

Annex A: Reporting Template: Sustainability Reporting

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

Company Details	
Name of Organization	Cirtek Holdings Philippines Corporation (the “Company”, “CHPC” or “Cirtek Group”) (PSE: TECH)
Location of Headquarters	116 East Main Avenue Phase V SEZ Laguna Technopark Binan Laguna
Location of Operations	116 East Main Avenue Phase V SEZ Laguna Technopark Binan Laguna
Report Boundary: Legal entities (e.g., subsidiaries) included in this report*	Cirtek Electronics Corporation (“CEC”) Cirtek Advanced Technologies and Solutions, Inc. (“CATSI”) Quintel Solutions (“Quintel”)
Business Model, including Primary Activities, Brands, Products, and Services	Cirtek Electronics Corporation: (Discrete, IC, Multichips, Hermetics, New Products) Cirtek Advanced Technologies and Solutions, Inc. : (Quintel, Remec Mftg. Services, Outdoor Unit, IRFU, Bridgewave, Cougars) Quintel : (ASB, WBB)
Reporting Period	For the year 2020
Highest Ranking Person responsible for this report	Emelita Cruzada Chief Compliance Officer

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.¹

The Company generated its material topics by probing the impacts of its business units along its key business activities – from product sourcing to empowering our employees and customers, to giving access to quality products, and determined the scope of this report to cover subsidiaries with the most material contributions to the continuity of our operations.

The materiality matrix is a 3x3 grid with 'Influence on Stakeholder Decision and Assessment' on the vertical axis (LOW, MEDIUM, HIGH) and 'Significant Impact on Business' on the horizontal axis (LOW, MEDIUM, HIGH). Five topics are plotted as follows:

Topic	Significant Impact on Business	Influence on Stakeholder Decision and Assessment
1 - Environment	High	Medium
2 - Social Capital	High	Medium-High
3 - Human Capital	High	Medium-Low
4 - Business Model & Innovation	High	High
5 - Leadership & Governance	High	Medium-High

LEGEND
 1 - Environment
 2 - Social Capital
 3 - Human Capital
 4 - Business Model & Innovation
 5 - Leadership & Governance

SUSTAINABILITY CERTIFICATIONS

The Company’s subsidiaries, Cirtek Electronics Corporation and Cirtek Advanced Technologies and Solutions, Inc. has been certified under the international environmental standard ISO 14001:2015, which specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. ISO 14001:2015 seeks to manage its environmental responsibilities in a systematic manner that contributes to the environmental pillar of sustainability. ISO 14001:2015 helps an organization achieve the intended outcomes of its environmental management system, which provide value for the environment, the organization itself and interested parties. Consistent with the organization's environmental policy, the intended outcomes of an environmental management system include:

- enhancement of environmental performance;
- fulfilment of compliance obligations;
- achievement of environmental objectives.

¹ See [GRI 102-46](#) (2016) for more guidance.

The Cirtek Group is also SONY Green Partner Certified which passes the standards and requirements of SONY. This is a stepping stone that the system of the Company is in place in terms of their requirements for QMS and EMS standards. SONY has identified substances contained in the parts or materials of SONY products that have been judged to have a significant impact on the global environment and may harm human health. Thus, SONY established its "Management Regulations for Environment-related Substances to Be Controlled which Are Included in Parts and Materials" and clarifies which chemical substances cannot be used or whose use it is working to reduce. SONY introduced its "Green Partner Environmental Quality Approval System" for ensuring that suppliers comply with these standards and regulations, and SONY only procures from suppliers who are certified as Green Partners.

See below link for the Company's ISO Certifications:

<https://cirtekholdings.com/cec>

Cirtek Electronics Corporation (CEC) is an ISO9001/IATF16949 – certified company for Automotive Quality Management System (QMS) and ISO14001 for Environmental Management System (EMS). Whereas its sister company, Cirtek Advanced Technologies and Solutions, Inc. (CATSI) is ISO9001 and ISO14001-certified.

COVID-19 Impact and Developments

In order to hasten the achievement of herd immunity against COVID-19 within the company and ensure the good health of its employees. This year Cirtek's Top Management has facilitated the reservation of vaccines by tying up with a leading pharmaceutical company that cooperates with the appropriate government agencies and ordering of adequate number of vaccines. This move is welcomed by Cirtek's employees who desire to be vaccinated at the soonest possible time. The Company continues to implement/enforce its policy Workplace Policy and Program on COVID-19 Prevention and Control in compliance with DOLE and DOH regulations. Moreover, a work-from-home policy specially in office staff and staggered attendance scheme are currently in place.

Amidst the global pandemic in 2020, the Company is experiencing a good booking in product orders for medical chips supplied to medical equipment end customers globally. In view of the manifestation of COVID-19 around the world, it is critical for hospitals to have enough medical equipment to save lives, flatten the curve, prevent further spread of the virus and control the pandemic. The Cirtek Group has been tapped by several of its customers for chips used in medical equipment desperately needed all over the world. Cirtek Group is able to produce 1 million chips per week for these devices that are in urgent demand which medical practitioners rely on nor can function without key parts manufactured by the Company in its Laguna Technopark facility.

This year 2021, there is a strong demand of semi-conductor devices due to shortage because of insufficient production last 2020 semiconductor companies particularly large multinational companies who did not invest from additional capex to increase in capacity because of global pandemic. The global semi-conductor sales is expected to have a significant growth, all the markets are increasing in orders particularly telecommunications, industrial, automotive, medical, computing including IOT because of the shortage.

In line with the Company's social responsibility, it is stepping up beyond its call of duty to exert more effort in curbing down the global pandemic. The Cirtek Group has donated hundreds of thousands worth of Personal Protective Equipment (PPE) to various hospitals locally. The Cirtek Group remains operational with a work schedule of 24 hours a day 6 days a week to keep up with the pace in global demand.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	3,311,693,717.32	PhP
Direct economic value distributed:		
a. Operating costs	338,247,831.78	PhP
b. Employee wages and benefits	180,358,011.67	PhP
c. Payments to suppliers, other operating costs	720,411,824.76	PhP
d. Dividends given to stockholders and interest payments to loan providers	490,768,987.65	PhP
e. Taxes given to government	9,675,978.76	PhP
f. Investments to community (e.g., donations, CSR) 2020	25,400.00	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>The impact of direct economic value generated and distributed occurs in the primary business operation of the Company</p>	<ul style="list-style-type: none"> -Customers -Suppliers -Employees -Stockholders -Government 	<p>CHPC contributes to the economic growth of the locality where its business operates by providing employment and through its subsidiaries, the Company is primarily engaged in three major activities:</p> <ol style="list-style-type: none"> 1) The design, development, and delivery of the wireless industry's most advanced high-efficiency, high-performance antenna solutions; 2) The manufacture of value-added, highly integrated technology products; and 3) The manufacture and sales of semiconductor packages as an independent subcontractor for outsourced semiconductor assembly, test and packaging services. <p>More than 35 years of expertise has led the Cirtek Group to provide high-quality wireless connectivity solutions across six (6) primary industry segments including:</p> <ul style="list-style-type: none"> • Automotive

		<ul style="list-style-type: none"> • Medical • Smart Phones • 5G Millimeter Wave • Video Streaming • M2M IOT
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>The following are the risks relating to the Company and its business:</p> <ul style="list-style-type: none"> -Risks relating to the contractual right of the customers of the Cirtek Group to place orders in quantities less than the agreed minimum and their requirement for the latter to maintain certain key certifications and meet technical audit standards - Risks relating to working capital being tied up in inventories and inventory obsolescence -Risks relating to delayed or non-payment of customers for products sold or services rendered. -Risks relating to the industry's dependence on the continued growth of outsourcing by OEMs -Risks relating to the Company's exposure to the cyclical nature of the semiconductor industry - Risks relating to the volatility in the price of raw materials and the availability of supply used by the Company in its production process -Risks relating to intellectual properties -Risks relating to foreign exchange -Risks relating to industrial or labor disputes -Risks relating to the separation of key employees with the Company -Risks relating to health and welfare of employees during the pandemic 	<ul style="list-style-type: none"> -Customers -Suppliers -Employees -Stockholders 	<p>The Company adopts what it considers conservative financial and operational controls and policies to manage its business risks. The manner by which some of these risks shall be managed and presented below:</p> <ul style="list-style-type: none"> -The pace of innovation in the electronics and communications industries is high. In order to remain competitive, Cirtek Group must adapt to new technologies required by their customers. Thus, the Cirtek Group is focused on continuous R&D, new product development, technical innovation and re-engineering. -The Company also makes provisions in its inventory systems and planning for a reasonable amount for obsolescence. It works with key suppliers to establish supplier-managed inventory arrangements that will mutually reduce the risk. -To mitigate the risk relating to the industry's dependence on the continued growth of outsourcing by OEMs, the Company has diversified to have its own product to lessen its dependency on outsourcing and is committed to grow this part of the business. -To mitigate the risk relating to the volatility in the price of raw materials and the availability of supply used by the Company in its production process, the Cirtek Group continually monitors its

