegations of bribery among clients.

- *Insider trading*. The policy reaffirms the obligation of not trading in securities with insider information. In addition, it provides greater detail with respect to what insider information is and identifies contact points for SGV people if they have questions regarding their responsibilities.

- *Data privacy*. The policy identifies principles for the protection of personal data of SGV personnel, EY member firms' individual clients, client personnel and third parties. This policy is consistent with applicable laws and regulations concerning data protection and privacy when processing personal data.

- *Records retention*. In accordance with professional, legal and regulatory obligations, EY member firms are required to retain documents. All documents must be archived whenever any person becomes aware of any actual or reasonably anticipated claim, litigation, investigation, subpoena or other government proceeding involving a member firm or one of its clients that may relate to a member firm's work.

- *Records retention schedule*. It lists records that are required to be retained and their corresponding retention periods.

Risk management
Our risk management team adheres to data quality and integrity. SGV provides support for our professionals through consultations on legal, independence and risk-related matters. We have upheld "no violations" on the scope of services. The enhanced implementation of various firm policies further supports the identification of any quality issues, with a risk control framework in place. SGV affirms the professional standards and rules wherein applicable, and our member firms actively work with the regulators who oversee our professional conduct. Our risk management Community HomeSpace (CHS) is reviewed regularly to ensure that the information provided is up to date.

Independence
The concept of independence is essential to client servicing and is prevalent in all business between EY member practices and their assurance clients. SGV complies with the EY Global Independence Policy, which identifies mandatory requirements and prohibitions regarding the most common independence matters related to EY member practices and their professionals. SGV's operations and other engagements must be in line with EY's professional standards and the EY Global Independence Policy and all local or national independence requirements.

SGV provides globally-deployed independence training to and monitors the compliance of professionals. Partners and professionals are required to use the global monitoring system for verification of allowed investments, reporting financial interests and periodic confirmation purposes, as is appropriate to their rank and individual requirements. These entries are subject to random testing annually. Appropriate disciplinary actions have been implemented based on the global risk management guidance for violations of professional or regulatory rules and area, sub-area and country practice independence policies.

Client acceptance
Our client acceptance and continuance policy sets out principles to determine decisions on accepting new clients or engagements and on maintaining business with existing clients. These are fundamental principles for maintaining quality and independence, managing risk, and meeting regulatory requirements. The objectives of the policy are to:

- Establish a rigorous process for evaluating risk and making decisions to accept or continue clients or engagements
- Meet applicable independence requirements
- Identify and deal appropriately with any conflicts of interest
- Identify and decline clients that pose excessive risk
- Consult with designated professionals to identify additional risk management procedures for specific high-risk factors
- Comply with legal, regulatory and professional requirements

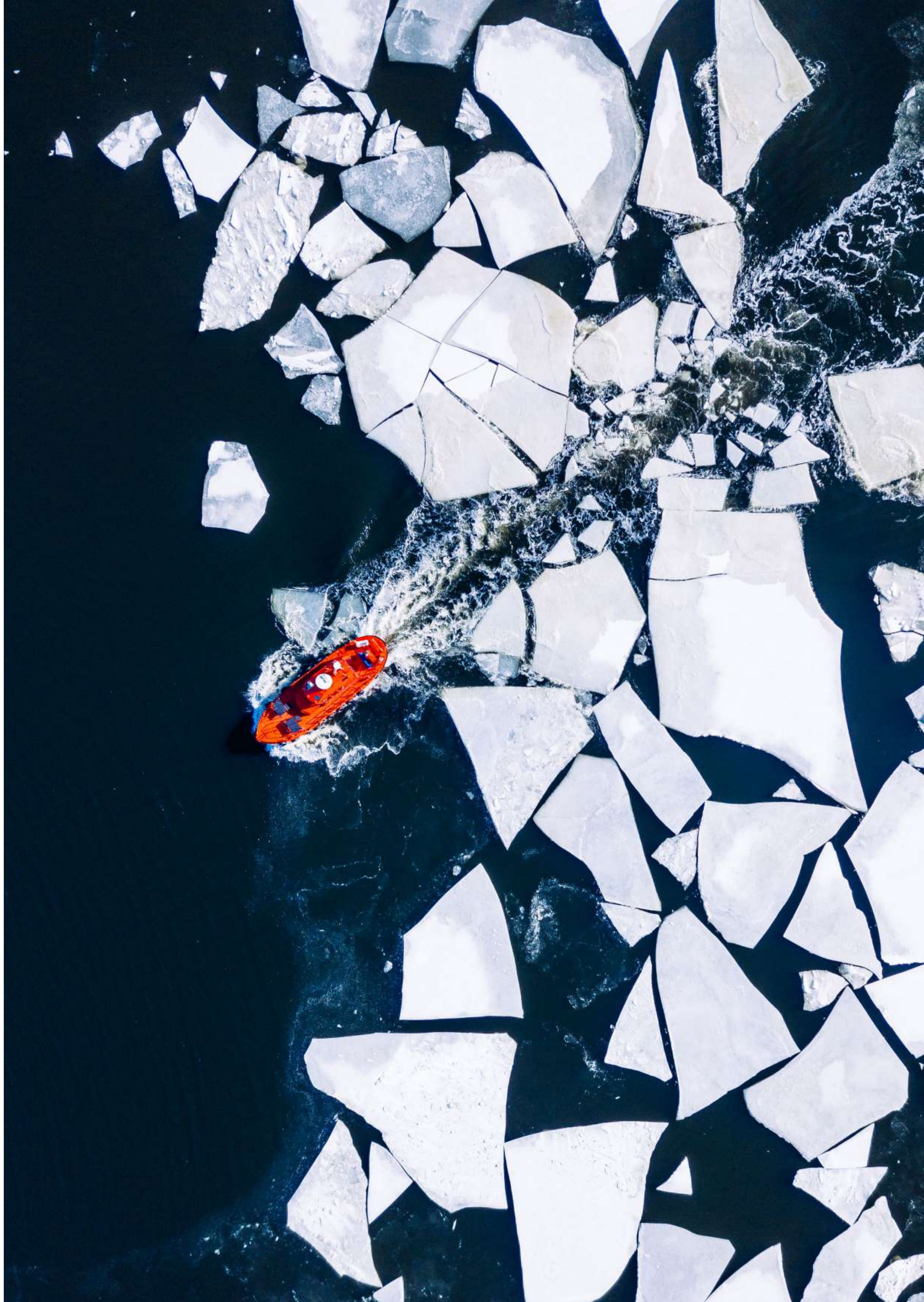
The global conflicts policy provides a framework for dealing with conflicts of interest with respect to the client and engagement acceptance and continuance processes. It defines categories of conflicts of interest as a global standard, as well as a process for identifying them. The Process for Acceptance of Clients and Engagement (PACE) is EY's intranet-based system for efficiently coordinating client and engagement acceptance and continuance activities in line with global, service line and member firm policies. PACE takes users step by step through acceptance and continuance requirements, and connects to the resources and information needed to assess business opportunities and the associated risks.

