



First Pacific Company Limited

(Stock Code: 00142)

Environmental, Social and Governance Report 2017



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1 ORGANIZATIONAL PROFILE

1.1 First Pacific

First Pacific Company Limited (“First Pacific” or “the Company”) is an investment management and holding company with operations in Asia Pacific. First Pacific is headquartered in the Hong Kong Special Administrative Region (“Hong Kong SAR”) where our shares are listed on the Stock Exchange of Hong Kong Limited (“SEHK”) under stock code 00142. First Pacific’s shares are also available for trading in the United States through American Depositary Receipts. Our principal business interests relate to consumer food products, infrastructure, natural resources and telecommunications.

Our mission is to invest responsibly and unlock and enhance value in the investee companies under our stewardship by:

- Delivering dividend/distribution returns to shareholders
- Delivering share price/value appreciation of First Pacific and our investee companies
- Making further investments in our businesses while taking into consideration all relevant criteria, including Environmental, Social and Governance (“ESG”) factors, to better manage risk and generate sustainable long-term returns

Our investment criteria are based on general principles of responsible investing, including ESG factors, and entail the following:

- Investments must be related to our areas of expertise and experience (consumer food products, infrastructure, natural resources and telecommunications)
- Investments must meet not only our criteria on potential financial returns, but also our minimum requirements on ESG
- Investee companies must have a strong or dominant market position in their sectors
- They must possess the potential for significant cash flows
- We must obtain management control or significant influence to ensure our goals can be met

Our strategies are multi-faceted, namely to:

- Identify undervalued or underperforming assets with strong potential for growth and synergies
- Manage investments by setting strategic direction, developing business plans and defining targets
- Raise reporting and ESG standards to world-class levels at First Pacific and the investee companies

Consolidated revenues for the year ended 31 December 2017 amounted to US\$7.3 billion, with recurring profit of US\$300.0 million and reported net profit of US\$120.9 million. Consolidated total equity amounted to US\$8.7 billion and total assets were US\$20.5 billion. At 2017 year end, First Pacific Head Office had gross debt of US\$1.6 billion and net debt of US\$1.5 billion.

First Pacific's portfolio has a balance of more mature assets in PT Indofood Sukses Makmur Tbk ("Indofood") and PLDT Inc. ("PLDT"), which have delivered steady dividend flows and allowed investment for growth in Metro Pacific Investments Corporation ("MPIC"), Goodman Fielder Pty Limited ("Goodman Fielder"), Philex Mining Corporation ("Philex"), PacificLight Power Pte. Ltd. ("PLP") and Roxas Holdings, Inc. ("RHI"). MPIC has economic interests in Maynilad Water Services, Inc. ("Maynilad") and Manila Electric Company ("Meralco"). Indofood has an economic interest in Indofood Agri Resources Ltd ("IndoAgri").

- **Indofood** is the largest vertically integrated food company in Indonesia
- **PLDT** is the dominant telecommunications services provider in the Philippines
- **MPIC** is the Philippines' largest infrastructure investment management and holding company with investments in the Philippines' largest electricity distributor, toll road operator, water distributor, hospital group and light rail, as well as the largest electricity generator in the Visayas region of the Philippines
- **Goodman Fielder** is a leading food company in Australasia
- **Philex** is one of the largest metal mining companies in the Philippines, producing gold, copper and silver

- **PLP** is the operator of one of Singapore’s most efficient gas-fired power plants
- **RHI** runs an integrated sugar and ethanol business in the Philippines
- **Maynilad** is the biggest water utility in the Philippines
- **Meralco** is the largest private sector electric distribution utility company in the Philippines
- **IndoAgri** is a vertically integrated agribusiness, and one of the leading agricultural research and seed breeding companies

As at 31 December 2017, the gross asset value (“GAV”) of First Pacific’s investments amounted to US\$7.2 billion, with the following geographic breakdown:

- Philippines 55%
- Indonesia 34%
- Australasia 8%
- Singapore 3%

GAV comprises the attributable market capitalization of First Pacific’s listed investments plus the investment or carrying costs of unlisted investments and other assets.

As at 31 December 2017, First Pacific’s economic interests included: a 25.6% stake in PLDT; 50.1% in Indofood; 42.0% in MPIC; 50.0% in FPW Singapore Holdings Pte. Ltd. (“FPW”), the parent company of Goodman Fielder; 31.2% in Philex (Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex); 67.6% in FPM Power Holdings Limited (“FPM Power”), the parent company of PLP; and 79.4% in FP Natural Resources Limited (“FP Natural Resources”), the parent company of RHI.

Table 1 Financial Performance
Contribution and Profit Summary

For the year ended 31 December US\$ millions	Turnover		Contribution to Group Profit ⁽ⁱ⁾	
	2017	2016	2017	2016
Indofood	5,237.5	5,010.5	148.0	137.9
PLDT ⁽ⁱⁱ⁾	—	—	124.8	127.7
MPIC	1,240.8	940.2	118.3	117.2
FPW ⁽ⁱⁱⁱ⁾	—	—	30.3	24.0
Philex ⁽ⁱⁱ⁾	—	—	12.7	10.2
FPM Power	565.4	575.3	(11.0)	(13.9)
FP Natural Resources	253.1	253.0	(2.6)	(2.9)
Contribution from Operations^(iv)	7,296.8	6,779.0	420.5	400.2
Head Office items:				
– Corporate overhead			(27.1)	(28.4)
– Net interest expense			(80.9)	(95.7)
– Other expenses			(12.5)	(11.2)
Recurring Profit^(v)			300.0	264.9
Foreign exchange and derivative gains/(losses) ^(vi)			16.4	(9.1)
Gain on changes in fair value of biological assets			0.1	2.6
Non-recurring items ^(vii)			(195.6)	(155.2)
Profit Attributable to Owners of the Parent			120.9	103.2

(i) After taxation and non-controlling interests, where appropriate.

(ii) Associated companies.

(iii) Joint venture.

(iv) Contribution from operations represents the recurring profit contributed to the Group by its operating companies.

(v) Recurring profit represents the profit attributable to owners of the parent excluding the effects of foreign exchange and derivative gains/losses, gain on changes in fair value of biological assets and non-recurring items.

(vi) Foreign exchange and derivative gains/losses represent the gains/losses on foreign exchange translation differences on the Group's unhedged foreign currency denominated net borrowings and payables and the changes in the fair values of derivatives.

(vii) Non-recurring items represent certain items, through occurrence or size, which are not considered as usual operating items. 2017's non-recurring losses of US\$195.6 million mainly represent the Group's impairment provisions for assets, including PLDT's wireless network assets (US\$15.9 million) and accelerated depreciation for wireless network assets (US\$44.1 million), Goodman Fielder's intangible assets (US\$14.2 million), the Group's investments in AF Payments Inc. (US\$6.5 million) and Indofood's intangible assets in the Beverages business (US\$6.4 million), Goodman Fielder's manufacturing network optimization costs (US\$15.2 million), Head Office's bond tender and debt refinancing costs (US\$14.9 million) and MPIC's loss on remeasurement of its previously held 75.0% interest in Beacon Electric Asset Holdings Inc. (US\$13.5 million), partly offset by MPIC's gain on remeasurement of previously held 60.0% interest in Tollways Management Corporation (US\$11.9 million) and its divestment of a 4.5% direct interest in Manila Electric Company (US\$6.1 million). 2016's non-recurring losses of US\$155.2 million mainly represent the Group's impairment provisions for assets, including FPM Power's goodwill related to its investment in PLP (US\$44.8 million), PLDT's investment in Rocket Internet shares and other intangible assets (US\$35.4 million), Philex's deferred exploration costs and other assets (US\$31.4 million) and MPIC's investment in Landco Pacific Corporation (US\$6.8 million), PLP's provision for onerous contracts (US\$6.0 million) and MPIC's project expenses (US\$3.8 million).

Please refer to pages 6-8 of the 2017 Annual Report for more details of First Pacific's financial performance.

Membership of Associations

First Pacific is a member of the Hong Kong Management Association. Looking ahead, the Company plans to coordinate with other Group operating companies to work towards membership of leading ESG organizations whose aims are to promote responsible and sustainable investment.

1.2 Our Investee Companies

At the First Pacific Group (“the Group”), our principal business sectors include telecommunications, consumer food products, infrastructure and natural resources. The following table shows a few of our selected investee companies under each sector.

Table 2 Company profiles of First Pacific’s investee companies

Sector	Investees	Company profile
Telecommunications	PLDT	<p>PLDT is a leading telecommunications service provider in the Philippines. Through its principal business groups – fixed line, wireless and others – PLDT offers a wide range of telecommunications and digital services across the Philippines’ most extensive fiber optic backbone, and fixed line and cellular networks.</p> <p>Further information about PLDT can be found at: www.pldt.com.</p>
Consumer food products	Indofood	<p>Indofood is a leading total food solutions company in Indonesia, with operations in all stages of food manufacturing, from the production of raw materials and their processing, to consumer products in the market. It has four complementary strategic business groups:</p> <ul style="list-style-type: none">• Consumer Branded Products• Bogasari (flour milling)• Agribusiness• Distribution <p>Further information about Indofood can be found at: www.indofood.com.</p>

Sector	Investees	Company profile
Consumer food products	IndoAgri	<p>IndoAgri, a subsidiary of Indofood, follows a vertically integrated agribusiness model with principal activities that span the entire supply chain from research and development, oil palm seed breeding, oil palm cultivation and milling to the refining, branding and marketing of cooking oil, margarine and other palm oil derivative products.</p> <p>Further information about IndoAgri can be found at: www.indofoodagri.com.</p>
Consumer food products	Goodman Fielder	<p>Goodman Fielder is a leading regional food company with operations across Australia, New Zealand and Asia Pacific. It manufactures, packages, distributes, markets and sells a wide range of food products including bread, milk, cheese, chicken, flour, cooking oils, spreads, baking ingredients, ice cream and snacks.</p> <p>Further information about Goodman Fielder can be found at: goodmanfielder.com.</p>
Consumer food products	RHI	<p>RHI is one of the largest integrated sugar businesses and the biggest ethanol producer in the Philippines. At the forefront of the Philippine sugar and ethanol industries, it is a trusted brand recognized for its contributions and legacy in the areas of sugar and ethanol production. RHI owns and operates one of the largest milling operations in the Philippines as well as the second-largest sugar refinery and two of the country's pioneering ethanol plants.</p> <p>Further information about RHI can be found at: www.roxasholdings.com.ph.</p>