		<p>direct cost such as raw materials, spare parts, direct and indirect labor.</p> <p>-To mitigate the risk relating to IP, the Company adheres to a strict management process, which encompasses IP risk assessment and mitigation.</p> <p>-The Company follows a policy to manage its currency risk by closely monitoring its cash flow position and by providing forecast on all other exposures in non – US\$ currencies.</p> <p>-To mitigate the risk relating to the separation of key employees, the Cirtek Group gives attractive compensation packages that combine standard remuneration and performance incentives.</p> <p>- This year Cirtek’s Top Management has facilitated the reservation of vaccines by tying up with a leading pharmaceutical company that cooperates with the appropriate government agencies and ordering of adequate number of vaccines. This move is welcomed by Cirtek’s employees who desire to be vaccinated at the soonest possible time.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>The opportunities identified are the following:</p> <ul style="list-style-type: none"> - Investments - Economic growth - The Company plans to actively pursue business opportunities in high-growth market segments such as wireless communication, consumer electronics and automotive. - The Company has been also actively seeking business opportunities with 	<ul style="list-style-type: none"> - Investors - Customers 	<p>CHPC prioritizes management policies that aim to sustain revenue stream and progressive growth of the business. The Company has a dedicated and experienced management team that understands the industry’s requirements and technology trends that allows the Company to be highly competitive. The Cirtek Group has also implemented an internal reporting system, which allows senior management to monitor profitability for each of the production on a weekly basis. The Cirtek Group believes that these measures allow it to respond</p>

new potential customers wherein the initial focus will be on large customers.		quickly and make the necessary adjustments, which have proven crucial in maintaining its competitiveness.
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Climate-related risks and opportunities²

Governance	Strategy	Risk Management	Metrics and Targets
Understanding Climate Change as part of the business will help the Company to carry out analysis of risks and impacts of Climate Change.	Supply and demand vary from changes in policies, technology, and, market dynamics related to climate change could affect the valuation of organizations' assets and liabilities. Use of long – lived assets and, where relevant, reserves may be particularly affected by climate-related issues.	Climate-related risks and opportunities identified are raised to different divisions to determine whether to accept or mitigate risks; develop plans and carry out regular monitoring and reporting.	Metrics used to manage its climate – related risks and opportunities are those related to its finance and investing activities, its business operations and employee and community activities.
Recommended Disclosures			
The Company consider climate-related issues in its strategy, major plans of action and business plan as well.	Ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain products, and services as climate-related risks and opportunities are increasingly taken into account.	Risk assessment, measurement, control and monitoring and reporting.	Energy indirect Greenhouse Gases (GHG) Emission is the impact of usage of electricity and this is one of the major inputs in the processes (production).
Development of environmental strategy, setting environmental performance standards and targets, and reporting on performance	The impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning could affect the valuation of organizations' assets and liabilities.	Identifying, managing and mitigating climate-related business risks include procedures, and analysis	Energy indirect Greenhouse Gases (GHG) Emission is the impact of usage of electricity and this is one of the major inputs in the processes (production).

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	87	73.15%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Convenient access of working closely with suppliers long after a deal has been signed. Impact on the organization's ability to achieve its objectives.</p> <p>The Company's domestic sourcing tends to build consumer confidence. When consumers can buy with confidence, businesses gain their trust, resulting in increased brand awareness and loyalty.</p> <p>On the other hand, with the Low-cost international country sourcing which is Company's procurement strategy that falls under a broad category of procurement efforts called global sourcing, this aims to minimize capital investment and maximize profits.</p> <p>Convenience on communication. Lesser cost on long distance calls and no time difference limitations.</p>	<p>Suppliers (local and foreign)</p> <p>Customers</p> <p>Community</p>	<p>- Cirtek Group is certified under ISO 14001:2015 and is a SONY Green Partner.</p> <p>- Establish alliances with key suppliers</p> <p>- Two-way communication, which requires both buyer and seller to jointly manage the relationship, is more effective. The four primary objectives of an effective alliance management program with key suppliers include:</p> <ol style="list-style-type: none"> 1. Provide a mechanism to ensure that the relationship stays healthy and vibrant 2. Create a platform for problem resolution 3. Develop continuous improvement goals with the objective of achieving value for both parties 4. Ensure that performance measurement objectives are achieved <p>With a sound alliance management program in place, the Company is equipped to use the talents of your supply base to create sustained value while constantly seeking improvement.</p> <ol style="list-style-type: none"> 5. Establishing good partnership with Approved Vendors. 6. Better understanding of each and every requirement of both parties.

		<p>7. Creating lesser barriers on communications since working hours/time frame is at same platform.</p> <p>8. Swift communications of issues encountered that eventually result to quick resolution.</p> <p>9. Develop better system from inquiry, to order tracking, after sales feedback to ensure continual improvement on both sides, since they can assess day to day effectiveness of measures being utilized.</p> <p>10. Convenience in monitoring performances and evaluation thru periodic conference calls, to ensure all points for improvement are well taken care of.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Availability of supplies</p> <p>Cost impact</p> <p>Responsiveness to customers' changing needs</p> <p>Unavailability of materials brought about by Covid-19 status.</p> <p>Poor planning and forecasting are direct causes of inventories that are out of balance with a business's needs.</p>	<p>Customers</p> <p>Suppliers</p> <p>Government</p> <p>Community</p>	<p>Engage in collaborative strategic sourcing (Decision-making process).</p> <p>Solicit feedback and information regarding their objectives and strategies from those customers, which may include functional areas such as finance and accounting, engineering, operations, maintenance, safety/health/environment, and quality assurance—any internal business unit or function that will contribute to the initiative's success.</p> <p>Immediately implementing control measures to isolate Covid-19 infected patients (if there's any) from the group.</p> <p>Wearing masks, checking temperatures, and monitoring those with suspected symptoms for everyone's safety.</p> <p>Sending awareness articles and paraphernalia to ensure activities are</p>

		<p>being monitored not only by one employee but the whole group.</p> <p>From the Supply Chain point of view, identifying affected Vendors and its impact on supplies.</p> <p>Setting alternate Vendors to cater to requirements while default Vendors are still at isolation stage.</p> <p>Continuously working out and localizing Vendors for more chances of avoiding process interruptions.</p> <p>Placing more emphasis on demand planning and forecasting as an additional means of ensuring optimal inventory levels.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Reduce working capital.</p> <p>Sourcing locally results to shorter lead time. This will save time and money when shipping domestically as this is typically faster and less expensive than shipping from international suppliers. Trucking carriers can be leveraged, while ocean carriers will largely be inflexible in terms of costs and timeframes.</p> <p>Following are our initiatives in partnering with local suppliers.</p> <ol style="list-style-type: none"> 1. Identify Potential Partners. 2. Ensure supplier's compliance with local and international regulations. <p>Establish strategic financing that benefits both parties.</p> <p>Additional Income /Cost saving activity</p>	<p>Supply chain organization</p> <p>Customers</p> <p>Suppliers</p>	<p>Optimize company-owned inventory.</p> <p>Locally supplied materials should have better pricing since you will be saving freights and operational costs on moving items from one Region to Another.</p> <p>Better delivery scheduling since material lead time is identified and transit is minimized.</p> <p>Better Inventory Management as delivery can be just in time and no need to be stretched to avoid delay on upcoming requirements. This happens when you are ordering from foreign partners and shipment requires sea shipment for lesser costs, yet considerations on future requirements should be included to avoid future downtime.</p>

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Cirtex Group's Anti-Corruption policies form part of the standard requirements and measures for all its dealings with suppliers, business partners and employees. As of date of this report, there has been no case of corruption involving the Company's business partners and employees.	Employees Suppliers Regulators	- Strict implementation of the Company's Anti-corruption Policies and practices. - Promote corporate culture of transparency, accountability and integrity.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Possible loss of business, key employee The Company has no incidents involving corruption.	Employees Suppliers Regulators	- Strict implementation of the Company's Anti-corruption Policies and practices.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Enhancement of Anti-corruption programs	Employees Suppliers	-Continued review of existing policies and practices to ensure adoption of prevailing international practices and policies.

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
As of date of this report, there has been no case of corruption involving the Company's business partners and employees.	Employees Suppliers Regulators	- Strict implementation of the Company's Anti-corruption Policies and practices. - Promote corporate culture of transparency, accountability and integrity.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Possible loss of business, key employee The Company has no incident involving corruption.	Employees Suppliers Regulators	- Strict implementation of the Company's Anti-corruption Policies and practices. - Promote corporate culture of transparency, accountability and integrity.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Enhancement of Anti-corruption programs	Employees Suppliers	-Continued review of existing policies and practices to ensure adoption of prevailing international practices and policies.

ENVIRONMENT

The Company's subsidiaries, Cirtek Electronics Corporation and Cirtek Advanced Technologies and Solutions, Inc. has been certified under the international environmental standard ISO 14001:2015, which specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. ISO 14001:2015 seeks to manage its environmental responsibilities in a systematic manner that contributes to the environmental pillar of sustainability. ISO 14001:2015 helps an organization achieve the intended outcomes of its environmental management system, which provide value for the environment, the organization itself and interested parties. Consistent with the organization's environmental policy, the intended outcomes of an environmental management system include:

- enhancement of environmental performance;
- fulfillment of compliance obligations;
- achievement of environmental objectives.