The client acceptance process involves careful consideration of the risk characteristics of a prospective client and several due-diligence procedures.

In SGV's annual client continuance process, we review our service delivery and ability to continue to provide quality service, as well as reconfirm that our clients share SGV's commitment to quality and transparency in financial reporting.

Decisions on both client acceptance and client continuance depend on, among others, the absence of any perception that the engagement team is pressured by the company's management to accept inappropriate accounting and reporting using financial pressures to undermine the quality of work. It is imperative for acceptance and continuance decisions that the integrity of management is considered and concluded on.

Confidentiality and data protection
We respect and value the trust placed in us by our clients. Our Global Code of Conduct specifies that our employees must respect and protect the personal and confidential information received from or relating to SGV, clients or third parties. Our employees are provided guidance relating to information security through our global data privacy policy, and our "Protecting your data" brochure sets out how we approach data protection and information security. The brochure contains provisions on how we exchange confidential data internally and explains how data are backed up and restored in the event of possible system outages. The policy provides guidance on safeguarding data protection and information security at a technical level.



Insider trading
The EY Global Insider Trading Policy reaffirms the obligation of our people not to trade in securities with insider information, provides detail on what constitutes insider information and identifies with whom our people should consult if they have questions regarding their responsibilities.

Anti-corruption
All forms of corruption root from bribery. In acknowledgement of this fact, all our employees at SGV are required to take the anti-bribery course to give them a better grasp on bribery and its different forms.

SGV works with external networks and groups to raise awareness and battle corruption. We collaborate with organizations such as the World Economic Forum (WEF) and Transparency International to progress towards addressing the social and economic challenges of our time. EY is also a signatory to the WEF Partnering Against Corruption Initiative (PACI). We are among the approximately 170 organizations that have committed to empowering efforts to counter corruption and bribery through PACI and have signed a statement supporting the PACI Principles for Countering Bribery. There are two fundamental actions that make the principle: a zero tolerance policy toward bribery and the development of a practical and effective implementation program.

Anti-corruption is also covered in the Global Code of Conduct, which forbids the acceptance of payment or gift of any kind that could be seen to have an effect on our results or recommendations. Our employees must confirm in writing that they have understood and will comply with the provisions set out in the Global Code of Conduct. For FY19, there were no suspected cases of corruption.

Contributing to public discourse
As we engage with stakeholders, governments, policymakers, regulators and standard setters, SGV plays a part in building a better working world and promoting transparency and trust in various businesses. We encourage improvements in corporate governance, financial reporting and other matters that affect the world's capital markets.

Service Delivery
In addition to professional development and performance management, we understand the importance of providing client engagement teams with up-to-date information to help them perform their professional responsibilities. EY makes significant investments in knowledge and communication networks to enable the rapid dissemination of information to help people collaborate and share best practices. Examples include:

- EY Atlas, which includes local and international accounting and auditing standards, as well as interpretive guidance; replacement for Global Accounting and Auditing Information Tool (GAAIT since the fiscal year 2017
- Publications such as International GAAP, IFRS developments and illustrative financial statements
- Global Accounting and Auditing News, a weekly update covering assurance and independence policies, developments from standard setters and regulators, as well as internal commentary thereon
- Practice alerts and webcasts covering a range of global and country-specific matters designed for continuous improvement in member firms' Assurance practices

Our clients and our profession

How our core services serve the public interest and help clients to operate and grow more sustainably

EY member firms provide services across four service lines: Assurance, Tax, Advisory and Transaction Advisory Services. EY wants clients to benefit from a highly integrated service model. This means bringing the best of what the EY organization has to offer to clients through borderless teaming across service lines, industries and geographies—because when business works better, the world works better.