Sector	Investees	Company profile
Infrastructure	MPIC	<p>MPIC is a leading infrastructure holding company in the Philippines with investments in water utilities, toll roads, electricity distribution and generation, hospital operations and light rail. It also has toll road investments in Thailand, Indonesia and Vietnam, though the bulk of its revenues come from the services and products it delivers domestically.</p> <p>Further information about MPIC can be found at: www.mpic.com.ph.</p>
Infrastructure	Maynilad	<p>Maynilad, a subsidiary of MPIC, is the water and wastewater services provider for the 17 cities and municipalities that comprise the West Zone of the Metropolitan Manila area in the Philippines. It is an agent and contractor of the Metropolitan Waterworks and Sewerage System (“MWSS”).</p> <p>Further information about Maynilad can be found at: www.mayniladwater.com.ph.</p>
Infrastructure	Meralco	<p>Meralco is the largest private sector electric distribution utility company in the Philippines, covering 36 cities and 75 municipalities including Metro Manila. It has a franchise area of over 9,685km² that includes the core of the country’s industrial, commercial, and population centers.</p> <p>Further information about Meralco can be found at: company.meralco.com.ph.</p>
Infrastructure	PLP	<p>PLP is a Singapore-based power generator and electricity retailer committed to helping businesses effectively manage their energy needs. Its power plant operates 24 hours a day, 365 days a year and is capable of powering over 1,000,000 Singapore households. It delivers reliable electricity supplies while meeting stringent environmental emission standards.</p> <p>Further information about PLP can be found at: www.pacificlight.com.sg.</p>

Sector	Investees	Company profile
Natural resources	Philex	<p>Philex is one of the largest gold and copper mining companies in the Philippines. Its Padcal Mine has been operating in Benguet since 1955 and has been certified under ISO 14001:2004 and OHSAS 18001:2007 since 2015. Most of its production is sold to a refiner in Japan under long-term contracts.</p> <p>Further information about Philex can be found at: www.philexmining.com.ph.</p>

2 ABOUT THIS REPORT

2.1 Aim of the Report

To demonstrate our commitment to adopting ESG practices in our business operation, we are publishing First Pacific's second ESG report, which covers the calendar year of 2017. It should be read in conjunction with First Pacific's 2017 Annual Report, in particular the Corporate Governance Report contained therein, as well as the Corporate Governance Section of the First Pacific website (<http://www.firstpacific.com/corporate-governance/>).

2.2 Reporting Period

This report describes the ESG approach and performance of First Pacific for the period from 1 January to 31 December 2017. The report is published annually.

2.3 Scope of this Report

The scope of this report primarily covers the Head Office located in Hong Kong ("First Pacific Head Office" or "the Head Office") in terms of physical and operational boundaries. Consistent with First Pacific's objective of encouraging ESG adoption and reporting throughout the First Pacific group of companies, a number of First Pacific's investee companies, including IndoAgri, Maynilad, Philex, PLDT and MPIC have published their own ESG reports in accordance with the Global Reporting Initiative ("GRI"). In the course of this report, some selected ESG programs have been included to illustrate what steps a number of investee companies have already taken to adopt ESG practices. Selected ESG metrics have been included in Appendix 1 to illustrate the ESG performance of the Head Office as well as its selected investee companies.

2.4 Reporting Guidelines

This report has been prepared in accordance with the disclosure requirements of the Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") in Appendix 27 of the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules"), meeting the "comply or explain" provision of the ESG Reporting Guide. It has also been prepared with reference to the GRI Standards: Core option. In preparing this report, we have considered the GRI Principles – stakeholder inclusiveness, sustainability context, materiality and completeness – in defining the report content.

An ESG Reporting Guide Content Index that maps the information contained in this report to the ESG Reporting Guide is provided in Appendix 2 while a GRI Content Index in Appendix 3 likewise refers to the relevant information in this report.

2.5 External Assurance

First Pacific has commissioned Carbon Care Asia Limited ("Carbon Care Asia") to verify the carbon emission data under Section 6.2 "Emissions – Greenhouse Gas".

2.6 Endorsement and Approval

This ESG Report was reviewed and endorsed by First Pacific's Corporate Governance Committee (the "CG Committee") and approved by its Board of Directors on 5 June 2018.

2.7 Feedback to this Report

We welcome any comments and suggestions you may have on the ESG Report. You may provide your feedback online (<http://www.firstpacific.com/contact-us/>) or directly to First Pacific at sustainability@firstpacific.com.

3 MESSAGE FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

First Pacific's 2017 ESG Report is our second ever, and it builds on the foundation laid in our initial report published one year ago covering fiscal 2016. We are still beginners at the practice of formal ESG reporting but I can say with confidence that we have made purposeful strides ahead during the 12 months since our last report. This report aims to set out First Pacific's commitment to the fundamental ESG principles of sustainable and ethical business practices.

As an investment management and holding company, the Company's first duty in the upholding of sound ESG principles is to invest with care, following the precautionary principle. We provide no paid services and produce no manufactured goods. Instead, we invest in businesses and receive dividends from them. We employ fewer than 50 staff and have a market capitalization in the region of US\$50 million or so per employee.

First Pacific's investment strategy is well known and covered elsewhere in this document, but it is important to emphasize here that we seek meaningful influence over the companies we invest in. This encompasses the scope and nature of the ESG policies practiced by the Group companies.

Our companies operate in disparate industries, most of them in the economies of Southeast Asia. National wealth and consumer spending power are lower in our markets than in the jurisdictions of most of our institutional shareholders. Economic growth is by and large faster, and inflation higher. The national currencies in our markets tend to have weaker and more volatile exchange rates than the dollars, pounds and euros used in the accounting of these shareholders.

These factors combine to produce different and varying approaches to ESG matters from jurisdiction to jurisdiction and even between industries in our variegated markets. In such an environment, First Pacific's duty to its stakeholders is to act something like a shepherd or sheep dog, keeping our investee companies moving broadly in the same direction at the same overall pace – there is no sprinting ahead.

In this way we are progressing together. One year ago, First Pacific's maiden ESG report included examples of and references to ESG in just three companies of our group: IndoAgri in Indonesia, and Philex and PLDT in the Philippines. In this second report we are adding several more: Goodman Fielder in Australia, Maynilad, Meralco and MPIC in the Philippines, and PLP of Singapore.

For the first time we are publishing a grid laying out the key performance indicators of these companies, portraying their diversity in a way that only hard data can illustrate. We plan to update our governance policies with a Code of Business Practice and a Supplier Code of Conduct in 2018. We have conducted a new stakeholder survey to better inform our ESG practices, show us gaps in our policies and guide us in the continuing evolution of our approach to sustainability. We follow not only the ESG reporting standards of the SEHK but also the GRI Standards: Core Option. Our carbon emissions are verified by Carbon Care Asia.

We have come quite some way in the year since our first ESG Report. We have some ways to go. Against the unknowns and unknown unknowns, we hold hard onto certain knowns. We know sustainability is a fundamental and increasingly important component in the value we create in our investments. We know where the steps we have taken in the past year have brought us and we know our destination – a place where sustainability is a natural and living part of how we do business. It is an exciting journey with occasional steps back and even missteps. Our progress is nevertheless visible and measurable as this 2017 ESG Report attempts to explain.

We are on this journey together, and we value your help, comments and advice. Please send them to us at sustainability@firstpacific.com.

We thank all our stakeholders for making First Pacific and our Group of Companies what we are today. We couldn't do it without you.

Manuel V. Pangilinan

Managing Director & Chief Executive Officer

First Pacific Company Limited

4 OUR ESG APPROACH

First Pacific Group is committed to achieving long-term and sustainable development through responsible investment. This entails incorporating ESG criteria and the precautionary principle into investment decisions. The responsible investment framework currently being developed along with stewardship principles for existing investments will be the main mechanisms to achieve group-wide standards and progress. As an investment management and holding company, our influence on the Group's ESG practices is predominantly realized through the active management of our investments.

Since the development of our first ESG report, First Pacific has striven to develop a roadmap towards the establishment of responsible investment policies at the First Pacific Head Office and group-wide ESG guidelines over the remaining years of this decade. Stepping into the second year of our ESG reporting journey, we have further expanded the coverage of our stakeholder engagement exercises in terms of material aspects covered (e.g. governance issues were included) to enhance the quality of our report. We have included the ESG performance of selected investee companies in Appendix 1 to further enhance the transparency through data disclosure. As part of our long-term commitment to sustainability, we have also appointed our first Chief Sustainability Officer to oversee and manage ESG practices at the Head Office, as well as to encourage and drive our investee companies to align with our ESG vision and principles.

Our vision is to:

- put responsible investment at the heart of First Pacific, in our culture as well as in our practices and investment decisions
- incorporate ESG standards into the core of the stewardship of our investments

In developing the ESG roadmap and relevant policies for the Company, First Pacific has referenced various international guidelines and/or principles, such as the United Nations Global Compact and Sustainability Accounting Standard Board ("SASB") Materiality Map, as a guideline for First Pacific's strategic ESG consideration for its future investment. These material aspects of our four principal business sectors will form an essential part of our investment planning and management decision making in the next few years.