The Cirtek Group is also SONY Green Partner Certified which passes the standards and requirements of SONY. This is a stepping stone that the system of the Company is in place in terms of their requirements for QMS and EMS standards. SONY has identified substances contained in the parts or materials of SONY products that have been judged to have a significant impact on the global environment and may harm human health. Thus, SONY established its "Management Regulations for Environment-related Substances to Be Controlled which Are Included in Parts and Materials" and clarifies which chemical substances cannot be used or whose use it is working to reduce. SONY introduced its "Green Partner Environmental Quality Approval System" for ensuring that suppliers comply with these standards and regulations, and SONY only procures from suppliers who are certified as Green Partners.

The Company is also audited annually by the government for the Annual Environmental Compliance Monitoring to check compliance of the Company.

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	None	GJ
Energy consumption (gasoline)	None	GJ
Energy consumption (LPG)	None	GJ
Energy consumption (diesel)	0.001519875	GJ
Energy consumption (electricity)	26,746,538	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	N/A	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	0.0046	GJ
Energy reduction (electricity)	6,591,929.73	kWh
Energy reduction (gasoline)	N/A	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Electricity and Diesel are used for production.</p> <p>Processes for production are dependent on power and once Meralco encounters failure there are stand by generator sets using diesel and company vehicle for shipment and customer service.</p> <p>Efficient use of fuel and power directly affects not only the Company's costs and expenses but also the power supply management of the community.</p>	<p>Employees, customers, community, visitors, tenants, contractors</p>	<p>The Cirtek Group adopts and implements its Environmental Objective Targets and Programs (OTPs) and one of these OTPs is the Usage/Conservation of Electricity stipulated under EMS-PEMTOT-004 (Procedure for Establishing Maintaining and Tracking the Objectives and Targets). Under this program, the utilization of power is encouraged to use more efficiently so this is directly proportional to product ship out. All business units support and implement the programs and activities listed in the Environmental OTPs and Conservation of Electricity Program.</p> <p>The Company targeted to reduce the consumption of electricity by 3% at the end of the year.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> - Increase of consumption but decrease in production ship out. - Wastages of power and diesel. - Power supply - High Cost 	<p>Employees, customers, community, visitors, tenants, contractors</p>	<p>Under the Environmental OTP, utilization of power is encouraged to use more efficiently so this is directly proportional to product ship out. All business units support and implement the programs and activities under these Environmental OTPs and Conservation of Electricity. As part of contingency measures, the Company has stand-by generator sets as backup to supply power. For the year 2020, the identified risks (increased consumption but decreased production, fuel and power wastage, etc.) were all successfully mitigated.</p>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Use of renewable energy, i.e., Solar Power</p> <p>Use of Inverter motor for facilities equipment.</p> <p>Use of Inverter type (more efficient Airconditioning unit system).</p> <p>Use of LED lights to microscope and magnifying glass</p> <p>Use of shuttle services for saving gas</p>	<p>Employees, stockholders, customers, tenants, suppliers, community, government.</p>	<p>Management is pro-active in the adoption of more energy-efficient equipment and office facilities; considering alternative sources of power such as installation of rooftop solar panels to supply initially 300kw demand.</p> <p>The Company plans to put up Solar Panel in year 2022.</p> <p>The Company also provided shuttle services to its employees.</p>

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	None	Cubic meters
Water consumption	Domestic: 42,275 Industrial: 450,774	Cubic meters
Water recycled and reused	2,180.4	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Water is used for production and domestic use.</p> <p>Certain processes of production are dependent on water and for domestic use of employees.</p> <p>Efficient use of water supports the water conservation programs of the Laguna Technopark community to manage water supply.</p>	<p>Employees, customers, community, visitors, tenants, contractors, government</p>	<p>The Company's Environmental OTPs include efficient utilization of water that is directly proportional to product ship out. All units support and implement the programs and activities in the Environmental OTPs and the Conservation of Water.</p>

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Increase of consumption but decrease in production ship out. Wastages of water. High cost Supply of water	Employees, customers, community, visitors, tenants, contractors, government	Implementation of the Company's Environmental OTPs, which include efficient utilization of water. All units support and implement the programs and activities for the conservation of water. For the year 2020, the identified risks (increased consumption but decreased production, water wastage, etc.) were all successfully mitigated.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Recycling Multiple Pass (Reverse Osmosis) more efficient use of water in 2020. Waterless urinal	Employees, stockholders/owners, customers, tenants, suppliers, community, government.	Management is pro-active in the adoption and implementation of resource conservation programs, including efficient usage and conservation of water measures.

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	None	kg/liters
• non-renewable	3,862,279.90	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	5	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Material consumption Environmental Product Compliance (Direct materials comply with the environmental-friendly i.e. compliance with RoHS, REACH, and other statutory /regulatory requirements).	Employees, suppliers, customers, government	Control consumption. Alternative material supply. Management ensures strict compliance with all applicable laws and regulations for 100% environmental product

The Company uses highly-specialized and customized materials for production, and strictly adheres to all applicable laws and regulations to ensure environmental product compliance for all outputs. The Company's environmental product compliance directly impacts sales revenues and business relationships with customers and suppliers.		compliance for its production and all other business operations. Contracts with customers and suppliers include specific provisions on sourcing and use of materials, in accordance with ISO 14001:2015 and SONY Green Partner standards, when applicable.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Supply availability Single source supplier High cost Storage requirements	Suppliers, customers, employees, government	Source out multiple suppliers and providers. Active customer engagement regarding sourcing of materials that are cost-efficient, sustainable and compliant with environmental standards. Consistently maintain standards set in accordance with ISO 14001:2015 and SONY Green Partner certifications, when applicable.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Cheaper materials Environment-friendly materials	Suppliers, customers, stockholders	Management continues to engage its customers and suppliers to ensure sufficient source of materials from multiple suppliers, that are cost-efficient and sustainable, and compliant with global standards for quality and sustainability.

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

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None	
Habitats protected or restored	None	ha

IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations	None	
<p>As part of the Company’s Corporate Social Responsibility (CSR) programs and initiatives and its continuing commitment to the community and society, the Company actively participates in the Laguna Technopark community activities along with different groups. These activities which promote awareness and directly impacts the local ecosystem and biodiversity include: Taal Relief Donations, Donations of PPEs to Our Lady of Peace Hospital, Tulong Para sa Nasalanta ng Bagyo, CSR Laguna Technopark Rise Against Covid, BIDA PACK para sa BIDA. The Company continues to move forward in its active involvement in various Environmental and Sustainability activities in the community like Environmental Program – Greening the Back Yard What was previously an idle, unusable vacant lot at the (back of Cirtek building) was turned into a garden by civic-minded employees of Cirtek. The program was launched on March 19 this year.</p>		

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Beneficial impact for helping and support the environment.</p> <p>Specific activities actively participated by Cirtek Group:</p> <ul style="list-style-type: none"> - Taal Donations to affected families is Batangas (kind and cash donations). - Taal Relief Donations to affected families is Batangas (kind and cash). - Donations of PPEs to Our Lady of Peace Hospital - Tulong Para sa Nasalanta ng Bagyo (kind and cash). -CSR Laguna Technopark Rise Against Covid, BIDA PACK para sa BIDA (Alcohol, faceshield, mask for 20 beneficiaries). 	<p>Employees, community, government, customers, stockholders</p>	<p>The Company continues to advocate its CSR) programs and initiatives. The Company’s commitment to support and implement sustainable business practices, and its active involvement and participation in various environment and sustainability programs for the community’s ecosystems and biodiversity is embodied in the provisions under the Company’s ECC (Environmental Compliance Certificate: <i>Cirtek Electronics Corporation (CEC) is an ISO9001/IATF16949 – certified company for Automotive Quality Management System (QMS) and ISO14001 for Environmental Management System (EMS). Whereas its sister company, Cirtek Advanced Technologies and Solutions, Inc. (CATSI) is ISO9001 and ISO14001-certified.</i></p>

³ International Union for Conservation of Nature

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Costs</p> <p>Human resources limitations</p> <p>Possible government sanctions for breach in ECC conditions</p>	<p>Employees, community, government, customers, stockholders</p>	<p>Internal CSR in Cirtek group.</p> <p>The Company is committed to continue its CSR advocacies, programs and initiatives in coordination with the Laguna Technopark community.</p> <p>CSR activities form part of regular HR activities.</p> <p>The Cirtek Group has successfully mitigated the identified risks as it continues to pursue its advocacy to ESG principles.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Expansion of investor base to include “green” funds/investors</p> <p>Enhanced corporate image</p> <p>Attract/sustain customers, business</p>	<p>employees, community, government, customers, stakeholders, investment funds</p>	<p>The Company is committed to continue its CSR advocacies, programs and initiatives. Management ensures that the Company adopts and implements sustainable business practices and activities.</p>