The strength of EY's global reach is balanced with deep local knowledge. The EY market segment model groups accounts together by geography or sector, allowing us to set account investments and market priorities locally, while maintaining global consistency in terms of metrics and enablement. The model allows account teams to offer more relevant and tailored services to clients, particularly those who may not be global in scope, such as middle-market businesses. Over the years, we have established a reputation built on trust and integrity, that has enabled capital markets to thrive and result in continuous economic development for our country.

Assurance

The global business landscape is being reshaped by transformational events and trends. And that means the financial and reporting environment is also being reshaped, resulting in significant challenges for management, boards, audit committees and auditors.

Our Assurance practice serves the public interest by providing assurance to investors and others about companies' financial statements.

By providing robust and clear audit perspectives to audit committees as well as forensic, sustainability and financial accounting advisory services to stakeholders, we can help promote greater trust and confidence in businesses, capital markets and economies.

Tax

The business and tax landscapes have changed dramatically, and the pace and complexity of change continues to increase. Governments are tempering the need for revenue with increased competition for labor and capital. Tax authorities are adapting their enforcement strategies, focus and policies in response to the changing dynamics of business. Companies are balancing competing priorities, ensuring they maintain compliance while adding value.

Our Tax practice can help you navigate this shifting landscape and assist you with critical issues in today's tax environment.

We help clients understand and manage their tax compliance obligations responsibly and proactively. We advise on tax planning that aligns with the needs of our clients' businesses and recognizes that change is crucial to sustainable growth.

We help build a better working world by advising our clients on meeting their tax obligations and helping them resolve tax controversies. We also foster open dialogue with tax administrators, government officials and other stakeholders about tax issues, the impact of policy decisions and the contributions that companies and individuals make to society by paying the correct amount of a variety of taxes.

Advisory

In a world of unprecedented complexity and opportunity, organizations are looking to make new connections and find new ways of innovating. Our Advisory practice is continually seeking better ways of working as we collaborate with clients to help them solve their complex industry issues and capitalize on opportunities to grow, optimize and protect their businesses. Our collaborative approach, combined with our global connectivity and understanding of industry issues, inspires us to ask better questions, design better answers and realize long-lasting results.

We solve big, complex issues and capitalize on opportunities to help deliver better working outcomes that grow, optimize and protect businesses, now and in the future.

We team globally to co-create more innovative answers with our clients. The unique and ongoing collaboration between EY consultants and our clients results in better working businesses.

Transaction Advisory Services (TAS)

How organizations manage their capital today will define their competitive position tomorrow. Our Transaction Advisory Services practice helps create social and economic value for our clients by helping them make more informed decisions about strategically managing capital and transactions.

We advise on strategies to raise, invest, optimize and preserve capital. Our teams bring together transaction professionals across functional areas, sectors and geographies to evaluate your Capital Agenda. Our goal is to help you achieve your best capital performance, deliver value to your stakeholders and meet your strategic corporate objectives.

Growth Markets

Whatever your growth aspirations — from local to global, challenger to leader, millions to billions — we can help you achieve your goals.

Over the years, we've been helping companies accelerate growth. We've worked with the world's fastest-growing companies, combining our insights, experience, global resources and industry capabilities to help them develop ground-breaking approaches to achieve their market leadership aspirations.

Through examining the growth trajectories of these companies, and with the collective insights gained from in-depth interviews with winners of our EY Entrepreneur Of The Year™ program, we have developed a unique framework — the EY 7 Drivers of Growth — to help companies strategically set their growth plans.

Leveraging collaboration and thought leadership

Doing Business in the Philippines

Publishing proprietary research and thought leadership
SGV has constantly moved towards progress in research and thought leadership through its various initiatives. Since the year 2000, it has merited numerous awards of excellence in Communication Skills, Communication Management and External Publications, among others. SGV's current publications include the following:

Doing Business in the Philippines
With the goal of attracting and guiding foreign investors looking to set up business operations in the Philippines, SGV released the first edition of Doing Business in the Philippines in 1968. This brochure presents a comprehensive view of the country's economy, labor force and laws relevant to investors, with updates and trends on various industries. It won an Anvil Award of Excellence in 2000. The publication has also been translated to seven languages, namely, Mandarin, French, German, Japanese, Korean, Russian and Spanish, and is often distributed at SGV's economic briefings.

Tax Bulletin
The SGV Tax Bulletin was first published 1952. It is a monthly digest of the latest issuances from tax authorities and other regulatory bodies, as well significant court cases.

Tax Calendar
Since 1998, SGV has released an annual Tax Calendar that lists the tax requirements and deadline for each month.

Marketing and events collaterals
The Firm distributes communications materials that contain articles or information about SGV services and activities.

Suits the C-Suite
Since 2009, SGV partners and senior directors have been writing for the weekly BusinessWorld column, *Suits the C-Suite*. The column is dedicated to high-level thought leadership articles that offer insights on taxes, trade, digital finance, diversity and inclusivity, automation and robotics, among others.