Table 3 ESG aspects for consideration regarding First Pacific's principal business sectors

First Pacific's principal business sectors	Key ESG aspects for considerations
Telecommunications	<ul style="list-style-type: none"> • Energy management • Data security and customer privacy • Lifecycle impacts of products and services
Consumer food products	<ul style="list-style-type: none"> • Energy management • Fuel management • Water and wastewater management • Fair disclosure and labelling • Fair marketing and advertising • Product packaging • Product quality and safety • Materials sourcing • Supply chain management
Infrastructure	<ul style="list-style-type: none"> • Greenhouse gas emissions • Air quality • Energy management • Water and wastewater management • Waste and hazardous materials management • Human rights and community relations • Access and affordability • Employee health, safety and wellbeing • Lifecycle impacts of products and services • Environmental, social impacts on assets and operations • Accident and safety management
Natural Resources	<ul style="list-style-type: none"> • GHG emissions • Air quality • Energy management • Water and wastewater management • Waste and hazardous materials management • Biodiversity impacts • Human rights and community relations • Labor relations • Employee health, safety and wellbeing • Business ethics and transparency of payments

4.1 Corporate Governance Committee

Our Corporate Governance Committee (“CG Committee”) has formalized its responsibility not only for corporate governance but also for other matters, including risks affecting the environment and pertaining to First Pacific’s social responsibility. The majority of the committee comprises Independent Non-Executive Directors (“INEDs”), and it is chaired by an INED.

First Pacific’s Board of Directors has delegated to this committee responsibility for overseeing the First Pacific Group of companies’ corporate governance functions and the process of ESG reporting in compliance with the requirements of the Hong Kong Listing Rules. The CG Committee meets at least twice a year and four meetings were held in 2017.

First Pacific’s corporate governance and ESG documents, policies and codes have been uploaded to our website (<http://www.firstpacific.com/corporate-governance/>) including:

Governance documents:

- List of Directors and their Roles and Functions
- Memorandum of Association and Bye-Laws
- Procedures for shareholders to nominate a director
- Rights and procedures for shareholders to convene meetings/put forward proposals
- Shareholders’ Communication Policy
- Whistleblowing Policy
- Model code for securities transactions by directors
- Code on corporate governance practices (internal guidelines)
- Policy on Disclosure of Inside Information
- Policy on Board Diversity

4.2 Stakeholder Engagement

Stakeholders are the keystone in driving sustainability within the Group. We aim to nurture our relationships with our stakeholders (both internal and external) to ensure our business’s responsiveness and inclusiveness.

In 2017, we commissioned an independent consultant to conduct stakeholder engagement on ESG topics. Together with representatives from First Pacific Head Office, five of our investee companies, including PLDT, IndoAgri, Maynilad, Philex, and PLP, were also involved in the stakeholder engagement exercise.

The principal objectives of the stakeholder engagement were to:

- identify and understand stakeholders' views and motivations in terms of their relationship with First Pacific and of ESG issues
- understand the key ESG issues disclosed across five First Pacific investee companies, and First Pacific itself
- identify the most material ESG issues that impact First Pacific and its five investee companies

Approach to Stakeholder Engagement

In the process of stakeholder engagement, we undertook a materiality assessment to bolster strategic decision-making and future planning.

We identified and prioritized the stakeholders through discussions with the senior executives of First Pacific and by studying different sustainability reports of the investees. The stakeholders involved included:

- representatives from five aforesaid investee companies with oversight or responsibility for sustainability and/or investor relations
- investors representing First Pacific's top 20 investors
- people responsible for and involved in First Pacific's corporate governance
- employees of First Pacific (i.e. those working at the Hong Kong headquarters)

As the stakeholder engagement involved both internal and external stakeholders, materiality assessment results broadened and deepened our understanding of relevant ESG issues and the emerging trends and risks given the nature of First Pacific's operations.

The majority of the stakeholder engagements took the form of small group or individual interviews, either face-to-face or via teleconference, and for First Pacific employees, a workshop was delivered for over 20 representatives from the investee companies to gain wider representation of views.

The 10 most material aspects are laid out as follows:

Table 4 First Pacific's materiality assessment results

Aspects	Material Issues
Environment	<ul style="list-style-type: none"> • Carbon management and GHG emissions • Energy use management and efficiency • Water use management and efficiency
Social	<ul style="list-style-type: none"> • Community development and engagement programs, impact assessments • Occupational health and safety • Supply chain management
Governance	<ul style="list-style-type: none"> • Annual and sustainability reporting and disclosures • Business conduct, integrity and ethics • Compliance with laws and regulations • Risk management

One of the key changes in the stakeholder engagement materiality assessment for 2017 is the inclusion of governance issues, alongside environmental and social matters. Comparing the previous group-wise materiality assessment in 2016, we identified two new material issues for 2017 – (a) carbon management and GHG emissions and (b) supply chain management.

The materiality assessment results show that governance issues top the 10 material issues (4 out of 10 issues shown above), and that governance was the most material concern investors have for First Pacific. In particular, investors were concerned about transparency, along with other governance concerns such as board leadership, compensation and related party transactions.

Our investee companies also agreed that ESG issues have become significant concerns among stakeholders including customers, vendors, regulators and investors. A strong awareness of ESG issues, particularly environmental issues, was apparent within investee companies. For instance, investee companies operating in the Philippines attributed increasingly strict environmental regulations as an element affecting their reputation, and climate change was often cited as a risk given the prevalence of natural disasters in the country and the industries in which they operate. The investee companies are looking for clear direction and approach from First Pacific on how ESG and the associated risks and opportunities are being managed through the First Pacific group as a whole.

In subsequent ESG reports, First Pacific aims to widen and deepen its stakeholder engagement to improve the coverage of the resulting data to obtain a better understanding of key topics and concerns of stakeholders.

5 GOVERNANCE AND MANAGEMENT

At First Pacific, we believe that good corporate governance creates a stronger, more resilient and more competitive business. We understand that the continuing success of our business and well-being of our people are closely connected to the economic, environmental and social landscape around us.

5.1 Code of Business Practice

To ensure good corporate governance in our business practices and respond to our stakeholders, we plan to develop a Code of Business Practice (“CBP”), which sets out a clearer standard for how we as a company and as First Pacific people¹ strive to conduct our business with integrity. We will further strengthen our policies focusing on the following key areas:

- Political Activities
- Anti-Bribery and Corruption
- Diversity and Equal Opportunity
- Human Rights

We aim to demonstrate how being a responsible business is important to us and how we work hard to embed a consistently high standard of behavior into the culture of First Pacific. In the development of the CBP, we will refer to the 10 principles of the United Nations Global Compact that addresses four key areas – human rights, labor, environment and anti-corruption. We are scheduled to launch the CBP in 2018, and plan to develop a mechanism to promote, enforce and monitor the CBP.

5.2 Governance Framework

First Pacific’s Board of Directors conducts regular board meetings to focus on business strategy, operational issues and financial performance. First Pacific’s Board of Directors actively participate on the boards of subsidiaries, associated companies and joint venture companies, to the extent allowed under applicable law. The First Pacific Board of Directors is responsible for approving parent company budgets for each operating company covering strategy, financial and business performance, key risks and new opportunities. It is also responsible for monitoring compliance with applicable laws and regulations, and with the Corporate Governance Code (the “First Pacific Code”). The Board of Directors also monitors the quality, timeliness, and content of internal and external reporting and monitors risks and the effectiveness of internal controls.

¹ The term “First Pacific people” refers to all directors, officers and employees (permanent and temporary) of First Pacific.

First Pacific is committed to building and maintaining high standards of corporate governance throughout the Group and is actively encouraging our investee companies to follow. The Company's CG Committee is chaired by an INED and INEDs make up a majority of the Committee. This Committee is delegated with the responsibility to supervise the Company's corporate governance functions and regularly reviews its corporate governance practices to ensure compliance with the Listing Rules requirements. The CG Committee is also tasked with the responsibility to oversee ESG reporting, in compliance with the Listing Rules requirements.

The Company has adopted the First Pacific Code, which incorporates the principles and requirements set out in the Corporate Governance Code contained in Appendix 14 of the Main Board Listing Rules ("the CG Code"). The First Pacific Code will be updated regularly following relevant amendments to the Listing Rules. First Pacific is actively encouraging adoption of its governance and management approach throughout the Group to align individual governance frameworks, as much as practicable, to be consistent with First Pacific's stewardship principles.

5.3 Board Structure

Board Diversity

The Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board has a balance of skill and experience appropriate for the requirements of the Group's businesses.

For the reporting period of this ESG Report, members of the Board came from different backgrounds, with a diverse range of academic, business and professional expertise. Brief biographical information of each of our Directors is set out in the "Board of Directors and Senior Executives" section on pages 42-48 of the 2017 Annual Report.

The Board considers that its diversity, including gender diversity, is a vital asset to its businesses. In August 2013, the Board adopted a Board Diversity Policy, which is available on the Company website (www.firstpacific.com). Board appointments are based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company remains committed to meritocracy in the board room, which requires a diverse and inclusive culture where Directors believe that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination and harassment on any matter are not tolerated.

Board Committee

The Board has set up four Committees, namely the Audit and Risk Management Committee, Remuneration Committee, Nomination Committee and CG Committee, to assist the Board in carrying out its responsibilities.

For details please refer to pages 75-77 of the 2017 Annual Report.

Directors' Training

The Board is informed of updates of current Listing Rules, accounting practices and disclosure requirements, as and when necessary.

Further, all Directors are provided with briefings and training on an ongoing basis each year to ensure they have a proper understanding of the Company's operations and business and are fully aware of their responsibilities under applicable laws, rules and regulations. Such briefings and training are provided at the Company's expense. In 2017, the Company arranged for a Directors' facilitated discussion relating to Board Evaluation, which was attended by a majority of our Directors and senior management.

Also, certain Directors attended external seminars on topics relevant to their duties as Directors, including topics such as disclosure of inside information, risk management and internal controls. The Company maintains proper records of the training provided to and received by its Directors during the year.

5.4 Risk Management and Internal Control

As a decentralized organization in which local management has substantial autonomy to run and develop their respective businesses, the Group views well developed reporting systems and internal controls as essential. The Board plays a key role in the implementation and monitoring of risk management and internal controls.

In respect of the financial year ended 31 December 2017, the Board confirmed that it has received confirmations from the operating companies' audit committees, risk committees and/or internal auditor/chief risk officers on the effectiveness of the Group's risk management and internal control systems and that there was no significant area of concern to be disclosed.

The key controls and risk management measures undertaken by the operating companies are categorized as operational controls, financial controls, compliance controls and risk management; further details can be found on pages 95-99 of the Annual Report 2017.