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	126,534.5865	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	0.5247	Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Energy indirect Greenhouse Gases (GHG) Emission is the impact of usage of electricity and this is one of the major inputs in the processes (production).</p> <p>All air-conditioning units serve in production and offices.</p>	<p>Employees, costumers, visitors, suppliers, government, community</p>	<p>The Company has adopted and implemented energy conservation measures including:</p> <ul style="list-style-type: none"> - Convert Ozone Depleting Substances (ODS) to ODS Free - Convert old aircon to Variable Refrigerant Frequency (VRF) type <p>Also, as part of its CSR program and advocacy to ESG principles, the Company actively supports and participates in tree planting activities in the community to offset CO2 emission.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Depletion of Natural Resources.</p> <p>Depletion of Ozone Gases</p> <p>Poor air quality</p>	<p>Employees, costumers, visitors, suppliers, government, community</p>	<p>The Company has also adopted energy conservation measures including:</p> <ul style="list-style-type: none"> Convert ODS to ODS Free Convert old aircon to VRF type <p>In the implementation of its CSR program and advocacy to ESG principles, the Company has successfully mitigated the identified risks.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Continue to convert AC production system to Ozone Depleting Substances (ODS)</p>	<p>Employees, costumers, visitors, suppliers, government, community</p>	<p>The Company is committed to continue to explore/study energy-saving, clean and sustainable processes and equipment.</p> <p>Use VRF System</p>

Air pollutants

Disclosure	Quantity	Units
NO _x	0	kg
SO _x	0.7138	Kg-cm
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg
Particulate matter (PM)	0	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Part of the process to emit air pollutants.</p> <p>The Company has its Air Pollution Control Facility (APCF) with pertinent DENR Permit to Operate. Based on the history of results for ambient emission, the Company has consistently passed the standards far below the limit. And this is likewise the result of Generator Sets which is on standby and emits only when running.</p> <p>In light of the APCF and the Company's processes, the Company's results of Ambient and Emission tests for the year 2020 has consistently passed the DENR threshold limit.</p> <p>Taal Volcanic Eruption during the cleaning of the Ash fall in vicinity of the Company.</p>	<p>Employees, community, customers, suppliers, contractors</p>	<p>Management strictly implements procedures and processes to ensure that the air pollutants emitted pass the standards and regular test for Ambient, updated PTO and operational APCF.</p>

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Health Hazard</p> <p>Noise, Air Pollution</p> <p>Costly operation</p> <p>Possible regulatory sanctions</p>	<p>Employee, community, customers, suppliers, contractors</p>	<p>Management strictly implements procedures to ensure compliance with regulatory standards and regulations, thus have successfully mitigated the identified risks.</p> <p>The adoption and implementation of the said Work Place Policy form part of the Company’s program to mitigate the risks and impact posed by the COVID-19 pandemic. The said program and measures being undertaken by the Cirtek Group include the following:</p> <ol style="list-style-type: none"> 1. Proper and regular sanitation of the workplace. 2. Provision of alcohol solution and sanitizers in strategic areas of the workplace. 3. Regular monitoring of the health of all employees. 4. Advisory issued to all employees for strict self-assessment before reporting to work. Employee with respiratory symptoms will no longer report for work and should seek medical advice asap. CHPC Medical Team will trace and monitor the health status of said employee. 5. Any employee suspected of COVID-19 signs and symptoms will be directly referred to nearest hospital for immediate medical attention. 6. Protective measures in place to avoid or correct workplace in imminent danger situations. 7. Guidelines for care of employees who are sick or with fever. 8. Guidelines for leave of absence, entitlements, medical benefits and compensation in relation to COVID-19.

		<p>The Company shall closely monitor updates from government authorities regarding COVID-19. Further, the Company shall take additional measures as may be mandated by the national and local governments.</p> <p>Limit use of Generator only when necessary.</p> <p>Perform regular preventive maintenance of generator sets.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Use purified/cleaner diesel Preparations on Volcanic Eruption	employees, community	Management continues to identify, source out cheaper, cleaner and more sustainable alternatives.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	112.0	kg
Recyclable	36,5685	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled	39,642	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Part of the process and daily activities produces solid and hazardous wastes.</p> <p>The Company provides regular trainings and awareness for its personnel regarding proper handling and disposal of wastes, and the corresponding penalties</p>	Employees, Visitors, customers, suppliers, government, community.	<p>The Company strictly implements its SOPs for waste management to ensure compliance with regulatory standards and requirements. The Company's procedures include: EMS-SWS-027 (SOLID WASTE SEGREGATION PROCEDURE) and EMS-SMDSP-011 (SCRAP MATERIALS DISPOSAL AND/OR STORAGE)</p>

<p>for any violations of the applicable laws and regulations.</p> <p>The Company adheres to the strict regulations for handling of wastes mandated in the Laguna Technopark community.</p>		<p>PROCEDURE). The Company ensures that all solid wastes generated are safely and properly segregated, collected, stored and disposed. Proper implementation and execution of the procedures for Solid and Hazardous wastes must be strictly observed in compliance with the regulatory laws.</p> <p>The Company has specific wastes bins provided per classification as part of proper disposal management.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Increased wastes</p> <p>Costly for hazardous and residual</p> <p>Improper segregation</p> <p>Possible regulatory sanctions</p>	<p>Employees, Visitors, customers, suppliers, community, government.</p>	<p>The Company conducts regular trainings and awareness for all personnel, and strictly implements its procedures for solid and hazardous wastes management.</p> <p>Use of DENR accredited hauler, transporter and treater to handle our hazardous wastes.</p> <p>Zero-defect mind set to avoid wastes.</p> <p>Zero-defect performance is part of Company incentive program.</p> <p>Source out cheaper treatment for hazardous wastes</p> <p>The implementation of the SOPs and programs of the Company have mitigated the identified risks.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Sales of recycle/reclaim scrap.</p>	<p>Employees, community, stockholders.</p>	<p>The Company continues to identify and develop ways of improving management of wastes, in keeping with its commitment to consistently adhere to more sustainable practices.</p>

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	70,311	kg
Total weight of hazardous waste transported	64,257	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Part of the process and daily activities produces hazardous wastes.</p> <p>The Company provides regular trainings and awareness for its personnel regarding proper handling and disposal of wastes, and its corresponding penalties for any violations of the applicable laws and regulations.</p> <p>Laguna Technopark community has strict regulations for handling of wastes.</p>	<p>Employees, visitors, , government, transporters, treaters, community</p>	<p>The Company ensures that the procedures for Hazardous wastes are properly implemented and executed, in compliance with the applicable laws and regulations.</p> <p>The Company has specific wastes bins provided per classification as part of proper disposal management.</p> <p>Use of DENR accredited hauler, transporter and treater is implemented.</p> <p>The objective is effectively managed hazardous wastes within the Cirtek Group in order to minimize human and environmental impacts caused by industrial activities.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Increase wastes</p> <p>Costly for hazardous treatment</p> <p>Improper segregation</p> <p>Possible regulatory sanctions</p>	<p>Employees, visitors, customers, suppliers, government, transporters, treaters, community</p>	<p>The Company conducts regular trainings and awareness for all personnel, and strictly implements its procedures for solid and hazardous wastes management.</p> <p>Use of accredited hauler, transporter and treater.</p> <p>Zero-defect mind set to avoid wastes.</p> <p>Zero-defect performance is part of Company incentive program.</p> <p>Source out cheaper treatment for hazardous wastes</p>

		The implementation of the SOPs and programs of the Company have mitigated the identified risks.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Coordination with DENR for management of hazardous waste (mold runners) because this is not hazardous wastes.	Employees, government, transporters, treaters, community	The Company continues to identify and develop ways of improving management of wastes, in keeping with its commitment to consistently adhere to more sustainable practices.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	Domestic: 42,275 Industrial: 450,774	Cubic meters
Percent of wastewater recycled	0.48	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Main part of the process is using water and for domestic necessity and its discharge. Pollute water if not properly treated	Employees, customers, tenants, visitors, contractors, governments, community	The Company has defined procedures and programs for Conservation of Water. Management ensures that all units utilize water efficiently and support the programs, activities in conservation of water. The Company also implements its Wastewater Treatment Plant System to treat industrial wastewater. And for domestic wastes water treated at STP (Laguna Water). The Company has consistently complied with regulatory standards.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Increase wastewater discharge	Employees, customers, tenants, visitors,	The Company conducts regular awareness programs for its personnel for

Costly for treatment Discharge untreated water or improper wastewater disposal	contractors, government, community	its water conservation measures. Management ensures strict implementation of wastewater disposal and management, in coordination with local authorities, to be able to consistently comply with industry and regulatory standards. With wastewater treatment plant system for treatment of industrial wastewater and for domestic wastewater discharge treated at STP (Laguna Water). The implementation of the SOPs and programs of the Company have mitigated the identified risks.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Enhanced corporate image	Employees, customers, tenants, government, community	Continue to comply with standards and follow regulatory requirements. The Company continues to identify and develop ways of improving management of resources, including water, in keeping with the Company's commitment to consistently adhere to more sustainable practices and to comply with industry standards and regulatory requirements.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	None	#