Women in business
For years, SGV has been an advocate of gender equality and women empowerment, including EY's Women. Fast Forward campaign. The Firm is one of the seven founding member companies of the Philippine Business Coalition for Women Empowerment (PBCWE) which was launched in March 2017.

Also, in line with EY's advocacy of women empowerment, SGV is the first Economic Dividends for Gender Equality (EDGE) Assess-level certified professional services firm in the Philippines and the Southeast Asian region. Developed by the EDGE Certification Foundation in Switzerland, EDGE is the leading global assessment methodology and business certification standard for gender equality.

The SGV EDGE

SGV & Co. was presented with the Economic Dividends for Gender Equality (EDGE) Assess-level certification, making it the first professional services firm in the Philippines and the Southeast Asian region to receive an EDGE certification.

EDGE Certification was developed by the EDGE Certification Foundation based in Switzerland. It is the world's leading assessment methodology and business certification standard for gender equality. It is an evidence-based process designed to help organizations identify problems, set benchmarks and develop solutions to create an optimal workplace that will benefit both men and women. It is currently working with more than 170 organizations, in over 48 countries and 23 industries.

The certification documents SGV & Co.'s long-standing policy on meritocracy, diversity and inclusiveness. As early as 57 years ago, SGV already admitted women into partnership. Today there is a strong-gender balance across the talent pipeline with women comprising 48% of SGV's leadership.

SGV & Co.'s EDGE certification involved a rigorous review and process that took five months, culminating in an EDGE certified standard audit conducted by Intertek, an independent, EDGE Foundation-approved auditing firm. The EDGE Assessment Framework was used to correctly measure the data gathered from the organizational statistics, policies and practices, and employee survey.

The core team worked with representatives from the Philippine Business Coalition for Women's Empowerment (PBCWE) during the various stages of the certification process. As one of the seven founding members of PBCWE, SGV & Co. is dedicated to driving positive change for women's rights and gender equality in the workplace by closing the gender pay gap, increasing workplace female participation and helping women advance into leadership roles.

SGV & Co. Chairman and Managing Partner Itos Cruz holds SGV's EDGE certification with (from left): SGV Learning & Development Head Clair Mangangey; SGV Assurance Head Vivian Ruiz; SGV Brand, Marketing & Communications Head Marlu Balmaceda; Investing in Women CEO Dr. Julia Newton-Howes; Australian Embassy Counsellor Nardia Simpson; PhilWEN Chairperson & PBCWE Co-Chairperson Boots Garcia; Karol Villaluna and Duane Sabado of the SGV EDGE Core Team.

Our communities and our world

In all that we do, we believe that helping our communities and our world have a better world that works is key to attaining our vision.

Entrepreneur Of The Year (EOY)

EY aims to encourage and inspire entrepreneurial activity around the world by identifying and recognizing the achievements of outstanding entrepreneurs within successful, growing, and dynamic businesses. Through its work with the emerging and growth market, EY understands the impact entrepreneurship has made on global business and the world economy.

Since its launch in 2003 in the Philippines, the Entrepreneur Of The Year program continually aims to foster entrepreneurship and inspire Filipinos to become entrepreneurs, and existing Filipino entrepreneurs to take on the world market. By honoring successful Filipino entrepreneurs who are good corporate citizens and examples to fellow Filipinos, the EOY program identifies and promotes role models for aspiring entrepreneurs of tomorrow, as well as existing entrepreneurs.

The program has honored 200 men and women from diverse industries such as agriculture, information technology, power, food, fashion and other services.

The Entrepreneur of The Year Philippines search covers four categories: Master Entrepreneur, Small Business Entrepreneur, Woman Entrepreneur, and Young Entrepreneur.

Among the four category winners, the Entrepreneur of The Year Philippines will be selected, and will represent the country in Monte Carlo, Monaco, to compete for the title of the EY World Entrepreneur Of The Year.

The very first EOY Philippines in 2003 was President and CEO of Jollibee Foods Corporation Tony Tan Caktiong. He went on to win the World Entrepreneur Of The Year Award in 2004.

EOY Winners

2003
Tony Tan Caktiong
President and CEO
Jollibee Foods Corporation

2004
Socorro C. Ramos
Founder and General Manager
National Book Store

2005
Lance Y. Gokongwei
President and CEO
Cebu Air, Inc.

2006
Senen C. Bacani
Chairman and President
La Frutera, Inc.

2007
Wilfred Steven Uytengsu, Jr.
President and CEO
Alaska Milk Corporation

2009
Amb. Jesus P. Tambunting
Chairman and President
Planters Development Bank

2010
Tennyson G. Chen
President
Bounty Fresh Food, Inc.

2011
Erramon I. Aboitiz
President and CEO
Aboitiz Power Corporation

2012
Jaime I. Ayala
Founder and CEO
Hybrid Social Solutions, Inc.

2013
Ben Chan
Chairman
Suyen Corporation

2015
Nico Jose Nolledo
Chairman and CEO
Xurpas, Inc.

2017
Natividad Cheng
Chairperson and CEO
Multiflex RNC Philippines, Inc.

SGV Foundation

Long before corporate social responsibility (CSR) became an important aspect of doing business in the Philippines, we have been at the forefront of practicing CSR.