5.5 Anti-Bribery and Corruption

The Company is committed to abiding by all laws and regulations or, if necessary, taking extra measures, to prevent bribery wherever we do business. First Pacific's Code of Conduct addresses the Company's commitment to acting with integrity in all its operational activities including issues related to ethics and business integrity, avoiding conflicts of interest, no bribery etc. The Code of Conduct is included in the Employee's Handbook.

In developing the CBP, we plan to incorporate the Anti-Bribery and Corruption Policy under the CBP to emphasize a zero-tolerance approach to bribery and corruption covering First Pacific people and third parties acting on our behalf to conform to our standards.

To the best of the Company's knowledge in the reporting period, no reported instances of corruption were noted at First Pacific.

5.6 Whistleblowing Policy

To promote good governance, the Company has put in place a Whistleblowing Policy to assist employees and those who deal with the Group to disclose information relevant to any suspected misconduct, malpractice or irregularity that he/she has become aware of or genuinely suspects that the Group has been or may become involved in. Any suspected cases can be reported through a confidential reporting channel directed to the Chairman of the Audit and Risk Management Committee. The policy is regularly reviewed to ensure its effectiveness and is posted on the Company's website. In 2017, the Company did not receive any disclosure of information under the Whistleblowing Policy.

5.7 Communications with Shareholders

First Pacific encourages an active and open dialogue with all of its shareholders, private and institutional, large and small. The Board acknowledges that its role is to represent and promote the interests of the Company as a whole and that its members are accountable to shareholders for the performance and activities of the Company. As such, First Pacific is always responsive to its shareholders and has a wide range of means of communication with them, such as regular meetings at investor conferences, on non-deal road shows, and on an ad hoc basis at shareholders' requests.

More formal channels of communication are also employed, such as the issuance of press releases, shareholder circulars and SEHK announcements, and the publication of annual and interim reports. First Pacific posts all these publications on its corporate website in English and Chinese.

Further details on our Corporate Governance Report can be obtained from the 2017 Annual Report.

6 ENVIRONMENTAL RESPONSIBILITY

6.1 Environmental Policy

At First Pacific, we are committed to environmental management and strive to minimize the impact of our existing business activities on the environment by supporting resource conservation and environmental protection programs. We are committed to environmental compliance. We acknowledge that though we have a far smaller environmental impact than the companies we invest in, the ESG considerations that we plan to adopt in our investment decisions will indirectly influence the environmental policies and thus the impact on companies that First Pacific invests in.

As part of First Pacific's commitment to responsible investment, we have begun incorporating ESG factors into our future investment decisions. We will seek to invest in companies that care about their environmental and social performance, and those who properly manage their potential impacts. We believe proper management of ESG risks is key to generating sustainable long-term returns.

We also act locally at our Head Office in Hong Kong to reduce our environmental impact. We adopt green office practices such as double-sided printing and copying, the use of Forest Stewardship Council ("FSC") certified paper, recycling, and the reduction of energy consumption.

6.2 Emissions

At the Head Office of First Pacific, greenhouse gas ("GHG") and general waste remain the most significant aspects under environmental emissions.

Greenhouse Gas

Since 2013, we have conducted carbon audits for our Head Office as our commitment to minimizing our impacts on the environment. In 2017, we commissioned an external carbon auditor – Carbon Care Asia – to provide independent verification of the GHG emissions of First Pacific Head Office for the reporting period 1 January 2017 to 31 December 2017. The verification was performed in accordance with ISO 14064-3:2006 and meets the requirements of Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010) published by the Environmental Protection Department and the Electrical and Mechanical Services Department of the Government of the Hong Kong SAR.

For the reporting period 1 January 2017 to 31 December 2017, the GHG emissions for Scope 1 and Scope 2 combined were 77.6 tonnes CO₂-e, where Scope 1 and Scope 2 were 5.5 tonnes (7.1%) and 72.1 tonnes (92.9%) respectively. The breakdown of GHG performance (Scope 1 and Scope 2) at the Head Office in Hong Kong is shown in the following table:

Table 5 GHG Emissions at the Head Office in Hong Kong from 2013 to 2017

GHG performance	Unit	(Base year) 2013	2014	2015	2016	2017
Scope 1 emissions	tonnes CO ₂ -e	4.5	4.7	7.4	6.7	5.5
Scope 2 emissions	tonnes CO ₂ -e	128.0	130.6	80.2	74.7	72.1
Total Scope 1 & Scope 2 emissions	tonnes CO ₂ -e	132.5	135.3	87.6	81.4	77.6
Intensity by gross floor area	kg CO ₂ -e/ft ²	10.3	10.5	6.8	6.3	6.1
Year-on-year change on Total Scope 1 & Scope 2 emissions	percentage	N/A	2.1%	-35.3%	-7.1%	-4.7%

According to the verified GHG emission report, our GHG emissions have shown a constant reduction in terms of both absolute value and intensity (i.e. GHG emissions per gross floor area) since 2015. The GHG emission intensity was reduced from 6.3 kg CO₂-e/ft² in 2016 to 6.1 kg CO₂-e/ft² in 2017. Compared with the base year 2013, both the absolute and the intensity by floor area GHG emissions were reduced by 41% in the reporting year.

The majority of Scope 1 GHG emissions comes from the use of gasoline in vehicles, whereas the use of purchased electricity was the main contributor of Scope 2 GHG emissions.

The GHG emission reduction can be attributed to a number of carbon reduction initiatives that have been implemented at the Head Office since 2013. First Pacific implemented the following carbon reduction measures during 2017, such as:

- using electric vehicles or hybrid vehicles as much as possible
- implementing and upgrading the video conference and teleconference systems in the Group Head Office for purpose of reducing business travel by air
- participating in the Carbon Footprint Repository for Listed Companies in Hong Kong

First Pacific was granted a CarbonCare® Label Award in 2017 for a fourth year in recognition of its efforts towards GHG reduction.

Waste and Recycling

At the Head Office, the major waste source includes paper waste and food packaging generated by our staff. For a number of years, we have installed dedicated facilities for recycling paper, plastic and aluminum. Both general waste and recycled waste are disposed of by the landlord as part of the renter's services. Only domestic detergents are used in the office and thus we do not generate any hazardous waste.

6.3 Use of Resources

Given our office environment, the main resource consumptions are the use of electricity and stationery such as paper. Water use only pertains to the use in the pantry and toilets.

Energy Consumption

Over the years, First Pacific has endeavored to manage its energy consumption in a sustainable manner. The initiatives that have been implemented in the Head Office include replacing lights with light emitting diode ("LED") lamps, and turning off lights and electrical appliances during non-office hours.

Table 6 Energy consumption at the Head Office in Hong Kong from 2013-2017

Energy consumption	Unit	(Base year) 2013	2014	2015	2016	2017
Purchased electricity	kWh	164,096	165,367	101,558	94,581	91,630
Energy intensity by gross floor area	kWh/ft ²	12.9	13.0	8.0	7.4	7.2
Year-on-year change	percentage	N/A	0.8%	-38.6%	-6.9%	-3.1%

Water Consumption

As the water use only relates to the use in our two pantries and toilets at the Head Office, the impact of freshwater use is relatively insignificant. As a tenant in a multi-storey building, there is no individual water meter that measures our use, and water rate charges do not form a separate item in the rent. However, we encourage our staff to reduce water wastage, for example, by not running water taps while cleaning their lunch boxes in the pantry. Our toilet has sensor-type faucets and uses seawater flushing and therefore contributes to a significant reduction in the amount of freshwater use.

Paper Consumption

The disposal of paper waste at the landfill leads to the generation of GHG such as methane gas during the decomposition process. Therefore, reduction in paper use indirectly reduces the overall GHG emission at the Head Office. First Pacific's steps to reduce paper consumption include to:

- print less annual/interim reports through e-communication with a majority of First Pacific's registered shareholders
- print fewer copies of Board/Board Committee papers through the use of the electronic platform for distribution to those Directors who preferred electronic distribution
- reduce the use of paper by printing or photocopying on both sides of paper, where applicable
- install dedicated facilities for recycling paper, plastic and aluminum at the Head Office

In addition, we have been using paper sourced from responsible sources, such as FSC certified paper, for publications such as First Pacific's annual and interim report and for our general A4 printing paper.

6.4 The Environment and Natural Resources

Significant impacts of First Pacific Head Office are already covered under Section 6.2 "Emissions" and Section 6.3 "Use of Resources".

6.5 Compliance

In 2017, there were no reported incidents of non-compliance in relation to environmental laws or regulations, which have a significant impact on First Pacific.

7 EMPLOYMENT AND LABOR PRACTICE

At First Pacific, we believe that our people are a great asset of the company. We offer equal career opportunity to all employees and recognize that people bring different skills and qualities to the workplace. We strive to ensure to conduct business activities such as hiring, promotion and compensation of people, without regard to race, color, ethnicity, religion, national origin, gender, gender identity or expression, sexual orientation, marital status, dependents, genetics, disability, age, social class or political views.

Our top priorities are to attract and retain the best talent, and keep our people safe at work. We employ a transparent recruitment scheme that respects human rights and the dignity of all people. First Pacific provides comprehensive benefit packages along with a wide range of learning and professional development opportunities to our staff, to help employees achieve their full potential.

First Pacific works to eliminate unfair and inappropriate barriers to workplace participation. We do not tolerate any kind of harassment or prejudice. In respecting and valuing the diversity of our employees and all with whom we do business, managers are required to ensure a working environment that is free of all forms of harassment.

First Pacific Head Office's commitment to people's welfare is enshrined in its Code of Conduct and its commitment to Freedom of Association will be addressed in the CBP, which will be launched in 2018.

7.1 Employment at First Pacific

As at 31 December 2017, the Company employed 43 staff, of whom 22 were women and 21 were men. This showed the Company had a relatively balanced gender mix at its workplace.

All our staff were on permanent contracts, apart from one female staff member on a part-time contract. First Pacific had no collective bargaining agreements with any of its 43 members of staff.

Office cleaners are provided by First Pacific's landlord on a daily basis. No other activities were performed for First Pacific by non-employees, according to data held by First Pacific's Human Resources Department.