The Cirtek Group is fully compliant with statutory and regulatory laws such as DENR, LLDA, PDEA, PEZA, Laguna Water.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>EMS Section to ensure that all compliance obligations (i.e. permits, reports, certificates, licenses) are updated and being promptly complied with and reported/submitted on time.</p> <p>Continued compliance with industry standards and regulatory requirements ensures continued business operations and investor confidence.</p> <p>For the year 2020, the Company has no incident or related case, nor any record of non-compliance with environmental laws and regulations.</p>	<p>Employees (handling officers) customers, suppliers, government, shareholders</p>	<p>The Company implements defined procedures for its compliance obligations. Part of the EMS KRA Goals is Zero violations, Zero penalties. Management ensures that the Company's governance and sustainability policies and procedures are strictly implemented.</p> <p>The government (PEZA) conduct annual checking of Environmental Monitoring Compliance.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Possible regulatory sanctions</p> <p>Possible negative corporate image that may lead to loss of business and investor confidence</p>	<p>Employees (handling officers), government, customers, suppliers, community, shareholders.</p>	<p>Management ensures that the Company's governance and sustainability policies and procedures are strictly implemented. Specific units/personnel have the responsibility to ensure compliance with obligations and regulatory requirements set by government authorities, including DENR, LLDA and PEZA.</p> <p>For the year 2020, the Company has no incident or related case, nor any record of non-compliance with environmental laws and regulations.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Enhanced corporate image to expand the business and the investor base.</p>	<p>Customers, suppliers, government, shareholders</p>	<p>Continue to comply standards and follow regulatory requirements.</p> <p>Management continues to review its governance and sustainability policies</p>

<p>CSR / Social Development Program (SDP) is part of our obligations. The Company actively participates in CSR activities of the private sectors (i.e., LTI, LTAI AOSHEOLI, etc.) such as tree planting, coastal clean-up, school and barangay donations and gift-giving, and others) and also, we have internal CSR activities like brigada eskwela, family day, free medical check-up, helping/donations to affected family of Taal eruptions, blood donations, etc.</p> <p>The Company has received Recognition for its Environmental Programs and initiatives from the LT-MMT group (Laguna Technopark Multi-Partite Monitoring Team).</p>		<p>and procedures to further improve the Company's compliance with industry standards and regulatory requirements. The Company likewise continues to engage its customers, suppliers and investors to enhance the Company's sustainability programs and practices.</p>
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SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ⁴	1974	
a. Number of female employees	1217	#
b. Number of male employees	757	#
Attrition rate ⁵	7.91%	rate
Ratio of lowest paid employee against minimum wage	0	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS (maternity leave and sick leave and Loan of regular employees only)	Y	13.54%	8.06%
PhilHealth	Y	3.02%	.73%
Pag-ibig	Y	14.43%	8.56%
Parental leaves	Y	4%	.84%
Vacation leaves	Y	11.86%	9.63%
Sick leaves	Y	14.33%	9.51%
Medical benefits (aside from PhilHealth))	Y	29.04%	13.6%
Housing assistance (aside from Pag-ibig)	N	0.5%	0
Retirement fund (aside from SSS)		22%	7%
Further education support	N	0.5%	0
Company stock options		n/a	
Telecommuting (24/7 after working hrs and during weekend and holidays)	N	0.6%	1.4%
Flexible-working Hours (Others)	y		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Human capital is the most critical element for the Company's profitability. The Company's employees provide the core strength, innovation, creativity and	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ Attrition rate = (no. of new hires – no. of turnover) / (average of total no. of employees of previous year and total no. of employees of current year)

<p>resilience that enables Cirtek to consistently provide value to its customers and stakeholders.</p> <p>The hiring, retention, training and development of Cirtek’s human resources and talent directly impacts the Company’s efficiency, productivity, profitability and sustainability. Also, the Company provides job opportunities to the community, and prioritizes hiring manpower from the locals.</p> <p>Cirtek ensures the protection of the rights, welfare and dignity of its human resources by providing, among others, decent working conditions and fair compensation and benefits, in accordance with labor laws and global best practices in the industry.</p>	<p>Management has adopted and implemented relevant HR policies including:</p> <ol style="list-style-type: none"> 1)QMS-032-CPRR- Company Policy, Rules and Regulation is in place to inform and guide the employees with respect to salary and benefits, company policies and protocol, rules and regulations and disciplinary actions 2)Semi-Annual Management Review to address the updates of the goals and objective of the department 3)Annual Performance Review to all level to identify the strength and weaknesses of the employees and their training needs 4)KRA per Department to set up goals, objectives and target. Semi-annual review of the KRA to determine the performance of the department if the goals, objective and target are met, and identify the corrective actions in order to meet the goals and identify the outlook <ol style="list-style-type: none"> 1) Annual Incentive Program and Budget in place to motivate the employees and recognize their contribution and significant performance 2) Annual/Quarterly Sports and Recreation, continuously promoting health and safety and wellness program to motivate the employees to be concerned with their health and to promote team building. – <i>No Sports and other recreational activities during year 2020 due to pandemic</i> 3) Continuous publications of updates from DOLE, Health Dept, BIR, SSS and other government agencies to convey their latest, additional directives on health protocols related to pandemic 4) Labor Management Council composed of representatives from management and staff conduct regular meetings to <i>discuss the implementation of health protocols mandated by DOH, DOLE, LGU, IATFI and other government agencies on how to</i>
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	<p><i>mitigate the pandemic that will affect the health and safety of every employee and their families.</i></p> <p>5) Grievance committee will be continuously providing an avenue to be able settle any issues related to both parties <i>particularly during the pandemic</i></p>
What are the Risk/s Identified?	Management Approach
<p>Risks include: (1) lack of manpower with the right skills set, (2) resignation/loss of key personnel and talent, (3) reduced productivity and profitability due to lack of talent/manpower, (4) possible negative image as an employer,(5) possible government sanctions that may be imposed for any breach in labor laws or standards.</p>	<p>Management has adopted and has been implementing the Company Policies to ensure the protection of the rights, welfare and dignity of Cirtek’s human resources, in accordance with applicable the labor laws, customer commitments and industry best practices. Policies are periodically reviewed to ensure that prevailing HR management best practices and current labor laws are being adopted and employee benefits remain competitive. <i>Compressed workweek was implemented to sustain the operations during the pandemic.</i></p> <p>The Company has engaged two (2) manpower providers to ensure the immediate deployment of manpower requirement in the operations. <i>Tighten the selection and hiring to address the control on Covid-19. Ensure that health protocols mandated by DOH, DOLE, LGU, IATFI and other government agencies on how to mitigate the pandemic is implemented.</i></p> <p>The implementation of the HR Policies and programs have mitigated the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
<p>The Company prioritizes hiring of manpower from the local community. The Company maintains its good corporate image as an employer, thus, maintaining good relations as well with the local community.</p>	<p>Management periodically reviews all related Company Policies and Programs to remain competitive and to ensure that global industry best practices are being adopted and implemented. <i>Tighten the selection and hiring to address the control on Covid-19. Ensure that health protocols mandated by DOH, DOLE, LGU,</i></p>

Partnership with DualTech Training Foundation Inc. for Dual Training Program. Hands-on Technical Training during the schooling of participants.	<p><i>IATF and other government agencies on how to mitigate the pandemic is implemented.</i></p> <p>Program on CSR are advocated. <i>Will continuously</i> Accept students of Dual Tech Training Foundation Inc. to undergo hands-on training during their schooling when <i>there is requirement</i>. Monthly allowance will still be provided to students and absorb them after their graduation <i>when there is requirement</i>.</p>
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Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	43,520	Hours
b. Male employees	18,640	hours
Average training hours provided to employees		
a. Female employees	40hrs/emp/yr	hours/employee
b. Male employees	40hrs/emp/yr	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Being the most important asset of the Company, the human resources' performance and output directly impacts the Company's productivity and profitability. Thus, the Company ensures the continuous technical, behavioral and leadership training programs relevant to the employees, based on the needs of the business operations, as well as the development and career path of the employees. Periodic KRA setting and performance appraisal systems are in place to manage, among others, training needs, employee development and career path. The Company also works closely with its customers to ensure that employees' skills and knowledge are matched with the business product needs.</p>	<p>Management mandates that each employee undergoes at least 40hrs of training per year. Employees directly involved in production should be certified prior to performing / operating machine, thus they are required to undergo training to be certified. Re-certification training is semi-annual.</p> <p>Employees Performance Appraisal conducted yearly and Competency Assessment to assess the result of performance to be able identify the strength and weaknesses of employee and training needs as well. In-house training is provided to employees by certified internal officers. <i>No external training done during the year 2020 due to pandemic.</i></p> <p>Annual Training Plan is generated for all levels of the organization to groom and develop the</p>

	employees to improve performance, skills and efficiency.
What are the Risk/s Identified?	Management Approach
<p>Risks include: (1) lack of manpower with the right skills set, (2) resignation/loss of key personnel and talent, (3) reduced productivity and profitability due to lack of skills and knowledge, and health-related concerns (4) skills obsolescence, (5) possible negative image as an employer.</p> <p>The management ensures to implement the Company Policy.</p>	<p>Management has adopted and has been implementing the Company Policies to ensure that employees have the right skills and knowledge necessary for the efficient operations and quality products output. Continuous training programs are being implemented. Management ensures that employees' skills remain competitive and through the Company's performance appraisal systems, the career development of employees are periodically reviewed and managed to retain talent and further develop the Company's human resource; thus mitigating the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
<p>Improve and develop the skills and performance of employees to be competitive in the industry</p> <p>Improve productivity and quality.</p>	<p>Training and Development Program is provided</p> <p>Suppliers of sensitive machines and equipment provide technical training to technicians and operators of the machines.</p> <p>Management periodically reviews all related Company Policies and Programs to remain competitive and to ensure that the Company's human resources have the rights skills, maintain work-life balance, and that global industry best practices are being adopted and implemented.</p>