The SGV Foundation (SGVF) was founded in 1966 by SGV founder Washington SyCip, together with co-founder Alfredo M. Velayo and partners Cesar E. A. Virata, Benjamin V. Abela, and Erlinda T. Villanueva. It is one of the first corporate foundations in the Philippines.

Remaining true to our founder's fundamental belief that education is the greatest equalizer in society, we have been able to provide educational aid to more than 2,000 scholars.

In pursuit of its mission of inculcating the values of education, discipline, integrity and excellence in Filipinos by spearheading social, moral and economic programs, the following are SGVF's ongoing programs:

Scholarships
In line with the SGV Foundation's vision to leverage knowledge, learning and other social development initiatives as catalysts for improving the quality of life of Filipino families and communities, SGVF continues providing educational support in the form of tuition fees, stipends, books and allowance to students in accountancy.

In the last five years, the Foundation has granted Php51,757,486 for scholarship and fellowship grants.

CPA Review Grant Scholars
Review grant scholars from various provinces gather every year to celebrate the culmination of six months of review for the May and October CPA licensure exams.

Over the last five years, students received financial assistance from the Foundation.

Laptop Donations
In 2014, the Foundation donated 150 pre-owned laptops to the 1000 Teachers Program (1000 TP) of the Philippine Business for Education (PBEd). The laptops were distributed to scholars studying in over 20 universities across the country.

TVET program
Since 1981, SGV Foundation has provided support for the Technical and Vocational Education and Training (TVET) of underprivileged youth in participation with various Don Bosco training and youth centers in Luzon, including Manila and Nueva Ecija. Courses included industrial electronics, automobile mechanics, and computer and office systems technology.

Over the last five years, approximately 20 scholars received support amounting to Php1,158,000.

Institutional grants
SGVF supports various foundations and institutions whose projects are aligned with its primary objectives. Over the last five years, the Foundation has provided Php51,088,708 for institutional grants.

Playground project with Synergeia Foundation
On the 45th anniversary of the SGV Foundation in 2011, SGVF committed to collaborate with the Synergeia Foundation to support the development of 90 playgrounds for 90 schools. To date, we have turned nearly 40 playgrounds to schools.

Entrepreneur Of The Year
Since 2003, SGVF has organized the Entrepreneur Of The Year program together with different institutional partners in identifying and promoting role models for aspiring entrepreneurs of tomorrow, as well as existing entrepreneurs.

Lambunao, Iloilo

INACA Elementary School, Cabatuan, Iloilo

Tabaraes Elementary School, Cabatuan, Iloilo

Rosauro Almario Elementary School, Tondo, Manila

Barotac Viejo, Iloilo

EY Ripples

When we look at the world around us today, we see broad societal challenges everywhere – issues such as deepening inequality, jobless growth, lack of opportunity for young people and low trust in institutions.

EY is on a multi-year journey to transform the positive impact we have on society and build a better working world.

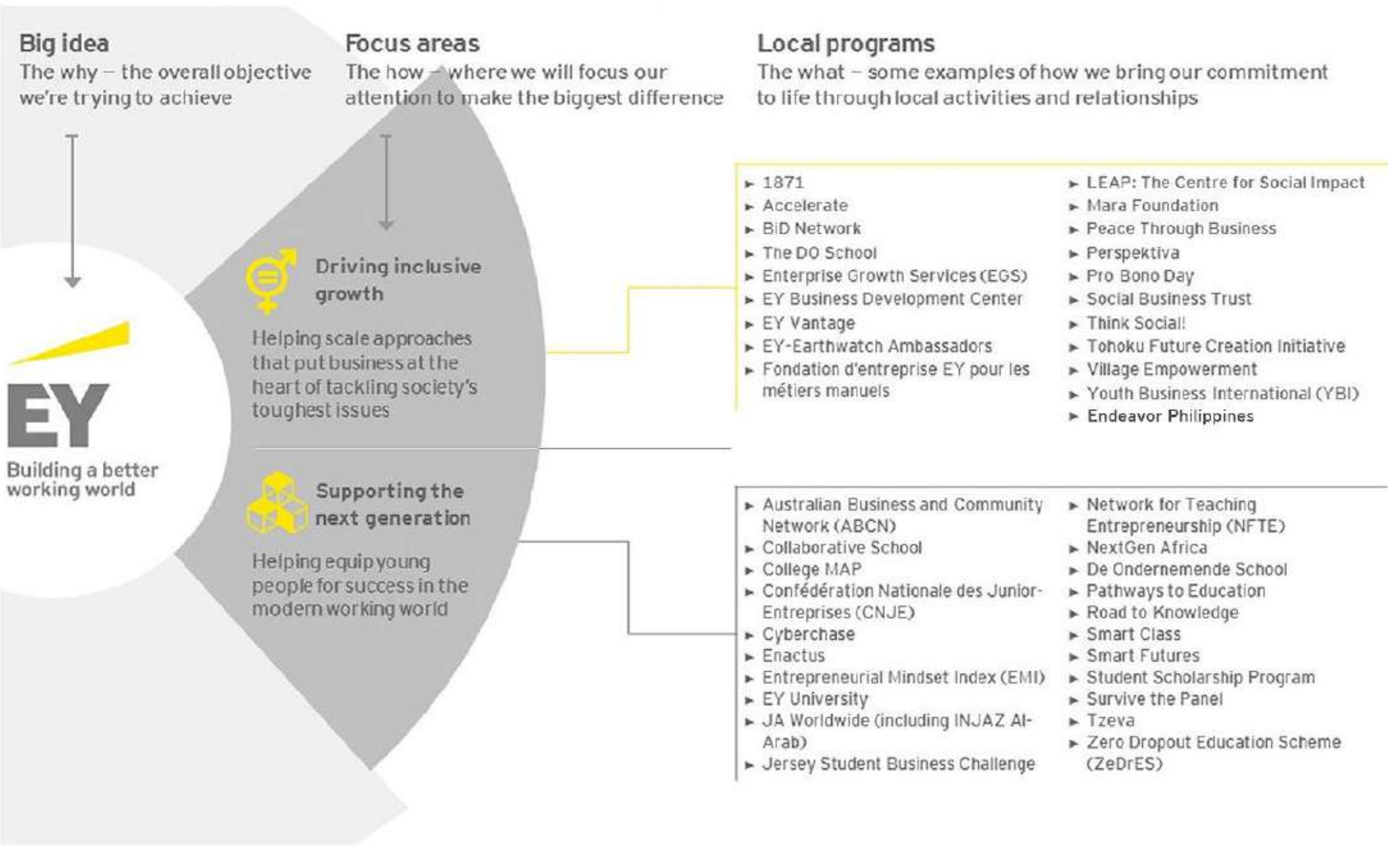
We have a bold ambition: to positively affect a billion lives by 2030. We'll achieve this by driving more sustainable inclusive growth – growth that creates opportunity for everyone and distributes the benefits of increased prosperity fairly across society.