At First Pacific Head Office, the staff turnover was far lower than the average in Hong Kong. According to the Hong Kong Institute of Human Resources Management, the weighted average turnover rate in the second half of 2017 was 11.2%² in Hong Kong, whereas that for the Head Office was 2.3% for the entire year 2017. One staff member resigned and one new member was hired in 2017.

² Turnover Rate and Vacancy Rate (2nd half of 2017), Hong Kong Institute of Human Resource Management, <http://www.hkihrm.org/index.php/component/content/article/569-s/mb/member/hr-statistics/manpower-trend-manpower-change-turnover-rate-vacancy-rate/2244-turnover-rate-and-vacancy-rate-2nd-half-of-2017-en>

Table 7 Employment by gender, age, grade and employment type at First Pacific Head Office

Employment Situation		
By Gender	Male	Female
No. of employees	21	22
By Age		
Under 16 years old	0	0
16-30 years old	1	1
Over 30-50 years old	7	7
Over 50 years old	13	14
By Grade		
Junior level (Below Manager)	6	15
Middle level (Manager to Senior Manager)	3	1
Top level (Above Senior Manager)	12	6
By Employment Type		
Full-time	21	21
Part-time	0	1

Employee Welfare

We strive to value people's differences and create an inclusive workplace culture. We are committed to providing our staff with an excellent working environment and reward employees for their contribution through a comprehensive benefits and incentive program that exceeds statutory requirements.

Compensation packages at First Pacific include a base salary with comprehensive benefits which are reviewed and adjusted regularly. Staff are not only entitled to all the local public holidays, but also to annual leave benefits in accordance with our annual leave policies. Staff's leave entitlement is clearly documented, including for example, number of sick leave days in accordance with their duration of service and special leaves such as 5-day marriage leave after probation. The Company highly values work-life balance and the welfare of our staff, we follow a "five-day-work and two-day-off pattern" and eight hours per working day.

At the Head Office in Hong Kong, First Pacific offers a wide range of employee welfare, including:

- pension contributions
- medical coverage for employees, their spouses and children
- employees' medical health checks, and life and accident insurance
- a Staff Recreation Club offering leisure activities for employees and their families
- continuing education
- workplace flexibility and family leave entitlements to help First Pacific people balance their work and family responsibilities

Employee Engagement

We maintain open communications between management and staff through various formal and informal channels such as the in-house magazine The View and staff birthday celebrations.

To engage our people and recognize talented photography lovers in the First Pacific Group, employees of all our operating companies were invited to participate in the annual First Pacific Group photo competition. In 2017, photography themes remained “our people at work, our products and services, and sustainability at work”. We received high quality entries from 17 operating companies.

7.2 Labor Standards

First Pacific strictly complies with the Hong Kong labor laws, regulations and standards including but not limited to:

- Employment Ordinance, Cap. 57
- Employees' Compensation Ordinance, Cap. 282
- Minimum Wage Ordinance, Cap. 608
- Disability Discrimination Ordinance, Cap. 487
- Sex Discrimination Ordinance, Cap. 480
- Legislation related to Occupational Safety and Health; and others.

Employment is based on the principle of fairness, openness and willingness, and all staff enter into labor contracts for legal employment without acts of forced labor. First Pacific only works with people who freely choose to work and do not use forced or compulsory labor. We do not use child labor or employ people under the minimum employment age limit. We respect the rights of First Pacific people to equal opportunities, freedom of association and collective bargaining.

7.3 Occupational Health and Safety

First Pacific is committed to ensuring a sound and safe working environment for our employees to prevent injury and illness, in compliance with all relevant legislation. We manage the safety of the office in accordance with relevant occupational health and safety laws and regulations. We make sure that first aid kits and fire extinguishing equipment are located prominently and properly maintained. Evacuation and fire drills are regularly performed and staff participate on an annual basis, at a minimum.

First Pacific has a goal of zero injuries to staff. In 2017, there were no fatal cases, occupational injuries or incidents recorded. The impact of health and safety occurs within the boundaries of employment of First Pacific staff, which lie mostly within the Company's office. It is only within its physical Head Office that First Pacific is able to take responsibility for health and safety.

7.4 Development and Training

We believe nurturing and developing talent is key to our Company's success. We are committed to unlocking our people's potential and providing career development opportunities throughout their career journey with the Company. In response, we provide training courses where appropriate to help employees develop a range of skills from core competencies to leadership. We like to retain talent, and we recognize that welfare and opportunities for development contribute to the attractiveness of a workplace. We aim to keep staff turnover low for cost, commercial and reputational reasons.

Table 8 Training hours by gender and grade at First Pacific Head Office

Training hours		
Gender	Male	98
	Female	66
Grade	Middle level (Manager to Senior Manager)	17
	Top level (Above Senior Manager)	147
Total training hours		164
Average training hours per employee		3.8

7.5 Compliance

In 2017, there were no reported incidents of non-compliance with the laws and regulations in relation to employment, labor standards, and health and safety, which have a significant impact on First Pacific.

8 PRODUCTS AND SERVICES

8.1 Product Responsibility

As an investment management and holding company, First Pacific's main purpose is to deliver value to its shareholders through responsible investing. Our core service is the management of our investments. We strive to shift the investment chain towards responsible, long-term value creation, while achieving sustainable long-term investment returns for our investors and shareholders.

Responsible Investment

First Pacific believes that attention to ESG matters is essential for long-term value creation. We strive to maximize returns to our investors while upholding the highest standards of integrity and acting in a way that enhances the reputation of First Pacific.

Going forward, we will consider more formally the ESG performance of potential investee companies during the evaluation process and require the disclosure of significant non-compliance relating to ESG matters. For existing operations, we will also continue to provide support in enhancing their ESG performance as a Group.

8.2 Supply Chain and Procurement Practices

Procurement Situation in 2017

At First Pacific Head Office, we work with an array of different product and service providers. In 2017, First Pacific Head Office had 140 suppliers, of which 128 were local suppliers (comprising 91% of total suppliers). About 91% of the procurement budget was spent on local suppliers. During 2017, First Pacific Head Office paid approximately US\$9.5 million to local suppliers.

Supplier Code of Conduct

We exercise green procurement for our office supplies where applicable and practicable. Paper products purchased by First Pacific come from sustainable sources such as FSC-sourced paper.

First Pacific is committed to acting ethically and responsibly in our business operation. To that end, we plan to develop and adopt the Supplier Code of Conduct ("Supplier Code").

First Pacific bases its relationships with suppliers, contractors, consultants and advisers (collectively, "Suppliers") on lawful, efficient and fair practices. Upon the adoption of the Supplier Code, we will require Suppliers to comply with the Supplier Code when doing business with First Pacific, with key focuses as follows:

- Environment (environmentally friendly practices and compliance with environmental regulations)
- Business ethics (anti-bribery, acting with integrity, honesty and transparency)

- Discrimination, harassment, child and forced labor
- Labor practice (working hours, wages and benefits)
- Health and safety
- Human rights (freedom of association)
- Product quality and safety standards

The supply chain of companies First Pacific is invested in run across multiple industries and geographies. First Pacific is encouraging investee companies to establish their own Supplier ESG Codes of Conduct appropriate to their industries and markets while at the same time adhering to universal principles.

9 COMMUNITY INVESTMENT

First Pacific strives to be a responsible corporate citizen aware of its responsibilities to First Pacific people and to its wider group of stakeholders in the community. We encourage the same of our people. Much as First Pacific engages in a variety of charitable activities, we encourage and support our people to likewise foster the well-being of others through activities that meaningfully contribute to the overall welfare and development of the communities in which they live and work.

First Pacific Group leads its Corporate Social Responsibility (“CSR”) initiatives from the highest level. Management at Head Office and within our operating companies leverage their leadership, industry expertise and employees’ participation to provide timely and long-term support to their communities. Our commitment to creating long-term value springs from our close connection to the needs of the communities where our businesses operate.

We plan to develop a volunteering policy to encourage our employees to participate in charitable activities and recognize their contribution to the community.

Community Support and Donation in 2017

In Hong Kong, First Pacific supported the following organizations for different causes to address different local community needs:

- Scholarships at Lingnan University
- HKMA Talent Development Fund
- The Community Chest
- The Society for the Relief of Disabled Children

In addition, First Pacific also supported:

- First Pacific Leadership Academy
- US Philippines Society, Inc.
- Philippine Center for Entrepreneurship Foundation Inc.
- Australia Day in Hong Kong
- Philippine Independence Day Charity event hosted by the Philippine Association of Hong Kong

In 2017, our total donation to both Hong Kong and overseas beneficiaries amounted to approximately US\$400,000, of which we donated a total of US\$67,000 to support various beneficiaries in Hong Kong through different initiatives. The Head Office had a total of 54 volunteering hours in 2017. A total of 86 participants (including our staff and their family members) joined our staff activities in 2017.

Blood Donation

To support our community and encourage management and employees' participation and contributions, First Pacific grants a day off on the designated day of blood donation at the Hong Kong Red Cross donor center or at the mobile donation vehicle.

Donation Drive

In October 2017, a total of 22 large bags containing clothes, footwear, bags and small electric accessories, as well as 37 pieces of large and small household items, all in good condition, were donated by First Pacific employees and delivered to the Salvation Army and Crossroads Foundation in Hong Kong respectively.

Employees' donations continued in November 2017, when good quality shoes were donated to Caritas Community Centre to support the Shoes Donation Campaign for Africa.

In December 2017, First Pacific donated to The Community Chest the total amount raised from employees through the Festival fund-raising at Head Office, with the sale of selected old office chairs to employees.

With a strong Group-wide culture of care and commitment, First Pacific's management takes the lead in sustainable programs in education, entrepreneurial fostering, environmental stewardship and forward-planning at the highest level. By our initiatives, we will continue to reinforce our mission to create long-term value for our companies and societies.

10 ESG PROGRAMS OF FIRST PACIFIC'S INVESTEE COMPANIES

PLDT

The PLDT Group's commitment to sustainability is evidenced by its continuing digital transformation and constant communication with all stakeholders. In fulfilling its commitments to its stakeholders, the PLDT Group is guided by the Code of Ethics and Corporate Social Responsibility Statement ("CSR Statement"). The CSR Statement articulates its belief that helping to improve the overall well-being of the Filipino people is an integral part of its business. The CSR Statement enumerates the broad responsibilities that the PLDT Group assumes as it operates and conducts its business.