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	
Number of consultations conducted with employees concerning employee-related policies	12	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Harmonious labor-management relationship is a major factor in productivity and production quality, and has big impact in promoting industrial peace and employee motivation.</p>	<p>Labor-Management Council (LMC) was created in year 1990, and since then, has conducted regular weekly meeting for production updates, changes in policies, new directives of management, consultations, issues on employees' welfare, and other employee-related matters. <i>Though face to face meetings are being regulated due to pandemic health protocols, the team continued its regular weekly meetings while strictly observing the social distancing and health protocols.</i></p> <p>For the operations teams, regular daily meetings are still conducted for every shift of production personnel to discuss <i>work-related issues, government directives on health protocol to mitigate Covid-19, while strictly observing protocols on social distancing.</i></p> <p>Both labor and management consistently maintain open communication channels <i>despite the pandemic.</i></p>
What are the Risk/s Identified?	Management Approach
<p>Labor dispute may affect productivity, industrial peace and harmony.</p> <p>Miscommunication, misleading information related to implementation of company policies</p>	<p>Labor-Management Council, Grievance Committee and other committees were created and organized for the welfare of employees; a tool for labor-management dialogue to settle at the plant level any labor issue that may arise.</p> <p>Management ensures that open communications for consultations, recommendations and suggestions are maintained to improve labor relations <i>and health and safety protocols for effective control and mitigation of Covid-19.</i> The labor-management programs of the Company</p>

	have effectively mitigated the occurrence of the identified risks.
What are the Opportunity/ies Identified?	Management Approach
Opportunity to discover immediate and effective solutions if there are labor issues. Quick disseminations of new policies and programs.	Regular meetings with LMC and employees' representatives to quickly resolve any work-related issues and most <i>importantly the implementation of the health protocols mandated by DOH, DOLE, LGU, IATF and other government agencies to mitigate the virus.</i>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	1217	70%
% of male workers in the workforce	757	30%
Number of employees from indigenous communities and/or vulnerable sector*	0	0%

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Company Policy Rules and Regulation (QMS-032-CPRR) is applicable to all levels of the organization to ensure non-discrimination of any employee. Cirtek Group is compliant with the rights and privileges of employees in accordance with Electronics Industry Citizenship Coalition ("EICC"), the standard to ensure that working conditions are safe, workers are treated with respect and dignity, and business operations are environmentally responsible and conducted ethically.	Company Policy Rules and Regulations (QMS-032-CPRR) cover the Training orientation for the newly hired employees. <i>Ensure the physical distancing is strictly observed.</i> Internal Promotion is applicable to male and female <i>employees and continuously being practiced.</i> Incentive Program is applicable to all levels in the organization and is continuously implemented.

What are the Risk/s Identified?	Management Approach
<p>Employees discontentment may affect their performance.</p> <p>May disturb the industrial peace</p>	<p>Compliance with EICC Code of Conduct and <i>continuously using</i> the various communication channels, such as the Labor Management Council, and regular communication with employees (such as daily meetings with supervisors in the production floor, weekly committee meeting, among others). These HR programs have effectively mitigated the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
<p>Opportunity of the employees to exceed the standard performance to achieve the career growth. PWD with minor disability is sometimes more productive.</p> <p>Help to uplift the morale of PWD employees to strengthen their confidence and personality.</p>	<p>Internal promotion than external hiring is <i>continuously being exercised to motivate the employees.</i></p> <p><i>Will continue to hire</i> PWD and transgender with minor disability provided they meet the requirements and perform the assigned tasks.</p>

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	2,912,024	Man-hours
No. of work-related injuries	3*	pax
No. of work-related fatalities	0	#
No. of work-related ill-health	0	#
No. of safety drills	1	#

* Minor injuries due to human error in operating the machine

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>The Company has adopted and implemented its First Aid Training, regular meeting of Health and Safety Committee to address health and safety issues at the work place, continuous health and wellness program initiated by medical team.</p> <p>Fire, Earthquake and Volcano eruption drill, First Aid Training, Regular Training and Orientation, Releasing Health Awareness Updates by Medical Team, Occupational Health and Safety training by Committee echoed to employees. For 2020, the</p>	<p>Management ensures that the Company consistently promotes the health and well-being of its human resources and that it always provides a safe and decent working environment. Management likewise ensures that adequate health benefits and insurance safety nets are provided, particularly during the pandemic.</p> <p>Occupational Health and Safety Committee are composed of labor and management representatives.</p>

<p>Cirtek Group strictly implemented its Workplace Policy and Program on COVID-19 Prevention and Control as the pandemic directly impacts the business operations of the Company.</p> <p>These programs ensure the health and well-being of the Company's employees and provides a safe working environment.</p>	
<p>What are the Risk/s Identified?</p>	<p>Management Approach</p>
<p>Risks may include: possible injuries, ill-health or fatalities in the workplace, COVID-19 infections, and regulatory sanction on non-compliance with laws and regulations.</p>	<p>Management ensures that mandatory standards on working conditions, occupational health and safety, safety and health are fully complied with. Regular employees' engagement is conducted as well with regard to adequacy of policies and safety nets in place. Occupational Health and Safety Committee is in place. The health programs and policies of the Company have mitigated the occurrence of the identified risks.</p>
<p>What are the Opportunity/ies Identified?</p>	<p>Management Approach</p>
<p>Opportunity to Improve attendance and productivity</p> <p>Opportunity to lessen the medical expenses</p> <p>Opportunity to lessen the breakdown of machines, purchases of spare parts and repair.</p>	<p>Management continue to conduct regular employee engagement, to assess global best practices on labor, safety and health standards and the working environment to ensure that the Company always abides with the laws and regulations and global best practices.</p> <p>Medical team consistently and regularly send updates and provide symposium/seminar to employees.</p> <p>Medical team regularly provide updates related to pandemic, health and safety protocols from DOH, DOLE, IATF and other government agencies.</p> <p>Bench marking with the good practices of other companies.</p>

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

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

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	Company Policy Rules and Regulations–QMS-032-CPRR
Child labor	Y	Company Policy Rules and Regulations- QMS-032-CPRR
Human Rights	Y	Company Policy Rules and Regulations-QMS-032-CPRR

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Company Policies on Labor, Human Rights, Anti-Harassment, Anti-Bullying (QMS-32-CPRR) serve as clear guidelines for Management and staff. Thus, due process will be strictly observed for any violation, and when applicable, the appropriate sanctions will be imposed. Should there be any cases elevated to government authorities and the courts, the Company Policies and relevant documentation will support such cases.	Management ensures full compliance with applicable labor laws at all times, and consistently upholds the rights, welfare and dignity of the Company's human resources, through the Company's various Policies and programs. Management likewise ensures that the Company's commitments to its customers regarding labor practices are fully adopted and implemented. Also, regular assessment of international best practices on labor is being conducted for Management's periodic evaluation and appropriate action.
What are the Risk/s Identified?	Management Approach
Risks may include negative image of the Company, possible litigation/cases related to forced/child labor and human rights violations, and government sanctions. Labor cases also need Management time and resources, other than for the Company's business operations. The Company did not have any violation on human rights laws, nor any instances/case involving child/forced labor.	Management ensures full compliance with applicable labor laws and the protection of the rights, welfare and dignity of the employees. Regular employee engagement, in-house behavior and leadership trainings and other employee programs support Management's efforts in mitigating these identified risks. Management further ensures that it abides with global labor best practices.

What are the Opportunity/ies Identified?	Management Approach
Review of relevant Company policies such as Anti-Harassment, Bullying QMS-032CPRR to align with prevailing laws, regulations and best practices. And when necessary, the Company shall accordingly adopt policies to comply with labor standards.	Management ensures continuous compliance with applicable labor laws, and shall consistently uphold the rights, welfare and dignity of the Company's human resources. Regular assessment of international best practices on labor shall be conducted for Management's evaluation and appropriate action.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Yes, QMS-12-SMS- Supplier Management System

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	Environmental Policy
Forced labor	Y	Supplier Corporate Social Responsibility (ite.8.12 Of QMS-12-SMS)
Child labor	Y	Supplier Corporate Social Responsibility (ite.8.12 Of QMS-12-SMS)
Human rights	Y	Supplier Corporate Social Responsibility (ite.8.12 Of QMS-12-SMS)
Bribery and corruption	Y	Supplier Corporate Social Responsibility (ite.8.12 Of QMS-12-SMS)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company Policies related to the accreditation of its suppliers provide clear guidelines for its suppliers to ensure, among others, not just quality products and services, but also sound labor practices and that such suppliers abide with global sustainability standards. These directly impact the Company's sustainability and profitability considering that these form part of the Company's commitment to its customers.	Management has adopted and implemented the Company's Policy for supplier accreditation, in accordance with the Company's related policies, rules and regulations on environment, labor, and corporate governance. Management also engages the Company's customers given the Company's commitments under the relevant contracts with regard to suppliers' labor practices and governance, in addition to the supplier's financials and other criteria.
What are the Risk/s Identified?	Management Approach
Risks may include: absence or lack of suppliers, reduced productivity and profitability.	Management ensures that the Company Policies are implemented, and maintains regular accredited suppliers and customer engagement.