Our new global Corporate Responsibility (CR) program, EY Ripples, will help us to make a greater social impact, by providing our people the opportunity to use their skills, knowledge and experience to positively impact the lives of millions of individuals. EY Ripples is now available in our early adopter countries with more countries being added soon.

As a business, we'll be further embedding principles of responsibility, sustainability and inclusive growth in our own operations and throughout the EY value chain, to demonstrate that we meet the highest standards of ethical business.

To increase our social impact, it focuses on two key areas:

- *Supporting the next generation*: helping young people, mainly aged 5-24 years, to develop the mindset and transferable skills they need to find and sustain meaningful work and better equipping them to adapt and thrive whatever the future of work holds in store.
- *Working with impact entrepreneurs*: using our knowledge, skills and experience to help to scale small and growing businesses that are driving progress toward the UN Sustainable Development Goals by tackling inequality and empowering people to change their lives.



We believe that these two areas of focus are where EY's combined knowledge, skills and experience can make the biggest difference.

By developing a global approach to scale our work in these areas we believe we can engage and inspire thousands of our people to get involved, and have a much greater positive impact.

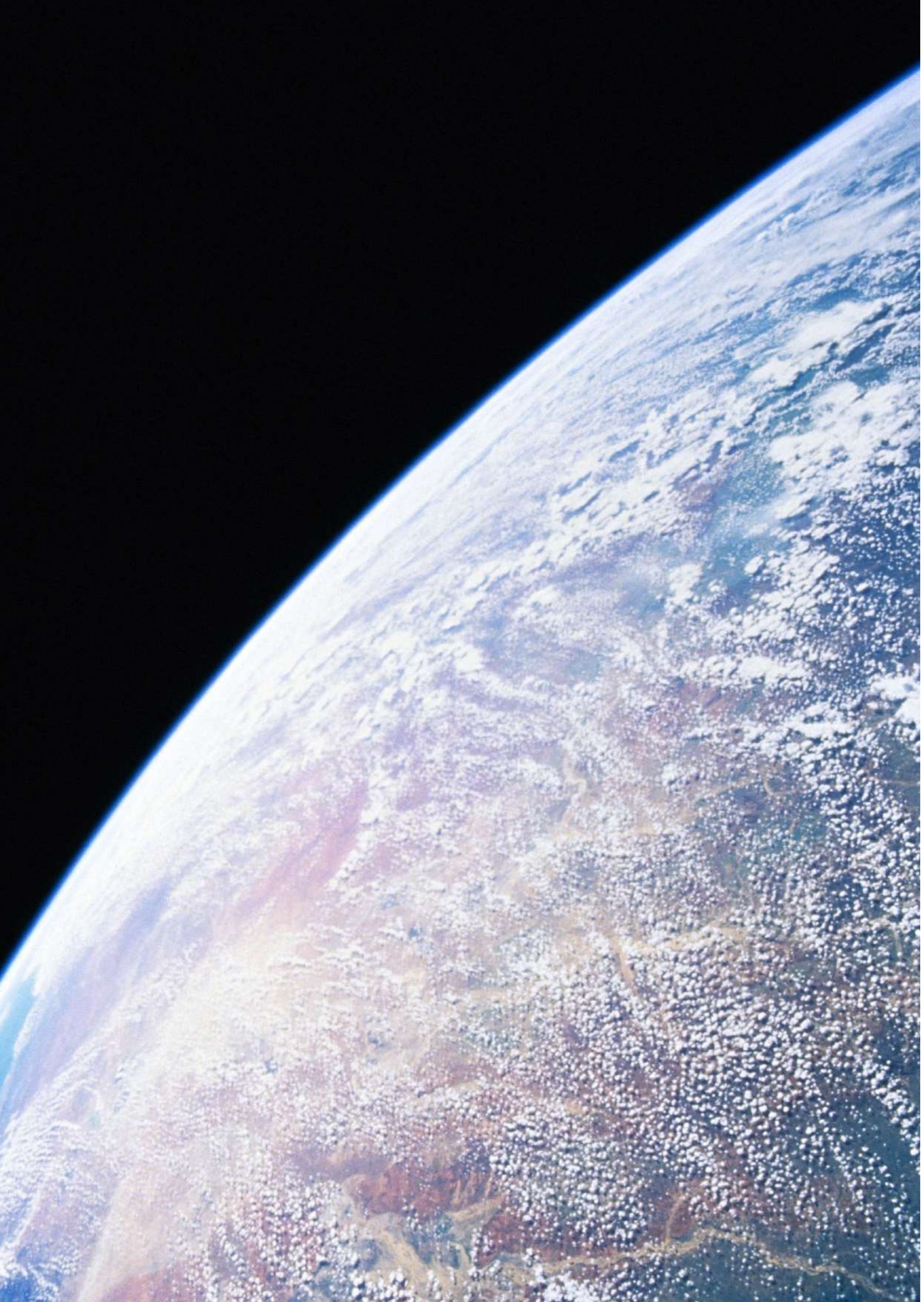
EY Ripples also includes an EY commitment to operating responsibly. That is, further embedding principles of responsibility, sustainability and inclusive growth in our own operations and throughout the EY value chain, and demonstrating that we meet the highest standards of ethical business.