The Board of the PLDT Group oversees the company's stakeholder engagement and corporate social responsibility programs. It ensures that the company has an investor relations program and programs for engagement and communication with sectors of the community in which the company operates, including the company's disclosure of material and reportable information regarding non-financial and sustainability issues, with focus on the management of economic, environmental, social and governance issues of the business.

As part of its ongoing efforts to improve the lives of Filipinos, PLDT pursued innovative programs in various fields such as education, health, disaster resiliency and preparedness, environmental protection, and sports – with an increasingly digital spin.

One of the PLDT's key CSR programs is the Infoteach Outreach Program. In 2017, this program provided digital literacy training for some 3,400 teachers and 3,000 students in 10 schools divisions of the Department of Education covering 15 cities and municipalities in the Philippines. This brought the total graduates of the program since its launch in 2004 to over 25,000. The latest training curriculum included modules such as social media for education and responsible citizenship; media literacy on fake news and alternative facts; global citizenship including computer ethics, cybercrime law and data privacy.

PLDT has continued its support for the Motolite-PBSP Balik-Bateria Program which promotes proper disposal and recycling of used batteries. Funds from donated used batteries are used to support CSR projects identified by both PLDT and Philippine Business for Social Progress ("PBSP"). In 2017, PLDT raised Php10.7 million³ from this program. These funds will be used in 2018 to fund key programs like schools in Marawi and other areas.

For more details about PLDT's sustainability program, please visit <http://www.pldt.com/docs/default-source/annual-reports/2017/main-section.pdf?sfvrsn=0> (Refer to pages 23-53 of the 2017 Annual Report of PLDT).

³ Php refers to the Philippine peso.

IndoAgri

IndoAgri aims to be a leading, integrated agribusiness that satisfies customers through low costs, high yields, efficient operations and strong teams. IndoAgri uses a set of policies, targets, certification, standards and programs – all underpinned by robust governance – to manage sustainability. IndoAgri has established its Code of Conduct, which guides the Board of Directors and employees of the IndoAgri and its subsidiaries on business ethics.

IndoAgri's new Sustainable Palm Oil Policy 2017 directs its operations and suppliers on managing risk and delivering shared value, and applies to its entire supply chain. Underpinning this policy are the following core commitments to ensure traceable and sustainably produced palm oil:

- No deforestation, and conservation of High Conservation Value and High Carbon Stock areas
- No planting on peat regardless of depth
- No burning for land clearing
- Respect for Human Rights including Free, Prior and Informed Consent

This policy applies to all IndoAgri palm oil operations, including its plasma smallholders and third-party suppliers from whom IndoAgri purchases crude palm oil ("CPO") for its refineries. IndoAgri aims to have all of its palm oil production mills and plantations certified to Roundtable on Sustainable Palm Oil ("RSPO") standards by 2019. Its RSPO-certified production in 2017 was 447,000 tonnes, representing 53% of its 2017 CPO production. A further 24,000 hectares of plantation are awaiting RSPO stage 2 audits.

For more details about IndoAgri's sustainability program, please visit <http://www.indofoodagri.com/misc/sr2017.pdf>.

Maynilad

Maynilad has established an Enterprise Risk Management ("ERM") Framework that is closely linked with its corporate objectives to protect the business in an ethical manner in accordance with ISO 31000. As of 2017, Maynilad obtained the following ISO certifications, such as:

- ISO 9001:2015
- ISO 14001:2015
- BS OHSAS 18001:2007
- ISO 50001:2011
- ISO 14064:2004

Corporate Social Responsibility is an integral part of its business strategy. Maynilad is engaged in initiatives that promote poverty alleviation, sustainable water management and community development. In 2017, Maynilad continued to lead initiatives and forge partnerships that promoted water sanitation and hygiene, watershed and waterways conservation, social entrepreneurship, and disaster response.

Maynilad planted a total of 130,000 trees in 2017 through its “Plant for Life” program— the company’s flagship initiative that aims to save the watersheds from denudation. In 2017 alone, over 1,463 volunteers from Maynilad and its partner organizations planted a total of 116,000 indigenous trees at the Ipo Watershed in Bulacan, 2,000 saplings in Muntinlupa, and 12,000 mangrove propagules along the Manila Bay coastline in Cavite Province. The program seeks to protect forest cover so that the watersheds, which sustain the water supply needs, will stay healthy and balanced.

Since its inception in 2007, Maynilad has already planted over 436,000 saplings at the Ipo Watershed. Moreover, a total of 107,500 mangrove propagules have already been planted in the Cavite coastal areas since 2013.

For more details about Maynilad’s sustainability program, please visit <http://www.mayniladwater.com.ph/news-dwn-sustainability.php>.

PLP

PLP adopts sustainable practices that create a positive impact on the society, the environment and economy. PLP considers the potential risk of a major diesel oil or chemical spill as part of the company’s Risk Register. An Oil Spill Response Plan is also in place.

In 2017, PLP fully complied with all regulatory requirements relating to environmental policies. PLP has implemented several energy efficiency initiatives that yielded annual energy savings of 59,383 MWh. These projects include bypass of fuel gas compressors, installation of Variable Speed Drive for feedwater pumps, and installation of solar photovoltaic system at plant site.

In 2017, PLP staff volunteered over 600 hours on socio-environmental initiatives, such as World Water Day, WE Clean-up@ Taman Jurong, and International Coastal Clean-up at Punggol Beach organized by Public Utilities Board, National Environment Agency, and International Coastal Clean-up Singapore, respectively. PLP has also supported Willing Hearts Soup Kitchen and The Food Bank Singapore through meal preparation and annual food donation.

For more details about PLP’s sustainability program, please visit <http://pacificlight.com.sg/about-us/sustainability/>.

Philex

Being a conscientious mineral resource company, Philex is committed to managing and rehabilitating the physical environment within and around its areas of operations by promoting environmental stewardship across all levels in the organization. Through the Environmental Protection and Enhancement Program (“EPEP”), Philex ensures that the impacts of its activities are mitigated and measures are in place to certify compliance with existing laws, rules and regulations. The EPEP is a congregation of well-thought plans and long-term programs that will safeguard the well-being of future generations.

Compliance to Environmental and Social License has always been part of Philex’s risk assessment, thus assuring its compliance to all regulatory requirements to continuously obtain the social license to operate.

Philex has implemented the Power Load Shedding (“PLS”) program since 2014 and cutting down electricity supply at the residential areas for almost two hours daily. In 2017, a total of 193,244 kWh of energy was reduced through PLS.

Philex carries out a Social Development and Management Program for its mining projects in compliance to the Revised Implementing Rules and Regulations of Republic Act No. 7942, otherwise known as the “Philippine Mining Act of 1995”. The program focuses on education, health and community development.

For more details about Philex’s sustainability program, please visit <http://www.philexmining.com.ph/sustainability-report/>.

Meralco

While continuing to break records in terms of service reliability, customer base and energy sales, Meralco reached new milestones in the area of corporate social responsibility in 2017. Its advocacies, implemented by its social development arm, One Meralco Foundation, transformed the lives of 56,854 families across the country through various programs — from providing electricity access to energy education, youth development, grassroots partnerships, disaster response and employee volunteerism.

Environment-related initiatives, all compliant with environmental laws and good governance principles of the company, are continuing efforts in the path towards a sustainable future. The initiatives include the “Balik Baterya” program, which ensures proper disposal and recycling of used lead acid batteries to prevent pollution; the re-fleeting program, which ensures the efficiency of and compliance to emission standards of company-owned vehicles.

For more details about Meralco’s sustainability program, please visit <https://company.meralco.com.ph/investor-relations/annual-reports/> (Refer to pages 14-57 of the 2017 Annual Report of Meralco).

MPIC

MPIC is committed to continuing to enhance the transparency and accountability of its activities in line with global trends and the evolving expectations of its stakeholders.

MPIC is primarily focused on investing in infrastructure, initially in the Philippines and now also expanding into other ASEAN markets. Inadequate supply of infrastructure in the Philippines and other countries in South East Asia affords opportunities for considerable investment. Under well-regulated concession and franchise arrangements, these investments should provide fair returns to investors in exchange for the risk involved and achievement of measurable improvements for the public good.

Specifically, MPIC has invested in the development and operation of power generation and distribution, potable water supply and sewerage treatment, toll roads, healthcare, light rail, and logistics. These essential services contribute to the building blocks of society by helping to strengthen communities and promote their prosperity. MPIC strives to empower the people it serves to participate in and benefit from sustainable economic growth, while delivering high-quality, well-run and fairly-priced services.

For more details about MPIC's sustainability program, please visit <http://www.mpic.com.ph/corporate-governance-sustainability-report/>.

Goodman Fielder

Goodman Fielder believes driving environmental sustainability will support its vision of building the leading consumer foods business in the region. Its Health, Safety and Environment Policy highlights its commitment to protecting the environment both within its own operations, and across the supply chains in which we operate.

The current environmental priorities within its operations are:

- Reducing energy use and GHG emissions
- Reducing water consumption
- Eliminating waste
- Legal compliance and local community relationships

The current environmental priorities within its broader supply chain are:

- Managing the impacts of climate change
- Reducing waste
- Responsible sourcing
- Sustainable packaging

For more details about Goodman Fielder's sustainability program, please visit <http://goodmanfielder.com/sustainability-environment/>.