	<p>Maintain at least 2 to 3 alternative accredited suppliers.</p> <p>The Company's Policies and Systems for Supplier Chain Management have effectively mitigated the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
<p>Opportunity to select competitive price grants to meet the target in Cost Reduction for raw materials.</p> <p>With continuous supply of raw materials, can confidently confirm customer's forecast and demand that will increase the sales.</p> <p>No customer's complaint when quality of materials is meeting the standards.</p>	<p>The Management has adopted and implemented the following:</p> <p>Schedule annual audit to suppliers in the aspect of Quality and Delivery.</p> <p>Actively explore opportunities in strengthening Cirtek supply chain management.</p> <p>Performance evaluation of suppliers.</p> <p>Supplier Development Plan, requires automotive suppliers to be an IATF 16949 Certified.</p>

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable) *	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
CSR Laguna Technopark Rise Against Covid, BIDA PACK para sa BIDA (Alcohol, faceshield, mask for 20 beneficiaries)	Binan	N/A	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement
Donations of PPEs to Our Lady of Peace Hospital	Paranaque	N/A	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement
Brigada Eskwela	Loma Elementary School, Binan City	Children and Youth	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement

International Coastal Clean-up City	Biñan CENRO	N/A	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement
2 nd CSRun (One Family, One Environment, One Run for Multiple Cause)	LTAI Binan City	N/A	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement
Meralco CommuniTrees x OneForTrees	Los Banos, Laguna	N/A	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	Continue conducting similar activities every year for better community engagement
Taal Donations	Batangas	children and youth, elderly	N	The program allows the stakeholders to increase knowledge and experience on the support of the Company in the Community	The operations have no significant negative impact, hence it requires no mitigating measures.

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

What are the Risk/s Identified?	Management Approach
N/A	N/A
What are the Opportunity/ies Identified?	Management Approach
N/A	N/A

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Cirtek Group has a Customer Satisfaction Survey that is done annually. In 2020, Cirtek surveyed 20 active customers and 15 responded to the survey. Only one out of the 15 of the survey customers reflected fair rating on the Quality arising from the Supplier Corrective Action Report issued to Company.	Overall Score - 8.5	Yes, this is a Company initiative to measure the customer satisfaction.

The over-all score ranges from 1-10 (1 being the lowest, 10 the highest). An over-all score of 8.5 means Satisfactory

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Customer satisfaction directly impacts the Company's revenues as unsatisfied customer could result to lesser sales or orders in the future. This will also affect customer retention.</p> <p>Primary considerations of customer satisfaction are: Quantity, Quality, On-time delivery and Cost (Suppliers and CMs).</p>	<p>The Management has created and is consistently implementing a 360deg communication loop with customers through interaction in the form of Customer Focus Team and Customer Satisfaction Team. Quarterly reviews are performed to review the performance on key indices such as Quality Indices, Cycle time and Yields.</p> <p>Customer satisfaction is achieved through Total Quality Management and application of its principles:</p> <ol style="list-style-type: none"> 1. Customer focus, engaging our organization or management to serve our clients in delivering products and services with high quality and commitment.

	<ol style="list-style-type: none"> 2. Measure client satisfaction through customer satisfaction survey or scorecard annually. 3. Promoting quality indices and awareness campaign materials for the involvement of people in preventing quality issues in the future. 4. Regular Yield, PPM/DPPM review and Improvement. 5. Standardization of best practices and improvements
What are the Risk/s Identified?	Management Approach
<ol style="list-style-type: none"> 1. Delay in parts/materials delivery 2. Parts/materials Shortage/s 3. Supplier is the sole/only source 4. Delivered defective incoming parts/materials 5. Equipment/Machine breakdowns / Unaccomplished Preventive Maintenance 6. Un-trained personnel 7. Insufficient resources (5Ms, 1E) 	<p>Management approach and direction in effectively mitigating the occurrence of the identified risks:</p> <ol style="list-style-type: none"> 1. Localization 2. Provision of 2nd or 3rd source of parts/materials 3. Supplier Qualification / Audits Mandatory submission of COCs and OIRs and other reports for parts/materials. 4. Increase sampling size during IQC and require supplier to increase their sampling 5. Schedule regular Preventive Maintenance. 6. Schedule regular training 7. CAPEX
What are the Opportunity/ies Identified?	Management Approach
<ol style="list-style-type: none"> 1. Localization 2. Source inspection 	<p>Management approach and direction:</p> <ol style="list-style-type: none"> 1. Localization 2. Provision of 2nd or 3rd source of parts/materials 3. Supplier Qualification / Audits Mandatory submission of Certificate of Conformance (COC) and Outgoing Inspection Report (OIR) and other reports for parts/materials.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	ASB – 5,638 pcs WBB – 109,656 pcs
No. of complaints addressed	0	ASB – 5,638 pcs WBB – 109,656 pcs

**Substantiated complaints include complaints from customers that went through the organization’s formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
<p>All employees are required to undergo an orientation/education program before assumption of their respective duties. The program includes the following:</p> <ul style="list-style-type: none"> a) Lifestyle assessment programs on health nutrition, weight management, stress management, alcohol abuse, smoking cessation, and other indicators of risk diseases; b) Health wellness screenings c) Sports, recreational and fun-game activities <p>The implementation of these policies and programs are monitored and evaluated periodically by management.</p> <p>The Company also conducts vacation Drills together with visitors, customers and employees for emergency cases. Customers and visitors are familiarized with the facilities and evacuation areas. Health monitoring and screening of visitors are also conducted to ensure their health & safety within the premises of Company.</p>	<p>The Company promotes and ensures a healthy environment through its various health programs and workplace policy to safeguard its employees.</p> <ul style="list-style-type: none"> a) Program on Hepatitis B b) Program on HIV/AIDS c) Program for a Drug-Free Workplace d) Program on Tuberculosis e) MATERNAL & CHILD HEALTH PROGRAM f) VACCINATION g) PROGRAMS h) EVACUATION DRILLS TOGETHER WITH CUSTOMERS/VISITORS /EMPLOYEES TO ENSURE THEIR SAFETY DURING EMERGENCIES. SHOW THEM WHAT TO DO AND WHERE TO GO. i) HESCOM, Health Environment and Safety Committee monthly meeting. j) Promoting health and safety awareness campaign. k) HIRAC, Hazard Identification, Risk Assessment and Control l) LTI, Lost Time Incident monitoring monthly <p>Strict health protocols on COVID-19 has been set in place and enforced, in accordance with DOH, DOLE and WHO requirements and procedures.</p>
What are the Risk/s Identified?	Management Approach
<ol style="list-style-type: none"> 1. Unfit personnel 2. Unsafe working condition 3. High rate of accident / incident 	<ul style="list-style-type: none"> – HESCOM, Health Environment and Safety Committee monthly meeting.

	<ul style="list-style-type: none"> – Promoting health and safety awareness campaign. – HIRAC, Hazard Identification, Risk Assessment and Control – LTI, Lost Time Incident monthly monitoring <p>The Company's Health and Safety programs have effectively mitigated the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
Regular health and safety awareness of personnel Giving a brief Health & Safety Orientation upon entering our company, in forms of brochure/leaflets/videos	The Company promotes and ensures a healthy environment through its various health programs and workplace policy to safeguard its employees (see list of specific programs above). Strict health protocols on COVID-19 has been set in place and enforced, in accordance with DOH, DOLE and WHO requirements and procedures.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	ASB – 0 WBB- 0	ASB – 5,638 pcs WBB – 109,656 pcs
No. of complaints addressed	ASB – 0 WBB- 0	ASB – 5,638 pcs WBB – 109,656 pcs

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

For the year 2020, the Company has not received any complaints from its customers. The Company is ensuring the quality of products and services they are providing to their customers.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
For CEC, marketing program primarily involves attendance in trade exhibits and shows related to semiconductor packaging outside the Philippines. Networking via word of mouth from our existing	The Management has its implemented marketing programs based on and through the following platforms:

customer base also effectively enhances Cirtek Group's marketing. For CATSI-Impact, low or less customer	<ol style="list-style-type: none"> 1. Our Company is ISO Certified with ISO 14001:2015, which includes compliance with ISO standards and Customer Requirements on company branding/marketing/labelling. 2. Corporate Website 3. Press Releases and 4. Corporate Disclosures as a publicly listed company
What are the Risk/s Identified?	Management Approach
Less customer	Maintain ISO Certification, enhance the public portals of Cirtek Group and continue with direct marketing programs.
What are the Opportunity/ies Identified?	Management Approach
Strategic company marketing and labelling	<ol style="list-style-type: none"> 1. CAPEX 2. Create more business in the future through investors and better marketing / labelling strategy