By 2022, we will have mobilized more than 1 million of our own people, clients, alumni and wider networks, channeling our collective knowledge, skills and experience to help address some of society's toughest challenges.

By 2030, the ripples will have grown to see 10 million individuals and organizations directly involved – positively impacting a total of 1 billion.

We believe that through small actions – made by every EY person, every day, and in every part of the business – we can create ripples that grow and join with others to create huge waves of change.

SGV is working with local organizations for our EY Ripples initiative, that aims to encourage our people to volunteer in activities focused on the next generation and impact entrepreneurs. The Firm's volunteer staff are deployed to various schools across the Philippines to mentor students as young as Grade 5 on entrepreneurship and financial literacy. Business clinics are also held to provide entrepreneurs with mentorship in tax and financial planning.



Governance

How we are organized

At EY, we have long thought that globalization is one of the defining issues of our time. Our response has been to transform our organization so that we keep in step with the changing needs of our clients and our people.

Globalization is shaping our world: trade, technology and investment continuously connect countries and companies around the globe as time and distance cease to become obstacles in the movement of people and products as well as the spread of innovation and new ideas.

Our clients need integrated, cross-border services and the same consistent high quality wherever they do business around the world. Our people want to build careers in an organization that's global in its outlook and inclusive in its approach.

Worldwide, over 250,000 people in member firms in more than 150 countries share a commitment to building a better working world, united by shared values and an unwavering commitment to quality, integrity and professional skepticism.

Our global structure
Our structure is composed of the Executive and Regions.

The Executive includes the Global Executive (GE), its committees and teams, and the leadership of the four geographical Areas—Americas; Asia-Pacific; Europe, Middle East, India and Africa (EMEIA); and Japan. The Areas comprise 27 Regions, which consist of member firms or sections of those firms.

Within the Asia-Pacific Area, there are five Regions. SGV is part of the ASEAN Region.

This operating model allows for greater stakeholder focus across the 27 Regions, permitting member firms to build stronger relationships with clients and others in each country, and be more responsive to local needs.

Global Executive
The Global Executive (GE) brings together EY's leadership functions, services and geographies. It is chaired by the Chairman and CEO of EYG, and includes its Global Managing Partners of Client Service and Business Enablement; the Area Managing Partners; the global functional leadership for Talent, Finance and Markets; the leaders of the global service lines — Assurance, Advisory, Tax and Transaction Advisory Services; the Global Leader for Public Policy; and one EYG member firm partner on rotation.

The GE also includes the Chair of the Global Accounts Committee and the Chair of the Emerging Markets Committee, as well as a representative from the Emerging Markets practices.

Global Governance Council
The Global Governance Council consists of 36 senior client-serving partner-ranked professionals drawn from member firms across the four EY Areas, and up to six independent non-executive members. These senior EY professionals who otherwise do not hold senior management roles, are elected by their peers. They advise EY on policies and strategies and the approval of the Global Governance Council is required for a number of significant matters that affect the organization as a whole.

The **Global Practice Group** brings together the Global Executive, our Area Operating Executives, our Executive function leaders and our Markets leaders - including Area Account Leaders, Global Markets Function Leaders and our Global Sector Leaders. The Global Practice Group seeks to ensure common understanding of EY strategic objectives across member firms, and consistency of execution across the organization.

Corporate Responsibility Governance Council
EY's global Corporate Responsibility Governance Council draws together leaders from across our organization to help further embed purpose, inclusiveness, responsibility and sustainability throughout our business.

Composed of nine members of the Global Executive, the most senior leadership team in EY, this senior team is in place to help drive even greater alignment and impact as we increase our focus on using EY's distinctive knowledge and experience to help solve society's toughest challenges.