APPENDIX 1: ESG PERFORMANCE OF THE COMPANY AND THE INVESTEE COMPANIES

Table showing the ESG performance of the Company and the investee companies in 2017

Metrics	Unit	Description	First Pacific Head Office	PLDT	IndoAgri	Philex	PLP	Maynilad	MPIC Head Office	Meralco	Goodman Fielder (Note v)
Financial data											
Turnover	US\$ million	–	185.5	3,174.4 <i>Note (a)</i>	1,181.0	198.2	565.4	412.4	171.2	5,608.5	1,623.7
Operating costs	US\$ million	–	27.1	1,235.3	113.2 <i>Note (b)</i>	134.5	583.9	188.5	26.8	5,084.9	1,610.5
Employee wages and benefits	US\$ million	–	16.7	452.2	233.5	21.9	8.9	56.2	16.0	250.0	227.0
Interest payment on all forms of debt and borrowings	US\$ million	–	72.4	140.5	47.2	4.0	19.5	35.9	59.5	27.5	27.3
Dividends payment to all shareholders	US\$ million	–	74.8	329.8	18.0	7.2	0	59.6	64.3	393.9	12.0
Tax payment to government	US\$ million	–	0.1	169.1	53.0	27.6	0	41.8	186.6	186.6	26.9
Donation	US\$ million	–	0.4	5.3	N/A	0.5	0	0.4	0.04	3.9	0.8
Environmental data											
Total purchased electricity used	kWh	–	91,630	669,008,650	25,002,028	265,337,367	1,507,140	125,725,853	56,012	59,808,920	97,368,668 <i>Note (d)</i>
Total purchased renewable energy used	kWh	–	0	0	30,796,899	N/A	0	N/A	N/A	N/A <i>Note (c)</i>	N/A <i>Note (d)</i>
Water used	m ³ (in thousands)	–	N/A	650	3,553	12,673	52	13	N/A	439	1,496 <i>Note (d)</i>
Water recycled	m ³ (in thousands)	–	N/A	0	N/A	3,625	0	N/A	N/A	N/A	N/A <i>Note (d)</i>
Greenhouse gas emissions (Scope 1)	tonnes CO ₂ -e	–	5.5	50,750.2	N/A <i>Note (e)</i>	N/A	N/A	4,204.0	N/A	32,323.0	40,557.0 <i>Note (d)</i>
Greenhouse gas emissions (Scope 2)	tonnes CO ₂ -e	–	72.1	254,394.1	N/A <i>Note (e)</i>	N/A	N/A	71,573.1	N/A	36,077.0	45,316.0 <i>Note (d)</i>
No. of incidents of environmental non-compliance	number	–	0	1 <i>Note (f)</i>	0	0	0	1 <i>Note (g)</i>	0	N/A	0
Social and governance data											
No. of employees	number	–	43	13,869	40,187 <i>Note (h)</i>	2,119	129	2,191 <i>Note (i)</i>	52	5,539	5,096
Employment by gender	number	Male	21	8,042	34,773	1,967	85	1,629	21	4,421	3,631
	number	Female	22	5,827	5,414	152	44	562	31	1,118	1,465
Employment by age	number	Under 16 years old	0	0	0	0	0	0	0	0	0
	number	16-30 years old	2	3,468	<i>Note (j)</i>	459	37	668	16	1,367	N/A
	number	Over 30-50 years old	14	7,626		1,190	74	1,103	26	3,105	N/A
	number	Over 50 years old	27	2,775		470	18	420	10	1,067	N/A
Employment by grade	number	Junior level (Below Manager)	21	5,411	39,115	2,002	89	1,802	21	4,263	4,456
	number	Middle level (Manager to Senior Manager)	4	8,458 <i>Note (k)</i>	501	111	31	342	17	655	580
	number	Top level (Above Senior Manager)	18		571	6	9	65	14	621	60

Metrics	Unit	Description	First Pacific Head Office	PLDT	IndoAgri	Philex	PLP	Maynilad	MPIC Head Office	Meralco	Goodman Fielder (Note v)
Employment by employment type	number	Full-time	42	13,869	40,187	2,119	124	2,191	52	5,539	4,594
	number	Part-time	1	0	0	0	5	0	0	0	502
No. of employees covered by collective bargaining agreement	percentage	–	0% Note (l)	38%	N/A	87%	12%	72%	0%	77%	50%
Turnover rate	percentage	Male	4.8%	11.7%	8.0%	2.6%	15.0%	2.7%	0%	7.3%	N/A
	percentage	Female	0%	13.1%	Note (m)	10.5%	12.0%	5.2%	5.8%	8.2%	N/A
Training hours	number	Male	98	103,366	138,727	4,345	2,546	56,362	144	111,251	N/A
	number	Female	66	56,494	8,295	870	1,155	25,319	520	37,542	N/A
	number	Junior level (Below Manager)	0	57,643	138,358	1,976	2,206	58,920	456	106,683	N/A
	number	Middle level (Manager to Senior Manager)	17	102,217 Note (n)	4,804	3,096	953	19,172	168	19,467	N/A
	number	Top level (Above Senior Manager)	147		3,860	143	542	3,589	40	22,643	N/A
Total no. of fatal cases arising from work accidents	number	–	0	0	1 Note (o)	1 Note (p)	0	1 Note (q)	0	0	0
Total no. of occupational injuries	number	–	0	38	N/A Note (r)	9	0	7	0	15	151
Total no. of lost working days due to injuries	number	–	0	152		6,717 Note (s)	0	6,150 Note (t)	0	505	N/A
Total no. of occupational disease	number	–	0	0		N/A	0	10	0	0	0
No. of hours of health and safety training provided to employees	number	–	0	5,200		528	464	20,596	N/A	12,456	N/A
No. of incidents of non-compliance (health and safety)	number	–	0	0	0	0	0	0	N/A	0	0
No. of incidents of non-compliance (employment and/or labor standards)	number	–	0	0	0	0	0	0	N/A	0	0
Volunteer hours	hours	–	54	1,412	N/A	0	594	3,055	81	8,753	N/A
No. of confirmed corruption incidents	number	–	0	0	N/A	N/A	0	0	0	0	0
Percentage of employees that are communicated with anti-corruption policy	percentage	–	100%	100%	N/A	N/A	100%	N/A	100%	100%	29%
Percentage of procurement budget spent on local suppliers	percentage	–	93%	56%	N/A	55%	99%	90%	N/A	86%	90% Note (u)
Procurement budget on local suppliers	US\$ million	–	9.5	996.0	N/A	34.0	4.6	26.4	N/A	294.0	N/A Note (u)
Total no. of suppliers	number	–	140	1,257	N/A	442	566	855	N/A	4,186	6,132 Note (u)
Total no. of local suppliers	number	–	128	1,119	N/A	341	527	803	N/A	3,611	5,528 Note (u)
Percentage of local suppliers	percentage	–	91%	89%	N/A	77%	93%	94%	N/A	86%	90% Note (u)
No. of new suppliers screened using social and environmental criteria	number	–	N/A	711	N/A	N/A	154	74	N/A	2	N/A Note (u)

Notes:

N/A refers to the data either not available or not applicable.

- (a) Turnover included non-service revenue of US\$173.9 million.
- (b) Operating costs excluded cost of sales.
- (c) Renewable energy is a part of multi-fuel mix which includes coal, hydro, geothermal and biomass of the power supply.
- (d) Scope includes Australia and New Zealand manufacturing only.
- (e) Please refer to the Sustainability Report 2017 of IndoAgri page 22 for more details about greenhouse gas emissions.
- (f) The non-compliance was related to discharging water not complying with the Effluent Standards in 2014. The imposed fine amounted to Php380,000 (US\$7,543), which was settled in September 2017.
- (g) The environmental non-compliance of Maynilad related to one late application of Permit to Operate (PTO) of Espiritu Pump Station penalty (Php10,000 or US\$198).
- (h) The total number of employees excluded 31,836 seasonal workers.
- (i) The total number of employees excluded 286 project-based employees.
- (j) The employment categorization (by age) stated in the Sustainability Report 2017 of IndoAgri is different from this table. Please refer to the Sustainability Report 2017 of IndoAgri page 50 for more details.
- (k) The number of employees for middle level and top level refers to the total number of Officers, Executives and Management.
- (l) The employees of the First Pacific Head Office are in Hong Kong, where there is no legal framework for collective bargaining arrangements with trade unions.
- (m) It refers to the turnover rate of both male and female at IndoAgri. Please refer to the Sustainability Report 2017 of IndoAgri page 51 for more details.
- (n) The number of training hours for middle level and top level refers to the total number of training hours of Officers, Executives and Management.
- (o) IndoAgri had one fatal case in 2017 which took place in its rubber operations, senior managers visited the bereaved. Every incident was covered by Badan Penyelenggara Jaminan Sosial (BPJS), an Indonesian social security system. Any serious accident is followed by a thorough investigation review of causes and a preventive action plan. IndoAgri strives to achieve the goal of zero fatalities. Please refer to the Sustainability Report 2017 of IndoAgri p. 44 for more details.
- (p) Philex had one fatal case in 2017. A mudrush occurred at the site trapping a victim. The immediate cause of the incident was found to be the sudden release of over-saturated materials at the ore column (i.e. fluidized ore). An action plan to prevent recurrence was prepared including alternative scooping at adjoining pillars, joint inspection of the pillars, etc.
- (q) Maynilad had one fatal case in 2017. An employee broke the protocol and misused an expired equipment while unclogging the sewerage. Training on the work permit system, the strict compliance with work instructions and the use of safety devices and equipment was conducted. The HIRAC (Hazard Identification, Risk Assessment and Control) was also revisited to prevent future recurrence of the incident.
- (r) Please refer to the Sustainability Report 2017 of IndoAgri pages 44-45 for more details about health and safety.
- (s) The lost working days included a time charge of 6,000 days per fatal case based on the Occupational Safety and Health Standards by the Department of Labor and Employment of the Philippines. The total number of lost working days included 717 actual lost working days and a time charge of 6,000 days.
- (t) The lost working days included a time charge of 6,000 days per fatal case based on the Occupational Safety and Health Standards by the Department of Labor and Employment of the Philippines. The total number of lost working days included 150 actual lost working days and a time charge of 6,000 days.
- (u) Scope includes all Goodman Fielder excluding Papua New Guinea.
- (v) Unless otherwise specified, the scope refers to all Goodman Fielder.