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	ASB – 5,223 pcs WBB – 104,423 pcs
No. of complaints addressed	0	ASB – 5,223 pcs WBB – 104,423 pcs
No. of customers, users and account holders whose information is used for secondary purposes	0	ASB – 5,223 pcs WBB – 104,423 pcs

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies*

For the year 2020, the Company has not received any complaints from its customers.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Cirtek Group consistently implements its Data Privacy policies and procedures to ensure protection of customer information, i.e., non-disclosure agreements for potential and existing customers, sufficient information systems, limited access to records, etc. Effective implementation of data privacy procedures is consistent with governance policies of Cirtek, enhances the integrity of business operations and likewise impacts on high ratings/scorecard by Cirtek Group's customers.</p> <p>As of date, Cirtek Group has not received any complaints nor has it been involved in any proceeding related to data privacy issues.</p>	<p>Management has adopted and implemented procedures for:</p> <ul style="list-style-type: none"> – Contract engagement, Non-disclosure agreements and integrity of information/data systems – Documented information either internal or external documents came from customer are being uploaded through Product Data Management System or ARAS System, user accounts are being issued to ensure identity and accessibility, likewise a database on where parts/materials and inventory transaction are being monitored and made through Enterprise Resource Planning (ERP) and Material Requirements Planning (MRP). – Customer Portal – Data sheet and test data downloads – Employees are oriented to Non-Disclosure of Information related to the operations of the company and its company's customer, client and supplier such as structure and activities, financial status and performance, and other matter related to the operations of the Company.
What are the Risk/s Identified?	Management Approach
<p>Confidential information or customer identity leakage.</p> <p>Risks may include government sanction for any breach/violation of applicable data privacy laws and regulations, customer complaints and loss of business in relation to involvement in any data privacy proceedings.</p>	<p>Ensure integrity of information systems, office records and strict implementation of Cirtek Group's data privacy policy and procedures.</p> <p>All Company and Customer property: materials, tools equipment and facilities etc. should be handled properly by respective employees. Any damage losses or needed repairs should be reported to the proper authorities of the company. Company and Customer's documents, intellectual property such as software/hard copy of diagrams, test programs, specification and other property owned by the Company and customer are not allowed to be brought out of</p>

	<p>the Company premises unless with the prior approval of the Company's authorized officers.</p> <p>The Data Privacy policies and programs of the Company have effectively mitigated the occurrence of the identified risks.</p>
What are the Opportunity/ies Identified?	Management Approach
Enhanced information security	<p>–</p> <p>Management continues to consistently implement the Company's Data Privacy policies and procedures, and will likewise continue to periodically review its measures and systems to ensure that it is compliant with all applicable regulations and best practices on data privacy.</p>

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	0

For the year 2020, there was no incident of any data breach in the Cirtek Group.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
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<p>Cirtek Group consistently implements its Data Privacy policies and procedures to ensure protection of customer information, i.e., non-disclosure agreements for potential and existing customers, sufficient information systems, limited access to records, etc. Effective implementation of data privacy procedures is consistent with governance policies of Cirtek, enhances the integrity of business operations and likewise impacts on high ratings/scorecard by Cirtek Group’s customers.</p> <p>As of date, Cirtek Group has not received any complaints nor has it been involved in any proceeding related to data privacy/security issues. Also, there has been no incident of any data breach as of date.</p>	<p>Continued strict implementation of Data Privacy policies and procedures.</p> <p>Proper authorizations and checks and balances are set in place to ensure data security.</p>
<p>What are the Risk/s Identified?</p>	<p>Management Approach</p>
<p>Risks may include:</p> <p>Possible leakage of confidential information on customers, products and other sensitive Company information.</p> <p>Possible government sanction for any breach of applicable data privacy laws and regulations, customer complaints and loss of business in relation to involvement in any data privacy/security proceedings.</p>	<p>Ensure integrity of information systems, office records and strict implementation of Cirtek Group’s data privacy policy and procedures.</p> <p>All Company and Customer property: materials, tools equipment and facilities etc. should be handled properly by respective employees. Any damage losses or needed repairs should be reported to the proper authorities of the Company. Company and Customer’s documents, intellectual property such as software/hard copy of diagrams, test programs, specification and other property owned by the Company and customer are not allowed to be brought out of the Company premises unless with the approval of Company’s authorized officers.</p> <p>The Data Privacy policies and programs of the Company have effectively mitigated the occurrence of the identified risks.</p>
<p>What are the Opportunity/ies Identified?</p>	<p>Management Approach</p>
<p>Further enhance data security</p>	<p>Continued review of existing policies and systems to enhance data security systems.</p>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
<p>1. Manufacture and sales of semiconductor packages as an independent subcontractor for outsourced semiconductor assembly, test and packaging services</p> <p>2. The design, development, and delivery of the wireless industry's most advanced high efficiency, high performance antenna solutions</p> <p>3. The manufacture of value-added, highly integrated technology products</p>	<p>SDG 3: Good Health and Well – being</p> <p>SDG 4: Quality Education</p> <p>SDG 5: Gender Equality</p> <p>SDG 6: Clean Water and Sanitation</p> <p>SDG 7: Affordable and Clean Energy</p> <p>SDG 8: Decent Work and Economic Growth</p> <p>SDG 9: Industry, Innovation and Infrastructure</p> <p>SDG 11: Sustainable Cities and Communities</p> <p>SDG 12: Responsible Consumption and Production</p> <p>SDG 13: Climate Action</p> <p>SDG 17: Partnerships to achieve the Goal</p>	<p>- One of the major inputs in the manufacturing processes and production is the usage of Electricity which resulted in the impact of the Energy indirect Greenhouse Gases (GHG) Emission, this may contribute to the Depletion of Natural Resources and Ozone Gases and may contribute for the destruction of the Ozone Layer.</p> <p>- Part of the manufacturing process and daily activities in production are producing solid and hazardous wastes.</p>	<p>- The Cirtek Group maintains its ISO 14001:2015 Certification and is a certified SONY Green Partner. The Company has been strictly adhering to these international standards in all aspects of its business operations to ensure optimum sustainability and fulfillment of business and regulatory obligations.</p> <p>- The Company has adopted energy conservation measures including:</p> <ul style="list-style-type: none"> - Convert Ozone Depleting Substances (ODS) to ODS Free - Convert old Air conditioner to Variable Refrigerant Frequency (VRF) type. <p>- As part of the Company's CSR program, the Company actively supports and participates in tree planting activities in the community to offset CO2 emission.</p> <p>- The Company provides regular trainings and awareness for its</p>

		<p>- Possible emission of Air Pollutants from manufacturing of products from raw materials</p>	<p>personnel regarding proper handling and disposal of wastes and its corresponding penalties for any violations of the applicable laws and regulations. Laguna Technopark community has strict regulations for handling of wastes.</p> <p>- The Company strictly implements its SOPs for waste management to ensure compliance with regulatory standards and requirements. The Company's procedures include: EMS-SWS-027 (SOLID WASTE SEGREGATION PROCEDURE) and EMS-SMDSP-011 (SCRAP MATERIALS DISPOSAL AND/OR STORAGE PROCEDURE). The Company ensures that all solid wastes generated are safely and properly segregated, collected, stored and disposed. Proper implementation and execution of the procedures for Solid and Hazardous wastes must be strictly observed in compliance with the regulatory laws.</p> <p>- Management strictly implements procedures and processes to ensure that the air pollutants emitted pass the</p>
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		<p>-Main part of the production process is the use of water and its discharge. It may result for polluted water if not properly treated.</p> <p>-Being a manufacturing Company, the most important asset of the Company is the human resources' performance and output which directly impacts the Company's productivity and profitability. The potential negative impact of Company's manpower includes injuries, ill-health or fatalities in the workplace.</p>	<p>standards and regular test for Ambient, updated PTO (Permit To Operate) and operational APCF. The Company Air Pollution Control Facility (APCF) and with pertinent DENR Permit to Operate. Based on the history of results for ambient emission, the Company has consistently passed the standards far below the limit.</p> <p>In light of the APCF and the Company's processes, the Company's results of Ambient and Emission tests for the year 2020 has consistently passed the DENR threshold limit.</p> <p>-The Company has defined procedure and programs in Conservation of Water. Management ensures that all units utilize the water efficiently and support the programs and activities in conservation of water. The Company also implements its Wastewater Treatment Plant System to treat Industrial Wastewater. And for domestic wastes water treated at STP (Laguna Water). The Company has consistently complied</p>
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			<p>with regulatory standards.</p> <p>- Management ensures that the Company consistently promotes the health and well-being of its human resources and that it always provides a safe and decent working environment. Management likewise ensures that adequate health benefits and insurance safety nets are provided. Management ensures that mandatory standards on working conditions, safety and health are fully complied with. Regular employee engagement is conducted as well with regard to adequacy of policies and safety nets in place.</p>
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** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*