Executive committee

Governance

SGV's leadership
The powers and responsibilities relating to the management of SGV are exercised by the Chairman and Managing Partner ("CMP").

In the performance of his duties and the exercise of his powers, the CMP is assisted by the Vice Chairman and Deputy Managing Partner, and by an Executive Committee consisting of the Chairman and Managing Partner, the Vice Chairman and Deputy Managing Partner, the Service Line leaders, the Financial Services Organization (FSO) Leader, the Chief Risk Officer, the Professional Practice Director and Head of Risk Management, the Talent Head, and the Learning and Development Head.

The Executive Committee is tasked with overseeing the management and operations of SGV and setting the strategic direction. It formulates policies and procedures to guide and monitor performance.

Significant organizational changes
SGV did not experience any significant organizational changes in terms of ownership or structure in FY19, apart from the routine retirement and admission of new partners.

J. Carlitos G. Cruz
Chairman and Managing Partner

Wilson P. Tan
Vice Chairman and Deputy Managing Partner

Maria Vivian G. Cruz-Ruiz
Head, Assurance

Luis Jose P. Ferrer
Head, Tax

Fabian K. delos Santos
Co-Head, Tax

Rossana A. Fajardo
Head, Advisory

Ramon D. Dizon
Head, Transaction Advisory Services; Leader, Market Group 2

Vicky Lee-Salas
Leader, FSO

Lucy L. Chan
Professional Practice Director and Head, Risk Management

Leonardo J. Matignas, Jr.
Chief Risk Officer, Head, Risk Advisory Services

Clairma T. Mangangey
Head, Learning and Development; Partner, Assurance

Arnel F. De Jesus
Leader, Talent Hub Group

Julie Christine O. Mateo
Talent Leader; Partner, Assurance

Jaime F. del Rosario
Leader, Market Group 7 and Head, Business Enablement Services

Appendix

GRI CONTENT INDEX

GENERAL DISCLOSURES

Standard	Disclosure	Page Number/Direct Answer
Organizational Profile		
102-1	Name of the organization	4
102-2	Activities, brands, products, and services	10
102-3	Location of headquarters	10
102-4	Location of operations	10
102-5	Ownership and legal form	4
102-6	Markets served	10
102-7	Scale of the organization	10
102-8	Information on employees and other workers	10, 28 - 29
102-9	Supply chain	39
102-10	Significant changes to the organization and its supply chain	58
102-11	Precautionary Principle or approach	42
102-12	External initiatives	18
102-13	Membership of associations	None
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102-14	Statement from senior decision-maker	9
Ethics and integrity		
102-16	Values, principles, standards and norms of behavior	16
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102-18	Governance structure	58 - 59
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102-40	List of stakeholder groups	24
102-41	Collective bargaining agreements	24
102-42	Identifying and selecting stakeholders	24
102-43	Approach to stakeholder engagement	24
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102-45	Entities included in the consolidated financial statements	4
102-46	Defining report content and topic Boundaries	4, 21
102-47	List of material topics	22, 23
102-48	Restatements of information	N/A, first reporting period
102-49	Changes in reporting	N/A, first reporting period
102-50	Reporting period	4
102-51	Date of most recent report	N/A, first reporting period
102-52	Reporting cycle	4
102-53	Contact point for questions regarding the report	Inside back cover
102-54	Claims of reporting in accordance with the GRI Standards	21
102-55	GRI content index	60 - 61
102-56	External assurance	No external assurance

TOPIC-SPECIFIC DISCLOSURES

Standard	Disclosure	Page Number/ Direct Answer
Economic		
	Anti-Corruption	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	41 - 44
	103-3 Evaluation of the management approach	41 - 44
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	41 - 42
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	Emissions	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	37
	103-3 Evaluation of the management approach	37
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	37
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	Environmental Compliance	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	41 - 44
	103-3 Evaluation of the management approach	41 - 44
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	None
	Supplier Environmental Assessment	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	39
	103-3 Evaluation of the management approach	39
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	We will report this data in FY20

Standard	Disclosure	Page Number/ Direct Answer
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	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	32 - 33
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	31
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	27, 30
	103-3 Evaluation of the management approach	27, 30
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	28 - 29
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	52 - 54
	103-3 Evaluation of the management approach	52 - 54
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	100% of operations with local community engagement
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	39
	103-3 Evaluation of the management approach	39
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	We will report this data in FY20
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	42 - 43
	103-3 Evaluation of the management approach	42 - 43
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None
Socioeconomic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	23
	103-2 The management approach and its components	41 - 44
	103-3 Evaluation of the management approach	41 - 44
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	None

For inquiries on the Firm's sustainability efforts:

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SGV | Assurance | Tax | Transactions | Advisory

About SGV & Co.
SGV is the largest professional services firm in the Philippines.

We provide assurance, tax, transaction and advisory services. In everything we do, we nurture leaders and enable businesses for a better Philippines.

This Purpose is our aspirational reason for being that ignites positive change and inclusive growth. Our insights and quality services help empower businesses and the economy, while simultaneously nurturing our people and strengthening our communities. All this leads to building a better Philippines, and a better working world. SGV & Co. is a member firm of Ernst & Young Global Limited.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients.

For more information about our organization, please visit ey.com/ph.

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