APPENDIX 2: SEHK ESG REPORTING GUIDE CONTENT INDEX

	Aspects	Section	Remarks
A	Environmental		
A1	Emissions Policies relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Compliance with relevant laws and regulations that have a significant impact on the issuer.	6.1 Environmental Policy 6.5 Compliance	
A1.1	The types of emissions and respective emission data.	6.2 Emissions 6.2 Emissions - Greenhouse Gas	
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.2 Emissions 6.2 Emissions - Greenhouse Gas	
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.2 Emissions - Waste and Recycling	No hazardous waste was generated in the Head Office.
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.2 Emissions - Waste and Recycling	Data unavailable as both general wastes and recycled wastes are disposed of by the landlord as part of the renter's services.
A1.5	Description of measures to mitigate emissions and result achieved.	6.2 Emissions 6.2 Emissions - Waste and Recycling 6.3 Use of Resources - Energy Consumption	
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	6.2 Emissions - Waste and Recycling	No hazardous waste was generated in the Head Office.

	Aspects	Section	Remarks
A2	Use of Resources Policies on the efficient use of resources, including energy, water and other raw materials.	6.1 Environmental Policy 6.3 Use of Resources	
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	6.3 Use of Resources - Energy Consumption	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	6.3 Use of Resources - Water Consumption	Data unavailable as water rate charges do not form a separate item in the rent.
A2.3	Description of energy use efficiency initiatives and result achieved.	6.3 Use of Resources - Energy Consumption	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	6.3 Use of Resources - Water Consumption	
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	It is not identified as a material aspect. Given First Pacific's business nature, it used no packaging materials. Such data is unavailable.
A3	The Environment and Natural Resources Policies on minimizing the issuer's significant impact on the environment and natural resources.	6.1 Environmental Policy 6.4 The Environment and Natural Resources	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them.	6.4 The Environment and Natural Resources	

	Aspects	Section	Remarks
B	Social		
B1	Employment Policies on employment and compliance with local laws and regulations that have a significant impact on the issuer regarding the following: <ul style="list-style-type: none"> • Compensation and dismissal • Recruitment and promotion • Working hours and rest periods • Equal opportunity and anti-discrimination • Diversity • Other benefits and welfare 	7 Employment and Labor Practice 7.1 Employment at First Pacific 7.5 Compliance 5.3 Board Structure - Board Diversity	
B2	Health and Safety Policies on providing a safe working environment and protecting employees from occupational hazards and compliance with relevant laws and regulations.	7.3 Occupational Health and Safety 7.5 Compliance	
B3	Development and Training Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	7.4 Development and Training	
B4	Labor Standards Policies and compliance with laws and regulations on preventing child and forced labor.	7.2 Labor Standards 7.5 Compliance	
B5	Supply Chain Management Policies on managing environmental and social risks of the supply chain.	8.2 Supply Chain and Procurement Practices	
B6	Product Responsibility Policies and compliance with relevant laws and regulations on health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	8.1 Product Responsibility	No reported incidents of non-compliance.
B7	Anti-corruption Policies and compliance with relevant laws and regulations relating to bribery, extortion, fraud and money laundering.	5.1 Code of Business Practice 5.5 Anti-Bribery and Corruption 5.6 Whistleblowing Policy	
B8	Community Investment Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	9 Community Investment	

APPENDIX 3: GRI CONTENT INDEX

In this report, the general disclosures and topic-specific disclosures from the GRI Standards: Core option are listed as follows:

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
General Disclosures				
GRI 102 General Disclosures	102-1	Name of the organization	1 Organizational Profile page 1 Annual Report – Corporate Profile	
	102-2	Activities, brands, products, and services	1 Organizational Profile pages 1-3 Annual Report – Corporate Profile	
	102-3	Location of headquarters	1 Organizational Profile page 1 Annual Report – Corporate Profile	
	102-4	Location of operations	1 Organizational Profile pages 1-3 Annual Report page 4	
	102-5	Ownership and legal form	1 Organizational Profile page 1 Annual Report – Corporate Profile	
	102-6	Markets served	1 Organizational Profile pages 1-3 Annual Report page 6	
	102-7	Scale of the organization	1 Organizational Profile pages 1-4 7 Employment and Labor Practice page 25 Annual Report pages 6-8	
	102-8	Information on employees and other workers	7 Employment and Labor Practice page 25	
	102-9	Supply chain	8.2 Supply Chain and Procurement Practices pages 29-30	
	102-10	Significant changes to the organization and its supply chain	–	No significant change to the organization's size, structure, ownership or supply chain in 2017.

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
	102-11	Precautionary principle or approach	4 Our ESG Approach pages 12-13	
	102-12	External initiatives	4 Our ESG Approach pages 12-13	
	102-13	Membership of associations	1 Organizational Profile - Membership of Associations page 5	
	102-14	Statement from senior decision-maker	3 Message from the Managing Director and Chief Executive Officer pages 10-11	
	102-16	Values, principles, standards, and norms of behavior	1 Organizational Profile pages 1-2	
	102-18	Governance structure	5 Governance and Management pages 17-20	
	102-40	List of stakeholder groups	4.2 Stakeholder Engagement pages 14-16	
	102-41	Collective bargaining agreements	7.1 Employment at First Pacific page 25	
	102-42	Identifying and selecting stakeholders	4.2 Stakeholder Engagement pages 14-16	
	102-43	Approach to stakeholder engagement	4.2 Stakeholder Engagement pages 14-16	
	102-44	Key topics and concerns raised	4.2 Stakeholder Engagement pages 14-16	
	102-45	Entities included in the consolidated financial statements	1 Organizational Profile - Financial Performance page 4 Annual Report pages 2-8	
	102-46	Defining report content and topic boundaries	2 About this Report page 9 4.2 Stakeholder Engagement pages 14-16	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
	102-47	List of material topics	4.2 Stakeholder Engagement pages 14-16	
	102-48	Restatements of information	–	There is no restatement of information.
	102-49	Changes in reporting	4.2 Stakeholder Engagement pages 14-16	
	102-50	Reporting period	2 About this Report page 9	
	102-51	Date of most recent report	2 About this Report page 9 First Pacific - Corporate Governance http://www.firstpacific.com/corporate-governance/	
	102-52	Reporting cycle	2 About this Report page 9	
	102-53	Contact point for questions regarding the report	2 About this Report page 9	
	102-54	Claims of reporting in accordance with the GRI Standards	2 About this Report page 9	
	102-55	GRI content index	GRI Content Index pages 43-53	
	102-56	External assurance	2 About this Report page 9	
Economic				
Economic Performance				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	1 Organizational Profile pages 1-4	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed	1 Organizational Profile pages 1-4 Annual Report pages 6-8	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Procurement Practices				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 8.2 Supply Chain and Procurement Practices pages 29-30	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach	–	We will continue to explore ways to improve and evaluate our management approach for procurement practices as we implement the Supplier Code in 2018.
GRI 204 Procurement Practices	204-1	Proportion of spending on local suppliers	8.2 Supply Chain and Procurement Practices pages 29-30	
Anti-corruption				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 5 Governance and Management pages 17-20	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 205 Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	5.5 Anti-Bribery and Corruption page 20	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Environmental				
Energy				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 6 Environmental Responsibility page 21 6.3 Use of Resources - Energy Consumption page 23	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 302 Energy	302-1	Energy consumption within the organization	6.3 Use of Resources - Energy Consumption page 23	
GRI 302 Energy	302-3	Energy intensity	6.3 Use of Resources - Energy Consumption page 23	
Water				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 6 Environmental Responsibility page 21 6.3 Use of Resources - Water Consumption page 23	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 303 Water	303-1	Water withdrawal by source	6.3 Use of Resources - Water Consumption page 23	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Emissions				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 6 Environmental Responsibility page 21 6.2 Emissions - Greenhouse Gas pages 21-22	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	6.2 Emissions - Greenhouse Gas pages 21-22	
GRI 305 Emissions	305-2	Energy indirect (Scope 2) GHG emissions	6.2 Emissions - Greenhouse Gas pages 21-22	
GRI 305 Emissions	305-4	GHG emissions intensity	6.2 Emissions - Greenhouse Gas pages 21-22	
Environmental Compliance				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 6 Environmental Responsibility page 21 6.5 Compliance page 24	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 307 Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	6.5 Compliance page 24	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Supplier Environmental Assessment				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 8.2 Supply Chain and Procurement Practices pages 29-30	We will continue to explore ways to evaluate our management approach for supplier environmental assessment as we implement the Supplier Code in 2018.
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach	–	
GRI 308 Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	–	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Social				
Employment				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	7 Employment and Labor Practice pages 25-28	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 401 Employment	401-1	New employee hires and employee turnover	7 Employment and Labor Practice pages 25-26	
GRI 401 Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.1 Employment at First Pacific - Employee Welfare pages 26-27	
Occupational Health and Safety				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 7.3 Occupational Health and Safety page 28	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 403 Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	7.3 Occupational Health and Safety page 28	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Training and Education				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	7 Employment and Labor Practice pages 25-28 7.4 Development and Training page 28	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 404 Training and Education	404-1	Average hours of training per year per employee	7.4 Development and Training page 28	
Child Labor				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	7 Employment and Labor Practice pages 25-28 7.2 Labor Standards page 27	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 408 Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	7.2 Labor Standards page 27 8.2 Supply Chain and Procurement Practices pages 29-30	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Forced or Compulsory Labor				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	7 Employment and Labor Practice pages 25-28 7.2 Labor Standards page 27	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 409 Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	7.2 Labor Standards page 27 8.2 Supply Chain and Procurement Practices pages 29-30	
Local Communities				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 9 Community Investment pages 30-31 Annual Report pages 51-52	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 413 Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	9 Community Investment pages 30-31 Annual Report pages 51-52	

GRI Standards	Disclosure Number	Disclosure Title	Reference (Page number(s) and/or URL(s))	Remark or reasons of omission
Supplier Social Assessment				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 8.2 Supply Chain and Procurement Practices pages 29-30	We will continue to explore ways to evaluate our management approach for Supplier Social Assessment as we implement the Supplier Code in 2018.
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach	–	
GRI 414 Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	–	
Socioeconomic Compliance				
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundary	4.2 Stakeholder Engagement pages 14-16 7.2 Labor Standards page 27 7.5 Compliance page 28	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 419 Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	7.5 Compliance page 28	